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Congressional Record

PROCEEDINGS AND DEBATES OF THE 83d CONGRESS, SECOND SESSION

SENATE

FRIDAY, JULY 30, 1954

(Legislative day of Friday, July 2, 1954)

The Senate met at 9 o'clock a. m., on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Eternal God, together we bow in the hush of this morning hour. In the stillness wilt Thou whisper some word of guidance as here the Nation's leaders grapple with thorny questions of state. By the very opulence of Thy gifts, Thou art saying to us that of those to whom much has been given much will be required.

Save us from weak resignation
To the evils we deplore.
Let the search for Thy salvation
Be our glory evermore.
Grant us wisdom,
Grant us courage,
Lest we miss Thy kingdom's goal.
Amen.

THE JOURNAL

On request of Mr. KNOWLAND, and by unanimous consent, the reading of the Journal of the proceedings of Thursday, July 29, 1954, was dispensed with.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Tribbe, one of his secretaries, and he announced that on July 29, 1954, the President had approved and signed the following acts:

S. 95. An act for the relief of Mrs. Donka Kourteva Dikova (Dikoff) and her son Nicola Marin Dikoff;

S. 98. An act for the relief of (Mrs.) Betty Thornton or Jozsefne Toth;

S. 102. An act for the relief of Francesco Cracchiolo;

S. 267. An act for the relief of Pantelis Morfessis;

S. 308. An act for the relief of Filolaos Tsolakis and his wife, Vassiliki Tsolakis;

S. 496. An act for the relief of Dr. Samson Sol Flores and his wife, the former Cecilia T. Tolentino;

S. 552. An act for the relief of Anna Urwicz;

S. 795. An act for the relief of Josef Radziwill;

S. 830. An act for the relief of Samuel, Agnes, and Sonya Lieberman;

S. 841. An act for the relief of Dionysio Antypas;

S. 855. An act for the relief of Kirill Mihailovich Alexeev, Antonina Ivanovna Alexeev, and minor children, Victoria and Vladimir Alexeev;

S. 915. An act for the relief of Augusta Bleys (also known as Augustina Bleys);

S. 917. An act for the relief of Stefan Burda, Anna Burda, and Nikolai Burda;

S. 937. An act for the relief of Virginia Grande;

S. 1267. An act for the relief of Irene Kramer and Otto Kramer;

S. 1362. An act for the relief of Rev. Ishai Ben Asher;

S. 1490. An act for the relief of David Maisel (David Majzel) and Bertha Maisel (Berta Pieschansky Majzel);

S. 1841. An act for the relief of Carlo (Adiutore) D'Amico;

S. 1850. An act for the relief of Dr. John D. MacLennan;

S. 1860. An act for the relief of Amalia Sandrovic;

S. 1954. An act for the relief of Anthony N. Goraieb;

S. 2036. An act for the relief of Joseph Robin Groninger;

S. 2065. An act for the relief of Mr. and Mrs. Hendrik Van der Tuin;

S. 2677. An act for the relief of Michio Yamamoto; and

S. 3561. An act authorizing the Administrator of Veterans' Affairs to convey certain property to the Armory Board, State of Utah.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, its reading clerk, announced that the House had passed the bill (S. 3546) to provide an immediate program for the modernization and improvement of such merchant-type vessels in the reserve fleet as are necessary for national defense, with amendments, in which it requested the concurrence of the Senate.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 2408) to amend the Merchant Marine Act, 1936, to provide a national defense reserve of tankers and to promote the construction of new tankers, and for other purposes.

The message further announced that the House had agreed to the concurrent resolution (S. Con. Res. 102) to make corrections in the enrollment of H. R. 7839, to aid in the provision and improvement of housing, the elimination and prevention of slums, and the conservation and development of urban communities, with amendments, in which it requested the concurrence of the Senate.

LEAVE OF ABSENCE

On his own request, and by unanimous consent, Mr. MAYBANK was excused from attendance on the session of the Senate tomorrow.

ORDER FOR TRANSACTION OF ROUTINE BUSINESS

Mr. KNOWLAND. Mr. President, I ask unanimous consent that immediately following the quorum call there may be the customary morning hour for the transaction of routine business, under the usual 2-minute limitation on speeches.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. KNOWLAND. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The VICE PRESIDENT. Without objection, it is so ordered.

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred as indicated:

ELIMINATION OF REQUIREMENT FOR NAVY DEPARTMENT TO REIMBURSE THE RECONSTRUCTION FINANCE CORPORATION FOR TRANSFER OF CERTAIN REAL PROPERTY AT COLUMBUS, OHIO

A letter from the Secretary of the Navy, transmitting a draft of proposed legislation to provide that the Department of the Navy shall not be required to reimburse the Reconstruction Finance Corporation for the transfer of certain real property at Columbus, Ohio (with an accompanying paper); to the Committee on Government Operations.

REPORT OF ATOMIC ENERGY COMMISSION

A letter from the Chairman and members of the Atomic Energy Commission, transmitting, pursuant to law, the 16th semiannual report of that Commission, dated July 1954 (with an accompanying report); to the Joint Committee on Atomic Energy.

ECONOMIC REPORT OF FEDERAL TRADE COMMISSION ENTITLED "INVESTIGATION OF COFFEE PRICES"

A letter from the Chairman, Federal Trade Commission, transmitting, for the information of the Senate, a copy of that Commission's economic report entitled "Investigation of Coffee Prices" (with accompanying papers); to the Committee on Banking and Currency.

REPORT OF UNITED STATES ADVISORY COMMISSION ON EDUCATIONAL EXCHANGE

A letter from the Chairman, United States Advisory Commission on Educational Exchange, Department of State, transmitting, pursuant to law, the 12th semiannual report of that Commission for the period January 1–June 30, 1954 (with an accompanying report); to the Committee on Foreign Relations.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. DWORSHAK, from the Committee on Interior and Insular Affairs, without amendment:

S. 3296. A bill to authorize the exchange of lands acquired by the United States for the Catoctin recreational demonstration area, Frederick County, Md., for the purpose of consolidating Federal holdings therein (Rept. No. 2018) and

H. J. Res. 356. Joint resolution authorizing the erection of a memorial gift from the people of the Netherlands (Rept. No. 2019).

By Mr. DWORSHAK, from the Committee on Interior and Insular Affairs, with an amendment:

H. R. 6455. A bill to create a National Monument Commission, and for other purposes (Rept. No. 2020).

By Mr. KUCHEL, from the Committee on Interior and Insular Affairs, without amendment:

H. R. 7568. A bill to authorize and direct the Farm Loan Board of Hawaii to convey certain land and to ratify and confirm certain acts of said Farm Loan Board (Rept. No. 2021).

By Mr. SALTONSTALL, from the Committee on Armed Services, with amendments:

H. R. 7734. A bill to amend section 47 of the National Defense Act concerning the requirement for bond covering certain property issued by the United States for use by Reserve Officers' Training Corps units maintained at educational institutions (Rept. No. 2022).

By Mr. WATKINS, from the Committee on Interior and Insular Affairs, with an amendment:

S. 2699. A bill to authorize an appropriation for the construction of certain public-school facilities on the Klamath Indian Reservation at Chiloquin, Oreg. (Rept. No. 2023).

By Mr. JACKSON, from the Committee on Interior and Insular Affairs, without amendment:

H. R. 1974. A bill to amend the third paragraph of section 4, chapter 1, title I, of the act entitled "An act making further provision for a civil government for Alaska, and for other purposes," approved June 6, 1900 (31 Stat. 322; 48 U. S. C., sec. 101), as amended (Rept. No. 2024).

By Mr. ANDERSON, from the Committee on Interior and Insular Affairs, with an amendment:

S. 3187. A bill to authorize the United States of America to quitclaim all its right, title, and interest in and to certain lands in Arizona, and for other purposes (Rept. No. 2025).

By Mr. DWORSHAK, from the Committee on Interior and Insular Affairs, with an amendment:

S. 264. A bill to provide for the conveyance of certain land in the State of Maryland to the Disney-Bell Post, No. 66, of the American Legion, Bowie, Md. (Rept. No. 2026).

By Mr. DWORSHAK, from the Committee on Interior and Insular Affairs, without amendment:

H. R. 8385. A bill to amend section 2382 of the Revised Statutes, in order to make the size of townlots conform in size to local standards (Rept. No. 2027).

By Mr. KUCHEL, from the Committee on Interior and Insular Affairs, with an amendment:

H. R. 2009. A bill to authorize the sale of certain land in Alaska to the Niniichik Hospital Association, of Niniichik, Alaska, for the use as a hospital site and related purposes (Rept. No. 2028);

H. R. 2010. A bill to authorize the sale of certain land in Alaska to the Alaska Evangelization Society, of Levelock, Alaska, for missionary purposes (Rept. No. 2029);

H. R. 2012. A bill to authorize the sale of certain public lands in Alaska to the Alaska Council of Boy Scouts of America for a campsite and other public purposes (Rept. No. 2030);

H. R. 2014. A bill to authorize the sale of certain public land in Alaska to the Community Club of Chugiak, Alaska (Rept. No. 2031);

H. R. 3854. A bill to authorize the sale of certain public land in Alaska to the Turnagain Arm Community Club of Anchorage, Alaska (Rept. No. 2032); and

H. R. 6959. A bill to authorize the sale of certain land in Alaska to the Baptist Mid-Missions, an Ohio nonprofit corporation, for use as a church site (Rept. No. 2033).

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. CARLSON:

S. 3821. A bill to fix the salary of the Commissioner of Patents, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. JOHNSON of Texas (for himself and Mr. DANIEL):

S. 3822. A bill to authorize the conveyance to the State of Texas of approximately nine acres of land in Houston, Tex., to be used for National Guard purposes; to the Committee on Armed Services.

(See the remarks of Mr. JOHNSON of Texas when he introduced the above bill, which appear under a separate heading.)

By Mr. LENNON:

S. 3823. A bill for the relief of Ilse Franke; to the Committee on the Judiciary.

CONVEYANCE OF CERTAIN LAND IN HOUSTON, TEX., TO STATE OF TEXAS

Mr. JOHNSON of Texas. Mr. President, on behalf of myself and my colleague, the junior Senator from Texas [Mr. DANIEL], I introduce for appropriate referral a bill authorizing the conveyance to the State of Texas of approximately 9 acres of land in Houston, Tex., to be used for National Guard purposes.

This Government-owned land at the Hughes Strut Plant in Houston is at present on license to the State of Texas by the Secretary of the Army through the district engineer, Galveston District Corps of Engineers. It is not part of any installation, but was withdrawn by the Army from the War Assets Administration.

There is no objection by any headquarters concerned to the acquisition of the land by the State of Texas. Its transfer is in the interest of national defense and the Texas National Guard, which proposes to erect on the site a seven-unit armory designed to house National Guard units at present located elsewhere.

This bill provides that title to the property shall revert to the United States if at any time the land is not used primarily for training National Guard and Air National Guard personnel and for other military purposes. All other interests of the United States are carefully protected by terms of the bill.

The VICE PRESIDENT. The bill will be received and appropriately referred.

The bill (S. 3822) to authorize the conveyance to the State of Texas of approximately 9 acres of land in Houston, Tex., to be used for National Guard purposes, introduced by Mr. JOHNSON of Texas (for himself and Mr. DANIEL), was received, read twice by its title, and referred to the Committee on Armed Services.

PRINTING OF ADDITIONAL COPIES OF SENATE REPORT 441, RELATING TO ST. LAWRENCE SEAWAY

Mr. WILEY submitted the following resolution (S. Res. 300), which was referred to the Committee on Rules and Administration:

Resolved, That there be printed for the use of the Committee on Foreign Relations, 1,000 additional copies of Senate Report 441, 83d Congress, 1st session, the report relative to the St. Lawrence seaway, made by the above committee.

SUPPLEMENTAL APPROPRIATIONS, 1955—AMENDMENT

Mr. MORSE. Mr. President, on behalf of myself, the junior Senator from Washington [Mr. JACKSON], and the senior Senator from Washington [Mr. MAGNUSON], the junior Senator from Montana [Mr. MANSFIELD], and the senior Senator from Montana [Mr. MURRAY], I submit for appropriate reference an amendment intended to be proposed by us, jointly, to the bill (H. R. 9936) making supplemental appropriations for the fiscal year ending June 30, 1955, and for other purposes. The amendment provides for planning with respect to John Day lock and dam, Oregon and Washington, $1,500,000, to remain available until expended. I ask unanimous consent that the amendment be printed, and printed in the RECORD together with a report by the Portland district engineer, United States Army Corps of Engineers.

The VICE PRESIDENT. The amendment will be received, and printed, and will be referred to the Committee on Appropriations; and, without objection, the amendment and report will be printed in the RECORD.

The amendment submitted by Mr. MORSE is as follows:

At the proper place in the bill insert the following:

"DEPARTMENT OF THE ARMY

"CIVIL FUNCTIONS

"For planning with respect to John Day lock and dam, Oregon and Washington, $1,500,000, to remain available until expended."

The report referred to is as follows:

JULY 1954 REPORT OF PORTLAND DISTRICT ENGINEER, UNITED STATES ARMY CORPS OF ENGINEERS

JOHN DAY DAM, COLUMBIA RIVER, WASHINGTON AND OREGON

1. Project description: John Day Dam will be located at about mile 217 on Columbia River near the mouth of John Day River, at the head of the pool behind the Dalles Dam. It will back water from the John Day site to the site of McNary Dam and complete the power and slack-water development of

Columbia River from tidewater to the Pasco-Kennewick area in Washington.

The project, as described in House Document 531, 81st Congress, 2d session, would consist essentially of a navigation lock for barge traffic, a spillway dam, hydroelectric power-generating facilities with an initial installed capacity of 1,105,000 kilowatts, and facilities for passing upstream migrant anadromous fish. The dam would raise the water surface at the site about 95 feet to create a normal pool at elevation 255, mean sea level, but would be so constructed that up to about 2 million acre-feet of surcharge flood-control storage could be provided by raising the pool to elevation 292 for control of infrequent major floods.

2. Status of authorization: The John Day project was recommended in House Document 531 and authorized by Congress in the Flood Control Act adopted May 17, 1950 (P. L. 561, 81st Cong., 2d sess.). Subsequent to authorization, however, opposition developed to the inclusion of surcharge flood-control storage, which would increase materially the area required for flowage and thus affect future agricultural and industrial development along the pool. On the basis of that opposition Congress, in 1953, requested a review of the project with a view to determining the advisability of including provisions for control of floods. In compliance with that request, the Corps of Engineers, in September 1953, held a public hearing in Arlington, Oreg., to obtain a formal expression of the views of all concerned. Almost all those in attendance at the hearing were strongly opposed to the provision and use of surcharge flood-control storage, and no one expressed a desire for such storage. The hearing was widely publicized in the areas along both shores of Columbia River from Bonneville Dam downstream to the mouth, the principal areas to be protected from flood damage, but no one from those areas expressed a desire for flood control by storage at John Day Dam. As of the present time, the 1950 authorization has not been modified, nor have detailed engineering studies of any modified plan been made. It is understood, however, that bills have been introduced in Congress which would limit the pool elevation at John Day Dam to about 265 feet, mean sea level, and eliminate surcharge storage for flood control.

3. Preconstruction planning: Preconstruction engineering and investigations required before construction can be started would consist of the following:

(a) Preliminary planning and public contacts in connection with the determination of the most desirable pool elevation. A public hearing already has been held under congressional authority for a review report.

(b) Topographic survey of the dam site and reservoir. Much of this work can be done by aerial methods.

(c) Hydrographic surveys and foundation investigation to determine the most feasible location in a reach from just above Scholfield Rapids to above Upper John Day Rapids, a distance of about 4 miles.

(d) Studies to determine the best source of concrete aggregates.

(e) Streamflow regulation studies, including backwater curves, power studies, and flood-control studies.

(f) General layout and cost estimate of the entire project and more detailed layouts of various features, particularly those items on which work would be initiated early in the construction period, such as relocations, cofferdams, and powerhouse.

(g) Designs and plans and specifications for the items scheduled for early construction.

(h) Economic studies, including power and flood-control benefits and costs for various pool elevations. Also, preliminary cost allocation would be made.

(i) Real estate studies for the entire project, plus acquisition of rights-of-way for the portions of the project scheduled for early construction.

4. Normal and accelerated schedules: A period of 2 years would be required for planning this project on a normal schedule prior to initiation of construction. Under an accelerated schedule, assuming planning funds are made available by about August 15 so that foundation exploration and other field work could start immediately following the annual flood season, construction could probably be started 16 to 18 months after start of planning.

5. Preconstruction funds requirements: Under a normal planning schedule, appropriation of about $2 million would be required to prepare the project for construction. Of that amount $700,000 would be required the first year. Under an accelerated schedule, funds requirements would be about $2,500,000, of which $1,500,000 would be required the first year.

6. Current cost estimate: The current cost estimate for the project as now authorized is shown in the following tabulation. A breakdown by Federal Power Commission account numbers is not available at this time. Interest during construction and capital cost also are shown.

Lands and damages	$18,100,000
Relocations	118,109,000
Reservoir and pool preparation	256,000
Dams	56,052,000
Lock	20,761,000
Fish facilities	31,811,000
Powerhouse, switchyard, and equipment	210,458,000
Channels	485,000
Recreation facilities	371,000
Roads, railroads, and bridges	630,000
Building, grounds, and utilities	3,998,000
Total project cost	461,031,000
Interest during construction	44,093,000
Total capital cost	505,124,000

Based on the assumption that the surcharge flood control storage is eliminated from the project and the pool is limited to an elevation of 265 feet, mean sea level, the project cost, exclusive of interest during construction, would be reduced to less than $400 million.

7. Cost allocation: Allocated costs based on current approved estimates and a preliminary cost allocation, using the residual benefits method, are shown in the following tabulation:

Item	Function served			
	Power at site	Navigation	Flood control	Total
Construction cost:				
Specific cost [1]	$184,275,000	$19,291,000	$68,147,000	$271,713,000
Allocated cost of joint-use facilities	179,396,000	9,922,000		189,318,000
Total	363,671,000	29,213,000	68,147,000	461,031,000
Federal investment	398,452,000	32,007,000	74,665,000	505,124,000
Annual charges	16,123,100	1,264,200	2,738,700	20,126,000

[1] Actual cost of single-purpose facilities.

8. Annual benefits: The annual benefits creditable to this project, based on prices and economic developments as indicated for each benefit, are estimated to be as follows:

Power	$25,538,000
Navigation [1]	1,785,600
Flood control [2]	2,738,700
Total benefits from functions to which costs may be allocated	[3] 30,062,300
Irrigation [4]	124,500
Total annual benefit	30,786,800

[1] Prices as of 1948 and average development during economic life of project. From H. Doc. 531, 81st Cong., 2d sess.

[2] Current prices and estimated development in 1980.

[3] Limited to specifically authorized functions and those functions either historically the Federal responsibility or for which practical means of reimbursement are available.

[4] Saving in future pumping costs, 1948 prices. From H. Doc. 531, 81st Cong., 2d sess. An incidental benefit which is not reimbursable.

Power, navigation, and flood-control benefits allocated to the project represent the share of the corresponding Columbia River Basin system benefit commensurate with the contribution which the project makes toward the derivation of the system benefit.

9. Annual charges: Total annual charges, including interest and amortization, operation and maintenance, interim replacements, and loss of taxes on properties involved, amount to $20,126,000 for John Day project as now authorized to provide up to 2 million acre-feet of flood-control storage at maximum pool elevation 292.

10. Benefit-to-cost ratios: Benefit-to-cost ratio based on benefits included in the cost allocation only ($30,062,300) is 1.49 to 1. The benefit-to-cost ratio for purposes of economic analysis based on all benefits ($30,186,800) is 1.50 to 1. (See par. 8.)

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD, as follows:

By Mr. WILEY:

Statement prepared by him under the title "The Need for Industrial Dispersal in the Age of the H-Bomb."

REVISION OF INTERNAL REVENUE LAWS

Mr. WILLIAMS. Mr. President, I ask unanimous consent to have printed in the body of the RECORD a letter which I received from the Postmaster General, Mr. Summerfield, along with a press release which he made last evening, in relation to the two amendments which had been stricken from the tax bill. In the letter Mr. Summerfield reemphasizes the fact that he is not in opposition to the two amendments but that he was merely attempting to protect the historical investigative power of his agency. Evidently there was a misunderstanding as to his position and I am glad to get the record straight. Once again I repeat what I said last evening, when a similar statement was made by the Defense Department, namely, that it was unfortunate that these two agencies did

not contact me as a member of the conference when first they raised these questions, a step which I am sure would have prevented this misunderstanding from developing.

There being no objection, the letter and the press release were ordered to be printed in the RECORD, as follows:

OFFICE OF THE POSTMASTER GENERAL,
Washington, D. C., July 29, 1954.

Hon. JOHN J. WILLIAMS,
United States Senate,
Washington, D. C.

DEAR SENATOR WILLIAMS: I am pleased to learn that there is no longer any misunderstanding on the position of the Post Office Department on your bill authorizing investigations of offenses by Federal employees. My objection to the bill, as originally written and as attached to the tax bill as an amendment, was its sweeping terms, which would seriously retard the investigation of postal offenses by the Post Office Inspection Service. This Department suggests merely the addition of a provision that the power of investigation granted shall not limit, in any way, the primary authority of the Postmaster General to investigate postal offenses.

This is only a statutory recognition of a responsibility that has existed since 1777 when the Continental Congress authorized the appointment of post office surveyors. This Department favors the adoption of your bill as thus amended. There has never been any opposition from this Department to your program of investigation of fraud and corruption in Government.

Your bill to extend the statute of limitations from 3 to 5 years has not been opposed and my first knowledge that it was even an amendment to the tax bill was received from you yesterday.

The Post Office Department strongly supports your crusade to bring dishonest and corrupt public employees and officials to justice and any report to the contrary is completely false and unfounded.

Sincerely yours,

ARTHUR E. SUMMERFIELD,
Postmaster General.

STATEMENT OF POSTMASTER GENERAL ARTHUR E. SUMMERFIELD

The Post Office Department has throughout supported Senator WILLIAMS' proposed legislation to give the FBI authority to investigate wrongdoing in Government. The Department also supports the Senator's proposal to extend the statute of limitations in crimes committed against the Government by Government employees from 3 to 5 years.

The Department opposed only a brief portion of the wording of the amendment offered by the Senator because it was considered that the amendment could be interpreted as preventing the Post Office Inspection Service from discharging its recognized responsibilities to detect violations of the postal laws, at least until information concerning such violations were first reported to the Attorney General. This procedure would delay action on hundreds of thousands of complaints of loss and offenses.

It was the Department's understanding that Senator WILLIAMS did not wish his legislation to interfere with the traditional investigative activities of any department or agency.

The Department firmly pledges its continued aid to President Eisenhower in his crusade to clean up Government. The Department desires the Senator to know it wishes him to continue rooting out corruption in Government and it has not and will not let him down.

The Senator's bill on investigations, far from being dead, is set for hearings before the House Judiciary Subcommittee Saturday morning, July 31.

The VICE PRESIDENT. Is there further morning business?

If not, morning business is closed.

EXECUTIVE SESSION

Mr. KNOWLAND. Mr. President, I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to consider executive business.

EXECUTIVE MESSAGES REFERRED

The VICE PRESIDENT laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF A COMMITTEE

The following favorable reports of nominations were submitted:

By Mr. CARLSON, from the Committee on Post Office and Civil Service:

Fifty-nine postmasters.

The VICE PRESIDENT. If there be no further reports of committees, the nominations on the Executive Calendar will be stated.

POSTMASTERS

The Chief Clerk proceeded to read sundry nominations of postmasters.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the Alabama postmaster nominations be confirmed en bloc.

The VICE PRESIDENT. Without objection, the Alabama postmaster nominations are confirmed en bloc.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the postmaster nominations in Louisiana and North Carolina be passed over temporarily.

The VICE PRESIDENT. Without objection, the Louisiana and North Carolina postmaster nominations will be passed over.

UNITED STATES AIR FORCE

The Chief Clerk proceeded to read sundry nominations in the United States Air Force.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the Air Force nominations be confirmed en bloc.

The VICE PRESIDENT. Without objection, the nominations are confirmed en bloc.

THE REGULAR ARMY AND THE NAVY

The Chief Clerk proceeded to read the nominations of Donald I. Abbott and 2,343 other officers for promotion or appointment in the Regular Army of the United States; and the nominations of Mary T. Baker and 124 other officers for temporary or permanent appointment in the Navy.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that these nominations be confirmed en bloc.

The VICE PRESIDENT. Without objection, the nominations are confirmed en bloc.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the President be immediately notified of all nominations just confirmed.

The VICE PRESIDENT. Without objection, the President will be notified forthwith.

NOTICE OF HEARING ON NOMINATION OF THEODORE E. MUNSON TO BE UNITED STATES ATTORNEY FOR DIVISION NO. 1, DISTRICT OF ALASKA

Mr. LANGER. Mr. President, on behalf of the Committee on the Judiciary, I desire to give notice that a public hearing has been scheduled for Friday, August 6, 1954, at 10 a. m., in room 424, Senate Office Building, upon the nomination of Theodore E. Munson, of Alaska, to be United States attorney for division No. 1, district of Alaska, vice Patrick J. Gilmore, resigned. At the indicated time and place all persons interested in the nomination may make such representations as may be pertinent. The subcommittee consists of myself, chairman, the Senator from New Jersey [Mr. HENDRICKSON], and the Senator from Missouri [Mr. HENNINGS].

LEGISLATIVE SESSION

Mr. KNOWLAND. Mr. President, I move the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

MUTUAL SECURITY ACT OF 1954

The Senate resumed the consideration of the bill (H. R. 9678) to promote the security and foreign policy of the United States by furnishing assistance to friendly nations, and for other purposes.

THE INTERNATIONAL WPA, THE FOREIGN OPERATIONS ADMINISTRATION (FOA) SUCCESSOR, UNRRA, BRITISH LOAN, MARSHALL PLAN, ECA, AND MUTUAL SECURITY

Mr. MALONE. Mr. President, I oppose this bill. I oppose this international WPA, which in the past 10 years has paid out doles to 166 foreign nations and dependencies, at a cost of $59,351,000,000 to American taxpayers.

Mr. President, the colonial slavery nations of Europe, which include Great Britain, France, the Netherlands, Belgium, and others of lesser import, have but one god—trade—and but one foreign policy. These nations control the colonial possessions and take an override on the earnings of the colonial areas which make up 50 percent of the land area of the world.

BRITAIN'S FOREIGN POLICY

Mr. President, over 100 years ago—in 1848—Viscount Palmerston, then Britain's Prime Minister—one of the great ones, Mr. President; Britain has had

some great Prime Ministers, and has one now—stated Britain's foreign policy. He did not make the foreign policy of Britain, Mr. President; he simply identified it or stated what it was. He did so in these words:

I hold with respect to alliances—

That is to say, international alliances, Mr. President—

that England is a power sufficiently strong, sufficiently powerful to steer her own course, and not to tie herself as an unnecessary appendage to the policy of any other government.

So Viscount Palmerston continued:

It is a narrow policy to suppose that this country or that is to be marked out as the eternal ally or the perpetual enemy of England.

Then Viscount Palmerston said something upon which we could very well mediate today, when he said:

We [England] have no eternal allies, and we have no perpetual enemies. Our interests are eternal and perpetual, and those interests it is our duty to follow.

BRITISH FOREIGN POLICY NEVER CHANGES

Mr. President, that summation of British policy is as true today as it was then. It is the guideline of British policy, whether the Prime Minister be a Palmerston or a Winston Churchill.

British statesmen serve only Britain's interest. Would that more of our Secretaries of State in recent years had served America's interest with such great conviction.

Mr. President, Britain has had many great Prime Ministers. Through the years they have echoed the creed identified nearly 100 years ago by the great Viscount Palmerston. Winston Churchill was the last to affirm it. It will be remembered by the citizens of the United States that during the closing months of World War II—in 1945, I believe—Mr. Roosevelt said to Mr. Churchill, "Why do you not relinquish some of your colonies in certain areas, and prevent further disturbance, further trouble?"

Mr. President, few remember what Mr. Roosevelt asked Mr. Churchill, but everyone remembers what Mr. Churchill said to Mr. Roosevelt. What was it? He said:

Mr. President, I did not become the King's First Minister in order to liquidate the British Empire.

He was saying, Mr. President, "You, America, can go with us and protect the colonial-slavery system upon which we have lived for 150 years, or you are an enemy of Great Britain." That is what he said—and we proceeded to guarantee the integrity of their colonial-slavery system throughout the world.

Mr. President, recently we were favored with a visit by Mr. Churchill and Mr. Eden, his understudy. What did they say? As reported by the newspapers, they proposed a mutual-security pact with Russia, a nation that in its entire existence has never kept any pact that proved disadvantageous to her.

As a matter of fact, Mr. President, Russia does not stand alone in that position; no sovereign nation, except the United States, keeps a pact that is disadvantageous to itself. That is the history of all pacts.

What did they propose, Mr. President? They proposed a mutual-security pact with Russia. When we analyze that proposal, what do we find that it would do? It would save Hong Kong and the Malayan States possibly 1 more year for Great Britain; but when Russia got ready to move, she would move. There is now ample evidence of that, and has been for several years; but in the next few months the proof will be before our eyes.

ASIA LOST WHEN CHINA WAS LOST TO COMMUNISTS

Mr. President, we lost Asia when we lost China, and that was done deliberately. It was done by a Secretary of State and his cohorts who discovered that the Chinese Communists were not really Communists: they were agrarian reformers who merely wanted to divide the land; otherwise they were friendly to America. Mr. President, that fiction should remain vivid in the memories of all citizens of the United States.

Mr. President, as evidence that Viscount Palmerston in 1848 knew what he was talking about when he asserted that "England has no eternal enemies and no eternal friendships; she has only eternal interests," and that Britain goes wherever their interests lie, let me state this: In March 1949—time slips away, 5 or 6 years—the junior Senator from Nevada stood on this floor discussing what we then called ECA, or something a little different from the Marshall plan. He put into the RECORD 88 trade treaties the 17 Marshall-plan countries then had with Soviet Russia and its satellites, selling Russia everything it needed to wage war, including tool steel, ball bearings, engines—I need not enumerate further. If anyone is interested he can turn back to the CONGRESSIONAL RECORD of that date and find the details.

FOREIGN TRADE TREATIES WITH RUSSIA

However, I will read briefly from that address on the Senate floor:

There are 88 of these treaties, and 45 of them are designated. I have in my possession 45 of these trade treaties. Forty of the treaties were considered as restricted by the State Department, and I was allowed only to see them in the possession of a State Department official. However, I did peruse enough of the contents to know that they conformed very closely to the ones I am going to put into the RECORD, and that they contained trade agreements covering almost every conceivable manufactured and fabricated article, including locomotives, engines, and electrical equipment, tool steel. Almost everything that can be used in event of war with the United States are included in the treaties which the ECA nations have agreed to send to Russia and the Iron Curtain countries. Three of the treaties, which I do not have in my possession, were called extremely confidential. In other words, the State official held the treaties in his hands while I looked at them.

I do not have the text of the 43 treaties or trade pacts, and I ask unanimous consent to have the list printed in the RECORD at this point for the benefit of the Senate of the United States. I consider it extremely important for the Members of the Senate and the House and the citizens of the United States of America to know what has been accomplished through the use of ECA and Marshall-plan money.

Mr. President, as of that date, you will find a list of the 88 trade treaties. Then a few of the treaties, very few of them, were put into the RECORD in detail to show exactly what these nations were selling to the Soviet countries at that moment. And, Mr. President, they are stepping in the trade now, and are very bold about it—they hope to increase it.

REDS PRAISE COEXISTENCE WITH BRITAIN

Mr. President, at this point I wish to read an article from the Washington Star of July 29:

WESTERNERS AT MOSCOW PARTY HEAR TOASTS TO COEXISTENCE

Moscow, July 29.—The Kremlin chiefs uncorked their choicest vodka last night to honor Chinese Premier Chou En-lai and Vietminh Deputy Premier Pham Van Dong, triumphantly touring homeward from the Geneva Conference.

Toasts by the dozen to peace and coexistence were hoisted at a gala reception given by Soviet Foreign Minister V. M. Molotov for about 1,000 persons, including western diplomats and newsmen.

The get-friendly theme was pitched mainly at British Ambassador William Hayter, who sat at the head table with the guests of honor and top Russian officials.

In a jovial moment toward the end of the party Soviet Communist Party Secretary Nikita S. Khruschev raised his glass to the British diplomat. "You British don't want to capture Leningrad," Khushchev said," and we don't want to take Glasgow."

"Leningrad is a very nice town, prettier than Glasgow," Hayter similingly replied.

United States Embassy officials passed up their invitation to the big Spridanovka House reception. It arrived just a few hours before the party started. The Americans wouldn't have gone anyway, because the United States does not recognize Chou's Peiping regime.

Premier Georgi Malenkov topped the guest list of Government leaders, Moscow bigwigs, foreign diplomats, and western correspondents. The Premier was amiable and all smiles, but he offered no toasts.

As the vodka compliments mounted toward half a hundred around the head table, Khrushchev and Internal Trade Minister Anastase I Mikoyan grew especially animated and high spirited.

Even after all the guests rose to leave, Khushchev kept tipping his glass with the British Ambassador in an exchange heard by newsmen nearby.

"Now, we don't want any war, and we are not afraid of each other," the party chief said.

Linking his arm with Chou's, he added:

"Now, here's a good example of friendship—the Soviet Union and China. That's how we all should be friends."

"I'm the secretary of the Soviet Communist Party," Khruschchev continued, "but in this question of coexistence Prime Minister Churchill, of Great Britain, is in complete agreement with me. Lenin laid down this principle—and very rightly.

The British envoy and Swedish Ambassador Rolf Sohlman, dean of the Moscow diplomatic corps, were the only westerners seated with the ranking Kremlin leaders and guests of honor. The ambassadors of India and Indonesia also had places among the 21 at the head table.

Chou and Dong had stopped over in East Berlin and Warsaw on their way from Geneva. They hit Moscow as Pravda, the Communist Party newspaper, hailed their settlement on Indochina as a great victory for the Soviet Union and the "peace camp"

a smashing diplomatic defeat for the United States.

There is nothing more indicative of what is happening to us than that newspaper account.

BRITISH-SOVIET PACTS CITED

Mr. President, the junior Senator from Nevada in March 1949 inserted in the RECORD two mutual security pacts which England had made with Russia, and which France had made with Russia. The complete text of these mutual security pacts will be found in the RECORD of that year.

The pacts include paragraphs reading almost exactly like the paragraphs in the North Atlantic Treaty signed with the United States of America.

Mr. President, these pacts, treaties of alliance and mutual assistance, are between the United Kingdom of Great Britain and northern Ireland, represented by Anthony Eden, His Majesty's Principal Secretary of State for Foreign Affairs, and the Presidium of the Supreme Council of the Union of Soviet Socialist Republics, represented by the People's Commissar for Foreign Affairs, Mr. Vyacheslav Molotov.

Article 7 of the Mutual Security Pact between the two nations states:

Each high contracting party undertakes not to conclude any alliance and not to take part in any coalition directed against the other high contracting party.

This pact still has 8 or 10 years to run, and no indication has ever been voiced to cancel the pact. The same kind of pact was signed in Russia. The same Mr. Molotov signed for the Russian people, and George Bidault, Minister of Foreign Affairs, signed for France.

Article 5 of that mutual security pact states:

The high contracting parties undertake not to conclude any alliance and not to take part in any coalition directed against either of the high contracting parties.

Right on the heels of these pacts, the 88 trade treaties were made.

TRADE PACTS WITH REDS INCREASE TO 96

Without going into detail, in 1950 the junior Senator from Nevada put into the RECORD 96 trade treaties made under the same conditions, many of the 88 trade treaties being renewed or in good standing and new treaties being made.

I send to the desk two amendments, and I ask that No. 2 lie on the table, and that No. 1 be read.

The VICE PRESIDENT. The Secretary will state the amendment.

The CHIEF CLERK. On page 118, it is proposed to strike out lines 7 to 18, inclusive, and to renumber the succeeding sections and references thereto.

The PRESIDING OFFICER (Mr. CRIPPA in the chair). The question is on agreeing to the amendment offered by the Senator from Nevada.

Mr. MALONE. Yesterday the junior Senator from Nevada placed in the RECORD an editorial from the Mining and Contracting Review of Salt Lake City, Utah, written by Mr. Burt B. Brewster. An excerpt from the editorial reads:

As the matter now stands, there is every possibility that our current dependency on foreign sources of supply may be the weak link in our defense that makes it attractive to the Russians to embark on a war on the simple score of a feasible short war.

NATIONAL SECURITY JEOPARDIZED BY DEPENDENCE ON FOREIGN GOODS

Mr. President, the dependency of the United States on foreign shores across major oceans for the materials and minerals without which this Nation cannot fight a war is a very dangerous situation at the moment. Section 412 of the pending bill, which my amendment seeks to strike out, reads:

SEC. 412. Strategic materials: In order to reduce the drain on United States resources and to assure the production of adequate supplies of essential raw materials for the collective defense of the free world, the President is authorized to initiate projects for, and assist in procuring and stimulating increased production of, materials in which deficiencies or potential deficiencies in supply exist in the United States or among nations receiving United States assistance. The unexpended balance of funds made available pursuant to section 514 of the Mutual Security Act of 1951, as amended, is hereby authorized to be continued available for the purpose of this section through June 30, 1955.

What does that mean? It means that Mr. Stassen, who would not know a pound of ore from a bale of hay, is entitled to go into the mining business anywhere in the world, and to continue keeping the United States of America dependent upon these sources for materials without which it cannot fight a war.

I should like to read a brief excerpt from a report that I have before me.

I may say in passing that that is what is the matter with our policy. We are now dependent on India for 900,000 tons of manganese annually. Of course we all know that we could not fight a war without manganese. We cannot even make a pound of steel without manganese. An hour after the third world war started we would not be able to get a ton of manganese from India. That has been testified to by military strategists who have appeared before the subcommittee of which the junior Senator from Nevada is chairman.

HOW HARRY DEXTER WHITE SHAPED PROCUREMENT POLICIES

This is the report of the minerals, materials, and fuels economic subcommittee of the Committee on Interior and Insular Affairs, which was set up pursuant to Senate Resolution 143. I read from the report submitted to the Senate on July 9 by the subcommittee under Senate Resolution 143. On page 370 we cross the trail of one of our old-time well-wishers. His name is Mr. Harry Dexter White.

Mr. Harry Dexter White was a very prominent official and Assistant to the Secretary of the Treasury. During testimony on the Stockpile Act at hearings before the subcommittee I have referred to, someone brought his name into the picture. The junior Senator from Nevada inquired where we could get more information on this gentleman, and it was said his papers had all been filed supposedly at Princeton University. Therefore the junior Senator from Nevada called the president of Princeton University and asked for his cooperation, and it was assured. He also called the library at Princeton University, and the same assurance was given.

HARRY DEXTER WHITE URGED UNITED STATES GET STRATEGIC METALS FROM RUSSIA

We sent an investigator to Princeton University, and he came back with several papers. Among them was a paper which I shall now read. It was a memorandum obtained from the Princeton University library and files of the Treasury Department. The subject was a proposed loan to the U. S. S. R., the Soviet Union. The memorandum was addressed to Secretary Morgenthau by Mr. Harry Dexter White.

It reads a good deal like a section of the bill that I have just read to the Senate. It says:

HARRY DEXTER WHITE MEMORANDA OBTAINED FROM PRINCETON UNIVERSITY LIBRARY AND FILES OF TREASURY DEPARTMENT

MARCH 7, 1944.

Subject: Proposed United States Loan to the U. S. S. R.

To: Secretary Morgenthau.

From: Mr. White.

The following memorandum is in reference to your request that the feasibility of the extension of a large credit to the U. S. S. R. in exchange for needed strategic raw materials be explored. Your opinion that such an arrangement might well be feasible appears to us to be supported by our study of the possibilities.

1. Recent confidential reports on our raw material resources prepared for the Under Secretary of Interior disclose an increasing dependence of the United States on foreign sources of supply for strategic raw materials because domestic reserves have been seriously diminished or virtually depleted.

2. The following table indicates the extent of United States current reserve supplies for some important strategic materials which can be produced in quantity in the U. S. S. R., in terms of prewar and current war, domestic requirements:

Then the table, "Reserve domestic supplies," is inserted, I believe, Mr. President, I could say without fear of contradiction that Harry Dexter White's knowledge of reserves of critical materials in this country would be on a par with Mr. Stassen's.

I now ask unanimous consent to have the table inserted in the RECORD at this point.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Reserve domestic supplies

	On basis of our 1938 domestic consumption	On basis of our current consumption 1943
Petroleum	16 years' supply	13 years' supply.
Manganese	9 years' supply	3 years' supply.
Tungsten	23 years' supply	Do.
Zinc	17 years' supply	8 years' supply.
Lead	7 years' supply	6 years' supply.
Chrome	No record	Less than 1 year's supply.
Mercury	3 years' supply	2 years' supply.

Mr. MALONE. The table reads, Petroleum, 16 years' supply on the basis of our 1938 consumption; then in another column, for 1943, 13 years' supply.

PETROLEUM RESERVES INCREASE

Mr. President, Mr. White wrote this memorandum in 1944. On that basis we should now have 2 years' supply of

petroleum. However, as is well known, we have more known petroleum reserves in the United States now than ever before in the history of the Nation. When Mr. White made this statement we had about 20 billion barrels of reserves. Due to some recognition of the necessities, a tax advantage was provided for petroleum producers whereby they could afford to drill a few dry wells to get a good one; and we now have, Mr. President, 35 billion barrels of petroleum in known and proven reserves underground.

My personal opinion is that there are a good many billion barrels more than that amount. Producers do not brag when they talk about reserves, because a tax is fixed along that line.

SHALES ASSURE UNLIMITED OIL SUPPLIES

Mr. President, as the junior Senator from Nevada has been saying for 20 years, 8 years in the United States Senate, we cannot possibly run out of petroleum reserves in the United States of America except by design. Why? Because if we treat our taxpayers half as well as we treat foreigners, we will not run out of the underground petroleum in 50 or 100 years, and probably never; and if we should, we would have 300 billion barrels of oil in oil shale, with a well-known and well-tested formula for taking it out. The pilot plants have been running and are much further along and better established than those which were constructed for the making of synthetic rubber at the beginning of World War II. Gasoline from shale oil may cost another cent or two a gallon; but cost is not an item in time of war.

So we have an almost unlimited supply.

Furthermore, Mr. President, we have a well-tested formula used by a pilot plant which has been operating, and which I hope will continue to operate. I hope the Senate will not decide to discontinue its operations. We have a well-tested formula to turn coal reserves into petroleum fuel, and there is 1,000 years' supply of petroleum fuel in the known coal reserves. So, Mr. President, it is impossible to run out of petroleum supply.

Long before this could happen, another fuel we now have—uranium, nuclear energy—will replace much of the known fuel reserves, probably in the foreseeable future.

HEMISPHERE URANIUM SUPPLIES AMPLE

Mr. President, I shall not dwell on the subject of the availability of uranium, but if we treat the taxpayers of the United States of America one-half as well as we treat foreign taxpayers, we will have uranium ore running out of our ears in 2 years in this Nation and in Canada and Mexico. Seven States in the United States of America are producing uranium fuel now. There is apparently no limit, so long as it is profitable to produce it.

Of course, in the day of Mr. White's statement, when it was popular to take the profit out of any business that might be operating at the moment, we could have run out of oil reserves by following the recommendations of the then Secretary of the Interior and the Secretary of the Treasury. We could run out of such reserves by shutting the wells down, because we cannot pay $15 or $20 wages here as against 50 cents or 75 cents or $1 a day wages in the sweatshop nations of the world which are competing with us.

In 1944, the junior Senator from Nevada completed and published a report on the industrial potentials of 11 Western States, and Alaska, the Philippines, and Hawaii. In that report there are several pages on the possibility of uranium production in Colorado and Utah. It has now been brought up to date. There are now seven States producing uranium, and the end is not yet, Mr. President.

We were supposed by Mr. White to have 6 years' supply of lead. With 6 years' supply of lead we would have been out of lead 5 years ago. The only way we can run out of lead in this country, is about the same way we can run out of oil reserves.

We were supposed by Mr. White to have 8 years' supply of zinc. So we would have been out of zinc 2 years ago.

Mr. President, in 1952, several States had millions upon millions of tons of lead and zinc ore. The tariff on zinc was then about 16 cents a pound. That just about made up the difference between the wages and taxes paid in this country and those paid in South Africa and other places where they can produce zinc at wages of 50 cents a day.

HOW BRITAIN PROFITED ON STOCKPILE OUR FOREIGN AID PAID FOR

Through just such a bill as this, we lent or we gave England millions upon millions of dollars to build up a stockpile of lead and zinc produced by the cheap labor in their colonies. Then at an advantageous moment about February or March a year ago, they suddenly decided to ship to this country supplies of lead and zinc. Of course, it costs hardly anything to ship it here, the tariff is so low. They broke the market for zinc from 16 cents a pound to 10 cents. If they got 8 cents a pound, they were still making money, and they were spending our money.

What did they do? The reduction in the price of zinc from 16 cents to 10 cents a pound turned the millions of tons of our zinc ore into country rock. The only difference between ore and country rock is that ore is mineral aggregate that can be mined at a profit. When the profit is eliminated, the ore turns to country rock. So it is all country rock now, not ore.

So England made a wise move by takthe profit out of mining in this country, through just such a piece of legislation as I am talking about at present, and which now is before the Senate.

WORLD CALLED PROSPEROUS BUT UNEMPLOYMENT GROWS IN THE UNITED STATES

I heard a speech made yesterday in which it was said that the foreign-aid program has caused world prosperity. Mr. President, there is more unemployment in this country today than there has been at any time since World War II, and it will get worse before it gets better. We can count on that, just as long as we keep up this policy.

Mr. Harry Dexter White wanted to go into the world mining business, just as does Mr. Stassen. They both had the same amount of information, but there is this difference: Harry Dexter White was a traitor to his country. Harold Stassen is, in my opinion, one of the most loyal men in the country, but he is misinformed. He wanted to be President, and he has done just anything to keep his name in the newspapers. Now he wants to spend our money all over the world.

Someone, in a conversation a few days ago, suggested that the best thing the United States could do would be to cancel his passport. Then the question arose whether to cancel it when he was out of the country or in the country. It was a question as to which would be better. The matter is still under discussion.

This would be a joke, Mr. President, if it were not so tragic.

DEPENDENCE ON FOREIGN AREAS DANGEROUS

We have honest, loyal men working for this program. At the same time we are being made to depend more and more every day on products being produced and imported from offshore areas, things we need, but which we will not be able to get a pound of when the fighting starts. That is something which might encourage a nation to try to whip us. If we become self-sufficient, which we can be, within the area we can defend, then, in the first go-round of the third world war, nobody will trifle with us. We can make airplanes and other equipment which we know how to make, if we can get sufficient material with which to make them. We do not have it right now.

Paragraph 3 of Mr. White's 1944 memorandum reads:

It is evident from the above table—

That is the table I just read from. Although Mr. White has been buried for some time, he would be very happy to know that today there is a bill before the Senate which provides exactly what he was trying to have done. He stated, referring to his table cited previously:

It is evident from the above table that although our domestic reserves of petroleum, tungsten, and zinc may suffice to meet consumption requirements for the next decade, they will be almost entirely dissipated by the end of that period.

That was in 1944, Mr. President, 10 years ago. We were supposed to have been "out" of these things right now, according to Mr. Harry Dexter White's memorandum.

UNITED STATES RESERVES TODAY GREATER THAN EVER BEFORE

There is no mineral or material which has ever been mined, and which is produced in this country, but that we have more reserves today than we had before World War II, and all the silly people who have passed in review and have made their marks have predicted that we would be out of these materials by now. It would be laughable, Mr. President, if it were not tragic. Harry Dexter White said that all these materials would be almost entirely dissipated by the end

of a 10-year period. That would be today. He wrote his memorandum in March 1944. This is July 1954, 10 years and 3 months later.

Mr. President, we have more of these materials than we ever had in the whole history of the world.

In regard to manganese, chrome, mercury, and lead, our resources, according to Mr. Harry Dexter White, were too limited to satisfy even the probable requirements for the next 10 years. Mr. President, the producers of chromite in Oregon, northern California, Washington, and Montana ought to be very happy about that statement. The largest known deposits of chromite in the United States are in Montana. It is low-grade ore, but there is a mill which is running on it. There is more ore being brought out there than was ever thought would be brought out.

Chromite is a material that occurs in "kidneys," so-called because it is found in deposits. It will be found in one spot, in chromite country, and if one keeps going, he will find another deposit. That is the history of the chromite area all over. It is not something which runs in continuous veins. It is found in Montana in very low grade. But chromite miners know how to mine it. If taxes can be kept down, the chromite miners might be able to make a dime now and then. But they cannot do it now, the way things are being run.

HOW OUR MERCURY MINES WERE CLOSED DOWN

We still have sufficient supplies of mercury. During World War II, I was appointed to be special consultant to the Senate Committee on Military Affairs, which is now the Senate Committee on Armed Services. That was in 1941. I served throughout the war as special consultant to the Committee on Military Affairs, under the Secretary of War, in connection with strategic metals and materials. I wrote a report for the committee. I also made an examination of and wrote a report about military establishments. I was sent to Dutch Harbor, and made a report on Alaska. Then, in 1943 I went to the South Seas, with General MacArthur.

Mercury was selling at $60 a flask. Every mercury mine in the United States turned into country rock. When the price goes up to $250 a flask, a man is in business. When it goes to $200 or $170 a flask, he is still in business, even at the wages paid today.

Mr. President, what do you think the price of mercury went to after our mines were shut down? The international price was broken to $60 a flask, and every mercury mine in America was shut down. Now, after the mercury mines have been closed, and some of them flooded, and after the miners have been scattered, what do you suppose the mercury costs, Mr. President? It costs $290 a flask, and it is being brought into the United States from an area of the world where it costs about $40 to produce it. This is in line with the silly idea that the customers and consumers of this Nation will profit by putting our own people out of business.

It is as simple as a gasoline war used to be, when it occurred on opposite corners. When two of the big companies move in, one could get gasoline for about a cent a gallon. But today, after one of the companies has been frozen out, the price is 20 cents or 30 cents a gallon, and the company is getting its money back. The car operator can either pay the price or else store his car.

FOREIGN COMPETITION INCREASES ULTIMATE COSTS TO UNITED STATES

That is the way it is with the competition we have from the sweatshop labor countries, which are putting us out of business. We are being made to buy from other countries the things we shall have to use in order to fight a war, and the economy is being fixed so that this country is being made dependent on foreign nations. The least one can say is that in the next war some of them will be neutral, and some of them will be against us.

I read further from the Harry Dexter White memorandum of 1944:

> The number of strategic materials for which our reserves are very low and which can be produced in the U. S. S. R. is greater than indicated above, and includes platinum, vanadium, graphite, and mica."

Mr. President, if a profit can be made from producing those materials in this country, our laboratories will be working overtime. Out of a laboratory, a year or two ago, there came a process for making mica—flake mica—by grinding poor grade mica, of which we have plenty.

As is said in the laboratories, the tests may not be quite completed, but the artificial flake mica is better, in many instances, than the large flake mica which has been imported.

But there was that silly person, the Assistant Secretary of the Treasury, telling us in 1944 that we should get it from Russia; that we should shut down our operations, shut our laboratories, our mills, and everything else—and quit.

VANADIUM SUPPLIES AMPLE

He said we would be out of vanadium. Mr. President, I do not think I would be violating any confidence, for it is not generally known, if I say that we have more vanadium already mined and in storage than we could use for a considerable period of time. The vanadium has been produced mostly in Colorado and Utah up to now. Vanadium has a number of indispensable uses, but it is also a substitute for a good many scarce materials.

I think I can tell, Mr. President, why we have come to be entirely "long" on vanadium. Sometimes we will mine a material which it will pay us to mine, and that material is found along with another one. Vanadium is found with uranium, and we are paying a good price for uranium, so we are getting the vanadium at a premium. Mr. Stassen is one of our most loyal Government officials but, like Mr. White, he wants us to become dependent on foreign countries. He wants us to give $3 billion to those countries, in which laborers receive 50 cents an hour, so that those countries can flood our markets with their products.

I wish to make another comment about this, Mr. President. I do not know what we think we are doing. In 1948 the junior Senator from Nevada had been a Senator only 2 years. He was a freshman, but he made a speech, just the same. This is the third seat I have occupied in this dignified body, this great deliberative body. At each of the other two desks which the junior Senator from Nevada has occupied, and it will be true of this desk before I get through, one will find heel tracks about a quarter inch deep in the hardwood floor, made while he stood and said the same things he is saying today.

EUROPEAN PRODUCTION NOW FAR ABOVE BRIGHTEST PREWAR YEARS

Mr. President, I ask unanimous consent to have inserted in the RECORD at this point a table entitled "Index of Industrial Production — Europe — 1938 Equals 100."

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Index of industrial production—Europe—1938 equals 100

	1938	1953	January 1954
Austria	100	158	137
Belgium	100	137	146
Luxembourg	100	153	141
Denmark	100	154	148
France	100	133	146
Saar	100	116	115
Germany	100	129	130
Greece	100	140	161
Italy	100	161	165
Netherlands	100	163	172
Norway	100	171	176
Sweden	100	170	180
Turkey	100	232	(1)
United Kingdom	100	139	147
Combined Europe	100	141	148

[1] No data.

NOTE. In addition the Foreign Operations Administration has an index figure for combined Europe for February 1954, 149, and for March 1954, 152, the base again being 100 for 1938.

Mr. MALONE. Mr. President, what excuse the dignified Members of this body are going to use for voting for the foreign aid bill today is more than the junior Senator from Nevada is able to know, except that they will follow the concept of Mr. Stassen to force us to become dependent on foreign nations for materials without which we cannot fight, and follow unconsciously—and unconsciously is a good word for that agency—Harry Dexter White. Mr. Stassen does not know it, of course.

In 1953 Austria was about 158 percent recovered from World War II. We are assuming in the index that 1938 equals 100. Today Austria is 137 percent recovered.

In 1953 Belgium was recovered 137 percent. She was operating at 98 percent when we gave her money at first. Today she is 146 percent recovered.

BRITISH PRODUCTION BOOMS

Mr. President, I shall not read the figures with regard to all the European nations, but the United Kingdom is 147 percent recovered over 1938. The highest recovery was made by Sweden, which never has entered into a war, as far as the junior Senator from Nevada knows. Sweden has sold goods to both sides. God bless her. More power to her. If

we had as much sense as the Swedes, we would be a long way ahead of where we are now. Sweden has recovered 180 percent. That is how much Sweden has recovered since 1938.

FOREIGN AID A WORLDWIDE WPA

Recovery? How can we call it recovery? It is a division of the wealth, the worldwide WPA. That is what it is.

Assuming 1938 to equal 100, combined Europe had recovered 141 percent by 1953, and 148 percent by 1954. So we decide to give those countries $3.1 billion additional. It will amount to a total of about $13 billion more, because there is $9 billion in abeyance, some of it allocated and some of it not allocated.

EUROPEAN RECOVERY NOW 52 PERCENT OVER PREWAR PEAK

Mr. President, that is a crazy thing. It is almost as good as Harry Dexter White's plan.

Mr. President, there is a note at the bottom of the table which I just put into the RECORD, which reads:

In addition, the Foreign Operations Administration has an index figure for combined Europe for February 1954—149, and for March 1954—152, the base again being 100 for 1938.

Mr. President, I read further from Mr. White's 1944 memorandum:

4. Although our reserves of strategic materials could be somewhat expanded, given an increase in price to make possible further development of marginal resources, the necessity of growing United States dependence on foreign sources of supply in order to satisfy anticipated postwar industrial requirements and to maintain adequate security reserves, is inescapable.

MEANING OF "MARGINAL RESERVES" EXPLAINED

Mr. President, do you know what are called "marginal reserves" by those who want to make us dependent on world areas inaccessible to us when a war starts? They call "marginal reserves" anything that we pay for on the basis of wages of $15 a day, although it comes from a country where we can get it by paying wages of 50 cents a day. Under those circumstances, they say it is "marginal" for us. Mr. President, will not it be wonderful for us to go home and explain to our constituents that we want to save marginal materials because it costs $15 a day to produce them in the United States, whereas we can get them from other countries on the basis of wages of 50 cents a day? Would not that be a wonderful day to look forward to? I would not like to do it, but we have been doing it. We can also make automobiles cheaper in such countries, and that is coming, too.

I read further from the memorandum by Mr. White:

U. S. S. R., UNTAPPED RAW MATERIALS RESERVOIR

1. The U. S. S. R. is richly provided with a wide range of strategic raw materials, including metals, minerals, timber, and petroleum, but the unequal degrees to which these have been developed will limit the number and volume that may be available for export in the immediate postwar years.

That is a terrible thing to happen to Russia. Mr. White says Russia is limited because she has not been able to develop her natural resources to the fullest extent.

I read further from the memorandum:

2. Rapid economic reconstruction and expanded resources development could greatly enhance the export surplus of the U. S. S. R., could sustain large scale exports of metal and metallic ores, petroleum, and timber at an average annual value of at least $500 million, not including exports of other materials such as furs and semimanufactures.

This is getting more interesting, Mr. President—

3. It therefore appears that a financial agreement whereby the United States would extend a credit of $5 billion to the U. S. S. R. for the purchase of industrial and agricultural products over a 5-year period, to be repaid in full over a 30-year period, chiefly in form of raw material exports, would not only be advantageous to the United States, as well as helpful to the U. S. S. R. but would be within the limits of feasible trade between the two countries, since the amount we would wish to purchase would be in excess of the repayment which the U. S. S. R. would be required to make under the proposed loan terms. (See attachment II for suggested terms of U. S. S. R. repayment for United States credits.)

BRITAIN FOLLOWING WHITE'S PLAN FOR RUSSIAN TRADE

It is the same thing that Great Britain and her empire members are proposing now—full, all-out trade with Russia; and they are doing it. A few minutes ago I inserted in the RECORD a newspaper dispatch showing that they are toasting each other, as well as China.

Mr. President, I read further from the White memorandum:

IS THE PROPOSED FINANCIAL AGREEMENT PRACTICAL AND DESIRABLE?

The proposed financial agreement appears practical because:

1. The prewar restricted pattern of trade should not be used to define the potentials of postwar trade between the United States and U. S. S. R. since both economies have been fundamentally restructured by the war. In both the United States and U. S. S. R. the accelerated expansion of production capacity and national output which has been achieved during the last 3 years indicates the new and larger dimensions which foreign trade can assume in both economies in the postwar period. (See attachment III for a summary of United States-U. S. S. R. trade relations during the interwar period 1918–38.)

Mr. WELKER. Mr. President, will the Senator from Nevada yield?

Mr. MALONE. I am happy to yield to the distinguished Senator from Idaho.

Mr. WELKER. Has the Senator from Nevada finished his discussion of section 412 of the bill, relating to strategic materials?

AID FUNDS SOUGHT THAT WOULD CONTINUE UNITED STATES DEPENDENCE ON FAR-OFF LANDS

Mr. MALONE. So far, I have been presenting data showing that we are now following the policy of Harry Dexter White, Alger Hiss, and the whole mess of Communist traitors to this Government, and also the policy of the people who were loyal to this Government, but who were convinced by the arguments, and did not look behind the scenes.

We are now suggesting that we appropriate $3 billion, and also that we make available the unexpended balances, in order to continue to make the United States dependent upon other areas for the things we cannot fight without, and the things we cannot get from abroad when a fight starts.

Mr. WELKER. Mr. President, will the Senator from Nevada yield further to me?

Mr. MALONE. I am happy to yield.

Mr. WELKER. Will the Senator from Nevada be kind enough to state to the Senate—based upon his profound knowledge of mines, minerals, and metals—the effect section 412 of the bill would have upon the domestic mining industry of the United States in the event we spend millions or billions of dollars in the development of mines overseas should a shooting war break out?

Mr. MALONE. If this section of the bill is not deleted, it will mean that mines and mills in the United States will close, just as is occurring today, when many mines and mills have either closed or are on the verge of closing.

Mr. WELKER. Mr. President, will the Senator from Nevada yield further to me?

Mr. MALONE. I am happy to yield to the distinguished Senator from Idaho.

Mr. WELKER. Is it not a fact that in the mining area the Senator from Nevada represents, and which I have the honor in part to represent, and which the distinguished Senator from Wyoming [Mr. CRIPPA], who now occupies the chair, represents, by virtue of the development of mines and minerals and the resources from mines and minerals in foreign countries, we are, in effect, causing the disruption of our domestic mining industry, by the flooding of the mines and the permanent ruination of them, entirely aside from the fact that thousands of people are walking the streets because of this silly dependence on cheap labor and cheap minerals imported, without being subject to tariff, from Bolivia, South Africa, and other countries?

DEFENSE OF UNITED STATES MOST IMPORTANT ISSUE

Mr. MALONE. The people who are walking the streets as a result of unemployment in these industries, of course, constitute a most important factor.

However, even more important is the defense of the United States. Of course, we now have approximately 141 depressed areas in the United States. So we find that various labor leaders, such as Mr. Walter Reuther, of Detroit, come to Washington and say, "We should now make provision for the unemployed." He is one of the labor leaders who is most influential. I have never met Mr. Reuther; but in Wisconsin, where I made several speeches about the great patriot, Abraham Lincoln—and, Mr. President, if we had several men like Abraham Lincoln right now, it would not hurt anything—I said, "You have a peculiar citizen, down here—a neighbor of yours, in Detroit. If he is able to make the things he is advocating stick, namely, foreign trade right down the line for the American people, with no distinction between the high living standard and high wages in the United States and the lower living standards and lower wages in other countries, the day will come in the not

far distant future when he will be riding an English-made Ford down the streets of Detroit, and will be waving to unemployed members of his union, who will be standing on the sidewalks."

Mr. WELKER. Mr. President, will the Senator from Nevada yield further to me?

Mr. MALONE. I am happy to yield.

Mr. WELKER. I think the Senator will agree with me that in the vast area of Coeur d'Alene, in northern Idaho, one of the great mining areas of the world, and in the great State of the Senator from Nevada, in the State of Utah, in the State of Arizona, the small miner is absolutely out of business.

What happens, I want the Senator to tell his colleagues, when a mine is closed down? Would the Senator mind telling them the effect of flooding a mine and whether or not it can ever be rehabilitated?

SMALL MINER BEING FORCED OUT OF BUSINESS

Mr. MALONE. First, I should like to say to the distinguished Senator from Idaho that, perhaps, the small miner is not appreciated. In regard to the location of mining claims, the reason the junior Senator from Nevada has been so opposed to ever changing the method of locating a mining claim and having it belong to the locator as long as he does the assessment work of $100 a year, is that it is the last resort of a man who, with nothing at all except a sack of beans, or something else he can eat, can prospect, and if he finds an outcrop of ore, he can poke a stick down on it, with a little paper in a tobacco can, and then within 30 days register the location with his county clerk. He does not have to write to anybody in Washington—that is what they are trying to get him to do now—in order to go to work, and if he finds anything there, it belongs to him.

But we put him out of business simply because we took the profit out of anything he might find. So he is gone. Most of the mines are closed down, but some miners are holding on grimly, hanging on at a loss, because when they pull the pumps, that is the end. If they should do that it would cost many times the amount to rehabilitate the mines than it costs to keep the pumps running; and they are just hoping against hope that the Congress of the United States will finally realize that on a national defense basis, if not on a domestic economy basis, will get its feet on the ground and realize that we have a United States of America and a Western Hemisphere, and that Europe and Asia are gone from us.

Mr. WELKER. Mr. President, will the Senator further yield?

Mr. MALONE. I am happy to yield to my distinguished colleague from Idaho.

Mr. WELKER. I have made on the floor of the Senate the remarks I am going to make now so often that I know my colleagues are tired of listening to them.

But does not the distinguished Senator from Nevada know that in the State of Idaho, at Stibnite, Idaho, we have the largest producer of antimony in the United States, which has not operated under a Government loan or handout. I refer to the Bradley Mining Co., an old pioneer firm of the West, which did not look to Washington to get a loan or a subsidy to keep in existence. Does the Senator realize that because of the lack of a proper tariff rate on the imports from Bolivia and the Gold Coast of South Africa, where labor is cheap, and production costs are very low, that mine has not turned a wheel since August 1951?

Does the Senator further realize that at Stibnite, Idaho, as a private enterprise, promoted by family capital, there is the world's finest smelter for antimony? Not only that, but in World War II Stibnite, Idaho, was distinguished because of the production and mining and processing of tungsten and other strategic minerals. It is a ghost town now. Does the Senator agree with me that it is a ghost town because we are spending our money all over the world, trying to keep other people producing and sending materials to the United States, thus depriving our men of work and putting private enterprise out of business?

SENATE COMMITTEE AIDS UNITED STATES MINERS

Mr. MALONE. I will say to my distinguished friend from Idaho that I am aware that, historically, Stibnite was a producer of antimony, one of the most necessary minerals in the prosecution of a war. I am very happy to tell the Senator today that the Senate Finance Committee saw fit in the case of antimony, lead, zinc, and uranium mining, to raise the depletion allowance from 15 percent to 23 percent, which will help the producer, and he will be able to pay wages a little longer; at least it will be an item of some value.

The reason we have petroleum reserves now, and the reason Mr. Ickes never could, despite all his efforts, cause us to run out of petroleum, was that the oil producers had a 27½-percent depletion allowance.

I even hear some Senators on the floor talk against a depletion allowance, but if we did away with it, we would run out of petroleum in the next 20 years; but we cannot possibly run out of it if we maintain the depletion allowance.

I know the State of Idaho has antimony, lead, zinc, and now uranium has been found there.

Mr. WELKER. That is right; and also monazite. If the Senator will further yield, does he remember that a few years ago India would not agree to give us monazite even though we gave them food in the form of grains to help their starving people?

Mr. MALONE. They thought we were dependent on them for monazite then.

Mr. WELKER. Yes. Within my State we have one of the largest deposits of monazite in the whole United States.

In paying tribute to my distinguished friend and colleague from Nevada, I would say that every person in America could read the most wonderful report I have ever seen from a congressional committee or a subcommittee, the report the distinguished Senator drafted himself, by virtue of his study here. Furthermore, I wish the Senate of the United States and the American people could know what it takes to develop a mine and to produce minerals and metals.

I am often reminded of the great speech I heard the distinguished Senator from Nevada make one time on the floor of the Senate when he accused practically all of us of not knowing anything about mines, minerals, or metals. I think he exempted a few of us from the West who used to handle a pick once in a while. But the distinguished Senator made a classic statement that should have been embarrassing to those who do not know what it takes to develop a strategic mineral or metal.

I think the Senator stated that the Senate of the United States actually seemed to think that all that is necessary to produce a mineral or a metal is to hitch up a team, get into a buckboard, take a hay knife, drive out into the mountains and saw off a few blocks of mineral or metal with the hay knife.

It is time for the American people to learn realities. I am sick and disgusted with the proposition to continue this giveaway program that is eliminating the greatest industry in my State and the Western States. Where would we have to go for minerals, I ask my colleague?

WEALTH OF AMERICA DIVIDED AMONG PROSPEROUS FOREIGN NATIONS

Mr. MALONE. Mr. President I would say to my distinguished colleague that one becomes sick at heart watching the division of the wealth of the United States of America with nations which, as shown by the table I have already put into the RECORD, have recovered all the way from 140 to 180 percent over the pre-World War II period. So we cannot be providing foreign aid to help them recover. If we are following the Harry Dexter White and the Alger Hiss plans, designed to make us dependent on foreign nations for the things without which we cannot fight, such as the monazite sands, such as the uranium ore from the Belgian Congo, such as the lead and the zinc from South Africa and other places, such as antimony, such as the tin from the Malayan States, I say to my colleague from Idaho that the unemployment situation will be the least of our troubles, for one of these days Russia or some other nation may decide that by suddenly cutting the United States off from such supplies we can be whipped, just like we whipped Japan.

How did we whip Japan?

Finally we cut off every supply she needed. She could not make anything. Then we got control of the air, and she was whipped. We cut Germany off. That is the way we whipped Germany. She fought two wars with nothing except what she had inside her little nation. It is so small that it could be hidden in Iowa or Nevada, and it could hardly be found unless a prospector happened to run across it.

My heart's blood is in the subcommittee's report. It is not a 10-month report. It is an experience of 30 years. That is what is behind the report. I know every engineer in the United States of America who has any reputation. I know every producer in the United States

of America of any reputation. I have worked with the Bureau of Mines for 30 years. I know those men who have spent their lives there. Those men know more about the subject than all the hand-raised economists who have been in the White House during the past 22 years. The trouble with the hand-raised economists is that they learn about economy by reading the books they write.

Mr. PAYNE. Mr. President, will the Senator yield?

Mr. MALONE. I am happy to yield.

Mr. PAYNE. Is it not a fact that manganese is one of the great strategic ores that is needed by the steel industry?

Mr. MALONE. I will say to my friend from Maine that it is impossible to make a pound of steel without manganese.

Mr. PAYNE. Is it not a fact that approximately 90 percent of the manganese that is used in this country must be shipped over long sealanes which could be cut off very rapidly in the event of an all-out conflict?

UNITED STATES OBTAINING 900,000 TONS OF MANGANESE ANNUALLY FROM INDIA

Mr. MALONE. I will say to my distinguished colleague from Maine that we are at the moment importing 900,000 tons of manganese annually from India. The testimony of the great military strategists like Generals Wedemeyer, Bonner Fellers, De Seversky, and that great air general, Carl Spaatz, have testified that 2 hours after a war started we could not get a pound of manganese from abroad.

Mr. PAYNE. I should like to join in the comment made by my distinguished colleague from Idaho [Mr. WELKER] as to the great knowledge and work the distinguished junior Senator from Nevada exhibited in the report prepared by him, which presents very intelligently to the American public and to Congress the opportunity that is present for the development of many of the natural resources of this country which still remain undeveloped, and the opportunity to go much further than we have in developing American mines and operations for the benefit of American industry and America generally.

I should like to ask my distinguished colleague if he is not aware—and I am sure he is aware—of the fact that in the State of Maine there exists the greatest known deposit of manganese-bearing ore in the entire North American Continent?

Mr. MALONE. The distinguished Senator is exactly right. He will find that deposit described in one of the volumes of the report. There are 10 published volumes of the hearings, and the report is a digest of the hearings.

Mr. PAYNE. In one 5-mile square area, based upon conservative estimates, there are approximately 250 million tons of manganese-bearing ore, which lies there undeveloped because of the fact that we have not been able up until last year to encourage the Federal Government to aid in developing a process by which the so-called low-grade manganese ore could be developed for the use of American industry in time of war and in time of peace.

NATION RICH IN MANGANESE

Mr. MALONE. I will say to my distinguished colleague from Maine that he is just one of many of our colleagues who can turn their glance into their own States to find similar situations. In Maine some important steps could be taken leading to the production of manganese. There is a very feasible process that can be used for manganese. However, we cannot compete with the 50 cents a day labor in the area from which the manganese shipments now come to us.

BUY-FOREIGN POLICY LEADS TO FOREIGN BLACKMAIL

In addition, we have earnest men like Mr. Stassen, who are furnishing millions of dollars to foreign nations to go into such a business. Such men still think that we must get those materials from across the ocean. I cannot quote the great military strategists or the Secretary of State in the testimony they gave before the subcommittee, because those hearings were in executive session. However, I can give what my opinion is, namely, that India is politically unstable, and that the Malayan States are politically unstable, and we can go right down the line of those other countries. Therefore, even without a war, when we become fully dependent on those areas, what do we get? We get blackmail. Of course it is nicely phrased in diplomatic language. These nations say to us, "If you do not see fit to sign this additional agreement"—and we are approving such agreements on this floor every year—"If you do not see fit to do so, it may not be convenient for us to let you continue to ship this material to your great country."

COMMITTEE URGES RETURN TO CONSTITUTION

Therefore we can be blackmailed. We would not have to be blackmailed if we were to do what the distinguished Senator from Maine suggests. We do not need to furnish Government money to mines to produce in those areas. What we do need, I will say to the distinguished Senator from Maine, is to go back to the Constitution of the United States. Perhaps some of our distinguished colleagues have not read the Constitution lately. I call particular attention to article 1, section 8, and I would ask my colleagues to read that part of the Constitution. We refer to it in the report at page 3.

Recommendation No. 2 of the Minerals, Materials and Fuels Subcommittee report reads:

> We recommend that Congress insure that the regulation of foreign trade conforms to the principles thus laid down in article I, section 8, of the Constitution thus assuring the American workers and investors access to American markets.

If the distinguished Senator will turn to section 8 of article I of the Constitution he will read the words:

> The Congress shall have power to lay and collect taxes, duties, imposts, and excises.

CONSTITUTION WAIVED IN 1934

We have long called them tariffs and import fees. Section 8 also provides that Congress shall regulate commerce with foreign nations. That is what it says. What did we do in 1934? By a common legislative act we transferred the constitutional responsibility of Congress to the executive branch. Of course it is unconstitutional to do so, but no one has ever had the guts to bring suit, because when anyone gets big enough to bring suit he looks forward to getting contracts from the Government, and of course if one brings a suit he does not get any contracts. Therefore no one can afford to do it. If someone did bring suit, the Supreme Court would have to rule it unconstitutional, because if it were possible to change the Constitution in that way and transfer the responsibilities of the Senate and the House to the President, it would be possible by a simple act of Congress—and it might be done some time—to take away the powers of the Executive and transfer them to the President of the Senate. That is what could be done.

All those powers could be taken from the President of the United States and put in the hands of the President of the Senate, and such an act could be passed over the veto of the President, and he would be left sitting there.

Mr. PAYNE. Mr. President, will the Senator yield?

Mr. MALONE. I am glad to yield to the Senator from Maine.

Mr. PAYNE. I am sure the distinguished Senator from Nevada recognizes the fact that the senior Senior from Maine [Mrs. SMITH], as early as 1938, if my memory serves me correctly, drew to the attention of the Federal Government, through Congress, the great resource of manganese that lies undeveloped in the State of Maine, in the county of Aroostook, which is known as one of the great potato producing areas of the world. Of course, we know that the great State of Idaho is also a great potato producing area. As early as 1948, during the time that I had the privilege of serving my State as Governor, my distinguished colleague, the senior Senator from Maine, and I endeavored to do everything possible to focus attention upon the manganese deposits, so as to encourage their development in order that we might be at least reasonably self-sustaining in the event of any emergency; not only in the event of an emergency, but for the peaceful uses of our industry, which have a great need for that ore.

Only last year under the present administration was the first bit of recognition given to the fact that there had been developed a process known as the Nossen process. I had the pleasure of working for about 3 years to secure recognition of that process, and presently it holds much promise of being capable of producing the much-needed manganese that can be of great value to this country. I know because of the great study my distinguished colleague, the Senator from Nevada [Mr. MALONE] has put into this overall picture, that he is fully aware of it, and I sincerely hope that he will have a chance to visit the pilot plant in Paterson, N. J., where the operation is presently going on, and later to visit the deposits which are in the State of Maine.

Mr. MALONE. Mr. President, I would say to the distinguished Senator, the report of the Minerals, Materials, and Fuels

Economic Subcommittee, representing a digest of the 10 published volumes of hearings, says, concerning the position of the Western Hemisphere on manganese, that the Western Hemisphere may be made self-sufficient in the production of manganese, so we do not have to go 10,000 miles of 12,000 miles to India and become entirely dependent on that country for something without which you cannot make a pound of steel. The deposit in Maine is very important and is covered in part 1 of the published testimony.

EXPIRATION OF TRADE AGREEMENTS ACT WOULD RESTORE MINING

I would say to the distinguished Senator, he does not need Government money if he would just let this thing run out. Since 1934 we have extended the Trade Agreements Act for 3 years each time until 1952, when we cut it to 2. It expired last year, and we extended it 1 year. This year the junior Senator from Nevada stood here a little while in opposition, but got a few hobnailed tracks in his hide, and it went over until June 12, 1955. Until it runs out and the responsibility automatically comes back to the Tariff Commission, an agent of Congress, Maine or any other State must have Government money. When it comes back to the Tariff Commission, an agent of Congress, with the law as it already is, the tariff will be based on approximately the basis of fair and reasonable competition, meaning at least the difference in the wages and the taxes, considering efficiency, between this country and the chief competitive nation.

You should not have the picture of a great President of the United States sitting in a swivel chair judging personally how much of each industry of the United States—and there are at least 500 such industries—he is going to give to foreign nations and how much he will keep in this country. It would kill him, too, because people will catch up with this thing.

TRADE ACT DEMISE WOULD BRING MAINE MANGANESE DEVELOPMENT

I only ask that it be done on a principle, and then when it reverts automatically—which it will on midnight of June 12, 1955, unless this Senate does the same nonsensical thing it has done for 22 years—all the President has to do is to serve notice of cancellation on any country with which such a trade agreement has been made. Then you are back in business, I will say to the Senator from Maine [Mr. PAYNE], on an economic basis, and the investors of this Nation can invest in manganese instead of coming down here on their hands and knees and ask some agency for the taxpayers' money to go out and develop the great deposits of manganese in the State of Maine.

Mr. WELKER. Mr. President, would the Senator yield for my final observation?

The PRESIDING OFFICER (Mr. UPTON in the chair). Does the Senator from Nevada yield to the Senator from Idaho?

Mr. MALONE. I shall be happy to yield.

Mr. WELKER. Mr. President, I see on the floor the distinguished acting minority leader from my neighboring State of Montana. I happen to know he was a hard-rock miner himself, working deep in the bowels of the earth where the heat is tremendous, much greater than in the city of Washington, D. C. I want to ask him and my distinguished colleague from Nevada [Mr. MALONE], who is making such an able presentation to this body, how it feels to a representative of the hard-rock miner when he goes back home to the giant mining areas of our respective States and is asked the simple question, "Senator, what have you done for us? You have put us out of work because you have favored someone thousands and thousands of miles away."

As both of these distinguished Senators well know, once a man is dedicated to hard-rock mining, he has very few places to turn for employment. By virtue of the fact that employment has been cut in all of our areas, our hard-rock miners, in order to support their wives and families, have been forced to go into the woods for seasonal work until the storms come, when they go back home. Some have been forced into agriculture, thinning beets, very minor work. Some of them have the dread disease of silicosis, developed from years of work in the bowels of the earth.

I want to know how happy some of my colleagues are when they go back home, and men who have dedicated their lives to preserving mining in this country and to the dangerous effort of developing mines and to produce minerals and metals, the question, "Why is it, Senator, that you look across the sea for this development, and I go out and I saw wood and I split logs, and when the snows and the rains come I am forced to go back to my little home in the mining camp, and then go down to the Social Security office or some other hand-out agency and say, 'Here, Uncle Sam, will you kindly give me a check?' "—although the check is so meager that it will feed only about one-half of his family, just tell them, when Senators go home let them tell these men how they feel.

Mr. MALONE. I would say to the Senator from Idaho that the junior Senator from Nevada worked in mines from 1916 and had more mental content than he has with his present job when watching the actions of the most deliberative body in the world, as it is called.

Mr. WELKER. We do deliberate a long time, do we not?

FRANKLIN'S COMMENT ON GOVERNMENT RECALLED

Mr. MALONE. It is according to the definition of "deliberation." "Deliberation" to me would be considering the longtime effect on the Government of our actions here; not a wet finger up trying to figure out how somebody is going to vote in a certain area at a certain particular time, who does not have the evidence which is available to you.

I would say to the distinguished Senator from Idaho that we have a form of government which is the best in the world. I have heard now for 20 years that we have a democratic form of government. I want to say to the distinguished Senator from Idaho that we do not have a democratic form of government. A democratic form of government is one in which everybody votes on every question, like a union shop. We have a democracy which is a theory of government. A democratic form of government is just what I described.

Mr. President, I am happy to say we still have a semblance of the Government that Ben Franklin described when he was called out of Independence Hall in Philadelphia, and was asked, "Mr. Franklin, what have you given us?" He replied—and these are the words as nearly as I can quote them; they are available to everyone—"We have given you a republican, representative form of government, if you can keep it."

That is what he said. We are not doing a very good job in keeping it. I do not mean, when I use those terms, the Democratic Party or the Republican Party, but a republican, representative form of government, as distinguished from a democratic form of government.

The United States is a democracy only in this way: The people elect their governors for terms of 4 or 2 years. They elect Representatives for terms of 2 years. They elect Senators for terms of 6 years.

NEVADA'S WISHES FOLLOWED

I was first elected to the Senate in 1946 and reelected in 1952. My conception of why I was elected is that the people of Nevada said, "You go to Washington and spend your full time listening to debate, investigating the issues, and observing what is being done."

Mr. President, I have been in every Asiastic country, I believe, except Russia. I have been in all the European countries since I was elected. The first time I was in Europe was with the Army in 1917 and 1918.

I have tried to do as the people of Nevada have directed me to do. I have cast my vote on the Senate floor many times against what, at that moment, the majority of the people of Nevada favored. I am certain of that. But when I have finished, I have gone home, and I have spoken wherever I may have been invited. I have visited as many places as I could. I know the people who have fought in three wars. I have visited their posts and other places where I have been invited to speak. I have told them how I have voted, and why. I shall continue to do that.

I am not concerned today what a popular vote in Nevada would disclose with respect to the bill. I want the people to understand what the bill means; and they are going to understand it, if I can keep my health.

Mr. WELKER. Mr. President, I wish to thank my colleague and friend, the distinguished junior Senator from Nevada. I want him to know that the people of Idaho appreciate his untiring efforts in this matter, and his great devotion to the metal and mineral industries of the West and the East. I thank the Senator. I am sorry to have interrupted him.

Mr. MALONE. I thank the Senator for his interruption, and I welcome it.

ALL UNITED STATES PRODUCTION AFFECTED BY FOREIGN AID

My discussion is not confined to minerals. It relates to the entire production of the United States of America, based on the standard of living of America, not on the standard of living of South Africa, where 40 cents a day is a high wage for the natives, if they are paid that much; not on the standard of living in England, where 43 cents an hour is a high wage for the same work for which, in America, $2 or $1.80 is paid; not on the standard of living in Australia; not on the standard of living in Japan, where labor is paid 15 cents an hour for the same type of work but not the same quality of work which the wonderfully precise American workmen can turn out.

I am speaking on behalf of the working men of America and the investors of America, who are much the same people, when the question is analyzed, and who are entitled to their high standard of living. They are entitled to have Congress do exactly what the Constitution says it should do: To fix the duties, imposts, and excises. For 170 years the United States has had a policy of making up the difference, roughly, between the wages and the taxes in this country, and those in the chief foreign competitive nations, so that the working men and investors of the United States will be able to have an even break and equal access to their own markets. They do not seek an advantage; they merely ask for equal access to the markets.

Then we will not have a Senator or a Representative from Maine saying, "We cannot produce a certain article, unless we can get Government money with which to stay in business."

COMMITTEE RECOMMENDATIONS CITED

I appreciate the questions which have been asked.

I wish to say that there are several recommendations in the report on matters which were brought into the debate by the distinguished Senator from Idaho. I shall read the first recommendation, but first I should say, for the purpose of the RECORD, that Senate Resolution 143 is a report of the Minerals, Materials, and Fuels Economic Subcommittee of the Committee on Interior and Insular Affairs, of the 83d Congress. To this subcommittee was assigned the task of investigating and reporting to the Senate of the United States the accessibility of critical materials needed in time of war, and needed for our expanding economy. There are 77 such materials officially listed. So we say in the committee's recommendations:

The availability of critical and strategic materials are vital to military security and to an expanding domestic economy. National survival in time of war depends on ample and uninterrupted supplies of the 77 such materials included in the report.

I may say that in the first recommendation the reason for referring to the Western Hemisphere is that the testimony of the great military strategists, whom I have already named, indicated that the only reliable source of supply, in the first go-round of a third world war, would be the Western Hemisphere. I am not a military strategist myself, but I take that statement literally. Therefore, the subcommittee made investigations within the entire Western Hemisphere. The reasons why that is true are laid down in the report.

HEMISPHERE COOPERATION URGED

The first recommendation is as follows:

We recommend the closest cooperation among the nations of the Western Hemisphere, which is the only dependable source of the necessary critical materials in time of war.

This does not mean in India, the Malay States, or South Africa. Those regions will not be available to us. If we are made dependent upon the empire nations of the earth, which control 50 percent of the area in colonial slavery, then we shall have signed agreements which will bind us, and we shall have no choice.

I read further from the first recommendation:

This area can be defended and can be made self-sufficient in the production of such materials. We recommend that the spirit of the 130-year-old Monroe Doctrine prevail in our relations with the nations of the Western Hemisphere.

The next recommendation is that Congress act according to the Constitution of the United States. This means what?

2. We recommend that Congress insure that the regulation of foreign trade conforms to the principles thus laid down in article I, section 8, of the Constitution, thus assuring the American workers and investors access to American markets.

GIVE UNITED STATES WORKINGMEN ACCESS TO OUR OWN MARKETS

This principle is still good enough for the junior Senator from Nevada. It simply means that the workingmen and investors of America shall be given access to their own markets.

The next recommendation is as follows:

3. We recommend eliminating our Nation's present dependency upon remote and possibly unfriendly or neutral areas of the world for the critical materials without which we cannot conduct a war.

That does not mean that the United States should not trade with other nations in peacetime on a basis of fair and reasonable competition. We should do that. But such nations woud be on notice that they could not blackmail the United States into making further agreements which were inimical to the interests of the United States, and they could not get the sly idea that by suddenly cutting off those sources, they could destroy the United States of America.

WHY UNITED STATES MINES ARE CLOSED

I was very much interested in the question asked by the junior Senator from Idaho [Mr. WELKER] with respect to the self-sufficiency of the United States. The report states, on page 43, that the Western Hemisphere can be self-sufficient in the production of antimony. Our own present position, as the Senator from Idaho has described it, is that the United States mines are closed because they are unable to compete with the low-cost sweatshop labor of the world.

The only thing which will put private money back into the antimony business is exactly what I have already stated—an even break for the investors in their own markets. Give the foreigners and the foreign nations equal access to our markets, but give them no advantage. Can American producers and investors get an advantage in foreign markets? No, they cannot get it. The rates of the British Empire are rates which favor the Empire; they do not favor the United States of America.

The same with the French Empire. The same with the Netherlands. The same with Belgium.

In the matter of manganese, the Western Hemisphere can be made self-sufficient in the production of manganese. The report names the areas in this country where manganese could be produced. Minnesota could be a great producer of manganese. Minnesota is known to have an estimated 10 million to 25 million tons of metallic manganese contained in 500 million tons of manganiferous slate and associated material. But that material cannot be mined with the $12 to $15 a day labor which is paid in the United States, and when the taxes which are paid in this country are considered, as against the sweat-shop wages paid to labor and the lower taxes existing in competitive countries.

RUSSIA'S STATE-CONTROLLED ECONOMY

Mr. President, I have strayed a long way from the memorandum of Harry Dexter White, who was Assistant Treasurer of the United States to Mr. Morgenthau, the Treasurer of the United States.

To return to it, I refer again to the White memorandum and its reference to his proposed financial agreement with Russia. We note the following language:

Since the U. S. S. R. has completely state-controlled economy, the extent and character of its surpluses and deficits—that is, imports and exports—are largely determined by planning decisions covering the allocation of manpower, materials, and equipment, it will be possible for the United States to influence the Soviet pattern of anticipated national surpluses and deficits.

Instead of we influencing the U. S. S. R. she influenced us. We are now allocating the manpower and the money right here in Washington, and we know just as much about it as does my little grandson, who was 4 years old in March.

The memorandum goes as follows:

If the United States trade plans are premised on an expanded volume of trade and a correlative increase of United States import requirements, the expansion of trade between the United States and U. S. S. R. need not necessarily involve a reduction in total United States imports from other areas.

Mr. President, what I have just read is reproduced on page 372 of the committee report to which I previously referred. The report was submitted to the Senate on July 9, 1954, pursuant to Senate Resolution 143.

The memorandum reads like a crazy man talks, and a crazy man was talking, but we are still crazy enough to follow it.

I call further attention to the memorandum which the Secretary of the Treasury, Mr. Morgenthau, sent to the President of the United States, wherein he recommended the same thing to the

President of the United States that Mr. White recommended to the Treasurer.

Mr. Morgenthau stated in the memorandum:

I suggest consideration be given to a financial arrangement with the U. S. S. R. to provide her with $10 billion credits for the purchase of reconstruction goods in the United States, with provision for repayment to us chiefly in strategic raw materials in short supply in the United States.

WHITE MEMO INFLUENCED POLICY

Then he included the same table in the memorandum to the President of the United States that Harry Dexter White had included in his memorandum to the Secretary of the Treasury. The memorandum included other tables, Mr. President, with sufficient proof, so the President thought, to him that the plan should be followed, and that we were running out of those materials, and that they were not available elsewhere in areas we could defend in time of war.

So on July 23, 1946, when the President of the United States signed the stockpile bill, this is what he said, as contained in a release to the American public, which is reproduced on page 376 of the committee report:

I have today signed the Strategic and Critical Materials Stockpiling Act because it is important to the national interest that this Government have the power to acquire stockpiles.

It is only because—

Mr. President, I emphasize this part of the release—

of the overriding importance of this purpose that I am able to overcome my reluctance to signing a bill which reaffirms the application to stockpile purchases of the provisions of title III of the act of March 3, 1933 (47 Stat. 1520), known as the Buy American Act. Those provisions will not only materially increase the cost of the proposed stockpiles but will tend to defeat the conservation and strategic objectives of the bill by further depleting our already inadequate underground reserves of strategic materials.

The release goes on to reaffirm what Harry Dexter White, as assistant to the Treasurer of the United States, told the Treasurer in a memorandum, which was repeated by the Treasurer of the United States in a memorandum to the President of the United States.

PRESIDENT TRUMAN PATRIOTIC BUT MISLED

At this point, Mr. President, I want to say that I believe Harry Truman, who was President at that time, is and was a patriot. He took a field artillery battalion to France in 1917, just as the junior Senator from Nevada did, and I believe Mr. Truman would lay down his life for the American people. But he did not know. All he knew was what he was told by the Treasurer of the United States, who told the then President we must conserve these materials and buy them from Russia and other foreign countries, located across major oceans, materials which would not be available to us in time of war.

Mr. President, I continue reading from the press release to the American people at that time, which laid down the policy of the administration, because he then said:

Furthermore, there can be a serious conflict between those provisions and the foreign economic policy which this Government is actively pursuing.

That is what the President said at that time to the American people. In other words, the Stockpile Act was supposed to favor the American people 25 percent, which does not represent the difference in costs of production in this country and costs in foreign countries, when wages and taxes in effect are considered in the cost of production. The President said it was against the policy that the administration was actively pursuing. I wish to say for the RECORD that we are still actively pursuing the same policy.

I shall not read further, Mr. President, but the memorandum of the President is found on page 376 of the report.

ALPHABET CHANGES OF FOREIGN AID AGAINST DESIRE TO CONFUSE

Mr. President, I wish to put into the RECORD at this time another great program proposed by the head of the Foreign Operations Administration. We started out with an organization called UNRRA. Then we proceeded under the Marshall plan. Then we had the ECA. Then we had MSA. Now it is FOA. It is confusing, and it was meant to be so. But the same objective is involved—the division of the wealth of the taxpayers and citizens of the United States of America with the other nations of the world. The objective is not recovery for those nations. The junior Senator from Nevada, during his remarks, put into the RECORD a table that shows recovery of from 140 percent to 180 percent after World War II. What do we call recovery? It is asserted that we are buying countries so they do not go communistic. It is asserted that those countries will go communistic if we do not divide our wealth with them. I wish to say at this point, and I shall have more to say about it at some time in the future, the objective of certain nations is to divide the wealth of the United States so that we will all live alike.

Mr. President, we who live in a Nation with a high standard of living cannot be in favor of free trade and be opposed to unrestricted immigration; and unrestricted immigration is coming next.

NEW WORLD MANKIND'S HOPE

Mr. President, at this point I wish to say that we have the last New World on the entire globe. Our ancestors came to this New World some 250 or 300 years ago because they could not make a living in Europe; and Europe is still in that situation. In the Western Hemisphere we have one-third of the land surface of the world and 15 percent of the population, or a total population of approximately 340 million. That population could be trebled, and still could be supported in the Western Hemisphere. We have the New World.

What about Asia and Europe? The Eastern Hemisphere includes Asia, Europe, and Africa. If we pass over Africa for the moment, and consider Asia and old Europe, we find that they have 39 percent of the land area, and approximately 77 percent of the population.

On the face of things, we know what the trouble is—namely, overpopulation. Experience shows that there is nothing to do about that except what has been done for more than 2,000 years, namely, almost continual war.

STASSEN'S AND DULLES' FONDNESS FOR PACTS

So Mr. Stassen and Mr. Dulles go all over the world. Every time Mr. Dulles finds two or more people together, he signs a pact to protect them. Every time Mr. Stassen finds two or more people together, he agrees to help them, just so long as they live outside the United States.

Mr. President, throughout the history of the United States, immigration has constantly increased our population. From the point of view of population, the countries of the Western Hemisphere are the only remaining lands of opportunity in the world, except for Africa. In Africa, only three countries are not based upon the colonial slavery system. Those countries are Egypt, Liberia, and Ethiopia. All the rest of Africa is divided between the empire-minded nations of Europe; and we did our part to hold Africa under their power.

Mr. President, today the colonial system in the world is as dead as Julius Caesar. Never again will a dime be made from the colonial slavery system, because all the people of the world have access to radios and, for the most part, access to transportation by airplane. So they know what is going on. Even the people in the jungles of the Malayan States can listen to radios. I have been in the Malayan States; I have seen that area.

Mr. President, under the Atlantic pact we guaranteed the integrity of the colonial system throughout the world. So we sent material to China, and now the Communists have it. We sent material to Indochina and now the Communists have it. The Communists also will have any material we send to Europe, once an all-out war starts; the Communists will have any material we send anywhere outside the Western Hemisphere.

We sent both material and money to Indochina—and for what purpose, Mr. President? Now the treaty is signed; the money is gone and we have lost the material.

The great United States of America was the first country to break away from the colonial system—in 1776. But now we have agreed to hold all other nations under the colonial system; we have agreed to maintain the world status quo. So we were giving the Indochinese a choice between what? A choice between communism or continued colonial slavery under the French.

FOA FINANCING COLLEGE PROJECTS IN FAR-OFF LANDS

Mr. President, I hold in my hand a list of colleges and universities in the United States, reading like a select list of colleges and universities. It includes Georgetown University; Wyoming University; Oklahoma A & M, which frequently gets into the news, with one of the best football teams in the Nation; the University of Illinois; the University of Wisconsin; Brigham Young University; Syracuse University; Cornell University;

Massachusetts Institute of Technology, one of the great institutes of technology in all the world; Pennsylvania State College; Purdue University; the University of Iowa; the University of Michigan; Leland Stanford University, a great university in California; Washington University, of St. Louis; Michigan State College; the University of Arkansas; Harvard University; and numerous others. These universities and colleges have received gifts running from a few thousand dollars to over a million dollars—and for what purpose? To send some of their personnel into foreign countries to teach the people of those countries something about increasing their production; that is the purpose, for the most part.

Mr. President, where did that idea originate? Did it originate in the Congress of the United States? Does the Congress understand what we are spending our money for, in making contracts with these universities? For example, Wyoming University is given $115,000, and, in that connection I read from the description of the nature of the work:

To delevop and participate in training programs of the Government of Afghanistan in agriculture, engineering, education, and other fields, providing technicians and $15,000 worth of equipment.

COLLEGE OVERSEAS CONTRACTS LISTED

Mr. President, I ask unanimous consent to have this list of colleges and universities, together with the amounts of the appropriations and the statement of the purpose and the location of the work, printed at this point in the RECORD, as a part of my remarks.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

PART III.—*J. List of FOA-financed technical cooperation contracts with universities—Now in operation in cooperating countries*

Region and country	Contractor	Nature of work	Dollar amount (adjusted for amendment)
(1)	(2)	(3)	(4)
Europe: Yugoslavia	Georgetown University	Assist Ljubiana, Saravejo, Skoplje, and Novi Sad Universities to establish and conduct English-language training at these institutions.	$106,000
	do	Assistance in establishing and conducting English-language training institutes at Belgrad and Zagreb Universities.	80,000
Near East, South Asia, and Africa: Afghanistan	Wyoming University	To develop and participate in training programs of the Government of Afghanistan in agriculture, engineering, education, and other fields, providing technicians and $15,000 worth of equipment.	115,000
Ethiopia	Oklahoma A and M	To establish and develop an agricultural and mechanical arts college of Ethiopia, and secondary level vocational schools in agriculture and mechanical arts, etc.	885,368
India	University of Illinois	Assistance in strengthening and expanding teaching facilities at Allahabad Agriculture Institute.	220,000
	University of Wisconsin	Assistance to Bengal Engineering College, Indian Institute of Science, and others in strengthening and expanding teaching facilities in engineering and related fields, providing faculty and equipment to an approximate value of $72,000.	680,000
	University of Illinois	Assistance to India Institute of Technology at Kharagpur in improving, strengthening, and expanding the program in engineering and related fields.	450,000
Iran	Brigham Young University	To assist Rural Development Board of Iran in improving secondary education system.	469,235
	University of Syracuse	To assist Government of Iran National Teacher Training School in information and education on audiovisual-aid techniques, to inform people of easier, more efficient methods of food production and health maintenance.	1,020,742
	Utah State Agricultural College	Assistance to Rural Development Board of Iran in tying agriculture into rural development program.	611,072
	University of Utah	Assistance to Rural Development Board of Iran in providing technical advice and assistance to Iran communities in food and health improvement.	438,000
Iraq	University of Arizona	Assistance to Government of Iraq to develop Abu Ghraib Agricultural College toward university level. Includes approximately $25,000 demonstrating equipment.	155,000
	Bradley University	Assistance to Government of Iraq Ministry of Education to establish and develop technical institute to teach trades, such as auto mechanics, carpentry, machinery, electricity, graphic arts, etc.	250,000
Liberia	Cornell University	To assist Joint Commission of Liberia in codification of present laws, and training of Liberians in use of codification system and to keep law up to date in systematic method as new laws are enacted.	62,000
Turkey	Georgetown University	To establish a training program for teachers who teach English at the Ankara Institute of Turkey.	64,500
Near East: Regional	American University of Beirut	To conduct 2 summer institutes of 8 weeks each to train teachers from Near East, South Asia, and African countries in both rural and urban elementary education teaching methods.	40,000
	do	To establish, plan, direct, and administer regional school of agriculture for the Near East at college level at American University of Beirut.	116,000
	do	To train 260 students per year from Near East, South Asian, and African countries at undergraduate level in agriculture, education, engineering, public administration, etc., and to improve teaching in these respective fields. In addition to faculty, approximate value of supplies and equipment, $180,000, and faculty scholarships in United States to $30,000, are included.	612,635
	do	To strengthen and extend department of preventive medicine and public health in school of medicine at American University of Beirut. Amount includes $30,000 for 6 faculty scholarships in United States, supplies and equipment to $245,000, and additional faculty.	436,920
	do	To train approximately 200 Middle Eastern and African trainees to become technicians in fields of public health, agriculture, public administration, and engineering.	686,000
Far East: Burma	Cornell University	Assistance to Government of Burma Ministry of National Planning in fuller utilization of aerial photography in economic development activities.	100,000
	Massachusetts Institute of Technology.	Assistance in rehabilitation and expansion of engineering teaching and research at University of Rangoon.	100,000
China (Formosa)	Pennsylvania State	Assistance in establishment of department of industrial education for training vocational teachers at Taiwan Teachers College.	75,000
	Purdue University	Assistance in strengthening education-engineering at Taiwan College of Engineering.	250,000
Philippines	Cornell University	Assist in rehabilitation and expansion of College of Agriculture of University of Philippines, and advice and assistance with teaching, research, etc.	250,500
	University of Iowa, Iowa Institute of Hydraulic Research.	Assist in establishing a hydraulics laboratory at University of Philippines	9,000
	University of Michigan	Assistance in establishing and developing Institute of Public Administration at University of Philippines.	515,000
	Stanford University	Assistance in improving Colleges of Engineering, Education, and Business Administration, and improvement of libraries and laboratories generally at University of Philippines.	500,000
Thailand	Washington University of St. Louis	Assistance in improvement of medical and nursing education at Siriraj Medical and Nursing School and Chulalongkorn Hospital Medical and Nursing School.	275,000

PART III.—*J. List of FOA-financed technical cooperation contracts with universities—Now in operation in cooperating countries*—Con.

Region and country (1)	Contractor (2)	Nature of work (3)	Dollar amount (adjusted for amendment) (4)
Latin America:			
Brazil	Michigan State College of Agriculture and Applied Sciences.	Assistance to University of Sao Paulo and the Getulio Vargas Foundation in Business Administration.	$193,916
	Purdue University	Assistance to Rural University of Minas Gerais for Agriculture and Home Economics.	88,600
Colombia	Michigan State College of Agriculture and Applied Sciences.	Assistance to 2 schools of the National University of Colombia in agriculture, forestry, and related fields.	413,000
Panama	University of Arkansas	Assistance to the National Institute of Agriculture and Home Economics of Panama.	444,000
Peru	Harvard University	Assistance to field party of the Institute of Inter-American Affairs in Peru, Division of Health, Welfare, and Housing in field of health—nutrition.	17,000

K. List of FOA-financed technical cooperation contracts with universities—Planned or in negotiation

Region and country (1)	Contractor (2)	Nature of work (3)	Estimated dollar amount (4)
Near East, South Asia, and Africa:			
Afghanistan	Teachers College, Columbia University	Education	(1)
British Somaliland	Not available	Agriculture	(1)
Egypt	do	Public health and agriculture	(1)
Iran	do	Public administration	(1)
Israel	University of the State of New York Agricultural and Technical Institute.	Agriculture	(1)
Libya	Not available	Agriculture and education	(1)
Pakistan	Washington State College	Agriculture, engineering, public administration	(1)
	Colorado A. and M	do	(1)
	Texas A. and M	Agriculture, engineering, education, business administration.	(1)
	Not available	Public health	(1)
	University of Pennsylvania, Wharton School of Business Administration.	Public administration	(1)
Turkey	Not available	Veterinary medicine, medicine, mining	(1)
Far East:			
China (Formosa)	do	Agriculture	(1)
Indochina	do	Vocational agriculture	(1)
Indonesia	University of California	Medicine	(1)
	Tuskegee Institute	Vocational education	(1)
Korea	University of Minnesota	Agriculture, medicine, engineering, public administration	(1)
	California Polytechnic College	Vocational education	(1)
Thailand	Oregon State College	Agriculture, education	(1)
	Not available	Engineering	(1)
	Indiana University	Public administration	(1)
Indonesia	Tuskegee Institute	Vocational education	(1)
Latin America:			
Bolivia	Not available	Business administration	(1)
Brazil	do	Engineering	(1)
British Guiana	University of Maryland	Agriculture and engineering	(1)
Chile	Not available	Business administration and medicine	(1)
Colombia	do	Medical education	(1)
Costa Rica, Nicaragua	University of Florida	Agriculture	(1)
Dominican Republic	Not available	Rural education	(1)
Ecuador	do	Medical education, agriculture	(1)
Haiti	do	Rural education	(1)
Mexico	University of Michigan	Vocational education	(1)
	Texas A. and M	Agriculture	(1)
Panama	Not available	Rural education	(1)
Paraguay	do	Agriculture	(1)
Uruguay	do	Public administration, medicine, and agriculture	(1)

[1] Not available.

SECTION 412 ASSAILED

Mr. MALONE. Mr. President, I wish to call up my amendment No. 1, which calls for eliminating section 412, on page 118, of House bill 9678. The title of the bill is "To promote the security and foreign policy of the United States," and so forth.

However, that section would promote our destruction; it would promote our dependence upon strategic and critical minerals and materials from areas that will not be available within hours after world war III begins.

Mr. President, I offer the amendment, send it to the desk, and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 118, it is proposed to strike out lines 7 to 18, inclusive, and to renumber succeeding sections and references thereto.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Nevada.

Mr. MALONE. Mr. President, let me say that I have a second amendment to offer. I wish to offer it immediately after the vote is taken on the amendment I have just sent to the desk.

Mr. KNOWLAND. Mr. President——

The PRESIDING OFFICER. Has the Senator from Nevada yielded the floor?

Mr. MALONE. I have yielded the floor merely in order to have a vote taken on the amendment; that is all.

Mr. KNOWLAND. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Ellender	Johnston, S. C.
Anderson	Ervin	Kennedy
Barrett	Ferguson	Kerr
Beall	Flanders	Kilgore
Bennett	Frear	Knowland
Bowring	Fulbright	Kuchel
Bricker	George	Langer
Bridges	Gillette	Lehman
Burke	Goldwater	Lennon
Bush	Gore	Long
Butler	Green	Magnuson
Byrd	Hayden	Malone
Carlson	Hendrickson	Mansfield
Case	Hennings	Martin
Chavez	Hickenlooper	Maybank
Clements	Hill	McCarran
Cooper	Holland	Millikin
Cordon	Humphrey	Monroney
Crippa	Ives	Morse
Dirksen	Jackson	Mundt
Douglas	Jenner	Murray
Duff	Johnson, Colo.	Neely
Dworshak	Johnson, Tex.	Pastore

Payne	Smathers	Upton
Potter	Smith, Maine	Watkins
Purtell	Smith, N. J.	Welker
Reynolds	Sparkman	Wiley
Robertson	Stennis	Williams
Saltonstall	Symington	Young
Schoeppel	Thye	

Mr. SALTONSTALL. I announce that the Senator from Indiana [Mr. CAPEHART] is absent by leave of the Senate. The Senator from Wisconsin [Mr. MCCARTHY] is necessarily absent.

Mr. CLEMENTS. I announce that the Senator from Texas [Mr. DANIEL], the Senator from Mississippi [Mr. EASTLAND], the Senator from Tennessee [Mr. KEFAUVER], the Senator from Arkansas [Mr. MCCLELLAN], and the Senator from Georgia [Mr. RUSSELL] are absent on official business.

The PRESIDING OFFICER. A quorum is present.

Mr. KNOWLAND. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. KNOWLAND. Will the Chair state the pending question?

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Nevada [Mr. MALONE].

Mr. KNOWLAND. May we have the amendment read for the information of the Senate?

The PRESIDING OFFICER. The clerk will read the amendment.

The CHIEF CLERK. On page 118 it is proposed to strike out lines 7 to 18, inclusive, and to renumber the succeeding sections and references thereto.

SECTION 412—TAKE STASSEN OUT OF THE MINING BUSINESS

Mr. MALONE. Mr. President, just a word of explanation for the benefit of the Senators who were not on the floor during the debate. Under section 412 of page 118 of the bill, funds are reallocated to Mr. Stassan to go into the mineral and fuel-production business throughout the world. During time of war it would be impossible to reach the mines and fuels that he would develop, if he does develop any—and, of course, he knows nothing about developing mines—and they would not, in any case, be available during a war. The provision would help keep us dependent upon foreign nations for the critical materials without which we could not fight a war, just as was recommended by Harry Dexter White and Secretary Morgenthau to Mr. Truman, and it is in accordance with Mr. Truman's statement to the public at that time. Of course, Mr. Truman did not understand the buildup behind it.

Therefore, in the amendment I ask that section 412 be stricken out. Certainly, even if any mines need development, Mr. Stassen is not the man to do the job.

Mr. DOUGLAS. Mr. President, I rise to inquire whether I may address an inquiry either to the distinguished majority leader or to the very eminent chairman of the Committee on Foreign Relations, namely, has the amendment of the distinguished Senator from Nevada been approved by the White House and by the administration? Before I request an answer to that question, I may say that the proposal of the eminent Senator from Nevada, aiming to stimulate American mining, naturally makes an appeal to all of us. However, this is in a field in which the Senator from Illinois is not himself particularly competent, because he does not know the relative productive possibilities of the potential mines which can be developed in this country, and he would like expert advice on those questions. I am sure the White House and the administration have studied the issue, and their judgment would be at least persuasive.

I should like to say further that I and my colleagues have frequently been placed in the somewhat embarrassing position of being compelled to dive into the water and to rescue legislation babies whom we believed belonged to the administration, only to find, when we had saved the infants and brought them safely to shore, that spokesmen for the administration denied they were its babies at all, and instead promptly proceeded to heap abuse upon the rescuers.

Therefore, before I vote on this amendment I should like to know from the distinguished majority leader or from the eminent chairman of the Committee on Foreign Relations just what the attitude of the White House is on the amendment.

Mr. KNOWLAND. I will say to the distinguished Senator from Illinois that, in the first place, the particular section which the Senator from Nevada seeks to strike out is only permissive in character. In the second place, it is not new language which has been put into the bill by the administration. It is language which has been carried over from legislation proposed by the former administration. It was contained in the ECA Act and in a number of acts since 1951. Thirdly, I wish to say to the distinguished Senator from Illinois that the section is not, as I pointed out, mandatory, but permissive. The administration feels that this particular section is desirable. Obviously it is intended to meet situations in which we do not have an adequate supply domestically of strategic materials. I am quite certain that no administration would seek either to destroy or harm our own mining industry or would propose to bring in outside strategic materials if it were not essential to the national defense.

Mr. DOUGLAS. May I say to my good friend from California that while he has dealt with this subject in a somewhat elliptical way, he has not yet given me the head-on assurance which I requested, namely, how does the administration feel about the amendment proposed by the Senator from Nevada?

Mr. KNOWLAND. I will say to the Senator that they believe that section 412 should be in the bill, which in and of itself means that they would not favor striking it out.

Mr. DOUGLAS. Is the Senator speaking only for himself or is he also speaking for 1600 Pennsylvania Avenue?

Mr. KNOWLAND. The Senator will have to take my word for it that that is my understanding of the position of the administration, which is recommending the legislation before us, and it is the position of the committee which has reported the bill.

Mr. DOUGLAS. In other words, the Senator from California assures me that this is an authentic, legitimate child, which the administration does not wish to have killed by the Malone amendment.

Mr. KNOWLAND. I would say that this is a child which had its parentage under the Democratic administration, and which the present administration feels is a desirable emergency weapon in the event we should need strategic materials which could not otherwise be supplied to the Nation to meet our defense needs.

I would say also to the distinguished Senator from Illinois that I would certainly hope and expect that the rule of reason would be used, and that where we could produce and develop strategic materials within the country, which would not be subject to submarine warfare and otherwise, we should do so to the greatest extent possible; but in the event that we were not able to do that and we needed strategic materials, we should then have this flexibility so that the strategic materials could be secured.

Mr. DOUGLAS. Mr. President, I interpret the remarks of the Senator from California as meaning, in effect, that this child, though begotten by the Democrats, has been adopted by the Republicans.

The PRESIDING OFFICER. The question is on agreeing to the amendment proposed by the Senator from Nevada [Mr. MALONE].

Mr. CHAVEZ. Mr. President——

Mr. MALONE. Mr. President, I yield to the distinguished Senator from New Mexico for a question.

Mr. CHAVEZ. Using the line of reasoning that it is desirable to obtain strategic materials in this country, what is wrong with adopting the amendment of the Senator from Nevada, which goes only to the extent of saying that it is all right to look for material in South Africa and elsewhere, but why forget Nevada, New Mexico, Arizona, and other places where we could get plenty of such materials if we were only inclined to do so?

AMENDMENT IMPORTANT TO NATIONAL DEFENSE

Mr. MALONE. Mr. President, in answer to the distinguished Senator from New Mexico, this amendment goes much further than any interest of New Mexico, although that State is a potential producer of most of these minerals.

It goes to the heart of the national-defense question, the security of the United States of America, because, as long as we have a Mr. Stassen and others in this country using Government money to develop mines beyond major oceans that would not be available to us in any third world war, according to the testimony of the outstanding military strategists of the Nation, then we are under the necessity of importing these minerals, shutting down domestic mines, and depressing production in this country, and depending upon offshore areas, like India, for 900,000 tons of manganese annually, which is half of what we use annually, although we could not get a ton

of it here hours after a third world war started.

We can increase production in South America; we can increase production in the Western Hemisphere. We can increase production in Maine or in Idaho or in New Mexico. But by importing it from abroad, where the wages paid are one-tenth or one-fifteenth of the wages paid here. For 22 years we have kept our mines slowing down, except when in an actual emergency when we pay 2 to 5 times what we would have to pay if we allowed them to operate in the regular way, as they were permitted to do for 75 years.

So I say to the distinguished Senator from Illinois that the very provision that puts the Stassen's and the Dulles' and all the rest of their ilk in the mining business throughout the world with taxpayers' money is the thing that will make us vulnerable when the fight starts.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Nevada [Mr. MALONE], to strike out section 412, lines 7 to 18, inclusive, on page 118 of the bill.

Mr. DOUGLAS. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered, and the legislative clerk called the roll.

Mr. SALTONSTALL. I announce that the Senator from Indiana [Mr. CAPEHART] is absent by leave of the Senate. The Senator from Wisconsin [Mr. MCCARTHY] is necessarily absent.

Mr. CLEMENTS. I announce that the Senator from Texas [Mr. DANIEL], the Senator from Mississippi [Mr. EASTLAND], the Senator from Tennessee [Mr. KEFAUVER], the Senator from Arkansas [Mr. MCCLELLAN], and the Senator from Georgia [Mr. RUSSELL], are absent on official business.

The result was announced—yeas 49, nays 40, as follows:

YEAS—49

Anderson	Goldwater	Millikin
Barrett	Hayden	Morse
Beall	Hennings	Mundt
Bennett	Jackson	Murray
Bowring	Jenner	Neely
Bricker	Johnson, Colo.	Payne
Bridges	Johnson, Tex.	Potter
Byrd	Johnston, S. C.	Reynolds
Carlson	Kerr	Schoeppel
Case	Kilgore	Smith, Maine
Chavez	Kuchel	Stennis
Clements	Langer	Symington
Cordon	Magnuson	Watkins
Crippa	Malone	Welker
Dworshak	Martin	Young
Ferguson	Maybank	
Frear	McCarran	

NAYS—40

Aiken	Gore	Monroney
Burke	Green	Pastore
Bush	Hendrickson	Purtell
Butler	Hickenlooper	Robertson
Cooper	Hill	Saltonstall
Dirksen	Holland	Smathers
Douglas	Humphrey	Smith, N. J.
Duff	Ives	Sparkman
Ellender	Kennedy	Thye
Ervin	Knowland	Upton
Flanders	Lehman	Wiley
Fulbright	Lennon	Williams
George	Long	
Gillette	Mansfield	

NOT VOTING—7

Capehart	Kefauver	Russell
Daniel	McCarthy	
Eastland	McClellan	

So Mr. MALONE's amendment was agreed to.

Mr. DANIEL subsequently said: Mr. President, I was unavoidably detained when the vote was taken on the Malone amendment. Had I been present, I would have voted "yea."

Mr. MALONE. Mr. President, I move that the vote by which the amendment was agreed to be reconsidered.

Mr. MORSE. Mr. President, I move to lay on the table the motion of the Senator from Nevada.

The motion to lay on the table was agreed to.

RESTORATION OF SOVEREIGNTY TO GERMANY

Mr. KNOWLAND. Mr. President, after prior consultation with the minority leader and with members of the Committee on Foreign Relations, I move that the unfinished business be temporarily laid aside and that the Senate proceed to the consideration of Calendar No. 2012, which is Senate Resolution 295, to express the sense of the Senate toward restoring sovereignty to Germany, which is on the desk of each of the Members of the Senate. The resolution relates to the question of an alternative to EDC in the event that EDC should not be ratified.

The motion was agreed to; and the Senate proceeded to consider the resolution (S. Res. 295), which was read, as follows:

Whereas a convention on relations between the United States of America, the United Kingdom of Great Britain and Northern Ireland, and the French Republic, therein referred to as the "Three Powers," and the Federal Republic of Germany, was signed on May 26, 1952, with a view to restoring sovereignty to the Federal Republic of Germany; and

Whereas the Senate of the United States gave its advice and consent to ratification of said convention on July 1, 1952; and

Whereas, nevertheless, it has not proved practical as yet to bring the Convention into force in accordance with its provisions: Now, therefore, be it

Resolved, That it is the sense of the Senate that the President, if he judges that future developments make this desirable and in the national interest, should take such steps as he deems appropriate and as are consistent with United States constitutional processes to restore sovereignty to Germany and to enable her to contribute to the maintenance of international peace and security.

Mr. KNOWLAND. Mr. President, I ask the Senators in the Chamber to remain, if possible, because after what I believe to be a relatively brief discussion, a yea-and-nay vote will be asked for on the resolution.

Mr. BUTLER. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives——

Mr. KNOWLAND. Mr. President, I ask the Senator from Maryland to withhold his request until we dispose of this matter, because a number of Senators are present for consideration of the resolution. We shall take up the matter of the Senator from Maryland a little later as a privileged matter, if that is agreeable to the Senator from Maryland. As soon as the Senate has disposed of that, we shall return to the Foreign Operations Administration bill. I understand the Senator from Nevada has an additional amendment which he desires to offer.

Mr. MALONE. Mr. President, I understand the junior Senator from Nevada has the floor. Is that correct?

Mr. KNOWLAND. When the consideration of the mutual-security bill is resumed I am sure the Chair will recognize the Senator from Nevada, because the Senator made it clear he had two amendments to offer.

The PRESIDING OFFICER. The question is on agreeing to Senate Resolution 295.

Mr. WILEY. Mr. President, on July 28 the Committee on Foreign Relations, without objection, reported to the Senate, Senate Resolution 295. This resolution expresses the sense of the Senate that the President should take such steps as he finds necessary and consistent with United States constitutional processes to restore sovereignty to Germany as rapidly as possible. By restoring sovereignty to Germany, it will be possible for that great nation to make a fair contribution to the maintenance of international peace and security.

This action by the Committee on Foreign Relations was not taken lightly. For the past several months members of our Consultative Subcommittee on Western Europe have been in frequent consultation with officials of the Department of State. During these consultations we have examined all of the ramifications of the failure of France and Italy to ratify the European Defense Community treaty. As my colleagues know, 2 years ago the Senate gave its advice and consent to a treaty with Germany by which we agreed to restore sovereignty to Germany.

This treaty, while continuing certain rights for American forces in Germany, would nevertheless have permitted the Federal Republic to begin to build up defense forces of her own adequate to meet the Soviet threat. Unfortunately, that agreement with Germany contained a provision that it could not come into effect until the European Defense Community has been established. This has meant that although the German people and Government have been willing to join with other free nations in building their defenses, they have not been able to do so because the European army contemplated by the EDC has not been organized.

In recent weeks the situation has grown more acute. The Mutual Security Act of 1954 contains in section 106 the so-called Richards amendment which makes it clear that equipment designed to promote the integrated defense of the North Atlantic area is not to be made available to states that have not ratified the EDC. It is still my fervent hope, and I know it is the hope of members of the committee and of the administration, that France will see fit to approve the EDC in the very near future. Should France and Italy not act, however, it is essential that the United States reappraise its position in Europe so far as the building of strong defenses is concerned.

The Committee on Foreign Relations, sitting with representatives of the

Armed Services Committee, held two long sessions with Secretary Dulles to consider this problem. It decided that, since the Senate would probably not be in session during the fall of this year, action should be taken making clear that the Senate would support the President in taking steps to restore German sovereignty to that nation as rapidly as possible in the event that the EDC does not come into effect within the next few months.

As chairman of the Committee on Foreign Relations, I want to make it clear that it is not the purpose of the committee to try to force France or Italy to do anything. They are sovereign, independent nations. What they do is their business. But it is also true that what they do or fail to do has an impact upon the security interests of this Nation. It is a simple, but, to my thinking, an uncontrovertible fact that if the nations of Western Europe are not able to work together to bring into being a defense force that could make a great contribution to the defenses of the North Atlantic area, then it is incumbent upon this Nation to take the steps that seem desirable to build strength when and where it can be relied upon.

In conclusion, Mr. President, I wish to point out that this resolution does not authorize the President to do anything he is not now able to do in the exercise of his constitutional powers. If the President should find it necessary, in restoring sovereignty to Germany, to undertake new obligations as far as the United States is concerned, he would need to return to the Senate with an appropriate agreement for us to act upon. We stand ready, of course, to be called into session should the President think such action is necessary.

Speaking for myself, I will be terribly disappointed if the great nations of France and Italy are not able to approve the EDC. It seems to me that it is almost essential to their continued existence as great nations for them to participate in this joint endeavor. I hope they will do so. The committee report expressed the hope that "in these difficult times when the unity of the Western Powers is so essential, that the occupying countries will be able to work together with Western Germany to accomplish their common goal."

As I stated, all the resolution does is say, in simple language, to the Executive that if France and Italy do not come into the EDC, we of the Senate feel that whatever is necessary to be done by the Executive should be done in order to bring sovereignty to Germany.

Mr. KNOWLAND. Mr. President, I ask for the yeas and nays on the question of agreeing to the resolution.

The yeas and nays were ordered.

Mr. SPARKMAN. Mr. President——

The PRESIDING OFFICER (Mr. CASE in the chair). The Senator from Alabama is recognized.

Mr. SPARKMAN. I should like to ask the distinguished chairman of the Committee on Foreign Relations if it is not true that the resolution comes before the Senate with the unanimous approval of the committee.

Mr. WILEY. The Senator from Alabama is correct. The Committee on Foreign Relations gave the resolution its full consideration. It had representatives of both the majority and the minority members of the Committee on Armed Services before it. I am satisfied that the general consensus of all of us was that the resolution should be agreed to.

Mr. SMITH of New Jersey. Mr. President, in the interest of saving the time of the Senate, I ask unanimous consent to have printed in the RECORD at this point a statement which I have prepared in support of Senate Resolution 295.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR SMITH OF NEW JERSEY IN SUPPORT OF SENATE RESOLUTION 295 CONCERNING GERMAN SOVEREIGNTY

I rise to support the chairman of the Committee on Foreign Relations who has reported Senate Resolution 295 to the Senate. He has well expressed the intent and purpose of the committee in reporting this resolution to the floor at this time and asking for its urgent consideration. I shall not repeat his persuasive comments.

I should like to say for the record that the consultations that Secretary of State Dulles and his colleagues have held with the Committee on Foreign Relations over the past few months have been a model in executive-legislative cooperation. I hope that this example of close cooperation which worked so well can be continued in the future.

One of the most compelling reasons for Senate action at this time on this resolution is the situation in Germany. Chancellor Adenauer, that stanch supporter of democracy in Germany, has cast his lot with the free nations of the West. He has told the German people that they could look to the nations of the West for support in building themselves again into a great nation. He has relied upon the United States to help Germany reconstruct military forces essential for her defense. He has looked to the nations of the West to help bring East and West Germany together again.

The occupying powers of France, Great Britain, and the United States have given great assistance to Germany. They joined together to supply food to beleaguered Berlin. Their troops have been in Germany in recent years not as occupying forces, but as forces to defend Germany from the danger of attack from the East.

For 9 years now Germany has been less than a sovereign nation. Last year the Soviet Union went through the motions of giving East Germany her full sovereignty. We know that sovereignty under Soviet auspices means nothing at all. The Soviet Union, however, has made great political propaganda out of this action, and this propaganda undoubtedly has an effect upon the people of West Germany.

It seems to me therefore that it is incumbent upon the nations of the West to make it clear that they do not intend to hold Germany in an unfavorable position. The West needs Germany, just as the Federal Republic of Germany needs the West.

This resolution which we have before us encourages the President to take the steps necessary to help Germany reenter the family of free nations as a full member. I hope the Senate will approve this resolution overwhelmingly.

The PRESIDING OFFICER. The question is on agreeing to Senate Resolution 295, expressing the sense of the Senate toward restoring sovereignty to Germany.

Mr. FERGUSON. Mr. President, I wish to say this matter received very careful attention by the bipartisan group which met with the Secretary of State. It was discussed on several occasions. I believe the resolution should be agreed to.

I also believe that the resolution, if agreed to, will eliminate the necessity for including a provision requiring the cessation of the shipment of military equipment and material to France, in case France does not approve the EDC. In the committee, the vote came on the question of whether any further shipments should be made to France in the event France does not approve the treaty by December 31. The proposal to stop all shipments in that event was rejected in the committee although we did agree to withhold the equipment and materials programed for fiscal 1954 and 1955 if EDC is not approved.

I would have desired to have the stronger proviso inserted in the bill itself, had it not been that this resolution has been submitted to the Senate.

I hope the resolution will be adopted unanimously, because I believe it essential that we tell the President that it is the sense of the Senate that he has the authority to proceed, under our constitutional processes, in the manner in which he may find it desirable to proceed in the near future.

Mr. ROBERTSON subsequently said:

Mr. President, I ask unanimous consent to have an article prepared by me printed in the RECORD just before the vote on Senate Resolution 295, expressing the sense of the Senate toward restoring sovereignty to Western Germany.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

FRENCH RATIFICATION IS ESSENTIAL TO EDC

During the past week our Appropriations Committee has been conducting two sets of hearings at the same time—one on the foreign aid bill and one on a supplemental appropriation bill of approximately $2 billion, about one-half of which is for the military establishments.

A tabulation by our staff of all types of foreign aid since fiscal 1941 indicates total appropriations of $115 billion. At the present time, there is an unexpended balance in the foreign aid program of approximately $10 billion, to which the President has asked us to add another $3½ billion. The present type of foreign aid was authorized by the act of 1949 and first called the Marshall plan. Since then it has had a variety of names but all meaning substantially the same thing. Total net expenditures, for all purposes, in that program have been $25,852,000,000. While the expenditure of those vast funds has undoubtedly helped to stem the tide of communism in Western Europe it did not stem it in Asia and even the most ardent supporter of the program must admit that the net results have been disappointing. Naturally, therefore, a major point of discussion both in the Foreign Relations Committee, in authorizing a continuation of the mutual aid program and in the Appropriations Committee, where a breakdown of the request was submitted, has been "What allies do we now have that are dependable and what military defense have we succeeded in creating?" That question cannot be answered until we know what the French Parliament is going to do about ratifying the European Defense Community.

Premier Mendes-France has promised to submit to the French Parliament before it adjourns next month a request for the ratification of EDC. Personally, he favors ratification but previously doubted if he could secure a majority in Parliament for his proposal. Of course, his popularity in France has been increased by his ability to end the war in Indochina which had become very unpopular even though he ended it on terms that amounted to a Communist victory.

The decision of France on EDC is one of vital importance to us. There can be no successful defense of Western Europe without the use of German troops, and there is no practical plan for the rearming of Germany without French consent. EDC was a French proposal aimed at controlling the military strength of a liberated Germany. Great Britain and the United States prepared and approved a treaty to liberate Western Germany after EDC has been approved by France and five other European powers. But the so-called peace treaty with Western Germany has not been approved by France because France has not yet approved EDC although it has been approved by Germany, Holland, Belgium, and Luxembourg. If France votes to amend the treaty the Germans would not again ratify. If it votes down the treaty the only way Germany could be rearmed would be through the joint action of Great Britain and the United States in granting national sovereignty to the areas of Western Germany which they now occupy. Under that sovereignty, Germany could be accepted as a member of NATO. But action of that character does not dispose of the French troops in the area of Western Germany occupied by the French nor does it dispose of the issue of our subsequent use of major airfields built in France at great expense and lines of communication across France to supply troops in Germany.

The principal reason that France has not approved EDC is that under it a supergovernment is to be set up and those who join that supergovernment will waive some elements of sovereignty. The Communist Party in the French Parliament, which is the largest of all, is opposed to EDC because it wants no strong defense in Europe against the Communists. Extreme Nationalists like General de Gaulle are opposed to EDC because of their pride and their hope that France will continue to be treated as a major world power.

The PRESIDING OFFICER. The question is on agreeing to Senate Resolution 295.

On this question the yeas and nays have been ordered, and the clerk will call the roll.

The Chief Clerk called the roll.

Mr. SALTONSTALL. I announce that the Senator from Indiana [Mr. CAPEHART] is absent by leave of the Senate.

The Senator from Wisconsin [Mr. MCCARTHY] is necessarily absent.

If present and voting, the Senator from Indiana [Mr. CAPEHART] and the Senator from Wisconsin [Mr. MCCARTHY] would each vote "yea."

Mr. JOHNSON of Texas. I announce that the Senator from Kentucky [Mr. CLEMENTS], the Senator from Mississippi [Mr. EASTLAND], the Senator from Missouri [Mr. HENNINGS], the Senator from Tennessee [Mr. KEFAUVER], and the Senator from Arkansas [Mr. MCCLELLAN] are absent on official business.

I announce further that, if present and voting, each of the Senators whose absence I have announced would vote "yea."

The result was announced—yeas 88, nays 0, as follows:

YEAS—88

Aiken	Gillette	Millikin
Anderson	Gore	Monroney
Barrett	Green	Morse
Beall	Hayden	Mundt
Bennett	Hendrickson	Murray
Bowring	Hickenlooper	Neely
Bricker	Hill	Pastore
Bridges	Holland	Payne
Burke	Humphrey	Potter
Bush	Ives	Purtell
Butler	Jackson	Reynolds
Byrd	Jenner	Robertson
Carlson	Johnson, Colo.	Russell
Case	Johnson, Tex.	Saltonstall
Chavez	Johnston, S. C.	Schoeppel
Cooper	Kennedy	Smathers
Cordon	Kerr	Smith, Maine
Crippa	Kilgore	Smith, N. J.
Daniel	Knowland	Sparkman
Dirksen	Kuchel	Stennis
Douglas	Langer	Symington
Duff	Lehman	Thye
Dworshak	Lennon	Upton
Ellender	Long	Watkins
Ervin	Magnuson	Welker
Ferguson	Malone	Wiley
Flanders	Mansfield	Williams
Frear	Martin	Young
Fulbright	Maybank	
George	McCarran	

NOT VOTING—8

Capehart	Goldwater	McCarthy
Clements	Hennings	McClellan
Eastland	Kefauver	

So the resolution (S. Res. 295) was unanimously agreed to.

Mr. GOLDWATER subsequently said: Mr. President, when the vote was taken on Senate Resolution 295, I was unavoidably detained in a conference committee. Had I been present, my vote would have been "yea."

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its clerks, announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 9413. An act to reorganize the Capitol Police force in order to increase its efficiency in the performance of its duties;

H. R. 9712. An act granting the consent of Congress to certain New England States to enter into a compact relating to higher education in the New England States and establishing the New England Board of Higher Education;

H. R. 9756. An act to increase the borrowing power of Commodity Credit Corporation; and

H. R. 9924. An act to provide for family quarters for personnel of the military departments of the Department of Defense and their dependents, and for other purposes.

HOUSE BILLS REFERRED OR PLACED ON THE CALENDAR

The following bills were severally read twice by their titles and referred, or placed on the calendar, as indicated:

H. R. 9413. An act to reorganize the Capitol Police force in order to increase its efficiency in the performance of its duties; to the Committee on Rules and Administration.

H. R. 9756. An act to increase the borrowing power of Commodity Credit Corporation; to the Committee on Agriculture and Forestry.

H. R. 9924. An act to provide for family quarters for personnel of the military departments of the Department of Defense and their dependents, and for other purposes; placed on the calendar.

AMENDMENT OF MINERAL LEASING LAWS—CONFERENCE REPORT

Mr. BARRETT. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 3344) to amend the mineral-leasing laws to provide for multiple mineral development of the same tracts of the public lands, and for other purposes. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER. The report will be read for the information of the Senate.

The legislative clerk read the report.

(For conference report, see pp. 12563–12566 of the House proceedings of CONGRESSIONAL RECORD of July 29, 1954.)

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. BARRETT. Mr. President, yesterday the other body adopted the report of the Committee of Conference on the disagreeing votes of the two Houses on S. 3344, the measure sponsored by the distinguished junior Senator from Colorado [Mr. MILLIKIN] for himself and nine other able Senators to amend the mineral leasing laws and the mining laws to provide for multiple mineral development of the same tracts of the public lands under both systems.

Mr. President, I can state that although the conferees have submitted a clean bill in that they have stricken all after the enacting clause and in lieu thereof adopted an amendment in the nature of a substitute, the measure as agreed upon is, in substance, very similar to the bill passed by the Senate on July 8. Certain clarifying changes in language have been made, notably in the wording of section 4 to make it abundantly clear that the reservation of leasable minerals is applicable, as to existing mining claims, only to those mining claims receiving the benefits of the first 3 sections of S. 3344. As to claims hereafter located, the reservation is applicable only to the claims that fall in one of 3 categories at the time of issuance of the patent therefor.

This latter restriction was written into the bill by the House and was accepted by your committee of conference with clarifying language.

Again, in section 7, the conferees adopted language designed to afford still greater protection to the mining claimant.

Certain technical changes were made in section 10, the Atomic Energy section, to make its terms consistent with those used in the Atomic Energy Act which the Congress recently enacted. A proviso was added to subsection (b) of section 10 to provide that the Atomic Energy Commission may not issue uranium leases in national parks, monuments, or wildlife refuges unless and until the President of the United States, by Executive order, declares such action is necessary and in the interests of national defense.

It can be stated that the atomic energy section of this bill is wholly in conformity with the sections of the atomic energy bill respecting the exploration, prospecting and extraction of fissionable source materials on the public lands.

A new section, section 12, was written into the bill stating that—

Nothing in this act shall be construed to waive, amend, or repeal the requirement of any provision of any law for approval of any official of the United States whose approval prior to prospecting, exploring, or mining would be required.

This section, while not of course, adding anything of substance to the legislation, does make abundantly clear the intent of both Houses that the bill will not indiscriminately throw open to mineral development areas where the approval of a responsible official of the United States has heretofore had to be obtained before mineral development could be carried on. An example would be permits to prospect in wildlife refuges, national parks, monuments, or on power-site withdrawals. We want to be certain that the bill in no way detracts from the protection now afforded wildlife, or our national parks.

Mr. President, while S. 3344 as approved by this body on July 8 has not been substantially changed, your conferees are convinced that the bill now is in clearer language and more fully carries out the intent of Congress.

It should be stated that all of the Senate conferees have signed the conference report.

Mr. President, I move adoption of the conference report on S. 3344.

Mr. ANDERSON. Mr. President, will the Senator yield for a question?

Mr. BARRETT. I am glad to yield to the Senator from New Mexico.

Mr. ANDERSON. As a matter of fact, while some changes in words may have been made in the bill, the result is a bill that is identical with the one passed by the Senate after long hearings and long consideration. Is that correct?

Mr. BARRETT. The Senator is absolutely correct. In substance it is pretty much the same bill as it passed the Senate some time ago.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

HOUSING ACT OF 1954—CORRECTIONS IN ENROLLMENT OF H. R. 7839

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the concurrent resolution (S. Con. Res. 102) to make corrections in the enrollment of H. R. 7839, to aid in the provision and improvement of housing, the elimination and prevention of slums, and the conservation and development of urban communities, which were, on page 2, line 2, strike out "301" and insert "302" and on page 2, after line 9, insert:

In section 227 (c) (ii) (2) (B) of the National Housing Act, as added to that Act by section 126 of the bill, insert after the words "such outstanding indebtedness" the following: (without reduction by reason of the application of the approved percentage requirements of this section)

Mr. KNOWLAND. Mr. President, yesterday the Senate adopted the concurrent resolution (S. Con. Res. 102) making certain corrections in the enrollment of H. R. 7839, the housing bill. There, apparently, were additional corrections to be made. This matter has been taken up with the distinguished Senator from South Carolina [Mr. MAYBANK], and we would like to have the House amendments agreed to.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. KNOWLAND. Yes, I will yield.

Mr. MAYBANK. I thoroughly concur in the amendments that the House has made and I think they should be agreed to.

Mr. KNOWLAND. Mr. President, I move that the Senate concur in the House amendments.

The motion was agreed to.

THE JUNIOR SENATOR FROM WISCONSIN—MOTION OF CENSURE

Mr. FLANDERS. Mr. President, I have consulted with the majority leader, the distinguished senior Senator from California [Mr. KNOWLAND], and I have offered to have the presentation of my motion to censure postponed until the discussion of the foreign-aid bill is concluded, provided, however, that it does not appear to be unduly prolonged, in which case I may wish to intervene with my privileged motion.

MUTUAL SECURITY ACT OF 1954—MOTION TO RECONSIDER VOTE

Mr. McCARRAN. Mr. President, I desire to enter a motion to reconsider the vote by which the Senate on July 29 agreed to the amendment offered by the Senator from New Jersey [Mr. SMITH], identified as "7-28-54—G," and inserting on page 112, line 20, of the bill (H. R. 9678), an act to promote the security and foreign policy of the United States by furnishing assistance to friendly nations, and for other purposes, after "(a)", a new sentence as follows:

The President is hereby authorized to continue membership for the United States on the Intergovernmental Committee for European Migration in accordance with its constitution approved in Venice, Italy, on October 19, 1953.

I was not present at the time this amendment was adopted, and therefore I qualify to enter this motion.

The PRESIDING OFFICER. The motion will be entered.

AMENDMENT OF DISTRICT OF COLUMBIA CREDIT UNIONS ACT

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 3683) to amend the District of Columbia Credit Unions Act" which was, on page 3, line 1, strike out "(a)" and insert "(b)."

Mr. CASE. I move that the Senate concur in the amendment of the House. It is merely a cross-reference, changing (a) to (b).

The motion was agreed to.

MUTUAL SECURITY ACT OF 1954

The Senate resumed the consideration of the bill (H. R. 9678) to promote the security and foreign policy of the United States by furnishing assistance to friendly nations, and for other purposes.

Mr. KNOWLAND. Mr. President, I understand the Senator from Nevada has another he is going to offer. If it is agreeable to him, I ask that the yeas and nays be ordered on the amendment.

The yeas and nays were ordered.

Mr. KNOWLAND. As I understand, the Senator from Nevada has sent his amendment to the desk.

Mr. MALONE. I have sent the amendment to the desk and I now offer it.

The PRESIDING OFFICER. The amendment will be stated

The CHIEF CLERK. It is proposed to strike out all after the enacting clause and insert in lieu thereof the following:

That there is hereby authorized to be appropriated the sum of $13,079,000,000 for construction within the United States of military aircraft for the Armed Forces of the United States.

THIRTEEN BILLION FOREIGN AID FUND SHOULD BE SPENT ON UNITED STATES AIRCRAFT

Mr. MALONE. Mr. President, it is the intention of the junior Senator from Nevada to support with data and necessary information the amendment he has offered which proposes to authorize the appropriation of $13,079,000,000 which would be available to the FOA for the construction of military aircraft for the Armed Forces of the United States. What is now known as FOA started as UNRRA. If this bill would pass in its present form FOA would be another UNRRA.

Mr. President, as of June 30, 1954, there were unexpended balances of mutual security funds totaling $9,979,100,000, of which $7,734,600,000 had been appropriated to defense agencies, and $2,244,500,000 to other agencies.

Of the $9,979,100,000 there are $2,582,000,000 in funds which have never been obligated and are therefore available from previous appropriations for the foreign aid program for 1955.

The Senate bill now under consideration would authorize $3,100,000,000 in new funds for further foreign aid expenditures.

Unexpended funds, plus proposed new funds, total $13,079,000,000. Unobligated funds, plus proposed new funds, total $5,582,000,000.

An amendment is suggested to make unexpended balances plus the proposed new authorization available for the construction of airplanes for our national defense.

TITANIUM ADDS NEW FACTOR TO AIR PROGRAM

I wish to say at this point that there is more to the construction of military aircraft than appears in the programs which have been publicly announced. A new material has come on the scene. It is absolutely necessary and a "must" in airplane construction, if we are to have the best aircraft manufactured in the

United States of America. That material is called titanium. We call it the wonder metal, because it is strong and light and is not susceptible to corrosion, even under sea-water conditions, and very few chemicals will affect it.

"WONDER METAL" NECESSARY FOR SUPERSONIC AIR SPEEDS

In addition to its being noncorrosive, it is also heat resistant. The new alloys being worked out with titanium will stand the heat generated on the shell of a plane by supersonic speeds of 800 miles an hour or greater. The metal now used, aluminum, will not stand such high heat.

Also, with the lighter weight, of course, as was testified to by Don Douglas, of Douglas Aircraft, and by Robert Gross, of Lockheed, and others who know airplane construction, if the metal is available to the extent necessary so that the designs can be taken off the drafting board, a plane using 25 to 40 percent titanium, including the engine, not only can travel at supersonic speeds of 800 miles an hour or greater, but can cover the distances necessary without refueling.

TITANIUM TO GIVE MILITARY AIRCRAFT LONGER RANGE

Now it is necessary to refuel our planes if they go five or six thousand miles. The new planes, when the new metal is available, will be able to go 5,000 to 7,000 miles from the United States bases, distribute their bomb load, and return without refueling.

This metal is not available at this time in sufficient quantities. Therefore this Nation is not able to build the great air force it is capable of building without more work and more production.

MORE EMPHASIS MUST BE PLACED ON TITANIUM PRODUCTION

At this time the pure metal costs $15 a pound. Pressed into shapes, it costs about $20 a pound. Manufactured sponge is now being contracted for at $5 a pound.

Without going into the laboratory work or the methods or the engineering experience, and the time that has been put into this metal in the past 3 years, the manufacture of the metal has been retarded because there has not been sufficient emphasis on the necessity for it; and, I am sorry to say, Congress has paid very little attention to it.

The subcommittee was provided for under Senate Resolution 143. The report of the subcommittee was submitted to the Senate on July 9. Before the subcommittee we heard witnesses from the airplane construction industry, from Government agencies working in laboratories on this metal, and from private construction agencies working on jet planes.

GREATER OUTPUT WILL BRING DOWN COSTS

The situation is that Mr. Mansure, of the General Services Administration, is doing the best job he can do, but he has limited orders. He has an objective of 35,000 tons annually. That is the amount recommended to be produced by the Secretary of Defense and by Mr. Flemming, Director of the Office of Defense Mobilization and a member of the National Security Council. Mr. Mansure is doing the best he can. However, encouragement is needed in the form of greater emphasis on the manufacture of the metal, which is very expensive. It is believed that it will be much cheaper in the reasonably near future if we have the pressure of manufacture, so that eventually, instead of costing $15 a pound, it will cost less than $3 a pound, and perhaps even $2 a pound. The history of the manufacture of metals shows that to be the pattern. Aluminum and stainless steel are examples; 50 years ago aluminum was exceedingly expensive, costing from $40 to $50 a pound. It was a very scarce material.

After it was found to be an important metal and demand developed for the manufacture of national-defense goods, we began to manufacture aluminum in quantity. Today, instead of costing many dollars a pound it costs 18 or 20 cents a pound. The price of titanium is not likely to become that low, but practically all engineers and manufacturers believe that it will be cut in two several times. I believe that will be the case.

At the moment some agency must take the chance. Therefore, with titanium costing $15 a pound for the metal and $5 for the sponge with the present method of manufacture, it is necessary for the investor, whoever wants the metal—and that is now the Government—to take the risk of obsolete equipment in case a better and cheaper process is developed. So the contracts now being let by the General Services Administration guarantee to pick up the check on any equipment rendered obsolete by virtue of the possible development of a better method of manufacture.

This is a very fine investment, and it must be made. Money would be saved even if it were necessary to pay for a great deal of obsolete equipment, because when the method becomes cheaper money will be saved on future contracts.

ONE HUNDRED AND FIFTY THOUSAND TONS OF TITANIUM NEEDED ANNUALLY

Mr. President, large amounts of money are needed to let contracts to responsible companies for the manufacture of the planes themselves. I shall not go into detail as to what companies are interested, but we do know that progress is being made in laboratory experiments in the invention and manufacture of alloys necessary for the jet engines and for the planes.

Mr. President, the testimony clearly showed that we need an annual capacity of 150,000 tons of titanium, and that a large proportion of this capacity must be in a going concern operation or in a stockpile before the newly designed planes can be taken off the drafting board and manufacture started. Little would be gained if we started to manufacture a plane and then ran out of titanium metal and had to stop.

We are now producing 2,000 tons of this metal. We need 150,000 tons annually. If contracts are let at the present cost for any major portion of this amount of metal, a great amount of money will be required.

UNITED STATES AIRPOWER MUST BE GREATEST IN WORLD

I am addressing myself today to the question of the availability of the money required to build a first-class Air Corps with first-class air equipment, which will enable us to dominate the area of the Western Hemisphere. What we must drive for is an extended Monroe Doctrine. President Monroe said in 1823, 130 years ago, that if any nation should seek to extend its form of government within that area, such aggression would be considered an overt act against the United States. That doctrine kept us out of war for 75 years. It can keep us out of war for another 50 years if we are prepared to implement it; but we cannot now implement it with a fleet or with a foot army.

We must support it with the greatest airpower and the greatest air equipment in the world. To obtain this equipment we must start at the bottom. We must have the metal available to make the equipment and the money available to start making it.

We should not put a foot soldier in Asia or Europe. That kind of warfare is outdated. We should have our air equipment based in the United States or elsewhere in North America, according to military strategists. Such equipment could fly at supersonic speeds, travel between 5,000 and 7,000 miles, distribute the bombs, and return. We should also have fighter planes, radar equipment, and guided-missile equipment. If any nation should move across the line which we would define, either politically, economically, or militarily, we would simply say, "We will destroy your warmaking capacity at home."

I would not mention any nation. At this moment the greatest danger to this Nation is not Russia. There are other nations more dangerous to this Nation, economically and politically. Let us keep our feet on the ground and be ready to lay down the law, just as Monroe did 130 years ago.

To do so requires money—not $13 billion to enable Mr. Stassen to travel all over the world building up our opposition, as we have been doing since World War II. Beginning in 1948, Congress set aside $17 billion for a certain number of years, and added to it from time to time; and we have spent $59 billion since World War II. Where and for what purpose? To build up our opposition, our economic competition in Europe, and to arm Russia and China.

Is there any doubt, Mr. President, that that is what this fund is being used for now? Is there any doubt that that is what the additional money would be used for? There can be no doubt if Members of this body will only read the current newspapers.

AIR CORPS STRENGTH WOULD PERMIT FIRM FOREIGN POLICY

Instead of giving Mr. Stassen $13,079,000,000 to go all over the world to build up more opposition to our industries in this country and in competition with the jobs of workingmen in this country and to arm Russia and China, let us transfer this money to the Air Corps and build the finest air corps in the world, so that we can lay down a policy and stick to it. Then we shall not find ourselves embarrassed by reason of making statements all over the world that we cannot back up.

Mr. President, no one believes that a foot army will be the decisive factor in the next war. The only foot army any nation will have will be in its own area to repeal invasion. When world war III starts, in a matter of a week a foot army in Europe and Asia would be dead or on the way to the salt mines.

I wish to read from the recommendations of the committee under Senate Resolution 143. The committee made 12 recommendations.

The recommendation as to titanium reads:

> 7. We recommend increasing the production goal for titanium to 150,000 tons annual minimum without delay. Titanium is a new wonder metal. This is a military must. Contracts should be awarded without delay by the Government to qualified concerns prepared to contribute toward this goal. Civilian demands are tremendous for this heat resistant high-strength-weight-ratio, noncorrosive, nonmagnetic metal.

As I have previously said, there is no competition for this metal. It is a question for us ourselves to determine, and for this Nation to work out. The metal can be used in jet engines and in the plane frames.

I continue to read from the committee recommendations:

> This metal can become the basis for a $5 billion to $10 billion new civilian industry. Production of the long-range supersonic speed bombers and the necessary fighter planes will make obsolete any nation's air equipment built without it.

I wish to compliment the Senate for taking Mr. Stassen out of the mining business, by agreeing to the previous amendment which I offered.

UNITED STATES HAS AMPLE SOURCES OF RAW MATERIAL FOR TITANIUM

The United States, at the moment, is making annually 2,000 tons of titanium metal. Two-thirds of that metal is being made in Henderson, Nev. Where are we getting the raw material? We are getting it from Australia. There are two principal raw materials which go into the manufacture of titanium metal. Rutile is coming from Australia, a source from which it would not be available in hours after world war III began. What is the other element? There are several elements of minor importance, but the principal one, one of the most important, is ilmenite. We are getting that from India, of all places. India has said time and again that it intends to be neutral. That is the most that could be expected of India. It would be logical for India to be neutral, because she is right on the border of Russia and is dependent upon Russia for many things.

Ilmenite is the second ore which goes into the manufacture of titanium. There is more ilmenite in the United States and in southern Canada than we could use in a hundred years, but we simply are not using it. I say it must be used. These ores must be converted into metal which will be available when a war starts, and money must be made available with which to produce them.

EUROPE'S INDUSTRIES HUMMING

Why send more billions of dollars to Europe, while in America unemployment is increasing, and more areas and cities are in distress?

Europe is prosperous. Europe is employed. European industries are humming. The index of industrial production of Europe is far above that of its most lush prewar era.

Mr. President, I placed in the RECORD this morning a table showing that the recovery of Europe—if it can be called recovery—based upon the prewar year of 1938, ranges from 140 to 180 percent. Some countries are producing more than double what they were producing before World War II.

I recall again, for the benefit of the Members of the Senate, that in 1948 I placed in the RECORD a table which indicated that only two nations in all of Europe at that time were substantially under the 100-percent index of production for the prewar year of 1937. What were those two nations? Austria and Germany. We ourselves held them down. All that was ever necessary to be done for Germany was to let her alone for a couple of years. It is not necessary to do anything for Germany. Simply do not do anything to her for a couple of years; Germany will take care of herself.

FOREIGN-AID PROGRAM A HUMBUG

All the other nations of Europe were within 1 percent or 1½ percent of a recovery to prewar conditions when the Marshall plan went into effect. The recovery of Europe cannot be attributed to the Marshall plan. That would have been impossible. It is humbug. Part of the prosperity may be due to the $59 billion we have doled out in foreign aid since the war; but, in any event, Europe is on its feet, healthy again, and is sneering and snarling at Uncle Sam.

UNITED STATES UNEMPLOYMENT 10 TIMES GREATER THAN ENGLAND'S

In my opinion, it is the utmost folly to continue pouring billions of dollars of our hard-earned American money into Europe while the economy of many of our own industrial communities is sick, while this Nation is afflicted with a growing rash of distressed areas, and while 10 times as many workers as Great Britain has are unemployed.

Mr. LANGER. Mr. President, will the Senator yield for a question?

Mr. MALONE. I yield.

Mr. LANGER. Does the Senator from Nevada agree with me that the United States should not permit the spending of a single dollar of the $3,100,000,000 proposed to be appropriated, because there is a backlog of more than $9 billion which is ample to take care of the situation?

Mr. MALONE. There is a backlog of $9 billion, but I have an amendment to transfer that $9 billion to the building of airplanes and the development of minerals and ores—some of which are very plentiful in the State of North Dakota, by the way—and to do something for Uncle Sam just once.

This morning I suggested not only taking the money away from Mr. Stassen, but also the canceling of his passport. The only question was whether to cancel it when he was out of the country or when he was still in the country.

Mr. LANGER. I thank the Senator.

Mr. MALONE. The last figure I have had on unemployment in the United Kingdom gave the jobless total as slightly below 300,000 or less than 1½ percent of Britain's working population.

Mr. President, 1 year ago while we were voting foreign aid billions to Europe and to Europe's colonies throughout the world there were only 39 areas in the United States which are what we call distressed areas by reason of unemployment. That was too many. It was four more than we inherited from the previous regime, against which the people by overwhelming majority revolted in November 1952.

GIVEAWAY PROGRAM REJECTED BY VOTERS

One of the reasons why so many million people soured on the old regime was the same giveaway program the foreign-aid advocates are proposing to continue today.

There was, as I have stated before, 39 distressed areas in the United States in July 1953.

By March 31 of this year the number had grown to 80, and the junior Senator from Nevada listed them in a floor speech.

By May the number had grown to 124, and I reported the new areas in another discussion on the floor of the Senate.

The latest report on the number of distressed areas in the United States was made by the Bureau of Labor Security on July 22, which was only last week.

The number of distressed areas as of the date of that report was 141, an increase of 17 in a few weeks time, an increase of 61 since March 31, and an increase of 102 since a year ago.

BILLIONS FOR EUROPE; NONE FOR UNITED STATES DISTRESSED AREAS

Where, may I ask my distinguished colleagues, is there $13 billion in aid for these American distressed areas, distressed industries, and jobless workers? Where is there $5 billion for their relief?

The report of the House appropriations committee informs us that $2,200,000,000 already has been spent or programed on offshore procurement, which means manufacture and production of military goods by foreign workers, in foreign factories, in foreign countries.

It means payrolls for foreigners and unemployment for American workers.

The same report states that $300 million is being sought in the 1955 legislation for further foreign procurement of military supplies paid for by American taxpayers.

The pending bill contains $70 million for the purchase of military aircraft in the United Kingdom, a cut of $5 million from the $75 million in the House authorization bill.

AMERICAN TAX DOLLARS FINANCE FOREIGN PAYROLLS

The taxpayers of America, and the workers of America, in other words, are being asked to finance European payrolls while our own payrolls sag to the point where we have 141 distressed areas in the United States.

Mr. President, of the 141 distressed areas today 86 are in what the Bureau of Labor Security calls group A, which means that unemployment approximates 6 to 12 percent of the labor force. Thirty-eight areas are in group B, with 12 percent or greater unemployment.

Areas which have become distressed since May are Columbus, Ga., and Honolulu, Hawaii; Decatur, Ala.; Oswego-Fulton, N. Y.; Kinston, N. C.; Newark, Ohio; Springfield, Ohio; Amsterdam, N. Y.; Lock Haven, Pa.; Richlands-Bluefield, Va.; Fort Smith, Ark.; Bristol, Conn.; Owosso, Mich.; Findlay-Tiffin-Fostoria, all in one area, and Mansfield and Sandusky-Fremont, Ohio; and Springfield, Vt.

Amsterdam, Lock Haven, and Richlands-Bluefield are in the IV–B list with 12 percent or more unemployment.

MORE LAYOFFS ANTICIPATED

A significant statement from this Bureau of Employment report reads as follows:

Further layoffs were anticipated by employers in three major branches of transportation—aircraft, autos, and shipbuilding—farm machinery, ordnance, and household appliances such as refrigerators and washing machines.

Mr. President, our laid off ordnance workers must be greatly heartened by the fact that $2,200,000,000 of American money, including some they have contributed in taxes, has been programed for procurement of military goods in foreign countries, and that this procurement includes great quantities of ordnance manufactured in Europe, and particularly in England, France, and Italy.

The $70 million now requested for the manufacture of military aircraft in Great Britain, which is in addition to many millions already spent in such procurement, should be of interest to our aircraft workers who have been laid off or who face the prospect of further layoffs, according to the Bureau of Employment Security.

Mr. President, every dollar in foreign aid we are expending is working a hardship on American labor, American industry, and American communities.

We are taking jobs and bread away from Americans, and giving jobs and butter to foreigners.

HOW FOREIGN NATIONS HELPED AMERICA IN OUR TIMES OF STRESS

Mr. President, there have been periods in the history of our country when our own Nation was in acute economic distress; when it was endeavoring to recover from calamitous and destructive wars, and to rehabilitate war-disrupted industries.

As I recall history, there were periods, after the War of 1812 to 1815 with Great Britain, following our War with Mexico, and particularly after the great conflict between the North and South, when this Nation was hard pressed and its people were hard pressed. I would say we have had a good many wars with a good many nations. The only one who succeeded in burning the White House, however, were the English.

Did any foreign country come forward then with economic or monetary aid? Did any nation undertake then to rehabilitate our industries or economy?

FOREIGN LOANS TO UNITED STATES LISTED

Mr. President, at my request the Legislative Reference Service of the Library of Congress prepared for me a list of all foreign loans made by foreign nations to our Government since the founding of our Republic under the Constitution. The first loan, I find, was made in 1790, and the last in 1794. All were made by Holland or by Antwerp, and they totaled $9,400,000. Not $9 billion, Mr. President, the amount we are proposing to appropriate so blithely, not a penny of which we will ever get back, but all of which will go into foreign industries that will compete with domestic producers and help our potential enemies. All of America's foreign loans had been paid back in full by 1809—with interest, I might add.

Nine million dollars is the sum total of the foreign aid that has been extended throughout our history by foreign governments to the Government of the United States.

I ask unanimous consent that this report and the table showing foreign loans to the United States be printed in the RECORD at this point in my remarks.

There being no objection, the report and the table were ordered to be printed in the RECORD, as follows:

THE LIBRARY OF CONGRESS,
Washington, D. C.

The Honorable GEORGE W. MALONE,
United States Senate,
Washington, D. C.

DEAR SENATOR MALONE: There appear to have been a limited number of loans made to the Government of the United States by foreign sources since the inception of the United States Constitution. These are listed below by country, year, and amounts. They all were made on the application of this country and the last of them was obtained in 1794 and paid up as to principal and interest by the year 1809. Some grants and loans from foreign governments were made to the United States before April 30, 1789 but our research reveals no grants and no direct government-to-government loans after that date. In the war of 1812 (in 1814) United States bonds were sent to Europe for sale but were not sold.

Foreign loans to the United States after 1789

Origin [1]	Year	Amount loaned [2]	Dollar amount	Year paid up
Holland	1790	3,000,000	$1,200,000	1805
Do	March 1791	2,500,000	1,000,000	1805
Do	September 1791.	6,000,000	2,400,000	1805
Antwerp	1791	2,050,000	820,000	1805
Holland	December 1791.	3,000,000	1,200,000	1807
Do	1792	2,950,000	1,180,000	1807
Do	1793	1,000,000	400,000	1803
Do	1794	3,000,000	1,200,000	1809
		23,500,000	9,400,000	-----

[1] The Holland loans were all negotiated in Amsterdam through the houses of W. & J. Willink, N. & J. van Staphorst, & Hubbard. The Antwerp loan was completed through Messrs. C. J. M. DeWolf & Co.

[2] The loans were all contracted in terms of florins, or guilders, of "Brahant exchange money."

Source: 10th Census of the United States, Statistics of Public Indebtedness, comp. Robert P. Porter, Washington, 1881.

All loans made to the United States Government have been repaid in full. No direct loans have been made to the United States Government by foreign countries since the Holland loan of 1794.

Sincerely yours,

ERNEST S. GRIFFITH,
Director.

Mr. MALONE. Mr. President, I ask unanimous consent to have printed in the RECORD at this point a chart which refers to the foreign loans made to the United States as set forth in the letter from the Library of Congress.

It shows that, according to the record, we paid from 4 percent to 5 percent interest on each loan, plus a banker's charge in each instance of an additional 3¼ percent to 4¼ percent, making an actual total interest rate paid of approximately 9 percent on each loan.

The table also shows that actually most of the loans were paid up ahead of time.

There being no objection, the chart was ordered to be printed in the RECORD, as follows:

The sum of $9,400,000 is the total amount of principal. The table below shows the figures for interest rate:

Rate of interest per annum	Years to run	Charges [1]
5 percent	Reimbursible within 14 years.	4½ percent on principal.
Do	To run 11 years, and at the end of that period to be paid in 5 equal payments.	Not known.
Do	10 years—then 5 equal payments.	4 percent on principal.
4½ percent	Run for 11 years—then paid in equal amounts on certain date each year; to be completely cleared up by 15 years.	Not known.
4 percent	Run for 12 years—then to be repaid in 5 equal annual payments.	5½ percent on principal.
Do	Run for 11 years—then repaid in 5 equal annual payments.	5 percent commission and expenses, plus 1 percent of each installment of interest received and paid.
5 percent	Run for 10 years—then repaid in 5 equal payments.	3½ percent on principal.
Do	Run for 11 years—then repaid in 5 equal payments.	4 percent on principal.

[1] Commission and expenses charged by bankers who handled the loans—in addition to the principal and interest.

Mr. MALONE. Mr. President, I wish to call attention to the fact that not only did we pay interest on the loans, but we paid brokers' fees. In this case we ourselves pay interest to our people. We sell bonds to our citizens, and we pay any fees incurred. No foreign nation pays anything.

The table which I have already asked permission to have printed in the RECORD shows that the loans were reimbursable in from about 10 to 14 years. The interest rate ran from 4 to 5 percent, and, in addition, there was a banker's fee for handling the loans.

In contrast to the $9,400,000 loaned by foreign governments to the United States from the beginning of our Republic to the present day, the United States in the past 9 years or since the end of World War II has loaned or given away $59,351,000,000 to 166 foreign nations and dependencies.

Mr. President, I ask unanimous consent that a list of these foreign-aid beneficiaries, as prepared this year in alphabetical order by the Office of Business Economics, of the Department of Commerce, be printed, placed in the RECORD at this point, as part of my remarks.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

GEOGRAPHICAL ARRANGEMENT USED IN REPORT ON FOREIGN GRANTS AND CREDITS

American Republics: Argentina, Bolivia, Brazil, Chile, Colombia, Costa Rica, Cuba, Dominican Republic, Ecuador, El Salvador, Guatemala, Haiti, Honduras, Mexico, Nicaragua, Panama, Paraguay, Peru, Uruguay, Venezuela, unspecified.

Afghanistan.

Albania.

Andorra.

Austria (WE).

Bahrein.

Belgium-Luxembourg and possessions: Belgium (WE), Luxembourg (WE), Belgian Congo (WE), Ruanda-Urundi (WE).

Bhutan.

British Commonwealth: United Kingdom (WE), Aden (WE), Anglo-Egyptian Sudan, Australia, Bahamas (WE), Barbados (WE), Bermuda (WE), British Borneo (WE), British East Africa (WE), British Guiana (WE), British Honduras (WE), British islands east of Africa (WE), British Leeward and Windward Islands (WE), British Solomon Islands (WE), British Somaliland (WE), British South Africa (WE), Canada, Ceylon, Cyprus (WE), Federation of Malaya (WE), Fiji (WE), Gambia (WE), Gibraltar (WE), Gilbert and Ellice Islands (WE), Gold Coast (WE), Hong Kong (WE), India, Jamaica (WE), Malta (WE), Nauru, New Hebrides (British-French) (WE), New Zealand, Nigeria (WE), Northern Rhodesia (WE), Pakistan, St. Helena (WE), Sierra Leone (WE), Singapore (WE), South Atlantic areas (WE), Southern Rhodesia (WE), Tonga Islands (WE), Trinidad and Tobago (WE), Union of South Africa, Western Pacific islands (miscellaneous) (WE), unspecified.

Bulgaria.

Burma.

China-Taiwan (Formosa).

Czechoslovakia.

Denmark and possession: Denmark (WE), Greenland (WE).

Egypt.

Estonia.

Ethiopia-Eritrea.

Finland (WE).

French Union: France (WE), Algeria (WE), Clipperton (WE), French Cameroons (WE), French Equatorial Africa (WE), French Guiana (WE), French India (WE), French Morocco (WE), French Oceania, (WE), French Somaliland (WE), French West Africa (WE), French West Indies (WE), Indochina: Associated States of Vietnam, Cambodia, Laos, Madagascar (WE), New Caledonia (WE), Saint Pierre & Miquelon (WE), Tunisia (WE).

Germany: East Germany, Federal Republic (WE).

Greece.

Hungary.

Iceland (WE).

Iran.

Iraq.

Ireland (WE).

Israel.

Italy and trust territory: Italy (WE), Italian Somaliland (WE).

Japan and possessions: Japan, Ryukyu Islands, miscellaneous islands.

Jordan.

Korea.

Kuwait.

Latvia.

Lebanon.

Liberia.

Libya.

Liechtenstein.

Lithuania.

Monaco (WE).

Mongolia.

Nepal.

Netherlands Union: Netherlands (WE), Indonesia, Netherlands, New Guinea (WE), Netherlands West Indes (WE), Surinam (WE).

Norway (WE).

Oman.

Palestine.

Philippines.

Poland.

Portugal and possessions: Portugal (WE), Angola (WE), Azores (WE), Cape Verde Islands (WE), Macao (WE), Madeira Islands (WE), Mozambique (WE), Portuguese Guinea (WE), Portuguese India (WE), Portuguese Timor (We).

Qatar.

Rumania.

San Marino.

Saudi Arabia.

Spain and possessions: Spain (WE), Canary Islands (WE), Spanish Morocco (WE), Spanish Sahara (WE).

Sweden (We).

Switzerland (WE). Bank for International Settlements.

Syria.

Tangier.

Thailand.

Tibet.

Trieste (WE).

Trucial Oman.

Turkey (WE).

U. S. S. R. and possessions: U. S. S. R., Karafuto and Kuril Islands.

Yeman.

Yugoslavia (WE).

Trust Territory of the Pacific Islands: Caroline Islands, Mariana Islands, Marshall Islands.

International organizations: European Payments Union (WE), Intergovernmental Committee for European Migration, Intergovernmental Committee on Refugees, International Refugee Organization, Organization of American States (Pan American Union), United Nations, United Nations International Children's Emergency Fund, United Nations Relief and Rehabilitation Administration.

Unspecified areas: Europe (WE), Other.

RED BENEFICIARIES INCLUDED

Mr. MALONE. Mr. President, it will be noted that in this list of postwar recipients of largesse from our Treasury—a Treasury incidentally that is $270 billion in debt—there are a number of Communist nations and possessions, including Soviet Russia, Czechoslovakia, Bulgaria, East Germany as distinguished from the Federal Republic in West Germany, Hungary, Rumania, Poland, and Mongolia.

The foreign aid program, as originally conceived by its proponents, envisioned vast dollar handouts to everybody, including Russia and her satellites, who were even invited to participate in the Marshall plan.

RUSSIA DECLINES MARSHALL PLAN AID

Perhaps Senators now present will recall that we offered Marshall plan aid to Russia, and Russia declined to take it. The fact that Russia had the good sense to refrain from taking money from the taxpayers of the United States excites great curiosity in the breast of the junior Senator from Nevada.

It will be noted also that nine international organizations are on the foreign-aid handout list.

Mr. President, foreign aid has been the greatest boondoggle in all history. The boondoggles of the depression era pale into insignificance by comparison. The money they spent at least went to the relief of Americans, Americans who were unemployed or hungry.

Foreign-aid funds go to foreigners, who today are neither unemployed or hungry. In Great Britain, for example, unemployment is virtually nonexistent, only one-tenth that in the United States; and Britain is the major recipient of our postwar largesse.

Today there are more agencies handing out aid in various forms to foreigners than there were agencies administering aid and relief to Americans in the deepest days of the depression.

AGENCIES SUBMITTING DATA ON FOREIGN AID GIFTS

I ask unanimous consent that there be printed in the RECORD at this point in my remarks a list of agencies submitting data on foreign-aid gifts, grants, or credits to the Office of Business Economics of the Department of Commerce for preparation of its report of last December.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

REPORTING AGENCIES

Agencies submitting data on foreign grants and credits to the Office of Business Economics are listed below in the alphabetical order followed in agency tabulations throughout this report. Agencies designated with an asterisk (*) have reported in prior periods but their activities have since been liquidated or merged with those of another agency.

Agriculture Department.

American Red Cross.

Commerce Department: Maritime Administration.

Defense Department: Air Force Department, Army Department, Navy Department.

Executive Office of the President: Office of Defense Mobilization.

Export-Import Bank.

Foreign Economic Administration.*

Foreign Operations Administration: Director for Mutual Security,* Institute of Inter-American Affairs,* Mutual Security Agency,* Economic Cooperation Administration,* Technical Cooperation Administration.

General Services Administration: Defense Materials Procurement Agency,* War Assets Administration.*

Philippine War Damage Commission.*

Post Office Department.

Reconstruction Finance Corporation: Office of Defense Plants,* Office of Defense Supplies,* Office of Metals Reserve,* Office of Rubber Reserve,* Rubber Development Corporation,* U. S. Commercial Company.*

State Department.

Treasury Department: War Refugee Board.*

FOREIGN-GIVEAWAY VIRUS INFECTS MANY AGENCIES

Mr. MALONE. Mr. President, from the above list it can readily be seen that the foreign-giveaway virus has infected five great departments of our Government, in addition to the agencies Congress has set up to carry on this vast international boondoggle.

I do not know how many of the employees in these departments are engaged in dispensing American dollars to foreign nations, while deriving their incomes from other American dollars contributed by our taxpayers; but I do know that the Foreign Operations Administration in May had 4,141 employees on its payroll, an increase of 67 over the previous month, and an increase of 766 since the new administration took office.

In the opinion of the junior Senator from Nevada, what we have here is not

only a boondoggle for 166 foreign nations and foreign possessions, and for 9 international organizations, but for payrolls in our own admiinstration, which was elected on a pledge of sound business practices and economy.

I renounce foreign aid as a Republican program. It is not a Republican program. It is a worldwide, New Deal expansion of a New Deal program which the New Deal commenced domestically, prior to the war, to tax the American people into economic slavery and political submission, by dividing their incomes, wealth, and earnings with the world.

POWER PROJECTS AUTHORIZED BY FOA IN FOREIGN LANDS

Mr. President, in 1948, I called the Marshall plan an international WPA, and it has never changed; that is what it is today.

The New Deal milk-for-Hottentots plan that America chuckled over in prewar days has now been transposed into multi-million-dollar power projects for India, butter for Britain, and irrigation works for Eysvoogel land in Surinam.

Mr. President, I ask unanimous consent that there be printed in the RECORD, at this point in my remarks, 6 tables showing the irrigation, reclamation, and hydroelectric power projects authorized and programed by the Foreign Operations Administration in foreign lands, 1 each for projects in Europe, European overseas territories, the Far East, including Indochina, Africa, the Near East, and south Asia; and, in addition, a statement concerning a strategic materials development project in Portuguese East Africa.

There being no objection, the tables and statement were ordered to be printed in the RECORD, as follows:

Irrigation, reclamation, and hydroelectric power projects authorized and programed by country and fiscal year

[Thousands of dollars]

Projects	Total	Fiscal years		
		1952	1953	1954
Near East	7,412	2,142	1,636	3,634
Iran	3,006	360	266	2,380
Golpayegan Dam	137	92	45	
Kouhrang Tunnel	66	50	16	
Land-use surveys	140	80		60
Karkheh Dam	158	108	50	
Ghanat reconstruction	230	30		200
Irrigation improvement	95		60	35
River basin survey	295		95	200
Karaj Dam	1,400			1,400
Zayande H. Rud Basin	335			335
Yezd deep wells	150			150
Iraq	423	50	170	[1] 203
Range improvement	5			5
Irrigation designing construction	194			[2] 194
Irrigation and drainage laboratory	4			4
Water resources planning irrigation laboratory and ground water surveys	170		[2] 170	
Water resources utilization	50	[2] 50		
Israel	68	25	43	
Irrigation	25	25		
Use of rangelands	30		30	
Water storage	13		13	

[1] Programed.
[2] Includes service costs for technicians and trainees.

Irrigation, reclamation, and hydroelectric power projects authorized and programed by country and fiscal year—Continued

[Thousands of dollars]

Projects	Total	Fiscal years		
		1952	1953	1954
Jordan	1,787	707	597	483
Yarmouk Jordan Valley	949	587	129	233
Range water development	362	120		242
Range management and ground water development	134		134	
Forestry and soil conservation	39		31	8
General Wadi development	303		303	
Lebanon	1,386	[2] 860		[1] 526
Litani River Basin investigations	871	656		215
Water reconnaissance survey	133	40		93
Kasmie construction project	100	100		
Irrigation	82	64		18
Kasmie irrigation	200			200
Saudi Arabia	742	140	560	[1] 42
Natural resources survey	140	140		
Rural community development project	500		[4] 500	
Ground water development	60		[5] 60	
Range improvement	12			12
Drainage	30			30

[1] Programed.
[2] Approximately $170,000 was also obligated for technicians for water resource survey under contract with U. S. Bureau of Reclamation.
[4] Includes development of land and water resources in such select areas and construction of irrigation works.
[5] Obligated for technicians and trainees in water-spreading techniques.

Irrigation, reclamation, and hydroelectric power projects authorized and programed by country and fiscal year

[Thousands of dollars]

Projects	Total	Fiscal years		
		1952	1953	1954
South Asia	62,339	18,484	17,763	26,092
Afghanistan	647		114	533
Helmand Valley agricultural development	647		114	[1] 533
India	52,712	18,484	16,006	18,132
Ground-water irrigation, construction, and equipment	19,891	13,700	6,191	
River valley development—power, irrigation, and flood control	10,189	4,784	5,405	
Ground-water exploration	4,500		4,500	
Rihand River Dam construction	11,000			11,000
Powerplant expansion	2,900			2,900
Improvement of Rajasthan power facilities	3,600			3,600
Engineering services to DVC (Harza)	632			632
Nepal	252		153	99
Irrigation	209		153	56
Irrigation from Tilawe	43			43
Pakistan	8,728		1,400	7,328
Ground water—exploration and tube wells	150		150	
Malchi Dhand, reclamation	500		500	
Bolan Dam	450		450	
Baluchestan State Union development	300		300	
Water supply and control:				
Kamofali	750			750
Punjab	85			85
Taunsa Barrage	3,500			3,500

[1] Programed.

Irrigation, reclamation, and hydroelectric power projects authorized and programed by country and fiscal year—Continued

[Thousands of dollars]

Projects	Total	Fiscal years		
		1952	1953	1954
Pakistan—Continued				
Soil and water conservation:				
Baluchistan Province	130			130
Bala-Chistan Province	55			55
Punjab ground-water survey	858			858
Water supply and control—irrigation Granges				
Kobaclak	1,950			1,950
Regional projects	195			195
Water spreading	195			195
Africa	7,865	206	7,047	612
Egypt	2,316		2,032	284
Agricultural drainage	162		162	
Drainage investigations and improvements	29		29	
Underground water survey	122		122	
Land reclamation and development	1,719		1,719	
Desert range development	82			82
Photogrammetric mapping [3]	202			202
Ethiopia	400	75	100	[3] 225
Water resources	400	75	100	225
Liberia	302		302	
Hydroelectric hydrology	2		2	
Aerial photographic survey	300		[4] 300	
Libya	319	131	85	103
Ground-water resources	319	131	85	[1] 103
Development of overseas territories	4,528		4,528	
French Morocco—hydroelectric project [5]	4,528		4,528	

[1] Programed.
[2] Includes aerial survey High Aswan Reservoir.
[3] Programed costs for an estimated 13 technicians, including administrative costs.
[4] For various purposes including hydroelectric potential determination.
[5] French counterpart funds derived from basic materials to be used for this project.

Latin America: Reclamation and power projects estimated for fiscal year 1954

[Thousands of dollars]

Reclamation projects, total	162.9
Colombia	24.0
Costa Rica	39.3
Haiti	50.2
Nicaragua	21.2
Regional	28.2
Power projects, total	18.0
Cuba	7.3
Dominican Republic	10.7

European industrial projects:[1] *Authorizations for irrigation, reclamation, and hydroelectric power projects financed in part by FOA, by country and project, cumulative, Apr. 3, 1948, to Mar. 31, 1954*

[In thousands of dollars]

Country and project:	*FOA procurement authorized*
Total for specified European projects	18,678

[1] FOA European industrial projects are projects which are approved for major construction, modification, rehabilitation, or equipping of plants, installations, or facilities where substantial amounts of integrated engineering or dollar procurement are required.

European industrial projects: Authorizations for irrigation, reclamation, and hydroelectric power projects financed in part by FOA, by country and project, cumulative, Apr. 3, 1948, to Mar. 31, 1954—Con.

[In thousands of dollars]

Country and project—Con.	FOA procurement authorized
France: Extension of the Office du Niger irrigation project in French West Africa	1,191
Greece	120
Hydroelectric plant (40,000 kilowatts), at Agra on Vodas River	35
Hydroelectric plant (50,000 kilowatts), at Ladhon	40
Hydroelectric plant (5,000 kilowatts), at Louros	45
Iceland	5,034
Expansion of hydroelectric plant on the Sog River	4,064
Expansion of hydroelectric plant on the Laxa River	970
Portugal: Irrigation and power development in the Sorraia Valley and the Plains of Vila France	1,659
Turkey: Sariyar hydroelectric powerplant and related transmission lines	10,157
International: Austro-German hydroelectric powerplant at Braunau on the Inn River	517

European overseas territories: Authorizations for irrigation and reclamation projects,[1] by area, cumulative, Apr. 3, 1948 to Mar. 31, 1954

[In thousands of dollars]

Area and project:	FOA authorizations
Total for specified European overseas territories projects	1,609
French territories: Morocco rice cultivation	264
Netherlands territories	1,345
Surinam: Eysvoogel and reclamation	1,296
Cypress antierosion program	17
Somaliland reservoir construction	32

[1] Excludes projects of a similar character developed by the European countries themselves which have benefitted, in varying degrees, by FOA-financed general import or loan programs or by the use of the country's own counterpart funds.

FOA-FINANCED STRATEGIC MATERIALS DEVELOPMENT PROJECTS FOR PORT DEVELOPMENT

The only project involved in the strategic materials program pertaining to harbors, waterways, and related projects, is the development of the port of Beira in Portuguese East Africa. This project which was approved for MSA/ECA financing in 1950 has an estimated overall cost equivalent to about $3,300,000.

The project is financed in part by FOA with counterpart funds and dollars. As of March 31, 1954, FOA had committed $670,000 for the purchase of American equipment and services, and the equivalent of $1,325,000 in Netherlands counterpart funds. Expenditures of counterpart through March 31, 1954, were equivalent to $1,316,000. As of the same date, dollar expenditures amounted to $670,000.

Far East program: Authorizations for irrigation, reclamation, and power projects by country and type of project—Cumulative, June 5, 1950, to Feb. 28, 1954

[In thousands of dollars]

Country and type of project:	FOA authorizations
Total for specified far eastern projects	37,217.1
China (Formosa)	19,529.0
Irrigation and reclamation	203.0
Port facilities	11.0
Power:	
Hydro power generation	6,297.0
Thermal power generation	8,185.0
Power transmission and distribution	4,833.0
Indochina, Associated States	5,235.8
Irrigation and reclamation	1,152.1
Port facilities:	
Harbor improvements	183.6
Inland waterways	3,239.2
Cargo handling and storage	64.7
Power: Thermal power generation	596.2
Thailand	9,012.3
Irrigation and reclamation	6,587.0
Harbor improvement	805.5
Power (power system survey and rural power)	1,619.8
Philippines	3,440.0
Irrigation (pump and gravity)	2,998.0
Port facilities and inland waterways (lighthouse rehabilitation)	431.0
Electric power survey	11.0

FOREIGN AID A SCHEME TO SIPHON AMERICA'S WEALTH AWAY

Mr. MALONE. Mr. President, I oppose this program and this bill. I have opposed this foreign-aid scheme to siphon America's wealth to foreign nations, ever since I came to the United States Senate; and I opposed it before I was elected to the United States Senate, 7½ years ago.

I oppose it because it was sold, under false and "phony" pretenses, by a reckless and wasteful administration to the Congress.

I oppose it because it has not bought national defense.

I oppose it because it has retarded and held back national defense, squandering on remote and distant areas, some of them now under Communist domination, money that should have gone to expand our Air Force.

I oppose it because it has taken away jobs from American workers, and given them to foreign workers. The very bill we are discussing today carries a $70 million item for construction of airplanes in Great Britain, the nation that gave to Russia the Zene jet engine that later appeared in the MIG–15's that shot down American airmen in Korea.

BRITISH JET ENGINE FOR SOVIET WAS AT FIRST DENIED

Mr. President, at this point I wish to say that in 1948, I stated on this floor that England had sent the jet engine to Russia. That was violently denied. Someone even wrote a letter on that subject to the Secretary of Defense at that time. He did not deny that the jet engine had been sent to Russia. He merely said the shipments had been stopped, and that no more were being sent. Later, however, we found out that the shipments had not been stopped.

Of course, Mr. President, when a new engine or any other new piece of mechanism is invented, it is not necessary to send more than one to a foreign country; from that point on, duplicates can be made in that country. That is what England did, Mr. President.

FOREIGN AID USED TO DESTROY UNITED STATES INDUSTRIES

Mr. President, I oppose this program and this bill because it has been used, in part, to destroy many of our great domestic industries.

It has been used to destroy mining industries.

It has been used to destroy, in part, the textile industry.

It has been used to destroy almost all of the crockery industry.

It has been used to destroy the watch industry.

Recently the President of the United States took cognizance of that fact, and raised the tariff on watches 50 percent.

In that connection I merely wish to say—as I have said many times before, both on the floor of the Senate and elsewhere—that the job of fixing the tariff is given to the Congress of the United States by the Constitution of the United States. Congress dodged its responsibility, by passing the 1934 act which transferred to the Executive, by means of a simple congressional act, the constitutional responsibility of Congress to set the duties, imposts, and excises, and to regulate foreign trade. Mr. President, if a Member of the Senate had said, 10, 15, 20, 25, 30, or 40 years ago that Congress might do that, he would have been laughed off the floor of the Senate.

Mr. President, why does the Constitution provide that Congress shall have the duty of fixing the duties, imposts, and excises, and of regulating foreign trade, and thus the duty of protecting the workingman and investors of the United States? That constitutional provision was made because every precinct in the United States is represented on the floor of the Senate and on the floor of the House of Representatives. Thus, if the clothespin industry is about to be taken away from southern Maine, Maine has two Senators and a Member of the House of Representatives to represent that district, and they can call the attention of Congress to that situation—as was done by the distinguished Senators from Maine, who called the attention of the Senate Finance Committee and of the Senate of the United States itself to the fact that that little industry was being destroyed.

Why was it being destroyed, Mr. President? It was being destroyed simply because those who work in the small clothespin factories in southern Maine are paid 95 cents an hour, whereas in Sweden 55 cents an hour is paid for the same kind of work. I heard the distinguished Senator from Maine say, "It is just as simple as that." And it is, Mr. President.

MONEY SQUANDERED ON FOREIGN AID—THE PEOPLE'S MONEY

That is the way in which the industries of the United States of America are being destroyed—and are being destroyed with the money of the people of the United States themselves, not with our money, Mr. President, for the Congress of the United States and the Government of the United States do not have any money.

Money spent by the Government is not the Government's money, but belongs to the taxpayers of the United States, and is taken from them by the Government.

Mr. LANGER. Mr. President, will the Senator from Nevada yield for a question?

The PRESIDING OFFICER (Mr. PAYNE in the chair). Does the Senator from Nevada yield to the Senator from North Dakota?

Mr. MALONE. I am glad to yield.

Mr. LANGER. Of course, what the Senator from Nevada has just said is equally true of the mercury industry and the tungsten industry in the United States. Foreign imports cause the closing of those industries.

Mr. President, criticism is made of the Commodity Credit Corporation and the debt that is incurred, and it is said that the subsidy paid to the farmers is running into the billions of dollars. But at the same time, wheat is imported from Canada, and nearly half the Canadian rye crop is imported, and a great deal of barley is imported.

So I think the Senator from Nevada is entirely correct in his criticism of what is occurring.

Does not the Senator from Nevada agree with me that these industries should not be put out of business?

FARM PRODUCTION ABROAD STABILIZED BY UNITED STATES DOLLARS

Mr. MALONE. Of course I agree with the distinguished Senator from North Dakota. Certainly if there is no tariff on wheat, rye, or butter, to make up the difference between wages and taxes in the United States and wages and taxes in the competing countries, we are going to stabilize the production of those commodities in the foreign countries by buying their supplies of those products.

Mr. LANGER. Does not the Senator from Nevada agree with me that although the eastern newspapers print articles about how much money the farmers of the Middle West are making and about the subsidy the farmers receive, the fact of the matter is that the farmer takes his rye crop to the CCC, and obtains a loan on it at $1.08 a bushel; but at the same time, rye is being imported from Canada—in fact, in a period of 6 months, nearly 13 million bushels were imported, or more than half the rye crop of this country; and it is sold at a very low price, with the result that the price of rye declined to nearly $1 a bushel in the last year, and with the further result that the farmers were compelled to put their rye under loan with the Commodity Credit Corporation, which of course had, sooner or later, to sell the rye at the market price; and, in consequence, a $12 million or $13 million loss is charged to the so-called farmers' subsidy. Is not that correct?

Mr. MALONE. Of course, that is correct. Let me say to the distinguished Senator from North Dakota [Mr. LANGER] if a price is fixed which is profitable to any nation in the world in that business, there is nothing to keep the product from coming into the United States if the duty is less than the difference between the wages, taxes, and other costs of production in the competing country and such costs in the United States. We are the market; and there is not enough money in the world to keep it for American production if the duty is not sufficient.

Mr. LANGER. Of course. I fully agree with the distinguished Senator. He is contributing a remarkable statement upon the floor of the Senate. I hope Senators will read his statement tomorrow.

THE INTERNATIONAL LOBBY

Mr. MALONE. Mr. President, the eastern tier of States seems to be entirely dominated by people who are in the brokerage business, and who are taking an override on the industries of the United States. New York City is a good example—and I am sorry to say that Washington, D. C., is included under the tent. They are an international lobby.

Those who occupy the great buildings of New York—of course, the canyons of New York are pretty deep for a mountain man, but I go into them once in a while—are sitting in their offices and taking an override upon industry. That is the penalty for allowing people in America to do a brokerage business. They do not produce anything, but they control a great deal of oats. There is no production in the cities. This tier of States, I am sorry to say, is lost so far as the producers of the United States are concerned.

The Southern States, beginning with Maryland, and the Western States, beginning with western Pennsylvania, are producers.

BROKERS TAKING OVERRIDE ON UNITED STATES LABOR AND PRODUCTION

The people of those States do not know how to take it from the top. They think one must raise a crop and harvest it—get up in the morning and go out and cut it down, rake it up, shell it, thrash it, or stack it. They think one must go out into the timber and cut it down, process it, run it through a sawmill, or do something with it to make it worth more money. They think one must go underground into the mines in order to mine something.

They know that one man can drill several dry oil wells and spend his money, and finally get a producing oil or gas well, and sell it. Those people are producers. They do not know how to take an override from the production of the United States. That is what is now being done in the cities.

Mr. LANGER. Mr. President, will the Senator yield for another question?

Mr. MALONE. I am happy to do so.

Mr. LANGER. Is it not true that in the Senator's own State of Nevada the wool industry, the sheep-raising industry, has been practically ruined by the importation of wool tops from Argentina? Not only are wool tops imported but the foreign currency is finagled so that the American farmer who produces wool and sheep is up against a currency which is not even honest.

UNITED STATES DOLLAR WORLD'S ONLY HONEST CURRENCY

Mr. MALONE. With the possible exception of the currency of Canada, there is no honest currency in the world today except the currency of the United States. All foreign countries manipulate their currency.

We talk about a dollar shortage. Long ago the junior Senator from Nevada called attention to the definition of a dollar shortage. What is it? One way to have a dollar shortage—and we can all have it—is to expend more during a year than we earn; but the current method of foreign nations in establishing dollar shortages, upon which they sell us a bill of goods, is to put the price of their currency in dollars above the market price. No one on earth except a silly Congress will pay the price.

Mr. LANGER. Mr. President, will the Senator yield further?

Mr. MALONE. I am happy to yield to my distinguished friend.

Mr. LANGER. Is it not true that at the very time our miners were stopped from working our gold mines in Nevada and Colorado, we continued to pay large sums for gold from Canada?

Mr. MALONE. We paid $35 an ounce for the gold. The Canadians are pretty smart people. I very greatly admire them.

I delivered an address at Toronto before their national mining organization. I think it was in 1948. Before I got into the business end of the speech, I chided them a little by saying that they were pretty smart. I said, "You pay a subsidy of $7.50 an ounce on gold to the goldminer; then we pay you $35 for it, which makes $42.50, and you can mine gold for $42.50 an ounce, because we contribute $35 and you contribute $7.50."

Then I moved on to the subject of wheat. I chided them because of the fact that they were waiting for the authorization and appropriation of Marshall plan money, so that we would give the money to England to pay cash for Canada's wheat.

I said, "This is wonderful. You are smarter than we are, and in the end you will be in better condition than we shall be."

Some resented my statement at the time, but financial writers said I was right. I was right. The Canadians ended up better than we did. Their dollar has been worth a premium over the American dollar about half the time during the past couple of years. Why? They are smart enough to write off taxes.

CANADA ENCOURAGES MINING INDUSTRY

One can operate a mine of any kind up there for 3 years, and let it get out of the red before it is taxed. We start taxing a man when he is looking for the outcrop. We do not even wait until he

finds the mine; we start taxing him when he leaves town to look for it.

I am happy to say that yesterday this body approved a bill containing a reasonable depletion allowance of 15 to 23 percent for 32 minerals, which will be some concession to the taxpayer, although as the distinguished Senator from North Dakota has said, when there is no tariff or duty on importations of wheat, rye, or butter from other nations, we buy it at the same price, and then store ours and eat theirs.

The only difference in the case of a mineral, crockery, or watches is that the subsidy is collected in a different way.

Here they come. Foreign producers take the market, and the United States manufacturers or producers go out of business or have their production severely reduced. Their employees are scattered among other jobs, or go on unemployment relief.

FOREIGN INDUSTRY, TRADE, SUBSIDIZED AT TAXPAYERS' EXPENSE

Mr. President, I oppose this bill because it is being used to subsidize foreign industry and trade in competition with American industry, just as the distinguished Senator from North Dakota [Mr. LANGER] outlined in regard to agriculture. It places foreign industry in competition with American industries, investors, and workmen, and it is creating distressed areas in our Nation, and what amounts to a mild recession.

No one in Washington experiences a recession; we simply appropriate money. The brokers in New York have no recession, because they take an override. But if one goes into the farming areas, the mining areas, the crockery production areas, or the motorcycle and bicycle-producing areas, not only will he find a mild recession, but he may find something he will not like. He will be asked a few embarrassing questions.

FOREIGN AID A HEAVY DRAIN ON STATES

I oppose this bill, Mr. President, because foreign aid has constituted a tragic drain on each and every one of our States.

Mr. President, the Council of State Chambers of Commerce this month prepared a valuable report on foreign aid extended during the postwar years. I have checked this report against official Government records and find it very accurate.

The Council of State Chambers of Commerce deplores the fact that—

> Providing foreign governments with aid at the expense of American taxpayers no longer seems to receive the public attention it did in the early postwar years when the British loan, UNRRA, Greek-Turkish aid, and the Marshall plan were widely discussed.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. MALONE. I am happy to yield to the senior Senator from North Dakota.

Mr. LANGER. The Senator mentioned the British loan. I am sure the Senator remembers when the United States gave Great Britain $3,750,000,000 for nothing. When a small group of Senators on the floor offered amendments to that bill, the Senator will remember we showed it would be possible to give a $10,000 home to every veteran of World War II and still have money left from that $3,750,000,000. Does the Senator remember that?

Mr. MALONE. I do remember it, although I was not in the Senate at that time. If I had been in the Senate, I should have joined with other Senators in bringing out that fact and in voting against the British loan.

Mr. LANGER. Does the Senator remember we said it would be possible to build free hospitals from one end of the United States to the other, to take care of the people, with that amount of money? Does the Senator remember that only 11 Senators voted against the British loan bill?

Mr. MALONE. That is about the number of votes we will get for this amendment, I think.

GIVEAWAY FUNDS WOULD HAVE PAID FOR PRESIDENT'S HIGHWAY PROGRAM

I will say further, if we had available the $59 billion we have boondoggled away, including the last year's expenditure for this so-called foreign aid—it is given a new name every year, so that no one can understand it—we could build the roads the President is asking for. He suggested $50 billion for roads over a period of 10 years. We could build the irrigation and flood-control projects and rivers and harbors improvements, for $10 billion. We would then be, in my judgment, ahead, and everyone in the United States of America would be living better. We could build an invincible national defense, with an Air Force and everything else we need.

Mr. LANGER. Mr. President, will the Senator yield further?

Mr. MALONE. I am happy to yield to the distinguished Senator.

Mr. LANGER. Does the distinguished Senator from Nevada remember reading, although he was not in the Senate at that time, that the engineers—and the distinguished Senator was one of them, as I remember—showed we could build six 4-lane highways, 3 of them east and west, and 3 of them north and south, which would be large, excellent military highways of concrete, for less money than the $3,750,000,000 we gave to Great Britain?

Today the President, after these years, is requesting additional billions of dollars to build roads. As a matter of fact, does the Senator not agree that the high rate of mortality from automobile accidents is due to the fact that in place after place there are little, tiny, narrow roads? The roads are so narrow that in rainy weather the roads are slippery and, of course, automobiles collide. We would have been able to provide fine 4-lane highways with this amount of money.

UNITED STATES ROAD NEED TREMENDOUS

Mr. MALONE. Mr. President, I say, in answer to the distinguished Senator from North Dakota, we could have had those highways. Now those highways will cost a terrific additional amount of money.

I recall in 1917 and 1918, in World War I, when the junior Senator from Nevada had a battery of field artillery in France. We would start moving artillery across France, and we could not understand for a while why we had no trouble in moving the artillery. We found out later they had been building roads for 100 years.

I remember seeing a Frenchman who was maybe 70 years old, who was grey headed, sitting alongside of the road using about a pound hammer, hitting a stone, and about every third blow he would knock a piece off about the size of a quarter, but he would be doing that all the time; and the French people had been working in that way for 100 years, building roads.

I was told those roads had been built layer upon layer as they sank down into that mud. Some of the layers were six feet deep.

We ran that artillery across France without any trouble We need that type of roads in this country. We may need them before we know it.

Mr. LANGER. Mr. President, will the Senator yield for another question?

Mr. MALONE. I am happy to yield to the Senator.

Mr. LANGER. I know the distinguished Senator was in Austria. Some time ago I was there, and observed a beautiful road extending all the way from Vienna to Salzburg, which had been paid for completely by the American taxpayers. We could have used the money which went into that road to build roads in State after State after State here in the United States. Is that not right?

Mr. MALONE. Of course it is. We are now building irrigation, flood control, and power projects in Italy, France, and all over the world; when, as a matter of fact, there is no place in the world they are more needed than in this country.

If we will get our feet on the ground and take into consideration the United States of America and the Western Hemisphere, the area which we need to defend under all conditions, according to our military strategists, then we can become self-sufficient in everything we need and we can defend our hemisphere.

OVERPOPULATION OLD WORLD'S GREATEST PROBLEM

Mr. President, I say to the distinguished Senator from North Dakota we should build our roads and get everything set up right. We should pay some attention to our own business, and let the rest of the world proceed as it has for 2,000 years—like a bunch of angle worms in a barrel.

Asia and Europe have nearly 77 percent of the population of the world. Overpopulation is their trouble. No one else can cure that trouble for them.

Mr. LANGER. Mr. President, does the Senator yield further?

Mr. MALONE. Yes, I am happy to yield.

Mr. LANGER. Has the distinguished Senator by any chance seen the $43 million summer hotel which was built entirely with United States money near The Hague, where the people go to loaf and enjoy their leisure and the beautiful beaches there? Can the Senator tell us about any $43 million summer resort

hotel in the United States, built by the Government and donated to private owners?

Mr. MALONE. Mr. President, I wish to say to the distinguished Senator from North Dakota that the junior Senator from Nevada said to a Cabinet officer—I will not name him, because it was in executive session—that in the opinion of the junior Senator from Nevada, if every Cabinet officer were paraded before that committee with a world map and made to point out where they have spent foreign aid money in the past 22 years and where they are expending it today and what they are going to do with the money they are asking for, the people of this country would move on Washington; the people would not even wait for an election.

Mr. LANGER. Will the Senator yield further, Mr. President?

Mr. MALONE. I am very happy to yield to the Senator.

Mr. LANGER. The Senator will remember the 51 nations which signed the United Nations Charter, and how they were going to help us. The Senator will remember the speech of the late Senator Vandenberg in which he said, "We need allies. We need allies."

Does the distinguished Senator remember how many of the allies sent troops to Korea when we got into trouble there?

FOREIGN NATIONS TURN TO NEUTRALISM

Mr. MALONE. I will say to the distinguished Senator from North Dakota there were more allies that sent troops to Korea than will ever send troops anywhere again. Those countries are going to be neutral in world war III. Of course they will be neutral, or some of them worse than neutral. That is the way things are going to work out.

The distinguished Senator from North Dakota voted against Senator Vandenberg's plan I am sure.

I will say to the Senator from North Dakota the junior Senator from Nevada is not embarrassed to mention this now, because he stood flatfooted and debated the matter with the Senator from Michigan, and said: "If we sign this North Atlantic pact we are guaranteeing the integrity of the colonial system throughout the world. We are guaranteeing to hold what are called colonies in slavery for the empire-minded nations." The Senator from Michigan said "No," he did not understand it that way.

The junior Senator from Nevada then said, "I will tell you how it looks to me. We are guaranteeing to go to war when the colonial-minded nations, England, France, the Netherlands, and Belgium become involved in war. We have no control of the reasons for those countries getting into war. Why do they get into war? Those countries go to war to defend their colonial possessions."

Mr. President, I wish to say to the distinguished Senator from North Dakota that every man, woman, and child in America knows that is true now. I ask the distinguished Senator from North Dakota if that fact is not clear?

Mr. LANGER. Of course it is clear. It is clear now.

Mr. MALONE. It was clear then, too.

CONGRESS APPROVES FOREIGN BOONDOGGLES

Mr. President, I was among those who discussed on the floor of the United States Senate and opposed the proposal for Greek-Turkish aid, the Marshall plan, ECA, and subsequent proposals, but the foreign forces then were too strong. They have remained strong. Every foreign aid and boondoggle request that has been presented to the Congress has been approved, and today the amounts voted add up to a fearful total.

I ask unanimous consent that a table showing the total in grants and credits voted by the Congress since July 1, 1945, be printed in the RECORD at this point.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Foreign-aid funds provided during postwar period from July 1, 1945, to date

	Million
Grants paid out July 1, 1945, to June 30, 1953	$34,366
Grants unexpended as of June 30, 1953	10,500
Appropriations provided for fiscal year 1954	5,200
Total grants	50,066
Less returns on grants to June 30, 1953	1,348
Net aid in grants	48,718
Loans paid out July 1, 1945, to June 30, 1953	11,051
Loans authorized but not paid out as of June 30, 1953	2,003
Total loans	13,054
Less principal collected on loans to June 30, 1953	2,421
Net aid in loans	10,633
Total net aid provided	59,351

FOREIGN STATE COSTS TO EACH STATE LISTED

Mr. MALONE. Mr. President, the costs of this international boondoggle have been enormous. The costs to the taxpayers have been enormous. The costs to the 48 States and to the Territories of Alaska, Hawaii, and the District of Columbia have been enormous.

These costs have been broken down in a table prepared by the Council showing the proportionate share borne by each State in the postwar period from July 1, 1945, to June 30, 1954, and what the proportionate share would be for the coming fiscal year based on the President's original foreign-aid request for $3,448,000,000.

I ask unanimous consent that these tables be printed in the RECORD at this point in my remarks.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

Cost of foreign aid to the States for the 10 postwar years July 1, 1945, to June 30, 1955

	Funds provided July 1, 1945, to June 30, 1954			Funds requested for fiscal year 1955			Funds provided and requested July 1, 1945, to June 30, 1955
	Economic	Military	Total	Economic	Military	Total	
Alabama	$360,020,000	$198,340,000	$558,360,000	$8,676,200	$23,735,000	$32,411,200	$590,771,200
Arizona	157,030,000	86,510,000	243,540,000	3,784,300	10,352,500	14,136,800	257,676,800
Arkansas	187,670,000	103,390,000	291,060,000	4,522,700	12,372,500	16,895,200	307,955,200
California	3,492,960,000	1,924,320,000	5,417,280,000	84,177,600	230,280,000	314,457,600	5,731,737,600
Colorado	421,300,000	232,100,000	653,400,000	10,153,000	27,775,000	37,928,000	691,328,000
Connecticut	697,060,000	384,020,000	1,081,080,000	16,798,600	45,955,000	62,753,600	1,143,833,600
Delaware	191,500,000	105,500,000	297,000,000	4,615,000	12,625,000	17,240,000	314,240,000
Florida	528,540,000	291,180,000	819,720,000	12,737,400	34,845,000	47,582,400	867,302,400
Georgia	501,730,000	276,410,000	778,140,000	12,091,300	33,077,500	45,168,800	823,308,800
Idaho	107,240,000	59,080,000	166,320,000	2,584,400	7,070,000	9,654,400	175,974,400
Illinois	2,933,780,000	1,616,260,000	4,550,040,000	70,701,800	193,415,000	264,116,800	4,814,156,800
Indiana	942,180,000	519,060,000	1,461,240,000	22,705,800	62,115,000	84,820,800	1,546,060,800
Iowa	482,580,000	265,860,000	748,440,000	11,629,800	31,815,000	43,444,800	791,884,800
Kansas	421,300,000	232,100,000	653,400,000	10,153,000	27,775,000	37,928,000	691,328,000
Kentucky	398,320,000	219,440,000	617,760,000	9,599,200	26,260,000	35,859,200	653,619,200
Louisiana	413,640,000	227,880,000	641,520,000	9,968,400	27,270,000	37,238,400	678,758,400
Maine	149,370,000	82,290,000	231,660,000	3,599,700	9,847,500	13,447,200	245,107,200
Maryland	716,210,000	394,570,000	1,110,780,000	17,260,100	47,217,500	64,477,600	1,175,257,600
Massachusetts	1,225,600,000	675,200,000	1,900,800,000	29,536,000	80,800,000	110,336,000	2,011,136,000
Michigan	2,106,500,000	1,160,500,000	3,267,000,000	50,765,000	138,875,000	189,640,000	3,456,640,000
Minnesota	651,100,000	358,700,000	1,009,800,000	15,691,000	42,925,000	58,616,000	1,068,416,000
Mississippi	183,840,000	101,280,000	285,120,000	4,430,400	12,120,000	16,550,400	301,670,400
Missouri	1,007,290,000	554,930,000	1,562,220,000	24,274,900	66,407,500	90,682,400	1,652,902,400
Montana	118,730,000	65,410,000	184,140,000	2,861,300	7,827,500	10,688,800	194,828,800
Nebraska	302,570,000	166,690,000	469,260,000	7,291,700	19,947,500	27,239,200	496,499,200
Nevada	57,450,000	31,650,000	89,100,000	1,384,500	3,787,500	5,172,000	94,272,000
New Hampshire	99,580,000	54,860,000	154,440,000	2,399,800	6,565,000	8,964,800	163,404,800
New Jersey	1,306,030,000	719,510,000	2,025,540,000	31,474,300	86,102,500	117,576,800	2,143,116,800
New Mexico	118,730,000	65,410,000	184,140,000	2,861,300	7,827,500	10,688,800	194,828,800
New York	5,595,630,000	3,082,710,000	8,678,340,000	134,850,300	368,902,500	503,752,800	9,182,092,800
North Carolina	540,030,000	297,510,000	837,540,000	13,014,300	35,602,500	48,616,800	886,156,800

Cost of foreign aid to the States for the 10 postwar years July 1, 1945, to June 30, 1955—Continued

	Funds provided July 1, 1945, to June 30, 1954			Funds requested for fiscal year 1955			Funds provided and requested July 1, 1945, to June 30, 1955
	Economic	Military	Total	Economic	Military	Total	
North Dakota	$84,260,000	$46,420,000	$130,680,000	$2,030,600	$5,555,000	$7,585,600	$138,265,600
Ohio	2,416,730,000	1,331,410,000	3,748,140,000	58,241,300	159,327,500	217,568,800	3,965,708,800
Oklahoma	390,660,000	215,220,000	605,880,000	9,414,600	25,755,000	35,169,600	641,049,600
Oregon	383,000,000	211,000,000	594,000,000	9,230,000	25,250,000	34,480,000	628,480,000
Pennsylvania	2,841,860,000	1,565,620,000	4,407,480,000	68,486,600	187,355,000	255,841,600	4,663,321,600
Rhode Island	199,160,000	109,720,000	308,880,000	4,799,600	13,130,000	17,929,600	326,809,600
South Carolina	260,440,000	143,480,000	403,920,000	6,276,400	17,170,000	23,446,400	427,366,400
South Dakota	91,920,000	50,640,000	142,560,000	2,215,200	6,060,000	8,275,200	150,835,200
Tennessee	448,110,000	246,870,000	694,980,000	10,799,100	29,542,500	40,341,600	735,321,600
Texas	1,616,260,000	890,420,000	2,506,680,000	38,950,600	106,555,000	145,505,600	2,652,185,600
Utah	130,220,000	71,740,000	201,960,000	3,138,200	8,585,000	11,723,200	213,683,200
Vermont	61,280,000	33,760,000	95,040,000	1,476,800	4,040,000	5,516,800	100,556,800
Virginia	555,350,000	305,950,000	861,300,000	13,383,500	36,612,500	49,996,000	911,296,000
Washington	616,630,000	339,710,000	956,340,000	14,860,300	40,652,500	55,512,800	1,011,852,800
West Virginia	279,590,000	154,030,000	433,620,000	6,737,900	18,432,500	25,170,400	458,790,400
Wisconsin	788,980,000	434,660,000	1,223,640,000	19,013,800	52,015,000	71,028,800	1,294,668,800
Wyoming	61,280,000	33,760,000	95,040,000	1,476,800	4,040,000	5,516,800	100,556,800
District of Columbia, Alaska, Hawaii, etc	658,760,000	362,920,000	1,021,680,000	15,875,600	43,430,000	59,305,600	1,080,985,600
United States total	38,300,000,000	21,100,000,000	59,400,000,000	923,000,000	2,525,000,000	3,448,000,000	62,848,000,000

WHY VOTE ANY FOREIGN AID AT ALL?

Mr. MALONE. Mr. President, the projection of the foreign-aid burden that will have to be borne by each State during the coming fiscal year if pending foreign aid legislation passes was based, as I stated before, on the original $3,447,708,000 request.

The House of Representatives shaved it slightly to $3,338,208,000, and the Senate Finance Committee, of which I am a member, recommended a further reduction to $3,100,000,000. I am opposed to authorizing any amount at all.

This is not a $3,447,708,000 bill, or a $3,338,208,000 bill, or a $3,100,000,000 bill. It is a $13,079,000,000 bill as it comes from the Senate committee; a $13,317,208,000 bill as it came from the House.

It authorizes $3.1 billion or $3.3 billion in new money, and extends the authorization of $9,979,000,000—almost 10 billion—voted by the Congress in previous years and which has not been expended.

BILLIONS VOTED SIGHT-UNSEEN WITH NO KNOWLEDGE WHERE AID GOING

Mr. President, the Senate should pause and think for a minute. Ten billion dollars is almost three times as much as was required to operate whole Government for 1 year in 1932. It is almost enough money to have operated the Government 3 years as of that period.

Now we are in a rut. We jump through the hoop. We appropriate $3.1 billion for foreign nations, and do not even look at the list of things for which it is to be expended.

Mr. President, how can Members of a distinguished body of men such as this be put in that frame of mind? It is a deep mystery to the junior Senator from Nevada how Senators who represent producing States can be in such a frame of mind when their working men are being turned out into the streets, and placed in direct competition with the slave labor of the world, which is building up more and more competition for them each year. To top it all off, we are arming our potential enemies.

THIRTEEN BILLION DOLLARS WOULD BUILD NECESSARY PLANES

We are not discussing $3 billion-plus of additional foreign aid. We are talking about $13 billion of taxpayers' money. That is what my amendment would provide for the Air Corps to manufacture planes—planes we must have for defense—and to make available the metal without which we cannot make the highest efficiency planes, which we do not have at this time.

Mr. LANGER. Mr. President, will the Senator yield for a question?

Mr. MALONE. I am happy to yield.

Mr. LANGER. If Russia were governing the fiscal policy of this Government, could she do a better job, from her standpoint, than are the men who are now in charge of it?

AMERICAN LEGION CONVENTION RECALLED

Mr. MALONE. They could not possibly do a better job. In 1948, the junior Senator from Nevada attended the national convention of the American Legion in New York, where the State Department was prevailing upon the Foreign Relations Committee of the organization to approve its program. The junior Senator from Nevada worked for 3 days with that committee in New York and could not stop its action. The chairman of the committee, supported by the State Department, said he would rewrite the resolution any way the junior Senator from Nevada suggested, but that the Marshall plan would be approved. I said, "If you are going to approve the Marshall plan, it does not matter how you write it."

The resolution came to the floor the last day of the convention. The delegates were in a big barnlike building, with no air conditioning, and the temperature was 110. They had gone through 4 days of this and, with their collars unbuttoned and their suspenders down, they wanted to pass the resolutions and get away.

The junior Senator from Nevada took the microphone away from someone and occupied about 10 minutes in saying: "I have been with you too long—more than 30 years—in your national conventions and in our State conventions, to let you think that I am going back on the Senate floor and support the resolutions you are about to pass. I will not do it."

In 1949, if I am correct in my recollection as to the date, the New York department invited me to make one of the principal addresses before the American Legion convention in Los Angeles. I spoke for 30 minutes before that convention and, apropos of the remark of the Senator from North Dakota [Mr. LANGER], after describing Mr. Acheson, the junior Senator from Nevada closed his remarks by saying that he never did say that Mr. Acheson was a traitor to this country. All he ever said about him was that he could not possibly have done a better job on us if he were.

UNEXPENDED FOREIGN AID FUNDS WOULD WIPE OUT DEFICIT

The American Legion never adopted any resolutions on this program, either then or since. It has adopted resolutions opposing it.

So we are not talking about $3 billion, plus more foreign aid; we are talking about $13 billion of the taxpayers' money.

I propose to save that money by amending the pending measure and returning the unexpended balance of previous foreign-aid appropriations either to the general fund of the Treasury or to the taxpayers. The amendment I have submitted would make it available for our own national defense.

TAXPAYERS DESERVE RETURN OF UNUSED BALANCE

The $9,979,000,000 could be used to wipe out the deficit which now exists. It could be used to obviate any need or demand to raise the debt limit. Or it could be applied as a windfall for the Nation's taxpayers, prorated to the States in proportion to their past foreign-aid contributions.

Mr. President, we have heard a great deal about windfalls these past few weeks, but we have never heard, in all our years in the United States Senate, of any windfall going to the taxpayers.

If, however, there is a desire on the part of our Government to retain this money it could be reappropriated and applied to a real defense purpose—expansion of our air strength; and I mean expansion of our strength through construction of airplanes in the United States, not in Great Britain, which would give this Nation real security.

Mr. President, the bill we are considering now contains some very strange language, language that is both strange and vague.

The purpose of the proposed $13 billion legislation, as stated in title I, chapter I is "to achieve international peace and security through the United Nations so that armed force shall not be used except in the common defense."

Mr. President, that is the exact wording. The expressed purpose is to achieve peace and security through the United Nations by assuring that armed force shall not be used except in the common defense.

FOREIGN AID BENEFICIARIES TRADE WITH RUSSIA-RED CHINA

Soviet Russia is a member, and a very noisy and belligerent member, of the United Nations. Is our military assistance, to which title I, chapter I, applies, to be used in the common defense of Soviet Russia?

At the moment, the European members of the United Nations have already said they are going to trade without stint with Russia and with Communist China, and with every other nation on the face of the globe, regardless of its Communist leanings.

Soviet Russia's Communist satellites are members of the United Nations. Are these funds to be used in their common defense?

AIDED NATIONS BACK RED CHINA FOR UNITED NATIONS ENTRY

Red China expects to be a member of the United Nations in the not too distant future, and is being warmly backed by both France, which she has just defeated in Indochina, and by Great Britain.

Mr. President, this morning the Senate adopted another resolution which is meaningless, because in my opinion we have never changed a commitment of the State Department to allow Great Britain and France to recognize Communist China, although not with our vote. The United States would vote perfunctorily against it.

It was in 1950, I believe, when a conference was held between representatives of Great Britain, Canada, and the United States, that I said in the Senate, when the Senate was meeting in the old Supreme Court Chamber, that at that moment we had committed ourselves to go along with England in the devaluation of her currency and in the recognition of Communist China. That statement was denied. As soon as the representatives of Great Britain had returned home, the currency of Great Britain was devalued, thereby destroying utterly the effect of any trade agreements the United States had ever made with Great Britain.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. MALONE. I am happy to yield.

Mr. LANGER. Has the distinguished Senator from Nevada found any difference at all between the foreign policy of the Truman-Acheson regime and that of the administration of Dwight Eisenhower and Secretary Dulles? If so, I should like to have him state what the difference is.

Mr. MALONE. There is no difference, except that the present administration is more effective in carrying out the policy.

Mr. LANGER. Did not the American people go to the polls and demand a change as recently as the last general election? Has that change taken place?

Mr. MALONE. I may say to the Senator from North Dakota that I thought the people had demanded a change; at least, they made a change. But we are being led to believe, according to current events, that the people wanted to carry on the same policy under a new set of faces. I do not believe that is true. I think we shall find that out in due time.

To continue with my comments about Mr. Acheson, some of us raised so much criticism that the government postponed, at least, the recognition of Communist China. Great Britain recognized Communist China, but the United States did not go along with her, although I am as certain now as I was at that time that the United States had agreed to such recognition. But our government was afraid to recognize Communist China, because the people would not have liked it.

A year or so later Mr. Acheson made a hasty trip to Europe, as Mr. Dulles now makes many of them, covering a lot of countries. When Mr. Acheson returned, there was a joint meeting of Congress. We listened to an hour's speech by that distinguished gentleman. Nothing was said in that one-hour speech that we had not heard 50 times before—not one thing. He led up to it fast, and he got away from it fast, like a master of ceremonies at an Elks' Club. He said, as he was going along, in the same tone of voice, that the United States would not use the veto to prevent the recognition of Communist China. He went right on, but I caught that statement. Probably others did, too, but I was the only one who mentioned it on the Senate floor.

POLICY TOWARD RED CHINA UNCHANGED

That policy was never changed under Acheson or his regime. I believe the United States now is committed not to use the veto to prevent the recognition of Communist China, and that we will go along with such recognition if we are outvoted in the United Nations. Whenever the other members of the United Nations see fit to bring up the question, when they have succeeded in battering down American opinion to the right consistency, whenever there are enough businessmen clamoring for trade with Soviet Russia and Communist China, suddenly the question of recognition of Communist China will be brought up in the United Nations, and at that time no questions will be raised about it. Our Government will merely say, "Well, Communist China is in; there is nothing we can do about it."

The junior Senator from Nevada was a special consultant to the Senate Committee on Military Affairs in 1942. In 1945 I was sent to San Francisco as an observer of the proceedings which resulted in the United Nations Organization. On my way back to Washington, and while I was passing through Denver, someone asked what I thought about the United Nations. The reply I made was that there were 49 nations in attendance at San Francisco. Forty-eight nations had a market basket on each arm, but there was only one nation with anything to put into the baskets.

FOREIGN AID LIKE COCKTAIL HABIT

The situation has not changed. We are subject to a division of our wealth. This worldwide WPA is only one method. The other is free trade, the idea of having commodities produced by sweatshop labor abroad come into the United States and displace the products of American workers, thereby gradually lowering the living standards of the people of America, and depriving them of a feeling of security, well-being, and prosperity.

The situation is something like that of a person who starts to drink cocktails. He feels so good, he neglects to count the number he takes. Everything seems fine. The next morning he has a headache, and that takes all the fun away. That is what the United States is headed for.

It is true that France and Britain have told Communist China that she must wait a bit, until tempers in the United States cool a little, but they have promised Red China a seat in the United Nations in due course.

Is the military assistance we are being asked to vote today to be used in the common defense of Red China, once she gains her promised seat in the United Nations?

FOREIGN TRADE WITH COMMUNISTS PROMOTED WITH UNITED STATES AID MONEY

In the past, foreign aid has gone to Soviet Russia, to all of her satellites, and to Red Mongolia, before she expanded into Red China, and the Senate now has before it a bill which in the very expression of its language implies more—much more—of the same.

In other words, all we are doing is to build up the industries of foreign countries which manufacture goods which are sent to the satellites of Russia, to Soviet Russia herself, and to Red China. We donate the money; they sell the goods.

FIFTY-NINE BILLION DOLLARS SPENT; NOTHING IN RETURN

This has not brought common defense. It has not brought an end to use of armed force. It has not bought anything, in my opinion, except envy, ill will, humiliation, and appeasement.

Certainly it has not bought us any friends.

Today, with a second-rate air strength, we are less secure than we have ever been in our history.

Given the foreign aid funds we have been authorizing during the past 5 years, we could double our air strength in the next 5 years.

And America is the only safe base of our security; not Europe or Asia.

The plain and bitter facts are, Mr. President, that we have paid out $59 billion for security, or have funds available to pay out that amount. Most of the $59 billion already has been spent by foreign nations, and it has bought only a hollow shell.

AID RECIPIENTS FAILED IN DEFENSE EXPECTATIONS

I quote this comment from the Council of State Chambers of Commerce report

which I referred to previously in my remarks:

When the military-assistance program was originated in 1949, the proponents of the program argued that it was necessary if the defenses of free Europe were to be strengthened against the threat of Soviet aggression.

The premise taken was that the Western European nations were willing and anxious to work mutually for defense but that their economics could not stand the effort required without American financial assistance.

It would appear that these conditions of willingness but inability should be reexamined by the Congress before approving another round of aid to these countries.

The failure of France and Italy to ratify EDC, and the general performance of our allies, excepting Turkey, in the Korean war raise serious questions as to the willingness on the part of our military-aid beneficiaries to mutually oppose Communist aggression.

We read in the newspapers that we are threatening to withhold aid to Italy and France until they sign the EDC. If we are able to blackmail them into signing such a confession before we give them the money, they would never keep their promises and would not have any intention of keeping their promises. There was a secret document presented to this country at least 2 years before the present administration came into office, which came from England, saying that a foot army would not work, and they would not be in favor of it. Of course, they will not join up.

Now continuing to read from that quotation:

Moreover, the general economic improvement in Western Europe since 1949 indicates that it is appropriate to look again into the ability of these countries to provide a larger share of their own resources for defense.

The council takes such a look and shows the increase in gross national product of the NATO countries since 1949.

I ask unanimous consent that a table showing their growth by countries with indexes based on the fiscal year ended June 30, 1953, as 100, be printed in the RECORD at this point in my remarks.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Index of gross national product by calendar years

	1949	1950	1951	1952	1953
Belgium-Luxembourg	91	101	101	102	101
Denmark	90	97	97	98	102
France	90	97	101	101	99
Germany	65	78	92	98	104
Greece	86	89	96	94	106
Italy	80	88	96	98	105
Netherlands	91	96	97	98	102
Norway	89	96	98	99	101
Portugal	80	90	99	98	102
Spain	68	74	89	101	99
Turkey	61	77	90	97	103
United Kingdom	92	96	99	98	102
Total NATO plus Germany	84	92	97	99	102
United States	82	89	95	98	102

Mr. MALONE. Mr. President, I now ask unanimous consent that a table showing the percentage of gross national product spent by these nations on defense, and the percentage of total government expenditures spent by these nations on defense, including United States expenditures for defense, be printed in the RECORD at this point in my remarks.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

	Percent of gross national product spent on defense			Percent of total government expenditures spent on defense		
	1952	1953	1954	1952	1953	1954
Belgium-Luxembourg	4.7	5.9	6.6	18.6	21.7	23.9
Denmark	2.5	2.9	3.9	17.9	19.6	26.0
France	8.8	10.5	10.4	33.4	37.7	36.8
Germany	6.9	6.4	6.0	25.4	22.7	21.2
Greece	7.9	7.1	7.1	34.7	32.1	30.2
Italy	4.9	4.6	4.5	23.7	20.6	20.5
Netherlands	5.3	5.3	6.7	21.4	20.0	24.7
Norway	3.5	4.7	5.2	19.8	25.0	27.3
Portugal	3.0	3.7	4.0	27.0	31.5	33.3
Spain	3.9	4.1	4.3	38.8	37.5	35.1
Turkey	6.2	6.2	6.9	40.2	40.0	40.0
United Kingdom	9.8	11.0	10.6	31.5	35.5	36.9
Yugoslavia	16.7	18.5	16.2	77.9	79.6	80.0
Total NATO plus Germany	7.5	8.3	8.2			
United States	12.8	13.8	13.2	66.3	67.3	67.8

FOREIGN AID USED TO CONCEAL FOREIGN POLICY FAILURES

Mr. President, the professed purposes of foreign aid have been, as I have stated, to achieve international peace and security, and in those purposes our aid programs have failed, as they were bound to fail.

The real purpose of the various foreign aid boondoggles, in the opinion of the junior Senator from Nevada, was to conceal the ghastly failures of two previous administrations in foreign policy, and to conceal them under a blanket of taxpayers' dollars.

It cannot be done.

Our foreign policymakers in World War I tried that then, and it could not be done.

During and after World War I we loaned foreign nations—many of the same nations we have been giving billions to since World War II—slightly more than $11 billion.

SEVENTEEN BILLION DOLLARS STILL OWED UNITED STATES FROM WORLD WAR I

Today these same nations owe us on the World War I debt the sum of $17,151,479,717.22.

In the 36 years since that conflict foreign debtors paid us back in principal and interest, mostly interest, just a little more than $2¼ billion, and, as I have stated, they still owe us more than $17 billion, or $6 billion more than they legally borrowed from us, on their World War I debt alone.

Three and a quarter billion dollars of the $11 billion in loans was borrowed after World War I, but, of course, before the outbreak of World War II.

They have not paid that back, either.

Furthermore, they are not going to.

Our post-War I foreign aid was on much the same theory as that on which we have advanced them more than 45 billion taxpayers' dollars since World War II—it would encourage economic recovery and keep the peace, or so the proponents said.

Then the slogan was "save Europe," and not only our Government, but many of our biggest private bankers, rallied behind that.

Came the depression, and the bankers were stuck, too.

The slogan was "save Europe," but Europe was not saved, unless one considers that we saved it for World War II.

The slogan since World War II has been "save the world."

INDOCHINA COST UNITED STATES ALMOST $3 BILLION

Saving the world, or pretending to save the world, is even more costly to American taxpayers than pretending to save Europe with our dollars.

Dollars do not save foreign nations.

But dollars paid out of taxpayers' pockets in never-ending giveaways to foreign countries, governments, and industries can wreck the United States, and that is one reason I am against this program and this bill.

The United Press reports that American foreign aid costs in Indochina up to this week, when France threw in the towel, amounted to $2,997,000,000—our money. That is $3 billion less $3 million.

We have in fact, been bearing 65 percent of the dollar cost of that futile war.

In the opinion of the junior Senator from Nevada, we were very fortunate to lose only these $2,997,000,000. Had the counsels of some of our State Department experts been followed, we would have lost not only money, but the lives of thousands of our sons.

American manhood was not defeated in Indochina; French and native forces supplied that.

But American dollars were defeated, and they have been taking defeats all around the world, and for 36 years.

The Indochina foreign aid debacle repeals in some measure the foreign aid story after World War I.

EIGHT OF 17 NATIONS AIDED AFTER WORLD WAR I NOW COMMUNIST

Then we handed out aid lavishly to 17 Old World nations following Germany's surrender. We did it on the premise that it would help these nations achieve security and peace.

Eight of these 17 nations, or more than half, are now behind the Iron Curtain under Communist dictation.

Commencing with Soviet Russia itself, they are Poland, Rumania, Hungary, Czechoslovakia, Latvia, Lithuania, and Estonia. Austria, to which we also extended post World War I foreign aid, is partly Communist occupied, and Yugoslavia is Communist, but not behind the Iron Curtain. At least it has its hand out from the Curtain and still is receiving American aid.

During and after World War I, when we were saving Europe for World War II, we advanced Great Britain $4,277,000,000 in cash and aid, and France, the real sufferer in that conflict, $3,404,818,945. These were 100-cent dollars.

Our last World War I foreign-aid loan was made in 1929, 11 years after the World War I armistice, which was $12,167,000 to Greece.

Foreign aid after World War I brought neither peace nor security, nor did it win gratitude from foreign debtors.

As early as 1920, the British were formally complaining because the United States asked them to pay back some of the money they had legally borrowed

from the United States or, if they could not pay it back, to at least keep up the interest.

Two years later Lord Balfour, to all effects, repudiated Britain's World War I war and postwar debt to the United States in a celebrated and insulting letter to all of our European debtors, suggesting that we be welshed on.

We were.

WORLD WAR II AID TO ALLIES COST $49 BILLION

But 9 months before Pearl Harbor we were back in the business of bankrolling England again, and we have been siphoning dollars from the pockets of our taxpayers to the Bank of London ever since.

We resumed substituting dollars for diplomacy and commonsense in March 1941 when President Roosevelt signed the Lend-Lease Act and bought us into the war.

During World War II we extended $49,224,000,000 in grants and credits, of which $49,100,000,000 was in lend lease. The British Commonwealth got the most, as it always does, $31,384,810,000; Soviet Russia received $10,982,089,000, and France, $2,600,000. The remainder was divided between the 62 other nations of political entities.

Since World War II more foreign aid has been provided for foreign countries, as shown in the table included in the RECORD earlier in these remarks.

SOME WORLD WAR II AIDED ALLIES GO COMMUNIST

Czechoslovakia received $189 million in the early postwar years, and went Communist. Poland received $441 million, and was surrendered to the Communists by the Allies, including the United States and Great Britain, against her will. Soviet Russia was granted $440 million. Combined with the aid to Poland and Czechoslovakia, which she gobbled up, the Communist take of American aid to Europe amounted to $1,070,000,000.

Russia later on was invited to participate in the Marshall plan, but declined.

She also was invited by the State Department to participate in trade agreement negotiations at Geneva in 1947, but declined this invitation also, although Czechoslovakia did accept.

FIRST MARSHALL PLAN INCLUDED RUSSIA

Mr. President, I quote from an official report on foreign aid prepared by the Bureau of Foreign and Domestic Commerce in 1952 on the genesis of the Marshall plan:

> The Marshall plan as outlined in the Harvard address (Secretary of State George C. Marshall's speech at Harvard University in June 1947) was to open to all European nations that wished to join in a common constructive effort for economic recovery.
>
> Russia and her eastern European satellites received invitations from the group of, which—following the suggestion of the speech—organized in a collective group to establish a joint plan for economic recovery.
>
> However, Russia refused to become a member and took active steps to prevent the participation of the satellite nations. Consequently membership was confined to 16 Western European nations and their dependent areas.

Mr. President, had Russia and her satellites accepted the invitations to participate in the Marshall plan, we would perhaps today be debating a bill calling for twice the amount of foreign aid asked for in this measure.

WESTERN TRADE WITH COMMUNISTS BOOSTED

Our foreign aiders, like our foreign traders, do not seem to care whom they aid or trade with so long as they can drain off part of our wealth and economy to pour into foreign countries.

The foreign traders even today are urging greater East-West trade, and with considerable success, thanks to the Foreign Operations Administration, which is working on ways to promote it without incurring the wrath of the American public.

The foreign traders and freetraders are cautious about advocating all-out aid to the Soviet bloc, but they did do so during the postwar period before the American people were fully awake to the Communist danger.

The foreign aiders and foreign traders—they are virtually identical—have one prescription for all international ills, including those of their own making.

It is money, money, money—money taken from the pockets of American taxpayers and turned over to foreign countries to do as they choose with it—even should the choice be that of France in Indochina—to leave it in the jungles and rice paddies.

THE FOREIGN DIVISION POLICY

The junior Senator from Nevada for many years has sought to determine what is the actual foreign policy of our State Department.

One facet of that policy is glaringly apparent. It is the policy of dividing disputed areas of the world with the Communists.

Korea was divided with the Communists, immediately after World War II, and again a year ago.

Germany was divided with the Communists, and, as a division within a division, Berlin was divided with the Communists.

Austria and Vienna were divided with the Communists. Trieste is divided.

Japan's lesser islands were divided with the Communists. Those to the north pointing toward Alaska were given to Soviet Russia; those to the south remain non-Communist.

China was intended to be divided between Nationalists and Communists, the division to extend even to the military forces, a plan vigorously supported by both Acheson and General Marshall, as House Foreign Affairs Committee transcripts show.

The Communists, however were not content with division, but overran the entire mainland when we backed out on the non-Communist Chinese.

Although we officially had no part in it, the division principal now applies to northern Indochina.

DOLLARS USED TO COVER DIPLOMATIC BLUNDERS

The second facet of our foreign policy that is apparent is that we must rush in billions to pulg the breach made by every ghastly diplomatic blunder.

The junior Senator from Nevada recalls how, when we were losing China to the Reds, we were presumably saving the world with UNRRA.

UNRRA was but one of many schemes to save the world by tapping American taxpayers for their dollars.

In April 1947 I discussed UNRRA in a debate on the Senate floor. I commented then, and I would not change one word of that comment now, 7 years later, that:

> The experts told us that if we voted huge sums for UNRRA we would succeed in buying the good will of suffering people everywhere. Now we know that UNRRA was a great failure not only in reaching the objective of peace, but much of its funds were misdirected.

Another big help-everybody deal was hatched at Bretton Woods.

A FURTHER REFERENCE TO WHITE

The junior Senator from Nevada commented on Bretton Woods also in his floor remarks of more than 7 years ago. He said:

> When the Bretton Woods agreement was written, we were told that this would solve the economic difficulties of the world so that unilateral actions in the way of loans by the United States would be unnecessary. We were told that this would bail the world out of its impending economic chaos. Now we know that this, too, has to date been a failure.
>
> As a result we were asked to give a gigantic loan to Great Britain ($3,750,000,000).
>
> Here again, we were assured by the highest authorities of the administration that this unilateral action on the part of the United States was absolutely necessary in our own interests.
>
> It was painstakingly explained by Mr. Morgenthau and Mr. White that the loan was necessary for the purpose of revitalizing British industries in order to buy the necessary machinery, and so forth, for their rehabilitation.

Mr. President, I digress briefly from this quotation to note that the Mr. White referred to was Harry Dexter White, whom I have previously discussed today in my remarks.

I now resume my quotations from my remarks of April 21, 1947:

> We were promised—
>
> I said at that time—
>
> that the British currency bloc which now acts to exclude American business—
>
> It still does—
>
> in large sections of the world would be dissolved.
>
> Mr. White—
>
> The same Mr. White—
>
> told the Committee on Banking and Currency that if we committed ourselves to the loan, England would be willing to assume the risk of selling her products in fair competition with the exporters of other countries. He told us that she—
>
> Meaning Britain—
>
> is willing to commit herself to our program of fair currency and trade practices in order to encourage an expansion in world trade.

That is the end of Mr. White's assurances.

"What is the result?" I asked in that floor speech of 1947. The answer given then is precisely the same answer I would give today. I said:

> British discrimination against American trade has continued in full force just as before. Her actions constitute a conspiracy or restraint against the American

exports just as surely as did those of Nazi Germany.

The rigid system of licensing which is operated by the British Government is directed specifically against our trade in view of the fact that we are the great exporting nation in the world.

The sterling bloc system is one by which the British pound is artificially overvalued by more than twice and by which American goods can be successfully kept out of great world markets which the British seek to dominate and control.

It still is, Mr. President, despite the billions we have given Britain in foreign aid.

FORTY BILLION DOLLARS ADDED IN FOREIGN AID SINCE 1947 FLOOR SPEECH

I said then, and that was in 1947, that the United States had, in various forms, put out approximately $17 billion in support of the nations of the world since the war ended.

In the 7 years since my speech of 1947 we have topped that figure by $40 billion, and we are still being asked to put out.

In an address before the Young Republican National Federation at Milwaukee, Wis., I discussed the five ways that had been invented up to that time to siphon the taxpayers' money out of the Treasury and into the pockets of foreign nations. Of course, more ingenious methods were discovered by the fair dealers later, but five had been invented by 1947. I said:

First, comes the direct appropriation by Congress loaned to a foreign nation; the Greek-Turkey loan is an example. Second, there is the financing through the Export-Import Bank, as in the case of the loan to Mexico. Third, treaties like the Italian agreement just ratified by the United States Senate in which it is provided that raw materials from Russia are processed by the Italian workers without wages of any kind as reparations payments, leaving someone (meaning Uncle Sam) to feed them while they are doing slave work for the Russians during a period of 7 years. Fourth, the World Bank is set up to sell securities to the investors of this Nation, whose money is then loaned to the foreign nations, with every prospect that thousands of small investors in this country will lose as in the case of the English investors through the Bank of England when the same thing was tried there many years ago.

The fifth method, even more dangerous than the first four is the proposal by the State Department to divide the markets of this country with the foreign nations through the so-called reciprocal trade program.

It was only a State Department proposal then, but several months later the State Department made it an accomplished fact.

That is one reason we now have more than 125 distressed areas in the Nation.

CONGRESS TOLD FOREIGN AID WOULD END BY 1952

In March of 1948 we were debating the Marshall plan.

Looking back to that debate, the first impression that I gain is how innocent we all were at that time.

The plan, as many of my colleagues will recall, was presented to us as a 4-year plan, calling for foreign aid totaling $17 billion over a 4-year period. That was to be it—all.

It was developed during the debate that the amount asked was precisely what the 16 Marshall plan nations had figured out would be their unfavorable trade balances during those 4 years.

In other words, it was in reality a plan to shift their deficits to the backs of American taxpayers, instead of having it on their own backs.

There was great talk also that we would be paid back these advances in the form of strategic and critical minerals and materials.

ADVOCATES OF MARSHALL PLAN PROMISED RETURN IN RAW MATERIALS

I recall that Senator Lodge, of Massachusetts, now our principal delegate to the United Nations, made much of this anticipated return.

Mr. Lodge said:

Insofar as the possible acquisitions of materials and stockpiling under the bill is concerned, the Senator will see on pages 162 and 163 (of the report) that we expect to get 3 million pounds of tungsten from Portugal—I am skipping around at random—we expect to get 2 million pounds of nickel from New Caledonia and the Netherlands East Indies; we expect to get from 2 to 3 million pounds of industrial diamonds from the Belgian Congo, Angola, the Gold Coast and Sierra Leone; we expect to get 50,000 pounds of copper from the Belgian Congo and northern Rhodesia, and so forth and so on. I will not read them all, but we expect to get, according to official testimony which was given at my request, substantial amounts of things we need.

Mr. MALONE. Mr. President, does the Senator from Massachusetts expect that we shall get those materials in exchange, or shall we have to pay for it as usual?

Mr. LODGE. I think in the first year or so we will pay for it in dollars. In fact, this whole computation of $5,300,000,000, in view of the unfavorable trade balances of these countries, is based on the assumption that they will sell us some of these materials, and if we stipulated that they had to give us these materials then the unfavorable trade balances would go up that much greater, and add that much more by way of aid, or it would have to be furnished from outside. So I think in the initial stages we will pay for it.

Under the bill it is possible to make agreements extending for a number of years, under which we will get substantial amounts of these materials without paying cash for them. Of course, we will pay something for them. We will extend our aid in exchange for it.

Well, Mr. President, that is more than 6 years ago. We are still paying cash, and cash in dollars, for any of the critical minerals and materials we buy abroad, and we are still giving aid to 166 nations and their dependencies around the world.

In other words, we are giving billions in dollars aid each year to these nations and, in addition, paying several billions each year for the minerals and raw materials that we buy from them.

AID STILL GOING TO 166 FOREIGN LANDS

They are receiving aid both ways.

Mr. President, I urged at that time, and I still urge, that instead of spending billions on foreign aid that buys us neither friends nor defense, we apply this money to building our own air strength.

In the debate on the Marshall plan, I said:

Give $17 billion earmarked in this bill for gifts to Europe, to the Air Corps for a 5-year program as recommended by the Congressional Air Board and the President's Air Board, and tell our own people and the world what we intend to do with it, and we will not need to give the $17 billion to the European countries under the Marshall or any other plan.

Well, we have spent that $17 billion, and another $17 billion on top of that, trying to supply Europe with a backbone made of dollars, and they do not have a backbone yet, and we do not have air strength that matches that of Russia.

CONGRESS SOLD A GOLD BRICK

To go back to the great claim made in 1948 by Marshall plan proponents, that in return for foreign aid billions we would receive strategic and critical minerals and materials in due time, we find an echo of that contention in the present measure.

It is contained in section 412 of the present bill, and it reads:

In order to reduce the drain on United States resources and to assure the production of adequate supplies of essential raw materials for the collective defense of the free world, the President is authorized to initiate projects for, and assist in procuring and stimulating increased production of, materials in which deficiencies or potential deficiencies in supply exist in the United States or among nations receiving United States assistance. The unexpended balance of funds made available pursuant to section 514 of the Mutual Security Act of 1951, as amended, is hereby authorized to be continued available for the purpose of this section through June 30, 1955.

Mr. President, the amount appropriated under section 514 of that act, as amended, was $7,500,000.

Mr. President, the Congress is being sold the same foreign-aid goldbrick year after year and over and over. It is the same goldbrick, touched up a bit with gilt, and occasionally bearing a new label, but it is the same goldbrick.

The goldbrick is that we can buy peace and good will from foreign countries around the world by giving them our dollars, dollars we need to keep our own economy in gear, build our own necessary defenses, and reduce our own vast public debt.

I think that it is time we begin to look to our own security, our own economy, and our own interests.

UNITED STATES DOLLARS PAY UNITED STATES TRADE-WAR COSTS

In World War II we gave Great Britain $31 billion in lend-lease for the privilege of rescuing her in old Europe's last trade war.

In World War I we loaned Britain more than 4 billion 100-cent dollars to rescue her in that trade war, most of them never repaid.

Between wars, and since World War II, we have loaned or given Britain other billions, placed orders with British factories for almost half a billion dollars worth of military goods at the expense of American workers, industries, and taxpayers, yielded her world markets, and submitted to every restriction she has imposed against our trade, our commerce, our money, and our exchange.

In other words, Mr. President, we have had to buy every smidgen of so-called British friendship with our blood and treasure.

TRIBUTE TO BRITAIN

Call it bribery, call it blackmail, call it anything you will, but we have had to pay tribute to Britain for 37 years to enjoy even the pretense of Anglo-American cooperation.

The junior Senator from Nevada does not know what price Great Britain is demanding now for continuation of alleged British cooperation, but she will expect a major cut from whatever amount of aid we vote in this pending bill.

In 1947 it was $3,750,000,000 she asked for and received.

The next year it was the Marshall plan which put foreign blackmail on a permanent installment basis. A succession of alphabetical agencies has carried on tribute payments to Great Britain in billions of dollars ever since.

Last year Britain began an intensive campaign to expand its already brisk trade with Soviet Russia and Red China, fattened by profits gained supplying the Communist world during the Korean war.

Mr. President, after 37 years, the backs of American taxpayers have been bowed supporting British socialism, British colonialism, and British collusion with our enemies.

The hearts of American wives and mothers are heavy with the burdens and sorrow of seeing husbands and sons sent off to distant foreign lands to protect the interests of Britain and old Europe.

Sir Winston Churchill doubtless knows this.

He has been keeping in close touch with American policy for many years. He knows the sentiment of the American people whom he has tapped so often, and he knows they have become more and more reluctant to support the British Empire in the splendor to which it became accustomed in its proud colonial era; and when we were among its most abused and browbeaten colonies.

BRITAIN'S POWER POLICY

So Britain, which always plays other nations against each other, is resorting to her eternal balance of power politics, this time pitting Red Russia and Red China against the United States.

British missions have visited Moscow. Red China and British leaders are exchanging visits. There is talk in London of renewing Britain's mutual-aid pact with Communist Russia, although it still has 8 years to run, having been signed in 1942, with a stipulated term of 20 years.

In other words, that mutual-aid pact has been very much alive for the past 12 years: The 12 years we thought we were buying Britain's friendship and strengthening her resistance to atheistic communism.

Through all these years Britain has been playing a double game.

Red China is the hole card.

Britain knows she can play it for a seat in the United Nations.

Or she can use it as a trump to inveigle more billions out of the pockets of our hard-pressed taxpayers as Britain's price for staying briefly and reluctantly on the anti-Communist team of nations. That is how she is playing it while the Congress is in session.

The junior Senator from Nevada would not venture to guess what that price might be.

Whatever the price, and whether it be money, foreign aid, trade concessions, or acceptance of Red China in the United Nations, we need not pay it—we should not pay it.

REPORT DISPELS NEED FOR FOREIGN AID

The need to pay any price at all for the appeasement of either communism or British socialism has been dispelled and disproved, Mr. President, by the report of the Special Subcommittee on Minerals, Materials, and Fuels Economics of the Committee on Interior and Insular Affairs, which has just been issued.

The report is based on hearings held over a period of 10 months in cities on both coasts, at which more than 360 witnesses, including engineers, producers, and Government officials testified.

HIGH LIGHTS OF REPORT

Their testimony showed that:

First. The Western Hemisphere can be defended. It can be defended by American air and sea power which it is within our budget capabilities to provide, and at a saving of billions of dollars under what we are now paying to station foot soldiers in 49 separate countries or areas of the world. The testimony shows we can save these billions at the same time we are doubling our offensive and defensive airpower, thus guaranteeing the security of our Nation and the Western Hemisphere.

Second. The Western Hemisphere can become self-sufficient in the production of the critical materials necessary to live in peace or to conduct a war. This is a very important finding, Mr. President. It explodes the propaganda that Communists and other foreigners have been planting among our people and in our Government for years, that we must procure our critical mineral and material needs from distant foreign areas that in war we could never defend.

Third. International entanglements with the 40-odd international organizations that now shape our military, moral, and economic policies must be dissolved. These organizations, including the United Nations, serve only to dilute our sovereignty, drain our wealth, wreck our trade, destroy or disrupt our economy, paralyze our resource development, retard our industry, disperse our manhood among the jungles, hills, and deserts of foreign lands, and sap the sources of our ultimate security.

Fourth. There must be an American policy dedicated to America and American ideals. It must be the kind of an American policy this Nation had up to 1917, which transformed our Nation from a wilderness to the strongest, richest, most productive nation in the world, the most—up to then—self-sufficient and self-assured in complete independence.

Today, Mr. President, we must reassert our independence, return to the Constitution, reaffirm the Monroe Doctrine in its fullest meaning, and look to our own security instead of wasting our strength in attempts to be the unwelcome chaperone and caretaker, at our own expense, of an unruly world.

INDEPENDENCE SACRIFICED FOR 37 YEARS

Above all else, we must recapture our independence as a free nation, unencumbered by foreign bonds as we are now.

We began losing our independence in 1917 when we went to England's rescue in the ever-recurring trade wars of old Europe.

Our independence was further sacrificed in 1941 when Winston Churchill, playing the late Franklin D. Roosevelt like a hooked fish, and using Indochina as a bait, maneuvered him and us into World War II.

Political and military independence was forfeited when we signed the United Nations Charter.

Financial independence was yielded first at Bretton Woods, and later through arrangements by Dean Acheson's State Department underwriting British socialism.

Trade independence took a beating in the Trade Agreements Act of 1934, and was junked entirely at London in 1946, where our diplomats conceded to multilateral trade shuffles through a thing called GATT that was formally set up the next summer in Geneva.

GATT, incidentally, is still going strong at the expense of American industry, trade, employment, and independence; and our State Department is now engaged in preparing for a ninth go-around of trade giveaways scheduled for October.

Our resource independence was shattered through adoption of the Harry Dexter White formula which called for procuring critical materials from distant areas, including Russia, thus letting our own resource development and industries die.

Our moral independence went by the board when we became involved in all the Old World schemes to preserve colonial slavery systems.

TIME TO RESTORE OUR NATIONAL INDEPENDENCE

When our forefathers in 1776 signed the Declaration of Independence, I am sure they never dreamed that 178 years later we would be tied to the apron strings of 166 foreign nations and their dependencies, Britain's apron strings being tied the tightest of all.

Mr. President, it is time to cut loose from these apron strings, before we are dragged down and submerged completely in old Europe's socialistic morass, or forced into a fourth world war, in which our youth would do the fighting and the dying while Europe watches the box office and the gate receipts.

For 140 years this Nation gloried in its independence, grew in peace, and prospered.

Came World War I and the greatest campaign aimed against our independence and our interests in our history.

That campaign has continued ever since, and is going on right now. Some of it is Communist inspired. More of it—and I say this in all candor—is British inspired.

The aim of this campaign is to destroy what remains of our independence, and with it our economy.

The burden of this campaign is that this Nation and this hemisphere cannot be independent, but must kow-tow to old Europe and rely on Europe's colonies for raw materials.

The report of the Minerals, Materials, and Fuels Economics Subcommittee of the Committee on Interior and Insular Affairs, as I stated earlier, proves that this is not true.

We can be independent. We should be independent. And, unless we reassert our independence and become independent, the cold facts are that as a free nation we may not survive.

This is serious business, Mr. President, and anyone who may doubt how critical it is should read the full report of the subcommittee.

UNITED STATES A "HAVE" NATION

For years foreign propagandists, and some of them Soviet agents, falsely contended that the United States had become a "have-not" nation. They did that to gain our money, our markets, our trade, and billions in American aid.

The report I have just mentioned states the facts, which were testified to by more than 360 witnesses at 58 separate hearings held on both sides of the continent.

The United States is the greatest "have" Nation in the world. The United States and the Western Hemisphere, which the United States can and will defend, are self-sufficient in all of the 77 critical raw materials except possibly industrial diamonds, and there are substitutes for them.

But for years the propaganda song has been that we must buy these materials from Communist nations, pro-Communist nations, near-Communist nations, and/or from unstable and threatened colonial areas in the distant corners of the world, close to the shadow of Soviet might.

The "have-not" song was a siren song designed to lull us to sleep and leave us defenseless in any world conflict that might come.

We have not been lulled to sleep. The Minerals, Materials, and Fuels Economics Committee is very much awake, and, in the opinion of its chairman, the junior Senator from Nevada, the public is very much awake also.

The "have-not" slogan has been just one of many designed to destroy our independence.

"Collective security" is another.

"Trade, not aid" is another.

"Atlantic union" and "one world" are others.

Even the United Nations, if we analyze it, is a slogan and catch phrase, designed to dissolve our independence in an organization which is neither united nor, when one considers the Communist satellites that have been admitted, a coalition of real nations.

COEXISTENCE, A FALSE AND DANGEROUS SLOGAN

Now we are being battered with a new propaganda slogan, dear to the heart of our British friends, whom we rescued from two World Wars, and bankrolled through two peacetime periods.

This one is called peaceful coexistence, more false and dangerous than all the others.

Peaceful coexistence, if there were such a thing, and which there is not, means that Christianity and atheism can coexist together, that a rattlesnake and a dove can share the same quarters, that slavery and freedom can live side by side without contaminating liberty, that a rapist and a virgin can share the same bed, and that a bandit and his intended victim can hold the same bank account.

Peaceful coexistence is what a homesteader and a cattle rustler share for the brief period before the rustler steals the cattle, probably shooting down the homesteader in the process.

There was peaceful coexistence in our time after Chamberlain sold out at Munich; peaceful coexistence in Czechoslovakia until the Communists took over.

Peaceful coexistence with Red fascism is what the British are attempting to sell this Nation today, and what the British-Communist coalition in the United Nations will try to sell us when they move to admit Red China into the United Nations.

Mr. President, this administration, this Congress, and the American people must never fall for this latest British slogan.

For 35 years British slogans have whittled away at our independence, so valiantly achieved 17 decades ago.

Coexistence would destroy our independence completely, and it could not be peaceful.

WHY NOT WITHDRAW FROM U. N. NOW?

The junior Senator from Nevada has been heartened by expressions from the majority leader and minority leader that, should Red China be admitted to the United Nations, the United States should formally withdraw.

The junior Senator from Nevada thinks we should withdraw even before that action is taken. He believes that independence cannot be maintained when it is diluted in any international political organization that has power to dictate our policies or our economy.

The junior Senator from Nevada believes that we should sever political connections with every enemy of the United States, and that we could well begin by severing diplomatic relations with Soviet Russia, and with each of her satellites which maintain embassies or legations.

He would withdraw foot soldiers from all foreign outposts outside this hemisphere who, in any all-out war, would at once be killed or on their way to the salt mines of Siberia.

He would end foreign aid that is building up rich industrial prizes that can only serve to tempt Communist aggressors.

He would end the $2 billion foreign military procurement program training foreign workers in war production skills in foreign industries while many of our own defense plants and defense workers are idle.

He would repudiate GATT and all other international schemes to divide world trade and world markets at our expense and to our sacrifice.

RETURN TO INDEPENDENCE WOULD RESTORE FOREIGN RESPECT

And he would end every international connection we have that erodes American independence.

Some of the countries, including England, that have been enjoying full employment and eating high on the hog as a result of our billion-dollar giveaway, might complain at this reassertion of our independence; but one thing is certain—they would begin to respect us, which they have not done for almost 40 years.

Freemen and free nations are respected.

We must reassert our independence and look to our own security.

AMERICA MUST BASE SECURITY IN AMERICA

The security base for America is and must be America.

This, plus independence, must be our foreign policy, our American policy, in all future foreign affairs.

The testimony presented at the hearings before the Special Subcommittee on Minerals, Materials, and Fuels Economics is overwhelming in this respect.

In substance, as I stated earlier, it is the following:

The United States and the Western Hemisphere can be defended; other areas of the world cannot be defended in an all-out war until we attain complete mastery of the air, which would require years to achieve.

This means we will have to rely on the Western Hemisphere for the 77 critical minerals, materials, and fuels without which we cannot wage a war or strengthen our peacetime economy.

Many of these materials are today needlessly being procured from distant lands, which, despite the arms, industries, wealth, and manpower we are pouring into them at United States taxpayers' expense, they would be cut off in any conflict, the arms, resources, and industries captured, and the defending manpower killed or taken hostage.

Fortunately, we do have those materials in our own Western Hemisphere, where, with proper programs for exploration, development, and processing, they would be available to us for peacetime use or national emergency.

VIEWS OF LT. GEN. ALBERT C. WEDEMEYER

Mr. President, I should like to quote briefly from the testimony given on this point by Lt. Gen. Albert C. Wedemeyer, United States Army, retired, who served 5 years in the Philippines, 4 years in China, 1 year in Burma-India, and 3 years in Western Europe, former theater commander in China from 1944 to 1946, Deputy Chief of Staff of the Army in charge of strategic plans and combat operations, and, immediately prior to his retirement, commander of the Sixth Army.

General Wedemeyer testified:

> There are two important factors to a military strategist, "time and space." Both of these factors are being reduced or shrunk by science.
>
> A military leader strives to locate bases in close proximity to the enemy heartland in order to operate, more quickly and more effectively against appropriate targets in the enemy homeland. But a strategist must take

into consideration the cost in manpower, the cost in materials to maintain bases in close proximity to that enemy heartland.

The cost in manpower and materials might be prohibitive in order to maintain a base in Western Europe from which to direct operations against the Soviet Union if we were involved in war with that country.

I mentioned that the cost might be prohibitive. I state this because of lines of communications to bases in Western Europe, either water or air routes, are vulnerable to interdiction or interception by hostile effort.

Janes fighting ships recently listed the number of oceangoing submarines that the Soviet Union has developed. I think the total estimated was between 350 to 400. Soviet submarines could render it very costly and possibly prohibitive to maintain sea lanes of communications to bases in Western Europe or to bases in the Middle and Far East.

General Wedemeyer was asked by the junior Senator from Nevada, serving as chairman of the subcommittee, if he thought we would be safe in depending on half of our manganese supply coming from India. He replied:

I think it is unsound for a nation to depend upon sources of raw materials which are removed from that nation's dynamo or industrial potential or industrial setup. Again going back to an earlier premise that I tried to establish, namely, that air and sea lines of communication can be successfully interdicted by airplanes and submarines, particularly is this true of sealanes.

Specifically the lines of communication to India, passing through restricted water areas or narrow passageways, would be highly vulnerable to submarine attacks. It would be difficult, and very costly in lives and material, Senator, to maintain a flow of supplies from India to this country.

GENERAL WEDEMEYER'S PROPOSALS FOR INDUSTRIAL SECURITY

General Wedemeyer had this suggestion to make in his testimony. He said:

I would like to suggest that we in the United States develop our industrial complex or setup, first within the United States, and secondly within the Western Hemisphere. Then if the situation should develop in an emergency wherein it would cost us prohibitively to reach farflung sources of supply, we could carry on an effective war without paying an exorbitant price for required raw materials which presently are shipped from India, China, Malaya, or Belgian Congo.

General Wedemeyer, in other portions of his testimony, stated:

Our people have fought and sacrificed for their liberty. They have fought and sacrificed to preserve the principles embodied in the Constitution. Why shouldn't other peoples seeking to gain or preserve their liberties do likewise?

I do not believe that we Americans should subsidize the economy or the security of any country. We should not be expected to do so. Therefore, I have advocated all along that the nations of Western Europe should raise and maintain their own armies. I have uniformly opposed sending American ground forces to Europe or to Asia.

HEMISPHERE DEFENSE FACTS

General Wedemeyer discussed hemisphere defense. He said:

We are very vulnerable to air attack. But, the water expanse to the east and west of the North American Continent, and the polar wastes of the North * * * and then, too, the South American Continent, all of those areas provide impenetrable or at least very effective barriers to attempted surface attacks on our country.

All of the hullabaloo back in 1939 and 1940 about the capability of the Nazis to attack us through South America was simply a distortion of the facts. * * *

I do state categorically that this country, if we went to war, would be vulnerable to air attacks. I do not think at this time that they would be decisive. I do not think they could neutralize our war effort or render us incapable of retaliation. We would suffer heavy loss of lives and considerable destruction. We are particularly vulnerable because of the crowded industrial areas * * * thickly populated regions and numerous critical focal points of communications. So we are definitely vulnerable to hostile air attacks. And in spite of our defensive measures, some of the enemy bombers would get through. The best defense against that hostile capability is to destroy the enemy's will to fight and the enemy's warmaking potential back in his homeland.

I do not believe in sitting back on our haunches and waiting for the enemy to come to us. I would project my forces against him and destroy his industrial areas, focal points of communications, and military bases and equipment. To repeat I would try to bottle him up and destroy his warmaking potential and his will to resist.

PLACE BLAME FOR AGGRESSION WHERE IT BELONGS—ON RUSSIA

Mr. President, the subcommittee asked General Wedemeyer what his recommendations would be in the Korean situation. He said, among other things, that he would, "Stop once and for all the past phony dealings which would indicate a reluctance to single out and denounce the real perpetrator of the international frictions and incidents." He continued:

I would put the blame right where we know it belongs—at the door of the Kremlin. I do not believe the Russian people support the policies of the Kremlin nor do they know very much about the Soviet policies and actions.

The general also told the subcommittee that he could not agree with certain of our allies that they are not helping the enemy war effort when they sell certain nonstrategic materials. He said:

Anything sold to a country at war will help the war effort.

Mr. President, we know that. Every schoolboy knows that. England knows it, too. But it is England who insists on blood trade with the enemy even at the risk of British blood.

The general was equally emphatic that we can defend the Western Hemisphere. He said:

Against the submarine menace, air is a very important weapon. We could establish air bases along the coast and the planes could operate and reconnoiter the sealanes very effectively from the coast. Our sea transportation lines would stay in close proximity to the coastline and thus facilitate the reconnaissance of the area and appropriate offensive action against hostile submarines when discovered.

GENERAL FELLERS STATES AIRPOWER NEED

Brig. Gen. Bonner Fellers, United States Army, retired, who served as the American observer with British forces in the Middle East early in World War II, then in Australia as Chief of the Planning Section in general headquarters under Gen. Douglas MacArthur, gave the subcommittee testimony that the junior Senator from Nevada considers likewise of great value.

General Fellers testified in part:

Russia is the base from which all Communist activity emanates and her ideological objective is to communize the world.

She cannot afford to lose that base. If we had 1,500 or 2,000 of the new B–52 bombers with atomic bombs and crews trained, this would be the greatest possible threat to Russia. If war comes, even though Russia were to strike first, there should be enough B–52's left, with proper dispersal of those planes and getting them into the air provided we get an alert, to wipe out Russia's war potential * * * Her airbases and war industries.

If Russia knows that we have the kind of a striking force which can destroy her, she will never start a war. Destruction by bombing would end her dream to communize the world and she is not going to risk attacking us, if we have air supremacy. It is unfortunate that we have to wait to be hit first, but if we can deliver a stronger blow in retaliation, this capability is still a deterrent * * *

Unless we build air supremacy right now I do not believe we can defend the United States against air attack. The Russian has 3,000 combat planes defending his industry which is not as extensive as ours. We have less than 1,000 modern combat planes defending ours at the moment.

AIR FORCE EXPANSION PROGRAM PROPOSED

At the request of the subcommittee, General Fellers presented a detailed statement outlining the program he would recommend for sound national defense, including cost figures for such defense.

I ask unanimous consent that this statement be printed in the RECORD at this point in my remarks, together with the two charts referred to in his statement.

There being no objection, the statement and charts were ordered to be printed in the RECORD, as follows:

STATEMENT BY BONNER FELLERS, BRIGADIER GENERAL, UNITED STATES ARMY (RETIRED), OUTLINING A PROGRAM FOR SOUND NATIONAL DEFENSE

In principle the defense concept recently announced by Secretary of State Dulles has been followed. That concept is overwhelming air supremacy of such magnitude that it would constitute the greatest possible war deterrent. On the other hand should war be forced upon us, the striking power provided in the enclosed estimate would be sufficient to sustain losses if our enemy strikes first, and also for a sustained atomic bombing attack—massive retaliation—by deep penetration of the enemy heartland. The striking force is considered adequate to punish our potential enemy until his war effort has been neutralized.

The cost of creating and maintaining such an American Air Force during the 5-year period, fiscal years 1956–60, is calculated to total $97 billion, or an average annual outlay slightly less than $20 billion.

Since the new Dulles concept for defense obviously does not envision major ground combat by American forces on the mainland of Europe or Asia, ground forces properly should consist of a small professional, highly mobile, airborne strategic reserve. For the most part this reserve should be held in the United States. In the air estimate attached, provision is made for 15 wings of troop carriers. This is a total of 720 planes capable of lifting 2 divisions.

If major ground combat overseas for our Army is not contemplated, the task of the Navy is enormously lightened.

Therefore, the annual allocation of both the Army and the Navy for the period 1956–60 is placed at $10 billion. This is consistent with the budget made available for both the Army and the Navy during the period 1949–51 just prior to the Korean war. This amount is sufficient for the Army to create and maintain a thoroughly professional, airborne force of 8 or 10 divisions. The allocation should enable the Navy, which is already in being, to perform its normal role of keeping the sealanes open and to develop the necessary techniques to meet the submarine menace.

For research and development of weapons an annual expenditure of $3 billion has been included.

As may be seen from attached chart I the combat strength, excluding troop carriers, of the United States Air Force is at present only 89 wings with some 5,000 aircraft. This is exactly one-fifth of the combat strength of the Communist air forces. We have only 2,025 fighter interceptors of which more than one-half are stationed outside the United States. (Russia has more than 3,000 fighter interceptors, while England has 1,000 fighter interceptors to defend their respective air bases and industry.)

Our best heavy bomber is the B–52, but it is not yet in production. Heavy and medium bombers available now capable of striking Russia are all obsolescent piston-driven except a few hundred B–47's.

The cold facts are our air position is most unenviable, yet we dare not permit the Communist powers to add air ascendancy to their overwhelming ground and submarine strengths. Chart I indicates an air expansion program of 174 combat wings by 1960. It includes 4,950 modern jet-fighter interceptors, which provide a reasonable continental defense. It provides 1,950 new B–52 heavy bombers and 675 medium B–47 bombers. This terrific striking force would provide a sustained air effort against Russian airbases and war industry until they are destroyed. With proper airbase dispersion it should be strong enough to withstand estimated losses in a surprise attack by Communist bombers.

The most important role of this striking force, however, is its deterrent power. Russia is the base from which all communistic activities emanate. If this base is lost, the program for world communization would collapse. Russia will not knowingly take any action which would lead to destruction of this base. The heavy-bomber force provided in this estimate is sufficient to destroy Russia as a base and it would be the best possible war deterrent.

Chart II shows an estimated total defense cost for the fiscal years 1956–61, inclusive. The average total cost of national defense during the expansion years is $33 billion. For the fiscal year 1961 the expansion program would have been completed and stabilized at a cost of operation, maintenance, and replacement of $34 billion annually.

Attention is invited to the fact that this proposed program would provide far greater defense than our postwar program of today at a saving of from 15 to 20 billion dollars annually.

The estimate includes no foreign aid. Our European allies now enjoy economic recovery. If we provide sea and air supremacy, our allies should be willing to maintain such ground forces as they themselves feel consistent with their economic capabilities.

Europe can only be saved if war is avoidable. Once war starts Europe can be overrun by the Red army and Europe can also be destroyed by bombing. Europe's best chance for survival lies in the deterrent power of our strategic bombers. We can give her no better protection.

CHART I.—*Present and proposed Air Force strength*

Wings	Number	Present combat plane total	Modern wings carried into new program	Proposed wing increase by fiscal year 1960	Total wings for new 1960 program	Plane total for 1960 program	Increased cost after fiscal year 1955 in millions of dollars
Fighter interceptors	27	2,025	10	56	66	4,950	$1,650
Escort fighters	5	375	5	0	5	375	
Tactical reconnaissance	4	300	4	0	4	300	
Fighter bomber	13	795	13	0	13	975	
Light bomber	6	288	6	0	6	288	
Medium bomber	20	900	4	11	15	675	900
Heavy bomber	14	420	0	65	65	1,950	11,700
Troop carriers [1]	11	528	11	4	15	720	64
Total	100	5,631	53	136	189	10,232	[2] 14,404

[1] Troop carriers are not included as combat planes in preceding statement.
[2] Estimated cost of annual expansion for 5-year program, $3 billion.

CHART II.—*Estimates of total defense costs in billions of dollars for fiscal years 1956 to 1961, inclusive*

Fiscal year	Wing strength	Cost maintenance	Cost expansion	Total	Army, Navy	Research and development	Total defense
1956	120	$13	$3	$16	$10	$3	$29
1957	137	15	3	18	10	3	31
1958	155	17	3	20	10	3	33
1959	175	19	3	22	10	3	35
1960	194	21	3	24	10	3	[1] 37
1961	194	21	(3)	21	10	3	[2] 34

[1] Average defense cost for fiscal year 1956–60, inclusive, $33 billion.
[2] Annual cost of defense—operation, maintenance, development, and replacement after Air Force expansion program is completed.
[3] Air Force expansion completed.

THE ADDED AIR POWER FOREIGN AID BILLIONS COULD PROVIDE

Mr. MALONE. Mr. President, the $9,979,100,000 in unexpended funds which were available June 30, plus the $3,100,000,000 that is being proposed in new funds for foreign aid, would enable the United States to contract immediately for 2,000 of the finest new heavy bombers at an estimated cost of $6 million apiece, or $12 billion total, plus 3,000 modern jet fighter interceptors which we need so badly and which, at an estimated cost of $335,000 each could be built for $1,500,000,000. This would leave $74,100,000 for the construction of other aircraft as necessary.

Mr. President, the amendment of the junior Senator from Nevada is offered to divert the $13 billion from useless foreign aid to the construction of such airplanes as would be necessary to our national defense problem. Thus we would not become further involved and further in debt, building up further industries and further construction in Europe which eventually perhaps would be shipped to Russia and Communist China.

NAVAL AUTHORITY TESTIFIES

Mr. President, Vice Adm. C. A. Lockwood, United States Navy, retired, likewise, at the subcommittee's request, prepared a brief entitled, "Defense of the United States Sea Lanes in the Event of a Third World War," which contributed immensely to considerations of the subcommittee.

Admiral Lockwood served from February 1941 through March 1942, as naval attaché in London; from April 1942 to February 1943, as commander, submarines, Southwest Pacific; and from February 1943, until December 1945, as commander, submarines, Pacific.

I ask unanimous consent that Admiral Lockwood's brief, Defense of the United States Sea Lanes in the Event of a Third World War, be printed in the RECORD at this point in my remarks, and that the accompanying table, Merchant Vessels Lost Worldwide, 1942, All Causes, also be printed in the RECORD.

There being no objection, the brief and table were ordered to be printed in the RECORD, as follows:

DEFENSE OF THE UNITED STATES SEA LANES IN THE EVENT OF A THIRD WORLD WAR

In the event that the Communist nations, led by Russia, initiate world war III, it is my belief that in spite of existing and contemplated European defense forces, Europe and Asia will be quickly overrun.

England, Norway, Sweden, Turkey, Greece, and possibly Spain will hold out. The enemy will probably plan to subdue these countries later, and will not subject them to heavy land offensives until Communist primary objects have been secured.

In Asia, the Middle East, French Indochina, Hongkong, and Malaya will be our allies, as will Japan, Formosa, and the Philippines, but India will remain neutral—probably favorable toward Russia. It is to be hoped that Britain will be able to retain its naval base at Trincomalee, Ceylon.

Russia's primary objectives in Europe will be the channel ports and later the Scandanavian ports from which to operate her submarine fleet, estimated in Jane's 1951 at 360 to 370 vessels.

In Asia Communist primary objectives will be the ports of Penang, Saigon, Hong Kong, and Singapore for use as submarine bases. Penang was an important base and exchange point for German and Japanese submarines in World War II.

None of these objectives should be too difficult to attain.

Thus, at the outset of war, effective sea communication with Europe, Asia, and the Mediterranean will be denied us by Communist submarines, air and land forces. They also will attempt to deny us vital supplies of oil from the Middle East and manganese from India by political means, by invasion or by submarine and air attacks.

What position Egypt will take is anybody's guess but whichever way she goes, use of the Suez Canal will be rendered hazardous, as in World War II, by enemy bombing and mine laying.

Communication with and supply to England will be more difficult than in World

War II due to the larger number of submarines available to the enemy. For the same reason, convoys supplying our own bases in Spain and North Africa, assuming that these bases have not been overrun by native troops, will require heavy antisubmarine and antiaircraft protection.

Following the pattern of World War II, after the enemy has obtained Bay of Biscay submarine bases, our sealanes through the Caribbean and along the Atlantic coast will come under attack. Our antisubmarine forces at the time we entered World War II were pitifully inadequate and/or required for convoys elsewhere, hence allied losses in merchant shipping in those areas were heavy.

Since strategic supplies from South America, the Panama Canal, and the Gulf of Mexico make the Caribbean-South Atlantic coast route one of our most, if not the most, vital sealanes, its protection by ships, submarines, and aircraft must be provided before the outbreak of war. Many suitable bases are available—Charleston, Bermuda, Key West, Guantanamo, to name only a few.

Shipping from the Congo region, South Africa, and the Atlantic ports of South America will not at first require escort but when enemy submarine bases are secure in the Biscay area, these ships must be assembled in convoys—probably at Para, Brazil, and escorted through the Caribbean and up the south Atlantic coast. Provision of adequate antisubmarine forces equipped with the latest in sonic, supersonic and radar gear should make this route secure.

In World War II one of our most vital sealanes passed south of Australia across the Indian Ocean and up to the ports of India, the Red Sea and the Persian Gulf. Petroleum from Iraq, Iran, and Saudi Arabia will be even more important in world war III than it was in World War II and I am informed that about 1 shipload (5,000 tons) of manganese per day will be required from India.

Protection of this shipping will be a tremendous job. During World War II, surface forces under my command at Perth (Fremantle) consisted of 2 Australian, 2 Dutch and 1 United States cruisers, plus 2 Australian and 2 Dutch destroyers. These ships were totally inadequate for escorting the volume of shipping which flowed past our door and most merchant ships had to proceed unescorted.

Fortunately, losses from Japanese submarines and surface raiders were not large but in world war III, with larger numbers of enemy submarines available and with the threat of air attack from southern Asia and the East Indies, it will be a different story. Large numbers of surface escorts and escort carriers will be essential and bases will be required in Australia, Ceylon, the Persian Gulf and in the East Indies, if the Indies are in allied hands. Our bases in the Philippines can assist in antisubmarine work against submarines passing through the South China Sea and in bombing enemy bases in southeast Asia but they are too far from the Indian Ocean to assist in convoy protection.

Trade with the East Indies will depend upon who holds them and the enemy submarine and air opposition. Darwin in North Australia and Davao in Mindanao would be our best bases from which to cover such trade routes.

The sealanes from Australia to the west coast of the United States will not require much protection. Japanese submarines did sink a few ships east and even south of Australia but they operated from bases in Java or from New Britain and New Ireland and I do not believe the Communists can overrun the two places last named.

Our shipping lanes from the west coast to Alaska and the Aleutian Islands will require antisubmarine escorts, since Russian submarines based at Petropavlosk, Kamchatka, have only about a 2,100 mile run to reach the Gulf of Alaska. The Reds will probably take Kiska, Attu, and Shemya early in the war which will put their submarines only about 2,500 miles from San Francisco. In World War II a few Japanese submarines, based in the Aleutians, operated as far south as Santa Barbara. Enemy aircraft based in the Aleutians will add to the threat against our Alaskan sealanes.

Protection of the remaining sealanes considered herein—those to the British Isles and those penetrating into the Mediterranean, obviously will require operations more intensive than those required at the outset of World War II due to the larger number of enemy submarines available.

One of Russia's major objectives will be to isolate England and knock her out of the war. The Germans nearly succeeded in throttling her supply lines in World War I and World War II. Whether the Russians can achieve this objective will depend upon the number and efficiency of her submarines and longer range planes, and upon the effectiveness of our countermeasures.

As you know, our antisubmarine vessels, escort carriers, and patrol planes were able eventually to whip the German submarine menace but our losses were terrific—about 25 million tons in World War II.

No Allied submarines were used in the Battle of the Atlantic except for a few British along the European coast. Thus Allied forces were free to attack every submarine encountered. However, it is anticipated that in world war III, recognition signals between submarines and other types of craft will have been perfected, thus permitting the use of killer submarines in protection of our convoys. In addition our midgets—just now introduced to the United States Navy—will be invaluable in destroying enemy submarine bases by the use of atomic mines.

As to the Mediterranean, assuming that Italy, France, and Yugoslavia are in enemy hands, the probability of total loss of slow or medium speed merchant convoys will be too great a risk. Britain did manage supply and reinforcement trips to Malta in World War II but each such trip was practically a major operation and accompanied by considerable losses.

We also managed to punch through with invasion forces but we should not attempt such operations in world war III until our antisubmarine and antiair forces have attained great strength.

In estimating the above situation as to the protection of Allied sealanes, I have assumed that the efficiency of Russian submarines is at least as great as that of the Germans. It is reported and undoubtedly is true that many German submarine experts have willingly joined the Russians or have been drafted by them. With German instructors the efficiency of Russian submarines should improve, but actually we may be overestimating the effectiveness of these craft. British officers who served with or in Russian submarines at Murmansk and in the Black Sea have told me that their equipment was not modern and their state of training and attack technique was of the vintage of 1914.

We know that they have German types XXI and XXVI. These are snorkel equipped and have high underwater speed. They did not get into World War II, which was lucky for us. The best defense against these vessels will be our atom-powered submarines of the *Nautilus* and *Seawolf* type. We must have many more of these.

I was also asked to give my opinion as to our ability to defend the Western Hemisphere.

I believe that our ability to defend the Western Hemisphere depends entirely upon our ability to retain command of the sea and the air above it. No invasion force can advance against superior sea and airpower, and I do not believe that invasion of the United States by air is feasible at present.

If our production centers and oil supplies are destroyed by bombing or otherwise, the mobility and eventually the ammunition supply of our Navy and Air Force would be destroyed. Then, and only then, would sea or airborne invasion be possible.

CHARLES A. LOCKWOOD,
Vice Admiral, USN (Retired).

Merchant vessels lost worldwide, 1942, all causes

Period	Submarine		Aircraft		Surface craft		Enemy mine		Other enemy action		Marine casualty		Total	
	Number	Gross tons	Number	Gross tons	Number	Gross tons	Number	Gross tons	Number	Gross tons	Number	Gross tons	Number	Gross tons
January	62	327,357	15	57,086	1	3,275	11	10,079	9	19,920	48	103,663	146	524,380
February	82	470,136	29	138,498	1	983	2	7,242	17	36,640	18	53,006	149	706,505
March	94	531,998	12	48,501	9	21,521	5	16,862	103	168,832	32	53,778	255	841,492
April	75	437,656	16	82,723	25	131,188	8	14,934	3	6,237	18	28,219	145	700,957
May	125	607,247	13	58,995	3	19,363	5	18,786	1	254	15	26,075	162	730,720
June	141	707,270	11	54,769	6	41,298	6	19,930	1	242	14	32,535	179	856,044
July	95	476,049	18	74,313	11	54,358	2	8,905			26	81,937	152	695,562
August	108	544,410	6	60,532	8	59,432			1	229	15	21,744	138	686,347
September	97	485,374	12	57,526	4	24,388					30	38,747	143	606,035
October	93	614,304	1	5,683	3	7,576	2	5,114			22	58,190	121	690,867
November	116	711,880	7	61,793	5	10,484	1	992	5	21,836	28	56,715	162	863,700
December	62	343,872	2	4,156	8	19,332	3	344			36	65,657	111	433,381
Total	1,150	6,257,553	142	704,575	84	393,218	45	103,188	140	254,190	302	620,266	1,863	8,322,990

MAJOR DE SEVERSKY TESTIFIES TO AIRPOWER NEEDS

Mr. MALONE. Mr. President, the subcommittee also heard important testimony from one of our foremost pioneers of military aviation, Maj. Alexander P. de Seversky.

He testified in part:

With both sides now in possession of atomic and hydrogen bombs and long-range aircraft, they have the ability, without regard to distance, to attack directly each other's industrial means of waging war. That condition has fundamentally altered our strategic picture, particularly in relation to our dependence on the sources of strategic materials beyond the continental United States.

In the past, because the enemy had no capabilities to attack directly the sources of our strategic supplies, he could do nothing else but try to intercept the lines of com-

munication and inflict a rate of attrition that our Nation could not support in transporting men, machines and goods.

However, with the advent of long-range airpower, and atomic and hydrogen bombs that have the capability to destroy large areas, I am convinced that the old method of trying to interfere with enemy supply lines will be abandoned, because now it is much simpler to neutralize the strategic sources themselves. And by neutralizing the strategic sources themselves, you neutralize the enemy's war machine. His effort on the high seas becomes sheer waste and a strategic liability.

Though Russia today demonstratively builds a great number of submarines, I wouldn't be surprised if, at the same time, her real plan for our strategic strangulation is based on the Russian air force's ability to strike at the sources of strategic materials themselves. In that case, we may have the greatest Navy, we may have the greatest merchant marine, we can have all our sea lanes open, and still we will face strategic strangulation because not an ounce of strategic material will be available to us.

Mr. President, the testimony received by the committee was that by means of destruction of the sources in Africa, we could neutralize the deposits of uranium and other minerals, so that Russia could not secure them; but, on the other hand, Russia could neutralize them, too, so that we could not secure them. That is what Major de Seversky means.

DE SEVERSKY CITES PRESENT MINERAL SOURCES

I quote further from his testimony:

Let me give an example. The columbite and cobalt, indispensable for our jet engine production, come primarily from Nigeria. Our industrial diamonds and uranium come from the Belgian Congo. Our manganese comes from India, and tin and rubber come from Indochina, Malaya, and the rest of the Far East. So, in effect, our jet engines do not come from Hartford or Cincinnati; they come from Nigeria. Our atomic bombs come not from Oak Ridge, but actually from the Belgian Congo. So do the industrial diamonds for the tool industry. Our steel doesn't come from Pittsburgh but from India, because that is where we get the manganese indispensable for its production. Our rubber and tin, the tin that goes into bearings, come from the Far East, and again not from Cleveland, or Cincinnati, or Detroit.

So actually our production, our war machine, comes from the other side of the globe. Its roots are actually right in the backyard of the enemy. And today the enemy has a capacity to neutralize these sources of our strategic materials * * * to destroy those roots.

Major de Seversky explained that by neutralize, he meant preventing them from becoming available to the United States by intimidation, threat, infiltration, subversion, and propaganda in time of peace, and by direct destruction in time of war if that is necessary.

PRESENT SUPPLY SOURCES UNSTABLE

All of the areas he had mentioned, he said, are politically uncertain, seething with revolt and Communist propaganda.

He also said:

There is no possibility of critical materials being available from these areas in time of war because, as he pointed out, the enemy will not let us have them.

Major de Seversky added:

As a matter of fact, they (the enemy) can destroy our economy and stop our war effort without dropping a single bomb on the United States, by simply destroying the sources of strategic materials from which our military strength is derived.

WESTERN HEMISPHERE CAN SUPPLY CRITICAL MATERIAL NEEDS

Mr. President, the report of the Subcommittee on Minerals, Materials, and Fuels Economics shows that ample supplies of these critical materials are available to us in the Western Hemisphere, which can be defended, if only this Nation has the foresight to utilize the resources of this hemisphere, instead of shopping in every distant area of the globe which lies within the shadow of Red Russia's hammer and sickle.

Major de Seversky commented on the policy of procuring critical materials from these areas. He said:

That was always our excuse for obtaining and developing bases all over the face of the earth and also for helping various nations who had the stuff we wanted, and that is why we were told that we had to maintain a still more powerful Navy, even though our Navy was already the biggest.

The idea that we had to keep the sealanes open to guarantee our access to strategic materials from the four corners of the world was valid in Nelson's day, but not in these days of supersonic speed and atomic bombs.

Open sealanes in time of war under present conditions have nothing to do with the case. The question is, Do we have strategic sources available to us, or do we not?

I am convinced that all the sources that are within striking distance of enemy airpower on the other side of the globe will be lost to us, and we won't be able to get one ounce of material from them. Therefore, we must depend on the Western Hemisphere.

Mr. President, that is what I explained this morning when I addressed the Senate; and I am happy to say the Senate voted, this morning, to take the FOA out of the mining business.

HOW AMERICA MUST BE DEFENDED

Major de Seversky was emphatic that the defense of the United States will have to be based in the United States. He testified:

I have heard some testimony that we will be able to hold the Moroccan bases. An argument was given that since it is beyond the range of the enemy's tactical air force, and could be attacked only by his long-range strategic air force, a few fighters will be able to protect it.

Now, it cannot work only one way. It has to work both ways. If a few fighters can defend a base in Morocco from a determined attack by the long-range aircraft of the enemy, then how can our long-range bombers from Moroccan bases attack Russia, which will be defended not by a few fighters but by thousands of fighters? So it stands to reason that no base remote from the continental strength of a belligerent can be defended by that belligerent against attack by the enemy's strategic air force.

From now on the only base one can defend is his home base, which has the necessary industries, manpower, and, therefore, recuperative capacity.

We are told that the United States today cannot afford to provide itself with adequate air defense—that it is going to take too much money—that it will take twenty billions, thirty billions, to defend the United States against air attacks.

So far we were promised only 1 billion for our continental air defense. If America's 160 million people with her prodigious industry cannot defend their own home base against the enemy bombers which we are told will always get through, then by what miracle can we defend some remote strategic post on the other side of the globe which will be attacked by the same enemy force of the same quality and of the same magnitude.

We cannot defend these bases in various areas. Therefore, it stands to reason today that since every spot on the earth is subject to attack by the long-range strategic air force of the enemy, those spots are defenseless.

Attack therefore will have to be led directly from the United States, and the United States is the only base that we can defend on a sustained basis.

PROPOSALS TO TRADE WITH REDS DENOUNCED

Major de Seversky recommended that next to the Strategic Air Command, priority for the defense of the United States should be assigned to our Continental Air Command.

He said:

We must protect our industrial heart. * * * Only after we have these two air forces in being would I spend any money on any other military ventures anywhere else.

The major denounced proposals to expand trade with Communist nations or to trade with them at all. He testified:

As long as they represent a menace to the world, it is suicidal to trade with them, no matter what you have to sell.

Because everything you send them supports their overall national effort, whether it is food or medicine or anything else. And because since 1932 we have been lavish in our industrial and other help to Russia and the rest of the Communist world, we actually have built a Frankenstein monster who now sits on our own neck.

They have complete access to the technological fruit of our civilization. They improve upon it. But they never share those improvements with us.

So it is a one-way proposition, and if we continue this it is only a matter of time before they will become technologically superior to us.

They have complete access to our know-how, and are adding to that their own; but because they deny us access to their know-how we will never get dividends back on our investment.

The British gave them the Nene jet engine, which we later found installed in the MIG–15, but in a much improved version.

Did we ever get back the improvements on these engines? Of course not. So in trading with them and passing on to them our technological knowledge and know-how, the free world is really committing suicide.

Mr. President, the subcommittee is indebted to Major de Seversky for much other testimony which I know will be of great interest to many of my colleagues and to citizens in general. It is contained in part II of the subcommittee hearings.

TODAY'S "MUST"—AN AMERICAN POLICY

What his testimony and that of other authoritative experts points up is the necessity for an American policy, a policy of realism, self-reliance, and independence.

Britain has no qualms about giving Soviet Russia the Nene jet engine which later, emplaced in Russia's MIG–15's, shot down American airmen in Korea.

Britain's God is trade.

One hundred and seventy-eight years ago, in Philadelphia, delegates to the Continental Congress from the Thirteen Colonies declared our independence from Great Britain.

They revolted from Britain's colonial system and from her exploitation of her colonies and possessions.

Today we should reassert our independence, halt our gigantic military procurement program in the British Isles before more war goods end up in Russia, shut off our military and monetary aid to her, so long as she persists in her blood trade with our mortal enemy, reaffirm the Monroe Doctrine, and turn the United Nations into a clearinghouse for information and debate, but not insist that an impossible job be done by an organization of nations whose sole ambition at the moment is to gain a share in the United States markets and the other markets of the New World, which is the Western Hemisphere.

AMERICAN POLICY WOULD STRENGTHEN NATION

In other words, Mr. President, we should return to the Declaration of Independence, the Constitution, the Bill of Rights, and the Monroe Doctrine, which for 140 years were our basic guides and the source of our protection as a free people.

Such a course would enhance our honor as a nation, redeem our national integrity, disengage us from the continued threat of foreign wars fought on distant, foreign soil, and enable us again to strengthen and expand our own economy.

Mr. President, I ask that the vote be taken on my amendment No. 2, which will squarely transfer to a much better use the $13 billion authorized by this bill. This bill authorizes the head of the FOA to expend approximately $13 billion throughout the world, on foreign projects and other things I have already described. My amendment would authorize that the $13 billion be transferred, so as to make it available to bring our Air Force to the proper strength to defend the United States of America.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the amendment of the Senator from Nevada be read, for the information of the Senate.

The PRESIDING OFFICER (Mr. PAYNE in the chair). The amendment submitted by the Senator from Nevada will be stated.

The LEGISLATIVE CLERK. It is proposed to strike out all after the enacting clause of the bill, and to insert in lieu thereof:

That there is hereby authorized to be appropriated the sum of $13,079,000,000 for construction within the United States of military aircraft for the Armed Forces of the United States.

Mr. KNOWLAND. Mr. President, I ask for the vote on the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Nevada [Mr. MALONE].

On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. SALTONSTALL. I announce that th Senator from Indiana [Mr. CAPEHART] is absent by leave of the Senate.

The Senator from New Hampshire [Mr. BRIDGES] is necessarily absent.

Mr. JOHNSON of Texas. I announce that the Senator from Virginia [Mr. BYRD], the Senator from Kentucky [Mr. CLEMENTS], the Senator from Mississippi [Mr. EASTLAND], the Senator from North Carolina [Mr. ERVIN], the Senator from Tennessee [Mr. KEFAUVER], and the Senator from Arkansas [Mr. MCCLELLAN] are absent on official business.

I announce further that if present and voting, the Senator from North Carolina [Mr. ERVIN] would vote "nay."

The result was announced—yeas 7, nays 81, as follows:

YEAS—7

Bricker	Malone	Young
Jenner	McCarthy	
Langer	Welker	

NAYS—81

Aiken	Goldwater	McCarran
Anderson	Gore	Millikin
Barrett	Green	Monroney
Beall	Hayden	Morse
Bennett	Hendrickson	Mundt
Bowring	Hennings	Murray
Burke	Hickenlooper	Neely
Bush	Hill	Pastore
Butler	Holland	Payne
Carlson	Humphrey	Potter
Case	Ives	Purtell
Chavez	Jackson	Reynolds
Cooper	Johnson, Colo.	Robertson
Cordon	Johnson, Tex.	Russell
Crippa	Johnston, S. C.	Saltonstall
Daniel	Kennedy	Schoeppel
Dirksen	Kerr	Smathers
Douglas	Kilgore	Smith, Maine
Duff	Knowland	Smith, N. J.
Dworshak	Kuchel	Sparkman
Ellender	Lehman	Stennis
Ferguson	Lennon	Symington
Flanders	Long	Thye
Frear	Magnuson	Upton
Fulbright	Mansfield	Watkins
George	Martin	Wiley
Gillette	Maybank	Williams

NOT VOTING—8

Bridges	Clements	Kefauver
Byrd	Eastland	McClellan
Capehart	Ervin	

So Mr. MALONE's amendment was rejected.

Mr. SMATHERS obtained the floor.

Mr. JOHNSON of Texas. Mr. President, will the Senator from Florida yield to me so that I can make an inquiry of the Senator from California?

Mr. SMATHERS. I yield.

LEGISLATIVE PROGRAM

Mr. JOHNSON of Texas. Mr. President, I wonder whether the majority leader could indicate to us what plans he has for the rest of the day and tomorrow?

Mr. KNOWLAND. I shall be glad to do so, insofar as I can predict the situation at the moment, I have had a conversation with the distinguished Senator from Vermont [Mr. FLANDERS], who had originally hoped to call up his privileged motion at about 12:30 or 1 o'clock today. I suggested that, if he would be willing to delay it for a reasonable time, we could try to dispose of the foreign operations bill first. I was hopeful that we could do that by midafternoon, and I am still hopeful that perhaps after an hour's debate or a little longer, we may be able to dispose of the pending legislation.

If it is possible to do so, I should like to have it accomplished before we take up the privileged matter which the Senator from Vermont will bring up.

I understand that the distinguished Senator from Florida [Mr. SMATHERS] has one or more amendments which will be looked upon favorably by the chairman of the Committee on Foreign Relations. I believe the Senator from Florida desires to have a yea-and-nay vote on one or more of his amendments, but that he does not believe the presentation of the amendments will take more than 5 minutes.

I also understand the distinguished Senator from South Carolina [Mr. JOHNSTON] desires to speak to make his position clear on the bill, and he is certainly entitled to do so. I believe he will try to keep his remarks within reasonable bounds. I believe, also, the distinguished Senator from Michigan [Mr. POTTER] has a short speech to make on the subject. In addition, the Senator from North Dakota [Mr. LANGER] has a speech to make, which he believes will take about an hour.

I had intended to keep the Senate in session until 9:30 or 10 o'clock tonight and then have it convene at a reasonable early hour in the morning.

We will not have a call of the calendar until we dispose of both the foreign-aid bill and the Flanders proposal. That means that we may have to put off our calendar call until next Monday. Of course if we still have either the Flanders motion or the foreign operations bill pending in the Senate we will have to put the calendar call off until we have disposed of those two matters.

That is as far as I can look ahead.

Immediately following the disposition of the pending bill, I intend to move the consideration of the farm bill so that it may be made the unfinished business, following which it is planned to proceed to consider the social-security bill, and the other bills which will have to be considered prior to adjournment.

I expect that tomorrow morning we will probably not meet as early as this morning, but perhaps at 10 o'clock. I suggest that the session begin at that hour because I am hopeful that we will not sit too late on Saturday night, under all the circumstances.

Mr. JOHNSON of Texas. Mr. President, is it the intention of the majority leader to keep the Senate in session until it acts on the proposal of the distinguished Senator from Vermont, even though it may run late tomorrow evening?

Mr. KNOWLAND. I would not expect to keep the Senate in session much beyond 10 o'clock in the evening, in any event, under all the circumstances.

Mr. JOHNSON of Texas. The Senator realizes, of course, that there are still 3 or 4 hours of debate on the pending bill, including the speeches by the Senator from South Carolina [Mr. JOHNSTON] and the Senator from North Dakota [Mr. LANGER].

Mr. KNOWLAND. I understand.

Mr. JOHNSON of Texas. Is it the Senator's plan to finish with the pending bill before proceeding with the Flanders motion?

Mr. KNOWLAND. I should like to have the cooperation of the Senator from Vermont and other Senators, so that we might dispose of the Foreign Operations bill first. The reason I say that is that the Foreign Operations bill is an author-

ization bill. The appropriation bill for foreign operations is now before the Committee on Appropriations, and is in the mark-up stage. Of course, we cannot take up the appropriation bill until we have finished the consideration of the authorization bill. In the normal orderly legislative procedure it would be advisable to complete consideration of the pending bill if it is at all possible to do so, before proceeding to another matter. Of course, I am subject to the will of the Senate. If the Senate decides to take another course, the Senate has it in its power to do so.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. KNOWLAND. I yield.

Mr. MAYBANK. Mr. President, in view of what has been said, and the long debate which is still to take place on the bill, and because the Appropriations Committee will meet tomorrow, Saturday, at 10:30, to mark up the appropriation bill on foreign aid, I ask unanimous consent to be excused from the session of the Senate tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. KNOWLAND. I yield.

Mr. MORSE. I have been advised that the majority leader has been advised that I intend to speak on the bill. I believe it will be rather a relief for him to be told that I do not intend to speak for more than 20 minutes.

Mr. KNOWLAND. It is a considerable relief, I will say to the distinguished Senator from Oregon.

Mr. MUNDT. Mr. President, will the Senator yield?

Mr. KNOWLAND. I yield.

Mr. MUNDT. I inquire whether it would not be well to schedule consideration of the farm bill ahead of a call of the calendar. We are approaching the end of the session, or at least some of our optimistic colleagues hope we are, and the farm bill will necessitate some debate.

Mr. KNOWLAND. I will say to the distinguished Senator from South Dakota that it seems to the majority leader that we can probably dispose of the call of the calendar of bills to which there is no objection in one afternoon or in a half day. There are a great many bills on the calendar which may be passed when the calendar is called, and which, therefore, would not have to be scheduled for consideration by motion. Until we have had a call of the calendar it is very hard for the majority leader to determine what measures it will be necessary to fit into the program for the remainder of the session. So I should like, following disposal of the pending foreign operations bill and the Flanders motion to have a call of the Calendar of Bills to which there is no objection, because that will indicate to me and to the Senate what bills of those which remain will have to be taken up by motion. I believe we can proceed with reasonable expedition in that way.

Mr. MUNDT. Is it the understanding that there is nothing ahead of the farm bill except the calendar?

Mr. KNOWLAND. I have no intention of moving to consider any other legislation between the foreign-aid bill and the farm bill.

Mr. YOUNG. Mr. President——

Mr. KNOWLAND. I now yield to the Senator from North Dakota.

Mr. YOUNG. Can the distinguished floor leader give us any idea how much time we may expect in conference with the House on the farm bill before we move toward adjournment?

Mr. KNOWLAND. I will say to my good friend from North Dakota, with whom I serve on the Appropriations Committee, that I used to think I could predict with some accuracy the length of time a bill would take in passing the Senate, but I have lost that capacity to predict. Consequently until we know how long the farm bill is to take on the floor, it is difficult for me to say how long it will take in conference, because that might depend upon the number of amendments or the form in which the bill passes the Senate.

In my more optimistic moments I had thought we might dispose of the farm bill in 2 full days of debate and voting, with sessions of probably 12 hours each day. I think that is about the best we could do. It might even require 3 days.

If that happens and again depending upon the final form the farm bill takes, I think we would have to allow at least 3 or 4 days in conference.

Mr. YOUNG. If we could be sure it was 3 or 4 days in conference, I think everyone would be satisfied.

Mr. KNOWLAND. I shall strive toward that end, but again I have no way of predicting how many days the Senate will be occupied on the Flanders motion or when we may reach the farm bill, assuming that we are able to dispose of the foreign-aid bill this afternoon.

Mr. YOUNG. Many of us would have to oppose an adjournment until we had had time to consider the farm bill.

Mr. KNOWLAND. I understand that. I will say to the Senator that the majority leader has no intention of moving to adjourn the Senate sine die until it has completed consideration of the priority legislation; and the farm bill is very definitely part of the priority legislation.

Mr. FLANDERS. Mr. President——

Mr. KNOWLAND. I yield to the Senator from Vermont.

Mr. FLANDERS. I thank the majority leader for the cooperation he has given me in this matter. In turn, I have tried to cooperate with him. In postponing my privileged motion from July 20 to July 30, I had in mind, among other things, the expectation that the farm bill would be disposed of by that time. Most unfortunately, certain events intervened and consideration of that bill has not yet been started.

I do desire to initiate my motion on this day and date. I wish to allow a reasonable time for debate on the pending bill. I do not feel that I would want to postpone it beyond, say, 7 o'clock this evening. It is now a quarter to 3 and, as I have added up this length of speech, that length of speech, the other length of speech, and another length of speech, it has seemed that with reasonably judicious speaking on the part of those involved we should be ready for a vote by 7 o'clock.

So I will not take advantage of the privilege of my motion until that time, unless by happy incident and accident the pending measure shall have been passed before then.

Mr. NEELY. Mr. President——

Mr. KNOWLAND. I yield to the Senator from West Virginia.

Mr. NEELY. Mr. President, I inquire of the distinguished majority leader whether, in his opinion, the parliamentary situation in the Senate will be such next Tuesday as to make it necessary for my distinguished colleague [Mr. KILGORE] and me to neglect our democratic duty of voting in the West Virginia primary on that date.

Mr. KNOWLAND. I will say to the distinguished Senator from West Virginia that I hope the West Virginia laws permit absentee voting. The primary in the State of the distinguished Senator from Texas [Mr. JOHNSON] was held a short while ago, and he had to remain at his post of duty in Washington and vote by absentee ballot. In view of the heavy program before us, I can give no assurances to the distinguished Senator from West Virginia, or to any other Senator, from now until adjournment sine die, that there will be no voting on any remaining day of the session, much as I should like to accommodate the Senator and his colleague.

Mr. NEELY. Would the Senator, with his usual sagacity and experience, kindly tell me how one running for office could, without injury, vote an absentee ballot?

Mr. KNOWLAND. It is a difficult problem, but I suppose the Senator is faced with the unhappy choice that all of us sometimes have in life, of selecting between 2 alternatives, neither 1 of which is a happy one. I suppose he will either have to arrange a live pair in the Senate and go and cast his ballot in West Virginia, or miss his vote here.

Mr. NEELY. Will the Senator help me to obtain a live pair for that day?

Mr. KNOWLAND. I suppose that, whatever the issue is, there will be a division of opinion on both sides of the aisle, and perhaps the Senator will be fortunate enough to obtain a live pair on his side of the aisle. If he is not able to do so, I shall be glad to discuss the matter further with him.

The PRESIDING OFFICER. The Chair is advised that the Senator from Florida [Mr. SMATHERS] was recognized and he yielded to the Senator from Texas [Mr. JOHNSON], who, in turn, yielded to the Senator from California [Mr. KNOWLAND] for the purpose of clarifying only the question of the procedure of the Senate at the present time.

Mr. JOHNSON of Texas. I thank the distinguished Senator from Florida [Mr. SMATHERS] for yielding.

Mr. KNOWLAND. Mr. President, I also wish to thank the Senator from Florida.

MUTUAL SECURITY ACT OF 1954

The Senate resumed the consideration of the bill (H. R. 9678) to promote the security and foreign policy of the United States by furnishing assistance

to friendly nations, and for other purposes.

Mr. SMATHERS. Mr. President, I call up my amendment 7–22–54–J, and ask that I be permitted to explain it.

The PRESIDING OFFICER. The amendment offered by the Senator from Florida will be stated.

The CHIEF CLERK. On page 106, lines 20 to 22, it is proposed to strike out "$112,070,000 for technical cooperation programs in the Near East, Africa, South Asia, Far East and Pacific, and Latin America" and insert "$88,570,000 for technical cooperation programs in the Near East, Africa, South Asia, and Far East and Pacific, and $33,500,000 for such programs in Latin America."

Mr. SMATHERS. Very simply, this amendment would add $10 million to the technical cooperation programs of the countries of Central and South America. After it is added, it will mean that there will be going to the countries of Latin America a sum of approximately 1.2 percent of the total authorization. I think all of us would agree that that certainly is not too much. I have talked with every member of the Foreign Relations Committee, and each of them, with one exception, has indicated that he thought this was a good amendment. As a matter of fact, the Senator from Indiana [Mr. CAPEHART] asked that I offer it in his name as well as mine.

I have in my hand a 30-minute speech which I am prepared to make in support of this amendment. However, I wish to save the time of the Senate and believe much more would be accomplished if I waived my 30-minute speech and asked for a yea-and-nay vote so that the people of Latin America can see that they have 96 good friends in the Senate of the United States.

Mr. KNOWLAND. Mr. President, I am glad to join with the Senator from Florida in asking for the yeas and nays on the amendment.

The yeas and nays were ordered.

Mr. MORSE. Mr. President——

The PRESIDING OFFICER. Does the Senator from Florida yield to the Senator from Oregon?

Mr. SMATHERS. I yield to the Senator from Oregon.

Mr. MORSE. I am seeking information with respect to the amendment. I have not seen the amendment. Am I correctly advised that the amendment seeks to eliminate from the bill aid to the Middle East and transfer that aid to Latin America?

Mr. SMATHERS. No, sir; the Senator is incorrectly advised. All the amendment proposes is a $10 million increase in the total amount in the bill. We leave all the other authorizations as they are.

Mr. MORSE. That is the amount authorized in this bill for aid to the Middle East—which, in my opinion, is inadequate; and about which I am going to have something to say later—is left without any effect upon it whatsoever, but the amendment provides an additional $10 million for Latin America?

Mr. SMATHERS. That is correct.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. SMATHERS. I am happy to yield to the Senator from Illinois.

Mr. DOUGLAS. My memory is incomplete on this subject, but I thought I had read the amendment of the Senator from Florida.

The PRESIDING OFFICER. Will the Senator suspend until we have order in the Chamber? The Official Reporters have to take this colloquy down in shorthand, and it is impossible for them to follow from one side of the aisle to the other side unless there is reasonable order in the Chamber.

The Senator from Illinois may now proceed.

Mr. DOUGLAS. Mr. President, prefatory to my question of the Senator from Florida may I say I read this amendment earlier in the day and I thought it called for a corresponding reduction in the appropriation for technical assistance to the Near East. Is that correct?

Mr. SMATHERS. The Senator was correct. The Senator has reference, however, to a prior amendment which I introduced and had at the desk, but which I have since abandoned.

The amendment which I have now presented is solely for the purpose of increasing by $10 million the total authorization for technical assistance to Latin America. It leaves the other authorizations under the bill unchanged.

Mr. DOUGLAS. Mr. President, may I now ask unanimous consent that I may address a question to either the distinguished majority leader or the eminent chairman of the Committee on Foreign Relations, as to whether the proposal of the Senator from Florida is satisfactory to the White House and to the administration?

The PRESIDING OFFICER. Is there any objection to the unanimous-consent request? The Chair hears none. It is so ordered.

Mr. KNOWLAND. I will say to the Senator from Illinois I cannot answer that question myself, except that I know the members of the Foreign Relations Committee, of which I am one, have been canvassed. I believe all those Senators who have been canvassed, at least, are favorable to the amendment. Personally, I intend to vote for the amendment. I think is it a good amendment.

I asked for the yeas and nays because the Senator from Florida thought it would be helpful in the matter to have the yeas and nays, but the amendment is not being resisted. To the contrary, the amendment is being supported.

Mr. DOUGLAS. Mr. President, would it be an improper question for me to inquire of the distinguished majority leader whether he has consulted representatives of the White House on this amendment to determine whether or not the administration objects to it?

Mr. KNOWLAND. I have not consulted the White House, but I will say to the distinguished Senator from Illinois I do not feel in my legislative capacity I have to run to the telephone every time I am voting on an amendment. I can see no reasonable objection to the amendment. I know of no objection from the administration.

I know the administration is vitally interested in our South American neighbors. I believe it is a good amendment, and I shall personally support it.

Mr. SMATHERS. I may say to the Senator from Illinois I have in my hand a letter from Henry F. Holland, Assistant Secretary of State, who, I may say, is in charge of Latin American affairs. He states:

> In reply to your oral request for my views regarding a possible increase of $10 million in the Technical Assistance Program for Latin America, I am confident that such an increase would be extremely effective in carrying forward our policies—

I should be happy to have this letter made a part of the RECORD.

Mr. DOUGLAS. Would the Senator ask that the letter be included in the RECORD?

Mr. SMATHERS. I should be happy to ask unanimous consent that this letter be made a part of the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

JULY 20, 1954.

The Honorable GEORGE A. SMATHERS,
United States Senate.

DEAR SENATOR SMATHERS: In reply to your oral request for my views regarding a possible increase of $10 million in the technical assistance program for Latin America, I am confident that such an increase would be extremely effective in carrying forward our policies in strengthening this hemisphere against the inroads of international communism as rapidly as these funds can be translated into specific programs. If such an increase for the Latin American area were to result in a reduction in funds available for other areas of the world, this would raise serious questions about the attainment of foreign relations objectives in those areas.

While governmental assistance in the Latin American area is very important, I am sure you will agree that, in efforts to strengthen the economies of our neighbors in this hemisphere, private enterprise is even more important. In my opinion, sound economic development and increased trade are required with fullest reliance on private initiative and capital. Careful planning and expansion are needed in such basic fields as transportation, power, and the exchange and training of students and technicians. This is especially important at this time and any oportunity to increase our cooperative efforts in these fields would be extremely important and definitely in our national interest.

Due to the urgency of this matter, this letter has not been cleared with the Bureau of the Budget to which a copy is being sent.

Sincerely,

HENRY F. HOLLAND,
Assistant Secretary.

Mr. DOUGLAS. May I ask the Senator from Florida whether he has consulted with the Secretary of State himself on this matter.

Mr. SMATHERS. The answer is that I have not consulted with the Secretary of State himself. I have consulted with Henry F. Holland, an Assistant Secretary.

Mr. DOUGLAS. Does the Senator presume that this letter from the Assistant Secretary meets with the approval of the Secretary of State?

Mr. SMATHERS. I presume so, but it is only a presumption on my part.

Mr. DOUGLAS. May I ask the distinguished majority leader, or the chairman of the Foreign Relations Commit-

tee, because I am very anxious to support the administration on foreign affairs, where my conscience permits, if I am presumptious in believing this letter from the Assistant Secretary of State reflects the opinion of the Secretary of State?

Mr. KNOWLAND. I wish to say to the Senator that I think it is a fair presumption that when the Assistant Secretary of State of the United States in charge of Latin-American relations writes a letter to a Senator, as he has done in this instance to the Senator from Florida, who had proposed an amendment, and states that the proposed amendment is acceptable, the Assistant Secretary is speaking for the Department of State and the Department of State is speaking for the administration.

Mr. DOUGLAS. Then a vote for this amendment, I take it, would not be interpreted as a vote against the President's program.

Mr. KNOWLAND. I think the Senator may be assured of that; and I hope in the future on all other legislation proposed the Senator will be as diligent in wanting to support the administration.

Mr. DOUGLAS. May I say I support the administration when my conscience tells me the administration should be supported. I believe that in foreign affairs the administration should be given the benefit of the doubt, I, therefore, shall act with the understanding that a vote for this amendment will not be interpreted as a vote against the administration's foreign policy.

Mr. CHAVEZ. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Florida yield further?

Mr. MORSE. Mr. President, will the Senator yield for a question?

Mr. SMATHERS. I am happy to yield to the Senator from New Mexico [Mr. CHAVEZ].

Mr. CHAVEZ. Mr. President, I want to ask a question of the Senator from Florida. The Senator from Florida has offered an amendment increasing the authorization in order to contribute a little more to Latin America.

Mr. SMATHERS. The Senator is correct.

Mr. CHAVEZ. Is it not a fact that heretofore the United States has done little or nothing outside of "lip service" to help Latin America?

Mr. SMATHERS. The Senator is correct.

Mr. CHAVEZ. Does it make any difference how the administration feels about the amendment, if the Congress of the United States decides it should be included in the bill? Then if the President does not like the proposed legislation, he can veto the bill. However, it is our responsibility in this instance, and it is not the responsibility of the administration.

Mr. SMATHERS. The Senator is correct.

Mr. CHAVEZ. I hope the administration is satisfied with the bill, but I am not going to ask the permission of the administration, or try to find out how the administration feels about this amendment, if I think it is a good amendment.

I do not know how the administration felt about the earlier amendment of the Senator from Nevada [Mr. MALONE]. I care less. I take it the presumption was the administration was against the amendment. However, I thought the amendment of the Senator from Nevada was a good amendment, and I voted for it. It will be my privilege to vote for the amendment of the Senator from Florida, and I desire to compliment the Senator for his consideration of the people of Latin America who have been neglected.

Heretofore more attention has been paid by the administration to a few foreign corporations exploiting the people of some of the countries of Latin America than has been paid to all of Latin America.

Mr. HUMPHREY. Mr. President——

The PRESIDING OFFICER. Does the Senator from Florida yield to the Senator from Minnesota?

Mr. SMATHERS. Mr. President, I yield to the Senator from Minnesota.

Mr. HUMPHREY. Mr. President, I thank the Senator from Florida.

I rise merely to commend the junior Senator from Florida for his diligence in watching over matters which pertain to South America and Latin America.

As I understand, after reexamining this amendment, what the amendment seeks to accomplish is strictly an addition to the technical assistance authorization of the foreign-aid bill. In Latin America we first started technical assistance under the Smith-Mundt Act, and now it is sought to add $10 million to an established program, which already has its field offices and already has its beginnings very well under way.

I think this amendment will greatly benefit the general foreign policy of our country, with respect to the Latin American area. I am of the opinion this $10 million will do more good than $100 million spent in other parts of the world, and will back up some of our speeches and pronouncements with deeds.

In that spirit I should like to associate myself with the Senator's endeavor of the Senator from Florida, and to commend him for what I consider to be a very fortunate statement of policy.

Mr. SMATHERS. I thank the Senator very much.

Mr. MORSE. Mr. President——

Mr. SMATHERS. I yield to the Senator from Oregon.

Mr. MORSE. I seek only further clarification, because I have the amendment which was handed to me by the clerk. The amendment leaves me in some doubt as to what it really seeks to accomplish. The amendment says:

> On page 106, lines 20 to 22, strike out "$112,070,000 for technical cooperation programs in the Near East, Africa, South Asia, Far East and Pacific, and Latin America" and insert "$88,570,000 for technical cooperation programs in the Near East, Africa, South Asia, and Far East and Pacific, and $33,500,000 for such programs in Latin America."

The wording of the amendment leaves me in some doubt, in view of what I understood was the Senator's explanation, when he said all he was seeking to do was add $10 million for aid to Latin America over and above what is already authorized in the bill. I heartily endorse that proposal, but I have a little difficulty seeing how the explanation fits into the langauge of the amendment. Would the $10 million be earmarked for Latin America?

Mr. SMATHERS. Under the bill, $112,070,000 would be authorized for technical assistance programs in the Near East, Africa, south Asia, Far East and Pacific, and Latin America. Of this total $23,500,000 is set aside for Latin America. My amendment merely proposes to increase by $10 million the technical assistance program for Latin America making the total authorization for such purpose the sum of $33,500,000. This amount would be earmarked for Latin America. I think the legislative history which we are making will make it eminently clear that the amendment is in no way designed to decrease the authorization for any of the technical assistance programs in the Near East or anywhere else in the world. It is designed merely to increase by $10 million the technical assistance program in Latin America.

Mr. WILEY. Mr. President, will the Senator yield?

Mr. SMATHERS. I yield to the Senator from Wisconsin.

Mr. WILEY. I am very happy to say that I was informed by the distinguished Senator that every member of the committee was canvassed and was favorably disposed toward the amendment. I am very happy to say that my position is the same.

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator yield?

Mr. SMATHERS. I yield to the Senator from South Carolina.

Mr. JOHNSTON of South Carolina. I wish to commend the Senator from Florida for thinking about people who are a little closer to home. At least those people are located in the Western Hemisphere. When we first started, the program was directed toward people of Europe. Gradually we are getting closer to home. I wonder if the Senator from Florida has provided anywhere in his amendment for assistance to the unemployed people in the United States, and also for people who are old, and for those who have to beg for something to eat?

Mr. SMATHERS. I have not provided for such relief in the pending amendment, but I might say to the Senator from South Carolina that the social-security bill is on its way to the Senate floor. There are provisions in that bill designed to help old people and others who are in need of assistance.

Mr. JOHNSTON of South Carolina. How about the person who is not yet 65, but is between 60 and 65? What is being done for him?

Mr. SMATHERS. Such a person would come under the proposed social-security bill which will shortly be before the Senate. Actually, the social-security bill provides extended and improved coverage. I believe when the Senator from South Carolina hears the discussion on the social-security bill he will be satisfied

with the progress being made toward giving assistance to persons who need it.

Mr. JOHNSTON of South Carolina. I wish to commend the committee for what it did in the social-security program this year, but the committee has done nothing regarding persons between the ages 60 and 65.

Mr. SMATHERS. Of course, I shall be happy to discuss the question with the Senator from South Carolina, but, as he knows, the bill now before the Senate is the foreign-aid bill. Obviously, the question which the Senator from South Carolina raises would not come within the scope of the pending proposed legislation. I am sympathetic with the problem about which he is talking. In the State of Florida there is probably a larger proportion of elderly people than in any other State of the Union. I am very much concerned with the problem and want to do everything for deserving persons in that category.

Mr. JOHNSTON of South Carolina. I am glad to hear the Senator from Florida say that. I believe that if we keep on, we will gradually drift toward home, and we will be here in the United States in a very short time.

Mr. STENNIS. Mr. President, will the Senator from Florida yield?

Mr. SMATHERS. I yield to the Senator from Mississippi.

Mr. STENNIS. With his usual alertness, the Senator from Florida has looked to the development of relations with Latin America, and also to a program, not of relief for those fine people, but one in which we can help them in a most cooperative way, that of technical assistance. I commend the Senator highly. I have been attracted before to the Senator's speeches and his fine knowledge of the relations between our country and Latin America. I share the hope that we will look more and more to those nations, with whom we have a natural affinity geographically, and in whom we have a great deal of interest from a military standpoint and possible worldwide developments.

I believe the technical-assistance program is the right approach, and that a relief program would not be.

Mr. SMATHERS. I thank the Senator from Mississippi for his kind and generous remarks.

Mr. KENNEDY. Mr. President, will the Senator from Florida yield?

Mr. SMATHERS. I yield to the Senator from Massachusetts.

Mr. KENNEDY. I should like to join with the Senator from Mississippi in congratulating the Senator from Florida for the leadership he has taken in this matter. Those of us in the Senate who heard his fine speech on Guatemala understand why we feel the way we do about him.

Mr. LEHMAN. Mr. President, will the Senator from Florida yield?

Mr. SMATHERS. I yield to the Senator from New York.

Mr. LEHMAN. I am very glad indeed to see an increase in technical assistance given to Latin America. I think it will constitute a very valuable contribution to our welfare. However, I wish to make sure, although I think I understand the situation, that providing for an increase of $10 million for Latin America will not result in a decrease in the technical-assistance program for the Near East, Africa, south Asia, the Far East, or the Pacific areas.

Mr. SMATHERS. I thank the Senator from New York, and I can assure him I do not believe he has a thing in the world to worry about. It is not my intention to reduce technical assistance for the Middle East and other areas of the world.

Mr. LANGER. Mr. President, will the Senator from Florida yield?

Mr. SMATHERS. I yield to the Senator from North Dakota.

Mr. LANGER. Does the $10 million increase the total amount of the appropriation?

Mr. SMATHERS. It increases the total amount of the authorization by $10 million, but I should like to point out to the Senator it means that the 20 Latin American Republics, with a population of 165 million, who are our good neighbors, will still get only a little more than 1 percent of the total authorization provided for in the bill.

Mr. HOLLAND. Mr. President, will my colleague yield to me?

Mr. SMATHERS. I am glad to yield to my distinguished colleague.

Mr. HOLLAND. First, I wish to compliment warmly my distinguished colleague on his amendment. I think it is a very timely one.

Second, if I may be permitted to make a brief comment, as the Senator knows, a few days ago I attended the Sixth Inter-American Road Congress at Caracas, Venezuela, as an observer for the Senate Committee on Public Works. In the course of that visit to Venezuela, I had the opportunity to meet again some very good friends of our country and some very warm personal friends of mine, whom I have had the pleasure of meeting and knowing well at the Extraordinary Road Congress in Mexico City, held 2 years ago, and on such occasions as our trip into Mexico for the foot-and-mouth disease eradication inspection. I see several Senators now present on the floor who were also on that inspection trip.

During my recent visit to Caracas, I learned that our very best friends in South America are apprehensive over the fact that there are still weak places in Latin America which are apt to have happen to them something like the sad, recent experience of Guatemala. Some of these good friends of ours come from much stronger countries and much more prosperous countries than Guatemala. These persons were in the most friendly mood at Caracas in advising, not only me, but also our representatives who were present from the Department of State, the Department of Commerce, and the House of Representatives, about the fact that they felt that the areas in which the possibility of Communist infiltration was the greatest were those areas where the material development has been least, and where poverty is the most abject.

Not just one of those persons, but several of them, in the most cordial possible terms, talked about the subject and expressed the hope that we would be able to do more, particularly in those areas where the development has been the least and where the poverty is great and where there exists the greatest chance for trouble and for the infiltration of Communist doctrines.

So I think the step suggested by the amendment is in a critical direction of gravest importance to our country and to the cause of freedom everywhere. Brazil came strongly to our assistance in World War II. We know that Colombia had a sizable contingent with our boys in Korea. We know that in spite of such vexatious questions as the coffee shortage and other questions which are well known to Senators, we still have a large number of very strong friends in Latin America. I think we should, by all means, show ourselves worthy of their friendship, and should try to bring this kind of assistance to bear promptly in those weak places where such assistance can make itself felt so greatly.

I again commend my distinguished colleague.

Mr. SMATHERS. I thank the distinguished senior Senator from Florida, who has an intimate knowledge of the situation.

Mr. President, it is my hope that this increase in authorizations will be used for the development of communications, transportation, hydroelectric power, and the exchange of students and technicians.

Much more could be said on this subject. However, a yea-and-nay vote has been ordered on the question of agreeing to the amendment. I think it would be wonderful for our relationships with Latin America if the Senate of the United States were to go on record unanimously in favor of my amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Florida [Mr. SMATHERS].

On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. SALTONSTALL. I announce that the Senator from Indiana [Mr. CAPEHART] is absent by leave of the Senate.

The Senator from Ohio [Mr. BRICKER] is absent on official business.

The Senator from Connecticut [Mr. PURTELL] is necessarily absent.

Mr. CLEMENTS. I announce that the Senator from Virginia [Mr. BYRD], the Senator from Mississippi [Mr. EASTLAND], the Senator from Tennessee [Mr. KEFAUVER], the Senator from West Virginia [Mr. KILGORE], and the Senator from Arkansas [Mr. MCCLELLAN] are absent on official business.

I announce further that if present and voting, the Senator from Tennessee [Mr. KEFAUVER] would vote "yea."

The result was announced—yeas 86, nays 2, as follows:

YEAS—86

Aiken	Bowring	Carlson
Anderson	Bridges	Case
Barrett	Burke	Chavez
Beall	Bush	Clements
Bennett	Butler	Cooper

Cordon	Humphrey	Murray
Crippa	Ives	Neely
Daniel	Jackson	Pastore
Dirksen	Jenner	Payne
Douglas	Johnson, Colo.	Potter
Duff	Johnson, Tex.	Reynolds
Dworshak	Kennedy	Robertson
Ellender	Kerr	Russell
Ervin	Knowland	Saltonstall
Ferguson	Kuchel	Schoeppel
Flanders	Lehman	Smathers
Frear	Lennon	Smith, Maine
Fulbright	Long	Smith, N. J.
George	Magnuson	Sparkman
Gillette	Malone	Stennis
Goldwater	Mansfield	Symington
Gore	Martin	Thye
Green	Maybank	Upton
Hayden	McCarran	Watkins
Hendrickson	McCarthy	Welker
Hennings	Millikin	Wiley
Hickenlooper	Monroney	Williams
Hill	Morse	Young
Holland	Mundt	

NAYS—2

Johnston, S. C.	Langer

NOT VOTING—8

Bricker	Eastland	McClellan
Byrd	Kefauver	Purtell
Capehart	Kilgore	

So Mr. SMATHER'S amendment was agreed to, as follows:

On page 106, lines 20 to 22, strike out "$112,070,000 for technical cooperation programs in the Near East, Africa, South Asia, Far East and Pacific, and Latin America" and insert "$88,570,000 for technical cooperation programs in the Near East, Africa, South Asia, and Far East and Pacific, and $33,500,000 for such programs in Latin America."

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. POTTER obtained the floor.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. POTTER. I yield to the distinguished Senator from North Dakota, with the understanding that I do not lose the floor.

Mr. LANGER. I ask unanimous consent, in view of the minority views which were filed 30 days ago, and delivered to the desk of each Senator, that the speech which I had intended to deliver this afternoon be printed without my actually delivering it.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

EUROPEAN INTERESTS FIRST

Is it not our policy under this administration as it was in the preceding one to treat Europeans and their interests as our so-called first line of defense? Principally, has it not been our policy, and is it not now our policy, to defend Britain and her imperial interests all over the world as an essential prerequisite to American welfare? And is that not also true of our defense of France? Is this not why we have allowed ourselves to be dragged time after time into the preposterous and imprudent commitments which have passed under the name of mutual self-help, loans, and reciprocal trade, and which now flaunts its painted visage under the untrue and dishonest slogan "Trade, not aid"?

Let us face the whole truth. Is it not a fact that we have disrupted our American economy to the point of real danger, leeching its productive resources and imposing a crushing burden of debt upon whole echelons of unborn generations to come?

And what productive good has come out of all this? I do not think it enlarges upon the position to say, "None." The position of the United States in the world economy has steadily deteriorated. Russia which once was inconceivably weak in relation to our Nation, industrial, geographical, military, and finance-wise, is rapidly reversing the position. We have lost China and central Europe, southeastern Asia is steadily slipping away. England and France may also be going. Former United States Ambassador Bowles has reported that there is at least 1 chance in 3 that India will go Communist in a few years. Africa is in danger; and Europe has been stampeded at the first sign of Russia agreeability, to abase itself at a new Munich for the sake of trade and profits.

THE REPUBLICAN PLATFORM

Finally, is it not ironic that it is a Republican administration, my old friends and comrades of the Grand Old Party, who have taken up the cudgels for continued oppressive taxation, who feel that the American taxpayer, like Atlas, must bear the entire world on his back, and who resist any effort to reduce taxes to a reasonable level? Does anyone need to remind my comrades of the GOP that all of this is in direct opposition to the platform and the claims on which the Republican ticket rode into office?

Mr. Eisenhower and his Cabinet looked very handsome on the round-table discussion which was so impressively staged almost 2 years ago on the television circuits by that New York advertising agency. But the silence of the American people in the face of this adroitly handled public relations operation must not be considered as consent. They are frankly unconvinced. If it is true that in electing Dwight Eisenhower Chief Executive of the United States they repudiated Harry S. Truman, the people of the United States will not support these same policies under a different label.

IT IS TIME TO SPEAK OUT

It may be that in saying these things I place myself under serious political risk. To speak with such frankness is not the path of political opportunism, nor is it good, practical politics. No one knows better than I the steamrolling ability of a political machine which holds the sources of power in its hands.

I have considered all this, and within my inner soul I have found the only possible answer. I do not believe that anyone will so act against me in an effort to stifle the right of an American Senator to speak, however they may be stung by the nettles of truth.

These observations are expressed without reservation and without fear of offense. For the greatest offense that can be given in these days where the very future of our institutions is threatened is not to one's friends or to one's associates in a political party, but to the basic interests of the people themselves.

DEEDS, NOT WORDS

There have been other voices raised against the all-consuming folly, which under two succeeding administrations, has corrupted our national policy to the very edge of fantasy. These were the voices of men who have felt within their deepest souls immeasurably disturbed for our future. But even here, in these men of undoubted courage, we have observed a certain timidity, a feeling of uncertainty somehow, that everyone could not be out of step but Jim. That, therefore, beyond and above all reason and logic, there must be some undisclosed worth to the administration's tactics and to the estimates which have given rise to them. It is both the strength and weakness of Americans that they have tended to close ranks and to bear with their leaders, even where the position assumed by Government seemed to be grimly mistaken and dangerously undertaken.

In the great struggle which is taking place for the rights of man against the systems of imperial enslavement, many of our own allies must at all times be conscious of the danger to which they themselves are exposed as imperialist powers and as occupiers and exploiters of others. A flood of glorious propaganda, fulsome in its self-praise of the British, French, and other imperial governments, may sound lovely and reassuring to the American ears for which it is intended, but to the Malay or the native of Indochina, or to the hounded black native inhabitant of Africa who has been reduced to helotry and shorn of the simplest human rights, the threat of Communist imperialism may well seem to be overdrawn. The Malan regime in South Africa with its unworkable apartheid policy of racial discrimination, is apt to look more real than the declarations of human rights issued periodically from our side. The native worker in the ricefields who risks his life daily in nighttime guerrilla warfare against the imperial interloper and the detested puppet governments installed by him, may well harbor similar sentiments. The Moscow-trained agent in Kenya where the desperate Mau Mau rebellion springs from the equally desperate lot of the native in his own country, is apt to appear to these people as more of a knight in shining armor than a dangerous agitator.

ASIA FOR THE EUROPEANS

In fact, by our association with the colonial oppressors we effectively cast the lie in the face of our own statements of declaration by which we are attempting to win these people over to our side. What it comes to in a nutshell is something like this: A well-known South American statesman and longtime friend of the United States, remarked dryly to me: "You Americans are so strange. The Russians are in Asia and crying the slogan, 'Asia for the Asiatics.' You on the other hand are in Asia with guns on a general commitment to the rights of democracy; but as far as the native can see, you are actively on the side of the European imperialist aggressor. To the Asiatic your actions would seem to spell out 'Asia for the Europeans.' Now logically, which side do you think the Asiatics will be on?"

The Asiatic seems to have given his answer to this. For practical purposes he seems to be on the side of the Communists. No matter what declarations are made to them about the wicked nature of Communist aggression, they are likely to answer that they are unacquainted with it, but that they are acquainted with European imperial aggression. Communist slogans may be false and fraudulent, but to the native of southeast Asia who has no political, economic, or military power in his own land and whose dignity as a man is even in question, there is an understandable willingness to look on the Russians not as future oppressors but as liberators.

UNITED STATES PLAYING SECOND FIDDLE

I think the Washington News put it plainly in an editorial when it said that "instead of uniting the independent nations of Asia against Communist aggression, the United States has been playing second fiddle to French and British colonial policy which operates to keep Asia divided." Even on the score of pure expediency, and ignoring the moral and human values with which I must be concerned if our own system is to endure, a policy based on this situation is hopelessly unreal. The imperial nations, contrary to our American interests, are determined to see their colonial possessions deindustrialized, with low levels of incentive and education, for any attempt on the part of the native to seek political, economic, and other rights would lead him directly to revolution and to control his own destinies.

Thus, when the American policymakers came to the point where they sought to take the non-Communist nations of Asia and merge them into a mutual defense organization, they found instead of independent,

strong, interested nations, a group of impoverished, spiritless, and depressed colonial-ruled territories with no capacity for self-defense, no educated or ruling class, and subject to the will of European masters who saw only mortal peril to themselves in any situation which treated these people as equals and capable of such actions as a mutual self-defense pact would require.

Actually, Nationalist China, the Philippines, and South Korea desperately wanted such a Pacific defense organization. But the British and French were adamantly opposed to it. The French did not wish the three states of Indochina operating independent of France. The Dutch for similar reasons rejected the proposal, as did the British.

The result was that our State Department vetoed their own measure as being "premature." What we now see in southeast Asia is a power vacuum in which a few handfuls of guerrilla fighters tacitly supported by an embittered local population, is able to enforce continuous turmoil and near chaos. Instead of being an asset to us these colonials are a liability; instead of their population masses joining us in orderly ranks in a common struggle against the conspirators of Moscow and Peking, we observe apathetic illiterate people with little stake in the world, who regard us with unconcealed suspicion. If they are to be protected against the newer and even more ruthless slavery of communism, it will have to be against their will, and by the intervention of American arms and men.

THE "BIG LIE"

Before I go further, I should observe that our mutual-aid policy is the result of a total misconception of circumstances and events, so enormous as to partake of the aspects of a gigantic swindle. It has in association with it, all the configuration of the "big lie." It is the very boldness of this fraud which protects it from observation. Like the man who having committed one murder, must commit a second to cover up the first, and a third to cover the second, each of these deceptions demands in turn an even more preposterous stratagem to cover the previous one. All the arts of public relations skill are let loose to prove that black is really white, until no one knows any more where truth and good sense are. This is a compilication of events which can end only with the destruction of the American character and of the Nation itself, unless we take clear counsel of ourselves.

I do not for a moment argue that we should not help our friends. The problem is to find them, and then to come to a modus vivendi which involves a true mutuality of interests and obligations. The hypnotic catch phrases which are so skillfully thrown at the heads of the Congress and at the American people, are not a proper substitute.

The declaration that we don't dare stand alone in the world, has a magnetic sound to it. It appears unanswerable until it is realized that for practical purposes we actually are standing alone.

DOUBTFUL ALLIES

It is axiomatic that a doubtful and vacillating ally or a self-seeking associate does more harm than good. A single look at events in Korea tells us that if a real alliance is to be based on give and take, on sacrifices freely offered and loyalties clearly given, all we have in our camp is a group of restive, self-seeking retainers whose entire course of action is dictated by cold-blooded self-seeking. As long as we are content to pass out the money, pay for everything all around, and play the pretentious role of the grand seigneur to the less favored, these are the kind of associates we will have.

I shall refer to all this again, pointing out in detail the omissions and cunningly fashioned distortions of fact which the Government so carefully glosses over. But there is something else I should first like to trace. This is the astonishing metamorphosis which has overcome the thinking of those responsible for the direction of American foreign policy. It is a change in the national attitude which has truly been revolutionary.

AMERICANISM AGAINST EUROPEANISM

Men are fond of quoting the wise admonishments of Washington, Jefferson, Madison, Monroe, and other Founding Fathers, warning Americans not to become entangled in the affairs of Europe. We were told that this was the pathway to American ruin. It was these same noble minds which formulated the style of government and social organization which rules the United States and which differentiates Americanism from Europeanism in the truest sense. If their warnings to avoid entanglement in the perpetually embittered affairs of Europe were not correct, then the political formulations they embodied in the Constitution, in the Declaration of Independence, and in the economic and political structures of our American society, also are not correct. For all of these are the outcome of the same estimates of life, and of the identical philosophic spirit. The point of view which dictates the one, inescapably flows out of the other.

Americanism was not a mere continuation of Europeanism, the outcome of some relatively secessionist desire of unruly colonists to form a new political unit on the earth's surface. It was actually in the most profound social and political sense, something altogether new, a revised outlook on the effort to create a new and better relationship between man and his fellowmen. To accomplish this result the Founding Fathers knew it would be necessary to escape entirely from the age-long hatreds, the social neuroticisms, deep-rooted suspicions, the bloody tyrannies, egoisms, and exploitations which had always characterized the life of Europe. It was necessary to break loose from the entire pattern in which these European states operated, and to deny and negate the fundamental concepts by which they ordered their lives.

There are very few of us whose ancestors did not come to this country because they in one way or another understood these distinctions. They came because they were fed up with Europe and wished to make for themselves and their descendants a new kind of life based upon a new understanding of the duties and privileges of men. It was for this reason that there has been a one-way flow of so many millions of Europeans to our shores—I should say of the very best Europeans—who have seen in the spirit and form of the United States the Shangri-la of their finest hopes. Were we to open our doors wide, this flow would become a great flood again.

WHAT "FREE PEOPLES"?

When I see the Government in its effort to justify our recent entanglement with the affairs of other nations, describe them as "the free peoples of the world," as if they were part of the very fabric of our family life, I am not only amazed—I am literally appalled. Actually, it is a perversion of truth to describe any of the nations of the Old World in the same breath with ourselves, on the score of social and political organizations, outlook or basic principles of life.

As for the Asiatic states, they certainly have had no experience in our type of political and social organization at all. They are for the most part victims of European aggression, and their inhabitants continue at a subsistence level—illiterate, depressed, and usually on the very verge of starvation. Even where they are reasonably free from European exploitation, they are the victims of domestic exploitations. Their elections are usually conducted by strong men at the point of the gun. This was certainly true of our wartime ally in Korea, Syngman Rhee, and is even declared to be the case in our own recently freed Philippines.

I have no feeling of animus toward these people and wish them well in their gropings toward some kind of well-being for all of their people. I merely say that to describe them as active participants in our own style of government and social order is complete misstatement.

SPLINTERED EUROPE

As for Europe, the first prerequisite to a simulation of the American type of constitutional, free-enterprise system is the elimination not only of the antique remnants of feudal organization but also of the self-seeking sectionalisms which set up impenetrable barriers to the free flow of trade and free intercourse of each people with its neighbors. Europe consists of a great group of economic, political splinters which through the charted course of history have made unrelenting political, military, economic war upon each other. Their governments are self-centered and egocentric by tradition, and accept as a normal and natural element of existence the principle that their fundamental rights and duties are only to themselves. In their relationships with each other they recognize no law, moral or otherwise, except that dictated by their own needs and desires, and by the amount of muscle they are able to apply to the resolution of any given problem. Napoleon pronounced the true European view toward events when he declared that "God was always on the side of the heaviest artillery."

This cynical disregard for the rights of men, including those of their own submerged social levels, has shown itself in a variety of ways and manners. It is visible in the dismal slums which disgrace the most prosperous of European cities, in the remnants of feudal aristocracy with their medieval struttings and self-pretensions. Certainly not least, it is visible in the incessant wars which have perpetually disgraced the life of the European Continent and which have led directly to the present world crisis. Nazism and communism were a direct outcome of the parent situation I have described, though it is fashionable now to treat these social catastrophes as being somehow independent phenomena which are themselves responsible for the present troubles of the European states.

IMPERIAL SOCIALISTS

Combined with Europe's separations and political splintering, have been the recurrent local tyrannies, and a determined steam-rolling imperialism abroad which has left the most dreadful effects upon both Asia and Africa, contributing heavily to the existing crisis. It was only by the most determined and courageous action on the part of our forebears that we here in America escaped it. Indeed it was only by a unique combination of foresight and resolution on our part, that our neighbors on the American Continent managed to maintain their freedom. This was done through a grim warning written by Jefferson and enunciated by Monroe, declaring that any European state which attempted aggression against any territory on this continent would run up against a wall of American men at arms.

It is worth at least noting that in protecting these states against the depredations of foreign imperialisms, we offered them neither subsidies nor arms; our great early Presidents did not saddle the American taxpayers with responsibility for their happiness and economies. We were content to protect them by a declaration of intention as best we could, and to let them work out their own destinies.

The cynical self-seeking which distinguished every era in European history in the incessant wars these states have made upon each other, has in our generation spilled over into the economic sphere as well. At

this very hour when the slogan "Trade—Not Aid" is being pushed with all of the arts of public relations fanfare to the American people, European exploitation of each other's welfare is at its worst point in history. Oranges rot on the ground in desperately impoverished Italy and Spain for want of market, while in Britain austerity rules and an occasional orange is a luxury.

EUROPE SPIRITUALLY SICK

We who have been so long accustomed to the free air of the United States do not readily grasp the cold and almost ferocious cynicism of the European point of view. Nor do we understand that this deadly uncooperativeness is directed not primarily at the United States, but at each other. The United States is just a Johnny-come-lately in the situation, and its principal importance to Europeans lies in its unprecedented willingness to pass out great sums of money on demand, request, or threat. The principal preoccupation of European states is still their colonies, their domestic suspicions and hatreds, and their morbid dislike for each other.

One way in which this spiritual sickness shows itself is the attempt of each European state, down to countries not too much larger than a postage stamp, to make itself totally independent of all others. The word by which this condition is described is autarchy, and the condition is called autarchus. This attempt to be autarchus is exactly the same as if my State of North Dakota determined to disrupt the business of the United States by setting up independent automobile, ceramic, aircraft, chemical, and other industries, and to make good on these uneconomic enterprises by every manner of physical protection, conspiratorial action, and bludgeoning of the commerce of others, it can manage to get away with. Among the methods used is an iniquitous licensing system for imports, subsidies for exports, tariffs, bilateral trade agreements, barter deals, special tax dispensations, and import controls, in short, every dishonest trick by which it is possible for a modern state to hold a knife at the throat of its neighbors. John Hulley, chief of the regional staff of the Mutual Security Agency, told us frankly in the April 1, 1953, issue of the quarterly World Politics that in most of the European countries, government, labor, and business have joined to pay lipservice to the ideal of a single market in Western Europe, while simultaneously proceeding either to block trade liberalization or to prevent anything more than the most insignificant progress.

PEGGED MONEY

Among the most vicious of these practices by which one state manages to victimize the commerce of others is the arbitrary fixing of money values. Free money has a value which is set entirely by what one may exchange it for in the open market in terms of commodities. Pegged money, as operated by the European state banking systems, is an arbitrary and fraudulent treatment of money values in which the national monetary unit by decree is given an arbitrary value which all legal business operators are forced to accept. The reverse side of this coin is, of course, the black market in money, which automatically ensues. Actually it is the legal money which is dishonest, and the black-market evaluation which is honest, in this case, for the black-market level accurately expresses the true value of the monetary unit in the free market. In France at one time the Government was compelling everyone to accept the franc at a value of 150 to the dollar, while any concierge in any hotel could get the casual visitor 450 to the dollar on the black market and still manage to make an illicit profit for himself.

INTERNATIONAL GANGSTERISM

One is tempted to compare this setup with the so-called protection afforded by gangsters in American cities to defenseless shopkeepers, although the only defense the poor shopkeeper requires is against the gangster himself. The pegged-money situation is a perfect expression of international gangsterism.

Take for example the British pound sterling. By official declaration the pound in 1949 had been worth $4.03 in relation to the free American dollar. Anyone who wishes to deal in terms of British imports, or exports, could take it or leave it. Suddenly in September of that year, and without warning, the British Government declared the English pound to be worth $2.80 in relation to the free American dollar. The purpose of this maneuver was as usual a cynical one, that of being able to offer British goods in American markets cheaper, and steal a march on both its European and American competitors in American markets. This was done not by recourse to time-honored laws of cause and effect, supply and demand, but by the meat ax of governmental edict.

What was the result? Shoes, crockery, and other British goods which really had to compete with similar American goods for our domestic market, reduced their price by the full 30 percent provided by the edict of devaluation. On such materials as Scotch whisky, where British exports here found no competition, the price was raised at once to absorb the 30-percent devaluation, so that in terms of dollars it remained as before.

At about the same time, and taking their cue from the British, whom they accused, incidentally, of an attempt to ruin the trading economy of Europe, the French reduced the value of their franc from approximately 220 to the dollar to 350 to the dollar.

If an independent American businessman attempted to engage in this kind of piracy against organized society he would immediately be tried and placed behind bars as an ordinary criminal. Yet the European states, and countries on other continents taking their cue from Europe, indulge in these sharp practices with impunity.

TREATY CONTRACTS MANIPULATED

The foreign states with whom we have treaty contracts by which they agree to liberalize their trade arrangements, in practice have done exactly the opposite. In addition to the usual bilateral agreements, import quotas and fees, license systems, export bonuses, and price fixing, to which I have referred, they possessed in juggled money a perfect agency for painless defaulting on any agreement. As if this is not sufficient, they freeze payments of account altogether, or subject everything to quantitative or individual restrictions, altering required permits and licenses by day-by-day decision if it pleases them to do so.

Some idea of how this operates can be perceived from the third annual report on exchange restrictions issued by the International Monetary Fund. In the Argentine "restrictions are exercised through licenses required for all imports, individual import quotas for some goods, licenses for nontrade payments, and through a multiple-currency practice resulting from the use of a basic, a preferential, and a free-trade market * * * a multiple-currency practice results on the buying side from the use of three buying rates, including a free-market rate. Some exports are controlled, taking into account the requirements of the internal market."

Let us think about this. Let us meditate on how complete this control is and how totally it responds to the lightest touch of the manipulator. Let us see, for example, what is meant by multiple-currency rates. It is precisely this: The Argentine peso is pegged, without relation to any true market value, at three different rates—5 to the United States dollar, 7½ to the dollar, and a third or fluctuating rate, on the free market. In short, depending on what is purchased, and the so-called desirability of the purchase in terms of the Argentine economy, the identical Argentine peso has three widely different values, amounting in effect to a control system of exports and imports which would defy any trade treaty ever made.

The exporter who sends to the Argentine goods the Argentine is seeking to discourage, finds that he is paid in currency which is worth a good deal less in real money than that given another American exporter whose entry into the Argentine the Peron Government is seeking to encourage.

There are preferred imports such as fuel oil, coal, and coke, at which the peso attains a 5-to-a-dollar rate. On other and less preferred imports such as foodstuffs, steel, tobacco, and industrial materials, the rate is 7½ to the dollar. All nonessential and luxury imports such as automobile and watch parts and motorcycles, are affected by the free market rate which is currently at 14.37 to the United States dollar.

BRITISH TRADE RESTRICTIONS

What manner of sense or effectiveness is there in an agreement with countries guilty of such practices as these? Now let us take Great Britain, which is loudest in its denunciation of what its leaders call our trade barriers and restrictive trade practices. I quote again from the Third Annual Report of the International Monetary Fund. In the United Kingdom we find a complicated list of licenses and restrictions which leave any and all decisions on the operation of trade in the hands of British Board of Trade and the Bank of England. Not only must the American exporter contend with the opposition of a rigid cartelized competition quite capable of preventing even the possibility of physical distribution of his product in the British market, but he discovers that licenses are required for almost all imports. Moreover, the same system of licenses which applies to American imports, does not apply to imports from other countries. In short, there are favored countries, depending on whether they are part of the monetary and trade structure known as the sterling bloc, and depending also on the degree to which they are party to this bloc.

Let us take another item, the freezing of payments of account. This is very interesting in view of the great fuss which has been made over the American Army's refusal to accept a British bid for generators on the Chief Joseph Dam project.

An American exporter may in most cases sell in Great Britain. Theoretically, he can be paid. In fact, however, he cannot receive his money in terms of dollars or convertible sterling except by special negotiation involving high-level discussions with representatives of the state itself.

FREEZING OF FOREIGN FUNDS

The greater part of the savings of the Irish Republic are thus frozen in British hands. India has around 1 billion pounds sterling in the London bank to her credit, but she cannot touch it. These funds are gradually released at the option of the British Government and the Bank of England, an arm of that Government. These releases are conditioned always by tie-in-trade demands placed on the respective countries. Ireland, for example, would like to buy American coal but cannot do so without running the risk of offending the Bank of England. The same is true of India and of other countries.

The sterling area agreements derive their efficiency from the very practices and exchange controls which were denounced at Bretton Woods and San Francisco. This web which expresses economic nationalism at its worst extends in many directions. There are 3 or 4 gradations of integration of the various associated states, with the sterling bloc mechanism. We find for example the special anomalous situation in which the Russians through their connection with the fringe areas of the sterling bloc are in a

better position to buy cheaply and freely in sterling countries than is the United States. Transfers of capital to anywhere outside of the sterling area requires official approval, and even the amounts which may be taken out of the country by persons traveling on legitimate business is rigidly controlled.

The bloc includes the United Kingdom, the territories mandated to Great Britain, British protectorates, Saudi Arabia, Egypt, Iraq, Iran, Ethiopia, and all of the dominions with the exception of Canada and Newfoundland. It also includes a number of European countries which are bound to the bloc by an accumulation of sizable sterling balances which are permanently frozen unless utilized by continued transactions within the sterling area.

EUROPEAN ECONOMIC NATIONALISM

As is the currency of other European countries, the pound is artificially pegged at a considerable overvaluation in terms of real exchange, and the exchange controls are linked with licenses to do business, import goods, or to make payment in dollars. Individual American businessmen seeking to trade in these areas can do so only by specific permission from the Government, and it will interest all of us to realize that this condition applies as much to Jamaica, Bermuda, and the other islands lying off our shores as it does to Britain itself, Iraq, or Africa.

Thus, we find the British crying out of one side of their mouths for "Trade, Not Aid," a slogan incidentally originated by the very talented British Minister of the Exchequer, Mr. Richard A. Butler. At the same time, in their actual dealings the British themselves have created all the conditions of economic warfare and bilateral trade which British statesmen are so loudly decrying.

This economic nationalism has not failed to have its expected counterpart in the internal market of Britain itself as well as in the internal market of the other states associated in the sterling bloc action. These have to do, as I pointed out before, with internal controls, subsidy schemes of all kinds aimed at curtailing the free market, and by the planned production and controlled exchange of commodities. The result is the pattern, hateful in American eyes, called the cartel system. Prices are fixed, competition effectively done away with, and the market neatly divided up. The operation of such a system as this is contrary to American law, and indeed invokes criminal responsibility on the part of its operators. In Britain, France, and other European countries it functions with the active participation of Government.

ONE-SIDED MUTUAL TRADE

John Hulley observes in the April 1953 issue of World Politics, to which I have already referred, that industrial organization exists in Europe today in the worst form, i. e., allocation of markets. Within each nation agriculture and heavy industry enjoy protected monopolistic positions within which they can control prices and output."

A little later I shall refer again to these so-called mutual-trade agreements. I shall not attempt to go into further detail at the moment, but will say here that none of these agreements are worth the paper they are written on. For one thing, they cannot do away with the physical fact of these gigantic monolithic enterprises with their unlimited capacity for conspiracy and predatory action.

This entire complex system of control with its dependence upon individual interpretation by Government functionaries quite efficiently nullifies any conceivable reciprocal trade treaty which may be made between the United Kingdom and its associates, and the United States. In its essence it is no different from the piratical monetary and trade schemes originated by Hjalmar Schacht when that warped financial genius was operating for Hitler. These dealings we loudly denounced at the time as being both dishonest and untenable. Are they more honest and more tenable when they are practiced by the British and other friends?

What is honest and mutual about the manner in which trade is placed in a straitjacket, so that British coal has actually two prices, one for domestic consumption and another for the export market. In short, if the coal is to go to countries which urgently require it for their coking furnaces and industrial establishments, the price automatically goes up.

TIE-IN SALES PRACTICE

Material furnished by the Mutual Security Agency concedes such references as so-called tie-ins or combined sales by which exporting countries agree to supply urgently needed items if trade partners agree to issue import licenses, for a satisfactory volume of nonessential goods. The sale of coal to an importing country may be made conditional upon the latter's issuance of import licenses for luxury textiles, confectionery, and so forth. Schacht did this to Yugoslavia before that country was invaded by Hitler's wehrmacht, forcing the Yugoslavian return for the right to purchase some urgently needed machinery, to take a 50 years' supply of aspirin in addition.

All of these high-handed trades and commercial maneuvers have developed from cause. They are there to protect high-cost, inefficient operations by which each little country follows a pattern of seeking to become as self-sufficient as possible.

The course which the liberalization of trade should follow was stated by Paul Hoffman in a speech before the OEEC on October 31, 1949:

"The creation of a permanent, free-trading area, comprising 270 million consumers in Western Europe, would accelerate the development of large-scale, low-cost production industry. It would make the effective use of all resources easier, the stifling of healthy competition more difficult."

Actually to create this highly desirable condition, Europe would have to let down its existing political as well as trade barriers. It would have to form a United States of Europe, and put an end to its little Marxist cliques and the traditional self-seeking which have kept Europeans at each other's throats during all of these centuries.

Again we should remember that to speak of even the best of these countries as being democratic in our sense of the term, is a mere play on words. The Russians are fond of speaking of the people's democracies in referring to their own satellites, and if we are to include such worthies as Tito, the Greek royal family, and Franco Spain, it makes just about as much sense for us to speak of our so-called democratic allies.

UNDEMOCRATIC DEMOCRACIES

Certainly none of the European or Asiatic states are democratic in the sense that their organizing principles allow for the existence of a true free-enterprise economy. As we have seen in our own international dealings with these countries, the same yardstick used in relation to our own production for export canot be used in regard to that of the foreign states. The export business of these countries is largely controlled by the state itself, which in one way or another manages it and is in a position to use it as a weapon of state policy. Against such a condition even the largest of our individual trusts is apt to be helpless.

Despite treaty declarations of any kind, trade barriers are erected which American enterprise cannot hurdle in foreign markets, whereas it is exposed to the prospect of ruinous competition in vital sectors of our own domestic markets. In fact the very organizing principle which gives European competition its formidable quality, that of the cartel web, is as I have stated before, expressly prohibited by our Federal law.

TITO'S YUGOSLAVIA A DEMOCRACY

Although it is our wish to remain as friendly as possible with all of these countries, it is a piece of nonsense to describe them in terms of the democracies, or in other words, as partaking of a style of economic and political organization synonymous with our own. By what stretch of the imagination is Tito's Yugoslavia a democracy? Is it not a Communist state, as vigorously opposed to our own free-enterprise system as is China, Russia, and the other Communist countries? And may it not be suspected that the falling out by which Tito and the masters of the Kremlin find themselves in opposition, may only be temporary? Simply because Stalin and Trotsky fell out did not make Trotsky a Democrat or any more reliable from our own point of view, and it is entirely possible that Stalin's death may facilitate the reentry of Tito into the Russian system of satellites. There would be no loss of face to either in a deal between Malenkov and Tito on this subject. Certainly such an outcome is not more difficult of contemplation than the about-face which produced the Hitler-Stalin deal from whose effects only Hitler's colossal blunder in subsequently attacking this Russian partner, saved Europe.

ALL IMPERIALISM IS EVIL

In any case, if the Communist system is evil and if it degrades and brutalizes humankind, then it is just as evil under Tito as it is under Malenkov and Beria. If imperialism as utilized by the Russians is vicious and hateful, it is just as vicious and hateful in the hands of European colonial usurpers wherever they may operate, for in each case what is depended on is the unlimited use of force, corruption, and intrigue. The one way these victimized peoples can secure their rights and escape from the crushing yoke of a foreign overlord is by the exercise of unlimited force in turn—in short, by bloody revolution such as occurred in the case of the Irish Sinn Fein, the so-called Jewish terrorists in Israel, and today in Africa the Mau Mau terrorists. It is a melancholy commentary on these situations that bloody suppression creates an equally bloody and unrelenting reaction on the part of the suppressed, who are no longer able to regard the world in terms of ordinary decent, moral values. As always, the tree of evil brings forth poisoned fruit.

Among the more moderate European nations, it can hardly be said that the states of the Iberian Peninsula under their twin dictators, Salazar of Portugal and Franco of Spain, are democratic in the sense of the term understood by us. For that matter, it has been stated categorically, and I think it is true, that the much criticized leftwing Progressive Party headed by Henry Wallace in the United States was still considerably to the right of the so-called Conservative or Tory Party of England, a nation proceeding along the road of mixed Marxist-imperial-monarchist principles. As an organized unit in world society, Britain is an anachronism, 94 percent urban, almost without local resources, no longer able to protect its farflung empire from its countless enemies. Even the Argentine which covets the Falkland Islands, or Guatemala, which considers British Honduras as Irridenta territory, present serious elements of weakness to British position, as does Hong Kong, Gibraltar, and the very vulnerable schematic structure by which Britain rules such varied areas as Iraq, the Hadramut, Ethiopia, and Thailand.

BRITAIN'S NATIONAL SOCIALISM

At home, Britain's method of state organization contains none of the checks and balances provided by our own Constitution which give our Nation its peculiar character.

The supreme authority in England is the House of Commons, against whose decisions there is no recourse. Even though the Members of the House are constitutionally elected, the system is quite alien to ours and provides none of the safeguards peculiar to the American method. Like most of its European counterparts, Britain is in effect a Nationalist-Socialist country. Socialistic at home and imperialistic abroad, except for the question of violent degree and the depth of its racial ideology, its position is not basically different from that of Nazi Germany. The greatest difference in fact is not in organizing principle but expressly in the fact that the British are both moderate and disposed to temporize in seeking their objectives. Moreover they have been forced to play their hand from weakness, utilizing armed power as only incidental to economic and conspiratorial power, whereas the Germans felt themselves able to operate by the use of pure force alone.

The difference in view between domestic theory and the same theory encountered abroad, may be seen in the British quarrel with Iran, one of the countries supposed to be most immediately threatened by Soviet aggression. I hold no brief for the Iranians as against the British, but it seems written on the face of the matter that the Iranians have as much right to nationalize oil as the British have to nationalize coal and other national assets. As for the question of expropriating foreign holdings, the British have never hestitated on this score, though they have been more subtle and more civilized in the means they have utilized. Certainly the arbitrary freezing of funds comes exactly to the same thing, and as many an American businessman can tell you, amounts to expropriation.

On the question of cold war, this is an old conspiratorial maneuver in which the British are as expert as anyone.

THE COLD WAR ON IRAN

In the cold war which Britain has made on Iran, in an effort to bring it to its knees, the Iranians discovered that they could get no one to sell or loan them the tankers necessary to transport their oil. Indeed, they found that British pressures exerted through our compliant State Department had intimidated other European countries, who, in consequence, refused permission for their nationals to enter Iran as experts to be employed for the handling of the giant refineries. Iranians found themselves virtually ostracized, no one daring to buy Iranian oil at any price. Russia, of course, could not buy it, for the pipelines all run the wrong way—that is down to the sea.

When an enterprising Italian firm started to buy this oil and even succeeded finally in bringing some of it to Italy, the pressures put on them from all directions were so great as to literally force them to desist. In Japan an oil tanker, the *Nisho Maru*, arrived at the port of Kawaski, near Tokyo, with a shipment of 18,000 tons of Iranian crude—a shipment which the British Government had been unable to stop. Through the Anglo-Iranian Oil Co., the British Government appealed to the Japanese courts, demanding that the oil in the tanker *Nisho* be considered as stolen British property. This plea was refused by a Tokyo court which allowed the Japanese Importing Co. to distribute the Iranian oil which its tanker had brought in.

Despite all of this, and without benefit of legal action, the Japanese Government suddenly announced that it was reversing the court's decision and that it wished to refrain from supporting trade which could damage good relationships with foreign countries.

One can well imagine the intense nature of the pressures which had been exerted to bring about so amazing a declaration as this, and the quality of the conspiratorial action by which it was sought to ostracize former Premier Mossadegh and to bankrupt his country. To this scheme our State Department obviously has been a party, though it would appear to fit in badly with our own stated preconceptions on the subject of foreign aid—that is, if these handouts and subsidies are not forthcoming, poverty and near-bankruptcy will throw these countries literally into the laps of the Communists. If this outlook is true in Europe, why is it not true in Iran? And if it forms the basis for our actions in one strategically situated country, why is it deliberately ignored in another strategically situated country? Would we tolerate such a punitive action against our neighbor, Brazil, which is also nationalizing its oil resources? Would we consider this an infringement of the Monroe Doctrine, or would we consider the prospective loss of British commercial profits as the important overriding consideration? There seems to me a lack of consistency here.

DISPOSSESSION IMMORAL?

In this connection, an interesting advertisement appeared in the spring 1953 issue of the British publication, The Farmer. The heading on this full-page statement reads, "Dispossession Immoral?" The body type continues as follows:

The Farmers and Small Holders Association believes it is immoral to dispossess any man of his own property for any reason whatever without appeal to common law. The association has been formed specifically for the purpose of protecting the rights of the individual farmer or small holder who may as the law now stands be dispossessed of his home and means of livelihood by order of the Ministry of Agriculture with no judicial appeal. Details of many cases of ejection for reasons other than "inefficient farming" are in our files.

This association of farmers asked for members, for the purpose of helping "all those who are being dispossessed of their freeholds and tenancies by the Ministry of Agriculture," and "to restore in all such cases a right of appeal to our traditional courts of law." It is signed by the Farmers and Small Holders Association of 14 Manchester Square, London.

Such an ad in an American paper protesting the fact that the American Department of Agriculture was dispossessing owners and tenants from their land without recourse in law, because of alleged inefficient farming, or any other reason, would be incomprehensible. In the fact that such an ad as this could appear as a matter of course in a standard British publication, is written the very large difference between the American and British systems and outlook on life. Indeed, the American system is unique in the world, with the exception of that of its neighbor Canada, though many of our neighbors to the Spanish south are endeavoring to emulate it. To compare our system and our situation with others, and to group all into the same category as being coequal, equating Luxembourg with the United States, Portugal, and Yugoslavia with Italy and France, is an absurdity of the first order. To formulate a policy on such a total misconception is to incorporate into our state dealings the logic of bedlam. It is to restate in new terms the false syllogism: An eagle is a bird; a sparrow is a bird; they are both birds; therefore a sparrow is an eagle.

NO ONE SHOOTS SANTA CLAUS

If we incorporate into our estimate the calculated doubledealing, duplicity and fundamental self-seeking of these countries, the conclusion is appalling. It is simply this—if we have any friends among these states, it is not because of a determined identification of their interests and policies with ours, but only because no one ever shoots Santa Claus.

Since the first duty of the United States and of those who lead it, is the physical security of the country and its citizens, it is well for us to look at the record, for here is a springboard by which we may judge our future international course.

The change in outlook on the part of those charged with the formulation of American public policy proceeded in progressive steps. It was not the sudden outgrowth of what the Germans call a new Weltanschauung, or new world view, as apposed to an alleged old isolationist view. On the contrary, there has occurred no broadening in the national outlook, but rather the development of an essentially neurotic concentration on what has been called the "manifest destiny" of this country. The thinking has been described by the devastating term, "do-good-ism," and the prophets themselves as "do-gooders." These are facile but feeble words which hardly describe the real situation, which is much more complex than this. At a later point in this discussion I shall endeavor to analyze this phenomenon in an effort to account for it. At the moment let us simply examine the record itself.

OUR GIVEAWAY PROGRAM

The giveaway program properly starts with the battleships which were given away by the Executive of the United States, without the approval of Congress or the people, to the British Empire. The Empire of course was in crisis and was fighting a terrible enemy whom most Americans looked on as cruel and vicious in the extreme. On this emotional basis the action might be understood, but it was followed by a series of others in kind in which the relationship of the United States and Great Britain became one in which the tail began to wag the dog. We put up the money, the men, the know-how and the wherewithal, and the British provided the direction. This remarkable situation is examined in more detail below. There followed lend-lease, to which I make no further reference here. After that came the all-but-forgotten UNRRA program.

UNRRA was the beginning of a national giveaway program by which in scarcely more than half a decade we have handed to foreign nations in gifts, loans, and subsidies a total of more than $70 billion.

What I am seeking to point out is the essentially fraudulent representations made on behalf of each of these increasingly astronomical demands placed on the American Treasury. You will note that I refer to these representations as offered at the time by the United States Government to the Congress, as essentially fraudulent.

The record says that it is so. It is a record I wish to underscore in sequence, directly from the mouths of the responsible Government representatives.

Outside of spending a very large sum the real net result involved the financing of the then-loyal Communist Tito, and the jettisoning of our loyal wartime comrade, Mikhailovitch in Yugoslavia.

FIRST THERE WAS UNRRA

The one thing which should be mentioned in respect to UNRRA is that it was definitely understood by the Congress, and by the American people, that UNRRA represented the last of the major demands which would be made on the United States.

However, there followed soon after, the Bretton Woods banking agreements, which were sold to the American people amidst great fanfare, publicity, and tub thumbing. The American people and the Congress were informed that by financing a world bank, the economic ills of our European friends would be cured for all time. Their currencies would be made convertible, all barriers to trade would disappear, and in particular there would result a great expansion of our exports, both agricultural and industrial.

Dean Acheson, then Assistant Secretary of State, informed the Congress that the Bretton Woods proposals presented the country

with a chance to avoid the disaster of economic warfare and of shrinking international trade—by acting in common with the other nations in the world to put aside the implements of economic warfare and make possible an expansion of production and consumption in trade.

Franklin Delano Roosevelt referred to the Bretton Woods agreement as constituting—"our hope for a secure and fruitful world, a world in which plain people in all countries can work at tasks which they do well, exchange in peace the products of their labor, and work out their several destinies in security and peace."

By these messages, and by all of the force of propaganda wielded by big governments, we were allowed to believe that this financing would constitute the last large-scale demand for help to be made upon the American people.

When this expedient collapsed, its inadequacies were glossed over in turn. Then we were told it was necessary to make loans direct to certain favored states. Specifically in relation to the British loan, we were informed by the administration that these moneys would rescue the British from their economic dilemna, that they would be used to reconstruct Britain's antiquated productive plant so that she once more could become competitive on world markets, and in particular would cause the pound sterling to become convertible. The American people once again were promised a greatly expanded export trade.

Secretary of the Treasury Vinson told the Senate Banking and Currency Committee on March 6, 1946, that "the credit to England is in no way a precedent for other loans. Its particular purpose from the American point of view is to free a major segment of the world's trade from the currency and trade restrictions by which it is now shackled."

Then Secretary of Commerce Henry Wallace told the Senate Banking and Currency Committee on March 12, 1946, that the British loan "will aid the revival of world trade and prosperity which is necessary to heal the economic wounds of war and insure the preservation of peace."

In similar vein Senator Barkley stated (April 17, 1946) that "we are making this loan to Great Britain because it will enable nations to trade all over the world, instead of in restricted areas; because it will give an outlet to our products of farm and factory, and employment to American working people."

THEN THE MARSHALL PLAN

We all know what occurred—exactly the opposite of what was claimed.

Then came the much-vaunted Marshall plan, which it has been reliably reported should rather be called the Bevin plan, since it originated with that redoubtable and tough British Socialist Foreign Minister. Again we were told on behalf of this new spending orgy that the trouble with the world was that Europe's industrial capacity had been destroyed by war, and that it was necessary to rebuild it in order to place the European peoples on a decent standard of living and keep the Continent from embracing communism.

Once more the expected failed to occur. Instead of settling the economic affairs of the world and allowing for a climate in which mutual trade would flow freely, the opposite happened. Trade was further constricted, and the principal nations of Europe set up the same claim as before, that they were facing an even greater economic dislocation than the one which applied before the Marshall loan went into effect. Now it was discovered that the dislocation, instead of coming from too little industry, was coming from too much industry. Even little Greece was at 168 percent of the prewar 1938 level, and the average for all of Europe at the end of 1952 was 140 percent of the 1938 prewar industrial production level, and steadily going up.

THE MARSHALL PLAN BACKFIRES

Europe was now in the position of the United States in 1929 when it was overproducing in terms of the markets available to it. Forthrightly, Europeans began to point out that they were going broke for want of markets, and that they had no intention of doing so gracefully. Instead of the Marshall plan action to enlarge American export markets as had been promised by American officials when the plan was put into effect, American exports began to collapse under European competition. In America's own backyard of Latin America and the Caribbean, European producers with their low-cost labor rate, special tax exemptions and State subsidies, have begun to undersell American exporters by as much as 50 percent.

Contrary to all predictions, though the dollar gap of these countries has steadily shrunk, our nondefense exports are as steadily nosediving, and in 1953 are expected to be more than 25 percent below the 1952 level.

What is even more painful, European makers of capital goods are in some incomprehensible manner able to displace us in Latin American markets by offering much more liberal payment terms than American exporters can afford.

It, of course, is true that once American production is forced off the market, an action will be taken by state-controlled foreign operators to raise the price sky high, as happened with Malayan rubber and tin, which more than quadrupled in price directly after the onset of the Korean war.

DROP IN AMERICAN EXPORTS

There are ominous signs for the future, including a drop of American cotton exports. How, it may be asked, can the individual American producer of cotton compete with the state-controlled Egyptian cotton which, in turn, despite the tensions over Suez, is controlled by the Bank of England.

Let us consider as another example the current sales value of American Liberty ships. Owners of American Libertys who have been attempting to sell them during the past months, have been offering these ships at $475,000, with no takers. Foreign sellers of Liberty ships, however, are able to realize as much as $800,000, in terms of the pound sterling. An article by Jacques Nevard in the New York Journal of Commerce, states that "this spread represents the difference in potential earnings of these vessels under the two types of operations." One with its high wage and maintenance bills, and the other with low wage and cost of upkeep. Thus, the high initial cost is more than offset by lower running expenses.

It is possible that in furnishing the money and instigation to expand the industries of European countries, we have increased the likelihood that they will refuse to link themselves with our international trade policies, and have actually increased the possibility that they will act as suppliers of manufactured materials to the Soviet Union and its satellites. European governments have already openly begun to argue that their basic requirements involve an abandonment of collaboration with American policy, to allow these countries to deal with the Soviet Union and its satellites in terms of machinery and strategic materials and whatever else is desired, in a full expansion of so-called east-west trade.

It may be taken as axiomatic that the Soviets have not the slightest intention of offering any dealings to the west except in terms of their allover strategic requirements. They wish to return to the days when the British, the French, and others gave them exactly what they wanted in the way of machinery, materials, and strategic goods of all kinds.

THE HUNGRY RED MARKETS

The Soviet bloc provides an attractive and hungry market for Europe's mounting surplus of manufactures, which otherwise must be considered in terms of the historic European market as ruinous overproduction.

Europeans now are also demanding the right to flood American domestic markets with cheaply produced European goods. The much-promised convertibility of sterling and other currencies, and the elimination of the other carefully calculated barriers to American trade, are as far away as ever; but the invasion of America's domestic market by foreign competitors is a hard and painful act, a matter I shall also return to later.

AMERICAN POLICY CONDEMNED

It seems to me that these foreigners have been the recipients of American largesse for so long that they take it as their natural right. They are incensed and indignant if anyone suggests that a quid pro quo may be in order, that our people are entitled to their own competition for value received. We find the London Times under date of April 22, 1953, referring sonorously to the St. Joseph Dam incident of a year ago "as a shock to this country and to others" and remarking that "there is deep disappointment at the United States failure to live up to the good creditor policy which she must follow if the dollar and nondollar world are to live in freedom and harmony together." "American policy," declares the Times, "is now being put to the test in the eyes of the world."

As a simple North Dakota lawyer, the very boldness of this kind of hokum literally floors me. Need we be reminded that it is the British themselves who prevent the pound sterling from being freely convertible on the markets of the world so as to establish reasonable parity with the American dollar. It is the British who exclude American business from British markets except under the most severe restrictions, and who freeze our money so that it cannot be taken out of their country even if earned. Yet here they are in the remarkable position of accusing the United States of responsibility for sterling nonconvertibility and for an alleged economic nationalism.

When I see this sort of thing I wonder sometimes if everyone has not gone stark crazy, and if our publicists and public officials have not taken off to never-never land. The Canadian Government, which has a most limited capacity for the construction of heavy equipment, nevertheless has often refused the low bids of foreign concerns. United States News and World Report, in its issue of June 5, states that—

"a large Italian construction firm recently found its low bid for navigation locks rejected by Ottawa. And a low bid to put British engines on Canadian Government ferries was also turned down in favor of a Canadian company."

In its relations with the mother country, Canada gives nothing away. It does not even figure in the fiscal policies of the mother country as a member of the sterling bloc. If it sends anything to England, England is expected to pay in hard cash; and it maintains no such program even in relation to the mother country and the other segments of the empire as that covered in our giveaway or mutual-aid setup. Yet on the recent St. Joseph Dam incident, Canadians joined the howling pack.

Is not this a modern illustration of the scene in Oliver Twist where the two young thieves who had stolen the watch from the innocent bystander chased after Oliver, in the forefront of the crowd, yelling at the top of their voices, "Stop thief."

BRITISH CONFUSION

Is it not also amazing to see Mr. John Foster Dulles and Mr. Harold Stassen indignantly arguing as counsel on behalf of the British manufacturer, and joining wholeheartedly in the cry which branded Secretary Wilson as a reprehensible economic nationalist, set on defeating the purposes of the free world?

Surveyed in this context, who can blame the British for being confused. Suddenly and unaccountably the cow refuses to be milked! So we find Mr. Paul Gore-Booth, director-general of British Information Services in the United States, complaining that "we (the British) have been exhorted a great deal to be more enterprising, to use more aggressive salesmanship, and to penetrate the United States market with goods"

and suggesting morosely that having gotten the British to do these things, we have run out on them. Now outside of the very important question of why the British need a director-general of British Information Services in this country, an intelligence and public relations operation suggesting a massive intervention within our internal affairs, why should our public officials be in the publicly acknowledged position of urging foreign producers to "penetrate the American market"? This it seems to me involves a plain breach of duty, and a trespass upon the rights of the American worker, farmer, and businessman who have put these people in office and who are now paying their salaries.

No one bothers to make mention of the fact that of 16 recent heavy power equipment projects on which there were both United States and foreign bids in 1952, foreign firms were awarded 6, representing a full 42 percent of the total amount of money involved.

Two other projects are now pending which represent a full 10 percent of American annual manufacturing capacity for waterwheel generators. According to Mr. Gwilym A. Price, president of Westinghouse Electric Corp., "the loss of these orders can mean more than a month's shutdown of all United States facilities in this field."

The inference is allowed to exist that even though our material interests may be affected, we are bound somehow by the so-called Reciprocal Trade Act, on the basis of which foreign nations have made certain offsetting commitments, and that the good faith involved may not in honor be disturbed.

This is of course rubbish. There is no such thing as a Reciprocal Trade Act. This is simply a name which has been fastened onto the 1934 Trade Agreements Act by Government agents for their own purposes. The words, "reciprocal trade" do not even occur in that document. Certainly the terms "mutual aid" and "reciprocal trade" are ordinary tricks of verbiage, for the trade is not reciprocal nor is the aid mutual. It is only a weird and unexplainable policy of wastrelism and following after foreign goods, which has been pursued in one guise or another by the American State Department, whether under Mr. Acheson or Mr. Dulles.

INTERPRETATION OF ACT

When under all of the conditions which I have noted above, we hear that the President of the United States has succeeded in exacting from the Congress a 1-year extension of the act, which authorizes him to cut tariffs in reciprocal trade agreements, it is useful to determine what sources this stream of demanded authority springs from. Quoting directly from the United States Tariff Commission's booklet on the operation of the trade agreements program, the President of the United States on March 2, 1934, asked for the authority to make such trade agreements as "part of an emergency program necessitated by the economic crisis through which we are passing," and "as an essential step in the program of national economic recovery which the Congress has elaborated." He stated that the exercise of this authority "must be carefully weighed in the light of the latest information, so as to give assurance that no sound and important American interest will be injuriously disturbed" for "the adjustment of our foreign trade relations must rest on the premise of undertaking to benefit and not to injure such interests."

No one can misunderstand this language. It is crystal clear that the intention is not to give priority to the commerce of other countries, not to rescue someone from communism, but only to aid American production and trade. This I regard as a proper function of government in the United States. It was the authority with which the Congress of the United States invested the President.

This original act was to expire on June 12, 1937, but Congress extended it for 2 successive 3-year periods, first in 1937, again in 1940. Later, in 1943 and 1945, the act was twice again extended with several amendments.

EXTENSION OF ACT

These amendments handed authority to the President which should have been retained by the Congress itself, for the President does not make the law in this country; he merely administrates and executes it. The most important of these amendments, that of 1945, authorizes the President to reduce the tariff by as much as 50 percent from the rates effective January 1 of that year. This would bring about a reduction of as much as 75 percent from the rates in effect under the Tariff Act of 1930, or under subsequent legislation.

In 1948 the act was once more extended. Now the demand is made for renewed extension which, in effect, would limit the primary authority of the Congress and give the State Department the right to become the Government of the United States, vastly exceeding any function the Founding Fathers of our Republic visualized for that bureaucratic body.

It is true that the Trade Agreements Act of 1934 prescribes that before concluding any trade agreements the President "shall seek information and advice with respect thereto from the United States Tariff Commission, the Departments of State, Agriculture, and Commerce, and from such other sources as he may deem appropriate." There is also a Committee on Trade Agreements which is supposed to act in this regard, supplying the President with required "information and advice."

In practice almost total authority is delegated to the President, and since the chief executives of the designated departments are all appointed by him, it may be freely believed that this conditioning clause is of little value and bearing. What has bearing is the advice of the present Secretary of State, who apparently is responsible for the theories and policies under which this administration is continuing in all its major outlines the exact policies previously formulated by his predecessor.

MARSHALL PLAN MISCONCEPTION

Even in regard to the question of the growth of Communist and Fascist doctrine in the various countries, the arguments offered on behalf of the Marshall plan proved sadly in error. In France where both businessmen and peasants will promptly vote out of power any government which seeks to collect taxes sufficient to carry out the business of the state, where income taxes are simply ignored by the rich, where subsidies are demanded and received by winegrowers and other organized groups, and where everyone joins together to resist any cut in welfare spending, the attitude is that Uncle Sam should be allowed to carry the burden of the country's economy.

The French have taken almost a negative attitude toward government, with an average administration remaining in power no more than 5 months. A rich agricultural country, the French import more foodstuffs by twice than they export. It is probably true that the French budget receives a larger money contribution from United States sources, direct and indirect, than it does from its own domestic revenue systems. Yet despite the Marshall plan, offshore procurement, vast United States Army and other expenditures, every fourth Frenchman goes to the polls and votes Communist.

This must mean an infiltration of Communists everywhere in the nation's economy, social, industrial, and military. There is also a large Fascist group, who are nothing by left-handed Communists, and large groups of Marxian near-Communists, people who wish to attain the same goals but to do it without the use of bombs and unlimited violence.

MARSHALL PLAN AND COMMUNISM

The many billions poured into France at the expense of the American taxpayer have not bettered this situation. The Communist Party is still France's largest political party, and the business of the country is still anafued and despoiled by the same doctrinaire groups, operated by the same venal, cynical men, whose private ambitions provide almost the sole principle by which their actions are measured.

In Italy there is a similar refutation of Marshall plan theories.

The country has made a remarkable industrial recovery, some 43 percent above prewar levels, but despite this and American billions there has been a steady growth of both left and right parties and a heavy loss of strength by those political parties committed to social doctrines similar to our own.

Wherever the growth of communism has been stemmed in Italy it may reliably be stated that this result had little to do with our system of handouts, and more to do with the operation of extraneous forces. In Italy, where the existence of some 60 parties splits the electorate into many small political fragments, the Communist Party controls over 37 percent of the vote and comes within an eyelash of being the largest party in the country.

Ironically enough for the Marshall plan myth, in the heavily industrialized Italian north, where there exists a comparatively high standard of living, we find the Communist strongholds. In these provinces, where the average Italian per capita income is the highest, in the provincial elections of 1951–52 the Reds received 52 percent of the total vote. In Sicily, and the toe of Italy, where unemployment is endemic, where misery, hunger, and poverty are very real and very pressing, and where the per capita income is only half of what it is in the prosperous industrial north, the Communist strength, as indicated by the last provincial elections, averaged around 37 percent.

EUROPE AND COMMUNISM

Moreover, in Italy the country which was to have been the most prominently affected by the great American Marshall plan subsidy, there has been an equally disconcerting growth of equally anti-American right-wing parties, with democratic coalition groups steadily collapsing into a vacuum. On the elections of the last year both Communists and the Neo-Fascists made large gains. The 4 parties of the democratic coalition dropped from a total of 63 percent to 49.8 percent of the vote. The Communist bloc increased from 31 to 37.2 percent of the vote, and the equally violently anti-American Monarcho-Fascists from 3 to 12 percent.

This may be a great success, as the advocates of the Marshall plan and of the spend-and-spend philosophy insist—but if it is then it may be said that another such success will ruin us altogether.

It seems perfectly obvious by the very nature of the demands now made upon us, that

the massive increase in Europe's industrial capacity, for which we ourselves have been responsible, has in no way solved the problem. The Europeans assert themselves unable to rearm unless Uncle Sam pays the cost. If the cost of our Armed Forces stationed in Europe is added to the figure of direct aid, the United States is putting up more money for the defense of Europe than is Europe itself.

Europeans continue to threaten us with the menace of communism unless we vacate our historic policy and turn over our domestic market to them. They demand that we placate the Chinese Reds and settle with this fourth-rate extension of Soviet power as if the government of Mao Tse-tung indeed had been the victor, and as if the blood of our 135,000 casualties and the untold billions we have spent in the prosecution of this war had no meaning at all.

EUROPEAN MILITARY SERVICE

With one single exception none of the European countries even maintains a period of military service comparable to the 24 months which each able-bodied American boy is compelled to spend in the American Army. Though we send our draftees to Korea without hesitation, the French, far from standing at our side there, will not even send their own drafted men to Indochina where France's stake in maintaining its imperial hold is large.

These are nations which are immediately menaced, if any Soviet threat exists at all, yet no one seems to grow very excited over it. Norway, which is directly on the firing line, requires only 12 months of service in its citizens' army. The others, for the most part, demand 18 months, and even little Belgium, which now has a 20-month period, appears to be on the verge of reducing it.

If the truth be known, we have not even earned the good will of the European states, for it is the considered opinion of competent observers that somehow they seem to have managed to build up an active dislike for us. It is we, and not the Russians, who are looked on as being trigger happy. We are considered pompous, reactionary, crude, and selfishly rich.

COMMUNISM AND LIVING STANDARDS

I submit that this doctrine of groveling before the threat of communism everywhere is a false doctrine. If there is an absolute relation between communism and the standards of industrial production of other countries, making it necessary to intervene on behalf of the living standards of their peoples—in short, to be blackmailed into subsidizing them under threat of the alternative of communism—then, indeed, we are in serious trouble in our own hemisphere. The standard of living of the Mexican peon certainly is far below that of any of the north European countries, and perhaps of any European country.

It may be said that the standard of living in such South American countries as Bolivia (important to us for tin) or Colombia and Haiti (important because of their strategic location in geographical space) is even lower. The poverty which grips these people is both tragic and undeniable. Yet none of this seems to have frightened those who demand that we share the wealth with Europe. They are not afraid that the logic of their arguments offers the possibility of communism in our own hemisphere and on our own continent.

POINT 4

Let us now consider that other expression of national profligacy which is known as point 4, and which runs parallel with the Marshall plan project. The point 4 program is fulsomely described in a publication issued by the Government Printing Office under date of 1949 as deriving from actual American need. This, the guiding geniuses of our policy declared, demands an expansion in the productivity and purchasing power of the depressed countries. The expected and prophesied result was the expansion of our own foreign trade, both in respect to industrial and agricultural products.

To create a firm economic base for the development of these submerged peoples into good Democrats and Republicans, it is deemed necessary to wet-nurse them and their economies and to develop on their behalf an industrial structure. Our official statement warns: "Without such an economic base they (the submerged peoples) will be unable to meet the expectations which the modern world has aroused in their people." America, of course, is asked to put up the money to make this doctrine good.

Here again the assumptions proved totally incorrect. All that came out of it for Uncle Sam was a headache.

POINT 4 MISCONCEPTIONS

Let us see where these claims floundered and why they were opposed to any possible favorable outcome. In the first place, practically all of the countries involved in point 4 are colonial possessions whose business is conducted at the point of guns held in the hands of European exploiters. The consistent purpose of these European masters has been to deindustrialize these lands rather than to industrialize them; to use them, in short, as sources of raw materials and as exclusively held markets for printed cottons and the usual low-grade exports which may be sold to underprivileged people. Special care at all times is taken to insure the native keeping his place and to prevent his developing ambitious ideas by which he would aspire to become master of his own affairs.

It should be noted that even if the money could be expended to make these countries economically independent of their exploiters and politically free in fact, this action would not redound to the benefit of the United States. It would steal still further markets from overindustrialized Europe and Japan, galvanizing their gaze even more hypnotically in the direction of the hungry Soviet East. These new industrial developments, it may be assumed, would add to the already existing overproduction in cotton, wheat, tobacco, and other commodities. It would result in the erection of such light industries as weaving and small manufacture. The British would do their best to exclude these from the sterling bloc, and other overurbanized states would similarly seek to protect their own sovereign interests. The single big market which remained to be appeased would be that of Soviet Eurasia, to which, of course, these countries would turn.

Is it not a hopeless concentration on will-of-the-wisps to see our welfare enmeshed in the ability of others to secure an equally high standard of living or an equally secure welfare? During the entire existence of our Nation there have been depressed countries in the world. Our little island of prosperity has acted like a lodestone, as I have remarked to people from everywhere, attracted to it and to the principles which have brought it about. To make all of these peoples over into our image we would have to change not only their standards of living, but their standards of political and social organization, their relations with others, as, for example, the relation of colony and colonial oppressor. We would have to jump the great gap in education, moral grasp, and understanding, and would somehow have to confer upon them a public mind and tradition similar to our own.

I maintain that this is more than we can handle, and certainly it is more than anyone should rightfully demand of us. Nor do I think for a moment that Providence has committed into our unwary hand any such painful burden as this.

We do not need to look far—Iran, which British influence caused us to abandon in midstream; India, with its 450 million people, which though a member of the United Nations, claimed to be neutral in the Korean struggle.

POINT 4 AND COLONIALISM

Let us take another example, Malaya, where we have implemented a sort of point 4 by synthesis. We deliberately directed our policy to the purchase of strategic materials from that country on the score that Malaya is Britain's biggest dollar earner.

Just what is meant by that? Is little impoverished Malaya, whose natives run around in loin cloths and sandals, so flourishing as to be indispensable to the welfare of the British Empire? I submit that if the proceeds of the sale of Malayan resources are of such critical importance to the British economy, the British are not even acting the part of honest brokers and must be abstracting almost the whole take and putting almost nothing back. Also, then, if this economy is so flourishing as to be the most important earner of dollars for Great Britain and, indeed, for the entire sterling bloc mechanism, why is it that the country is in the ferment of revolt so that virtually the entire exportable British Army has been pinned down for years by Malayan guerrillas? Certainly it cannot be because a large enough price was not secured for Malayan commodities. In fact, we as the major purchaser, were thoroughly gouged based on an appreciation of our self-apparent need. Rubber which the day before the Korean war had sold at 28¼ cents, skyrocketed in 6 months to 86 cents. This nice profit also may be noted in that other important Malayan export, tin, where the price leaped in a matter of months from 76⅜ cents to $1.84.

Can it be alleged that American exports to Malaya have benefited through this? Or even that there is any active good will for America and her purposes there?

POINT 4 HAS ALSO FAILED

There is nothing which could be accomplished by any point 4 activity anywhere which does not already exist in the unstinted flow of American dollars for the purchase of Malayan commodities. If it is alleged that these dollars were drained off by a foreign interloper, would not this same fact be true in the case of any of the point 4 countries? Are not all of them dominated by the self-interest of colonial states, or by the selfish particularisms of purchased or puppet rulers? Is not their business administered in fact by the cold-blooded bureaucracies of European states? Must not even such allegedly independent countries as Iraq, Ethiopia, and Thailand be considered as within the web of colonial domination? These are in point of fact no more free of Great Britain than Poland and Hungary are of Russia. It is said that not even a garbage collection concession can be secured in Bagdad without the consent of the British resident, who is the real ruler of the country. The country itself is occupied by British airplanes and British troops, and if there is a tribal rebellion, it is they, and not the Iraquian Army, who put it down. In ostensibly free Jordon there is not only a British resident who is the true ruler rather than the youthful King, but the so-called Jordan Army is equipped with British uniforms, served with British munitions, and led by a British general known as Glubb Pasha.

Are we not justified in assuming then, that the bulk of the money which is poured into submerged or point 4 countries will actually find its way in one manner or another into the pockets of their colonial masters?

As for the allegation that the industrialization of these territories somehow manages to democratize them and increase the respect in which Western Europeans are

held, this is altogether an expression of the publicist's and propagandist's art. I need only point out the tragic case of Africa, into whose physical regeneration the British are diverting billions of dollars. We all know of the bloody Mau Mau killings there, which represent in effect a determined rebellion against the domination of the whites. A similarly explosive situation exists in potential all over Africa today. As in Malaya and other parts of southeast Asia, the Communists are having a field day. Communist infiltration goes along rapidly and successfully under the guise of local patriotism and of local rebellion against the foreign overlord.

MISCONCEPTIONS ON EXPORT TRADE

It may very well be remarked that the entire contention that somehow an affectionate regard for us is fostered by handouts, or that an extension of our own foreign trade is involved in the industrial growth of other countries because they are thereby enabled to buy more, is essentially untrue. Reference need be made only to the case of our great neighbor to the south, Brazil, which has undergone an enormous expansion of both its agricultural and industrial potential. This has involved the erection of major cities such as São Paulo in the south, referred to as the Chicago of Brazil, the opening up of whole territories to the plow, and the building of mills, plants, and factories of all kinds.

This great industrial expansion has brought into being problems of its own, just as it has brought such problems to the more highly industrialized states of Europe. As a net result, the tightest of import rules have been imposed upon the Brazilian economy. The Wall Street Journal quotes a big Rio de Janeiro steel importer as saying that to get a steel import license these days is about like hitting a winning number on a lottery. Import curbs of every kind are sending imports from America down the toboggan. In 1952 these ran a monthly average of $47 million. They are now less than half this amount. The American International Harvester Co. estimates a drop in sales from 1952 of 67 percent for the current year. Other American companies estimate similar drops, differing from each other only in amount and proportion.

What does this mean? Only that the assumption of some direct relation between industrial expansion and American export sales, is theoretical nonsense. For here in Brazil is a perfect case in point—a country expanding industrially at probably the world's fastest rate, with the net result of an enforced decline of American exports there.

It seems to me self-evident on the record, that ever since we decided to abandon our historic policy of no entanglements with Europe, we have been involved in a continuous sequence of crises which are the heart of our present difficulties—both domestic and international.

THE SAVE-THE-WORLD MYTH

This preoccupation with the save-the-world myth has resulted in a foreign policy with almost a minimal record of success. There has been no failure on this colossal scale in the history of American diplomacy. It has not even served to gain for us the friendship of those who have been most favored by it, a result which it seems to me also is inescapable, for one cannot buy friendship with handouts or by some unfathomable principle which allows us to give and give without seeking any measure of responsibility or any quid pro quo in return.

The result, as always in history, again speaks for itself. The conclusion is unmistakable. In Korea where we have had scant military help, and where our associates in the United Nations have turned out to be major suppliers to our Chinese enemies, can it be doubted that even the mild restrictions we have been successful in imposing on these practices are resented by our European friends, who are restive and annoyed over what they are pleased to consider an intrusion on their so-called right to trade where they please?

There is even talk of retaliation on the part of Europeans against what they neurotically imagine to be an injury to them by us, since we will not open our markets for a one-sided invasion by their products. It is stated, for example, in a Whaley Eaton Newsletter of May 5, that Britain "will submit alternative proposals on sterling trade at June's Commonwealth Conference at Strasbourg. The plan would link Europe and sterling by 'secondary preferences' against dollar goods. The present exclusions working against the American manufacturer would become even tighter, as presenting 'the only policy open if America refuses to play her part in closing the dollar gap'."

EUROPEAN STAKES IN OUR ECONOMY

Thus this dreary theme of doubledealing of one-way action, if not of downright dishonesty, continues, with the United States not only the victim but the object of indignation wherein we are saddled with European failures of all kinds, and threatened with a return to the old days of "discriminatory bilateral deals."

These are, of course, meaningless words and empty threats, which cannot be implemented any more than they already have been. All of these states are the recipients of tremendous benefits from us—monetary, trade, military, and otherwise—and have no intention of letting this beneficent situation be altered if they can prevent it. In fact, most of this caterwauling—for caterwauling it is—may be assumed to be nothing but a bold effort to condition American public opinion favorably to European causes. There is reason to believe that the British in particular spend considerable sums of money in this direction—a condition I shall refer to again.

The extent of the European stake in our economy has become truly astronomical; how fantastically large may be conveyed by reference to the total budget of the United States during the time when Calvin Coolidge was President, which came to only about $3½ billion.

SEVENTY BILLIONS IN FOREIGN AID

Today the total of foreign aid directly given, and in indirect subsidy paid for by the American taxpayer, must be close to $70 billion, if everything is considered. Billions are being spent on United States troops, bases, and facilities in Europe. In a very proper sense the troops, bases, and other facilities we maintain in Europe may be regarded as a sort of second tourist income source, shoring up shaky European fiscal systems. It is estimated that maintaining our troops and bases overseas, exclusive of Korea, comes to at least $12½ billion a year.

At least $3 billion has been spent on so-called offshore procurement, which may be looked upon as another design to defeat the will of the Congress, for it has been clearly intended that the manufacture of military equipment and material for American security purposes be in the hands of American industry.

If more subtly contrived measures are considered, such as stockpiling and other arrangements geared to support European monetary systems, the total moves into unknown figures. If lend-lease and other similar outlays are added in, the total in aid to foreign countries must be well over $115 billion, and climbing rapidly.

At a moment when even Great Britain and Canada are cutting and reducing nonwelfare expenses of every kind, Messrs. Eisenhower and Dulles are continuing the exact policy followed by Truman and Acheson. The difference between them is not even one of applied semantics.

American aid in 1954 is to be approximately $5½ billion. Offshore procurement is to be at the annual rate of another billion. Various indirect aids through gifts, subsidies, reinterpretation of customs and tariffs, etc., will bring the total to well over $8 billion. In addition are the tremendous sums spent on American troops and bases abroad which have the effect of an additional and unrestricted subsidy.

CEILING ON AMERICAN DEBT

This brings us to the question of the legal limitation which exists in respect to the American debt. Under present law, there is a ceiling of $275 billion, which is the total of the debt which the Treasury Department may incur. At present rates of expenditure this ceiling will be reached at the end of 1954. The already-existing debt in itself is a millstone around the necks of the American people. It cannot be wished or waved away, and will have to be paid for by untold generations of Americans who will be born enslaved to it.

Like every other measure intended to safeguard our welfare, this barrier to ruinous expenditure also will probably be set aside, but it is well to make the American people aware, and to warn them that in the end they will pay for it. Despite all the fancy talk and the high-flown words, when cold reality finally calls the hand, it will be their standard of living which will be reduced in order to bring our national books into balance again. The day of reckoning may be pushed off but it may not be avoided.

Even in a country rich in basic resources, one is apt to forget that existing wealth and prosperity represent in large part the cumulative savings of men who created it by their unaided sweat, skill, and determination. By forgetting that the great national resource is always people and their will to exist in freedom and honor, one may see wealth as being independent of the energies which created it. Then it is always possible to parade specious conclusions, distorting the essential figures or reinterpreting them, so that they become miraculously responsive to the purposes of the men in power.

The normal laws of cause and effect, however, may not be manipulated. They may only be obscured, for the power to repeal them is not given to men.

In view of the sobering facts of today, is it out of order to point out that our national resources though large are not limitless? If they are to be squandered it is only a matter of time before we scrape the bottom of the barrel. The question of their depletion hence is not one of academic concern but one of immediacy, and one possessing very real and sobering possibilities.

THE HARD FACTS OF LIFE

Coming from a State where life may not be as complicated as it is elsewhere, and where men still reason simply, it is not necessary to point out what happens when a farmer literally mines his soil, taking everything out and putting nothing back. Our President who comes from the great corn-raising State of Kansas, undoubtedly must be aware of many tragic cases where fine cornland, blessed by the Lord with almost magic fertility, has been leeched and mined by improvident and heedless owners until it has sunk to a submarginal status or has even been abandoned as worthless to the plow altogether.

These hard facts of life, and one has to be born with a silver spoon in his mouth to think differently. Those of us who have had to work hard in the American way know the need for husbanding and conserving our resources. Experience has taught us above all that no one, individual, corporation, or nation, can spend his assets and have them too.

UNITED STATES INVESTMENT ABROAD

Even on the moot question of United States investment abroad, now being so unaccountably promoted by the Eisenhower administration, as it had been by the Truman administration before it, it may safely be considered that this is another expression of American political Messianism. In a world where socialization, with its virtual expropriation of foreign investment, is a common occurrence, where capital is often treated as being an exploiting agency in itself, where invested as well as earned moneys are frozen and may not be taken out by the American investor, or where the foreign investor is treated as a dangerous interloper and subjected to increasing taxation and limitations by law, the question of expanded foreign investment should at least be considered doubtful. Yet we find virtually the entire Government of the United States, with its Treasury and Commerce Department and other related bureaus, encouraging, promoting, and demanding that American money be diverted to the various countries whose welfare we are seeking to promote.

There is now some $15 billion of United States investment abroad, and it is sought to raise this to $25 billion, all without guaranties or acceptable assurance whatsoever from the recipient countries. These beneficiaries talk liberally of cooperation but refuse to abide by the rules of ordinary good conduct or even fair play. Moreover, insofar as part of these moneys go to the so-called undeveloped and dependent countries, the peoples of these territories have every right to anger and apprehension in feeling that by thus funding and supporting European imperialism, the American Nation has made itself their appointed enemy.

Almost without exception all other nations discourage and even prevent altogether such investment outside of their own fiscal control systems, and consider it an untenable drain on the national resource.

Everywhere we see the same disquieting picture of a mutual aid which operates only one way. Certainly I can be forgiven if at times I think we fought the Revolution of 1776 for nothing and that the United States is still a colony in the true sense that a colony exists, functioning principally for the benefit of the mother country.

DULLES SAYS "SPEND MORE"

In the Weekly Review, a summary of political and economic intelligence prepared in Britain and widely distributed in the United States to businessmen, political leaders, and others, the blunt declaration is made that "Mr. Dulles is very strongly convinced that America should use her immense wealth to create a vast mutual trade area, embracing in particular, all central and southern Africa, the entire British Commonwealth, and as much of the rest of the world as possible. Eisenhower agrees with him. So do a growing number of powerful commercial bodies which have been briefed with the military and economic facts by the administration."

If this be true, what a frightening and disastrous commentary it offers on the present floundering course of the American ship of state. It says that we are to be driven to the very edge of catastrophe, and that willy-nilly we are traveling the road described by Lenin when he declared that America would be brought to its knees by internal bankruptcy brought on by the unlimited squandering of its resources.

A DISSOLVING AMERICAN ECONOMY?

The Russians count on the fact that they will never have to fight a war against us. Just as they took China and the other satellite countries by a mixture of guile and force, aided by the moral collapse and impending bankruptcy of the victim states, so they calculate the biggest plum of them all, the United States of America, will fall into their hands by the dissolution of its own internal economy. This is an end which they are pursuing and promoting by every strategic effort at their command. Though we have been assured by our leaders over these many years that by this squandering of our assets we somehow are confounding the Kremlin, it may be that our action fits in very nicely with Russian policies and that instead of being resisted, it has been promoted by them. I do not know what other conclusion can be drawn from the fact that we have continually been stimulated into this course by Moscow. Whenever we seemed to be settling down into some sort of complacency, the Kremlin could be relied on to agitate some new segment of the world's economy, inflaming American nervousness again, and causing us to continue in the role of Uncle Sucker who is blackmailed from all corners of the globe on the score that communism threatens and that those threatened will not resist unless we manage to buy them off.

This situation has gone to the point where it subverts any possible rational approach to our problems. It is not an exaggeration to say that it directly threatens the existence of the American people, who are truly standing alone in the world today, and who moreover are wrecking their own internal economy and their own defense mechanism in a terrible and unproductive effort to play the role of anointed men, appointed by Providence to lead humanity out of the morass in which they move, to follow our Mr. Dulles and his associates into the sacred precincts of the millenium.

This spiritual permeates the entire administration, which is not a changeover but an inheritor from the previous administration.

BOWLES SAYS SPEND STILL MORE

Mr. Chester Bowles, who 2 years ago was United States Ambassador to New Delhi, has told us that—

we should offer both India and Pakistan the same bold assurance that we gave Turkey and Greece and later the nations of Western Europe in 1947, that we will not allow their economies to fall in the next few years for lack of financial resources.

Neither India nor Pakistan has given us a modicum of identifiable support in our struggles against Sino-Soviet aggression. India in particular favors pacifying the Chinese Reds by jettisoning Chiang Kai-shek, and wishes to see Red China seated in the Security Council of the United Nations. In common with other British Empire associates, it is plumping for East-West trade, whatever the result in dangerous buildup of the Soviet industrial warmaking base, and accepts the new international gospel that Uncle Sam is selfishly rich and that it is his duty to support the world and to bring the standard of living everywhere into equalization with that in America.

This latter expectation, this concept of the ordination and duty of Uncle Sam to act as a minister to all of the peoples, is not only unique but unprecedented in international life. Even the Soviet Union, considered fanatic in its pursuit of doctrine, insists on value received in all its dealings, whether with its satellites or elsewhere. In fact one may well believe that in practically every case it exacts more than it receives.

In every case, including that of China at war, a quid pro quo is involved for all assistance the Kremlin sends. Moscow does not give anything for nothing. It exacts a price and condition in which the paramount interests of the Soviet Union themselves are always the leading element.

AMERICAN GOVERNMENT FOR AMERICANS

I have always taken the position that while it is right and proper for Americans to assist foreigners when they are in trouble, it is not the primary duty of the American Government to look out for foreigners first and Americans second. Under circumstances such as followed after the historic earthquakes in Japan, Americans rose magnificently to alleviate the suffering; but it is not our manifest destiny to remake the world or to remake the relationships of the countries to each other or to their own internal goals. To do so means that we will have to sit in judgment on a myriad of causes—on their colonial imperialism, their Marxist tactics, the way they treat their minorities, and, in fact, every detail of their national operation.

Certainly we can take no responsibility for their internal concerns, for their standards of living, and for other factors which dictate the terms of their existence, unless we are able to exercise over them and over their future the same authority which the Russians wield over the lives of their satellites. This we obviously cannot do; it is an outcome every right-thinking American would shy away from. It is not within our philosophy of life to be dictators, but only a frank dictatorship and cold-blooded imperialism is capable of assuming such responsibilities successfully. A free nation like our own attempting to operate on the highest of moral standards and eschewing any attempt at interference with the internal life of these pensioned states, can rely on nothing from them but resentment, and will not even receive the quasiadvantage of vassal to master.

UNITED STATES EXPORTS

We can juggle figures as much as we please in an effort to make the mutual-aid principle look different from an ordinary swindle, but one need not look far to understand that it is the Treasury of the United States which in real effect is financing the great bulk of the purchases made in this country from foreign sources. Comparative figures relating to levels of foreign trade, or levels of export by ourselves, must be examined with the utmost care. Otherwise there will be found serious questions of logic, management, and accuracy, which underlie these figures and change their meaning. For example, a change in the pegged value of sterling, or of the franc, can contrive an automatic change in relative import-export position which is all appearance and no reality. Or by increasing military shipments, which are a case unto themselves, our export can appear immense. Our actual loss of commercial export shipments in March of 1953 against the same month last year, was 21 percent, but an increase in military shipments of 181 percent almost equalized the total figure in which it was buried.

The true fact is that much of the money to pay for foreign purchases in this country is derived from the tax moneys of the people of the United States via the United States Treasury. In the truest sense these purchases are gifts.

THE HOAX OF RECIPROCITY

It is equally true that the Treasury of the United States is underwriting the industrial establishments of these same countries. So in effect it is we who pay for the exports; and by the same sequence of reasoning it is largely we who finance the imports which enter our domestic market to compete with our home-produced goods.

Any examination of this question of reciprocal trade, if subjected to ordinary yardsticks of measurement, makes it apparent that we are being made the victims of a sort of international hoax, on which our leaders keep conveniently silent. The nations who exclude us from their domestic markets are in the process of invading our own, where they are able to offer cutthroat competition to American industry with its high labor and production costs.

The plain fact is that on the mistaken presumption that there was somehow an absolute connection between the economic capacity of Europe to produce and the willingness of its population to rush headlong into communism, we have urged and stimulated the Continent to produce more than it has legitimate market for. Now we find Europe plagued with this very problem. To relieve it, it is demanded of us that we open up our own markets still further, to absorb the surplus which we, ourselves, are responsible for creating.

Thus prompted, Europeans, with their vast pools of cheap labor in the colonies and low wage standards at home, are going ahead on a course of unconditioned industrial expansion. Since this expansion bears no relation to existing market, it must in the end thrust them into the necessity of trade with the Communist East. This situation I shall come back to presently. Not only are we financing these people but we are teaching them efficiency. Their great advantage obviously lies in their pools of cheap labor. The things they want from us in particular are jigs, dies, and heavy machinery for the producing of consumer goods. In short, they are building a competitive industrial society which in the end will either supply the Soviet East, or will be in unrelenting competition with us all over the globe.

AMERICANS MANUFACTURING ABROAD

If we can see 2 inches in front of our nose, we must know that one day we will have to pay the piper for this binge of emotional madness. Even today more and more American companies are manufacturing abroad, buying or building plants in order to have access to the pool of cheap labor which exists there. In this way they are able to serve foreign markets more easily, and even to export to the United States. This trend is firmly established in whole sectors of our industry, in the manufacture of cameras and film, automobiles, and chemicals, and is rapidly widening. There are automobile and other American manufacturers who are actually building and exporting for sale to the United States well-known American brands and makes, including motorcars. In short, Europeans have our money, and are now in a fair way to capture our industry itself.

UNEQUAL COMPETITION

Certainly the same measuring rod used in relation to our own production for export cannot be used in regard to that of foreign countries. Their labor standards and conditions of operation lend themselves to far cheaper production. Fully as important, these countries possess managed currencies, and their semiauthoritarian structures give them the advantage of being able to underwrite their exports and to achieve strategic goals by cutthroat competition.

Where our own exports are individual, the business of foreign countries is for the most part conducted or controlled by the state, which in one way or another manages it and is in a position to use it as a weapon of state policy.

We have seen that the only way in which we can invade European markets is by the actual underwriting of our exports, which become in large part a gift to these countries. Without these incentives, European industry, heavily cartelized and closely associated with government, is totally self-protective and exclusive.

On the question of European invasion of our domestic market, it hardly seems a matter of argument that any producing state whose workers possess a subsistence level much below our own can produce cheaply enough to provide ruinous competition for our own industry.

RUINOUS COMPETITION

Actually there already exists serious evidence of the extent of this danger, though we still are sheltered by a certain modicum of tariff protection, and though no full-scale invasion of our markets has yet occurred. One need only point to the tuna fisheries, where much idleness has been produced among California workers and shipmen due to low-cost Japanese competition. Our production of opera glasses and binoculars has been seriously hurt by Japanese imports, which are able to sell in our own home market for less than one-third of the price American manufacturers must have if they are to allow workers an American standard of living.

The same is true of Ohio crockery and of other industries, which have been compelled to compete against even the limited import which is now allowed under such protection as we today possess. One might say that competitively our exports have been suffocated in world markets except for those goods which we can produce cheaper by virtue of our own machine efficiency, or dispose of by financing the transactions for the benefit of the purchasers.

Here we should take warning that our present advantage of superior production efficiency will not last forever. As I have pointed out, we ourselves appear to be actively committed to bringing the efficiency of European production to our own level.

PRICING OURSELVES OUT

Thus we are committed to a policy of eventually pricing ourselves out of export markets altogether.

Should we also open up our domestic market to this kind of catastrophic competition? Without adequate protection for our manufacturers and workers, what will become of the American standard of living? Must it not decline precipitously?

Do any of the advocates of this policy of nonprotection of American goods consider the manipulative ability of foreign producers based on their integration with the state itself, their massive cartel structures and their relation to corrupt and dishonest currency systems, all of which favor the intervention by the state in the area which we refer to as private trade? Our own producers could hardly be expected to compete against the dumping processes and quietly formulated price wars which can, under these conditions be conducted against them by foreign competitors.

When one considers the low living standards and consequent low production costs of these nations, is not the situation fraught with the greatest danger to our own people? The average American wage earner working in heavy industry makes about $1.80 per hour. European wages are not much more than a third of this. The wage scale in Asia and Africa often does not reach this figure for a full day's work. American metal miners get 7 to 10 times the wage paid native labor in the rich African mines.

Let us be entirely practical in this matter. Unless the benefits of the present mutual-aid program, now so strongly urged on us, are plain, neither the administration nor the Congress possesses either the mandate or right to make the uplift of other peoples an essential of our own state policy. On the basis of plain historical evidence, these peoples have been in existence a long time. Their submarginal or low standards of living have been a constant factor in their history; the gulf between our own high standards and their low ones is by no means something new and unique, and bears no perceivable relation to the question of international communism.

STATE INDUSTRY—SINISTER THREAT

The logic of the position would appear to speak for itself. To give some idea how state- and cartel-controlled industry and low producing costs could send us headlong into ruin, we have only to look at recent Soviet dumping of potash here. It is claimed that the Soviets are exporting to the United States at an offering price less than our producers are able to mine and refine it at. This action is seen by George E. Pettit, vice president of the Potash Co. of America, as a sinister threat to an important American industry. He points out that the dumping pattern is clear, and that in 1950 when a serious strike disrupted our own potash production, Communist potash was offered at 40 percent above the present price.

Further evidence is offered by new competitive developments in the oil market. Russia is not a country blessed with an oversupply of oil as far as we are now able to determine. Nevertheless, she has been able to offer Japan Saghalien oil at a figure 30 percent below current international f. o. b. prices. On the subject of petroleum, we were told at the time of the Israeli-Arab war that it was necessary to be on the side of the Arabs due to the petroleum resources in Arabian countries, which were described as desperately required by the West. Today the biggest producer, Abbadan in Iran, is for effective purposes out of the market. Yet we ourselves are faced with a glut of petroleum in our own country, with an enormous inventory, complicated by steadily increased imports from countries where there is very little to pay in the way of tax and where the labor cost is only a fraction of ours.

OUR MINES CLOSING DOWN

Much of the same situation applies to coal. Rising costs and increased competition from cheap oil is contributing to the closing down of coal mines throughout the country. The importation of cheap foreign oil waste is supplanting coal for use as fuel in many eastern industrial centers. The production of coal in 1953 has dropped 20 percent below 1952. Prices of bituminous are sagging. Small soft-coal mines are closing.

Even more important, in view of our military requirements for war, is the fact that our lead, zinc, and copper mines are shutting down. The reason? Cheaply produced, state-controlled lead, zinc, and copper from abroad. It is impossible to complete with the gigantic African mines, for example, with their depressed standard of labor, if mine owners are to operate under the conditions American labor rightfully demands.

How can one relate the position, even on such basic raw materials as these, to the loud outcry being made by foreign states against our alleged economic nationalism and high tariffs? Actually, these tariffs are not high, and have been steadily declining over the years. Before World War II, the tariff on lead and zinc came to about 40 percent of selling price. Today it is only about 8 percent; but even this minor percentage seems to annoy our friends abroad as representing an unwarranted interference with their exploitation of our market.

DRIFT TO DEPRESSION?

It is submitted that our domestic market is not capable of absorbing unlimited shock. Farm income has fallen by more than 8 percent in a year and is still dropping. All sectors of our economy are showing signs of regression. Retail sales are off, and even homes are beginning to be a drug on the market, except in the low-price ranges.

The latter situation is not due to the fact that full consumer demand for homes has been met. Certainly the Nation is not overbuilt in this respect. The need for new construction could not be filled for years.

The condition is due entirely to the fact that people increasingly feel themselves no longer in a position to buy. The pressure of taxes and the gradual decline in whole sectors of our national economy, remain the responsible factors.

The pressing need for schools and for hospitals is equally great, but our communities do not feel themselves able to accept responsibility for these costs.

A considerable proportion of informed and authoritative opinion believes that we are drifting toward actual depression. This appears to be the considered judgment of many Government economists and is reflected in certain measures undertaken recently by the President's Office itself.

Under the circumstances, is this the time to place our domestic market under still greater strain by removing even those minimal safeguards for American production which now exist?

Yet we read in the widely syndicated newspaper supplement, This Week, an urgent piece of "Trade, Not Aid" propaganda in which the bait of lower prices on everything is held out to Americans. The president of Britain's powerful board of trade, Mr. G. E. P. Thorneycroft, is caused to say piously, "We ask for the free and fair competition which has been the mainspring of your country's expansion." Yet Mr. Thorneycroft's organization has been instrumental in excluding American imports to England by methods which under American law would promptly land him and his associates in jail for conspiracy.

The author of this article quotes Henry Ford II, who now builds Fords under the name of "Consuls," in England with low cost labor, reshipping them to the United States for sale, as demanding "a new law without loopholes, encouraging the most rapid possible elimination of all tariffs," and "the abandonment of the Buy American Act, which limits Government buying of foreign goods."

OFFSHORE PROCUREMENT

Should we not do the reverse, and eliminate such unsound practices as those concerned, let us say, in offshore procurement? It appears to me that the spirit of these practices results in overturning the manifest will of the Congress, handing to foreign nations billions of American money which do not even show on the subsidy sheets. If we are to give these vast sums away, would it not be proper to at least possess the advantage of doing the manufacturing here so as to aid the American worker and to put a floor under our threatened economy?

PURBLIND POLITICIANS

I, for one, am fed up with the whole of this situation, and with the excuses made for it. Arguments on its behalf appear to me to be no more than pious quackery, whose instigating sources urgently require investigation.

Up to this hour the bureaucrats and politicians still remain urbanely purblind. They do not bother to conceive that if there could be an Alger Hiss there can be still other Judas goats operating in our higher echelons for causes not our own. Never looking outside of their blinders, they bandy the words reciprocal and mutual in a manner which gives these familiar words new meanings, an aptitude they have in common with our Communist enemies, who do not hesitate for example to refer to themselves as the "peoples democracies" and the "peace-loving countries."

In order to assist in maintaining the price on Malayan rubber we are told that the administration is "giving serious thought to boosting the price of synthetic (American produced) rubber." The proffered reason is to realize additional earnings from the Government's synthetic plants before they are sold to private industry. The real reason obviously is to further bail out our associates abroad. Meanwhile these same friends, as I have pointed out, have pulled out of the International Wheat Agreement, haggling over a minor difference of 5 cents a bushel. At the very moment when wheat is literally running out of our ears, it appears that the British are to be supplied by a bilateral deal with the Kremlin for Russian grain. Reversely, when it comes to commodities controlled and marketed through cartel and government manipulation, they are practicing dumping, even on our domestic market. This has already ruined our lead, copper, and zinc mines, and has cut our cotton export to 2,455,000 bales from the period of August 1 through April 30 last, as compared to 4,891,000 for the same period for the previous year.

WE MUST HAVE FRIENDS

All of this looks like a scandalous misdirection of statescraft in which Uncle Sam has been elected to attempt to support the world on shoulders already growing shaky with the immense burden which has been loaded upon them. At the very least it is an offense to the American citizen who must work harder to pay increasing taxes, and who must expect less in the way of living standards for his family and education for his children, in order to continue with this constant drain on us.

There is an old axiom which says, "I will protect myself from my enemies, but God protect me from my friends." President Dwight D. Eisenhower, a distinguished American who has received the greatest distinctions within the power of the American people to grant, recently alleged in defense of exactly the record which I am reciting today, that "we cannot go it alone" that "we must have friends." Through his own attainments and his occupancy of his present eminent office, due attention must be paid to his utterances; but should it not be pointed out to him that friendship involves not only gratuities but mutual responsibilities, a willingness to stand resolutely at the side of comrades in arms when the going gets rough, and that it comes to something more than a periodical attempt to squeeze dollars from the old softheaded guy with the whiskers?

While we are on this subject, the entire NATO plan is nothing but a delusion. It is replete with distortion of the fundamental facts, if the issue relates to our ability to defend Europe against actual Russian aggression, and to Europe's willingness to defend itself.

NATO A FAILURE

However, one does not need authority to understand that NATO is an unrelieved failure. During all of these years the treaty alliance, which gives it effect in France, has not even been ratified by the French Parliament. It can be expected that the French will continue to stall it indefinitely. Their purpose seems to be more that of preventing German rearmament than of building their own military establishment. The Germans in turn are seeking to lay down their own conditions for associating themselves with NATO, and sometimes give the impression of having adopted a pacifist and nonmilitary attitude. The British are sabotaging the political and economic unity which would make it operable; the Spaniards, West Germans, Swedes, and Swiss are no part of the arrangement; and the entire principle of earnest arming and mutual support, even of the borders of their neighbors, is only half-heartedly applied. I am reliably told that all of the NATO states possess little more than token forces, incapable of defending even their own territories.

I note that Defense Secretary Wilson has unburdened himself of the astounding declaration that the 20th Division United States Army with its improved weapons and equipment "would be able to offer real resistance" if the 175th Division Soviet Army should attack. Beyond the implicit acceptance of the idea that this is no European duty but one incumbent on Uncle Sam, this statement has little more to recommend it than that of a previous Defense Secretary, Mr. Johnson, when he declared in essence that if Stalin attacked in the morning, we would knock him into total insensibility by late that afternoon. I cannot believe that Mr. Wilson added up comparative figures of men and equipment or consulted his military and logistical maps.

ALLIANCE WORTH NOTHING

I am willing to go on record as saying that outside of the monetary rewards, and the expenditures made by American troops on the economies of the various countries where they are stationed, this so-called alliance is worth nothing, and is about the shakiest thing ever created. So far from accepting Mr. Wilson's statement, I challenge the Government to produce one single qualified military man who will declare that all of the combined forces of NATO together are capable of stopping Russian aggression against Europe, or of holding a line anywhere, for 24 hours.

Since we are pouring our funds into this painted sepulcher while at the same time denying even our Air Force the money it desperately requires to maintain itself at a proper defense level, it seems to me that NATO creates a dangerous diversion, and for this reason alone constitutes a true menace to the ability of American people to defend themselves in war.

There are not 10 active divisions in the entire NATO structure which possess anything like adequate antitank, antiaircraft, and other supporting units, or even adequate small arms. In fact, it is not an exaggeration to say that the Swiss Army alone is better organized and better armed and perhaps possesses greater actual strength.

FRANCO-RUSSIAN ALLIANCE

The assumption, moreover, that somehow American interests are identical with the interests of all these ill-assorted countries, including Mr. Tito, whose devotion and loyalty to the democratic ideal in the long run certainly must be qualified by some reasonable doubt, is sheer nonsense, for none of them are interested at this moment in any more than their own immediate self-interests and well being. Both the French and British also possess an existing alliance with the Soviet Union.

Article 6 of the treaty between the U. S. S. R. and the French Republic, signed in Moscow on December 10, 1944, reads that "the high contracting parties agree to render each other every possible economic assistance after the war, with a view to facilitating and accelerating reconstruction of both countries, and in order to contribute to the cause of world prosperity." The treaty is valid for 20 years unless denounced by either party, which to date has not been the case.

ANGLO-RUSSIAN ALLIANCE

The treaty of mutual assistance between the U. S. S. R. and the United Kingdom of Great Britain and Northern Ireland, was signed in London on May 26, 1942. It similarly lasts for 20 years and contains the same provisions. Both treaties, incidentally, require that in the event that "one of the high contracting parties during the postwar period becomes involved in hostilities with Germany or any of the States of Germany * * * the other high contracting party will at once give to the contracting party so involved in hostilities, all the military and other support and assistance in its power."

When one considers that we are in the process of arming Germany and seeking to incorporate German legions into the NATO forces, this reading must at least raise eyebrows.

RUSSIAN-JAPANESE ALLIANCE

It may be argued that somehow these treaties, which also bear the name of "mutual aid," have become a dead letter. Certainly it would appear that this were so, though Pravda occasionally refers to them as if they were very much alive. However this may be, even recent history teaches us that their demise does not necessarily follow as a historical absolute. These Japanese had

such a treaty of nonaggression with the Russians, which many thought had been suspended due to the fact that mutual Russo-Japanese bickering had reached the stage of armed clashes. Nevertheless, when it became convenient for the treaty to be invoked it suddenly reappeared live as day. This was after the Japanese assault on Pearl Harbor, when in the interests of treaty niceties the Russians meticulously refrained from attacking the Japanese along the entire length of the Siberian border. Only when Japan had been knocked to its knees and was within a few days of total capitulation, did Moscow suddenly become aware of its duty to us as an ally. Moscow's action permitted the Japanese to leave the Chinese border virtually unguarded, and to undertake a mass shifting of troops and munitions to the front in the South Pacific. No part of these facts is mitigated by the final outcome, when at the last moment the Russians denounced the treaty, and with the consent of our own State Department moved in to get their share of the spoils.

NATO OBITUARY WITHHELD

All of this weaseling and play-acting suggests that the truth has yet to be frankly disclosed to the American people. It appears to me that NATO not only has failed, but that it has already died and been written off, and that the administration is biding its time before it so informs the American people. In short, our European friends who gave excellent lip service to the mutual aid concept as long as Uncle Sam was willing to foot all bills, have done little if anything on its behalf. I, therefore, state that NATO as it now stands constitutes an imposition on the good faith of the American people. It is an unqualified failure, and the American people should be told this unpalatable truth as quickly as possible.

For the sake of the record, I should like to say that I for one have no wish to go it alone. We need all of the allies we can get anywhere, but we need actual allies, not petitioners for favors, who back off when the chips are down. I repeat that true alliance is like marriage. It invokes the necessity for equal obligations and equal sacrifices, and cannot be a one-sided deal.

TRADING WITH THE ENEMY

Our European associates found in the China trade a lucrative source of income. It may truly be said that every Chinese-run motorized vehicle, whether tank, truck, or motorcar, operates on the rubber and gas sold to them by these countries, and brought to Hong Kong and Macao or to Chinese ports in European ships.

The International Statistical Service estimates that—

"Even under present conditions of restricted imports from the Western World, Communist China still depends for about 40 percent of her supplies from overseas shipments."

The total of shipments to China via the British port of Hong Kong in 1952 totaled $149 million. An additional $2½ billion worth of goods is estimated to reach Red China annually by sea through its own ports. The supply lines themselves are operated by a fleet of ships owned by our own allies and mutual-aid associates.

A United States Commerce Department figure indicates that these countries are trading with Communist China to the tune of $600 million a year. This does not include a large and rising volume of black-market transactions to which these states conveniently close their eyes. It includes an import last year of large quantities of rubber, wool, cotton, and chemicals and machinery and oil. Ceylon, which is a British dependency, has made a new 5-year trade agreement with Red China under which it is to ship 50,000 metric tons of rubber to that country in return for 270,000 tons of rice annually. Egypt has just concluded an arrangement with Eastern Germany under which she will send that Soviet satellite cotton, manganese, and phosphate in return for Soviet-produced materials. Indonesia, which is on our list of so-called friends, has just concluded another swap deal by which rubber, tin, and critical raw materials are to be sent to Communist Poland in return for goods which the Soviet Union produces in excess.

CHENAULT'S AIRPLANES

Acting urbanely as middleman, the British in Hong Kong are offering Japanese exporters a swap of coking coal from China for textile spindles from Japan. It is for such considerations of expediency that a British court at Hong Kong, in the midst of the terrible struggle being waged on Korean battlefields, decided to give the invaluable airplanes of the China airline, owned by a company headed by the American general, Chenault, to the Chinese Communists as being the rightful owners. This decision finally was overruled by the highest British court in Hong Kong after a 3-year legal battle and strong unofficial United States representations. The airplanes were sitting on Hong Kong ports during all of this litigation and literally rotted away. This tedious concentration on alleged legal rights possessed by a hostile power engaged in shooting down our boys, and, for that matter, a few token British companies seems more than reason can stomach.

EUROPE WANTS RED TRADE

Distrust of the United States is a constantly repeated report by observers in all of the European capitals. Europe shows every indication of entering into massive trade arrangements with the Soviet Union, and to become an important supplier of machinery and other vital goods to the Soviet apparatus. Their cartelized business structures are chafing at the leash to do openly what they are now doing surreptitiously, supplying the Soviet Union. They are perfectly willing to sell anything at a price.

This situation is covered nicely by the finance analyst, Sylvia Porter, in a dispatch to her newspaper syndicate from Vienna. Miss Porter states that "all over Europe, there is strong resentment against our rigid and broad curbs. The pull to revive trade with Russia is really serious and intense. What is Russia to gain by this offensive? Plenty. She desperately wants many strategic materials as West Europe wants markets. Copper, chemicals, steel, machine tools—she is willing to pay fantastic prices, go to extraordinary lengths for this sort of stuff, a highly informed diplomat told me here. She needs these materials for her war buildup and industrialization."

Whatever morale the European states have had, has been sapped by years of desperate bickering, postwar austerity, and by the introduction of the theorems of the welfare state. Robbing their citizens of incentive, multiplying the drones and taxing to the point of semislavery. Ludwell Denny, the Scripps-Howard foreign editor, stated the matter well, saying that, "The people are ceasing to care, they are becoming fatalistic, they no longer labor with the old zest, or struggle with the old assurance. There is more loafing, more escapism, more gambling, more cheating, more crime. The appeals of their leaders for more discipline, sacrifice, production do not stir them."

The enterprising Soviet expansion economy understands or senses the position better than our own leaders. As a totalitarian state, Russia is able to exploit this psychology to the fullest. She can make terms which have nothing to do with profit or loss, but only with ultimate Russian strategic goals. As I have pointed out, they have already offered 600,000 tons of crude oil to Japan at a price strongly below the market. Moreover, they do not request dollars in payment, but boats, motors, engines, and the products of Japan's shops and foundries. One may well imagine the hypnotic effect on Japanese businessmen who have suffered a loss of their customary Chinese mainland markets, and are being choked in Africa and the balance of Asia by sterling area curbs. Yet it might be well to mention that if the British are so anxious to liberalize trade they might well make a start with the sterling bloc mechanism so as to release Japan from its present compulsion to deal with the Red Chinese mainland.

STEALING ATOMIC SECRETS

One may concentrate on the fact that our associates in the Korean adventure are guilty of dealing with the enemy for profit, that though they possess populations many times our own, and resources comparable to ours, they have contributed almost nothing to the struggle. All of this may be an understandable piece of dissembling which in the end will right itself. But there is something worse, which derives from the ability of these states to work both sides of the street, the access they possess to our state and military secrets.

For some reason which is not quite clear, the British were selected from the French, Belgians, Mexicans, Brazilians, and other associates in the United Nations and given access to our atomic and other secrets.

During this period we made a great fuss over our own minor-league culprits like the two Rosenbergs, who we are told managed to steal certain drawings. But who has said anything about the wholesale delivery of atomic and other top-drawer secrets to Moscow, funneled directly through a series of turncoats and Russian agents who were placed by Britain in the highest possible position for a full and unreserved disclosure of these highly confidential matters. I refer now to Allan Nunn May, the Canadian scientist; the German, Klaus Fuchs; and the Italian, Pontecorvo; all employed by the British Government, all vouched for by Whitehall, and all with direct and almost total access to the secret diagrams, charts, and papers which concerned our atomic achievement. I refer also to Mr. MacLean, who was head of the American division of the British Foreign Office, and Mr. Burgess, similarly well placed, both of whom had access to top-drawer material and were part of the transmission belt which operated between London and Moscow.

BRITISH LENIENCY

Yes; these men turned out to be espionage agents for the Kremlin. Some disappeared into Russia; some were tried and convicted for their crimes. When I say convicted for their crimes, I am taken aback to find that the British not only did not manage to protect us against the depredations of these top-drawer agents of Stalin, Beria, and Malenkov, but allowed them to escape with only a few years in prison. When I compare this with our treatment of the pitiful little American Communist agents, the Rosenbergs, who were sentenced by our courts to death, I must confess a certain feeling of exasperation.

Before it is considered what these things mean in terms of practical overall policy, we should remember that in the last national election if the vote and the issues meant anything at all, they meant that the people have expressed their will for a radical change in this wholly ridiculous policy. This change will not be brought about by a further and continued adherence to Europeanism and to shopworn social theories which are passed off as something brilliant and new, or by a quixotic bout with the windmill of messianic ordination. It can only come about by centering our judgment on the duties and realities of life as they apply directly to ourselves.

AMERICAN SECURITY FIRST

It is not shameful to say that it is perfectly proper and respectful for Americans to look out for themselves and to place the security of their own Nation first. To do so is not unjust to other people. In the end it may serve better in our effort to command the esteem and regard of others than the existing subsidy policy which only acts to weaken the character and sense of moral responsibility of our European friends.

In this very real sense I have been told by prominent Europeans that our actions have done Europe itself considerable hurt.

Just as our pioneers created out of nothing by their own unaided sweat and labor a great nation, these now-forgotten European statesmen understand the true meaning of the phrase, "God helps those who help themselves."

They know that the padrone principle can be as destructive to the character and moral strength of nations as it can be to that of individuals. These finally lose their capacity to cope with their own problems on their own responsibility, as any indulgent father with a spoiled son will unhappily testify.

In short, if it be argued that we have been victimized by Europeans, who are unwilling to take resolute action by which their own social and military problems may be resolved, it may be conversely argued that Europe itself has been victimized by our principle of handouts, which has served to destroy European stamina and the spirit of independent initiative and resourcefulness necessary to survival.

SOCIAL WELFARE FIRST

Let us look at another part of the pattern by which our associates in the mutual aid program are operating. What a pathetic and irresponsible picture it presents.

While we have been squeezing our productive economy dry for taxes to prepare for war and to support the so-called free world all over the globe, European statesmen have been doing exactly the opposite, and even seek to reduce what little they are spending on behalf of their own defense.

It is these European states which are directly on the firing line if there is to be trouble. It is they who are immediately threatened if any of us are threatened. In David Lawrence's the Business Outlook, he dwells upon the fact that European failure to make progress toward strength and self-sufficiency is based to a great degree on the priority given the expansion of production facilities over defense. France, for example, has spent 30 percent of her budget for public works. Norway invested 29 percent of national output in new productive facilities. Public assistance for health and education has now reached 21 percent of the Italian budget as against 8 percent in 1938. Britain jumped her welfare costs from 22 percent of the budget to 32 percent, and Norway from 26 percent to 35 percent.

If social welfare is of such importance as to take precedence even over defense and security, then it is submitted that the American, who is footing the bill, has as much right to free wigs, toupees, false teeth, medical services, and the rest, as the European who is receiving all of these benefits through the indirect medium of American tax moneys.

INTO COURT WITH CLEAN HANDS

I do not believe in the devil theory as it is applied to human beings. I believe that the British and French are nice people. On the other hand, I would be succumbing to the prevalent hysteria if I did not also state that I believe the Russians are nice people. I believe that the Russian Government and state organisation is engaged in a conspiracy against the freedom of the world, and is guilty of the crimes against humanity which we all find so hideous. But as I have pointed out, two wrongs do not make a right; and to the degree that imperialism is an evil which cannot be mitigated because it is committed by our friends, we are not helped in the uncompromising worldwide war in which the Russians and ourselves are seeking the conquest of men's souls. One must come into court with clean hands in this struggle, and the imperialists cannot do so for the reason that they are imperialists, only in a degree less culpable than the Russians. They are incapable of a total action on behalf of freedom as we conceive it. Their own primary interests come foremost, unrelieved by any consideration of the welfare of their neighbors. They are determined at all costs to protect their own little exclusive systems in which their vested interests—financial, political, and industrial—are anchored.

TIME TO GET OUT OF EUROPE

I do not pretend to understand altogether how Europeans have been able to acquire so hypnotic an influence over our statesmen. I only know that somehow we will have to get these people off our necks, and their hands out of our pockets. It is time for the United States to get out of Europe, and stay out.

This is a blunt evaluation, but the times call for blunt talk. If the American taxpayer, like the goose which laid the golden eggs, is not to be annihilated, we will have to return forthwith to the historic American policy of minding our own business and letting other people mind theirs.

This does not mean that we are prepared to let such an aggressor as the Kremlin run amuck in the world, any more than it did in President Monroes' time, when we put an effective end to the aggressions of imperial Europe on this continent by a simple notice that any such action would see us come in shooting. This was a much more effective instrument than the save-the-world policy we have followed in this generation, with its placating and wooing of the most ridiculous people on the even more ridiculous score that we are all equals together and are together equally supporting the great arch of civilization by mutual aid.

SUBVERSION OF HISTORIC ATTITUDE

I repeat, I do not know how this kind of unrelieved fantasy managed to replace the historic hardheaded American policy of wariness and independence of others. Certainly it would be of the greatest corrective value if we could find out how this subversion of our historic attitude came about.

In part, it seems to have arisen as a derivative of the make-the-world-over philosophy of the Marxists, in which it was conceived for us that Uncle Sam was now the appointed minister to all of the peoples. In part it is undoubtedly due to an inferiority feeling held by many Americans who believe that somehow Europe is better, more cultured, and needs to be kowtowed to. Part is due, I think, to the persistent and irrepressible pro-Anglicism which still sees the United States as an English colony intellectually and culturally, and which judges our highest duty to be support of the mother country. Here we find institutions which may be suspected of being powerfully organized lobbies, such as the English Speaking Union, the Rhodes Scholarship Committee, and others.

Certainly a great part of this singular situation is due to the fact that no matter who rules this country in the top executive positions, the echelons of permanent officials underneath, especially of State Department officials, are made up of career men whose influence is not only great but decisive. It is these men who appear to know the facts and who impose the decisions in the largest measure upon their newly appointed superiors. They form a policymaking phalanx which literally needs dynamiting to breach.

THE SOCIAL INFLUENCE

In these true policymaking echelons we discover that the State Department has become for practical purposes a refuge for career people of the social register. These people see their highest destiny in the acceptances provided by British and French social circles. They possess a closer understanding of the so-called Mayfair group of London and the social rulers of the continent than they do of the people and points of view held by ordinary Americans. In this sense they are true cosmopolites and less American than international. Their whole life is associated with questions of social precedence and standing, so that all of their inclinations, sympathies, and ideas are propelled toward the interests of their European friends.

BIG BUSINESS BECOMES INVOLVED

Influential businessmen in this country often become putty in their hands; their wives are dazzled by social preferment, and the businessmen themselves, if they are important enough, may be quietly taken into the worldwide cartels and given a stake in the European game. This has happened in large measure with the petroleum people, and I am afraid with others as well, so that their interests have become identified with European interests rather than with the complete and total security of their own country.

A SERIES OF MISJUDGMENTS

All of this has pitched us forward into a series of inconceivable misjudgments. One of these was the vast loan and giveaway program by which we spent some 70 to 110 billion dollars with worse than a negative result. Another has to do with the seriocomic succession of actions which destroyed our position in Asia and handed China to the Communists. Another is involved in the astounding situation in Korea where the United States practically alone has been fighting a war in the name of the United Nations, while its so-called allies and associates continued a profitable trade in war-making materials with the enemy. Still another is the idea which has somehow been sold to American political leaders, that we bear a moral obligation to the peoples of the world to raise their standard of living even at the expense of our own. Finally, there is the tragic misconception that it is the duty of the United States to maintain the trade and fiscal balance of European states, which, of course, is the same as to say that their interests are identical with ours and places us squarely on the side of their state, social, and imperial systems.

A small sidelight on the consequences of these actions may be seen in such a territory as Malaya, where we regard it as in the common interest, and perfectly normal, that Malaya should be the so-called largest dollar earner for the British Empire. The result is the outlawing of those who seek independence and freedom in Malaya, who are looked upon as the enemies of civilization, so that their energies and hopes have been turned in the direction of the Communists, who seem to them to be extending a willing and helpful hand, rather than in the direction of free republicanism and democracy.

INTERNATIONAL BOONDOGGLING

Just how fully this administration has accepted such responsibilities, which it has taken over directly from the previous administration, may be read in the newspaper account that Eisenhower will go to Bermuda prepared to give more concrete answers as to when, where, and how the United States will aid convertibility, lower tariff, increase foreign investments, permit expanded East-West trade, and so forth. Why these things are the business of the United States, since they encompass purely domestic affairs of foreign countries completely

beyond our political control, is more than I can understand.

What is most astonishing is that this set of ideas has been so thoroughly sold to the American people that a discussion of them on the levels just quoted seems perfectly normal and natural, for under analysis they consist of little more than a continued shoveling out of American tax moneys on behalf of those who either will or cannot reciprocate or offer us anything in the way of a fair exchange of values.

INFLUENCING AMERICAN OPINION

Part of the position is due undoubtedly to the perfectly natural attempt on the part of our client states to protect their immense stake in the American do-good program. For this purpose they utilize every agency of propaganda and influence which may be operated or activated on their behalf.

The British, as I have said, are able to offer relaxation of currency and permit restrictions, and other favors to private business in large portions of the globe. They can allow a quiet entry of American business into the benefits of their airtight cartel systems, dividing part of the worldwide take with influential American concerns. In widely separate areas they can allow American newspapers and news services access to intimate news sources, or exclude them. Moreover, they control the great transoceanic cable systems, so that every American news service must periodically come to terms with them on the vital question of transmission rates.

They go to great pains to influence American public opinion directly, subsidizing by direct and indirect means, writers, lecturers, and publishing houses. They are even said to go to the lengths of keeping American economists, writers, and others whose influence might be deemed important under regular surveillance, examining and photographing their private papers in a cloak-and-dagger performance whose boldness and audacity in second to none.

Here is a matter which could easily be the subject for a congressional investigation—for it represents a direct and unforgivable interference in the conduct of internal American affairs by aliens, subjecting Americans within their own country to victimization by paid secret agents of a foreign power. This part of the British intelligence operation here is paid to operate under the cloak of a midtown New York bookstore.

By these and other maneuvers they are seeking to protect what they have grown to consider their freehold in the American ecoomy. Their fine hand may be seen or suspected in many different directions, from the slanting of news in prominent newspapers and magazines to a deliberate conspiracy to discredit books critical of them and the situations they have been instrumental in bringing about. This is a widely extended web, and justifiably so, for the stakes are very large. As we know, they run into many billions, and these people may be excused when they apply a few millions of money and some part of their traditional mastery of the arts of colonial exploitation and divide and rule, to protect themselves in the arena of American public opinion against the loss of these revenues.

OUR VULNERABILITY TO PROPAGANDA

America, with its free economy, is peculiarly vulnerable to these tactics, which in many respects are most difficult to trace, though in many others they are perfectly evident. Certainly as long as we continue this policy of big money handouts, and of a foolish concentration on the problems of others, the recipients of these large sums will be tempted to do at least what any first-class commercial firm would do. They will undertake the most astute public-relations operation possible, involving an interference with and subversion of our sources of information, seeking to protect their own interests, and to keep these revenues alive as long as possible. Who can blame them? As an American, I must point out this unhealthy phenomenon as capable of wreaking great injury on the public-information pattern of our country, corrupting it and destroying the faith of the individual citizen in what he reads in his newspaper and magazine and what he hears and sees over his radio and television machine. Nor do I blame these Europeans too much for succumbing to this temptation. The fault is ours, and represents a situation fully recognized in American law—that of maintaining an attractive nuisance.

BOUND BY SILKEN CHAINS

The silken chains which bound us to the British Empire, its associates on the Continent, and the pursuit of the traditional British objective of balance of power, have never since been broken. Each zig and zag of British political need, objective, and conviction has found our Nation following faithfully in line, so that we seemed to have lost completely our capacity for independent action. All of this was immeasurably facilitated by the pro-Anglican group in the State Department, which saw in the rescue of Great Britain and her Empire, the first line of defense and the first duty of the American people.

ABANDONING OUR FRIENDS

It is from the basis of British importuning, and willing American acceptance, that one must read such totally improbable acts as our abandonment of the Polish Republic in favor of the Russian Communist usurpers, our desertion of the Yugoslav state which had stood loyally on our side during the harsh, early days of the war, in favor of the Communist upstart, Tito; and our abandonment of the Chinese Republic with its wholly disgraceful and incomprehensible chain of following events, reaching from General Marshall's demand that the Communists be taken bodily into the government, to the physical rape of Manchuria, which was handed over to Russia and subsequently to the Russian creature, Mao Tse-tung, together with all of the immense captured Japanese war supply there; and finally that last enormity in which we agreed to the isolation and ostracism of Chiang Kai-shek, the lawful head of the Chinese Republic, castigating him as a criminal in a silly and infamous white paper which for practical purposes designated the Chinese Republic as an outlaw government which had richly deserved its fate. And now for the sake of trading profits, we are being high-pressured into a total recognition of the Red Chinese regime, involving the humiliation of seating these criminals in the Security Council of the United Nations, and of handing them Formosa to boot.

We have Yalta, Teheran, and Potsdam to remind us that the Russian word is worth nothing. We have the wanton murder of the 30,000 Polish officers in the Katyn Forest in an attempt to break the back of the Polish Republic which the Soviets had sworn to respect. We have a continuous evidence of dishonesty and dishonor, including the deliberate attempts to steal our state secrets and to sabotage our Government for the purpose of its ultimate destruction. In short, we are constantly asked to start another series of endless and hopeless discussions such as those at which we have already been 2 years at Panmunjom, and which will only end when the Communists conceive it to be in their interests to do so.

THE DEAL WITH RED CHINA

It is known that the French and British are demanding of our President that we wash out on Chiang Kai-shek, as we abandoned Premier Mikolajczyk, of Poland, and Mihailovich, of Yugoslavia, making a full-scale deal with the barbaric Chinese Reds, seating them in triumph on the Security Council of the United Nations and thus giving them the greatest moral victory in an area where face is the most important fact in life. We are to turn over the strategic island of Formosa to the Reds and are to allow full-scale dealings in machinery, jigs, dies, and strategic materials of all kinds with which the Communists can build up their military apparatus for a new assault upon the world. Moscow and Peking are even to be offered special "security guaranties against aggression."

To the Chinese Communists who believe only in the efficacy of unlimited force, it could hardly appear that we are determined to stand by our convictions, or indeed that we have any convictions to stand by. It must seem to them that we are as weak and soft and decadent as Soviet inner propaganda has always contended, and that unyielding audacity on their part will surely carry the day.

Churchill has another and more fundamental idea up his sleeve, that of a continuing tripartite high command for the purpose of coordinating western policies. The United Nations again will be conveniently forgotten. A committee of three, involving France, England, and the United States, will determine everything. Americans, in short, who will be expected to put up the men and the money as usual, will only have one-third of the vote and, in effect, will yield themselves to the mercies of supergovernment without even the rights citizens normally possess to express a controlling opinion at the polls.

SIR WINSTON'S GREAT SCHEME

By this giant, ambitious scheme, Sir Winston seeks to restore his country from a fourth-rate power to 1 of the 3 leading nations of the world. His attempt to do so is intended to be the last magnificent act of an already amazing career. This achievement obviously rests upon a variation of the historic British policy of makeweight, in which Great Britain is to become the pivoting point between the two great antagonistic giants, the United States and the Soviet Union, keeping the two both at each other's throats or in equilibrium, as the balance-of-power theory demands. Thus Churchill will cause Britain to move up from the role which makes her only a minor ally of the United States, with London slated to become coequal as 1 of the 3 true forces of the world.

It is high time that we reexamine the entire position in the light of our own direct interests as a Nation, and with regard to our abilities to make our goal good. As far as I am concerned the United Nations is a self-evident delusion. The concept of collective security broke down entirely in Korea.

What is left?

Until the day that we are organized into a true world community, or into a true western community which can operate under law by sanction of its citizens, we have no business in any foreign involvements not beamed directly at the welfare of the United States and its people. The only proper function of government as far as the people of the United States are concerned is the benefit of the governed, and not that of peoples in faraway foreign places over whose actions we have no control whatsoever. Since a true world community does not yet exist, we must realistically meet the world situation as we find it.

SAVE THEM FROM THEMSELVES

From the beginning I voted against the save-the-world psychology, and against involvement in affairs abroad where our own interests were not directly concerned. It seemed to me that Europeans should take

care of themselves, and were more likely to do so if we did not constantly intervene to rescue them from the result of their own bickering, and incessant quarrels and wars, hot and cold. I voted against the British loan, against the United Nations program, and against the entire sequence of events which has taken us to the very verge of insolvency and brought us from a position of the greatest possible strength and power to one of increasing vulnerability and weakness. At the time I was attacked violently as an isolationist, I was calumniated as an idiot and a scoundrel, and in the supercharged air of those tense times, found myself even without the support of my own party.

It was a point of view which despite every intimidation and demand, I would not recede from. It is a record I am proud of. I ran for reelection on that record in the State of North Dakota, and was returned to office with the biggest majority in the long history of my public life.

THE PEOPLE WANT A CHANGE

My colleagues underestimate the position if they do not know that the people of our great country are fed up to their ears with this "Alice in Wonderland" system of international polity. They thought they were making a major change when they elected the Eisenhower administration to office. They feel, as I have declared, that the only proper function of government in America is the material interests of Americans, and that it is neither our duty nor right to make ourselves responsible for the welfare of all the other people of the world.

The people of this country wish relief from the crushing tax burden with which they are increasingly confronted. They wish to be able to send their children through college and to achieve the results of their own labor in security, welfare, and satisfaction.

They want a solvent America, an America interested in the world around it, but which also knows how to mind its own business.

They want a strong America, and they feel and believe as I do, that America, strong, resolute, and devoted to its own interests, will find natural allies the world over. Under any circumstance we no longer can temporize with our own future in this wastrel and fruitless effort to underwrite and save from its own folly the entire world.

SHALL WE ENLARGE THE UNION

If it is necessary for us to accept responsibility for the economic and political well being of other states, let us at least insist on having some voice in the policies to be followed by these states.

Let us have a frank vote on the matter to see if this is the purpose of the American people, and if the American people so approve, let us place the matter before the British people, or others, seeking a merger of our countries under a new system of overall law in which the obligations and responsibilities of each citizen will be equal to that of every other, as well as his rights and benefits. If we wish to remain as we are, let us do so without Messianic complications; but if it is our intention to adopt foreign states as our wards, let us extend an invitation to them to join us in a common brotherhood. Whatever we do, the principle must be based on the erection of law from organic causes, on the ability of the entire union to operate on the Federal principle, by which the citizen who receives the benefit of the union is himself committed to its support, with his moral force his taxes and if necessary with his body.

This principle of duties of the individual toward the state, as well as his right to protection and security, is one of the keystones to our Government. If we are to extend the benefits of our resources and great inheritance to others, let them not be encouraged to play the role of mountebank to our drunken Santa Claus. They should be expected to stand with us as men, shoulder to shoulder, in the great struggle for a decent, a secure, and an honest world. If this situation cannot be brought about, either because it be rejected by the American people or by the others, our only remaining course is to look to our weapons and to mind our own affairs as much as we can.

BILLIONS—WITHOUT DEFENSE

Here again I cannot understand the rationality of a course which squanders its billions abroad in an effort to raise the living standards of other people, yet cuts down on vital Air Force commitments designed to protect our own Nation. This is a program which seems to make very little sense.

The Citizens Advisory Committee appointed by former Defense Secretary Robert A. Lovett some time ago made a public statement that the Nation's air defenses must be increased sharply to guard against the threat of an atomic attack. Russia is already capable of a ruinous surprise attack on our cities. The committee had reviewed the report of a group of Massachusetts Institute of Technology scientists who declared that America was very vulnerable to such an assault and recommended an urgent multibillion-dollar program to strengthen our air defenses, using the latest in technological and scientific means. Yet the administration cut $5 billion from the Air Force fund, so that there will have to be fewer Air Force wings than had been planned for the end of the year 1955.

This means of course also that vital research and development funds are to be radically reduced, a fact which the Defense Department has currently acknowledged.

CUTTING OUR AIRPOWER

There is no responsible figure who understands the aviation situation, and who is not appalled by this action, which has been imposed at a moment when the Soviet development in the air is known to already overbalance ours. Yet the spokesmen for the administration tell us that despite this cut we will get even more airpower than if the cut had been allowed to remain, implying that what has been cut was actually waste.

This of course is gobbledegook, for the fact is that we had to cut down radically on the whole plane-building program for the year. The construction of an air force and an air defense requires many years of planning in which much of the activity remains for long periods in the blueprint stage. The present retrenchment will mean a cut of almost 50 percent in appropriations specifically earmarked for new planes and equipment, and it will take years for us to recover from the actual regression in defense efficiency this course will force on us.

I disagree vigorously with the entire theory which proposes a great land army of citizen inductees. This is an antediluvian concept which does not belong in present technological age. It bears no recognizable relationship to our own capacity for defense, nor does it make the most of our superiority which is one of machines, training, and high intelligence.

The Army's own General Collins testified in October 1949 before the House Armed Services Committee that in future wars "there is not likely to be any close large-scale amphibious operation of the type that we conducted in the past war."

In respect to such a large-scale invasion, General Bradley informed the committee that "frankly, the atomic bomb properly delivered almost precludes such a possibility."

Actually, all the authoritative elements in American public life, including those from the Pentagon, in the discussions which followed after the recall of General of the Army MacArthur, agreed for once—conceding that it was impossible for any forces at our disposal to physically invade China by land, with prospects of success. We simply did not have the manpower, nor could we efficiently transport all of the troops and materiel required, even if such manpower existed.

THE "BIG ARMY" ILLUSION

A huge army of conscrips would be desirable only if we anticipate a war with Mexico or Canada. For practical purposes they are useless as a defense agency against faraway nations, since it is impossible to visualize any foreign state bringing to our borders legions of men of sufficient strength and weight to require such a ground defense. The existence of this great military force is actually a burden upon the Nation. Their presence abroad in Europe represents only a leeching of American resources for no purpose.

In Asia we have no business with ground troops at all, for no possible long-ranged decision can be gained by us in this way.

OUR TECHNOLOGICAL SUPERIORITY

These boys should be where they belong, in school, or working at some productive occupation helpful to the American economy. The Engineering Manpower Commission has stated itself to be deeply concerned over the magnitude of the impending shortage of engineers and scientists, and its probable consequences to the national health, safety, and interest. When we break up the schooling of these boys in order to equip them with rifles and hand grenades, we are foregoing our major national advantage which derives from science, manual skill and our superb technical command over the forces of nature.

It is our great technology and science which will make this Nation safe against attack, and not immense masses of soldiers, who can be competed with on the battlefield by far greater masses of semibarbaric Asiatics and others. It is rather for us to take the fullest advantage of our technological superiority if this Nation is to receive its greatest guaranty of future security. Most of this, it appears to me, lies in the air and in our command over the air ocean which bathes all continents. Here lies our security, and in a morally strong America, capable of fulfilling the hopes of her citizens in their individual welfare and that of their families. If they have this to defend, instead of a crushing burden of debt, they may be relied on to defend it.

Mr. POTTER. Mr. President——

The PRESIDING OFFICER. The Chair recognizes the junior Senator from Michigan.

Mr. POTTER. Mr. President, it is my intention to support the Mutual Security Act.

We are authorizing in this bill an expenditure of $3 billion plus. I do not wish at this time to reflect upon the past actions of the Congress. I should like to discuss the actions which were taken due to ill-advised or ill-conceived acts on the part of certain persons within the administration who sought to thwart the will of Congress.

I was interested this morning, Mr. President, when the distinguished junior Senator from Nevada [Mr. MALONE] mentioned the effect that a man by the name of Harry Dexter White had upon our international affairs, particularly in relation to the Soviet Union and the extension of credit to the Soviet Union.

My remarks this afternoon deal with the effect which Harry Dexter White had in thwarting the will of the Congress by withholding credit or by inaction in dealing with the Nationalist Government of China, which inaction brought about the

downfall and collapse of the economic structure of China.

Mr. President, ever since the disclosures last November concerning Harry Dexter White some have wondered if there was not more to this case that could be uncovered.

It will be recalled that Attorney General Brownell and FBI Director Hoover appeared before the Internal Security Committee of the Senate of which the able Senator from Indiana [Mr. JENNER] is chairman. Their testimony revealed that a number of FBI reports on White and various others who were regarded as subversive, or at least of questionable loyalty, had been prepared and disseminated to top Government people. Among the recipients were officials of Cabinet rank and the President. It was brought out that these reports, dated from November 1945 on, were not, to say the least, promptly acted upon.

At the time the reporting began, White was Assistant Secretary of the Treasury. Others in the same agency who were reported on included Virginius Frank Coe, Harold Glasser, and Solomon Adler.

Some light has been thrown on probable specific acts of Harry Dexter White. Mr. Brownell introduced in evidence photostats of espionage reports believed to be in the handwriting of White which were found among the so-called pumpkin papers. These are reproduced on pages 1120–27, part 16, of the committee hearings for that period, the fall of 1953. Toward the end of the year a report was published by the Subcommittee on Government Operations Abroad, of which my good friend, the Senator from South Dakota [Mr. MUNDT] is chairman. The subject of the report was the transfer to Soviet authorities of occupation currency plates in the spring of 1944.

The subcommittee found that the transfer cost the Government at least $255 million. It found that pressures were brought to bear by a Communist spy ring in Government to accomplish the transfer, which were at least in part and perhaps primarily responsible for its occurrence. Testimony was recorded showing that White had primary jurisdiction over such matters; that he reported directly to the Secretary of the Treasury; that objections were raised by other Treasury officials to the transfer; that nevertheless the transfer was made, soon after a meeting which took place in the Secretary's office; that at this meeting there were in attendance White, the Soviet Ambassador Andrei Gromyko, and Alvin Hall, Director of the Bureau of Printing and Engraving. Hall was the official who, acting under orders, made the transfer, an act to which he had registered his own opposition, according to testimony he gave before the committee.

Mr. President, at this time I wish to bring to the attention of the Senate evidence which I believe involves Harry Dexter White in another case and an even more serious matter. It deals with the administration, or maladministration, of the war-time credit of $500 million voted for China by Congress shortly after Pearl Harbor. In my opinion the evidence is highly convincing that White and his associates bear a major share, if not by far the largest share, of responsibility for the destruction of the Nationalist Government of China.

The basic material is readily available for all to see, and has been for some time past. It is contained in the so-called white book on China, issued by the State Department in 1949. When interpreted against the background of other easily documented material bearing on the financial situation of China, and the excellent reports of the Internal Security Committee, this story can only be termed as one of everlasting shame and disgrace in the record of our foreign relations.

The evidence starts on page 470 of the white paper. It extends through page 511. The table given on page 470 is quite revealing. For a quick bird's-eye view of the heart of the matter it will bear careful examination, although background material also should be considered. The table shows the schedule of delivery to China of this wartime credit. I ask unanimous consent, Mr. President, to have this table printed in the RECORD at this point in my remarks.

There being no objection, the table, with footnotes, was ordered to be printed in the RECORD, as follows:

Date of transfer and purpose	*Amount (millions)*
Apr. 1, 1942: Establishment of fund for redemption of United States dollar security issues	$200
Feb. 1, 1943: Purchase of gold	[1] 20
Mar. 1, 1943: Purchase of banknotes and supplies	20
Oct. 13, 1944: Purchase of gold	[2] 20
May 22, 1945: Purchase of gold	60
June 22, 1945: Purchase of gold	60
July 18, 1945: Purchase of textiles	10
July 27, 1945: Purchase of gold	60
Aug. 3, 1945: Purchase of banknotes	35
Feb. 7, 1946: Purchase of textiles	1.5
Mar. 13, 1946: Purchase of raw cotton	13.5
Total	500

[1] Of which $10,500,000 actually shipped.
[2] Of which $15,200,000 actually shipped.

Mr. POTTER. In the evaluation of this table there are two dates to be especially noted. One appears on page 470. It is February 7, 1942. On that day the authorization measure for this credit became law, as Public Law 442, 77th Congress, 2d session. A week later, Mr. President, on February 12, followed the appropriation measure, Public Law 452. The other date to be borne in mind is March 13, 1946. That was the day upon which delivery of the credit to China was finally completed.

In other words, the Congress appropriated the funds for this credit in February of 1942. The final delivery of the credit to China was made March 13, 1946.

So here is a picture of more than 4 years allowed to elapse in accomplishing a transaction which Congress had directed in the knowledge and understanding that a serious emergency existed. More than 4 years of procrastination and obstruction in making the credit actually available for China's use. More than 4 years of objection, delay, and inaction during which the fiscal situation of China went from bad to worse to hopeless. More than 4 years of financial sabotage of a valiant ally in war at the end of which period the Chinese dollar was worth less than one one-hundredth of its Pearl Harbor value.

Mr. President, there was no mystery about China's precarious position when the Japs attacked Pearl Harbor and her consequent critical need for this aid. Any high school student of elementary economics could have grasped the situation. China had been at war for 10 years, or since 1931. That was the year of the Japanese invasion of Manchuria. For over 4 years, or since 1937, when the Japs attacked Shanghai, the Nationalist Government had been penned up far in the interior, cut off from practically all outside sources of supply.

Due to the lack of goods and the cost of the war, there had been extreme financial strain. Listen to these statistics supplied me by the Federal Reserve Bank and the Legislative Reference Service of the Library of Congress. Outstanding bank notes of the Chinese banking system in December 1941, 15 billion yuan or Chinese dollars, compared with only 1 billion 374 million yuan in May 1937. Holdings of gold and foreign exchange in December 1941, 100 million yuan, down from 149 million in May 1937. This meant a backing or cover for their notes of less than 1 percent in December 1941 against 12 percent in May 1937.

But most significant of all was the drop in the Chinese dollar. It had a par value of 33.3 cents American, that is three to the United States dollar. The market value in May 1937 was slightly under par, or 29.61 cents. In December 1941 the Chinese dollar was worth only 5.69 cents, or about 18 Chinese dollars to 1 United States dollar.

Mr. President, even a great and wealthy nation like our own faced an inflation problem in World War II. We had rationing, price control, savings bonds campaigns—yes, and black markets too. What about a comparatively weak and backward country like China? What must have been her position in 1941 after so many years of a bitter, costly, and losing conflict? The figures tell the story. The country was suffering serious inflation. The people were losing confidence in their government. The whole situation was near collapse.

A number of our public officials recognized the gravity of China's position at the time of Pearl Harbor. One of these was Mr. Stanley Hornbeck. He was then one of three advisers on political relations to the Secretary of State, Mr. Cordell Hull. The white book, at page 479, reports a meeting held in the State Department on January 30, 1942. Hornbeck feared a collapse of China before Congress could act. He is quoted as saying: "If it were to take several weeks for Congress to act it would be too late."

One can only wonder what Mr. Hornbeck would have said if he knew that the credit, which Congress was to authorize in 1 week, would take over 4 years for China to obtain. The wonder is not that China collapsed, Mr. President. The wonder is that the country was able to hold out as long as she did in the face of the dastardly policy of denial of this wartime aid which the people of this country,

acting through their Congress, intended she should have.

The fast action of Congress was in itself recognition of the serious plight of China. The language of House Report 1739, dated February 3, 1942, accompanying the resolution authorizing the credit, described the situation graphically. I quote as follows:

> From the beginning of the vicious onslaught in 1937 by the Japanese armed forces upon China, the Chinese Government, the Chinese people and the Chinese armed forces have heroically and with great sacrifices resisted a ruthless invasion. The areas which Japan has succeeded in occupying have not been yielded until after the Chinese people with unbelievable sacrifice and fortitude stripped them of materials that might be of value to the enemy. China, cut off from communication with the outside world except by long and difficult routes, deprived of its great industrial, shipping and commercial centers, and denied the greater part of its normal sources of revenue, is continuing after almost 5 years a valiant fight against aggression * * * in essence this measure of financial assistance is intended to contribute toward the same strengthening within China of the structure of economic, financial, and production measures that is found necessary within the United States for the pursuit and winning of the war.

There was no doubt in the minds of these legislators that China was in dire peril.

Mr. President, there was even one official of the Treasury Department who recognized China's acute need. I refer to Mr. A. Manuel Fox, United States member of the Chinese Stabilization Board. This Board had been set up some time before when the United States engaged in an earlier program to help stabilize the Chinese currency, and with reasonable success. That, of course, was prior to Harry Dexter White's rise to his position of influence in the Treasury Department of the United States.

Mr. Fox sent a letter or dispatch from his headquarters in Chungking under date of January 3, 1942. This is found on page 472 of the white book. Fox said, among other things:

> For some weeks prior to the outbreak of war, I have felt that a new loan to China was needed due to the extreme gravity of the internal economic situation here.

It was surely unfortunate for China, as well as for this individual, that his decease occurred a short time after the date of this dispatch. Information as to the passing of Mr. Fox I derived from testimony given before the Internal Security Committee in early 1952, and may be worth stating here.

At the time of this testimony the committee was under the chairmanship of the able senior Senator from Nevada [Mr. McCarran]. The subject under investigation was the Institute of Pacific Relations. The witness was Mr. John Carter Vincent. Vincent was asked regarding his acquaintanceship with Solomon Adler. His reply, taken from page 1691 of the hearings for the period January 24 to 30, 1952, was:

> I first met Adler in Chungking and that was in early 1942. It may have been late 1941. He came out as an assistant to Dr. Manuel Fox who died some months later, in the matter of administering our interest in the Chinese currency stabilization loan, I think, of about half a billion dollars.

How much of an obstacle Mr. Fox might have been to the carrying out of White's plans had he lived, can only be guessed. Fox was apparently a skilled economist of long Government service. He had been in the employ of the Tariff Commission, and for several years prior to serving in China had been a Commissioner. His removal, at least, did not handicap the White program.

Having digressed from this outline of Harry White and his relationship to the administration of the Chinese credit it might be well to recall a few facts about John Carter Vincent. On July 2, 1952, the Loyalty Review Board of the Civil Service Commission had found that there was "reasonable doubt" as to Vincent's loyalty. Vincent was released from State Department employment by Secretary Dulles on March 4, 1953, on grounds that he could not "usefully continue to serve" the Department. He had been, successively, Chief of the Division of Chinese Affairs and Director of the Office of Far Eastern Affairs in the period 1945–46.

In regard to Solomon Adler, Internal Security Committee reports show that he entered Government employ in 1934, although not then a citizen of the United States. He became naturalized in 1940. He became an employee of the Treasury Department on December 7, 1936, receiving assignment in 1942 to the vacancy on the Chinese Stabilization Board caused by the death of Manuel Fox.

According to the white book material, it is clear Adler was on hand for meetings in this country having to do with the handling, or mishandling, of the $500 million credit to China. With these exceptions he continued on duty in China to as late as October 1949. At that time the remnants of the Nationalist Government of China and Army were on the point of evacuating from the mainland to Formosa, or Taiwan. Adler resigned his Treasury job on May 11, 1950. Almost a record number of FBI reports on him, 17, were submitted to various Government authorities. The first was dated February 21, 1947, the last April 17, 1950. For the past 4 years he had been out of the country and unavailable for committee questioning.

Hence the set-up for handling the credit for China was, White in Washington, Adler in China. What a combination.

Mr. President, just one more reference to the critical situation in China at the time of Pearl Harbor. It goes beyond the financial. It goes to that element of highest regard in the oriental mind—"face." The Chinese Finance Minister, Dr. Kung, stated it as clearly as he could have been expected to. This was in his letter or dispatch to Secretary of the Treasury Morgenthau. It is dated January 9, 1942, and is found on page 476 of the white book. Dr. Kung said:

> There are sound justifications for the loan on economic grounds and also from the standpoint of the joint military effort. Frankly, however, my reason for approaching you is political above all.

In other words, Dr. Kung said at that time that one of the major reasons for securing this loan was political—in other words, to save face for the Government of China.

In plain language Dr. Kung was telling us that the long and losing struggle which China had undergone had lowered the prestige of the Nationalist Government with the people. The loss of "face" had been serious. The money was needed badly, to be sure. But its importance was even greater than financial or economic. The morale of the people and their confidence in the government simply had to be restored. Recovery of "face" was supremely important.

So that was the picture in early 1942. A highly valuable ally of the United States was in a condition of near-bankruptcy and collapse. Prompt and generous action had been taken by the people of our country, acting through their Congress to afford early and effective aid. Loss of China to the other side could have meant prolongation of the war. It could have meant greatly increased losses of American lives.

All that was needed now was efficient, purposeful, and understanding action to carry out the mandate to provide the aid as enacted by the Congress. To patriotic public servants the opportunity presented was of exceptional challenge. But to public servants of a different stripe there was also an opportunity. A chance to sabotage and destroy, by the very simple method of inaction. Further extension of the ravages of the existing inflation would accomplish their diabolical purpose. All they had to do was to sit by with folded hands while the inflation spread.

Mr. President, how does the evidence tie Harry Dexter White into this picture of financial sabotage? He is tied in by reason of the responsibilities of the jobs which he held. He is tied in by reason of a specific delegation of powers derived from his top boss, the Secretary of the Treasury. He is tied in by definite, active participation in the administration of the loan, as shown by the white book.

On the 28th day of March 1938 the Treasury Department established a new activity called the Division of Monetary Research. On the same day Harry Dexter White was named Director of this Division. My authority for this and other information which I shall offer on governmental structure and personnel is the Congressional Directory for the period concerned.

The functions of the Division of Monetary Research were:

> To provide information, economic analyses and recommendations for the use of the Secretary to assist in the formulation and execution of the monetary and foreign financial policies of the Department.

In short, the Division of Monetary Research was the place where foreign financial policies were made. There is no other interpretation possible either from reading this language or from comparing the duties of this Division with the duties of the other segments of the Treasury Department.

On the 15th day of December 1941, the Treasury Department issued an order

over the signature of the Secretary. Its number was 43. It read:

> On and after this date Mr. Harry D. White, assistant to the Secretary, will assume full responsibility for all matters with which the Treasury Department has to deal having a bearing on foreign relations.

This order is reproduced on page 29 of the Internal Security Committee Report dealing with interlocking subversion in Government departments, dated July 30, 1953. Could anything be more explicit and comprehensive than that? No one was to challenge Harry Dexter White's power in this field.

Note especially the date, Mr. President, just 8 days after Pearl Harbor. The earliest mention of financial aid to China in the white book, is dated December 30, 1941. The formal request came on January 9, 1942. The only obvious interpretation is that White knew how badly off China was. He knew that there would have to be a loan or credit from the United States. So he lost no time in making very sure that, when the operation was formalized, no one else but Harry Dexter White would be in charge of it. White knew exactly what he was about. His footwork was fast and sure.

This planning and scheming to keep control over foreign financial policy every step of the way was characteristic of the manner in which White and his group operated. For example, as indicated in Treasury Department Order 43, White had been named as Special Assistant to the Secretary. The date is not specified, but it was sometime in late 1941. In any Government agency or department it is looked upon as quite a job to be assistant to the top boss. When he got the appointment, did White give up his post as Director of the Division of Monetary Research? He did not. He held that position for more than 6 years, until the time he became Assistant Secretary, the No. 2 man in the Department, on November 28, 1944. He took no chances about having someone who had different views about saving China get into a position of influence.

And even in the rarified atmosphere of Assistant Secretary Harry Dexter White made certain of continued control over foreign financial affairs. The Congressional Directory of 1945 spells out his title as follows: "Assistant Secretary in Charge of Monetary Research and Foreign Funds Control." As if this were not enough, whom do we find stepping into White's shoes as Director of the Division of Monetary Research in November 1944? None other than Virginius Frank Coe.

According to information developed in the hearings of the Internal Security Committee in the fall of 1953, Coe had a long record of Government employment. From 1934 to 1940 he was with the Treasury. During the following 5 years he flitted about among various important Government operations, frequently holding more than one job at a time. In 1940 he was Principal Economist for the Advisory Commission to the Council on National Defense. Then he returned to the Treasury as Assistant Director of the Division of Monetary Research. Between June and December 1941 he was special assistant to Ambassador Winant in London.

From November 1941 to June 1942, Coe was Executive Secretary, Joint War Production Committee of the United States and Canada. From February 1942 to June 1943 he was assistant to the Executive Director, Board of Economic Welfare. From June 1943 to November 1943, he was assistant to Director, Office of Economic Welfare. From November 1943 to February 1945, he was Assistant Administrator, Foreign Economic Administration, the agency which ran lend-lease program.

After replacing White as Director of Monetary Research in the Treasury, Coe, in June 1946, moved up to join the staff of the International Monetary Fund, and held the job of Secretary of that organization at the time of his resignation in December 1952. The last job paid $20,000 a year. Beginning in May 1947 and continuing to November 1952, the FBI, according to information given the Internal Security Subcommittee, sent nine reports on Coe to various Government officials.

In his appearance before the committee, Coe refused to answer all questions as to whether he was a Communist, whether he had engaged in subversive activities, and whether even then, in mid-1952, he was engaged in subversive activities. Coe also refused to tell the Mundt committee, investigating the transfer of occupation currency plates to the Soviet, whether or not he was a Communist.

Here was a man who had held all these important positions dealing with our foreign financial policy, and who refused, in the latter part of 1952, to tell the committee whether or not he was a member of the Communist Party.

Still tighter grip over foreign financial matters was exercised by Harry Dexter White through the individual appointed to act as Assistant Director of the Division of Monetary Research, Harold Glasser. With the exception of the period in 1940–41, when Coe held this post, Glasser was Assistant Director from the time the Division was set up in 1938 until late 1946 or early 1947. The Division was scrapped sometime after that date. After all, it had served the purpose.

Harold Glasser, in appearances before the Internal Security and Government Operations Abroad Committees, invoked the fifth amendment rather than answer questions about espionage and subversive activities. Between April 3, 1941, and September 4, 1947, according to the information given by the Department of Justice to the Internal Security Committee, 14 FBI reports were disseminated on Mr. Glasser.

No privately organized holding company ever had more certain and unquestioned command and control over the activities of its organization and branches than did Harry White and his group over the foreign financial policies of the United States during the years of World War II, and even after. Against such ironclad control China did not have a chance.

Mr. President, perhaps the strongest evidence testifying to White's responsibility in the handling of the credit for China comes from the people who had to deal with him. On pages 485–486 of the white book is found the text of a letter or dispatch dated July 8, 1943, from Dr. H. H. Kung, Finance Minister of Nationalist China. It is not indicated to whom the dispatch was addressed. But from material appearing before and after the text of this message, and based on apparent omissions from the white book, it is my deduction that the Kung statement was sent to the President of the United States. In any event Dr. Kung was quoted as saying, among other things:

> We always appreciate and welcome suggestions and advices from Secretary Morgenthau and Dr. White.

Kung went on to say, in so many words, that Morgenthau and White did not understand the actual conditions in China and urged that early action be taken to transfer the badly needed credit.

Clearly, then, there had been direct contacts—perhaps many of them—between White and the Chinese over the preceding 17 months since the credit was authorized. They were of such a nature that Dr. Kung obviously was impressed by the importance of Harry Dexter White's influence.

The white book contains accounts of 3 meetings held to discuss matters in connection with the $500 million credit. The White group was represented at each one. White attended the first two meetings in person. At the second meeting he was accompanied by Adler. The third was attended by Adler and Coe. Accounts of these meetings are given on pages 478, 502, and 505 of the white book. If anyone hearing or reading this presentation doubts the importance of the participation of Harry Dexter White in this tragic affair, he should read and evaluate the account of the second meeting, held on October 2, 1944.

That meeting was held against a background highly discouraging to the Chinese. Their dollar had dropped from the Pearl Harbor level of about 18 to the United States dollar to more than 200 to the United States dollar. To fight the inflationary trend, the Chinese had repeatedly requested during the 2½ years since Pearl Harbor that the credit be transferred to them in gold. This form of transfer was an orthodox means of settling international accounts. It was especially logical that they should desire it, as I will show in a moment.

But in all this period Treasury had shipped only a comparatively trifling sum of $10.5 million gold. True, there had been a transfer of a different type. China had sold an issue of internal bonds in the spring of 1941 and made them payable in United States dollars, for reasons which I have not been able to learn. The amount was $200 million. In April 1942 Treasury had allowed China to earmark $200 million against this obligation. But it really was of little aid to China in coping with the inflation. What China needed to do was to pump new values into her banking system, preferably gold, either to cover or to retire some of the huge note issues. The piddling amount of gold the Treasury had shipped was

wholly inadequate to deal with the problem, which, of course, was getting worse with every passing month.

So impoverished China had come to beg its powerful and wealthy ally, the United States, to make good on its pledges, lest China go under.

The meeting was held in White's office. Present were 3 Treasury representatives, 2 of whom were White and Adler. Three Chinese Government representatives were in attendance; Mr. T. V. Soong, Chinese Minister for Foreign Affairs, and two others.

White dominated the meeting, with occasional assists from Adler, who apparently had been recalled to Washing to attend this meeting. White freely criticized the Chinese for the lack of results shown by the stabilization efforts that had been made. Such criticism of course was unwarranted. Nearly 15 months earlier Dr. Kung, in his letter of July 8, 1943, had made plain how serious was the Chinese budget position for 1943 and urged immediate purposeful action. And this was 1944.

Kung had shown that the normal budget was out of balance by 13 billion yuan. But this deficit had been swollen to 43 billion yuan by reason of expenditures China had made on roads, buildings, and airports for United States Air Force use. This account had not been settled. A deficit of 43 billion yuan was the equivalent of about $170 million United States gold. Obviously the $10.5 million gold which had been allowed to China up to that date could have made little impression.

White criticized the Chinese for the fact that gold was selling in the black market for a higher price, that is, more yuan to the ounce, than the government selling price. That is, speculators were entering the market. This criticism was also unreasonable. With the very limited amount of gold available, and only occasional sales by the government possible, it would be entirely natural that, following some government sale, the price of gold had gone higher in the black market.

The Chinese answer to White was the only natural one, that if larger quantities of gold had been made available better results could have been shown. But it fell on deaf ears. After all, White knew the answers. He knew enough about finance to realize full well why the stabilization effort had failed. His policies had made failure inevitable. But this was a fine chance to give the Chinese a dressing down. And he had no intention of shipping any appreciable amount of gold if he could help it.

Listen to this suggestion the white book account states that he made—

He pointed out that China's gold would be an enormous asset to her after the war.

After the war, he said. When would that be? White did not know. But he knew that China was weakening rapidly from an inflation that had lasted over 7 years. He knew that if continued the probable result would be destruction of the economic and social fabric of the country and the collapse of the Nationalist Government of China. He knew it then. He had known it for months. And he shaped all his plans to that end.

One more quotation:

Mr. White pointed out that it was cheaper for the Central Government to print more fapi than to absorb fapi in exchange for gold at a time when the dent being made by the sale of gold was not significantly large.

As I understand it, fapi, Mr. President, is the name given to Chinese banknotes. So here is White telling the Chinese, in effect, that the way to control inflation is to feed it, to issue more banknotes.

Mr. President, the Chinese inflation could have been stopped, or at least greatly slowed down. Even in 1944 it could have been done. It would not have been necessary to ship great quantities of gold all at once. Regular shipments of say $20 million a month maintained over a period of time, to demonstrate good faith, would have had a powerful effect, in my opinion. But there was only bad faith being demonstrated. And the Chinese must have sensed it, probably long before October 1944.

To me, not the least depressing feature of this meet ng, as reported in the white book, was the utter disregard for any considerations of protocol. To the Chinese, of all people, what must have been the implications? Here was the Chinese Secretary of State, rating on a level with our Secretary of State, the highest post in the executive branch, below the White House, being received by a little Division chief in the Department of the Treasury. At that time White was still to acquire his Assistant Secretaryship. Apart from the unjustified criticism to which the Chinese must have known they were being subjected, what must have been their feelings of humiliation and insult at being received in this manner by the great and powerful Government of the United States? It must have seemed unthinkable to them that their traditional friend and their ally in a bitter and costly war could be so heartless and inconsiderate.

Mr. President, I have referred to the failure of the Treasury officials to honor China's request for transfer of the credit in gold. The shipment of gold is a common means of making international transfers. There are only two others, in fact: shipment of goods, and purchase of services, such as the spending by tourists. Obviously the only American tourists in China at the time were our men in uniform, and they were not there for pleasure travel.

As for shipment of goods or supplies, this was clearly out. The only way China could be reached was by air. And this method of transport was largely devoted to the supply of our military. The white book clearly so admits. Let me quote from page 27:

A very large proportion of the supplies flown into China during this period (1942–44) was destined for the United States military forces in China.

Congress in the legislation of nearly 3 years before had recognized that China could not be benefited by lend-lease aid. The House Report No. 1739 described the $500 million credit as "the financial counterpart of lend-leasing war materials."

So it was either gold or nothing. When the Treasury refused gold they, in effect, chose nothing.

After the October 1944 meeting, the Chinese, while they kept on trying, must have known that the game was up. Treasury made another gesture, shipping $15.2 million gold in mid-October. But nothing happened on the request for $200 million China had been asking for ever since the summer of 1943 and probably even before. Seven months later, in May 1945, the State Department took a hand. In a letter to Secretary Morgenthau, Under Secretary of State Joseph C. Grew, in effect, ordered Treasury to ship China "about $190 million gold from the unused balance of the $500 million credit approved by Congress in January 1942."

This letter is reproduced on page 507 of the white book.

But it was too late. Inflation was now too far advanced. The Chinese had got the point. The long succession of refusals, objections, and delays spoke a language that any informed Chinese civilian or military leader, banker, or businessman could interpret. The United States Government was not concerned about the survival of the Chinese Nationalist Government. That had been made all too plain. Certainly, moreover, if such treatment could be accorded in time of war when the two countries were allies, what could be expected after the war was over?

In April 1945 the Chinese dollar was worth 700 to 1 United States dollar; in December 1945, 1,140 to 1; in March 1946, 2,020 to 1; in August 1946, 3,350 to 1; and in February 1947, 12,000 to 1 United States dollar. Imagine that runaway inflation; and we stood by and fanned the flames. The White group had done their work well. The end was in sight for Nationalist China.

Mr. President, I referred earlier to the failure of the War Department to settle promptly their accounts with China, thus adding to the strain on the country's fiscal position. These accounts had arisen as a result of Chinese construction of roads, buildings, and airfields for the use of our military stationed there. Also the military had bought certain supplies locally, such as fresh foods. The War Department refused to recognize the official rate of exchange which China was trying so hard to protect. Our War Department demanded black market rates, and, as a means of exerting pressure, kept putting off settlement of the amounts due. Correspondence on this matter will be found on pages 496 to 502 of the white book.

Even though the names of Harry White or others of his group in the Treasury do not appear, there is reason to think that they had something to do even with this form of financial sabotage. Let me refer again to the Internal Security Committee report of July 30, 1953. On page 29 there is a reproduction of a document claimed to have been sent to White by Secretary Morgenthau

on February 25, 1943. I quote as follows:

Effective this date I would like you—

Meaning White—

to take supervision over and assume full responsibility for Treasury's participation in all economic and financial matters • • • in connection with the operations of the Army and Navy and the civilian affairs in the foreign areas in which our Armed Forces are operating or are likely to operate.

In other words, he not only was controlling our civilian fiscal policy, but he was also controlling the operation of the fiscal policy of the Department of Defense. There is no doubt that his efforts in that capacity delayed or postponed the payment to China of the funds we owed China for her services to us during the war. This was part of the overall program to fan the flames of inflation and to destroy the economy and the Government of Nationalist China.

This evidence suggests that at the same time that the Treasury Department, through White and his group, was holding back the promised credit which was badly needed by China to stave off the pressures of inflation, those pressures were actually being added to by War Department policies of withholding settlement that was due, for which policies White also seems to have had responsibility. Again I say, Mr. President, it is a wonder China held out as long as she did. Against this type of financial sabotage, how could she win? And if China had come to terms with the Japs, who can say how many more American lives would have been lost on Pacific beaches?

Mr. President, if we had treated our other allies as we did China, we would have lost World War II. According to figures furnished me by the Legislative Reference Service of the Library of Congress, we supplied the United Kingdom with wartime aid of $28.6 billion; and the Soviet Union with $10.7 billion. Total lend-lease grants during the war period came to about $48.1 billion, and credits of $1 billion, making an overall total, for the war years alone, of $49,212,892,000.

Our aid was not supplied in a sporadic, halting fashion, with long periods of inaction intervening. It moved out on an expanding and increasingly lavish scale. In 1943, for example, shipments to the Soviet Union were more than twice as large as in 1942, or $2.9 billion versus $1.3 billion. That shows the difference between our method of making shipments to the Soviet Union, and our method of making shipments to the Nationalist Government of China. In 1944 the volume was stepped up again, amounting to $3.4 billion, or 2½ times the 1942 level. Incidentally, the amount supplied to the Soviets in 1942 alone—$1.3 billion was nearly 3 times the total wartime aid furnished China, or $485 million.

It was the same story with Great Britain. Shipments, in 1943, of $4.2 billion, were over twice the 1942 volume, of $2 billion. In 1944, Britain received $5 billion, more than 10 times the total wartime aid supplied to China. While I am not familiar with the manner in which the lend-lease program was carried on and the relationships between our country and those who benefited in this substantial manner, I very much doubt that these grants were accompanied by insults or lectures, or the stipulation of various conditions, as was done in our relationships with Nationalist China.

Certainly if there had been any of the type of palaver, procrastination, objections, obstructionism, or chicanery evidenced in the processing of China's requests, it would not have been possible to move the enormous quantities of goods that the figures show were sent.

Mr. President, I ask unanimous consent to have printed in the RECORD, at this point in my remarks, a table showing lend-lease shipments for each of the years 1942 to 1945, inclusive, to the United Kingdom and to Soviet Russia, as contrasted with total aid made available to China during the same years, as set forth in the white book.

The PRESIDING OFFICER (Mr. BARRETT in the chair). Is there objection?

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Year	United Kingdom	Soviet Russia	China
1942	$2,031,707,017	$1,358,180,922	$200,000,000
1943	4,285,555,543	2,965,929,737	40,000,000
1944	5,092,311,684	3,443,389,730	20,000,000
1945	1,995,207,795	1,781,569,997	225,000,000
Total	13,123,158,671	9,549,070,386	485,000,000

Mr. POTTER. Mr. President, in appraising this table I wish again to have it emphasized that the $13 billion plus of aid to the United Kingdom and the $9.5 billion to the Soviet Union were in the form of materials and equipment for the use of their military forces and civilian populations. In the case of China, after deducting the $200-million earmark set aside to meet future bond maturities, the total remaining aid came to less than $300 million. Of this amount, only the $205,700,000 of gold shipments really afforded any needed help to her in fighting the ravaging inflation, and all but about $27 million of the $205 million was held back over 3 years.

Mr. President, one brief postscript: At the same time, in early 1942, that we were asked for $500 million, Britain was asked by the Chinese Government for $400 million. As in connection with the request made from us, China emphasized the "political" need for the aid. Britain authorized £50 million, or about $200 million. As of mid-1945, only about £10 million, or $40 million, had been supplied. This information was supplied me by the British Information Service.

It must have seemed to China that she did not have a friend in the world, as, indeed, she did not, when the chips were down. A little planning, a little cooperation, a little understanding, a little effort could have saved China from the disaster which overtook her. Certainly none of these qualities were manifest in the policies of our Government, because the policies were made by those whose purpose and planning was to destroy, not to save.

Mr. President, I have not, of course, attempted to present the entire China story. I have offered evidence of what I believe to be the most important single factor contributing to China's destruction, and regarding those who must bear this responsibility. A great deal has been said and written about the postwar period in our relationships with China. There is considerable "white book" material bearing upon that subject also, and casting new light on the validity of various claims made of extravagant postwar aid supplied by this country.

Some may feel that postwar aid might have done some good if properly handled. I believe that nothing could have saved Nationalist China after V–J Day. She was a hollow shell, her Government bankrupt, her people bankrupt. The people had lost faith in themselves largely because of the bad faith that we had demonstrated toward them during the war. And they had no one else to whom to turn.

Not the least damaging of the effects of the inflation in China had been the breaking down of moral standards. When the value of the money of a people is wiped out, other values are impaired also. Fixed-income groups are particularly hard hit. These include, of course, employees in the civil and military services. When a man cannot obtain the necessities of life for himself and his family in legitimate ways, the temptations are strong, if not irresistible, to engage in other means to do so. Speculation, black marketing, and acceptance of gratuities for services performed constitute some of such means.

It will be recalled that during the mid-1940's, and even up to recently, a barrage of criticism has gone up in attacking the Chiang Kai-shek Government as graft ridden, corrupt, and unworthy to stand. I have no doubt that there was some corruption and graft. The conditions arising from the terrible inflation made it inevitable.

The point is that this criticism helped to poison American opinion against China and thus render postwar aid efforts less effective than they might have been.

So the effects of the White policies were far reaching. By means of standing aside while the inflation grew worse and worse he and his group destroyed the country's finances and economy. This, with the inevitable loss of face by the Nationalist Government led to a breakdown in moral standards. That in turn provided the ammunition with which to attack and discredit the Chiang Kai-shek Government. Such attacks weakened the will and palsied the effort of our own people directed toward trying to salvage the situation.

One can only wonder whether in the history of relationships between honorable and civilized nations there could ever have been another example of deceitful, treacherous, and destructive policies deliberately pursued by one nation against another such as that to which

we were made a party under the machinations of Harry Dexter White and his associates.

Mr. MARTIN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MARTIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JOHNSTON of South Carolina. Mr. President, it has been my consistent policy to oppose the so-called foreign aid bills. I am opposed to the present bill now before the Senate. Many reasons occur to me which fully satisfy my conscience and fortify my judgment in this decision.

I should like to invite the attention of Senators to the fact that at the present time we owe approximately $275 billion, almost exactly twice what all the other nations of the world owe. Let that sink in. By giving away this amount of money today we are increasing our bonded indebtedness. We shall have to pay back not only the principal but the interest.

I shall not detain the Senate too long. I must, however, urge some of the objections which I have to the pending measure. To me they are quite fundamental. I will elaborate on a few of them. A fuller exploration of all of my objections and the convincing reasons, which seem so apparent to me, would require more time, I fear, than my physical endurance would permit.

In the closing days of this session of the Congress we are again asked to continue our squandering of the Nation's substance in what appears or should be obvious as a futile and hopeless enterprise.

Over 2,000 years ago when the Roman Empire was at the height of its greatness in power and influence, amidst intrigue and the insidious wormings from within, a great Roman senator arose from his seat and his bursts of oratory still ring with history's most immortal challenges. His was a clarion call to duty in the face of open and clear danger. Let me paraphrase the thought and part of the words of Cicero in his first oration against Cataline: "Oh, executive branch of our government, how long will you abuse our patience?"

I do not profess to know the precise answers or any definite answer to the problems in our foreign affairs. From what we have done and what I have been able to read, apparently no one knows the answers. One thing, however, is certain. It ought by now to be clear to all of us. The giving away of our material substance, year by year, has been no answer. UNRRA, the Marshall plan, mutual assistance, mutual defense, point 4, and now mutual security have afforded none of the relief we have sought. We seem to have less security and practically no mutuality at all now. We strengthen some of our softhearted allies and make them richer bait for a quicker absorption by the Communists.

Some days ago I expressed my remorse over present world conditions that have plagued and still plague the free and near-free peoples of the earth.

In round numbers, at the close of World War II, the Russians had under their domination about 200 million subjects. A political party of less than 100,000 persons controlled the destiny of 200 million people. The Politburo of less than 30 members of the 100,000 dominate the lives and fortunes of 200 million humans.

When I learned years ago that we had given Russia over $10 billion of lend-lease aid—think of it—$10 billion—my disillusionment over world conditions commenced. Oh, what is $10 billion? It is exactly ten thousand million dollars, an incredible amount of lend-lease aid we have bestowed upon the world's greatest detractors. We know that not a single American officer or civilian official of the United States was permitted to inspect the use or disposition of our largesse. That fact has always pricked my curiosity. Through the years my constant suspicion of Russia has continued unabated. When the very national existence of Russia was at stake and the lives of its rulers—Stalin and Co.—were in jeopardy—when the onrushing forces of Hitler were knocking at Moscow's front gate, were our officers permitted to see how our aid was functioning for the Russians? Were we permitted to learn whether that which we were sacrificing for them was helpful or in turn would be helpful to us? Not once, I am told, could we inspect and see for ourselves whether the sacrifices we were making were justified, or whether they were made in vain. Such conduct on the part of an ally, so-called, raised in my mind question marks which cannot be erased. When allied with her in a death struggle against a common foe, Russia required us to deal at arm's length and often in the dark.

After the close of World War II, Russia received UNRRA assistance from us to the extent of $426 million.

What has been the history for the last 9 years? Without the loss of a single combat soldier from Russia and without the firing of a single shot in the short space of 9 years, she now controls the destiny of 800 million people. Russia has accomplished all of this despite our tremendous aid and sacrifices. The recent collapse of the French in Indochina means the loss of an additional 13 million more helpless humans to the Russian or Communist system of tyranny. There is no way of ever ascertaining the material loss. The loss in face and psychology is incalculable.

I predict that they will move on to other fields. If we intend to fight them, we will have to fight Russia, not buy some weak-kneed, so-called allies.

What we most need in this country, not tomorrow, not next week or next year or in years to come, but now, right now, this very moment—and here is the place to start it—is some new thinking on the problems that face us and the free world. Old methods have produced no favorable results. Year by year and almost month by month we have lost in the struggle to keep men free. Money grants, loans, credits, gifts, materials, either for economic recovery or military defense, from my point do not afford the answer.

We have a new head to the program, but the new head has produced no new thinking. As a matter of fact, I intend to prove that part of Mr. Stassen's thinking is fuzzier than even Mr. Harriman's was. I intend to prove before I conclude that a bad situation has become worse. If our foreign affairs are bipartisan as they rightfully should be, then my criticism of our past actions can take on no partisan flavor now. The folly proposed by the present Administrator in the present bill, H. R. 9678, is no better than the folly of his predecessor. The mainsprings of thinking are the same. Only here and there, in the empire of our foreign-aid program, have the personnel and policies changed. A mere change at the top brings in a new flavor, a new gimmick, here and there, but the same old principles of attempting to curry favor and with grants and loans as the bases of enduring international friendships remain the same.

When I reflect upon the absurdities of our national policies in these foreign-aid programs since December 7, 1941, almost in their entirety, and when I contemplate that the present administration proposes to continue them, it is difficult to stomach the internal convulsions and revoltings that come over me. First, lend-lease, Teheran, Yalta, Potsdam, and since then these yearly handouts of billions of dollars, wrung from the backs of the American people to preserve a status quo after the war which has in fact not been preserved at all, but instead a condition results which has grown worse each succeeding year. I wonder when we will be shocked into a sense of a practical view of what we have done and are now asked to do. Recalling the mistakes of the past helps us only if they may guide our future.

Let me point up an original mistake by one simple illustration. Where by all the rules of the game, we could and should have taken Austria, part of Czechoslovakia, and all of Berlin, our forces were commanded to stop at the Elbe and await for days until the Russians moving westward could come in and take the city. Berlin thereafter was divided into four parts with a Russian ring of land around it. So the British, French, and American divisions of Berlin have no right-of-way by land to their sectors. There is not a humble American farmer in the whole United States who would take in a trade a spring on another's land without some means of getting to or from it. Some right-of-way, if you please, would have been his insistence in such a deal. In none of the memoirs I have read and in none of the explanations by those living and present in those councils have there appeared the slightest justification for their neglect, of their lack of this simple bit of ordinary foresight. Where was the President at that time? What forces was he leading?

We would reproach any man of ordinary affairs who would commit a like blunder in a simple business transaction. Had we been on guard, as we should have been and had we learned the les-

sons from the lack of cooperation from Russia during the time of actual conflict which we should have learned, we would have been on guard. No amount now of fancy words, doubletalk, diplomatic, or argumentative, is going to make me forget these blunders.

By the same token, no amount of persuasion now is going to make me continue these blunders by supporting this kind of a bill. When Nationalist China was double-crossed by us in concert with Russia and Great Britain and when the Reds began to assume control of the mainland of China, we seemed to have formulated no worthwhile policy. Can we not look ahead and formulate some policies—even alternative—in anticipation of changing world conditions? We were confronted with the nauseating statement, "We will wait till the dust settles." Well, Senators, the dust is settling and more is yet to settle. It settled in Korea to the extent of billions of our dollars and 140,000 American casualties. I shall not forget the million or more noble Koreans who were sacrificed as a part of our folly. It is settling in Indochina where we have poured in over $3½ billion in money, equipment, and materiel of all kinds and with the resulting loss of 13 million people. How much of our goods, guns, and equipment the Communists took over as the result of the recent Geneva Conference is anyone's guess. No one will ever definitely know; and apparently the French do not care, for by a vote of 462 to 13 the Premier's sell-out to the Communists was approved by the French Parliament. What a tragedy.

Foreign aid—gifts and grants—has an appeal to my sense of idealism. It makes a great dent in my sense of Christian charity and duty. It is repulsive, to say the least, to my common sense when viewed in the light that it may win us strong, abiding friends whom we can count upon if we become imperiled. I have no illusion or delusion any more that by the immediate hope we could, if we desired, change the Buddhist, the Hindu, the Mohammedan, or others from their faiths to ours. Hence, with Christian charity owing its first obligation at home, I shall be content in my faith that charity should continue to begin at home.

Several years ago—I think in 1945—at Fulton, Mo., the great Churchill—half American, but wholly English in his devotion to what he thinks is best for the British and I admire him all the more for outspoken loyalty to his own Government—gave the world a phrase which we all know separates us from the totalitarian imperialism of Russian communism. He called it Iron Curtain. I fear for one with all his brilliance of intellect, the charm of his beautiful diction and the persuasive force of his incomparable oratory, he will be unable to sell the American people on his new magic—"coexistence." We will coexist to the point we are unable to resist further, and then we will be submerged and forever destroyed. Let no one make any mistake about that. Our fate and the fate of England as we have known England—the England of power and influence—not always used for good but in the main for the enlightenment of mankind—are as surely sealed as the night follows the day. Should we have any faith in coexistence?

I wonder what has come over Mr. Churchill to work such a change in his outlook. Trade for aid. Shall we slip trade around, under, and over the Iron Curtain? Shall we trade an uneasy, weary existence now for a temporary sort of peace called coexistence? A temporary cessation is a trade for nonexistence. If our policymakers do not see it now, when will they ever? How long are we to follow a trend that has cost us so much in heavy taxation and so much in manpower and still so much potential of manpower in an area of the world which could have been on our side? Must we appease our friends and foes alike? And for how long will this shaky state of foreign affairs exist?

Mr. President, I could go on and on and on. I fear it will avail little, yet the recent vote in the House on this bill shows that the past policies being put into effect are beginning to be felt more and more by our people at the grassroots. Our people are beginning to assert themselves in protest.

I am glad of one thing, Mr. President. I shall never have to talk out of both corners of my mouth in explaining to the electorate of South Carolina why I voted to spend billions of American dollars in a fruitless campaign against communism. Each year I have been here it has been the Communist threat. One crisis succeeds another. This year is worse than the last, say the spenders, which was worse than the former. And so the merry-go-round keeps going round and round. Billions upon billions wasted, with the result that each year sees us further from security, more involved and winds up finding us having fewer friends, having to watch not only our known enemies but even to scrutinize the motives of our former friends. Mark my word, Mr. President, the day is sure to come when the American people, the great body of our people will awaken to the fallacies and foibles of this program, led on by the internationally minded press, the pseudoliberal writers, and commentators, the pinks and near-Reds, and those large concerns here in America which are harvesting the profits of the prodigality and senselessness of these programs. There will be a changeover of personnel in this body, too.

The day is coming. You can fool all the people some of the time, some of the people all of the time, but you cannot fool the majority of the people forever. Just let the American people who are footing these enormous bills awaken to the fact that another war, a real war, if you please, is just around the corner, where the executive branch is taking us, and that the billions we spent have been spent in a hopelessly lost cause. Mr. President, you will then see the indignation of America, politically aroused, as never before. I shall not be caught in those reprisals. Let the dust of these political errors fall in the eyes of those here partly responsible for them. Shall we permit unborn Americans to be burdened for generations to come with this tremendous outpouring of our material substance? It is beyond my comprehension for us to continue. Why our children's children should be shackled with the debts we have created for them in the profligate waste scattered abroad baffles my sense of justice to them.

Before I close these preliminary observations and begin a bill of particulars I wonder, as I read this bill and its predecessors, whether those responsible for the treasonable coinage of the base deception—Agrarian Reformers—in an effort to distinguish the Chinese Reds from the Russians are still calling the shots, naming the plays and preparing the psalm and policies now being fostered. We hear and read so much about a change in our policy, a change in thinking and planning and acting. Who is so naive as to believe that policy is determined in all of its phases at the top levels? Policy and direction must of necessity be based upon investigation, analysis, and conclusions reached even in the lowest of the echelons of authority. Until the manner of thinking there is purified in strains of what is best for the United States of America, how can those charged with direction do other than pursue the plans formulated for them in the lower brackets?

"Agrarian Reformers" presupposed a leadership arising with the people's interest at heart to replace an alleged defunct and corrupt leadership of Nationalist China. The leaders, called Agrarian Reformers, were Moscow-educated, Moscow-trained, Moscow-indoctrinated, and are now as then Moscow-directed. The slightest investigation by those in our Foreign Service and foreign undertakings would have revealed as much. No one can justify official corruption by some among the Chinese Nationalists. By the same token, the casting aside of all Nationalist Chinese leaders because of the misdeeds of a few has become to us a national disaster of the greatest and most significant proportions. Only a slight knowledge of the official misconduct of some in our own Government would reveal that corruption can and often exists here. We have not been free of it. We shall not be free of it in the future. Human behavior in many respects is the same the world over. In our time we have witnessed the oil scandals in the early twenties, the sales of public offices, the RFC scandals, the Internal Revenue frauds, and now the revealing scandals attendant upon our housing programs. So to divert our attention from the real purpose of our changes in policy in relation to Nationalist China, many of our good people were deluded into the notion that the present Communist leaders were eager for a reform in the land policy of China. Our salesmen of that program, knowingly or unknowingly, have rendered us a disservice, as to which only time may spell the enormity of the real loss and the dire effect upon our destiny.

In what I have said and am about to say, I do not expect to incur anything but the further wrath of the internationalist-minded press, the international bankers, their stooges among the pinko writers, and those who profit from the sale of war materials abroad. I can take

their ridicule and abuse, and the good people of South Carolina will not misunderstand me in revealing it.

For a long time I have read with considerable dismay official leaks of our national intentions appearing in the columns of several so-called national and internationalist writers. Every so often trial balloons are sent up by them. Every so often our international policies, in some respects classified so that we in the Congress may not know of them in advance, appear in their columns as possibilities; some later become realities, become realities too late for the policymakers—the Congress—to rectify. They become fait accompli before Congress can even review them.

I shall digress for a moment to give just one illustration. I know the buildup afforded by previous administrations to the Alsop brothers. Channels of information not afforded other columnists have been open to them. Those same channels and pipelines have remained open during this administration. The recent Stevens-McCarthy hearings demonstrated that the Alsop brothers were among a select few of writers this administration called in, so that slanted views might appear in the internationalist press which features their articles. In all their writings I have detected little, if anything, said in praise of the work of Martin Dies, John Wood, or Harold Velde of the House of Representatives. Nothing but slanted criticism and harsh words appear for the Senator from Nevada [Mr. McCARRAN], the Senator from Indiana [Mr. JENNER], and others in this body, in their efforts to free America of the evils of Communists here or of communism abroad. I recall that by some fortuitous circumstance, or could it have been by a quick trick or by design, one of these brothers accompanied Mr. Wallace on his mission abroad and into China. We are too familiar with all the attendant results that followed that disastrous mission. He was, according to his testimony, ordered to accompany that mission. Think of it: Of all the thousands of our officers in Burma and the Pacific area, this particular officer got the orders. Could that be, at least, a part of a continuing pattern to separate us from our historical friend and ally, Nationalist China? Those of us in the Congress who are dedicated to fighting communism are sickened beyond measure to behold this pattern of malicious attack against those who would track down subversives in Government.

Mr. President, I have on my desk some of the bound volumes of the Atlantic Monthly. Let me read for you what Stewart Alsop said a few years ago. Let us look at page 594 of volume 167. These views are enough to alarm us. This should be enough to cause us to view with suspicion and alarm the subterranean channels through which the Alsop brothers are now fed with official trial balloons in news stories leaked to them. Let me read a portion of Mr. Stewart Alsop's testimonial to the Marxist philosophy:

WANTED: A FAITH TO FIGHT FOR

(By Stewart Alsop)

A couple of years ago, I felt a good deal like the proverbial Frenchwoman who was surprised to discover that no one else was right absolutely all the time except herself.

I was, like many thousands of my years and bent, that curious hybrid, a Marxian liberal. Marxian, or the brand of Marxism which filters down through a liberal education, the kind which is bandied about after a second cocktail, dominated my political thinking. It was the supreme logic of Marxism which made everything in contemporary history so luminously clear to me, and I think, to thousands of others of my kind. That is one of the beauties of Marxism, even the diluted Marxism which characterizes the thinking of the Marxist liberals. For it's a magic touchstone, a bright and lovely mirror which reflects the truth, the whole truth and nothing but the truth. It does your thinking for you. Hundreds of thousands of intelligent people in this country have had a certain secret, almost unconscious sympathy with the Marxist idea, many thousands more than ever thought of carrying a CP card, more than seven Dies committees with seven mops would sweep up in a hundred years. Indeed, the real cowardice and un-Americanism still seem to me to be those who could look upon the America of 1933 and fail to look for an alternative. Be that as it may, many people, and especially many young people, sought the alternative and found it, if not in communism, at least in an approximation of Marxism.

And how infinitely comforting this donothing radicalism, this ruddy glow of the dining room and the cocktail party, has been. Although he may lack something of the evangelical fervor, the easy Christian-martyr spirit of the bred-in-the-bone Stalin-worshiping Communist, the Marxist liberal has known the pleasures of righteous conviction, of doubts stilled, of certainty in an uncertain world. * * *

There was one power and one power only with the courage, the morality, the virtue, to oppose aggression and injustice with deeds, not merely words—and that was the Soviet Union.

Have any of the bleeding hearts whose scatterbrained efforts fill the pages of nearly all the metropolitan press extended themselves to condemn the recent catastrophe at Geneva? This to my view has been the free world's greatest loss to communism since the close of World War II. Sometimes I have cause to suspect the true Americanism of some of these left-wing writers and commentators. I have cause to suspect they are misleading and improperly indoctrinating the minds of the American people.

The Washington Post on Sunday devotes 2 full pages of its 8-page editorial section to an article by its assistant managing editor, in which his heart bleeds for Dr. J. Robert Oppenheimer, who carved his own fate from his active associations with Communists, his generous contributions to their causes, and the intransigence of Oppenheimer's deceit. One-fourth of the editorial section of the morning Washington Daily News last Sunday was a covert apology to one—however great his contributions to science—who played footsie with the Communists. Not to be outdone in this contribution to the cause of one who, despite untold indiscretions, continued in the knowledge of our vital secrets. Some space is devoted more directly to causes which have led us to the brink of world war III. Just let anyone assert a doctrine that is in keeping with old-fashioned Americanism and you stir the wrath of these internationalists. There appeared in the Post of last Sunday an editorial which is a thinly-veiled criticism of the president of the American Federation of Labor. The Post wishes to educate Mr. Meany in the definition of the term "coexistence." The Post says:

In its simple and literal meaning, coexistence describes the policy of every nation that is not trying to subvert or conquer or make itself master of the world. We hope the United States will always be found in this category.

I have not been favored with a copy of Mr. Meany's address, but, if the Post's brief reference to it is correct, I subscribe to his view branding "coexistence" as "massive appeasement," for that is all it can possibly mean. We have coexisted with all nations since the founding of our free-enterprise system of government. But how, tell me, how can we coexist with any government dedicated to a complete destruction of our way of life? The illustration given us the other day by the leader of the majority party here in the Senate aptly fits my description of what coexistence means.

Mr. President, for the moment I have transgressed too far in my digression from the present measure before us, but I am glad of the opportunity to express my sentiments on these interrelated matters.

Now to the monstrous propositions embraced in the sixth year of mutual security handouts. Someone has said our Government is proposing and supporting an international slush fund. Slush fund it is, as I define it. Let us read the first sentence of this act to promote security, the foreign policy, and for other purposes. I will dwell on "other purposes" when I get to them. Some of them are ridiculous and better to be kept away from the knowledge of the American people. When the voters find out about the "other purposes," those responsible for them had better look out. The first sentence of title I, chapter, 1 reads as follows:

The Congress of the United States reaffirms the policy of the United States to achieve international peace and security through the United Nations so armed force shall not be used except in the common defense.

I ask any open-minded person whether the foregoing is a true statement of fact. If the word "hope" were inserted in the place of the word "policy," there would be some truth in such an affirmation. I do not want to lose faith in the United Nations. Its objectives embrace noble ideals, but in this hard, practical world we cannot achieve our ideals by crowning them with untruths. Everyone within range of my voice or who reads these words knows full well that we have not achieved "international peace or security" through the United Nations.

Since the formation of the United Nations the world has remained an armed camp, and the United States has had a fear in her mind at all times of a third world war.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield.

Mr. LANGER. Does the Senator from South Carolina know of any time since the United Nations was formed when

there has not been perpetual war? Can the Senator name a time?

Mr. JOHNSTON of South Carolina. When there was an appeasement a few days ago, it was said that was the first time there had not been a shooting war.

Mr. LANGER. Great Britain has had troops in three different countries.

MESSAGE FROM THE HOUSE

During the delivery of the remarks of Mr. JOHNSTON of South Carolina:

A message from the House of Representatives, by Mr. Maurer, its reading clerk, announced that the House had agreed to the following concurrent resolution (H. Con. Res. 266), in which it requested the concurrence of the Senate:

Resolved by the House of Representatives (the Senate concurring), That the two Houses of Congress shall adjourn on Saturday, July 31, 1954, and that when they adjourn on said day they stand adjourned sine die.

ENROLLED BILLS SIGNED

The message also further announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the President pro tempore.

S. 2371. An act to extend emergency foreign merchant vessel acquisition and operating authority of Public Law 101, 77th Congress, and for other purposes;

S. 3458. An act to authorize the long-term chartering of tankers and the construction of tankers by the Secretary of the Navy, and for other purposes;

S. 3466. An act to provide for two additional Assistant Secretaries of the Army, Navy, and Air Force, respectively; and

S. 3713. An act to give effect to the International Convention for the High Seas Fisheries of the North Pacific Ocean, signed at Tokyo, May 9, 1952, and for other purposes.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield to the Senator from North Dakota.

Mr. LANGER. The Senator from North Dakota did not hear what the message was, and is very desirous to have it read by the clerk again so that he may hear when the date of adjournment is.

The legislative clerk read as follows:

House Concurrent Resolution 266

Resolved, etc., That the two Houses of Congress shall adjourn on Saturday, July 31, 1954, and that when they adjourn on said date they stand adjourned sine die.

Mr. JOHNSTON of South Carolina. Mr. President, is it necessary that we have a quorum call in order to agree to the resolution?

The PRESIDING OFFICER (Mr. REYNOLDS in the chair). Not at this time.

Mr. LANGER. Mr. President, will the Senator yield further?

Mr. JOHNSTON of South Carolina. I yield to the Senator from North Dakota.

Mr. LANGER. It is my understanding that the distinguished Senator from Oregon had been promised the floor after the Senator from South Carolina concluded. Is that correct?

Mr. JOHNSTON of South Carolina. The Senator from North Dakota will have to ask the Chair that question. I am not informed as to which Senator will follow me. That decision is up to the Chair.

The PRESIDING OFFICER. The Chair is informed that the Senator from Louisiana desires the floor.

Mr. LANGER. I merely was thinking that if the Senator from Oregon was going to obtain the floor we would not be able to adjourn on July 31.

The PRESIDING OFFICER. There has been no agreement on an adjournment date.

MUTUAL SECURITY ACT OF 1954

The Senate resumed the consideration of the bill (H. R. 9678) to promote the security and foreign policy of the United States by furnishing assistance to friendly nations, and for other purposes.

Mr. JOHNSTON of South Carolina. Mr. President, the contending forces in the cold war have gotten hot here and there. Our experience in Korea teaches us one lesson if no other: We cannot depend upon the declarations of the United Nations. Measure and compare the relative assistance we received during that conflict wherein Red China was declared the aggressor. If the sentiment expressed in the first sentence of H. R. 9678 were true, there would be no occasion or need for the NATO organization, EDC, SEATO, or any of the provisions of the pending bill, as they relate to military defense. There would be no necessity for any of our defense projects now circling the world. It is because the United Nations has become merely a glorified debating society, insofar as effectively achieving the peace and security of its members is concerned, that we are called upon year after year to pour our material strength into other nations, many of which have neither the will nor the desire to help either themselves or us in the world struggle against communism. Besides being an ineffective debating society, the United Nations has become the greatest propaganda forum for communism the world has ever known. We furnish them a free hall, a large platform, the loudspeakers, a grand corps of internationally minded journalists—and what more can we do to aid Russia and her expanding domain? The Communists do not need our direct material help nor our defense weapons. We provide them sufficient aid indirectly. When are we to become conscious of it? It is clear to me now.

The psychology, yes the philosophy embodied in this bill, is based on the false premise that by spending billions of dollars abroad we buy friendships and secure them to us as permanent allies. Recalling that we lend-leased our allies billions of dollars prior to our entry into World War II, and continued to help them afterward with billions and billions more of our tax-collected dollars, and not unmindful of the heavy casualties inflicted upon us up to the present time, I should think that, sometime, someone in the executive department would propose a date for halting these constant drains upon us. The pending bill programs us far into the future. The testimony of all its advocates reveals that we have embarked upon a permanent program of attempting to support, defend, and at the same time, appease the world.

Now is a good time, so far as I am concerned, to suspend this program, suspend it for a year at least, until "the dust settles" and we find out where we are, and whither we are going.

What follows now in the train of the Geneva Conference should give us a chance to "get our breath, have that agonizing reappraisal" we have been hearing so much about, and enable us to count the noses of our real friends. The halt I here propose will affect only the future programs—1956, 1957, 1958, and so forth. Why? It is admitted by the proponents that there is now a backlog of unexpended authorizations and appropriations of well over $9 billion.

Mr. LONG. Mr. President, will the Senator from South Carolina yield?

Mr. JOHNSTON of South Carolina. I yield to the Senator from Louisiana.

Mr. LONG. Is the Senator from South Carolina not concerned over the fact that there seems to be no reprograming? For example, $800 million was provided to help France in fighting the war in Indochina. The war came to a conclusion. In addition to the weapons left in Indochina, more than $4 billion worth of weapons have not yet been taken out of crates. In addition to that, $755 million worth of material is in the pipeline on its way. There is an item of $700 million contained in the bill for Indochina. Did it ever occur to the Senator from South Caorlina that it would be a good idea to replan and reprogram and stop some of the $2 billion which is on its way to Indochina?

Mr. JOHNSTON of South Carolina. I am glad to hear the remarks of the Senator from Louisiana. One of the things to which I desired to call the attention of the American people was the necessity for proper planning. We ought to stop, look, and listen. There is already on hand a sufficient amount of money to provide for the program until next year. The persons concerned should present some plans as to their intentions in the future. At the present time the proposal is to dump all the money in Mr. Stassen's lap, and he will be able to spend it almost as he sees fit.

Mr. LANGER. Mr. President, will the Senator yield for a question?

Mr. JOHNSTON of South Carolina. I yield to the Senator from North Dakota.

Mr. LANGER. As a matter of fact, there is no doubt at all that some of the money appropriated was used for other purposes, such as keeping some rotten kings upon the throne.

Mr. JOHNSTON of South Carolina. There is no question that that is true.

Mr. LANGER. And perhaps a few queens.

Mr. JOHNSTON of South Carolina. There are a few queens, also; certainly one that I can think of now who is getting plenty of that money.

The idea that we can or should be able to purchase real friendships with our aid is quite insecure as a reality. We saved England and France in World War I, and again in World War II. It is not pleasant to contemplate their present attitude of

complacency toward a known enemy—Russia?

Last December, the noted columnist, David Lawrence, expressed the situation most succinctly when he said:

Hence American taxpayers are to be asked to continue to pay huge sums to European countries as a means of influencing those governments to let America have bases abroad. Such military cooperation should be given to American air forces without strings or concessions or bribes if it aids the defense of the European countries themselves. To confess openly American subservience to its European allies and to disregard the moral principle on which the American case rests is not the way to preserve American leadership or to maintain the self-respect of the United States in the world.

Over 4 years ago, a former President whose 80th birthday the Congress last week unanimously resolved to honor, had this to say, among other things:

The final phase of our experience with Russia is the belated realization that this is not 1 world but 2 worlds. The one world idea seems to be lost in the secret files.

One world is militaristic, imperialistic, atheistic, and without compassion. The other world still holds to belief in God, free nations, human dignity, and peace.

Now to come to the point of all this. The American people ought to take a cold and objective look at this experience before we go any further.

This look should be directed to the fact that more and more the burdens of defending free men and nations are being thrust upon the American people, who are only one-sixth the population of the globe. We are becoming more and more isolated as the sole contender in this cold war. We are steadily losing ground because the non-Communist states are being picked off 1 by 1 or are compromising with the Communists. Our countrymen are in a fog as to what, where, and when all this leads to.

What the world needs today is a definite concrete mobilization of the nations who believe in God against this tide of Red agnosticism.

It needs a moral mobilization against the hideous ideas of the police state and human slavery. The world needs mobilization against this creeping Red imperialism. The United States needs to know who are with us in the cold war against these practices, and who we can depend on.

Therefore, I have a proposal to make.

I suggest that the United Nations should be reorganized without the Communist nations in it. If that is impractical then a definite new united front should be organized of those peoples who disavow communism, who stand for morals and religion, and who love freedom.

This is specifically not a proposed extension of a military alliance or any color of it. It is a proposal based solely upon moral, spiritual and defense foundations. It is a proposal to redeem the concept of the United Nations to the high purpose for which it was created. It is a proposal for moral and spiritual cooperation of God-fearing free nations.

If the free nations join together, they have many potent moral, spiritual and even economic weapons at their disposal. They would unlikely ever need some weapons. Such a phalanx of free nations could come far nearer to making a workable relation with the other half of the two worlds than the United States can ever do alone.

By collective action we could much more effectively keep their conspiring agents and bribers out of all our borders and out of our laboratories.

It may be the non-Communist world is not willing to take such a vital stand. At least it would clarify what we have to do.

The test I propose is the logical and practical method of total diplomacy. It would make diplomacy dynamic and lessen the dangers of the American people. All this may give pain to some people. But by their cries ye shall know them.

My friends, I am not disheartened by all this recall of disturbing experience. We must retain our faith in Western civilization. In support of that faith we are perhaps a slow but a resolute and intelligent people. We have the greatest organ of education known to man—a free press. You can dissolve much of our confusion and frustrations.

And in rejecting an atheistic other world, I am confident that the Almighty is with us.

I contend in all seriousness that history possibly will never present us with the opportunity we now have to "pause and reflect" upon what we have done and what further we should do. Are we afraid now to face the bitter facts of life, as mirrored by the world situation? Are we lacking now in the measure of intelligence which was ours or in the fortitude which ought to be ours to admit the hard realities of the situation with which we are faced?

Emerson in his great legacy to us on "Self-Reliance" said:

Trust thyself * * * nothing at last is sacred but the integrity of your own mind. Absolve you to yourself, and you shall have the suffrage of the world. * * * A foolish consistency is the hobgoblin of little minds, adored by little statesmen. * * * Speak what you think now in hard words and tomorrow speak what tomorrow thinks in hard words again, though it contradict everything you said today.

Those who favor this aid program in fullest measure ought not to object to 1 year's moratorium, when over $9 billion already appropriated are yet to be spent. At the rate of the present request for a little over $3 billion, we can still operate for 3 years on unexpended balances. We should, however, begin now to curtail the program, and set a time for its liquidation.

Our freedom may well depend upon the freedom of our European allies of the last war. What have we done or contended for since that time to shake the confidence they then had in us, and ought now to continue to have? Unless the nations of Europe value their freedom, and have a will to defend it, no amount of willingness and aid, economic or military, from us can save them. To me that is axiomatic. Are we to sit by supinely and see our allies fraternize with the enemies of free peoples, while we entertain the false notion that this so-called coexistence is a workable plan? How can one coexist with a madman?

I do not question for a moment the sincerity or integrity of the President of the United States. I have often questioned, and no doubt I shall in the future often question, his judgment, policy, or method. At the opening session of this Congress, he said in respect to our foreign policy the following:

This administration has, therefore, begun the definition of a new, positive foreign policy. This policy will be governed by certain basic ideas. They are these:

First. Our foreign policy must be clear, consistent, and confident. This means that it must be the product of genuine, continuous cooperation between the executive and the legislative branches of this Government. It must be developed and directed in the spirit of true bipartisanship. And I assure you, Members of this Congress, I mean that fully, earnestly, and sincerely.

Second. The policy we embrace must be a coherent global policy. The freedom we cherish and defend in Europe and in the Americas is no different from the freedom that is imperiled in Asia.

Third. Our policy, dedicated to making the free world secure, will envision all peaceful methods and devices—except breaking faith with our friends. We shall never acquiesce in the enslavement of any people in order to purchase fancied gain for ourselves. I shall ask the Congress at a later date to join in an appropriate resolution making clear that this Government recognizes no kind of commitment contained in secret understandings of the past with foreign governments which permit this kind of enslavement.

Mr. LANGER. Mr. President, will the Senator yield for a question?

Mr. JOHNSTON of South Carolina. I yield to my distinguished friend from North Dakota.

Mr. LANGER. Mr. President, a few moments ago the distinguished Senator from South Carolina mentioned England and the United Nations. I wonder if he is familiar with the fact that Russia and the United Kingdom of Great Britain and Northern Ireland signed a treaty in London on May 26, 1942, that was to last for 20 years, which, among other things, says that if:

One of the high contracting parties during the postwar period becomes involved in hostilities with Germany or any of the States of Germany—

Calling attention particularly to West and East Germany—

the other high contracting party—

That is, Russia or England—

will at once give to the contracting party so involved in hostilities, all the military and other support and assistance in its power.

I wonder what becomes of the United Nations in case Russia makes war on one of the German states?

Mr. JOHNSTON of South Carolina. That is a good illustration of how the countries of Europe are all entangled with one another. The more we try to run things, over there, the deeper we are going to get into the mire.

Mr. LANGER. Of course, the distinguished Senator knows that in 1946 France made a treaty with Russia which was along similar lines, promising to render economic aid.

Mr. JOHNSTON of South Carolina. That is true.

I certainly thank the Senator from North Dakota for bringing up that point at this particular time.

Mr. LANGER. Does it not show the distinguished Senator the absolute absurdity of pouring out American money to help these countries when they may use the very war materials we send to them to assist Russia rather than to fighting her?

Mr. JOHNSTON of South Carolina. It looks as if that would be so if they carried out the agreement.

Fourth. The policy we pursue will recognize the truth that no single country, even one

so powerful as ours, can alone defend the liberty of all nations threatened by Communist aggression from without or subversion within. Mutual security means effective mutual cooperation. For the United States, this means that, as a matter of common sense and national interest, we shall give help to other nations in the measure that they strive earnestly to do their full share of the common task. No wealth of aid could compensate for poverty of spirit. The heart of every free nation must be honestly dedicated to the preserving of its own independence and security.

Fifth. Our policy will be designed to foster the advent of practical unity in Western Europe. The nations of that region have contributed notably to the effort of sustaining the security of the free world. From the jungles of Indochina and Malaya to the northern shores of Europe, they have vastly improved their defensive strength. Where called upon to do so, they have made costly and bitter sacrifices to hold the line of freedom.

I wonder what he would say now about Indochina? That was the President speaking.

But the problem of security demands closer cooperation among the nations of Europe than has been known to date. Only a more closely integrated economic and political system can provide the greatly increased economic strength needed to maintain both necessary military readiness and respectable living standards.

Europe's enlightened leaders have long been aware of these facts. All the devoted work that has gone into the Schuman plan, the European army, and the Strasbourg conference has testified to their vision and determination. These achievements are the more remarkable when we realize that each of them has marked a victory—for France and Germany alike—over the divisions that in the past have brought tragedy to these two great nations and to the world.

The needed unity of Western Europe manifestly cannot be manufactured from without; it can only be created from within. But it is right and necessary that we encourage Europe's leaders by informing them of the high value we place upon the earnestness of their efforts toward this goal. Real progress will be conclusive evidence to the American people that our material sacrifices in the cause of collective security are matched by essential political, economic, and military accomplishments in Western Europe.

Now is the time for us to help the President put the countries of the world to the real tests he set for them in his declarations which I have quoted. It may be too late when all of Indochina is lost behind the bamboo curtain. It may be too late when Tunisia and Morocco are lost to France.

It will be noted that I am calling names. When hereafter Senators read in the newspapers that these countries are causing us trouble, they can say, "Well, I heard Senator JOHNSTON say something about that on the Senate floor."

It may be too late when West Germany reaches the saturation point, disgusted at the fumbling and stumbling inaction of France. It may be too late when Churchill and Eden, in concert with the Socialist-Labor Party of England, have further advanced in the practice of their coexistence theory as a national policy. It may be too late when Japan has been forced by economic stress to turn elsewhere. It may be too late for us when the bottom of our economic barrel is scraped. Why go on from year to year in a fruitless journey, not knowing today who will be at our side tomorrow and realizing, if we are to realize anything at all, that at the end of the journey we will be alone, helpless, and penniless, after the failure of our efforts to purchase friends and allies.

Loans, grants, or aids, economic or otherwise, come, I tell you, from the sweat of the brows of American laborers, businessmen, merchants, professionals and farmers alike.

I believe that France should be told in no uncertain terms, "You ratify and confirm your project,"—the EDC, and let us not forget, that EDC was France's project—"by a certain given date, or we will withdraw our aid from you." Moreover, let us tell France we will associate ourselves with the growing democracy in West Germany. We should do the latter in all events, whether or not EDC ever becomes a reality.

Our foreign policy to be firm should command us to tell Churchill, Eden, and Bevan that their concept of coexistence with atheistic Russia is the betrayal of our ideals and concepts from World War I to this very moment; also that such a policy is a betrayal of the British sacrifices in materials, men, and the agony and sufferings of her people for four decades. Tell them also that they are selling their precious birthright of freemen for the paltry pounds of silver now glittering before them.

Oh, Mr. President, now is the time and here is the place for us to stop for a while. Let us rest our motors for a year at least. Let us take stock of ourselves and see where we are, where we are going, and who are with us. If, in the final analysis, we have to go it alone, is it not better that we do so now before we are exhausted financially and economically?

These expressions must not be considered as measures to coerce our former allies. Our self-interest simply demands we take an accounting. Did Churchill or Eden hesitate to tell us at Geneva, in effect, that "there will be no discussion of any SEATO arrangement for the defense of southern Asia, the Philippines, Japan, Thailand, Malaya, Formosa, Burma, New Zealand, and Australia until after the conclusion of the Geneva Conference"? What offense do we commit to England or France if we say, "There will be no more buildup of your defenses at our expense until some things are done which we wish to have done"? Being reciprocal certainly should be no cause for offense.

I am not unmindful of some of the problems facing England and France. Italy has her problems, too. France is getting in excess of 34 percent of our total offshore production expenditures. Italy is getting about 17 percent. Think of it, here are two countries where the Communist strength in their political parties holds the balance of power. We are sustaining them and keeping much of their labor, which is Communist-dominated, employed, and yet neither country has subscribed to the EDC, which France conceived. What would happen should a general war start? Is it not obvious that the billions we have spent to restore their peacetime production, to assist in their armaments, and to help them generally would be lost to us? Is it not conceivable that these aids would be turned upon us in an effort to destroy us? So I contend a reappraisal is overdue. Now, if ever, is the time to have it.

As I look at the figures, the charts, drawings, and diagrams in the report of the Senate committee, they reflect a diminution of the amounts in toto and by specific groups. We have the balls, the graphs, and the shaded columns. They signify a lessening of supports by way of grants, loans, and materials. The base periods do not begin where they should. The totals are not reflected. The end is not depicted. The pictures are therefore not precisely true. They do not present us with a clear portrayal of the entire program.

Of course it is unreasonable to expect Mr. Stassen to tell us how long his services will be required. It is unreasonable for Mr. Livingston Merchant, who has been around the State Department for quite a while, to tell us when he thinks our generosity should end. Mr. Dulles is equally vague. At page 21 of the hearings before the House Committee on Foreign Affairs he said, when questioned about the permanency of this so-called mutual security program:

> I think as long as we operate on a mutual-security basis we will always have to put up money for that. I think this community effort, which I hope will continue indefinitely, will continually require some appropriation to support it.

God forbid that as a permanent part of our national existence we must contemplate an unending effort to support a major part of the rest of the world. This, Mr. President, we cannot and must not attempt to undertake. I wish it were possible for me to say that the billions and billions of dollars we have poured down every drain in Europe, Asia, and elsewhere had acquired for us permanent friends and lasting allies. I wish we could truthfully say that this program carried on since 1940 had been a success. This we cannot truthfully say.

This bill, Mr. President, as it comprehends our relations with the other nations of the world will not any more accomplish the desired results than its predecessors have. I hope that by this time next year no more of the free world—bit by bit—will have been lost. The provisions of this bill assure us of no new allies among the friendly nations of the world, nor does it by any means guarantee that those now who are supposed to be on our side will remain there very long. Previous legislation of this sort recommended in the report of the committee has failed, because we get worse off each year. The peril increases. The dangers are larger.

Now the fears of the internationalists are not well founded, that if we defer action to terminate this foreign aid, its programs will grind to a halt. There is this tremendously large overlap of prior authorizations of $9 billion. Much of the

money authorized in this bill is not to be spent for several years to come.

The Marshall aid plan, according to those who formulated it, was to last for 4 years—mind you, 4 years—4 years ended in 1952. It was then granted an extension, which was to be temporary. That was the first blow which now appears to have been fatal to efforts to end the program, for its promoters and sponsors now have the boldness to assert they wish it to continue permanently.

I wish the committee in its report had diagramed for us what we have given the nations of the earth since the start of World War I, during World War II, and since that time. For its own purposes the committee used the year 1950 as a base. We did not start then and we should not begin our consideration of the present bill on such a date. I am indebted to Mr. Paul O. Peters for some interesting statistics on our foreign loans, gifts, and so forth. These astronomical figures are a lesson in economics and mathematics well worth our considering.

I notice from a chart I have that the gross foreign aid from July 1, 1940, to May 15, 1954, was $119,301,997,500.

Then I notice that we gave $3,385,000,000 more by subscription to the bank and monetary fund. That makes a total of $122,686,997,500.

Mr. President, I ask unanimous consent that the chart be printed in the RECORD at this point, as a part of my remarks.

There being no objection, the chart was ordered to be printed in the RECORD, as follows:

Foreign aid programs of the United States Government: Grants, credits, and cash expenditures from the Federal Treasury for foreign aid in the period from July 1, 1940, through May 15, 1954. Compiled from statistical appendixes, Foreign Transactions of the United States, and other reports of the Department of Commerce. Arranged in 2 parts, the World War II period and the postwar era

WORLD WAR II PERIOD (PT. 1)

	Fiscal year 1941	Fiscal year 1942	Fiscal year 1943	Fiscal year 1944	Fiscal year 1945	War period total
Gross expenditures:						
Grants	$203,000,000	$6,205,122,095	$9,165,977,760	$16,650,353,676	$15,758,641,526	$47,983,095,057
Credits	115,123,052	476,699,333	47,894,356	122,948,106	90,818,352	853,483,199
Other dollar outlays	274,443,834	1,273,716,986	2,730,758,500	3,827,988,633	2,926,153,103	11,033,061,056
Total	592,566,886	7,955,538,414	11,944,630,616	20,601,290,415	18,775,612,981	59,869,639,312

POSTWAR PERIOD (PT. 2)

	Fiscal year 1946	Fiscal year 1947	Fiscal year 1948	Fiscal year 1949	Fiscal year 1950	Fiscal year 1951	Fiscal year 1952	Fiscal year 1953	Total, 1946–53
Grants	$3,288,535,118	$2,074,982,401	$2,583,000,000	$5,169,000,000	$4,617,000,000	$4,280,286,000	$4,440,000,000	$6,283,000,000	$32,735,803,519
Credits	1,412,400,910	4,766,374,998	2,802,000,000	1,138,000,000	405,000,000	419,000,000	658,000,000	747,000,000	12,347,775,908
Other	2,203,186,778	1,682,120,213	1,702,000,000	1,295,029,206	1,316,536,000	1,925,000,000			10,123,872,197
Total	6,904,122,806	8,523,477,612	7,087,000,000	7,602,029,206	6,338,536,000	6,624,286,000	5,098,000,000	7,030,000,000	55,207,451,624

Payments to International Bank and Monetary Fund: $159,025,000, $3,225,975,000; total, $3,385,000,000.

Summary of foreign aid by periods:

World War II period	$59,869,639,312
Postwar period to 1953	55,207,451,624
Fiscal year 1954 to May 15, 1954	4,224,906,564
Gross foreign aid	119,301,997,500

Gross foreign aid, July 1, 1940, to May 15, 1954	$119,301,997,500
Subscription to bank and monetary fund	3,385,000,000
Total	122,686,997,500

Mr. LONG. Mr. President, will the Senator yield for a question?

Mr. JOHNSTON of South Carolina. I yield.

Mr. LONG. Do those figures include the lend-lease that we granted during World War II?

Mr. JOHNSTON of South Carolina. I think that is included.

Against this $119,301,997,500 there are war and postwar credits of $10,261,625,746, leaving a net balance of $109,040,371,754. Add to this latter figure the cumulative interest charges our Government has had to pay as interest on this money borrowed from the American people through the sales of bonds, which figures amount to $18,606,524,210.57, plus our $3,385,000,000 of subscriptions to the International Bank and Monetary Fund, and the total cost of our grants and loans since 1940 amount to the amazing sum total through May 15, 1954, of $122,686,997,500.57. No wonder we are called Uncle Sucker, Uncle Sap, Santa Claus, and everything else except a friend of free men and free governments everywhere.

Mr. LANGER. Mr. President, will the Senator yield for a question? Does that include all the billions of dollars given after World War I?

Mr. JOHNSTON of South Carolina. I shall deal with that a little later.

Then there follows a breakdown of the net grants and credits—gifts and loans—to the European countries in the postwar period from July 1, 1945, through December 31, 1953. I ask unanimous consent that the breakdown be printed in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Austria	$995,000,000
Belgium-Luxembourg	738,000,000
United Kingdom	6,794,000,000
Denmark	283,000,000
Finland	86,000,000
France	4,945,000,000
Germany (Federal Republic)	3,789,000,000
Greece	1,199,000,000
Iceland	32,000,000
Ireland	146,000,000
Italy	2,591,000,000
Netherlands	1,068,000,000
Norway	299,000,000
Portugal	51,000,000
Spain	62,000,000
Sweden	108,000,000
Trieste	45,000,000
Turkey	239,000,000
Yugoslavia	633,000,000
Other western Europe	658,000,000
Total Europe	24,761,000,000
Near East and Africa:	
Egypt	$10,000,000
Iran	81,000,000
Israel	282,000,000
Liberia	282,000,000
Saudia Arabia	21,000,000
Union of South Africa	14,000,000
Other Near East and Africa	99,000,000
Total	539,000,000
Asia and the Pacific Ocean area:	
Afghanistan	20,000,000
Burma	18,000,000
Formosa	1,051,000,000
India	255,000,000
Indochina	61,000,000
Indonesia	215,000,000
Japan and Ryukyu Islands	2,444,000,000
Korea	894,000,000
Australia	1,000,000
New Zealand	6,000,000
Pakistan	98,000,000
Philippines	803,000,000
Thailand	18,000,000
Other countries	24,000,000
Total	5,908,000,000
American Republics	879,000,000
Canada	10,000,000
International organizations and unspecified areas	884,000,000
Grand total (Grants and credits net.)	34,072,000,000

Mr. JOHNSTON of South Carolina. The foregoing represents postwar grants and credits less all repayments, plus credits for reverse lend-lease, and so forth, to December 31, 1953.

Let us remind Mr. Churchill—he will not mind it, especially that half of him that he claims is American—that our loans, gifts, and grants as lend-lease and to the British Government in the name of lend-lease during World War II amounted to $31,610,813,200; that wartime and postwar loans aggregate $4,641,413,000. Will it hurt for us to remember that our advances to the British for World War I, yet unpaid, aggregate $7,706,809,301.

These sums aggregate the amazing total of $43,959,035,501. Add to the latter figure the millions upon millions of dollars loaned or given to the countries in the British Commonwealth and we can then begin to realize the staggering load it has been our lot to carry for the sake of our British friends. May we not or should we not now recall these figures, when we see the leaders in the mother country trying to mousetrap us into some sort of state of coexistence with the perfidy of leaders in Russia openly dedicated to our annihilation? If recalling the facts of the history of our relations for the past 40 years offends them, would we not better know it now before it is too late?

Mr. LANGER. Mr. President, will the Senator yield for a question?

Mr. JOHNSTON of South Carolina. I yield to the Senator from North Dakota.

Mr. LANGER. Does the distinguished Senator from South Carolina know whether Great Britain ever paid us for the White House when they burned it down?

Mr. JOHNSTON of South Carolina. I never heard of any money being paid for that. If the Senator from North Dakota has dug up some unknown fact, I should like to have him tell us about it.

Mr. LANGER. I was just trying to find out whether they ever paid us for burning down the Capitol.

Mr. JOHNSTON of South Carolina. I never heard of their paying us anything on that account; no.

These figures really take us into higher mathematics on an ever-increasing scale. Interest is not calculated, but Uncle Sam will pay it and has paid it. I have no desire to criticize Mr. Churchill personally. I think he is the greatest living man of our times.

I admire him for holding out to the bitter end for anything and everything that he conceives will be helpful to the people he serves and who have honored him. That spirit of national interest and love he has for his native land are most admirable traits. I expect him and his associates to be the last to criticize me, if I feel it my duty to America to stand on the Senate floor and say in my humble judgment the United States should now stop, look, and listen, take an accounting now of the debts owing to us, the further trustworthiness of our creditors, take stock now of our assets and our prospects for the future.

An American country grocer, any humble tradesman of ours, faced with like problems in his business, would do as much. Why should not we, as the representatives of our people, do it now on a national and international scale? If this is stark provincialism or innate nationalism on my part, please, my friends, make the most of it. I conceive my sworn duty as a United States Senator to be a duty to protect the interests of the Americans I represent. I cannot for the life of me see America growing strong, materially, spiritually, or militarily, in the sinful wastes now taking place or those that have heretofore plagued us. The reason I have made these observations so freely about our British friends is that they ought to know better, and that I cannot understand or appreciate their seeming change of position or their lack of a finer appreciation of what our Nation has done through all the years to assist the mother country.

To repeat, it is my contention that, with over nine billions of unexpended balances heretofore authorized and carried forward in the fiscal year 1954, we do not need at this time to appropriate more. We will hurt our own starry-eyed dreamers whom we are paying to administer and promote this program more than we could ever damage the intended recipients of our bounty.

The tables I quote from show some very remarkable and tangent disjointures when considered area and populationwise. Their ability to give us mutual assistance seems to have been overlooked. The figures will speak convincingly for themselves. Some appear reluctant in their public relations. The handouts to others show where emphasis and salesmanship are at their best. Let us take the countries in the Arabian League and nearby states. I shall include Israel with them.

I ask unanimous consent to have a table printed at this point in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Country	Area in square miles	Reported population	Reported grants and credits
Egypt	386,000	20,700,000	$10,000,000
Iraq	116,000	5,100,000	889,000
Jordan	39,500	1,265,000	5,984,000
Lebanon	4,000	1,285,000	4,728,000
Libya	1,100,000	1,340,000	3,259,000
Saudi Arabia	870,000	6,500,000	3,139,000
Yemen	75,000	5,000,000	
Syria	72,000	3,291,000	498,000
Iran	628,060	17,000,000	81,000,000
Bahrein	250	120,000	17,048,000
Population total		61,601,000	126,545,000
Israel	8,050	1,650,000	282,000,000

Mr. LONG. Mr. President, will the Senator yield for a question?

Mr. JOHNSTON of South Carolina. I yield.

Mr. LONG. The Senator realizes, does he not, that the main problem in connection with the gifts to the Arabic countries in the Near East is the fear that they may use their arms in an attack upon Israel?

Mr. JOHNSTON of South Carolina. I think the Senator probably is correct.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield.

Mr. LANGER. Can the Senator tell us the population of South Carolina, and how much South Carolina will receive under the bill?

Mr. JOHNSTON of South Carolina. South Carolina has been forgotten in the bill; but provision has been made for South America, so at least we are coming back to the Western Hemisphere. We are coming up this way. We shall finally get home, but I fear that all the money will be gone.

Mr. LONG. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield.

Mr. LONG. Does the Senator realize why it is necessary to give so much money to Israel?

Mr. JOHNSTON of South Carolina. I have an idea why it is necessary.

Mr. LONG. Has it ever occurred to the Senator from South Carolina that the reason why it is necessary to provide so much in the way of arms to certain small countries of the Near East, which are all hostile neighbors themselves, is so that they might be able to defend themselves from the Arab groups?

Mr. JOHNSTON of South Carolina. That is exactly what I am calling attention to. We furnish arms to one side, which is fighting another side. Then we furnish arms to the second group, so that they can fight the first group. That is the way it goes. Billions and billions of American dollars have been given out in that way.

When I went to Europe I found that I could also go to Israel, but I was not allowed to go into some parts of Egypt. I had a difficult time getting there. That shows how bitter the people in those countries are toward America and toward what America is doing.

Mr. LONG. Does the Senator realize that not only with respect to the Near East, but also as to other places, there is a distinct possibility that when the United States has finished giving arms to 60 different nations, those nations might choose sides and go to war with one another, instead of fighting the Communists?

Mr. JOHNSTON of South Carolina. If my memory serves me correctly, all those little countries have fought one another in the past. When I visited those countries, I found that many of the small nations looked upon one another as enemies. Yet we are helping all of them. We could use all that American money ourselves, but instead we continue to play Santa Claus to foreign countries. That is what I am complaining about. I cannot solve the puzzle which confronts us.

If these totals were all there were to the entire picture, we might shrug our shoulders and content ourselves with the ever-reminding consolation that we have done our duty as we saw it to mankind at large; yet with all that we are faced with disappointment, failure, and abandonment.

Our annual budgets for years and years to come will reflect our sacrifices in the worthy assistance we are giving our veterans. There is hardly a hillside

in Europe or on the countless islands of the world which is unmarked today by the gravesites of our heroic dead. Those dead are American dead. They have given their all. To recall their sacrifices, the suffering still existing in our hospitals, and the continuing financial sacrifices our countrymen gratefully make in their behalf may not be too pleasing to some of our former friends who would like us to bear with them in their excursions into dangerous fields of diplomacy. Oh, I hear and read about the concern expressed over our immaturity in our foreign affairs. That so-called immaturity and our constant unawareness of our debts worry me a great deal less than do senility and short memories.

Nor, Mr. President, are these all the costs. In the calculations I have troubled to give you, no consideration is given to the billions of dollars it has cost us to maintain our armed and occupation forces scattered throughout the world, not only during the war, but since the war. The cost of the airlift to Berlin was made necessary by our shortsighted and trusting officials when that city was divided into sectors for occupation purposes.

Here and there, at the expense of some domestic assistance program, we hear that we must preach and practice economy. I believe in economy. I have through sheer necessity been compelled in my own life to practice economy. May I be pardoned for saying I know the bitter privations attending personal economy. The little education I have been able to get is the result of studying by day and working by night. I know what it is to have worked in a cotton mill one week, and to have gone to school the following week. I know what it is to read proof at night on a newspaper and to study at college the next day. These are some of the reasons which compel me to exclaim to high heaven when I see some Americans who have never had to really work a day in their lives, born to inherited wealth, strut up and down the avenues of the world squandering the hard-earned dollars of their fellow Americans like drunken sailors on a spending spree. I intend to furnish some illustrations, if Senators will bear with me.

Mr. President, earlier I said I do not have the answers to our problems worldwise. Neither, apparently, does anyone else have the answers. That field has been removed from my intimate association and immediate study during my terms of office in the Senate. But with world conditions becoming worse year after year, the solutions offered us each year are no solutions at all. To me the problem is just that simple.

Can we not try our hand at something else? Are we barren of further ideas or programs? Are we to continue to add to the yoke of our burdens with no hope at all that the future will be lighter rather than heavier to bear? How long, I wonder, does the executive branch of our Government expect to tax the credulity of the American people? How thin can we be expected to stretch our resources before we reach the breaking point? Some end, of necessity, must be reached.

Someone has paraphrased the great Tennyson poem The Brook:

> Men may come and men may go, but by aid to the United Kingdom, it goes on forever.

Let me digress once more. When I reflect upon the debt we owe the mother country, even as I reflect upon the greatness of Mr. Churchill, who commanded the attention and admiration of free men everywhere with his challenges after Dunkerque, when, by the sheer force of his spoken word, he aroused mankind everywhere to a sense of responsibility for the inherited freedoms attending a free life in governments where men choose their leaders, I am ashamed now to think he could seriously advance the thought privately, much less openly, that there can be peaceful coexistence in the world until Russia shall cease her bloodless conquests of infiltration, and her continued enslavement of her satellites as well as her own people.

What the world sorely needs is a leader with Churchill's ability to paint a proper word picture for us. Mr. Churchill knows we gave the Russians over ten billions of lend-lease and postwar aid in loans and grants. What has been our reward for rescuing the Russian tyrants? Mr. Churchill, Mr. Attlee, Mr. Eden, Mr. Bevan, and the leaders in France and Italy know as well as, if not better, than you and I. We had the Iron Curtain before the close of World War II. It dropped in our face then. Mr. Churchill so correctly called the score at Fulton, Mo. My digression is to refer to our debt to the mother country.

No other nation on earth has the heritage that the British and the American people share in common. The glory of the Bill of Rights, trial by jury, the common law, the very essence of human liberty, and freedom for men everywhere, are acknowledgments to the foresight and sacrifices of our forebears. In the fields of science, literature, adventure, and government we have the right to boast aloud together, boasting not in vain self-glory, but boasting as models for those who seek freedom's way of life. Mortal man, enriched by the spiritual leaders of our Christian faith, is indebted for the accomplishments of Chaucer, Milton, Shakespeare, Pope, Coleridge, Browning, Sir Walter Scott, Dickens, Byron, Keats, Shelley, Tennyson, Kipling, and scores of others. A nation which produced such men has a right to safeguard its heritage. The privations of those on the *Mayflower*, the pact they signed, Capt. John Smith, Magellan, Sir Walter Raleigh, and the exploits of a thousand more of adventurous men of freedom are our heritage. The Cromwells, the Disraelis, the Lloyd Georges, and, in our most recent times, Mr. Churchill, are statesmen of the highest order.

I should dislike to be put to the test of singling out the greatest among just the few I recall, but were I to do so, as much as Mr. Churchill's latest pronouncements are distasteful to me, I should select him as the all-time great of the greatest that the British have given the world. He still has it within his power to influence mankind, and become to the world what George Washington is to us Americans. What a challenge is given him and Mr. Eden. I pray God to give them the courage and wisdom to grasp the challenge the world offers.

Now, Mr. President, more directly to our spendthrift policies of the great giveaway programs: We are warned to economize by those in the executive branch and by those here in this body. I join in that chorus, here and now. Will the rest of my colleagues join me?

I was amazed the other day, when it was suggested that we should increase the pay of our Federal workers 10 percent, to hear not one, but many persons, say that we cannot afford it at this time. It was stated that the Federal employees deserve such a pay raise, but that we could not afford to grant them one to that extent at this time.

Mr. LONG. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield to the Senator from Louisiana.

Mr. LONG. I am sure the Senator remembers that when there was a proposal to let the average citizen share in tax relief, we were told that we could not afford it. Does the Senator not recall that?

Mr. JOHNSTON of South Carolina. We were told that we could not afford to give such persons additional personal exemptions of $100 which probably would have meant a saving to such taxpayers of about $20 a year. We were told, "America cannot afford it."

There are no such figures available to me, and I doubt if anyone under the sun is capable of computing all the costs in manpower, resources, and financial assistance we have given.

There are two items of expenditures close at hand we can and should observe. The average postal worker's starting wage is $3,300. The yearly cost of maintaining the average soldier abroad—on guard at the portals of freedom, if you please—is about $5,000. Yet, we cannot afford to raise the mail carriers' wages. One produces a service; the other is nonproductive. I do not intend to go into a sickening comparison of value of these two items of expenditure. They are there, and someone else can explore their relative values.

Mr. LONG. Mr. President, will the Senator yield further?

Mr. JOHNSTON of South Carolina. I yield to the Senator from Louisiana.

Mr. LONG. The Senator from South Carolina knows, does he not, that the bill before the Senate embodies a program which was studied, considered, and planned at a time when there was a fighting war going on in Indochina?

Mr. JOHNSTON of South Carolina. That is correct.

Mr. LONG. Does the Senator recall that this Nation was paying the major part of the cost of fighting that war in Indochina? Since the hearings were held on the program which was proposed, the war in Indochina has come to an end and a truce has been signed. Yet the bill before us provides for just as much money as would have been requested had the truce in Indochina never been signed. Is that not correct?

Mr. JOHNSTON of South Carolina. That is true. I am sure the Senator would find it also to be true that, although we were pouring money into Indochina, and although France was supposed to have been the country most interested in that area, she dropped out and refused to carry on her part of the fight.

Mr. President, the present foreign-aid bill is supposed to be a model. We have picked up the broken ends and scattered threads of other pieces of legislation and combined them all in this one bill—so we are told. So far, so good. A brief moratorium of all legislation for some sober thinking would not hurt us at all. Maybe a reflection upon our prodigality will produce a program that will prove its worth. Certainly, in 9 years of trial this program has been, and is frankly admitted to be, a failure.

The bill is no new appraisal. No new approach to our problems is presented. The same old sterile methods are employed. We hear the same tunes on the same old record. A change in designation or terms is no change in purpose or objectives. The costly experiment has succeeded only in giving a few jobs to Americans here and abroad. Abroad they are hurting us, because they are not living as they would here. The lofty, aloof mode of their living, with their servants and detachments, hurts us. Many of our officials thus create more resentment than they are capable of incurring good will.

The other evening, on one of the local broadcasts, Jim Robinson, an NBC commentator who has spent many years in the Far East covering the news for American and certain English newspapers, broadcast his views. His comments are so pertinent and so much in line with much of my own thinking that I take the liberty of quoting him in part. He said:

The Communists are on the victory march in Asia. The Communists' ultimate goal is to conquer all the Far East. They say so, and they're in the process of doing it. The Communist operation in Asia is pure and simple totalitarian aggression, but it's disguised under national movements, reform movements, and such slogans as "Asia for the Asians."

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The price of our constant appeasement to communism in the Orient is beyond immediate calculation, but this is what's happening in the yet free Far Eastern nations. These countries now feel they have the proof the West isn't willing to face a showdown—not willing to use force to stop force. So these countries are in the process of their own agonizing reappraisal of the situation. Already many of these countries are frantically trying to achieve the role of neutrals. Many are casting secret feelers toward the Peking regime. Those nations want to see if a deal can be made—a deal whereby they might be able to coexist with the Communists—or if it might be possible to retain some sort of national sovereignty if and when all Asia goes Red.

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I've just returned from Indochina and I've seen why Asia is now in this frame of mind. For look what's happening in north Vietnam. You have there millions of ardent nationalists, anticolonialists—yet, but just as anti-Communist. Now our leaders promised to save these people from communism barely 2 months ago. But today we're joining in the nefarious act of handing these people over to the Reds. What example does this serve to the rest of Asia? What would you do or think if you were an Asian?

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Let's take an example of how the Communists operate in the field and how the United States operates in the field in Asia. We'll pick an unnamed Asian nation yet free. We want this country as an ally, the Reds want it as a satellite. Here is how the operation goes.

We pick a university gradute—clean-cut, intelligent, honest. His basic instruction is to go to this country and inform the people how nice democracy is—how bad communism is. This man has never been to Asia, doesn't know the language. He arrives and moves into a lovely home, has servants, a car, and chauffeur, and an air-conditioned office. And our man zealously goes to work putting out slick-paper pamphlets about how nice America is and what rats the Communists are. Good stuff for readers in Kansas City, but remote to the man in the street in Asia.

Now comes the Communist equivalent. First, he's an Asian, he speaks the local language, he lives with the people—in short, he is one of them, except he is highly trained—a specialist in Communist double-talk. When the Mr. Whong of Asia sits down in his local coffee shop, he meets this ardent Communist. But Mr. Whong doesn't realize this man is an agent. For this man speaks his language, talks of all the things bothering Mr. Whong and of course, adds his very cleverly planted seeds of revolt. A distorted picture? Unfortunately no. I wish it was.

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A lot of "huckstering" went on in the 1952 election campaign if you remember. To refresh your memory we quote here a radio spot announcement, September 1952 by Presidential candidate Eisenhower: "We are going to bring them [taxes] down. And here's how. We are going to cut out the billions that Washington is wasting and put that money back in the pockets of the people."

Mr. Robinson's reference to the methods employed by our representatives is noteworthy. They have not purposely failed us. They just simply are too pampered and too unschooled in the practicalities involved to be of any lasting assistance.

I want now to quote from a recent article by Mr. Ludwell Denny, of the Scripps-Howard chain of newspapers. His article, entitled "Subsidized Appeasement," is apropos at this time. Listen to what he said:

The American taxpayer, who financed the hopeless French colonial war in Indochina, will be asked next to subsidize the Geneva appeasement.

The billion-dollar-a-year American supply of arms is being shut off as a result of Red military victory in North Vietnam and political victory at Geneva, but France expects the United States to support with economic aid her colonial remnant in South Vietnam, Laos, and Cambodia.

According to the French and British, who signed into Red slavery 12 million North Vietnamese over protest of the Vietnam and United States Governments, only large American subsidies can save the rest of Indochina from going Communist in the next elections. In Cambodia and Laos elections are promised for 1955; and in South Vietnam, for May 1956.

There are several catches in this:

The truce terms are loaded in favor of the Reds, so that they can get the rest of Indochina by peaceful subversion. This is true not only in south Vietnam, where large pockets of Reds are allowed by the truce to operate for 10 months; but also in Laos, where Red invaders are permitted to remain.

The same French colonialism, which created the conditions for Red victory in the 8-year war, is to continue in south Vietnam under the truce. The long-promised but never granted Vietnamese independence may be given in some phony form, and the discredited and despised puppet Bao Dai may be belatedly dumped by Paris. But no representative Vietnamese Government is possible under the French, who have agreed to a partition of the country against the virtually unanimous protest of the non-Communist population.

Just as past American economic aid in Indochina failed to save French colonialism or to stop the Red flood, future economic subsidies under similar conditions are unlikely to have better results.

The same lack of American control of American funds, which wasted so many billions in the past, would drain future billions down the rathole. The French will not agree to adequate American control.

In addition to the futility of continuing to finance a French imperialism which has already collapsed, and which has degraded America's world reputation in the process, there are two basic fallacies in this whole approach.

One is the illusion that foreign countries can be bribed by American dollars to repulse communism. This has been disproved over and over again and in many lands, where Marshall plan aid failed because it was used to buttress evil conditions instead of for basic reform.

The second illusion is that economic aid, without a strong defense system, wards off communism. On the contrary, it only fattens up the victim for the Red kill. What happened in Indochina?

Unless France and Britain join in a fast and effective southeast Asian security system, the Reds will use the Geneva truce to get the rest of Indochina and then the others.

Mr. President, I consider Mr. David Lawrence, whose articles appear locally in the Evening Star, and who is the editor of the U. S. News & World Report, one of the country's greatest editorialists. His articles show a keen insight into world affairs, and he reflects a kind of Americanism which is attractive to me. In the Star recently, among other things, he said:

Maybe the French Government and the French people will not realize for some time to come what they have truly lost by the debacle in Indochina.

For one thing they have lost in America some of that wholehearted faith which has prompted the Congress to spend nearly $1 billion a year to help the French hold out in Indochina. They may have lost also a reliance by this country on the will of France to fight if the Communist invader marches across Europe. In either case, it's a damaging blow to the prestige of France. For never before has the weakness of the French as an American ally been so dramatically demonstrated, and it cannot but hasten the agonizing reappraisal which America will be asked to make now in order to concentrate her money and her manpower on the defense of this country.

It is an open secret that American military men have grown increasingly skeptical about the wisdom of maintaining large American forces in Europe which could be faced with the necessity of an emergency

evacuation if some future French cabinet suddenly decided to appease the Communist aggressor, as has just been done with Indochina.

For several months now the French Government has dilly-dallied with the European Defense Community plan. It is well known that the principal opposition inside France to the continuance of the Laniel cabinet was not its inability to liquidate the Indochina war but its sponsorship of the EDC plan. Now, with the Indochina truce a matter of history, the question is whether the cabinet of Mendes-France will dare to go ahead with the ratification of the EDC agreement. The prospect is a doubtful one, and, while not rejecting the EDC plan out of hand, an evasive maneuver may be begun to amend the plan. This could amount to the same thing as scuttling it.

The 100 Communists in the French Parliament, plus the leftwing groups there, are bitterly opposed to EDC, and with the rising tide of Moscow's prestige—manifested dramatically by her domination of the Indochina settlement—the real undercover campaign of the Soviet Government now will be to try to kill EDC.

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America has an important airbase in Morocco. The Communists are fomenting more trouble there, as they are in Tunisia. The northern borders of Africa are infested with Communist saboteurs who are bent on stirring up friction. The present Cabinet in Paris is well aware of the danger of more revolutionary disturbances in Tunisia and Morocco and is inclined to adopt a conciliatory course and to try giving the nationalistic elements some important concessions. These probably will not satisfy them, or at least the Communist mischief makers will see that they do not end the trouble.

His summary of the Geneva Conference—and he attended some of those sessions, conferred with Mr. Churchill and the Premier of France in person, as well as others in authority—appearing in the July 30 issue of the U. S. News & World Report—should be read and digested by all Americans. It is entitled "Conscience Takes a Holiday." I take pride in quoting him:

Once again, as at Munich in 1938, the democratic Governments of Britain and France have compromised their honor and made an abject surrender on the altar of expediency.

For the Geneva agreement on Indochina is no settlement. It is an appeasement. It is an act of moral cowardice. It will cost the governments who signed it more in prestige throughout the world than they ever will gain by their transparent attempt to glorify what they have just done as a step toward a so-called peace. Indeed, it may involuntarily bring on in the end the large war that the truce was designed to avoid.

For, despite the soothing words uttered for diplomatic reasons last week by our own officials, who, to their credit, refused to sign the agreement, the fact remains that it is a shameful chapter in the annals of free governments.

On April 28 last, at the opening of the Geneva Conference, Secretary Dulles warned his colleagues as follows:

"Peace is always easy to achieve—by surrender. Unity is also easy to achieve—by surrender. The hard task, the task that confronts us, is to combine peace and unity with freedom."

We have just witnessed the surrender of 12 million persons to Communist rule, with the prospect of another 11 million going the same route in a few months.

Neither peace nor unity nor freedom is in store for the peoples of Indochina.

For a long time we have heard the specious cry that the real issue in Indochina was French colonialism, even though the granting of full independence for the three states of Indochina has actually been under way.

Now these same states must bow to Communist colonialism. As for "independence," they will get the kind of independence that has come to Poland, Czechoslovakia, Bulgaria, Rumania, Hungary, Latvia, Estonia, and Lithuania—the living examples of modern slavery.

The Government of France engineered the surrender. The French Parliament is plagued by a bloc of 100 Communists who apparently care more about Soviet Russia than they do about France. They wouldn't even rise in tribute recently to the heroes of Dien Bien Phu when all the other members stood in respect for the dead.

It was the leftwing in Paris which forced the liquidation of the Indochina war. No Cabinet could stand if it refused to accept defeat in Indochina.

A fifth column brought about the surrender of France in 1940, and fifth-column influence accomplished the surrender of Indochina by the French in 1954.

Here is a classic example in which the fate of freedom in the world for millions of innocent persons is decided by the peace-at-any-price politicians of one country. America stood ready to aid, even with military force, but the French defeatists wouldn't agree to make the issue international, as it was in Korea. Even though this had been done, it might have been futile. For a veto by France against the use of maximum military power by the Allied commanders would have been in effect, and American lives might have been wantonly sacrificed. It is pertinent to recall that the obstinate refusal of the British and French Governments in 1950 to let General MacArthur bomb bases in Manchuria led in 1953 to the ignominious truce forced upon the United States in Korea.

The American Government in its Indochina policy has been consistent and honorable throughout, but it could not itself veto a unilateral decision of the French Cabinet.

Political expediency rules the day. "Peace at any price" has been substituted in Europe for honorable persistence in behalf of the moral law of mankind.

This can only embolden the aggressors and cause them to risk a try at further encroachment.

It can only weaken confidence everywhere in the leadership of the Western alliance.

It can only drive into the orbit of the Communist coalition those smaller countries of Asia whose cooperation in the defense of that area against Communist aggression is so vitally important.

It can only stimulate Moscow to complete the wreckage at Paris of the European Defense Community.

It can only cause many millions of Americans to lose faith in the sincerity of the British and French Governments and to urge an "agonizing reappraisal" of American foreign policy.

It can only cause many of us to wonder whether American troops now based overseas may be subjected to a sudden jeopardy by a fateful turn in the policies of some volatile French Cabinet of the future.

It can only cause a political upheaval inside West Germany, where a movement to appease Soviet Russia is already under way.

For tragedy inevitably follows tragedy when moral principle is abandoned and conscience takes a holiday.

Now I wish to be a little more specific. I oppose section 414 of this bill. Its conceptions and consequences are too far reaching to treat upon fully in the brief time I have allocated to myself. It is an insurance guaranty program introduced for the first time in these give-away programs styled for mutual aid and mutual security. It is an RFC plan or scheme on an international basis guaranteed by the United States. Have we not seen revealed here in our midst the schemes and near frauds and wiles we have in our home loan operations to satisfy us that we should never undertake on an unlimited scale or worldwide basis a program of these proportions. If section 414 is adopted we start winding a ball we will never be able successfully to unwind.

Is it not bad enough to see our guaranties spoil on us here under our noses in our housing program? The windfall profits, the high appraisals, the high rents and the newly made rich—do we want more?

Mr. President, if the Congress adopts section 414 and sets up the machinery for its administration we create opportunity for scandal and wrongdoing beyond the ability of any of us to predict. I wonder whose brainchild this scheme is. The sweet honeycombed words about free enterprise are wholly insufficient to shield the danger lurking in an adventure of this sort. What have we come to, Mr. President? It is bad enough to tax our people and give away the money extracted from their earnings for the aid of our friends and so-called friends. Are we also to guarantee the investment of every Tom, Dick and Harry in every conceivable scheme that the one-worlders can devise? This section 414 standing alone would fully justify our calling this program to an immediate halt. Do the men in this program not have any sense at all of the natural limitations on our abilities?

In April 1952 there appeared in the Washington Post and Times Herald the following news item:

A total of 7,293 Europeans and 225 Orientals have received free tours of the United States in the last 2 years at a cost of $14,611,000 to the American taxpayers, the Mutual Security Agency reported yesterday.

The visitors came here to learn the advantages of our way of life and to learn the production skills of our farms and factories.

The governments of the visitors in most instances paid their transportation to the United States, MSA said. Once they got here, however, Uncle Sam started picking up their tabs.

In most cases, the visitors have been given $12 a day by our Government to pay their board and room. It also supplied them with free railroad, plane and bus tickets for extended tours about the country.

The figures supplied by MSA indicate that it has cost the taxpayers an average of $1,943 for each visitor receiving one of the MSA trips.

"Approximately 150 delegations from more than a dozen countries participating in the MSA technical-assistance program will study and observe foundry operations in the United States during the next 2 months," an MSA report said.

"One of the most carefully integrated series of projects under the ECA-MSA technical assistance program will reach a high point in April, when 20 leading research representatives from 9 Western European countries arrive for a 7-week study of United States and Canadian applied research institutions," another part of the report said.

"To help Austrian enameling firms make operational improvements that will be reflected in higher wages and lower prices, a 5-week study program in the United States

is being arranged for 10 representatives of the industry," the report said elsewhere.

I dare say not a member of this body in this election year would for a moment attempt to justify the waste referred to in this article. If we cannot justify it to those we speak for here, there must be something in it that is inherently bad. Very frankly, the people of South Carolina in my judgment did not send me here to squander their tax dollars to help Austrian enameling concerns to make operational improvements that will reflect higher wages and lower prices in Austria. How in the name of heaven such an expenditure can be said to be mutual aid or for our national security is simply beyond my comprehension. I am told there are just as many more wildcat schemes as this one being promoted at the expense of the hard-taxed American people. When, Mr. President, are we going to do something for our own here at home?

The luxury of smoking is not one of my tax burdens. Many Americans enjoy smoking cigars and cigarettes. I imagine the greater part of the male element of the constituency which I have the honor to represent enjoys smoking. I am told that the actual cost of the production and marketing of an average pack of cigarettes is around 7 cents. The average price for a pack is 21 cents. Who gets the difference of 15 cents? The tax collector for the State and the United States Government. This is an item affecting a great many of our people's pocket book. There are hundreds of other items. Some are necessities, not luxuries. Yet we wring, in the form of hidden taxes, millions and millions of dollars from the American people and squander them in these base and senseless give-away programs.

How many American people are acquainted with Mr. Stassen's operation-reindeer program of last year? What a trip Santa Claus made at the expense of the American people. Over $15 million of our foreign aid money was spent buying Christmas presents. We have officials over there falling all over themselves in this foreign-aid program. None of them could inspect the giving away of this Christmas cheer. Mr. Stassen had to select four couples here to go abroad at our expense to report back to us on the success of operation reindeer. They each received this free Christmas vacation abroad and were paid in addition $25 per day. They sent a man and his wife in each instance. The Comptroller General ruled that the items could not be questioned. The reason is we have given a blank check of billions of dollars to be spent in somebody else's judgment.

Messrs. SMITH, ADAIR, BENTLEY, and Mrs. CHURCH, all Republican members of the Foreign Affairs Committee of the House, submitted a minority report in opposition to H. R. 9678. Among other things they said:

Our failure to agree with the philosophy and lack of realistic direction in this bill in no sense indicates any less interest on our part than on the part of those who support this bill in believing in the danger of communism and in the necessity for arousing the free world in defense of its principles and of its very existence. But it is our firm conviction, as it was last year, that we may be in more danger by clinging to old methods and by using wornout and discredited tools if, by refusing to question the success of those methods, we delay in reappraising the desperate situation in which the world finds itself and United States policy with respect to that situation.

We have grave doubts concerning the patchwork mutual security program and its philosophy of materialism. We have grave doubts as to the wisdom of relying on huge grants of money and weapons as the core of our foreign policy. We have doubts as to the intentions or willingness of our so-called allies. In short, we have doubts concerning the size, direction, and the haste with which this program is being considered in the light of the present state of uncertainty. * * *

* * * There exists in our minds a grave and fundamental question concerning the wisdom of enacting now what is considered permanent legislation. This is particularly so in view of the unsettled world conditions which become even more unsettled with each passing day and the widespread uncertainties in high places as to our own foreign policy. * * *

* * * The concept of the European Defense Community, as has already been indicated, has to date been a failure. Even if the European Defense Community Treaty should be ratified, we feel that the long delay and the strains and suspicions such delay has brought to the collective security effort in Western Europe may have defeated the very purpose of that organization.

What that minority of Republicans who are adverse to this bill said to the membership of the House, may I repeat to the Senate:

(1) We are not so desperate that we must authorize nearly a billion dollars to be used in southeast Asia and the Pacific without any knowledge of how, when, and where.

(2) We are not so desperate that we cannot extricate ourselves from reliance on unwilling and vacillating associates in the family of nations.

(3) We are not so desperate that we must rely on defunct governments and colonial regimes.

(4) We are not so desperate that we must continue with an outmoded and steadily failing patchwork of foreign policy programs.

(5) We are not so desperate that we cannot summon up our genius, ingenuity, and varied capacities to bring to the world at least a partial answer to its troubles.

(6) We are not so desperate that our only contribution to the world's problems must be money and weapons, with the resultant disdain which they create for us.

(7) We are not so desperate that we dare not exercise a leadership—spiritual, moral, and political—worthy of a great heritage and of a great people.

We feel compelled to remind the membership of this House that we stated last year, as we state now:

"It would therefore seem to us particularly essential that we evaluate the present program in the light of what similar programs in the past have failed to accomplish; and from the point of view of whether or not it offers fulfillment of pledges made to the American people."

Responsibility in world affairs is a serious matter for the future of our Nation and its people. It calls for the courage to admit past and present failures and the fortitude to chart a new course.

Since World War I, certain countries are in default in loans to them for that war, yet we still furnish the money for further loans through the Export-Import Bank. The figures are enough to alarm us all. Here they are:

Country	World War I debt	New loans Export-Import Bank
Austria	$26,024,539.59	$3,256,499
Belgium	570,107,077.60	84,749,880
Finland	7,286,040.18	90,305,000
France	5,280,785,801.87	1,121,308,609
Greece	40,360,275.10	13,689,519
Italy	2,107,012,659.34	52,209,791
Poland	363,822,784.20	40,117,432
Yugoslavia	65,861,718.78	54,767,855
Total	8,461,260,876.66	1,460,504,585

Finland has done well. She is paying off her debt. She owes only a little more than $7 million.

Now England has kept alive her arrearages from World War I, by paying the interest and making a few curtails of the principal. Notwithstanding this, however, England owes us from those earlier loans a balance of $7,630,859,301.93.

Mr. President, no harm can come to us or any program we have or may formulate if we defer the consideration of the bill for 1 year.

To summarize, Mr. President, I am opposed to the bill because (a) it is based upon false premises; (b) its like predecessors are known failures; (c) a new policy is overdue, and the policy this bill pursues has failed; (d) its provisions amount to an unlimited delegation of our power of legislating; (e) the bill is an authorization of power to spend with no authority retained to supervise that spending; (f) its provisions are too elastic, indefinite and uncertain; (g) its provisions will not accomplish its objectives.

While the problems affecting our foreign affairs are gigantic, we ought, by careful study and the application of common sense, be able to solve them. This, I am afraid, we are not doing and for these reasons, I oppose the passage of the pending bill.

Mr. President, realizing the attitude of the Senate, realizing that the bill will have to be voted upon, and that amendments will be offered, I send to the desk an amendment which I believe will help the American farmer. I ask to have the clerk read the amendment.

The PRESIDING OFFICER. The clerk will state the amendment.

The LEGISLATIVE CLERK. On page 110, line 17, after the dash it is proposed to insert "(a)."

On page 111, between lines 10 and 11 insert the following:

(b) So long as (i) funds are available to reimburse the Commodity Credit Corporation as provided in this subsection, and (ii) sufficient stocks of Commodity Credit Corporation remain available, any nation eligible for assistance under any provision of this act shall be eligible for assistance under this subsection. Any such nation purchasing any surplus agricultural commodity either—

(1) with foreign currency under subsection (a) of this section or title I of the Agricultural Trade Development and Assistance Act of 1954, or

(2) with dollars or other media of exchange

shall be furnished by grant from stocks of the Commodity Credit Corporation an additional quantity equal in value to one-half of that part of the quantity so purchased

which exceeds the average quantity (of United States origin) purchased by such nation during the 3 years preceding the enactment of this act. So much of the funds authorized to be made available pursuant to this act as may equal the export value, as determined by the Secretary of Agriculture, of the commodities required to be granted under this subsection shall be used to reimburse the Commodity Credit Corporation for such commodities. All surplus agricultural commodities owned by the Commodity Credit Corporation shall be available for sale at the fair export value thereof to nations eligible for assistance under this act.

The PRESIDING OFFICER (Mr. GOLDWATER in the chair). Does the Senator from South Carolina desire his amendments to be considered en bloc?

Mr. JOHNSTON of South Carolina. It is in reality only one amendment.

The United States in maintaining and protecting its own economy has acquired agricultural commodities which are surplus to its needs. We have surpluses of cotton, corn, wheat, and many other agricultural commodities, sufficient for a whole year. We have dairy products so much in surplus that we do not know what to do with them. Many of these commodities are needed by friendly nations which are not in a position to pay the full price for them. The amendment proposes that these commodities instead of tax dollars be used to assist these countries. The amendment provides that the Commodity Credit Corporation shall give one unit of any surplus agricultural commodity for each 2 units purchased by any country eligible for assistance. The two units purchased might be purchased with foreign currency under either the Agriculture Trade, Development, and Assistance Act of 1954, or section 402 of the bill, or might be purchased with dollars or anything else of value acceptable to the Commodity Credit Corporation. The gift shall not take effect until the country exceeds the average quantity purchased of United States commodities of United States origin by such nation during the 3 years preceding the enactment of this bill.

Mr. SCHOEPPEL. Mr. President, will the Senator yield for a question?

Mr. JOHNSTON of South Carolina. I yield.

Mr. SCHOEPPEL. I have noted with interest what the distinguished Senator proposes by his amendment. I take it the Senator is having some difficulty in agreeing to the Senate committee amendment covering certain phases of the subject he is discussing.

Mr. JOHNSTON of South Carolina. That is true.

Mr. SCHOEPPEL. Does the Senator agree generally with the provision which was included in the House bill, in section 402?

Mr. JOHNSTON of South Carolina. I do not recall the section of the House bill to which the Senator from Kansas refers.

Mr. SCHOEPPEL. If the Senator will indulge me, section 402 of the House version, entitled "Earmarking of Funds," provides as follows:

Of the funds authorized to be made available pursuant to this act, not less than $500 million shall be used to finance the purchase and export of surplus agricultural commodities, or products thereof, produced in the United States, and foreign currency proceeds therefrom shall be used for the purposes of this act pursuant to section 104 of the Agricultural Trade and Development Act of 1954.

I take it that the distinguished Senator does not agree with the Senate committee's version of the bill. Personally, the senior Senator from Kansas feels that the Houses provision is much better, and is more nearly in keeping with the intent of the Senate and the House.

Mr. JOHNSTON of South Carolina. I agree with the House verson of the bill, to which the Senator from Kansas has called my attention, but I do not agree with the Senate version.

My amendment provides that the Commodity Credit Corporation shall give to a foreign country one unit whenever it purchases two, but the gift shall not take effect until the country exceeds the average quantity of commodities of United States origin purchased by such nation during the 3 years preceding the enactment of this bill. In other words, the purchases have to exceed the average of those 3 years before those countries will be given one unit in addition. That provision is intended to encourage other nations to purchase the surplus commodities we have on hand. If we are going to give money to other countries, let us provide that some of that money shall be used so that we can get rid of some of our surplus commodities.

The export value of the commodity given away would come out of funds made available pursuant to the bill; and to the extent that eligible nations desired to avail themselves of the benefits of this provision, all of the funds so made available would be earmarked for this purpose.

It is not compulsory on any nation, but the incentive is held out to them and they are encouraged to buy surpluses which we have in America. We in effect say to those countries that the gift does not take effect until their purchases exceed what they have been buying during the preceding 3 years, and then we tell them, "Buy two units, and we will give you one free, but pay for what you purchase from the money which is given to you under the bill."

The PRESIDING OFFICER (Mr. GOLDWATER in the chair). The question is on agreeing to the amendment of the Senator from South Carolina [Mr. JOHNSTON].

All those in favor will signify by saying "aye"; those opposed, "no."

The Chair is in doubt. All in favor of the amendment please rise.

Mr. SMATHERS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. SMATHERS. Which amendment is now before the Senate?

The PRESIDING OFFICER. The amendment offered by the Senator from South Carolina [Mr. JOHNSTON].

Mr. SMATHERS. I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Goldwater	McCarran
Anderson	Gore	McCarthy
Barrett	Green	Millikin
Beall	Hayden	Monroney
Bennett	Hendrickson	Morse
Bowring	Hennings	Mundt
Bricker	Hickenlooper	Murray
Bridges	Hill	Neely
Bush	Holland	Pastore
Butler	Humphrey	Payne
Capehart	Ives	Potter
Carlson	Jackson	Purtell
Case	Jenner	Reynolds
Chavez	Johnson, Colo.	Robertson
Clements	Johnson, Tex.	Russell
Cooper	Johnston, S. C.	Saltonstall
Cordon	Kennedy	Schoeppel
Crippa	Kerr	Smathers
Daniel	Kilgore	Smith, Maine
Dirksen	Knowland	Smith, N. J.
Douglas	Kuchel	Sparkman
Duff	Langer	Stennis
Dworshak	Lehman	Symington
Ellender	Lennon	Thye
Ferguson	Long	Upton
Flanders	Magnuson	Watkins
Frear	Malone	Welker
Fulbright	Mansfield	Wiley
George	Martin	Williams
Gillette	Maybank	Young

The PRESIDING OFFICER. A quorum is present.

The question is on agreeing to the amendment of the Senator from South Carolina [Mr. JOHNSTON].

Mr. WILEY. Mr. President, the distinguished Senator from South Carolina has, at the last moment, submitted this amendment. Personally, I have tried to understand it. I have had several farm experts try to understand it and to help me in understanding it. The amendment presents more or less of a conundrum.

Mr. FLANDERS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Vermont will state it.

Mr. FLANDERS. Was not a vote begun? Are not we in the middle of a vote?

The PRESIDING OFFICER. No.

Mr. FLANDERS. Is the answer of the Chair in the negative?

The PRESIDING OFFICER. The answer is in the negative.

Mr. FLANDERS. I thank the Chair.

Mr. WILEY. Mr. President, the provision of the amendment, which has been submitted for the first time, and which we have seen for the first time, are such as to cause one to think twice in an effort to comprehend them. I have asked several distinguished Senators just what the amendment means.

I wish to say that the provisions of section 402 of the bill, entitled "Earmarking of Funds," were carefully worked out and were approved by both the administration and our committee.

The problem outlined in the amendment is too complicated to be legislated on hastily on the floor of the Senate.

The amendment would seem to disrupt the normal channels of trade. It provides, as I understand it, that if one country or another were to buy 2 bushels of wheat, a third bushel would be given to that country.

The amendment would have an adverse impact upon world prices. It would encourage dumping. The amendment would also adversely affect our

relationships with friendly agricultural states, in my opinion. They would greatly disapprove of our selling agricultural commodities at prices below world prices.

The amendment would increase to an unpredictable extent the proportion of the funds under the program to be used for the purchase of agricultural commodities, and consequently would decrease the proportion to be used for other parts of the program.

Let me call attention to section 402 of the bill, entitled "Earmarking of Funds." It provides, in part:

> Of the funds authorized to be made available pursuant to this act not less than $350,000,000 shall be used to finance the transfer of surplus agricultural commodities or products thereof produced in the United States in addition to surplus agricultural commodities or products transferred pursuant to the Agricultural Trade Development and Assistance Act of 1954, and foreign currency proceeds therefrom shall be used for the purposes of this act.

Mr. President, I ask that the amendment of the Senator from South Carolina be rejected.

Mr. JOHNSTON of South Carolina. Mr. President, I think I should explain the amendment briefly. As everyone knows, at the present time we have large quantities of surplus agricultural commodities. I believe that every person who is interested in agriculture is trying to do something to get rid of some of our surplus agricultural commodities.

To show that we are trying to do something, we passed this year a bill appropriating $1 billion, which is supposed to constitute a revolving fund designed to assist in disposing of our surplus agricultural commodities.

This bill in section 402 authorizes the sum of $350 million for the purpose of financing the transfer of such surplus commodities.

The House bill, as it came to the Senate, authorized $500 million, instead of $350 million.

The only thing my amendment does is to say to a recipient country, "You are under this plan of ours to be given assistance; you are promised so much money; you are entitled to so much. If you care to do so, you can put yourself in a position to get the money provided you buy with it farm commodities whatever they may be to the extent you may need them. When you have purchased, on an average, what you have been purchasing during the past 3 years, then for every 2 units of particular commodity you purchase we will give you 1, and it will be paid for out of the $350 million contained in this bill."

Mr. THYE. Mr. President, will the Senator yield for a question?

Mr. JOHNSTON of South Carolina. I yield.

Mr. THYE. Would the Senator confine it to nations or would it be possible for an individual to participate?

Mr. JOHNSTON of South Carolina. It is confined to a nation; it is for them to say that they have bought the commodities—not any one individual, but a nation.

When the nation buys as much, on an average, as it has during the preceding 3 years, then we say to that nation, "You can avail yourself of this provision, if it is agreeable both to Mr. Stassen and to you."

Mr. THYE. Mr. President, if the Senator will yield further, may I ask then, if a nation that had not done business with the United States took advantage of the provision, it would immediately be privileged to buy 2 bushels, and be given 1 bushel; would it not?

Mr. JOHNSTON of South Carolina. My hat is off to anybody who wants to come to the United States for the purpose of buying our surplus commodities. I want to sell the surplus commodities. If a nation has never bought any of them let it come in. I want to build up new trade and sell our commodities.

The surpluses are causing trouble today, and we have to get rid of them. Until other nations buy them from the United States, we will continue to be in a bad fix.

Mr. FLANDERS. Mr. President, I wish to get some satisfaction on a parliamentary point. The Chair put the question on the amendment of the Senator from South Carolina, and some Senators said "Aye" and some said "No," and then there was a quorum call, and now the discussion proceeds.

I should like a clear picture of what we can do after the question has been put, and Senators have voted "aye" and "no".

The VICE PRESIDENT. The Chair will respond to the parliamentary inquiry of the Senator from Vermont. The Chair understands that the previous occupant of the chair had announced that he was in doubt; consequently, the vote had never been consummated. Under the circumstances, therefore, additional debate is permissible.

Mr. KNOWLAND. I ask for the yeas and nays on this amendment of the Senator from South Carolina.

The VICE PRESIDENT. Is there a sufficient second?

The yeas and nays were ordered.

The VICE PRESIDENT. The legislative clerk will call the roll.

The legislative clerk called the roll.

Mr. CLEMENTS. I announce that the Senator from Ohio [Mr. BURKE], the Senator from Virginia [Mr. BYRD], the Senator from Mississippi [Mr. EASTLAND], the Senator from North Carolina [Mr. ERVIN], the Senator from Tennessee [Mr. KEFAUVER], and the Senator from Arkansas [Mr. MCCLELLAN] are absent on official business.

I announce further that if present and voting the Senator from Ohio [Mr. BURKE], and the Senator from North Carolina [Mr. ERVIN] would vote "nay".

The result was announced—yeas 32, nays 58, as follows:

YEAS—32

Anderson	Johnson, Colo.	Monroney
Chavez	Johnson, Tex.	Morse
Clements	Johnston, S. C.	Mundt
Dworshak	Kerr	Murray
Ellender	Kilgore	Neely
Gillette	Langer	Russell
Gore	Lehman	Stennis
Hennings	Mansfield	Symington
Hill	Maybank	Welker
Humphrey	McCarran	Young
Jackson	McCarthy	

NAYS—58

Aiken	Flanders	Millikin
Barrett	Frear	Pastore
Beall	Fulbright	Payne
Bennett	George	Potter
Bowring	Goldwater	Purtell
Bricker	Green	Reynolds
Bridges	Hayden	Robertson
Bush	Hendrickson	Saltonstall
Butler	Hickenlooper	Schoeppel
Capehart	Holland	Smathers
Carlson	Ives	Smith, Maine
Case	Jenner	Smith, N. J.
Cooper	Kennedy	Sparkman
Cordon	Knowland	Thye
Crippa	Kuchel	Upton
Daniel	Lennon	Watkins
Dirksen	Long	Wiley
Douglas	Magnuson	Williams
Duff	Malone	
Ferguson	Martin	

NOT VOTING—6

Burke	Eastland	Kefauver
Byrd	Ervin	McClellan

So the amendment of Mr. JOHNSTON of South Carolina was rejected.

MESSAGE FROM THE HOUSE—ENROLLED BILL SIGNED

A message from the House of Representatives, by Mr. Bartlett, one of its clerks, announced that the Speaker had affixed his signature to the enrolled bill (H. R. 7839) to aid in the provision and improvement of housing, the elimination and prevention of slums, and the conservation and development of urban communities, and it was signed by the Vice President.

THE JUNIOR SENATOR FROM WISCONSIN

Mr. FLANDERS. Mr. President, I call up the resolution of censure which lies on the desk.

The VICE PRESIDENT. The clerk will read the resolution.

The CHIEF CLERK. The Senator from Vermont proposes the following resolution (S. Res. 301):

> *Resolved*, That the conduct of the Senator from Wisconsin [Mr. MCCARTHY] is unbecoming a Member of the United States Senate, is contrary to senatorial traditions, and tends to bring the Senate into disrepute, and such conduct is hereby condemned.

Mr. KNOWLAND. Mr. President, will the Senator yield at this point?

Mr. FLANDERS. I yield.

Mr. KNOWLAND. Mr. President, I merely wish to say that we have a large attendance of Senators tonight, and undoubtedly will continue to have during the course of the evening. The galleries are full. A number of persons are standing around the walls of the Chamber. I hope everyone will recognize that the rules of the Senate do not permit indications of approval or disapproval. It will be difficult enough to carry on the debate this evening, and we shall need the cooperation of everyone present in order that there may be no demonstrations of any kind.

Mr. FLANDERS. Mr. President——

The VICE PRESIDENT. The Senator from Vermont is recognized.

Mr. FLANDERS. A resolution of censure of one of its Members by the Senate is a serious but not unprecedented matter. The most recent case occurred in 1929 when a Republican Senate censured

a Republican Senator for introducing an unauthorized person into the executive sessions of his committee. This matter is indeed a serious one. It is therefore important that a bill of particulars be offered to support the motion of censure. My own list of particulars I now proceed to offer though other Senators will have many other matters in their minds besides those which I am specifying.

Item 1: In my talk on the Senate floor on June 11 I called the attention of the Senate to the fact that in the closing days of the 82d Congress serious charges were made against the junior Senator from Wisconsin. A subcommittee of the Rules Committee felt that those charges were so serious that they addressed to the junior Senator from Wisconsin—hereinafter designated as the Senator—a list of questions. Neither at that time nor now do I pass any judgment on the charges on which these questions were based. What I do charge is that the Senator was repeatedly asked to reply to the questions and that he repeatedly refused or neglected to do so, classing them as smears and ignoring them. In so doing, the Senator showed personal contempt for the subcommittee. He likewise expressed doubts as to their honesty and as to their jurisdiction in the matters concerned.

The Senate itself, by a vote of 60 to 0, upheld the honesty and the jurisdiction of its committee and subcommittee. The personal contempt of the Senator was thereby spread over the Senate as a whole and there it remains to this day.

It may be objected that all of this relates to old and forgotten matters. They are old but not forgotten. The Senator cannot pass them off lightly on that account, however, because he habitually digs up matters of far greater age and does not hesitate to use them against anyone whom he calls before his committee or its subcommittees.

As a matter of fact, there is no statute of limitations which runs against this kind of contempt because it is personal, not legal. It remains upon us indefinitely unless and until the Senator chooses to cleanse himself by answering the questions.

If he continues to refuse answering, he finds himself, however informally, in the same category as the fifth-amendment Communists. He is quite evidently occupying the same ground and can scarcely avoid being called a fifth-amendment Senator.

This first item of the bill of particulars affects the Senate's honor and is therefore pertinent to the resolution which has just been read and supports its importance and validity.

Item 2: In the spring of 1953 the Senator sent abroad a pair of investigators named Cohn and Schine who were instructed, we suppose, to seek for subversion, Communist literature, and other Communist influences in our embassies and operational staffs abroad. He is responsible for the words and acts of these men. He appointed them. He has never repudiated their words and acts.

This ineffable pair was frivolous and irresponsible beyond words to describe. We took that expedition too lightly. We were amused by it, albeit in a rueful sort of way. But Cohn and Schine caused no amusement in Europe. They caused amazement that led to serious doubts as to the seriousness, responsibility, and intelligence of this Government as represented by emissaries of its upper legislative chamber. No one can know the dismay which was spread among our friends abroad unless he has heard it from those friends at first hand.

This calamity came at a time when the responsibility for world leadership could not be escaped by this Nation if we were not to see the world crumble to ruins around us in a destruction which we will ultimately share. Here again the Senate's honor and, in addition, the Nation's honor, have been compromised by the Senator's irresponsible staff and here is another major item in the bill of particulars.

Item 3: The Senator has an habitual contempt for people——

Mr. WELKER. Mr. President, will the Senator yield?

Mr. FLANDERS. I yield.

Mr. WELKER. Let me say to the Senator from Vermont that I will not consent to the first sentence of item No. 3. No matter what the Senator from Vermont may think of the Senator from Wisconsin and his investigation of communism, I happen to know that he does not have a contempt for people. He loves my child and my wife, and he loves the children of almost every other Senator. I will not allow that statement to go unchallenged.

Mr. FLANDERS. I proceed.

This contempt is so all-pervasive that it appears whenever we hear his words or see him in action. It was displayed on every hour of the televised hearings if I am to believe people who spent more time before the screen than I did. It appears in the press reports of those hearings and of every hearing. It is habitual in his own press releases.

I will give but two examples among a multitude which might be brought to bear on this particular issue. In the Army hearings General Zwicker was badgered to the point where he became, to use the Senator's words, one of the most "arrogant" witnesses that had ever appeared before him. The Senator thereupon used language to him that no man with any human decency would have ever used—particularly one whose own military career is, according to reports, the reverse of illustrious to one whose military services for his country are on full record and are beyond question.

The language was astonishing, the situation extreme, but the contempt was, and is, habitual.

Mr. WELKER. Mr. President, will the Senator yield?

Mr. FLANDERS. I yield.

Mr. WELKER. Is the Senator familiar with the INS news report from Cambridge, Mass., on June 11, after the occurrence of which he has just spoken? I quote it.

"MUST LIVE WITH REDS"—ZWICKER

CAMBRIDGE, MASS., June 11, 1954.—Brig. Gen. Ralph W. Zwicker, Commanding General of Camp Kilmer, N. J., believes democracy and communism must find a means of coexistence.

The General, alleged abuse of whom by Senator MCCARTHY (Republican, Wisconsin) touched off the current Army-McCarthy hearings.

Zwicker spoke at exercises at Massachusetts Institute of Technology at which 146 seniors were commissioned as Reserve officers.

The general, who MCCARTHY declared was "unfit to wear the uniform," said:

"It becomes more apparent that the conflict of ideologies between peoples and nations who profess the democratic way of life and those people in countries that lean to communism must crystallize a formula whereby the conflicting ideologies may coexist. * * *

"In conclusion that there is no basis for coexistence must lead inevitably to conflict."

Is the Senator from Vermont familiar with that report?

Mr. FLANDERS. I am not, but I shall go to the sources and examine them.

Mr. WELKER. I hand it to the Senator.

Mr. FLANDERS. That is not the source. I shall go to the source.

Mr. WELKER. Very well.

Mr. FLANDERS. I now proceed.

The second instance is one that has happened within the past few days. In trying to explain to the Rules Committee the sweet reasonableness of the procedures which the Senator always uses in his hearings, he made the charge that he knew one Dorothy Kenyon to be a member of the Communist Party on the testimony of 2 witnesses. She has completely denied this under oath. The next step would be to prosecute her for perjury, but the Senator says he contemplates doing nothing about the matter. This, by the way, is from the news report of the hearing.

The fact that he has made charges of such seriousness and lets them hang over the victim for the rest of her life without attempt on his part to prove them or offering her the chance of disproving them, is a direct insult to the personality and the soul of the victim. The astonishing thing is that the Senator does not know that he is insulting.

This thing happens over and over and over again. Unrebuked it casts a blot on the reputation of the Senate itself. It also makes plain the impossibility of controlling exhibitions of innate character by any change in the rules. The Senator can break rules faster than we can make them.

This list will do for an illustration of my own bill of particulars. Any Member of this body will find an inexhaustible mine of incidents from which each can draw his own bill of particulars.

By the way, I hold in my hand an additional list of particulars numbering 33—not 30, not 40, not 128, not 27, but 33.

We now come to a major question which is raised by this sad affair. That question is, who is going to prosecute Communists if the Senator's operations have the shadow of censure cast over them? The answer is simple. There will be no loss at all to the anti-Communist campaign. The Senator's contributions have been minor and comparatively unimportant.

"I have in my hand," to use one of the Senator's pet phrases, a list of the Department of Justice cases under the Smith Act as reported on July 29, 1954. There have been 13 such cases in which 103 persons have been indicted and 72 convicted in the trials already completed. Twenty-eight of the persons indicted are still on trial or awaiting trial. This is an impressive list, but the Senator made no contribution to this successful round-up of Communists.

There has been another series of cases based on grand jury indictment and FBI reports. Some of these are still going on.

In the Amerasia case Jaffee pleaded guilty, Larson entered a plea of nolo, and the Ross case was nol prossed. The credit does not go to the junior Senator.

Hiss was indicted, tried, convicted, and sentenced. The credit for that must go to the man who is now our Vice President. It does not go to the Senator.

Remington, after 2 trials, was convicted on 2 counts, and sentenced to 3 years. The Senator had no hand in that.

Julius and Ethel Rosenberg were convicted, sentenced, and executed. The Senator had no hand in that.

Harry Gold entered a plea of guilty for accepting atomic secrets from Dr. Fuchs. He was sentenced to 30 years. The Senator had no hand in this.

Coplon was tried twice with her co-conspirator Gubitchev and both were sentenced. Gubitchev's sentence was suspended if he would return to Russia, which he did. The Coplon sentence was denied by the court, but the case is still pending. The Senator had no hand in bringing this case to the public attention.

Ben Gold, president of the International Fur and Leather Workers Union, was convicted of making false statements in denying that he was a member of the Communist Party. The Senator had no part in this.

Verber and Ponger were convicted of conspiracy to transmit national defense information to Russia. They entered pleas of guilty and were sentenced to periods running from 5 to 15 years. The co-conspirator in the Soviet Embassy was declared persona non grata and departed for Russia. The Senator had no part in this.

The Lattimore case is the only one of the major cases of Communist Party conspiracy and espionage in which the Senator has had a hand. Perjury proceedings are pending in his case but no conviction has been obtained. This is the one major feather in the war bonnet of the Senator.

Here we have the really serious and effective work of ridding the country of communism done by others without the blowing of trumpets or the beating of drums. It has been done quietly, efficiently and thoroughly by the FBI and the Department of Justice.

The Senator's work has resulted in some desirable dismissals. So far as I am aware, he has never claimed credit for a single successful prosecution.

As to the pink dentist, the wide world knows he was the original fuse which set off the 7 weeks fusee of the McCarthy-Army investigations whose net result to date has been the departure of Mr. Cohn. The investigation might never have been held if the Secretary of the Army had not tried to appease the Senator. I think one may say with some assurance that there are three who cannot be appeased. They are, or have been, Hitler, the Kremlin, and the Senator.

Even in the cases that the Senator has turned up, this has been done by "muscling in" on the authorized work of another committee. The job of fighting communism in the Government is the responsibility of the Subcommittee on Internal Security, of the Judiciary Committee, headed by the Senator from Indiana [Mr. JENNER]. It was a case of "double-muscle" when the Senator started his investigation of communism in the unions in the Boston area, for he not only took over the job of the Senator from Indiana, but also the subcommittee job to which the Senator from Maryland [Mr. BUTLER] had been assigned. No one who knows the Senator from Indiana and the Senator from Maryland can have the slightest fear that the fight against communism will be neglected by them, or carried out otherwise than with efficiency and determination.

Meanwhile the proper work of the Committee on Government Operations was being left undone except as it was carried out by one man without a staff and without an appropriation. I refer, of course, to the Senator from Delaware [Mr. WILLIAMS], who has done a tremendous job in ferreting out corruption and bringing it to justice.

Mention should also be made of the work currently going on in the Banking and Currency Committee in investigating the scandals in housing. There is plenty of work for the junior Senator from Wisconsin to do in his appointed field without raiding the jurisdictions of his fellow Senators.

Mr. President, whether as orator or audience, I prefer short speeches. I therefore conclude for the present at this point.

Mr. KNOWLAND. Mr. President, the resolution of the Senator from Vermont would open up a debate which would be likely to continue for a minimum of 2 days, and perhaps into next week. I am sure he and other Members of the Senate understand that this would further disrupt the legislative schedule and jeopardize the President's program. The legislative schedule is a heavy one, and it will require daily meetings of the Senate and long hours to complete.

I have been told on the highest authority that the CIO and the Americans for Democratic Action want this proposal favorably acted on now. They have a right to their opinion. However, they do not yet determine the decisions of the Senate.

Under the Senate rules, there is no rule of germaneness in debate. Like a stone thrown into a pool, the ripples would extend wider and wider, and no man is wise enough to know where or when they would stop.

What should properly be a judicial decision would be made at white heat in a political body. In France, during the Revolution, the National Assembly members could denounce each other, with the result that those on the losing side—though not necessarily the wrong side—went to the guillotine.

Our own Civil War reconstruction days should have demonstrated that those who have the power can make the decisions, but such decisions are not always made with justice and equity.

The Senate is asked to censure and condemn a Member of this body without the formal filing of specifications, and prior to the time a committee of the Senate which has held extensive hearings has reported its findings. The two notable Senate precedents for censure are the Tillman and Bingham cases, and both were supported by committee action.

Since the resolution of the Senator from Vermont involves the censuring and condemnation of a Member of this body, without any committee hearings or a committee report relative to the charges, it would be unfair to expect any Senator to vote on such an important question unless he had the opportunity to hear the entire debate. For this reason, objection will be made to any committee session being held in or out of Washington while the resolution is under debate on the floor of the Senate. It is hoped that committees having permission to meet, such as the 21-member Appropriations Committee, may voluntarily suspend their meetings during the time required to conclude the extensive debate.

The House of Representatives, with its 435 members, is seeking to wind up its affairs, looking to the adjournment sine die of Congress on or about July 31, adjournment would be delayed several additional days.

In connection with the question of censuring a Senate Member, on his defense or committee service, the House does not play any part or have any responsibility. As a matter of courtesy to the House, it seemed to me that we should not delay adjournment of Congress by a prolonged debate on a question in which Members of the House of Representatives have no voice, and therefore I suggested that consideration of the resolution be postponed until the completion of our legislative program. In such a program House Members could go home while the Senate remained to debate this question as long as it cared to do so. My suggestion was rejected.

However, it is not my intention to cut off debate by making a motion to table the resolution of censure. The Senate has the responsibility, for what is done, and individual Members cannot escape their share. Precedents here created may rise to plague this body in the months and years to come. As for me, I am prepared to vote now upon the Flanders resolution. I shall vote against it.

Mr. McCARTHY. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. McCARTHY. Is the Flanders resolution before the Senate for action?

The VICE PRESIDENT. The Flanders resolution is not before the Senate.

The unfinished business before the Senate is the foreign-aid bill and amendments thereto.

Mr. McCARTHY. In view of the fact that the Senator from Vermont has failed to call up his resolution for action, and in view of the fact that he has discussed it, the resolution being a privileged matter, I now move that the Flanders resolution be called up for action by the Senate as a privileged matter. I hope no one misunderstands my motion as an approval by me of the resolution.

Mr. FLANDERS. Mr. President——

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from Wisconsin [Mr. McCARTHY] to proceed to consider the resolution of censure.

Mr. FLANDERS. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. FLANDERS. What did I do?

The VICE PRESIDENT. As the Senator will recall, when he sought recognition he requested that his resolution be read. The Senator then made remarks concerning the resolution. The Senator did not indicate to the Chair or to the Senate what action he desired taken on the resolution, whether he wanted it referred to a committee or immediately considered, as the case might have been.

Mr. FLANDERS. If I did not ask that the resolution be taken up, it was a most lamentable slip of the tongue, or of some other member of my body, internal or external, because it was my intention to bring the resolution up.

Mr. DIRKSEN. Mr. President——

The VICE PRESIDENT. The Senator from Wisconsin has cooperated with the Senator from Vermont in that respect, and has made that motion for the Senator from Vermont.

Mr. McCARTHY. Mr. President, may I correct the Chair? I have not cooperated with the Senator from Vermont.

The VICE PRESIDENT. The Chair said "in that respect."

Mr. McCARTHY. I may say to the Chair that I had understood that the Senator from Vermont did not plan to call up his resolution for action. He merely wished to talk about it. I wished to be sure that it would be called up and voted upon, and for that reason I made the motion that the resolution be called up for action. That is no indication of any cooperation between me and the man from Vermont.

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from Wisconsin [Mr. McCARTHY] to proceed to consider the resolution of censure.

Mr. CORDON. Mr. President——

The VICE PRESIDENT (putting the question). The ayes have it, and the resolution of censure now is the pending business of the Senate.

Mr. CORDON. Mr. President——

The VICE PRESIDENT. The question now is on agreeing to the resolution.

Mr. CORDON. Mr. President——

The VICE PRESIDENT. The Senator from Oregon.

Mr. CORDON. I was seeking recognition before the question was put, first to inquire, from a parliamentary standpoint, whether the motion was debatable. I then desired to discuss it.

The VICE PRESIDENT. The motion to consider the resolution and the question of the consideration of the resolution proper are both debatable.

Mr. CORDON. Mr. President, I sought recognition before the question was put.

The VICE PRESIDENT. If the Senator desires to be heard on the motion to consider the resolution, the Chair will withdraw his announcement, so that the Senator may make his statement on the motion. Does the senior Senator from Oregon desire to make a statement?

Mr. CORDON. I do.

The VICE PRESIDENT. The Senator will be heard on the motion to proceed to consider the resolution.

Mr. CORDON. Mr. President, this procedure is new to me. I believe it is new to every other Member of this body but two. I understand that the Senator from Georgia [Mr. GEORGE] and the Senator from Arizona [Mr. HAYDEN] had experience in this field on two occasions in years gone by. In both those cases the question came before the Senate after committee consideration. In one of those cases there was no question as to the facts, because the action was predicated upon actions which had taken place in the body of the Senate while the Senate was in session. With respect to the other, the question arose as the result of the hiring by a chairman of a Senate committee of an individual who was then in the employ of a commercial association, the matter at hand being, I believe, a tariff matter. In that instance there was no question as to the fact of the hiring or the fact of the interest of the individual hired. In that case, Mr. President, the matter went to a committee for action and recommendation. The first case—I do not now recall the name of the individuals—occurred as a result of an altercation—a fist fight on the floor of the Senate. As a result of the altercation, an order of contempt was entered in the RECORD at the time. The matter was then referred to a committee, for recommendation back to the Senate as to what punishment should be meted out to the Members of the body held in contempt.

Mr. President, in view of the peculiar situation we face—one which is predicated upon actions of a Member of this body which have been in the public press, in the headlines, for months and months and months; in view of the fact that there has been a televised hearing with respect to certain aspects of the conduct of a Member of this body; in view of the specifications which have been presented by my friend, the Senator from Vermont [Mr. FLANDERS], it would appear to me, Mr. President, that it is necessary that this body determine some orderly procedure for this inquiry. A number of questions, I am sure, present themselves immediately to anyone who has had any experience in either trials of lawsuits, civil and criminal, or in any orderly parliamentary procedure. We have a rule of unlimited debate, with a possible cloture. We have no rule of relevancy in discussion. What ground rules are to apply?

It is necessary, I believe, Mr. President, for us to give more than passing and casual consideration to the procedure we are to adopt here. The charge is a general one. It goes to all the conduct of the junior Senator from Wisconsin [Mr. McCARTHY]. There are no specifications except as they have appeared in the speech of my friend, the Senator from Vermont [Mr. FLANDERS]. There we find certain specifications. The question must arise, Mr. President, Are we directing our inquiry and our judgment to those specifications, and those alone? Or have we opened up a Donnybrook, in which each and every one of the Senators on this floor may write his own indictment?

Mr. President, I have no prejudgment whatever in this matter. I have a deep and abiding belief in orderly procedures and a proper regard for a defendant on trial in any and every case and in any and every court; and that takes in, in this instance, the Senate of the United States.

Mr. President, I believe that this matter should be referred to a committee of this body, either standing or special. I believe the committee should be directed as to its action. It seems to me in all good conscience the committee should bring back to the floor of the Senate some rules of conduct to apply to this inquiry.

As the Senator from Vermont [Mr. FLANDERS] has said, this is a most serious matter; and as the majority leader, the senior Senator from California [Mr. KNOWLAND], has said, it can come back as a precedent to haunt this body. In the future there will be times when sharp words will be said, when strong wills will be opposed, when emotions will be aroused in this body; and at that time it will not be well if hasty action is taken here tonight.

Mr. SMITH of New Jersey. Mr. President, will the Senator from Oregon yield for a question?

Mr. CORDON. I yield for a question.

Mr. SMITH of New Jersey. I should like to ask the distinguished Senator from Oregon whether, under the suggestion I made by means of the resolution in the nature of a substitute which I submitted yesterday, he believes this matter should be handled by representatives of the policy committee of both of our own parties, with the Vice President as ex-officio chairman, in order to have the proper backing, to investigate the whole situation that we face, without consideration of any specific charges or anything else. I am not suggesting that my proposed committee should seek to try the Senator from Wisconsin. I am suggesting that we check upon what brought on this difficulty, for I believe that is what we should do. Later I shall speak more fully on this subject; but, meantime, I wonder whether the Senator from Oregon is inclined to my way of thinking as to the manner in which this matter should be approached.

Mr. CORDON. Mr. President, I shall endeavor to make my position here tonight perfectly clear.

So far as I am concerned, at this moment we face the most important decision the Senate will be called upon to make in its consideration of this matter.

Mr. President, as the situation now stands, we have a resolution that is not supported, on its face, with a single allegation of fact; that is not supported with a single specification of time or place or specific misconduct. It is supported by the Senator from Vermont [Mr. FLANDERS] in his statement to the Senate. But, Mr. President, in that statement the Senator from Vermont indicated that each of the Members of this body may come forward with his own indictment. The Senator from Vermont evidently takes the view, as I read his statement—and if I am wrong, I wish to be corrected—that the resolution opens up for consideration every item of misconduct which can be charged by any of 95 Members of the United States Senate.

Mr. FLANDERS. Mr. President, will the Senator from Oregon yield to me?

Mr. CORDON. I am happy to yield.

Mr. FLANDERS. I am a little mystified by the Senator's statement that there are no specific allegations. Is not the statement as to the behavior of Cohn and Schine specific enough for that purpose? Would the Senator from Oregon send to Europe a commission to interrogate all of those with whom Cohn and Schine had contact in Europe? Does the Senator from Oregon hold that position?

Mr. CORDON. Mr. President, I shall be happy to answer the Senator from Vermont. My remarks concerning the charges go to the only document of charges before the Senate, namely, a resolution which reads:

Resolved, That the conduct of the Senator from Wisconsin, Mr. MCCARTHY, is unbecoming a Member of the United States Senate, is contrary to senatorial traditions, and tends to bring the Senate into disrepute, and such conduct is hereby condemned.

That is the charge. The supporting statements, Mr. President, represent the views of the Senator from Vermont. They are not incorporated in the resolution.

I shall further discuss that matter; but, first, I wish to answer the second question—as to what I might feel should be done with reference to the specification having to do with the wanderings of Cohn and Schine over the face of Europe.

Mr. President, in my view, there cannot be a decision on any question of fact until the fact has been supported by competent evidence.

In my opinion, Mr. President, we cannot in good conscience ever convict any man anywhere of anything on hearsay testimony. I hope that is clear.

Mr. FLANDERS. Mr. President, will the Senator yield?

Mr. CORDON. I yield for a question.

Mr. FLANDERS. Am I to understand that the Senator feels it necessary to send a commission to Europe to give what the Senator would conceive to be sufficient substance to that charge?

Mr. CORDON. Mr. President, I answer that question in this way: The Senator from Vermont has an idea with respect to a commission; that is the idea of the Senator from Vermont. The Senator from Oregon has suggested no such commission.

I suggest to the Senator from Vermont that if he seeks to establish the existence of a fact, the Senator may get it by affidavits properly taken under rules which we ourselves should set out before we come to the question of the consideration of this resolution.

Mr. FLANDERS. May I ask the Senator from Oregon to use his imagination a bit, and suggest any other way to proceed along the lines the Senator desires, except by sending a commission to accomplish this purpose? I am trying to find out something beyond words. I am trying to find out what the appropriate actions would be.

Mr. CORDON. I shall be most happy to answer that question. I shall try to explain at this time such ideas as I have on the subject.

Mr. President, my belief is—and I was never more earnest or sincere in my life—that it is the duty of the Senate to have a committee set up the procedures to be followed. My own thought is that the appropriate committee would be the Judiciary Committee of the Senate. This is a judicial question. It should be considered by men who have had experience in the law, men who have ingrained within them a belief in due process; men who have ingrained in them a belief in the presumption of innocence; men who have ingrained in them a knowledge of the necessity of competent proof in lieu of charges, conclusions, or hearsay.

Mr. MALONE. Mr. President, will the Senator yield?

Mr. CORDON. That is one of the reasons, Mr. President, why I feel we need to consider what we are doing before we do it, and thus avoid spending the rest of our lives regretting our action.

Mr. MALONE. Mr. President, will the Senator yield?

Mr. CORDON. I yield for a question.

Mr. MALONE. Did I correctly understand the distinguished Senator from Oregon to say that no specific charges have been made in the resolution?

Mr. CORDON. The Senator from Oregon just read the resolution. It contains no charges as to acts. I shall read it again for the benefit of the Senator, and to drive home the point that in some way we must specify the offenses which we charge by way of misconduct on the part of the junior Senator from Wisconsin [Mr. MCCARTHY] because under every rule of conscience and good sense the Senator from Wisconsin is entitled to his day in court to answer.

Mr. MALONE. Mr. President, will the Senator further yield?

Mr. CORDON. I will read the resolution in order to answer the Senator's question:

Resolved, That the conduct of the Senator from Wisconsin, Mr. MCCARTHY, is unbecoming a Member of the United States Senate, is contrary to senatorial traditions, and tends to bring the Senate into disrepute, and such conduct is hereby condemned.

The Senator asks me what is the conduct which is charged. The resolution does not indicate.

Mr. MALONE. Mr. President, will the Senator further yield?

Mr. CORDON. I yield for a question.

Mr. MALONE. So long as there are no specific charges in the resolution, would it not be appropriate to make a simple motion to table the resolution and get on with the business of the Senate, and allow any Senator who might care to, including the Senator from Vermont, to file specific charges either against the distinguished Senator from Wisconsin [Mr. MCCARTHY] or any other Senator? Would not a simple motion to table the resolution be in order?

Mr. CORDON. Mr. President, a motion to table is in order; that is a parliamentary question. The Senator from Oregon will not at this time pass judgment upon the question whether or not it would be advisable. That is a question for the minds of Members of the Senate. Each Senator is entitled to his conclusion; and if such a motion is presented, of course, the conclusion will become a matter of record.

Mr. President, I do not wish to have anything I have said to be interpreted in anywise as a reflection against the Senator from Vermont. I have the highest regard for the Senator from Vermont.

I have indicated in times past in a minor way some of my objections. One of them has been cured in the last resolution.

Had I had the opportunity, and had the Senator so desired, I should have been most happy—I did not make the offer, please understand me—to have counseled with the Senator from Vermont, if my counsel would have been of any value to the Senator. I assume the Senator from Vermont has counseled with others; I assume that the Senator felt that his approach was sound and proper. I know the Senator from Vermont so felt, because I know the man.

I do not wish what I have to say to be in anywise interpreted as an expression of any view on my part in disapproval of the high qualities, the moral standards, the strength, the honesty, and the good purpose of the Senator from Vermont.

Mr. FLANDERS. Mr. President, will the Senator yield?

Mr. CORDON. I yield for a question; I am sorry, but that is as far as I can go.

Mr. FLANDERS. First, let me ask this question: I take it from what the Senator from Oregon has said—and I now speak parenthetically to the question—that when Senators disagree with one another in general, and express the highest esteem for one another, they are still speaking parenthetically, but I am often of the opinion that the higher the esteem expressed, really the less is felt.

I assure the Senate that the Senator from Oregon and I are in an unusually close and friendly personal relationship, which is carried to the point at which we abuse each other without restraint. That is the end of the parentheses.

I now proceed with the remainder of the question. I take it that the Senator from Oregon feels that the specification should have been in the resolution.

Would the Senator feel that any progress would be made with regard to that if I should now read 33 specific points of censure into the RECORD at this time?

Mr. CORDON. Reading into the RECORD is not what we need. What we need is an examination before a competent group, where the Senator from Vermont may appear and make his case, where anyone else may appear and make his case, and where the Senator from Wisconsin may have his opportunity to appear and make his case; and then that body must have the power to carry the investigation beyond the point of charge and conclusion and hearsay, and bring in the evidence necessary for judgment. Much of that evidence can perhaps be found in the records of this body. Those records will import verity, because they are our official records.

Mr. HICKENLOOPER. Mr. President, will the Senator yield for a question?

Mr. CORDON. Evidence can be brought here by oral testimony. It can be brought here by certified copies of the official records, and it can be brought here by depositions taken anywhere around the world. When that testimony is brought in, and when the junior Senator from Wisconsin has had his notice that the testimony is to be taken, and has his opportunity for cross interrogatories, then and then only will this group be in a position of studying the basic factual evidence. That, in my opinion, is necessary to reach a conclusion in this matter. I now yield to the Senator from Iowa.

Mr. HICKENLOOPER. I thank the Senator from Oregon.

The question I wish to ask is this: Is the Senator aware of any specific charge in the resolution or in the specifications which accompany it that charges the Senator from Wisconsin with a violation of a specific rule of the Senate?

Mr. CORDON. The Senator from Oregon has not made that kind of study of the specifications. The Senator from Vermont very kindly and generously furnished the Senator from Oregon with a copy of his speech late this afternoon, within the last hour and a half, and I have had an opportunity to read it, but not to study it.

Mr. HICKENLOOPER. Mr. President, will the Senator yield for another question?

Mr. CORDON. Will the Senator withhold his question for a moment? I should like to make another statement, so that we may have reasonable continuity. The Senator from Oregon would like to suggest that in his view it is not necessary that the conduct of a Member of the Senate be in violation of any expressed rule found in the rule book of the Senate. Those rules have to do with the governing of the Senate and of its committees. It might well be, as it has been, that misconduct could be charged and proven that has nothing to do with any rule, and that there may not be any rule governing the misconduct, but it could be adequate for the purpose of sustaining censure on the part of the Senate. I yield for another question.

Mr. HICKENLOOPER. I apologize to the Senate for asking this question. However, does the Senator know of any charge or of any specification in connection with the resolution, which charges the Senator from Wisconsin with violating any rule of the Senate? I am not aware of it.

Mr. CORDON. The Senator's answer is he does not.

Mr. HICKENLOOPER. Mr. President, will the Senator yield for a further question?

Mr. CORDON. I yield for a question.

Mr. HICKENLOOPER. Is the Senator aware of any charge, or any specification which accompanies the charge, which charges the Senator from Wisconsin with violating an admonition or a rule or an instruction of the committee of which he is chairman?

Mr. CORDON. The Senator has not made a sufficient study of the specifications. Therefore, his answer must be that he does not know that there are any of those factors involved in the specifications.

Mr. FLANDERS. Mr. President, will the Senator yield?

Mr. CORDON. Does the Senator from Iowa have any further questions to ask?

Mr. HICKENLOOPER. Yes. I should like to ask one further question of the Senator from Oregon. Therefore, does the Senator feel that the charge which has been presented, which contains no allegation of a violation of the rules of the Senate and the specifications which accompany it, contains no violation of the rules of the Senate, contains no allegation of a violation, admonition, or rule of any committee of which the Senator is chairman—nor do the allegations charge it—places us in the area now—at least at this point in the discussion—where it is a matter of personal disagreement with the personal attitude of the Senator and his method of expressing a personal attitude that is at issue at the moment? Would that be a reasonable conclusion from the statement and allegation and charges that are before the Senate?

Mr. CORDON. Mr. President, I suggest that it is at least obvious that there are definite and deep disagreements between the two Members of the Senate, the Senator from Vermont and the Senator from Wisconsin. There can be no question about that. However, Mr. President, I wish to say that from my somewhat hurried examination of the charges and specifications in the speech of the Senator from Vermont, I am at this point inclined to believe that in at least one of them, if there be adequate proof, after both sides are heard to sustain it, that censure might well be in order.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. CORDON. I yield.

Mr. FERGUSON. Article I, section 5, of the Constitution provides:

> Each House may determine the rules of its proceedings, punish its Members for disorderly behavior, and, with the concurrence of two-thirds, expel a Member.

Does the Senator consider the charges in the resolution to be under that section for disorderly behavior, and is it punishment that we are asked to render here?

Mr. CORDON. The Senator asks a question that calls for a conclusion, which I am not going to discuss. I only say that there is a resolution here for censure. There is a precedent in this body for such a resolution and for censure of a Member of the Senate. In the two instances the precedent goes only to official action of the Senator, who was the subject of the censure. But because there is, so far as I know, no precedent that goes to the conduct of a Senator outside his immediate official duties, it does not, in my opinion, follow at all that this body is without power to inquire into the latter and to act.

Mr. FLANDERS. Mr. President, will the Senator yield for a question?

Mr. CORDON. I yield for a question.

Mr. FLANDERS. Perhaps the Senator has answered my question in the last remarks. However, I was going to ask specifically whether the Constitution prevents this body from censuring a Member because he has acted contrary to our traditions and has brought this body into disrepute. Does the Senator conceive that the Constitution prevents our acting on those questions?

Mr. CORDON. I am not prepared with a considered judgment on the question. I have had an opportunity today to read a portion of the two cases in which censure was before the Senate. I have not had an opportunity to digest them. I have had no opportunity to study them.

I would myself be guilty of the thing that I seek now to keep the Senate from indulging in—hasty and ill-considered action—were I to express an opinion on a subject that I do not know enough about.

Mr. FLANDERS. Mr. President, will the Senator yield for one more question?

Mr. CORDON. I will be happy to.

Mr. FLANDERS. I will keep count of it and, for the present at least, not exceed the number asked.

Does the Senator [Mr. CORDON] conceive of any difference between questions which involve morals—and, of course, I am speaking not in the narrow sense in which morals are often considered, of sins of the flesh and such, but of the deeper questions of morals of the relations of human beings to each other—does the Senator see any difference between moral questions in that sense and purely legal questions? Is there not perhaps a difference of procedure involved, and can we not perhaps make more immediate decisions on questions involving morals, the relationships of human beings with each other, than we can where long legal procedures have to be followed and legal processes are in order?

Mr. CORDON. Mr. President, I hope before we go too far that the Senate will have an opportunity to read and reread the last question of the Senator from Vermont. That question may hold the key to the matter that is now before us in the form which it now takes.

I suggest to the Senator from Vermont that no man can look into the mind of another. I suggest to the Senator from Vermont that the motivations of a human being can be judged only by that human being's actions. I suggest that

his actions are matters of fact. I suggest that we should have proof of those facts, and then, and only then, do we have any yardstick with which to measure intent.

There is, of course, a presumption in the law that every man intends the ordinary consequences of his act. It is a presumption in law, a rule of law, and I say that it is a rule of good, common horsesense based upon the experience of people. We can use that after we know what the facts are.

Mr. President, this discussion of the question and what little the Senator from Oregon has been able to offer, it seems to me at least raises before the Senate something of the seriousness of this adventure in which we are engaged. I hope that the Members of this body will give careful consideration to what we ought to do in determining what we ought to do in reaching sound conclusions for a program of procedure that will provide the widest latitude for the making and proof of charges, on the one hand, and wider latitude, if necessary, for defense, on the other. To the extent that such procedure may require the making of rules for the purpose, I say, Mr. President, those rules ought to be made.

Mr. President, I have by no word of mine intended to prejudge this matter. I have an open mind with respect to the specifications as set out in the speech of the Senator from Vermont [Mr. FLANDERS]. I accept them as charges; and as charges they prove, I submit, nothing.

Mr. President, above all things, we must not neglect to have this case made on the basis of competent testimony. I am not talking about any hypertechnical legal rules, if there may be any, that might result in the law's delay and the like of that. A judiciary committee can take care of it. A judiciary committee can present here some simple but sound rules of procedure under which we can go about this determination in an orderly way, under which the rights of every Member of this body to make charges and to present proof are protected, and under which the Senator from Wisconsin [Mr. MCCARTHY] has his full day in court, with compulsory process for his presenting of testimony. Those rules can provide that procedure to be had with expedition. That can be done.

Then, Mr. President, we have acted as a judicial body and not as a mob.

Mr. MORSE. Mr. President——

The VICE PRESIDENT. The junior Senator from Oregon is recognized.

Mr. MORSE. Mr. President, my senior colleague [Mr. CORDON] and I do not agree on many matters in the field of American politics, but on the record, Mr. President, it can be shown that we do agree many times on basic procedural safeguards in the administration of American justice.

I wish to say a few words at this time, Mr. President, about one of my deepest convictions concerning the administration of government. I have expressed it before on the Senate floor. It relates to a principle which is in agreement with the major thesis the senior Senator from Oregon has alluded to tonight. That is, Mr. President, our substantive legal rights can never be any better than our procedural rights. Determine the procedure of any body, and you determine in large measure all the substantive rights it can administer or adjudicate or grant.

Mr. President, being a liberal does not mean advocating procedural tyranny, either by the majority or by the minority. In my judgment, after having studied the cases of impeachment in the history of our country as well as the cases of censure or the cases involving the unseating of Members of the Senate of the United States, I cannot escape the fact that those cases are based upon bills of particulars.

Mr. President, let me refer for a moment to the matter of impeachment, as it is provided for in the Constitution of the United States. Oh, I know it can be said that when a Member of the United States Senate is censured or ousted, an impeachment procedure is not being conducted under the definition of the Constitution. But it is in effect, Mr. President. Let us not fool ourselves about that. An examination of the cases will reveal a remarkable similarity between the principles of basic procedural safeguards which apply to impeachment cases and those which apply to the cases which, in effect, have tried United States Senators.

Let me read what the Constitution of the United States says in regard to impeachment:

> The Senate shall have the sole power to try all impeachments. When sitting for that purpose, they shall be on oath or affirmation. When the President of the United States is tried, the Chief Justice shall preside: And no person shall be convicted without the concurrence of two-thirds of the Members present.
>
> Judgment in cases of impeachment shall not extend further than to removal from office and disqualification to hold and enjoy any office of honor, trust, or profit under the United States: But the party convicted shall nevertheless be liable and subject to indictment, trial, judgment, and punishment according to law.

Upon what is an impeachment proceeding based in the United States Senate when there is an impeachment proceeding? It is based upon a bill of particulars of impeachment drafted by the House of Representatives.

It is easy to argue that we all know the bill of particulars against the junior Senator from Wisconsin. I shall say something about my position with respect to the junior Senator from Wisconsin in a moment, so that no one will have any doubt as to where I stand on the political record he has made to date or what I think of his course of political conduct, which objectionable course of action bothers a great many of us.

But, Mr. President, let us not forget that when it comes to the impeachment of an officer of the Government, it is done upon the basis of a solemn bill of particulars drafted by the House of Representatives. When lynch law is applied, as it has been applied sometimes in the history of this country during the frontier days, and sometimes unfortunately in modern times when vigilante mob rule breaks out each participant thinks he knows the particular acts of the accused that justify trial by accusation rather than by proof. But, Mr. President, lynch law does not proceed in keeping with a great American safeguard of justice, namely, the protecting of the procedural rights of the guilty as well as of the innocent.

If I make only one point in the brief speech I am making, I wish to drive this one home: Basic in the principles of American criminal law jurisprudence is the guaranty of a procedure which protects the procedural rights of the guilty as well as of the innocent to a fair trial or hearing based upon a bill of particulars and the requirement of the establishment of guilt by proof.

I have studied the very general accusations against the junior Senator from Wisconsin as set forth in the resolution of the Senator from Vermont. It does not set forth a specific bill of particulars. My senior colleague is absolutely right when he puts his finger on that weakness of this particular resolution. It relies upon each Senator reading into the resolution his own views as to what the bill of particulars should be. But there is no official bill of particulars written into the resolution. At best all that can be said is that the Senator from Vermont's speech was an offer of proof of some allegations not made in the resolution. The resolution reads:

> *Resolved*, That the conduct of the Senator from Wisconsin [Mr. MCCARTHY] is unbecoming a Member of the United States Senate, is contrary to senatorial traditions, and tends to bring the Senate into disrepute, and such conduct is hereby condemned.

What conduct? What specific acts? What violations of his obligations and duties as a Senator?

I think there is ample ground, in my judgment, for the drafting of a resolution based upon specific charges which justifies censure of the Senator from Wisconsin, but it is not contained in this resolution.

I think it would be a great mistake, as my senior colleague has suggested, for the Senate to establish a precedent tonight for the kind of procedure for the trial of a United States Senator which would develop under the Flanders resolution. I think this man ought to be tried, so to speak, by the United States Senate. I think he ought to be tried on the basis of a resolution which corresponds to the kind of indictment which the House of Representatives must draft when the United States Senate proceeds with an impeachment trial. I think that kind of a bill of particulars should be set forth. Then the Senate should follow a regular course of procedure of taking testimony, evidence, and proof on the charges. It should not take very long. It should be done before we adjourn. The country is entitled to it.

But, as I have given thought to the situation, and have reached a final conclusion in regard to it, I wish to raise my voice in protest against establishing what would amount to a form of procedural tyranny in the Senate of the United States if we should proceed to action on the basis of the resolution as it is presently drafted.

Let me illustrate by 2 assumptions or 2 hypotheticals. Let us suppose that the resolution in its present form should be adopted. The procedure would not be made right merely because the majority might advocate it. I say that because there is another very precious principle in American jurisprudence. It is that every citizen, no matter how small a minority he may represent, even if he stands alone, is entitled to the protection of a fair procedure, in accordance with which he is charged specifically, with the acts, or the conduct, which, if proved, make him guilty of the crime charged or the wrong complained of.

I speak most repectfully about this, Mr. President, because I intend to fight on this issue on a professional plane, and not on any plane of personal attack. If I refer in the course of my brief remarks to any colleague in the Senate, I shall not do so on a personal basis; it will be only because the particular individual happens to be involved in a principle which I wish to discuss.

We have the very precious principle that even if the minority represents only a minority of one, the majesty of American justice will protect him in seeing to it that if he is convicted, he is convicted on the basis of specific charges. In this case the Senator should not be tried on the basis of a blanket, general charge, into which each individual can read his personal prejudices, his personal beliefs, or his personal understandings in respect to the conduct of a fellow colleague in the United States Senate.

I am not now criticizing individual Senators, but I have said for a long time, on platforms across America, that, in my judgment, a Senate committee long before this should have submitted a report on the Senator from Wisconsin, setting forth specific charges, specific findings in relation to the charges, and specific recommendations as to the course of action which the United States Senate should follow in regard, first, to the charges; second, in regard to the findings; and, third, in regard to the recommendations relative thereto.

No committee of the United States Senate, to date, has ever done so. It may be that the committee now considering the McCarthy matter will. I do not know. There are colleagues of mine in the Senate who believe that if we wait for that committee to report, we shall be waiting a long, long time. But I shall not engage in that presumption. I am not going to engage in the presumption that the Republican members or the Democratic members of the committee, which has been conducting the so-called McCarthy-Army investigation, are going to engage in dilatory tactics, I think they have a clear duty to the Senate and a clear duty to the American people, on the basis of the hearings, to come to a conclusion at an early date. I think we have a right to say to them that we respectfully request that they give us the benefit of their conclusions and their recommendations before we adjourn.

Now for my second assumption let us assume that the committee does come forward with a report finding the junior Senator from Wisconsin guilty of conduct unbecoming a Senator.

Then if they have recommendations based upon certain specific findings of wrongdoing on the part of the junior Senator from Wisconsin, I think those charges, findings, and recommendations should be included in a bill of particulars filed in the Senate, and we should, in effect, go to trial on the issue thus drawn.

The junior Senator from Wisconsin knows that he and I have differed time and time again on a great many of the positions he has taken from the standpoint of political tactics.

So far as I am concerned, the issue to me, on the basis of evidence which I think can be presented in support of a bill of particulars, is whether the Senate of the United States is going to countenance political thuggery in American politics. I think, by and large, that is the best descriptive term I can apply to what I think has been the wrongdoing of the junior Senator from Wisconsin in incident after incident. Too frequently his political tactics and investigation methods have constituted what I consider to be political thuggery.

Mr. President, that calls for due deliberation and consideration by the Senate on the basis of a bill of particulars backed up by proof which supports such a conclusion. We do not have that in the resolution of the Senator from Vermont.

I close by saying that I think there are two courses of action open to us. With the parliamentary situation which now confronts the Senate, the first is to amend the resolution so as to set forth a bill of particulars; and if there is set forth a bill of particulars, the second is to decide then what is fair procedure, not to the Senator from Wisconsin alone, but to 96 Members of this body—not to 96 Senators alone, but to 160 million Americans, because what we are dealing with here tonight, Mr. President, does not happen to be our prerogative alone. What we are dealing with here tonight in my judgment happen to be precious procedural rights of free men and women, 160 million strong.

I think it would be most unfortunate if the Senate were to set a precedent here tonight of bringing in an undefined blanket charge against the Senator from Wisconsin [Mr. McCarthy] and then proceeding—and let us be frank about it—on the basis, I think, primarily of various political motivations to pass judgment on this issue.

This is an issue which I think rises above partisanship. We ought to get it down to a specific bill-of-particulars resolution, so that no one can charge a single Senator, liberal, or conservative, with following a partisan political course of action.

The American people are entitled to know the specific acts for which the Senator from Wisconsin deserves the censure of the Senate. I think there are plenty of such acts, but I think in the first place they ought to be stated in a bill of particulars, just as the House must set out a bill of particulars in the case of an impeachment charge. Then the Senate will decide whether or not that question should be passed upon by the Judiciary Committee before we take it up on the floor of the Senate, or whether we want to exercise—and I emphasize this, Mr. President—our right to turn the Senate into the Committee of the Whole, and proceed as a Committee of the Whole, on specific charges, asking for the proof and reaching a conclusion in a judicial way upon such proof.

I know, Mr. President, how my remarks will be misinterpreted and distorted by many, but I would rather take this position in this fight, as I have reached my conclusion on it, in support of sound procedure which protects the guilty as well as the innocent by way of guaranteeing them a fair trial in the Senate of the United States, than to rely upon the exercise of the political strength of the voting power of any particular group in the Senate, whether it be the majority or the minority.

Of course, there has been much harassment which justifies the expression of criticism of the Senator from Wisconsin, but I think we must rise above that, Mr. President, and recognize, after all, that government by law cannot be retained and maintained in America if Senators undermine it by adopting the kind of arbitrary procedure which I think is inherent in the resolution of the Senator from Vermont.

Mr. DIRKSEN. Mr. President——

The VICE PRESIDENT. The Senator from Illinois.

Mr. DIRKSEN. Mr. President, 1 hour and 30 minutes after this resolution was presented to the Senate, this procedure already becomes a confusing spectacle. To be exact, it was the 11th day of June 1954, 7 weeks ago, that the distinguished, eminent, and honorable Senator from Vermont came to this floor, made a speech, and filed a wholly different resolution from the resolution which is before us today. The Senator from Vermont has had 7 weeks to cogitate upon this matter. There have been 7 weeks for the Senator to confer.

I shall not be as charitable as my friend from Oregon [Mr. Cordon] and my other friend from Oregon [Mr. Morse] have been in dealing with this question tonight. Here, then, is confusion about procedure.

This is the third resolution the Senator from Vermont has submitted in this body, and in so doing he has done the damage. The Senate can go in for all the legalisms and abstruse questions, but that will not wash out the damage which has been done. No matter with what the Senator from Wisconsin may be chargeable, I shall defend him when I think he is right. I shall castigate and scold the Senator from Wisconsin when he is wrong, and I shall stand up and be counted for him when I think there is what appears to be something in the nature of a conspiratorial effort to liquidate and destroy him.

This will be a pretty unhappy procedure before we are through; and I expect to address myself to it at considerable length.

Mr. President, if I were to select a text tonight I think I should dip into the Old Testament and find it in the Book of Exodus. It comes to mind because in the Republican Convention of

1952 in Chicago a very eminent rabbi was asked to deliver the invocation on one of the convention days, and in that eloquent invocation he used an expression from the Old Testament which said:

Thou shalt not follow a multitude to do evil.

I think I shall be able to establish the text before the night is over, if these vocal cords last and the water does not run out.

The Senator from Vermont and the Senator from Wisconsin both came to the Senate at about the same time. The Senator from Vermont came by appointment in 1946, and a month later he was elected by the people of Vermont. That was in 1946. I respect him. He is an honorable Senator. He is an honorable man.

What I have to say tonight does not bring a good taste to me, and it is no pleasant undertaking, but I think at this stage in American history what I have to say tonight must be said.

The junior Senator from Wisconsin came to this body in 1946.

The two Senators mentioned have been members of this "club" for about the same period of time. Both Senators have been here approximately 7½ years. In that time, Mr. President, men should become acquainted with their foibles, their failures, their attributes, their character, and all the little things which are a part of intimate human fellowships.

I am glad this is a "club." I am glad to be a Member of it. I wish to see the Senate function as a club, because it can do its best work under those circumstances.

In 7 years these two distinguished Senators should have learned to know each other. I make the point of time for a very good reason. It was 4 years ago that the junior Senator from Wisconsin stood on a platform in Wheeling, W. Va., and there first somewhat crystallized and pointed up the Communist issue. In all that time, did the Senator from Vermont raise his voice about that speech until now? Did the Senator raise his voice until 7 weeks ago? If the Senator did, I did not hear it. If the Senator has addressed himself to this subject with his eloquent pen I have not noticed it. That was 4 years ago.

Two and a half years ago the resolution of expulsion submitted by Senator Benton of Connecticut was before the Senate. The case was made before the Committee on Rules and Administration. Senators were regaled hour after hour with speeches and with a recital of what was alleged to be the record. Did the Senator from Vermont lift his voice in those days when that resolution was before us and it was sought to make a case, when the press was full of allegation and innuendo? If he did, I did not hear him. If he wrote about it, I did not see it. It was in April of 1952—more than 2 years ago—that the resolution affirming the integrity of the Rules Subcommittee that heard that cause was upon this floor. It was adopted by a vote of 60 to 0. My very distinguished friend—and he is a distinguished Senator and a fine character—BOB HENDRICKSON—was on that subcommittee. The junior Senator was on this floor at that time; and before he caught a plane and went to Massachusetts—I remember that afternoon very well—he rose and urged the Senate to make it unanimous. That was over 2 years ago. Did the Senator from Vermont lift his voice at that time? If he did, I did not hear him. There was no comment from him.

More than 18 months ago, there was on this floor the resolution to confirm the chairmen of the various senatorial committees. In the list of chairmen who, under the rule, must be confirmed by Senate action, was the name of the junior Senator from Wisconsin [Mr. MCCARTHY]. On that occasion, did we hear the voice of the Senator from Vermont shout a protest? All this was a matter of record, long ago. But we heard nothing from him in all that time. He sat mute. He sat silent. He did not deign to lift his voice on this whole question that suddenly comes before this body.

Now, suddenly, a crusade, Mr. President, against the junior Senator from Wisconsin. I shall not reflect upon my friend, the Senator from Vermont; although if it had been me, I would not have done it, because I thought it was in bad taste. But on the morning of June 11 of this year, when the Army-McCarthy hearings were in progress, the Senator from Vermont strode into the hearing room—the caucus room in the Senate Office Building—and looked around, as he came within the effulgence of the television lights; and then he went over to the chair where the Senator from Wisconsin was testifying, and handed him an envelope. That was at 10:30 in the morning, and I took particular note of it. The Senator from Wisconsin was testifying, and could not leave the chair, unless the committee permitted him to do so. But the Senator from Vermont strode into the glare, where millions could see, and, in almost a Thespian gesture, handed an envelope to the junior Senator from Wisconsin. What was it? It was a notice that as soon as the Senate convened at 12 o'clock, he was going to make a speech about him. I think I would have given him 24 hours' notice, if it had been me. I do not believe, Mr. President, I would have found it necessary to go to the caucus room, and there, in dramatic fashion, when people were watching through their television boxes, serve notice upon the Senator from Wisconsin that the Senator from Vermont was going to make a speech about him.

Well, he did; and the speech is here. Senators will find it in the RECORD for the 11th day of June. Then he submitted what he was going to offer, I suppose, in due form, as a resolution; and the text is here.

I agree with my friend, the Senator from Oregon; one should have his facts, and should document them.

Another thing about the resolution—and I shall address myself to it for a moment—is the fact that nowhere is there testimony under oath, in order to support a bill of particulars.

What was the resolution the distinguished Senator from Vermont offered on that occasion? I shall read it:

Resolved, That Senator MCCARTHY be separated from the chairmanship of the Senate Committee on Government Operations, and, furthermore, that he be prohibited from being chairman or vice chairman of any subcommittee thereof.

That was the first resolution, Mr. President. It was submitted 7 weeks ago. The Senator from Vermont wanted to strip the junior Senator from Wisconsin. We might just as well expel a Senator, as to say to him, "Sorry, but you cannot serve as chairman of that committee, and you cannot serve as chairman of a subcommittee of that committee."

What happens to the prerogatives that go with the office of United States Senator, Mr. President, in that event? It was more than censure; it was more than condemnation. The Senator from Vermont was going to restrict the usefulness and the activity of the junior Senator from Wisconsin.

Now, for reasons unknown to me, that resolution has lost favor and interest. I do not know why. It has not come to my attention. But for reasons best known, perhaps, to our very distinguished friend, the Senator from Vermont, he suddenly decided not to press it.

So in due course a new motion or a new resolution was suggested. Here it is—and mark you, Mr. President, the language of it. This is very interesting, if we are going to operate tonight in the field of semantics and delicate shadings of words and phrases. This is what he offered:

Resolved, That the conduct of the Senator from Wisconsin, Mr. MCCARTHY, as chairman of the Senate Subcommitee on Investigations is unbecoming a Member.

Senator MCCARTHY as chairman—you see, Mr. President, in his official capacity.

Mr. President, the distinguished Senator from Oregon [Mr. CORDON] was so right; and I am glad he laid the predicate for what has to be said, distasteful and painful as it may be to some persons.

But you will note, Mr. President, the condemnation in the second resolution goes to his official capacity as the chairman.

What is the third resolution at the desk? Not that. It simply says:

The conduct of the Senator from Wisconsin [Mr. MCCARTHY]—

That makes it personal. The Senator from Vermont wanted it to be personal. We cannot read his remarks without coming to that conclusion, because this is not a bill of particulars. The one thing he emphasizes is that the Senator from Wisconsin showed personal contempt for the subcommittee. On page 2 he says:

This kind of contempt—

That is personal, not legal.

Good conscience, Mr. President, cannot one have contempt for another, if he wishes to, without running afoul of some kind of a rule? That does not look like any legal charge to me. If the Senator from Wisconsin wants to entertain contempt for someone, that is his personal business.

And so, as we read the statement by the Senator from Vermont, he is making a personal case, and that is the reason why he changed his resolution—so that the whole conduct of the Senator from Wisconsin—whether he should be playing a game of poker in Fresno, Calif., or be walking along a beach in Miami—would come within the purview of the language of the resolution the Senator from Vermont has placed upon the desk tonight.

That is a different matter, in my book; and I think it is a strange proceeding—to call, in this kind of a resolution, for an explanation of his personal conduct—with no hearing, no sworn proof. Oh, how uncharitable can we get? How uncharitable can we get, Mr. President?

I have great respect for the Senator from Vermont. I think he is an honorable man. I think he is a distinguished man. If anyone does not believe that, let him send to the library and get the Who's Who biography of the Senator from Vermont. He is accomplished in the field of science. He has authored books in abstruse fields. He belongs to scientific organizations. He is a capable man, and I think he is a devout man. But I think that, on occasion, if he has not cast his Bible aside, he has forgotten it, because other forces were operative with respect to his method. I admonish my friend the Senator from Vermont to go back and read what Paul wrote in the 13th chapter of Corinthians, the greatest book in the Scriptures:

> And now abideth faith, hope, charity, these three; but the greatest of these is charity.

I see no charity in this, my friends, and so the junior Senator from Illinois has felt deeply on this subject, and deeply and intensely is he going to deal with it, because the hurts have been done.

If this can be done to one Member of the Senate, who is next on the list? If a group that does not like a Senator, does not like the color of his necktie, does not like his ideology, his political persuasion, his convictions, his voting record, could get a Member of this body to spearhead what looks like an innocuous resolution, then there is no seat in the Senate that is safe from now on, and certainly, there will be no seat of a conservative that will be safe from now on on that basis.

To me, something more distressing than this resolution itself is, of course, what is behind it. I shall deal very frankly and very candidly with that aspect, because I am confident that the Senator from Vermont for a long time could not have known exactly who was going to get in bed with him, but some did, and there is no choice about it now.

Mr. President, before I go any further, let nobody be under any misapprehension as to whether I am ready to vote on the resolution. I am ready to table it now, if necessary; I will vote against any resolution of this kind; I will not duck; and yet I note from the speeches which have been made on this floor that maybe somebody is going to duck a vote. I am not, Mr. President. I believe in coming to grips with this matter.

But let us see who is interested in the resolution that is before us at the present time. In the first place, I might say to the Members of the Senate that the Daily Worker is very much interested in what is now before the Senate. I have a copy of the Daily Worker, which is the official organ of the Communist Party, for the 26th day of July 1954. It is interested in the adoption of this resolution. The Senator from Vermont and the Daily Worker are on the same side of this issue. I read from the editorial column of the Daily Worker of July 26—just 4 days ago:

> Remind your Senator that the date is July 30.

Maybe other Senators received a telegram from the Daily Worker today. I would not know; but here is the editorial:

> Twenty-three prominent Americans who signed the telegram—

And then this:

> Their petition should be applauded and imitated by the millions of Americans who refuse to see America knifed under the guise of the imitation Hitler's anticommunism.

Strange, how that word "Hitler" crops out, is it not? It cropped out in the speech of the Senator from New York the other day. It was in the second speech the Senator from Vermont made on this subject, on the floor, and it is in the Daily Worker editorial for the 26th of July 1954.

Strange business, is it not?

Mr. LEHMAN. Mr. President, will the Senator yield?

Mr. DIRKSEN. No; I do not yield.

I listened to all these speeches, Mr. President. There was a transgression of rule XIX in every paragraph of those speeches, but I did not rise under my authority as a Senator to make a point of order. I did not interfere. I asked no questions. I am willing to see those who favor this resolution make their case, and then I shall make my case, and I am going to do so.

Mr. FLANDERS. Mr. President, will the Senator yield for a moment? I misunderstood what the Senator has just said, and I wish he would repeat it.

Mr. DIRKSEN. I am speaking of the way the word "Hitler" crops up in so many of these speeches, and it crops up, of course, in the editorial of the Daily Worker for the 26th of July 1954, which urges its readers to get in touch with their Senators on July 30, because this resolution would be here on that date.

Mr. FLANDERS. Mr. President, I heard that, but I did not hear the statement which followed.

Mr. DIRKSEN. I think that is all I said, Mr. President.

Mr. FLANDERS. There was something else the Senator said.

Mr. DIRKSEN. Then my friend can read it in the RECORD, and if it is wrong I shall be glad to correct it.

Secondly, to show whether or not the Communist Party and its affiliates and its associates are for the resolution, here is Newsweek for April 26, 1954. The title is "The New United States Party, A Hard Core of Communism," and in a box, the words, "The Party Line."

I shall not weary the Senate by reading all of the document I have before me, but about No. 11 or 12, as showing what is of transcendent importance to the party line it says, "Defeat of Senator JOSEPH R. MCCARTHY and his supporters."

This is in the new draft program, and, incidentally, I have the draft here. I want to be sure that we nail this down.

This is the Communist Party's latest document. It has an interesting title, "The American Way to Jobs, Peace, and Democracy."

On the inside of the cover this statement appears:

> This draft program is offered by the Communist Party as a statement of its proposals for meeting the critical problems now facing the American people.

The document is about 15 or 16 pages long, but the thing that intrigued me most was what I found on page 8. This is one of the major proposals of the Communist Party. It is labeled No. 4:

> The menace of McCarthyism, the growing danger of fascism.

I think perhaps I ought to put all of it into the RECORD; but Senators ought to send for and get a copy of this document. It is a great campaign document; it would be very useful.

I notice over on page 9 this quotation:

> The McCarthys and McCarrans are not merely publicity-seeking demagogs. They are the conscious creatures of powerful ultra-reactionary monopoly interests. McCarthyism is the ugly face of American Hitlerism, American fascism.

Goodness, PAT MCCARRAN, I did not know they said such unkind things about you.

But read it. Oh, it is a fascinating document.

So who got in bed with the distinguished Senator from Vermont? The Communist Party got in bed with him because here is their bible; here is their campaign brochure for 1954; and, if it needs to be implemented, that can be done by looking at the daily copies of the Daily Worker.

There is something else that has intrigued me no end, and I hope in all the welter of stuff I have here I can find it.

A brochure was thrown around in one place or another in New York the other night, and someone sent me a copy of it. Oh, here it is, blessed thing. It is a mimeographed sheet. It has a grinning cartoon on it, and the caption reads, "Sign Up Against MCCARTHY." Then down at the bottom it says, "Speak up against McCarthyism now."

You see, Mr. President, this is a crusade. Suddenly out of a clear night this has developed. Who is responsible for it? The Labor Youth League, an affiliate of the Communist Party in New York. Some of this is worth reading. It says:

> In an address delivered before the Senate last Tuesday, Senator RALPH E. FLANDERS, Republican, of Vermont, introduced a resolution, which, if passed, would be some kind of step in the battle against McCarthyism. The text of the resolution was as follows:

Mr. President, they have not caught up yet with the new resolution. They

will have to get the new one tomorrow. This is addressed to Senators. I will read only the last paragraph:

> We students ask your support in urging our Senators to uphold the Flanders resolution. Let the vote-conscious politicians know on whose side the vast majority of the people are. Send a postcard to Senator IVES—

I asked the Senator from New York if he got any postcards, and he said he got hundreds of them. Think of it, Mr. President. They have been busy. I continue to read—

> who, as yet daintily ignores the issue, asking him to support the resolution, and at the same time let Senator LEHMAN know that you are behind him in his outspoken onset against JOSEPH MCCARTHY.

So they climbed into bed with our distinguished and honorable friend from Vermont. And he is an honorable Senator and he is a distinguished Senator. I never approach a responsibility like this, but that I think of Anthony over the cold body and the bier of Caesar, saying:

> And Brutus says Caesar was ambitious.
> And Brutus is an honorable man.

Yes; the Senator from Vermont is an honorable man. He could not know about this. He has become the unwitting victim of those who have moved in behind in order to liquidate the junior Senator from Wisconsin.

Perhaps before I end on that point I could add other things to identify the matter with Communist desires, including a recent article by Louis Budenz, great instructor, great professor on the faculty of Fordham University, who got caught up in the Communist maelstrom. If Senators read the articles by Louis Budenz, they will find out that the liquidation of MCCARTHY and McCarthyism is more important on the Communist Party agenda than everything else.

So the Labor League, the Youth League, the Daily Worker, and the Communist Party, all of them, have suddenly climbed into bed with the honorable Senator from Vermont. And he is an honorable and a distinguished Senator.

We ought to go to something else now, because they are not the only groups involved in this matter. Here is still another group. This is No. 2. This is the Americans for Democratic Action. When I read the first speech of the Senator from Vermont, in which he mentioned the fact that he got a bootlegged edition of the printed hearings before the Committee on Rules and Administration on the junior Senator from Wisconsin, I got to thinking about bootleg editions. My mind automatically went back to a hearing before the Committee on Banking and Currency, of which I was a member at that time, in connection with the Price Control Act, when a young man appeared, who was glib and who was able. This young man knew what was going on on Capitol Hill. He was acquainted with the procedures here.

I said to him, when it came to my time to interrogate him, "You are quite familiar with what goes on, and you have an amazing knowledge of the techniques and the procedures of the United States Senate."

He said, "Well, I should."

I said, "Why?"

He said, "For a time I was on the staff of Senator FLANDERS, of Vermont."

That young man sitting in the witness chair was John G. Gunther, executive director of Americans for Democratic Action.

In a letter ADA says it has published and distributed thousands of copies of the Senate's official report on MCCARTHY. In the light of that statement it would be a fair presumption—and I would not hurt the honorable Senator by any kind of invidious assumption—but it would be fair and reasonable, I think, to believe that a former staff member, then the director of Americans for Democratic Action, might have made available to him a copy of what had happened 4 years ago or 3 years ago in the Committee on Rules and Administration of the Senate.

This letter is worth reading. I must read a part of it, because this case must be made. The title is "Americans for Democratic Action, 1341 Connecticut Avenue NW., Washington, D. C., Robert R. Nathan, chairman." Then the board of directors. It begins with Mrs. Franklin D. Roosevelt, honorary chairman; James E. Doyle; Arthur M. Schlesinger, Jr.

Who is Mr. Schlesinger? He came to Springfield, Ill., as the speechwriter for the former Governor of Illinois, Adlai Stevenson, in the campaign of 1952.

The rest of the letter can go into the RECORD. I refer to only one other name as a member of the board. That is Telford Taylor. He was a general in the Army. I first met Taylor in Nuremberg, Germany, where he did quite a creditable job in connection with the Nuremberg trials. He is on the board of the ADA.

But here is something that intrigues me more, because it is from a newspaper, the Berkeley Daily Gazette, of California. It is dated Saturday, July 3, 1954. The heading of the clipping is: "Bridges gets New Attorney." It reads:

> Telford Taylor has been retained to argue on behalf of Harry Bridges a motion to dismiss a civil suit seeking to strip the leftist labor leader of his citizenship.

Oh, Mr. President, we can identify many of them.

Mr. LEHMAN. Mr. President, will the Senator yield for a question?

Mr. DIRKSEN. No; I will not yield.

Mr. LEHMAN. For a question?

Mr. DIRKSEN. No; I will not yield for a question.

The VICE PRESIDENT. The Senator from Illinois declines to yield.

Mr. DIRKSEN. For 7 weeks Members of this body have pilloried the Senator from Wisconsin. This is the first time I have essayed upon the floor to say a few words in his defense. I do not mean to be diverted. I do not mean to be offensive in declining to yield. This case must be made with some degree of continuity, however.

I return to the letter of the ADA. It is signed by Arthur M. Schlesinger, Jr., national cochairman. I read from the letter:

> Dear Friend—

It is dated May 10, 1954. That is very recent—

> How do you feel about the McCarthy-Army conflict? Do you feel that McCarthyism is a serious menace to individual freedom at home and the unity of free nations abroad? Would you like to help reverse the trend toward hysteria and prejudice that is tearing our country apart?
>
> If your answers are in the affirmative, and you want to do something about McCarthyism, we in ADA have a proposal. ADA has been in the fight since the beginning and will be in it to the finish. As an anti-Communist organization we have long recognized the threat of communism to the free world, and we have fought Communists effectively.

Some of this is not too important. Then I read:

> ADA published and distributed thousands of copies of the Senate committee's official report on MCCARTHY's dubious financial operations. We are now spending thousands of dollars to distribute tens of thousands of copies of the issue of the Progressive documenting the record of MCCARTHY.

Oh, yes, the loins are girded, and the weapons have been gathered. It is an amazing thing, is it not, that a great organization like this, with many fine names in it, should make the offensive against the Senator from Wisconsin their major job?

Do not Senators wonder why? Goodness me. There is not another man in the United States who seems to command so much attention. But I remind the Senate of my text: "Follow not a multitude to do evil." That is what the old prophet wrote upon the sacred parchment of the Old Testament long ago. Here is the Communist Party, a multitude, the Daily Worker, and their affiliate organization, the ADA. A great multitude doing what? Marching with one persecution complex against an humble Senator, yes, an humble Senator from Wisconsin. [Laughter in the galleries.]

Oh, I know there are times when I could have done something to him myself, but if you were put under the pressures he has been under for a long time, what would you have done? You who smirk and laugh, what would you have done under those pressures?

Is there a Member of the United States Senate who can hear me tonight who would have undertaken the burden JOE MCCARTHY undertook? Who would have undertaken it? Yes, laugh if you will.

Shortly after he came back from Wheeling 4 years ago an investigatory committee was appointed, and Millard Tydings said, "Give me 3 days, and JOE MCCARTHY will not show his face in public." The hearing before that committee lasted for 31 days. Millard Tydings is not here in this body today, and some others are not here also. Let us remember what the equities and the verities are.

"Follow not a multitude to do evil." The multitude is marching. Do Senators wonder why?

So the ADA, the Communist Party, the Daily Worker, the Youth League, and all

the rest, climbed into bed with our friend from Vermont, and our friend is an honorable man. He is a great Senator. I would not demean him for the world.

I proceed to something else. That is not all that is marching in the multitude. This document [indicating] comes to Senators' desks every day, does it not? It is the "Report on Congress, the CIO Legislative Department, 718 Jackson Place NW., Washington, D. C." This copy is recent. It is dated July 19, 1954. It is not very long, and I want to read all of it into the RECORD. There is one word to which I desire to call special attention. The headline is: "Have You Done Anything About McCARTHY?" That is something, is it not?

Now, at last, you can do something about McCARTHY.

You can put yourself on record by telling both of your United States Senators to vote to separate this low-blow Joe from his committee chairmanships.

The CIO has not quite caught up yet. It is still playing with the first resolution. Its legislative representative had better catch up, because there have been two since then, including the one that is before the Senate tonight.

Early this week, probably on July 20, Senator RALPH FLANDERS, Republican of Vermont, will force the Senate to vote "Yes" or "No"—He will force the Senate to vote "Yes" or "No" on his motion to separate Senator McCARTHY from chairmanship of the Committee on Government Operations or any subcommittee thereof.

I continue to read. Listen, my friends and colleagues:

Your Senators might like to duck this one. But Senator FLANDERS is going to make them choose between voting against McCARTHY or voting for McCARTHY. A Senator who absents himself from this rollcall without having his position recorded will, in effect, be voting for McCARTHY.

Oh, the CIO does not give Senators any loophole. They are going to tell them off. I admire our great majority leader, and I admired him more the other day when he said the CIO is not yet running the Senate of the United States. More power to the Senator from California, BILL KNOWLAND, for the courage he has evidenced on the Senate floor. I salute him as a great American and as a great leader in this body.

I read further:

The vote will take place. Senator FLANDERS is determined about that. He recognizes in McCARTHY the naked threat of fascist violence against the rights of free men and against our form of government. McCARTHY means business.

I am glad there are occasions when he does mean business.

So does Senator FLANDERS.

Your letters and wires to your two Senators today can clinch the outcome of this first significant move to stop McCARTHY in his tracks.

This is the first move. What is the second? Who is next on the agenda? If the Lord is willing and my energy does not fail me, I will come to that, too, before the night is over and document the case. Continuing:

By writing or wiring both of them today to "Support Senator FLANDERS' motion to separate McCARTHY from his chairmanships" you will make them realize that this is an issue they don't dare to duck.

Yes; you can do something about McCARTHY. But you must do it now, today; tomorrow will be too late.

P. S.—Don't write to Senator FLANDERS—his mind is made up. Write or wire your own Senators to be present and vote on the Flanders motion and to vote for it.

I repeat my text:

Follow not a multitude to do evil.

The Communist Party got in bed with the Senator from Vermont. There is the record. Who will try to dispute it? The CIO got in the bed too, and so did the Labor League of Students in New York. Oh, what a marching concourse. It includes the Americans for Democratic Action. There they are, a multitude to do what? To liquidate a Member of the Senate. They want to do it on a personal basis, because the resolution has been changed three times, and the condemnation now is not of JOE McCARTHY as chairman, but of JOE McCARTHY, as an individual.

Who of us shall be next on the list? That is a fair question, my friends. You may want to go back and read it sometime.

I repeat, "Follow not a multitude to do evil."

We come to the fourth contingent in the marching multitude. The Senator from Oregon [Mr. CORDON] is so right in saying when you go about this business, to be sure of your facts, because it will rise up to haunt you.

We come to the next contingent, and what is it? The National Committee for an Effective Congress, 680 Fifth Avenue, New York 19, N. Y. Here is their brochure. Here is their letter. On the board of advisers of the National Committee for an Effective Congress is Paul H. Appleby. It will be remembered that he was secretary to Henry Wallace. Others are Stringfellow, Barr, Laird Bell, George Biddle, Henry Seidel Canby, Evans Clark.

If I err, I will apologize and correct the statement, but I think Evans Clark is probably Freda Kirchway's husband. She was at one time the editor of a magazine called the Nation, with which I never saw eye to eye.

Others are: Gardner Jackson; Oscar Hammerstein II; Robert R. Nathan; George E. Outland, a former Representative from California, with whom I used to debate on the air waves once in a while; Sumner Welles; Maurice Rosenblatt, campaign manager; George E. Agree, executive secretary.

I say this is a political committee. So, as a political committee, it must, under the Corrupt Practices Act, file statements of contributions and expenditures. Knowing that, I went to see the Clerk of the House of Representatives to ascertain whether the statements were on file. They were. So I can assure the Senate that I have gone through all these statements, and I can speak with some degree of authority on the subject.

This committee has published a very interesting letter. I do not believe I need to worry Senators too much about it, except to read a quotation or two from it, so as to identify it.

Though the Army-McCarthy hearings have cut McCARTHY's strength, the real sources of his power remain. He has 4½ years left in the Senate, a network of spies and informants, inexhaustible financial backing, and the fanaticism of the politically and emotionally displaced persons who make up the hard core of his movement. Powerful elements still plan to use McCARTHY in the 1954 campaign and ambitious rowdies in both parties are adopting his methods.

Now the appeal. What kind of appeal is made by the National Committee for an Effective Congress? Incidentally, to make certain that nobody may charge me with having omitted a name, that might be of political persuasion, I first go back to a telegram that came to Senators' desks. Did Senators see it? They received it. It was dated July 23, 1954. I read the telegram first, because it is from this group:

The issues posed by McCarthyism override all considerations of party advantage or expediency. At stake are the integrity, dignity, and authority of our highest legislative body.

The prestige of the United States Senate is of the greatest public concern, and in our opinion, the resolution of Senator RALPH FLANDERS to curb the flagrant abuse of power by Senator McCARTHY offers the Senate an opportunity to restore those proper and honorable standards of conduct traditional in its proceedings and to regain the confidence and respect of the American people.

We believe that you should disregard party and other lesser considerations and meet this issue squarely. We urge you and your colleagues to show by your vote on this issue that the Senate of the United States is prepared to assume responsibility and deal resolutely with an abuse of power or contempt of its traditions.

That language begins to show up in these documents. So the committee winds up by saying:

A forthright stand by each Member of the Senate supporting the initiative of Senator FLANDERS will reassure all citizens that the basic principles of American life are inviolate in the Congress.

Who signed this? Douglas M. Black, Cass Canfield, Will Clayton, John Cowles, L. W. Douglas, Samuel Goldwyn, Erwin N. Griswold, Albert J. Hayes, Paul Helms, Paul Hoffman, Palmer Hoyt, Chester J. Laroche, Fred Lazarus, Jr., J. P. Marquand, Ralph McGill, Reinhold Niebuhr, J. R. Parten, Frederick D. Patterson, Howard C. Petersen, Walter Reuther, Spyros P. Skouras, Henry M. Wriston, J. D. Zellerbach.

What has happened to this committee? I will tell Senators. They came to Washington and rented quarters in the Carroll Arms Hotel, across the street from the Senate Office Building. They are registered in the name of the National Committee for an Effective Congress. Some of the boys went over to see what was going on. If Senators want to know exactly what has been done, the committee has rented rooms 303 and 305 in the Carroll Arms Hotel, Washington. It might not be called the Senate Office Building annex, because that is where Mr. Rosenblatt and Mr. Frye, and some of the other associates, are holding forth.

I sent a man to the office of this committee in the hotel. When he got there he knocked on the door. The door was locked. He could not get in. He said

to the elevator operator, "Is there anyone in there?"

The elevator operator said, "There must be, because that is the office of the National Committee for an Effective Congress."

So the man went back and beat on the door. A very queenly, charming blonde opened the door and said, "What do you want?"

He said, "Is this the office of the National Committee for an Effective Congress?"

"Yes."

"Well, I am interested in the movement. Do you have any literature?"

The woman was very diffident. Finally she said they did not have any literature there. It had become known that they were doing business in the Senate Office Building annex, in the Carroll Arms Hotel, so they became suddenly extremely cautious.

They are getting out literature. They have been working and dictating releases. The man who is handling their public relations is Mr. Frye, who formerly was public relations man for my old friend, Louis Johnson, when Louis was Secretary of Defense.

Senators can go to the Carroll Arms Hotel and check for themselves. It is not very far from where we are sitting tonight. That is where the National Committee for an Effective Congress is operating. I want to show what the purpose of this committee is, because it is extremely important. They say:

The National Committee for an Effective Congress is the only channel through which public-spirited citizens can give direct, practical support to responsible candidates of both parties in a manner that frees the candidates from the necessity of making unwarranted commitments, or otherwise entangling their independence.

Then there is the following:

The National Committee for an Effective Congress also works to improve public understanding of congressional events through publication of the newsletter, congressional report, and preparation of special background material for members of the press and other key opinion-formers.

On their literature, they have a very interesting comment. To me it is rather material to the matter I wish to speak of with reference to this committee. There is a very interesting statement on the rear side of their letterhead. Here it is:

The National Committee for an Effective Congress exists for one purpose—to channel practical and direct support toward the election of qualified liberals to the National Legislature. Following are all the candidates supported by this committee in past campaigns.

This is the list:

In 1948, for the Senate, PAUL DOUGLAS, GUY M. GILLETTE, HUBERT HUMPHREY, JAMES MURRAY, ESTES KEFAUVER, MATTHEW NEELY.

For the Senate in 1949, HERBERT H. LEHMAN.

For nomination to the Senate in State primaries, 1950: Claude Pepper, Frank Graham, of North Carolina.

For the Senate in 1950: Helen Gahagan Douglas, John Carroll, of Colorado; William Benton, of Connecticut.

Those are the selections of liberals by the National Committee for an Effective Congress.

One of the greatest and most effective men who ever set foot in Congress, respected and revered, is WALTER GEORGE, of Georgia. Is his name on the list? Indeed not.

One of the men for whom I developed a great and abiding affection years ago is DICK RUSSELL. Is his name on the list? It is not.

Is the name of BILL KNOWLAND on the list? I cannot find it.

Is the name of BOB HENDRICKSON there? I have not found it.

Is the name of KARL MUNDT there? I have not found it.

The National Committee for an Effective Congress is interested in qualified liberals. They write the qualifications. That is one crowd which is part of the multitude that is marching tonight out of the office next to the Senate Office Building, heeled with money, to liquidate a Member of the United States Senate. It is interesting, is it not?

They are a part of the multitude which got in bed with the Senator from Vermont. The CIO, the Americans for Democratic Action, the National Committee for an Effective Congress, the Communist Party—all of them are marching tonight with the distinguished and honorable junior Senator from Vermont [Mr. FLANDERS]. And he is an honorable man and a distinguished Senator.

We go a little further. I think we may just as well read the record. When I went through the record, I found what this group meant when they talked about practical help. And they are practical, because in that record one will find what they took in, from whom they got the money, and where it went.

In the first report, from January 1 to October 28, 1948, among those to whom the National Committee for an Effective Congress made contributions were:

Senator ESTES KEFAUVER, October 23, 1948, $1,000.

That is practical help, is it not? They mean to be practical in behalf of a liberal Congress, and they write the specification of what constitutes a liberal.

HUBERT HUMPHREY, October 23, 1948, $1,000.

These are not my figures; they were filed under oath, with the Clerk of the House of Representatives.

MATTHEW NEELY, October 25 and 28, $1,400.
PAUL H. DOUGLAS, October 28, $500.
GUY GILLETTE, $300.

That was the first report.

We go to the report in 1948:

ESTES KEFAUVER, $250.
MATTHEW NEELY and HUBERT HUMPHREY, $250 each.

The report in December 1952 shows contributions made to the following organizations:

The Montanans for Mansfield Committee, $500.

Utah Get Out the Vote Campaign, $500.

Kilgore Committee, Charleston, W. Va., $500.

Democratic Organizing Committee of Wisconsin, $1,075.

That was when Senator WILEY was running.

Fairchild for Senator Club, $1,000.
To the Campaign of Senator Benton, $500.
To the O'Mahoney Campaign, $500.

The list is a long one.

I believe in what the Senator from Oregon said—get the facts, and the facts, under oath, are in the office of the Clerk of the House of Representatives, concerning the committee which is operating from the Senate Office Building annex in the Carroll Arms Hotel to liquidate the junior Senator from Wisconsin. They sent out these telegrams. They constitute quite a crowd, and with them some very capable people are working in order to get this job done.

So there is no choice, then, except to lay out the entire record and see who is a part of the multitude that is marching.

Let us go a little further to see who got what. This is the broadcast that Fulton Lewis delivered on the night of July 26. One has to document his story. He has to make an allegation that will stand, and I have an idea this will stand up. So I read everything I have on this point. Mr. Lewis referred to this committee. He said at that time:

Early last week, the committee sent requests to 75 individuals over the Nation, asking that they permit their names to be used on the telegram. * * * Out of the 75, they got 23, mostly individuals with strong leanings to the left, including Paul G. Hoffman, now president of the Studebaker Corp., and associated with pinkish movements of every description for many years past.

This is essentially the part which shows that the junior Senator from Illinois is not talking through his hat:

Beginning some weeks ago, there appeared in the office of Senator FLANDERS an individual by the name of William Frey, who spent so much time there that it was assumed by reporters and employees that he was a new addition to Senator FLANDERS' staff. As it turns out, however, William Frey is a public relations man, employed by the Committee for an Effective Congress, with offices in room 303 of the Carroll Arms Hotel, which is across the park from the Capitol Building, and he was merely spending the time in FLANDERS' office, by way of keeping in contact with him.

I ask my colleagues to draw their own conclusions, when, after all the years during which nothing was said about these matters, suddenly a great multitude begins to march, and in that multitude is the public-relations man who is the captain for the National Committee for an Effective Congress to elect qualified liberals in a practical way. They are practical, and the list of liberals they have endorsed is here.

What about the conservative Members of Congress? Where do they come in? The multitude is marching. The Communist Party, the CIO, the ADA, the National Committee for an Effective Congress, and all their affiliates, are marching in order to liquidate the junior Senator from Wisconsin.

Now, what about the question of misconduct, and official misconduct? What about the recitals of abuse?

I see present in the Chamber the Senator from Oklahoma [Mr. MONRONEY],

for whom I have great affection, and with whom I was a Member in the House for many years. Together we sat on a joint committee of the Senate and the House in 1945 and 1946, in order to bring about the passage of the Legislative Reorganization Act. Mike, if the Senator from Oklahoma does not object to the familiarity, they were great days, and I remember the battles we fought in the House, and what a time we had even getting a hearing on the proposal. But we got the job done, and there were many rules modifications and streamlining of committees. In that Legislative Reorganization Act we wrote a provision to the effect that it is up to an individual committee to determine what constitutes a quorum for purposes of taking testimony. That is the rule under which the Senate operates. That is the rule under which the Senate committees operate in investigations. The Committee on Rules and Administration, of which the Senator from Indiana [Mr. JENNER] is chairman, can have one man present and he will constitute a quorum when sworn testimony is to be taken. The committee of the Senator from Wisconsin [Mr. MCCARTHY], under the rules, needs only one man to have a quorum.

We talk about abuses of power.

I now call to the attention of my colleagues the Supreme Court decision, in the October term of 1948, in the Christoffel case. The Committee on Education and Labor of the House, a standing committee, at that time had before it Christoffel, a labor leader, and they filed a contempt charge against him. He was found guilty, and the case went to the Supreme Court of the United States. It was the contention of Christoffel's attorneys that the committee was not a competent tribunal. It was contended that it had to be shown that a quorum was present. Persons were going in and out. Members were leaving to get a drink of water, to answer the telephone, and so forth. How does one prove that a quorum is present in order that testimony under oath may be taken properly? The Supreme Court threw that case out. It had been established that a quorum of the committee had been present.

How is a charge of no quorum to be met? The rule was laid down that one man constitutes a quorum. Everywhere there is talk of abuse, when, as a matter of fact, that rule is a good thing, because any contempt citation will land in the Washington, D. C., court, and the court will make us prove that a quorum was present and that the tribunal was competent.

That is what the Supreme Court said about it.

Now, then, where is the abuse? Semantics — fancy words — generalizations—unspecified charges—like the distinguished and honorable Senator from Vermont [Mr. FLANDERS] brings before us tonight. No proof under oath.

Should men be condemned that way? Should men be tried that way? Indeed, not.

I am not going to detain the Senate any longer. There are only 1 or 2 other things I wish to say.

The Senator from Vermont is an honorable man and an able man. I am sure he could not have known who was going to "get in bed" with him, but the multitude did. The question is, Do we follow the multitude to do evil and pass condign judgment upon a Member of this body when there is no proof and when there is a great, concerted force moving, with money and organized talent, to liquidate a Member of this body?

His name could have been MORSE. It could have been DIRKSEN. It could have been JOHN BRICKER. But when we see this list of liberals this group in the Carroll Arms Hotel is backing in the interest of an effective liberal Congress, what happens to WALTER GEORGE? What happens to DICK RUSSELL? What happens to ALLEN ELLENDER? What happens to PAT MCCARRAN?

No conservative will be safe in this body if we ever take this action, because all they need, if they disagree with you, is to get one man like the Senator from Vermont—honorable as he is—to put the brand upon you with a censure resolution and to condemn you. You do not have to be tried. You do not have to be found guilty. They do not need a majority of the votes, because the newspapers will dress up the story back home, and the people behind their hands will say:

"There must have been something to it. Those Members would not have filed those charges and made those statements in that dignified and august body unless there were something to it."

Oh, the innuendo and sinister effect of it.

God save the mark! I wish to say I am distressed about this. I am distressed that the Senator from Vermont permitted himself to be used as the spearhead for a multitude to do evil to a Member of this body. And do not forget it: It could be any other Senator some time before the next election.

No, I will not go along with it—not I.

On one side, the Senator from Vermont [Mr. FLANDERS], the Senator from New York [Mr. LEHMAN]—because the Senator from New York has already prejudged this matter; he has indicated what he is going to do, and has spoken on it—and the Communist Party, the Labor League, the youth group in New York, the Daily Worker, the ADA, the CIO, and the National Committee for an Effective Congress—there they are, marching in solid phalanx, with their banners in the wind and their pennons and their standards flying—and for what? O, the cry is for the blood of JOE MCCARTHY.

Take your choice, Senators. Do you want to march with that multitude to do evil and liquidate a Member of this body by the name of MCCARTHY, or are we going to stand up and be counted for a man—whom I do not defend on every score, by any means, a man whom I have scolded roundly many times, but a man who has had the courage to go forward and do a good job, as he saw it, for his country, notwithstanding the mistakes he made.

My friends in the Senate, I know where I will stand; and let me say to my friend, the Senator from Vermont, that the junior Senator from Illinois will not duck. He is ready to vote, either now or at any other time.

Mr. President, I yield the floor.

RECESS TO TOMORROW AT 10 O'CLOCK

Mr. KNOWLAND obtained the floor.

Mr. FLANDERS. Mr. President, will the Senator from California yield very briefly?

Mr. KNOWLAND. Mr. President, I have had a number of requests from Senators on both sides of the aisle who desire to speak on this subject. However, as I indicated earlier, there is no doubt in my mind that this discussion will run on for some days. If I once start yielding, I do not know where we can end.

Senators have been here now since 9 o'clock this morning. It is now 10:15 p. m. I had previously announced that we would take a recess tonight until 10 o'clock tomorrow morning.

Therefore, Mr. President, pursuant to the prior announcement, I move that the Senate stand in recess until tomorrow morning, at 10 o'clock.

The motion was agreed to; and (at 10 o'clock and 15 minutes p. m.) the Senate took a recess until tomorrow, Saturday, July 31, 1954, at 10 o'clock a. m.

NOMINATIONS

Executive nominations received by the Senate July 30 (legislative day of July 2, 1954):

COMMODITY CREDIT CORPORATION

Earl L. Butz, of Indiana, to be a member of the Board of Directors of the Commodity Credit Corporation, vice John H. Davis, resigned.

RAILROAD RETIREMENT BOARD

Horace W. Harper, of Texas, to be a member of the Railroad Retirement Board for a term of 5 years from August 29, 1954. (Reappointment.)

IN THE NAVY

The following-named officers of the line of the Navy for permanent promotion to the grade of commander:

Chaffin, George M.	Screws, Frank M.
Rucker, Preston R.	Chase, William E.
Lafferty, John C.	Maurer, Winfield G.
Foster, Charles F.	Commons, Norbert A.
Greer, George B.	Brooks, George W.
Lee, Carl F.	Danielski, Joe M.
Owen, John M.	Decker, Joe B.
Warren, Guy W.	Watson, George S.
Kerr, Albert V.	Ward, Arvell B.
Schultz, Horace D.	Callan, James E.
Violett, Sam O.	Loewer, Leroy
Hawk, Clarence C.	LeMote, Norman N.
Bayers, Edward H.	Mullins, James D.
Firebaugh, Gordon E.	Mattis, Johnnie E.
Bode, Elton W.	

The following-named officers of the Navy for permanent promotion to the grade of lieutenant commander in the line and staff corps as indicated:

LINE

Bundy, William H.	White, Norman E.
Hoffman, Robert J.	Watson, Joseph D.
Olooney, John	Hansen, Frederic T., Jr.
Ballou, Justin G.	
Greenwell, Martin D.	Scott, Hugh A.
Hatheway, Valentine, Jr.	Frese, Bernard W., Jr.
Gibson, Aubrey L.	Franz, Leonard A.

Alt, Earl J.
Racette, William A.
Davis, James H.
Ward, Herbert H. 3d
Adams, Frank W.
Davison, Jacquelin C.
Ellis, Alfred B.
Julian, Archie L.
Cornelius, George
VanOrden, Dale O.
O'Brien, Clement E.
McNeil, Wilfred J., Jr.
Dampier, Robert M.
Smith, Clayton W.
Clarke, Gerald W.
Belt, Richard W., Jr.
Smyers, Charles W., Jr.
Huff, Alvin D.
Herring, James W.
Clare, Raymond J., Jr.
Davis, George J.
Smith, James E.
Davis, Edwin T.
Gillin, James McK. Jr.
Irvin, James K.
Ramsey, Paul J.
Hadley, Joseph E.
Casey, Thomas H., Jr.
Whiteley, Robert W.
Windham, Grover B., Jr.
Baker, William P.
Wozniak, Adam L., Jr.
Johnston, Richard H., Jr.
McCaughey, William H.
Montunnas, Stanley
Bryan, George R., Jr.
Bays, Frederic L.
Yates, Frederick A.
Klauer, George W.
Thomas, Gardner, Jr.
Donnelly, John A.
Kastenbein, William H.
Vraciu, Alexander
Morse, Lloyd C.
Hamesch, Philip P.
Gersuk, Ipser J.
Davidson, William A., Jr.
Tracy, Weimer B., Jr.
Dorsey, Patrick C.
Dibble, Edgar J.
Stearns, William G., Jr.
McGowan, Edward C.
Fitzgerald, Paul D.
Dunkum, Hugh H., Jr.
Johnson, Silas R.
Frellson, Max E.
Jackson, James R., Jr.
Moore, Thomas H.
Heider, Walter H., Jr.
Earl, Raymond L.
Snyder, Charles E.
Bailey, William F.
Raddatz, Robert W.
Lapierre, Douglas B.
Durio, Jack N.
Bursik, Vlada D.
Rowell, Kenneth F.
Duncan, Charles L.
Coppola, Eduguardo M.
Burton, John H.
Randle, Bob, Jr.
Taylor, Halton H.
Leggett, Ernest H.
Nelson, Robert J.
Straub, Robert L.
Wall, Charles G.
Merwin, Jesse A.
Brookes, Charles S.
McBride, Earl P.
Graber, Harry
Frees, Norman W., Jr.
Newton, Torrey A.
Barrett, Boynton
Douglas, Benjamin T.
Hanson, Sammy H.
Grace, Philip J.
Laird, Don E.
Frawley, Larry W.
Culley, William F.
Kellerman, Lewis F.
Kunkle, Robert D.
Baker, Howard J.
Christensen, Dalli J.
Weiss, Laverne L.
Ziemba, Anthony M.
Savacool, James M.
Simmons, Charles T., Jr.
Wimpey, George A.
Keifert, Robert N.
Michael, Bernard E.
Eckard, Joseph D.
Edgerton, Stuart, T., Jr.
Love, Earl M.
Webster, George H. G.
Vopatek, Matt M. J., Jr.
Palm, Edgar P.
Jarmon, Oscar F.
Butcher, Harold K.
Kouns, Maynard W., Jr.
Klassy, Raymond L.
Foster, John I.
Schnell, Edward E.
Witczak, Raymond J.
Carlson, Paul G. A.
Whitcomb, Roy S.
Ransford, Clyde E.
Jones, William H.
Gammell, John F.
Sattler, James A.
Rusk, Alfred D.
Horswell, Vance E.
Burak, Hugh
Blakeney, Hulon R.
Kruzick, George F.
Carmody, Harry T.
Girard, George W.
Osburn, Vernon H.
Pavlow, Paul, Jr.
Bucklew, Oscar T.
Chute, Laurence R.
Buergey, Herman P.
Favreau, Floyd F.
Smith, Rodney N.
Wideberg, Samuel R.
Cornie, Lynn J.
Horrell, Ernest R.
Thompson, John R.
Bacak, Joseph J.
Cable, Jesse F.
Packard, Howard S.
Keyes, Thomas E.
Black, John A.
Sebring, Clair W., Jr.
Robinson, Roy H., Jr.
Davis, George W., 5th
McKinley, Charles E.
Rosengrant, Warren M
Waggoner, James W.
Boyle, John A.
Pepe, Samuel R.
Garrett, William L., Jr.
Dougherty, Robert M.
Calhoun, Henry H.
Coffey, James J.
Edwards, Emory H., Jr.
Behner, Herbert C., Jr.
Johnson, Melvin O.
Vansant, Victor W.
Powell, Raymond H. J.
McCarthy, Thomas S.
Quinn, Frank N.
Schwartze, George M.
Alexatos, Michael S.
Soule, Robert M.
Orndorff, Winfield S., Jr.
Allison, Donald
Merryman, Charles A., Jr.
Ternasky, Eugene P.
Lippincott, Leslie C.
Shinneman, John R.
Hanks, Eugene R.
Norris, Francis F.
Hein, Ralph, Jr.
Adams, William L.
Hartzell, James W.
Ryan, Robert R.
Buckowski, George A.
Payne, Alton W.
Siliers, Colin B.
Herron, Auburn W., Jr.
Davis, Jack J. S.
Lewis, Lawrence E., 2d.
Joslyn, Harvey L., Jr.
Alber, Lavier C.
Carton, Wilbur A.
Demoss, Charles W.
Wilson, Carter L., Jr.
Cox, Channing H.
Quillen, Vincent G.
Keeneth, Arthur R.
Otis, Gordon R.
Corn, Richard, Jr.
Tangas, Paul
Hellickson, Aaron J.
Garbler, Paul
Smith, Hovey D.
Irons, Robert E.
Gillespie, Donald R.
Thompson, John L.
Silverthorne, Frederick W.
Stanley, Donald C.
Thomas, Fred L.
Zane, Curtis J.
Stegg, Robert J.
Hallums, Charles F.
Hogue, J. C.
Kujawa, Edwin A.
Robertson, Chester L.
Magill, Thomas I., Jr.
Chandler, George W., Jr.
Declerque, Gerald.
Stephens, Sidney B., Jr.
Tyson, Warren A., Jr.
Harris, Daniel R.
Kirkendall, Melvin S., Jr.
Hawley, Edward R.
Waddell, Stanton W.
Hill, Paul E.
Meldrum, George B.
Scantlebury, Edwin W.
Sawyer, Clifford R.
Fottrell, John F.
Kostrzewsky, Alexander J.
Robbins, Robert D.
Klahn, Dale C.
Garrison, Lloyd W.
White, Carl C.
Blair, Leon B.
Taddeo, Alfred S.
Willey, John R.
Tipton, Elden C.
Knight, Gilbert L.
Gendron, Edward W.
Wessel, Robert L.
Keil, Robert A.
Johnson, William H.
Cheney, Harlan L.
Osterhous, Louis J.
Winner, Hal M.
Youngblood, Leslie L., Jr.
Sprague, James B.
Schoenfeld, John R.
Holly, David C.
Barron, Carl P.
Harrelson, George D.
Singletary, William C.
Bauman, John P.
Dalzell, Samuel, Jr.
Bolduc, Alfred G.
Kevan, Samuel M., Jr.
Martin, Richard H.
Bertoglio, Floyd J.
Byrd, Newton P., Jr.
Farr, Jesse B.
Gray, Rollin E., Jr.
Ferris, James
Lloyd, Marshall O.
Gibson, Moses M., 3d
Kelley, Vincent F.
Muir, James S.
Reilly, Thomas E.
Andrews, Milner L.
Bodger, Walter C.
Kuencer, William O.
Belk, George H.
Clark, Jackson W.
Hogue, Robert F.
Baumeister, Charles, Jr.
Zimmerman, Donald, Jr.
McCabe, Charles H.
Hall, Jack S.
Edmisten, William H.
Dingle, John A.
Linwick, Robert, Jr.
Fechtelkotter, Harlo D.
Sedell, Thomas R.
Mason, Robert C.
Karr, Delbert G.
Oliver, Joseph J.
Andrus, Richard C.
Gunderson, Allan H.
White, John F.
Anderson, Paul H.
Porter, Austin M.
Keller, Edgar T.
Hampton, Felix G.
Garbow, Bernard L.
Mukhalian, Zaven
Getchell, Douglas D., Jr.
Elefter, Theodore
Fox, John C.
Simon, William H., Jr.
Laird, Dean S.
O'Brien, William B.
Serill, Julian D., Jr.
Johnson, Waldo P.
Cockroft, Irving G.
McLinden, Hugh F., Jr.
Johnson, Rolland T.
McCartney, William J.
Toulon, Ygnacio T., 3d
Clayton, Charles B., Jr.
Jahn, Waldemar P.
Hillner, Alvin
Mabey, Alfred
Harrington, Charles B.
Anderson, George D., Jr.
Iiams, Meryl A.
Coleman, Thaddeus T., Jr.
Milner, Frank D.
Moore, James S., Jr.
Thelen, Robert H.
Durocher, Charles O.
Greve, Richard
West, Ira B.
Sweeten, Allen W., Jr.
Stegner, DeWayne H.
McBratnie, Charles C.
Minnick, Harvey E.
Conn, Alton H.
Hyde, Harold G.
Quinn, William J.
Reeve, Delos B.
Cowles, Jack R.
Fallon, James V.
Kest, Harold W.
Perkins, Tom A.
Todd, James F.
Telfair, Robert M.
Smith, George G.
Tate, Benjamin C.
Young, William C.
Burnett, Robert C.
McMullen, Cornelius E.
Small, David B.
Freeman, Leon H.
Airheart, James H.
Boutee, Harold C.
Monahan, John J.
Koenig, Fillmore G., Jr.
Bruce, Jack D.
Norton, Leroy G.
Whittemore, Douglas L.
Brissette, Kenneth F.
Haithcock, June D., Jr.
Coad, Richard J.
Sedaker, Thomas S.
Brundige, George D.
Kuhn, Melvin M., Jr.
Baker, Robert H.
Brown, Philip F.
Wood, Robert J.
Bayne, Marmaduke G.
Shirley, Robert A.
Loomis, William R.
Sokoloff, Norman
Denmark, Monroe F.
Ronan, Walter B.
Whitford, Rhean F.
Hazapis, Thomas
Sams, William R.
Rothamel, William P.
Cowart, John S.
Wyman, Herbert B.
Langfur, Joshua A.
Yonkers, George P.
Nelson, Arthur A.
Newman, Raymond C.
Carter, Harold A.
Houck, Dean W.
Wilson, Paul E., Jr.
Schall, Rodney F.
MacFarlane, Arthur S.
Riley, William P., Jr.
Borysiewicz, Anthony
Mott, Howard J.
Burnette, Oliver S.
Smith, Thomas B.
Carlson, Robert C.
Vaatveit, Allan R.
LeValley, James B.
Elder, Arthur G.
Nicholson, Thomas A.
Dootson, William W.
Wilson, Robert G., Jr.
Anderson, Robert W.
Sevilla, Bernard
May, Stanley F.
Holzrichter, Max A.
Landreth, William L.
Hanson, George W.
Cure, Harold R.
Gray, "O" "B"
Joy, Bernard F., Jr.
McEnery, Edwin B.
Novak, Marvin R.
Cantwell, Richard A. Jr.
Bownds, Robert C.
Brady, James G.
Mackie, John R.
James, Richard C.
Hansen, John B.
Schmidt, Henry W.
Menasco, Ralph W.
Mulligan, Charles E.
Selvitz, Richard E.
Morton, Henry S., Jr.
Murtha, Vincent L.
Smith, Alwyn, Jr.
Laird, Ian M.
Michie, Donald
Cheal, Wayne R.
Anderson, Charles R.
Durna, Gordon A.
Cornell, Leland B.
Hines, William M.
King, David A., Jr.
Worthing, Lewis K.
Clear, Thomas L., 2d
Jansen, John F.
Ziegler, William F.
Dougall, Alan
Freudenberg, Harold W.
Barco, Leslie T., Jr.
Gray, William J.
Durham, Harold D.
Hanna, Peter
Hershey, Kirk
Bass, Thomas E., 3d
Wolff, Paul M.
Carpenter, Melvin J.
Andersen, Wayne G.
Brown, Vernon L.
Utgoff, Victor
Smith, Floyd E.
Westerfield, Billy G.
Cleveland, Blair
Smith, Burton E.
Bookhamer, Robert H.
Goodwin, Glendon
MacKay, Dougal D.
Kirk, Leone E., Jr.
Welles, William T.
Williams, William G.
Schatz, Delmer A.
Shea, John D., Jr.
Frohne, Charles T., Jr.
Powers, George P.
Hagood, Douglas R.
Ball, Robert
Prichard, Melvin M.
Leonard, Edward F.
Barbor, Robert T.
Britt, Edgar R.
McElwee, Robert E.
Ritchie, James
Temme, Robert L.
Sigurdson, Orville S.
Logan, Thomas B.
Lovegrove, Howard C., Jr.
Roberts, Carlton B.
Hunt, Robert F.
Dick, John
Francisco, Herbert C.
Porter, Charles S.
Hrabosky, Joseph
McGinty, William G.
DeBord, Robert K.
McInnis, Norman K.
Hart, John R.
Brady, Francis L., Jr.
Henry, Alfred J., Jr.
Nelson, William M.
Cavanaugh, "O." "B.," Jr.
Hooper, Kenneth C.
Phillips, Rockford L.
Endicott, Ralph E.
Good, Dale S.
Kanze, Robert F.
Roberts, Charles C., Jr.
Stroud, George W.
Foley, Peter J.
Groesbeck, James D.
Cooper, Walter
Young, Richard O.
Hopper, Herman E.
Porter, Phillip W., Jr.
Provost, William B., Jr.
McIlwaine, James S., Jr.
Smiley, Walter P.
Fatkin, Thomas J.
Wagner, Arnold A.
Randle, Jack
Gills, James W.
West, Robert G.
Harrison, Curg W.
Homer, William N. P.
Braddock, Robert L.
Bratten, John L.
Streig, Frederick J.

Hook, John C.
Scott, William J.
Babcock, Courtland T.
Moore, Robert H., Jr.
Lee, Howard C.
Berkley, Kenneth H.
Dick, John H.
Cox, Warren M.
Timm, Henry O., Jr.
Fleming, William W.
Francis, Frederick E.
Grieve, John R.
Daniels, John
Kier, Kenneth J.
Bruffey, Edward D.
Botten, Ralph D.
Douthit, James H.
Barrie, Robert W.
Dower, William D.
Allen, Joseph W., Jr.
van Lier Ribbink, Edvard F.
Payne, Lloyd A.
Stacy, James M.
Brennan, Charles H.
Chalkley, Johnnie W., Jr.
Guidry, Joseph W.
Teague, Marx M.
Larkins, Bowen S.
Anderson, Donald A.
Pace, Glyndol W.
Fortner, Herschell
Stearns, Theodore H.
Spears, Paul H. A.
Vineyard, Merriwell W.
Flynn, Edward P., Jr.
Turner, William H., Jr.
Moss, Richard N.
Ward, Felix E., Jr.
Buchanan, Donald J.
Stewart, Jack H.
Taylor, Theron J.
Brchan, Edwin D.
McIntyre, William R.
Hudspeth, William L.
Dauphin, Oyd L.
Callan, Allie W., Jr.
Ridgeway, Richard H.
White, James T.
Teufer, William E.
Knight, Charles A.
Glasgow, Robert N.
Knopke, William R.
Walker, Gordon D.
Thomas, Lloyd H.
Bartol, John W.
Jogan, George J.
McNair, William D.
Seaver, Clifford N.
McDaniel, Jerry F.
McCue, Hartsel F.
Williams, Charles M.
Skidmore, Howard H.
Healey, Thomas L.
Miller, Clark W.
Emerson, William D., Jr.
Kent, Donald G.
Graham, Mac A.
Davis, Leon F.
Bowers, Anderson, Jr.
Warner, John D.
Hart, Gordon M.
Staffel, Clayton F.
Pryor, Samuel W.
Garvey, Hugh M.
Laurinat, Henry S., Jr.
Papas, Louis J.
Mitchell, William C.
Brown, Billy F.
Bryant, Franklin D.
Ellzey, Jack E.
Gardemal, Robert C.
Elens, James N.
Lynn, Robert T.
Shear, Dale M.
Gordon, Harold L.
Dewey, William H.
Bentall, Howard G.
Darnold, Marshall P.
Kalousek, LeRoy S.
O'Leary, Harold M.
Blackburn, Emmit W.
Crook, Frank W.
Reed, George P.
Jones, Warren M.
Krapf, Harry J., Jr.
Durham, Ardis H., Jr.
Mann, William G., Jr.
Forcier, Alfred A.
McGuire, Clair A.
Bemis, Lawrence R.
Sutton, Sheldon L.
Dunn, Stanley M.
Singleton, Royce A.
Wallace, Duncan P.
Essary, Melvin S.
Campbell, William A., Jr.
Schermerhorn, Dale V.
Bishop, Ralph F.
Sparks, Robert M.
Douglas, Daniel E.
Beling, John K.
Longino, Walter B.
Irwin, Kay S.
Hodgkins, Nathan G.
Schoulda, George C.
Sherwin, Robert W.
Thompson, Allen B.
Rock, James C.
Kuhl, Charles A.
McGrath, William F.
Watters, Harry J.
Rumsey, James F.
Heron, James J.
Levine, Aaron A.
Coulter, William G.
Oller, John S., Jr.
Kimener, Robert A.
Westray, William H.
Weible, Robert C.
Mott, Tom R.
Murphy, James E., Jr.
Petroff, Christopher C.
Spenser, Ray A.
Hartman, Raymond G.
Gieszl, Carl R.
Terry, George D.
Metze, George M.
Mayo, James O.
Livingston, William
Spuhler, Ralph W.
Montgomery, John A.
Switzer, George D.
Larkin, Edward J.
Zinn, Charles S.
Hathaway, George C., Jr.
Crocker, John A.
Benoit, George C.
Robbins, Joe D.
Cook, Raymond L.
Treon, Harold J.
Larson, Rueben D.
Davis, John K., Jr.
Foltz, Frank E.
Ruzicka, Lumir, Jr.
Regester, Richard P.
Ryner, Evan H.
Schwass, Earl R.
Berger, Eugene B.
Nightingale, William R.
Now, John G.
Grazda, Melvin G.
Engelman, Ralph
French, Ferris L., Jr.
Gorman, John P.
Stronski, Edmund J.
Kuntz, Robert E.
Kenton, Howard B.
Segerblom, Richard B.
Pahl, Herschel A.
Holder, Billy D.
Wright, Graydon D.
Scholes, James A.
McGhee, James H.
Yesensky, Albert S.
Judith, Joseph H.
Kimbrel, Robert W.
Carroll, Charles H.
Izac, Edouard V. M., Jr.
Miller, Myrl R.
Pulford, Stafford S.
Douglas, John T.
Hudeck, Raymond W.
Cummins, Herschel M., Jr.
Black, James B.
Carman, Charles W.
Knoche, John H.
Jeffers, William
Stiles, Irving C.
Braithwaite, John T.
Sullivan, Kieran P.
Seelinger, Robert A.
Jerbert, Arthur H.
Jones, Edward H.
Frankiewicz, Edward J.
Connors, Harold J.
Ford, Orin N.
Walsh, Arthur L.
Gunther, William J.
Hartman, William F.
Frick, Whitman H.
McCrary, Shannon W.
Barron, William B., Jr.
Courtin, Robert E., Jr.
Anderson, Jack D.
Nugent, Edward J.
Frye, Robert M.
Bates, William C.
Shuff, John W., Jr.
Weber, Boyd Y.
Sudduth, Roy M.
Peterson, Harry W.
Hagadorn, Steven B.
Schroeder, William A., Jr.
Robison, Bob J.
Hufstedler, Edward F.
Grotts, Joseph B.
Woodall, John W, Jr.
Heising, Kenneth W.
Appleton, Woodbury
Lavelle, James V.
McLane, Alpine W.
Fern, Benjamin
Shofner, Orville W.
Lancaster, William W.
Reynolds, Thomas E.
Kalstad, Henry M.
Wood, Edward E.
McQuary, John E.
Adams, Thomas H.
Frey, Gordon J.
Yesko, Elmer C.
Flournoy, Richard, Jr.
Everett, William H.
Staeheli, George W.
Yount, Robert R.
Hahn, William R.
Buxton, Elliott A.
Fitzgerald, Mark E.
Freer, Charles H.
Langford, Newell N.
Bogdanovitch, Philip M.
Munroe, William R., Jr.
Younkin, Robert D.
Alexander, Kent
Lang, Marvin H.
Love, John J., Jr.
McKenzie, Frank E.
Hodgson, Gordon S.
Pond, Robert M.
Sharp, George H.
Stinemates, Daniel H.
Largess, Clifton R., Jr.
Hoppe, Robert T.
Hardy, Thomas H.
Sheffield, Richard A.
Blakely, Harry J.
Wheeler, Owen E.
Napier, Charles H.
Huber, Robert L., Jr.
Pitcher, William A.
Barton, Elbert M., Jr.
Mercer, James W.
Lorentson, Adrian V.
Steinmeyer, Lloyd R.
Tompkins, John D.
Reeves, George J.
Middagh, William F.
Richey, Maurice H.
Fickes, Leslie R., Jr.
Zimmer, David W.
Koch, Donald R.
Webb, Raymond D.
Kincaid, John R.
Sampson, Richard A. H.
Robertson, Gordon H.
Ricks, Robert
Stear, David S.
Sloan, Stanley E.
Sears, Ferrell D.
Giamotti, Robert
Orourke, Frank R.
Weller, Richard H.
Bryant, Harold V.
Smith, John W.
Shafer, Richard L.
Kiernan, William A.
Oglesby, Earl V.
Perchaz, John
Grafton, Warren C.
Hacker, Arthur E.
Gray, John A., Jr.
Ackerman, John F.
Webster, Harvey O., Jr.
Unruh, Robert D.
Hurley, William G.
Zimdars, Roy W. R.
Bachman, Julius J. T.
Mason, James M.
Stock, Glenn C.
Burgess, Emery L.
Gordon, Grant B.
Kane, John P.
Hoffman, Richard L.
Berriman, Joseph C.
Mead, Robert J.
Wiesemann, Arthur C., Jr.
Smith, Hugh M.
Streeper, Harold P.
Jacobs, Ralph, Jr.
Grant, Edward C.
Fox, John E.
Sipes, Lester H.
Devoid, Thorpe G.
Volpi, Ray A.
Hughes, Albert G., Jr.
Collins, Vincent W.
Larsen, Orrin K.
Peyou, Anthony M.
Herman, Louis D.
Nicholas, Lester J.
Nunnery, Edward D.
Hawkins, Arthur R.
Rains, David C.
Nagle, Charles L., Jr.
Baker, Alex
Robinson, Evans J.
Setser, Lester E. G.
Voorhees, Louis E.
Myles, Harley D.
Monger, Ralph F.
Tate, Ben R., Jr.
Brown, Leslie E.
Sayner, Donald K.
Eden, James D.
Thiele, Ray F.
Skon, Warren A.
Hart, J. Vincent.
Hart, Felix E., Jr.
Fifield, John G.
Dresel, Robert F.
Boice, Grant
Cox, Robert F.
Larson, Richard
Biedebach, Herbert E.
Edwards, Robert E.
Hazelton, DeWitt W.
Nelson, Loren E.
Doyle, William J.
Lovett, John F.
Gillette, Keith F.
Fruin, Jack L.
Herb, John R.
Haines, George D.
Chimiak, Walter
Romaine, Robert R.
Rosen, Ralph J.
Rian, Gerald R.
LeForge, William L.
McBride, John E.
Randolph, John B.
Stephens, Russel T.
Meyer, John W.
Young, Neil W.
Cook, William E.
Birdsong, "D" John
Bloomer, Francis W.
Langford, James R.
Bowers, Roscoe H.
Reddy, Thomas F.
Tuck, Charles W.
Cassidy, Terence P.
Osborne, Henry H.
Sims, Russell W., Jr.
Church, John W.
Kenyon, Jack
Nall, Royce L.
Shanks, Lawrence B.
Scheid, Waldo W.
Langer, Chester R.
Booth, Buford A.
Mills, Charles A., Jr.
Wallace, Robert Q.
Colkitt, Benjamin E., Jr.
Donahue, Conrad
Estes, Leland E., Jr.
Lee, Clyde J.
Dixon, William C.
McCarthy, Cornelius A.
Norman, Harold F.
Hansen, Howard C.
Balestri, William L.
Caton, Jessie L., Jr.
Kozak, Norbert J.
Franco, Thomas E.
Haley, Herbert O.
Stanford, Vernon D.
Cummins, LaVerne W. S.
Kanapicki, Kasimir
Ireland, Warren H.
Meyer, John M.
Andrews, William G., Jr.
Braddock, Oscar S., Jr.
Richardson, Dean C.
Horrocks, John N., Jr.
Myland, Hendrik W. T.
Bagg, Richard, T., Jr.
Marshall, William T. Jr.
Topliff, John W.
Fox, Frank A.
McCarroll, Arthur O.
Lernihan, John J.
Kieffer, Robert W.
Arquette, James H.
Hubbard, Edward L.
Dancy, Dan A.
Walker, Donald P.
Sokol, Louis J.
Ballew, John L.
Keenan, Raymond J. Jr.
Mankin, Lee P., Jr.
Dawson, Hilbert H.
O'Brian, William H.
Taylor, William D.
Brackett, Ralph A.
Johnson, Ivar A.
Marshall, Walter F.
Stacy, Ray J.
Ruzic, John E.
Jefferies, James S.
Payne, Paul E.
Derryberry, Wallace E.
Muller, Reginald T.
Hemmingsen, Charles J.
Foote, Harlan W.
McMenamin, John J.
Kistler, Robert H.
Dibrell, David M.
Coleman, William J.
Nixon, John H.
Cummins, William E.
Wilson, James C.
Landis, Cary E.
Nelson, Hildry L.
Johnston, Warren E.
Gardner, Clyde G., Jr.
Eckert, Virgil H., Jr.
Dooley, John
Fitzgerald, Walter T.
Harbin, Charles T.
Kunz, Karl W.
Myers, Emerson W.
Beeby, Edwin N.
Muolo, John B., Jr.
Jackson, Douglas J.
Bonner, Minor J.
Malmfeldt, Robert E.
Graffy, Richard
Yeaw, William A.
Cruse, Carl M.
Crosby, John T.
South, Marvin P.
Sharrai, Robert E.
Richardson, John D.
Copeland, William E.
Stevenson, James C.
Cady, Joseph
Huggins, Jesse C., Jr.
Parrish, Eddy J.
McLaughlin, Lachlan D.
Beatle, Ralph H.
Zender, Ralph J.
Kissling, Paul T.
McBride, Robert
VanHoomissen, Vincent F. P.
Thawley, Charles B., Jr.
Williams, Edward A.
Ansorge, Albert C., Jr.
Reed, Sidney V.
Walker, Herbert P., Jr.
Roohan, James F., Jr.
Peck, George W.
Patterson, William H.
Vaughn, John W.
Durfee, Harold S.
Iler, John R.
Mackey, William A.
Meadows, Thomas N.
Cobb, Lewis M.
Harbour, Clarence C.
Joralmon, DeForest Q.
Chapman, Melvin L.
Shawcross, William H.
Curtis, Charles S.
Brasher, Virgil R.
Butler, John F.
Shores, William G.
Cadle, John W., Jr.
Budnick, Lawrence E.
Harwell, Payton O.
Taylor, Ray A., Jr.
McCoy, John J.
West, David D.
Waddell, James
Hooper, Charles A., Jr.
Ellis, Robert M.
Kendrick, Harold E.
Crawford Jack H.
Donnaud, Charles O., 3d
Rowe, Robert A.
Hermes, Bernard P.
Spinella, Glenn P.
Lockee, Garette E.

Nowak, Gilbert C.
Dunham, Frank C., Jr.
Lemon, Thomas M., Jr.
Coleman, Joseph W. H.
Brewer, Robert P.
Johnson, Robert O.
Diehl, William C., Jr.
Webb, Dallas, Jr.
Hampton, Warren J.
Williams, Nathaniel T., Jr.
McLean, Eugene M., Jr.
Gaston, Lawrence R.
Raymond, Robert H.
Fitzgerald, Robert E.
Carr, Charles A.
Stoner, William A.
Finck, William M.
Salop, John
Schulze, Ralph A.
Brock, Edwin D.
Newell, Harold P.
Long, William H.
DiCori, Ralph
Wall, Charles E.
Rash, Charles E.
Barlow, Alton M.
Mullins, Thomas P., Jr.
Ferguson, Carter S.
Jones, Harry C.
Markert, George W., 3d
Wade, LeRoy G.
McConnell, Louis E.
McKee, Clarence W.
Passanisi, Emanuele J.
Tozer, Arthur F.
Baumgardner, Neal G.
Behringer, William E.
Schwartz, Peter A.
Holt, Bill B.
Harbaugh, James A.
Batey, William S. W.
McKinney, Clyde B.
Stafford, William G.
Townes, Herbert L., Jr.
Kingsley, Ralph M.
Neal, Raymond G.
King, Benjamin B., Jr.
Brock, Marvin A.
Holmes, Audley W.
Prestwich, George D.
Adamson, Robert E., Jr.
Carr, Robert T.
Dumas, Glenn I.
Rozier, Charles P.
Wrocklage, George M.
Chapman, William C.
Prosser, John M.
Talbott, Joseph W.
Long, Robert L. J.
Budd, Thomas W., Jr.
Webster, David A.
DeHuff, David
Lee, Alan S.
Peery, George G., Jr.
Muller, Walter E.
Jonson, Russell M.
Howell, Jay S.
Colmery, Benjamin H., Jr.
Seacord, Richard E.
Capriotti, Anthony T., Jr.
Richardson, Laurence B., Jr.
Swift, Charles S.
Cox, Donald V.
Smith, Charles B.
Upshaw, William W.
Hancotte, John J., Jr.
Crutchfield, Paul W., Jr.
Talley, George C., Jr.
Catha, William H.
Peterson, John E.
Stout, Fred E., Jr.
O'Leary, Arthur C., Jr.
Schettino, Frank G.
Kelley, Edmond L.
Campbell, Norman F.
Graning, Leonard G.
Salsig, Edgar B.
Manship, Herbert K.
Faubion, Richard D.
Brooks, Daniel P.
Wolf, Robert L.
Laney, Jack S.
Foreman, Robert P.
Benitez, Louis E.
Cutler, Henry O.
Dawson, Howard W.
Ford, Albert T.
Miller, Donald M.
Young, Robert J.
Donovan, John F.
Gustafson, Boyd E.
Wadsworth, Frank A.
Kauffman, Ralph J.
Brown, Thomas H.
Saxon, John S.
Keller, George A., 3d
Vito, Albert H., Jr.
Patrick, Urey W., Jr.
Rhees, Thomas R.
Pettitt, Robert B.
Aldrich, James H.
Donnelly, William E., Jr.
Landon, James B.
Hogan, Horace C., Jr.
Olinder, Everett J.
Hay, Lorin W.
Greer, Howard E.
Soisson, Thomas J.
Earnest, Joseph H., Jr.
Watkins, George C.
Herrington, Rodger B.
Montgomery, George P., Jr.
Flowerree, Charles C.
Thoe, Robert R.
Bothnell, Robert L.
Gunther, Harry B.
Blaine, Ralph R.
DePrez, Richard J.
Hollyfield, Ernest E., Jr.
Little, John C.
Sickel, Horatio G., Jr.
Seiler, Aubrey R.
Biche, Robert C.
Trottier, Albert R.
Barton, Francis D.
Linnekin, Richard B.
Kurtz, William E.
Pollard, Willard A., III
Whidden, Wynn V.
Ainsworth, Herbert S.
Slaymaker, Basil D.
Marcus, Edwin R.
Jennings, Carl R.
Biewer, Francis N.
Wanner, Vance R.
Surface, Wayne D.
Henderson, David W.
Hooper, John H.
Hughes, Russell A.
Replogle, Robert M.
Reynolds, Ernest E., Jr.
Moore, Walter R., Jr.
Schmidt, Charles K.
Terrill, Scott E., Jr.
Castle, Hal C.
Elliott, Michael M.
Gibson, Robert C.
Hill, Clarence A., Jr.
DuBois, Richard H.
Carpenter, Albert P.
Levitt, Ben B.
Kiser, William P.
Dankworth, Theodore P.
Smith, Augustine W.
Cook, Robert H.
Arnold, Ernest S.
Cook, Creighton W.
Smith, Kenneth P. X.
Meshier, Charles W.
Grace, Joseph A., 2d
Sadler, Stuart T.
Eimstad, Henry A.
Godfrey, Jack E.
Joslin, Charles L., Jr.
Awtrey, Robert K., Jr.
Patterson, Joseph, Jr.
Lewis, Floyd E.
Stokes, Charles R.
Rienstra, Dan J., Jr.
Lendenmann, Werne, Jr.
Holt, McHenry H.
Ajemian, Baret V.
Wohler, Jack L.
Cooper, Thomas H., 3d
Wyatt, Elston
Dyar, Joseph E., Jr.
Davis, John F.
Prigmore, William B.
Brittingham, Stanley H.
Payne, William E., Jr.
Gaibler, Richard
Cowdrey, Roy B.
Morris, Robert L.
Hiller, Harold W.
Sherwood, Wilbur G.
McClane, Joseph L., Jr.
Rice, Theodore C.
Foss, Newton P.
Boyes, Jon L.
Schubert, Russell C.
Stickles, Albert L., 2d
Brown, William E.
Yeich, Lloyd G.
Goudie, Gene
Pennington, Jack H.
Ennis, Wilbur J.
Gartner, James L., Jr.
Lewellen, Robert S.
Cramer, Shannon D., Jr.
Coogan, Robert P.
Driscoll, John F.
Perry, John E.
Bristow, Robert I.
Harkins, John A.
DeLamater, Stephen T., Jr.
Godman, Robert J.
O'Malley, Francis J.
Adams, Ollie B.
Clark, Morris Y.
Ford, Raymond E.
Crowder, Jonathan J.
Holbrook, James L.
McCormick, Lynd D., Jr.
Miller, Charles L.
Arbo, Paul E.
Sims, Coleman W.
Hill, Russell S.
Ochenrider, Gordon H., Jr.
Yates, Earl P.
Hall, Francis H. S.
Knotts, Sanford L.
Mahoney, George H.
Cassani, Vincent L., Jr.
Pearce, Robert N.
Torbert, John H.
Methvin, James R., Jr.
Scorza, Edwin D.
Burlin, Charles W., Jr.
Hipp, Ernest C., Jr.
Caldwell, Harry H.
McVey, William J.
Engen, Donald D.
Paolucci, Dominic A.
Kendall, Robert J.
Brouner, Albert M.
Chadwick, Walter D.
Adams, Alden W., Jr.
Walters, Hilmon E., Jr.
Carlson, William S.
Casey, Martin M., Jr.
Perry, Oliver H., Jr.
Halstrom, Paul R.
Turner, Jack D.
Bedsole, Donald S.
Frame, Ralph W., Jr.
Snyder, Harry E.
Glendinning, Bruce E.
Biddle, Edward
McDonald, Robert R.
Duncan, Gordon
Arnold, Julian, Jr.
Eldridge, Edgar A.
Tucker, Charles E., Jr.
Flanagan, William R.
Donaldson, John S.
Benoit, Harry, Jr.
Flannery, William J.
Truxler, Walter A.
Amick, William C., Jr.
Almy, Charles B.
Thomaides, Thomas G.
Hickle, Robert E.
Stevens, James H., Jr.
Knox, Arthur C.
Baldwin, Lorenzo W., Jr.
Cryan, John J.
Holloway, Ernest W.
Thomas, Alvin
From, John L., Jr.
White, Willett E.
Croft, Alfred R., Jr.
Wulf, Robert A.
Trautmann, John R.
Blalack, Russell E.
Standard, Roy E.
Cummins, Lawrence D.
Rosania, Hugh J.
Patch, Arthur E.
Hoke, Leonard A., Jr.
Eaton, Russell S., Jr.
Gibson, Richard H.
Gummerson, Kenneth C.
Thompson, Ejnar N. C.
Gilliland, Theodore M.
Crandall, Charles N., Jr.
Saltmarsh, Thomas W., Jr.
Stribling, John W., Jr.
Ely, Charles S., Jr.
Ramay, Wayne P.
Barbour, Henry S.
Henderson, Stanley W.
Bacon, Americus V. H., Jr.
Tucker, Charles R.
Wilson, Rodney W.
Bohan, Norman C.
Suhre, Francis J.
Gustafson, Robert B.
Brock, Clarence C., Jr.
Davis, Donald C.
Filiatrault, Alfred C., Jr.
Tisdale, Charles H., Jr.
Cameron, Alan R.
Deal, Ronald A., Jr.
Alexander, William H., 2d.
DeBuhr, Claude N.
Heald, Joseph F.
Schlierf, Gerhard W.
McCauley, James E.
Creamer, John J.
Campbell, William C.
Cruise, William H., Jr.
Barrett, Frank O., Jr.
Siple, William L.
Boose, William R.
Sherman, John O., Jr.
Honour, Walter W.
Miller, Paul, Jr.
Osgood, Arthur H.
Holter, Ralph K.
Loomis, Robert J.
Klein, Theodore G.
Hayden, Charles H.
Butt, Cyrus H.
Stubel, Alvin T.
Stanko, John.
Campbell, Charles B., Jr.
Thornhill, Henry E., Jr.
Burnham, Fletcher H.
Wooten, Robert J.
Vaughn, Allen A.
Stetson, John B.
Johns, Kenneth H.
Clift, Frank W., 3d
Ryzow, Richard A.
MacLeod, Alan R., Jr.
Fanning, Ernest G., Jr.
Battson, Arthur L., Jr.
Burrows, Carl W., Jr.
Morgan, Joseph A.
Major, Arthur
Herrick, John J.
Watson, George W.
Hartle, Maurice C.
Buescher, Joseph H.
Holden, Carl F., Jr.
Herlong, Daniel W.
Wentworth, Ralp S., Jr.
Munnikhuysen, Douglas Y.
Grimes, Harold J.
Stockton, Jackson A.
Martin, Walter F.
Hanssen, Henry R.
Lowe, Harry C.
Lambert, Glenn E.
Grant, William W., Jr.
Bagby, Robert G.
Clark, Gilbert L.
Nelson, William N., Jr.
Gorman, Henry.
Kitt, Robert B.
Evans, Nicholas A.
Gaskin, Edward R.
Behrens, William W., Jr.
DeLargy, John M.
McKinney, Andrew T.
Stuart, Jack C.
Millar, Donald B.
Walsh, Thomas W. F.
Bennett, George O.
Hutzel, Robert G.
Thompson, Arthur J.
Young, Robert J., Jr.
Russillo, Alfred G.
Bennett, William L., Jr.
Herron, Adam A., Jr.
DeWitt, Henry V., Jr.
Tingle, Jack E.
Snyder, Edwin K.
Ward, John G.
Knull, William H., Jr.
Cummings, Harry A.
Merrill, Ralph F.
Grosskopf, Homer L., Jr.
Robinson, Irving A.
Zwilling, Daniel
Bagley, David H.
Jackson, Donald G.
Wiemer, Leo G. D., Jr.
Oulton, Robert F.
Ashcroft, Jerome L., Jr.
Casey, William C.
Bogan, Lewis F.
Keller, Robert M.
Scott, Maylon T.
Netting, Robert W.
Anderson, Kenneth L.
Nicholson, James T., Jr.
Cornwall, Ernest S., Jr.
Horton, William C.
Stanard, William B.
Hills, Stetson P.
Barrow, William B., Jr.
Duke, Kenneth B., Jr.
Smith, Leon I., Jr.
Fields, Louis B.
Dowell, James W.
Hulten, Albert P.
Blakeman, James M.
Bonnett, Ira W.
Craig, Allan H.
Hightower, John N., Jr.
Chapman, Tyrus C.
Tyler, Claude L.
Barber, Lester W.
Lytle, John T.
Perry, Joe R.
Meyer, Herman E.
Harris, Walter J.
Sink, Robert E.
Langner, William J.
Porterfield, Floyd R.
Mullins, Chester L., Jr.
Robinson, Jack V.
Jenkins, Henry C.
Herrick, Harvey S.
Sonntag, Frank H.
Jacques, Donald J.
Harris-Warren, Herbert B. M.
Heller, Frederick J.
Lupia, Archie L.
Wiegard, John A.
Slawson, Harry F.
Cook, William C.
Skidmore, Ellis D.
Getz, Omer D.
Fowler, Richard E., Jr.
Caldwell, Robert T.
Bartlett, Albert J.
Gear, Bud B.
Cavanaugh, Robert B.
Hammett, Wayne E.
Smith, Richard F.
Hendrick, William J.
Berree, Norman R.
Stephens, Franklin T.
Broadbent, Harvey, Jr.
Wendorf, Edward G.
Patterson, Donald G.
Thomas, Charles M., Jr.
Rich, Clarence E.
Cole, John S.
Dannettell, Ralph, Jr.
Karch, Ernest J.
Gallatin, Robert E.
Bates, Sheldon S.
Barker, Arthur, Jr.
Zaborski, Leonard W.
Looney, William H., Jr.
Clapp, Clarence M.
Hickman, Marion E.
Johnson, Clarence R.
Kubicki, Edward
Bramblett, Roy H.
Poindexter, John T.
Asbury, David A.
Bartlett, Richard C., Jr.
Fritz, Charles W.
Moore, Richard S.
Rosemont, Robert K.
Baumgartner, James R.
Rush, Philip J.
Ferguson, Gerald L.
Cummings, John N.
Donahue, Thomas G.
Spinelli, Marco P.
Proctor, Erman O.
Shead, Theodore M.
Allen, Raymond W.
Davis, Robert J.
Sutton, Ralph N.
Ferrill, John W.
Kelly, Thomas V.
Clapp, Atlee F.
Murphy, Daniel J.
Pressler, William J., Jr.
Mitchell, John C., Jr.
Nicholas, Philip W.
Ruch, Paul L.
Kunberger, George A.
Huxford, Richard W.
Moyer, Eugene H.
Lane, Gene L.
Fitton, Cyrus F.

Bartholdi, John J., Jr.
Hile, William H., Jr.
Valentine, Earnest
McKenzie, George W.
O'Bryan, George R.
Berkstresser, Charles G.
Leslie, David A.
Landry, Adelard F.
Musial, Joseph S.
Smiegocki, Robert
Cabell, John B.
Monson, Donald W.
Culbreth, Howard C.
Hanecak, Richard G.
Engle, Raymond K.
Mays, Dixie J., Jr.
Carruth, Vincent D. D.
McIlmoil, John H.
Mackey, Clarence E.
Crain, Clark E.
Mackey, Stanislaw
Ludeman, Emmert E.
Crain, Charles Z.
Behnke, Herman C.
Iler, John W.
Sundt, Robert K.
Kesner, Charles J., Jr.
Riediger, John R.
Kingston, George W.
Wolfram, Rodger B.
Walton, Nelson C.
Heard, Jack F.
Emig, Alvin F.
Baumann, Edward W.
Benson, LaRoyd E.
Sinnott, Myles R.
Pittman, Robert T.
Minard, Robert K., Jr.
Crawford, Arthur G.
Foltz, Ralph E.
Thomas, Robert B.
Pope, Albert J.
McKinny, John B.
Howard, Ralph A.
Duncan, Derwood D.
Clock, Richard L.
Foster, William G.
King, Geoffrey B., Jr.
Bach, Sverre O.
Gaiennie, George W.
Scoggin, John L.
Olsen, Clifford E.
Smolen, Francis E.
Johnson, John E., Jr.
Wilde, Norman W. W.
Donnelly, Grant L.
McDermott, Bernard F.
Fairbanks, John W.
Feiock, Charles E., Jr.
Olive, Robert C.
Jacobsen, Ralph N.
Beckett, Phillip E.
Krouse, Michael H.
Smith, Mahlon D.
Tillen, Frank J., Jr.
Walters, Fred M.
Sullivan, Richard P.
Shields, Robert A.
Lawrence, Emmett B.
Swint, John E.
Pierre, Emile E., Jr.
Markey, Francis H.
Kieffner, Frank P.
Bass, Kenneth L.
Grosser, John F.
Brady, Thomas J.
Matz, Rudolph W.
Vancil, Reginald R.
Heg, James E.
Alexander, Robert C., 3d.
Hennessey, Charles A., Jr.
DeBuhr, Calvin H.
Johnson, David A.
Youman, Harold R., Jr.
Dusek, Charles C.
Mehr, Charles E.
Sparger, John
Bouldin, Jack P.
McHugh, Lee T.
Cyphers, Russell J.
Harris, Donald W.
LaRue, Wilbur H.
McGinnis, Dwight R.
McGeorge, Charles E.
Hickman, Charles R.
Smith, Allen M.
Butcher, Cecil O.
Forsberg, Francis C.
Greager, William L.
Large, Everett W.
Crum, Lawrence C., Jr.
Thorington, Harry S.
Panther, Richard D.
Thornell, Enos
White, Dorsey M., Jr.
Waller, Preston
Zaiser, Warren E.
Stafford, Carlos B.
Lee, Kent L.
Bodell, Robert O.
Ayers, Arnold W.
Reid, Maynard A.
Davidson, Edward A.
Cooney, Lawrence F., Jr.
Miller, Kermit M. E.
Robison, Charles W.
Williams, Henis J.
Butler, William C.
Bartles, William H.
Stanley, Gordon A.
Dennis, Reyburn H., Jr.
Johnson, Charles R.
Spell, Billie C.
Benoit, Walter N.
Mellin, Richard G.
DeMoulin, Orville F.
Cauble, Lawrence M.
Williams, Clement G.
Bartholome, Watson
Kendall, Jack D.
Colopy, Robert E.
Barnes, George J.
DeWachter, Alphonse E.
McNeela, John P.
Ewing, Harold T.
Goodwin, John T.
Ross, Melville T.
Duckett, Edmund D., Jr.
Eash, John W.
Cron, Robert H.
Chandler, Alfred W., Jr.
Dolinana, Marvin L.
Dersam, Harold G.
MacFawn, Laurence E.
Smith, Nicholas J., III
Fericks, Franklin H.
Weart, Bruce F.
Sullivan, John
Mulligan, Hampton E.
Hammer, Lloyd A., Jr.
Staub, Frederick A.
Haley, Edmund C., 2d
Borne, Woodrow J.
Burnell, Robert M.
Scholl, Ray E.
Green, Samuel W.
Cayce, Lucian M.
Sanders, Nelson W.
Kyle, William B.
Rice, James L., Jr.
Coleman, Raymond E.
Abbott, Donald L.
Rinesmith, Robert D.
Marsh, Jerrold P.
Tracy, Vern W.
Neilson, Reed H.
Draper, Murray E.
Rucci, Fred C.
Gleason, Wesley A.
Epps, John H.
Riker, Alden S.
McCarthy, Arthur J. F.
VanBlake, Benjamin J.
Hudson, Allan M.
Madden, James J.
Callahan, James E.
Clingan, Forest M.
Coates, Joseph K.
Johnston, Robert J.
Westby, Donald E. S.
Peale, William T.
Efird, Terril A.
Zimmerman, Chester A.
Anders, Frank W.
Blockwick, Thomas N.
Sayre, Frank A., Jr.
Berg, Frank M.
Slaughter, Robert H., Jr.
Gerdes, Henry A.
Rice, Russell C.
Kenney, Paul G.
Cochran, Elvin P., Jr.
Vicars, Earl C.
Wolff, Leonard C.
Hendler, Pennard
Gossard, John R.
McNulty, John S.
Smith, Richard V.
Whitehill, Arthur F.
Hamby, Edward P.
Hamilton, Lee M.
Perez, Romeo
Heller, Samuel R., Jr.
Laessle, Frank W.
Sisk, Francis J.
Hammerstone, James E.
Calabrese, Joseph F.
Barker, Edwin F., Jr.
Shaver, Robert G.
Aroner, Richard
Daniel, Charles L.
Labrum, Willard D.
Bath, Edwin J.
Rust, Charles C.
Hunt, James R.
Bailey, Bernard J.
Ebel, August A.
Heidt, Webster B., Jr.
Henning, Richard E.
Sullivan, Thomas J.
Watts, John M.
Bryant, Carleton F., Jr.
Chesky, Kaz P.
Rogers, Donald M.
Speicher, Paul E., Jr.
Duke, Gus G.
Irish, Jermain S.
Harben, Luther A.
Worley, Arthur R., Jr.
Morgan, William B.
Givens, Robert W.
Preston, Roger G.
Tenety, James, Jr.
Thornton, Joseph H., Jr.
Yatch, Walter A.
Story, Emery G., Jr.
Richter, Ralph G.
Bacheler, Theodore F.
Johnson, Henry J. Jr.
Wadewitz, Walter F.
Christman, Thomas J.
Heintz, John W.
Hawkins, Robert A.
Brooks, David M.
Boscole, Robert A.
Miehe, Frederick W., Jr.
Mowell, Lawrence V.
Dixon, Walter J., Jr.
Fitzpatrick, Wayne N.
King, Randolph W.
Thornbury, Joe W.
Wish, James R.
Carson, Albert C.
Glodt, William L.
Riley, William S.
Dwyer, Jolly V., Jr.
Seeger, Billy F.
McElroy, John B.
Jones, Roy E., Jr.
Horn, Dean A.
Stock, Edward J.
Burk, Raymond W.
Knight, James L.
Bird, Robert A.
Etter, William P.
Apple, Robert E.
Gibson, Wiliam C.
Martin, John M.
Ballard, John A., Jr.
Winningham, John B., Jr.
Ahrens, Alfred H.
Jakubowski, Thaddeus J.
Jones, George B.
Bailey, Henry C.
Munson, John R.
Short, Donald H.
Harrison, William M.
Breeden, George B.
Naczkowski, Bruno R.
Hurd, Ernest L., Jr.
Roberts, John W.
Walsh, Carroll A.
Price, William H., Jr.
Doty, Frederick L.
Dillard, Thornwell M.
Durham, Jesse C.
Phillips, Bryce W.
Kemp, Joseph C., Jr.
Robbins, Spencer E.
Fitzhugh, Mayo M., Jr.
Toline, Francis R.
Doyle, William T.
Jewett, George W.
Kuzell, Charles E.
Palmer, Charles A., Jr.
Mann, David O.
Webster, John A.
Baird, Lawrence I.
Ditch, William E.
Dow, Richard Y.
Snodgrass, Joseph C., Jr.
Geehring, Donald R.
Flynn, Maurice E., Jr.
Stockebrand, Archie P.
Woodward, William B.
Dearing, Henry H., Jr.
Whitmore, Quentin R.
Collins, Hugh L. H.
Campbell, Arthur B.
Hutchison, Earle G.
Clark, Weldon L.
Marrow, Jack S.
Eaton, Max A.
Watson, Raymond S.
Durup, Paul C.
Edlun, William O.
Huestis, Gerald S.
Schaefer, William W., 2d
Moyer, Ralph E., Jr.
de Callies, Richard N.
Barden, Kenneth P.
Hopkins, William A.
Vranicar, Raymond N.
Spooner, William A.
Cassidy, Richard M.
Sanborn, Richard W.
Shackford, Robert W.
Sharp, Sidney A.
Livingston, Robert L.
Beck, Preston E.
King, James P.
Stevenson, Nevin J., Jr.
Miller, Winston L.
Freeman, Rowland G., 3d
Kerr, James L.
Weisenberg, Joseph O.
Woodson, William H.
Stockwell, Robert S.
Ringius, Wesley R.
Salter, James W.
Havenstein, Paul L.
Ness, Dale V.
Lindberg, Donald S.
Kane, John C., Jr.
Muller, Ragnwald
Miller, Rupert S.
Jennings, Joe C.
Wakeland, William R.
Bergstedt, William C.
Sherman, Hildreth G.
Lieber, James C.
Mallick, Edgar E.
Ulirich, Charles W.
Butler, Hugh D.
Moran, George F.
Walker, Harold R.
Thatcher, Rolan C., Jr.
Miller, Jack N.
Aine, Leonard A.
Besancon, Moody
Manson, Frank A.
Dennis, George, Jr.
Savage, William A.
Cutaiar, Frank H.
Huggins, David S.
Hitz, Frederick W., Jr.
Willis, Warrington R.
Braley, Gerald N.
Ellis, Walter J.
Treadwell, Thurman K., Jr.
Adams, Charles T. R.
Brock, John R.
Newell, Arthur F.
Cook, Marshall M.
McKee, Robert L. J.
Jester, Walter H.
Line, Bryant W.
Craw, Nelson W.
Karl, Paul J., Jr.
Gormsen, James H.
Cressman, Wilmer H.
Mereness, Robert H.
Pearson, James W.
Hall, George M.
Gimpel, Herbert J.
Griffin, Harry K., Jr.
Slattery, Francis L.
Nelson, Dennis D., 2d
Cox, William R.
Alexander, Robert J.
Thomson, Fred R.
Curts, Robert I.
McCabe, Donald C.
Myers, Lawrence S.
Furnas, Wendell J.
Tamburello, Gaspare B.
Reeves, Carl G.
Potolicchio, Rodney A.
Glenn, Hardy
Tucker, Frank H.
Carl, Robert E.
Pelletier, Albert J., Jr.
Foster, Ellis M.
McCarty, William H.
Dormer, Robert L.
Whitlock, Duane L.
Chacey, Donald V.
Wheatley, Bacil C.
Morelock, Jerry P. B.
Dickson, Paul E.
McLeod, Norman W.
Simpson, William A.
Salkowski, William F.
Frazier, Edmond F.
Buehlman, Joseph
Livingston, Fred J.
Johnson, Clarence E.
Miller, William T.
Waltrip, Furman D.
Yuzakewich, Alfred J.
Erickson, Harold E.
Robinson, Oscar E.
Marsden, Roy E.
Skjei, Sidney M.
Nesbitt, John W.
Grant, Marie A.
Wright, Wayne G.
Viegelmann, Adolph
Hobbs, William I.
Toland, Clyde H.
Duvall, Charles T.
Kessler, Horton C.
Dahlen, Vincent R.
Davidson, John R.
Barrington, Francis W.
Napier, Charles E.
Watkins, Nelson J.
Gorman, John R.
Baker, Albert H.
Thomas, Milfred W.
Ross, Donald K.
Duval, Harold F.
Fuller, William E.
Boone, Daniel A.
Bixby, Norman W.
Scheibeler, Otis L.
Trumbo, Joseph W.
Turnipseed, Truman E.
Therrien, Leo E.
Kent, George L.
Niebuhr, Elmer E.
Evans, Marion S.
Smithson, Garnet M.
Boehlert, William R.
Crossley, Woodrow D.
Pilkington, Marinus
Eaton, Charles H.
Riley, Claude E.
Garriott, Richard R.
Merritt, Clinton J.
Eichelberger, Robert W.
Hunt, John E.
Dickson, William B.
Smith, Howard K.
Bureau, Arthur L.
Miller, Stuart R.
Popko, Sigmund
Schooler, Charles L.
Tate, Albert O.
King, Chauncey B., Jr.
Nemeth, Stephen J.
MacDonald, Philip N.
Calhoun, Aubra
Nordquist, Arthur W.
Hann, Edward N.
Carlson, Allan R.
Thompson, Norman
Meter, Gerald M.
Vanaman, Herbert H.
Miller, Luther R.
Davis, Thomas H., Jr.
Dice, Paul H.
Minor, Warner M.
Rash, Looie W.
Asmus, Dwight F.
Webb, Boyce S.
Iverson, Willard M.
Jenkins, William E.
Yetter, Donald A.
Harriman, Russell G.
Middleton, Bernard A.
Wheeler, Robert E.
Smith, Russel D.
Trimner, John J.
Perrin, George W.
Miller, Joseph F.
Glenn, Stuart V.
Aldous, Theodore F.
Law, Francis E.
Riddle, Meredith C.
Berck, Henry F.
Dosskey, Gordon B.
Wessinger, Hall B.
Thorne, Cecil R.
Garretty, Ned A.
Brown, Leo R.
Geise, Emory C.
Perce, Earle B.
Israel, Robert M.

Polk, Jack O.
Koch, George P.
Schick, Joseph M.
Justus, Fowler H.
Miller, William J.
Miller, Charles A.
Edgerton, Edwin H.
Sorenson, Norman L.
Saxton, Charles E.
Hodgson, Paul R.
Thompson, Lewis E.
Littmann, George C.
Jones, Francis R.
McLeod, Don E.
Kisner, Homer L.
Cone, Wade H.
Douglas, Ivan H.
Ellis, William S.
Frady, Raymond A.
Shriber, Roy C.
Huggard, John J.
Watkins, Walter R.
Franklin, Jesse W., Jr.
Murray, Charles F.
Butlak, John J.
DeLuca, Joseph D.
Bryson, Jim W.
Summers, Clyde W.
Knowles, Lloyd C.
Egan, William J.
Gillissie, John G.
Metzger, Robert M.
Newman, John W.
Barron, William E.
Miller, Edward C.
George, John E.
Tidwell, Charles C., Jr.
Gardner, Ned A.
Metzger, John K.
Hoffman, Robert G.
Bohgren, Marion L.
Davern, William T.
McKinney, Robert N.
Roy, Samuel
Weatherble, James A.
Powers, Lester A., Jr.
Pederson, Victor S.
Downey, Curtis L.
McMullen, Alton R.
Herndon, Glen A.
Norton, Kenneth R.
Coulson, William T.
Mislicky, Roman G.
Holt, Robert L.
Harris, Robert B.
Ellis, Mack D.
Routzahn, Milton M.
Jones, Charlie R.
Greksouk, John, Jr.
Morrow, James R.
Beard, Myron E.
Wetmore, Irving E.
Rupprecht, Fred C.
Quattlebaum, Richard M.
Tourville, George A.
Morse, Douglas T.
Williamson, Thomas S., Jr.
Oakley, Francis M.
Curry, Moody O.
Austin, Jesse R., Jr.
Thompson, Sumner E., Jr.
Schuh, Linus H.
Daughtrey, Edward H.
Rightmyer, Jackson M.
Byers, Donald F.
Hoag, William P., Jr.
Bothne, Adolph M.
Matthewson, Francis P.
Luke, Manuel.
Bray, Cullen D.
Schauer, Walter
Lyons, Dale S.
Nancini, Armido E.
Willett, Raymond F.
Terry, Paul A.
Murdock, Donald M.
Massie, Malcolm R.
Jones, Leslie
Berry, Fred W.
Bennett, Daniel J.
DuBois, Maynard S.
Herman, George K.
Poston, Glenn C.
Klouck, Charles H.
Starkey, Leland V.
Thorne, Alfred H.
Sheltren, Walter A.
Sanders, Russell L.
Homer, Vernon L.
Clark, Earl H.
Olasky, Charles
Furnari, Biagio O.
Feliz, Jack M.
Martin, David L.
Robinson, Alexander K.
Whitworth, Billis L.
Morse, John S.
Colldeweih, Irwin R.
Remillard, Lafayette W.
Andrews, Carroll C.
Waiswilos, Edward A.
Hughes, Boyd D.
Dennis, Michael P.
Blakely, Silas M.
Ellis, Joseph D., Jr.
Gibson, Harold G.
Maloof, George M.
Henson, William L.
Horner, Spencer W., Jr.
Minniear, Carl W.
Rorie, Durwood G.
Keith, Paul E.
Philipsen, Henry H.
Guyer, William R.
Baldwin, Ernest J.
Pearce, Tom C.
Rucker, Raymond
Medart, Edward M.
Pritchard, Carl J.
McCullar, Cecil H.
Schwartz, Walter E.
Henning, Charles W.
Harrison, William T.
Robb, Frank E.
Nash, Francis T.
Lewis, Stephen B.
Beverage, Harry P.
Hill, Girthel R.
McLean, Arthur C., Jr.
Edwards, Lewis L.
Vehorn, Robert N.
Gibbo, Charles W.
Henry, Max W.
Thompson, Nicholas S.
Carter, William R.
Hall, William D.
Chanik, Evan M.
Durlin, Henry V.
Reich, Russel O.
Warwick, William P.
Erwin, Mason O.
Gay, John W.
Ogilvie, Ernest J.
Dickerson, Claude L.
McKee, Gaddis G.
Rath, Elmer R.
Huggins, Judson D.
MacKinnon, John D., Jr.
Howard, Leo T.
Hinds, Claude, Jr.
Ball, Ira H.
Rank, Standlee L.
Jackson, Harry L.
Norton, Leland
Ballard, Edward A.
Calkins, William M.
Cheney, Oakley W.
Jones, Ben G., Jr.
Lynn, John M.
Romano, Martin
Wallace, Joseph W., Jr.
Bergquist, Alvin C.
Wainscott, Charles H.
Mell, Kenneth L.
Harrell, William C.
Emmons, Oliver E.
Harrison, Henry I.
Murray, James F.
Reynolds, Herbert E.
Baldwin, Fletcher N.
Donnelly, James F.
Martineau, Joseph C.
Whipps, James J., Jr.
Hillman, Dale C.
Chellew, Homer W.
Chavis, Colis
McOwen, William C.
Jones, John M.
Bronson, Earl D.
Dobson, Lawrence J.
Livingston, William N.
Gibson, Oren E.
Bramblett, Harold W.
Mills, George R.
Gilbert, Eugene C., Jr.
Kaskary, John
Matthews, Richard R.
Ertle, Leon S.
Barden, John W.
Thompson, Woodrow W.
White, Jesse L.
Schumaker, Richard P.
Griffin, John B.
Thompson, James L.
Boaz, Harold B.
Dellarocca, Peter
Gallagher, Frank D.
Wells, Edmund L.
Forcier, Eudore A.
Piper, Miles E.
Erickson, Robert J.
Heassler, Rollin F.
Bernier, Joseph O.
Purcell, Marvin
Hatcher, John R.
Groundwater, Benjamin
Morris, Murrill C.
Schermerhorn, James T.
Bonnell, Edgar O.
Zielke, Clarence J.
Butts, Lloyd O.
Miller, Howard B.
Ware, David A.
Bell, William E.
Loper, Roland L.
Grace, Harry F.
Ragsdale, Robert H.
Bartko, Paul J.
Hage, Arthur L.
Hewitt, Frederick G.
Egan, Laurence D.
Sei, James
Prather, Vern A.
Boaz, Irvin
Fietsch, John W.
Barry, Clarence J.
Carney, James V.
Litchfield, Wayne W.
Giddens, Homer A.
Arnold, Samuel B.
Mennecke, Norman F.
Hampton, Zacharie T.
Pitcher, Harry B., Jr.
Shannon, John R.
Rodman, James R.
Javins, Robert P.
Nelson, Oscar B.
Tiara, Joseph B.
Helwick, Lloyd E.
Westphal, Howard A.
Arnold, James M., Jr.
Woznack, Francis J.
L'Heureux, Arthur N.
Moore, LaVern C.
Gemoets, Emile R., Jr.
Sternberg, Lloyd V.
Kaufman, Gordon E.
Thomas, Ralph C.
Wildman, Theodore J.
Rodstrom, Francis J.
Butz, Frederick S.
Pulliam, Flynn J.
Saylor, John B.
Kulig, Raymond A.
Brimmer, Frank L.
Gary, Vaughn H.
Goudy, David E.

MEDICAL CORPS

McLaughlin, James A.
Hall, Clifford R.
Sherrill, Marvin F.
Lippincott, Charles A.
Climie, Charles F., Jr.
Bacon, Joseph C.
Raftery, Alan
Miller, Lloyd F.
Moxon, Robert K.
Mason, Alfred B.
Barton, Harry C., Jr.
Fleck, Robert L.
Hyatt, George W.
Theien, Emil P.
Bratenahl, Charles G.
Lowry, Elmer F., Jr.
Santiago-Stevenson, Stevenson P.
Adams, Charles D.
Carlson, Carl P.
Morris, William E.
Henderson, Arvin T.
Burkle, Joseph S.
Palmer, Harold V.
Egan, John T., Jr.
Hering, Alexander C.
McCullough, Francis H., Jr.
Walsh, William R.
Tullis, Richard H., Jr.
Cohen, Sidney H.
Riggsbee, John B.
Robinson, Donald W.
Barnhill, Bruce B.
Lehman, Robert C.
Brown, Robert H.
Nordstrom, Harry C.
Turville, William C.
Knud-Hansen, John I. F.
Matthews, Walter S., Jr.
Walsh, Robert E.
Mackie, Robert W.
Fleischaker, Robert J.
Morrison, Robert H.
Fraser, William E.
Anthony, Lynn E.
Rush, Anthony P.
Benson, Victor G.
Ellerbroek, Wallace C.
Willard, Burton
Laskowski, Edward J.
Greiner, David J.
McGee, Harry D.
Roth, Laurence G.
Osborne, Frank G., Jr.
Honsik, Cyril J.
Ciell, August P.
Wilson, Jay D.
Helgerson, Arthur A.
Billman, Dallas E.
Schlang, Henry A.

SUPPLY CORPS

Banks, Richard A.
Rand, Arthur G., Jr.
Mills, Hubert P.
Frank, Dan G.
Detwiler, Fred M.
Brkem, Frederic C.
Mooney, John E.
Baker, Emile W., Jr.
Perkins, Charles F.
Diem, Alfred H.
Davis, Roger L.
VonChristierson, Robert
Iber, George H.
Jeppson, Robert B., Jr.
Carr, Daniel M., Jr.
McLanahan, Clarence C. E.
McIver, John F.
Brown, Richard W.
Grodstein, Irving
Lightner, Thomas A. L.
Grisell, Elbert L., Jr.
Jones, Joseph R.
Andrews, Joseph P.
Dowd, Wallace R., Jr.
Countryman, Ralph P.
Geismann, Gunter
Goodwin, Eric C.
Arthur, Harry B.
Kesselring, Waverly D.
Connelly, Max R.
Vanzandt, Joseph C.
Perez, Jose A., Jr.
Oldfield, Edward C., Jr.
MacQuarrie, Harry A.
Leighton, Richard W.
Suslick, Alphonse D.
Reardon, David N.
MacLeod, Murdock R.
Schmitt, Earl J.
Sanders, Allen B.
Beckmeyer, Harold E.
Heuser, Gustave F., Jr.
Amos, Eugene M.
Nistle, Kenyon G.
Beumer, Alvin F.
Nalley, Thomas L.
VanTeslaar, Everet A.
Russell, Albert J.
Williams, Sidney W., Jr.
Humphreys, Harvey F.
Zeigler, Samuel H.
McKnight, Maurice P.
Scott, John A.
Schmeder, Charles E.
Levy, Frank A.
Windham, Albert C.
Simpson, Harold W.
Smith, Lewis R.
Gray, William J.
Fischer, Carl A.
Dalbey, Earle G.
Swan, Alfred W.
Diggle, Raymond H.
Ernst, Clayton W.
O'Connell, Arthur W., Jr.
Eckfield, Kenyon C.
Miller, John D.
Stress, Stanley F.
Senter, John C., Jr.
Gould, Gene F.
Maiman, Elmer J.
Herrick, Daniel K.
Flamand, Paul J.
Reiner, Raymond C. J.
Joslyn, William C.
McKay, Frank W.
Cifranic, John E.
Anderson, Louis E., Jr.
Bickart, Richard W.
Weiss, Arnold
Fulton, Clyde E.
Cummings, William J.
Lohse, William M.
Daley, Clement E.
Hughes, Leon H., Jr.
Clifford, George M., Jr.
Hayden, Ralph H., Jr.
Hamblen, Eunice A.
Phillips, Horace E.
DeSmither, Marvin A.
Cerny, Frank W.
Jeffrey, Paul W.
York, Edward S.
Davis, John N.
Oberg, Edgar G. R.
Hale, Solon G.
Debrunner, Wilbert G.
Gibbons, Frank J.
Walton, Clarence H.
McDairmant, Robert J.
Swenson, Sigurd E.
May, William R.
Jones, Cecil P.
Wiedman, Charles, Jr.
O'Neill, Joseph S.
Cook, Clover H.
Meyer, John P.
Hopwood, Alonzo L.
Fellows, Clyde H., Jr.
Donohue, Philip V.
Taylor, Edward S.
Baldwin, Robert J.
Slettvet, Richard M.
Busby, John C., Jr.
Vaughan, James M.
Neilsson, Birger N.
Thomson, Harvey W.
O'Leary, Joseph J.
Brademan, Royce A.
Bofenkamp, James E.
Hurley, Robert E.
Morrissey, John E.
Huntington, John S.
Coulter, Preston H.
Fortenberry, Earl T.
Campbell, Thomas R.
Sheehan, William J.
Minor, George E.
Herron, John C.
Walker, Woodrow T.
Dawson, Thomas H., 3d
Kent, Donald F.
Bevil, Lester F.
Barham, John T.
Young, Gilbert S.
Lenox, Wilbert W.
Byard, Ralph D.
Blankinship, Grover F., Jr.
Rice, Robert A.
Rosapepe, James V.
Keesee, Page N.
Kriz, Frank J.
Smiley, Creath B.
Scheela, Jerome J.
Hackett, John J.
Race, William W.
Maggard, Talmadge P.
O'Rourke, Edward P.
Robison, Dale M.
Moore, Kenneth S.
Kirk, Charles A.
Parrish, Donald E.
Ross, Kenneth M., Jr.
Burkhead, Franklin
Reilly, Louis J.
Fallon, William J.
Wilmarth, Stuart S.
Waddell, Guy P.
Blanton, Oscar R.
Cornell, Alexander H.
Huebner, Dale C.
Law, Kenneth S.
D'Amico, Joseph
Lascara, Vincent A.
Brosseau, Oswald J.
Brooks, Marvin L.
Reed, William D.
Owen, Charles S.
Hazen, Ralph E.
Neely, Carroll E.
Neely, Joe B.
Lee, Charles R.
Lachicotte, Albert S., Jr.
Schmeckpeper, William E.
Miakar, John A.
Watkins, Elmer E., Jr.
Gavey, Harry E.
Powell, Robert C., Jr.
Pirkle, Glenn S.
Stephens, Thomas I.
Haag, Russell I.
Metcalf, Wallace W.

Starr, Donald A.
Hays, George O., Jr.
Burns, Robert S.
Breen, Owen J., Jr.
Oesterich, Lawrence C.
Wick, Milton H.
Brickley, George R.
Strebel, Kermit W.
Johnson, Carl P.
Allen, Cecil C.
Olsen, Kenneth H.
Saling, Fredrick E.
McIntire, Robert H.
Lichtermann, Richard T.
Walsh, Robert J.
Coupe, Walter H.
Kenyon, Lawrence H.
Cummings, Newell J.
Woodard, William K.
Hempson, Donald A.
Jones, Harris P.
Dye, Kenneth R.
Ryan, Robert W.
Maiden, Robert W.
London, Harry S.
Roth, Winston W.
Butschek, Edgar J.
Holladay, Clifton M.
Smith, Ira, Jr.
Grimes, John
Bentley, William R.
Randolph, Karl W.
Williams, Earl O.
Smith, Joe G., Jr.
Roberts, Giles H.
Sullivan, John J., Jr.
Rawson, George S.
Hanson, Harvey E.
Martin, James R.
Crawford, Grover W.
Thompson, Oscar D.
Bishoff, Jack T.
Barensfield, Paul L., Jr.
Colby, Arden K.
Moore, Donald L.
Wright, John E. C.
Varney, William C.
Berning, John R.
Moore, Hoye D.
Nelson, George C.
Kiosterud, Viggo H.
Weidman, Donald J.
Kiraly, Joseph L.
Russell, George D.
Pomel, Austin D.
Jones, Everett H.
Wilson, James D.
Keller, Richard C.
Wieseke, Edward M.
Selden, Doyle W.
Gibson, William E.
Dick, Mack A.
Kovar, Isadore M.
Leighton, James G.
Mason, Stanley R.
Lemmon, Gerald C.
Warren, James A.
Harvey, Clinton D.
Olson, George E., Jr.
Brozo, Louis F., Jr.
Eschenberg, Louis G.
McVoy, Richard E.
Tanner, Sylvan
Littleton, Terrell W.
Deeming, Clarence
Logsdon, Stanley S.
Bergtholdt, Henry S.
Kern, Jackson K.
Keating, Andrew J.
Jensen, Harold B.
Handforth, Carlos H., Jr.
Strong, William L.
Meader, Glenn F.
Byrd, Hugh D.
Hanson, Earl J.
Fawcett, Walter O.
Buchner, Keith C.
Nichols, James F.
Holcombe, Joseph F. D.
Ferrin, Darwin R.
Babbit, Cameron W.
Fowler, Theodore C.
Hansley, Louis
Gray, Roger W.
Scott, Leroy M.
Essig, John S.
Garbak, Albert C.
Seelos, Robert G.
Lohnes, Arnold E.
Vail, Russell G., Jr.
Dehart, Kenneth P.
Martin, William M., Jr.
Jones, Morton D.
Arnold, Frank H., Jr.
Wright, Clarence R.
Washom, Paul S.
Gilbert, Foster I.
Wilson, Roquel A.
Bacon, Richard J.
Eddy, George, Jr.
Oakes, Robert G.
Pawson, Richard P.
Owens, Emmet D.
Toma, Charles J.
Lewis, Joseph E.
McFadden, John P.
Burdick, Paul B.
Gosting, George G.
Abercrombie, Montell
Clary, James H.
Murray, Douglas S.
Sherman, Joel H., Jr.
Crowley, William V.
Saladin, Mahlen G.
Maas, Richard K.
Scharf, Samuel L., Jr.
Keera, David B., Jr.
Mosolf, Lewis E.
Reinhold, Edgar D.
Roe, William M. D.
Morgan, Marson W.
Bartlett, James C.
Taylor, Kenneth D.
Willess, James L.
Holland, Donald E.
Shepherd, Alfred J.
Roesch, Robert D.
Taylor, Edward J.
VanPelt, James C.
Papageorge, Andrew J.
Gardiner, Charles V.
Quarles, Palmer A., Jr.
Reilly, Frank J., Jr.
Becker, Charles
Miller, James
Baumann, Wesley O.
Randolph, Robert R.
Windsor, James M.
Rehberg, Jerome A.
Fernald, Joseph A.
Paulsen, William N.
Gillis, Arthur W.
Leary, Raymond F.
Marshall, John C.
Sullivan, Raymond S.
Blake, Dean L.
Rubel, Robert L.
Briggs, Arthur A.
Meyer, William H., Jr.
Rogers, Ray L.
Gaver, Harry L.
Washburn, Dale W.
Maas, William C.
Kimball, Jack F.
Vickers, Leonard A.
McMorries, Edwin E.
Penebaker, George W.
Henninger, Richard G.
Sanders, Roy N.
Sheen, Raymond H.
Jaxtheimer, John C.
Wade, Aredus B., Jr.
Harrington, Bernard C.
Griffin, Cecil L., Jr.
Parrish, William C.
Greene, Eugene G.
Kost, George J.
Ireland, Charles W.
Smith, Harry O., Jr.
Nelson, Browder G.
Russell, DeAlton
Slover, Jay A.
Hardacre, Francis W.
Illum, Francis
Hart, Robert F.
Morse, Melvin E.
Higgins, Simeon G.
Smith, William A.
Sharon, Horace D.
Forde, Widar J.
Barlie, Emmett O.
Yost, Louis E.

CHAPLAIN CORPS

Anderson, Arthur R.
Tuxbury, Vernon W.
Sargent, Gerald H.
Swinson, Jesse L.
Sneary, Earl D.
Austin, Henry E.
Rennie, William A.
Felder, George, Jr.
Brosius, George R.
Schneck, Robert J.
Pipho, Edmund W.
McGrath, James R.
Ferris, James S.
Ruleman, Robert N.
Jones, Robert Q.
Oliver, Algernon M.
Jordan, Daniel M.
Kapalczynski, Eugene J.
Morton, Frank R.
Vierling, Walter J.
Budd, Allen C.
Caughey, Donald R.
Cahill, Richard A.
Wilson, Robert K.
Ernstmeyer, Hilton S.
Dierks, William T.
Lonergan, Vincent J.
Stretch, Robert N.
Meier, Kermit I.
Thomas, George E.
Menges, Harold F.
Prickett, Albert D.
Ackley, Charles W.
Davis, Walter J.
Horvath, Stephen G.
Richter, Thomas J.
Fenstermacher, Harry F.
Gallagher, Joseph P. F.
McPherson, John B.
Hemphill, Edward J., Jr.
Burns, John J.
Brink, Frederick W.
Bradley, Paul F.
Peterson, Karl G.
Elliott, Robert E.
Curtis, John L.
Paul, James W.
Lahr, Franklin E.
Iley, Charles H.
Wheeler, George H.
Cleaves, Richard D.
Garrett, Francis L.
Marley, Cecil V.
Lyons, Earle V., Jr.
Greenlaw, Earle D.
Taylor, William A.
Walsh, William J.
Phillips, Lawrence R.
Cassady, Florian W.
Jones, Oliver W.
Long, John R.
Vanderpoel, George E.
Maxwell, Henry F.
Raynor, Paul J.
Northrup, Clarence V.
Cassady, Kermit R.
Jenkins, Robert E.
Humphreys, David M.
Boyer, Arthur C.
Insko, Myron C.
Watts, John E., Jr.
Bentley, Philip C.
O'Neill, John J.
Hughes, Benjamin F.
Bonner, Robert A.
Meade, Harold E.
Martineau, Edward R.
Sodt, William G., Jr.
Andresen, Soren H. P.
Hunter, Jackson D.

CIVIL ENGINEER CORPS

Turner, Charles W.
Cunney, Edward G.
Bartlett, James V.
Cornwell, George G., Jr.
Nelson, Martin R.
Richey, John
Witt, Harry R.
Reid, George F.
Busbee, Greer A., Jr.
Anderson, Nelson R.
Beck, Tom W.
Dillon, John C.
Dougherty, John A.
Pollard, Andrew M.
Johnson, Edwin E.
Spuler, Pearl L.
Woy, Jack A.
Hardin, Fred M.
Herbert, Edgar, Jr.
Terry, Alfred G.
Beaver, John F.
McCrorey, Charles E.
Jackson, Norman M.
Harper, Milton J., Jr.
Engram, Robert C.
Mobley, Clarence F.
Daggett, Robert E.
Childs, Felix J.
Scanlan, Melvin E.
Christensen, Wayne J.
Franklin, Melvin G.
Plawchan, John D.
Burke, John L., Jr.
Chesnut, Luther T., 3d
Jubb, George F.
Loeffler, Harry H. Jr.
Hayen, Charles L.
Nicholson, Oscar F.
Graves, Lenson W.
Reno, James N.
Helms, George O.
Beck, Joseph F.
Griffiths, Williams H., Jr.
Minwegen, Arthur P.
Berube, Herman L.
Barnes, George W., Jr.
Clarke, John F.
Oldham, Herron
Denman, Justin D.
Young, Oran W. V.
Epps, Robert W.
Jones, Jack J.
Dilley, Robert E.
Gassett, Charles M.
McDuffie, Kerman C.

DENTAL CORPS

Glennon, Thomas A.
Noble, Alvin B.
Hass, Albert P.
Eubank, Dillard P., Jr.
Conant, Julian R.
Solle, William N. L.
Cooper, Richard G.
Hanson, Thomas J.
Hodgson, Gerald L.
Marking, William M.
Larson, Gilbert H., 2d
VanDamn, Vincent W.
Mitchell, Edward C.
Keenan, James F.
Bill, Charles A.
Koenig, Albin J.
Metaxas, Gus G.
Rupp, Nelson W.
Smith, John H.
Andrews, Wallace S.
Tippin, Joseph G., Jr.
McKee, Reuben W., Jr.
Darnall, William L., Jr.
Wells, Paul H., Jr.
Hamilton, Martin R.
Flood, Jack F.
Gray, Gus W.
Pennington, James F.
Kraske, Leonard M.
Davis, Frank L.
Miller, Donald J.
Hamilton, Traver R.
Schnoebelen, Eldon O.
Swearingen, John C.
Lepley, James B.
Peters, Jerome F.
Stolitsky, Justin F.
Sullivan, John E.
McNitt, William H.
Gustavson, Arthur E.
Doyle, Eymard L.
Lamb, Patrick J.
Sturm, George, Jr.
Ogden, Ingram W.
Hillis, Walter G.
Maxfield, Don L.
Sancier, Henry J.
Spann, Sylvester E. W., Jr.
Johnston, Francis N.
Hawkins, Donald C.
Brigance, Frederick W.
Riesenberg, William C.
Hughes, Richard W., Jr.
Pund, Harry C., Jr.
Crossmire, George B.
Nickell, Raymond O.
Pfaffmann, George A.
Wood, Quentin L.
Rhobotham, Frank B.
Funk, Russell R., Jr.

MEDICAL SERVICE CORPS

Kuntz, Robert E.
Rosenfeld, George
Leopold, Robert S.
Heison, Walter J.
Platt, Bernard G.
Bagby, James W., Jr.
Bechtloff, Kenneth E.
Burgess, Benjamin F., Jr.
Lopez, Ralph B.
Rand, George W.
Dentler, William L.
Sennott, Ralph A.
Swanson, Robert W.
Weathersby, Augustus B.
Will, Robert C.
Bartolomei, Aldo
Goldman, David E.
Carson, Ralph
Young, Paul R.
Madden, William F.
Herrmann, Robert S.
Hall, Arthur L.
Wilson, Ulmer
McGehee, William G.
Thompson, Rufus L.
Welch, Edward W., Jr.
Pfirrmann, Frank P.
Gilpin, John H., Jr.
Breathwit, William A.
Ottie, Frederick O.
Smith, Ancil B.
Belknap, Floyd H.
Bell, Gordon C.
Bodenlos, Leonard J.
Snyder, Joseph F.
Rushworth, John F.
Bowman, Clarence W.
Rustad, George A.
Smith, Whitner W.
Vliet, Russell G.
Kibsgaard, Henry
Malby, Glenn E.
Getts, Robert H.
Kenney, Allen W.
Stewart, Fred E.
Garverick, Charles K.
Harvey, Cecil R.
Johnson, Calvin F.
Johnson, Kenneth L.
Lay, Leo M.
Petiprin, Floyd R.
Young, Lee A.
Rooker, Harry E.
Moore, Jack F.
Duane, Joseph P.
King, Ira V.
Herman, Joseph E.
McCarley, Arthur T.
Morrison, George "W.," Jr.
Honeywell, Donald M.
Ozburn, Ernest E.
Sanders, Ernest
Walker, Edward W.
Harwell, Rivers G.
Hooper, Robert F.
Olson, Albert
Edrington, Harold G.
Ferber, Charles W.
Beretta, John J.
Posey, Raymond L.
Mayville, Howard H.
Jachowski, Leo A., Jr.
Hinz, Edward C.
McReynolds, Paul M.
Lester, William F.
Moss, Chester D.

NURSE CORPS

Schermerhorn, Irene W.
Bogdon, D. Dorothy
Dolloff, Ellen N.
Quebbeman, Frances E.
Vosgerau, Lucile H.
Monahan, Dorothy P.
Ohrman, Roberta A.
Pfeiffer, Carol M.
Wilson, Judy N.
Moesser, Maxine M.
DeWitt, Laura S.
Lindner, Mary J.
Williams, Nell R.
Thompson, Ida K.
Yetter, Doris M.
O'Neill, Rita V.
Richards, Margaret Anderson, Jennie
Joliat, Beatrice H.
Cotter, Margaret M.
Wright, Mildred L.
Bulshefski, Veronica M.
Cimina, Gina D.
Crouse, Jervace L.
Mitchell, Ruth J.

The following-named officers of the Navy for permanent promotion to the grade of lieutenant in the line and staff corps as indicated:

LINE

Zehr, Milton A.
Blevins, Fred G.
Kelley, Paul W.
Rapelyea, Oscar F.
Thorndike, David M.
Cosgrove, Thomas A.
Houghton, Alexander J.

Waldo, George A., Jr.
Gillespie, Nivin J.
Dorich, Alberth
Brent, Sherman E.
Smith, John E.
Leary, William, Jr.
Henry, William
Drago, Thomas R.
Iles, Richard W.
Meyer, Emile F., Jr.
Hjalmarson, Magnus W.
Hogan, William M.
Zelibor, Joseph L.
Bres, Harold A., Jr.
Lockhart, James A.
Watson, Robert S.
Mueller, Robert H.
Bell, Rodney O.
Horrigan, David E., Jr.
Pettigrew, Thomas S.
Sutherland, William A.
Voiler, Sherman L.
Buswell, Lindsay L.
Walker, Robert G.
Anderson, Richard B.
Swanstrom, Willis E.
Tabor, Thomas L.
Justman, Leroy G.
Stepanian, George N.
Broadbent, Ernest W.
Hammond, James R.
Doyle, James T.
Hopkins, John P.
Hebert, Frank C.
O'Day, Henry J.
Stephens, William E., Jr.
Moore, Marion E.
McClain, Merl L.
Henwood, William C.
Sells, William L.
Heeszel, Edwin H.
Anderson, David G.
Johnson, Joseph F.
Schlarbaum, Donald A.
Jorgensen, Cecil M.
Risley, James R.
Carnahan, William R.
Wade, William D.
Scatolini, Albert G.
Kempf, Lawrence A.
Prindle, Dayo D.
Hamilton, Arthur W.
Crain, Horace T.
Locke, Robert P.
Mallon, Richard J.
Kopps, Richard L.
Andreason, Raymond R.
Larkin, Paul S.
Hatch, Vyrl S.
McKell, Martin S.
Smith, Byers G.
Troupe, James E.
Southall, Donald L.
Thomas, Ross J.
Byrd, Raymond D.
Burr, Robert M.
Hawkins, Carl R.
McMonicle, John J.
Brown, Errington
Gambert, Frank E.
Wood, Harold D.
Cooper, Lloyd F.
Tucker, Thomas W.
Hazard, Carlton G.
Kyle, Kay L.
Sherman, Frank E.
Gordon, Wendell G.
Hubbeling, Johan D. W., Jr.
Cooper, Charles W., Jr.
Oest, John R.
Birdt, George
Setzer, Brooks W., Jr.
Vierregger, William T.
Baker, Ziliam B.
Holley, Ervin D.
Harrison, Wayne J.
Flack, Max
Tracey, Walter
Condra, Kenneth I.
Gallagher, Theodore J.
Brumbach, Joseph W.
Thompson, Cecil W.
Luebke, George M.
Aikins, Bruce M.
O'Connor, John J.
Nemetz, Joseph G.
Kingston, William J., Jr.
Hoover, Donald W.
Black, John M.
Skinner, Walter E.
Love, David "K"
Britt, Harvey R.
Turnbull, William O.
Zakarian, Aaron M.
Segal, Stanley L.
Bauer, William M.
Young, Miles M.
Winton, Matthew J.
Clause, Harold
Lincoln, John L., 4th
Williams, George P.
Klockenkemper, Joseph B. G.
Bishop, Wilbur C.
Franklin, Billy S.
Tuffanelli, George T.
Suker, Waldo A.
Carrier, Francis A.
Rossi, Edward C.
Kmetz, William H.
Robb, Roger W.
Steadley, William A.
Schroeder, Joseph H.
Kimball, Kieth W.
Shuman, William P., Jr.
Gray, Robert J.
Trueblood, Harold J.
McLaughlin, Burton J.
Klibbe, Orville O.
Hayes, Robert V.
Henderson, William B.
Green, James R.
Ostrom, Ellsworth M., Jr.
Leavy, Paul M., Jr.
Cox, John W.
Plomasen, Bruce W.
Mayo, Henry T. 2d
Oliver, Daniel A., Jr.
Whittemore, John B.
Ellenbrand, Ralph E.
Kampmann, Anthony J.
Volk, Ralph L., Jr.
Hillery, Daren R.
Cooper, Marvin J.
Eppes, George P.
Hughey, George H., Jr.
Watkins, Ernest A.
Eaton, William G., Jr.
Alexander, Claude M., Jr.
McKeever, James E. M.
Wheeler, Felix H.
Webster, Harold A., Jr.
Thompson, Max E.
Kays, Robert L.
Rorex, Sam, Jr.
Pressler, Jack M.
Raihle, Richard R.
Gale, Philroy C., Jr.
Lamb, Harold M.
Hildebrand, Joseph H.
Nickel, Walter F.
Packer, Morris A.
Uhler, Edward B.
Horner, Larry E.
Hume, Hillis D.
Byrne, Charles S.
Falardeau, Robert F.
Atwell, Robert B.
Rea, Paul G.
Marziuff, Joseph O.
Cullen, John P.
Lowery, Hugh H.
Kerr, Claude E.
Huckenpoehler, William B., Jr.
Barry, David C.
Bitney, Raymond H., Jr.
Sciiris, Louis G.
Klym, Charles S.
Puckett, Paul B.
McNiff, Thomas, Jr.
Kraushaar, David
Losure, John E.
Schofield, Thomas G.
Rockwell, Donald E., Jr.
Dinwiddie, John M.
White, John D.
Moore, Joseph E. 3d
Hustad, Peter A., Jr.
Hart, George M. D.
Searls, Henry H., Jr.
Lawrence, James K.
Randolph, Beverley
Panawek, Gregory
Cole, James O.
Wilson, Edward P., Jr.
Buck, Robert M.
Gilchrist, Darrell P.
Kenney, Robert N.
Wear, LaVern G.
Day, Charles F.
Waters, David E.
Stauffer, Howard C.
Loftis, Raymond M.
Halwachs, Alois W.
Therriault, William W.
Grove, Leo H.
Sharp, Alfred C.
Zolo, Irving
Racette, Henry J., Jr.
Ernesti, John H.
Page, William T.
Viguers, Allan K.
Ufer, Alfred L.
Anderson, Kenneth J.
Nicholls, Benjamin F.
Clough, Duane M.
Klaessy, Dale S.
Ambler, Joseph B.
Raposa, William C.
Fisher, Lowell E.
Sepper, Frank
Pollock, Lewis H.
Deitz, Charles J.
Wilzer, Kenneth R.
Maloney, David A.
Royster, Laddie M.
Krier, Daniel L.
Longwill, Albert E.
Atkinson, Aubrey E.
Rohrich, Walter H., Jr.
Miller, Lawrence L.
Gaskill, George R.
Robertson, David
Scott, Julian F.
Anderson, Billie P.
Garofalo, Paul C.
Sweet, Robert R.
Griffin, Thomas H.
Budzianowski, Stephen
Langdon, Richard H.
Abbott, George B.
Nelson, Joseph W.
Plog, Leonard H.
Harrington, John L.
Berry, Robert M.
Kerling, Albert J.
Barnes, John W.
Buckles, Harland R.
Ferguson, "S" "N"
Dunning, Bruce B.
Leonard, Warren E.
Hinkelman, John W., Jr.
Siasinski, Floyd M.
Hooper, James A., Jr.
Slabey, Theodore M.
Quanstrom, Carl R., Jr.
Fielding, Teddy R.
Lariscy, Bernard L.
Brink, Merrill J.
Davis, Charles R.
Hill, Robert D.
Lorenz, Samuel, Jr.
Garren, Herman L., Jr.
Brazil, Rudolph E.
Harper, Wyatt E., Jr.
Hare, Roland W.
Stewart, Hal B.
Heath, William W.
Soltys, Leo S., Jr.
Luedtke, Wilbert C.
Polk, Mavis X.
Pitts, Charles R.
Fisher, Robert D.
Howlett, John
Johnston, Harry D.
Dehler, Raymond L.
Harris, John P.
Selvidge, James C.
Klaus, Edward L.
Fowler, William E.
Fox, Rex R.
Griffin, Shade W.
Soskey, Norman W.
Mills, Terry
Worrall, David J.
Sheppard, Cedric W.
Massey, Joseph P.
Buchanan, Charles S.
Heath, Leroy A.
Smyer, Theodore M.
Farnsworth, William D.
Slezak, Robert W.
Bors, Frank, Jr.
Whilden, Adolphus D., Jr.
Driscoll, John R.
Coffey, Claude C., Jr.
Adams, Allan M., Jr.
Laughlin, George W.
Richardson, Guy D.
White, Garrett "A", Jr.
Overman, Dana C., Jr.
Tarbox, William
Chapman, Kendall R.
Dowdy, James C.
Lange, Earl B., Jr.
Roberts, Gerald M.
Reynolds, Norva E., Jr.
Manger, Martin M., Jr.
Brockman, James O., Jr.
Moorhead, Dan R.
Morrison, William T.
Baker, Robert G.
Glover, John W.
DePaul, Raymond
Berchman, John J.
Boyd, Edward A.
Okkerse, Warren W.
Chambers, Leonard C.
Piotrowski, Alexander W.
Warton, John F.
Lewis, Clyde S.
Nelson, Robert R.
Doran, George E.
Aulich, Julian
Self, Robert L.
Sanders, Howard E.
DeCarlo, Eugene
Kron, John A.
Sledge, Jack B.
DeGroote, Douglas F.
Hanson, Bernard T.
Bauer, Omer W.
Henley, Nathaniel T.
VanDemark, James L.
McCullough, William F.
Maurer, Nelson H.
Corner, Sheldon L.
Grill, Robert W.
Kerr, John W.
Hudson, William H., Jr.
Farrell, Charles S.
Darrow, Charles B.
Hixon, Beryl R.
Armstrong, Sam "T", Jr.
Spahr, Herman G.
Neiman, Jack, Jr.
Via, Hubert L.
Barnes, William F.
Madson, Rae P.
Anderson, Paul A.
Wheatley, Chester H.
Liles, Percy L.
Ingels, Roland T., Jr.
Barr, Fred
Denkler, William A.
Prouhet, Clement R.
Quinn, Harry T., Jr.
Radcliffe, Robert J.
Wise, John H.
Evans, Kenneth J.
Makinson, Robert T.
Jobe, James K.
Stephenson, Marion G.
Merrick, John L.
Ray, Russell J.
Lesher, Robert K.
Coset, Albert W.
Sheppard, William L.
Stieler, Norris O.
Snyder, James G.
Miller, Orville H.
Glore, William G.
Ray, Glenn E.
Arthur, Russel L.
Tollefson, Leif
Jelesnansky, Robert G.
Purinton, David F.
Gossman, Thomas J.
Gates, James L.
Harvey, James H., Jr.
Wilcox, Charles L.
Beaman, John H.
Egly, Donald D.
Goetz, Loren D.
Pauls, Robert H.
Sommer, Charles A.
Rayburn, Lawrence M.
Zenner, Harold J.
Aloisio, Veto
Morris, Roland L.
Atkins, Waldo A.
Wilmarth, Eugene M.
Viviano, Raymond J.
McVicker, Robert J.
Hawley, Maurice V.
Ragon, George T.
McDonald, Joseph F.
Adams, Robert E.
Mansfield, Samuel K.
Davis, Carl M.
Wiggins, Thomas E.
Cullen, Eugene P.
Dauer, Frank H.
Rooney, George M.
Daigle, Joseph A.
Hoeft, Edward G.
Childress, Howard W.
Bedford, Thomas A.
Wells, Lionel E.
Walkup, William E.
Harrison, Leo W.
Wheless, John C.
Bollenbacher, Robert M.
Squire, Wade R.
Manhart, Raymond J.
Corlew, Jewell G., Jr.
Wietz, Harmon F.
Boucree, James J.
Davidson, Carl W.
Lammers, Lorin R.
King, Patrick J.
Viscardi, Peter W.
Bennett, Edgar T.
Sargent, Channing C.
Warton, David
White, Jackson
Robinson, David G.
Kalas, Anthony S., Jr.
Pine, Frank L.
DeGroff, Armand L.
Nash, Donald E.
Condor, Bernard
Duncan, Marvin H.
Blaschka, Edward X.
Hamilton, Billie C.
Baker, George "E."
Houck, Richard
Brown, Fred W., Jr.
Wilkes, Gaylen L.
Walters, Willard H.
DeVore, Ralph "E." Jr.
Ingrassia, Robert P.
Dillingham, James R.
Laser, Perry A.
Huddleston, Woodrow
Omohundro, William B., Jr.
Werdelman, Egon H.
Butler, William S.
Bradford, John R., Jr.
McLean, William O.
Bell, Vernon V.
Harper, William J.
Mercer, Ellsworth O.
Winter, Homer A.
Francis, Leverett M.
Luka, Earl
Uncles, John F.
Leib, Frederick L.
Davis, Jack E.
Gensert, John R.
Carpenter, Charles R.
Bond, David L., Jr.
Walery, Kenneth F.
Farrell, Rollo L., Jr.
Miller, Harvey W.
Tierney, Glenn A.
Wikenhciser, Frank J.
Licko, Richard J.
Phillips, William R.
Konzen, Joseph J.
Lee, Donald E.
Renaldi, Richard R.
Newman, Augustus, Jr.
Albright, Edward H.
Penick, Robert E., Jr.
Stecker, John P.
Rust, Dorvan T.
Sandidge, Falvey M., Jr.
Gransee, Wallace G.
Hosier, Ray S., Jr.
LaPlante, Bernard R.
Hall, Ozni D.
Gallagher, Glen F.
Austin, Kenneth B.
Rapacz, Edwardus
Mann, Marion E.
Spargo, James
Webb, Charles W.
Westcott, Malvern P., Jr.
West, Raymond W.
Stephens, Charles H.
Thomas, Clarence E.
Rockoff, Herbert R.
Weidig, Donald H.
Richinak, Michael D.
LeLand, Harley G.
Vining, Pierre H.
Hadaway, Donald L.
Graham, Frank W.
Lake, Robert H.
Mershon, William R.
Turner, Thomas J.
McClintock, Michael
Hinman, Charles R.
Hornsby, Henry C.
Cross, Richard E.

Davis, William D., Jr.
Bennett, Leroy E.
Tastsides, George T.
Fethrolf, William P., Jr.
Rogers, Bernard L.
Stafford, Edward M.
LeFevre, Adolphe C.
Collins, Henry D. M.
Nichols, Ramon B., Jr.
Zseltvay, Robert R.
Willis, Avery L.
Recknor, Marvin W.
Glover, Theodore H.
Landrum, Joe R.
Dampier, Claude W.
Risch, Harry, Jr.
Buck, Clarence C., Jr.
Kauth, John L., Jr.
Adams, Fred I.
Wilson, George
Boston, Leadore G.
Carlenzoli, Henry
Ley, Gerald M.
Novak, Jerome C.
Thomas, Warren J.
Lea, Malcomb A.
Crofoot, Arthur E.
Lemert, Russell C.
Huff, Ralph E.
Walker, William O.
Kerstein, George E.
Gallivan, James J.
Boerner, Richard J.
Dalland, Carl A.
Moody, Frank G.
Karlsven, George J.
Laughton, Robert J.
Ross, John W.
Morgan, Teodore P.
Huddleston, Don R.
Hayes, James P.
Laubach, Luther W. S.
Taylor, Martin E.
Klemawesch, James
Gehringer, Edmund W., Jr.
Matherson, George P.
Rule, John D.
Blaylock, Mabry, Jr.
Fisher, Willis M.
Lulu, Michael T.
Stirnweiss, Andrew P. Jr.
Flanigan, Frank M., Jr.
Tate, James D.
Worrall, Alton H., Jr.
Goodwin, Thomas P.
Hagedorn, Robert L.
Bally, Walter L., Jr.
Carter, Kenneth
Klindworth, Carl H.
Meredith, Carl E.
Godfrey, Earl F.
Rumburg, William H., Jr.
Irwin, Edward F.
Downs, Richard E.
Samuels, Bernard L.
Haugh, Edward M.
Windley, Alonzo R.
Murphey, Samuel B.
Wondergem, John M.
DeTamble, Paul A., Jr.
Werner, Paul P.
Smith, George H.
Toole, Warren K.
Neilson, Thomas L.
Hallman, Robert E.
Cadenas, Ernest M. M.
Arseneault, Arthur J., Jr.
Logan, Robert T.
Stamps, Bernice C.
Edmunds, Francis E.
Huse, George W.
Smith, Jacob P.
O'Neill, John L.
Cunningham, Paul J.
Hoskins, George W.
Read, Robert B.
Kirkemo, Leland E.
Clarke, Robert L.
Gill, George R.
Cummings, Robert
Richards, Harold O.
Carrell, Sam L.
Delaware, Lafayette J.
Matthes, Harold K.
Byrnes, Robert F.
Casco, Joseph
Buerger, Robert P.
McKee, John C.
Robey, Walter C.
O'Brien, William C.
Maraszek, Roman V.
McMaster, Donald W.
Skipper, James C., Jr.
Pendery, William P.
McCabe, John C.
Scott, Walter
Theroux, Lee A.
Marshall, Daniel V., Jr.
Woessner, Fred W., Jr.
Hapanowicz, Richard
Sutherland, Robert S.
Heller, Lester M.
Hicks, Frank R.
Bean, George F.
Jasper, Melvin W.
Mullen, James L.
Brandenburg, John H.
Roth, Edward F.
Barnett, Gordon R.
Jones, Jimmie C.
Grentzer, John
Mayes, Shuler H.
Dinnel, Alfred C.
Blair, Marvin S.
Morgan, Henry S., Jr.
Lippincott, Lincoln H., Jr.
Murray, Thomas J.
Miles, Warren H.
Townsend, Martin V.
Smith, Myrtis B.
Davis, Calvin R.
Work, David D.
Jester, Jack A.
Ditzler, David D.
Moore, Robert A.
Humphries, Ray L.
Robinson, Rembrand C.
Trotter, William R.
Hanson, Donald J.
Irving, Sam K.
Connelley, Ernest C., Jr.
Sodke, Henry E., Jr.
Cravens, Harold L.
DuVall, Richard A.
Quarton, Thomas J.
Mohr, Phillip F.
Hoyle, Robert S.
Justice, Richard R.
Durtche, Carl, Jr.
Hoffman, Paul J.
Freeman, DeWitt L.
Andrews, Lyman L., Jr.
Malnerich, Joseph N.
Marx, Leo B., Jr.
Cooley, Homer K., Jr.
Shaffer, James B.
Gordon, Erving L.
French, Morrell E.
Forbis, Roy E.
Cress, Warren D.
Lans, Walter T.
Haney, William E.
Spargo, Paul L.
Reinhart, Leonard J.
Moore, Paul
Curry, Robert E.
Morgan, Rutherford B.
Edwards, Robert W.
Burnam, Harold W.
Sands, John M., Jr.
Cranton, Jack H.
Dunlap, Billy F.
Burton, James K.
Parker, George A.
Carlson, Richard R.
St. Clair, Robert H., Jr.
Conger, Elton, V.
Condren, John F.
Roemer, Robert F.
McAndrew, Richard J.
Johnson, Gerald
Rivers, Francis E.
Nichols, William J.
Elmies, George.
Becker, William P.
Gamwell, Stephen E.
Blaisdell, Robert J.
King, Mahlon H.
Berglund, Eugene M., Jr.
Jenkins, John A.
Garbark, George H.
Hamilton, John W.
Howard, John L.
Caldwell, Jack
Harrison, Jack H.
Orr, Edwin P.
Custer, Prentice J.
Schmoranc, Ray D.
Penney, Willoughby W.
Ciulis, Edward
Burt, Robert A., Jr.
Masuen, Francis N.
Chapman, Kenneth J.
Wheeler, Robert F.
Ritchie, Floyd M.
Yarbrough, Herbert A.
Bradbury, Albert W.
Price, Arthur W., Jr.
Boutte, Lester H.
Capistran, John H.
Blair, John P.
Williams, "D" Hunt
Willson, Lawrence E., Jr.
Dulhagen, John J.
Brown, Frederick J.
Howard, Billy D.
Teneyck, Hubert A., Jr.
Greene, Ernest "G"
Sullivan, Francis J.
Lauer, Albert C.
Bailey, Cordon W.
Ayers, George "L," Jr.
Meyring, William W. R.
Brown, Joseph W., Jr.
Montgomery, Marvin D.
Tull, Robert
Bergsma, Earl R.
Vaught, William J.
Lenson, Robert H., Jr.
Brtek, Frank C.
DuBiel, Robert A.
Pell, Isaac N., Jr.
Fife, Milton E.
Thigpen, Francis Y.
Stout, Burke W.
Cartwright, Harold J.
Youmans, Laurens W., Jr.
Lucas, Burke D., Jr.
Rooney, Frederick T.
Holland, David B.
Stewart, Cleil
Rasko, Robert V.
Walters, Harold W.
Herman, Richard D.
Keller, Thomas D.
Moessner, Julius H.
Gallagher, John J.
Cook, Harry W.
Robertson, Bruce W.
Feher, Melvin A.
Smith, Hugh W.
Doyle, Philip P.
Gregonis, Joseph P.
Reilly, Joseph L., Jr.
Wagner, Harry M.
Heiderer, Robert
Whitney, Donald D., Jr.
Holt, Albert T.
Smith, Horace G., Jr.
Sadler, Robert J.
Nevins, John D.
Grischy, John S.
Brownlee, Robert E., Jr.
Folensbee, Albert H.
Roberts, William K.
Wallace, Robert G.
Broughton, Walter T., 2d
Baker, Robert J.
Barton, George E.
Carpender, Cary N.
Albright, Cletus A.
Moore, John M., Jr.
Moses, Carl W.
O'Brien, Edward F., Jr.
Weimer, Walter H.
Kidd, Robert A.
Quelland, Obed R.
Born, Robert J.
Abbott, Myron J.
Phillips, Robert B.
Mork, John N. O.
Talley, "R" "B," Jr.
Sugden, John W.
Vincent, Francis E.
Croft, Merion W.
Friedman, Robert
McFarland, Earle T.
Sante, Robert D.
Lanzit, Jerome R.
Risley, Clayton E., Jr.
Callihan, Philip S.
Brown, John W.
Baker, Royal W.
Mills, Ernest J.
O'Shaughnessy, James D.
Tallent, Carson R.
Newbill, Henry L., 3d
Beaubouef, James A.
Dolan, William R., Jr.
Hammes, Elmore M.
McEvoy, James A., Jr.
Webb, George J.
Gehrmann, Charles P., Jr.
Warfield, John B.
Humphreys, John C.
Bailey, Keith E.
Hunter, Robert H.
Karr, Kenneth R.
Norin, Robert A.
Quinn, George D., Jr.
McGrath, Herman G., Jr.
Hudson, George D.
Last, Frank J., Jr.
Zettel, Richard T.
Mentzer, Howard D.
Smith, Gerald W.
Richards, George E.
Altz, Leroy V., Jr.
Martin, Howard N.
Edmondson, George H.
McCarthy, Edward J.
Odom, James E., Jr.
Collister, Louis J.
Hemler, Franke T.
Diamantides, Paul D.
Jones, Harold L.
Schneiders, Joseph M.
Wilkins, James C., Jr.
Carpenter, Edward L.
Tranter, Thomas L.
Smith, Wayne F., Jr.
Veit, William H.
Finnigan, Joseph C.
Tonkovic, Andrew A.
Scarborough, Harry C., Jr.
Mound, Willard M.
Spencer, Paul E.
Airey, Henry J.
Levi, Burna D., Jr.
Sharp, Wallace E.
Rehe, George J.
Gardner, Robert M.
Willis, William A.
Maulden, Hoyt P.
Zesiger, Max A.
Forgy, William J.
Shepard, Wayne C.
MacMillan, Harold R.
Oliver, Donald C.
Marsh, John A., Jr.
Miller, Harold R.
Callahan, Edward J., Jr.
Wegmet, Howard N.
DeMent, Henry F.
Popplewell, Lachlan B.
McGovern, William
Wingfield, Elmer A.
Bradberry, Gordon D.
Meek, Orville M., Jr.
Sipe, Richard G.
Norton, James C.
Fahrney, Robert H.
Larson, Ray I.
Abbott, Edwin W., 3d.
Gately, Donald E.
Sherfy, John B., Jr.
Brown, Ian F.
Demmler, Charles F.
Rose, George S.
Pefley, John W.
Schulenberg, Duane E.
Beals, Granville A., Jr.
Jacoby, Richard E.
Shreve, Andrew K.
McNeil, Robert K.
Metzger, Daniel T.
Hoffman, Burt A.
Erwin, Willard L.
McManaman, Raymond J., Jr.
Leonard, John G.
Powers, Horace S.
Worsley, Earl A.
Tippie, Bruce E.
Keen, William K.
Welch, Harry E.
Tyler, Charles G.
Cannon, Herbert "B"
Heffernan, James M.
Sutton, Thomas L.
Wyman, Charles L.
Doell, Robert E.
Herweg, John B.
Smith, Edwin P., Jr.
King, Herbert T.
Cerstvik, Milan S.
Willis, Thomas J.
Heidorn, Lawrence H.
White, Rue W.
Weigel, John J.
Linville, James C.
Parish, John J.
Hubbard, Edward R.
Kelly, James J.
Turner, William R.
Savage, John E.
Evans, Jack R.
Howard, Walter F.
Higgins, Robert T.
Felsman, Jack L.
Hogg, Frank W.
King, John E.
Crangle, Eugene V.
Fries, William D.
Sheil, James E.
Overn, John A.
Parker, Edwin J.
Dickson, John E.
Gainer, Richard D.
Kimmons, George W.
Elgee, James F.
Veling, George M.
Curless, James P.
McCandless, Arlin R.
Hardenbergh, Terry
Harp, Orland C.
Vaughn, Donald E.
Harris, William C.
Gibbs, Thomas E.
Johnson, Keith V.
Long, David A.
Lynch, James
Zook, Lester E.
Johnson, Donald W.
Lampe, James S.
Sheppard, Walter P., Jr.
Hebert, Ernest P.
Cowan, Paul G.
Crawford, Joseph E., Jr.
Hayek, Paul A.
Peterson, Frank
Bergner, Robert B.
Christianson, Donald L.
Farrington, Richard S.
Webster, Daniel A.
Don, John D.
Pearson, Douglas C.
Karr, Walter G., Jr.
Jarina, Michael
Fay, Robert J.
Manly, Paul W.
Heckman, Robert W.
Wattle, Thomas F.
Shane, Elbert B.
MacKay, Robert T.
Brown, Keith F.
Stell, Albert L., Jr.
Hayes, Kent W.
Alotis, John
Tull, John L. D.
Witham, Burton B., Jr.
Cohan, George M., Jr.
Simon, Harold W.
Stufflebeem, John D.
VanTrain, William A., Jr.
Gortney, William M.
Miller, John "X," Jr.
Curry, Nathan E.
Petricka, Robert P.
Rock, Clifford "T"
Kent, Robert B.
Ohsiek, Robert R.
Mullen, Theodore W.
Kirley, Thomas J.
Constantine, James R.
Oliver, Stephen
Elliott, Thomas J.
Fagan, Philip J.
Boykin, James O.
Agee, Victor C.
Redgrave, DeWit C., 3d
Brown, Thomas W.
Broun, LeRoy R.
Kessing, Oliver O., Jr.
Fluhart, James H.
Chamberlain, Charles H.
Brozo, John G.
Tennes, Ernest
Zavoy, Andrew J.
Huff, Andrew F.
Pearson, Lloyd M.
Rogerson, Reuben G.
Johnson, Mortimer C.
Cushman, Charles H., Jr.
Streff, Robert J.
Michael, Max A., Jr.
Schoenfeld, Samuel J., Jr.
Wencker, Donald P.
Weatherford, Jack E.
Martin, Joseph R.
Sanders, Rodney D.
Pommer, Donald
Tribble, Robert J.
Hewitt, William J.
Tidd, Emmett H.
Cody, Harold R.
Hopp, Frederick H.
Dudley, Sherman F.
Harrison, Glenn C.
Offtermatt, Wilbur F.
Wheat, Elwood C.
Sigafoos, John J.
Miskill, Donald K.
Galt, Robert W.
Elliott, Luther H., Jr.

Hill, Charles C.
Jablonski, Felix J.
Kranz, Arthur C.
Kahre, Edward L.
Ruebsamen, Darrell D.
Nott, Hugh G.
Cravener, Leahmon A.
Jeffes, Edward W. B., Jr.
Joy, Harmon R.
Saylor, Beverly
Schaffer, Donald R.
Staveley, Ernest
Morgan, Walter N.
Kaye, Alan J.
Casseday, Jack N.
Boule, Arthur E., Jr.
Branton, Richard C.
Heuer, Edward H.
Bentley, Reuel H.
Glenn, Robert R.
Brite, Murrel C.
Curry, James G.
Dutra, John E.
Pohrman, David C.
Ferree, Richard J.
Argleben, Arthur R.
Youngblood, Donald K.
Fuller, Robert C.
Sullivan, William P.
Robertson, Chaytor L., Jr.
Harris, Eli P., Jr.
Bennett, Jack W.
Herne, Charles G.
Durbin, Stephen F.
Coursin, Jack T.
Cahill, John W., Jr.
Putnam, Earl B.
Gavitt, Kenneth W.
Coulter, Fred W.
Thompson, Lewayne
Upshur, Giles C., Jr.
Moll, Kenneth E.
Finnigan, Robert J.
Thompson, Bruce R.
Enquist, Edwin R.
Palkovic, Richard M.
Hylind, Kenneth G.
Rockett, Charles W.
Fromknecht, George W.
Wise, Maurice H., Jr.
Schneider, Frank J., Jr.
Garland, Earl E.
Burrell, Robert E.
Bonewits, Donald G.
Hoke, Charles H.
Meyer, Joseph J., Jr.
Knapton, Richard P.
Germo, Mark L.
Koepsell, John L.
Seabaugh, Raymond R.
Rasmussen, Merwin E
McDonald, James R.
Wood, Robert D.
Smith, Wallace E.
Plaut, Arthur, Jr.
Johnson, Harold E.
Ferrante, John M.
Whitney, Loren C.
Paterson, Donald P.
Ahlstron, Orin J.
McCaulley, Henry B.
Thompson, Harold T.
Ney, Kenneth C.
Ogle, Robert J.
Lambert, Carl R.
Stanley, Earl W.
Keele, Frank M.
Abel, Samuel J.
Godin, John E.
Finley, Howard B., Jr.
Hill, Lloyd M.
Benker, Leo H.
Loritsch, Richard H.
Pond, Robert B.
Bailey, John D.
Hihn, Don E.
Morgan, William H.
Wedding, Edwin G.
Corbett, Kenneth G., Jr.
Graham, Martin C., Jr.
Alleman, Lee E.
Louis, Eugene H.
Howard, Carl L.
Carroll, Eugene J., Jr.
Nickerson, Jerome W.
Sellers, Harry S.
Adams, Lynn "W"
McCandliss, Charles
Mayer, Rudolph
Scheuhing, Robert E.
Porter, Edward M., Jr.
Barnum, Ralph L.
DiMatteo, Dominic J.
Long, John O., Jr.
Short, Merton D.
Roe, Philip A.
Bakie, George F.
Mooney, Francis E., Jr.
Moore, Robert E.
Bent, Jack
Mullholland, William P.
Nixson, Walter H., Jr.
Murphy, Francis J.
Ray, Charles E.
Eagan, Bryan R.
Devine, John J.
Lumsden, David, Jr.
Teague, William O., Jr.
Wilder, James H.
Williams, Robert L.
Kallies, Richard H.
Herrington, Kenneth F., Jr.
Van Tassel, Lowell V.
Mikhalevsky, Nicholas
Palmer, John G.
Franch, Ardwin G.
Cox, Harry W.
Cash, John J., Jr.
Demas, George K.
Fitzgerel, John H., Jr.
Fleeger, Eugene G.
Davidson, Harold W.
Rambur, William M.
Wessinger, William D.
Boyle, Paul A.
York, Arthur A.
Gilles, Donald A.
Snowden, John W.
Moore, William V.
Stose, John F.
Robinson, Richard L.
Ingraham, Mark W., Jr.
Leute, George M., Jr.
Hume, David M.
Bolstad, Daryl B.
Morris, James W.
Blades, Jehu L.
Finkel, Herman C., Jr.
Potter, Horace S.
Hoskins, Thomas H.
Gunther, Ernest H.
Plath, Carl W.
Young, William B.
McCreary, John L.
Zartman, Walter F.
Decker, Walter C.
Rothwell, James G.
Niehaus, Herbert H.
Cottingham, Donald R.
Chaney, Robert S.
Moore, Ralph L., Jr.
Vasse, John C.
Johnson, Walter P.
Behre, Herbert A., Jr.
Gillis, Charles L.
Snopkowski, Edward L.
Snow, Claire E., Jr.
St. Pierre, Fernand W. Jr.
Marshall, Robert C., Jr.
Marshall, Leo J., Jr.
Brown, Fleming L.
Maupin, Elwin C.
Podhradsky, Henry B.
Griswold, Richard A.
Pedneault, Henry R.
Bird, George W.
Ginn, John O.
Roberts, John
Alsover, James E.
Harper, George A.
Landtroop, Joe M.
Willis, Charles H.
Conerly, Tom B., Jr.
Wettlaufer, Warren H.
Eger, Frank A., Jr.
Smith, Bruce K., Jr.
Brooks, Richard S.
Baumgartner, Wayne A.
Parry, Loren C.
Sabota, Leo M.
Jordan, Edward V.
Seay, George W.
Jones, Donald P.
Meenen, Henry R.
Anderson, James R.
Chaudoin, Harry D.
Harshman, Glenn W.
Sidenberg, George M., 3d
Doles, Thomas K.
Doyle, Luther W.
Blackwelder, Buren L.
Baughman, Robert F.
Thompson, Thomas N.
Polgar, Paul S.
Lewis, Clark D., Jr.
Malone, Walter J.
Dickson, George A., Jr.
Drinkwater, Eugene E.
Crumley, Jack S.
Bowen, William D.
Koons, Jack L.
Reynolds, Allan J.
Baskin, Donald
Crawford, Francis G.
Tribble, Gordon B.
Aubert, George A.
Frasch, Elmer T., Jr.
Allison, Cecil G.
Wasdin, James R.
Blake, Gordon
Russell, Thomas B., Jr.
Pilmer, Edwin H., Jr.
Tully, Claude I.
Sells, Warren H.
Aulick, Donald M.
Douthett, Richard B.
Hopkins, Francis D.
Olson, Edward C.
Sweeney, William L., Jr.
Fischer, Richard H.
Hill, James A.
Kirklighter, James F., Jr.
Brady, James D.
Clare, James H.
Clausen, Paul K.
Savage, Richard A.
Becker, Arvade L.
Hoover, Ralph A., Jr.
Burton, Lester H.
Samota, Frank
Shepard, Everett G., Jr.
Simmons, Robert L.
Scoggins, William L., Jr.
Seber, James W.
Deibler, Robert R.
Kiley, Donald W.
Edwards, John A., Jr.
Kennedy, Alfred F.
Lewis, George H.
Wilson, Prentis M.
McGrath, Charles T.
Moore, Oswald M.
Lawler, Willis D.
Stiegelmar, Loren R.
Moro, Albert J.
Stroux, Peter M.
Patterson, William C. Jr.
Lund, Howard R.
McMillan, Leo D., Jr.
Knoblock, Walter W.
Glover, George W.
Bennett, William O.
Ettner, Edward R.
Strong, Charles R.
Still, Raymond G.
Taylor, Waymon
Sperandio, Joseph L.
Koromorowski, Raymond A.
Odell, John D., Jr.
Morrison, Joseph B.
Reich, Charles A.
Bachert, John O.
Mason, George E.
Winter, Henry E., Jr.
Averett, Rufus M.
Lockhart, Richard M.
Gorman, John V.
Smith, Frederic N.
Languedoc, Arthur J.
Powers, Francis P.
Smith, James J.
Goodwin, Everett R.
Nelson, Gerard L.
Naffah, Ned
Oyer, John L.
Cleland, William H.
Mayer, William S.
McDonnell, John C.
Blawusch, Dirck E.
Minton, Don R.
Bolles, Robert R.
Schindler, Clyde H.
Rickman, Wilford M.
Jones, Theodore R.
Clark, Angus-Kerr
Watson, Harry A.
Fagan, John F., Jr.
Sheehy, Edward J.
Foglesong, George M.
Hutchess, Robert S.
Duncan, Robert C.
Fridge, Herbert E.
Skoog, Joseph L., Jr.
Welander, Robert O.
Leighton, David T.
Wertheim, Robert H.
Nicol, William J.
Gardner, George H., Jr.
Richardson, Richard P., Jr.
Hannah, Clyde B.
Sherman, Benjamin F. Jr.
Robinson, William H. Jr.
Kelly, George R.
Koch, Ferdinand B.
Lyons, Kenneth H.
Hughes, John A.
Jennings, John A., Jr.
Robertson, Horace B., Jr.
Decker, Edward A.
Furland, Fred W.
Johnston, Frank S.
Callahan, Francis J., Jr.
Skidmore, Edward O.
Layton, Donald M.
Weidner, Robert E.
West, Richard E.
Ray, Troy G.
Brock, Robert J.
Kenyon, Eugene C., Jr.
Dunning, Richard A.
Harris, Dale S.
Walsh, John A.
Morton, William W.
Irvine, James F., Jr.
Sims, Clifford L., Jr.
Wolf, Edward F.
Fontaine, Charles T.
Bowen, Llewellyn D.
Wynne, Donald M.
Wolfe, John M.
Brady, Robert L., Jr.
White, Ira R.
Cutchall, Lee G.
Burrill, James T.
Culwell, Jackson P.
Tierney, John M.
Urquhart, Alexander W., Jr.
Braseth, Ansel C.
Penny, Harmon C.
Weber, William J., Jr.
Camp, Herbert E.
Mills, Ralph B., Jr.
Lichtenberg, Robert S.
Macon, Glen G.
Greene, Joseph M.
Dougherty, John J.
Althoff, William B.
Hooks, Bennett W.
Turk, Carl F.
Redden, Lawrence E.
Gee, Harry C.
Muncie, Wendell B.
Hagler, Billy E.
Russel, Joseph W.
Phillips, Robert G.
Bailey, John B.
White, Lloyd R., Jr.
Hart, Robert R.
Bischof, William W.
Dickey, George L., Jr.
Reiff, Glenn A.
Lemeshewsky, Andrew A.
Jackson, Laurence L., Jr.
Allen, Philip H.
Burton, James B.
Mouton, Edison E.
Glennon, Allan N.
Williams, William H.
Johnson, Peter W.
Boland, Robert I., Jr.
Kaufman, Robert Y.
Legare, Armand F. P.
Cari, John G.
Bryce, Thomas A.
Turley, Miles D. J.
Thompson, Robert D.
Robinson, Gordon E.
Rulon, Charles A.
Tarleton, George W.
Schirra, Walter M., Jr.
Pavis, George P.
Miller, Kirk C., Jr.
Rogers, Harris G., Jr.
Wasner, James A.
Campbell, Joseph W.
Seargeant, John A.
Howe, Raymond E.
Smith, James T.
Brimm, Daniel J., 3d
Williamson, Robert, 2d
Newman, Dale E.
Finlay, Robert W., Jr.
Sickel, John A.
Stahl, Lawrence E.
Haak, Frank S.
Armstrong, William F., Jr.
Bauman, Kenneth E.
Swanson, Karl T.
Clark, Edmund T.
Lyon, Harvey E.
Ahearn, Joseph F.
Giedt, John G.
Engelmann, Henry A.
Junod, Louis L.
Langille, Justine, 3d
Kelly, Leslie D., Jr.
Johnson, Dean R., Jr.
Robinson, Errol W.
Coope, Peter M.
Montgomery, Brooke
Bryant, John E.
Weigle, Howard L.
Keene, Warren E.
Dise, Robert L.
Gibbs, Howard B.
Baldwin, Lawrence C.
Henningsen, William J.
Clifton, Autry W.
Wheeler, William L.
Rabe, Richard D.
Weaver, Roy B.
Bowling, Roland A.
Savage, Stuart, Jr.
Dunseath, William J. R.
Sandeford, William H.
Cooke, Edward W.
Bly, Theodore S.
Howard, George D.
Asmundson, Franklin J.
Smith, Lloyd S., Jr.
Bergs, Robert A.
Rose, Albert E., Jr.
Blair, Donald D.
Hanks, Robert J.
Moore, James A.
Ellis, Edmund H.
Cronander, James H.
Jones, William F.
Gaul, Raymond A., Jr.
Yerbury, Robert H.
Page, Robert A.
Booker, Thomas F.
Lindsay, John R.
Lonnquest, Theodore C., Jr.
Gunderson, Nels A.
Holden, John J.
Mayes, Luther E., Jr.
Hart, John E.
Whittle, Alfred J., Jr.
Jacobs, Harold W.
Clark, Robert O.
Zeni, Levio E.
DeCamp, Edgar A.
McClelland, Robert A., 3d
Cartmell, James P.
Perszyk, Joseph S., Jr.
Lessmann, Walter G.
Jones, John M.
Harris, James L.
Carroll, Thomas F.
Francis, Samuel
Kearns, John S.
Bard, Rudolph T., Jr.
Tisdale, Robert S.
Willett, Elbert H.
Treacy, Edmund J.
MacInnis, Hayden R.
Scott, Richard Y.
Weirich, James E.
Quisenberry, William R.
Bolton, Jordan T.
Schwitters, Merlin J.
Deacon, William, 3d
Loper, Jack E.
Reaves, George A., 3d
Watt, Jesse R.
Viele, John W.
Frame, Eldon B.
Iacobelli, Rocco F.
Oneal, Alfred C.
Barnes, Robert J.
Cummings, Arthur H., Jr.
Cross, Thomas J.
Klug, George J.
Nicklas, William C., Jr.
Griffiths, Charles H.
Taylor, John L.
Auger, Thomas E.
Harmer, Frank D., Jr.
Woods, Charles E.

Munns, David L.
Levine, Saul
Ledbetter, Robert L., Jr.
McLeskey, John P.
Dakos, Demosthenes P.
Brumstead, Robert B.
Gorton, Robert J.
Jandrall, John A.
Metschl, John J.
Dietrichson, Warren D.
Kulik, Adam P.
Hall, Walter D.
Cordell, Curtis C.
Morse, Kenneth L.
Seccombe Stanley G., Jr.
Kilpatrick, David D.
Webster, Robert J.
Plummer, Philip F.
Bacchus, Robert E.
Downey, Denis-James J.
Day, Charles E.
Warmath, Martin C.
Schmidt, Wesley H.
Campbell, Quincy K.
Daly, Richard H.
Rusling, John A., 3d
Enyart, John W.
Holt, Edward
Adams, Emil J.
Dehn, Emerson C.
Murdock, John E., Jr.
Lilly, Creighton D.
Kaufman, John
Monthan, George R.
Gray, Julian F.
Gordon, Jack G.
Graves, Luther J., Jr.
Sprague, Albert T., 3d
Kent, John L.
Ward, Xenophon C.
Schultz, Henry
Field, Francis E.
Lane, Dwight A.
Robeson, Robert H., Jr.
Heberling, Donald A.
Dowling, Patrick S.
Perkins, Jack B.
Fisher, James R. M., 2d
Harman, Charles W.
Bouveron, Ernest A.
Longton, William F.
Riley, Jack
Absher, George W., Jr.
Robinson, Jackson R.
McKenzie, Robert P.
Jankovsky, Norlin A.
Ratte, Paul W.
Hankins, Wallace W., Jr.
Trott, Robert J.
Arthur, Malcomb B., 2d
Carneghi, Albert J.
Naples, Luther W., Jr.
Tittemore, Gordon H.
Farmer, Harry C.
DeMayo, John J., Jr.
Taylor, Thomas E.
Grojean, Charles D.
Henderson, Jerome E.
Lademan, Dixon
Bennett, Arthur K., Jr.
Dudley, Harrison G.
Ellis, George W.
Dente, Eugene
Hayes, Arthur M., Jr.
Kennedy, Edward L.
Wagner, Paul R.
Lowell, John E.
Bowen, Alva M., Jr.
Evans, James G.
Barksdale, David A.
Bellah, James C.
Dugger, John A.
Gautier, Robert H.
Snelling, Henry F.
Cole, Robert B.
Roulstone, Don J.
Bonham, William R.
Vosburgh, Everton P., Jr.
Beutler, Albert G.
Gaehler, Alfred H.
Kingsbury, Edward J., Jr.
Killefer, William, Jr.
Borgerding, Howard A.
Anders, Samuel G., Jr.
Christensen, Morris A.
Parsons, Robert C.
Bayly, Donald C.
Boyd, Paul C.
Fiske, Samuel L.
Forsyth, William D.
Ferch, George, 3d
Crawford, Robert E.
Vardy, Richard S.
White, Allan E.
Glindeman, Henry P., Jr.
Foust, James W.
Martin, Lealyn E.
Kern, Francis X., 3d
Hamberg, Harold A.
Branch, Linwood O. B., Jr.
Jordan, Edward C.
Hartley, Theodore R.
Pitz, Marcellus T.
LaBarron, Robert M.
Gates, Jack C.
Uhwat, Robert A. D.
Riggs, Wallace M.
Hansen, John E.
Hayward, John L.
Gullette, John G.
Cuccias, Robert F.
Spoerl, Harvey E., Jr.
Murray, John R., Jr.
Parker, Robert E.
Horner, Walter R.
Wilcox, Burr C., Jr.
Casson, Robert M.
Moody, Herbert W.
Herzog, John J.
Couture, Clarence, Jr.
Bass, Frederick F., Jr.
Ball, Edwin L.
Babbitt, Franklin G.
Myers, Robert W.
Bumstead, James G.
Simpson, William E.
Atkinson, Bert M., Jr.
Pfefferkorn, William R.
Jones, Francis F., Jr.
Rogers, Harry M.
Doty, William K.
Dana, Richard B.
Clegg, George B., 3d
Millsaps, Lewis M.
Wilson, Richard H.
Waddell, Henry M., Jr.
Rice, Hallie P.
Metzger, Robert L.
Forrester, John J.
Johnson, Charles M., Jr.
Davis, John A., Jr.
Gatewood, Walter P.
Newbern, Robert O.
Swanson, Robert M.
Zyvoloski, Richard A.
Blake, John S.
Cantwell, William P., Jr.
Faucett, William A.
Rives, James D., Jr.
Pickrell, Robert M.
Milloy, Robert D.
Fryer, William S.
Gilliam, Gail H.
Heesacker, Bernard A.
Burhans, John H.
Crooks, Thomas L.
Critchley, John P.
Anderson, Raymond M., Jr.
Barlow, John F.
Gorski, Joseph J.
Burki, Arde A.
Guentz, Jack E.
Tiffany, Emory G.
Crosby, William H.
Valentine, Andrew J.
Ashley, Courtland L.
Sindell, LeRoy J. E.
Caldwell, George A., Jr.
Exum, John D.
Duberg, Carl N.
Hinchcliff, Lester G., Jr.
Otten, Vincent B.
Adkins, Lewis W., Jr.
Goure, James V.
Mealy, John K., Jr.
Phelps, Henry E.
Lyons, Richard T.
Simons, Minot, 2d
Wieland, Daniel T., Jr.
King, Franklin T.
Snowden, Macon S.
Sullivan, Joseph J.
Davison, Morgan L.
Crozier, Francis J.
Schoonmaker, Herbert G.
Fitzgerald, Thomas R.
Huddleston, William E.
Renn, John E.
Jackson, Joseph A.
Johnson, John R.
Hess, Charles M.
Wilson, Henry R.
Woolums, Charles R.
Schabacker, Robert B.
Miller, Charles R., Jr.
Lyster, William A.
Vaughan, James P., Jr.
Bucknum, Jack E.
Shumaker, Merle L.
Taylor, Perry R., Jr.
Wade, Kenneth A.
McElroy, Robert L., Jr.
Hugus, James E.
Scott, Wiley A.
Boniface, John G.
Chambers, Lloyd S., Jr.
Buchanan, Fillmore B.
Radloff, Fred H.
Gulick, Richard I.
Lee, Jerome A., Jr.
McCalla, John H.
Schwemley, Paul A.
Wible, Lester C.
Carlin, Walter P.
Pearson, Francis E., 3d
Fuller, William T.
Peters, Bernard
Sullivan, Richard J.
Eells, John P.
White, Ray B.
Haselton, Frederick R., Jr.
Beyer, Stuart E.
Erickson, John W.
Rogers, Frank W.
Clancy, George M.
Whalen, William F., Jr.
Little, John B.
Huey, William M.
Clayton, Edgar J.
Pennington, Philip B.
Kimzey, Ord, Jr.
Saunders, Walter E., Jr.
Bucolo, Mariano J.
Chokas, Nicholas P.
Taylor, William E.
Glenn, Claude M., Jr.
Jacobsen, John A.
Lavelle, Francis M.
Wash, John L.
Thomas, Albert H., Jr.
Moore, Lester, Jr.
Walker, Charles W., Jr.
Grkovic, Nicholas
Mills, Herbert D., Jr.
McCall, Robert E.
Williams, Charles S., Jr.
Rosenbloom, Marvin I.
Ortland, Henry, 3d
Decker, Albert I.
Lyon, James O.
Harlan, Wick R., Jr.
Nugent, Corliss R.
Atkinson, Edward C.
Roux, Vernon K.
Marsh, John C.
Highsmith, William N.
Albright, John J., Jr.
Lowen, Ernest E.
Clark, William D., Jr.
Light, Robert G.
Wyand, Donald M.
Brumbaugh, Jack R.
Boyd, Carl J.
Eckert, George J.
Ragland, Roy J.
Trapp, Bill C.
Parks, Ralph Z.
Hurst, Howard B.
Allen, Harry, 3d
Klein, George R.
Lindbergh, Charles H.
Garodz, Leo J.
Morey, William C., Jr.
Smith, Lowell H.
Jorgensen, George D.
Folop, Albert A.
Hahs, Orrie A.
Hoy, Hugh A.
Ford, Frank W.
Graling, Thomas R.
May, Robert C.
Leonard, Ernest, Jr.
McGaw, Donald A.
Kennedy, James R.
Thorndyke, John R.
Kenworthy, Arthur R.
Petersen, Richard L.
Cos, Grant A.
Norris, Crackett J.
Allred, Jimmie B., Jr.
Robinson, Winthrop P.
Morgan, Robert L.
Miles, Kenneth N.
Welty, Wayne J.
McNeil, Richard S.
Johnson, Frank E., Jr.
Putman, Orlin N.
Kingsbury, Chester E.
Forson, Roy E., Jr.
Howser, Howard M.
Nolta, Cornelius V., Jr.
Tolson, George F., Jr.
Ralston, John, Jr.
Wade, Felix W.
Barfield, Norwood R.
Higley, Warren A.
Searl, Floyd C.
Mosser, Douglas
Kinney, Grayson C.
Phillips, Harvey R.
Scott, Clyde L.
West, Jack
Southworth, Robert E.
Farrell, John E.
Nilson, Clifford E.
Lacewell, Lasle K., Jr.
Lucas, William E. 3d
Vereen, Jackson E.
Murphy, Thomas J., Jr.
Blondin, John L.
McClintock, William W., Jr.
McDonnel, James L.
Bryan, George S., Jr.
Wahl, Clyde F.
Tiderman, Otto D.
Bowden, Bill
Sanderson, James R.
Hoffman, Raymond L.
Gerhard, Harry E., Jr.
West, Earle L.
Manring, Alvin B.
Smith, Henry L.
Colley, Edward L.
Pole, Thomas M.
Horn, Maurice A.
Gibbons, James G.
Bartholomew, Barton W.
Piatek, John A.
Newton, Daniel D.
Travers, Edward P.
Reese, John W., Jr.
Wineman, Glenn W.
Henriques, David N., Jr.
Wolfe, George M.
Yerly, Harold J.
McKeever, Elmer V.
Schetky, Malcolm O.
Tesh, Charles P.
Richelieu, Charles F.
Shonk, William H., Jr.
Moore, Harry R.
Jordan, James, Jr.
Noble, Guy E.
Alexander, Aaron G.
Sinfield, Charles P.
Petre, Gabriel L.
Sigler, Edward E., Jr.
Thompson, William
Taylor, James D.
Lynch, Richard J.
Sword, James D.
Gee, Robert D.
Jackson, Clinton W.
Arnett, "A" "B," Jr.
Kline, Edward C., Jr.
Beeland, Cecil H.
Sweeney, James R.
Norville, Robert W.
Doss, Robert F.
Swope, John R.
Ideker, Donald E.
Gammill, James L.
Tucker, William W.
Kibler, Robert L.
Zimmerman, George G.
Olson, Edwin G.
Mills, William P.
McAdams, Lee T.
Egert, Marlin V.
Buckles, Charles A., Jr.
Carey, Grayson R.
Sproul, William C.
Davison, Richard R.
Stelzner, Raymond R., Jr.
Elwood, Albert A.
McCallum, John F., Jr.
Norman, James H.
Kenefick, James P.
Keiser, George R.
Painter, Ethan A.
Lee, John W.
Horn, Francis R.
Nagler, Gordon R.
Wilson, Phillip A.
Kerfoot, Dale L.
Leib, James M.
McNeill, Howard G.
Cone, Warren M.
Branum, Rudolph
McGee, Daniel, Jr.
Paige, Robert W.
Mills, Jack O.
Hall, Ray E.
Davis, William R.
Smith, Rush S.
Probyn, Robert W.
Biltz, Sylvain F., Jr.
Downs, Frank A.
Schmieder, Arthur H.
Emerson, Allan L.
King, William D.
Clemmons, Robert H.
Tipping, William L.
Stokes, Robert E. L., Jr.
Griest, Hadley C.
Brown, Robert L.
Geroy, Francis O.
McGraw, Donald L.
Ellis, William H.
Whitlock, Eldred L.
Timmer, Bernard W.
Noble, Lee V.
Dorman, Alvin E.
Kneil, Floyd M.
Drace, Thomas N.
Dozier, James H.
Jensen, Duane L.
Zowarka, James G.
Titus, Ben E., Jr.
Faughman, Franklin P.
Fox, Francis M., Jr.
Morgan, Joseph L., Jr.
Brouillette, Robert R.
Boland, Paul
Beumer, Everett H.
Geary, Mervyn O.
Chute, Charles L.
Zimmerman, Wayne L.
Hamblin, Robert N.
Glaser, William R.
Shearer, Albert T.
Burgin, Wilbur J.
McKee, David A.
Knox, Gordon L.
Scripp, John L., 3d.
Glauser, Clarence J.
Schaefer, John E., Jr.
Cullen, Harold M., Jr.
Steedle, George D., Jr.
Parr, Charles W.
Huval, Willard R.
Fader, Kenneth B.
Picton, Richard E.
Breen, Charles E., Jr.
Carr, Loran H.
Brown, Lewis C.
Clarke, John L., Jr.
Stephens, Alvis H.
Powell, Edwin H.
Davis, Hector W., Jr.
Moody, Loren D.
DeLorenzi, Robert M.
Baker, Granville M.
St. Marie, John W.
Carlson, Robert L.
Vaught, Thomas B.
Nevitt, Fred M., Jr.
Timpson, Nephi H., Jr.
Burgesser, Charles B.
Voorhees, Jack R.
Walsh, Francis R., Jr.
Schoultz, Robert F.
Brown, Robert H., Jr.
Matthews, Walter L. 3d
Randle, David D.
Merrell, Chandler V.
Delmanowski, Ernest F.
Maier, Frederick L. 3d
Tilghman, Walter W., Jr.
Collins, Wayne D.
Evans, Thomas G., Jr.
Neth, Robert L.
Blair, John A.
Fullerton, Gordon W.
Rushin, Thomas E.
Hauser, William F.
Benson, William D.
Orton, Robert D.
Herbert, Edward D.
Carper, John E.
Sumney, Frank F.
Garrison, Robert G.
Shipman, James L.
Starr, Mark R.
Davis, William R.
Albert, Thomas F.
Endacott, Jack A.
Koepcke, William W.
Maple, Charles J.
Bivins, William F.

Williams, Elmer R.
Williams, James E.
Matthews, William R.
Thurman, Russell, Jr.
Molony, James
Whitney, William J.
Warren, Burtis W.
Pietrowski, Edward L. F.
Gard, John G.
Williams, Dwight L.
Hand, Marshall H.
Ward, John F.
Smith, Donald L.
Rayner, Donald E.
Mapes, George C., Jr.
Comet, Robert E.
Matejcek, John F.
Dukin, William
Untiedt, Hugh D., Jr.
McRostie, Richard J.
Pitts, Joseph C.
McClung, Donald H.
Melick, Roger E.
Blanks, Alva L.
Williams, John H. D.
Cronemiller, Carl F., Jr.
Owens, Haydn, Jr.
Thomas, Robert H.
Thomas, Robert E.
Morrison, James W.
Jenkins, Glen E.
Kasner, Edmund B.
Pringle, Robert C.
Madill, William G., Jr.
Young, Robert D.
McMahon, Joseph D.
Boller, Jack W.
Grantham, Robert D.
Wilson, George B., Jr.
Perez, Raul B.
Fisher, Lee W.
Beck, Charles E.
Allen, Charles D., Jr.
Ginn, Benjamin F.
Stadter, George B.
Hartley, Paul J., Jr.
Faull, Joe D.
Tice, John J., 3d
Leist, Frederick, Jr.
Crowe, Thomas H.
Becker, Karl E.
Johnson, Allen R.
Larson, Melvin G.
Roberts, Levi J., Jr.
Deney, Leonard J., Jr.
Irwin, Charles M., Jr.
Treadwell, Archie B.
Webb, Babe W.
Hargis, Jack R.
Coleman, Yale
Sandlin, Charles R.
Hazen, Alan M.
Reynolds, George R.
Cochran, Billy E.
Packer, Samuel H., 2d
Wollam, Raymond L.
Simmons, Loyd D.
Anderson, Paul E.
Smith, Floyd L.
McGrane, Clarence V., Jr.
Shrake, Francis B.
Rieke, Norbert A.
Taft, Jesse W.
Brown, Jack, Jr.
Stevens, Mortimer, Jr.
Lassiter, "A" "C", Jr.
Elliott, Homan O.
Phares, John V.
Lococo, Salvadore
Holbrook, James G.
Gardner, Dennis D.
Davis, Harry O.
Barnes, Jerald D.
Amos, James W.
Sullivan, Robert M.
Brown, Francis T.
Shea, Stephen J.
Scott, Norvell O., Jr.
Vallely, James R.
Brown, Russell D.
Moore, James I.
Nemoff, Alfred J.
Boland, Joseph P.
Rodier, Richard L.
Mattson, Kenneth B.
Duacsek, Anthony H.
Houston, Willard S., Jr.
King, John M.
Holmes, Robert E.
Gerecke, Thomas F.
Broadfield, Ward H., Jr.
Berry, John W.
Ward, Raymond E.
Randell, William D.
LeBreton, Guy J., Jr.
Joynton, Harry D., Jr.
Lambert, Joel, Jr.
Gorden, Oliver A., Jr.
Boulding, Austin L.
Scheer, Lawrence E.
Roberts, Lester B.
Burke, Robert E.
Braly, Henry L., Jr.
Atcheson, George, III
Meekins, Willis E.
Ryan, George G.
Kallen, Robert G.
Smith, Wayne H.
Bell, Samuel V., Jr.
Shakshober, MacLean C.
Reider, Richard K.
Leonard, Elmer F.
Posch, Frank M.
Hansen, Herman C.
Cruse, Vernon E.
Noesen, Harold
Geer, Jon R.
Rezzardzy, Joseph, Jr.
Strayve, Jerome R.
Woody, William S.
Oechslin, Robert E.
Heise, Frederick J.
Moreland, Herbert A., Jr.
Gudal, Sigurd M.
Morris, Adrian B., Jr.
Davenport, Herman P., Jr.
Dorroh, Ray P.
DeCamp, Dwight E.
Behm, Charles H. H.
Sorenson, Richard C.
Bohmert, Gerald G.
Girard, Jean L.
Rooke, William A.
Stanley, Henry T., Jr.
Smith, George T.
Pels, John H., 3d
Davies, Henry E.
Chrisler, Robert P.
Knapp, Richard G.
Harrison, Alan W.
Roetman, Orvil M.
Maxwell, Raymond C., Jr.
Stevenson, Norman M.
Dolvin, Sheridan L.
Swanson, Hjalmer E.
Thomson, Robert G., Jr.
Doak, William C.
Garrison, Walter V.
Spruit, Robert E.
McAdams, Robert B.
Haecherl, Frank S.
Kovanic, Francis J.
Harlow, Harry B.
Pierozzi, Constantine
Scheibner, Juergen G.
Bowerman, Robert G.
Schmucker, Stanley K.
Jones, Theodore
Rappuhn, Alfred A., Jr.
Vail, Malcom E.
Farley, Russell J.
Longley, Wilbur E.
Huber, Ernest, Jr.
Hughes, Leslie D.
Roy, Robert I.
Braid, Robert A.
Powell, Arthur E.
Bailey, Edward C.
Tilley, Herbert S.
Elicker, Clare H.
Brooks, Claude C.
Hollingsworth, Robert J.
Adams, Kenneth
Scherrer, David E.
Kimble, Elbert D.
Durey, Orin J.
Riggan, James M., Jr.
Fosdick, Theron D.
Bowman, Donald A.
Foltz, Robert L.
Chapman, Kendall J.
Herman, William M.
Gibbs, John D., Jr.
Morin, Edward C.
Hill, Arnold M.
Killingbeck, William E.
Snyder, Jack L.
Hilton, Calvin E.
Simmons, Mitchell M.
Bueler, Charles M.
Riddick, John C.
Johnson, Charles E.
Crohn, Arnold E.
Peddy, James T., Jr.
Smith, Billie E.
Corrigan, John F., Jr.
Ewald, Arden A., Jr.
Kile, Newton A.
Schneider, Robert F. J.
Smith, Wendell K.
Westmoreland, Arthur E.
Wise, Richard E.
Tigert, Marion A.
Goodman, Louis R.
Gordon, Jack W.
Ledridge, Robert B.
Jensen, William G.
Buller, Ronald M.
Kuehn, Walter J.
Hessom, Robert C.
Price, Charles H.
Pinkepank, Merril C.
Haycraft, Logan, Jr.
Blair, James A.
Kinney, Donald E.
Corey, Richard A.
Evans, Donald W.
Mongilardi, Peter, Jr.
Hall, John C.
Campbell, William M.
Moseley, Richard E.
Mount, Harold W.
Snyder, Charles E.
Husty, Richard M.
Snellman, William C.
Gurley, Walter P.
Lewis, Frederick E.
Essert, Antone
Whittle, Claude B.
Hulka, Edward H.
LaPerche, Jacques B.
Butler, John E.
Ryan, Bayliss Q.
Small, Rufus C.
Counihan, Henry R.
Fritsch, Edward C., Jr.
McGrath, Charles J.
Shuett, Donald W.
Talago, Joseph, Jr.
Meyer, Wayne E.
Beck, Lester H.
Keefe, William J. Jr.
Sisterhenm, William H.
Jackson, James A.
Gray, Gordon L., Jr.
Stecker, Kenneth W.
Schatz, Clifford E.
Carter, Otis D.
Vanderpool, Jay R.
Jones, Allen, Jr.
McGucken, Paul M.
De LaVergne, Cornelius B.
Dollard, Thomas J., Jr.
Fisher, Robert W.
Hartwell, James O.
Presson, Herman W.
Smith, Charles W.
Stewart, Richard C.
Denissen, Richard J.
Howe, Thomas
Kroencke, William H.
Dunton, Stanley W.
Brooks, Richard I., Jr.
Foy, George E.
Berry, Henry M.
Hedgepeth, Charles H.
Bothwell, John H.
Hopkins, Barry P.
McCabe, Robert E.
Darr, James, Jr.
Adams, Robert D.
Blount, Robert H.
Dunlap, George R.
Stansfield, Richard J.
Smith, Albert J.
Everett, James G.
Casper, William F., Jr.
Thorson, Robert L.
Graham, Thomas A.
Stobie, Edwin F.
Kennedy, Herbert S.
Forsyth, Donald D.
Sawyer, Kenneth E., Jr.
Weaver, Keith T.
Heimbach, Hilton R., Jr.
Mingo, John J.
Hulihan, John W.
Ferguson, Robert E.
Bodamer, Robert E.
Rowe, Donald E.
Vaughan, Jack A.
Holmberg, Frank E.
Werle, Joseph P., Jr.
Jefferson, James E.
Negele, John H., Jr.
Krebs, Edward C., Jr.
Rodgers, Lawrence G.
Panther, James E.
Reeb, Edward L., Jr.
Green, Robert P.
Carlin, Joseph W.
Hardy, Willis A.
Castro, James
Brown, Barry W.
Dille, Ralph E.
Hilton, Jack
Doescher, Walter W., Jr.
Gott, Charles L.
Seay, Howard R.
Leisk, William H., Jr.
Levin, Philip
Kleczewski, Marion J.
Hooffstetter, William B.
Pool, George R., Jr.
Pace, Robert D., Jr.
Holm, Kenneth C.
Campbell, Kenneth C.
Stiles, Carl
Schoenherr, Charles G.
Gaunt, Richard H.
McMurray, Samuel F.
Cockrell, Jack R.
Phinney, Glenn W., Jr.
Herbert, Christoph A.
Kelly, William J.
Hesse, Theodore S.
Phillips, George W., Jr.
Gray, Harland A., Jr.
Ricker, Marshall A.
Stanfield, Henry L.
Plunkett, Robert D.
Beam, Jay K.
Houck, John F., Jr.
Kelly, William F.
Bose, Bertram L.
Richards, Kurt D.
Wilson, James G.
Fenwick, Joseph E.
Wells, John T.
Webb, Milton G.
Lasseter, Joe F., Jr.
O'Meara, Charles K.
Waters, Alex C.
Glowasky, William A.
Smith, George E.
Smerdon, John E., Jr.
Twaddell, Miles E.
Whitaker, Andrew W.
Zuehlke, Lloyd T.
Banks, Charles A., Jr.
Jones, Grover C.
Kemp, Glenn E.
Filson, Paul L.
Brand, Richard G.
Dionne, Robert J.
Irvine, Harry B.
McMahon, Robert S.
Sabin, Nelson
Hallen, Walter E.
Lackore, Raymond C., Jr.
Smith, Harold L.
Potter, Eugene W.
Eckman, Charles J.
Smith, James V.
Ranzau, Walter W.
Purcell, Stephen E., Jr.
Beydler, Warren H.
Mann Frederick H., Jr.
Grigsby, Hubert C., Jr.
Polson, Arthur D.
Tait, Albert J.
Hord, John W.
Gardner, Charles A.
Leask, Joseph A.
Wilson, William D.
Canto, Joseph V.
Stephens, Lawrence B.
Knueven, William H.
Graham, John H.
Cardillo, Robert J.
Wright, William R.
Hafner, Joseph J.
Gremer, Charles E.
Rummelhoff, Warren E.
Best, Carl O.
Loranger, Donald
Tkach, George
Poynter, Robert J.
Melton, John B., Jr.
Schock, Robert E.
Gaines, Donald M.
Lennon, Gerard T.
Berry, David P. L.
Vose, Stephen J.
Linder, Ivan L.
Hall, Richard L.
Oberg, Owen H.
Reese, Clyde V., Jr.
Owens, John D.
Sieloff, Albert W.
Brady, Donald P.
Carment, Frederick, Jr.
Creighton, Bert H., Jr.
Beyer, Delbert A.
Eadie, Charles J.
Reese, Walter H.
Carter, Wallace R.
Malan, Max E.
Clark, Albert H.
Lindenmuth, Harlan W.
Lemmon, Donal D.
DeWitt, Ward A.
Maxwell, Jack A.
Garbee, Edwin T.
Summitt, Charles K.
Conn, Robert H.
Bunger, Samuel J.
Rose, Charles J.
VanTuyl, Andrew J., Jr.
Titcomb, Edmond B.
Young, Austin V.
Lynch, Robert E.
Koch, Don R.
Finley, John P., Jr.
Riley, Edward E.
Gower, Harry T., Jr.
Rich, Harold G.
Sholes, Charles W.
O'Connell, Thomas A.
Porter, William R.
Lenihan, Jeremiah E.
Linder, Isham W.
Fischer, David W.
Wilson, James B.
Nicholson, John H.
Turner, Stansfield
Hallett, Oliver S.
Roche, Robert F.
Davidson, James B.
Marvin, Stephen D.
Leddick, Roth S.
vonGerichten, Robert L.
Georgen, William M.
Copenhaver, James B., Jr.
Martin, Barney
Nuss, Jerry J.
Weed, Joseph D., Jr.
Cobean, Warren R., Jr.
Spann, Willis L.
Amacker, George A., Jr.
Causey, Charles W., Jr.
Ruff, Ernest D., Jr.
Harris, William L., Jr.
Henry, Eugene M.
Jameson, James N.
St. George, William R.
Gay, William W.
Jackson, Byron M., Jr.
Becken, Bradford A.
Gary, Stanley P.
Lewis, John C.
Ostertag, Carl J., Jr.
Hanson, Edgar G.
Crowe, William J., Jr.
Peterson, William S.
Dent, George M.
Blair, Ira W.
Jensen, Svend I.
Apthorp, Grant B.
Guertin, Louis H.
Davidson, John D.
Clement, Marwood R., Jr.
Carlisle, Charles S.
Atkinson, Roy C.
Hemmer, Edgar H.
Gygax, Rex
Houck, Donald F.
Korb, Frank J.
Smith, Stuart S.
Dryer, Harold M.
Brittain, Thomas B., Jr.
Bacon, Francis M.
Stockdale, James B.
Crane, John W., Jr.
Keith, Francis L.
Richards, George F., Jr.
Karlowicz, Mitchel J.
Sansom, Andrew R.
O'Callaghan, Edmund W.
Geary, John T.
McMullen, Frank D., Jr.
Brooke, Rupert
LaHaye, James D.
Readdy, Francis J.
Renz, Louis T.
Cole, Kenneth J.

Mitchell, Randolph, Jr.
Clubb, Reginald D.
Metzger, Isaac W.
Reilly, Jeremiah D., Jr.
Tucker, Ralph M.
Dickson, James G., Jr.
Williams, John G., Jr.
Donaldson, Charles E. 3d
Dew, Carlos, Jr.
Donaldson, William I.
Hancock, David L.
Martin, Frederick V.
Reinschmidt, Warren S.
Graham, Ferdinand A., Jr.
Carpenter, Harold L.
Johnston, John W.
Grimes, William E.
Barnes, Alan F.
Doyle, James H., Jr.
Sisson, Luther B.
Shaddeau, Chester H., Jr.
Crawford, Bentley B.
Sanders, Wilton T., Jr.
Murray, Stuart G.
Callaway, John D., Jr.
Peniston, Robert "C"
Carnahan, Ralph H.
Wellings, Timothy F., Jr.
Enright, Robert E.
Burgess, Sumner W.
Williams, Buck D., Jr.
Munnikhuysen, Henry F.
Knaebel, William E.
Bailey, Daniel L.
Anderson, Charles R.
Kent, William R.
Anderson, James L.
Yuengling, Douglas J.
Smith, Stanford S.
Kearney, Stuart D.
Bivin, Homer R.
Campbell, Richard D.
Curtin, Lawrence J.
Kinser, Ralph H., Jr.
Haizlip, John W., Jr.
Edwards, Harold L.
Hedrick, George F., Jr.
Brumbaugh, Dale C.
Blevins, William D.
Smith, Robert S.
Mathis, Evan T., Jr.
Hess, Lawrence E., Jr.
Schuknecht, Arnold R.
Trickey, Earle N.
Farshing, Donald D., Jr.
Snyder, John E.
Hill, Edward C.
Thompson, William F.
Adelman, Joseph L.
Smith, Charles W.
Crockett, Charles B., Jr.
Anderson, Richard W.
Fletcher, Gene C.
Smith, John C.
Kiddoo, Kaye R.
Nimitz, Charles E. C.
Davidson, Alan N.
Lowell, Percival D., Jr.
McNeil, Richard D.
Hanley, Richard J.
Metzel, Jeffrey C., Jr.
Shelton, John P.
Jex, Donald R.
Brown, Bryan B., Jr.
Chapman, James H.
Shuey, Charles M.
Meginniss, Walter M.
Whitegiver, Robert B., II
Finneran, John G.
Fitzwilson, William R.
Hathway, Donald L.
Toohill, Donald L.
Ruxton, Robert T., Jr.
Gokey, Noah W., 3d
Kochis, Peter C.
McLeod, Murdoch M.
Cummins, Peter P.
Hunter, Perry F., 3d
Murray, Kenneth A.
Stanley, Hilton L.
Matula, Valentin G.
Larcombe, Howard N., Jr.
Bowdey, Floyd D.
Brenner, Thomas B.
Pomeroy, Leslie K., Jr.
Chamberlain, Raymond E., Jr.
Elefante, Frank L.
Baxter, James A.
German, Mark H.
McVey, Don C.
Maynard, Allison L.
Rezny, Ivan F.
Turner, John C.
Leete, Neale E.
Beane, Edward R.
Jewett, Frederick F., 2d
Whitmire, Donald B.
Moss, James L.
McKie, Jay G.
Packer, Duncan
Burkart, John C.
Harbarger, Wayne B., Jr.
Romatowski, Louis A., Jr.
Kaska, Edward F.
Nivison, William
Creque, Robert E.
Nordberg, Delbert W.
Griffin, James W.
Balfe, John M.
Denton, Jeremia A., Jr.
Barnett, George B.
Jennings, Verne H., Jr.
Langford, John D.
Bagley, Worth H.
Jackson, Thomas E.
Farley, James E.
Baskin, James D., Jr.
Von Schrader, Chandler L.
Bowen, Thomas J.
Barry, James H.
Hartman, Willard R.
Bernier, Raymond R.
Schafer, John B.
Wells, John W.
Rockwood, Clyde R.
McPadden, Gordon E.
Jester, Malvern H. L.
Adams, Frank M.
Mayer, Donald R.
Drago, Jack V.
Bouwman, Fredrick C.
Spencer, William A.
Douglass, Walter M.
Hinkle, William L.
Hadden, Robert B.
Ellis, Samuel S.
George, Robert M.
Albright, John G.
Scoles, Edward A.
Amme, Richard D.
Johnson, Walter F.
Burke, James A.
Regan, William F.
Loper, Ollie J.
Kiser, Charles A.
Gardiner, Richard S.
Grantham, Delbert D.
Appert, Edward P.
Chandler, Donald E.
Marshall, Frank D.
Pickert, Aloysius J., Jr.
Thurtell, Frank A.
Van Sickle, John R.
Huston, Ralph R., Jr.
Caine, Arthur D.
Dillen, William R.
Beck, Robert G.
Wells, Donald M.
Rae, William C., Jr.
Larkin, George M., Jr.
Johnson, Richard C.
Williams, Joseph L., Jr.
Whyte, Herbert E.
Thomson, Neil W.
Fritz, Ernest S.
Rex, James F.
McDonald, Wesley L.
Wiggins, Bryan D.
Teasley, William A., Jr.
Pope, John E.
Woods, Kenneth
Hays, Seymore T., Jr.
Stone, Robert S.
Kiehl, Elmer H.
Arguelles, John R.
Esteiman, Herman J.
Layser, Richard G.
Ogden, Samuel B., Jr.
Smith, Winfield S.
Matthews, Howard L., Jr.
Ekelund, Kenneth O., Jr.
Thayer, Wirt C.
Yeatman, Richard P.
Davis, Ray E.
Fortson, Thomas E.
Colot, Peter
Admas, Daniel B.
Working, Patrick L.
Hudner, Thomas J. Jr.
Craven, Jackson, B., Jr.
Ferris, Wilbur G.
Diffendorfer, Jarl J.
Carr, Felix R.
Gardner, James S.
Ford, Guy W., Jr.
Hill, Elmer R., Jr.
Pearson, George R. M.
Duckett, John P.
Cowell, Robert E.
Hall, James F.
Raftery, John J.
Stevens, Jack M.
Pline, Joseph E.
Updike, Archie J.
DeGanahl, James A.
King, Ogden D., Jr.
Cummins, Douglas T.
Colouhoun, Richard G.
Ansel, David D.
Weber, Kent J.
Rose, Vernon D., Jr.
Muncie, Maurice O.
McKenzie, Joseph F.
Sutliff, Kermit R.
Davis, Theodore F.
Napior, Arthur D.
Coppedge, John O.
Cofer, Joseph P. Jr.
Bromley, Frederick B.
Kirkpatrick, James
Byington, Ward G.
Pavelle, John J., Jr.
Stone, Francis K.
Grove, George S.
Bryan, George H., Jr.
Aicklen, William J., Jr.
Gower, Robert F.
Kirk, George C. E.
Keating, Robert B.
Thornton, John L.
Pitz, Otto G., Jr.
Blank, Carl A.
Schuler, Foster R.
Roth, Emil S.
Smith, Philip C., Jr.
Viney, Irwin J.
Towness, John W., Jr.
Melesky, Joseph H.
Snead, Leonard A.
Cook, Edward L., Jr.
Foster, William L.
Hosking, George W.
Johnson, Lester F., Jr.
Rogers, William H.
Jones, Richard S.
Ferry, Reginald V.
Ortutay, John, Jr.
Switzer, John L.
Beck, William, Jr.
Weeks, Robert E.
Davis, William J.
Bade, Robert B.
Fleischli, Robert E.
Dickey, John L.
Wells, Marvin G.
Greene, Wallace A.
Barr, Robert M., Jr.
Tarpey, John F.
Huling, Harold E.
Hart, Harry S.
Ohme, Henry F.
Moriarty, Norbert L.
Zumwalt, Marvin W.
McMahon, James P.
Mawhiney, William T.
Outten, Harold R., Jr.
Ryder, Donald F.
Carroll, Kent J.
Hough, William L.
Becker, Terrill F.
Durden, Walter D.
Briggs, Winston D.
Shanahan, John J., Jr.
Thomas, Paul B.
Hubka, Verne R.
Morgan, Newton H.
Williams, James S.
Johnston, Richard C.
Kleist, Roy F.
Gorman, Donald V.
Howard, John N.
Peterson, John P.
Tuel, Herritt D.
Hallam, Orval K.
Drake, John F.
Rodgers, Hollis "T"
Cutshall, Harland B.
Hess, John A.
Woods, William L., Jr.
Costanzo, Carl J.
Olson, Richard A.
Rogers, Edmund D., Jr.
Clement, Robert R.
Buck, Maurice D.
Wente, David A.
Bird, Comer H., Jr.
Lambertson, Tomme J.
Shaw, Fletcher H.
Rappenecker, James C.
Herzog, James H.
Weaver, John K.
Luona, Walter R.
Bush, Philip R.
Gresham, John I.
Kane, Howard F.
Bihr, Richard A.
Meissner, Robert W.
Shorts, Donald E.
McDaniel, William O.
Strobel, James W.
Ross, Royal R., Jr.
Holden, William P.
Cundy, David R.
Morgiewicz, Daniel J.
Ulbright, Frederick W.
Hale, James R.
Burke, Edwin J.
McKenzie, William W., Jr.
Kosnik, Joseph T.
Wells, John T.
Keller, William F., Jr.
Murrill, Robert L.
Snure, Robert O.
Durkin, Michael F.
Pettee, Warren E.
Henry, George L.
Clark, Carroll D.
Beyer, Henry J.
Bublitz, Robert E.
Powell, James A.
Carroll, Charles J., Jr.
McKinley, Robert T.
Bowers, Richard L.
Marks, Earl J., Jr.
Woodard, David A.
Condon, Vernon W.
Saul, James O.
Nutter, Paul "M"
McLaughlin, Norman H.
Graham, Horace E.
Teed, John
Hoover, John R.
Knight, Thomas C.
Hughes, Thomas J., Jr.
Cohn, William P.
Drabent, Eugene A.
Christopher, Frank J.
Hamilton, Joe.
Kauffman, Allen P.
Hansen, Albert E.
Bailey, Emera S.
Bradshaw, Ray H.
Johnson, Arnol, Jr.
Kern, William A.
Brown, Louis F., Jr.
Koenig, William H.
Knowles, Cline H., Jr.
Bruck, Thomas J.
Sweeder, Stanley E.
Muller, David G.
Wood, William D., Jr.
Dobyns, Robert E.
Classen, Robert E.
Pfundstein, Thomas D.
Jones, Stanley W.
Weidman, William K.
Warriner, Victor G.
Hahn, George C.
Sanders, Herman J.
Draz, David I.
Mathews, John M.
Steen, Stuart M.
Barr, James H.
Dickey, Robert M.
Ellis, Joseph M.
August, Gerald J.
Willett, Charles F.
Sheridan, Martin J.
Nockold, Louis W.
Dallman, Paul H.
Blumberg, David H.
Pollard, Robert D.
Bliesener, Arthur B.
Bond, John C., Jr.
Roe, Charles R.
Keen, Timothy J.
Taylor, David J.
Murray, Harrison C.
McGowan, James V.
Natke, Ernest
Gray, Leland T., Jr.
Rollins, Henry G., Jr.
Boger, Clarence E.
Cummings, Donald E.
Fitzgibbons, Edward L.
Lee, Earl B.
Hahnfeld, Arnold A.
Young, George E.
Kubiszewski, Robert J.
Bishop, Billy P.
Riehl, Julian W., Jr.
Applebach, Richard O.
Gatts, William H.
Etcher, Robert W.
Midgette, Oliver F.
Davenport, Thomas T.
Harper, John R.
High, John R.
Johnson, John D., Jr.
Sellman, Edmund W.
Banks, Daniel L., Jr.
Farris, Frederick A.
Reardon, Francis P.
Schniedwind, Robert F.
Smith, Aubrey H.
Whittaker, Gordon S.
O'Grady, John P.
McCracken, William H.
Ratliff, John H.
Brabant, Robert J.
MacDonald, Ivan L.
Wysocki, Walter J.
Bernstein, Fred J.
Lindgren, George B.
Maguire, Joseph W.
Sup, George C.
Timidaiski, James T.
Watkins, Robert W.
Toole, Wycliffe D., Jr.
Smith, Bertram C.
Koster, Edwin R.
Fuller, Richard, Jr.
Urban, Henry, Jr.
Howard, Donnell
Holbrook, Jack G.
Kelso, Quinten A.
Macon, Benjamin H.
Young, Robert D.
Norman, Frederick W., Jr.
Morgan, Lawrence P.
Sparkman, Homer A., Jr.
Beavers, Harrison J.
Shelton, Benjamin A.
Warde, William A.
King, John W., Jr.
Stoops, William A., Jr.
Rectanus, Earl F.
Cocke, Edgar M.
Dillon, John M.
Selby, George C.
Latka, Robert A.
Walker, Grant J.
Johnson, Philip W.
Nichol, Philip W., Jr.
Smith, Robert J. O.
Baker, William F., Jr.
English, James G., Jr.
Sayre, George A.
Jones, William M.
Bahnsen, Alfred H., Jr.
Damus, Henry H.
Starbuck, Donald W.
Terry, Bernard E., Jr.
Parks, William L., Jr.
Grubbs, Harmon C.
Cotariu, Alan R.
Funston, Harry C., Jr.
McReynolds, Robert W.
Morrison, John E., Jr.
McKee, John N.
Gathje, Warren H.
Miller, George V.
Reeves, Charles E.
White, Bernard C.
Harsh, Forrest G. D.
Moore, Robert S.
Totino, Albert R.
Allen, James R.
Jenrette, Homer W.
Coe, Arthur S.
McNary, Johnnie W.
Welch, Paul R.
Long, Douglas L.
McAdams, Joseph B. Jr.
Tobin, Daniel P.
Richards, Floyd C., Jr.
Mitchell, William, Jr.
Bridwell, Samuel L.
Connelly, John J., Jr.
Harker, Theodore R.
Willard, Charles F.
Holm, Weston
Bennett, Francis B.
Bowden, Daniel T.
Fossum, Theodore T.
Lehnic, Ernest P.
Laskowski, Walter E.
Starkweather, Robert L.
Schultz, Clarence W. Jr.
McDonald, William M.

Perdue, Uley F.
Wright, John H.
Vaa, Norman A.
Rostan, David A.
Gideon, Robert A., Jr.
Mitchell, John E.
Reisinger, Edward A.
Kroes, Henry W., Jr.
Schelb, William F.
Jepsen, Leland R.
Timm, Fred C.
Ress, Joseph
Groves, John G., Jr.
Lillesand, Alan M.
Mottarella, Victor G.
Baar, Don R.
Hartley, Cecil M.
Lember, David B.
Askew, George V.
Gebler, Gerard P.
Eldridge, Richard A.
Price, Mood B., Jr.
Carlstead, Edward M.
Gabrielsen, Carl A.
Athow, Robert F.
Collis, James E.
Andrews, Carroll A.
Aubrey, Joseph H., 3d
Barnett, Gene A.
Tanton, Paul W.
Lyons, James I.
Leo, Joseph P., Jr.
Nelson, Eugene L.
Lucero, William H.
Body, Lawrence G.
Dougherty, Edmund D.
Parks, Thomas B.
Reichwein, Fremont E.
Saubers, Maurice D.
Dolan, Eugene F.
Sauter, George G.
Stone, John F.
Mahon, John Q.
Kwitkoski, Walter J.
Menconi, Harry E., Jr.
Gardner, Walter T., Jr.
Dewerd, Theodore J.
Rawson, Charles E.
Barbour, Neil G.
Deckert, Albert R.
Sheldon, George M.
Baer, Joseph, Jr.
Smith, Robert H., Jr.
Wood, Edward G.
O'Connell, Thomas J.
Taylor, Robert H.
Matthews, Pierce Y., Jr.
Crane, Richard T.
Chadwick, Daniel
Robertson, Joe P., Jr.
Murphy, Daniel J.
Bowen, James W.
Laitner, Humphrey L.
Bell, Thomas I.
Doe, Willard C.
Kingsbury, Stewart A.
Lagen, William S.
Richards, John P. M., 2d.
Moore, Charles M.
Dadisman, Richard "A"
Batt, Charles G., Jr.
William, Hexter A.
Young, Laurence R.
Moore, Harold D.
Heininger, Howard G., Jr.
Schempp, Leonard F., Jr.
Kwart, Philip
Joy, Charles T., Jr.
Keller, Harry S., Jr.
Odgers, Ralph E.
Marckensano, Louis A.
Strickler, Robert W.
Stegman, Robert S.
Burgoyne, Thomas J.
Hill, John W.
Averill, Frank S.
Dunn, Peter H. H., Jr.
Spahr, Arthur G.
Jahant, John W.
Elmer, Joseph S.
Renner, Conrad J., Jr.
Schaefer, William M.
Adams, Alfred E.
Land, Nathaniel B.
Irving, Robert
Lutkenhouse, William J.
Freeland, Harold H.
Biscomb, Lloyd I., Jr.
Pearson, Jack B.
Alberta, Edward T.
Mathews, William R., Jr.
Dixon, Alva L.
Hedbawny, Edward J.
Darby, Keith C.
Spoon, Donald D.
Bagwell, Wallace B.
Eidson, George V.
Krejcarek, Donald J.
Purcell, James C.
Moore, William G., Jr.
Patch, Donald R.
Aeschbach, Warren E.
Hare, Guy C.
D'Albora, Duilio
Thummel, Gerald F.
Huddle, Norman P.
Clark, Robert T.
Field, Gerald C.
Watt, Reid B.
Barrington, Bruce O.
Austin, William H., Jr.
Johnstone, Frank L.
Minger, Eugene J.
Waller, William Jr.
King, Harry W.
Gross, James R.
Miles, Bernard L.
Swicord, Henry G., Jr.
O'Dougherty, Edwin F., Jr.
Sydow, John P.
Grieb, "J." "C."
Ahrendts, Luther A.
Douglas, Stephen P., Jr.
Bowden, John L., Jr..
Ackiss, James H.
Scappini, Mimo L.
Merritt, John A., 3d
Cermak, Frank A., Jr.
Senkow, Joseph
Hall, Donald M.
McDaniel, Charles B.
Jenkins, Merlin F.
Dickson, Richard D.
Powell, Robert A.
Wallace, William D.
Jackson, Lee S., Jr.
Warring, Leo B.
Simmons, John A., Jr.
Deffenbaugh, Robert M.
Epps, Charles W.
Trout, Roscoe L.
Gibbs, James T.
Morris, John R.
Hartman, Richard V.
Hickman, Wilbur M.
Bailey, Ralston
Simons, Joseph T.
Cover, John H.
Finke, Gordon R.
Debaets, Donald J.
Debaets, Ronald M.
Forehand, Wendell C.
Berglund, Burton E.
Barley, Cecil E.
Hann, William
Larsen, Norman E.
Lawrence, Robert E.
Ambrose, Robert W.
Bolling, Robert L.
Vermilya, Robert S.
Zent, John L.
Trewet, Glenn E.
Nowers, William E.
Puckett, Howard M.
Jordan, Glenn D.
Hoyman, William C.
Carman, Warren E.
Benson, Harry L.
Cantrell, Charles E. Jr.
Kolda, Frank C.
Holcombe, David B.
Hinden, Harry J.
Nealon, William G.
Fuller, Jack D.
Vollmer, Cecil R.
Reilly, David R.
Foxton, Frederick L.
Edwards, George D., Jr.
Holmes, Robert T.
Murray, Richard D.
McArdle, Robert P.
Riley, Daniel P.
Puccini, Joseph E., Jr.
Kruzich, Andrew F.
Lebiedz, Edward F.
Lewison, Walter R.
Olson, Delbert A.
Shaver, William M.
Verlander, Joseph M.
Burkett, Alva D.
Russell, Wallace L.
Measel, James G.
Vanatta, Bruce W.
Russell, Paul E.
Hargarten, Robert W.
Coggins, Jack C.
Laubach, Joseph R., Jr.
Darcy, Robert T.
Radtke, Robert N.
Witkowski, Eugene F.
Kneedler, Robert L., Jr.
Farr, Edward P.
Dibble, Henry M.
Mulligan, Eugene W., 3d
Chelgren, John L.
Gorder, Charles F.
Harkins, William D.
Dedman, Tyler F.
Strong, James T.
Clay, Harold S.
Hale, Robert F.
Adams, Clayton R.
Shugart, Kenneth L., Jr.
McCord, Wayne S.
Wilson, Henry H.
McDonald, Carlton A. K.
Bear, Frederick J., Jr.
Fahey, John B.
Rasmussen, John E.
Urbanczyk, Louis T., Jr.
Rigot, William L.
Early, Paul J.
Morris, Max K.
Stone, Troy E.
Edelson, Burton I.
Baughman, Fred H.
Snyder, Francis M.
Scudder, Harold
Layman, William H.
Lewis, William S.
Bass, Richard W., Jr.
Jones, William F.
Gibson, George W.
Yates, William K.
Terrass, Milford S.
Opitz, Albert G.
Dermody, Richard J.
Smith, Robert P.
Newcomb, Paul R.
Robertson, William D., Jr.
Hawvermale, Joseph R.
Bridges, Jack H.
Blough, Arthur K., Jr.
Dyer, John C.
Pehrsson, Pehr H.
Alexander, Charles S., Jr.
Zelov, Randolph D.
Jochum, Joseph "B"
Bacon, Francis W., Jr.
Johnson, Robert W.
Anderson, Frank A.
Stewart, Jason K.
Kolar, Robert P.
Faulkner, Doe G., Jr.
Dickieson, Robert W.
Hornbrook, James M.
Reams, Benton E.
Reese, Donald H.
Hayward, Thomas B.
Perry, Dale S.
Prichard, Reuben P., Jr.
Davis, Cabell S., Jr.
Jesse, Harold W.
Ostlund, Eugene W.
Vermilya, Jay "J."
Maconie, Robert T.
Bornhop, Rodney E.
Osmer, James W., Jr.
Schmoller, James R.
Wilson, Robert D.
Milholland, Robert L.
Werner, David J.
Endebrock, Robert E.
Smith, Deming W.
Cort, Walter W., Jr.
O'Leary, Stephen J., Jr.
Kellersberger, Donald C.
Fisher, John H.
Rauch, Charles F., Jr.
Weatherly, Joseph E., Jr.
Graves, Robert F., Jr.
Bell, John H.
Clifford, William F., Jr.
McAdams, John W., Jr.
O'Leary, Lawrence A.
Martin, Don M.
Yates, Andrew J.
Bell, Roy M.
Koester, Edwin H.
Smith, Harold A.
Cummings, Edward M. Jr.
Rockcastle, Charles H.
Garner, Alan S.
Maurer, Richard C., Jr.
Lawson, Kent W.
Stufflebeam, Jack M.
Kearny, James D.
Olds, Corwin A.
Vantol, John
Pickens, Jackson R.
Olson, Robert C.
Manganaro, Francis F.
Scott, Robert L.
Koehler, Robert H.
Evans, William
Williams, Bernard P., Jr.
Spangenberg, Walter, Jr.
Abraham, Sigmund, Jr.
Ekas, Claude P., Jr.
Christoph, Karl J., Jr.
Phillips, Kenneth E.
Sanders, James E.
Gregory, Roger M., Jr.
Fenn, Richard W.
Corley, Frank W., Jr.
Geiger, Robert K.
Netherland, Roger M.
Newcomb, Robert C.
Berggren, John J. A.
Fry, John C.
McClain, William J.
Morgan, Clifford L.
Milligan, Donald F.
Buck, Edward G.
Kern, John S.
Ward, Edgar F.
James, William E.
McDannold, Raymond K.
Rawlins, Robert D.
Bryan, Richard E.
Keenan, Paul C., Jr.
Taylor, Dean, Jr.
Klemm, Wilbur C.
Jones, Charles W.
Wellons, Alfred G., Jr.
Nelson, Perry W.
Ball, George F.
Black, Charles H.
Norman, Oliver L., Jr.
Carlquist, Roger
Miko, Charles R.
Goldman, Peter J.
Jagoe, William H.
Gurney, Sumner
Adams, Hershel L.
Parish, George R., Jr.
Derus, Richard A.
Spry, Warren L.
Gauthier, Gene F.
Cormley, Robert H.
Hopkins, William H.
Keener, Bruce, 3d
Meriwether, Gordon K., Jr.
Hoffman, Robert K.
Johnson, James H.
Burns, Hoyt N.
Freeman, Peter H.
Corrigan, Paul T.
Chadima, Robert S.
Ames, Lionel E., Jr.
Carr, Herbert W.
Short, Edward A.
Alford, Zeb D.
Scoggins, Marvin C., Jr.
Partridge, Harry, Jr.
Crump, Frank L., Jr.
Latimer, Henry B.
Williams, Charles I.
Gammon, James M.
Lewis, Chantee
Knock, Franklin C.
Franklin, Isaac N., Jr.
Holland, John P.
Matthew, William M.
Skelly, Harold F.
Gaydos, Michael, Jr.
Haynes, Kenneth G.
Kojm, Leonard R.
Little, George L., 3d
Zedaker, William L., Jr.
Holton, Wallace C.
Allen, James B.
Johnson, Harvey J.
Rowan, Russell A., Jr.
Kelly, Eugene F.
Crispin, Robert E.
Riley, Paul A.
Lee, Harry B.
Hunter, "H" Reid
Summitt, Charles D.
Erickson, Philip W.
DeLong, George E.
Hogg, Gordon M., Jr.
Dempsey, Richard T.
Carruth, David C.
Mencke, John B.
Clark, William E.
Nylen, William E.
Goodman, Ben., Jr.
Trejo, Paul E.
Holshouser, Jesse A., Jr.
Smith, Samuel T., Jr.
Curl, Joseph H.
Stickel, Robert H.
Thomas, Lee R., Jr.
Nuber, George E., Jr.
Patterson, Randolph F.
Frye, John M.
Winkler, Cornelius, Jr.
McGonagle, William L.
Edwards, Maurice M., Jr.
Donovan, Walter J.
Rockman, Abraham
Hayes, James T.
Sansom, Bayard T.
Young, Floyd F.
Pyle, Robert E.
Edmondson, Charles S. B., Jr.
Marts, Robert S.
Foxwell, David G.
Arnold, Charles E.
Kelley, James P.
King, Owen K.
Wilkinson, Thomas R.
Weidman, Robert M., Jr.
Vollertsen, Russell A.
Munly, Richard E.
Welch, Edward F., Jr.
Borgert, Duane D.
Sapp, Earle W.
Wick, Curtis R.
Osborn, Neri, 3d
Clement, Robert F.
Waugh, Ronald D.
Marsolais, Lawrence D.
Newell, William C., Jr.
Kirkpatrick, Donald M.
Borlaug, Paul V.
Bloom, Bernard N.
Trusso, Sebastian
Wilkie, John E.
Doxey, Robert C.
Duncan, Peter
Gasser, Irvin L.
Zeleznock, Louis J.
Jacobi, Richard C.
Bendel, Roland M.
Mangold, John F., Jr.
Hull, Arthur N.
Hoffman, Richard A.
Savage, Glenn A.
Byrd, William J.
Lansden, Humphrey B.
Buell, Orval W.
McCamont, John A.
Wineman, Gordon L.
Gaitskill, Harrison C., 3d
Jefferson, Harry P.
Thompson, Robert K.
Ruehrmund, James C.
Green, Norman K.
Boushee, Frank L.
Schenkel, Robert K.
Herron, Russell G.
Bunganich, John, Jr.
McMaster, William R.
Collins, Philip L., Jr.
Kline, John L., Jr.
Mashaw, Andrew J.
Flood, Robert H.
Garlinghouse, Bruce B.
Dieckert, Eugene A., Jr.
Smith, Charles P.
Gengor, Peter
Floyd, Albert O.
Haines, Rowland I., 3d
Wadsworth, Dwight
Beitzer, Francis J.
Kovacs, Joseph
McClinton, Robert B.
Brown, Charles H.
Horvath, Fred E.
Hodder, Arthur J., Jr.
Kuhn, Francis X.
Quick, Henry P.
Rose, Meyer H.
Sangster, John B., Jr.
Strong, Willard L.
Wilson, Robert E.

Conroy, Benjamin J., Jr.
Chapman, Arthur S.
Nardone, Henry J.
Middleton, Charles H.
Haskell, Russell A.
Pinzow, Leonard
Knickel, Elwyn R.
Bowen, John F.
Scudder, Kenneth R.
Bohner, Earl A., Jr.
Berude, John B.
Spainhour, Wayne E.
Woolston, John
Wilkinson, Roland F.
Debold, Joseph F.
Engel, Wilson F., Jr.
Iverson, Robert G.
Nasipak, Valentin
Hall, Richard P.
Bassett, Ormon E.
Leuschner, Robert J.
White, Arthur T.
Searle, Willard F., Jr.
Eckhart, Myron, Jr.
Aroyan, George F.
Stout, Cecil C.
Ashley, Linsey S.
Lucas, Fielding G.
Baylis, John R.
Rogers, David A.
Hansmann, Anton C.
Bettis, Alfred M.
Stoutenburgh, Jose S.
Geer, Norman F.
Mahinske, Edmund B.
Westfall, Elmer T.
Adams, William H.
Moran, Thomas L.
Collins, John T.
Whitehead, Andrew D.
Wilkinson, Donald W.
Jones, Cowan E., Jr.
Leutz, Leon H.
Ebel, Stanley T.
O'Reilly, Peter J. F.
Tedholm, Charles E.
Kilgore, Frank J.
Iselin, Earl C., Jr.
Heising, John C.
Coyle, Arthur J.
Fisher, William B., Jr.
Fowler, Earl B., Jr.
Whaley, Lucien O. G.
Maragos, George
Booth, Merson
Lee, Robert E.
Reynolds, John L.
Case, Edson G.
Vose, Frederic H. E.
Evans, Joseph D.
Hollyer, Richard S.
Barnard, Ralph E.
Lakey, Keith G.
Sionim, Charles E.
FitzGerald, Paul F.
Martin, Claude F., Jr.
Owens, Albert T.
Mitchell, Eugene B.
Barry, William
Gilliland, Frank
Wicks, William F.
Ross, Seymour N.
Barondes, Earl D.
Sisson, Jonathan A.
Haskell, Arthur J.
Morrison, Wilbur M.
Wilson, Kenneth E., Jr.
Hoffmann, Henry A.
Brooks, Wharton H., Jr.
Kosiba, Richard E.
Fargo, Robert R.
Slater, Robert W.
Grey, Valentine
Blankinship, William A.
Sullivan, Harry F.
Fisher, Robert E.
Ellis, Robert R.
Faulkner, Stuart T.
Adkisson, Hubert K.
Black, Harvey
Howard, William D.
Pike, Wayne J.
Burns, William L.
Vail, Ronald A.
Pinkey, William, Jr.
Castillo, Edmund L.
Glowacki, Theodore, Jr.
Miller, Donald G.
Peterson, Herrick R.
Sullivan, Russell H., Jr.
Phillips, Chester G.
Wesper, Willis H.
Finley, Robert N.
Weaver, Walter C.
Boggess, Luke J.
Smith, Raymond D.
Hughes, Arthur J.
Moran, Thomas J.
Marsh, Oscar H.
Wrzesinski, Robert
Douglass, Dee W.
Cole, Ben N.
Pepple, Donald J.
Graham, Harrell M.
Nippert, Glenn E.
Pierucki, Ervin J.
DeVeas, Thomas E.
Wenger, Donald B.
March, George P.
Macomber, Mark M.
Marmet, Robert A.
Ayres, James E.
Longo, Charles R.
Jermann, Donald R.
Thomas, Edward W.
Haupt, Richard W.
Harvey, Donald P.
Eriksen, George A.
McCormick, Gordon H.
Scambos, Thomas T.
Cook, Herbert B.
Hubert, William E.
Melin, Kenneth L.
Lindsley, Jack N.
Miller, George M.
Faulders, Cyril T., Jr.
Kelley, Albert J.
Tiemann, Wilbur F., Jr.
Heile, Donald H.
Graves, Jack C.
Horton, William P.
Irish, Edelbert E.
Russell, George A., Jr.
Justice, James O., Jr.
Junghans, Robert C.
Meisel, Emiel R.
Miller, Paul G.
Moore, Robert L.
Peters, Ross
Dasso, Luis A.
Hunt, Paul A.
Wetmore, Richard O.
Dickeson, Roger E.
Engelman, Otis E.
Pape, Charles F.
Preston, Quinnie B.
Blair, Richard D.
Drag, Theodore F.
Richardson, Kenneth
Boo, Willis J.
Dutton, John P.
Keith, Omar F.
Wilder, George, Jr.
Mulligan, Champ C.
Delly, Daniel B.
Freudenberg, Max G.
Carnicom, Francis E.
Crosby, Edward O.
Hamilton, George T.
Berg, Royal D.
Brann, Warren B.
Kole, Carl B.
Miller, David L.
Crain, Max A.
Nichols, John E.
Cleveland, Hugh A.
Rule, John F.
Forsht, Eugene R.
Barich, Louis A.
Franck, Herbert A.
Harris, Willie W.
Armour, Robert H.
McCotter, Roy W.
Buselmeier, Rudolph M.
King, Nathan H.
Clary, Warren L.
Dunton, Donald D.
Merrill, Clayton W.
Moses, Francis G.
Baker, John T.
Beese, Lawrance L.
Ramsey, Harry E., Jr.
Miller, Peter S.
Jones, Howard W.
McHenry, Marcus
Stahl, Robert A.
Reed, Wilbur E.
Shurtleff, Kenneth L.
Walton, Merle W.
Scott, Kenneth W.
Furtek, Adolph J.
Jenks, Edwin R.
Showen, Anderson V.
Jones, Robert F.
Ditto, Carl B.
Creider, Anthony S.
Gilmour, Robert, Jr.
Pitzenberger, Guy L.
Carlos, Gustave L.
Crumbaugh, Fred R., Jr.
Minnick, John L.
Earnhardt, Elmer H.
Codemo, Joseph E.
Reed, Irvin W.
Sullivan, Joseph E.
Langland, Robert G.
Ridge, Harry R.
Davenport, Fred W.
Reed, Robert F.
Marker, Raymond K.
O'Brien, Eugene A.
Carr, Howard W.
Hilton, David E.
Moore, James D.
Murphy, John L.
Combs, Charles W.
Hunt, Joe H.
Stone, Donald D.
Ales, George A.
Masterman, Howard W.
Polansky, Lewis J.
Valek, John C.
Rider, Russell D.
Hope, Herbert L.
Huckaby, Donnie W.
Simpson, James M.
Jones, Edward G.
Robertson, Floyd
Sullenger, Charles R.
Shafer, Elroy J.
Norwood, Alfred F.
Stone, Courtenay M.
Jalbert, Llewellyn E.
Wilson, Gerald W.
Jones, Gordon W.
Hambley, Louis C.
Bremer, Woodson P.
March, James D.
Dick, Kenneth S.
Johnson, Charles E., Jr.
Frediani, Harold M.
Parnell, James M.
O'Brien, Robert L.
Brower, Abrahm H.
Nasset, Lawrence O.
Kozlowski, Vincent, Jr.
Harris, William F.
Schneible, Norbert R.
Ludwig, Helmuth A.
Sailors, Benjamin G.
Coble, Reid E.
Kohler, Harry R.
Gaither, Donald.
Barr, Charles J.
Kriss, John
Fox, Charles J.
Christener, Albert F.
Tyler, Robert E.
Harper, William E.
Kelley, Sidney B.
Fentress, Alvin K.
Hatchl, Quentin R.
Gano, Hubert D.
Bathel, Leonard F.
Christy, Douglas G.
Steeves, Harold M.
Hansen, Hans P.
Crandall, Walter R.
Smullen, Orville A., Jr.
LaRose, Edgar H.
Krysan, Donald F.
Sinclair, George T., Jr.
Paige, Lennon T.
Cavanaugh, Morrison E.
Atkisson, Horace W.
Ames, Edward G.
Buchanan, Stewart V.
Johnston, Stuart M.
Latham, Hugh W.
Kahler, William
Odell, Robert L.
McOmie, Donald B.
Stepro, Alfred W.
Kauffman, Charles C., Jr.
James, Joseph H.
Borgstedt, Forrest C.
Covert, Lawrence W.
Block, Edward F.
Mann, Philip L.
Jackson, George D.
Ingram, Jack R.
Owen, Howard J.
Gibson, John S., Jr.
Mullin, John D.
Hutton, William L.
St. Clair, William F.
Brown, Kenneth
Bean, Francis T.
Damon, William Q.
Poplin, Glenn O.
Elliott, Chester E.
Huffnagle, Norman.
McKinney, Troy M.
Walden, Walter A.
Moore, John R.
Scanzillo, Arnold J.
Peeler, James C.
Forys, Victor S.
Mowrer, Robert A.
Begert, William J.
Sentman, Albert G.
Owen, Marler W.
Landahl, Charles E.
Leidholdt, Edwin M.
Miller, Vern A.
Postlethwaite, Charles W.
Yelton, Harold M.
Ferguson, Alfred F.
Gray, Joseph W.
Clymer, Roy E., Jr.
Pierce, John F.
McMakin, Charles H., Jr.
Shapard, Harold J.
Brisco, Kenneth B.
Coley, Craig M.
Hale, Claude E.
Butler, Donald "D"
Dyer, Philip M.
Hamilton, George

MEDICAL CORPS

Wells, Peter F., 2d
Reaves, Robert G., Jr.
Waite, Charles L.
Whatley, Joseph L.
Cunningham, Lowell K.
Stewart, Lee W.
Erdbrink, Wayne L.
Margileth, Andrew M.
Spicer, Donald W.
Curts, Calvin J.
Reed, James S.
Cope, William H.
McClenathan, James E.
Doohen, Donald J.
Flynn, John W.
Millar, Jack W.
Mills, Stephen R., Jr.
Rogers, David R.
Berry, James F.
Sanborn, Neal D.
Eberly, Byron T.
Wolfe, Henry E., Jr.
Broaddus, Carl A., Jr.
Boyd, Winton R.
Sneddon, Ernest A.
Mitchel, Robert E.
Brannon, Leland C.
Byrd, Jack E.
Greenburg, Roland E.
Peckinpaugh, Robert O.
Edwards, Donald W.
Stark, James E.
Clark, Frederick A., Jr.
Hill, Robert L.
Roberts, Harry L., Jr.
Shillinger, Frederick W.
Busby, Jonathan C.
Burns, Benjamin F.
Edgerton, Winfield D.
Potter, Maxwell G.
Wells, James H.
McCaulay, Francis X.
Montgomery, Duncan O.
Fox, Samuel M., 3d
Stewart, James H.
Hoffman, Harry L.
Champion, William J.
Clark, Leon W.
Hubbard, Hampton
Parmelee, Kenneth A.
Sillery, William R.
Loweecey, Edward D.
Kirkland, Theo N., Jr.
Johnson, Frank R.
Peters, Earl R.
Dent, Robert E.
Schulte, John H.
Bamberg, Paul G.
Dobbie, Robert P., Jr.
Bryan, Frank M.
Doolan, Paul D.
Thomas, William L.
Troy, John W.
Maiorielio, Joseph J.
Leffler, Raymond J.
Martelle, Robert R.
Crue, Benjamin L., Jr.
Gadd, Duwayne D.
Rupnik, Edward J.
Gardner, George E.
Bogaev, Jules H.
Keating, James L.
George, Frederick W., 3d
Ward, Donald O.
Heald, John H.
Cooper, Ward, Jr.
Ostapowicz, Frank
Davis, Robert L.
Barton, Robert K.
Imburg, Jerome
Parker, Charles O., Jr.
Brady, Wayne C.
Mahon, Edward L., Jr.
Hosp, David H.
Baker, Sherman E.
Buck, Rodger L.
Flahive, John J.
Snyder, William A.
Willis, Stanley E., 2d
Weden, Elmer A., Jr.
Watten, Raymond H.
McLeod, Deane E.
Trier, William C.
Trossman, Chester M.
Dempsey, John J.
Ely, Thomas S.
Hart, Paul
Perry, Donald J.
Locher, Wolfram G.
Allen, Frank F.
Sarver, Richard B.
Sylvester, James A.
MacCordy, Cunningham R.
Burkley, Louis F., 3d
Linehan, Francis J. Jr.
Merkle, Vernon J.
Smith, Thomas W. D.
Pascoe, Delmer J.
Gianfranceschi, Guido R.
Ziegler, James E.
McKay, Ernest G.
Delaney, Thomas B.
Randel, Harvey O.
Elsasser, George F., Jr.
Neal, Robert F.
Jones, James M., Jr.
Schachne, Lewis
Beer, David C.
Visscher, Paul H.
Kutschbach, Melvin A.
Dykhuizen, Robert F.
Austin, Frank H., Jr.
Hand, Rudolph H.
Post, Jarvis H.
Allen, Marvin S.
Blakey, Ernest A.
Pollock, James L., Jr.
Nardone, Robert R.
Witt, Joseph A.
Moore, William R.
Golbranson, Frank L.
Callis, Charles M.
Hines, Larry J.
Poitras, Jean-Maurice
Sparks, Henry A.
Klein, Chester L., Jr.
Browneller, Ellsworth R.
Guida, Anthony J.
Humes, James J.
Hastedt, Robert C.
Chandler, Deck E.
MacPherson, Donald J.
Benavides, Jaime M., Jr.
Kinzer, Gilbert M.
Thomas, Edgar E., Jr.
Bealer, John D.
McKneely, Billy D.
Brignac, Louis F., Jr.
Ireland, Roger G.
Hughes, William F.
Arnold, Homer S.
Gallagher, William J. Jr.
Gray, Charles H.
Cales, Robert J.
Bird, Edward W.
Spence, David L.
Sweeney, Francis J.
Griffin, John H.
Downey, John J.
Speaker, Richard B.
Laning, Robert C.
Morris, David P., Jr.
James, Philip R.
Penka, Ernest J.
Specht, Harry O. J.
Bench, Robert K.
Klein, Martin H.
Hoveman, Paul G.
Cummings, Ronald A.
Adams, William C., Jr.
Meinert, Kenneth W.
Keeler, Clifford E.
Paul, Jed
Kent, Donald C.
Smith, Richard C.

Santner, Floyd A.
Shulman, Nahum R.
Alsobrook, Harold K.
Davis, William C.
Ebersole, John H.
Webb, Martin G., Jr.
Dinsmore, Harry H.
Baker, Robert L.
Hall, Oliver E. K.
Moorman, Lemuel T.
Wiley, Homer P.
Gaylor, Donald H.
Browne, Howard S., Jr.
Durden, Charles S., Jr.
Prescott, Eustace H., Jr.
Spindler, Thornton F.
Cannon, Albert
Wilber, Martin C.
Buechel, Donald R.
Herlihy, Charles E.
Drips, Robert C.
Sanderlin, Joseph M.
Brennan, George A., Jr.
Yetman, Thomas W.
Miller, Charles H.
Palmer, Robert H., Jr.
Anderson, John P.
Bergquist, Francis L.
Nelson, Bentley A.
Smitley, Roger P.
Neptune, Edgar M., Jr.
Garrett, Robert I.
Lagerquist, Howard W.
Williams, Earl R.
Bernard, Donald P.
Lonergan, Walter M.
Pfischner, William C. E., Jr.
Rosenwinkel, Norbert E.
McGreevy, John J.
Egan, John F.
Sullivan, Melvin B., Jr.
Gill, John E.
Dunn, Seldon C.
Ketcham, James S.
Long, James A.
Wiebenga, Ned H.
Murphy, James J.
Briggs, Leon R., Jr.
Cooley, Norman V., Jr.
Boswell, "J" Thornton
Henkelmann, Charles R.
Craighead, John T.
Trummer, Max J.

SUPPLY CORPS

Lewis, Harvey E.
DePuydt, Harold C.
Davis, Lynn M.
Johnston, Lloyd E., Jr.
Edwards, Samuel M.
Shenk, Eugene M.
Carleson, James W.
Nichols, Paul
Hackenson, Bernard J.
Boylan, Walter J.
Williams, Raleigh J., Jr.
Rost, John R.
Alexander, Ola K.
Williams, William G.
Lewis, William L.
Benson, William S., 2d
Rose, Rodney
Boswell, Harold
Noga, Edward L. S.
Lawson, Walter E., Jr.
Luebbe, Harry R.
MacEwan, Clarence L., Jr.
Gowan, Patrick W.
Spicer, Robert M.
Goodpasture, John W.
Dunn, George G.
Walther, Frederick W.
Walker, Darrel M.
Bland, Herbert L.
Brislawn, Richard W.
Ecoffey, Vincent C.
Benson, David W.
Darrow, Edward E.
Biltoft, Charles W.
Greene, Joseph M.
Skelly, James B. D.
Strait, James B.
Ericson, James B.
Sauer, Charles A.
Wendt, Ernest H.
Bercaw, Jesse L.
Page, Richard B.
Cullen, Curtis
Brauer, Robert W.
Curtis, James R.
Tholl, Walter L.
Blank, Arthur E.
Skirvin, Charles H.
Lemel, Ernst
Shapiro, Nathan E.
Swart, Phillip
Zielinski, William E.
Watt, Everett P., Jr.
Wexler, Howard D.
Wheeler, George F.
Beckham, John J.
Grinstead, Eugene A., Jr.
Smith, Theodore L.
Obendorfer, Wilson M.
Conley, Howard F.
Gudgeon, Albert G.
Sira, Peter V.
Young, Carl A.
Fernas, William M., Jr.
Caldwell, William F.
Woodard, Clark F.
Fogle, Grover D.
O'Loughlin, Richard C.
Burns, Hugh F. J.
Seltzer, George S., Jr.
Lillis, James F.
Baterson, Robert E.
Duncan Henry C.
Yearick, William A.
Balcom, Vaughn O.
Larson, Philip D.
Tetrault, Joseph H.
Wagner, Paul F.
Anderson, Carl I. B.
Keyes, Lyle E.
Anderson, Clayton L.
Howell, Jesse E.
Matson, George L.
Austin, Charles B.
Harris, Robert B.
Metcalf, Paul J.
Keener, James C.
Burrus, Elgie L.
Jones, John M. O.
Browning, Bernard S.
Anderson, Emil
Robinson, Thomas E., Jr.
Simone, Frank A.
Kallaus, Alfred R., Jr.
Stafford, Dean C., Jr.
Stewart, Robert W.
Howard, Garnett "E"
Roche, Francis
Jones, Raymond A.
Eller, Lovelace H.
Handy, Harry G.
Bray, Walter H.
Aycock, Charlie B., Jr.
Hart, James A., Jr.
Nordengren, Frederick R.
Cooper, Wilfred A.
Elmore, John W.
Kramer, Maurice H.
Churchill, Donald J.
Little, Henry E.
Bach, Charles F., Jr.
Conner, Harry L.
Josselyn, Allan H., Jr.
Thurston, Robert O.
Rodgers, Wallace F.
Karchere, William
McDugald, Jesse
Dura, Leon J.
Nickson, Roy E.
Nugent, Francis F.
Patterson, Frank H., Jr.
Miller, James H.
Mataset, Ernest P.
Hughes, Thomas W., Jr.
Breeden, Robert L.
Doucette, Forrest H.
Surran, Charles R.
Erickson, Allwyn B.
Dargan, Marion, Jr.
Olson, Robert S.
Hansen, Henry I.
Renfro, Edward E., 3d
Ainlay, Henry L., Jr.
Cagle, Harry
LeClert, Arthur C.
Rinetti, Edward J.
Travers, Sumter L.
Neighbors, Milton L.
Locke, Frank E.
Dester, John M.
Christy, James L.
Schar, Kenneth A.
Harbough, Norman R.
Woolard, Kenneth A.
Maragides, Harry N.
Corley, James O.
Blumling, William L.
Clifton, Emory V.
Musci, Cosimo B.
Burke, Thomas R.
Hanten, Kenneth S.
Valentine, Gordon K.
Rader, Albertus S.
Bain, Louis E.
Moore, Vincent P., Jr.
Speed, Donald N.
Elkins, Robert H.
Murphy, Paul J.
McGlaun, Albert L., Jr.
Pavelka, Albert K.
McCormick, John A.
Comeau, Reginald B.
Hair, Maurice E.
Leish, Calvin R.
Chance, Carl
Meyer, Milton, Jr.
Gardner, George H.
Thompson, Richard C.
Evans, Houston H., Jr.
Forrest, James E.
Larson, Leslie O., Jr.
Haley, Robert S.
Kephart, Norman R.
Buchanan, Richard W.
Gralla, Eugene
McHenry, Wendell, Jr.
Eble, Frederick D.
Holbert, Kelley V.
Haslett, Robert H.
Conover, Donald T.
MacDonald, Albert P., Jr.
Weir, Robert A.
Tinney, Richard T.
Lynch, John E., Jr.
Baker, William R.
Sueur, Charles A.
Spargo, Robert A.
Clements, Daniel J., Jr.
Blaes, James H.
Small, Joseph T.
Pilgrim, Orvill L.
Tongren, Hale N.
Balon, Joseph M.
Dellasega, Jospeh L.
Watson, Stanley W., Jr.
Buck, Walter J.
Thurman, Horace E., Jr.
Adrian, Rodger J.
Haberlin, William E.
Stabe, Robert W.
Kornfeld, Leo L.
Steele, James H.
Ewing, Paul C.
Conard, Melvin L.
Bower, Edward R.
Wingo, Rodney K.
Mulholland, Donald E.
Stewart, John K.
Albea, John P.
Harvey, Hobart D.
Lucand, Dale C.
O'Neil, Gerald P.
Hill, Roger E.
Baird, Richard S.
Sloan, Dale F.
Effner, James E.
Poor, John L.
Means, James M.
Larson, Albert G.
Crook, Lewis J.
Henker, Donald E.
Benson, John A.
Meng, Edwin L., Jr.
Jones, Joe L.
Fay, John F., Jr.
Knight, Richard H.
Dooling, David
Mann, Murrell
Sittig, Raymond L.
Hart, Carten M.
August, Joseph J.
Graves, Franklin W.
Crowder, Norman M.
Jones, Thomas W.
McGill, Willis L.
McLean, James P.
Gobel, Carl F.
Fischer, Carl R., Jr.
Moore, Wyly A.
Moore, Alvin
Mize, Harlie L.
Barron, Willard D.
Lewis, Raymond O.
Crain, Harold
Keidel, Charles J.
Jones, Joseph B.
Mueller, Carl C.
Peffley, John F.
Bond, Calvin C.
Schanze, Fred, Jr.
Robinson, James A.
Zenk, Lawrence P.
Edwards, Harry W., Jr.
Creekman, Charles T.
Damon, Stewart W.
Collins, James H.
Duncan, Bryan L.
Chapman, Edgar C., Jr.
Criner, Eugene F.
McKenzie, Harry F. Jr.
Challain, Leonard J.
Britt, Ernest R.
Pollitt, Ernest A.
Miller, John C.
Toomey, John F.
Rigg, Donald C.
Hay, Patrick M.
Bailey, Edward F.
Gallup, Mearl
Worden, Frank N.
Knobel, Roland J., Jr.
Avellone, Francis P.
Kompanek, Andrew J., Jr.
Allen, Paul M.
Nuernberger, Gale W.
Dorion, William E.
McKee, Richard N.
Philion, Thomas F.
Griffith, Stephen S. D.
Potter, William R.
Taylor, Albert T., Jr.
Brooks, Carol H.
Miller, David E.
Craven, Ethridge
Nelson, Warren F.
Peterson, Clarence P., Jr.
King, Edward D.
Sprague, Raymond E.
West, John E.
Sylvest, Robert S.
Applegate, Richard C.
Smith Joseph F.
Graves, Norman C.
Victor, William V.
Petro, John G.
Cherney, Boris "E."
Canalejo, Armando, Jr.
Reese, Lawrence W.
Nichols, Horace E.
Irwin, Harry E.
Smith, Howard W.
Ristan, Albert G., Jr.
Jordan, Robert L.
Swopes, Bart R.
McDaniel, John M.
McElhanon, Byron F.
Hassenger, William E.
Hanson, Ever L.
Simonson, Eldon D.
Martin, Robert W.
Jones, Robert L.
Steele, Warren E.
Klecotka, Carl J.
Schirmer, August A., Jr.
Mandeville, Don C.
Watson, Raymond A.
Mercadante, James A.
Minton, Horace L.
Kilcourse, William R.
Barnett, Edward B.
Pavlick, Marvin S.
Anderson, Oscar M., Jr.
Hein, Joseph J., Jr.
Davis, Albert S.
Xefteris, Zefter C.
Heurich, Robert G.
Hynes, Edward J.
Bundren, Cecil "E."
Barber. Gavle E.
Lundberg, Eugene D.
Cooper, William M.
Boltwood, Chester M.
Radeke, Waldemar H., Jr.
Condon, Thomas P.
Manore, Thomas E.
Adams, Leroy W.
Weihrich, Walter F.
Baccaro, Michael V.
Donahue, Daniel F.
Watson, Lawrence A.
Link, Robert E.
Gallagher, Granville W., Jr.
LaPlante, Robert W.
Polk, William E., Jr.
Warner, Robert J.
Jones, Ivor H., Jr.
Cook, William H., Jr.
Kamps, John H.
Acree, Calvin "H"
Sylvester, Nelson J., Jr.
Quintero, Donald B.
Borchers, Alyn L.
Thompson, Charles E.
Hawley, William F.
White, Francis H.
Kuhlman, Norman H. C.
Mossing, Raymond L.
Kulow, Frederick C.
Flock, Jens B., Jr.
Pavelko, Anthony J.
Drzewiecki, Casimir A.
Lent, Robert E.
Searcy, William C.
Thomas, Matthew L.
Anderson, John J., Jr.
Potts, Stanley W.
Bruening, Paul M.
Cherryman, Rexford R.
Watt, Robert J.
Kammerer, John H.
Galligan, Charles H., Jr.
Goetzmann, John C.
Teichler, Alfred H., Jr.
Butler, Arthur G., Jr.
Horngren, Earl W.
Evans, Stuart J.
Buntain, Robert E.
Frankel, Alan J.
Rossi, Louis P.
Kellogg, Dean L.
Murauskas, William A.
Forbes, James H., Jr.
Shaw, Robert H., Jr.
VanOsdol, Robert C.
McGarry, James F., Jr.
Fowler, George O., Jr.
Fjelsta, John E.
Carlson, John C.
Oller, William M.
Sitz, Raymond W.
Knight, Reed H.
Waller, Thomas C., Jr.
Robinson, Kenneth M.
Urban, John S.
Sloan, Waldo D., Jr.
Gallup, Alton C.
Strott, George G.
Laning, George H.
Longmuir, Edward B., Jr.
Whitlock, Jack H.
Bandish, Bernard J.
McDonald, Thomas O.
Marshall, John F.
Kash, William B.
Sowell, Richard J.
Pate, Walter T., Jr.
Riley, George D., Jr.
Crouch, Perry B.
Marx, James H.
Charette, Author E.
Case, George O.
Fisher, Robert D.
Hatch, James C.
Gaetz, Edward F., Jr.
Keller, Bruce W.
Polk, Robert B.
Hiza, John
DeSanto, James V.
Johnston, Waarren B.
Turnage, Robert E.
DePew, Robert W.
Owen, Frank T. Jr.
Holifield, Arthur W. Jr.
Prehn, John L., Jr.
Allan, Richard T.
Keenan, Joseph I.
Stewart, Donald R.
Rocque, Paul F.
Bollens, Alfred P.
Knipple, John D.
Smith, Carlton B.
Orrill, Donald P.
Shepard, John C.
Tice, "J" Philip
Starbody, John L.
Orr, Raymond J.
Hobkirk, Carl M.
Cohen, John F.
Penny, Larue D.
Butchart, Robert L.
Daniels, Hoyle H., 2d
Thompson, Robert W.
Fronke, Robert E.
Polk, Donald E.
Tippin, Jesse R.
Kennedy, Patrick F.

Primm, Jules R.
Pluto, Raymond J.
Podrouzek, William J.
Wilsie, Roger M.
Kenyon, Floyd O.
Vogel, Robert E.
McMullen, Mervin E.
Bateman, Roger I., Jr.
Hanson, Frank L.
Downey, James G.
Martin, Donald V.
Goldstein, Gerald H.
Prosuch, Charles B.
Fairfield, George W., Jr.
Smith, William C.
Walker, Hinton C.
Pope, George S. Jr.
Harris, Melvin W.
Coon, LeRoy E.
Peck, William G.
Wilhelmi, Edward H.
Johnson, John T.
Chupalio, Anthony F.
Hatton, Roy E.
Hillard, Herbert S., Jr.
Fry, Roy A., Jr.
Johnson, Richard D.
Bigham, Robert G., Jr.
Brown, Lowell E.
Lindsey, Bob R.
Thomason, Vernon D.
Vogel, William J.
Anderson, Vernon H.
Joslin, Harry W.
Welch, Gordon E.
Armstrong, William S.
Cornell, Felix C.
Allen, William Y., Jr.
Buben, George
Newton, Ernest C.
Mullenmeister, William J.
Dietz, Howard M.
Baker, James J., Jr.
Thayer, Ernest C.
Wilson, Dorsey V.
Longmire, Billy R.
Luck, William E.
Gaschen, Frederick S.
Punch, Willard M.
Jongeward, Keith W.
McBroom, William M.
Masterson, James E.
Raney, William O.
Tylman, Frank J.
Long, Samuel M., Jr.
Bridges, "J" Randell, Jr.
Maxon, Ivan B.
Pillar, Samuel A.
Jones, John F.
Nunn, Enoch W.
Walsh, Robert G.
Salter, Richard G.
Kolinsky, Jaromir J.
Day, Robert D.
Holt, Robert O.
Roberts, Maynard R.
Fitzpatrick, Julius W.
Wasko, Andrew J.
Wilson, Robert M.
Ross, Joel E.
Johnson, Karl K.
Widney, Lloyd R.
Kramp, Henry F.
Thompson, Edwin H.
Claussenius, Richard
Honsinger, Jack E.
Hart, Billy W.
Abrams, Bernard
Morland, Robert M.
Ferris, Robert H.
Babler, Richard F.
McKenna, James L.
Selekman, Milton H.
Hoffman, Rex V. L., Jr.
Brennan, Jack M.
Taylor, William L.
Donnelly, Joseph A.
Calcagno, Peter
Peck, Lavern E.
Huntress, James F.
Senulis, Alexander D.
Dellinger, Charley P.
Ronayne, William D.
Snoddy, Charles E.
Nash, William T.
Murray, Paul T.
O'Connor, Thomas J.
Pistner, Robert G.
Rebentisch, Joseph A., Jr.
Burgess, Frederick C.
Duquette, James R.
Truax, Ernest L., Jr.
Cheshure, Joseph H.
Hutchison, Marvin S.
Schultz, Jackson L.
Waldron, William
Fisk, Calvin W.
Weyrauch, Gerald H.
Hency, Max E.
Kyros, Peter N.
Baumgardner, James M.
Heitmeyer, Richard C.
Westin, Paul V.
Lake, Donald H.
Maurstad, Alfred S.
Mereness, Lyman T.
Andrus, Harold R., Jr.
Manion, Uriel V., Jr.
Allshouse, Thomas J.
George, Nevin W.
Park, Jack M.
Perschy, John L.
Heasley, Gail L.
Ortland, Warren H.
Haines, Donald R.
Phelps, Gordon W., Jr.
Hirsch, Sheldon L.
Havener, Millard F.
Bow, Joseph R.
McCabe, John N.
Benson, Bruce A.
Keyser, Carroll R.
Reynders, William J.
Kraus, Walter L.
Rainey, Richard L.
Ouellette, Joseph F.
Hatch, Bobby L.
Stephens, Samuel S.
Reichert, Harold H.
Coughlin, James E. M.
Pflueger, Paul J.
Olin, William C.
Murphy, Thomas F., Jr.
Odell, Jack G.
Chapman, John A., 2d
Whelan, David W.
Ahern, James R.
Evans, Richard M.
Ryder, John K.
Nunnally, Roy S.
Herbert, George A.
Sutherland, Lawrence E., Jr.
Spalding, Joseph E.
Grechanik, Walter
Wills, Thomas J., 2d
Brown, Emlin N.
Simpson, James F.
Little, William D.
Uskievich, Byron
Armlin, James F.
Post, James W.

CHAPLAIN CORPS

Pigott, Charles S.
Snelbaker, James K.
Capers, Keene H.
Kennedy, William T.
Elliott, Calvin H., Jr.
Remias, Joseph L.
Brenneman, Marshal E.
Power, Bashford S.
Spohn, Arnold P.
Trower, Ross H.
Berry, Reginald A.
Morgan, Raymond
Keeley, John A.
Madigan, Edward T.
Radcliffe, Robert W.
Deal, Robert L.
Ray, Milton U.
Shoup, Robert E.
Howland, Barker C.
Forney, Frederic J.
Nerthling, Edwin J.
Dennis, Arthur W.
Nunn, Jack E.
Wolfram, Ernst A., Jr.
Hopkins, Ralph W.
Power, Joseph G.
Collin, Thomas L. H.
Herrmann, Theodore C.
Lavin, Henry T.
Widman, John A., Jr.
Szczesny, Charles A.
Cloonan, Joseph F.
Hutcheson, Rich G., Jr.
Webb, Charles E.
Mershon, Carroll M.
Chase, Richard P.
Killeen, Patrick A.
Keaney, Kevin J.
Rossbach, George F.
Rademacher, Glen A.
Hayes, Jack W.
Schnick, Homer L.
Zoller, John E.
Abucewicz, John A.
Fay, John P.
Bakker, Peter J.
Davis, Benjamin J.
Hearn, William M.
Griffin, Cornelius J.
Brown, Jonathan C., Jr.
McCarthy, Eugene W.
Connolly, Homer T.
Hickey, Bernard L.
Goodman, Carson
Below, Ralph W.
Long, Bradford W.
Kensta, Felix L.
Arnold, Charles L.
Bingaman, George C.
Lineberger, Ernest R.
Ward, Leo D.
Dunn, Edward J.
Limanowski, Stanley C.
Powell, Willie D.
Hammerl, Paul C.
Duncan, Henry C.
O'Brien, Joseph C.
Anderson, Robert E.
Caldwell, Ralph C.
Hunter, William M.
Riley, George B.
Hoar, Martin J.

CIVIL ENGINEER CORPS

Cobb, Harold E.
Seibel, Roy K.
Meyer, George M.
Hammer, John G.
Marquardt, Dean K.
Manley, Robert B.
Padden, Thomas J., Jr.
Mitter, Wayne S.
Rogers, William R.
Abbott, Allen W.
Julian, James B.
Wilcox, Romeo E.
Patrick, Jason M.
Cushman, Townsend H., Jr.
Cunning, David P.
Laurenzano, Frank M.
Eding, Lawrence H.
Hansen, Bernard L.
Divoll, Richard L.
Flynn, David L.
Blevins, "W" "J"
Galbraith, Frank W.
Mitchell, Richard D.
Theriault, John P.
Gault, Alan C.
Bixby, Paul
Allen, John C.
Michaud, Emil T.
Bartlett, Robert B.
Kirk, Randolph
Arduini, Nando A.
Snow, Arthur W.
Souder, Charles L.
Draves, Albert W., Jr.
Peacock, Francis B.
Mueller, William A.
Gregory, George W., Jr.
Roy, Vershall A.
Doyle, Paul J., Jr.
Heuston, Robert H.
Reeve, John J., Jr.
Diehl, Charles E.
Jones, Whitney B.
Miller, Charles G., Jr.
Seitz, Carl R.
Hanley, John T.
O'Neill, Lawrence F.
Yount, George R.
More, David C.
Kitterman, Douglas T.
Bracey, William R.
Burton, George W.
Van Leer, Blake W.
Iselin, Donald G.
Van der Wolk, Walter W., Jr.
Saunders, Edward M.
Farley, Robert J.
Forquer, Charles J.
LaLande, Albert M., Jr.
Acuff, James T.
Francy, William J.
Spangler, William S.
Mabbitt, Robert C.
Brantner, William B.
Walton, Albion W., Jr.
Mascenik, John
Paletti, Arthur V.
Devlin, John G.
Kaloupek, William E.
Ashley, Donn L.
Perkins, William L.
Petersen, John H.
Hediger, Fritz H.
Coyer, Charles B.
Boyd, Earl I.
Livingston, George E.
Patrick, Donald A.
Dearth, Keith H.
Stiffler, Lloyd E., Jr.
Baker, Carlyle J., Jr.
Jasper, Paul R.
Vaughan, James H., Jr.
Klingenmeier, Russell J., Jr.
Heglund, Robert Q.
Zirzow, Charles F.
Dexter, Philip R.
Phelps, Harold B., Jr.
Morgan, Joseph E.
Carrillo, Carl F.
Merritt, Harold W., Jr.
Sturman, William H.
Daub, Leland A.
Allen, Max H.
McFarland, Cecil W.
Moore, Charles G., Jr.
Paul, Edwin C.
Powell, Joseph E.
Whyte, David P.
Hudson, Richard I.
Koonce, Stephen J.
Briggs, Fred M.
Burkman, Eugene E.
Chloupek, Carl C.
Thompson, Keith R.
Arn, John A. M.
Colbert, Raymond D.
Dalton, Donald F.
Jones, Malcolm S., Jr.
Snyder, Donald C.
Magneson, Norman J.
Vivoli, Pierre L.
Tarran, David G.
Umble, George R.
Healy, John J.
Lemmon, William R.
Cole, Marvin L.
Burfield, James A.
Walls, Worthen A.
Flippen, Homer W.
Mallory, Charles W.
Goetzke, George A., Jr.
Miles, Bert H.
Young, Robert C.
Locke, Harry A.
Michael, Edwin M.
Moffat, Robert E.
Rautenberg, Carl N.
Hill, James M., Jr.
Dunnells, Robert E.
Ruppel, Henry D.
Williams, Thomas C.
Stacey, Ernest R.
Dill, Allen F.
Johnson, William M., Jr.
Fisher, John R.
Rumble, James D.
Puddicombe, Robert W.
Feinman, David M.
Russell, William F., Jr.
Lennox, Frederick E.
Otto, Carl W.
Gaddis, Paul O.
Barron, William W.
Andrews, James D.
Williams, Richard C.
Sears, Kenneth P.
Merrill, Bergen S., Jr.
Dietrich, Neff T., Jr.
Hoskins, Dalton
Ellis, Darl A.
Burch, Bobby F.
Cochran, Joseph D.
Timberlake, Lewis G.
Bresett, Charles K.
Stapelfeld, Johann F.
Ward, Howard T.
Woods, Kenneth G.
Ross, Willard A.
Malvin, David W.
Schneider, Robert J.
Anderson, Emmet D.
Nichalson, Leroy F.
Alberts, Carl D.
Wallace, Billy C.
Mulder, William H.
Marron, James P.
Nuss, Edward S.
Pickett, Eugene L.
Smith, Donald E.
Ledoux, John C.
Butler, Charles W.
Rasmussen, John W.
Miller, Robert H.
Martin, James A.
Dunn, Robert H. P.
Hufft, John C.
Jortberg, Robert F.
Shockey, Daniel N.
Cahlil, Harold P.
Monaghan, William E.
Baker, Bradley L.
Simonson, Nelson C.
Litke, Robert A.
Gentry, William W.
Dewey, Elliot A.
Perkins, Anson G.
Curione, Charles
Wilson, William D.
Bothwell, John R.
Stroh, Alfred, Jr.
Floyd, Archie E.
White, Lawrence M.
Buck, Robertson W.
McCoy, Arley E., Jr.
Butterfield, Ossian R.
Trompeter, Richard W.
Portner, Eugene M.
Reed, William F., Jr.
Dmoch, Telofil
Dennis, Johnnie C.

DENTAL CORPS

Graham, Will F.
Gumm, Blayne A.
Pabios, Tomas C.
Welden, Robert B.
Staples, William R.
Johnson, Van L., Jr.
Rumming, Ray C.
Carter, William J.
Giammusso, Anthony P.
Robinson, Jack W.
Lynds, Charles W.
Cordonier, Louis H.
Williams, Leonard E.
Naser, James E.
Grossman, Frank D.
Traeger, Kimble A.
Bancroft, John A., Jr.
Colby, Gage
Rinck, Theodore J. H.
Neskow, Robert S.
Knapp, Victor P.
D'Vincent, Richard "C"
Troxell, Richard R.
Blackwell, Richard T.
Brauer, Frank J.
Mazzarella, Maurice A.
Hagerman, Wade H., Jr.
Hicks, Henry H.
Naylor, Merlin E.
Monroe, William A., Jr.
Blanton Everett B., Jr.
Hodder, Edwin J.
Rives, Robert C.
Firestone, Dale L.
Courage, Guy R.
Gaver, Oren H., Jr.
Batchelder, Richard M.
Parry, Donald E.
Snyder, James H.
Evans, Floyd G.
Webre, Harvey P.
Vague, Curtis J.
Jones, Everard F., Jr.
Hermsmeyer, Melvin L.
Kratochvil, Frank J., Jr.
Benson, Lambert A.
Ulrich, George, Jr.
Rigterink, Ray A.
Quilter, Ward E., Jr.
Smith, Roland C.
Nystul, Oliver G.
Koch, John A.
Peterson, William A.
Ellis, Frank N.
Davies, Ernest E.
Marmarose, Frank A.
Hardwick, John W.
Hay, Richard S.
Calton, Melvin L.
Kovacs, William B.
Fairchild, Robert E.
Kohler, Milton C.
Besbekos, George A.
Bassett, Donald R.
Selfridge, George D.
Heyen, Aloys D.
Marble, Howard B., Jr.
Prince, Clifford H., Jr.
Kramer, Howard S., Jr.
Sorenson, Adrian E., Jr.
Pentecost, John W.
Gossom, John N.
Sobieski, Edward F.
Peachey, James B.
Fedi, Peter F., Jr.

DeLaurentis, Carlo A.
Shaw, Jay D.
Alexander, Perry C.
Bertucci, Alvin C.
Boyne, Philip J.
Buckley, Frank D.
Perkins, Robert R.
Sharp, Ben C.
Hoerman, Kirk C.
Rogers, William J., Jr.
Bursey, Don C.
Smith, Alan E.
Howard, Robert A.
Silbertstein, Victor H.
Donnenfeld, Oscar W.
Myrio, Donny A.
Holmes, Corey H.
Clark, Brent E., Jr.
Nelson, Jack D.
Taber, Donald S.
Green, George H.
Stockton, James A.
Stephenson, Thomas D.
Samuels, Homer S.
Jasper, William J.
Koester, Frederick W., 3d
Bartlett, Stephen O.
Cox, June L.
Parent, John E.
Timberlake, Robert W.
Cuprak, Lucian J.
Lehmann, William C.
Reed, Darwin M.
Mahoney, Jack D.
Woodworth, George K.
Gregory, Worth B., Jr.
Byers, Milton F.
O'Malley, John E.
Echols, Archie D., Jr.
Wiley, Leo J.
Koppes, Paul A.
Perdue, George W.
Chap, Bernard
Follmar, Kenneth E.
Elliot, Robert W., Jr.
Johnson, "C" Paul, Jr.
Zeigler, Paul E.
Shock, Norman R.
Ruel, William A.
Brown, Edward H.
Finnegan, Frederick, J.
Mann, William H.
Legendre, Robert F.
Wilkens, Carl H., Jr.
Sachs, Samuel J.
Jacobs, Richard F.
Snyder, Louis F., Jr.
Sanquist, George E.

MEDICAL SERVICE CORPS

Martorano, Joseph J.
Edge, Cary O.
McDonald, James T., Jr.
Mendrala, Emanuel
Carroll, Charles A.
Hoche, Herman E.
Thompson, Henry A.
Abernethy, Odell S.
Bing, John H.
Morel, Eugene J.
Pellarin, Victor L.
Pedersen, Arthur S.
Rogers, Arthur L.
Winnie, Roy E.
Anderson, William F.
Rice, Kenneth V.
Bennett, Paul B.
Mayberry, Frank L.
Wade, Daryle A.
Essman, Frederick B.
Brown, Jack R.
Bruce, Frank A.
Bricks, Bernard N.
Thompson, Charles R.
Bonnell, Theodore V.
Phillippi, Fred E.
Baker, David H.
Bolster, Richard L.
Wallace, Calvin "F"
Atkinson, James O.
Manley, Woodrow C.
Tipton, Stewart P.
Chapdelaine, Jack A.
McLellan, David J.
Shepherd, William H.
Eastman, Robert W.
Boyd, Thomas A., Jr.
Powell, Preston L.
Longest, Nova
Hollis, Thomas L.
Raybourn, Byron C.
Guidry, Joseph A.
Coggburn, Manfred W.
Marsden, William E.
Fennell, Chester C.
Sinclair, Harry E.
Tunks, Omar A.
Haggard, Lucian L.
Russell, Joe W.
Brooks, Euris J.
Miles, Thomas J.
Cannon, Robert L., Jr.
LeBleu, Harry W.
Hopson, Claude T.
Smith, Robert L.
Sabbag, George J.
Chapman, William H.
Parker, James H.
Bohannan, Ray
Carter, Charles H.
Rowe, Abner P., Jr.
Miller, Lloyd W.
Baldridge, Henry D., Jr.
Edlund, Raymond A.
Civiello, Harold J.
Broulik, Frank
Combs, Harrison T.
Sorger, Frank J.
Lasco, John, Jr.
McDonald, John P.
Tompkins, Franklin H.
Klostermann, Wolfgang E.
Allen, Robert V.
Smith, Forbes H.
Ray, Jewell P.
Caldwell, Charlie C.
Mason, Edwin R.
Colman, Frederick R.
Anderson, William S.
Burr, Leonard W.
Moore, Daniel D.
Young, John L.
Kelly, Joseph A.
Lee, Ulyses O.
Ethridge, John W.
Clauss, Edward L.
Tennille, Robert M., Jr.
Mason, Anderson T.
Smith, Orville E.
Garrett, John L.
Traxler, James A.
Patton, Walter K.
Cox, Walter R.
Schurhammer, Josep W.
Von Radesky, Horace
Comstock, Melvin A.
Sullivan, John J.
Meade, Charles D.
Stutler, David R.
Joslin, Leslie H.
McMillin, Charles R.
Deriso, Dominic J.
Armitage, Horace G.
Damron, James C.
Allen, Cleo R.
Henry, Girton H.
Goin, Harvy B.
Zellmann, Earl G.
Cartier, William L. G., Jr.
Hunter, Russell E.
Ricker, Robert E.
Wooldridge, Melvin A.
Rafferty, Raymond B.
Conaway, Theodore H., Jr.
Hook, John M.
Ware, Robert M.
DeAtley, James M.
Kentner, Robert W.
Noble, Howard F., Jr.

NURSE CORPS

Smith, Stanislaus J.
Pepin, Gabrielle R.
Reese, Irvie L.
Dwenger, Margaret E.
Hayden, Gayle
Dilley, Margaret H.
Upchurch, Ouida C.
Hutchinson, Ruth M.
Ettlinger, Ruth I.
MacNeil, Hester F.
Grosz, Mary C.
Hays, Vora E.
Burris, Sara J.
Petersen, Irene L.
Sternfeld, Eula B.
O'Brien, Frances G.
Metz, Anna R.
Pohlman, Janet I.
Connor, Marian H.
Gilmore, Celia P.
Mast, Ina M.
St. John, Elizabeth
VanWinkle, Ruth B.
Loughrey, Florence I.
McKearly, Georgia M.
Meckes, Maurine M.
Doyle, Margaret E.
Finney, Lucille F.
Loyd, Eunice
Bartlem, June M.
Lewis, Mabel I.
Miller, Mabel M.
Darling, Mary E.
Canary, Catherine C.
McAlpin, Harriet P.
Leggett, Margaret E.
Thompson, Kathryn L.
Harwood, Lillie M.
Wanamaker, Mary H.
Butler, Anna T.
White, Muriel M.
Crowell, Alice M.
Pikutis, June
Killebrew, Gertrude W.
Finn, Mary V.
Doyle, Celia G.
O'Donnell, Eileen M. Z.
Pinter, Julia R.
Collins, Christine G.
Rasmussen, Charlotte S.
Gearing, Mary V.
Reginelli, Rosa M.
Slowik, Helen
Marshall, Alice Z.
LeClair, Marie Y.
Fidler, Louise M.
Maxwell, Thelma F.
Shea, Cecelia J.
Dewar, Natalie M.
Bunker, Gladys E.
Lundquist, Elaine B.
Morin, Aline E.
Stafford, Wilhelmina H.
Heffernan, Eileen M.
Hurst, Patricia
Kuconis, Stephanie
Stegmaier, Madeline
Davis, Rachel M.
Hare, Doris M.
Lenz, Edna C.
Carmack, Velma I.
Dauria, Gloria V.
Cave~, Muriel R.
Hurst, Evelyn H.
Pantalone, Gloria A.
Steinmetz, Anna M.
Cottrell, Sallie E.
Reback, Frances
Clark, Elizabeth E.
McAteer, Kathleen
Aldrich, Elizabeth E.
Kopecky, Cecile "E."
Turner, Mary E.
Haviland, Barbara
Kratz, Hedwig L.
Demay, Eleanor M.
Sieland, Rita A.
Andrews, Lois A.
Donovan, Eleanore A.
Bales, Josephine F.
Troyan, Dorothy M.
Baines, Lillian E.
Peterson, Corinne F.
Carville, Elizabeth C.
Williamson, Yolande A. J.
Devoe, Edith M.
Ince, Melanie
Gaffney, Elizabeth G.
Jacobson, Frances J.
Rennock, Eleanora W.
Voth, Rita B.
Mele, Mary V.
Kahle, Helen D.
Ambach, Barbara L.
Naegle, Norma F.
Karn, Patricia A.
O'Barto, Waldena
Fugger, Mildred
Stapleford, Elizabeth J.
McGrath, Rose M.
Wood, Weece
Revis, Marjorie J.
Philipone, Anna
Derocco, Elizabeth M.
Lariviere, Margaret
Johnson, June G.
Murray, Betty J.
Papp, Gizella
Dzikewicz, Leokadra
Dixon, Nora L.
Lambros, Stella M.
DeFilippo, Margaret
Sekin, Helen
Bohn, Phyllis K.
Lane, Ira L.
Vought, Esther J.
Perry, Bessie M.
Thompson, Norma J.
Marshall, Evelyn L.
Bierma, Margery G.
Humphrey, Ruth M.
Houghton, Arline D.
Fritz, Bella M.
Eastin, Virginia A.
Johnson, Marie R. H.
Carmine, Barbara E.
Podosek, Sophie A.
Haule, Amalia
Richards, Margaret R.
Martin, Ruth W.
Rusnak, Elsie M.
Robinson, Margaret A.
Averyt, Betty T.
Simicich, Virginia
Brady, Eleanor M.
Thompson, Esther M.
Felts, Agnes W.
Sharp, Louise W.
Taurish, Barbara L.
Ryan, Margaret M.
Martin, Helen F.
Wujcik, Irene
Cornelius, Dolores
Hovis, Vila J.
Smith, Veronica
Burlon, Anna J.
Hoover, Joyce J.
Marsh, Kathleen
Connors, Irene M.
Emery, Lura J.
Furst, Jean L.
Feagin, Lenore S.
Phillips, Florence L.
Venverloh, Dorothy J.
Watt, Dorothy M.
Dobbs, Shirley A.
Gillmann, Annabell B.
Ward, Kathleen E.
Weber, Helen M.
Masure, Anna B.
Hathaway, Imogene
Mangold, Floy G.
Harrell, Mary W.

The following-named officer of the line of the Navy for permanent promotion to the grade of lieutenant (junior grade), subject to qualification therefor as provided by law:

Ricci, John A.

CONFIRMATIONS

Executive nominations confirmed by the Senate July 30 (legislative day of July 2), 1954:

POSTMASTERS

ALABAMA

Marion C. Sparks, Alabaster.
Virgil B. Huff, Brundidge.
Shelvin R. Spearman, Cedar Bluff.
James T. Easterling, Clio.
George L. Oakley, Columbia.
Hermon G. Williams, Sr., Decatur.
Donald Holt, Florence.
Burean Hanson, Foley.
Ray F. Hinds, Helena.
Robert M. Pike, Marbury.
Taylor H. Henry, Mobile.
Joseph Edwin Farnell, Navco.
Louie F. Butts, Salem.
Joel L. Lovett, Silura.
Frank J. Leutner, Jr., Summerdale.

IN THE ARMY

TEMPORARY APPOINTMENTS IN THE ARMY OF THE UNITED STATES TO THE GRADES INDICATED UNDER THE PROVISIONS OF SUBSECTION 515 (C) OF THE OFFICER PERSONNEL ACT OF 1947

To be major general

Brig. Gen. Charles Ernest Loucks, O6949.

To be brigadier generals

Col. Mack Macon Green, O16539, Medical Corps.
Col. Arthur Letcher Irons, O16526, Dental Corps.
Col. James Glore, O28758.
Col. John Robert Burns, O16509.
Col. Robert Vernon Lee, O2882.
Col. Marshall Stubbs, O17706.

PROMOTIONS AND APPOINTMENTS IN THE ARMY OF THE UNITED STATES

The nominations of Donald I. Abbott and 2,343 other officers for promotion or appointment in the Regular Army of the United States, which were confirmed today, were received by the Senate on July 17, 1954, and appear in full in the Senate proceedings of the CONGRESSIONAL RECORD for that date, under the caption "Nominations," beginning with the name of Donald I. Abbott, which is shown on page 10810, and ending with the name of J. W. Woodbeck, which appears on page 10818 of the RECORD.

UNITED STATES AIR FORCE

The following-named officers for temporary appointment in the United States Air Force under the provisions of section 515, Officer Personnel Act of 1947:

To be major generals

Brig. Gen. George Ferrow Smith, 380A.
Brig. Gen. John Walker Sessums, Jr., 489A.
Brig. Gen. Wycliffe Eugene Steele, 491A.
Brig. Gen. Floyd Bernard Wood, 500A.
Brig. Gen. Thetus Cayce Odom, 554A.
Brig. Gen. Millard Lewis, 561A.
Brig. Gen. Joe William Kelly, 612A.

To be brigadier generals

Col. James Keller DeArmond, 257A.
Col. John Gordon Fowler, 477A.
Col. Norman Delbert Sillin, 501A.
Col. James Presnall Newberry, 530A.
Col. Donald Linwood Hardy, 618A.
Col. Laurence Browning Kelley, 651A.
Col. Harley Sanford Jones, 828A.
Col. Lester William Light, 887A.
Col. Jermain Ferdinand Rodenhauser, 933A.

Col. Jack Roberts, 1134A.
Col. Noel Francis Parrish, 1143A.
Col. Charles Milton McCorkle, 1224A.
Col. Bertram Cowgill Harrison, 1425A.
Col. Edwin Shepard Chickering, 1474A.
Col. Harold Ernest Watson, 1520A.
Col. Kenneth Hodder Gibson, 1775A.
Col. Keith Karl Compton, 1849A.

IN THE NAVY

The nominations of Mary T. Baker and 124 other officers for temporary or permanent appointment in the Navy, which were confirmed today, were received by the Senate on July 15, 1954, and may be found in full in the Senate proceedings of the CONGRESSIONAL RECORD for that day, under the caption "Nominations," beginning with the name of Mary T. Baker, which appears on page 10629, and ending with the name of Louis Huszer, Jr., which is shown on page 10630.

HOUSE OF REPRESENTATIVES

FRIDAY, JULY 30, 1954

The House met at 11 o'clock a. m.

Rev. Canon John Malinowski, of Argentina, South America, offered the following prayer:

Almighty and eternal God, in this moment of prayer we are seeking Thy mercy and justice.

Bless the President, Speaker, Congress, the great people, and the gallant soldiers of these United States of America.

O Lord, You who were crucified because of Your love for mankind, hear the supplications of Your children, oppressed by the Communist tyranny.

May Thy wisdom, O God, lead this House which carries such a tremendous responsibility on its shoulders. Millions of suffering people behind the Iron Curtain look to this deliberative body as the main seat of Christian legislation. Thousands of contemporary martyrs are dying today for the common ideals and principles of our civilization.

Grant, O God, that they may regain as soon as possible their human dignity and the natural right to liberty, and that they may enjoy the liberties of the people of this great democratic country for Thy eternal glory. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Ast, one of its clerks, announced that the Senate had passed concurrent resolutions of the following titles, in which the concurrence of the House is requested:

S. Con. Res. 97. Concurrent resolution to print additional copies of part 6 of the hearings held before a subcommittee of the Committee on Interior and Insular Affairs relative to stockpile and accessibility of strategic and critical materials to the United States in time of war;

S. Con. Res. 98. Concurrent resolution to print additional copies of an interim report entitled "Activities of United States Citizens Employed by the United Nations"; and

S. Con. Res. 99. Concurrent resolution to print additional copies of hearings entitled "Strategy and Tactics of World Communism."

The message also announced that the Senate agrees to the amendments of the House to bills and a concurrent resolution of the Senate of the following titles:

S. 2371. An act to extend emergency foreign merchant vessel acquisition and operating authority of Public Law 101, 77th Congress, and for other purposes;

S. 3683. An act to amend the District of Columbia Credit Unions Act;

S. 3713. An act to give effect to the International Convention for the High Seas Fisheries of the North Pacific Ocean, signed at Tokyo, May 9, 1952, and for other purposes; and

S. Con. Res. 102. Concurrent resolution to make corrections in the enrollment of H. R. 7839.

The message also announced that the Senate agrees to the amendments of the House of Representatives numbered 2 and 4 to the bill S. 3137 entitled "An act to make the provisions of the act of August 28, 1937, relating to the conservation of water resources in the arid and semiarid areas of the United States, applicable to the entire United States, and to increase and revise the limitation on aid available under the provisions of the said act, and for other purposes":

Be it further

Resolved, That the Senate agree to the amendment of the House numbered 1 with an amendment as follows: After the word "farming" insert a comma: Be it further

Resolved, That the Senate agree to amendment numbered 3 with an amendment as follows: In line 6, strike out the word "improvement" and insert the word "improved."

The message also announced that the Senate agrees to the reports of the committees of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 8300) entitled "An act to revise the internal revenue laws of the United States."

The message also announced that the Senate agrees to the reports of the committees of conference on the disagreeing votes of the two Houses on the amendments of the House to bills of the House of the following titles:

S. 3344. An act to amend the mineral leasing laws and the mining laws to provide for multiple mineral development of the same tracts of the public lands, and for other purposes; and

S. 3458. An act to authorize the long-term time charter of tankers by the Secretary of the Navy, and for other purposes.

HATE PROPAGANDA THROUGH THE MAILS

Mr. JAVITS. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. JAVITS. Mr. Speaker, there will appear in the RECORD the reply of the Postmaster General to my resolution of inquiry, House Resolution 632, introduced July 14, 1954.

I sought by the resolution to ascertain from the Postmaster General the extent of the hate propaganda—antireligious, anti-Catholic, anti-Protestant, and anti-Semitic—which was going through the mails not only from domestic sources but from outside the country as well. I named in House Resolution 632, 10 specific publications upon which I sought information. The attached letter from the Postmaster General seeks in the main to answer those questions.

It is clear from the letter and enclosures that there is at present no remedy available at law to prevent the mailing of publications, both within and outside the country, in any of the classes of mail—first, second, or third class—of hate propaganda, consisting of false statements, false reports, and statements urging the violation of constitutional guaranties, intended to breed ill-will against racial or religious groups as such, although indeed this type of propaganda comes within the spirit of the material which is prohibited by law from being carried through the mails and which is referred to in the letter of the Postmaster General.

The efforts being made by hate mongers and bigots seeking to promote anti-religious, anti-Protestant, anti-Catholic, and anti-Semitic sentiments by materials sent through the mails, under the fraudulent guise of participation in the anti-Communist struggle requires the real concern of the Congress. I believe that legislation to deal with this subject, certainly insofar as the mails are being used, is logical and necessary. The Federal Government should be capable of seeing that its facilities are not abused and exploited for purposes so contrary to free institutions and the deep convictions of the overwhelming majority of the people of our country.

The case of Beauharnais against Illinois, decided by the United States Supreme Court on April 28, 1952, sustained the constitutionality of legislation making unlawful the libel of a racial or religious group.

PROVIDING METHOD FOR COMPENSATING CLAIMS FOR DAMAGES AS THE RESULT OF EXPLOSIONS AT TEXAS CITY, TEX.

Mr. JONAS of Illinois. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 9785) to provide a method for compensating claims for damages sustained as the result of the explosions at Texas City, Tex.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Army or such person as he may designate shall investigate and settle claims against the United States for damages for property loss, death, personal injuries, and insurance subrogation payments proximately resulting from the disaster at Texas City, Tex., on April 16 and 17, 1947.

SEC. 2. (a) Claimants shall submit their claims in writing to the Secretary of the Army, under such rules as he prescribes, within 180 days after the date of enactment of this act.

(b) The Secretary of the Army shall promulgate and publish rules of procedure for

handling the claims referred to in section 1 within 60 days after the date of enactment of this act. He shall determine and fix damages, if any, in each claim within 12 months from the date on which the claim was submitted.

SEC. 3. (a) It is the intention of the Congress that persons, firms, companies, associations, and corporations sustaining damages proximately resulting from the Texas City disaster shall be compensated for such damages within the limits provided herein. The Secretary of the Army shall limit himself to the determination of (1) the amount to be allowed and paid pursuant to this act, and (2) the persons, firms, companies, associations, and corporations entitled to receive the same.

(b) Except as otherwise provided herein, in carrying out the provisions of this act, the Secretary of the Army shall be governed by the law of the State of Texas.

SEC. 4. Claims for damages based on death shall be submitted only by persons or their legal representatives authorized to sue for wrongful death under the revised statutes of the State of Texas. No claim under this section shall be approved by the Secretary of the Army in an amount in excess of $10,000.

SEC. 5. (a) Payments approved by the Secretary of the Army, other than payments to subrogated insurers pursuant to subsection (b) of this section, shall not be subject to subrogation claims in any respect.

(b) In addition to payments approved under subsection (a) of this section, the Secretary of the Army shall approve for payment claims of subrogated insurers in sums not to exceed 50 percent of the amounts paid out by said insurers to beneficiaries pursuant to contracts of insurance. Such contracts of insurance shall be those by which the insurers, pursuant to the law of the State of Texas, are subrogated to the rights of the insured.

SEC. 6. The Secretary of the Treasury shall pay out of moneys in the Treasury not otherwise appropriated, in full settlement, the claims referred to in this act in the amounts approved for payment by the Secretary of the Army.

SEC. 7. A payment made under the provisions of section 6 shall be in full settlement and discharge of all claims against the Government of the United States.

SEC. 8. The Secretary of the Army shall require assignment to the United States of any right of action against a third party arising from the property damage, death, personal injuries, and subrogated insurance claims with respect to which settlement is made.

SEC. 9. The Secretary of the Army shall, 24 months after the date of enactment of this act, transmit to the Congress—

(a) a statement of each claim submitted to the Secretary of the Army in accordance with this act which has not been settled by him, with supporting papers and a report of his findings of facts and recommendations; and

(b) a report of each claim settled by him and paid pursuant to section 6. The reports shall contain a brief statement concerning the character and justice of each claim, the amount claimed, and the amount approved and paid.

SEC. 10. No attorney or agent on account of services rendered in connection with each claim shall receive in excess of 15 percent of the amount paid, any contract to the contrary notwithstanding. Whoever violates the provisions of this section shall be fined not to exceed $5,000.

SEC. 11. If any particular provision of this act or the application thereof to any person or circumstance, is held invalid, the remainder of the act shall not be affected thereby.

Mr. JONAS of Illinois. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. JONAS of Illinois: Strike out all of the language of section 5 after the section number and insert in lieu thereof the following:

"(a) Payments approved by the Secretary of the Army on death claims, other than payments pursuant to subsection (c) of this section, shall not be subject to insurance subrogation claims in any respect.

"(b) In determining the amounts of payment to be approved for property loss or personal injuries to claimants other than subrogated insurers, the Secretary of the Army shall take into consideration insurance benefits previously paid on the losses or injuries by insurance companies.

"(c) In addition to payments approved under subsections (a) and (b) of this section and except as otherwise limited by section 4, the Secretary of the Army shall approve for payment claims of subrogated insurers in sums not to exceed 50 percent of the amounts paid out by said insurers to beneficiaries pursuant to contracts of insurance. Such contracts of insurance shall be those by which the insurers, pursuant to the law of the State of Texas, are subrogated to the rights of the insureds or their beneficiaries."

The amendment was agreed to.

Mr. CURTIS of Massachusetts. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CURTIS of Massachusetts: On page 2, line 2, section 2 (a) is amended by striking out the period at the end of the sentence and adding the following provision: *"Provided,* That no claims shall be approved for payment by the Secretary of the Army unless it shall appear to his satisfaction that such claim was a part of a civil action filed against the United States in a United States district court prior to April 25, 1950: *Provided further, however,* That the Secretary of the Army for good cause shown may waive the limitation date of April 25, 1950, where it is shown that the claimant for reason of infancy, insanity, or other reason was unable to bring such civil action."

Mr. JONAS of Illinois. Mr. Speaker, the amendment has been submitted to me and to the other members of the committee, and in its present form it is acceptable to us. I inquire whether it would be acceptable to the other side in its present form.

Mr. RODINO. Mr. Speaker, if the gentleman will yield, the amendment is acceptable to this side. The gentleman from Massachusetts [Mr. LANE], handling the bill for the minority, is very conversant with this problem, and he has no objection to the amendment.

The SPEAKER. The question is on the amendment offered by the gentleman from Massachusetts [Mr. CURTIS].

The amendment was agreed to.

Mr. JONAS of Illinois. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. JONAS of Illinois. Mr. Speaker, H. R. 9785 is a bill introduced pursuant to a detailed investigation of the facts and circumstances surrounding the cause and effect of the Texas City explosion that occurred on April 16 and 17, 1947. The investigation was made by a special subcommittee of the House Judiciary Committee.

The bill contains 11 sections, and is specifically designed to provide ways and means for compensating any and all claimants who sustained losses or damages as a result of the explosion at Texas City, Tex. The bill also sets forth the mechanics or method to be pursued to determine what, if any, damages were sustained, and the plans and procedure to be followed in determining the amount of the damages and the merits or demerits of the respective claims—and in the event the claims are allowed, the source from which they are to be paid.

The Secretary of the Army, or such persons as he may delegate, is charged with the responsibility of investigating and settling claims against the United States Government for damages growing out of property loss, death, personal injuries, and insurance subrogation payments proximately resulting from the disaster.

Section 2 of the bill fixes the time, manner, and form by and through which claims are to be presented, and a limitation placed upon the Secretary of the Army relative to the disposition of the claims submitted to him.

Section 3 places a limitation on the amount of damages he may award to any persons, firm, company, association, and corporations entitled to receive the same. Also, that in carrying out the provisions of this act, the Secretary of the Army shall be governed by the law of the State of Texas.

Section 4 limits the amount of damages to be awarded for wrongful death, and limits the right to file death claims to that of persons or their legal representatives authorized to sue for wrongful death under the revised statutes of the State of Texas.

Section 5 authorizes the Secretary to approve payment of claims of subrogated insurers in sums not to exceed 50 percent of the amount paid out by said insurers to beneficiaries pursuant to their contracts of insurance.

Section 6 provides for payment of such claims.

Section 7 provides for the release of the Government of the United States upon payment of the claims.

Section 8 places upon the Secretary of the Army the obligation to obtain assignments to the United States of any right of action against a third party arising from property damage, death, personal injuries, and subrogated insurance claims.

Section 9 directs the Secretary of the Army within 24 months after the date of enactment of this act to submit to the Congress a statement of each claim processed by him, and which has not been settled, and such statements should be accompanied with supporting papers and a report of his findings of facts and recommendations, and to make a report of each claim settled by him and paid pursuant to section 6 of this act.

Section 10 limits the attorneys' fees to be recovered up to 15 percent.

Section 11 provides that if any provision of this act or the application thereof is held invalid, the remainder of the act shall not be affected thereby.

In order to more fully comprehend what took place at the time of the explosion, it may not be remiss at this time to cite a few of the details in connection therewith.

The disaster occurred in Texas City, Tex., on April 16 and 17, 1947, and was of such magnitude and proportion as to be almost beyond the reach of human comprehension. It is not disputed that the disaster was man-made. The disaster occurred as a result of the explosion of an inherently dangerous material manufactured, packaged, shipped, and controlled by the United States Government, earmarked and labeled fertilizer. Loaded bags of ammonium nitrate fertilizer stowed for overseas shipment in the holds of two ships at the docks in Texas City blew up.

At least 570 persons perished in the disaster, and about 3,500 more suffered injuries. Damage to private properties amounted to millions of dollars.

The fertilizer which exploded was destined for France, and was part of a fertilizer shipment project through which the United States was seeking to carry out a program of foreign aid to various war-ravaged and famine-stricken areas overseas.

Following the explosion, a consolidated lawsuit, comprising over 300 actions, was instituted in the name of some 8,500 claimants against the United States under the Federal Tort Claims Act in the United States District Court for the Southern District of Texas. At the conclusion of the trial, the district court, found the issues in favor of the plaintiffs, and against the defendant, the United States Government. The court found the Government liable on both the facts and the law. Among the numerous findings of fact, was one by the court that the ammonium nitrate fertilizer was an inherently dangerous explosive, and that the Government was negligent in failing to fully test its properties to determine the extent of its dangerous characteristics. The trial court also found that the Government controlled, or had the power to control, the entire project, and that it was negligent not only in producing the fertilizer, but also the manner in which it prepared the material for shipment, and that each shipment of such fertilizer was a dangerous public and private nuisance.

From the verdict entered in the United States district court, the Government appealed to the Circuit Court of Appeals of the Fifth Circuit, where the case was unanimously reversed. From this decision the plaintiffs sought and obtained a writ of certiorari to the Supreme Court of the United States, where the decision of the court of appeals was affirmed by a division of 4 judges to 3.

Both appeals courts based their decisions on that of the construction and interpretation of section 2680 of the Federal Tort Claims Act. The Supreme Court, through its majority decision, decided as a matter of law that the acts of negligence as found by the district court were performed in the exercise of a discretionary function, and that the Federal Tort Claims Act exempted the Government from tort liability for errors made in the exercise of discretionary functions.

In brief, the Supreme Court held that even if the Government was negligent, it could not, because of the wording of the Tort Claims Act, be sued for its actions which resulted in the Texas City disaster. In compliance with the Supreme Court's majority decision, it is apparent that the courts could not take jurisdiction over the claims that had been enumerated in the trial court. Consequently, the people who suffered damages by reason of death or injuries to persons or property in the Texas City disaster, were placed in the same position that would have existed if there never had been a Tort Claims Act created, and that is a position of seeking relief directly from the Congress.

A subcommittee appointed to make a full and complete investigation and study of the merits of all the claims against the United States resulting from the disaster concluded that the fertilizer which blew up in Texas City had been manufactured at Government-owned ordnance plants under its general supervision, direction, control, and approval, and to its specifications. The fertilizer was shipped at the Government's direction, and while the record discloses that many people took part in the production, shipping, handling, and delivery of the fertilizer, the United States Government nevertheless maintained control, or had the power to control all phases of the program right from the manufacturing stage to the final delivery of the fertilizer at its destination.

It was also quite definitely established in the course of the trial by expert testimony that ammonium nitrate fertilizer, in and under the conditions under which it was shipped and loaded on the French boats, is an inherently dangerous and hazardous explosive. The Government was aware of the fact that there were over the years a continuing history of fires and explosions of ammonium nitrate compounds. Yet, in the shipment the Government treated it as an innocuous products, without the slightest warning to any one of its dangerous propensities.

It should be clearly understood that in adopting House Resolution 296 we are not attempting to supersede or invalidate the controlling decision of the Supreme Court. However, it again becomes necessary to point out that prior to the passage of the Tort Claims Act, Congress repeatedly entertained claims and concerned itself with legislation which provided relief for parties in situations analogous to a state of facts that prevail in the instant subject matter before the House today.

Congress has repeatedly and invariably exercised its jurisdiction to legislate when it was satisfactorily established that for compassionate reasons or in equity and good conscience, remedial legislation was necessary to fill a void created by existing law. To fulfill this obligation is exactly what is attempted to be accomplished under the terms of this bill. Taking the overall picture into consideration as it exists, nevertheless in carrying out the provisions of this act—assuming that it becomes public law—it will be difficult for those who suffered from the results or repercussions of the Texas City disaster to be made whole or to reimburse them in proportion to what they would have been entitled to had they not been deprived of the right to maintain a lawsuit because of the technicalities invoked by the United States Supreme Court in giving interpretation to the provisions of the Federal Tort Claims Act. That there was an honest and pronounced difference in the opinions expressed by 7 judges of the Supreme Court of the United States—3 of whom held adversely to that of the majority opinion is clearly demonstrated in the language of the separate opinions filed—and while the minority opinion is not controlling nor recognized as basic law, the logic and reasoning that was applied in weighing the facts and analyzing and interpreting the law applicable to the first case appealed, is borne out by a brief reference to a quotation taken from the opinion of Mr. Justice Jackson, wherein he pointed out the responsibility of the United States Government in the following language:

> This was a man-made disaster. It was in no sense an act of God. The fertilizer had been manufactured in Government-owned plants at the Government's order and to its specifications.
>
> It was being shipped at its direction as part of its program of foreign aid. The disaster was caused by forces set in motion by the Government, completely controlled or controllable by it. Its causative factors were far beyond the knowledge or control of the victims; they were not only incapable of contributing to it, but could not even take shelter or flight from it.

The Secretary of the Army was consulted and requested to express the views of his Department on the proposed legislation. In a communication dated June 8, 1954, he took an unfavorable position in regard to the legislation, and after a detailed review of the circumstances surrounding the disaster, concluded with this language:

> No legal or equitable basis can be found to support the position that the Government is responsible, or should assume responsibility for the explosions at Texas City.

The committee, however, after a careful study of the Army's report, is in no way persuaded to change its views in connection with the decision reached at the time of its investigation. It may also be stressed that all of the arguments and contentions adopted by the Secretary of the Army are substantially the same objections and arguments set out in the legal briefs, signed by the Army and the Department of Justice, in the appeals before the circuit court of appeals and the United States Supreme Court.

Both agencies rely on the language of the majority opinion of the United States Supreme Court, wherein it was decided that section 1 of the Tort Claims Act was not applicable to the law and facts in the "Dalehite" case.

Excerpts taken from the majority opinion make it clear that the Court did not pass on questions of fact whatsoever. In commenting on the findings

of fact of the trial court, the majority opinion uses this language:

> It is our judgment that they do not establish a case within the act. This is for the reason that as a matter of law the facts found cannot give the district court jurisdiction of the cause under the Tort Claims Act.

In order to complete the record, it is necessary to refer briefly to the argument asserted by the agencies of the Government concerning the passage of title or ownership of the particular product involved in the explosion to the Lion Oil Co., and in turn to the French Supply Council. It has been urged that when the Government returned the fertilizer to Lion Oil by delivery to the railroad cars at the ordnance plants, it completely divested itself of all ownership, possession, and control of the fertilizer. To arrive at this conclusion is to disregard rather than to confirm the facts.

When the facts are carefully analyzed and viewed in the light of the Government's entire foreign aid fertilizer program, it is believed that it made very little difference whether title to the fertilizer passed or did not pass legalwise to Lion Oil, because the Government had already committed the material to France and was in control, through a system of priorities, of the materials course. Private producers were required to ship the fertilizer according to and in compliance with Government directions—the Government was permitting a deviation of its method, but not of its objectives.

The committee is of the opinion that it would be wrong indeed to permit the Government, when for reasons of political expediency, it continues to exercise substantially all of the prerogatives of ownership over the fertilizer to avoid responsibility therefor simply because the bare legal title may have been in another. Since the fertilizer program was taken by the Government for humanitarian purposes, among others, it seems only right that it should make reimbursement, insofar as it is humanly possible, to the comparatively few people who happened to be injured or damaged because of it.

Mr. THOMPSON of Texas. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. THOMPSON of Texas. Mr. Speaker, the history of the Texas City disaster of 1947 is fully and clearly set out in House Report No. 2024. This is an unbiased document prepared by competent men after reviewing the facts in the case. Their conclusions are without any prior knowledge of the disaster except that gained through normal news channels.

I shall present today a brief outline of the events leading up to the disaster and of steps which have been taken in behalf of the victims to determine who was responsible and then find means of redress. Attention of the Members of the House, and others who may be or become interested in the case, is invited to House Report No. 2024 and to the great volume of evidence to which it refers.

In brief, the history of the Texas City disaster begins at the close of World War II when the United States accepted a great share of the responsibility for rehabilitating war-torn Europe. One of the greatest problems was the reestablishment of agriculture. In France, fertilizer was essential in the accomplishment of this end, and fertilizer was a very scarce commodity at that particular time. The United States sought every available source, not only for shipment abroad, but also as many of us will remember, for distribution to our own heavily taxed farms.

In their search for fertilizers, our authorities came across a product known as ammonium nitrate. It had been manufactured under a blasting-powder patent isued originally to Hercules Powder Co.

Arsenals operated or controlled by the United States Army were prepared to turn out ammonium nitrate in large quantities. The product, when used as an explosive, had many properties common to dynamite and in fact a nitrate mixture is one of the components of dynamite.

These two explosives have many common properties. They are both good fertilizers and if a stick of dynamite were crumbled on your garden, it would be a useful stimulant to plant growth. However, both explosives are hydroscopic—to use a technical term—which means that they absorb moisture from the air and become cakey. Neither explosive is dangerous except when a cap or other booster charge is inserted and detonated with a fuse or an electric impulse. Without this charge, neither explosive is particularly dangerous to handle.

I have seen a box of dynamite fall off a wagon without doing any more harm than scaring everybody half to death.

Had ammonium nitrate in its original form not absorbed water and become cakey, it would probably have been placed in bags and shipped to farms at home and abroad without any danger and without resulting explosions. However, in order to effectively distribute fertilizer on a farm or even on our lawns at home, it should be granular so that it will go through the holes at the bottom of the fertilizer spreader.

It was necessary, therefore, to find some means of rendering the ammonium nitrate nonabsorbent. In order to accomplish this, a product known as PRP—petroleum, rosin, paraffin—was added to it. This was successful so far as keeping the ammonium nitrate dry and granular was concerned. However, the addition of this chemical also made the ammonium nitrate extremely dangerous. For instance: After it had been treated, it became subject to spontaneous combustion. Under pressure, as for instance when many bags were piled on top of one another—in the hold of a ship for example—the tendency toward spontaneous combustion was seriously aggravated. A further known characteristic under these circumstances was that heat, particularly in a restricted area where the air did not circulate well, would cause the product to explode.

These facts were known to the United States Government. Repeated warnings had been issued and the history of numerous fires and explosions of ammonium nitrate was available. Page 10 of the report lists these disasters chronologically. However, in spite of the warnings and the advice of their own qualified experts, the Government directed the continued manufacture of the so-called fertilizer, and the packaging of it in perfectly normal containers, with no warning whatever of the dangerous nature of the product. It was turned over to railroads, still without notice of its characteristics, and incidentally, without paying the higher costs which are levied against explosives. It reached Texas City where it was stored temporarily awaiting ships. Finally, on April 16, 1947, the French vessel called the *Grand Camp* and an American vessel, the *High Flyer* were being loaded at the Texas City docks.

One hold of the *Grand Camp* had been partly loaded the day before, and on the morning of the 16th the stevedores came aboard and removed the hatch cover, from the hold into which they had been loading. They discovered smoke and gave the fire alarm. The ship captain, not being informed of the dangerous nature of the fertilizer, followed the usual procedure for fighting fire below decks. He battened down the hatch and injected live steam into the hold thereby increasing the heat and pressure. The fertilizer blew up shortly after 9 o'clock in the morning.

I shall not dwell on the details of the results except to say that close to 600 persons were killed and several thousand were injured or sustained property damage. There is no necessity for including these details today. They are set forth in the hearings in the report, and in the tremendous volume of evidence which was presented when the injured sought redress through the courts.

Attorneys for the injured quickly discovered the inescapable fact that it was the United States Government which had initiated the manufacture and distribution of the so-called fertilizer, and that it was the Government which did or should have exercised complete control up to the moment of the explosion.

Until 1946, congressional action was the only avenue by which a claim could be presented to the Government. In 1946, the Congress passed the Federal Tort Claims Act which was intended to be broad enough to handle just such claims. Accordingly, a suit was filed in the Federal District Court in the Southern District of Texas. After many weeks, the court held the Government negligent on some 80 counts, and therefore, liable for the damages. The Government appealed, and ultimately the case reached the Supreme Court, which on a 4 to 3 decision held that the Tort Claims Act did not apply for reasons which are familiar to, and can be explained by, the lawyers who have been handling the present legislation for the Judiciary Committee. The Court did not reverse the case on the facts, nor has anyone, except the Government agency

which was involved, denied that the whole proceeding was a Government operation and therefore a Government responsibility.

When the Supreme Court rendered its decision a little over a year ago, the responsibility fell on me, as the Representative of the district in which the disaster occurred, to present the case to the Congress, since the Supreme Court held that the district court was not the proper forum. I could have introduced separate claims which would have meant several thousand individual private bills. Manifestly, this would have been a very complicated and burdensome procedure. After consulting with the leadership on both sides, and with the distinguished chairman and other ranking members of the Judiciary Committee, I introduced House Resolution 296 of the present Congress. This authorized the Committee on the Judiciary to make an investigation and study of the merits of any and all claims resulting from the Texas City disaster. We felt that if the Government was liable in one of these many cases, it would be liable in them all. The resolution further provided that the Judiciary Committee should recommend by what steps redress should be accomplished.

A special subcommittee consisting of the gentleman from Illinois [Mr. JONAS], the gentleman from Massachusetts [Mr. LANE], and the gentleman from Maryland [Mr. HYDE] carried out the provisions of the resolution, and it is their report, now concurred in by the Committee on the Judiciary, which is before us today.

This unbiased committee found the Government liable without any doubt whatever, and their recommendation that the injured parties be compensated is now before you and in your hands.

In all of this presentation, I have endeavored to keep my personal feelings and particularly my emotions entirely apart from any deliberations of the committee and of the House. I present the case to you on its merits. People of the United States were hurt by the action of their Government. There is no one else to whom they can turn. Had a private enterprise conducted the transaction, there would have been no question of who was liable and who should provide compensation for the injured parties. The fact that the Government assumed the position which might have been occupied by a private operator should not deprive its own citizens of redress. I leave the matter in your hands, trusting in the fairness and decency of this branch of the Federal Government.

Mr. RODINO. Mr. Speaker, I ask unanimous consent that the gentleman from Massachusetts [Mr. LANE] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. LANE. Mr. Speaker, H. R. 9785 will authorize the Secretary of the Army to determine the amount to be paid on each valid claim, and the persons, firms, companies, associations, and corporations entitled to receive the same.

In doing so, he shall be governed by the laws of the State of Texas.

The bill declares it to be the intention of the Congress that all who sustained damages proximately resulting from the explosions, shall be compensated subject only to certain limitations.

On April 16 and 17, 1947, over 570 people were killed, 3,500 more were injured, and millions of dollars worth of property was damaged or destroyed at Texas City, Tex.

The United States Government was wholly responsible for this disaster.

The loaded bags of ammonium nitrate fertilizer, stowed for overseas shipment in the holds of two vessels, blew up.

They were in the process of being shipped abroad as part of the Federal Government's foreign-aid program.

The United States supervised all phases of the program, from manufacture to delivery.

There was no contributory negligence on the part of the victims, who were in no position to know of the danger, to control it, or to hide from it.

At the outset, it became clear that the United States was liable. The only question became that of the method by which these claims could be settled in a manner fair to all parties.

Over 8,000 claims were originally filed in the Federal district court under the Federal Tort Claims Act. No committee of Congress could possibly hear and ascertain the amount claimed by each individual claimant.

The Texas City claimants exhausted every possible legal remedy. The Supreme Court of the United States decided that there could be no recovery because the courts, on account of the wording of the Tort Claims Act, were without power to grant relief.

The claimants, therefore, were put into the same position they would have been in, if there never had been a Tort Claims Act, namely, a position of seeking relief directly from the Congress.

I might point out that, even since the passage of the Tort Claims Act, Congress has invariably exercised its jurisdiction to legislate when it was satisfactorily established that for compassionate reasons or in equity and in good conscience remedial legislation was necessary to fill a void created by existing law.

As to the Government's responsibility, it was fully aware of the explosive qualities of ammonium nitrate. In addition to the record of disasters elsewhere, there are warnings concerning the lethal properties of ammonium nitrate in Army ordnance manuals.

Texas City and other ports were making frequent complaints to Army ordnance centers regarding the charred and broken bags containing the fertilizer. The vice president of the Texas City Terminal Railway Co. complained to one ordnance plant that the bags were "scorched to the breaking point" and were "so hot in many instances that it was impossible for our men to handle the bags until they were allowed to cool off."

The Government, however, took little notice of these warnings.

The Government insisted that FGAN was a fertilizer instead of an inherently dangerous explosive. It made no move to change handling procedure or to inform handlers as to its dangerous characteristics.

This fertilizer that blew up was produced at three Army ordnance plants. While the Government did not ship the FGAN directly itself, and the material traveled through private industry to comply with the sell-back arrangement, private producers, nevertheless, were required to ship the fertilizer according to, and in compliance with, Government directions. The Government was permitting a deviation of its method but not of its objective.

Since the Government knew that FGAN possessed explosive characteristics, it had the duty and obligation, as would be expected of any manufacturer, to know its own product thoroughly and to ascertain the enormity of the forces it was turning loose upon unsuspecting persons.

This it failed to do.

The Judiciary Committee, therefore, believes that the United States Government should reimburse these claimants for the injury and damage caused by its officers and employees in negligently carrying out the FGAN program.

H. R. 9785 is the simplest and most effective way of discharging this responsibility.

Limitations upon death claims, reimbursement to insurance companies, and attorneys' fees make certain that total costs will be held to a reasonable minimum.

We believe that H. R. 9785 is the best method for settling these just claims and we recommend it for your endorsement.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMEND THE RAILROAD RETIREMENT ACT

Mr. BROWN of Ohio. Mr. Speaker, I call up House Resolution 660 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 7840) to amend the Railroad Retirement Act, the Railroad Retirement Tax Act, and the Railroad Unemployment Insurance Act. After general debate, which shall be confined to the bill, and shall continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Interstate and Foreign Commerce, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

SPECIAL ORDERS GRANTED

Mrs. ROGERS of Massachusetts asked and was given permission to address the House for 10 minutes today, following the legislative program and any special orders previously entered.

Mr. SIKES asked and was given permission to address the House for 15 minutes on Tuesday next, following the legislative program and any special orders previously entered.

FEDERAL TRADE COMMISSION ACT

Mr. MOULDER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. MOULDER. Mr. Speaker, I am pleased to inform the Members of the House that the Committee on Interstate and Foreign Commerce, of which I am a member, has acted favorably upon and reported for consideration by the House a bill to amend the Federal Trade Commission Act. This bill protects the good will in the business of manufacturing and distributing of automobiles and trucks by restricting franchise dealers from reselling to certain unauthorized persons for unfair competition. The selling and servicing of automobiles and trucks is the Nation's largest retail business.

Figures for 1954 reveal that retail sales in dealerships and in tire, battery, and accessory stores amounted to $33,320,000,000. In addition, gasoline service stations did $10,536,000,000 worth of business. Translating these figures into other terms, they show that 26 cents out of every retail dollar was spent last year on automotive purchases and operational upkeep.

The authorized new-car dealers have more than $6 billion invested in the automotive retailing system. This is more capital invested than the manufacturers of the products they sell. Dealers employ 725,000 people and the annual payroll approximates $2¼ billion. These statistics speak for themselves in highlighting the vital function played by the automotive retailer in the American economy.

The present system of merchandising new cars is the product of evolution throughout the history of the industry. It has been found to be the best system for the manufacturer, purchaser, and user of automobiles. This system is challenged and being destroyed by the practice of resale to unauthorized dealers for volume sales at reduced or cutthroat prices. Such unfair trade practice or competition has driven out of business over 2,000 dealers. Bootlegging sales have reduced the average operating profits of authorized dealers able to remain in business to eighth-tenths of 1 percent for the first 3 months of 1954. This is to be compared with an operating profit of 4.3 percent for the first 9 months in 1953. This is a grave and menacing problem to the automobile industry, and if bootlegging is not abated economic chaos will be imposed upon America's largest retail business. It is essential to the economy of America that this be prevented as provided by this bill—H. R. 9769.

Its passage will make it possible to eliminate this practice and preserve an essential tradition and segment of our economy. It is an important bill. I hope the leadership of Congress will schedule it for early consideration and passage.

Our committee also reported for action by the House H. R. 7304—a bill providing relief against certain forms of discrimination in interstate transportation, which would eliminate phony freight charges on automobiles. This bill deserves immediate passage.

ADJOURNMENT OF CONGRESS

Mr. O'HARA of Illinois. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. O'HARA of Illinois. Mr. Speaker, in a little more than 3 months the voters in our respective congressional districts will pass verdict on their representation in the 83d Congress. The members of my party have done me the great and appreciated honor of renominating me. Mine is what is regarded as a close district and it would naturally be my desire to return to the district adequately to conduct my campaign.

Mr. Speaker, to me it seems of far greater importance that a Member of this body should remain here until the full discharge of the duty owing to his constitutents. This is of vastly greater importance than the early return home to engage in a campaign.

Mr. Speaker, I am taking this opportunity of serving notice on the House that I for one am remaining here, and shall vote against any resolution for adjournment, until the membership of this House has had an opportunity to give to the humbler workers in the Federal service, the underpaid postal employees, the underpaid classified civil-service employees, and to the veterans and their widows that relief to which they are entitled and which will be given them if all of the Members of this House join with me in refusing to vote an adjournment until these matters now bottled up have been forced onto this floor.

Mr. Speaker, I shall not vote for a resolution of adjournment until a resolution presented by me weeks ago and which has never been reported out is brought to the floor of this House so that every Member can be recorded. This is a resolution which creates a select committee immediately to go to Chicago and to the other urban centers of our country to investigate and forthwith to report back to Congress the present rental situation.

Every day I have been receiving from the city of Chicago hundreds of letters from tenants who have had forced upon them one rental increase after another until all that faces them come this fall is eviction into the streets.

I know that the responsible real estate people of Chicago do not wish that situation to continue. They know, as I know, that it is a situation that will completely destroy real estate stability. It is brought about by speculators taking advantage of an acute housing shortage; buying old properties at inflated values and then boosting rentals with the expectation of getting back their entire purchase price within 4 or 5 years. The situation has gotten entirely out of reach of the responsible real estate people. If it continues the harm will come not only to the tenants, but to the responsible owners of real estate. I saw exactly this situation and warned against it in the early months of 1929.

If the Members of this House remain here until the necessary legislation that I have outlined has been brought to the floor of the House, we will have made our contribution to doing justice to the deserving and underpaid Federal workers, to disabled and needy veterans, and to impoverished war widows, and also in the prevention of another crash such as came in the black fall of 1929.

Mr. Speaker, I do not believe that any Member of this House, consulting his own conscience, will vote for a resolution of adjournment until we have done our full duty by the people who trusted us enough to send us here to represent them.

SPECIAL ORDER GRANTED

Mr. HOFFMAN of Michigan asked and was given permission to address the House for 15 minutes today, following the legislative program and any special orders heretofore entered.

ARTHUR S. ROSICHAN

Mr. JONAS of Illinois submitted a conference report and statement on the bill (H. R. 3522) for the relief of Arthur S. Rosichan.

AMENDMENT OF RAILROAD RETIREMENT ACT

Mr. BROWN of Ohio. Mr. Speaker, I yield 30 minutes to the gentleman from Virginia [Mr. SMITH], and yield myself such time as I may use.

Mr. Speaker, I rise to urge the adoption of House Resolution 660, which will make in order the consideration of the bill (H. R. 7840) to amend the Railroad Retirment Act, the Railroad Retirement Tax Act, and the Railroad Unemployment Insurance Act.

House Resolution 660 provides for an open rule with 1 hour of general debate on the bill.

Mr. Speaker, this bill, if passed, would amend the Railroad Retirement Act and the related measures in the following important respects. First of all the age eligibility for a survivor annuity is reduced from 65 to 60 years of age.

The second major change would provide that if a child, under 18, who is entitled to the benefit under the act, has a permanent physical or mental condition, which makes the child totally disabled, then that child would be the recipient of

the benefits, even after the age of 18 years has been attained.

H. R. 7840 would also provide that a widow, dependent widower or dependent parent who receives a survivor benefit, and who is entitled to a retirement annuity in his or her own right, shall receive both the survivor benefit and the annuity. Prior to this, the person who received an annuity at the time of his or her own retirement, would have the survivor benefit, which had been coming in, reduced because the person was now receiving an annuity on his own retirement.

H. R. 7840 would also provide that in the calculation of annuities up to $350 a month in compensation shall be credited. Thus an annuity of an individual would be computed by multiplying the years of service by the following percentages of his monthly compensation: 2.76 percent of the first $50; 2.07 percent of the next $100; and 1.38 percent of the next $200. Under the old bill, no more than $300 could be credited in the calculation of annuities in any month.

Mr. Speaker, there are numerous other provisions in this bill which will be thoroughly explained by the members of the Committee on Interstate and Foreign Commerce. The Bureau of the Budget while expressing some reservations on the bill, nevertheless approves of most of the general provisions contained therein.

I hope that the House membership will see fit to adopt the rule, which will make the consideration of this bill possible. The rule is an open one, and therefore the bill is open to amendment from the floor. Under these circumstances, I can see no reason why the rule should be seriously objected to.

Mr. BROWN of Ohio. Mr. Speaker, I yield 1 minute to the gentleman from Ohio [Mr. BENDER].

Mr. BENDER. Mr. Speaker, it does not seem possible to the Members of Congress and the people of Ohio that a year has passed since the loss of Senator Robert A. Taft. When he was called from our midst, Bob Taft was already a great man.

In these last 12 months, we have had the opportunity to evaluate his achievments from the perspective of time. Republicans, Democrats, and Independents alike have come to recognize the breadth of his vision, the intelligence of his perspective, and the wisdom of his counsel.

America has always produced great leaders in its time of crisis. Bob Taft was such a leader. Our lives are richer, our work is more certain because of the foundation he helped us to establish.

His memory will grow from year to year as we pay our respects to the American traditions for which he lived and worked and fought all the days of his life.

Mr. HOFFMAN of Michigan. Mr. Speaker, will the gentleman yield?

Mr. BENDER. I yield.

Mr. HOFFMAN of Michigan. If the gentleman would permit, I would like to join in the endorsement of the statement he made.

Mr. BROWN of Ohio. Mr. Speaker, will the gentleman yield?

Mr. BENDER. I yield.

Mr. BROWN of Ohio. Mr. Speaker, may I add that I believe that all Members of this body join with the gentleman from Ohio [Mr. BENDER] in the tribute he has paid to the memory of the late Robert A. Taft, one of Ohio's and America's most distinguished sons, whose death took place a year ago today.

Mr. Speaker, I have no further requests for time on the rule and, therefore, move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

The resolution was agreed to, and a motion to reconsider was laid on the table.

CALL OF THE HOUSE

Mr. WILLIAMS of Mississippi. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Obviously, a quorum is not present.

Mr. HALLECK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 128]

Angell	Harrison, Nebr.	O'Neill
Battle	Harrison, Wyo.	Patten
Bennett, Mich.	Hart	Perkins
Bentsen	Hays, Ark.	Powell
Bolton, Frances P.	Hébert	Priest
	Hill	Rivers
Brooks, La.	Hinshaw	Roosevelt
Buckley	Hoffman, Ill.	Scott
Celler	Holifield	Scrivner
Chatham	James	Secrest
Clardy	Keogh	Shafer
Cotton	Kersten, Wis.	Short
Coudert	Kilburn	Sutton
Curtis, Nebr.	Klein	Taber
Davis, Tenn.	Lane	Thompson, La.
Dawson, Ill.	Long	Vinson
Dingell	Lucas	Warburton
Dollinger	Lyle	Weichel
Donovan	Machrowicz	Wheeler
Durham	Mailliard	Wickersham
Evins	Merrow	Wigglesworth
Fine	Morgan	Willis
Gamble	Morrison	Wolcott
Gwinn	Murray	Yates
Harris	O'Brien, Mich.	

The SPEAKER. On this rollcall 361 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

AMENDMENT OF RAILROAD RETIREMENT ACT

Mr. WOLVERTON. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 7840) to amend the Railroad Retirement Act, the Railroad Retirement Tax Act, and the Railroad Unemployment Insurance Act.

The SPEAKER. The question is on the motion offered by the gentleman from New Jersey.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for consideration of the bill H. R. 7840, with Mr. CANFIELD in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentlemen from New Jersey [Mr. WOLVERTON] will be recognized for 30 minutes and the gentleman from Florida [Mr. ROGERS] will be recognized for 30 minutes.

The Chair recognizes the gentleman from New Jersey [Mr. WOLVERTON].

Mr. WOLVERTON. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, during the 83d Congress, the Committee on Interstate and Foreign Commerce has received thousands of letters and telegrams from retired railroad annuitants and pensioners, widows of railroad workers, active railroad workers, and representatives of these groups, and Members of Congress, urging various improvements in the benefits payable under the railroad retirement system and the railroad unemployment insurance system. The wide interest in this legislation is evidenced by the fact that over 60 bills to amend the Railroad Retirement Act have been introduced by Members of the House of Representatives and referred to your Committee during this Congress. Your Committee has held hearings on all these bills and considered each one very carefully.

Last year, the Committee held hearings on H. R. 356 and 17 similar bills proposing to repeal the dual-benefit restriction provision enacted by the 1951 amendments to the Railroad Retirement Act—section 7 of Public Law 234, 82d Congress. Under this provision of the law, a railroad retirement annuity which was based in part on service before 1937 had to be reduced if the annuitant or pensioner was receiving, or was eligible to receive on application, an old-age insurance benefit under the Social Security Act.

Your Committee on Interstate and Foreign Commerce reported favorably on H. R. 356, providing for the repeal of section 7 of Public Law 234, retroactive to October 30, 1951, the date it became effective. This bill passed the House on July 24, 1953, and passed the Senate on June 2, 1954. I am happy to state that this act was approved on June 16, 1954, and is now Public Law 398 of the 83d Congress.

This law will increase benefits for approximately 36,000 annuitants and pensioners presently on the retirement rolls by an average of $24 a month, or 20 percent of their average annuity, retroactively to October 30, 1951.

In March 1954 your Committee held hearings on H. R. 7840, the bill now under consideration, and 10 identical bills. Again on June 2 and 3, 1954, your committee held hearings on 30 other bills to amend the Railroad Retirement Act pending before the committee at that time.

None of the bills which proposed increases in retirement and survivor benefits provided for any means of financing the cost of those additional benefits

except the bill reported by the committee, H. R. 7840, and the 10 bills identical to it. The reported bill does provide for the adequate financing of the additional benefits recommended in the bill.

In the consideration of all these bills, the committee has placed great emphasis on the effect of the proposed amendments on the financial soundness of the railroad retirement account. The committee is unanimously of the opinion that, regardless of the desirability of certain proposals for the liberalization of benefits under the Railroad Retirement Act, no amendments to the law should be made which would jeopardize the financial soundness of the railroad-retirement system. The principle is accepted by all the standard railway labor organizations as well as railroad management.

Your committee has every desire to be helpful to retired railroad workers and their dependents. We are also mindful of our grave responsibility toward the currently active railroad workers and those who will follow, and who will retire in the future. We must make certain that when they retire from the railroad industry, the reserves in the railroad-retirement account plus the income into the system will be adequate to pay the benefits due them.

PROVISIONS OF REPORTED BILL

The reported bill, H. R. 7840, would amend the Railroad Retirement Act, the Railroad Retirement Tax Act, and the Railroad Unemployment Insurance Act in several important respects. I shall discuss these amendments briefly, omitting the amendments which are of a clarifying or technical nature.

RAILROAD RETIREMENT ACT AMENDMENTS—BENEFITS TO WIDOWS, WIDOWERS, AND DEPENDENT PARENTS AT AGE 60

In the consideration of the many bills and suggestions for amending the Railroad Retirement Act, the Committee on Interstate and Foreign Commerce was particularly impressed with the desirability of reducing from age 65 to 60 the age at which a widow of a railroad worker, without an eligible child, may qualify for survivor benefits.

We are well aware of the fact that there is dire need in the case of many widows who had the misfortune of losing their husbands, with consequent loss of income to them. Experience has shown that few widows are fortunate enough to have employment at age 60. This is especially true when a widow is about age 60 at the time of her husband's death. A woman whose chief function in life has been to take care of her family and home is hardly in a position to secure employment after she is 50 years of age, and her opportunities are fewer still at age 60. The same conditions essentially exist with respect to dependent widowers and parents.

Mr. A. E. Lyon, executive secretary of the Railway Labor Executives' Association, who spoke for the 23 railway labor organizations that supported this bill, stated that if such organizations were free to base their recommendations on need alone, they would have recommended an even lower eligibility age for widows, but the costs involved made such a recommendation impossible at this time.

The reported bill provides for a reduction in the eligibility age for a widow without an eligible child, dependent widower, and dependent parent, who would be eligible to receive a survivor's annuity at age 60, rather than at age 65.

The estimated cost of this provision is $23,500,000 a year, or 0.432 percent of payroll on a level-cost basis. The reported bill provides for the adequate financing of this proposal.

BENEFITS TO WIDOWED MOTHERS AND DISABLED CHILDREN

Another provision of this bill is designed to relieve the hardships experienced by a number of surviving children of deceased railroad employees, over age 18, who are not capable of self-support, and their mothers. At the present time, an annuity to a child ceases at age 18 whether or not he is capable of self-support. This, in turn, results in a cessation of the annuity to the child's mother, and causes great hardship for the widowed mother and child.

The reported bill provides that a survivor's annuity shall be paid to a disabled child, regardless of age, provided his physical or mental condition is such that he is unable to engage in any regular employment and provided further that such disability began before age 18.

Under the bill, the widowed mother, having such child in her care, would also be entitled to a widow's annuity so long as the child is disabled and if she is otherwise qualified. Upon recovery from disability after age 18, the child's annuity and the annuity of his mother would terminate at the same time.

The estimated cost of this provision is $750,000 a year or 0.014 percent of payroll on a level-cost basis. The reported bill provides for the adequate financing of this proposal.

ELIMINATION OF REDUCTION IN SURVIVOR BENEFITS ON ACCOUNT OF RAILROAD RETIREMENT BENEFITS IN OWN RIGHT

Under present law, a widow, dependent widower, or dependent parent who receives a survivor benefit, and who is eligible for a retirement annuity in his or her own right, because such individual has had railroad employment, would have the survivor benefit reduced by the annuity to which such individual is entitled by reason of his or her own employment. Such individual cannot receive both amounts. The reported bill provides that both annuities shall be payable without deduction. The estimated cost of this amendment is approximately $20,000 a year. The bill provides for the financing of this proposal.

INCREASE IN CREDITABLE COMPENSATION IN THE CALCULATION OF ANNUITIES

Under present law, a retirment annuity, other than the minimum annuity, is calculated on the basis of the individual's years of service in the railroad industry and his average monthly compensation. No more than $300 may be credited in any month.

The reported bill provides that compensation up to $350 a month shall be credited. Under this provision, individuals with an average monthly compensation in excess of $300 would obtain higher benefits than are obtainable under present law. In fact, an individual who will have had 30 years of service and an average monthly compensation of $350 would obtain an increase in his monthly annuity of $20.70 over the maximum amount that is payable under present law. Other examples of the effect of the bill on the annuities of individuals who will retire with 30 years' service, of which 5, 10, 15, 20, and 25 years of service at a monthly compensation of $350 will have occurred after the enactment of this bill, are shown in the table I now present:

TABLE 1.—*Effect of increasing creditable and taxable base to $350 per month on employees retiring on full annuities after 30 years of service, assuming all service after increase in base to be at $350*

Average monthly compensation before increase in base	Years of service		Increase in monthly annuity		Increase in aggregate taxes to date of retirement	Increase in aggregate benefits for life expectancy of 12½ years after retirement
	Before base increase	After base increase	Per month	Per year		
0	0	30	$20.70	$248.40	$1,126.80	$3,105.00
$200, $250, $300	5	25	17.25	207.00	939.00	2,587.50
$200, $250, $300	10	20	13.80	165.60	751.20	2,070.00
$200, $250, $300	15	15	10.35	124.20	563.40	1,552.50
$200, $250, $300	20	10	6.90	82.80	375.60	1,035.00
$200, $250, $300	25	5	3.45	41.40	187.80	517.50

Source: Hearings before the Committee on Interstate and Foreign Commerce, House of Representatives, 83d Cong., 2d sess., on H. R. 7840, a bill to amend the Railroad Retirement Act, the Railroad Retirement Tax Act, and the Railroad Unemployment Insurance Act, p. 58.

The proposed increase from $300 to $350 in the creditable compensation base would provide higher retirement benefits in the future for almost two-thirds of the active railroad workers who now earn in excess of $300 a month, since their annuities would be computed on a higher average monthly compensation.

Survivor benefits also would be increased in those cases where the deceased employee will have had an average monthly compensation in excess of $300. In the future an increasing number of employees and their families will benefit from this increase in the taxable base.

The increase in retirement and survivor benefits resulting from the proposed change in the creditable compensation base would amount to approximately $31 million a year, or 0.569 percent of payroll on a level cost basis, assuming a level annual payroll of $5,450,000,000 on the basis of a $350 monthly compensation ceiling. Of the $31 million to be paid in increased benefits, $25 million would be payable in retirement benefits, and $6 million in survivor benefits.

The reported bill provides for the adequate financing of these proposals.

CREDITING OF COMPENSATION EARNED AFTER AGE 65

Under present law, compensation earned after retirement age is used in computing an individual's retirement annuity, even though he may have had lower earnings after age 65 which would operate to reduce his average monthly compensation and therefore reduce his annuity. The reported bill provides that compensation earned after the individual has reached age 65 would be disregarded if the result of taking such compensation into account would be to diminish his annuity. The estimated cost of this amendment is $50,000 a year. The reported bill provides for the financing of this proposal.

DISABILITY WORK CLAUSE

Under present law, a disability annuitant who earns more than $75 in service for hire, or in self-employment, in each of any 6 consecutive calendar months is deemed no longer disabled at the end of the 6-month period.

This provision has proved to be very difficult to administer. The Railroad Retirement Board has advised that many disability annuitants have misunderstood the significance of this provision of the law, and have made arrangements with their employers to be paid a good deal more than $75 in some of the 6-month period and to be paid less than $75 in one or more months in this period. Thus, they continue to be in regular employment and at the same time continue to receive their disability annuity.

The reported bill proposes to substitute for the present disability work clause a limitation applicable to each month on the amount of earnings that may be received without causing the annuity for that month to be lost. Under this proposed clause, if a disabled annuitant is paid more than $100 in any month in employment for hire or in self-employment, his annuity would not be paid for such month. The Railroad Retirement Board has estimated that the substitution of this work clause for the present provision would result in a net saving to the retirement account of $1,500,000 a year.

OTHER RETIREMENT ACT CHANGES IN THE BILL

The other amendments to the Railroad Retirement Act provided for in the bill, namely, the elimination of national delegate service from coverage under the act, providing benefits to children who do not attend school, and the waiver of retirement benefits for individuals who desire to qualify for a veteran's nonservice-connected disability pension, are of relatively minor importance. The combined cost of these items would be very slight.

COST OF BENEFITS PROVIDED UNDER THE RAILROAD RETIREMENT ACT AS IT WOULD BE AMENDED BY THIS BILL

The cost of benefits payable under the Railroad Retirement Act as it would be amended by the reported bill is shown in the following table:

TABLE 2.—*Annual cost and level rate required to support the Railroad Retirement Act as revised by proposed amendment (assumes level annual payroll of $5,450,000,000 on basis of $350 monthly compensation ceiling)*

Benefit provision	Annual dollar cost (in thousands)	Level cost
1. Railroad retirement benefit under present act	$670,500	12.303
2. Change limit on creditable earnings from $300 to $350 a month	31,000	.569
A. Retirement benefits	25,000	.459
B. Survivor benefits (including residual lump sum)	6,000	.110
3. Reduce eligibility age for widows and parents from 65 to 60	23,500	.432
4. Change in disability work clause provision to $100 per month (as accrued)	−(1,500)	−(.028)
5. Survivor benefits continued to young widow and dependent disabled child past age 18	750	.014
6. Disregarding compensation after age 65 if use of such compensation would reduce annuity	50	.001
7. Elimination of reduction in survivor benefits on account of railroad retirement benefit in own right	20	
8. Elimination of national delegate service where other railroad service is not creditable	10	
Net level rate	724,330	13.290

Source: Hearings before the Committee on Interstate and Foreign Commerce, House of Representatives, 83d Cong., 2d sess., on H. R. 7840, p. 29.

The above table shows that under the Railroad Retirement Act, as amended, prior to June 16, 1954, when Public Law 398 was approved, benefits cost $670.5 million per year. The estimated level tax rate required to support these benefits was 12.3 percent of payroll, assuming a level annual payroll of $5,450 million, based on a $350 monthly ceiling as proposed in the bill. The estimated level tax rate required to support these benefits under the law in effect prior to June 16, 1954, assuming a level annual payroll of $5 billion, based on a $300 monthly ceiling, was 13.41 percent of payroll. This table, however, does not include the additional cost of benefits provided for in Public Law 398, approved June 16, 1954, which was estimated at an earlier hearing before the committee to be $7.5 million a year, or 0.15 percent of payroll, on a level cost basis.

The amendments proposed by H. R. 7840 would increase the ceiling on taxable payroll from $300 to $350 per month, thereby adding $450 million to the total taxable payroll, $56 million to the taxes under the existing schedule of tax rates and $54 million to the benefit costs.

The overall effect of the amendments to the Railroad Retirement Act proposed by this bill, including the effect of Public Law 398 of the 83d Congress, would be to increase the benefit costs to approximately $732 million a year on a level cost basis. This is equivalent to a tax rate of 13.4 percent of taxable payroll based on a maximum taxable compensation of $350 per month.

RAILROAD RETIREMENT TAX ACT AMENDMENTS

Benefits payable under the Railroad Retirement Act are presently financed by a payroll tax of 6¼ percent on railroad employees and an equal tax on their employers, payable on each employee's compensation up to $300 a month, and by contributions from the Federal Government on account of creditable military service.

The reported bill would amend the Railroad Retirement Tax Act by increasing the maximum employee compensation subject to taxation from $300 to $350 a month, effective July 1, 1954, leaving the tax rate of 6¼ percent unchanged.

Since about 36 percent of all present employees do not earn more than $300 a month, the increase in the tax base would not affect them, because the existing tax rates have not been changed. The remaining two-thirds would pay the employee tax beginning July 1, 1954, on the increase from $300 to $350 per month in the taxable base. The total taxable payroll would be increased by about 9 percent or $450 million a year, and retirement-tax collections would be increased by about $56 million a year.

When the $300 limit on the creditable and taxable compensation base was established in 1937, 98 percent of the number of railroad employees were earning no more than $300 a month. Also, 98 percent of the total railroad payroll was creditable and taxable under the $300 limitation in effect without change during the past 18 years. Since 1947 wage rates have more than doubled. The average annual earnings per railroad employee in 1937 was $1,780; in 1953 it was $4,400. As a result, at the present time only 36 percent of the employees are earning $300 a month or less, and only 80 percent of the payroll is creditable and taxable under the $300 limitation now in the law.

Even with the proposed increase in the creditable and taxable compensation to $350 a month, only 88 percent of the payroll would be taxable compared with 98 percent 18 years ago. In other words, the proposed increase in creditable and taxable compensation to $350 would still apply to a smaller percentage of the total payroll than was the case in 1937.

The $300 per month ceiling on creditable and taxable compensation for railroad-retirement purposes has been

recognized as out of date by many railroad companies for a number of years, as evidenced by the fact that they have established supplemental pension plans covering their officials and employees who regularly earn salaries higher than that amount. As long as 5 years ago the Railroad Retirement Board had knowledge of 53 such supplementary pension plans. There are undoubtedly a considerable number that have since been established.

The employee who pays the tax on the additional monthly compensation in excess of $300 but not in excess of $350, as proposed in the bill, would be adequately compensated by the increased benefits resulting from crediting the additional compensation. On the average, he would obtain benefit rights at the rate of $3 for each $1 in taxes he paid by reason of this provision in the bill. This may be illustrated by the following example: Let us assume an employee who will work, following the enactment of this bill, for 15 years at $350 per month until reaching retirement age. The additional taxes he would pay during this period on the additional $50 of monthly taxable compensation, as proposed in the bill, would be at the rate of $3.13 a month, or, in the aggregate, $563 during the entire 15-year period. As a result of paying this additional tax, his annuity would be increased, when he retires, by $10.35 a month. At present, a man's life expectancy at age 65 is 12½ years. Normally, this individual may, therefore, expect to have his aggregate benefits increased by a total of $1,552.50. He would, therefore, receive $3 in benefits for each $1 of additional taxes he would pay under the provisions of this bill. Other illustrations of the effect on retirement annuities of increasing the creditable and taxable base to $350 a month are given in table 1, to which I have already referred.

The additional revenue, to be collected from the carriers under the proposed amendment to increase the tax base, would amount to $28 million a year on a level-cost basis. However, a very substantial percentage of this amount would be offset by an automatic adjustment in the Federal income tax payable by the carriers. Assuming that the Federal income-tax rate on corporations will not change greatly from the present rate, the additional $28 million, which it is estimated they would have to pay under the proposed amendment, would be offset to the extent of approximately 50 percent by reductions in their corporate income-tax payments. Furthermore, an additional amount would be saved by reductions in their supplemental pension plans.

It is also important to note that the proposed increase in the compensation base to $350 a month would be in conformity with the President's recommendation for an increase in the creditable and taxable wage base from $3,600 to $4,200 a year under the old-age and survivors insurance program. The House of Representatives, on June 1, 1954, did adopt the President's recommendation in this respect when it passed H. R. 9366, a bill to amend the Social Security Act and the Internal Revenue Code.

UNEMPLOYMENT INSURANCE ACT AMENDMENTS

The reported bill, H. R. 7840, would amend the Railroad Unemployment Insurance Act to provide that the daily benefit rate to a qualified employee who is unemployed or sick would be based on the following schedule:

Base year compensation:	Daily benefit rate
$400 to $499.99	$3.50
$500 to $749.99	4.00
$750 to $999.99	4.50
$1,000 to $1,299.99	5.00
$1,300 to $1,599.99	5.50
$1,600 to $1,999.99	6.00
$2,000 to $2,499.99	6.50
$2,500 to $2,999.99	7.00
$3,000 to $3,499.99	7.50
$3,500 to $3,999.99	8.00
$4,000 and over	8.50

The reported bill further provides that if the daily benefit rate, in accordance with the above schedule, would be less than half of the employee's daily rate of compensation for the last employment in which he was engaged in the base year, his daily rate would be increased to half of such amount, but not exceeding $8.50. Also, the total amount of benefits which may be paid to an employee separately for unemployment or sickness within a benefit year cannot exceed his total compensation in the base year.

The provision in the reported bill that the daily benefit rate shall be not less than half of the employee's last daily wage rate payable to him in the last position he held in the base year, with a maximum of $8.50 per day, is consistent with the recent recommendation regarding the Federal-State unemployment insurance systems made by the President in his economic report to the Congress, dated January 28, 1954, wherein he urged that such unemployment insurance systems be improved and expanded and that the effectiveness of the unemployment insurance program be strengthened. The President suggested that the States raise the dollar maximums payable under their unemployment insurance systems "so that the payments to the great majority of the beneficiaries may equal at least half their regular earnings."

At the present time railroad unemployment and sickness benefits are approximately 40 percent of the average railroad weekly wages. Your committee believes that these benefits should be closer to 50 percent of the average weekly wages, as provided for in the bill. This would make the benefits payable under the railroad unemployment insurance system conform more nearly to the recommendations made by the President for the improvement of State unemployment insurance systems.

The unemployment and sickness benefit programs under the Railroad Unemployment Insurance Act are supported by contributions collected by the Railroad Retirement Board from the employers alone with respect to each employee in service. The contribution rate is based on a sliding scale and is fixed for any 1 year in accordance with the balance remaining in the unemployment insurance account as of the close of business on September 30 of the preceding year. The contribution rate is applicable to the employee's compensation not in excess of $300 for any calendar month.

The reported bill would increase the maximum compensation that would be subject to contribution to $350 a month.

The schedule of contribution rates provided for in section 8 of the Railroad Unemployment Insurance Act, as amended on June 23, 1948, is as follows:

If the balance to the credit of the railroad unemployment insurance account as of the close of business on Sept. 30 of any year, as determined by the Board, is:	The rate with respect to compensation paid during the next succeeding calendar year shall be:
$450,000,000 or more	½ percent.
$400,000,000 or more but less than $450,000,000	1 percent.
$350,000,000 or more but less than $400,000,000	1½ percent.
$300,000,000 or more but less than $350,000,000	2 percent.
$250,000,000 or more but less than $300,000,000	2½ percent.
Less than $250,000,000	3 percent.

Since the balance to the credit of the unemployment-insurance account has been in excess of $450 million from the time this amendment became effective on January 1, 1948, the rate of contribution has been one-half of 1 percent since that time. The balance in the account as of March 1954 was approximately $627 million.

In accordance with the amendments proposed to be made in the Railroad Retirement Act and the Railroad Retirement Tax Act with respect to delegates attending a national or international convention of a railway labor organization, the reported bill likewise exempts from the provisions of the Railroad Unemployment Insurance Act such delegates if they have not previously rendered service to an employer as defined in that act.

The increase in the contribution base from $300 to $350 a month would increase the taxable payroll by approximately 9 percent. At the current contribution rate for unemployment insurance of 0.5 percent, the effect of increasing the tax base would be to add approximately $2¼ million a year to the contributions paid by the railroads. This additional payment would continue for several years and would increase in amount as the contribution rate increases in the future. The carrier member of the Railroad Retirement Board has estimated that over the long run the additional cost to the carriers will average $2¢ million a year.

It has been the uniform policy of the Congress, since the establishment of the Railroad Unemployment Insurance Act, to use the same base year earnings for benefit and contribution purposes under this law as under the Railroad Retirement Act. This policy has great advantage in simplifying the administration of the two acts. There is no logical reason why there should be a different base for one act than for the other.

The committee was advised by the Railroad Retirement Board that the balance in the unemployment insurance

account, plus the current income to the account, will be sufficient to pay all unemployment and sickness benefits provided for under present law and still maintain the contribution rate of 0.5 percent up to January 1, 1958, or January 1, 1959, when it would become necessary to increase the contribution rate to 1 percent. The committee was further advised by the Board that the amendments to the Railroad Unemployment Insurance Act proposed by the bill would cause the contribution rate to increase to 1 percent in January 1957, and possibly not before January 1958.

In contrast with the railroad contribution rate of 0.5 percent, which has been paid since January 1, 1948, employers covered under State unemployment insurance laws now pay an average rate of approximately 1.5 percent to the States and 0.3 percent to the Federal Government. Rates for employers under State laws, including the 0.3 percent Federal tax, are compared with rates payable under the Railroad Unemployment Insurance Act since 1948, in the following tabulation:

Contribution rate

Year	State laws, average	RUIA
1948	1.54	0.5
1949	1.61	.5
1950	1.80	.5
1951	1.88	.5
1952	1.75	.5

CONCLUSION

Your committee is convinced that H. R. 7840 is sound and necessary legislation, and that it is consistent with the retirement and unemployment insurance programs recommended by the President.

I urge the House to pass H. R. 7840 as reported by your Committee on Interstate and Foreign Commerce.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. WOLVERTON. I yield to the gentleman from Minnesota.

Mr. AUGUST H. ANDRESEN. Does this bill provide for an increase in the benefits to all of those who are now receiving retirement benefits?

Mr. WOLVERTON. No, it does not, however, the amendments to the Social Security Act (H. R. 9366) which was recently passed by this body with reference to increasing the amount of the social security benefits inures to the benefit of the beneficiaries under the Railroad Retirement Act because in the Railroad Retirement Act there is a minimum guarantee provision which states that retired railroad employees and their families are not to receive less than what is being paid under social security for equal length of service and compensation. So in that respect, they are taken care of.

Mr. ROGERS of Florida. Mr. Chairman, I yield such time as he may require to the gentleman from Ohio [Mr. CROSSER].

Mr. CROSSER. Mr. Chairman, on this occasion it will be unnecessary to consume much time to the discussion of the bill now before the committee. I could probably talk for hours in regard to the subject of the bill but there is practically no opposition to the measure and it is unnecessary.

Mr. Chairman, all the railway labor organizations that have been interested in this subject from the very beginning are now in favor of this measure. They are unanimously in favor of the bill.

Mr. Chairman, it is more than 23 years ago since I first began to pioneer for the establishment of a Railroad Retirement System. In my opinion we have now the best retirement in the whole United States and I believe it is highly desirable that this measure be passed.

Mr. Chairman, H. R. 7840 is a bill reported from the Committee on Interstate and Foreign Commerce on June 21, 1954.

The main additional retirement benefits provided for by this bill are as follows:

First. Benefits to widows, dependent widowers, and dependent parents at age 60 instead of age 65.

Second. Benefits to widowed mothers with physically or mentally disabled children over age 18.

Third. Full survivor benefits to widows, dependent widowers, and dependent parents who are also eligible for a railroad retirement annuity in their own right.

Fourth. Increasing the creditable compensation subject to assessment from the present maximum of $300 a month to a maximum of $350 a month in the calculation of a retirement or survivor annuity.

Fifth. Disregarding the compensation earned after age 65, if the crediting of such compensation would diminish the annuity.

Sixth. Changing the disability work clause to a maximum of $100 in earnings for any month without loss of the annuity for that month.

The main increases in unemployment insurance benefits provided for by this bill are an increase in the daily benefit rates for unemployment and sickness and a guarantee that each eligible employee shall be entitled to receive a daily benefit equal in amount to half his daily rate of compensation for the last employment in which he will have been engaged during the last calendar year, up to the maximum amount of $8.50, daily.

The bill would also increase, for retirement and unemployment insurance purposes, the maximum amount, subject to taxation by employers and by employees, from the present maximum of $300 of the employee's monthly salary to a maximum of $350 of the employee's monthly salary.

The standard railway labor organizations are unanimously in favor of the bill. The Railroad Retirement Board, the Secretary of Labor, and the Bureau of the Budget also favor the bill.

This bill will provide some $55 million in retirement benefits to retired workers and their families in addition to the benefits that are now being paid. Approximately two-thirds of the active railroad employees who will retire in the future will obtain higher retirement benefits as a result of this bill. The widows of all railroad workers will benefit under this bill. It is reasonably certain that the payment of the additional benefits will not endanger the financial soundness of the retirement system.

Provision for the payment of the additional benefits stipulated in H. R. 7840 is made by the increase in taxable base as already explained.

I therefore recommend that my colleagues support H. R. 7840 by their votes.

Mr. WOLVERTON. Mr. Chairman, I regret exceedingly the manner in which I must divide the time amongst those who would like to speak. Because of the limited time available, if I were to allot 1 minute to each Member, I would still not have enough time. At this time I yield 1 minute to the gentleman from Massachusetts [Mr. HESELTON].

Mr. HESELTON. Mr. Chairman, I favor this much needed legislation. I want to congratulate the chairman of the Committee on Interstate and Foreign Commerce for his continuous and now successful efforts to make it possible for us to vote on this legislation today.

H. R. 7840 is a bill to amend the Railroad Retirement Act, the Railroad Retirement Tax Act, and the Railroad Unemployment Insurance Act. This bill was approved by the House Committee on Interstate and Foreign Commerce after extensive hearings held on March 9, 10, 12, 16, and 17, and is supported by all the standard railway labor unions, representing about 1½ million railroad workers in the country. It would make a number of changes in the railroad retirement and unemployment insurance systems, and I shall discuss these in the order of their importance.

The first change would permit widows who have no minor children to have their widow's benefit begin at age 60 rather than at age 65, as at present. It was testified during the hearings that most widows of railroad men have devoted their lives to the duties of housekeeping and being a mother. Such a widow, if she is 60 years old, has no more opportunities to secure employment than a widow at age 65. Realistically speaking, a woman at age 60, especially one who has had no training outside of running a home, cannot secure employment. Under the present law, she would receive the widow's benefit only if she has a minor child under age 18; otherwise, her widow's benefit cannot begin before age 65. This has proved to be a very serious hardship on many railroad widows, and the committee approved this proposal.

The committee also approved the proposal in the bill to provide eligibility for a child's annuity even after the child has attained age 18 if the child has a disability which occurred before that age. It has been testified before the committee that in a number of cases a child's annuity, and that of its mother, were terminated upon the child's attainment of age 18 on the assumption that the child was then able to provide for itself. This, of course, is untrue with regard to a child that is permanently disabled. Both the child and the mother taking care of it should have their annuities continued in such case as long as the child remains

disabled. This bill so proposes and your committee approved this proposal.

The next proposal in the bill with regard to widows would permit her to receive her widow's annuity in addition to her railroad retirement annuity, if she has one coming to her in her own right. This liberalization would cost very little because there are not many such cases. The committee therefore believed it appropriate to let the widow have the retirement annuity in her own right in addition to the widow's annuity, particularly because the widow's annuity would still be subject to reduction by any social security benefit to which the widow might be entitled.

For employees earning more than $300 a month, the bill proposes to increase the basic monthly wage upon which annuities are computed from the present maximum of $300 a month to $350 a month. I need not remind this House that this increase in creditable base to a maximum of $3,600 a year is similar to that proposed by the President for the Social Security Act and which was passed by the House several months ago.

With regard to the crediting of compensation for computing an annuity, the bill recognizes that some people earn less after age 65 than before that age, and this necessarily results in a lower average of monthly earnings. The bill would therefore eliminate the compensation earned after age 65 if the result of crediting such compensation would operate to decrease the monthly average. This provision has been in the law at the beginning of the railroad retirement system, but has been changed since then. Experience has proved it to be a desirable provision, and the committee has therefore restored it.

The next change relates to disability annuities. At the present time an individual in receipt of a disability annuity is presumed to have recovered from his disability if he earned more than $75 in each of 6 consecutive calendar months. This has been a very unsatisfactory provision; it has presented a good many administrative problems and resulted in many complaints. All the railway labor organizations have recommended that this provision be changed so that a man could have his annuity for each month in which he earns no more than $100 in service for other than a railroad or a last employer. After age 65, of course, he can earn more than $100 in such service without losing the disability annuity.

On behalf of delegates to the conventions of railway labor organizations who have no other service creditable under the act, all the railway labor unions pointed out to the committee that such delegates pay taxes on the compensation they receive for service as delegates without realizing any benefits therefrom. Very few, if any, delegates could ever acquire as much as 120 months of delegate's service, and without that number of months there would be no eligibility under the Railroad Retirement Act. Moreover, very few would ever acquire enough of such service to qualify them under the Social Security Act. For this reason, the service as delegates was excluded from the coverage of the acts.

The next change would eliminate the requirement that children between the years of 16 and 18 attend school as a condition of eligibility for a child's annuity. This provision was difficult to administer, was eliminated from the social-security system some years back, and would therefore be eliminated by this bill from the Railroad Retirement Act.

Finally, the bill would permit a railroad retirement annuitant or pensioner to waive his annuity, in whole or in part, if he should find it to his advantage in order not to lose his disability pension from the Veterans' Administration. During the last Congress we made a similar amendment to the Civil Service Retirement Act for the same reason.

In order to meet the cost of the liberalizations I have discussed, the bill would increase the taxable base from $300 to $350 a month. According to the Railroad Retirement Board, as shown by its report on the bill, this increase in the taxable base would add $56 million a year to the railroad retirement account. The cost of the higher benefits resulting from the crediting of $350 instead of $300 a month for benefit purposes would be $31 million a year. The cost for reducing the eligibility age for widows without minor children from 65 to 60, and the remaining amendments in the bill for the Railroad Retirement Act, would be about $23 million a year, making the total cost of the bill to amend the Railroad Retirement Act $54 million a year. The Railroad Retirement Board therefore concludes, and I quote:

> The $56 million additional revenue would more than pay for all the increased benefits provided in the bill.

For the Railroad Unemployment Insurance Act the bill would increase the daily rate for unemployment and sickness benefits generally by 50 cents up to a maximum of $8.50 per day, with the assurance that in no case would the daily rate be less than 50 percent of the employee's last daily wage rate in the preceding base year. This guaranty is subject to two limitations. The first is that in no case would the amount exceed $8.50 a day, and the next is an overall limitation that in no case would the total amount of benefits for unemployment or sickness in a benefit year exceed the employee's total earnings in a base year. The guaranty of benefits up to 50 percent of an employee's daily wage rate is in conformity with the President's proposal for the State unemployment-insurance systems and the limitation against total benefits exceeding the employee's earnings in the preceding base year is 1 of 2 conditions directed against casual workers. Objections have been raised that the railroad unemployment insurance benefits constitute a windfall to many casual workers in the railroad industry that their benefits in a year exceed by far their earnings in the preceding base year. To meet this objection your committee has amended the bill so as to require no less than $400 a year as a condition to qualify for benefits under the Railroad Unemployment Insurance Act instead of the present $300 a year. This provision alone would eliminate many casual workers from the coverage of the act and this provision, together with the overall limitation against total benefits exceeding the total earnings in the preceding base year, go a long way to meet the objection as to casual workers.

As I stated earlier this committee held extensive hearings on the bill permitting all persons having an interest in any of its provisions to express themselves fully and completely, so that the hearings on the bill comprise 179 printed pages. During those hearings it was suggested to this committee that the proposal in the bill to increase the tax base from the maximum of $300 to $350 a month should not be adopted before a similar proposal by the President for the Social Security Act is adopted. In fact, it has even been suggested that this proposal in the bill should not be adopted even if the similar proposal for the Social Security Act were adopted because the taxes under the railroad retirement system are higher than under the social-security system. This argument, in my opinion, is without merit. It is a matter of record that the railroad retirement system from the very beginning had higher benefits and higher tax rates than the social-security system. In other words, Congress has never permitted the social-security system to stand in the way of improving the railroad retirement system as long as improvements were needed and funds were available. Thus, in 1937, when the two systems were first established, the maximum wage base under the railroad retirement system was about $600 above that of the social-security system. At that time the maximum wage base under the Social Security Act was $3,000 a year, averaging $250 a month, while the maximum base under the railroad retirement system was $300 a month. Then, as now, the taxes for the support of the railroad retirement system were higher than those for the social-security system. Since that time the wage base under the social-security system was increased to $3,600 a year, while the base under the railroad retirement system remained unchanged. There is no doubt that the social-security base will be increased during this session of Congress from $3,000 to $3,600 a year, but the proposal in the bill to increase the railroad base is merited on other grounds. In 1937 when the $300 base was first established, 98 percent of the total railroad payroll was taxable and creditable for benefit purposes under the Railroad Retirement Act. Since that time, wages have more than doubled so that at the present time only 80 percent of the railroad payroll is taxable and creditable for benefit purposes under the Railroad Retirement Act. Moreover, even after the increase in the base from $300 to $350 a month is adopted, only 80 percent of the total railroad payroll will be taxable and creditable for benefits under the act as compared with 98 percent in 1937. The railroads themselves have recognized the inadequacy of the $300 limit because

most of them now maintain supplemental pension systems under which the railroads and their employees earning more than $300 a month are taxed on the amount in excess of $300 for the financing of the supplemental benefits.

With regard to comparing benefits between the railroad-retirement and the social-security systems, no value can be derived from such a comparison. The assertion that benefits under the Railroad Retirement Act are higher than under the Social Security Act has no meaning whatever as long as the benefits under either system remain inadequate. We all know that the benefits under the Social Security Act are low and those under the Railroad Retirement Act are far from adequate. The comparison says no more than that the Retirement Act benefits are higher than the low benefits under the Social Security Act, but this is no evidence that the benefits under the Railroad Retirement Act are themselves adequate.

In closing, I wish to call attention to the similar argument made by the opposition in regard to the increase in benefits under the Railroad Unemployment Insurance Act. It is generally recognized that the benefits under the State unemployment insurance systems are very low. Consequently, the comparison of the benefits under the Railroad Unemployment Insurance Act to those of the State systems is equally meaningless. With regard to the cost of the benefits under the Railroad Unemployment Insurance Act, I must point out that even after the increase in benefits the tax rate under the Railroad Unemployment Insurance Act will continue, for several years at least, at the rate of one-half of 1 percent of payroll, and at no time will the tax rate under that act exceed the 3 percent originally fixed in the statute. In order to avoid the accumulation of a large reserve not immediately needed for benefits, the Congress, in 1948, established a sliding-scale tax rate reducing the 3-percent tax rate temporarily to one-half of 1 percent, to be raised back to the 3 percent under certain conditions. This proved to be of great advantage to the railroads who saved hundreds of millions of dollars in taxes in the last 5 years. No one, however, intended this reduced rate to become a permanent rate. It has never been suggested that the rate should not be increased to the 3-percent rate whenever conditions required an increase in benefits. The cost estimates submitted by the Railroad Retirement Board, and which were not questioned by anyone, establish that even with the increase in benefits the rate will continue to be one-half of 1 percent, at least to 1957, and thereafter may go up to 1 percent, and that the total cost will at no time reach the 3 percent fixed by statute.

The bill has been reported favorably by this committee, it is supported by all the standard railway labor unions, and by the majority of the Railroad Retirement Board. In its report on this bill, the Bureau of the Budget said, and I quote:

> The proposed increase in the covered wage base to $350 a month would correspond to the President's proposal for revision of old-age and survivors insurance. In view of these Presidential recommendations, the proposal for a higher wage base and resulting automatic increases in benefits under the railroad system would appear appropriate. Its enactment is recommended.

But it suggested that this increase be postponed until the similar increase is adopted for the Social Security Act. As I stated before, I do not regard this postponement as necessary or valid. Our committee did not so regard it and the Railroad Retirement Board does not so regard it. Let us in this session of Congress enact this modest bill for the railroad workers; let us show all the standard railway labor unions that we are with them, not against them, in their efforts to improve the lot of 1½ million railroad workers and their families.

Mr. JAVITS. Mr. Chairman, will the gentleman yield?

Mr. HESELTON. I yield.

Mr. JAVITS. I join the gentleman in the sentiments he has expressed in congratulating the chairman on getting this bill before us and I shall support it. I am very glad that the House is acting on this long needed and very just legislation in aid of railroad retirement. If our railroad retirement system is to serve its vital purpose it must conform to modern conditions and costs of living.

Mr. FULTON. May I likewise congratulate the chairman and the members of the committee for bringing this forward looking legislation to the floor for House vote. This railroad retirement increase of benefits is part of the program and promises the Eisenhower administration has made to the railroad workers, and it is a great step forward. I will vote for the increase in unemployment and retirement benefits for railroad workers and am glad to note the increased benefit provisions for widows and children, too.

Mr. ROGERS of Florida. Mr. Chairman, I yield myself 3 minutes.

Mr. Chairman, I am going to speak very briefly for the reason that our chairman has explained the provisions of the bill. This is a nonpartisan bill or bipartisan which came out of our committee. There were witnesses appearing before our committee representing the railroads that were opposed to that provision of the bill increasing the basic sum subject to taxation from $3,600 to $4,200. The only controversial clause in the bill, as I recall it, is on the increase of the tax base. As you know, under the present law there is a percentage of 6¼ on the part of the employees and 6¼ percent on the part of the railroads. This increases it up to $4,200 a year or rather will increase it from $300 a month to $350 a month. That makes the employees have to pay more and it makes the railroads have to pay more. Possibly, this would be a burden on the railroads but for the fact that it is going to be passed on to you in the form of increased freight rates. It also increases the tax of the employees. However, the bill was supported by all standard railroad labor unions, including the 4 train and engine service brotherhoods, and all the 19 organizations affiliated with the Railway Labor Executives Association.

The main objection to the bill was the increase in the tax base. We hated to see the tax base increased because you know we have enough taxes and to continually increase and keep on increasing the tax base and the increase in taxes thereon is not sound economy. But after long discussion and consideration the bill was reported out favorably since it contained so many and needed benefits to widows, dependent widowers, the disability work clause and many other desirable and welfare provisions. As a whole, the provisions of this bill are worthy of your consideration and support. I think the committee is to be commended for this splendid piece of legislation.

Mr. WOLVERTON. Mr. Chairman, I yield 1 minute to the gentleman from Iowa, Mr. DOLLIVER.

Mr. DOLLIVER. Mr. Chairman, apropos of what the gentleman from Florida [Mr. ROGERS] has said with respect to the increased burden upon the railroads, that is true. But there are some mitigating circumstances. Because this additional amount that will be paid by the railroads into the retirement fund is deductible from their net income, therefore, is not taxable as corporate income tax.

In addition, several years ago there was a net savings of about a billion dollars on the unemployment compensation tax because of the action of this House. Then the rate was reduced from 3 percent to one-half of 1 percent.

Of course, the railroads do not like this additional tax, and I do not blame them for it. But, on the other hand, this legislation represents the necessities of the situation for the retired people, because there is only a modest increase in the amount paid for unemployment compensation and for retirement compensation. There is only a modest increase in the categories to whom the compensation is paid.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mr. ROGERS of Florida. Mr. Chairman, I yield the gentleman 1 additional minute.

Mr. DOLLIVER. I want to say this in the additional minute, that this legislation is for the distribution of money that belongs not to the taxpayers of the United States, but it belongs to the railroad people who contributed to the fund.

We have before us a measure which is supported by practically all organized labor in the railroad field. Every major railroad labor organization is behind this measure. Indeed, it is their measure, because they came before us and told us they were for it. Therefore, it seems to me that this House ought to unanimously support the measure, because we are dealing with a matter that the participants and the contributors to the fund have agreed upon. We are doing their bidding with money that belongs to them.

The CHAIRMAN. The time of the gentleman from Iowa has again expired.

Mr. ROGERS of Florida. Mr. Chairman, I yield 3 minutes to the gentlewoman from Pennsylvania [Mrs. BUCHANAN].

Mrs. BUCHANAN. Mr. Chairman, I rise in support of the committee bill. I was very happy to be a cosponsor of H. R. 7840, because of the clear and pressing need for this legislation.

There are many railway workers in my district and I have become deeply interested in the railroad retirement system. One of the great problems confronting all social insurance systems in the world that we live in today is the plight of the aged widow. These widows are badly in need of consideration both as to the eligibility requirements of their annuities and the amount of benefits that they are now drawing. The bill before us, H. R. 7840, is a big step forward in this respect. If this bill becomes law, we immediately provide badly needed survivor benefits for a little over 30,000 railroad widows who are between the ages of 60 and 65.

For the greater part these women have spent their lifetimes in the kitchen and in the nursery and are not prepared to earn their livelihood when the hand of death takes the breadwinner of the house. The result has been that they have had to depend upon relatives and friends, and in some instances the relief agencies of local government, pending their attaining the age 65 and thereby qualifying for widows' benefits. I am delighted to support this bill if for no other reason than that it does reduce the age for widows' pensions from 65 to 60. But, fortunately, there are many other reasons why this bill should become law.

The increase in the taxable and creditable maximum from $300 to $350 is a constructive move that will result in the railroad retirement system being in better balance financially in the years to come. This will assure a more realistic relationship between the wages paid in the railroad industry and the tax base upon which the railroad retirement system is founded. For the younger people now employed in this industry the extra contributions that are made on the additional $50 a month income will be repaid at the rate of 3 to 1 in benefits when they reach the average age of retirement later in life. In this respect this is not really an additional contribution, but in a greater sense it amounts to an opportunity for these young folks to save. What we will really be doing is saying to these young workers, "We are going to make it possible for you to invest more in your retirement future by the method that we are adopting in H. R. 7840."

Another important feature of H. R. 7840 that I desire to bring to the attention of the House is that it will continue financial integrity in the railroad retirement system. As all of you know, H. R. 356 passed the House last year and the Senate this year, and has since become law in the form of Public Law 398. As most Members of the House know, this was an emergency measure designed specifically to correct a problem that arose out of the 1951 amendments to the Railroad Retirement Act. Great pressures were brought on the entire Congress to solve this problem which we grew to know as dual benefits. In view of the majority that the bill received in both Houses of Congress, it is needless to say that the bill was an attractive one in the eyes of most of us. What I should like to remind the House is that when we were considering H. R. 356 our committee handling the bill frankly advised us that it would add to the cost of the railroad retirement system and that at a later date it would be necessary to arrange adequate financing.

I submit to you that H. R. 7840 with the added revenues that it contains makes provision for paying for the benefits contained in H. R. 356. In other words, in addition to all of the fine features and the fine benefits in H. R. 7840, we are given an opportunity here to pay for the bill dealing with dual benefits that we passed a year ago. For all of these reasons, Mr. Chairman, I strongly urge the Members of the House to support the committee bill without amendment.

Mr. WOLVERTON. Mr. Chairman, I yield 1 minute to the gentlewoman from New York [Mrs. ST. GEORGE].

Mrs. ST. GEORGE. Mr. Chairman, I am happy to have this opportunity, however brief, to congratulate the chairman of the committee and also the other members of this great Committee on Interstate and Foreign Commerce on the bill H. R. 7840.

This bill is a great step forward and I, like my colleague from Pennsylvania [Mrs. BUCHANAN], who has just spoken, am very happy and impressed over the provisions for benefits to widows and also to the orphan children of employees. It is a great step forward to have the age taken down from 65 to 60. There are many women over 60 years of age who in this modern world find it increasingly difficult to find gainful occupation.

It is also a great step forward to permit children over the age of 18 if they suffer from permanent physical or mental disability to continue on the pension rolls.

I hope this legislation will pass without amendment.

(By unanimous consent permission to extend their remarks at this point was granted to Mr. GRANAHAN, Mr. MILLER of Kansas, Mr. SHELLEY, and Mr. SELDEN.)

Mr. GRANAHAN. Mr. Chairman, we on the House Committee on Interstate and Foreign Commerce devote many, many hours of each congressional term to a study of the railroad-retirement system and in the consideration of legislation to improve this system. I think I can honestly say that we are seldom completely satisfied with any bill we report out, for the simple reason that it is impossible to do all the things we would like to do to improve the system and still keep it solvent and sound for the future.

This bill, which is an excellent measure as far as it goes, is a good example of that problem. We have taken steps to raise maximum benefits by increasing the amount of a railroad worker's pay check subject to credit for retirement purposes. But there is no general increase in benefits in this bill, even though we know that retired workers are having a tough time, due to increase in living costs.

There is nothing we would like better—certainly nothing I personally would like better—than to vote a general increase in all benefits of this type and give the retired worker a better break in making ends meet. Some of my constituents who are railroad men, are perturbed over the slow progress in improving benefits and feel we are often too cautious in the concern we show for the soundness of the system in future years.

But my feeling is that we would be doing a great disservice to every railroad man in the United States if we were to go overboard on this, fly in the face of all of the actuarial experts, and let the fund pay out more than it can handle and remain solvent.

For if that happened the railroad retirement fund would be dissipated and the program would collapse, and the upshot would be that this outstanding system developed for and by railroad men and paid for jointly by the railroads and their employees would have to be absorbed into the social-security system. So far as I know, no railroader wants to see that happen.

He pays much more out of his wages for contributions to the railroad retirement fund than other industrial workers receiving the same pay contribute to social security. And his benefits are in many respects much better. It is his own system and I know each railroad worker sincerely wants it protected against unsound practices.

The railroad brotherhoods are in the forefront in this matter. I think they are to be congratulated for the industrial statesmanship they have displayed in their recommendations on railroad retirement and their constant desire to see the fund kept sound. It conceivably might be better union politics for the brotherhood leaders to clamor for more and bigger benefits, regardless of the actuarial results to the fund, but they have opposed that kind of thing wholeheartedly. They are often in the position of opposing certain improvements many of their members would like to obtain. Their explanation is that the solvency of the fund and the continuance of the program are the first considerations.

SURVIVORSHIP BENEFITS AND UNEMPLOYMENT PAYMENTS

That is how we who are on the Interstate and Foreign Commerce Committee and who initiate legislative action on railroad-retirement bills also feel about it. We have a responsibility over this program which goes much further than just voting for any improvement any particular railroader would like to receive.

Many who are interested in this matter urge less attention to the so-called fringe benefits affecting families and the use of these funds instead for higher individual benefits for the worker himself. But I think we must travel in both directions, and this bill is an attempt to do so.

We have written a new provision to allow widows of railroad workers to begin collecting their survivorship benefits

at age 60 instead of the present 65. I think that is a big advance and extremely worthwhile from a social standpoint. The widow of 60 is in a very poor situation employmentwise. She needs this help now as much or more than at age 65. I am hopeful that in succeeding years we can also lower the voluntary retirement age for the railroad workers themselves, but from an actuarial standpoint we are told that is not possible this year.

One of the most significant features of this bill is the provision on unemployment insurance, providing for half-pay up to $8.50 a day. This works out to the same formula for railroad workers which we on the Democratic side tried to write into the recent unemployment compensation law for other workers. Unfortunately, we were defeated on that, and so maximum unemployment compensation benefits in Pennsylvania still remain at the unrealistic figure of $30 a week tops. Our proposal would have raised it to half pay up to about $44 a week top, the highest amount for workers normally earning $88 a week or more. While we failed on that for those workers under the regular unemployment compensation system—and I think it was a great mistake for the administration to oppose our writing that standard into the Federal law—I am glad we have gotten the principle of that formula into this railroad retirement bill to apply to railroad workers. If it passes, maximum benefits will be $8.50 a day for those normally earning $17 a day or more in railroad work. So that is a big improvement.

It is a most necessary improvement right now because of the alarming extent of unemployment in the railroad industry, due to the general decline in business activity. In the Philadelphia area, railroad workers constitute a significant portion of the total unemployment, which is now so large that Philadelphia is a group IV, or distressed, labor-market area, meaning it has unemployment of more than 6 percent.

There are other changes in this bill, some of a technical nature, which will be of great benefit to certain categories of railroad retirement-fund beneficiaries, including the disabled railroad worker. He would be permitted, under this bill, to earn up to $100 a month in part-time or other work without jeopardizing his benefits as a disabled railroad worker. His annuity would be withheld only in those months when he earned more than $100. Under the present setup, a disabled worker is assumed to have recovered and loses his disability benefits if he earns $75 a month in each of 6 consecutive months. As has been pointed out, this will remove hardships on one hand and also eliminate possible abuses on the other.

All in all, this is a good bill, but, like all its predecessors, not good enough to satisfy everyone. We must keep improving the program year after year, but never at the expense of failing to keep it sound.

Mr. MILLER of Kansas. Mr. Chairman, I rise in support of this bill. It has been before the Committee on Interstate and Foreign Commerce for several weeks. The able chairman of that committee, Mr. WOLVERTON, of New Jersey, who has the confidence and respect of every Member of this House, states that it is reported out by a unanimous vote. The very able member of the committee, Mr. ROBERT CROSSER, of Ohio, who is recognized in the House as the father of railroad-retirement legislation, has given it his personal endorsement. I have received from the leaders of the railroad brotherhoods nothing but approval of its provisions. These facts, coupled with the additional consideration that the funds involved in this bill are all contributed by the railroad management and the members of the railway brotherhoods, together with the fact that it is an economically sound arrangement, make it imperative that this bill shall be passed. I shall vote for the bill.

Mr. SHELLEY. Mr. Chairman, I rise to congratulate the Committee on Interstate and Foreign Commerce for bringing this legislation to the floor of the House for action, and to urge that the House pass H. R. 7840 this afternoon without restricting amendments.

Mr. Chairman, this bill is badly needed to correct a number of gross inequities in the present operation of the Railroad Retirement and Unemployment Insurance Acts. However, before commenting on the provisions of the bill I want to say a few words in tribute to my great and dear friend, the distinguished author of all of our major railway labor legislation, BOB CROSSER. BOB CROSSER has served in this House in every Congress since the 63d, with but one exception. The use of the word "served" in his case is not just a pleasant way of saying that he has occupied a seat. BOB CROSSER'S record of service, although it is by no means limited to the type of legislation we are considering today, is best exemplified by his monumental achievements in this field. It is certainly fitting that in these closing days of the 83d Congress one of our last important acts is to consider a bill providing new benefits for railroad workers. I only regret that he will not be with us next year to continue the great work he has so ably handled for 40 years.

Bob CROSSER'S absence from the 84th Congress will be a loss not only to railway labor and to the people of his home city of Cleveland, but a sharp setback for all the people of all of the United States. Although it may not be generally realized, the Railway Labor Act of 1934 and the Railroad Retirement Acts of 1934 and 1935 were something more than enlightened legislation for the special benefit of railroad labor. In writing those measures and in securing their enactment BOB CROSSER blazed the trail for much of the great social welfare legislation which came into being in succeeding years of Franklin D. Roosevelt's administration. The working people of America are indebted to him in large measure for our social-security laws and for the protection of their right to organize, first fully guaranteed by the Wagner Act which can be traced directly to Bob Crosser's Railway Labor Act of 1934. For my part I want to pay my own sincere tribute to him now for those great achievements. I know that every enlightened American will be glad to join me in so doing, and in wishing good luck and a long life to him as a great American and an outstanding humanitarian.

Mr. Chairman, the benefits provided in H. R. 7840 are essential to our retired railroad workers and to the widows and disabled children of deceased railway employees. One of the most important aspects of the bill is the provision reducing from 65 to 60 the age at which widows may receive survivors benefits. During the first session of this Congress I introduced a bill which would have lowered the 65-year age limit now applicable in the case of widows of workers covered by our social-security system. Unfortunately, the Ways and Means Committee did not see fit to include this provision in the social-security bill now awaiting Senate action. I sincerely hope that its inclusion in this bill will serve as a first step in extending a similar benefit to the aging widows of other classes of workers in the United States.

Similarly, I believe it to be vitally necessary that we remove from the present law the unjust provision which takes survivors benefits from the widowed mother of a disabled child at the time such a child reaches the age of 18. Certainly a mother with a totally disabled child or children is in far greater need of assistance than one whose children are, through the grace of God, in sound health. I am sure that we can all recognize the essential injustice of penalizing an already distraught mother by cutting off what is possibly her only source of income at a time when she needs it most. The provision in H. R. 7840 eliminating this injustice must be retained.

One other feature of H. R. 7840 deserving of special mention is that dealing with liberalization of unemployment benefits for jobless railroad workers. The Interstate and Foreign Commerce Committee is to be congratulated for recognizing its responsibility in this field. I trust that the House as a whole will not fail to shoulder the responsibility and to accept the provision in contrast to its action the other day in voting down the Forand amendments to the general unemployment insurance bill we had up at that time. This enlightened attitude in legislation applying to our unemployed railway people will, let us hope, eventually lead to the establishment of similar standards for unemployment insurance benefits for all of American labor.

Mr. Chairman, it is a pleasure to note that all rail labor organizations, both the operating and the nonoperating groups, have joined in support of these and the other benefits included in H. R. 7840, including the increased limit on outside earnings of disabled railroaders, the increased retirement benefits to be enjoyed by those who pay the additional tax and the increase in the monthly wage taxable base made necessary to finance these improvements. I urge my colleagues in the House to show a like unanimity in voting for passage of H. R. 7840.

Mr. SELDEN. Mr. Chairman, I would also like to commend the Committee on Interstate and Foreign Commerce for the fine work they have done in prepar-

ing the bill that is now before the House for consideration.

Earlier this year, I introduced a bill, H. R. 7916, to amend the Railroad Retirement Act of 1937 to provide annuity for certain incompetent and disabled children of deceased railroad workers.

Under the present provisions of the Railroad Retirement Act, a widowed mother and her child cease receiving survivors benefits when the child reaches age 18 even though the child may be completely disabled. My bill, H. R. 7916, provided that those benefits would continue beyond age 18 if the child is permanently incapable of self-support by reason of mental or physical defect. A totally disabled person, regardless of age, is just as incapable of earning a livelihood as a normal child under 18. Certainly a person mentally or physically disabled requires more personal and medical attention than most normal children.

Section 12 of the bill now under consideration, H. R. 7840, incorporates the provisions of the bill, H. R. 7916, introduced by me earlier in this session. I commend the committee for including these provisions in H. R. 7840, and I am certain the great majority of the Members of the House will agree that the law should be extended to cover children of deceased workers who are incapable of self-support due to a total mental or physical disability, even though they have passed the age of 18.

Mr. ROGERS of Florida. Mr. Chairman, I yield 6 minutes to the gentleman from Mississippi [Mr. WILLIAMS].

Mr. WILLIAMS of Mississippi. Mr. Chairman, the legislation before you is the result of many months of hard work on the part of the Committee on Interstate and Foreign Commerce. Perhaps the most difficult of all legislation to work out satisfactorily is that legislation dealing with retirement programs. In the case at hand it is even more difficult than usual, because the responsibility rests upon Congress to maintain the solvency of the railroad retirement fund, and to broaden benefits within the actuarial limits of the fund.

All of the taxes, it should be remembered, that go to the payment of railroad retirement are collected jointly from the railroads and from the railroad workers; yet the benefits are paid and the policies under which payments are made are outlined by the Congress of the United States. It is a rather odd situation when a private retirement program is handled by elected public officials, but apparently it has worked satisfactorily. I know of no one of any consequence, or no group of any consequence, asking that the program be removed from the control of Congress.

When it appeared that there was indeed a need for liberalizing certain benefits accruing to retired railroad workers, our committee got busy and began to hold hearings on quite a number of retirement bills before it. H. R. 7840 is the result of many compromises, and comes as nearly to representing the composite views of our committee members as possible under the circumstances.

Frankly, like my colleague from Florida [Mr. ROGERS], I am not satisfied with all of the provisions of this legislation. Unfortunately, I am not prepared at the moment to suggest amendments due to the fact that I did not know this legislation was going to be called up until I arrived on the floor this morning. I believe the same situation is true with respect to the gentleman from Florida who is the senior member of the committee on the Democratic side except for our former chairman, the gentleman from Ohio [Mr. CROSSER]. Therefore, we who do have suggestions for further improving the bill are not prepared to offer amendments at this time.

Generally though, Mr. Chairman, the bill is just about as good a railroad-retirement bill as we have had presented to the House, certainly since I have been in the Congress. For that reason I intend to support the legislation, although I do question a few of its provisions. Even so, I believe that the bill deserves the support of the membership of the House and at this time I would like to thank the chairman of my committee for the long, hard hours he has put in on this legislation, and to compliment other members of the committee for the work they have done on this bill. We have considered this legislation long and meticulously, and I believe it represents the best our committee could report to the House at this time.

Mr. EDMONDSON. Mr. Chairman, will the gentleman yield?

Mr. WILLIAMS of Mississippi. I yield to the gentleman from Oklahoma.

Mr. EDMONDSON. Mr. Chairman, I would like to associate myself with the gentleman from Mississippi in supporting this bill, and to compliment the committee on their fine report and the careful study the committee's members have given to this matter. I trust the House will vote its approval of this legislation.

Mr. WOLVERTON. Mr. Chairman, I yield such time as he may desire to the gentleman from Iowa [Mr. JENSEN].

Mr. JENSEN. Mr. Chairman, I want to thank the committee for bringing to the floor this very worthwhile legislation. I know of the need for the provisions of this bill. I have many people in my district who are in need of the benefit provided in the bill. It is completely justified. I am happy to support the bill.

Mr. WOLVERTON. Mr. Chairman, I yield 1 minute to the gentleman from Indiana [Mr. BEAMER].

Mr. BEAMER. Mr. Chairman, I rise to speak on behalf of H. R. 7840. Briefly, the amendments to the Railroad Retirement Act by this bill are:

First. Benefits to widows, dependent widowers, and dependent parents at age 60 instead of age 65.

Second. Benefits to widowed mothers with physically or mentally disabled children over age 18.

Third. Full survivor benefits to widows, dependent widowers, and dependent parents who are also eligible for a railroad annuity in their own right.

Fourth. Increases the creditable compensation from the present maximum of $300 per month to a maximum of $350 per month in the computation of a retirement or survivor annuity.

Fifth. Disregard the compensation earned after age 65, if the crediting of such compensation would diminish the annuity.

Sixth. Changes the disability work clause to a maximum of $100 in earnings for any month without loss of the annuity for that month.

Seventh. Excludes the service of certain delegates to national or international conventions of railway labor organizations from coverage under this act.

Eighth. Elimination of the requirement in the present law that a child over age 16 and under 18 years must attend school regularly in order to be eligible for a survivors annuity.

Ninth. Waives retirement benefits for certain individuals who are receiving non-service-connected veterans' pensions.

I shall not take the time to justify the provisions of the bill since the proposed liberalizations are very modest, the need for liberalization has been demonstrated, and the proposed increase from $300 to $350 a month in the taxable and creditable compensation is in conformity with the President's program for the old-age and survivors insurance system. Next to consider is the fact that the proposed increase in benefits under the Railroad Unemployment Insurance Act is in conformity with the President's program for the State unemployment insurance systems. Finally, the financial status of the railroad retirement system will not be affected by the proposed liberalization of the Railroad Retirement Act, and the increased cost under the unemployment-insurance system will not reach the 3-percent rate fixed by statute. In view of these facts, I prefer to direct my remarks not only to a justification of the bill, but also certain explanations.

To the argument that the benefits under the Railroad Retirement Act are already higher than under the Social Security Act, let me point out that some benefits really offer little benefit. This comparison would be valid if the social-security benefits were not so low, or the railroad-retirement benefits were already adequate. The congressional policy has always been to consider the proposals in the Railroad Retirement Act on their own merits without regard to inadequate benefits elsewhere, as long as the finances in the railroad-retirement account permit improvement. That the finances permit improvement has been well established by the figures submitted by the Railroad Retirement Board and not challenged by others. These figures show that the total revenues from the bill to the railroad-retirement account would be $56 million and that the total cost of the liberalization of the Railroad Retirement Act resulting from the bill would be $54 million. It is obvious, therefore, that for the Railroad Retirement Act the benefits proposed in the bill would not result in a financial situation less favorable than at the present time. The argument that the railroad-retirement account now has a deficit of about 1 percent of payroll does not alter the fact that the enactment of the bill would not increase that deficit; if anything, it would decrease it to some extent. In other words, the deficit would be about

1 percent of payroll whether or not we enact this bill.

It has been testified in the past that in a system such as the railroad retirement system, when the cost of the benefits and the income from taxes differ 1 percent either way, the financial status of the system need not be considered with alarm. The Congress has proceeded on that basis ever since 1948. In fact, at the end of the 1951 amendments, the difference was closer to 1½ percent. In any event, without attempting to justify the argument that 1 percent one way or the other is not alarming, we must remember that the enactment of this bill would not affect adversely the present financial status of the railroad retirement account.

It should be remembered also that while the additional revenue to the railroad retirement account would be $56 million a year, the cost would not be borne by employers alone. In fact, the employers would bear the smaller proportion of the cost. Under the provisions of the Railroad Retirement Tax Act, $28 million of this $56 million would be paid by employers and $28 million by employees. Having in mind, however, the corporation income tax on the employers, it is a safe assumption that about one-half of this $28 million would be saved to employers in taxes. Moreover, many railroads, if not all, maintain private pension systems supplementing benefits under the Railroad Retirement Act. These private pensions are financed by taxes on railroads and employees on compensation in excess of $300 a month. It is certainly reasonable to assume that after the enactment of this bill the taxes for the supplemental systems will be on compensation in excess of $350 instead of $300. Thus, if you take into account all the savings that the railroads would achieve, the cost to them probably will be less than $14 million.

The objection to increasing the creditable and taxable maximum monthly base from $300 to $350 a month is made on two grounds—first, the social security base still is only $3,600 a year. That is, the President's proposal to increase that base to $4,200 a year has not yet been enacted. Secondly, it is argued that even if the social security base were increased to $4,200 per year, the railroad base of $300 a month should nevertheless remain unchanged because of the higher taxes required to maintain the railroad retirement system. Both objections may be questioned. The railroad retirement system and the social security system were established in 1937. At that time, the wage base in the Social Security Act was $3,000 a year, averaging $250 a month, while the wage base under the railroad retirement system was $300. Thus, from the very beginning, the railroad retirement system had a wage base which was $600 a year in excess of the social security wage base. At that time also the tax rate for the maintenance of the railroad retirement system was higher than the rate for the social security system. The fact is that Congress recognized from the very beginning that the railroad retirement system, because it was not in a sense a new system—since it took over the railroads' old private pension systems—could not start from scratch with smaller benefits and low costs. The benefits under that system were therefore higher and more costly than those under the social security system. Since that time all the amendments made to the railroad retirement system showed a congressional policy of not permitting the social security system to stand in the way of improving the railroad retirement system as long as improvements were needed and funds were available. The hearings on the bill demonstrated that the improvements are needed and that the funds are available, and, also, that the financial status of the railroad retirement account will remain unaffected by the enactment of this bill.

Moreover, when the $300 limit was first established in the Railroad Retirement Act, 98 percent of the number of railroad employees were earning no more than $300 a month, and 98 percent of the total railroad payroll was creditable and taxable for benefit purposes under the act. The average monthly earnings per railroad employee in 1937 was $1,780, but in 1953 the average was $4,400. Although the social-security base was changed from $3,000 to $3,600 a year, the railroad base remained unchanged at $300 a month to date. The result is that at the present time only 36 percent of the employees are earning $300 a month or less and only 80 percent of the payroll is creditable and taxable for benefit purposes under the act. As a matter of fact, even after this bill is enacted and the base is increased from $300 to $350 a month, only 88 percent of the total railroad payroll would be creditable and taxable for benefit purposes of the act as compared with 98 percent in 1937. The fact is that many railroads have long since recognized the inadequacy of maintaining the $300 limit. As I said earlier, a substantial number, if not all, railroad companies, have established private pension systems to supplement the benefits under the Railroad Retirement Act. These supplemental systems are financed by payroll taxes on employers and employees on amounts in excess of $300 a month.

With regard to the amendments proposed for the Railroad Unemployment Insurance Act, we must remember that the benefits provided in the State unemployment insurance systems, generally speaking, are inadequate and that the comparison to such benefits as a measuring yardstick is inappropriate. The President of the United States has recognized this inadequacy of State benefits and has recommended State action to substantially increase benefits. The proposal in the bill to increase benefits up to 50 percent of the employee's last daily wage rate in the base year is substantially the same as the proposal of the President for the State systems.

In considering the cost of the proposed increase in benefits under the Railroad Unemployment Insurance Act, it is well to remember that such cost will come within the 3 percent tax rate fixed in the Railroad Unemployment Insurance Act. I do not believe that anyone has maintained that the cost of the railroad unemployment insurance system, even after the enactment of this bill, would exceed, or even approach this 3 percent rate. This rate was reduced in 1948 to one-half of 1 percent of payroll by the use of a sliding-scale schedule of rates fixed by Congress at that time in order to avoid the accumulation of a large reserve for which there was no immediate need. This was a proper and justified measure and saved the railroads hundreds of millions of dollars from 1948 to date. If there were no need for improving benefits we would welcome both contributors to the additional savings resulting from the reduced rate, but this reduction in rate was only a temporary measure subject to increases up to the original 3 percent should there be a need for improving the benefits. Now, it is evident that the need has arisen and there is an apparent need for an increase from the present one-half of 1 percent to perhaps 1 percent in 1957, since there is the assurance that in no event would the total cost of the improved benefits reach as much as the 3 percent of payroll originally adopted for the system.

I appeal to you on behalf of 1½ million railroad workers in this country and their families to vote for this bill. I appeal to you to make this session of Congress a memorable one for the railroad workers. Let us assure our friends in all the railway labor unions that we are with them in their cause for improving the railroad retirement and railroad unemployment insurance systems.

Mr. ROGERS of Florida. Mr. Chairman, I yield 5 minutes to the gentleman from Georgia [Mr. DAVIS].

Mr. DAVIS of Georgia. Mr. Chairman, I take this opportunity to congratulate the chairman of this great committee and the members of that committee for the bill which they have brought to the floor of the House this morning. There has been a growing consciousness on the part of the American people for quite a while that the various retirement systems for our aged and those who become disabled and handicapped should make more adequate provision for them in the declining years of their life and in the years when need overtakes them.

There are nine fine provisions in this bill which will make the railroad retirement setup much more adequate to take care of the needs of these people. I am particularly glad to see in this bill the first benefit which goes to dependent widows. Whereas they now begin to draw these benefits when they reach the age of 65, this act, as amended, which we will vote upon today, will reduce that age to 60 years. That will mean quite a bit in the lives of these dependent widows. As has been so ably said here by some of those who have preceded me, when a widow reaches that age, that is, when the wife of a working railroad employee becomes a widow at that age, at the age of 60, it is practically impossible for one of them to obtain employment. I think that it is very fitting indeed that this bill makes this provision.

Another thing which I am sure appeals to the hearts and consciences of all of us is this second benefit which is de-

scribed in the bill, and that is the benefit to a widowed mother who has a child of the age of 18 or over who is mentally or physically incapacitated to take care of its own needs. This bill which we have before us today will continue the benefits to this disabled child or incapacitated child after the age of 18 is reached and would provide that benefit also for the widowed mother. I think it is a tribute to the forward-looing philosophy of the railroads and of the railroad employees that they have worked out this railroad retirement system to take care of their people, their employees, and the dependents of these employees, so that they would not become a charge upon the Government and so that they would not become a charge upon their relatives. Experience has shown that the provisions of the railroad retirement law, as it has existed up to this present time, have not been adequate in many instances to meet the needs of these people, and it has become high time, as this committee has determined in working out this bill, that more adequate provision should be made after studying the bill and the committee report, I believe the proposed amendments greatly improve the railroad retirement law.

Mr. Chairman, I think this bill will appeal to all of us. I am certainly glad that the committee has brought it out, and I urge that the bill be passed.

Mr. SEELY-BROWN. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

Mr. SEELY-BROWN. Mr. Chairman, I rise in support of this legislation, H. R. 7840, to amend the Railroad Retirement Act, the Railroad Tax Act, and the Railroad Unemployment Insurance Act.

I congratulate Chairman WOLVERTON for his untiring efforts in behalf of this legislation and I am pleased to associate myself with him in urging its adoption.

I have every desire to be properly helpful to retired railroad workers and their dependents. I am also mindful of my grave responsibilities toward the currently active railroad workers and those who will follow, and who will retire in the future. We must make certain that when they retire from the railroad industry the reserves in the railroad-retirement account plus the income into the system will be adequate to pay the benefits due them.

In keeping with the overall program recommended by President Eisenhower this legislation provides:

First. Benefits to widows, dependent widowers, and dependent parents at age 60.

Second. Benefits to widowed mothers with disabled children.

Third. Elimination of reduction in survivor benefits on account of railroad retirement benefits in own right.

Fourth. Increase in creditable compensation in the calculation of annuities.

Fifth. Crediting of compensation earned after age 65.

Sixth. Improvement in disability work clause.

Seventh. Benefits to children who do not attend school.

Eighth. Waiver of retirement benefits.

In addition this measure provides proper amendments to the Railroad Retirement Tax Act and the Railroad Unemployment Insurance Act.

Mr. WOLVERTON. Mr. Chairman, I yield 2 minutes to the gentleman from Minnesota [Mr. O'HARA].

Mr. BAKER. Mr. Chairman, will the gentleman yield?

Mr. O'HARA of Minnesota. I yield to the gentleman from Tennessee.

Mr. BAKER. Mr. Chairman, this is a very fine piece of legislation. I am most happy to support it.

Mr. O'HARA of Minnesota. Mr. Chairman, this legislation has been given a great deal of study by our committee. In all railroad retirement legislation it is always the problem of the committee dealing with that subject to be sure of the soundness of the legislation and the soundness of the fund into which these taxes are paid both by the employer and the employee. This legislation represents some very fine features which are of great benefit to the railroad workers. Naturally, those who have to pay more in taxes are not going to be as happy as those who get increased benefits without any increase of their taxes.

Mr. Chairman, I ask unanimous consent that my colleague, the gentleman from Michigan [Mr. BENNETT], who has been called home because of serious illness in his family, and who is one of the members of our committee and who has been most conscientious and deeply sympathetic to this type of legislation, may extend his remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. BENNETT of Michigan. Mr. Chairman, the bill we are now considering, H. R. 7840, has had the most careful study and consideration by the Committee on Interstate and Foreign Commerce which has recommended that it pass. It has had the most careful study and consideration by all the 23 standard railway labor organizations and they recommend that the bill be passed. These labor organizations include the 4 train and engine service brotherhoods and all the 19 organizations affiliated with the Railway Labor Executives' Associations.

These labor organizations speak for practically all the active railroad workers in the United States. They support this bill 100 percent. The Secretary of Labor, the Bureau of the Budget, and a majority of the members of the Railroad Retirement Board favor the passage of the bill. I urge the House to vote for it overwhelmingly. It is a financially sound, well balanced, and deserving piece of legislation that will help practically all retired and active railroad workers and their families.

The provisions of this bill have been stated in considerable detail by the distinguished chairman of the Committee on Interstate and Foreign Commerce, the gentleman from New Jersey [Mr. WOLVERTON] and other able members of the committee. I shall not repeat their statements but shall try to show how practically every active and retired railroad worker and his family will benefit directly from the provisions of H. R. 7840 and indirectly from the Social Security Act amendments which the House passed on June 1, 1954, H. R. 9366.

The provision in the bill to increase the maximum creditable compensation from $300 to $350 a month in the calculation of a retirement and survivor benefit will help all workers and their families, who will earn in excess of $300 a month, to obtain higher retirement and survivor benefits. And almost two-thirds of the presently active railroad workers are earning more than $300 a month. So that the great majority of the active railroad workers and their families will obtain directly higher benefits as a result of this provision of the bill.

Approximately one-third of the active railroad workers are not earning more than $300 a month. They and their families will not receive any direct increase in benefits as a result of the increase in the compensation base to $350. But they will benefit as a result of another provision of the amendment to the Railroad Retirement Act enacted in 1951—Public Law 234, 82d Congress. This is the provision which guarantees that the benefits payable to a retired railroad worker and his family would never be less under the Railroad Retirement Act than the benefits to which such worker and his family would have been entitled to under the Social Security Act if his employment were covered under the Social Security Act. This is an extremely important provision for the low-paid, short-term workers and their families who, by virtue of the short term service in the railroad industry, are getting the minimum benefits payable under the law.

On June 1, 1954, the House passed H. R. 9366, amending the Social Security Act. This bill provides for an increase in the retirement and survivor benefits payable under the old age and survivors insurance program. By virtue of the fact that the railroad retirement system guarantees to railroad employees and their families the minimum benefits they would have received under social security coverage, many thousands of retired railroad employees and their survivors will benefit from the enactment of H. R. 9366. It has been estimated by the Railroad Retirement Board that the passage of H. R. 9366 would increase the benefits of 17,000 retired annuitants and pensioners by an average of $3 a month. Those who have eligible wives would receive on the average an additional benefit of $3 for the eligible wife. Similarly, the benefits of 125,000 survivors, or over 75 percent of the total survivors now on the railroad retirement rolls, would be increased by an average of $5.50 a month per family.

The families of active and retired railroad workers would get additional and potentially valuable benefits under the

bill in the form of a reduction in the eligibility age for a widow's annuity. Under present law, a widow who does not have a child under 18 years of age in her care must wait until age 65 in order to qualify for a widow's benefit. The bill we are considering today would permit such a widow to qualify for a benefit at age 60. This is a very valuable amendment, in my opinion.

Similarly, the provision for paying benefits to widowed mothers with physically or mentally disabled children over age 18, and the provision for paying a full survivor benefit to a widow who is also eligible to a railroad retirement annuity in her own right, by reason of her own employment, are likewise beneficial to practically all presently active and former railroad employees who are married.

The amendments to the Railroad Unemployment Insurance Act proposed in H. R. 7840 would increase the daily benefit rate now payable to a qualified employee by 50 cents a day, generally speaking. Under the bill, the employee who is unable to work by reason for unemployment or sickness would be entitled to receive at least half of the daily rate of pay he received on his last job in the preceding base year, up to a maximum of $8.50. The total amount of benefits payable in any one year for unemployment or sickness would not exceed the employee's total compensation in the base year.

The Congress is ever mindful of the need for improving the benefits payable under the railroad retirement system and is constantly conducting studies toward that end. In 1951 the Congress passed a law, Public Law 234, 82d Congress, which provided for very substantial increases in benefits to retired annuitants, pensioners, and their survivors, costing over $100 million annually. There were no increases in either the tax rate or the tax base.

Under this law, retired annuitants and pensioners were granted a flat 15 percent increase in their benefits. An eligible wife was awarded a spouse's benefit equal to half of her husband's retirement benefit up to a maximum of $40 a month. Survivor benefits were increased by at least 33⅓ percent. And under a minimum guaranty provision contained in this law the survivors of a deceased railroad employee were guaranteed that the total monthly benefits payable to them would in no case be less than the total amount that they would have been entitled to under the social-security formula, had these survivors been covered under the Social Security Act, instead of the Railroad Retirement Act. Because of this minimum guaranty provision, the total survivor benefits per family, in fact, were increased on the average by 43 percent over and above the amount that was payable prior to the passage of this law.

The additional revenue required for the financing of the above-mentioned benefits was obtained by another amendment to the Railroad Retirement Act which provided, in effect, for the reinsurance of the railroad retirement system by the social-security system.

At the very beginning of the railroad retirement system, it was recognized by the Railroad Retirement Board that the separate existence of the railroad-retirement system would result in a substantial savings to the general social-security system, because the railroad-retirement system covers an older group of workers, a group which is in other respects a higher cost segment of the national working population. By removing railroad workers from coverage under the general social-security system, therefore, a high-cost segment of the population were removed from that system.

Under the amendment to section 5 (k) (2) of the Railroad Retirement Act adopted in 1951, the Congress established the policy that the old-age and survivors insurance trust fund should neither gain nor lose from the separate existence of the railroad retirement system. The Congress provided a standard for settling all accounts between the two retirement systems, namely, that the OASI trust fund is to be put in the same position in which it would have been if railroad employment had been covered under the Social Security Act. This means, in effect, that all railroad workers are purchasing the basic social-security benefits for the social-security tax rates, and they are thus sharing in the low-cost insurance the same as they would if they were directly covered under the Social Security Act for basic benefits.

The effect of this interchange provision of the law was to make available to the railroad-retirement system a saving of a little more than 2 percent of taxable payroll, or in excess of $100 million a year, according to the estimates of the actuaries of the Railroad Retirement Board.

Again, in the present Congress an amendment to the Railroad Retirement Act was passed repealing the so-called dual benefit restriction in section 3 (b) of the act. This amendment is now Public Law 398. The effect of this law is to refund to some 34,000 retired workers and their spouses all deductions which have been made since October 30, 1951, in their railroad-retirement benefits because they were receiving, or were eligible to receive, social-security benefits. No further reductions will be made in such annuities. It has been estimated by the Railroad Retirement Board that the cost of repealing this restriction will ultimately amount to $385 million during the next 50-year period.

H. R. 7840, which we are now considering, does contain financing provisions which will adequately cover the cost of the additional benefits provided for in the bill. This financing is to be accomplished by increasing the presently taxable earnings from the maximum of $300 to $350 a month. The House has already adopted a similar increase in the creditable and taxable base for employees covered under the Social Security Act. It is therefore consistent that the House should approve this feature of H. R. 7840.

We all recognize that there is a constant need for improving and liberalizing retirement and survivor benefits under the Railroad Retirement Act. Many meritorious proposals have been referred to the Committee on Interstate and Foreign Commerce towards this end. However, the members of this committee are extremely aware of their grave responsibility, as trustees and guardians of the railroad retirement system, to make certain that the financial soundness of this system will not be impaired by the granting of additional benefits without at the same time making provision for the financing of those benefits. The 1.5 million active railroad workers and their families and the untold millions yet to come are relying on us to keep this retirement system in a sound condition so that the system will be able to pay their benefits in due course. That is the reason why the Committee found it necessary to pass over many bills which were highly meritorious so far as benefits were concerned but which had no provision for the financing of those benefits.

H. R. 7840 and the other bills, indentical to it, are the only bills to amend the Railroad Retirement Act which provide for any means of financing the benefits proposed therein. Indeed, this bill provides for the adequate financing of all the benefits. I urge the House to pass this bill.

Mr. WOLVERTON. Mr. Chairman, I yield 1 minute to the gentleman from Pennsylvania [Mr. VAN ZANDT].

Mr. VAN ZANDT. Mr. Chairman, I rise in support of H. R. 7840, a bill to liberalize the Railroad Retirement Act. While this bill does not entirely satisfy me or the railroad population I represent, yet with Congress ready to adjourn, I realize there is no choice but to accept or reject it. To take the latter course would mean that there would be no liberalization of the Railroad Retirement and the Railroad Unemployment Insurance Acts during this session of Congress.

There are several provisions of this bill that represent legislation I introduced which will prove beneficial to my constituents. These provisions include reducing the eligibility age of widows from 65 to 60 years.

In addition, the bill provides if a child has a permanent physical or mental condition prior to reaching age 18 which made him totally disabled, survivor benefits will be payable even though the child may be over 18 years of age.

The bill eliminates the present policy of reducing survivor benefits where a widow, dependent widower, or dependent parent is eligible for a retirement annuity in his or her own right because such individual had railroad employment. In such cases under H. R. 7840, the survivor is entitled to both annuities without reduction.

The bill also provides that when a person is receiving a disability annuity instead of the present limitation on his earnings of $75 a month in each of any 6 consecutive months, he will be permitted to earn up to $100 monthly and still be eligible for his disability annuity.

Under the present law, a child of a deceased employee under 18 and over 16 years of age must attend school regularly, if feasible, in order to be eligible for a survivor's annuity. H. R. 7840 eliminates the requirement that such a child must attend school to establish eligibility for survivor's benefits.

This bill provides that any person entitled to an annuity or pension under the Railroad Retirement Act may waive, in whole or in part, such annuity or pension which would otherwise be due. The purpose of this provision is to enable the annuitant or pensioner, by waiving all or part of his railroad retirement benefit, to come within the income limitation specified in the veterans' laws ($1,400 per year if the veteran is unmarried or $2,700 per year if the veteran is married or a widower with minor children), and thereby qualify for a veterans' non-service-connected pension.

Another provision of the bill which is of great interest to some 7,500 unemployed railroaders in my congressional district is the provision which amends the Railroad Unemployment Insurance Act whereby the present daily unemployment-insurance rate is increased on the average of $1 daily.

Time will not permit me to discuss the entire bill. However, I do want to take the time to state that my constituents are disappointed that the bill does not grant an increase in railroad-retirement benefits. They have called my attention to the fact that social-security benefits are being increased and they are at a loss to understand why an increase is not granted to recipients of railroad-retirement benefits. I am certain that a study will reveal that railroad-retirement benefits have not kept pace with the cost of living.

When I appeared before the House Committee on Interstate and Foreign Commerce, I expressed the wishes of many of my constituents who are employed in the railroad industry in regard to seeking approval of H. R. 5269, a bill designed to liberalize the Railroad Retirement Act.

When the committee reported out H. R. 7840 rather than H. R. 5269, I wrote Chairman WOLVERTON for an explanation as to why such action was taken. I received the following reply which is self-explanatory:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
COMMITTEE ON INTERSTATE AND
FOREIGN COMMERCE,
Washington, D. C., July 10, 1954.

Hon. JAMES E. VAN ZANDT,
Member of Congress,
House Office Building,
Washington, D. C.

DEAR COLLEAGUE: Reference is made to your letter of July 1, 1954, concerning H. R. 5269, a bill to amend the Railroad Retirement Act. Hearings on this bill and 29 other bills to amend the act were held by this committee on June 2 and 3, 1954. The principal provisions of H. R. 5269 are:

(1) Full annuities would be payable after 35 years of service regardless of age, or at age 60 after the completion of 30 years of service; (2) in the computation of the average monthly compensation for service before 1937, the present 1924–31 base period would be replaced by the 5 calendar years before 1937 for which the employee received highest aggregate earnings; (3) annuities and pensions would be increased by 15 percent; (4) a new minimum provision would apply in the case of persons retiring after 30 years of service; this minimum would equal half of the employee's average monthly compensation during his 5 years of highest earnings; (5) the dual benefit restriction contained in the last paragraph of section 3 (b) of the act would be repealed; and (6) the present restriction in section 2 (e) of the act requiring the reduction of the spouse's annuity by the amount of her insurance benefit under the Social Security Act would be repealed.

As you know, one provision of H. R. 5269, namely, the repeal of the dual benefit restriction in the last paragraph of section 3 (b) of the act, has already been enacted as Public Law No. 393.

In the consideration of all bills to amend the Railroad Retirement Act, the Committee on Interstate and Foreign Commerce has placed great emphasis on the effect of the proposed amendments on the financial soundness of the railroad retirement account. The committee is unanimously of the opinion that, regardless of the desirability of certain proposals for the liberalization of benefits under the Railroad Retirement Act no amendments should be made to this law which would jeopardize the financial soundness of the railroad retirement system. This principle is accepted by all the standard railway labor organizations as well as railroad management.

As you know, the combined employer and employee taxes for the support of the railroad retirement system amount to 12.5 percent of taxable payroll (a maximum of $300 per month per employee). The fifth actuarial valuation of the assets and liabilities under the Railroad Retirement Act, including the effect of Public Law 398 of the 83d Congress, shows that the level cost of paying present benefits under the act is 13.56 percent of taxable payroll, indicating a present deficiency of 1.06 percent of payroll, or over $50 million a year, each year in perpetuity.

The Railroad Retirement Board has estimated the additional cost of paying the benefits provided for under H. R. 5269 to be 4.7 percent of payroll, or $235 million a year, each year in perpetuity. The bill does not provide for any additional income into the railroad retirement system. Hence, if this bill becomes law, the deficiency in the railroad retirement account would be increased from 1.06 percent of taxable payroll to 5.7 percent of payroll, or by approximately $285 million a year, each year in perpetuity. It is obvious, therefore, that enactment of H. R. 5269 would very seriously jeopardize the financial soundness of the railroad retirement system.

During the hearings on H. R. 5269, Mr. Thomas Stack, president, and Mr. Walt Sands, research director, of the National Railroad Pension Forum, Inc., which is the principal organization sponsoring this bill, suggested four alternative methods of financing part or all of the $235 million which the benefits provided for by this bill would cost. These four methods are:

1. A gross revenue tax of 2 percent on the railroads.

2. Increasing from 10 to 15 or 20 years the amount of service necessary to become eligible for a railroad retirement annuity. The railroad retirement credits for employees who retire or die with less than 15 or 20 years of railroad service would be transferred to the social security system.

3. Transfer all dependent and survivor benefits to the social security system. All dependents and survivors of railroad employees would receive their benefits from the social security system at the social security scale of benefits.

4. Coordination of the railroad retirement system with the social security system.

Pursuant to my request, the Railroad Retirement Board made a very careful and exhaustive study of the four proposals suggested by Mr. Stack and Mr. Sands, and submitted a detailed report. This report concluded as follows:

"In brief, the first of the four financing proposals submitted by Mr. Stack and Mr. Sands is impractical, and none of the other three offers any hope of providing any significant amount of additional funds."

As you know, this committee submitted a favorable report to the House of Representatives on H. R. 7840. This bill provides for the adequate financing of all the benefits proposed in the amendments to the Railroad Retirement Act contained in the bill. A copy of this report is enclosed.

Sincerely yours,

CHARLES A. WOLVERTON,
Chairman.

Mr. Chairman, as I said in the beginning of my statement, I am supporting H. R. 7840 with a degree of reluctance since I feel that although it does not satisfy all my constituents, there are many who will benefit, especially many widows, disabled annuitants, and the 7,500 unemployed railroaders in my congressional district.

Mr. WOLVERTON. Mr. Chairman, I yield 1 minute to the gentleman from Wisconsin [Mr. WITHROW].

Mr. WITHROW. Mr. Chairman, I want to take this opportunity to commend the Committee on Interstate and Foreign Commerce, and particularly the chairman of that committee, for the very constructive work done by that distinguished committee in bringing forth the bill under consideration at the present time.

During the short time allocated to me, I can merely say that the benefits provided in H. R. 7840 are very conservative. The need for them has been recognized for the past 10 years. Much has been said but very little, until now, has been done to alleviate the conditions which we all recognize as being bad.

These amendments to the Railroad Retirement Act will not cost the taxpayers of this country one single solitary cent. The moneys provided for this fund are raised by tax which is levied on the employer and the employee. The additional revenue that will be raised by raising the employee and the employer contributions which will amount to approximately $56 million. The benefits prescribed under these amendments will cost the fund less than $54 million.

This measure has the support of all the operating and nonoperating railroad brotherhoods. It is a very necessary piece of legislation, a constructive piece of legislation, and should be passed by this House unanimously.

Mr. WOLVERTON. Mr. Chairman, I yield such time as he may desire to the gentleman from Ohio [Mr. JENKINS].

Mr. JENKINS. Mr. Chairman, I should like to congratulate those responsible for bringing this legislation to its present status. I hope it will pass. There are many deserving cases that need attention.

I want to say that a number of years ago when this legislation was more or less in its infancy our late colleague, Fred Vinson, and I and other members of the Ways and Means Committee had something to do with the tax features of this system. Mr. Vinson and I had a special assignment with reference to the tax features of this legislation. We collaborated with men representing the railroads and with men representing the railroad employees. I was always glad of that opportunity and am glad that we

were able to lay a solid foundation for this big program.

I have watched the growth of this legislation and will be glad to vote for this measure under consideration.

Mr. WOLVERTON. Mr. Chairman, I yield such time as he may desire to the gentleman from Pennsylvania [Mr. GAVIN].

Mr. GAVIN. Mr. Chairman, I want to compliment my very good and able friend [Mr. WOLVERTON] and the Committee on Interstate and Foreign Commerce on a very fine piece of legislation. I heartily endorse it. It is long overdue. I should like the chairman to know we are pleased with the work of the committee, with their report and with the bill. I shall wholeheartedly support it. It is a much needed piece of legislation. I also want to express my appreciation for the great interest and fine work of my Pennsylvania colleagues, Representative VAN ZANDT and Representative ALVIN BUSH, members of the committee, who worked tirelessly for many months on behalf of this legislation. It is a fine bill and I know will pass overwhelmingly.

Mr. WOLVERTON. Mr. Chairman, I yield such time as he may desire to the gentleman from New York [Mr. REED].

Mr. REED of New York. Mr. Chairman, I am in hearty sympathy with this legislation. I think it is a great piece of humanitarian legislation. I shall support the bill, although I feel the age should be 65.

Mr. WOLVERTON. Mr. Chairman, I yield such time as he may desire to the gentleman from California [Mr. McDONOUGH].

Mr. McDONOUGH. Mr. Chairman, I want to compliment this committee for bringing this very necessary legislation to the floor. The chairman has made a militant fight in behalf of the beneficiaries of this legislation. I am pleased to support the action of the committee and to support the bill.

Mr. WOLVERTON. Mr. Chairman, I yield 1 minute to the gentleman from California [Mr. YOUNGER].

Mr. YOUNGER. Mr. Chairman, after several days of acrimonious debate on a number of other bills, I think it is apparent to everyone that the Committee on Interstate and Foreign Commerce has hit the jackpot in bringing this bill here, because everyone can endorse it. I am particularly pleased that we were able to bring out a bill that will maintain the integrity and financial soundness of the railroad retirement fund. That is one of the ideas that was uppermost in the minds of the committee. The actuaries in charge of this fund assure us that this is the case. We are more than pleased to be able to present this bill to the House, and I am sure the House will unanimously accept it.

Mr. ROGERS of Florida. Mr. Chairman, I yield 5 minutes to the gentleman from West Virginia [Mr. STAGGERS].

Mr. BAILEY. Mr. Chairman, will the gentleman yield?

Mr. STAGGERS. I yield to the gentleman from West Virginia.

Mr. BAILEY. Coming from a State that is highly industrialized, a coal-mining State, where the percentage of railroad and coal employment is excessively high in the overall labor load, I want to compliment the excellent work of this committee. I appeared before this committee particularly in reference to dependency payments to widows. While they did not carry out my ideas on the matter, they have gone more than half way by reducing the retirement age for widows and by taking care of dependents where they are physically unfit. I again want to compliment the committee, and particularly compliment my colleague from West Virginia for his excellent work on the committee.

Mr. HOWELL. Mr. Chairman, will the gentleman yield?

Mr. STAGGERS. I yield to the gentleman from New Jersey.

Mr. HOWELL. Mr. Chairman, I support this bill to continue the year-by-year modernization of the Railroad Retirement Act, as proposed and endorsed by all of the standard railway labor organizations, and shall vote for its passage.

I sincerely hope it can be pushed through the Senate in time for enactment in this session, for in some of its provisions it can be of tremendous value right now—particularly its provisions dealing with unemployment compensation.

The weekly statistics on railroad freight car loadings during nearly all of this year have been so much below the figures for the comparable periods of 1953 that it is obvious the railroad industry is having great difficulty. And that has meant extensive layoffs of employees, some of them for long periods of time.

So I believe it is urgent to get into operation the proposed new formula on unemployment compensation for these railroad workers. It would assure half-pay during periods of unemployment up to a maximum benefit of $8.50 a day.

The decline in purchasing power among our people has been both a result of and a cause of lowered industrial activity and lower incomes. We have let our economy go downhill to such an extent that it appears to be snowballing; the automobile companies lay off men because they cannot sell their full output; that means a cutback in orders for steel, glass, tires, electrical equipment, and so on, so these firms, in turn, lay off workers; the coal industry suffers, and miners are furloughed, and as this cycle continues the automobile companies, can sell even fewer cars so they lay off more men. The snowball, therefore, grows bigger.

Unemployment compensation was supposed to provide an effective cushion against this snowballing effect, and, of course, it has helped greatly in this respect. But all of us, I am sure, must recognize that unemployment-compensation benefits have been permitted to decline in purchasing power year by year as a result of higher living costs, so that today the payments in most States are completely unrealistic.

This bill seeks to correct that situation insofar as the railroad workers covered by the Railroad Unemployment Insurance Act are concerned. It is a very necessary step right now, as I said, because of the high unemployment in the railroad industry. I think we should do no less, however, for other workers, too—those covered by the regular unemployment-compensation program. It is tragic that this Congress is soon to adjourn without writing into law any improvement whatsoever in the benefits of the millions of workers now dependent upon unemployment compensation to keep them going during this period of recession.

IMPROVEMENTS IN RAILROAD RETIREMENT SYSTEM

In addition to the unemployment-compensation provisions, this bill deals with other portions of the Railroad Retirement Act in a worthwhile manner, even though I am sure no individual railroader will be completely satisfied with it. I think they all would like to see higher primary benefits for retirement and an optional lower retirement age. I am sure the latter will come eventually, but I am impressed in this connection by the fact that the brotherhoods as well as the Committee on Interstate and Foreign Commerce do not believe it can be done this year without jeopardizing the actuarial soundness of the system.

As for higher primary benefits, they are afforded here only for those who earn more than $300 a month and come about as a result of raising from $300 to $350 a month the amount of wages to be credited toward retirement benefits. While this will mean higher benefits for those in that category, it will also mean higher payroll deductions for them, too, and, of course, that is again dictated by the necessity of protecting the soundness of the reserve fund. I do not think many people realize that the railroader contributes more than 6 percent of his first $300 of wages each month to this fund.

I am pleased that the committee has seen fit to recommend that widows of railroad workers be permitted to begin collecting their survivorship annuities at age 60 instead of the present 65. I should also like to see the social-security program advanced in that same manner. We all know how difficult it is for women of 60 and over to find suitable employment, and it seems cruel to say to these hard-pressed women, "Just hold out until you are 65 and then we will begin paying you social security."

Other provisions of this bill deal with a variety of problems and inequities which have come to light as a result of experience under the program and are, I understand, generally approved and desired by most railroad workers and retirement beneficiaries. It is impossible to write a bill on so technical and involved a subject which is a perfect bill making everyone happy, but I commend the committee and the brotherhoods for the effective work this bill represents in advancing the program realistically.

Mr. POLK. Mr. Chairman, will the gentleman yield?

Mr. STAGGERS. I yield to the gentleman from Ohio.

Mr. POLK. I wish to join with the gentleman from West Virginia in his valiant efforts to secure favorable consideration of this bill, H. R. 7840. I wish to associate myself with him in

urging that it be favorably considered here today.

I was one of those who in 1937, under the able leadership of Hon. ROBERT CROSSER, of Ohio, helped secure the enactment into law of the original Railroad Retirement Act. Since its inception I have been deeply interested in this program and in its improvement.

The bill, H. R. 7840, provides greatly needed amendments to present law, including, among others, the reduction in the eligibility age for survivor annuities for widows, dependent widowers, and dependent parents from age 65 to age 60. This is an amendment I have long advocated in the interest of fairness and equity to these deserving persons.

I also strongly favor the amendment which provides a liberalization of the benefits payable to widowed mothers with disabled children.

Likewise, I strongly favor the amendment herein provided on the disability work clause and the provision that a disability annuitant may receive up to $100 per month from employment or self employment. I have always opposed the present provisions of the law in this regard.

The other amendments contained in H. R. 7840 will provide several other long overdue improvements in the Railroad Retirement Act.

I strongly urge the House to approve this bill.

Before I conclude, may I say a few words in commendation of the long years of service to railway labor by my old and very dear friend the dean of the Ohio Democratic delegation in the House, Hon. ROBERT CROSSER, of Cleveland.

As you all know, BOB CROSSER is the father of the Railroad Retirement Act. It was largely because of his untiring efforts that this legislation was enacted in 1937. He introduced the first bill on this subject and from that date to the present, he has continually worked faithfully and conscientiously to bring about improvements in the law.

Railway labor, and in fact all labor, owe a great debt of gratitude to the gentleman from Ohio [Mr. CROSSER] for his untiring efforts in the field of labor legislation.

It is with a feeling of deep regret that I realize he will not be serving in the next session of Congress to champion the cause of those who need beneficial and helpful legislation.

Mr. PHILBIN. Mr. Chairman, will the gentleman yield?

Mr. STAGGERS. I yield to the gentleman from Massachusetts.

Mr. PHILBIN. I want to commend my good friend from New Jersey, the able and distinguished chairman of this committee, and his committee, for the splendid work they have done in bringing this bill to the floor of the House. I will support it.

Mr. Chairman, one of the great men in this House is the genial, able, and patriotic chairman of this committee, my friend the gentleman from New Jersey [Mr. WOLVERTON]. His untiring work on this very fine bill shared by his capable committee will long stand as a monument to his zeal and concern for the working people of this Nation and their families.

There is apparently no real controversy over this bill, and that is well. The measure strikes an appealing humanitarian chord. It will immeasurably help many loyal, faithful, efficient railroad workers and their families, and if there is a finer, more capable, more devoted group of citizens in this Nation than the railroad workers, I do not know them.

So far as I am concerned, the railroad workers not only compel admiration for their reliability, courtesy, steadfastness, and meticulous devotion to their tasks, but are entitled to the gratitude of the entire American people for their indispensable, long-continued contributions to our great public transportation system—one of the envies of the world—and consequently of course to our great country.

Day after day, night after night, in sunshine or tempest, with unerring punctuality and unceasing application to duty, our loyal railroad workers working together as a well-knit team provide the brains and sinew to activate the enormous complex but smooth-working mechanism that runs our railroads.

Another desirable feature of the bill lies in the fact that it is actuarially sound and solvent. While additional levies and taxes are required, the committee has, I think, to a very remarkable degree succeeded in insuring stability at the same time extending and enlarging the benefits. I am especially impressed that there is such widespread approval of the bill. I will gladly render it my support and vote and sincerely hope it will pass unanimously and in turn prove of benefit to many worthy people.

Mr. STAGGERS. Mr. Chairman, in the little time I have remaining I would like first to congratulate the gentleman from New Jersey [Mr. WOLVERTON] on the fine work he has done in seeing that this bill was reported from the committee, and the great and courageous fight he has made in seeing that this bill was brought before the Congress for consideration. He has worked hard and diligently and has done a good job.

As a former railroad worker, I am in favor of the bill and will vote for it, and have worked for it. I believe honestly that it has been a piece of bipartisan legislation, as most railroad legislation that has come out of the Committee on Interstate and Foreign Commerce in the past has been.

I believe that it is, too, in line with the program advocated by the President in taking care of the retirement program and our unemployment program in the Nation. It has been backed by the Bureau of the Budget, the Secretary of Labor, and the majority of the Retirement Board, so that necessarily means that it is backed by the President's program.

At this time I would like to pay tribute to the gentleman from Ohio [Mr. CROSSER], ranking minority member on our committee. He really is known as the father of railroad retirement. He introduced the first bill for railroad retirement, backed by all the railroad unions. He is one of the most capable men in our Congress along this line of work. His many years of service to his constituency in Ohio are equalled by only a very few Members of this House. He has long been a champion of the working people, especially the railroad workers. He is revered by all railroad workers for his 4 decades of public service and his progressiveness in fighting for legislation beneficial to this group. He has pioneered many great reforms sorely needed by the working men, and he advocated them at a time when such reforms were not too popular in this country.

I want to take this opportunity to wish the gentleman from Ohio [Mr. CROSSER] many years of well-deserved rest. He will long be remembered by his host of friends in and out of the Halls of Congress.

Mr. CHELF. Mr. Chairman, will the gentleman yield?

Mr. STAGGERS. I yield to the gentleman from Kentucky.

Mr. CHELF. I want to associate myself with the gentleman from West Virginia in the tribute he has paid to the chairman of the committee, the gentleman from New Jersey [Mr. WOLVERTON]. He is a wonderful man, and has made a great contribution. He has courage the likes of which I have not seen in a long, long time. He truly is the workingman's friend.

May I also associate myself with what the gentleman has said about our dear friend from Ohio [Mr. CROSSER]. May God bless him and keep him for many, many years to come.

Mr. Chairman, I also want to compliment the committee on the fine job they have done in bringing out this bill. It is a piece of legislation that is well deserving of the favorable consideration of every Member of the House, and I give it my full support.

Mr. MARSHALL. Mr. Chairman, will the gentleman yield?

Mr. STAGGERS. I yield to the gentleman from Minnesota.

Mr. MARSHALL. Mr. Chairman, the railroad workers of my district have always shown a great interest in the Railroad Retirement Act and many of them have submitted recommendations to me for important improvements in the retirement system.

Because the railroad retirement system belongs not to the Federal Government or the Congress but to the men who work on the railroads of this country, I have always sought and welcomed this advice. We, as Members of Congress, are merely trustees of the retirement fund and we have an obligation to respect the wishes of the people who own it.

The wages of railroad workers are taxed to provide their own retirement system and we have become the guardians of this fund in the name of the workers themselves. This imposes upon all of us the serious moral obligation of administering the fund in the best interests of those who have built it.

In my visits to the shops and yards of my district, I have gained much valuable advice from railroad workers who have firsthand knowledge of the problems of

retired workers. These recommendations are the result of practical, commonsense thinking and I am glad that some of them are incorporated in the bill before us today.

Every railroad worker I have ever talked to has expressed his wish that the retirement fund be kept in a sound condition. They also want to keep the payroll tax within reason since it is already much higher than social security taxes.

The bill before us has the support of the labor organizations representing almost all of the railroad workers of this country.

It is proper, therefore, that we as trustees of the fund should respect the wishes of those who have built the railroad-retirement system and I am happy to support the major provisions of the bill. Other improvements may be necessary but I think it is important that we act before this session of the Congress adjourns. The committee has made a careful study of the more than 60 bills which were introduced and has reported significant improvements which will not in any way jeopardize the financial stability of the retirement fund.

The following improvements will help to correct weaknesses and inequities which have occurred:

First. Provides benefits to widows, dependent widowers, and dependent parents at age 60 instead of age 65.

Second. Provides benefits for widowed mothers with physically or mentally disabled children over 18 years of age.

Third. Provides full survivor benefits to widows, dependent widowers, and dependent parents who are also eligible for a railroad-retirement annuity in their own right.

Fourth. Increases the creditable compensation from the present maximum of $300 a month to a maximum of $350 in calculating the retirement or survivor annuity.

Fifth. Disregards compensation earned after age 65, if the crediting of such compensation would lower the annuity.

Sixth. Changes the disability work clause to a maximum of $100 in earnings for any month without loss of the annuity for that month.

While the tax base is increased from $300 to $350 a month, the tax rate of 6¼ percent is left unchanged.

The bill also includes necessary increases in unemployment insurance benefits by raising the daily benefit rates by 50 cents a step with a maximum daily rate of $8.50.

As I have said, Mr. Chairman, this bill will not make all of the improvements which might be made without weakening the fund but it does make those changes which are needed now to correct hardships arising under the present law.

The committee has wisely provided that the financing provisions of the bill are adequate to meet the costs of the additional benefits provided by it. In this way, we can assure every railroad worker that his investment in the retirement system is sound and that the changes made actually strengthen rather than weaken the fund. Today's workers must be guaranteed that their future benefits are protected.

We all know that rising costs have had a serious impact on the retired worker. A realistic program of security in retirement demands that we constantly reexamine the program to be sure that it provides a decent standard of living for the men who built and who operate the world's greatest transportation system and their survivors.

H. R. 7840 is a step in the right direction and I hope that we can follow it in the next Congress with other improvements based on the studies made by the Joint Committee on Railroad Retirement Legislation.

Mr. EBERHARTER. Mr. Chairman, will the gentleman yield?

Mr. STAGGERS. I yield.

Mr. EBERHARTER. I think the gentleman now in the well of the House is to be commended for paying tribute at this time to our esteemed and beloved colleague, the gentleman from Ohio [Mr. CROSSER], who has served here so many years so well, so ably, and so diligently. I join with the gentleman and agree most earnestly with everything he has said about the character, ability, and service of the gentleman from Ohio [Mr. CROSSER], and for whom, I am sure, every Member of the House has the highest respect and kindliest feelings. All of us wish for him the best of everything.

Mr. LANHAM. Mr. Chairman, will the gentleman yield?

Mr. STAGGERS. I yield.

Mr. LANHAM. Mr. Chairman, I, too, want to associate myself with the gentleman from West Virginia in all the fine things he has said about our associate, Mr. BOB CROSSER. The House of Representatives is about to lose one of its most influential and able Members. I wish Godspeed. I wish also to pay tribute to him for the many fine things he has done not only for the railroad workers but for others as well. He and I have been unusually congenial, because we both are admirers of America's greatest economist, Henry George, and both believe that his insistence on a sound land policy is fundamentally sound.

Mr. Chairman, I also at this time want to say I am in favor of this bill, and I congratulate the committee upon the fine work they have done in bringing it before us. It will be a boon to the railroad workers and their wives and dependents.

Mr. WOLVERTON. Mr. Chairman, I yield such time as he may desire to the gentleman from Ohio [Mr. BENDER].

Mr. BENDER. Mr. Chairman, I want to add my personal word of tribute to the chairman of this committee, CHARLES WOLVERTON, the distinguished gentleman from New Jersey, chairman of the Committee on Interstate and Foreign Commerce, for his excellent performance, not only on this meritorious legislation which provides essential amendments to the Railroad Retirement Act, the Railroad Tax Act, and the Railroad Unemployment Insurance Act. I especially want to pay tribute to my colleague from my home city of Cleveland, Ohio, the distinguished gentleman, who for 40 years has served his district, his State, and his country so ably—ROBERT CROSSER. On occasion, we have disagreed, but I have always had the highest respect for him, especially since I learned to know him better while serving with him 14 years in the House of Representatives. He has the respect and good will of the people of Ohio. We all know that every railroad employee considers him his ablest advocate and best friend, and this is as it should be. I am sure I speak for the citizens of Cleveland and Ohio when I say that we wish him Godspeed and hope that he will live many, many years to enjoy the deserving reward of leisure and comfort which he has so richly earned.

Mr. WOLVERTON. Mr. Chairman, I yield such time as he may desire to the gentleman from New York [Mr. RADWAN].

Mr. RADWAN. Mr. Chairman, I join in paying tribute to the chairman, the gentleman from New Jersey, as well as the ranking Democratic member of the committee, the gentleman from Ohio [Mr. CROSSER].

Both gentlemen certainly deserve all the praise that has been heaped upon them today.

I am happy to have this opportunity to speak briefly in favor of this bill, H. R. 7840. I introduced a similar measure, H. R. 7979, and for this reason I am especially happy to rise in support of this legislation.

Although I also favored certain provisions, which were supported by many railroad employees in my district, in H. R. 5269, nevertheless, the bill before us is a very good bill and I enthusiastically join with the recommendation made by the Committee on Interstate and Foreign Commerce in supporting this worthy measure.

In this connection, it is important that we pay tribute to the people most vitally concerned about this legislation. The railroad network of the United States is the most fabulous network of railroad transportation in the entire world. The records of the railroads in the First World War and the Second World War were simply fabulous. A large part of the success of the railroad-transportation system is due to the skilled and capable workers who are employed by the railroad companies. The management also made a distinct contribution toward the efficiency of the railroads in handling greatly increased tonnages. The legislation before us can briefly be summarized as follows:

First, benefits to widows, dependent widowers, and dependent parents at age 60 instead of age 65.

Second, benefits to widowed mothers with physically or mentally disabled children over the age of 18.

Third, full survivor benefits to widows, dependent widowers, and dependent parents who are also eligible for a railroad-retirement annuity in their own right.

Fourth, increasing the creditable compensation from the present maximum of $300 a month to a maximum of $350 a month in the calculation of a retirement or survivor annuity.

Fifth, disregarding the compensation earned after the age of 65, if the credit-

ing of such compensation would diminish the annuity.

Sixth, changing the disability work clause to a maximum of $100 in earnings for any month without loss of the annuity for that month.

Seventh, excluding the service of certain delegates to national or international conventions of railway labor organizations from coverage under this act.

Eighth, elimination of the requirement in the present law that a child over the age of 16 and under 18 years must attend school regularly in order to be eligible for a survivor's annuity.

Ninth, waiver of retirement benefits for certain individuals who are receiving non-service-connected veterans' pensions.

Again, I want to state that this is very good and sound legislation, and I urge every Member of this House to support it.

Mr. GAVIN. Mr. Chairman, will the gentleman yield?

Mr. RADWAN. I yield.

Mr. GAVIN. Mr. Chairman, I, too, at this time want to pay tribute to our very good and able friend, the gentleman from Ohio [Mr. CROSSER], a man who by his work in the Congress of the United States has won for himself the hearty commendations of the membership on both sides of the aisle. My wish for him is good health, happiness, and all the good things in life for the years ahead.

Mr. WOLVERTON. Mr. Chairman, I yield such time as he may desire to the gentleman from California [Mr. HUNTER].

Mr. HUNTER. Mr. Chairman, I rise in support of H. R. 7840, which provides a number of improvements in the benefits payable under the railroad-retirement system and under the railroad-unemployment-insurance system.

There is a real need for such a bill. It will be helpful to retired railroad workers and their dependents. It will also be of benefit to currently active railroad workers and those who will follow, and who will retire in the future. Many of these people live in my district. It is in their best interests that I shall vote for this bill. The amendments proposed can be enacted without jeopardizing the financial soundness of the railroad-retirement system.

Mr. WOLVERTON. Mr. Chairman, I yield such time as he may desire to the gentleman from Minnesota [Mr. JUDD].

Mr. JUDD. Mr. Chairman, I am happy to vote for this piece of legislation amending the Railroad Retirement Act. A great many of the persons who will be most benefited by it live in my district, They need the benefits to be granted. Furthermore, they come out of funds that belong to them—not to the Government. The reserve fund is protected. In every sense this is a good bill that we can all wholeheartedly support.

Mr. WOLVERTON. Mr. Chairman, I yield 1 minute to the gentleman from Ohio [Mr. SCHENCK].

Mr. SCHENCK. Mr. Chairman, I commend the gentleman from New Jersey, the chairman of our Committee on Interstate and Foreign Commerce, for his tireless work on this bill, and also acknowledge with deep appreciation the service of our colleague the gentleman from Ohio [Mr. CROSSER]. It is a pleasure and real honor to serve on this great committee. This is a bill to assist human beings. Almost all legislation has some features with which we do not fully agree. It is my feeling, however, that this is a good bill and that its advantages far outweigh the disadvantages that it may contain. This legislation is approved by the operating brotherhoods, and the benefits are paid out of contributions made by them. I think the bill should be passed unanimously. This legislation is but another example of the kind of legislation considered by our Committee on Interstate and Foreign Commerce. We constantly consider legislation that affects in very personal ways the lives and conditions under which all our citizens live. The work and hearings are most interesting and constantly remind us of our responsibilities. The cooperation and careful and serious consideration given the measures considered by our committee by all members of our committee assures Members of the House that all aspects of these questions are fully explored and the bill properly prepared for presentation to the House. I am confident that the vote on H. R. 7840 today will show the confidence which Members of the House place in our committee.

Mr. WOLVERTON. Mr. Chairman, I yield 1 minute to the gentleman from New Jersey [Mr. WIDNALL].

Mr. WIDNALL. Mr. Chairman, I want to commend and compliment the committee on the fine bill they have brought out for consideration, especially the ranking minority member, Mr. CROSSER, and the distinguished chairman, Mr. WOLVERTON.

There is no Member of this House who works more tirelessly than the gentleman from New Jersey [Mr. WOLVERTON]. He has dedicated years of his life to public service and his record is replete with sponsorship of excellent legislation.

This bill provides most worthy changes in railroad retirement legislation. I am particularly pleased with the section that applies to widows' annuities, reducing the age for benefits from 65 to 60. This should prove most helpful in many cases.

At this time I would also like to pay tribute to the railroad employees of the United States whom I have known. I have come in contact with many of them during a period of years. I have always found them solid citizens of the community and fair and reasonable in their suggestions and requests.

I am particularly pleased to support this bill.

Mr. WOLVERTON. Mr. Chairman, I yield such time as he may desire to the gentleman from Illinois [Mr. SPRINGER].

Mr. SPRINGER. Mr. Chairman, during the 83d Congress the House Committee on Interstate and Foreign Commerce received thousands of letters and telegrams from railroad workers, retired railroad pensioners, widows of railroad workers, and active railroad workers urging various improvements in the benefits payable under the railroad retirement system and the railroad unemployment insurance system. The great interest in this bill is best seen by the fact that over 60 bills to amend the Railroad Retirement Act have been introduced by Members of the House of Representatives and referred to this committee. The committee has held hearings on all of these bills and has considered each one of them carefully.

I would like to emphasize that in the consideration of this bill your committee has placed great emphasis on the effect of the proposed amendments on the financial soundness of the Railroad Retirement Act. The committee is unanimously of the opinion that, regardless of the desirability of any proposals, no amendments should be made which will jeopardize the financial soundness of the railroad retirement system. This principle has been accepted by all the responsible railroad labor organizations as well as railroad management. All on this committee are mindful of their grave responsibility toward the currently active railroad worker and thousands who will follow him and will retire in the future. We intend to make certain that when they retire from the railroad industry that there will be sufficient reserve money on hand to adequately pay the benefits due them. In the next few minutes I would like to tell the Members of the House of the desirable features that are incorporated in this bill.

First. In all of the consideration of the many bills for amending the Railroad Retirement Act the committee was most impressed with the desirability of reducing from 65 to 60 the age at which a widow of a retired railroad worker may qualify for survivor benefits.

The committee had before it much evidence of the necessity in the case of many widows who had the misfortune of losing their husbands before the widows themselves became 65. On the average, married men are 4 to 5 years older than their wives. In addition, experience shows that few widows are fortunate enough to have employment at age 60, especially where those women have not been employed during the existence of the marriage. A woman whose chief function in life has been to take care of her family and home has very few working opportunities remaining at age 60. Most of the railroad labor organizations testified that the need of widows existed in many instances considerably below the age of 60, but the cost involved made any recommendation below that figure impossible at this time.

Second. Another provision of the bill will relieve the hardships experienced by a number of surviving children over age 18 who are not capable of self-support, and their mothers. Section 12 provides a survivor's annuity to a disabled child, regardless of age, provided he is unable physically to engage in any regular employment. Likewise, the widowed mother, having a child in her care would also be entitled to a widow's annuity so long as the child is disabled. However, if the child recovers from the disability after 18, the annuity would terminate.

Third. At the present time, a widow who receives a survivor benefit and who also has an annuity in her own right

because she has been in railroad employment would have the survivor benefit reduced by the annuity to which she is entitled by reason of her own employment. In other words, under existing law she cannot receive both amounts. This legislation provides that both annuities shall be payable without deduction. I think all of us can see the justice in this provision. If both the husband and wife have been employed by railroad, the surviving widow should be able to accept her own pension by virtue of her own work as well as to receive a pension from a private pension system, all at the same time. That is a similar situation to the one I am pointing out in this paragraph.

Fourth. Under the present law a retired employee cannot receive compensation that is calculated on more than $300 per month. This bill provides that compensation up to $350 per month shall be credited and figured as a base for the pension, for those months that he was employed and contributed at that rate. This will naturally establish higher benefits for those in the higher brackets in proportion to their payments into the railroad-retirement system. This will also increase survivor widow benefits in those cases where the deceased employee had contributed in an average monthly compensation in excess of $300.

Fifth. At the present time, in some instances the retired employee's annuity may have been lowered because of lower earnings after age 65. This bill provides that compensation earned after the employee has reached 65 would be disregarded if the result of taking the lower compensation into account would diminish his annuity.

Sixth. Under the present law, a disabled employee who earns more than $75 in each of any 6 consecutive months is considered no longer disabled at the end of a 6 months' period of continuous earning. The reported bill eliminates this test. The bill provides instead for nonpayment in any month in which the disabled employee earns more than $100.

The provision in the existing law has proved very difficult to administer. In addition, the Railroad Retirement Board has estimated that the clause in this bill would result in a net saving to the entire account of $1,500,000 a year.

Seventh. Under present law, a child of a deceased employee between 16 and 18 years of age must attend school regularly to receive a survivor's annuity. This bill would strike out that requirement. This provision was placed in the law originally because a similar provision was contained in the Social Security Act. This provision has long since been stricken from the Social Security Act and by this legislation it is removed from the Railroad Retirement Act.

I am sure all the Members of this House realize that the Railroad Retirement Act, although created by this Congress and administered as a quasipublic body, does not receive Federal funds for the payment of these pensions. The contributions under the act are met in equal part by the railroad and by the employee. There are no Federal funds involved in this bill nor will any be expected at any time in the future. In other words, in this bill we are voting allocation of monies which are the entire contributions of private persons and corporations in a common fund.

The bill being reported herewith is supported by all standard railroad labor unions, including the 4 train and engine service brotherhoods and all the 19 organizations affiliated with the railroad labor organization.

In the appearances before the committee, the representatives of these organizations show a constant review and study of the operations of the railroad-retirement system and of improving the benefits to railroad workers and their families. These organizations have shown not only concern with benefits, but also have placed great importance on the financial soundness and administration of the retirement system.

As a result of the thorough study that your committee gave to this legislation, I believe that it is sound and justified and for that reason I am happy to support the bill.

Mr. WOLVERTON. Mr. Chairman, I yield such time as he may desire to the gentleman from Pennsylvania [Mr. SAYLOR].

Mr. SAYLOR. Mr. Chairman, I take this opportunity to congratulate the gentleman from New Jersey [Mr. WOLVERTON], the chairman of the Committee on Interstate and Foreign Commerce, and through him all of the other members of that great committee of the House of Representatives for the excellent work that they have done in bringing to the floor of the House for action, and I am sure almost unanimous vote of the Members, on the amendments to the Railroad Retirement Act, the Railroad Retirement Tax Act, and the Railroad Unemployment Insurance Act.

From my district more individuals wrote personal letters to me pointing out their problems and asking for my assistance in having these amendments passed which would aid in the solution of those problems.

The increased benefits to widows by reducing from 65 to 60 the age at which they may qualify for survivors' benefits will be of tremendous assistance. The liberalizing of benefits to widowed mothers and disabled children shows that the committee sincerely endeavored to take care of the railroad family which is suddenly deprived of its wage earner.

The unemployment insurance benefits are welcomed by the railroadmen themselves. These provisions are consistent with the President's recommendations for improving the Federal-State unemployment insurance system.

The important feature of all of these improvements is that they are being done while still maintaining the railroad retirement funds actuarially sound, so that when the men now working retire, or their beneficiaries become claimants, there will be adequate funds available to pay benefits to them.

Mr. WOLVERTON. Mr. Chairman, I yield such time as he may desire to the gentleman from Washington [Mr. HOLMES].

Mr. HOLMES. Mr. Chairman, I congratulate the committee on bringing out this legislation. I am happy indeed to support it. The bill should be passed.

Mr. WOLVERTON. Mr. Chairman, I yield such time as he may desire to the gentleman from West Virginia [Mr. NEAL].

Mr. NEAL. Mr. Chairman, I am glad there is such general evidence of approval of this bill. It must be a good one. There are a great many railroad people in my district and while I know many demands have been made, I am sure they will accept this bill since it provides many desirable improvements.

Through the adoption of operational changes there are a sizable number of employees being relieved of their jobs prior to retirement age. Even after long periods of faithful service these employees, trained for no other occupations, are compelled to twiddle their thumbs without wages and without help from the fund they themselves helped to create by their contributions.

This is only one of many existing irregularities in railroad-pension laws this bill fails to correct.

Mr. ROGERS of Florida. Mr. Chairman, I yield to the gentleman from California [Mr. DOYLE] such time as he may desire.

Mr. DOYLE. Mr. Chairman, I am glad to approve the legislation—H. R. 7840. It is timely and necessary. I congratulate the chairman and the members of his distinguished committee for bringing it out at this time before this Congress adjourns.

Among the other very beneficial provisions of this legislation, which is so essential and so much in the best interests of our beloved Nation, the benefits to widows, dependent widowers, and dependent parents at age 60; the benefits to widowed mothers with disabled children are also of significant benefit. The increase in creditable compensation in the calculation of annuities is also another significant amendment in this bill. The present bill provides that a compensation which is earned after the retired railroad man has reached the age of 65 would be disregarded if it appears the result of taking such compensation earned after 65 would be to reduce or diminish his annuity. Then, also, there is the more favorable disability work clause wherein it specifies that a disabled annuitant who earns more than $75 for hire or self-employment in each of any 6 consecutive calendar months, according to this bill, is no longer deemed to be disabled for the purposes of hire or self-employment at the end of the 6-month period.

I am also glad to see in the bill a benefit to children who are not able to attend school, for under the present law, and unless this bill is adopted, any child of a deceased employee who is under 18 years of age and who is over 16 years of age must still regularly attend school, if it is at all feasible, to be eligible for a survivors annual annuity. This bill today reported strikes out that requirement which insists that such child must be a regular attendant at school in order to receive a survivors benefit. These are

but a few of the manifest benefits of the bill.

I, of course, rely upon the assurance of our distinguished committee wherein it reports that this legislation does not in any way jeopardize the strong financial or fiscal position of the trustee funds involved, for we must remember that both the employer and the employee contribute to this fund and that those who handle same are, in fact, trustees and chargeable with the utmost good faith and efficiency in handling every nickel of this fund.

Ten Members of this session of Congress have filed identical bills to this one, H. R. 7840. This shows the great interest and need for the legislation. I am pleased also, to see the benefits in the bill for the Railroad Retirement Act and the Railroad Unemployment Insurance Act. I am pleased and proud to have the opportunity to vote for this worthy legislation. I have heretofore urged it.

Mr. Chairman, before I take my seat, I wish to extend my compliments and best wishes, and my sincere appreciation to the distinguished gentleman from Ohio, Representative CROSSER, who sits here in our midst today in continuing endorsement and approval of this H. R. 7840. For, I well remember that all the 8 years I have now been a Member of this House, I have observed with great admiration the tenacity of purpose and the efficiency with which our distintinguished colleague, Mr. CROSSER, has fathered Railroad Retirement Act protection, expansion and improvement. As he retires from this House of legislation at the conclusion of this session of Congress, I wish to join with my many colleagues who are this day audibly expressing to him our appreciation and best wishes.

Mr. ROGERS of Florida. Mr. Chairman, I yield 3 minutes to the gentleman from Indiana [Mr. MADDEN].

Mr. MADDEN. Mr. Chairman, during the last 10 years there has been hardly a time when I returned home that a number of railroad employees did not inquire regarding legislation of this kind which they have needed for a long time.

I want to congratulate the chairman of the committee, the gentleman from New Jersey [Mr. WOLVERTON], and the members of the committee for bringing this bill to the floor of the House so that we could have an opportunity to enact it before Congress adjourns.

This bill would boost unemployment benefits for railroad employees a maximum of $8.50 a day; allow widows to draw survivors benefits at 60 instead of 65; permit disabled railroaders to earn up to $100 a month without affecting their pensions; liberalize survivors benefits for disabled children and widowed mothers, and provide other added benefits.

Although the bill could be improved on in a number of ways, nevertheless it is a step in the right direction; and as I stated before, the committee is to be congratulated for having worked hard and bringing the legislation to the floor.

I also want to commend the leaders of the railroad brotherhoods for the outstanding work they have done back through the years in getting needed railroad employee legislation before the Congress.

I cannot close without paying tribute to our colleague the gentleman from Ohio [Mr. CROSSER], who probably today made his last speech for the railroad employees on the floor of this Congress. For 38 years, as a member of this Congress he has been a champion of the working people and especially the railway employees. I do not know of any Member of this House who has worked harder or more strenuously year in and year out for the welfare of the railroad workers of America; and I know, Congressman CROSSER, I bespeak the minds and hearts of everybody here when I say we regret to see you leave this body. I know I bespeak the minds and hearts of all the railroad workers of America when I say they will be sorry you are not going to be with us the next session.

Mr. CHELF. Mr. Chairman, will the gentleman yield?

Mr. MADDEN. I yield.

Mr. CHELF. I would like to say that when the time comes for the rest of us to retire I hope we shall be able to command the respect and esteem of all respectable people and of the Members of Congress that the gentleman from Ohio [Mr. CROSSER] carries with him upon his retirement. That should be our ambition, to leave Congress some day and take with us the great respect of all of the people and of the Members of this body just as the gentleman from Ohio is doing.

This is legislation greatly needed and highly deserved by the members of that fine brotherhood of labor working for our Nation's railroads. I sincerely hope the bill is passed unanimously.

Mr. WOLVERTON. Mr. Chairman, I yield 1 minute to the gentleman from Washington [Mr. PELLY].

Mr. PELLY. Mr. Chairman, I think the Members have been pretty well informed with respect to the provisions of the bill. I want to emphasize the need for it.

Like any welfare fund, pension fund, or unemployment fund that has been in existence 10 years or more, the benefits of railroad retirement has been cut in half through inflation and the lowered buying power of the dollar. This legislation would bring benefits under railroad retirement more nearly in line with needs and the realities of the situation.

It has certainly been encouraging to me as a member of this great Committee on Interstate and Foreign Commerce to find so much interest in keeping the fund on a sound actuarial basis. I regret that it is going to cost the railroads more money and is going to result in more taxes on certain railroad employees' wages, but I think we have before us a bill that provides only bare minimum benefits to widows, retired workers, and the unemployed covered by this program.

It has been a pleasure to work on this legislation with the gentleman from New Jersey [Mr. WOLVERTON] and other committee members. I urge passage of the bill.

The CHAIRMAN. The gentleman from Florida has one-half minute remaining.

Mr. ROGERS of Florida. Mr. Chairman, I yield such time as he may desire to the gentleman from Minnesota [Mr. MCCARTHY].

Mr. MCCARTHY. Mr. Chairman, I wish to express my support of this legislation and commend the committee members for their action as trustees of this program.

Mr. ROGERS of Florida. Mr. Chairman, I yield myself the balance of the time on this side.

In conclusion, Mr. Chairman, I would like to say one word of tribute for our distinguished colleague from Ohio [Mr. CROSSER], who has been here a long time. I think the one title he has earned in his service here is "The Champion of the Railroad Employees." He is the champion of the laboring man. He leaves us with our very best wishes and hope that in the balance of this life he will enjoy happiness and contentment.

Mr. WOLVERTON. Mr. Chairman, I yield such time as he may desire to the gentleman from Montana [Mr. D'EWART].

Mr. D'EWART. Mr. Chairman, I am personally acquainted with a family in Montana where a brother has worked all of his life on the railroad, and never married, and during all of that time has supported a sister, who kept house for him and also never married. It seems to me that the law should make provision for a sister in this circumstance, just as provision is made for a spouse.

Since I introduced the legislation I have had correspondence from other retired railroad people in the same circumstances.

While there may be only a few cases, the fact is that such a household is faced with a very grave situation when the breadwinner retires. The responsibilities and expenses continue just as with a man and wife, but the railroad retirement law does not take this into consideration.

In the case I have in mind, the substantial savings and investments of the retired man have been virtually wiped out by the added expenses he has borne.

As I stated, I appeared before the committee with a plea for this measure. I regret very much that the committee did not include it in the amendments we are considering today. I still believe that it is good legislation, worthy of adoption, and I will continue to urge it upon the committee. I firmly believe this amendment would further improve the recommendations of the committee.

Mr. WOLVERTON. Mr. Chairman, I yield such time as he may desire to the gentleman from Pennsylvania [Mr. BONIN].

Mr. BONIN. Mr. Chairman, I join my colleagues in support of the pending legislation and congratulate the chairman of the committee and all its members for bringing in this very worthwhile legislation.

Mr. Chairman, I want to commend the chairman of the Interstate and Foreign Commerce Committee, Mr. WOLVERTON, and the other members of that great committee for bringing out this splendid legislation to liberalize the Railroad Retirement Act provisions. The complimentary remarks made on this floor

clearly indicate that this bill will provide benefits to widows, dependent widowers, and dependent parents under the age of 60. Under present law, an aged widow, dependent widower, or dependent parent is not eligible for survivorship annuity until the age of 65 is reached. This bill provides for a reduction in the eligibility age to 60.

The many additional benefits in this bill are as follows:

Benefits to widowed mothers with disabled children: Under the present law, benefits are payable to a widowed mother under age 65 only if she has in her care a child of the deceased employee under age 18. The child also is entitled to a benefit. Such benefits both to the widow and child cease when the child reaches 18 years of age. As stated above, under the provisions of the reported bill, a widow without children would become eligible for an annuity at age 60. The new bill further provides that if the child has a permanent physical or mental condition prior to reaching age 18, which made him totally disabled, survivor benefits to the widowed mother and child would be payable even though the child may be over 18 years of age.

Elimination of reduction in survivor benefits on account of railroad retirement benefits in own right: Under present law, a widow, dependent widower, or dependent parent who receives a survivor benefit, and who is eligible for a retirement annuity in his or her own right because such individual has had railroad employment, would have the survivor benefit reduced by the annuity to which such individual is entitled by reason of his or her own employment. Such individual cannot receive both amounts. The bill provides that both annuities shall be payable without deduction.

Increase in creditable compensation in the calculation of annuities:

Under present law, a retirement annuity other than the minimum annuity, is calculated on the basis of the individual's years of service in the railroad industry and his average monthly compensation. No more than $300 may be credited in any month.

The annuity is computed by multiplying an individual's years of service by the following percentages of his monthly compensation: 2.76 percent of the first $50; 2.07 percent of the next $100; and 1.38 percent of the next $150.

The bill provides that compensation up to $350 a month shall be credited. Hence, under the provisions of this bill, an individual's annuity would be computed by multiplying his years of service by the following percentages of his monthly compensation: 2.76 percent of the first $50; 2.07 percent of the next $100; and 1.38 percent of the next $200.

Under this provision for increasing the creditable compensation to $350, individuals with an average monthly compensation in excess of $300 would obtain higher benefits than are obtainable under present law. In fact, an individual who will have had 30 years of service and an average monthly compensation of $350 would obtain an increase in his monthly annuity of $20.70 over the maximum amount that is payable under present law. Other examples of the effect of the bill on the annuities of individuals who will retire with 30 years' service, of which 5, 10, 15, 20, and 25 years of service at a monthly compensation of $350 will have occurred after the enactment of this bill are computed to run from $41.40 to $248.40 per year.

Survivor benefits also will be increased in those cases where the deceased employee will have had an average monthly compensation in excess of $300.

Crediting of compensation earned after age 65: Under present law, compensation earned after retirement age is used in computing an individual's retirement annuity, even though he may have had lower earnings after age 65 which would operate to reduce his average monthly compensation and therefore reduce his annuity. This bill provides that compensation earned after the individual has reached age 65 would be disregarded if the result of taking such compensation into account would be to diminish his annuity.

Disability work clause: Under present law, a disability annuitant who earns more than $75 in service for hire, or in self-employment, in each of any six consecutive calendar months is deemed no longer disabled at the end of the 6-month period. This bill eliminates this test and provides instead for the nonpayment of the annuity to a disability annuitant with respect to any month in which he is paid more than $100 in earnings from employment or self-employment.

Delegates to conventions: Under present law, the service of delegates to national or international conventions of railway labor organizations is covered employment under the act. These conventions frequently include delegates from units outside the railroad industry or outside the country who have no other covered employment. The accumulation of these trifling credits is of little if any value, particularly when compared with the nuisance of recording them and collecting the taxes on them. The reported bill excludes such service from coverage where the individual has no other previous covered employment.

Benefits to children who do not attend school: Under present law, a child of a deceased employee under 18 and over 16 years of age must attend school regularly if feasible in order to be eligible for a survivor's annuity. This bill strikes out the requirement that such a child must attend school in order to be eligible for a survivor's benefit.

Waiver of retirement benefits: This bill provides that any person entitled to an annuity or pension under the Railroad Retirement Act may waive, in whole or in part, such annuity or pension which would otherwise be due. The purpose of the provision is to enable the annuitant or pensioner, by waiving all or part of his railroad retirement benefit, to come within the income limitations specified in the veterans' laws—$1,400 per year if the recipient is unmarried and $2,700 per year if the recipient is married or with minor children—and thereby qualify for a veteran's nonservice-connected pension. A similar provision is contained in the Civil Service Retirement Act of May 29, 1930, as amended by Public Law 555, 82d Congress.

AMENDMENTS TO THE RAILROAD UNEMPLOYMENT INSURANCE ACT

Under this bill, the daily-benefit rate would be determined by the employee's base-year compensation in accordance with the following schedule:

Base year compensation:	*Daily benefit rate*
$400 to $499.99	$3.50
$500 to $749.99	4.00
$750 to $999.99	4.50
$1,000 to $1,299.99	5.00
$1,300 to $1,599.99	5.50
$1,600 to $1,999.99	6.00
$2,000 to $2,499.99	6.50
$2,500 to $2,999.99	7.00
$3,000 to $3,499.99	7.50
$3,500 to $3,999.99	8.00
$4,000 and over	8.50

This proposal further provides that if the daily benefit rate to which an employee would be entitled under the above schedule would amount to less than half of his daily rate of compensation for the last employment in which he was engaged in the base year, his daily benefit rate would be increased to half of such amount but not exceeding $8.50. Also, the total amount of benefits which may be paid to an employee separately for unemployment or sickness within a benefit year cannot exceed his total compensation in the base year.

Benefits for sickness are the same as those for unemployment.

I shall support this legislation, which has the support of all railroad workers in the United States.

Mr. WOLVERTON. Mr. Chairman, I yield such time as he may desire to the gentleman from Kansas [Mr. REES].

Mr. REES of Kansas. Mr. Chairman, although this legislation may not be completely satisfactory to all parties affected thereby, it does take care of a number of inequities and does provide for liberalization for those who are in need of it.

The committee has made a real effort to bring to this House a proposal that will relieve situations where most needed.

Among the important features of this legislation is that those who contribute to the fund are the ones who participate in its benefits, either directly or indirectly. It is quite different from other funds in that the Government makes no contribution to this fund.

It is proper to observe the added benefits go largely to the benefits of the widows and other dependents of the former employee of railway service.

Another outstanding feature is the amendment in respect to unemployment insurance.

This legislation is intended to be a humanitarian measure.

I commend the committee, and I especially commend the groups of railroad employees in their insistence that the fund be kept actuarily sound. Also that it be carefully checked at frequent intervals in order to make sure that complete soundness is maintained.

Mr. WOLVERTON. Mr. Chairman, I yield such time as he may desire to

the gentleman from New York [Mr. KEATING].

Mr. KEATING. Mr. Chairman, I am enthusiastically supporting this legislation, H. R. 7840, and wish to commend the committee for bringing out this very fine bill.

I have received a great many communications from retired railroad workers and their dependents who are anxious to see legislation such as this enacted into law. I realize it is difficult to strike a proper balance between liberalized retirement benefits and the stability and soundness of the retirement fund, but, in my opinion, this committee has done a fine job in achieving a result which is fair to the millions of railroad workers involved and at the same time will insure that the fund is maintained intact.

Seldom do we have the opportunity to vote on legislation which is, in all respects, satisfactory. There must be a certain amount of give and take. But this bill, on the whole, deserves the wholehearted support of the membership.

Mr. WOLVERTON. Mr. Chairman, I yield such time as he may desire to the gentleman from Connecticut [Mr. CRETELLA].

Mr. CRETELLA. Mr. Chairman, I join with so many of my colleagues today who have paid such well deserved compliments to the chairman of the Interstate and Foreign Commerce Committee, the Honorable CHARLES A. WOLVERTON, and the members of his committee, who have worked so hard and long in bringing out H. R. 7840, an act to amend the Railroad Retirement Act. The outpouring of support for this bill would indicate the popularity of it, especially when considered in the light of the endorsement of it by 23 railroad unions.

I had the privilege of offering a bill as one of my first undertakings when I came to Congress, which is H. R. 1378, and while it was considered together with many similar bills dealing with the same problem, I am happy to be privileged to wholeheartedly support H. R. 7840 today.

Many substantial changes in the law as are outlined on pages 3, 4, and 5 of the report are of such immeasurable value to widows and dependent children that I believe the bill demands the wholehearted support and enthusiastic support by all of my colleagues.

There are many railroad employees in my district where there is located one of the largest freight terminals in the country and I rejoice with them that these very substantial changes in the law will now enure to them or their dependents.

Mr. WOLVERTON. Mr. Chairman, I ask unanimous consent that all Members may have permission to extend their remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. TRIMBLE. Mr. Chairman, I just want to add my word of commendation to the committee for bringing this bill to us for consideration and vote. It corrects some of the injustices in the present law and enlarges some of the benefits without jeopardizing the solvency of the trust fund. I hope the legislation passes unanimously.

Mr. GARMATZ. Mr. Chairman, the railroad employees in my district, and I believe throughout the Nation, sincerely hope that bill H. R. 7840 will pass at this session of the Congress. This measure has been pending before the House since June 21, 1954, when the bill was favorably reported by the Committee on Interstate and Foreign Commerce. H. R. 7840 is supported by all the standard railway labor organizations, both operating and nonoperating, and contains many provisions beneficial to railroad employees and their dependents. So the Members of the House might know just what is being proposed, following will be found a short digest of what the bill contains:

First. Under the present law aged widows are not eligible for survivor benefits until age 65. The bill reduces the eligibility age to 60. The same change would apply to dependent widowers or dependent parents otherwise eligible.

Second. Under the present law a widowed mother and her child cease getting survivor's benefits when the child reaches age 18, even though the child may be completely disabled for any employment. The bill provides that if the child is permanently and totally disabled the survivor's benefits to the widowed mother and child will continue beyond age 18.

Third. Under the present law a widow who has had railroad employment and is eligible for a retirement annuity in her own right and who would also be eligible for a survivor annuity by reason of her husband's employment has the latter offset against the former and cannot receive both. The bill provides for both to be paid.

Fourth. Under the present law the maximum compensation that is taxable and creditable for both railroad retirement and unemployment insurance purposes is $300 per month. The bill increases this maximum to $350 both for tax purposes and for credit toward benefits. Individuals with an average monthly compensation in excess of $300 would obtain higher benefits than are obtainable under present law. A person with 30 years of service and an average monthly compensation of $350 would obtain an increase in his monthly annuity of $20.70 over the maximum amount that is payable under present law. Survivor benefits would also be increased in those cases where the deceased employee has had an average monthly compensation in excess of $300.

Fifth. Under the present law, compensation earned after retirement age is used in computing the annuity even though through lower earnings in later years this operates to reduce the annuity. The bill provides for disregarding such compensation—though crediting the service—if using such compensation would reduce the annuity.

Sixth. Under the present law, a disability annuitant who earns more than $75 in each of 6 consecutive months is deemed no longer disabled at the end of the 6-month period. The bill eliminates this test and provides instead for the nonpyament of the annuity to a disability annuitant with respect to any month in which he is paid more than $100 in earnings from employment or self-employment. This will remove hardships on the one hand and eliminate abuses on the other.

Seventh. Under the present law, the service of delegates to national or international conventions of railway labor organizations is covered employment under the act. These conventions frequently include delegates from units outside the railroad industry or outside the country who have no other covered employment. The accumulation of these trifling credits is of little if any value, particularly when compared with the nuisance of recording them and collecting the taxes on them. The bill excludes such service from coverage where the individual has no other previous covered employment.

Eighth. The bill would strike out the present requirement that the child of a deceased employee under 18 and over 16 must attend school regularly if feasible in order to be eligible for a survivor's benefit. This provision was placed in the law originally because a similar provision was contained in the Social Security Act. This provision has long since been stricken from the Social Security Act and it should be removed from the Railroad Retirement Act.

Ninth. The bill proposes to establish a new unemployment insurance daily benefit rate of $8 for persons having had base year compensation of $4,000 or more and it further provides that if the daily benefit rate payable to an employee is less than 50 percent of his daily rate of compensation for his last railway employment such daily benefit rate will be increased to that amount, but not to exceed $8.

This Congress should not adjourn without taking action on the bill. It is sound and well-balanced legislation in that it provides the revenue out of which the increased benefits are to be paid.

Mrs. KEE. Mr. Chairman, while the bill before us to amend the Railroad Retirement Act does not go as far as I would like in providing additional benefits for our retired, disabled, or unemployed railroad workers or their dependents, it does represent a good strong step forward. For that I am very grateful.

From personal knowledge, I am aware of the very long hours and the very hard work expended on this legislation by the members of the House Committee on Interstate and Foreign Commerce. It is a most difficult and complex subject. It is not the kind of bill which can be read hurriedly, called up quickly for hearings, and then disposed of overnight. The members of the committee who worked on this legislation deserve the thanks of the entire House of Representatives for the care they have exercised in considering the Railroad Retirement Act proposals now before us.

As a woman, I am particularly pleased by the consideration the committee has shown in this bill for the widows, dependent parents, and children of our railroad men. This is one of the key provisions of the legislation, and one, I believe, which will stand as a fine forward step in making our Railroad Retirement Act

more realistic in meeting the needs of the workers and their families.

Under this bill, full benefits for widows can be paid beginning at age 60. This is a reduction of 5 years from the present age requirement of 65. It is based not only on good motives, but on the hard facts of life.

A wife and mother who has devoted her adult life to caring for her family and keeping the home faces a heartbreaking problem of adjustment when the husband and father passes on. She must assume the role of father as well as mother, of chief accountant in the family's financial affairs; she must begin making all the decisions for her family in contrast to the previous years when these were shared decisions made by husband and wife together.

When there is added to these already heavy responsibilities and serious problems the further obligation to begin for the first time to support the family and earn its income, then indeed the widow's role is a most difficult one.

This bill does not by any means solve all of those burdensome problems. But it does help in one very substantial fashion to ameliorate a part of the problem for widows of railroad workers.

In any period in our economy, it is extremely difficult for a woman of 60, entering or trying to enter the working force for the first time in many years after devoting her life largely to home and family, to find any suitable employment. In a period of economic downturn—of the kind of recession we are in today—it is virtually impossible for such a woman to find suitable work.

Under the present law, however, such a widow must wait 5 years until she is eligible to collect widows' benefits under the Railroad Retirement Act. Under this bill, she becomes eligible immediately upon reaching the age of 60.

Another provision of the bill is also aimed at helping the surviving dependents of a railroad worker. This allows for special treatment on survivorship benefits for disabled children, regardless of age. At the present time, survivorship benefits for mother and child cease when the child reaches the age of 18. But under this bill those benefits would continue beyond that period if the child is totally disabled. While this affects a small percentage of the total number of families covered by the Railroad Retirement Act, it is a real boon to those to whom it does apply and a justified improvement in the law.

Throughout the bill, changes are made in existing law to benefit the individual railroader and his family. Better provision is made for avoiding hardship under the income-limitation requirements of the disability work clause: the annuity would now be withheld only in those months when the disabled worker earned more than $100. Under present law, a disabled worker is considered recovered, and therefore no longer eligible for these special benefits, if he earns as much as $75 a month in each of six consecutive months.

Again, maximum benefits will be increased as a result of increasing from $300 to $350 a month the amount of railroad pay subject to tax and therefore counted toward determining an annuitant's wage base.

Further, the reduced earnings of a worker over age 65 no longer operate to reduce the amount of pension for which he would be eligible had he retired at age 65.

In addition, unemployment compensation rates are increased so that the rate is now to be one-half of a worker's daily rate of pay up to a maximum of $8.50.

Other provisions of the bill allow for greater leeway for individual workers so that they can waive part or all of their annuity, or pension in particular, under unusual circumstances where it would be to their advantage to do so. And another provision which will be important to some families permits a widow who has herself earned retirement credits as a railroad worker to collect both her own earned pension and her survivorship benefits.

These various provisions of the bill, plus a few of a more technical nature, do not by any means make this a perfect railroad retirement law. Much still has to be done to improve the benefits available under this legislation before we can be entirely satisfied with it.

I, for one, shall gladly support any measure which comes before this House which will further improve the railroad retirement program without endangering the soundness of the system itself. It would no doubt be very easy for us to amend this law to provide anything any railroad worker would like to have included; but if we were to do so at the expense of the solidity and soundness and stability of the system itself, we would be acting contrary to the best interests of every railroad worker.

That is what makes the problem so difficult for the members of the House Committee on Interstate and Foreign Commerce in drafting changes in the legislation, and that is also what makes our problem on the House floor so difficut in considering the additional improvements and recommendations suggested to us.

This bill has the advantage of being backed not only as to its fairness but as to its actuarial soundness by the spokesmen for all of the great railroad workers' organizations. We are assured these added benefits amounting to many millions of dollars a year can be financed out of the fund without damage to its integrity. That is good news. It is reassuring information.

I think that is the cardinal principle which must guide us at all times in consideration of this kind of measure. We must be certain before we act that what we propose to do will work out over the long range. I am glad we have the assurance that this bill fits that specification.

Mr. CARRIGG. Mr. Chairman, harking back to the days when I was once employed by the Erie Railroad Co. in my home town of Susquehanna, it little occurred to me then that the day might come when, as a Member of this great deliberative body, I might have a small part in framing a law which would benefit so many of the wonderful people who make up such a large segment of our industrial life, namely, the railroad men of America.

For that reason I am happy to join with my chairman and other colleagues of the Interstate and Foreign Commerce Committee in recommending for your favorable consideration, H. R. 7840.

This is a realistic step forward in giving assistance to men and women and their surviving dependents, which they so well deserve and for which they have practically paid for in advance by their contribution to the Railroad Retirement Fund.

During the session many bills have been introduced bearing on retirement benefits, which were broader in scope and which carried larger benefits than H. R. 7840, but after exhaustive hearings by the committee, we felt that the favorable consideration of any of the other bills would only jeopardize the stability of the fund, and that we would be derelict in our duty as the trustees of this fund if we were to recommend any action which in a few years would deplete the fund to a point where future beneficiaries would have no protection.

In addition to giving my wholehearted approval to this legislation, I would like to pay tribute to the chairman of our committee, the gentleman from New Jersey [Mr. WOLVERTON], first for the eminently fair and impartial manner in which he conducted hearings on this bill, and secondly for his courage and tenacity in bringing the measure to the floor of Congress.

It is true that all through the years our good friend, Congressman CROSSER, has been considered the champion of the railroad men, this title he won by his devotion to their service. Unfortunately, the people of his district did not see fit to reward him by renomination and perhaps today we heard him for the last time raise his voice on the floor of the House in behalf of those whom over the years he has befriended. We who have worked with him on the committee wish for him only the best that life can provide, and we ask a kind Providence to shower His choicest blessings on him in the years to come.

Today we have crowned a new champion of those who are beneficiaries of the railroad retirement fund, the tireless worker and chairman of the Interstate and Foreign Commerce Committee, our good friend CHARLES WOLVERTON.

Mrs. HARDEN. Mr. Chairman, I am very much in favor of H. R. 7840, the bill to expand benefits under the Railroad Retirement Act. I trust that it will pass and become law, for it makes many improvements in the present act and I know its adoption will benefit many of my constituents. I am particularly interested in the provision lowering the age at which widows of railroad employees can begin drawing survivorship benefits. Under present law the age is 65, but the bill before us lowers the age of entitlement to 60 years. I also strongly support the provision which permits disabled railroaders to earn up to $100 a month without affecting their pensions. This is an improvement over the present limitation. Other changes in the law included in this bill include liberalization of survivorship benefits for disabled

children and widowed mothers. All in all, I consider it a very worthy measure and I am happy to vote for it.

Mr. OBRIEN of New York. Mr. Chairman, the favorable attitude of the House today toward badly needed amendments liberalizing the Railroad Retirement Tax Act and the Railroad Unemployment Insurance Act is a demonstration of bipartisanship at its finest.

I had favored some additional amendments, but I realize that what we have before us today is a good compromise and a long stride in the right direction.

Many railroadmen are residents of my district and for them, I thank the distinguished chairman and members of the Committee on Interstate and Foreign Commerce for this legislation. I offer special thanks to the chairman for his courageous insistence that we have an early vote on the bill. It would have been unthinkable to adjourn without favorable action thereon.

Mr. Chairman, I am very pleased with the amendment which permits an aged widow, dependent widower or dependent parent to collect a survivor annuity at the age of 60 instead of 65. This is a humane move and one which will eliminate much hardship.

I also approve all the other amendments to the law and I hope the spirit demonstrated here today will be reflected in even greater liberalization of this statute at future sessions of Congress.

Mr. BYRNE of Pennsylvania. Mr. Chairman, the cause of the railroad workers of the United States is a matter of vital concern to each and every one of us. These men and women are today asking us to support legislation which will provide them with an assurance that the benefits which they will receive upon their retirement will be sufficient to cover the expenses of their day-to-day living.

It is not necessary for me to point out to you the merits of this bill, H. R. 7840. The Railroad Retirement Act has not been amended since 1951. During the interim the cost of living has risen steadily. Pensions and annuities now being paid to retired railroad workers and their dependents are not in line with similar benefits being received by other retired people.

Let me also bring out that railroad retirement benefits are paid out of a fund administered by the railroad retirement system. This fund is supported by contributions from the monthly paychecks of workers covered by the system, who are assessed 6¼ percent of their income for this purpose. There are almost $4 billion in the fund now. Any pension increase would be absorbed by it and not by the Federal Government.

It is particularly gratifying to me to note that the Committee on Interstate and Foreign Commerce has reported out a bill which so nearly fulfills the expectations of all interested parties. Special emphasis has been placed on improving benefits to widows, children, and other dependents. The eligible age has been reduced from 65 years to 60 years. Payment of an annuity to a disabled child over 18 years of age has been provided for. In addition, every child under 18 years of age automatically is provided for. Retired employees' benefits under this bill could reach a maximum of $350 per month as compared with the maximum of $300 per month under the present act.

I am proud that I have an opportunity to support this legislation and expect to see it go into effect in the very near future.

Mr. KARSTEN of Missouri. Mr. Chairman, in supporting H. R. 7840, I would like to pay tribute to the fine work of the Committee on Interstate and Foreign Commerce. The committee is to be congratulated on this legislation, which I am confident will pass the House this afternoon.

I should also like to say a few words of tribute to our long-time friend and former chairman of the committee, Hon. ROBERT CROSSER. He is truly one of the outstanding Members of the House. He has been an inspiration to everyone and is perhaps the greatest expert on railroad legislation. His talents, however, are not limited to that one field, but, rather, cover a wide range. They were eloquently presented in an address of the late Honorable Charles M. Hay, of St. Louis, some time ago at Cleveland, Ohio. In order that BOB CROSSER'S friends may know the high esteem in which he has always been held by the people of my city, I am placing this address in the RECORD:

ADDRESS OF THE LATE HONORABLE CHARLES M. HAY, OF ST. LOUIS, AT CLEVELAND, OHIO, AUGUST 9, 1942

Permit me, first of all, to acknowledge the debt which we Missourians owe the voters of the 21st Congressional District of Ohio.

You may not have realized that we are in your debt, but we are; as, indeed, the people of the whole country are. We—all of us—are indebted to you for the service you have rendered us by sending to Congress for more than 25 years so wise, faithful, and loyal a public servant as Congressman ROBERT CROSSER.

He has been your Representative, but he has been our servant as well as yours. We have all been the beneficiaries of his work and achievements in Congress.

The bank depositor of my city, who feels a sense of security in his bank deposits, is as much indebted to ROBERT CROSSER for his masterful generalship as chairman of the House steering committee in assuring the passage of the Federal deposit insurance law as any bank depositor of your district.

The people of my State and of every State, as well as your people, who have been aided by his work for pension, unemployment insurance, and social security measures, the Railway Labor Act, the National Labor Relations Act and the Air Pilots Act, all are in the debt of ROBERT CROSSER.

We should, therefore, be most remiss, indeed, if we did not in some way acknowledge our appreciation of the service of Congressman CROSSER and our obligation to you voters of his district for making that service possible.

We would, moreover, be unmindful of our welfare and of the highest interests of our common country if we did not make known to you our fervent wish and hope that you keep him in Congress.

It should be a source of great pride and satisfaction to you good people of the 21st District to know that your Congressman is appreciated and, indeed, revered by millions of people throughout America, to know that people in every State of the Union will await the result of next Tuesday's election with deepest concern, waiting to learn whether their friend, BOB CROSSER, will be returned to Congress or not. I, personally, know many, many people in my own State who are much more concerned over the election of Congressman CROSSER than over the election of the Congressman representing their own districts.

Why this is so is easy to explain: Mr. CROSSER has become, in fact, has long been a national figure. That, as you well know, is not true of every Congressman. Indeed, it is not true of the great majority of the Members. If any man thinks that the minute he is selected to Congress he becomes a national figure, he is due for a rude awakening. He has only to walk down the streets of Washington itself or of any city in America, outside of his own district, and ask the first 10 men he meets whether they ever heard of him. Before he is through he will shrink to the stature of the man of whom Bob Taylor of Tennessee used to tell, who when caught in a mine with only a one-inch opening to the outside world—remembered that once he voted for Taylor's opponent, whereupon he shrivelled up and crawled right out the one-inch hole. (Please be careful not to bring that fate on yourself by voting for this Bob's opponent.)

No. Merely going to Congress doesn't make a man a national figure or a great man.

Merely staying in Congress for a long period of years dose not assure greatness. It gives one a chance to grow—but it does not guarantee real growth.

President Wilson said that there are two types of men who go to Congress—those who grow and those who swell. It may be said, also, that there are some who shrivel. They may go there with good ability and worthy ambitions—but are switched off on the wrong track. Instead of working toward real statesmanship, they merely play politics. They may succeed for a period of years in playing the game so skillfully as to keep themselves in Congress, but their capacity for statesmanship, for real service of the people shrivels and finally dies.

It takes three things to make a Congressman a national figure—character, ability, and tenure—all three. There may be an exception to that—once or twice in a generation—but in the long run—that's the rule.

Congressman CROSSER has character and ability, and thanks to the sound judgment of the voters of the 21st district, he has enjoyed long tenure in office. In him, therefore, are combined the three things essential to make a national figure, and a truly great public servant.

You know his character. By your votes over a period of 25 years you have attested it. I count it one of the great privileges of my life to have known him intimately for the last 10 years. I have never sat in his presence without feeling the inspiration which comes from a clean mind, a pure heart and a noble soul. He has integrity, honor, consecration to service—of the contagious sort. These virtues in him are not only sufficient unto his own life and character, but they strengthen and inspire all who know him.

You have likewise attested your knowledge of his ability, Congressman CROSSER is a brilliant, eloquent talker, but, first of all, he is a thinker. We have a young Congressman from my State of whom a Senator said that the trouble with him is that he learned to talk before he learned to think. Too often they never learn to think first—or to think beneath the surface of things at all.

We have plenty of glib talkers, storytellers, humorists, entertainers, clowns. What the Nation cries out for is men who can think.

Congressman CROSSER, as you of his district must know, is a profound thinker. He understands things; he has thought through

to basic, underlying principles. He believes in democracy, in the broadest, truest sense, with an understanding heart; for he knows what democracy is and how it is to be realized in the life of the Nation.

My countrymen, how we need such men in Congress in the dark days now upon us and which lie just ahead of us. Democracy is challenged today as never before in all history. This is, therefore, no time to dim the lamps of democracy in our land; least of all in the Halls of Congress. If there be a mind in Congress which, above others, can think democracy and a tongue which more persuasively than others can preach democracy, in God's name and for our country's sake, let's keep them there. Few men have served Congress, since the founding of the Republic, whose understanding of democracy has been deeper, or whose eloquence to proclaim it has been greater than the understanding and eloquence of ROBERT CROSSER.

The cause of democracy needs him in Congress now as never before.

By your wisdom in the exercise of your sovereignty as voters, you have kept BOB CROSSER in Congress and enabled him to grow.

He has grown in knowledge, the knowledge born of experience, and grown in prestige and power.

During the last 10 years, I have spent much time in Washington. I have had abundant opportunity to know and to appraise the Members of Congress. I say to you what any man must say who knows Congress as I know it—that there is no man in either House who commands greater respect, or who enjoys a higher esteem of the Members of Congress, than BOB CROSSER. There is no name worth more on a bill than the name ROBERT CROSSER.

In 1937 I witnessed a thing which I have sometimes thought may be unprecedented in the history of Congress. I saw and heard Congressman CROSSER present to the House a highly technical unemployment insurance bill. It was so technical and intricate that few, if any, Members had time or opportunity to master it in every detail. But they didn't ask for time to do that. They wanted to know whether the bill had the full approval of Mr. CROSSER. That was sufficient. The bill passed without a single dissenting vote.

Verily, there is something in a name. Because of his character, ability, and long years of service the name of ROBERT CROSSER has come to have great prestige and power in Congress and the Nation. What a name.

What, chiefly, endears BOB CROSSER to me, and I am sure has endeared him to you, is that above all else, he has been the friend and champion of the poor and humble, of the workingman, the toilers, the immigrant, who, like himself, came here in search of greater liberty and opportunity. Ask any man in Congress to name the best friend the humble people of America have there, and 9 out of 10 of them will tell you BOB CROSSER.

Everyone knows that our devoted friend is getting older; and knows also that he has grown older in service and experience.

But he is still building, not for himself, but, as always, for others. He carries on in the spirit of the old bridge builder, as expressed in lines which I have heard Mr. CROSSER repeat many times:

"An old man, going a lone highway,
Came, at the evening, cold and gray,
To a chasm, vast, and deep, and wide
Through which was flowing a sullen tide.
The old man crossed in the twilight dim;
The sullen stream had no fears for him;
But he turned, when safe on the other side,
And built a bridge to span the tide.

" 'Old man,' said a fellow pilgrim, near,
'You are wasting strength with building here;
Your journey will end with the ending day;
You never again must pass this way;
You have crossed the chasm, deep and wide—
Why build you the bridge at the eventide?'

"The builder lifted his old gray head;
'Good friend, in the path I have come,' he said,
'There followeth after me today
A youth, whose feet must pass this way.
This chasm, that has been naught to me,
To that fair-haired youth may a pitfall be.
He, too, must cross in the twilight dim;
Good friend, I am building the bridge for him.' "

Throughout his life, as citizen, lawyer, legislator, delegate to constitutional convention, Member of Congress, BOB CROSSER has been building bridges over which his fellowmen might pass to better things, to the more abundant life.

On next Thursday, I beg of you, good people of Cleveland, build again the bridge from your hearts and homes to Washington and send back to Congress your friend, my friend, the people's friend, ROBERT CROSSER.

Mr. STRINGFELLOW. Mr. Chairman, I am happy to have this opportunity to speak briefly in favor of this bill H. R. 7840, which will amend the Railroad Retirement Act, the Railroad Retirement Tax Act, and the Railroad Unemployment Insurance Act. The Interstate and Foreign Commerce Committee has done an outstanding job in drafting and reporting this legislation to the House Chamber, and I, for one, wish to commend my friend and colleague Representative CHARLES A. WOLVERTON for his efforts in behalf of our railroad employees.

My home town is Ogden, Utah, which is one of the major railroad centers of the West. Therefore, I have a great many personal friends and constituents who are lifetime employees of the railroad who will be delighted with the passage of this legislation.

In my opinion this is sound legislation which is well justified. Some of the changes which are proposed simply adjust benefits in line with liberalizations recently made to the Social Security Act and which have previously been made to the Civil Service Retirement Plan. Other changes which permit benefits to widows at an earlier age recognize the need of providing funds at a time in life when they are sorely needed and fully carries out our responsibility of providing for the beneficiaries of those employees who have contributed to the railroad retirement fund.

This legislation can and will be carried out without in anyway jeopardizing the financial soundness of the railroad retirement account. It also can be accomplished without any cost or expense to the Government. The slight additional cost to railroad employees and to the operating companies by extending the base without changing the rate of deduction, will be more than offset by the increased benefits and security provided to employees and their beneficiaries.

I have carefully reviewed this legislation and am firmly convinced that it is in keeping with sound fiscal financing and will promote the best interests of both railroad employees and our Federal Government.

Mr. HAYS of Arkansas. Mr. Chairman, the soundly conceived and faithfully administered Railroad Retirement Act serves as a model. This bill, representing long and careful study, will provide essential improvements and I trust it will receive the unanimous vote of the House.

RETIRED RAILROAD WORKERS ENTITLED TO INCREASED RETIREMENT PAY

Mr. JOHNSON of California. Mr. Chairman, H. R. 7840 is a good bill and I intend to support it. Briefly, it liberalizes the benefits to retired railroad workers. During my 12 years in Congress I have voted for every bill which had to do with enlarging the benefits to these workers.

I wish to congratulate the chairman of the committee, Mr. CHARLES WOLVERTON, the gentleman from New Jersey, and also Mr. ROBERT CROSSER, the gentleman from Ohio the ranking Democrat on the committee, for the leadership which they have furnished in the enactment of this bill. The railroad network of the United States is the most fabulous network of railroad transportation in the entire world. The record of the railroads in the First World War and the Second World War were simply fabulous. A large part of the success of the railroad transportation system is due to the skilled and capable workers who are employed by the railroad companies. The management also made a distinct contribution toward the efficiency of the railroads in handling greatly increased tonnages.

Mr. ROBERT CROSSER, who was chairman of this committee for many years is leaving Congress. I have come to know Mr. CROSSER quite well during my service in the House of Representatives. He has done more for railroad workers than any other Member of Congress. Practically every benefit which the railroad workers have received in the last 20 years is a reflection of the devotion of Mr. CROSSER to the interests of the railroad workers of the United States. Mr. CROSSER has a keen sense of humor and many times I have exchanged wise cracks with him and his son, Robert. He is a great admirer of the poet, Robert Burns, and can quote his poems by the hour. Now that he is leaving Congress he will have more time for leisure and reading It is generally known that Mr. CROSSER has arthritis and despite that affliction, he has carried his share of the load as a member and chairman of one of the great committees of the House of Representatives.

Mr. DONOHUE. Mr. Chairman, we all, of course, realize there can be no such thing as a perfect piece of legislation. This bill, H. R. 7840, designed to amend the Railroad Retirement Act so as to humanely liberalize and enlarge the benefits, could, undoubtedly, be improved upon, but in substance it contains amendments needed by those affected and they should be adopted. On the whole, the bill contains much merit and is fundamentally sound.

When we analyze the major amendments, they can be shortly summarized as follows:

First, benefits to widows, dependent widowers, and dependent parents at age 60 instead of age 65.

Second, benefits to widowed mothers with physically or mentally disabled children over the age of 18.

Third, full survivor benefits to widows, dependent widowers, and dependent parents who are also eligible for a railroad-retirement annuity in their own right.

Fourth, increasing the creditable compensation from the present maximum of $300 a month to a maximum of $350 a month in the calculation of a retirement or survivor annuity.

Fifth, disregarding the compensation earned after the age of 65, if the crediting of such compensation would diminish the annuity.

Sixth, changing the disability work clause to a maximum of $100 in earnings for any month without loss of the annuity for that month.

Seventh, excluding the service of certain delegates to national or internation conventions of railway-labor organizations from coverage under this act.

Eighth, elimination of the requirement in the present law that a child over the age of 16 and under 18 years must attend school regularly in order to be eligible for a survivor's annuity.

Ninth, waiver of retirement benefits for certain individuals who are receiving non-service-connected veterans' pensions.

The principal amendment proposed to the Railroad Retirement Tax Act would increase the tax base from $300 to $350 a month, leaving the tax rate of 6¼ percent unchanged.

A similar increase in the tax base for employment covered under the Social Security Act was approved by the House on June 1, 1954. This bill provides, among other things, for the increase in the creditable and taxable wage base from $3,600 to $4,200 a year.

Almost two-thirds of the railroad employees now earn more than $300 a month, and they would pay the tax on their additional monthly compensation in excess of $300, but not in excess of $350. In return for this additional tax, these employees would get increased benefits resulting from the crediting of this additional compensation in the computation of their annuities. On the average, these employees would obtain benefit rights at the rate of $3 for each $1 in taxes they would pay. Furthermore, the liberalization of the survivor benefits provided for in the bill would apply across the board, and the families of all railroad workers would benefit, regardless of whether or not the employee was taxed at the rate of $300 a month or $350 a month.

It has been estimated by the Railroad Retirement Board that the increase in tax base from $300 to $350 a month would increase retirement tax collections by $56 million a year, on a level cost basis. This amount is sufficient to pay for all the additional retirement and survivor benefits provided for by this measure.

The amendments proposed by the Railroad Unemployment Insurance Act are shown on pages 6 to 8 of the committee's report. Briefly, the schedule of base year compensation is slightly altered, and the daily benefit rates for unemployment are increased by 50 cents a step, with a maximum daily rate of $8.50. Moreover, an eligible employee would be entitled to receive a daily benefit rate equal to half of his daily rate of compensation for the last employment in which he was engaged in the last calendar year. The total amount of benefits which may be paid to an employee separately for unemployment or sickness within a benefit year would not exceed his total compensation in the base year. The bill also would increase the maximum compensation subject to contribution from $300 to $350 a month.

Considering the measure in its entirety, it is substantially worthy and I urge its unanimous approval.

Mr. RHODES of Pennsylvania. Mr. Chairman, this bill which would amend the Railroad Retirement Act is meritorious legislation.

As one who has introduced legislation to amend and improve this act I am glad to see that we are going to pass on this bill before final adjournment of the Congress.

There is no question in my mind that it will get the overwhelming approval of Members of the House.

I regret that the bill does not go much further in liberalizing benefits. It seems to me that favorable action is a step toward stimulating the Nation's economy. More than that, it is a recognition of faithful service given by the railroad workers.

Even more important is the human element. Retired railroad workers are entitled to pension payments which are sufficient to meet rising costs of living and to a better share of the good things and luxuries of life which would brighten their twilight years.

That is why, Mr. Chairman, I would liked if more substantial improvements would have been made this year. I am, however, glad at least some progress can be made at this time.

Mr. O'HARA of Illinois. Mr. Chairman, I join with my colleagues in congratulating the chairman and the membership of the committee in reporting out a bill which will bring a large measure of relief to retired railroad personnel and to the widows, and permanently afflicted children of great and noble railroad men who have passed on.

I desire especially to mention my colleague from Illinois [Mr. MACK], who has worked day and night and with untiring industry in the deliberations of the committee.

The representatives of the railroad brotherhoods are entitled to the appreciation of every Member of this body, of the railroading rank and file, and of the Nation at large. Without the tremendous effort put into the work by the representatives of the brotherhoods, ironing out differences, seeking always to protect to the fullest extent the soundness of the fund and at the same time to give to pensioners the fullest possible measure of benefits, we would not have before us today a bill for which all of us will vote with happiness.

Mr. Chairman, I join with my colleagues in giving tribute to BOB CROSSER. This is a day that I shall never forget. Seldom in the history of the Congress of the United States has there been a period more freighted with drama and significance than when BOB CROSSER was making his final speech in the Congress of which for 38 years he has been a Member; and that speech, Mr. Chairman, was in the joy of a great soul that the last measure for which he spoke was one bringing benefit to the railroading men and women for whom he had given a lifetime of devoted service. No man has ever served the people with greater fidelity, with greater brilliance, and with greater degree of self-abnegation than BOB CROSSER, one of the greatest Americans of all times.

Mr. SCOTT. Mr. Chairman, as is pretty generally known I have always taken a deep interest in the welfare of our railroad employees and have devoted much time and effort in securing for them the benefits to which they are justly entitled. I was glad to have been able to be of help to the approximately 36,000 annuitants affected for whom this legislation will grant an increase of an average of $24 a month, or 20 percent of their average annuity retroactively to October 30, 1951. The changes in the railroad retirement and unemployment insurance systems which the pending bill provides have the approval and commendation of all the standard railroad unions, who have been reasonable, understanding and conscientious in their support. I urge you, my colleagues, to join in the enactment of this worthy legislation.

Mr. HAGEN of Minnesota. Mr. Chairman, it is with pleasure that I rise to lend my support to H. R. 7840, recently approved by the Committee on Interstate and Foreign Commerce. Because of the keen interest this type of legislation holds for hundreds of members in my district, I have followed closely the detailed hearings on this bill.

May I state that I am aware H. R. 7840 is not a panacea for all existing ills in the Railroad Retirement Act, and does not provide the key to the many complex problems which beset those who fall under its provisions, and who must depend for their existence solely on the meager benefits afforded by the act. But on the other hand, this bill corrects in one simple measure several minor inequities which have been permitted already too long to exist.

For that reason I urge the House to lend its approval to H. R. 7840 for the small, but much-needed assistance it will provide at this time. I wish to make it clear that I feel the inequities, which will remain, even after this legislation is enacted, should be corrected after sufficient study, as soon as Congress reconvenes at the beginning of next year.

If I am fortunate enough to be a Member of Congress next year, I intend to introduce a bill to provide for adequate increases in all classes of pensions. There is an urgent need for such legislation. I trust I will have the cooperation of all elements in the railroad industry in an attempt to formulate amendments to the act, which will not only be actuarially practicable, but which will be liberal enough to afford all annuitants a sizeable increase in the amount of their subsistence.

But of necessity that will have to remain for next session. Right now we have the chance to effect some minor changes in the act, which will then put us in a better position to know what further general improvements can be made next year.

The legislation before us can briefly be summarized as follows:

First, benefits to widows, dependent widowers, and dependent parents at age 60 instead of age 65.

Second, benefits to widowed mothers with physically or mentally disabled children over the age of 18.

Third, full survivor benefits to widows, dependent widowers, and dependent parents who are also eligible for a railroad retirement annuity in their own right.

Fourth, increasing the creditable compensation from the present maximum of $300 a month to a maximum of $350 a month in the calculation of a retirement or survivor annuity.

Fifth, disregarding the compensation earned after the age of 65, if the crediting of such compensation would diminish the annuity.

Sixth, changing the disability work clause to a maximum of $100 in earnings for any month without loss of the annuity for that month.

Seventh, excluding the service of certain delegates to national or international conventions of railway labor organizations from coverage under this act.

Eighth, elimination of the requirement in the present law that a child over the age of 16 and under 18 years must attend school regularly in order to be eligible for a survivor's annuity.

Ninth, waiver of retirement benefits for certain individuals who are receiving non-service-connected veterans' pensions.

Many members of the railroad industry residing in my district have taken occasion to write me concerning this legislation. Many of them are in one of the categories mentioned above, and from their sincere letters, I can assure you that this legislation is needed and needed badly. For what little improvement it will make in their bleak lives, I think we should not hesitate to approve H. R. 7840 without further delay, for the benefit of the retired railroad workers.

Mr. WOLVERTON. Mr. Chairman, I yield myself the balance of the time on this side.

Mr. Chairman, the remaining time does not give me proper opportunity to give expression as I should like, first, for the very fine remarks that have been made with reference to my work as chairman and to the Committee on Interstate and Foreign Commerce, every member of which has worked very hard in formulating this legislation in such a satisfactory manner, as is indicated by the general approval that has been given by the Members who have spoken.

Second, I am in full accord with everything that has been said of a complimentary character with reference to our former chairman, ROBERT CROSSER. It has been my privilege to serve on the committee with him through many years and during these years he has been most active in promoting railroad retirement legislation. Nothing said here today, in my opinion, begins to express as fully as would be justified what I believe is the great debt that is owed to him by the railroad workers of this country for the splendid service he has rendered in their behalf.

Certainly I join with every Member of this House in extending to him our very best wishes for the future and the regret we have that he did not receive the recognition he was entitled to have, in my opinion, from the members of his party in the district that he has so well represented during these many years.

The CHAIRMAN. All the time having expired, the Clerk will read the bill for amendment.

The Clerk read as follows:

Be it enacted, etc.—

PART 1—AMENDMENTS TO THE RAILROAD RETIREMENT ACT

SECTION 1. Subsection (h) of section 1 of the Railroad Retirement Act of 1937, as amended, is hereby amended by inserting after the end of the last sentence thereof the following: "Compensation for service as a delegate to a national or international convention of a railway labor organization defined as an 'employer' in subsection (a) of this section shall be disregarded for purposes of determining eligibility for and the amount of benefits pursuant to this act if the individual rendering such service has not previously rendered service, other than as such a delegate, which may be included in his 'years of service'."

SEC. 2. The last paragraph of subsection (a) of section 2 of the Railroad Retirement Act of 1937, as amended, is hereby amended by striking the fourth sentence thereof.

SEC. 3. Subsection (d) of section 2 of the Railroad Retirement Act of 1937, as amended, is hereby amended by adding after the end thereof the following paragraph:

"No annuity under paragraph (4) or (5) subsection (a) of this section shall be paid to an individual with respect to any month in which the individual is under age 65 and is paid more than $100 in earnings from employment or self-employment of any form: *Provided*, That for purposes of this paragraph, if a payment in any one calendar month is for accruals in more than one calendar month, such payment shall be deemed to have been paid in each of the months in which accrued to the extent accrued in such month. Any such individual under the age of 65 shall report to the board any such payment of earnings for such employment or self-employment before receipt and acceptance of an annuity for the second month following the month of such payment. A deduction shall be imposed, with respect to any such individual who fails to make such report, in the annuity or annuities otherwise due the individual of, in an amount equal to the amount of the annuity for each month in which he is paid such earnings in such employment or self-employment, except that the first deduction imposed pursuant to this sentence shall in no case exceed an amount equal to the amount of the annuity otherwise due for the first month with respect to which the deduction is imposed."

SEC. 4. Subsection (a) of section 3 of the Railroad Retirement Act of 1937, as amended, is hereby amended by substituting "$200" for "$150."

SEC. 5. Subsection (b) (1) of section 3 of the Railroad Retirement Act of 1937, as amended, is hereby amended by substituting for the parenthetical phrase "(including compensation in any month in excess of $300)" wherever it appears the phrase "(without regard to any limitation on the amount of compensation otherwise provided in this act)."

SEC. 6. Subsection (c) of section 3 of the Railroad Retirement Act of 1937, as amended, is hereby amended by inserting after the figure "300" the following: "for any month before July 1, 1954, or in excess of $350 for any month after June 30, 1954,"; and by adding at the end thereof the following: "If the employee earned compensation in service after June 30, 1937, and after the last day of the calendar year in which he attained age 65, such compensation and service shall be disregarded in computing the monthly compensation if the result of taking such compensation into account in such computation would be to diminish his annuity."

SEC. 7. Subsection (e) of section 3 of the Railroad Retirement Act of 1937, as amended, is hereby amended by inserting after the comma following the word "respectively" the following: "individuals entitled to insurance annuities under subsections (a) and (d) of section 5 to have attained age 65, and individuals entitled to insurance annuities under subsection (c) of section 5 on the basis of disability to be less than 18 years of age,"; and by substituting the words "of the Social Security Act" for the word "thereof" in the last parenthetic phrases of the subsection.

SEC. 8. Subsections (a) and (d) of section 5 of the Railroad Retirement Act of 1937, as amended, are hereby amended by substituting the word "sixty" for the word 'sixty-five."

SEC. 9. Subsection (f) (2) of section 5 of the Railroad Retirement Act of 1937, as amended, is hereby amended by substituting the word "sixty" for the word "sixty-five" wherever it appears; by inserting after the phrase "pursuant to subsection (k) of this section" where it first appears, the following: "Upon attaining age 65 at a future date, will be payable"; by inserting after the word "month" in the parenthetical phrase the following: "before July 1, 1954, and in the latter case in excess of $350 for any month after June 30, 1954"; and by inserting after the phrase "pursuant to subsection (k) of this section" where it appears in the proviso the phrase: "upon attaining age 65 be entitled to further benefits."

SEC. 10. Subsection (g) of section 5 of the Railroad Retirement Act of 1937, as amended, is hereby amended by striking the last sentence of paragraph (2).

SEC. 11. Subsection (i) of section 5 of the Railroad Retirement Act of 1937, as amended, is hereby amended by inserting the word "or" after the semicolon in clause (ii) of paragraph (1); by striking clause (iii) of such paragraph and by redesignating clause (iv) of such paragraph as clause (iii).

SEC. 12. Subsection (l) of section 5 of the Railroad Retirement Act of 1937, as amended, is hereby amended by striking from paragraph (1) (ii) the phrase "and less than 18 years of age" and substituting in lieu thereof the following: "and shall be less than 18 years of age, or shall have a permanent physical or mental condition which is such that he is unable to engage in any regular employment: *Provided*, That such disability began before the child attains age 18." Such subsection is further amended by changing the semicolon at the end of paragraph (1) to a period, and adding the following: "Such satisfactory proof shall be made from time to time, as prescribed by the Board, of the disability provided in clause (ii) of this paragraph and of the continuance, in accordance with regulations prescribed by the Board, of such disability. If the individual fails to comply with the requirements prescribed by the Board as to the proof of the continuance of the disability his right to an annuity shall, except for good cause shown to the Board, cease."

SEC. 13. Subsection (1) (9) of section 5 of the Railroad Retirement Act of 1937, as amended, is hereby amended by inserting after the term "calendar month" the phrase: "before July 1, 1954, and any excess over

$350 for any calendar month after June 30, 1954"; and by substituting the figure "350" for the figure "300" where it appears the second time.

SEC. 14. Subsection (1) (10) (i) of section 5 of the Railroad Retirement Act of 1937, as amended, is hereby amended by substituting the figure "350" for the figure "300."

PART II

SEC. 201. Section 1500 of the Railroad Retirement Tax Act is hereby amended by inserting after the word "month" the following: "before July 1, 1954, and as is not in excess of $350 for any calendar month after June 30, 1954."

SEC. 202. Section 1501 of the Railroad Retirement Tax Act is hereby amended by inserting after the figure "300", where it first appears, the following: "for any month before July 1, 1954, or in excess of $350 for any month after June 30, 1954"; and by inserting after the figure "300" where it appears the second time, the following: "if such month is before July 1, 1954, or is less than $350 if such month is after June 30, 1954."

SEC. 203. Section 510 of the Railroad Retirement Tax Act is hereby amended by inserting after the word "month" the following: "before July 1, 1954, and as is not in excess of $350 for any calendar month after June 30, 1954."

SEC. 204. Section 1520 of the Railroad Retirement Tax Act is hereby amended by inserting after the word "month" where it first appears the phrase: "before July 1, 1954"; by inserting after the figure "$300" where it first appears the following: ", and for any calendar month after June 30, 1954, not in excess of $350"; by inserting after the phrase "shall apply" where it first appears the phrase: ", with ", respect to any calendar month before July 1, 1954,"; by inserting after the figure "300" where it appears the second time, the phrase: ", and ", with respect to any calendar month after June 30, 1954, to not more than $350,"; and by inserting after the figure "300" where it appears the third time the phrase: "if the month is before July 1. 1954, or is less than $350 if the month is after June 30, 1954."

SEC. 205. Subsection (e) of section 1532 of the Railroad Retirement Tax Act is hereby amended by inserting at the end thereof the following sentence: "Compensation for service as a delegate to a national or international convention of a railway labor organization defined as an 'employer' in subsection (a) of this section shall be disregarded for purposes of determining the amount of taxes due pursuant to this act if the individual rendering such service has not previously rendered service, other than as such a delegate, which may be included in his 'years of service' for purposes of the Railroad Retirement Act."

PART III

SEC. 301. Subsection (g) of section 1 of the Railroad Unemployment Insurance Act is hereby amended by adding at the end thereof the following sentence: "For purposes of determining eligibility for and the amount of benefits and the amount of contributions due pursuant to this act, employment as a delegate to a national or international convention of a railway labor organization defined as an 'employer', in subsection (a) of this section, shall be disregarded if the individual having such employment has not previously rendered service, other than as such a delegate, which may be included in his 'years of service' for purposes of the Railroad Retirement Act."

SEC. 302. Subsection (i) of section 1 of the Railroad Unemployment Insurance Act is hereby amended by inserting after the term "calendar month" where it first appears the phrase: "before July 1, 1954"; and by inserting before the period at the end of the first sentence the phrase: "and, with respect to any calendar month after June 30, 1954, no part of any compensation in excess of $350 shall be recognized."

SEC. 303. Subsection (k) of section 1 of the Railroad Unemployment Insurance Act is hereby amended by substituting the figure "300" for the figure "150."

SEC. 304. Subsection (a) of section 2 of the Railroad Unemployment Insurance Act is hereby amended by striking the last line of the table and substituting therefor the following:

"$3,500 to $3,999.99	7.50
$4,000 and over	8.00

Provided, however, That if the daily benefit rate in column II with respect to any employee is less than an amount equal to 50 percent of the daily rate of compensation for the employee's last employment in which he engaged for an employer preceding the registration period, such rate shall be increased to such amount but not to exceed $8."

SEC. 305. Subsection (a) of section 8 of the Railroad Unemployment Insurance Act is hereby amended by inserting after the date "June 30, 1939" the following: ", and before July 1, 1954, and is not in excess of $350 for any calendar month paid by him to any employee for services rendered to him after June 30, 1954"; by inserting after the figure "300" where it first appears in the proviso of the subsection the following: "for any month before July 1, 1954, and to not more than $350 for any month after June 30, 1954", and by inserting after the figure "300" where it appears the second time in the proviso the following: "if such month is before July 1, 1954, or less than $350 if such month is after June 30, 1954."

SEC. 306. Subsection (b) of section 8 of the Railroad Unemployment Insurance Act is amended by inserting after the date "June 30, 1939", the following: "and before July 1, 1954, and as is not in excess of $350 paid to him for services rendered as an employee representative for any calendar month after June 30, 1954."

PART IV—EFFECTIVE DATES

SEC. 401. The amendments made by this act shall be effective July 1, 1954, except as otherwise provided.

SEC. 402. The provisions of sections 1, 205, and 301 of this act shall be effective as of April 1, 1954.

SEC. 403. The provisions of sections 2, 3, 7, 8, 9, 11, and 12 of this act shall be effective as of the first day of the first calendar month following the month in which this act is enacted.

SEC. 404. The annuity under section 2 (a) (4) and section 2 (a) (5) of the Railroad Retirement Act to any person who has been deemed to have recovered from his disability, pursuant to the provisions of the last paragraph of section 2 (a) which have been amended by sections 2 and 3 of this act, shall be reinstated to begin the first day of the first calendar month following the month in which this act is enacted and deemed, for purposes of section 2 (d) only, never to have ceased: *Provided,* That such proof is made of the continuance of such disability as is required in accordance with the provisions of such paragraph as are not amended by this act.

SEC. 405. The provisions of section 6 of this act amending subsection (c) of section 3 of the Railroad Retirement Act, by adding a sentence at the end of the subsection, shall be effective as of November 1, 1951: *Provided, however,* That no increase in any annuity heretofore awarded shall be granted pursuant to the amendments made by such section except upon application therefor by the person to whom the annuity was awarded.

SEC. 406. The provisions of section 10 of this act shall be effective with respect to annuities accruing and annuities awarded on and after the first day after the enactment of this act.

SEC. 407. The provisions of section 303 of this act shall be effective as of July 1, 1952.

Mr. WOLVERTON (interrupting the reading of the bill). Mr. Chairman, I ask unanimous consent that the bill be considered as read and open for amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. MCCORMACK. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, in supporting the bill, I want to join with the other Members in complimenting the chairman of the Committee on Interstate and Foreign Commerce, the gentleman from New Jersey [Mr. WOLVERTON], and the other members of the committee for their careful, painstaking work in bringing out a bill which is so universally supported. I want to particularly express my feeling of gratitude to my distinguished friend, the gentleman from Ohio [Mr. CROSSER], for the inspiration that he has been to me during the years I have been a Member of this body. BOB CROSSER is one of the greatest Americans that I have ever met. He has served in this body for 38 years. He has rendered not only outstanding service to the railroad employees, but he has rendered outstanding service to our country as a whole. No man, in my opinion, has made a greater contribution to the progress of our country than has BOB CROSSER. For years I have seen him enter the Chamber in his wheelchair, as have my other colleagues. He did not realize what an inspiration he was to me, and I know to my other colleagues. Each and every one of us knew that practically every minute he was sitting here he was suffering extreme pain. Yet, his devotion to duty inspired me in a manner that I am proud to express publicly on this occasion. I hesitate to tell a man what I think of him, because it might be considered as flattery when intended as a compliment. But on an occasion of this kind I can speak out with a feeling that I am sure all of us have. And I am attempting to express in the few minutes I have on this occasion my feeling, to let the people of his district and the people of our country know about this grand gentleman and the great work that he has done while a Member of this body; a man of vision; a man of courage; a man of ability. His minn and his vision were never dimmed; always looking forward to see what could be done 5 or 10 years from now, what we today can do 5 or 10 years from now, in the best interests of our country and of our people.

To you, BOB CROSSER, I want to convey as strongly as I can the deep respect, the strong friendship that I have for you, and particularly the inspiration that you have been to me. I am a better man because I have met and I have known you. In your retirement I hope that God will continue to shower an abundance of His choicest blessings upon you and your loved ones for many years to come.

The CHAIRMAN. The Clerk will report the first committee amendment.

The Clerk read as follows:

Page 2, line 12, strike out "(4) or (5)" and insert "4 or 5."

The committee amendment was agreed to.

Mr. HALLECK. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I have asked for this time only that the RECORD might be clear as far as my position was concerned in respect to the scheduling of this bill. On July 24, Saturday, which was just 2 days after the rule was granted, I announced the program for this week. In that announcement I said that bills would not necessarily be called up in the order in which they were listed.

We listed certain bills for Monday, including the Fryingpan-Arkansas project, which was defeated; conservation of water resources, which was passed by unanimous consent; military housing, which was a matter that we had to dispose of and it has been disposed of; prisoner-of-war benefits, which has not yet been disposed of; a bill dealing with patents, which was disposed of by unanimous consent; the tariff on hardboard, which has not yet been disposed of; two bills from the Committee on Banking and Currency that were necessary, not only because they had to be on the program but because the chairman of that committee had to go back to Michigan for the primaries.

Then there were two reclamation projects, the Rogue River and the Palo Verde projects, which have not yet been disposed of, and the Railroad Retirement Act.

In other words, I scheduled this bill for consideration. I never had any intention except to consider it this week, unless something unforeseen developed. I am happy that the bill is being considered and will come to passage today.

The CHAIRMAN. The question is on the first committee amendment.

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Committee amendment: Page 3, line 1, strike out "of" and insert "in."

The committee amendment was agreed to.

Mr. WOLVERTON. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I do this in order that the record may be clear. I assume that the remarks of our distinguished leader come at this time as the result of statements that I made on the floor yesterday in connection with my inquiry as to when H. R. 7840 would come before the House. If so, I want to give the basis for those statements. I probably did not make it as detailed yesterday as I might have done.

In the first place, there were two issues of the daily CONGRESSIONAL RECORD of Friday, last, July 23, due to the late session of the House. The first issue—was delivered the day following the granting of the rule by the Committee on Rules making H. R. 7840, amending the Railroad Retirement Act, in order to be brought to the floor—showed on page D891 of that issue in the Daily Digest under the title House Chamber, Week of July 26 to 31, an enumeration of the bills and the order in which they would be taken up and on the particular day each would be taken up. As anyone who will look at the page in the Daily Digest to which I have referred, can see, H. R. 7840 was not set down for consideration during this week.

I wish to concur in what the gentleman has said with respect to that portion of the RECORD to which he referred and which appeared as the second edition of the July 23 daily CONGRESSIONAL RECORD. In that issue reference to the bill was made, and the statement made that it would be heard sometime during the week. However, the whip on the majority side did not include this bill in his notice of the work for this week.

Under the circumstances that I have enumerated, I felt justified in making the inquiry which I did yesterday as to when the bill would be programed for consideration by the House.

I want to say in this connection that I deeply appreciate the very helpful interest that has been taken in this matter by the Speaker of the House, and the willingness of the majority leader today to see that this bill was brought before us so promptly.

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. WOLVERTON. Certainly.

Mr. HALLECK. Of course, that morning we were working rather late. Certainly it was not my responsibility to see to the Digest on the closing page of the RECORD. All I could do was to announce the program which evidenced my good faith. The whip notice had several other errors, but there again that was the result of the lateness of the hour and the general situation existing then.

It is not that I felt that any specific mention was necessary, but I wanted it completely understood that so far as I am concerned I have been in complete good faith in respect to the scheduling of this bill. The rule was granted on the 22d, and on the 24th I announced that the bill would come up this week.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield to me?

Mr. WOLVERTON. I yield.

Mr. McCORMACK. For the RECORD, I should say that on the notice that I as Democratic whip sent out to the Democratic Members, H. R. 7840 was listed for this week.

Mr. WOLVERTON. Mr. Chairman, that is true. I have only this to say in conclusion: All is well that ends well.

Mr. MILLER of Nebraska. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, while everyone seems to be in such a nice mellow mood, therefore, I want to speak about several bills that our committee has on tap, ready to go. May I say that I am very happy and pleased at the number of times the leadership has scheduled the bills from the Interior Committee. We have a couple coming up this afternoon. The leadership knows there are 3 or 4 termination bills for Indians that have been very carefully considered. The leadership on the Democratic side, the gentleman from Texas [Mr. RAYBURN], and the gentleman from Colorado [Mr. ASPINALL], have agreed that they can come up on the Consent Calendar. I will give the gentleman from Indiana [Mr. HALLECK] a list of the four Indian termination bills. They can be cleared without any difficulty. Then there are five bills that can come up under suspension. I will give those bills to the gentleman from Indiana.

Again I want to say thanks to the Members of the House for the number of times they have supported me and my committee in presenting proposed legislation. Several of you have small bills that you hope to get up on the Consent Calendar. I hope that can be done.

I would like to bring up the bill for statehood for Hawaii and Alaska, and if the gentleman from Texas [Mr. RAYBURN] would remove his objection we could let the bill go to conference. That is all we ask, let it go to conference. The leadership here representing the minority on the Democratic side of the House would not let the bill go to conference and it was necessary to ask for a rule. The Rules Committee has seen fit to table the request. However, it is still alive, and before we get through I may ask unanimous consent that the bill that came over from the other body be permitted to go to conference. I will not do it until the gentleman from Texas [Mr. RAYBURN] is here. Perhaps he may be in a more mellow mood at the close of the session and it might be possible to permit the bill to go to conference. When it does go to conference the conferees can then work the will of the House and the people on that bill.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. MILLER of Nebraska. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. I agree that we are in a mellow mood. If the bill should by any chance go to conference, would my friend's mellow mood permit him to agree to the Senate amendment, so that both Hawaii and Alaska would get statehood?

Mr. MILLER of Nebraska. I do not know what the conferees would do.

Mr. McCORMACK. I am asking about the gentleman himself.

Mr. MILLER of Nebraska. Oh, I am going to ask for a separation of the bill. The two Territories must stand on their own merits. I hope the gentleman from Massachusetts will support the Territory of Hawaii's coming in as a State. I never did vote for statehood for Alaska.

Mr. McCORMACK. The gentleman from Massachusetts has always supported statehood for Hawaii, and has always supported statehood for Alaska. I know the gentleman cannot bind the other conferees, but he can speak for himself. It would be a most pleasing answer to the gentleman from Massachusetts if the gentleman with his great power in the committee of conference would state now that he will fight to include Alaska.

Mr. MILLER of Nebraska. I thank the gentleman so much. I doubt my powers to get the Democratic leadership's permission to send the bill to conference. But I have a curious feeling about the votes on my right side on either one of the bills. They made a monstrosity out of it, a Siamese twin, and then they would not let it go to conference. It is a most unusual thing for the Democratic Party to stop a bill the

House worked its will on from just going to conference, not allowing a vote on it but just going to conference, and then bringing back a conference report. It seems certain that because of the objection from the Democratic leader the gentleman from Texas [Mr. RAYBURN] that the bill cannot go to conference. The responsibility for no statehood bills belongs to the Democratic Party. If they permitted the bills to stand on their own merits, in my judgment, Hawaii would be the 49th State.

The CHAIRMAN. The Clerk will report the next committee amendment

The Clerk read as follows:

On page 4, line 14, strike out "parenthetic phrases" and insert "parenthetical phrase."

The committee amendment was agreed to.

Mrs ROGERS of Massachusetts. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I shall vote for this measure with a great deal of pleasure. I use the railroads a great deal and I want to state I have never received anything but the utmost courtesy from any person who has anything to do with the operation of the railroads. It is with real joy that I shall vote for this measure.

Mr. Chairman, I compliment the chairman of the committee, the gentleman from New Jersey [Mr. WOLVERTON], the minority member, the gentleman from Ohio [Mr. CROSSER] and all the members of the committee for the tremendously fine work they have done not only on this bill but on all bills during this session of the Congress. Certainly no committee has worked harder than this committee. Before I take my seat, I pay my great tribute—the tribute is not as great as it should be, Mr. Chairman, the feeling behind it is very sincere— for my colleague, the gentleman from Ohio [Mr. CROSSER]. He has given his life and his health and he must feel happy today because he sees now the many years of his labor coming to fruition in this bill for the benefit of the railroad people. No person has been more devoted to the railroad people. Through all of the pain and the agony that he must have suffered during the last years, he has never been anything but a very courteous friend, a great gentleman and a great Member of Congress.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

On page 4, line 24, insert a comma after "section."

The committee amendment was agreed to.

Mr. SPENCE. Mr. Chairman, I move to strike out the last word.

Mr. HOFFMAN of Michigan. Mr. Chairman, a point of order or a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. HOFFMAN of Michigan. Is it out of order for Members to shout "vote" when somebody is seeking recognition, or is it not?

The CHAIRMAN. That is not in order.

Mr. SPENCE. Mr. Chairman, it is with pleasure that I shall support this bill. I congratulate the committee for bringing it up. I think bills of this character dignify labor. The assurance of the employee that his old age will not be spent in poverty and want makes a better workman of him. Such constant fear lessens his productive capacity, so measures of this kind help not only the employee but the employer. This is legislation which does not cost the taxpayers anything. It is paid for in part by those who reap the benefits. I also wish at this time to pay tribute to one who I think richly deserves it. I have known BOB CROSSER intimately for more than 20 years. He is a man of courage, character and ability. He has served his people with ferver and intensity and he has constantly endeavored to study their best interests and make himself more efficient in his representation. During all these years he has waged a battle to help the railroad people, and he is held in deep affection by all of them. They know the great service he has rendered them. I cannot understand why his people have now failed to send him back. But, this takes nothing from him. His record has been made and is secure. I know he will go back to his people with honor and that he will be held in respect and admiration and confidence as long as he lives. I could not refrain from rising at this time to wish him the success and happiness to which his long and faithful service richly entitles him. I hope that the rest of his life may be happy and carefree in the knowledge that he has done everything that he could for his people and his country.

The CHAIRMAN. The Clerk will report the next committee amendments.

The Clerk read as follows:

Committee amendments:

Page 4, line 25, strike out "Upon" and insert "upon."

Page 5, line 5, insert a comma after "section" and insert "first" before "appears."

Page 5, line 14, insert a semicolon at the end of the line.

Page 5, line 17, and page 6, lines 11 and 16, strike out "(1)" and insert "(l)."

Page 6, line 10, strike out "cease.' " and insert "cease'."

Page 6, after line 21, insert the following new section:

"SEC. 15. The Railroad Retirement Act of 1937, as amended, is hereby amended by adding at the end thereof the following new section:

" 'SEC. 20. Any person awarded an annuity or pension under this act may decline to accept all or any part of such annuity or pension by a waiver signed and filed with the Board. Such waiver may be revoked in writing at any time, but no payment of the annuity or pension waived shall be made covering the period during which such waiver was in effect. Such waiver shall have no effect on the amount of the spouse's annuity, or of a lump sum under section 5 (f) (2), which would otherwise be due, and it shall have no effect for purposes of the last sentence of section 5 (g) (1)'."

Page 6, line 22, insert "—Amendments to the Railroad Retirement Tax Act" after "Part II."

Page 7, line 11, strike out "510" and insert "1510."

Page 7, line 21, correct the reversed quotation marks.

Page 7, line 22, strike out "calenlar" and insert "calendar," and insert a comma after "1954."

Page 7, line 24, correct the reversed quotation marks.

Page 8, line 1, insert a comma after "$350."

Page 8, line 3, strike out "phrase;" and insert "phrase."

Page 8, line 4, strike out "1954.' " and insert "1954'."

Page 8, line 12, strike out "Act" and insert "subchapter."

Page 8, line 16, insert "—Amendments to the Railroad Unemployment Insurance Act" after "Part III."

The committee amendments were agreed to.

The Clerk read as follows:

Committee amendment: Page 9, line 10, insert a comma before "and."

Mr. HESELTON. Mr. Chairman, I offer an amendment to the committee amendment.

The Clerk read as follows:

Amendment offered by Mr. HESELTON: On page 10, line 4, before the comma insert a quotation mark.

Mr. HESELTON. Mr. Chairman, this was simply to correct a typographical error in printing the bill.

The amendment to the committee amendment was agreed to.

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendments.

The Clerk read as follows:

Committee amendments:

Page 9, line 15, strike out "300" and insert "400", and add after the period the following sentence:

"Section 3 of the Railroad Unemployment Insurance Act is hereby amended by substituting the figure '400' for the figure '300'."

Page 9, strike out line 16 and all that follows down through page 10, line 3, and insert the following section:

"SEC. 304. (a) Subsection (a) of section 2 of the Railroad Unemployment Insurance Act is hereby amended by substituting for the table the following:

" 'Column I Total compensation	Column II Daily benefit rate
$400 to $499.99	$3.50
$500 to $749.99	4.00
$750 to $999.99	4.50
$1,000 to $1,299.99	5.00
$1,300 to $1,599.99	5.50
$1,600 to $1,999.99	6.00
$2,000 to $2,499.99	6.50
$2,500 to $2,999.99	7.00
$3,000 to $3,499.99	7.50
$3,500 to $3,999.99	8.00
$4,000 and over	8.50

Provided, however, That if the daily benefit rate in column II with respect to any employee is less than an amount equal to 50 percent of the daily rate of compensation for the employee's last employment in which he engaged for an employer in the base year, such rate shall be increased to such amount but not to exceed $8.50. The daily rate of compensation referred to in the last sentence shall be as determined by the Board on the basis of information furnished to the Board by the employee, his employer, or both.'

"(b) Subsection (c) of section 2 of the Railroad Unemployment Insurance Act is hereby amended by changing the period at the end thereof to a colon and by inserting after the colon the following: '*Provided, however,* That the total amount of benefits which may be paid to an employee for days of unemployment within a benefit year shall in no case exceed the employee's compensation in the base year; the total amount of benefits which may be paid to an employee for days of sickness, other than days of sickness in a maternity period, within a benefit year shall in no case exceed the employee's compensation in the base year; and the total

amount of benefits which may be paid to an employee for days of sickness in a maternity period shall in no case exceed the employee's compensation in the base year on the basis of which the employee was determined to be qualified for benefits in such maternity period'."

Page 10, line 13, strike out "1954'" and insert "1954'."

Page 10, line 19, insert a comma before "and."

Page 10, line 21, strike out "for" and insert "in."

Page 11, line 5, strike out "as of" and insert "with respect to compensation paid on and after."

Page 11, lines 6 and 7, strike out "and 12" and insert "12, and 15."

Page 11, lines 10 and 11, strike out "under section 2 (a) (4) and section 2 (a) (5)" and insert "awarded under paragraph 4 or 5 of section 2 (a)."

Page 11, lines 14 and 15, strike out "which have been amended by sections 2 and 3" and insert "as in effect prior to the enactment."

Page 11, line 20, strike out "as" and insert "which."

Page 12, strike out lines 12 and 13.

The committee amendments were agreed to.

Mr. KERSTEN of Wisconsin. Mr. Chairman, I offer an amendment:

The Clerk read as follows:

Amendment offered by Mr. KERSTEN of Wisconsin: On page 7, after line 10, insert a new section as follows:

"Employees who, prior to death, had not less than 30 years of service as defined in section 1 (f) of the Railroad Retirement Act of 1937 as amended, and who died in the period beginning August 29, 1935, and ending June 30, 1938, shall be deemed, solely for the purpose of a widow's age 65 annuity, to have died fully insured, within the meaning of section 5 (1) of such act:

"*Provided, however,* That any annuity awarded under this section shall be computed in the same manner as if such annuity had been awarded under section 5 (a) of such act:

"*Provided further,* That this section shall apply only with respect to widows who are not receiving monthly pensions (whether under public or private plans) based on the railroad service of their deceased husbands."

Mr. KERSTEN of Wisconsin. Mr. Chairman, I want at the outset to congratulate the chairman, the gentleman from New Jersey [Mr. WOLVERTON], in bringing in the very worthwhile amendments that have been presented to the committee.

This amendment that I have offered at this time refers to a very small class of people but a very important class of widows. During the struggle to enact a proper railroad-retirement bill, those here who are more familiar with the legislation than I will recall that there was a period between the years 1935 and 1938 during which there was no act operative to take care of surviving widows. I believe one of the laws enacted previous to that time had been declared unconstitutional. The result was to leave a small group of widows who up to the present time have received nothing, although their husbands died in the service over a long period of time.

What my amendment does is simply this: To consider as beneficiaries those widows whose husbands died during this period between August of 1935 and June of 1938 who had 30 years of service and which widows now have no other kind of benefits, public or private, widows whose husbands really helped build the railroads of this country at that particular period, that they be considered as beneficiaries under this act.

I offered this amendment in 1951 and recall Mr. Harris remarked at that time that it was a worthwhile provision, but he wanted to give it more study. I think the gentleman from Florida might recall that the following year I offered it again, and he indicated that it should be studied and have consideration.

At that time the Railroad Retirement Board stated, 1951, that there would be no increase in the tax rate needed to take care of the situation.

Mr. ROGERS of Florida. Mr. Chairman, will the gentleman yield?

Mr. KERSTEN of Wisconsin. I yield.

Mr. ROGERS of Florida. Has the gentleman estimated what the cost would be?

Mr. KERSTEN of Wisconsin. At that time the cost was esimated to be less than $10 million completely, all through the years. That was in 1951. It was estimated that the number of such widows was less than 2,000. At the present time it would be reasonable to assume that it will be half of that amount. This is for widows who are absolutely unprovided for by any kind of benefit. So that this narrowing small group of aged widows of railroad men who had more than 30 years' service might participate in this act, people who were left out because of the interpretation of the law during that period of time. They deserve sympathetic consideration as well as the children. As I say, it is a worthy small group of aged widows whose husbands have had 30 years of service. I think they should be given consideration, because their husbands were the men who helped build the railroads.

Mr. VAN ZANDT. Mr. Chairman, will the gentleman yield?

Mr. KERSTEN of Wisconsin. I yield.

Mr. VAN ZANDT. Why fix the starting date at 1935? How about going back further and taking care of widows whose husbands died prior to 1935?

Mr. KERSTEN of Wisconsin. I think this period covers practically all the widows who survive. There might be some few others perhaps with these qualifications, but I think widows in this category when the law was not operative, when it had been declared unconstitutional, should be given consideration.

Mr. VAN ZANDT. The gentleman understands, of course, that this $10 million it will cost must come out of the railroad retirement fund.

Mr. KERSTEN of Wisconsin. That was the cost estimated in 1951. The Railroad Retirement Board estimated that it would not require any increase in the tax rate. That was in 1951.

Mr. VAN ZANDT. During the hearings on the bill H. R. 7840 the gentleman will find statements to the effect that any further liberalization of this law will further weaken the fund.

Mr. KERSTEN of Wisconsin. However, this very small group of widows whose husbands died after 30 years of service are deserving of consideration and the Board has said the cost would not impair the fund.

Mr. WOLVERTON. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Wisconsin [Mr. KERSTEN].

Mr. Chairman, I do so with full appreciation of the feeling of sympathy that exists on the part of everyone for widows. However, the experience that the Committee on Interstate and Foreign Commerce has had in this and similar matters indicates that if we permitted our hearts to run away with our heads and good judgment, the fund in the railroad-retirement account would be disbursed overnight. Of course, that might not be the result of this particular amendment, but it could be very detrimental in its effect. The exact effect we do not know.

During the hearings conducted by the committee there were many worthwhile suggestions made and amendments offered that had a very strong appeal to the heart. It may be this amendment would have such an appeal. However, we must be realistic in this matter and we must recognize that our first obligation is to keep the fund absolutely sound.

The figures that have been given by the gentleman, as he has stated, relate to a period in 1951. There is nothing before our committee, to my knowledge, in the way of testimony, other than what the gentleman has said, that would indicate that the cost of this proposal would be limited to less than $10 million. We have had no hearing on this amendment. It was not presented in any bill that came before our committee. Therefore, the committee has had no opportunity to study it, nor has it had an opportunity to ascertain to what extent the proposal might be harmful to the fund in general. We do not know how many people it would affect. The statement has been made it might affect as many as 2,000. The number might be more. I do not know. The statement has been made that the cost might be as much as $10 million in 1951. It could well be greater at this time because of the increase in the level of benefits that were made in 1951 and subsequent thereto. The lack of information presented is such that I cannot recommend the acceptance of this amendment at this time and must therefore oppose it.

Mr. KERSTEN of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. WOLVERTON. I yield to the gentleman from Wisconsin.

Mr. KERSTEN of Wisconsin. Is it not true that if it had cost $10 million in 1951 or less than $10 million, the number of such widows would be less today, it could not possibly be more at this time because a number of them have died in the meantime.

Mr. WOLVERTON. There might be some who became widows in the meantime.

Mr. KERSTEN of Wisconsin. This only affects those who became widows during this particular period, 1935 to 1938.

Mr. WOLVERTON. I do not think it is a matter on which we can legislate intelligently by the action of the Commit-

tee of the Whole without the Committee on Interstate and Foreign Commerce having had some opportunity to consider this matter first.

May I make this reference to the report of the committee which covers not only amendments such as this but many others. On page 9 of our report we state our thought in this way:

In the consideration of all these bills, your committee has placed great emphasis on the effect of the proposed amendments on the financial soundness of the railroad retirement account. The committee is unanimously of the opinion that, regardless of the desirability of certain proposals for the liberalization of benefits under the Railroad Retirement Act, no amendments to the law should be made which would jeopardize the financial soundness of the railroad retirement system. The principle is accepted by all the standard railway labor organizations as well as railroad management.

Your committee has every desire to be helpful to retired railroad workers and their dependents. We are also mindful of our grave responsibility toward the currently active railroad workers and those who will follow, and who will retire in the future. We must make certain that when they retire from the railroad industry, the reserves in the railroad retirement account plus the income into the system will be adequate to pay the benefits due them.

Mr. VAN ZANDT. Mr. Chairman, will the gentleman yield?

Mr. WOLVERTON. I yield to the gentleman from Pennsylvania.

Mr. VAN ZANDT. I want to comment on the responsibility that we have as a Congress in maintaining the solvency of the railroad retirement fund. On the first of every month when an annuitant receives a check, he or she expects enough money in the railroad retirement fund to cover the amount of the check when they cash it.

Mr. WOLVERTON. That is very true.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin [Mr. KERSTEN].

The amendment was rejected.

Mr. McCARTHY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. McCARTHY: On page 7, line 10, after the period, insert:

"SEC. 21. For the purposes of this act the term 'widow' or 'widower' shall include the wife or husband of a deceased employee who has been separated from his or her spouse but not divorced, whether reconciled or not before death of said spouse providing legal marriage was of at least 10 years duration."

Mr. McCARTHY. Mr. Chairman, the purpose of this amendment, I think, is clear from the language. It would take care of the widow or widower of a deceased employee who has been separated but not divorced. It relates to cases in which there might be religious or other obstacles to a divorce. Any persons here covered would, of course, never have remarried because he or she had never been divorced. My amendment simply requires that the marriage of the parties must have been in existence for at least 10 years previous to the death of the employee. That in itself establishes, in my opinion, that the life of the survivor had been disrupted or that he or she had suffered personal, economic, or other loss because of the marriage, and consequently such a person should be entitled to some benefit under the retirement program following the death of his or her spouse. Payments had been made into the fund by the employee, and consequently his surviving legal spouse or her surviving spouse in the case of a woman should be entitled to benefits.

Mr. COLMER. Mr. Chairman, will the gentleman yield?

Mr. McCARTHY. I yield to the gentleman from Mississippi.

Mr. COLMER. Did I understand the gentleman's amendment correctly that if she was a widow because of separation and not because of death, that it would apply?

Mr. McCARTHY. No. Death would have to occur.

Mr. COLMER. But they had to be separated prior to that. I am just wondering if you are not bordering upon a premium for separation of the spouse where the law usually encourages people to remain married.

Mr. McCARTHY. On the contrary, it seems to me now, that there is a premium on divorce under the present law.

Mr. COLMER. No.

Mr. McCARTHY. Because through the divorce action you would get a court declaration in regard to alimony and dependency and so on.

Mr. COLMER. It seems to me you are on dangerous ground there.

Mr. McCARTHY. The 10-year provision for the existence of the legal marriage would take care of the possible difficulty the gentleman suggests.

Mr. YOUNGER. Mr. Chairman, will the gentleman yield?

Mr. McCARTHY. I yield to the gentleman from California.

Mr. YOUNGER. There is nothing in the act that provides for proof of dependency, is there?

Mr. McCARTHY. In the amendment that I have offered?

Mr. YOUNGER. No. There is nothing in the act.

PROVISIONS OF THE SOCIAL SECURITY ACT APPLY

Mr. McCARTHY. The act requires reconciliation for a period before the death of the spouse.

Mr. YOUNGER. All they have to do is to prove that they are legally married.

Mr. McCARTHY. No, that they are legally married and living together at the time of death of the employee.

Mr. YOUNGER. In the act itself?

Mr. McCARTHY. In the existing law, and this amendment would eliminate the last condition.

Mr. WOLVERTON. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I wish it had been possible for the gentleman to have presented his amendment to the committee so that it might have had consideration by the committee when the hearings were held.

Mr. McCARTHY. I submitted material of this kind to the committee, and I believe it was within the period of this session of the Congress.

Mr. WOLVERTON. I am not aware of that fact, and if the gentleman did, it evidently did not receive favorable consideration by the committee. The fact that the committee has made no recommendation in connection with it nor made it a part of the bill would indicate that the committee did not agree with the suggestion. This is one of those proposals, it seems to me, that comes within the same category as those about which I have previously spoken. There is such uncertainty as to whom it covers, how many individuals it covers, the conditions under which they could avail themselves of the benefits of the Railroad Retirement Act. Therefore I regret exceedingly that in my opinion we should not give it favorable consideration at this time. I think it is one of those matters that should be left to the further consideration of the committee. The committee is continually giving attention to all matters which pertain to the welfare of the railroad workers in connection with the retirement fund. The committee recognizes it has a very great responsibility. It recognizes that notwithstanding our heartfelt desire at all times to be helpful, we must nevertheless be realistic and not expand the eligibility conditions beyond those originally intended in the Railroad Retirement Act, when to do so would result adversely to the stability and soundness of the fund.

Mr. ROONEY. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. ROONEY. Mr. Chairman, I hesitate to take the House's time at this point as I feel there will not be a vote against this Railroad Retirement Act and Railroad Unemployment Act legislation. There should not be. I urge its immediate adoption. These small increases in retirement and unemployment benefits have been long overdue.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Minnesota [Mr. McCARTHY].

The amendment was rejected.

The CHAIRMAN. Under the rule the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. CANFIELD, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 7840) to amend the Railroad Retirement Act, the Railroad Retirement Tax Act, and the Railroad Unemployment Insurance Act, pursuant to House Resolution 660, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER. Under the rule the previous question is ordered.

Is a separate vote demanded on any of the amendments? If not, the Chair will put them en bloc.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time and was read the third time.

The SPEAKER. The question is on the passage of the bill.

Mr. WOLVERTON. Mr. Speaker, on that I ask for the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 361, nays 0, not voting 71, as follows:

[Roll No. 129]

YEAS—361

Abbitt	Dawson, Ill.	Jones, Ala.
Abernethy	Dawson, Utah	Jones, Mo.
Adair	Deane	Jones, N. C.
Addonizio	Delaney	Judd
Albert	Dempsey	Karsten, Mo.
Alexander	Derounian	Kean
Allen, Calif.	Devereux	Kearney
Allen, Ill.	D'Ewart	Kearns
Andersen, H. Carl	Dies	Keating
	Dodd	Kee
Andresen, August H.	Dolliver	Kelley, Pa.
	Dondero	Kelly, N. Y.
Andrews	Donohue	Kersten, Wis.
Arends	Dorn, N. Y.	Kilday
Ashmore	Dorn, S. C.	King, Calif.
Aspinall	Dowdy	King, Pa.
Auchincloss	Doyle	Kirwan
Ayres	Eberharter	Kluczynski
Bailey	Edmondson	Knox
Baker	Elliott	Kruger
Barden	Ellsworth	Laird
Barrett	Engle	Landrum
Bates	Fallon	Lanham
Battle	Feighan	Lantaff
Beamer	Fenton	Latham
Becker	Fino	LeCompte
Belcher	Fisher	Lesinski
Bender	Fogarty	Lipscomb
Bennett, Fla.	Forand	Lovre
Bentley	Ford	McCarthy
Berry	Forrester	McConnell
Betts	Fountain	McCormack
Bishop	Frazier	McCulloch
Blatnik	Frelinghuysen	McDonough
Boggs	Friedel	McGregor
Boland	Fulton	McIntire
Bolling	Garmatz	McMillan
Bolton, Frances P.	Gary	McVey
	Gathings	Mack, Ill.
Bolton, Oliver P.	Gavin	Mack, Wash.
	Gentry	Madden
Bonin	George	Magnuson
Bonner	Golden	Mahon
Bosch	Goodwin	Marshall
Bow	Gordon	Martin, Iowa
Bowler	Graham	Mason
Boykin	Granahan	Matthews
Bramblett	Grant	Meader
Bray	Green	Merrill
Brooks, Tex.	Gregory	Merrow
Brown, Ga.	Gross	Metcalf
Brown, Ohio	Gubser	Miller, Calif.
Brownson	Hagen, Calif.	Miller, Kans.
Broyhill	Hagen, Minn.	Miller, Md.
Buchanan	Hale	Miller, Nebr.
Budge	Haley	Miller, N. Y.
Burdick	Halleck	Mills
Burleson	Hand	Mollohan
Busbey	Harden	Morano
Bush	Hardy	Moss
Byrd	Harrison, Va.	Moulder
Byrne, Pa.	Hart	Multer
Byrnes, Wis.	Harvey	Mumma
Campbell	Hays, Ark.	Natcher
Canfield	Hays, Ohio	Neal
Cannon	Herlong	Nelson
Carlyle	Heselton	Nicholson
Carnahan	Hess	Norblad
Carrigg	Hiestand	Norrell
Cederberg	Hillelson	Oakman
Chelf	Hillings	O'Brien, Ill.
Chenoweth	Hoeven	O'Brien, N. Y.
Chiperfield	Hoffman, Ill.	O'Hara, Ill.
Chudoff	Hoffman, Mich.	O'Hara, Minn.
Church	Holifield	O'Konski
Clevenger	Holmes	Osmers
Cole, Mo.	Holt	Ostertag
Cole, N. Y.	Holtzman	Passman
Colmer	Hope	Patman
Condon	Horan	Patten
Cooley	Hosmer	Patterson
Coon	Howell	Pelly
Cooper	Hruska	Pfost
Corbett	Hunter	Philbin
Cretella	Hyde	Phillips
Crosser	Jackson	Pilcher
Crumpacker	Jarman	Pillion
Cunningham	Javits	Poage
Curtis, Mass.	Jenkins	Polk
Curtis, Mo.	Jensen	Preston
Dague	Johnson, Calif.	Price
Davis, Ga.	Johnson, Wis.	Prouty
Davis, Wis.	Jonas, N. C.	Rabaut
Radwan	Scudder	Tollefson
Rains	Seely-Brown	Trimble
Ray	Selden	Tuck
Rayburn	Shelley	Van Pelt
Reams	Sheppard	Van Zandt
Reece, Tenn.	Shuford	Vorys
Reed, Ill.	Sieminski	Vursell
Reed, N. Y.	Sikes	Wainwright
Rees, Kans.	Simpson, Ill.	Walter
Regan	Simpson, Pa.	Wampler
Rhodes, Ariz.	Small	Watts
Rhodes, Pa.	Smith, Kans.	Westland
Richards	Smith, Miss.	Wharton
Riehlman	Smith, Wis.	Whitten
Riley	Spence	Widnall
Roberts	Springer	Wier
Robeson, Va.	Staggers	Williams, Miss.
Robsion, Ky.	Stauffer	Williams, N. J.
Rodino	Steed	Williams, N. Y.
Rogers, Colo.	Stringfellow	Wilson, Calif.
Rogers, Fla.	Sullivan	Wilson, Ind.
Rogers, Mass.	Talle	Wilson, Tex.
Rogers, Tex.	Taylor	Winstead
Rooney	Teague	Withrow
Sadlak	Thomas	Wolverton
St. George	Thompson, Mich.	Yorty
Saylor		Young
Schenck	Thompson, Tex.	Younger
Scherer	Thornberry	Zablocki

NOT VOTING—71

Angell	Hébert	Rivers
Bennett, Mich.	Hill	Roosevelt
Bentsen	Hinshaw	Scott
Brooks, La.	Ikard	Scrivner
Buckley	James	Secrest
Celler	Jonas, Ill.	Shafer
Chatham	Keogh	Sheehan
Clardy	Kilburn	Short
Cotton	Klein	Smith, Va.
Coudert	Lane	Sutton
Curtis, Nebr.	Long	Taber
Davis, Tenn.	Lucas	Thompson, La.
Dingell	Lyle	Utt
Dollinger	Machrowicz	Velde
Donovan	Mailliard	Vinson
Durham	Morgan	Warburton
Evins	Morrison	Weichel
Fernandez	Murray	Wheeler
Fine	O'Brien, Mich.	Wickersham
Gamble	O'Neill	Wigglesworth
Gwinn	Perkins	Willis
Harris	Poff	Wolcott
Harrison, Nebr.	Powell	Yates
Harrison, Wyo.	Priest	

So the bill was passed.

The Clerk announced the following pairs:

Mr. Short with Mr. Chatham.

Mr. Hinshaw with Mr. Hébert.

Mr. Bennett of Michigan with Mr. Morrison.

Mr. Kilburn with Mr. Willis.

Mr. Mailliard with Mr. Long.

Mr. Wolcott with Mr. Brooks of Louisiana.

Mr. Clardy with Mr. Keogh.

Mr. Hill with Mr. Klein.

Mr. Scott with Mr. Celler.

Mr. Taber with Mr. Evins.

Mr. Poff with Mr. Fine.

Mr. Gamble with Mr. Dollinger.

Mr. Gwinn with Mr. Roosevelt.

Mr. Jonas of Illinois with Mr. Buckley.

Mr. James with Mr. Powell.

Mr. Shafer with Mr. Machrowicz.

Mr. Wigglesworth with Mr. Priest.

Mr. Warburton with Mr. Durham.

Mr. Coudert with Mr. O'Brien of Michigan.

Mr. Velde with Mr. O'Neill.

Mr. Wilson of Indiana with Mr. Rivers.

Mr. Sheehan with Mr. Smith of Virginia.

Mr. Angell with Mr. Thompson of Louisiana.

Mr. Cotton with Mr. Vinson.

Mr. Curtis of Nebraska with Mr. Yates.

Mr. Harrison of Nebraska with Mr. Fernandez.

Mr. Weichel with Mr. Dingell.

Mr. Harrison of Wyoming with Mr. Perkins.

Mr. ANDREWS changed his vote from "nay" to "yea."

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. WOLVERTON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to extend or to revise and extend their remarks on this bill.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

SALARY INCREASES FOR FEDERAL EMPLOYEES

Mr. FOGARTY. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Rhode Island?

There was no objection.

Mr. FOGARTY. Mr. Speaker, it is now rapidly approaching the time of adjournment. No matter how anxious we may be to return to our home districts, I strongly feel that we would be shirking our duty if we adjourned before first acting on a fair and adequate increase in the salaries of our Federal employees.

Mr. Speaker, when the Congress set down the rules that a law must be passed in order to adjust the salaries of the Government's classified and postal workers, we incurred, whether we like it or not, an obligation as employers—as the largest single employer in the Nation—to review periodically and fairly the rates of pay of the men and women we employ to carry on the Government's business.

But we are more than just an employer. When we also said that Government employees must not strike—and let me emphasize that every single organization of Federal employees has voluntarily and wholeheartedly foresworn that privilege of private employees—we put ourselves in the position of arbitrator as well as employer. We committed ourselves morally to seek the fair solution, not necessarily the cheapest solution.

From my own constituents in Rhode Island, I have received numerous personal letters telling of the hardships of trying to stretch salaries which have always been inadequate to meet 1954 prices and living costs, to say nothing of 1954 standards of living.

From my own personal experience, and I venture to say, from the experience of most of my colleagues, I can testify that this is, indeed, a very real problem.

I have had the seriousness of the situation brought graphically to my attention many times by Federal employees in the Rhode Island area. A great number of these have been forced to secure additional part-time jobs in order to supplement their income and guarantee that their families might have at least a minimum of decent living conditions. In many instances, wives of our Federal workers have had to find jobs outside the home to complement the substandard wages being earned by their husbands.

Sometimes, in dealing with vast sums of money, with major items of policy and politics, we are in danger of losing sight

of the individual who is affected by our actions.

I am indebted to one of the organizations of Federal workers—the American Federation of Government Employees—for statistics which, in my opinion, very graphically and forcefully reveal how we in the Congress have been lax in our responsibility to our employees, how our inaction in past years, has forced the loyal civil-service employee to bear the brunt of our efforts to achieve economy in Government. This statistical analysis, taken from the AFGE publication, The Government Standard, will be found immediately following my remarks.

Using the most conservative statistical methods, it is clearly shown that the average Government employee has lost, in buying power in relation to 1939, $5,730 since 1945 alone. This despite several increases voted in previous years; increases which, however, were always too little and too late. And I might point out that this is a conservative figure that does not take into consideration increased taxes and other factors which reduce the takehome pay of employees even further.

It has been 3 years since the Congress last acted on the question of Federal pay—and I am including both classified and postal pay since it is all part of the same overall problem. I ask the Members of the Congress if they know of any industry where 3 years have gone by without pay adjustments.

Mr. Speaker, some of us come from districts where there are considerable numbers of Federal employees; some of us have few or no classified employees among our constituents. Those of us who have Federal employees among our constituents are perhaps more directly aware of the urgency of their problems. But the responsibility we of the Congress hold as employers is a responsibility shared by each of us. I suggest that we have failed that responsibility.

What is involved is fairness to employees. There is also involved the question of good government. We cannot expect to keep and to attract competent men and women to the Federal civil service if we can offer them no incentives to make a career, only the depressing, dismal prospect of falling further and further behind their friends and neighbors who have been able to not only keep up but improve their standard of living and share in the prosperity and blessings of America.

Mr. Speaker, the Post Office and Civil Service Committee has reported out pay bills covering postal and classified employees. The pay increase which these bills provide is certainly not a generous one. I am personally disappointed that a more realistic adjustment has not been recommended. However, small as it is, the increase is long overdue and I sincerely hope that both bills are scheduled for action before this body without delay. We can then act, and act effectively, to correct a grave inequity.

We cannot, with justice, continue to dodge our responsibilities.

This table, prepared by AFGE Research Director W. J. Voss, shows the actual dollar loss in buying power to individual Government employees during the postwar years. It is the first time that a compilation has been made which takes into account both failure of previous pay legislation to keep up with the rise in the cost of living and the fact that the pay legislation which has been enacted always came many months after the higher prices had already reduced the buying power of Government paychecks.

A number of Congressmen expressed surprise that the AFGE tabulation showed such a large loss to employees during the period from July 1, 1945, to December 31, 1953. Actually, the AFGE has been very conservative in its tabulations. The accumulated loss would have been considerably greater if the higher taxes of recent years had been taken into consideration, since taxes reduce take-home pay.

The salary rates in the rows beginning July 1, 1945, represent the starting salary of the grades listed. At each yearly interval thereafter, it is assumed that the employees received a within-grade raise. Thus the 1939 salary for a grade 3 would be $1,620 the first year, $1,680 the second year, and $1,740 the third year, etc.

Asterisks after dates indicate when pay raise legislation went into effect.

Period between legislative raises	Salary rate using 1939 as a base	Rate needed to maintain purchasing power	Actual rate in period indicated	Loss in real wages
Grade 3:				
July 1, 1945*—June 30, 1946	$1,620	$2,138	$1,902	$236
July 1, 1946*—June 30, 1947	1,680	2,586	2,244	342
July 1, 1947—June 30, 1948*	1,740	2,939	2,319	620
July 1, 1948—Oct. 31, 1949*	1,800	3,134	2,724	546
Nov. 1, 1949—Dec. 31, 1950	1,860	3,235	2,970	309
Jan. 1, 1951—June 30, 1951*	1,920	3,585	3,050	267
July 1, 1951—Dec. 31, 1951	1,920	3,642	3,350	146
Jan. 1, 1952—Dec. 31, 1953	1,980	3,839	3,430	818
Total accumulated loss				3,284
Grade 5:				
July 1, 1945*–June 30, 1946	2,000	2,640	2,320	320
July 1, 1946*–June 30, 1947	2,100	3,232	2,770	462
July 1, 1947–June 30, 1948*	2,200	3,716	2,896	820
July 1, 1948–Oct. 31, 1949*	2,300	4,004	3,351	871
Nov. 1, 1949–Dec. 31, 1950	2,400	4,174	3,600	669
Jan. 1, 1951–June 30, 1951*	2,500	4,667	3,725	471
July 1, 1951–Dec. 31, 1951	2,500	4,742	4,035	354
Jan. 1, 1952–Dec. 31, 1953	2,600	5,041	4,160	1,763
Total accumulated loss				5,730

Period between legislative raises	Salary rate using 1939 as a base	Rate needed to maintain purchasing power	Actual rate in period indicated	Loss in real wages
Grade 7:				
July 1, 1945*–June 30, 1946	$2,600	$3,432	$2,980	$452
July 1, 1946*–June 30, 1947	2,700	4,155	3,523	633
July 1, 1947–June 30, 1948*	2,800	4,729	3,648	1,081
July 1, 1948–Oct. 31, 1949*	2,900	5,049	4,103	1,261
Nov. 1, 1949–Dec. 31, 1950	3,000	5,217	4,325	1,041
Jan. 1, 1951–June 30, 1951*	3,100	5,788	4,450	669
July 1, 1951–Dec. 31, 1951	3,100	5,881	4,830	525
Jan. 1, 1952–Dec. 31, 1953	3,200	6,205	4,955	2,500
Total accumulated loss				8,162
Grade 9:				
July 1, 1945*–June 30, 1946	3,200	4,224	3,640	584
July 1, 1946*–June 30, 1947	3,300	5,079	4,275	804
July 1, 1947–June 30, 1948*	3,400	5,743	4,400	1,342
July 1, 1948–Oct 31, 1949*	3,500	6,094	4,856	1,650
Nov. 1, 1949–Dec. 31, 1950	3,600	6,260	5,100	1,354
Jan. 1, 1951–June 30, 1951*	3,700	6,908	5,225	841
July 1, 1951–Dec. 31, 1951	3,700	7,019	5,685	667
Jan. 1, 1952–Dec. 31, 1953	3,800	7,368	5,810	3,116
Total accumulated loss				10,358

MERCHANT MARINE ACADEMY

Mr. LATHAM. Mr. Speaker, by direction of the Committee on Rules I call up House Resolution 661 and ask for its immediate consideration.

The Clerk read as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 9434) to amend section 216 (b) of the Merchant Marine Act, 1936, as amended, to provide for the maintenance of the Merchant Marine Academy. After general debate, which shall be confined to the bill, and shall continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Merchant Marine and Fisheries, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. LATHAM. Mr. Speaker, I yield 30 minutes to the gentleman from Virginia [Mr. SMITH], and at this time I yield myself such time as I may consume.

Mr. Speaker, I do not think there will be very much controversy about this measure. It was reported by the House Committee on Merchant Marine and Fisheries I believe with only one dissenting vote. It is a measure which seeks to set at rest the uncertain situation with reference to the Merchant Marine Academy at Kings Point, N. Y., which trains officers for the merchant marine of the United States and reserve officers for the Navy.

There is a problem of morale among the cadets and the faculty at the Academy because of doubt regarding continuation of this program. A subcommittee of the Committee on Merchant Marine and Fisheries has studied the matter thoroughly and comes up with the recommendation embodied in this resolution that the Academy be continued on a permanent basis.

Mr. SMITH of Virginia. Mr. Speaker, this school is now in operation and this bill would merely make it permanent. As far as I know, everyone is in favor of the legislation. I know of no objection to it.

Mr. LATHAM. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

The resolution was agreed to.

Mr. VAN PELT. Mr. Speaker, I ask unanimous consent that the bill (H. R. 9434) to amend section 216 (b) of the Merchant Marine Act, 1936, as amended, to provide for the maintenance of the Merchant Marine Academy, be considered in the House as in the Committee of the Whole.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

Mr. ROONEY. Mr. Speaker, reserving the right to object, and of course I shall not object, I merely wish to observe that this bill should be considered and passed immediately. I commend the distinguished committee for its action.

The gentleman from New York [Mr. KEOGH] and the Brooklyn delegation here in the House have long been interested in the Merchant Marine Academy at Kings Point, Long Island. It is time it was put on a permanent basis. However, as far as I personally am concerned, I should like to see the maritime training stations at Sheepshead Bay, N. Y., and Alameda, Calif., reactivated and also placed on a permanent basis. I feel that a grave error was made in closing these installations and in terminating the correspondence courses in maritime training.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

The Clerk read as follows:

Be it enacted, etc., That section 216 (b) of the Merchant Marine Act, 1936, as amended (U. S. C., title 46, sec. 1126) is amended to read as follows:

"(b) (1) The Secretary of Commerce shall maintain a Merchant Marine Academy at Kings Point, N. Y., for the instruction and preparation for service in the merchant marine of selected persons as officers thereof. A competitive examination shall be held annually among those persons nominated to the Academy by Senators and Representatives, and the number of vacancies allocated to each State shall be proportioned to the representation in Congress from that State. Appointments from each State shall be made by the Secretary of Commerce from among qualified candidates nominated from that State in the order of merit established by the examinations.

"(2) In connection with such instruction and as a part thereof, the Secretary of Commerce is authorized to provide for training of merchant marine cadets on Government-owned and subsidized vessels and, in cooperation with other governmental and private agencies, on other vessels and, for instructional purposes only, in shipyards, plants, and industrial and educational organizations, under rules and regulations prescribed by the Secretary of Commerce and upon such terms as the Secretary of Commerce may arrange, and expenditures incident to such training are hereby authorized.

"(3) Cadets shall be appointed midshipmen in the Naval Reserve and shall be commissioned as ensigns in the Naval Reserve upon graduation from the Academy.

"(4) Cadets at the United States Merchant Marine Academy shall be entitled to receive pay and allowances as now or hereafter provided by law for midshipmen at the United States Naval Academy, and to transportation, including reimbursement of traveling expenses, while traveling under orders as a cadet."

With the following committee amendment:

Page 2, line 7, after the period insert: "In case vacancies remain after the appointments under the preceding sentence have been made, the Secretary of Commerce shall fill them by appointments from qualified candidates from other States."

Mr. VAN PELT. Mr. Speaker, this is a committee amendment and is reported unanimously by the committee.

Mr. DEROUNIAN. Mr. Speaker, I think I can say, very conservatively, that this measure meets the wishes of this House and that the Membership are very glad to have the bill come up for action. I am not going to burden the record with expressions of support stated by my colleagues either on this side or on the other side of the Capitol. I assure you, however, that my files are heavy with letters and telegrams and messages of support of Kings Point from colleagues on both sides of the aisle here in the House, and, also, from the other side of the Capitol.

The bill before you is a bill that all of us want. It is a bill that is right. It is a bill that is sound. It is a bill that not only helps and supports our maritime needs, but helps and supports our security program.

We all know the history of the United States Merchant Marine Academy at Kings Point. Created in 1938 it was not a wartime proposition. Rather, it grew out of a national demand that we create this Academy in order to further and progress and more realistically and practically support our merchant marine. And, in supporting our merchant marine, we would, naturally, be more effectively supporting our fourth arm of defense.

Our United States Merchant Marine Academy at Kings Point has a history of which the Nation is proud. We know of its accomplishments during World War II and since. At the Academy we have boys from every State of the Union and, under special law, from certain Central and South American countries, and, also, the Philippines. It is an Academy that has earned the greatest respect and the highest kind of recognition not only in our country but abroad. There are a number of merchant-marine academies in Europe and even Soviet Russia boasts one. But none can compare to the product that we create at Kings Point. Our Kings Point men, while juniors so far as the three other service academies are concerned, nevertheless have a stature of accomplishment and proficiency that has earned them the highest respect in their brother services, West Point, Annapolis, and the Coast Guard.

Kings Point happens to be in my congressional district. It certainly would be abnormal to say that I have no bias because of this fact. I do. However, it is not a bias that does not also rest on a good basis. I am proud of Kings Point, its mission, the job it is doing and what it means to our country today and in the future.

Prior to 1938, when the Academy was established, we were in pretty sorry era so far as our American merchant marine is concerned. As a matter of fact, we were at the low ebb of what was once America's greatest pride—her shipping. But we fell on evil days. Then came the Merchant Marine Act of 1936 which recognized that something had to be done and which laid down new policies, new incentives—to get us out of the rut in which we had fallen and again to get the American merchant marine back to that stature which our pride, our tradition and the needs of our economy demanded.

Kings Point grew out of a National Maritime Conference resulting from the Merchant Marine Act and the national discussion incident to maritime affairs that was had at that time. We conceived then the need to create a body of merchant-marine officers who should be given the highest types of technological and naval training, men who would move along and parallel with the evolution in ship design and equipment brought about not only by competition, but by naval needs. We conceived the need to create a body of officers who would get the respect of people all over the world, who would truly be ambassadors of good will on the seven seas. We conceived then the idea of an Academy that would draw its cadets not only from the maritime provinces but from all over the country, from all of our States and our Territories.

This is the kind of an academy that was built and this is the kind of an academy we have today. But, there is one big fly in the ointment. There is a large irritant, and there is also a potential tragedy present in the current situation. And this stems from the fact that Kings Point today does not rest on any statutory structure. It does not rest on the strength of a congressional declaration of existence. Instead it rests on the weak and frail pillars of administrative discretion.

It is a fact that the Merchant Marine Academy today rests on the regulations of the Maritime Administrator and the Secretary of Commerce. They can change the regulations today and they can change them tomorrow. Various administrations can blow hot and cold. Changes can be ordered or forced because of personal idiosyncrasy or the pressures of budgeting.

This all has the effect of making for instability. It has the effect of forcing programing on a temporary instead of on a permanent basis. This is wrong. This is foolish. And this is what this bill would correct.

The measure that will be before us today will accomplish a very simple thing. It will give statutory basis for the Academy and establish its permanency. This bill has inherent in it the congressional declaration that the Nation wants Kings Point as a vital thing, not only for our merchant marine, but our defense planning. It is a congressional declaration that we have made up our minds that the Nation must have this Academy and that it be run on a stabilized and perment basis. This is

all that this bill does. But in doing it we will be performing one of the greatest services we can for our country, and I hope the House will give the measure overwhelming support.

Mr. BOSCH. Mr. Speaker, I wish to associate myself with my colleagues from Long Island and compliment the author and committee for sponsoring this legislation to create Kings Point as a permanent Merchant Marine Academy. I feel sure that its future service will amply justify the adoption of this legislation.

Of course, I am interested in this Academy because it is on Long Island and a credit to our area and some of my constituents benefit directly from it. But, this is not the only reason and, by no means, the most compelling reason. This Academy benefits every citizen of the United States. Great attention is being given to the foreign trade of the United States—we must have capable, well-trained men to man the merchant fleet. We are all familiar with the vital role played by the merchant marine in supplying our servicemen during World War II. This Academy provides well-educated men to carry on a necessary function both in peace and war.

I agree with the sentiment expressed by President Eisenhower in his congratulatory message to the Academy on the celebration of its 10th anniversary:

> May the United States Merchant Marine Academy continue, in the years ahead, to prepare young Americans for leadership in our modern merchant marine.

Mr. DORN of New York. Mr. Speaker, I would like to express my strong views on the perpetuation of the Merchant Marine Academy at Kings Point, N. Y.

Not only as a member of the Merchant Marine and Fisheries Committee, but as an individual, I must go on record as being strongly in favor of the passage of legislation which will permit the permanent maintenance of the Kings Point Academy.

The merchant marine of the United States has a proud and glorious record of achievement dating back prior to the American Revolution. And it has been a major part of our history and growth.

The merchant marine has been called our fourth arm of defense, and a more appropriate term cannot be found. I am certain none of us has forgotten the activities of our merchant fleet during World War II and none of us should forget it. Theirs was a tremendous contribution toward our victory.

Since its inception in 1938, the Kings Point Academy has compiled an enviable record of accomplishment and a spotless record of operation. The responsibility for training the future officers of our merchant marine must be continued in a training institution of this type. We cannot permit any diminishing of our fourth arm of defense. We must not permit our training institutions to wither; our goal is the maintenance, the building, and the preservation of a strong American merchant marine.

Mr. Speaker, the method of achieving this goal is the passage of this bill.

Mr. BECKER. Mr. Speaker, it is a very happy thing to see this bill before the House, the effect of which when adopted, will give us the opportunity of doing what we have been wanting to do for a long, long time—putting the United States Merchant Marine Academy at Kings Point, N. Y., on a permanent basis, and thus not only improve the operations of the Academy, but to provide notice that from here on we shall expect stability of appropriations.

It is a fact that over the years, and especially in the last 3 or 4, we have been appropriating for this great establishment, this arm of support to our merchant marine and our military security, not on a basis of sound planning, but on the basis of crisis.

Whenever things look wrong in the world or in some part thereof, whenever the cold war gets a little hotter, the appropriations for the Academy have gone up. Whenever the crisis becomes less tense, the appropriations have gone down. Whenever there is no palpable crisis and everyone is searching around for economy savings, the budget needs of the Academy are always in jeopardy, with the very foolish idea that inasmuch as we are not in a crisis, we do not need the program.

We have suffered from this kind of thinking insofar as our Army and Navy preparedness policies are concerned. We know what the experience has been through the years, and, unfortunately, we have had to pay a large penalty for short-sighted thinking and action in not keeping our military and naval activity on a sound preparedness basis.

The bill before us today, by providing for the permanency of this Academy on a statutary basis, will serve notice that the Congress wants the United States Merchant Marine Academy to be on a stable basis of appropriation, on a permanent basis, and that it not be subject to the ups and downs of appropriation crisis and the ups and downs of conflicting thinking on the part of different maritime administrations.

The bill before us lays down the congressional policy on the operation of the United States Merchant Marine Academy at Kings Point, which properly belongs with our other three, in its own mission and with a view to its own service.

Kings Point has served this country well. The cost has been modest. Not only does it serve our American merchant marine, but we must have in mind that every officer graduated at Kings Point becomes an officer in the Naval Reserve, who is at the beck and call of the Navy. Here is an institution that has not only captured the widest kind of support among our people, but, I am certain, has also the overwhelming support of the Congress of the United States.

May I not refer my colleagues to the hearings on the Van Pelt bill and ask their special attention for the table of contents. They will see included there expressions of support from all over the land.

The people, the maritime industry, our national defense program, need and want this legislation, and I urge the membership of this House to support this bill.

Mr. MUMMA. Mr. Speaker, I move to strike out the last word.

Mr. Speaker, I do not get up here so very often, but I usually like to think I am on firm ground when I do. The gentleman from New York made the statement that there was only one opposing vote when this bill was reported out of the committee. I guess that has happened before and it was mine.

I am not here to talk against the Academy as such; I am here to raise a few thoughts or to make just a few observations. This bill has been pending all year. Up to the present time the Maritime Administrator has not submitted figures showing the present occupations of the graduates of this school. A year ago there were figures presented showing the number of Reserve officers from the Merchant Marine Academy who were unemployed. At the time the statement was made that in case of full mobilization there would be 2½ times as many officers for the merchant marine as would be needed.

I am not here condemning the merchant marine or the school; however, the last word we have had from the Secretary is that between now and the beginning of the next session of the Congress this matter should be studied and worked out so that we may be given facts that are irrefutable.

Now, Mr. Speaker, that is my point in the situation. The money has been appropriated for this school for the coming year. There is no danger that anybody is going to be kicked out. And, I understand that it is on the tentative budget for a year hence. So, nobody is going to be kicked out of the school. I only had one group of people in favor of this. They happened to be on the borderline of my district, but most of them are outside. That is no reason whatsoever for my position, but I had a pack of postcards printed, even my name was printed on them, and I took the liberty to write to one man and ask him what it was the result of. And, he told me, "Well, a friend of mine has a boy who is going to Kings Point this fall asked me to join in." Well, that boy is in no danger, and I do not believe the United States Government, if they decided to discontinue this school, would not provide for their education.

Another thing, I am not prepared to make a lot of remarks on this bill at this time. I was assured that this matter was not coming up as late as yesteday noon. Now, I know I will be snowed under, but that is all right. I have been on the winning side, too. I imagine that this bill will be put through, and in 5 minutes we will vote to make Kings Point a permanent institution on the level of West Point, Annapolis, and the new Air Academy. Everybody knew that the Air Academy was under consideration for a matter of years until it came to fruition, and here we are going to put this bill through in 5 minutes. Nobody is going to get hurt if we wait. The Administrator of the Maritime Commission asked that he be given time to get

these figures as to where the graduates of this school are. I do not want to go into all of the ifs and ands of this thing, but it is certainly no measure that has to be rushed through the House. I do not know what this amendment is that is coming up, but the Navy objected to it when it was before the committee. They say it interferes with their reserve training program and something about giving commissions as ensigns or reserve ensigns. As I say, I do not know the ifs and ands about it, but I do know that there is a report given to the committee by the Navy stating various suggestions. Here they are again, and they are objecting to it. Why must it be put through here at this time? Nobody is going to be hurt, and that is the reason I am here. I do not know how many were there that day the committee voted, but I know that if we were in our own business you would not spend this amount of money and make it a permanent charge against you without more consideration. I could have gotten a lot of facts prepared here, but at noon yesterday I was assured that the matter was not coming up. And, I made a double check by emphatically asking: Now, this statement is not a play on words; it is a fact. Whatever you want to do, it is all right with me.

Mr. WAINWRIGHT. Mr. Speaker, as one of the strong supporters of this Academy bill, I need but emphasize three points. I have spoken on this subject before to this Membership. However, for the information of the Members, this Academy, placed on a permanent basis, will do three things: First, provide well trained Reserve officers for the United States Navy; Second, provide a source of highly qualified officers for the maritime fleet; and Third, will act as national recognition of the importance of the American maritime.

I would like to take a few moments to pay tribute to Mr. DEROUNIAN, Mr. BECKER, and Mr. LATHAM, who have worked so very hard on our side of the aisle. I should also like to pay tribute to Mr. KEOGH and Mr. DIES and many other Members on the other side of the aisle who have been in favor of this worthwhile project.

Yesterday, I cast a vote against adjournment, erroneously thinking that it would be of some assistance in supporting today's bill. This earned the wrath of the other New York Members who were equally in support of this bill, as they felt it put them out on a limb. I would like, at this time, to clear up any such impression. The hard working leadership in behalf of Kings Point certainly belongs to my colleagues from Nassau County plus special assistance on the Rules Committee from Mr. LATHAM, of New York.

My only hope, now, is that the other body will see its way clear to placing this legislation on tomorrow's Consent Calendar, for I believe that is the last hope we have.

Mr. Speaker, I urge the passage of this bill as a piece of sound, progressive legislation for the benefit not only of the commmunity but of the Nation.

The SPEAKER. The question is on the committee amendment.

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. VAN PELT. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days to extend their remarks during the debate on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

SPECIAL ORDER TRANSFERRED

Mr. JAVITS. Mr. Speaker, I ask unanimous consent to transfer my special order from today until Wednesday next.

The SPEAKER. Is there objection to the request of the gentleman from New York.

There was no objection.

CUSTOMS DUTY ON HARDBOARD

Mr. REED of New York. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 9666) to amend section 1001, paragraph 412, of the Tariff Act of 1930, with respect to hardboard.

The SPEAKER. The question is on the motion offered by the gentleman from New York.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill, H. R. 9666, with Mr. O'KONSKI in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. REED of New York. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise in support of H. R. 9666, a bill to classify what has become generically known as hardboard under paragraph 412, the "Wood and manufacturers of" schedule, of the Tariff Act of 1930.

The term "hardboard" was originally coined by one manufacturer in the industry. However, it has now become generic and is used in domestic commerce to describe a board usually smooth surfaced on one side and screen-marked on the other side. This board is manufactured from cellulosic fibers in thicknesses generally from one-eighth to five-sixteenths of an inch and in densities ranging from approximately 50 to 75 pounds per cubic foot.

Hardboard imported into the United States is presently classified for tariff purposes under paragraphs 1402 and 1413, relating generally to paperboard and pulpboard, and under paragraph 1539 (b), relating to laminated products, of the Tariff Act of 1930. Hardboard was not specifically enumerated in the Tariff Act of 1930 as enacted. It was at that time a relatively unknown product. The present tariff status of hardboard is the result of administrative classification.

Until 1954, hardboard was not separately reported in import statistics. Most of the imports were reported in the statistical classification covering paperboard and pulpboard, dutiable under paragraph 1413 of the Tariff Act at the rate of $7.25 per short ton, but not less than 7½ nor more than 15 percent ad valorem. The imports of hardboard have been almost totally from Sweden, Finland, and Canada. In the committee report, accompanying H. R. 9666, on page 2, there is a statistical table showing total United States imports from the three countries I have just mentioned. You will note in that table the very significant increases that have occurred in recent years in the quantities of imports.

All but 2 of the present 12 domestic producers of hardboard began production after 1940. There are five new plants now under construction, which have not as yet begun production. The Committee on Ways and Means has been informed that in large measure the expanded domestic productive capacity has occurred under Federal governmental encouragement to insure adequate domestic supply in periods of national emergency.

An incidental but important consequence of domestic production of hardboard is our greater utilization of what otherwise might be lumber scrap and waste.

This legislation has been reported by the Ways and Means Committee with a clarifying amendment. There are three changes embodied in the amendment.

One of the changes provides a simpler description of the article hardboard which will be easier to administer and more clearly cover hardboard in all its forms.

The second change would be to make it clear that the 16⅔ percent ad valorem rate, which is the reduced rate in the Tariff Act of 1930 for similar articles, would apply in the case of hardboard instead of the 33⅓ percent rate which is the full rate specified for similar articles in the Tariff Act.

The amendment also makes it clear that communistic dominated or controlled countries will not receive the benefit of the reduced rate, but will have the full 33⅓ percent ad valorem rate applied to their exports.

Enactment of H. R. 9666 is essential to correct the anomaly of classifying hardboard as a paper product. This legislation will accomplish this purpose.

I think you understand what has happened from what I have already said. This hardboard is classified as a paperboard when, as a matter of fact, it is simply made from the waste material of lumber, of which we can dispose in a profitable sort of way for the benefit of our national security. Making this change will give this board protection from these imports that are coming in now and making it very difficult for us to expand this industry.

Mr. COOPER. Mr. Chairman, I yield myself 13 minutes.

Mr. Chairman, I oppose enactment of H. R. 9666. Not only would enactment of this bill bring about a violation of trade agreements which we have entered into; its enactment is also being sought before the proponents of the bill have exhausted their administrative remedies for relief—the escape-clause procedure provided in the Trade Agreements Act.

Mr. Chairman, there is much more involved in this bill than a violation of trade-agreement concessions which we have made to other countries. Enactment of this bill would be a direct blow at our trade-agreements program. It would set a precedent which will eventually lead to its complete destruction. It is a useless gesture on the part of the Congress to authorize the President to enter into trade agreements and then turn around and undo the concessions which he makes in them.

There was keen disappointment all over the country when this session of Congress merely extended the President's authority to enter into trade agreements 1 year, without any consideration of the constructive recommendations made by the Randall Commission for improvements in the program. Secretary Dulles in his appearance before the Committee on Ways and Means in 1953 admitted that the 1-year extension of the President's authority which was then being recommended pending a full study of our foreign economic policy was in effect a standstill. Again this year we have enacted standstill legislation for another year.

I would like to quote a further statement made by Mr. Dulles in his testimony in 1953:

> Let me say that most of these governments (referring to other countries which are looking toward us for leadership in foreign-trade policies) are extremely nervous as to what the future policies of the United States are going to be. They have been told for 20 years that a Republican administration would be an isolationist administration and that there would be a sharp cut in all forms of economic relations, not only in terms of foreign-assistance programs but trade and the entire network of relations. They feel that if that happens, and happens abruptly, they would then be unable to survive as separate members of the free world, and they might have to think in terms of appeasement, neutralism, and things of that sort. In other words, we would lose them as vigorous, strong allies, which they are today, and which we want to keep them.
>
> Therefore, I believe that any action at this time taken abruptly which would be interpreted or, if you will, misinterpreted by them—because it makes little difference whether it is a correct or incorrect interpretation; the fact is, it is an interpretation—in a way which leads them to panicky changes in their own policy and their relations with us would be very unfortunate. (P. 605, hearings before the Committee on Ways and Means on H. R. 4294, April 1953.) (Parenthetical expression inserted.)

Favorable action by the Congress on this bill would confirm the very fears which Secretary Dulles was concerned about.

Even on the merits, this bill should not be enacted. The proponents claim that their only interest in enactment is the correction of a misclassification. The very fact that the proposal which they sponsor amounts to, in most cases, a 100-percent increase in duties belies this claim.

Technically, hardboard is manufactured by the same processes by which paper is manufactured. The principal difference is that hardboard is subjected to a considerably greater pressure and heat than ordinary types of paperboard or pulpboard in its manufacture.

The present rates of duty on hardboard, as it has been classified for duty purposes, range from 7½ percent to 15 percent ad valorem, depending on how it is finished and the value per ton. It is my undertanding that the bulk of hardboard imports is currently in the category which is dutiable at 7½ percent. The reported bill would increase the rate of duty on all hardboard to 16⅔ percent. Not only would there be more than a 100 percent increase in some rates of duties, but the 16⅔ percent rate which the bill would place in effect could not be reduced by the President in trade agreement negotiations in the future.

Still on the merits of the pending bill, our committee was advised that imported hardboard will amount to only about 3 percent of our domestic production of hardboard in 1954. It is estimated that imports for 1954 will be 30 million pounds, compared to domestic production of one and one-quarter billion pounds. Over 95 percent of our imports of hardboard come from Sweden, Finland, and Canada, countries whose goodwill and support are essential to the security objective of the United States. Enactment of this bill would be particularly serious in the case of Finland, where we are trying to minimize the dependence of the Finnish economy on exports to the Soviet bloc.

The Committee on Ways and Means has reported and the House has passed an administration bill which will provide for a study of our tariff schedules, with particular reference to the classification of imported items. It would certainly seem premature to act separately on one item alone at this time which it is claimed is now being "misclassified."

The domestic hardboard industry has not even filed an application with the Tariff Commission for administrative relief under the escape clause procedure provided in the Trade Agreements Act. This is a very serious matter, in my opinion. If domestic industries can come to the Congress for greater protection from imports without even going through the administrative remedies provided in the Trade Agreements Act and get that relief, there is little point in making available to them these administrative avenues for relief.

I have consistently supported the trade-agreements program from its very inception. At the same time, I have recognized fully the fact that there may be some instances in which domestic industries may be adversely affected by import competition. I certainly believe that any domestic industry that feels that it is being hurt by import competition should have made available to it means for relief. On the other hand, I strongly oppose any and all legislation which in effect shortcuts the routine procedures already provided by the Congress for relief. Legislative relief as proposed in H. R. 9666 strikes at the very fundamentals of our trade-agreements program.

Another means of administrative relief available to the domestic industry is an appeal to the Bureau of Customs on the classification of hardboard. It is my understanding that although such an appeal has been made on hardboard cut to sizes, no appeal has been made on hardboard generally, whose classification would be changed by this bill.

Over and above the fundamental principles which are involved as to our trade-agreements program in H. R. 9666 is the fundamental principle involved in legislation delegating authority to all administrative agencies of the Government. Nothing but turmoil and confusion will be created if the Congress sets the precedent which this bill would set of permitting any and all complainants to bypass the executive and judicial departments of the Government and come directly to the Congress, rather than follow the established procedures in the executive and judicial branches of the Government for administrative and judicial relief.

I defend fully the right of the domestic hardboard industry to have its day in court. However, I strongly oppose its bypassing each and every procedure already established for its benefit and coming directly to the Congress.

It is my recollection that each Department which submitted a report on the pending legislation opposed its enactment.

The issues involved in this legislation are far broader than the pending bill itself. It would be very unwise for the Congress to enact it.

Mr. JAVITS. Mr. Chairman, will the gentleman yield?

Mr. COOPER. I yield.

Mr. JAVITS. Were there any hearings held on this measure?

Mr. COOPER. I do not recall there were any hearings held on it at all. I was there and voted against reporting the bill. My recollection is that it was brought up in executive session. I do not recall any hearings on the bill at all.

Mr. JAVITS. That is a very unusual procedure, is it not, to consider a measure without hearings?

Mr. COOPER. I would think so.

Mr. LAIRD. Mr. Chairman, will the gentleman yield?

Mr. COOPER. I yield.

Mr. LAIRD. What was the vote in the House Ways and Means Committee on this bill?

Mr. COOPER. That, of course, is a matter in executive session, but I do not mind saying that my recollection is there was no record vote, it was simply by voice vote.

Mr. REED of New York. Mr. Chairman, I yield 10 minutes to the distinguished gentleman from California [Mr. UTT].

Mr. UTT. Mr. Chairman, I rise, of course, in support of H. R. 9660. I want

to say at this time that the gentleman from California [Mr. SCUDDER] introduced a companion bill, and the gentleman from Mississippi [Mr. COLMER] likewise introduced a companion measure to this bill, indicating the economic importance to the United States of this subject matter and the necessity for the passage of this legislation.

The distinguished ranking minority member of our committee, the gentleman from Tennessee [Mr. COOPER] suggested that one of the main reasons for defeating this bill was that it violated some of our trade agreements. He refers, of course, to the international agreement on tariffs and trade.

I suggest that there is nothing in this agreement on tariffs and trade that prevents the United States or any other member of GAAT from correcting an error. I suggest that we being a member of GAAT would have the right to correct an error without in any way violating the international agreement. Moreover, I am under the impression that under article I, section 8 of our Constitution, the right of regulating tariff, trade, or international trade lies with the Congress of the United States; and I think we have never given that right to the international agreements on tariffs and trade even though they do have the power to ratify.

There are some 35 members of GAAT. We have only one vote in GAAT. We represent about 20 percent of the export trade. So I am not so much concerned about violating any treaty with GAAT.

The distinguished gentleman from Tennessee also suggested that the industry had not exhausted its administrative processes. I would like to call the committee's attention to the fact that over 15 months ago the industry filed a petition under the Antidumping Act thinking that would be the most expeditious route to consideration that they could have, because they found that Finland and Sweden are dumping hardboard in the United States at from $8 to $12 per thousand board feet under the price the same hardboard is sold at in the country of origin. In other words the cheapest price in Finland or Sweden was about $30 a thousand board feet yet it was being brought to this country and sold at between $28 and $31 a thousand board feet including freight, tariff, and insurance, and sold here in the United States at from $10 to $12 under the cost.

The increase of imports from the other countries into the United States has been many thousandfold. It is very true that the imports in the last year were only 6 or 7 percent of our total consumption. Nevertheless Sweden has a capacity for hardboard production of over a billion and a half board feet annually which is more than the total consumption in the United States; so they could in a very short time undermine the American market, destroy the American industry, and once they had accomplished that the consumer would have no benefit.

There are over 11 hardboard mills in the United States employing some 7,000 people.

Hardboard is not paper, as the gentleman from Tennessee would lead you to believe. The process of manufacturing hardboard does not even parallel the manufacture of paper which is a chemical process.

Hardboard is made from the scraps of lumber. The scraps are shredded into strips, treated with oil and pressed under the high pressure of steam. There is no incident of papermaking entering into the manufacture of hardboard.

I would like to suggest that this is a conservation measure. The manufacture of hardboard comes entirely from the slabs that are discarded from the lumber mills.

Mr. Chairman, I would like to read some figures as to what the import duties of various countries are: Israel, 70 percent; New Zealand, 45 percent; Australia, 45 percent; Argentina, 42 percent; Canada, 22½ percent; Italy, 22 percent; France, 20 percent.

Others have specific duties which on ⅛-inch untreated hardboard converted to United States dollars per thousand square feet are as follows: Switzerland, $22.90; Mexico, $17.70, plus 10 percent ad valorem; Norway, $7.62.

So the increase from $2.75 to about $4.50 a thousand board-feet may not save the industry but it certainly will give it some relief.

Mr. MASON. Mr. Chairman, will the gentleman yield?

Mr. UTT. I yield to the gentleman from Illinois.

Mr. MASON. Do I understand that the import duty in Canada is 22 percent?

Mr. UTT. That is correct.

Mr. MASON. And the import duty in Mexico is $26 a thousand feet?

Mr. UTT. Correct.

Mr. MASON. Which is approximately a duty of 50 percent?

Mr. UTT. Of the retail market value.

Mr. MASON. And ours is now what?

Mr. UTT. Two dollars and seventy-five cents a thousand board-feet or 7½ percent.

Mr. MASON. This bill would move it up to?

Mr. UTT. Four dollars and fifty cents a thousand feet.

Mr. Chairman, I would like to read a short excerpt from the Forest Service, United States Department of Agriculture:

> The Forest Service is very much interested in the development of the hardboard industry and the opportunity it offers to utilize wood that has long been wasted in manufacturing plants and on logging operations. In reviewing applications for accelerated tax amortization during the past couple of years, we have made a number of reports to the National Production Authority and the Defense Production Administration favoring assistance to the hardboard industry to encourage construction and expansion of hardboard plants. As you know considerable research has been undertaken by the Forest Products Laboratory. It is our belief that hardboard manufacture represents a real opportunity to advance conservation through the use of wood raw materials that are generally wasted.

Hardboard plants increase saw-log utilization from 40 percent to 100 percent.

Mr. MILLS. Mr. Chairman, will the gentleman yield?

Mr. UTT. I yield to the gentleman from Arkansas.

Mr. MILLS. I think it would be of interest to the committee if the gentleman, before he concludes his remarks, would describe to the committee the background and the reasons why this bill was introduced, why it is sponsored by the industry affected, the hardboard industry. Describe the effect of the Tariff Act of 1930 on this particular item and then, if the gentleman will, describe the situation from that point.

Mr. UTT. I would like to make two points. After 15 months of exhaustive work before the Commission on the antidumping clause, so that they could get relief, they finally had to come to the Congress because they did not know whether any answer would be given. Of course, hardboard is a patented product which in 1930 when the tariff laws were enacted was not enumerated. So they have had no legal protection of the Tariff Act up until just a few years ago, only administrative.

Mr. MILLS. It is under protection of the tariff by administrative classification rather than classification by the Tariff Act of 1930?

Mr. UTT. That is correct. It was not included in the tariff act and in the reciprocal-trade agreements and is classified administratively. We think the classification is wrong because in the last 2 or 3 years imports have gone up a considerable percentage.

Mr. MILLS. Is it not true that in the gentleman's bill and the amendment adopted in the committee, under the classification given this product, the amount of duty is not above that in the trade agreement for that classification?

Mr. UTT. That is correct. It is tied down to the same point that it would have been, had it been in that classification.

Mr. LAIRD. Mr. Chairman, will the gentleman yield?

Mr. UTT. I yield to the gentleman from Wisconsin.

Mr. LAIRD. I am a member of the Subcommittee on Agricultural Appropriations. We have appropriated a large amount of money to the Forest Products Laboratory to develop new techniques in the production of hardboard. We spend Federal money and this Congress has approved grants of money for developing this hardboard industry as a conservation measure. It seems to me that this bill is most necessary, and I want to compliment the gentlemen on his statement.

Mr. UTT. I thank the gentleman.

Mr. HOSMER. Mr. Chairman, will the gentleman yield?

Mr. UTT. I yield to the gentleman from California.

Mr. HOSMER. What is the condition with respect to Sweden, which is a big producer of this product and a competitor of the United States? Can we ship hardboard over there under this mutual and multilateral agreement?

Mr. UTT. No, we cannot. There is not a very high tariff on imports in Sweden, but there is an absolute embargo. You cannot even be licensed to import hardboard in Sweden.

Mr. HOSMER. In other words, they place an absolute embargo on it and keep our product out of their market?

Mr. UTT. That is correct.

Mr. COOPER. Mr. Chairman, I yield such time as he may desire to the gentleman from Minnesota [Mr. WIER].

Mr. WIER. Mr. Chairman, I want to lend my support and associate myself with those supporting this legislation on hardboard. I happen to have a piece of it here made in my State. Because of the nature of our forests in turning to pulpwood, this is one of the main industries in the upper Minnesota area where we do have some pulpwood and other products. I know from experience up there that those mills are hard hit by competition. I have been one of those who has consistently been supporting the Reciprocal Trade Act, but here I find myself facing an emergency, and I am in full sympathy with this legislation.

Mr. COOPER. Mr. Chairman, I yield 10 minutes to the gentleman from Mississippi [Mr. COLMER].

Mr. COLMER. Mr. Chairman, I think it would not be amiss for me in my preliminary remarks to point out the source of my intense interest in the passage of this legislation. Hardboard as such is a patented process which originated in south Mississippi in my congressional district when a man by the name of W. H. Mason, a great American and genius, patented a process for the development of small timber and what we know as scrap lumber into a hardboard product.

It might be interesting to also point out, as did the gentleman from Wisconsin a moment ago, just what this hardboard is. This scrap lumber or small timber is taken and chipped into small pieces, and then it goes through a process of being exploded by a patented process and then pressed into hardboard Now, much of this is being used today in our walls, our homes, our factories, our office buildings, and so forth. I hold here a typical piece of hardboard used generally in the construction trade.

Here is another piece of hardboard that has been manufactured into a more concentrated form under greater pressure, which could be used even for tiling, because of its density.

Mr. SIMPSON of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. COLMER. I yield to the gentleman from Pennsylvania.

Mr. SIMPSON of Pennsylvania. The gentleman holds an article in his hand. That is wood, is it not? It is not paper?

Mr. COLMER. It is wood, permit me to say to my friend, and nothing else. It is not paper.

Mr. SIMPSON of Pennsylvania. Under our tariff laws, that is called paper, is it not?

Mr. COLMER. Quite so.

Mr. SIMPSON of Pennsylvania. What we are undertaking to do is to correct the law so that wood will be known as wood.

Mr. COLMER. I thoroughy agree with the gentleman, and I appreciate his most valuable contribution, although he did anticipate me a bit.

Mr. SMITH of Virginia. Mr. Chairman, will the gentleman yield?

Mr. COLMER. I yield to my distinguished friend.

Mr. SMITH of Virginia. Do I understand that the purpose of this bill is to classify this product as wood because it is used as wood, just as lumber is used; it would be put in the same class in which it is actually used; is that correct?

Mr. COLMER. And because it is made out of wood, I might add.

Mr. SMITH of Virginia. And it is used just as lumber is used?

Mr. COLMER. It is used just as lumber is used. And, as has been pointed out by my distinguished colleagues on both sides of the aisle here in the last few moments, this is not a question of raising the tariff under an existing scale, but it is primarily for the purpose of correcting an erroneous classification of this particular product. As the gentleman from California [Mr. UTT] pointed out a moment ago, when this patented process came into existence the Tariff Act had already been passed; there was no importation; there was nothing to be concerned about. But now that the whole industry of hardboard as such has expanded worldwide, as a result, if you please, of this very patented process, it has become a domestic problem.

There are a number of things I should like to comment upon, but before I go any further I want to make this point. I, too, have supported the reciprocal trade policy. We want to do everything we can to help our neighbors across the sea and our friends across the sea. I agree that we must have friends in this troubled world. The Lord knows we have been helping them, and we have helped them to the tune of many billions of dollars. We are taxing ourselves to the limit. We are increasing the national debt in order that we may help them even more than we have already helped them.

Where does that money come from that we send over there to help them? It comes from the taxpayers of the United States, the people who manufacture the automobiles, the hardboard, and the other products.

I think it was a great former Speaker of the House and Vice President of the United States, Jack Garner, who said on one occasion, that before you could take any fat off the beef you had to put some on it. I would like to paraphrase that somewhat and say that if we are going largely to support the rest of the world by taxpayers' money, we have got to permit somebody in this country to make some money to pay the taxes; and as much as we want to help these people, we have to protect our domestic industry to some extent. As I said a moment ago, this was started here in the United States. Are we now going to permit foreign nations to take this industry away from us?

Mr. BONNER. Mr. Chairman, will the gentleman yield?

Mr. COLMER. I yield to my friend from North Carolina.

Mr. BONNER. Which countries ship this product here?

Mr. COLMER. It is imported largely from Sweden, Norway, and Finland.

Mr. MILLS. If the gentleman will permit, and Canada.

Mr. COLMER. And Canada. I thank my friend. It was pointed out a moment ago here by the distinguished gentleman from California, [Mr. UTT], that the rates on imports into those countries, on these products is greater than they are in this country. All we are asking for here is a little fair play.

I think I have answered, at least I have tried to, those who advocate the free-trade policy.

Mr. BOGGS. Mr. Chairman, will the gentleman yield?

Mr. COLMER. I yield to my friend from Louisiana.

Mr. BOGGS. As the gentleman knows, I think I have been as strong a supporter of the trade-agreements program as any Member of this body since I have been here. I supported this legislation in the committee and I intend to support it here now. My appreciation of this bill is that it simply clarifies the situation whereby this particular product in the classification is discriminated against. Is that correct?

Mr. COLMER. That is correct. In other words, it is taken out of the paper category and placed in the wood category, where it belongs.

Mr. BOGGS. Where it properly belongs.

Mr. COLMER. May I point out further to my friend that hardboard was placed in the category of paper not by the Congress of the United States but administratively, and possibly by those who did not understand the nature of the product.

Mr. BOGGS. I simply wanted the gentleman to make that observation. I should like to say that in my judgment I cannot see where it has any effect on the trade-agreements program.

Mr. COLMER. I cannot see that it does.

Mr. MILLS. Mr. Chairman, will the gentleman yield?

Mr. COLMER. I yield to the gentleman from Arkansas.

Mr. MILLS. I can well understand that some might feel that this would affect a trade agreement or violate a trade agreement, but I cannot see any difference in the proposal before the committee today and the proposal before our Committee on Ways and Means some few days ago supported by the State Department and by all of the various departments of the Government which would have permitted the Tariff Commission, the President, the executive departments, to reclassify generally all of the various items now classified under the Tariff Act of 1930 as amended and without any affirmative action on the part of the Congress at all. Under no circumstances was it pointed out to us that if we did that we would be violating any trade agreement.

Mr. COLMER. I thank the gentleman for his contribution.

Mr. Chairman, as I have pointed out in the consideration of the rule a few days ago this industry vitally affects the welfare of the laborers, this great

masonite plant and the whole economy of several counties of my congressional district in south Mississippi. My people have suffered from the importations of hardboard imported from foreign countries which was produced by cheap labor. But it goes deeper than that. It is fair play. This erroneous classification should be corrected. This great American industry must be protected. I appeal to you to think American for a change. Let us pass this bill by an overwhelming majority and thus serve notice that while we want to have friends abroad that we do not propose to destroy American industry in order to buy it. The price is too great.

Mr. REED of New York. Mr. Chairman, I yield 5 minutes to the gentleman from California [Mr. SCUDDER].

Mr. SCUDDER. Mr. Chairman, on June 17, this year, I introduced a bill, H. R. 9600, to rectify the erroneous classification of hardboard under the Tariff Act of 1930. The bill before us today is a companion bill reported by the Ways and Means Committee and contains amendments highly acceptable to all of us who desire to see this important domestic industry perpetuated.

Hardboard is a hard, dense, grainless material made entirely of wood. A nonenumerated product under the Tariff Act of 1930, hardboard has been misclassified for a number of years under paragraph 1413 of the "Papers and Books" schedule.

An examination of the nature of hardboard reveals it wholly a wood product. A key factor in the manufacture of this product is that the natural lignin which holds together the wood fibers in the tree is retained and forms the bonding property in the board. By contrast, the lignin content of the wood must be removed or greatly reduced by a chemical process in the manufacture of paper products.

The classification of hardboard under the "paper" schedule is obviously erroneous. House Resolution 9666 would correct this inequity by properly classifying hardboard under paragraph 412 of the "Wood and manufacture of" schedule.

Mr. MACK of Washington. Mr. Chairman, will the gentleman yield?

Mr. SCUDDER. I yield to the gentleman from Washington.

Mr. MACK of Washington. The Forest Service is authority for the statement that 57 percent of the timber is wasted in logging operations and in milling and manufacturing. If we are able to maintain a strong, hardboard industry in this country, we will use more of this waste material. The Federal Government itself will be the chief beneficiary for the reason that the Federal Government owns most of the Nation's timber.

Mr. SCUDDER. The gentleman is absolutely right and I appreciate his comment.

IMPORT LOOPHOLE

Hardboard is an American invention. Since its beginning in 1926 it has become a most versatile material with hundreds of uses encountered in everyday life. There are 12 hardboard plants in this country and it has spread to foreign lands to such an extent that there are 18 plants in Sweden, 12 in Finland, and 3 in Canada. The foreign product is the same as the domestic one, in that it is made from the same raw material and by identical or similar equipment.

The misclassification of hardboard under the Tariff Act constitutes a kind of loophole which has permitted foreign producers to flood the domestic market with a wood product entering under the paper schedule. During the postwar years there has been a terrific upsurge in the amount of foreign-produced hardboard entering this country.

For example, in 1953, a total of 54,111,558 square feet was dumped on the American market. Nineteen million five hundred and fifteen thousand seven hundred and sixty-five square feet came in from Sweden; 20,262,394 from Finland, and 14,383,399 from Canada. The 1953 figures show that imports in 1 year's time increased by 37,787,718 square feet. And, for the first quarter of 1954, 10,804,586 square feet have already entered this country from the aforementioned sources.

Increased imports are creating havoc on the domestic market. This great influx of foreign hardboard has resulted in the intermittent layoff of employees by all domestic producers; shortened workweek; cuts in shifts by some, and topheavy inventors by others. At least half of the domestic producers have not been operating at a break-even point.

Ninety percent of the imports are in the form of one-eighth inch untreated hardboard, the bread-and-butter items of the industry. In the face of increasing imports, the monthly domestic production in this type of board has dropped from 33,034,000 square feet in October 1952 to 16,782,000 square feet in January 1954.

There are no reciprocal tariff rates with respect to America and any other country on this commodity.

Successive GATT agreements from 1936 through 1947 have reduced the United States rate to the present combination rate of $7.25 per ton, but not more than 15 percent nor less than 7½ percent ad valorem.

In dollars and cents, this means that the duty on imported hard board is $2.72 per 1,000 square feet.

The wide gap between our tariff and that imposed by other countries is readily apparent in the following few examples:

New Zealand imposes a rate of 45 per cent ad valorem; Canada, 22½ percent; Argentina, 42 percent; Australia, 45 percent; Italy, 22 percent; and Israel, 70 percent.

In Switzerland, the rate is $22.90 per 1,000 square feet; in Mexico, $17.70—plus 10-percent ad valorem; Finland, $14.62; and Norway, $7.62.

Even though reclassifying hardboard under its proper place in the wood schedule could result in a slight increase in the tariff rate it would, at most, reach a maximum of 16⅔-percent ad valorem.

DISPARITY IN COSTS

Workers in the American hardboard industry average $1.50 to $2 straight time per hour. The average hourly wage in Sweden and Finland is from 66 to 74 cents per hour.

It is readily discernible that the disparity in production costs combined with low tariff rates, permits foreign producers to place their product on the major eastern markets at less than it costs a domestic western producer to do so. It costs a producer, west of the Mississippi, $10.69 per 1,000 square feet to ship hardboard to the eastern market. Maximum shipping costs from Canada are $6.64 per 1,000 square feet, and the ocean freight rate from the Scandinavian countries is only $5.87 per 1,000 square feet.

WORKERS BEING HURT

I wish to make it clear that I am not an advocate for the abolishment of world trade. However, on the other hand, I cannot condone tariff practices which have resulted in the jeopardizing of numerous segments of American industry, labor, and agriculture.

In my own congressional district—the First District of California—we have people losing their jobs in the wine and grape-growing industry, the lumber industry, plywood plants, hardboard plants—and many others—simply because of the unrealistic attitude taken by those who administer tariff policies.

Let me cite an example. The city of Ukiah, Calif., is experiencing a rapid and stable growth. This has been brought about largely by the Masonite Corp., which has invested $20 million in a hardboard plant there. The plant employs over 700 workers and constitutes the main payroll from which the growth and job opportunities in that area are springing.

But, because of foreign imports under a ridiculously low tariff, the workers at that plant are suffering layoffs and the whole community is adversely affected.

Our working people enjoy the highest standards on earth. These standards had to be earned—the hard way—and cannot be sustained if we are to allow ourselves to become the dumping ground for every country in the world.

We cannot build up the economy of the world—by destroying ours.

The workers and producers in the lumber industry in northern California and in other areas are virtually fighting for survival. The lumber industry and its allied products is a major factor in the American economy. Hardboard is one of the products being seriously hurt by the dumping of a foreign commodity at a price uncompetitive to our standards.

I urge approval of this bill. It will contribute to the economic stability of thousands of American workingmen and their families whose welfare is now at stake.

Mr. REED of New York. Mr. Chairman, I yield 2 minutes to the gentleman from Ohio [Mr. BOW].

Mr. BOW. Mr. Chairman, I rise in support of this legislation. The hardboard industry located in Ohio, and particularly in my district, is very much concerned about the importation of these commodities from elsewhere, and not only is the industry concerned, but the members of labor who are employed in those industries are concerned. It is not particularly a question of the expansion of this industry, but a question of the

preservation of the industry and the welfare of that segment of labor in my district. It has been suggested here that, perhaps, these countries might complain because of this slight increase in the tariff, which will preserve these industries. Actually, those countries have embargoes so that we cannot ship hard board manufactured in my district, or the district of the gentleman from Mississippi, into those countries. We cannot compete. There is no reciprocity. It is an absolute embargo. I noticed in the press today that the Swiss Government has given a note to our Ambassador complaining about the increase that President Eisenhower gave in the tariff on watches. I would call attention to the fact that there is an absolute embargo on the shipment of watch parts from this country into Switzerland. There is no reciprocity. It is not a two-way street.

During our hearings in the Subcommittee on State, Commerce, and Justice this year, I asked the Bureau of Foreign Commerce of the Commerce Department to furnish me a list of the commodities and some of the countries which have absolute embargoes on the shipment of our goods into the various countries. That is on page 512 of the hearings before the subcommittee of this year. I submit that report as follows. I hope all Members will consider it carefully and find the number of commodities we cannot send abroad. American labor can well view these facts with alarm.

Brazil: Assembled automobiles, textile fabrics, shoes, hosiery, steel files and rasps.

Colombia: Grains, certain dairy products, fruits and vegetables, certain meat products, certain vegetable fats and oils, sugar, certain tobacco products, hides and skins (certain leather products), assembled automobiles over 1,240 kilograms in weight (except those of 4-wheel drive and except those for public transportation), rubber tires for vehicles, casings (except specified sizes), coal (except anthracite), certain textiles and textile manufactures, certain paper products, certain soaps.

Cuba: None.

Mexico: Cellophane, powdered eggs, powdered milk, sulphonated oils.

Venezuela: Leather footwear.

Canada: None.

Belgium-Luxembourg: Assembled automobiles, nylon stockings, coal, automotive replacement parts, dressed leather, certain machine tools, certain pharmaceuticals, manufactured tobacco products, coated abrasives.

France: Certain fresh fruits, prunes (dried) and raisins, typewriters, radio receiving sets, household, vacuum cleaners, amateur box-type and folding cameras, motion-picture projectors, motion-picture films (not exposed), dental metals, precious, mechanical pencils, fountain pens, office machine ribbons.

Germany, Federal Republic: Coarse grains, flour and milling products, fruits (other than citrus and tropical fruits), fish and fish preparations, oil cake, leather, furs, wax and paraffin, assembled automobiles, certain rubber articles, certain iron and steel products.

Italy: Tires (inner tubes and casings).

Netherlands: Electrical and mechanical refrigerators, washing and wringing machines, cash registers, assembled automobiles, used bags (jute), compressors, automobile tires and tubes, walnuts, dried apples, salmon, soaps and soap powder.

Switzerland: Trucks, nylon hosiery, parts for watches.

United Kingdom: Assembled automobiles, typewriters, canned fruit, canned fish, fresh citrus fruits, small tractors, dictating machines.

India: Assembled automobiles, motors and generators of certain types, certain textile machinery, industrial sewing machines, certain precision and measuring tools, dairy, poultry, and farming appliances, optical and other lenses, sheet and plate glass, electric bulbs and fluorescent tubes, powdered milk in bulk, canned fruits, vegetables, and fish, cigars, cigarettes, and unmanufactured tobacco, belt dressing, belt preservatives, and leather belting, coal-tar dyes, soaps.

Japan: Luxury-type consumer goods, luxury-type food products.

Philippines: Edible oils and fats, beer, soap, fresh vegetables, rubber-soled canvas shoes, cotton weaving yarns, certain cotton manufactures, certain paper products, incandescent and fluorescent bulbs, nails.

Union of South Africa: Canned foodstuffs, fruit juices, beverages, tobacco products, certain textile manufactures, certain electrical manufactures, assembled automobiles, certain glass products, rubber tires, certain paper products, furniture, certain leather manufactures.

Mr. REED of New York. Mr. Chairman, I yield to the gentleman from Washington [Mr. MACK].

Mr. MACK of Washington. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. MACK of Washington. Mr. Chairman, Congress should call a halt to the shortsighted and foolish practice of using American taxpayer dollars to build industrial plants in foreign nations to compete with similar plants in the United States.

During the Truman administration, a bill passed Congress which was used to undertake the building of plywood plants in South Korea. These plants would be given free to the Korean Government. We not only were going to build and donate these plants to Korea but we also were going to donate with foreign-aid funds the logs required to keep these plants in operation.

The Koreans operating in plants which had cost them nothing and with logs that were donated to them by American taxpayers could produce plywood cheaper than anyone else. They could take our American markets away from American producers to the great injury of American plywood workers.

I voted against that bill and at the time called this idea of using American dollars abroad to build plywood factories asinine and absurd. Soon thereafter the Korean war started and the plan was never carried out.

There is today, however, a plywood industry in Formosa.

Foreign aid funds taken from American taxpayers built and equipped these Formosan plants and even now $100,000 a month of American taxpayer dollars are being used to buy logs which are donated to this Formosa plywood industry. I am opposed to absurdities of this kind and have repeatedly protested them.

One of the industries which has been expanding abroad rapidly, I suspect with some help of American taxpayer dollars, is the hardboard industry.

Hardboard is made out of wood waste. This bill would about double the duty on hardboard imports. The duty on this hardboard is now about $2.40 a thousand square feet. This bill would increase it to above $4 a thousand square feet. This small increase in the duty will help to make up for some of the difference in costs abroad and here at home.

Because hardboard is made of wood waste Congress ought to do everything possible to encourage the expansion of this industry in our own country. Our Nation has an enormous amount of wood waste that is consumed in great trash burners. If we can turn that wood waste into a useful product thousands of workers will be employed making these products.

If this is done, who will benefit most? Why the United States Government will. Our Government will benefit most because our Government is by far the Nation's biggest owner of timber.

If wood waste is more extensively used to make useful products our Government will be able to get more for its trees. Also, it will get taxes from these American industries.

We ought to keep the hardboard industry in the United States. It ought to be here for an American invented the hardboard process. It was only recently when patents expired that foreign nations began going into this business.

Mexico and Canada have duties on hardboard 4 to 5 times higher than we would impose by this bill. There is no reason why this small increase in the tariff on hardboard should not be made. By increasing this duty we will slow down foreign hardboard imports and thereby encourage the establishment of more hardboard plants in the United States to be customers for wood waste that now goes unused.

Today, 57 percent of the wood in all trees that are felled in the woods by loggers goes to waste, only 43 percent ever reaches the stage of becoming a useful product. The amount of wood that annually goes to waste in logging and milling and manufacturing in the United States is estimated by the United States forester at 109 million tons.

Mr. REED of New York. Mr. Chairman, I yield to the gentleman from Washington [Mr. TOLLEFSON].

Mr. TOLLEFSON. Mr. Chairman, I ask unanimous consent to revise and extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. TOLLEFSON. Mr. Chairman, I rise to support H. R. 9666, the pending measure, which deals with the subject of tariffs on imports of hardboard. It is a much needed bill which affords some protection to the domestic hardboard industry. Imports of cheaply-produced hardboard from foreign nations have been increasing greatly in the last few years and threaten the very existence of domestic industry. The Government itself encouraged the construction of new plants in this country in order to

insure an adequate supply of hardboard in the event of an emergency. It would be somewhat ridiculous indeed to permit the new plants now to be driven out of business. Not only do they produce a needed product, but they supply employment to a large number of workers. In addition, they utilize material in making hardboard which otherwise would largely be wasted. I hope the House will approve the measure.

Mr. REED of New York. Mr. Chairman, I yield 5 minutes to the gentleman from Pennsylvania [Mr. SIMPSON].

Mr. SIMPSON of Pennsylvania. Mr. Chairman, I am very glad we have this bill before us today, for it will give each Member of the House, when we have a roll call later in the day, an opportunity to let the workers back home know how the Members feel about the effect excessive imports or of foreign goods hurts the United States. As a result of our vote later on this afternoon I trust you will be able to persuade your workers back home that you want to help them protect their jobs.

Mr. O'HARA of Minnesota. Mr. Chairman, will the gentleman yield?

Mr. SIMPSON of Pennsylvania. I yield.

Mr. O'HARA of Minnesota. My colleague from Minnesota [Mr. WIER] indicated his interest in this legislation and commented upon the pulpwood industry which has been developed in Minnesota. I would like to say to the gentleman that I have telegrams from two labor organizations in the northern part of the State, not from my district, expressing their great interest and concern in this legislation because of the damage that has been done to them. I am sure that the gentleman and myself both are very much concerned about the effect of these reciprocal trade treaties in this particular field and what it has done to the laboring man and to his income and to his living conditions.

Mr. SIMPSON of Pennsylvania. I thank the gentleman for the contribution, which is to the effect that there are in this country many thousands of workers who are either unemployed or facing unemployment as a result of imports into this country of goods made with cheap labor abroad, which is having an adverse effect on employment here.

I am pleased to have those workers see the result of this vote today. They will be able to conclude that when the American Congress understands the issue, when the American Congress understands that the administration of the reciprocal-trade agreements in past years has been so poor as to cause unemployment and to fail to provide relief therefor, that the American voter back home, the unemployed worker, will give support to those of us who are realistically attacking this matter of reciprocal-trade agreements. I am for reciprocal trade. I want more foreign trade, but I want it to be a healthy kind of trade, a kind of trade where we get from abroad the things we need, and the kind of trade where we give to the citizen abroad the things which he needs, which we can best produce here.

Mr. O'HARA of Minnesota. Will the gentleman yield further?

Mr. SIMPSON of Pennsylvania. I yield.

Mr. O'HARA of Minnesota. It would appear from the telegrams I have received that American labor and American industry looks to Congress, to his Government, to do something about the situation.

Mr. SIMPSON of Pennsylvania. The Congress of the United States is the only place where there will be any relief given to these industries in this country which need help.

I am happy to note that the President a few days ago carried out the law as Congress intended when we passed the escape clauses and provided that under certain circumstances relief should be given to American workers if as a result of foreign competition either industry or our national defense was adversely affected.

I trust the House will pass this bill by a large majority. Thus, we will prove to the American worker and employer that, regardless of international commitments, if we are to remain a strong nation economically, and if our workers are to have jobs, we must protect their jobs by reasonable tariffs.

Mr. REED of New York. Mr. Chairman, I yield such time as he may desire to the gentleman from Ohio [Mr. JENKINS].

Mr. JENKINS. Mr. Chairman, I am much interested in this matter now under consideration. The President set the pattern for matters of this kind when he raised the tariff on watches a few days ago.

Some of us members of the Ways and Means Committee have for years been zealously defending our American industries from the flow of cheap-labor commodities coming from some of the foreign countries.

The plight of the watchmakers has become little short of terrible. Practically every American watchmaking concern has been forced out of business. Today some of the famous names in watches have been given up and those names have been supplanted by names indicating a different nationality. The same is true as to pottery and chinaware and glassware.

I hope that we can protect our own industries by adequate tariff rates from the destructive competition of labor sometimes as low as 10 cents per hour. The American workman is superior to the workman of any other country, and should be protected.

Mr. REED of New York. Mr. Chairman, I yield 2 minutes to the gentleman from New York [Mr. JAVITS].

Mr. JAVITS. Mr. Chairman, 2 minutes is hardly enough time to discuss this subject.

Mr. COOPER. Mr. Chairman, I yield 4 minutes to the gentleman from New York.

Mr. JAVITS. I thank the gentleman from Tennessee.

Mr. Chairman, I am opposed to this bill. I think it is much bigger and more important than we are being led to believe, although some of the echoes of this debate sound like an old-fashioned tariff debate before we tried taking tariffmaking out of politics. This debate, on the question of protectionism versus reciprocal trade has not died down as yet.

It seems to me we have omitted two very important points in the debate so far. The first is where does the consumer get off? The second is, do we export as well as import?

Although there are some 400,000 or 500,000 people in the United States working in the industries which are seriously affected by imports, but there are several million working in the industrial and farm areas seriously dependent on exports, including the shipping business.

Let us not forget the storm that was raised in the case of the cheese amendment which slid through here so easily and with less discussion, yet which rocked world trade. This may very well do the same thing.

One other thing with respect to this matter, and that is whether you call this bill reclassification to a wood category from a paper category and I do not think there is much to that as I think I can explain in a minute.

The fact is that this bill will double the tariff and it will, I believe, make the northeastern seaboard, a district which I represent, subject to possibly what would be in effect controlled market prices, because 70 percent of the output of hardboard is controlled, I am informed, by one corporation—and that hardboard has higher shipping costs to my part of the country where imports from abroad, shipping costs being less, can therefore compete.

The imports of this material seem extremely small in the production of an industry that has grown substantially in the last few years. Masonite and other hardboard producers certainly cannot be said to be threatened or suffering serious injury from imports. The figures show that output of hardboard has been increasing steadily over the past 3 or 4 years and output will probably be over a billion pounds this year:

Domestic production of hardboard

	Million pounds
1951	687
1952	870
1953	959
1954 (estimated)	1,250

First 3 months, 226 million pounds.
Source: Tariff Commission.

It is impossible for me to believe that an industry which has nearly doubled its production in less than 4 years has anything to fear from imports accounting for less than 3½ pounds out of every 100 pounds of hardboard consumed in our country. The Ways and Means Committee report mentions five new plants under construction but not yet in production. That, too, sounds like healthy growth, not serious injury.

While imports are small in terms of our consumption, they represent between 1 and 2 million badly needed dollars for Finland and Sweden, who usually have a difficult time as it is paying for the things they buy from us. Sweden and Finland bought $125 million worth of goods from us last year. I do not think I need to elaborate much here; Finland has scrupulously met her debt commitment to us every year in spite of overwhelming fiscal

difficulties. We should not make her task harder. Both countries are near-neighbors to the Soviets, and I hardly think we would be well advised to force them to look increasingly to the East for the markets they need by shutting our own door.

There is still more potential harm in this bill. No businessman does things to annoy his best customer. Yet the Canadians bought nearly $3 billion worth of goods from us last year, more than any other country, and Canada maintains no import licensing arrangements or currency exchange against our goods. She is by far our best customer. Yet we have already placed tight restrictions on imports of such Canadian products as wheat, dairy products, oats, rye, and alsike clover seed, and Canada still faces the possibility of new restrictions because of claims of threatened injury on other products. Any increase in the tariff on Canadian hardboard is certainly not going to promote the excellent cooperation which now prevails between our two countries on political, economic, and, I believe, military affairs.

Another reason I am opposing this bill is because it cuts across our international obligations. We have agreed with the Canadians not to increase the hardboard duty. In return, the Canadians agreed to maintain lower rates of duty on products of interest to producers of export products all over the United States. Obviously, if our word is to mean anything at all in international affairs, we just cannot run out on our international commitments any time we see fit. The hardboard people could take their case to the Tariff Commission and let that agency make a determination under the escape clause of our agreement with Canada to see if they need relief. The fact that they have not done so suggests to me that their case might not stand up in that "court."

It seems to me that when you take a good look at the facts it is not a question of reclassification but of doubling the tariff. This item was not classified administratively. We are chemists or technicians here and certainly cannot supplant an administrative finding on a technical question. Yet one of the arguments used as to why this is a wood product is that it is being used in place of wood. The same argument could be made of paper, for cardboard cartons and packaging so much of which is being used in place of wood packaging.

The bill is seeking to do through Congress what should be done through an administrative agency, and to me it just does not make sense, and I do not think it is going to make sense to anybody. The only result will be that this product will be subject to higher prices where even the small imports can now compete by cutting off this item of import. We are cutting it off by doubling the tariff, and, as I say, you cannot get away from that by the words of reclassification. We all know the bill would not be here reclassifying unless it materially raised the tariff. The bill doubles the tariff, and even puts that tariff beyond the reach of any reciprocal trade negotiations.

It was said a minute ago that other countries have embargoes on products from other parts of the world, but we apparently do not want to ship any watches or watch movements to Switzerland.

Mr. NICHOLSON. Mr. Chairman, will the gentleman yield?

Mr. JAVITS. I yield to the gentleman from Massachusetts.

Mr. NICHOLSON. Does the gentleman know the figures on the imports of Swiss watches? If he does, why should we be concerned about being friendly with Switzerland?

Mr. JAVITS. I do not think the gentleman got exactly the point of my argument. I was commenting on the fact it is said there are embargoes by other countries. I do not draw a brief for other countries. They have plenty of imperfect practices in trade themselves.

Mr. NICHOLSON. May I ask the gentleman another question because he is an authority on it.

Mr. JAVITS. I am not an authority, but go ahead. I am perfectly willing to try to answer.

Mr. NICHOLSON. I want to ask the gentleman what kind of reciprocity there is in connection with our tobacco that we send overseas? What do they charge us for that? We cannot sell it.

Mr. JAVITS. The point is our agricultural exports have fallen heavily, though there is some improvement lately. I think those who represent farm areas in this country had better take a good look at this bill, because if we continue this kind of policy of thwarting imports we stand in a very good position to have our farm exports still further reduced.

It seems to me that our reciprocal trade agreement program, which is not perfect, seeks to exchange goods on a favorable basis based generally aside from strategic considerations where they can be most economically produced. That has been the policy of our Government so far, and it has been very successful.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. COOPER. Mr. Chairman, I yield the gentleman the remainder of the time on this side.

Mr. JAVITS. Mr. Chairman, the thing I want to emphasize strongly in this discussion is that those who represent consumer areas in the House, those who represent the export industry and farm areas in the House, those who understand that this is but a small example of the same kind of difficulty which the House had when it used to pass tariff bills, had better take a very hard look at this bill, and vote against it. It is going to raise prices to the consumer; I believe it is going to increase the consumers' subjection to what may be, in effect, a controlled market. The fact that one company puts out 70 percent of all the hardboard in the United States has not been contradicted in this debate.

As far as the argument that this is simply a technical mistake is concerned, I point out there were no hearings, whereas an administrative agency could have had hearings and come to some judgment on the technical aspects of this case. We are asked to pass upon it on a technical point without evidence, and I cannot see how that can be justified.

Mr. HARVEY. Mr. Chairman, will the gentleman yield?

Mr. JAVITS. I yield to the gentleman from Indiana.

Mr. HARVEY. The gentleman pointed out the fact that our farm exports had declined around 25 percent. I think it would be interesting to the gentleman to know that recent reports indicate that our farm exports have increased 14 percent from the 25 percent.

Mr. JAVITS. They have come back some?

Mr. HARVEY. Yes.

Mr. JAVITS. I do not want to see that situation spoiled by the enactment of this kind of legislation.

Mr. BOW. Mr. Chairman, will the gentleman yield?

Mr. JAVITS. I yield to the gentleman from Ohio.

Mr. BOW. I would like to direct the gentleman's attention to a table which I have. Many of the countries that the gentleman refers to in connection with reciprocal trade agreements on agricultural products have embargoes against our shipping to them.

Mr. JAVITS. I have commented on that.

Mr. BOW. Yet they are willing to take them as relief.

Mr. JAVITS. In many countries one or a very few industries are their very life blood. They are worried generally not about imports from the United States but from some other part of the world. I draw no brief for the bad trading practices in any country. I only point out that the argument is not germane to the bill before us which I feel is not in the interests of our consumers or our exports.

The CHAIRMAN. All time having expired, the Clerk will report the committee substitute.

The Clerk read as follows:

Be it enacted, etc., That paragraph 412 of the Tariff Act of 1930 is hereby amended by inserting before "wood flour" the following: "hardboard, whether or not provided for elsewhere in this act, and whether or not cut, stamped or shaped for boxes or other articles, 16⅔ percent ad valorem;".

SEC. 2. For the purposes of section 350 of the Tariff Act of 1930, as amended, the rate of duty existing on January 1, 1945, for hardboard provided for in paragraph 412 of such act, as amended by the first section of this act, shall be deemed to have been 33⅓ percent ad valorem. Such hardboard, when the product of any nation or area designated by the President pursuant to section 5 of the Trade Agreements Extension Act of 1951, shall be subject to a duty of 33⅓ percent ad valorem.

SEC. 3. The amendment made by this act shall be effective with respect to hardboard, whether or not provided for elsewhere in this act, and whether or not cut, stamped or shaped for boxes or other articles, entered, or withdrawn from warehouse, for consumption on and after the 30th day following the date of the enactment of this act.

The CHAIRMAN. The question is on the committee amendment.

The committee amendment was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. O'KONSKI, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H. R. 9666) to amend section 1001, paragraph 412, of the Tariff Act of 1930, with respect to hardboard, pursuant to House Resolution 650, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered. The question is on the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

Mr. SIMPSON of Pennsylvania. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 235, nays 109, not voting 88, as follows:

[Roll No. 130]

YEAS—235

Abbitt	Crumpacker	Hyde
Abernethy	Cunningham	Jackson
Adair	Curtis, Mo.	Jarman
Alexander	Dague	Jenkins
Allen, Calif.	Davis, Ga.	Jensen
Allen, Ill.	Davis, Wis.	Johnson, Calif.
Andersen, H. Carl	Dawson, Utah	Jonas, N. C.
	Derounian	Jones, N.C.
Andresen, August H.	Devereux	Kearney
	D'Ewart	Kearns
Arends	Dies	Kersten, Wis.
Auchincloss	Dolliver	Kilday
Ayres	Dondero	King, Calif.
Bailey	Dorn, S. C.	Krueger
Barden	Dowdy	Laird
Bates	Doyle	Landrum
Beamer	Edmondson	Lantaff
Becker	Ellsworth	Latham
Bender	Engle	LeCompte
Berry	Fenton	Lipscomb
Betts	Fisher	Lovre
Bishop	Ford	McCarthy
Blatnik	Forrester	McConnell
Boggs	Gary	McCulloch
Bolton, Frances P.	Gathings	McDonough
	Gavin	McGregor
Bolton, Oliver P.	Gentry	McIntire
	Golden	McMillan
Bonin	Goodwin	McVey
Bonner	Graham	Mack, Wash.
Bosch	Grant	Magnuson
Bow	Gregory	Martin, Iowa
Boykin	Gross	Mason
Bramblett	Gubser	Matthews
Bray	Hagen, Minn.	Meader
Brown, Ga.	Haley	Merrill
Brown, Ohio	Halleck	Metcalf
Brownson	Hand	Miller, Kans.
Broyhill	Harden	Miller, Md.
Budge	Hardy	Miller, Nebr.
Burdick	Harrison, Va.	Miller, N. Y.
Burleson	Harvey	Mills
Busbey	Hays, Ohio	Moss
Bush	Herlong	Mumma
Byrd	Hess	Natcher
Byrnes, Wis.	Hiestand	Neal
Campbell	Hillelson	Nicholson
Carlyle	Hillings	Norblad
Carrigg	Hoeven	Norrell
Cederberg	Hoffman, Mich.	Oakman
Chenoweth	Holifield	O'Hara, Minn.
Chiperfield	Holmes	O'Konski
Church	Holt	Osmers
Clevenger	Hope	Ostertag
Cole, Mo.	Horan	Patterson
Colmer	Hosmer	Pelly
Condon	Hruska	Phillips
Coon	Hunter	Pillion
Poage	Saylor	Tuck
Poff	Schenck	Utt
Preston	Scherer	Van Pelt
Prouty	Scudder	Van Zandt
Radwan	Shelley	Velde
Rains	Shuford	Vursell
Ray	Sieminski	Wampler
Reece, Tenn.	Sikes	Watts
Reed, Ill.	Simpson, Ill.	Westland
Reed, N. Y.	Simpson, Pa.	Whitten
Rees, Kans.	Small	Widnall
Regan	Smith, Kans.	Wier
Rhodes, Ariz.	Smith, Va.	Williams, Miss.
Richards	Smith, Wis.	Williams, N. Y.
Riehlman	Staggers	Wilson, Calif.
Riley	Stauffer	Wilson, Ind.
Robeson, Va.	Stringfellow	Winstead
Robsion, Ky.	Talle	Withrow
Rogers, Colo.	Teague	Wolverton
Rogers, Fla.	Thompson, Mich.	Yorty
Rogers, Mass.		Young
Sadlak	Tollefson	Younger

NAYS—109

Addonizio	Frelinghuysen	O'Brien, N. Y.
Andrews	Friedel	O'Hara, Ill.
Ashmore	Fulton	Passman
Aspinall	Garmatz	Patman
Barrett	George	Patten
Battle	Gordon	Pfost
Bennett, Fla.	Granahan	Pilcher
Boland	Hagen, Calif.	Polk
Bolling	Hale	Price
Bowler	Hays, Ark.	Rabaut
Brooks, Tex.	Heselton	Rayburn
Buchanan	Holtzman	Reams
Byrne, Pa.	Howell	Rhodes, Pa.
Canfield	Javits	Roberts
Cannon	Johnson, Wis.	Rodino
Carnahan	Jones, Ala.	Rogers, Tex.
Chelf	Jones, Mo.	Rooney
Cooley	Judd	Seely-Brown
Cooper	Karsten, Mo.	Selden
Cretella	Kean	Smith, Miss.
Crosser	Keating	Spence
Curtis, Mass.	Kelley, Pa.	Springer
Deane	King, Pa.	Steed
Delaney	Kirwan	Sullivan
Dempsey	Kluczynski	Taylor
Dodd	Lanham	Thomas
Donovan	Lesinski	Thompson, Tex.
Dorn, N. Y.	McCormack	Thornberry
Eberharter	Mack, Ill.	Trimble
Elliott	Madden	Vorys
Fallon	Mahon	Wainwright
Feighan	Marshall	Walter
Fernandez	Merrow	Williams, N. J.
Fino	Miller, Calif.	Wilson, Tex.
Forand	Mollohan	Zablocki
Fountain	Morano	
Frazier	O'Brien, Ill.	

NOT VOTING—88

Albert	Harris	O'Neill
Angell	Harrison, Nebr.	Perkins
Baker	Harrison, Wyo.	Philbin
Belcher	Hart	Powell
Bennett, Mich.	Hébert	Priest
Bentley	Hill	Rivers
Bentsen	Hinshaw	Roosevelt
Brooks, La.	Hoffman, Ill.	St. George
Buckley	Ikard	Scott
Celler	James	Scrivner
Chatham	Jonas, Ill.	Secrest
Chudoff	Kee	Shafer
Clardy	Kelly, N. Y.	Sheehan
Cole, N. Y.	Keogh	Sheppard
Corbett	Kilburn	Short
Cotton	Klein	Sutton
Coudert	Knox	Taber
Curtis, Nebr.	Lane	Thompson, La.
Davis, Tenn.	Long	Vinson
Dawson, Ill.	Lucas	Warburton
Dingell	Lyle	Weichel
Dollinger	Machrowicz	Wharton
Donohue	Mailliard	Wheeler
Durham	Morgan	Wickersham
Evins	Morrison	Wigglesworth
Fine	Moulder	Willis
Fogarty	Multer	Wolcott
Gamble	Murray	Yates
Green	Nelson	
Gwinn	O'Brien, Mich.	

So the bill was passed.

The Clerk announced the following pairs:

On this vote:

Mr. Coudert for, with Mr. Keogh against.

Mr. Curtis of Nebraska for, with Mr. Klein against.

Mr. Hoffman of Illinois for, with Mr. Machrowicz against.

Mr. James for, with Mr. Celler against.

Mr. Weichel for, with Mr. Fine against.

Mr. Warburton for, with Mr. Fogarty against.

Mr. Scott for, with Mr. O'Neill against.

Mr. Short for, with Mr. Dollinger against.

Mr. Sheehan for, with Mr. Roosevelt against.

Mr. Wharton for, with Mr. Green against.

Mr. Baker for, with Mr. Chudoff against.

Mr. Corbett for, with Mr. Buckley against.

Mr. Gwinn for, with Mr. Powell against.

Mr. Mailliard for, with Mr. Dingell against.

Mr. Kilburn for, with Mr. Yates against.

Mr. Vinson for, with Mr. Multer against.

Mr. Hébert for, with Mr. Moulder against.

Mr. Morrison for, with Mr. O'Brien of Michigan against.

Mr. Hinshaw for, with Mrs. Kelly of New York against.

Mr. Chatham for, with Mr. Dawson of Illinois against.

Mr. Angell for, with Mr. Perkins against.

Mr. Gamble for, with Mr. Hart against.

Until further notice:

Mr. Belcher with Mr. Philbin.

Mr. Bentley with Mr. Lane.

Mr. Bennett of Michigan with Mr. Donohue.

Mr. Hill with Mr. Thompson of Louisiana.

Mr. Jonas of Illinois with Mr. Willis.

Mr. Nelson with Mr. Brooks of Louisiana.

Mrs. St. George with Mr. Wickersham.

Mr. Wolcott with Mr. Priest.

Mr. Wigglesworth with Mr. Rivers.

Mr. Taber with Mr. Evins.

Mr. Shafer with Mr. Durham.

Mr. Scrivner with Mr. Davis of Tennessee.

Mr. Clardy with Mr. Morgan.

Mr. Cole of New York with Mr. Murray.

Mr. Cotton with Mr. Sheppard.

Mr. Harrison of Wyoming with Mr. Harris.

Mr. Harrison of Nebraska with Mrs. Kee.

Mr. PELLY changed his vote from "nay" to "yea."

The result of the vote was announced as above recorded. A motion to reconsider was laid on the table.

Mr. REED of New York. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks in the RECORD on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

SINE DIE ADJOURNMENT

Mr. HALLECK. Mr. Speaker, I offer a concurrent resolution and ask for its immediate consideration.

The Clerk read as follows:

House Concurrent Resolution 266

Resolved by the House of Representatives (the Senate concurring therein), That the two Houses of Congress shall adjourn on Saturday, July 31, 1954, and that when they adjourn on said day they stand adjourned sine die.

Mr. HOFFMAN of Michigan. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. HOFFMAN of Michigan. Mr. Speaker, is this resolution subject to amendment in the other body?

The SPEAKER. The Senate can amend the resolution.

Mr. HOFFMAN of Michigan. Can the Senate change the date?

The SPEAKER. Absolutely.

Mr. McCORMACK. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. McCORMACK. Mr. Speaker, do I understand this is not subject to debate?

The SPEAKER. The gentleman is correct.

Mr. McCORMACK. Mr. Speaker, assuming this resolution is passed by the House, it will then go to the Senate. Suppose that the Senate agreed on an adjournment date of say August 10, or 11, or 12 and the House concurred before August 9 was reached. Can the petition on the postal increase bill be called up?

The SPEAKER. That would depend, of course, on the date of the Senate amendment.

Mr. McCORMACK. Assuming the Senate amended this resolution, and it came back to the House and that the House concurred in an adjournment date of August 10, or any time within the last 6 legislative days of which August 9 would be one of them.

The SPEAKER. The Chair may say that the House would have to concur in the Senate amendment. There would be another vote on the Senate amendment, and if the House concurred, that would be true.

Mr. McCORMACK. Then the discharge petition, coming within the last 6 legislative days, would be suspended?

The SPEAKER. The Chair answered that question yesterday in reply to a parliamentary inquiry of the gentleman from Minnesota [Mr. HAGEN].

Mr. HALLECK. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. HALLECK. Under the Reorganization Act is July 31 indicated or fixed as the date of adjournment?

The SPEAKER. It is, except in time of war or a national emergency.

Mr. HALLECK. Even though a date were immediately fixed by the Senate, that would have to come back and be subject to a further vote in the House of Representatives?

The SPEAKER. The second date would have to be voted on before it would be effective.

Mr. RAYBURN. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. RAYBURN. The gentleman from Indiana just stated that under the Reorganization Act we must adjourn on July 31. Are we to assume, then, that if the other body does not concur in this adjournment date, July 31, that they have violated the law?

The SPEAKER. Not necessarily.

Mr. HALLECK. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. HALLECK. Is it necessary that there be a quorum present for the passage of a sine die resolution?

The SPEAKER. Yes.

Mr. HALLECK. Passage of a sine die adjournment resolution at any time hereafter, if it is not now adopted, would require a quorum to be present?

The SPEAKER. The gentleman is correct.

Mr. EBERHARTER. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. EBERHARTER. My parliamentary inquiry is this: Within this week the House voted on an exactly similar resolution. Thereafter a motion to reconsider was laid on the table. I make the point of order, Mr. Speaker, that the motion to reconsider having been laid on the table on exactly the same resolution, it is not again in order at this time.

The SPEAKER. In reply to the gentleman from Pennsylvania, the Chair will say that the House has transacted considerable legislative business since the last resolution was defeated on a preceding day.

The question is on the concurrent resolution.

Mr. SIMPSON of Pennsylvania. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 180, nays 167, not voting 85, as follows:

[Roll No. 131]

YEAS—180

Abbitt	Ford	Nicholson
Adair	Frelinghuysen	Norblad
Allen, Calif.	Gamble	Oakman
Allen, Ill.	Gary	O'Konski
Arends	Gathings	Osmers
Auchincloss	Gavin	Ostertag
Ayres	George	Patterson
Barden	Golden	Pelly
Bates	Goodwin	Phillips
Beamer	Graham	Pillion
Becker	Gubser	Poage
Belcher	Hale	Poff
Bender	Halleck	Radwan
Bentley	Hand	Ray
Berry	Harden	Reams
Betts	Harvey	Reece, Tenn.
Bishop	Hess	Reed, Ill.
Bolton, Frances P.	Hiestand	Reed, N. Y.
	Hillelson	Rees, Kans.
Bolton, Oliver P.	Hillings	Rhodes, Ariz.
	Hoeven	Riehlman
Bonin	Hoffman, Mich.	Robeson, Va.
Bosch	Holmes	Robsion, Ky.
Bow	Holt	Rogers, Fla.
Boykin	Hope	Saylor
Bramblett	Horan	Scherer
Bray	Hosmer	Scudder
Brown, Ohio	Hruska	Shuford
Brownson	Hunter	Sikes
Broyhill	Hyde	Simpson, Ill.
Budge	Jackson	Simpson, Pa.
Busbey	Jenkins	Small
Bush	Jensen	Smith, Kans.
Byrnes, Wis.	Johnson, Calif.	Smith, Va.
Canfield	Jonas, N. C.	Smith, Wis.
Carrigg	Jones, N. C.	Springer
Cederberg	Kean	Stauffer
Chenoweth	Kearney	Stringfellow
Chiperfield	Kearns	Talle
Church	Kersten, Wis.	Taylor
Clevenger	King, Pa.	Thompson, Mich.
Colmer	Laird	
Cooley	Latham	Tollefson
Coon	LeCompte	Tuck
Crumpacker	Lipscomb	Utt
Cunningham	Lovre	Van Pelt
Curtis, Mass.	McConnell	Van Zandt
Curtis, Mo.	McCulloch	Velde
Dague	McGregor	Vorys
Davis, Wis.	McIntire	Vursell
Derounian	McVey	Wainwright
Devereux	Mack, Wash.	Wampler
D'Ewart	Martin, Iowa	Westland
Dies	Mason	Wharton
Dolliver	Meader	Widnall
Dondero	Merrill	Williams, N. Y.
Donovan	Miller, Md.	Wilson, Calif.
Dorn, S. C.	Miller, Nebr.	Wilson, Ind.
Ellsworth	Miller, N. Y.	Wilson, Tex.
Fenton	Mumma	Young
Fisher	Neal	Younger

NAYS—167

Abernethy	Frazier	Natcher
Addonizio	Friedel	Norrell
Albert	Fulton	O'Brien, Ill.
Alexander	Garmatz	O'Brien, N. Y.
Andersen, H. Carl	Gentry	O'Hara, Ill.
	Gordon	O'Hara, Minn.
Andresen, August H.	Granahan	Passman
	Grant	Patman
Andrews	Gregory	Patten
Ashmore	Gross	Pfost
Aspinall	Hagen, Calif.	Pilcher
Bailey	Hagen, Minn.	Polk
Barrett	Haley	Preston
Battle	Hardy	Price
Bennett, Fla.	Harrison, Va.	Prouty
Boggs	Hart	Rabaut
Boland	Hays, Ark.	Rains
Bolling	Hays, Ohio	Rayburn
Bonner	Herlong	Regan
Bowler	Heselton	Rhodes, Pa.
Brooks, Tex.	Holtzman	Richards
Brown, Ga.	Howell	Riley
Buchanan	Jarman	Roberts
Burdick	Javits	Rodino
Burleson	Johnson, Wis.	Rogers, Colo.
Byrne, Pa.	Jones, Ala.	Rogers, Mass.
Campbell	Jones, Mo.	Rogers, Tex.
Cannon	Judd	Rooney
Carlyle	Karsten, Mo.	Sadlak
Carnahan	Keating	Schenck
Chelf	Kelley, Pa.	Seely-Brown
Cole, Mo.	Kilday	Selden
Condon	King, Calif.	Shelley
Cooper	Kirwan	Sieminski
Corbett	Kluczynski	Smith, Miss.
Cretella	Landrum	Spence
Crosser	Lanham	Staggers
Davis, Ga.	Lantaff	Steed
Dawson, Utah	Lesinski	Sullivan
Deane	McCarthy	Teague
Delaney	McCormack	Thomas
Dempsey	McDonough	Thompson, Tex.
Dodd	McMillan	Thornberry
Dorn, N. Y.	Mack, Ill.	Trimble
Dowdy	Madden	Walter
Doyle	Magnuson	Watts
Eberharter	Mahon	Whitten
Edmondson	Marshall	Wier
Elliott	Matthews	Williams, Miss.
Engle	Merrow	Williams, N. J.
Fallon	Metcalf	Winstead
Feighan	Miller, Calif.	Withrow
Fernandez	Miller, Kans.	Wolverton
Fino	Mills	Yorty
Forand	Mollohan	Zablocki
Forrester	Moss	
Fountain	Moulder	

NOT VOTING—85

Angell	Harrison, Wyo.	O'Neill
Baker	Hébert	Perkins
Bennett, Mich.	Hill	Philbin
Bentsen	Hinshaw	Powell
Blatnik	Hoffman, Ill.	Priest
Brooks, La.	Holifield	Rivers
Buckley	Ikard	Roosevelt
Byrd	James	St. George
Celler	Jonas, Ill.	Scott
Chatham	Kee	Scrivner
Chudoff	Kelly, N. Y.	Secrest
Clardy	Keogh	Shafer
Cole, N. Y.	Kilburn	Sheehan
Cotton	Klein	Sheppard
Coudert	Knox	Short
Curtis, Nebr.	Krueger	Sutton
Davis, Tenn.	Lane	Taber
Dawson, Ill.	Long	Thompson, La.
Dingell	Lucas	Vinson
Dollinger	Lyle	Warburton
Donohue	Machrowicz	Weichel
Durham	Mailliard	Wheeler
Evins	Morano	Wickersham
Fine	Morgan	Wigglesworth
Fogarty	Morrison	Willis
Green	Multer	Wolcott
Gwinn	Murray	Yates
Harris	Nelson	
Harrison, Nebr.	O'Brien, Mich.	

So the concurrent resolution was agreed to.

Mr. BONNER changed his vote from "yea" to "nay."

Mr. KEARNEY changed his vote from "nay" to "yea."

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

CONFERENCE REPORT ON H. R. 2236

Mr. BROYHILL. Mr. Speaker, I ask unanimous consent that the conferees on the bill (H. R. 2236) have until midnight tonight to file a report.

The SPEAKER. Is there objection?

There was no objection.

REPORT ON H. R. 9769

Mr. YOUNGER. Mr. Speaker, I ask unanimous consent that the Committee on Interstate and Foreign Commerce have until midnight tonight to file a report on the bill H. R. 9769.

The SPEAKER. Is there objection?

There was no objection.

COMMITTEE ON THE JUDICIARY

Mr. CRUMPACKER. Mr. Speaker, I ask unanimous consent that the Committee on the Judiciary may have until midnight tonight to file sundry reports.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

EXTENSION OF REMARKS

Mr. KARSTEN of Missouri. Mr. Speaker, I ask unanimous consent to extend my remarks in the body of the RECORD immediately prior to the passage of the bill H. R. 7840 and include therein a tribute to our colleague, ROBERT CROSSER.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

POSTAL WORKERS PAY INCREASE

Mr. OLIVER P. BOLTON. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. OLIVER P. BOLTON. Mr. Speaker, I take the floor today with the full realization that my position may not be a popular one. It is not a freshman's position in this body to suggest the action which should be taken by his colleagues, on either side of the aisle. Nevertheless, Mr. Speaker, I feel that my responsibility as a member of the great Committee on Post Office and Civil Service would not be fully met were I not to do so.

For many weeks and months our committee considered the problem facing employees of our Government and particularly those of the postal field service. We heard testimony to the effect that the last pay increase received by those postal workers was in 1951 and that since then the cost of living has risen over 4 percent.

During these same hearings we considered the requests of the Postmaster General for authority to establish personnel reclassification within his Department. After its long deliberations, and after hearing over 200 witnesses, in more than 2 months of hearings, followed by almost 2 weeks of executive sessions, the committee concluded that both requests had considerable merit.

As a result of these long and hotly debated deliberations, the committee finally arrived at a compromise bill covering the post office employees, which it felt had a chance of becoming law. This provision called for a 5-percent raise with a minimum of $200, a uniform allowance, repeal of the restriction on permanent appointments within the field service, and an equitable method of accomplishing reclassification, and still retain a congressional review of its operation from its start, and other needed changes in the law governing the Post Office Department.

This bill was combined with the rate-increase bill and brought forth on the floor of the House under suspension of the rules, requiring a two-thirds vote for passage. Mr. Speaker, it was defeated because of the vote against it by a majority of those on the other side of the aisle. Those who voted against it did so for many reasons, I presume, but I do know from my conversations with many of them that some did so because they did not believe that any pay raise was warranted and others because they opposed one or more of the increases in postal rates and felt they could not vote for a pay raise which carried with it such rate increases.

Therefore, Mr. Speaker, this House has actually considered a pay-raise bill for postal employees and has rejected it. I voted in favor of the bill to give an increase, Mr. Speaker, and appear here today to urge its reconsideration, or at the very least the reconsideration of that part of it which dealt with pay for postal employees.

Mr. Speaker, it is true that we of this House owe an obligation to the taxpayers of this country to run this Government as efficiently and economically as possible. It is true that we would do well to see to it more closely that when we make expenditures we have income to pay those expenditures. This we attempted to do when we combined the rate and the pay bills for the postal establishment, so as to cut down the deficit of the postal service even though salaries were raised.

However, Mr. Speaker, we in the Congress also have an obligation to those who work for our Government to see that they receive fair and decent salaries. In 1951 this body decided that a certain standard of compensation for post-office employees was fair. Since that time the cost of living have gone up approximately 4½ percent and most other employees have received a cost-of-living increase to cover this. Many employment contracts in private industry call for cost-of-living increases figured on an annual basis.

It is my opinion that this Congress must meet that responsibility and grant to the employees not only of the post office establishment but also to the other Government employees an increase which at least compensates for the raise in their cost of living. Moreover, Mr. Speaker, as I also point out above, the bill which came out of our committee contained many other provisions for the employees, proposed both by the employees' representatives and by the Postmaster General. It would contribute much toward the morale and efficiency of those who work in the Department.

Our great President, Dwight D. Eisenhower, stated during his campaign that the situation in which the postal employees found themselves would not go unnoticed. He has since indicated his approval of a 5 percent raise for all Government workers.

It will be a disheartening thing to me if, after these months of labor, this Congress does not try once again to face up to its responsibility in this matter before adjournment and enact the fair pay-raise bill for the employees of the Post Office Department as reported out unanimously by our committee.

AUTHORIZING THE SECRETARY OF THE INTERIOR TO CONSTRUCT, OPERATE, AND MAINTAIN THE TALENT DIVISION OF THE ROGUE RIVER BASIN RECLAMATION PROJECT

Mr. BROWN of Ohio. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 654 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 8384) to authorize the Secretary of the Interior to construct, operate, and maintain the Talent division of the Rogue River Basin reclamation project, Oreg. After general debate, which shall be confined to the bill, and shall continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Interior and Insular Affairs, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. BROWN of Ohio. Mr. Speaker, House Resolution 654 makes in order the consideration of the bill H. R. 8384 introduced by the gentleman from Oregon [Mr. ELLSWORTH] under an open rule with 1 hour of general debate.

The bill authorizes the Secretary of the Interior to construct, operate, and maintain the Talent division of the Rogue River reclamation project.

I may say this project involves only about 18,000 acres of land and provides that the net revenue derived from the operation of the project go into the Treasury of the United States.

This measure received a unanimous vote in the Committee on Rules and I do not believe it is controversial.

Mr. Speaker, I yield 30 minutes to the gentleman from Virginia [Mr. SMITH].

Mr. SMITH of Virginia. Mr. Speaker, I yield 1 minute to the gentleman from Missouri [Mr. MOULDER].

Mr. MOULDER. Mr. Speaker, Missouri is suffering the most severe drought in its history. I am informed that other States and areas of our great Nation are seriously affected by the drought. The entire State of Missouri has been declared and designated as a drought disaster area. Cornfields are burned, pastures have been destroyed and are without a shred of grass, and ponds and creeks are as dry as gravel roads. Seventy-five percent of the corn crops are lost, and even though rain should come the remaining 25 percent will not yield more than 15 to 20 bushels to the acre.

Mr. Speaker, this year's severe drought in Missouri has been and is as a fire burning and destroying all that is produced on the farms. The farmers and people of the rural areas are in a critical and disastrous situation. The Governor of Missouri has advised the President that the drought has created "a catastrophe of such magnitude that it is beyond the ability and resources of the State to speedily and effectively cope with."

Mr. Speaker, yesterday the following letter was delivered to the President:

HOUSE OF REPRESENTATIVES,
Washington, D. C., July 29, 1954.

The PRESIDENT,
The White House, Washington, D. C.

DEAR MR. PRESIDENT: The undersigned members of the Missouri delegation are pleased to learn that Mr. Ross Rizley, an Assistant Secretary of Agriculture, is now in Missouri making what will necessarily be a rather hurried survey of drought conditions in a few of the 114 counties of the State. Having read in the press that Assistant Secretary Rizley is scheduled to make a report to the Secretary of Agriculture on Saturday of this week, we are anxious that your Office as well as that of the Secretary of Agriculture be apprised of the real conditions in Missouri as reported to us from reliable sources. We feel that you will welcome having the benefit of our intimate knowledge of these conditions together with recommendations as to how this critical condition can be alleviated, although it is obvious that the effects of the great disaster can never be entirely repaired.

You have previously been advised of the severity of conditions throughout the State of Missouri, in a telegram from the Honorable Phil M. Donnelly, Governor of the State of Missouri who has requested that all of Missouri be designated as a drought disaster area; in a telegram from Mr. Fred V. Heinkel, president of the Missouri Farmers Association; and also in a letter from Mr. H. E. Slusher, president of the Missouri Farm Bureau Federation who has recommended to the Secretary of Agriculture that he resume his beef-purchase program.

The fact that this drought is in its third year in Missouri; that generally speaking the drought is causing even greater suffering and bringing on a greater catastrophe than during 1953 when the State of Missouri through special legislation enacted during two special sessions of the general assembly, appropriated and authorized the expenditure of more than $9¼ million of State funds in carrying on a hay-lift and otherwise granting assistance to Missouri farmers and dairymen; this coupled with the fact that farm prices continue to show a decline further restricting and limiting the resources that our farmers have to meet this emergency and great crisis, means that both the people and the State of Missouri are unable to cope with this problem, making it imperative that the Federal Government make available immediately financial aid and other assistance if thousands of our Missouri farm families are to be saved from financial ruin.

In view of the conditions with which you are aware, and the belief that you are sympathetic to the need of doing whatever is possible to keep these people on their farms; to enable them to preserve their cattle and dairy herds, and to discourage them from migration to the cities, where they would be a burden on the rolls of the unemployed, we are respectfully calling to your attention actions which we earnestly and sincerely believe would be of assistance in this crisis:

1. We concur in the belief that a beef-purchase program should be reinaugurated by the Secretary without delay;

2. That surplus grains held by the Commodity Credit Corporation be made available immediately for livestock feed in disaster areas, and at prices that farmers in these distress areas can afford, without respect to the policy which was in effect last year, but in conformity with new legislation enacted at this session under which the Secretary can dispose of surplus stocks in disaster areas without regard to the cost of such grains;

3. That due to the fact that pastures throughout Missouri are completely burned up, and that the present corn crop in Missouri is all but destroyed, we believe, that in addition to those who were eligible for cut-rate feed under last year's program, that all established farmers owning livestock or poultry be permitted to purchase Government-owned feeds at $1.55 or less per bushel of corn, and other feeds on a comparable basis, and that this need is accentuated due to the increased number of spring and fall pigs for which feed is not available at a price that will permit them to be fed for slaughter, thereby contributing to a future meat shortage;

4. That in order to forestall the liquidation of irrepiaceable dairy herds, as well as to prevent further loss to the dairy industry, we urge that a subsidy at a rate of not less than $1 per hundredweight on whole milk be paid to farmers in drought-designated areas, and that this program be started at the earliest practicable moment and continued through April 30, 1955.

Members of the Missouri delegation have been advised by the Office of the Secretary of Agriculture that there is, in their opinion, legislation sufficient to implement a program similar to that outlined above, although in our opinion there will be an insufficiency of funds to carry out this program particularly that with respect to a direct subsidy to dairy producers as authorized in the farm bill passed by the House and now pending in the Senate.

It should be borne in mind, we respectfully submit, that loan programs which are presently authorized are insufficient to meet the emergency; farmers are without the resources and collateral to meet the requirements for such loans in most of these disaster areas, and direct grants or subsidies are the only answer to such conditions.

Please be advised, Mr. President, that we and each of us stand ready to give you every assistance, and to introduce any legislation which either you as President, or the Secretary of Agriculture believe is necessary to carry out the suggestions given above, and which we believe is the minimum which can be expected at this time to relieve the conditions, not only in Missouri but in each of the several other States which are similarly affected.

Assuring you that we believe that all of the people throughout the stricken areas of Missouri and the other drought areas of the Nation will appreciate your careful consideration of these suggestions, and thanking you for advising us as to what specific recommendations are being made to relieve the existing conditions, we are

Respectfully yours,

THOMAS C. HENNINGS, Jr., United States Senator; W. STUART SYMINGTON, United States Senator; CLARENCE CANNON, Member of Congress; FRANK M. KARSTEN, Member of Congress; A. S. J. CARNAHAN, Member of Congress; MORGAN MOULDER, Member of Congress; PAUL C. JONES, Member of Congress; RICHARD BOLLING, Member of Congress; Mrs. JOHN B. SULLIVAN, Member of Congress.

Mr. Speaker, it is the duty and responsibility of the President and Congress to provide adequate assistance to the people of the drought-stricken areas. Surely the President will submit an adequate program for immediate execution or it will be too late. Surely the President's leadership of the majority party in Congress will not permit adjournment of Congress until such action is taken as may be necessary to provide the help that the farmers in the drought-stricken areas so sorely need and deserve.

Mr. BROWN of Ohio. Mr. Speaker, I yield 5 minutes to the gentlewoman from Massachusetts [Mrs. ROGERS].

Mrs. ROGERS of Massachusetts. Mr. Speaker, I rise partly to propound a parliamentary inquiry which I tried to get in before the vote was taken on the adjournment resolution. What is the situation if the Senate does not agree to adjourn sine die on the 31st of July?

The SPEAKER. The Chair has no expectation that the Senate will adjourn on July 31. The resolution goes to the Senate. The Senate will amend it to a date that conforms with its transaction of business.

Mrs. ROGERS of Massachusetts. May I ask especially as to what will happen to the procedure here in the House? Next week will we go on and pass rules and bills? Will we have the Consent Calendar? What will we be allowed to do in the House? I think most of the Members do not realize just what they voted on.

The SPEAKER. That is a question for the House to answer, not for the Chair.

Mr. ROONEY. Mr. Speaker, will the gentlewoman yield?

Mrs. ROGERS of Massachusetts. After I have finished.

Mr. ROONEY. Does the gentlewoman have in mind these deserving veterans' bills?

Mrs. ROGERS of Massachusetts. Yes, but just a minute. I cannot yield until I have finished my parliamentary inquiries. I know the Speaker is sympathetic to the disabled veterans.

The SPEAKER. The gentlewoman had better start all over again.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I am asking what will happen in the House next week if the Senate does not agree to adjourn on the 31st of July?

The SPEAKER. The majority leader will tell the gentlewoman the program for next week.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask that that not be taken out of my time.

The SPEAKER. The Chair is obliged to say that it is being taken out of the gentlewoman's time because only two Members control the time now, the gentleman from Ohio [Mr. BROWN] and the gentleman from Virginia [Mr. SMITH]. The gentleman from Ohio has yielded 5 minutes to the gentlewoman.

Mrs. ROGERS of Massachusetts. The gentleman will yield me 5 more minutes to clear this up?

The SPEAKER. The gentlewoman's time has not expired yet.

Mr. HALLECK. Mr. Speaker, will the gentlewoman yield in order that I might announce the program for next week?

Mrs. ROGERS of Massachusetts. I yield to the gentleman from Indiana, the distinguished majority leader.

Mr. HALLECK. Mr. Speaker, I take it that the gentlewoman can be given additional time if necessary.

It is our purpose to adjourn over from today until Tuesday next. Suspensions under the rules will be in order next Monday. It is my purpose to ask unanimous consent that the calling of bills on the Consent Calendar and any suspensions that may be offered will be in order on Tuesday. I shall also ask unanimous consent that bills on the Private Calendar, in which many Members are interested because there are upward of 200 bills on the Private Calendar, may be called on Wednesday.

Beyond that, we shall attempt next week to dispose of such outstanding rules as there are. In respect to suspensions I have discussed these with the minority leader, the gentleman from Texas [Mr. RAYBURN], and there will be no suspensions called on Tuesday that are not in agreement between the majority and minority side.

In view of the fact that there are several primaries on Tuesday next, there will be no record vote on any of the matters called up under suspension or otherwise if record votes should be demanded. So, between now and Wednesday morning there will be no record vote. I would not say there would not be a quorum call, but there will be no calling of the roll on any measure.

Mr. RAYBURN. Mr. Speaker, will the gentlewoman yield?

Mrs. ROGERS of Massachusetts. I yield to the gentleman from Texas, the distinguished minority leader.

Mr. RAYBURN. The gentleman thinks it is very important and fair to the Members of the House who have bills on the Consent Calendar and the Private Calendar that they be called next week.

Mr. HALLECK. Yes.

Mr. RAYBURN. What would happen to them if the Senate concurs in the resolution that just passed the House without its being amended?

Mr. HALLECK. The gentleman knows as well as I do that the Senate is not going to concur in that resolution.

Mr. RAYBURN. That is what I thought. That was an idle gesture here.

Mr. HALLECK. Mr. Speaker, if the gentlewoman will yield further, of course, with respect to sending the adjournment resolution over there, I think it demonstrates that on the whole the necessary program has been accomplished so far as the House of Representatives is concerned. Now, I do not mean to say by that that other measures will not be disposed of, because they will be. If it had been in the cards, by reason of the situation in the other body, to have gone on through this evening and to have met tomorrow, we could have disposed of every rule outstanding and called these calendars. As a matter of fact, the calendars could have been called earlier this week, but in view of the fact that it was obvious that the work in the other body could not be completed this week, I thought it desirable that those calendars not be called until next week. As far as this sine die adjournment resolution is concerned, I think it ought to be a matter of satisfaction to all of us, whether on the Democratic side or the Republican side, that the great bulk of the program that we undertook to enact in this Congress has already passed the House of Representatives. That includes the farm bill, the social security bill, and other measures that have not been acted upon in the other body. I know there is no reason for anyone to think that the other body will not act on those measures, and when they have acted upon them—when they have concluded—all of the work that is necessary to be done in this session of the Congress will have been done. Then they will take the adjournment resolution that we have sent them and affix the date on which they will quit, and the House of Representatives, having already established its position, will then be in a position, if it is so deemed desirable here, to concur in that sine die adjournment resolution.

In the meantime, I might say to the membership that except for these rules that are outstanding, the importance of them will, of course, be for each to determine whether or not it is necessary for Members to be here. They can make their own determination.

I might say this further, as the Speaker has already pointed out, not on the floor of the House but otherwise, as we continue our sessions, whatever business is in order for which rules have been granted or which might otherwise come on the floor of the House will come on for action. Of course, conference reports will be in order as they are reported back, and I sincerely hope that those conference reports which are very important can be shortly reported to the end that we can conclude the business of the session.

The SPEAKER. The time of the gentlewoman from Massachusetts has expired.

Mr. BROWN of Ohio. Mr. Speaker, I yield the gentlewoman 1 additional minute.

Mr. SMITH of Virginia. Mr. Speaker, I yield the gentlewoman 5 additional minutes.

Mrs. ROGERS of Massachusetts. As the Speaker knows, for several days, I have been asking him to recognize the chairman of the Committee on Veterans' Affairs to present a privileged resolution. It is a measure that would provide for the so-called pension part of H. R. 9020, and I have confidence that he will recognize me for that purpose. I know the Speaker's interest in veterans. The bill is H. R. 9962 and the gentleman from Washington [Mr. MACK] is the author. It was reported unanimously by the committee and provides the following rates:

	Existing rates	H. R. 9962	Number affected	Estimated first year's cost
WORLD WAR I, WORLD WAR II, AND KOREAN CONFLICT				
Veterans			482,700 veterans	$20,210,000
Permanent and total disability	$63.00	$66.15		
Permanent and total disability and age 65	75.00	78.75		
Rated permanent and totally disabled, continuous period of 10 years				
Aid and attendance	129.60	135.45		
(NOTE.—The foregoing rates are available to Spanish-American War veterans. However, substantially all such veterans on the pension rolls are being paid the greater rates set forth below.)				
Dependents			310,600 cases	9,257,000
Widow, no child	48.00	50.40		
Widow and 1 child	60.00	63.00		
Each additional child	7.20	7.56		
Children where there is no widow:				
1 child	26.00	27.30		
2 children (equally divided)	39.00	40.95		
3 children (equally divided)	52.00	54.60		
Each additional child (total equally divided)	7.20	7.56		
SPANISH-AMERICAN WAR				
Veterans			61,800 veterans	3,707,000
90 days' or more service:				
⅓o disability or more	96.75	101.59		
Age 62 or over				
Aid and attendance	129.00	135.45		
70 through 89 days' service:				
⅓o disability or more	64.50	67.73		
Age 62 or over				
Aid and attendance	83.35	88.04		

	Existing rates	H. R. 9962	Number affected	Estimated first year's cost
Dependents			81,700 cases	$2,564,000
Widow	$51.60	$54.18		
Widow who was wife of veteran during service	64.50	67.73		
Additional for each child	7.74	8.13		
Children where there is no widow:				
1 child (to age 16)	59.34	62.31		
Each additional child (to age 16), total equally divided	7.74	8.13		
1 child (age 16 or over)	26.00	27.30		
2 children (age 16 or over) equally divided	39.00	40.95		
3 children (age 16 or over) equally divided	52.00	54.60		
Each additional child (age 16 or over), total equally divided	7.20	7.56		
CIVIL WAR				
Veterans			1 veteran	77
Basic rate	96.75	101.59		
Aid and attendance	129.00	135.45		
Dependents			5,600 cases	170,000
Widow	38.70	40.64		
Widow age 70	51.60	54.18		
Widow who was wife of veteran during service	64.50	67.73		
Additional for each child	7.74	8.13		
No widow, 1 child	46.44	48.76		
Each additional child, total equally divided	7.74	8.13		
INDIAN WARS OR CAMPAIGNS				
Veterans			200 veterans	14,000
⅓ disability or more	96.75	101.59		
Age 62 or over				
Aid and attendance	129.00	135.45		
Dependents			1,200 cases	36,000
Widow	38.70	40.64		
Widow age 70	51.60	54.18		
Widow who was wife of veteran during service	64.50	67.73		
Additional for each child	7.74	8.13		
No widow, 1 child	46.44	48.76		
Each additional child, total equally divided	7.74	8.13		
WAR WITH MEXICO				
Dependents			3 cases	90
Widow	50.00	52.50		

This is for the disabled veterans who are eligible for pension, those who are unable to work, and some of the widows. It would be a very small cost. It is a privileged matter. I believe the Speaker will not fail to recognize the chairman of the Committee on Veterans' Affairs for that privileged resolution. There are other veterans' bills of minor cost the passage of which we have been trying to secure, some for men in hospitals, the cost of which would be very little. It is simply a question of getting them up. The House would pass them overwhelmingly.

Mr. McCORMACK. Mr. Speaker, will the gentlewoman yield to me?

Mrs. ROGERS of Massachusetts. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. Several years ago we adopted the same procedure, if the gentlewoman will remember.

Mrs. ROGERS of Massachusetts. Yes; and that bill passed by a large vote. It was a bill of the gentleman from Mississippi, Mr. Rankin, and I helped to secure the passage of it.

Mr. McCORMACK. I am sure that if the gentlewoman arrives at the decision that she will rise and seek recognition, and hollers loud enough, under the rules of the House, this being a privileged resolution, this being a pension bill and having a privileged status, there would be no difficulty in her being recognized and getting the bill brought up.

The SPEAKER. The Chair will state for the benefit of the gentlewoman from Massachusetts and anyone else who is interested that the rules of the House will be followed.

Mrs. ROGERS of Massachusetts. I know that the Speaker will follow the rules of the House and under the rules of the House this will be a privileged resolution and as long as we are going to be in session I do not worry about it. I hope that from now on our veterans' legislation will come first. They are the men we judged worthy of sending in to fight and to die for us. So far as legislation is concerned they should be judged in the same way, as Dr. Mayo has recently said in an article in the American Legion magazine. I feel very sure that the House will vote for the legislation in behalf of the veterans before we adjourn.

Our committee has been very modest in the bills it has brought forward for the veterans this session. We feared we would have difficulty securing large appropriations for the veterans this year, but our committee is unanimous that veterans should come first in legislation in the Congress instead of last.

Mr. BROWN of Ohio. Mr. Speaker, I yield 2 minutes to the gentleman from Minnesota [Mr. HAGEN].

Mr. HAGEN of Minnesota. Mr. Speaker, I just want to make some observations and then an inquiry.

The great Committee on the Post Office and Civil Service has labored for the past 2 years on many, but at least on 5, major and important bills; 1 on Federal employee pay increases, the Corbett postal-pay bill, the discharge petition for which was signed by 218 Members of the House, later the Rees compromise postal-pay bill. Also there was the postal-rate bill and now, this morning, the low-cost Government term-insurance bill, which recently passed the Senate unanimously.

After laboring over 100 days on these 5 major bills we find today, at this moment, that the House has had no consideration of any 1 of these 5 important bills.

I should like to inquire of the majority leader at this time if there is any possibility that any 1 of these 5 bills may be taken up next week; and whether on Tuesday there would be an opportunity to call up any of these bills under a suspension of the rules, assuming, of course, that there would be agreement on any 1 of them between the majority and the minority leaders.

The SPEAKER. If the majority leader and the minority leader agree upon any bill, the Chair will consider it.

Mr. RAYBURN. Mr. Speaker, I will say that the minority leader will agree upon any legislation that is good.

Mr. HAGEN of Minnesota. Mr. Speaker, I will say that that is a fair and safe statement to make. There is one further point on which I should like to make inquiry. Is it the intention to have any further meetings of the Rules Committee, before which we might appear in behalf of one or all of these bills?

The SPEAKER. The Chair is not the chairman of the Rules Committee.

Mr. HAGEN of Minnesota. I thank the gentleman.

Mr. SMITH of Virginia. Mr. Speaker, I yield to the gentleman of West Virginia [Mr. STAGGERS] for a unanimous consent request.

SPECIAL ORDER GRANTED

Mr. STAGGERS. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes today, after the legislative program and any special order heretofore entered.

Mr. SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. BROWN of Ohio. Mr. Speaker, I yield 1 minute to the gentleman from Pennsylvania [Mr. GAVIN].

Mr. GAVIN. Mr. Speaker, we in the hurry and scurry of our everyday work

sometimes forget those who are of great assistance to us in our work.

At this time I want to pay tribute to the Capitol telephone operators for the fine cooperation they have always given the Members. They are of great help and they turn in a fine performance for which they are to be commended.

Mr. BROWN of Ohio. Mr. Speaker, before these interesting little interludes took place we had before us House Resolution 654, to make in order the bill H. R. 8384, introduced by the gentleman from Oregon [Mr. ELLSWORTH], to authorize the Secretary of the Interior to construct, operate, and maintain the Talent division of the Rogue River Basin reclamation project, Oregon, which I understand affects about 18,000 acres of land.

As I understand, this bill was reported unanimously by the legislative committee and also by the Committee on Rules. It seems to be a noncontroversial measure. Therefore, Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to, and a motion to reconsider was laid on the table.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

Mr. WOLVERTON. Mr. Speaker, I ask unanimous consent that the Committee on Interstate and Foreign Commerce may have until midnight tonight to file reports on H. R. 9916 and H. R. 9917.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

AUTHORIZING THE SECRETARY OF THE INTERIOR TO CONSTRUCT, OPERATE, AND MAINTAIN THE TALENT DIVISION OF THE ROGUE RIVER BASIN RECLAMATION PROJECT

Mr. D'EWART. Mr. Speaker, I ask unanimous consent that the bill (H. R. 8384) to authorize the Secretary of the Interior to construct, operate, and maintain the Talent division of the Rogue River Basin reclamation project, Oregon, be considered in the House as in Committee of the Whole.

Mr. GAVIN. I object, Mr. Speaker.

Mr. D'EWART. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 8384) to construct, operate, and maintain the Talent division of the Rogue River Basin reclamation project, Oregon.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 8384, with Mr. JONAS of North Carolina in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. D'EWART. Mr. Chairman, this is a small irrigation project in the Rogue River Basin of Oregon. The total cost is $22,775,000. The bill was reported unanimously by the Committee on Irrigation and Reclamation. It irrigates a small amount of new land and brings supplemental water to a small amount of old land. It is in an area thickly settled. The tracts that will be served by this new irrigation are all small. It provides for irrigation and hydroelectric development.

Mr. ROONEY. Mr. Chairman, will the gentleman yield?

Mr. D'EWART. I yield.

Mr. ROONEY. Did the gentleman say this little project would cost $22,000 or $22 million?

Mr. D'EWART. It will cost $22,775,000.

Mr. DIES. Mr. Chairman, will the gentleman yield?

Mr. D'EWART. I yield.

Mr. DIES. Will the gentleman tell us how many acres will be brought into irrigation, and how much the cost per acre will be?

Mr. D'EWART. The total acreage is 17,890, of which 9,250 acres would receive supplemental water; 8,640 acres would be newly irrigated land. This is a thickly settled community and the tracts are all small. They need the water for their gardens and for these small tracts.

Mr. DIES. In other words, there will be approximately 8,000 acres of new land that would be brought into cultivation?

Mr. D'EWART. That is correct.

Mr. DIES. And on the old land, it will be supplemental irrigation?

Mr. D'EWART. That is true. There is also a small hydroelectric project of 16,000 kilowatts, which will be built in connection with this project by the irrigation district. They have agreed to a rate to charge for electricity—7 mills. The earnings from those 7 mills will be used to pay off part of the irrigation costs.

Mr. DIES. What is the land used for now?

Mr. D'EWART. It is mostly small tracts and gardens for fruit and it is used in connection with homestead people who work and use those areas to supplement their living.

Mr. DIES. I am talking about the new land. What is that used for?

Mr. D'EWART. That will also be the same character of operation.

Mr. DIES. At the present time what is the new land used for?

Mr. ELLSWORTH. Mr. Chairman, if the gentleman will yield, I might say at the present time without the necessary water, the land which will be newly irrigated land is producing hay and pasture feed. In other words, the land is being used for very low-priced crops. When, and if, this land has water on it, the crops produced will have a very high cash income value such as pears. And the land will also be able to be used for high value, cash crops, none of which are under the price-support program.

Mr. DIES. What is the need for the supplemental water?

Mr. ELLSWORTH. The need for the supplemental water arises from the fact that down through the years, I think they have been using the water for nearly 100 years, and in fact the centennial of the first water right used there was celebrated last year, I believe, but during that time the irrigation facilities have sort of grown up like Topsy. While there are 4 or 5 or 6 irrigation districts, they are not coordinated and there is no efficiency, with the result that none of them really has enough water. This project proposes to pool those irrigation districts together in such a way as will give them maximum efficiency and provide what will be called supplemental water on the land.

Mr. DIES. This has been approved by the Bureau of Reclamation?

Mr. ELLSWORTH. It has been approved by the Bureau and the States concerned—Oregon and California.

Mr. DIES. Has it been approved by the Bureau of the Budget also?

Mr. ELLSWORTH. The Budget Bureau finds no objection to it in its Bureau of Reclamation report.

Mr. D'EWART. In answer to the question as to the cost per acre, the cost runs about $500 per acre for the land to be irrigated.

Mr. DIES. That is on the new part or on all of the land?

Mr. D'EWART. That includes all of the land which is to be irrigated.

Mr. ELLSWORTH. And that is all repaid by the owners of the property except, of course, that they do not pay for the powerplant which will pay for itself. So far as the water is concerned, the land project is repaid by the owners of the land.

Mr. DIES. How much of the $22 million will be paid back?

Mr. ELLSWORTH. All of it will be paid back except $400,000, I believe, which is allocated to flood control.

Mr. DIES. But they will not pay interest on it?

Mr. ELLSWORTH. There will be no interest paid on that portion of the project which comes under the irrigation law of 1902.

Mr. DIES. How many years will they have to pay it?

Mr. ELLSWORTH. Part of it will be paid back in 30 years; $1,700,000 will be paid in 30 years. The powerplant involving $10,100,000 will be paid in 50 years with interest at the average rate, I believe, as set by the Treasury and the remainder will be paid by the property owners over a period of 60 years.

Mr. DIES. Will the gentleman explain to me why this could not be operated and financed by private enterprise?

Mr. ELLSWORTH. It is impossible, under the circumstances, in the opinion of the people there. In addition, the Reclamation Act does provide for projects of this kind under much more favorable conditions than private investment could possibly meet.

Mr. DIES. What the Government will do is actually be out the interest on the amount invested?

Mr. ELLSWORTH. That is on the land itself, but I think it is reasonably argued that the increased income and the increased value to the United States as a result of increasing the income on that land would far more than offset the interest.

Mr. DIES. Do you know what the total interest charge will be?

Mr. ELLSWORTH. I have not figured that out, no; but as I say, it is reasonable to figure that the increase in these high-income crops, the income tax therefrom, will certainly more than offset the interest charge.

Mr. DIES. Somewhere in the report do you not have an estimate of the total amount of the interest the Government will have to pay?

Mr. ELLSWORTH. I do not believe that is available.

Mr. D'EWART. The investment in power is about half the investment, and interest will be returned on that. The investment will not be returned on the amount for irrigation.

Mr. ELLSWORTH. This project is in line with many, many projects in many of the States of the Union, as constructed under the act of 1902.

Mr. GAVIN. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN (Mr. JONAS of North Carolina). The Chair will count. [After counting.] One hundred and twenty-one Members are present, a quorum.

The gentleman from California [Mr. ENGLE] is recognized.

Mr. ENGLE. Mr. Chairman, I have no requests for time on this side, but I yield myself 10 minutes to state that our side has looked this bill over and studied this project, and we think it is a good project. It falls clearly within the standards of the present reclamation law, and it should be favorably voted by the House.

The financial status to which the gentleman from Texas [Mr. DIES] referred appears on page 3 of the committee report, and gives the pay-out on each of these items. The portion which is allocated to rehabilitation, that is, reconstruction of existing facilities, is paid out in 30 years. The portion allocated to power, $10 million, is paid out in 50 years. That carries interest at the going rate of interest paid on municipal bonds. The balance, $10,500,000, allocated to irrigation, of which $6,742,000 will be repaid by the users over a period of 60 years. Then the power revenues step in to pick up the rest. In other words, contained within the project itself is the capability of repaying the actual investment of the Federal Government, plus interest on the investment in power.

Mr. DIES. Mr. Chairman, will the gentleman yield?

Mr. ENGLE. I yield.

Mr. DIES. The Government has to borrow the money and pay interest on the money in order to finance it, and the Government does not recover that interest?

Mr. ENGLE. The Government does not recover interest on that portion of the project allocated to irrigation which, out of a total of something like $22,775,000 is $10,500,000. That has been in the reclamation law for 50 years.

Mr. DIES. I understand that, but I am trying to get the facts.

Mr. ENGLE. Well, that is a fact.

Mr. DIES. On the balance of the $12 million the Government will recover interest. Is that correct?

Mr. ENGLE. I beg the gentleman's pardon. That allocation is $10,100,000 to power. Then there is $1,710,000 for rehabilitation work. I cannot tell the gentleman—I will have to ask the gentleman from Oregon whether or not that bears interest.

The balance is flood control. So the amount that actually pays back interest is that which goes into power development, which is $10,100,000.

Mr. DIES. It would seem to me there would be figures somewhere as to what this is going to cost the Government.

Mr. ENGLE. I will tell the gentleman roughly what it costs.

Mr. DIES. I know, in terms of dollars. I was interested to know what the total expenditure would be to our taxpayers.

Mr. ENGLE. The gentleman is talking about the amount of interest.

Mr. DIES. Yes.

Mr. ENGLE. The amount of interest on the capital investment in irrigation projects is about equal to the capital investment—on this project, about $10,100,000—the interest being paid at the rate currently on Government bonds.

Let me say to the gentleman that the principle of using interest-free money in the construction of irrigation facilities has been in the reclamation law since 1902. The reason Congress has been willing to do that is because there is a national interest in the development of irrigated land and farms. In my State, for instance, this Congress has spent something like $400 million in the development of the Central Valley project. A portion of that money, about $200 million, is interest-free money. I would guess that the Treasury of the United States has gotten back the interest on that money at least five times in the taxes being paid on earnings of landholders in the Central Valley project. That is why Congress, as a matter of national policy over all these years, has been willing to put interest-free money into the development of irrigated lands and farms.

This is a good project and comes within the provisions of the reclamation law and according to the accepted standards of the reclamation law.

Mr. DIES. There ought to be some limit to the amount of money. After all, when you get up to where a project costs about $1,375 an acre, when you get into that kind of money it seems to me it would not be economical to do it.

The gentleman from Oregon says this will cost approximately $500, meaning, I presume, for all the land, the land under irrigation and the new land that will be put into irrigation. But as to the new land, this would cost approximately $1,000 an acre, I would say.

What is the gentleman's experience about spending that much money for land to be put into cultivation?

Mr. ENGLE. We have been increasing little by little, as the better reclamation projects have been built, the amount of money that we are willing to invest per acre in the development of these irrigation and reclamation projects.

Mr. GAVIN. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. [After counting.] One hundred and fifteen Members are present, a quorum.

Mr. ENGLE. Mr. Chairman, as I was saying, after we finished the so-called easy reclamation projects, the costs have gotten higher and higher. As far as I am aware, there has been no established level, either legislatively or through any executive agency, as to just how far we should go and, therefore, each one has to be considered on its merits and under the particular circumstances.

In this case, with the type of land we have here, we do not consider $500 an acre as being extravagant. For instance, we had a project go through this House for land down in Santa Barbara County, Calif., dedicated to the growing of avocados and other rich crops, and the irrigation investment on that was between $500 and $1,000 an acre; but they can pay it for that kind of production. In some areas you cannot. Certainly the gentleman has a point in what he states. Sooner or later we will have to make a decision as to how far it is economical to go in these particular type projects and in the building of irrigation facilities; but in light of the precedents of our committee and the projects that have gone through before, this one is not out of line when you consider the type of area involved for irrigation.

Mr. DIES. What disturbs me is that we have a surplus. We have a support program. We are spending a lot of money to try to handle that surplus. I am somewhat concerned about the expenditure of large amounts of money to further increase that surplus. I am not familiar with the crops grown in that area, I do not know anything about the value of them, but I do wonder if this thing is economically sound or are we drifting into a very inconsistent position?

Mr. ELLSWORTH. Mr. Chairman, will the gentleman yield?

Mr. ENGLE. I yield to the gentleman from Oregon.

Mr. ELLSWORTH. I would like to say again to the gentleman that not one item raised on this land is under any support program at all. These are crops that are badly needed, most of which will be consumed in the immediate area, because we have had an increase of population in that area of nearly 100 percent. We also have unemployment problems. Part of our work is seasonal, for instance in the lumber camps and in other businesses. If we can get water on the land, if we can have this credit arrangement, those people will have small places and they will pay for their water annually as required to meet the situation that exists.

Mr. DIES. And the farmer will pay back about one-third of the total bill, is that right? He would not pay back more than one-third of the indebtedness, would he?

Mr. ELLSWORTH. He will pay back the total of the construction cost of the project.

Mr. DIES. Say it cost the Government $22 million to build and another $22 million of interest. That is $44 million. The farmer would pay back

not to exceed one-third of that total cost, would he?

Mr. ELLSWORTH. The gentleman mingles the interest money in with the principal payments.

Mr. DIES. I understand we have a law and we have had it for years, but what I am trying to get at is whether or not we are investing in land an unreasonable amount of money. It seems to me we are going pretty far afield when we come in here with projects that will cost the taxpayers $1,000 or $1,500 an acre for land when there is a great deal of land available in the country much cheaper than that.

Mr. ENGLE. Mr. Chairman, I yield 5 minutes to the gentleman from Oregon [Mr. ELLSWORTH].

Mr. ELLSWORTH. Mr. Chairman, it seems unfortunate that we appear to be debating not just the problem of the southern part of my State which is involved but the entire principle of irrigation and reclamation.

Mr. DIES. I understand that. I wanted to get information. That is why I am asking the question and not for the purpose of debating, because I do not have enough information to debate with the gentleman. I wanted to find out what the facts are.

Mr. DAWSON of Utah. Mr. Chairman, will the gentleman yield?

Mr. ELLSWORTH. I yield to the gentleman from Utah.

Mr. DAWSON of Utah. I would like to comment in regard to the inquiry of the gentleman from Texas. He states that the cost of this land will be more than $1,300 an acre, the figure which has been used.

Mr. DIES. Mr. Chairman, if the gentlemen will yield, I did not say that. I do not know.

Mr. DAWSON of Utah. Here is where the difficulty comes in. Some people are talking about interest over the entire period of the project and adding that in as the total cost of the project at the time of its construction, which makes it appear ridiculous, far in excess of the value of the land.

Mr. DIES. Of course, somebody has to pay that interest.

Mr. DAWSON of Utah. You might as well say you should take the whole total interest over a period of 50 years during the time that this money is used. You might as well say you give a man a dollar for his meal a day and then compute interest over a 50-year period. That meal would cost $200 or $300.

Mr. DIES. Of course, we ought to give some concern to the taxpayers. The taxpayers will have to pay the total bill eventually.

Mr. DAWSON of Utah. That is true, but as the gentleman from California called attention to, during all of this period of time this will be producing wealth for the country and returning taxes to the country. Originally when the interest principle was agreed upon in 1902 it was with the thought in mind that this put additional wealth into the hands of the people.

Mr. MILLER of California. Mr. Chairman, will the gentleman yield?

Mr. ELLSWORTH. I yield to the gentleman from California.

Mr. MILLER of California. If we are going back to this 1902 principle, I remember the first irrigation congress that was held as a kid, when they said, "We will make the desert bloom like a rose." That was breaking poor land, where people were homesteading. Today we have diverted this to a place where we are coming to high-priced land and putting water on it to increase the productivity of high-priced land, and all Uncle Sam is doing is carrying the load that heretofore the people used to borrow money to take care of. And, they are getting it interest free. The gentleman spoke about avocado land and nonsupport cropland. You are not talking about homesteaders and the first breaking of raw land where new wealth is created. This is a question of bailing somebody out.

Mr. ELLSWORTH. The analogy the gentleman makes I doubt would quite apply. Here is a relatively sparsely populated State which, without the pressure of population coming in from other areas, was maintaining itself very well indeed. Now, with the pressure of population, with the necessity for greater production, it is necessary to bring in some more land. Of course, it is not the kind of desert land the gentleman speaks of, but the land that is being brought into production in this project is just as fruitless now as the arid country that he has in mind.

Mr. MILLER of California. I agree with the gentleman, and I have always stood for reclamation. I served on this Reclamation and Irrigation Committee in the 79th Congress and I have been close to it in my own State. But I do say we are working under a law that is fifty-odd-years old that was designed to encourage the breaking of new land and bringing new land into production.

Mr. ELLSWORTH. That is precisely what this does.

Mr. MILLER of California. I am not going to vote against my friend, but I think sooner or later we will have to take a look at the reclamation law, just as in the post office we went into it on a sack mail basis. We certainly have gone far afield and we will have to restudy it, and I think it is about time that we take some new look at irrigation.

Mr. ELLSWORTH. May I say further that there is not the slightest doubt but what the amount of money collected in Federal income taxes from the additional wealth created by this project will far more than reimburse, many times reimburse, the amount the Federal Government is investing. I think that should be taken into consideration.

The CHAIRMAN. The time of the gentleman from Oregon has expired.

Mr. D'EWART. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. ROONEY. Mr. Chairman, will the distinguished gentleman from Oregon yield to me?

Mr. ELLSWORTH. I yield to the gentleman from New York.

Mr. ROONEY. There is one thing here that I do not understand. I have helped, appropriation-wise, to develop your projects in the great Pacific Northwest. I have been on the side of public power in your area. But I do not understand how the proponents of this bill, who are for public power in the Northwest, can vote against public power in the TVA region, in favor of Dixon, Nixon, and Yates. That is beyond my comprehension. I do not see how they are consistent.

Mr. O'HARA of Illinois. Mr. Chairman, will the gentleman yield to me?

Mr. ROONEY. Mr. Chairman, the gentleman from Oregon [Mr. ELLSWORTH] has not answered my question.

Mr. ELLSWORTH. Did the gentleman pose a question to me?

Mr. ROONEY. Yes. How can the gentleman vote for public power in the Pacific Northwest, in his own district, and for private power and against public power in the TVA area?

Mr. ELLSWORTH. I can answer that question this way. This is an irrigation project in which there happened to be power facilities which will be owned and operated by the Government. But I do not consider that this is a vote for public power or against it.

Mr. ROONEY. There is $10 million in this authorization for a power generating plant, is there not?

Mr. ELLSWORTH. I did not quite understand the gentleman's question.

Mr. ROONEY. Does not the gentleman have $10 million in this bill for electric equipment, $10 million out of the $22 million?

Mr. ELLSWORTH. That is right.

Mr. ROONEY. Would the gentleman say that was private power? Those are public funds.

Mr. ELLSWORTH. As a matter of fact, I can answer the gentleman's question by saying that it is true that in this project, because at one point in the system water goes down a total fall of 1,700 feet, that it would be utterly inefficient and foolish to allow that hydroelectric power to go to waste. So in this project, the Government will own a 16,000-kilowatt plant.

Mr. ROONEY. I do not think the gentleman has yet answered my question. Over the years, I have helped the gentleman with appropriations, when I was a member of the Subcommittee on Appropriations for the Department of the Interior, on many projects in his area. I say the gentleman has not answered my question. He has always been for public power in the Northwest. I do not recall one instance in which the gentleman has taken any position other than the public-power position; with regard to Bonneville, with regard to Grand Coulee, with regard to all the projects in Washington, Oregon and northern California; Hungry Horse, and every other one. How is the gentleman consistent in opposing public power in the TVA area?

Mr. ELLSWORTH. I think I can explain that very readily to the gentleman. In the Pacific Northwest, the power owned and operated by the Government does not represent a monopoly. The plants have been built by funds advanced by the Government. These funds are being repaid. The Bonneville system is some 16 years ahead in its repayment. The Government is not losing money on that operation, nor do we

have a monopoly. Public power or Federal power does not have a monopoly out there. When I consider the TVA and the situation in the Northwest, I find nothing comparable. As a matter of fact, I have in the past voted for TVA appropriations because TVA is a going concern. I would not, by any stretch of the imagination want to tear it up or throw it away; but when it comes to expanding it, you will find me voting "no" because I do not agree that we should expand a monopoly of power.

Mr. ROONEY. Mr. Chairman, will the gentleman yield further?

Mr. ELLSWORTH. I yield.

Mr. ROONEY. There is one other thing I do not understand; why the gentleman from Oregon [Mr. ELLSWORTH] and his colleagues and the Republican leadership on his side of the aisle sought to put over by unanimous consent a bill authorizing an expenditure of public funds to the extent of $22 million when the gentleman and the leadership would not give the distinguished gentleman from Pennsylvania [Mr. GAVIN] $150,000, within the last week or 10 days, for a very necessary project, roads and trails in the Allegheny National Forest.

Mr. ELLSWORTH. Will the gentleman yield to me out of my own time? Let me say this: I believe the gentleman was referring to this project when he said an effort was made to do it by unanimous consent. That the gentleman misunderstood. There was no such effort as that.

Mr. ROONEY. It was sought to consider the bill in the House instead of in the Committee of the Whole. It was not until the gentleman from Pennsylvania, my good friend [Mr. GAVIN], objected that we were then permitted to have a discussion on the bill.

Mr. ELLSWORTH. Does not the gentleman realize that if that unanimous-consent request had been granted the bill would have been open to debate under the 5-minute rule?

Mr. ROONEY. Of course, but this little bill was already halfway across the Capitol to the other body at the point when the gentleman from Pennsylvania objected.

Mr. ELLSWORTH. I am sorry, but the gentleman misunderstood the situation.

Mr. D'EWART. Mr. Chairman, I yield 4 minutes to the gentleman from Pennsylvania [Mr. SAYLOR].

Mr. SAYLOR. Mr. Chairman, I would like to ask the proponents of this bill several questions: First, I would like to ask them whether or not this bill contains the so-called Colbran formula.

Mr. D'EWART. It does.

Mr. SAYLOR. If it contains the Colbran formula is this to be considered as a precedent for future reclamation projects? At the time the Colbran formula was placed in the bill for the Colbran project it was specifically stated that it would not be used as a precedent for any other project.

Mr. D'EWART. Speaking for myself, I would say it was not a precedent any more than it was in the case of the Colbran project.

Mr. SAYLOR. Can the gentleman tell us whether or not the Department of the Interior will now point to this project and say that Congress has approved this Colbran formula for other reclamation projects?

Mr. D'EWART. I cannot answer that question.

Mr. SAYLOR. I think that is the one thing which becomes of importance in this bill, because that violates for the first time a principle which we have had for many, many years.

Mr. D'EWART. The gentleman and I disagree entirely on that. I do not think it violates any reclamation law, and I believe it is an improvement over the old system.

Mr. SAYLOR. I might tell the gentleman that using the method which was used heretofore for the figuring of interest and the repayments of contracts, instead of taking a 60-year period, which this project does, to pay it, this project would pay out in 35 years. I think it is a definite change in policy. This Congress is entitled to know whether or not we are going to use this as a policy in the future.

Mr. D'EWART. This does not establish a precedent.

Mr. ENGLE. Mr. Chairman, will the gentleman yield?

Mr. SAYLOR. I yield to the gentleman from California.

Mr. ENGLE. Was the gentleman at the committee hearing when Governor Aandahl, Assistant Secretary of the Interior, came up there? We got to discussing this so-called Colbran formula and what they are doing here, and the way that this thing has been previously handled with reference to the so-called interest component. When we got through talking, after a half hour or so, he admitted that the application of the formula did not make a dime's difference to the Federal Treasury. It was just a question of whose pocket it came out of.

Mr. SAYLOR. I was at the meeting and disagreed then with Governor Aandahl and I continue to disagree with him, and people in the Treasury Department still continue to disagree with him.

Mr. ENGLE. But the gentleman will admit that the Assistant Secretary of the Interior sat before our committee and said that it did not make a plugged nickel's difference in what happened to the Federal Treasury.

Mr. SAYLOR. That is correct, but the Treasury Department has not confirmed that and you have not had the Treasury come up and make that statement. Why? Because the Treasury Department does not agree with it.

I might say to the gentleman from California [Mr. MILLER] that he is correct in his theory about interest-free money. The original purpose of it was to allow the farmers to pay this back in 10 years. Then it was extended to 20, then it was raised to 40. That was when the farmer paid back all the money. In this instance we give interest-free money to that portion which farmers are going to repay, and with that, even though it is 50 years, I have no complaint. The complaint I make and have always made, and I think other Members of Congress are making, is that that part which is allocated to reclamation and irrigation and is beyond the farmers ability to repay is not paid by irrigation at all, it is not paid by the farmers, it is paid by power. It simply means that the other people in this country are paying the power bills of the people out there. Each and every person by the taxes that he pays is helping to pay the power bill of the people who will get the benefit of this project, and for that reason that part of the irrigation which is not repaid by the farmers, I do not believe should be interest free.

Mr. D'EWART. Mr. Chairman, I yield 5 minutes to the gentleman from Pennsylvania [Mr. GAVIN].

Mr. GAVIN. Mr. Chairman, I want to thank the gentleman for granting me this time. I think these projects which in the past have been accepted by the House with such rapidity and with but little examination will and should receive closer scrutiny in the future. I am glad to see there is a large attendance of the Members here today who are interested in their Government, and are interested in these various projects which are periodically presented to us, which as I stated are usually accepted under unanimous consent without much debate. Nobody pays much attention to these projects involving millions of dollars that are burdened on the American taxpayer. I have just looked over the bill we have before us rather hurriedly. This proposed project appears to be a junior TVA—it states here:

Be it enacted, etc., That for the purposes of furnishing water for the irrigation of approximately 18,000 acres of land in Jackson County, Oreg., controlling floods, and providing hydroelectric power, and for other beneficial purposes—

That is just a junior TVA.

And continuing—

the Secretary of the Interior is authorized to construct, operate, and maintain the Talent division of the Rogue River Basin—

That is a good name for it—

of the Rogue River Basin project consisting of two principal reservoirs at the Howard Prairie and Emigrant sites, together with other necessary works for the collection, impounding, diversion, and delivery of water, the generation and transmission of hydroelectric power and operations incidental thereto.

Now the whole matter of land reclamation does not make sense to me. Secretary Benson has been severely criticized on his agricultural program because he is now going to put into effect the Agricultural Adjustment Act program restricting the acreage of land planted for certain crops. Therefore, it becomes evident to us that we have had an overabundance and surplus of lands producing foodstuffs which is costing the taxpayers many millions of dollars, producing foodstuffs which we hardly know what to do with. We have to pass laws to give it away. It is evident that we have too much land in production. Then we come along with a project such as presented here to spend another $22 million to put 18,000 acres of land in production, or rather to increase the production by irrigation of 18,000 acres of

land, at a cost of $22 million. That is a pretty high cost to irrigate 18,000 acres of land I would say. And what right the sponsors of this bill have to ask the Congress of the United States to furnish money to improve and irrigate this 18,000 acres of land, which is evidently being operated profitably at the present time, is beyond my powers of comprehension. Also let us consider the hydroelectric features of this bill, everybody who knows me knows my position on the TVA—I want the Government out of the power business and certainly I cannot support any legislation which is going to put the Government into the power business no matter how small it may be.

Mr. MILLER of Kansas. Mr. Chairman, will the gentleman yield?

Mr. GAVIN. I yield to my good friend. I want to thank the gentleman, too, by the way, because the gentleman the other day had two projects that he wanted deleted from the Public Works Authorization bill involving $60 million, and I might say to the gentleman it is very appropriate that you would ask me to yield. Let me say to my good friend, I tried to secure a little flood control project in my district for $600,000 that would afford relief to the people who every spring and fall are periodically hit with devastating and destructive floods that wreck the economic life of their community. But the committee saw fit to turn it down. The gentleman, I might say to the House, offered the other day to exchange his $60 million project approved for his district which his people did not want, for the $600,000 project, in my district that the people do want. I regret very much that I could not accept it because it would have been a very fair exchange. The American taxpayer would have been saved a considerable sum of money and everybody would have been happy.

Mr. MILLER of Kansas. I do appreciate the cooperation that I got from the gentleman. I just wanted to remind him and the House that a day or two ago we arranged to flood 40,000 acres of good land, just as good land as they have in Oregon, at an expense of $60 million. That is how we make one hand wash the other.

Mr. GAVIN. I thank my friend and like the gentleman, I am disturbed about this sort of thing. Millions to flood good land out of production and millions to put land in production. I think it is mighty good that the membership is here to discuss this proposition.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. D'EWART. Mr. Chairman, I yield the gentleman 2 additional minutes.

Mr. ENGLE. Mr. Chairman, I yield the gentleman 2 minutes.

Mr. GAVIN. I think that we should carefully discuss these matters involving millions of dollars. The issue is this: Even though it is a small project, this is just a minor project of $22 million here today that usually is acted upon with but little time taken—however it is, in many instances, a hundred million or a hundred and fifty million project. Nobody pays much attention to these projects except when it comes to my State of Pennsylvania, and then they do give it a thorough going over.

Mr. ROONEY. Mr. Chairman, will the gentleman yield?

Mr. GAVIN. I yield.

Mr. ROONEY. Does the gentleman consider it fair and proper to the taxpayer to bring up a bill such as this, involving $22 million of the taxpayers' funds, the very evening before adjournment date, set in the resolution just passed this afternoon?

Mr. GAVIN. I cannot answer my friend, but I will tell the gentleman this: That I was rather concerned about what has happened, and that is why I am here, so in event any of these bills were brought up I would have an opportunity to find out what they were all about.

Mr. KING of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. GAVIN. I yield.

Mr. KING of Pennsylvania. I am anxious to have you find out what they are going to grow on these 18,000 acres, and how much they expect to sell to Commodity Credit Corporation.

Mr. GAVIN. I do not know. Would the gentleman answer what you are going to grow on this land?

Mr. ELLSWORTH. Yes. I have answered that 3 or 4 times already.

Mr. GAVIN. Please state it again for my good friend, who is known as one of the outstanding agriculturalists of Pennsylvania. Just say whether it is corn or wheat, or what the crops may be produced from this irrigation project.

Mr. ELLSWORTH. The crops grown are fruit, and small truck crops. None of them are under price supports. None at all.

Mr. KING of Pennsylvania. They do take advantage of the soil-conservation program, do they not?

Mr. ELLSWORTH. I am sure I cannot answer the gentleman. I imagine the farmers of Oregon will take advantage of the programs available to them under Federal laws, the same as the farmers of any other State. Whether they are doing that, I do not know.

Mr. GAVIN. I might state why I am interested. I think these great States, like New York, which pays 20 percent of the taxes; Ohio, 7 or 8 percent; Pennsylvania, 8 or 9 percent of the taxes—in other words, all we have been doing on land-reclamation projects, irrigation projects, flood-control projects, hydroelectric projects, navigation projects, all of these projects, all that we do in these Northeastern States—and I see the gentleman from Massachusetts [Mr. McCORMACK] here, and I am glad he is here, as he is representative of the New England States—we pay the great percentage of the taxes. We furnish the money to sharpen the razor that cuts our economic, industrial, and agricultural throats. So it appears to me that we in the northeastern part of the United States are being hurt badly, our industries are moving out, our population is decreasing, our people are unemployed, we have depressed areas. When we talk about this situation let me remind you the other day in Pennsylvania a mine closed down that had been in operation for many years. Four thousand miners were thrown out of work. There is no place for them to go, no jobs available. Nothing they can do. They are just in a desperate position—4,000 of them. If you took 4,000 farmers in 1 State and put them out of business overnight, the hue and cry would be terrific. But this situation is in Pennsylvania. So nobody is particularly concerned. Now that we in the northeastern part of the United States are having such a difficult struggle in this highly competitive world of business and industry, in this highly competitive situation that exists, let me say we are making the fight of our lives for our industrial existence, so when the gentleman arises and states, "We have a little project here of $22 million we would like to have acted on favorably," I figure that my State will put in a couple of million to make it possible, and a couple of million that would be a fine contribution to help industrial conditions in my State.

So I am anxious to know what it is all about, and it has not been proved here to me as yet. I think this project is just another junior TVA and far too costly, and that it should be voted down.

Mr. D'EWART. Mr. Chairman, I yield 3 minutes to the gentleman from Nebraska [Mr. MILLER].

Mr. MILLER of Nebraska. Mr. Chairman, I hope my colleagues will not take the gentleman from Pennsylvania too seriously in his tirade against irrigation projects.

Someone has said some time back that the cities and the industrial areas of the East could dry up and blow away but the farmers would still exist.

Mr. GAVIN. Mr. Chairman, will the gentleman yield?

Mr. MILLER of Nebraska. I have but 3 minutes; the gentleman had about 9.

Mr. GAVIN. I merely want to correct an erroneous statement.

Mr. MILLER of Nebraska. I would suggest that the gentleman take a very sane, careful, and understanding look at these irrigation projects. The farmers borrow the money under the irrigation laws; they pay back the money over a period of years without interest.

The other day the gentleman from Pennsylvania voted for a flood control bill of nearly a billion dollars—not 1 penny of which is paid back in interest or principal. He admitted that he had a $600,000 project in his State of Pennsylvania.

Mr. GAVIN. Mr. Chairman, will the gentleman yield at that point?

Mr. MILLER of Nebraska. No; I do not yield.

They pay back not 1 penny.

The gentleman from Texas is talking about the cost of this. Why, the city of Dallas has a big reservoir for city water. The Army engineers built it for the municipal water supply. They got this tremendous water supply project without having to pay 1 penny and without having to pay 1 penny of interest or principal.

More than $10 billion has been earmarked for flood control in the past few years. Flood control is nothing but keeping water off the land. Flood control pays back not 1 penny in interest or principal. In irrigation they try to put

water on land that needs it to produce crops, crops which do not come under price support. They are crops that are needed and not adding to the surplus.

Let me remind you folks in the east that a hungry person does not want your prayers, does not want your arguments, he wants food in his stomach. Half the world is hungry. The world has doubled and tripled in population in the last quarter of a century. They need to be fed.

We should take into consideration the fact that it takes 10 years to get an irrigation project going, and we should look to the future. The people one day will need food. The people of the world now need this food and properly distributed it would take care of a lot of people whose bellies are normally empty. Our country has assumed the role of furnishing food all over the world.

Mr. OLIVER P. BOLTON. Mr. Chairman, will the gentleman yield?

Mr. MILLER of Nebraska. I yield.

Mr. OLIVER P. BOLTON. Is it not true that local benefits other than flood control benefits such as stream pollution, low flow control, and that type of benefit must be paid for by the localities at the time of construction of the project, and not over a 50-year period?

Mr. MILLER of Nebraska. No. Ohio has benefited tremendously from flood control. If you are not for irrigation you ought not to be for flood control because you build dams to hold the water off the land which if left flooded would produce nothing.

The CHAIRMAN. The time of the gentleman from Nebraska has expired.

Mr. ENGLE. Mr. Chairman, I yield 3 minutes to the gentleman from Nebraska.

Mr. GAVIN. Mr. Chairman, will the gentleman yield?

Mr. MILLER of Nebraska. Very briefly, for a question, not a speech. What is the gentleman's question?

Mr. GAVIN. In the billion-dollar civil functions bill Pennsylvania got $1,900,000. We pay out in taxes $45 million. So when the gentleman is saying we do not contribute that does not make sense; we are contributing.

Mr. MILLER of Nebraska. No flood-control moneys pay any interest or principal, and the gentleman knows that.

Mr. GAVIN. Certainly, but the Government has to pay the taxes and put up the money to build the project.

Mr. MILLER of Nebraska. Flood control does not pay any interest or principal. In the interest of the people of the West, a growing economy, a dynamic country, so that your children and mine will have a place to live in comfort, we should pass this bill. You know up there above the Speaker's podium is a quotation from Daniel Webster:

> Let us prepare the resources of our land, call forth the power to build up its institutions and promote all of its great interests and see whether we also in our day and generation may not perform something worthy to be remembered.

I say to you, Mr. Chairman, that developing irrigation land, helping the resources of this country, is something worthy to be remembered. I say to you who voted for the bill providing foreign aid the past few years that we have spent more money in that bill for irrigation projects in foreign countries than we have spent in our own country for irrigation projects and flood control.

So I urge you to support this bill as reported out so that the folks in the Rogue Valley in Oregon may get the water they need to produce sufficient crops to take care of their own needs and perhaps the needs of other people in the United States.

Mr. ENGLE. Mr. Chairman, I yield 2 minutes to the gentleman from Illinois [Mr. O'HARA].

Mr. O'HARA of Illinois. Mr. Chairman, I take this time to ask a question for general information. Some weeks ago there was enacted by the 83d Congress a law relating to an irrigation project where originally it was provided repayment by the land users was to be made in a period of 40 years. It turned out that the soil did not take the water; the landowners, therefore, could not make the required payments. In this situation we in this Congress extended for 163 years the period of repayment. At the end of that time only a small part of the cost will be paid back. In other words, the development is very much a washout. It will be helpful to me in answering letters from my constituents who inquire about these irrigation projects that went sour, to learn from the committee whether there is any greater assurance now that the plans for repayment will actually work out in the 30- or 40-year period contemplated. I appreciate that great progress has been made in this field since many years ago I was a delegate with Louis Hill and Congressman Mondell at the first dry farming congress, held at Billings, Mont.

Mr. ENGLE. The answer to the gentleman's inquiry is this: Some of those early projects went sour because there had not been proper surveys to determine whether or not the land put under the reclamation project would, in fact, take the water and produce crops. The present procedure, however, is very different. They have to have soil surveys and land classifications before these project reports are cleared. In that way we hope to avoid the embarrassing circumstances so far as the western reclamation is concerned in which we have to come in here and ask for an extension of these repayment contracts because the land has not, in fact, been able to produce the crops that were supposed in the beginning when the project was authorized that they would.

I may say to the gentleman from Illinois that in answer to his constituents he may say that the improved procedure since the early reclamation projects have very largely eliminated that difficulty.

Mr. GAVIN. Mr. Chairman, will the gentleman yield?

Mr. ENGLE. I yield to the gentleman from Pennsylvania.

Mr. GAVIN. What concerns me now is that Secretary Benson is carrying on these comprehensive programs to take land out of production, and at the same time you find it necessary, when we are trying to balance the budget, to spend $22 million more to put land into production. Why do we not hold legislation such as this in abeyance until the increased population requires more productivity? Can the gentleman tell me why we want to put land into production when we are taking it out on the one hand and putting it back on the other?

Mr. ENGLE. I will say to the gentleman that in my State it is not a question of getting so much production; it is a question of getting pieces of land that have a little water on it, with a little green plot of grass for people to live on. That is what we are worried about out there more than actual production. We are overbuilt with trees and vine crops. We do not need any more of those, but we still need water to drink and need land with green places for people to live and raise their families.

Mr. Chairman, I yield 1 minute to the gentleman from Ohio [Mr. OLIVER P. BOLTON].

Mr. OLIVER P. BOLTON. Mr. Chairman, I have asked for this minute to clarify a question I addressed to the gentleman from Nebraska [Mr. MILLER]. We, in the East, are becoming more and more conscious of water and the need for it. It is my understanding that the only type of a program which we have in order to get a water conservation program established, in addition to the one which was authorized this year for small dams of streams, are flood control programs; and under flood control projects all local benefits such as will come to the communities of Warren and Niles and Youngstown under the Grand River-Mahoning Floodway must be paid for by the locality at the time the flood control project is put in. All of the benefits of the projects which go to local communities outside of flood control benefits, such as low flow control, stream pollution, and so forth, must be paid for by the communities at the time that the project is constructed. I just wonder, from the gentleman's answer, whether that is not true.

Mr. MILLER of Nebraska. Mr. Chairman, if the gentleman will yield, I do not think that that is the law. You do not pay for it at the time. There are certain benefits, I suppose, you take care of, but ordinarily, under the flood control law, moneys used to keep water off the land pay no interest. The communities do not pay it back.

Mr. OLIVER P. BOLTON. I do not think the gentleman understands me, because local benefits for downstream cleansing and for municipal water supply and that type of thing we are told has to be paid for at the time that the project by the local communities is constructed; in other words, local benefits in addition to flood control.

Mr. MILLER of Nebraska. I think that is true, when they do find some local benefits, but most of the communities find no local benefits, so the Federal Government pays all of the expense.

Mr. OLIVER P. BOLTON. The point I was making is that the only way we can get any irrigation water benefits in our State is through the mechanism of a flood control project, and therefore any irrigation benefits which we might

desire we have to pay for at the time the project is initiated.

Mr. MILLER of Nebraska. Yes, except with this difference: Under your flood control projects very few communities find any local benefits, and therefore there is no money paid back by the local communities as a part of the project, or any interest.

Mr. OLIVER P. BOLTON. I thank the gentleman.

Mr. ENGLE. Mr. Chairman, I yield 1 minute to the gentleman from Pennsylvania [Mr. KING].

Mr. KING of Pennsylvania. As to the Northwest growers, I seem to remember that they have not had very prosperous times in the last 4 or 5 years selling the excess of fruit that they already grew. Do the growers of the great Northwest and those principal associations there endorse this bill bringing in 18,000 acres of competition?

Mr. ELLSWORTH. Mr. Chairman, if the gentleman will yield, I think I can assure the gentleman that there is no opposition in any part of the Northwest that I know of, and I have received a total of 199 letters and telegrams endorsing this project from practically every section of the Northwest.

Mr. KING of Pennsylvania. Did one of them happen to be from the fruit producers there?

Mr. ELLSWORTH. I assume so, because fruit is produced in most all of the area.

Mr. KING of Pennsylvania. And they have really been in trouble a time or two in the last few years in selling it.

Mr. ELLSWORTH. They will have no trouble this year. They lost all but 30 percent in the freeze.

The CHAIRMAN. All time has expired.

The Clerk will read the bill for amendment.

Mr. D'EWART. Mr. Chairman, I ask unanimous consent that the bill be considered as read and open for amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Montana?

There was no objection.

The bill is as follows:

Be it enacted, etc., That, for the purpose of furnishing water for the irrigation of approximately 18,000 acres of land in Jackson County, Oreg., controlling floods, and providing hydroelectric power, and for other beneficial purposes, the Secretary of the Interior is authorized to construct, operate, and maintain the Talent division of the Rogue River Basin project consisting of two principal reservoirs at the Howard Prairie and Emigrant sites, together with other necessary works for the collection, impounding, diversion, and delivery of water, the generation and transmission of hydroelectric power and operations incidental thereto.

SEC. 2. (a) In constructing, operating, and maintaining the works authorized in the first section of this act the Secretary shall be governed by the Federal reclamation laws (act of June 17, 1902; 32 Stat. 388, and acts amendatory thereof or supplementary thereto) except as is otherwise provided in this act.

(b) Any contract entered into under section 9, subsection (d), of the Reclamation Project Act of 1939 (53 Stat. 1187, 1193; 43 U. S. C., 1946 ed., sec. 485h), for payment of those portions of the costs of constructing, operating, and maintaining the Talent division which are properly allocable to irrigation and which are assigned to be paid by the contracting organization may provide for the repayment of the portion of the construction cost of the division assigned to any contract unit or, if the contract unit be divided into two or more blocks, to any such block over a period of not more than 69 years, exclusive of any permissible development period, or as near thereto as is consistent with the adoption and operation of a variable payment formula which, being based on full repayment within the period stated under average conditions, permits variance in the required annual payments in the light of economic factors pertinent of the ability of the organization to pay.

(c) Notwithstanding any other provision of law to the contrary, all net revenues derived from the sale of commercial power from the Talent division shall be applied, first, to the amortization of that portion of the cost of constructing the division which is allocated to commercial power with interest on the unamortized balance thereof at the average rate (which rate shall be certified by the Secretary of the Treasury) paid by the United States on its marketable long-term securities outstanding on the date of this act and, thereafter, to the amortization of that portion of the cost of constructing the division which is allocated to irrigation but which is beyond the ability of the contracting irrigation organization to repay as provided above.

SEC. 3. There is hereby authorized to be appropriated for construction of the Talent division, out of any moneys in the Treasury not otherwise appropriated, the sum of $19,900,000 plus such amounts, if any, as may be required by reason of changes in construction costs as indicated by engineering cost indexes applicable to the type of construction involved therein.

The CHAIRMAN. The Clerk will report the first committee amendment.

The Clerk read as follows:

Committee amendment: Page 2, line 5, after the period, insert: "The construction, operation, and maintenance of the Talent division shall be made in accordance with the report of the Secretary of the Interior thereon dated June 3, 1954: *Provided*, That the Green Springs powerplant may be constructed with a capacity of 16,000 kilowatts. The Secretary is further authorized to undertake the rehabilitation of works of the Medford and Rogue River Valley Irrigation Districts as under the provisions of the act of October 7, 1949 (63 Stat. 724), as amended."

The CHAIRMAN. The question is on the committee amendment.

Mr. GAVIN. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I assure the House that I appreciate its patience, but I should like the gentleman from Nebraska [Mr. MILLER] to listen for just a minute. I note he is quite busy.

Let me say to the gentleman from Nebraska that I cannot understand his thinking. I want to call to his attention that on the recent $472 million civil functions bill, out of which my State was allocated $1,900,000 in projects he infers that we do not pay anything back on flood-control projects. The gentleman knows that the theory that he expounds is a fallacy. Where does the Government get the money? The only place the Government gets the money is from the American taxpayer and there are 10 million of them in my State. So it does not make any difference what the project is, whether it is land reclamation, irrigation, flood control, or navigation, we pay 8 or 9 percent of the cost of these projects.

What I am getting at is that we do not secure anywhere near the amount we are taxed for. The $472 million civil functions bill costs us forty or forty-five million and we were allocated one million nine hundred thousand. We have now reached the point of weariness and exhaustion, and we are going to challenge these projects as we go along and ask, as my good friend, Bob Rich, used to say, "Where are you going to get the money?"

Mr. HOFFMAN of Michigan. Pennsylvania.

Mr. GAVIN. Right; and New York and Ohio and the New England States. In fact, some of these States that come in with projects of two or three hundred million dollars have a smaller population, or about the same size population in their whole State as I have in my district. If I were to talk about a $150 million project in my district, they would be astounded. The people would be startled at such a project and want to know how it is to be paid for. But the States in the Northwest come back repeatedly with these gigantic, colossal projects, which are accepted without much difficulty. But this is one day when we talk the whole thing over in good, neighborly, homey fashion, in the good old American way about what is referred to as a small project—just a mere $22 million.

The fallacy of the theory of the gentleman from Nebraska [Mr. MILLER] is that it does not cost anybody anything. That is simply ridiculous. We are all footing the bill. That is why I am here, to find out whether we are going to be considered for projects to protect that which we now have and what we are going to do to rehabilitate the economic and industrial life of my State. From now on I am going to be very watchful about what goes on as to whether these so-called minor projects are justified.

I thank the House for its patience.

The CHAIRMAN. The question is on the committee amendment.

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Committee amendment: Page 2, line 16, strike out all after "the" and insert "Talent division."

Mr. HAGEN of California. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I would like to ask the gentleman from Oregon one or two questions.

When the gentleman speaks here of rehabilitating the works of an irrigation district, is that a public district or is that a stock company or mutual water holders district?

Mr. ELLSWORTH. It is neither one, I will say to the gentleman. There are some districts that are part of the Talent division, although previously constructed. This bill will allow the law which provides for the rehabilitation of Federal projects to be applied under the terms set out.

Mr. HAGEN of California. Are those districts stock companies?

Mr. ELLSWORTH. They are irrigation projects established under the State laws. They are not privately owned as such. They are under the State irrigation laws.

Mr. HAGEN of California. Anyone who owns land there is eligible to get water on his land?

Mr. ELLSWORTH. That is right.

Mr. HAGEN of California. In one of these reports there is reference to the fact that until certain land under the Phoenix Canal is brought into development water will be delivered to the Medford and Rogue River irrigation districts pending the development of an alternative source of supply. Are these districts going to pay for this interim use?

Mr. ELLSWORTH. They will definitely pay for all the water they will receive. They will be assessed, I think it is, $11.50 a year for the water they receive.

Mr. HAGEN of California. In that amount will they be paying part of the capital cost of the irrigation project or just the actual cost of delivering the water?

Mr. ELLSWORTH. In addition to the maintenance they have to pay the capital cost. The people who get the supplemental water are going to pay the capital cost the same as the new land, precisely the same.

The CHAIRMAN. The question is on the committee amendment.

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the further committee amendments.

The Clerk read as follows:

Committee amendments: On page 3, line 2, strike out "may" and insert "shall".

On page 3, line 6, strike out "sixty-nine" and insert "sixty".

On page 4, line 1, after the period insert "Contracts for the disposition of power from the Talent division shall be entered into with the financial objective of returning the power allocation with interest plus as much of the irrigation allocation as is beyond the ability of the water users to repay, all as hereinbefore provided, within a period of not more than sixty years."

Page 4, line 8, strike out "division" and insert "division and for the rehabilitation work authorized to be undertaken by section 1 of this Act."

Page 4, line 11, strike out "$19,900,000" and insert "$22,900,000".

The committee amendments were agreed to.

Mr. HOFFMAN of Michigan. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, may I ask the gentleman from Oregon what he is going to raise, grow, or produce on this land.

Mr. ELLSWORTH. I am happy to answer that question again. This land when it has water on it will be used to produce orchard and vine corps and other produce of a high cash-income nature. No products are under the support price system. In other words, they are not crops that are in harvest.

Mr. HOFFMAN of Michigan. Are you going to grow apples?

Mr. ELLSWORTH. There will be some apples grown, I imagine, but this is not an apple country. Our main produce down there is pears, the famous Riviera pears that are sold by a firm known as Harry & David throughout the entire country; but not particularly apples.

Mr. HOFFMAN of Michigan. Pears?

Mr. ELLSWORTH. Mostly pears.

Mr. HOFFMAN of Michigan. Just single pears at a time? I am serious about it. I want to know, are you going to produce a lot of pears?

Mr. ELLSWORTH. As a matter of fact, that area produces a very good volume of pears annually.

Mr. HOFFMAN of Michigan. Anything else besides pears?

Mr. ELLSWORTH. That is the usual crop.

Mr. HOFFMAN of Michigan. Is that about all, just pears?

Mr. ELLSWORTH. Oh, they will produce berries, vine crops.

Mr. HOFFMAN of Michigan. Black raspberries?

Mr. ELLSWORTH. I imagine there will be raspberries there. The land will produce anything except tropical fruits and vegetables.

Mr. HOFFMAN of Michigan. Does the gentleman know the percentage of mold that you can have in canned black raspberries if you produce them under the present regulations? They put the raspberry business out of business in our district up in Michigan with that mold count. Has the gentleman thought of that?

Mr. ELLSWORTH. I cannot answer the gentleman specifically as to whether there are any raspberries at all grown on this land, but it will grow raspberries, that I can assure the gentleman.

Mr. HOFFMAN of Michigan. Will it bring the cost of pears down any? I am serious about it. I have paid 12 cents for a pear over here in the market, and I do not like it; I mean, I do not like the price.

Mr. ELLSWORTH. What was the gentleman's question again?

Mr. HOFFMAN of Michigan. You cannot answer that one about the price?

Mr. ELLSWORTH. I would think when you produce more of an item of that kind, it would have the effect of bringing the price down. As a matter of fact, I would suspect if this acreage is put into production, it might advance the supply to the point where the price might be a bit easier. That I do not know, but the people want it and they do not seem to mind that particular element of competition. I think possibly anyway this project will help the gentleman's 12-cent pear problem.

Mr. HOFFMAN of Michigan. If you got too many, would the gentleman say this—that it might flood the market and instead of cutting the price down, the Government would step in and buy them and send them abroad?

Mr. ELLSWORTH. No, I think not. This is a perishable product.

Mr. HOFFMAN of Michigan. I would not be in favor of that.

Mr. ELLSWORTH. One of the main things about a project of this kind is that it would enable the people to make a little money so that they could buy automobiles and washers and other things that are produced in your area.

Mr. HOFFMAN of Michigan. You mean they would buy automobiles?

Mr. ELLSWORTH. They hope to own automobiles the same as other farmers.

Mr. HOFFMAN of Michigan. And Whirlpool washers?

Mr. ELLSWORTH. If they can get the water on the land.

Mr. HOFFMAN of Michigan. I can see some good in that.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. JONAS of North Carolina, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 8384) to authorize the Secretary of the Interior to construct, operate, and maintain the Talent division of the Rogue River Basin reclamation project, Oregon, pursuant to House Resolution 654, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

Mr. GAVIN. Mr. Speaker, I demand the yeas and nays.

The yeas and nays were refused.

The question was taken; and on a division (demanded by Mr. GAVIN) there were ayes 84, noes 62.

Mr. GAVIN. Mr. Speaker, I object to the vote on the ground that a quorum is not present, and make the point of order that a quorum is not present.

The SPEAKER. Obviously, a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 163, nays 144, not voting 125, as follows:

[Roll No. 132]

YEAS—163

Abbitt	Boykin	Engle
Abernethy	Bramblett	Fernandez
Adair	Brooks, Tex.	Ford
Addonizio	Brown, Ohio	Frazier
Albert	Broyhill	George
Allen, Calif.	Budge	Goodwin
Allen, Ill.	Byrnes, Wis.	Gregory
Andersen, H. Carl	Clevenger	Gubser
	Cole, Mo.	Hagen, Minn.
Arends	Colmer	Hale
Aspinall	Condon	Halleck
Ayres	Coon	Hart
Bailey	Cunningham	Harvey
Bates	Davis, Wis.	Hays, Ark.
Bender	Dawson, Utah	Heselton
Bentley	Dempsey	Hiestand
Berry	D'Ewart	Hillelson
Boland	Dondero	Hillings
Bolling	Doyle	Hoeven
Bolton, Frances P.	Edmondson	Holmes
	Elliott	Holt
Bow	Ellsworth	Holtzman

Hope	Miller, Kans.	Scudder
Horan	Miller, Nebr.	Selden
Hosmer	Mills	Sheppard
Howell	Moss	Shuford
Hruska	Natcher	Sieminski
Hunter	Nicholson	Simpson, Ill.
Hyde	Norblad	Simpson, Pa.
Jackson	O'Brien, N. Y.	Smith, Kans.
Javits	O'Hara, Minn.	Smith, Miss.
Jenkins	O'Konski	Smith, Va.
Jensen	Passman	Smith, Wis.
Johnson, Calif.	Patman	Stringfellow
Jones, Ala.	Patten	Talle
Judd	Pelly	Thomas
Karsten, Mo.	Pfost	Thompson, Tex.
Kersten, Wis.	Phillips	Tollefson
King, Calif.	Poff	Trimble
Laird	Price	Utt
Lipscomb	Rayburn	Van Pelt
Lovre	Reams	Velde
McCarthy	Reece, Tenn.	Vursell
McConnell	Reed, Ill.	Wampler
McDonough	Rees, Kans.	Watts
McGregor	Rhodes, Ariz.	Westland
McIntire	Riehlman	Wier
McVey	Roberts	Wilson, Calif.
Mack, Wash.	Robeson, Va.	Wilson, Ind.
Magnuson	Robsion, Ky.	Withrow
Mahon	Rodino	Wolverton
Marshall	Rogers, Colo.	Yorty
Martin, Iowa	Rogers, Tex.	Young
Metcalf	Schenck	Younger
Miller, Calif.	Scherer	Zablocki

NAYS—144

Alexander	Dorn, N. Y.	Meader
Andrews	Dorn, S. C.	Merrill
Ashmore	Dowdy	Miller, Md.
Auchincloss	Feighan	Miller, N. Y.
Barden	Fenton	Moulder
Battle	Fino	Mumma
Beamer	Fisher	Neal
Becker	Forand	Norrell
Belcher	Forrester	O'Brien, Ill.
Bennett, Fla.	Fountain	O'Hara, Ill.
Betts	Frelinghuysen	Osmers
Bishop	Friedel	Ostertag
Blatnik	Gamble	Pilcher
Boggs	Gary	Poage
Bolton, Oliver P.	Gathings	Polk
	Gavin	Preston
Bonin	Gentry	Prouty
Bonner	Golden	Rabaut
Bosch	Gordon	Radwan
Bowler	Graham	Rains
Bray	Grant	Ray
Brown, Ga.	Gross	Rhodes, Pa.
Brownson	Hagen, Calif.	Richards
Buchanan	Haley	Riley
Burleson	Hand	Rogers, Fla.
Busbey	Harden	Rooney
Bush	Hardy	Sadlak
Byrne, Pa.	Harrison, Va.	Saylor
Campbell	Hoffman, Mich.	Sikes
Canfield	Jarman	Small
Cannon	Johnson, Wis.	Springer
Carlyle	Jonas, N. C.	Staggers
Carnahan	Jones, N. C.	Sullivan
Carrigg	Kearns	Teague
Chelf	Keating	Thompson, Mich.
Chiperfield	Kelley, Pa.	
Church	Kilday	Thornberry
Cooper	King, Pa.	Tuck
Cretella	Kluczynski	Van Zandt
Crosser	Landrum	Vorys
Crumpacker	Lanham	Walter
Curtis, Mo.	Lantaff	Wharton
Dague	Latham	Whitten
Davis, Ga.	LeCompte	Widnall
Derounian	McCormack	Williams, Miss.
Devereux	McCulloch	Williams, N. J.
Dies	Mack, Ill.	Williams, N. Y.
Dodd	Madden	Winstead
Donovan	Matthews	

NOT VOTING—125

Andresen, August H.	Cotton	Granahan
	Coudert	Green
Angell	Curtis, Mass.	Gwinn
Baker	Curtis, Nebr.	Harris
Barrett	Davis, Tenn.	Harrison, Nebr.
Bennett, Mich.	Dawson, Ill.	Harrison, Wyo.
Bentsen	Deane	Hays, Ohio
Brooks, La.	Delaney	Hébert
Buckley	Dingell	Herlong
Burdick	Dollinger	Hess
Byrd	Dolliver	Hill
Cederberg	Donohue	Hinshaw
Celler	Durham	Hoffman, Ill.
Chatham	Eberharter	Holifield
Chenoweth	Evins	Ikard
Chudoff	Fallon	James
Clardy	Fine	Jonas, Ill.
Cole, N. Y.	Fogarty	Jones, Mo.
Cooley	Fulton	Kean
Corbett	Garmatz	Kearney
Kee	Multer	Shafer
Kelly, N. Y.	Murray	Sheehan
Keogh	Nelson	Shelley
Kilburn	Oakman	Short
Kirwan	O'Brien, Mich.	Spence
Klein	O'Neill	Stauffer
Knox	Patterson	Steed
Krueger	Perkins	Sutton
Lane	Philbin	Taber
Lesinski	Pillion	Taylor
Long	Powell	Thompson, La.
Lucas	Priest	Vinson
Lyle	Reed, N. Y.	Wainwright
McMillan	Regan	Warburton
Machrowicz	Rivers	Weichel
Mailliard	Rogers, Mass.	Wheeler
Mason	Roosevelt	Wickersham
Merrow	St. George	Wigglesworth
Mollohan	Scott	Willis
Morano	Scrivner	Wilson, Tex.
Morgan	Secrest	Wolcott
Morrison	Seely-Brown	Yates

So the bill was passed.

The Clerk announced the following pairs:

Mr. Hess with Mr. Keogh.
Mr. Taylor with Mr. Klein.
Mr. Wigglesworth with Mr. Machrowicz.
Mr. Wolcott with Mr. Yates.
Mr. Baker with Mr. Chatham.
Mr. Hill with Mr. Morrison.
Mr. Short with Mr. Hébert.
Mr. Warburton with Mr. Thompson of Louisiana.
Mr. Mason with Mr. Brooks of Louisiana.
Mr. Morano with Mr. Willis.
Mr. Nelson with Mr. Green.
Mr. Coudert with Mr. Vinson.
Mr. Cederberg with Mr. Roosevelt.
Mr. Taber with Mr. Fine.
Mr. Shafer with Mr. Dollinger.
Mr. Hoffman of Illinois with Mr. Buckley.
Mr. Hinshaw with Mr. Powell.
Mr. James with Mr. Multer.
Mr. Jonas of Illinois with Mrs. Kelly.
Mr. Kean with Mr. Chudoff.
Mr. Kilburn with Mr. Celler.
Mr. Kearney with Mr. Barrett.
Mr. Patterson with Mr. Granahan.
Mr. Dolliver with Mr. Fogarty.
Mr. Harrison of Nebraska with Mr. Garmatz.
Mr. Chenoweth with Mr. Fallon.
Mr. Scott with Mr. Evins.
Mr. Seely-Brown with Mr. Herlong.
Mr. Krueger with Mr. Byrd.
Mr. Harrison of Wyoming with Mrs. Kee.
Mr. Mailliard with Mr. Delaney.
Mr. Curtis of Massachusetts with Mr. Deane.
Mr. Knox with Mr. Mollahan.
Mr. Reed of New York with Mr. O'Neill.
Mrs. Rogers of Massachusetts with Mr. Philbin.
Mrs. St. George with Mr. Donohue.
Mr. Stauffer with Mr. Lane.
Mr. Pillion with Mr. Shelley.
Mr. Gwinn with Mr. Priest.
Mr. Corbett with Mr. Rivers.
Mr. Cole of New York with Mr. O'Brien of Michigan.
Mr. Angell with Mr. Dingell.
Mr. Scrivner with Mr. Eberharter.
Mr. Weichel with Mr. Durham.
Mr. Bennett of Michigan with Mr. Dawson of Illinois.
Mr. Wainwright with Mr. Perkins.
Mr. Sheehan with Mr. Wickersham.
Mr. Clardy with Mr. Kirwan.
Mr. Curtis of Nebraska with Mr. Hays of Ohio.

Mr. RAINS, Mr. HAGEN of California, and Mr. SAYLOR changed their vote from "yea" to "nay."

The result of the vote was announced as above recorded.

The doors were opened.

A motion to reconsider was laid on the table.

PROGRAM

Mr. HALLECK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. HALLECK. Mr. Speaker, I have asked for this time to say, first of all, that we want to call up two citations from the Committee on Education and Labor, for which we should have a quorum. I hope that everybody will remain, because those matters can be quickly disposed of if a quorum is present.

CONSENT CALENDAR AND SUSPENSIONS

I ask unanimous consent, Mr. Speaker, that the call of the Consent Calendar and suspensions in order on Monday next may be transferred to Tuesday next.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

PRIVATE CALENDAR

Mr. HALLECK. Mr. Speaker, I ask unanimous consent that the call of the Private Calendar in order on Tuesday next may be in order on Wednesday next.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

ADJOURNMENT OVER

Mr. HALLECK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at noon on Tuesday next.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

CALENDAR WEDNESDAY

Mr. HALLECK. Mr. Speaker, I ask unanimous consent that the business in order on Calendar Wednesday next may be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

AUTHORITY TO ACT DURING ADJOURNMENT OVER

Mr. HALLECK. Mr. Speaker, I ask unanimous consent that notwithstanding the adjournment of the House until Tuesday next, the Clerk be authorized to receive messages from the Senate and that the Speaker be authorized to sign any enrolled bills or joint resolutions duly passed by the two Houses and found truly enrolled.

The SPEAKER. Is the objection to the request of the gentleman from Indiana?

There was no objection.

PROGRAM FOR NEXT WEEK

Mr. HALLECK. Mr. Speaker, as I announced earlier, we expect to consider the rules and the bills next week, as follows:

S. 541, benefits under the War Claims Act.

S. 2033, labeling of foreign-produced trout.

S. 3120, to amend section 32 of the Trading With the Enemy Act.

House Resolution 549, creating a select committee to study benefits provided surviving dependents of deceased members and former members of the Armed Forces.

In respect to the suspensions on Tuesday, as I previously announced, if record votes are demanded on those they will go over to Wednesday because primaries are being held on Tuesday.

As I understand it, these bills from the Committee on Interior and Insular Affairs have been suggested as in order for calling under suspension of the rules:

S. 3385, transferring the Indian extension work to the Department of Agriculture.

S. 2864, relating to Haystack Reservoir, Deschutes project, Oregon.

H. R. 9751, with respect to the sale of transmission lines in Arizona and California.

H. R. 5301, the Small Projects Act.

H. R. 2233, Oahe Dam, rehabilitation of Indians.

Also, it may be that we will call under suspension S. 16, the witness immunity bill, S. 3681, the bill providing for group life insurance for Government employees, and H. R. 9910, a bill from the Committee on Foreign Affairs amending the Foreign Service Act.

SOVIET RUSSIA CONTINUES TO MAKE WAR ON RELIGION

Mr. REAMS. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. REAMS. Mr. Speaker, we have reports through London that the Soviet news agency Tass has announced that Msgr. Stefan Trochta, Roman Catholic Bishop of Litomerice, Czechoslovakia, has been imprisoned for 25 years. The Soviet agency said the bishop was tried before the Czechoslovakia Supreme Court at Prague. The charges were that he and three other Catholic priests "aimed at overthrowing the people's democratic order and restoring the capitalist system." The other 3 priests were sentenced to 20, 15, and 7 years imprisonment respectively.

The people of the free world, and particularly those of our country, are again shocked by these reports concerning the program of Soviet Russia directed toward the eradication of churches and places of worship and the continuing persecution of the clergy in all countries under its domination.

This program has taken the form of injustice and unwarranted confiscation of property, deprivation of rights and privileges of people in their worship of God and a persecution of Christianity that would take us back to the days of Nero. Among members of the clergy about whom reports have been heard recently is Archbishop Joseph Slipyj, Metropolitan of Halych of the Ukrainian Greek Catholic Church. This man of God who has been an inspiration to millions of people was unjustly condemned by the Soviet Union to 8 years of hard labor in 1945. His only crime was that he is an "expounder and defender of the sovereignty of God." It has been learned recently that his sentence of 8 years of hard labor having been endured, that he was retried and sentenced for 9 years more.

We are conscious of the fact that the Soviet attack on religion springs from their recognition of the fundamental conflict between the individual with a strong religious faith on the one hand, and the godless tenets of Communist materialism on the other. It is increasingly apparent to the leaders of the Kremlin that a human being cannot serve God and communism.

The people of the free world must not let a single opportunity go by in making it clear to the Communists that we are unalterably opposed to their diabolic tactics. We cannot forget either, the importance of the prayers of those who enjoy freedom for those suffering behind the Iron Curtain.

PERSONAL ANNOUNCEMENT

Mr. HOLIFIELD. Mr. Speaker, I was unavoidably detained off the floor today when the adjournment resolution came up. If I had been here, I would have voted "nay."

SPECIAL ORDER GRANTED

Mr. IKARD (at the request of Mr. ROGERS of Texas) was given permission to address the House for 1 hour on Tuesday next, following the legislative program and any special orders heretofore entered.

PROCEEDINGS AGAINST PAUL DORFMAN

Mr. McCONNELL. Mr. Speaker, by direction of the Committee on Education and Labor, I submit a privileged report (Rept. No. 2587).

The Clerk read the report, as follows:

PROCEEDINGS AGAINST PAUL DORFMAN

Mr. McCONNELL, from the Committee on Education and Labor, submitted the following report:

The Committee on Education and Labor, as created and authorized by the House of Representatives through the enactment of Public Law 601, section 121, subsection (g) of the 79th Congress, under House Resolution 5 of the 83d Congress and under House Resolution 115 of the 83d Congress, on June 6, 1953, and November 13, 1953, appointed and reappointed a special subcommittee of the Committee on Education and Labor to investigate matters within the jurisdiction of the committee. The letters appointing and reappointing this special subcommittee are set forth below:

HOUSE OF REPRESENTATIVES,
COMMITTEE ON EDUCATION AND LABOR,
Washington, D. C., June 6, 1954.

Hon. WINT SMITH,
House of Representatives,
Washington, D. C.

DEAR CONGRESSMAN SMITH: By virtue of the authority vested in me as chairman of the Committee on Education and Labor of the House of Representatives, and, pursuant to House Resolution 115, of the 83d Congress, 1st session, I hereby appoint you as chairman of a special subcommittee of the Committee on Education and Labor to investigate alleged violations in and around Benton Harbor and Detroit, Mich., of the Labor-Management Relations Act of 1947, and other Federal labor legislation coming within the purview of the Committee on Education and Labor, and allegations as to the improper administration and enforcement of such legislation.

I have also appointed Representative CLARE E. HOFFMAN, of Michigan, and Representative PHIL M. LANDRUM, of Georgia, to serve with you on this subcommittee.

The subcommittee is hereby authorized and directed to conduct a thorough study and investigation of the aforementioned allegations and any matter or subject coming within the jurisdiction of the Committee on Education and Labor under rule XI, 6, of the Rules of the House of Representatives, 83d Congress, which is covered by these allegations.

You are further directed to hold such public or executive sessions at St. Joseph, Mich., and Detroit, Mich., as you may deem advisable.

Sincerely yours,
SAMUEL K. McCONNELL, Jr.,
Chairman, Committee on Education and Labor.

HOUSE OF REPRESENTATIVES,
COMMITTEE ON EDUCATION AND LABOR,
Washington, D. C., November 13, 1953.

Hon. WINT SMITH,
House of Representatives,
Washington, D. C.

DEAR CONGRESSMAN SMITH: By virtue of the authority vested in me as chairman of the Committee on Education and Labor of the House of Representatives, and pursuant to House Resolution 115 of the 83d Congress, 1st session, I hereby reappoint you as chairman of a special subcommittee of the Committee on Education and Labor to complete the investigation in the Detroit, Mich., area as authorized under my letter of June 6, 1953. In completing this investigation your subcommittee is further authorized and directed to hold hearings in Chicago, Ill., on matters directly pertinent to and directly connected with the aforesaid investigation at Detroit, Mich. This further investigation is to encompass alleged violations of the Labor-Management Relations Act of 1947, and other Federal labor legislation coming within the purview of the Committee on Education and Labor, and allegations as to the improper administration and enforcement of such legislation.

I have also reappointed Representative CLARE E. HOFFMAN, of Michigan, and Representative PHIL M. LANDRUM, of Georgia, to serve with you on this subcommittee.

The subcommittee is hereby authorized and directed to conduct a thorough study and investigation of the aforementioned allegations and any matter of subject coming within the jurisdiction of the Committee on Education and Labor under rule XI, 6, of the Rules of the House of Representatives, 83d Congress, which is covered by these allegations.

You are further directed to hold such public or executive sessions at Detroit, Mich., and Chicago, Ill., as you may deem advisable

and you are hereby authorized and designated by me to issue and have served such subpenas as may be necessary to complete this investigation.

Upon the completion of your study and investigation, you are directed to prepare a report to the Committee on Education and Labor with such recommendations as in your judgment the facts shall warrant.

Sincerely yours,

SAMUEL K. MCCONNELL, Jr.,
Chairman, Committee on Education and Labor.

(Copies to Hon. CLARE E. HOFFMAN, Hon. PHIL M. LANDRUM.)

Acting under the authority conveyed in the above letter of November 13, 1953, the aforesaid subcommittee caused to be issued a subpena to Paul Dorfman, 7347 North Sheridan Road, Chicago, Ill. The said subpena directed Paul Dorfman to be and appear forthwith before said special subcommittee in room 859, Federal Building, Detroit, Mich. The subpena served upon said Paul Dorfman is set forth in words and figures, as follows:

"By authority of the House of Representatives of the Congress of the United States of America, to United States Marshal or other authorized agent: You are hereby commanded to summon Paul Dorfman, 7347 North Sheridan Road, Chicago, Ill., to be and appear before the Special Subcommittee on Strikes and Racketeering of the Committee on Education and Labor of the House of Representatives of the United States, of which the Honorable WINT SMITH is chairman, and to bring with him copies of all his personal income-tax returns to the United States for the years 1948 through 1952, inclusive, in their chamber in room 859, Federal Building, 231 West Lafayette, Detroit, Mich., forthwith, then and there to testify touching matters of inquiry committed to said committee, and he is not to depart without leave of said committee.

"Herein fail not, and make return of this summons.

"Witness my hand and the seal of the House of Representatives of the United States, at the city of Washington, this 23d day of November 1953.

"WINT SMITH, *Chairman.*

"Attest:

"[SEAL] "LYLE O. SNADER,
"Clerk, House of Representatives of the United States."

The said subpena was duly served as appears by the return made thereon by George H. Marsel deputy United States marshal, who was duly authorized to serve the said subpena. The return of the service by the said George H. Marsel, being endorsed thereon, is set forth in words and figures, as follows:

"Served the within named Paul Dorfman by giving him a copy of this subpena at Detroit, Mich., November 25, 1953.

"JOSEPH L. WISNIEWSKI,
"United States Marshal
"(By George H. Marsel, Deputy)."

The said Paul Dorfman, in compliance with said subpena, appeared before the aforementioned subcommittee at the afternoon session of November 25, 1953, to give such testimony as required under and by virtue of Public Law 601, section 121, subsection (g), of the 79th Congress, and under House Resolution 115 of the 83d Congress. The said Paul Dorfman, having appeared as a witness, having been duly sworn, and having been asked a series of questions, namely:

"What are their respective financial interests? [Wife and son.] [1]

"Do they own the whole of Union Insurance Agency of Illinois?

"What is your wife's occupation?

"What were the discussions you had relative to the establishment of Union Insurance Agency of Illinois?

"What is your son's occupation?

"What was the purpose of your visit to Beverly Hills, Calif.?

"What was your business in Beverly Hills in 1951?

"Who was with you on that trip?

"Was your wife with you on that trip?

"Was Mr. Edward Fenner with you on that trip?

"Was Mr. Joe Jacobs with you on that trip?

"What was your business in Beverly Hills in October?

"Who paid the expenses of that trip?

"Mr. Dorfman, will you tell the committee all of the financial holdings of James R. Hoffa with which you are acquainted?

"When did you first discuss insurance of the teamsters locals or organizations with Mr. Hoffa?

"Do you have any financial interests jointly with Mr. Hoffa?

"Are you a part owner of a girls' camp in Wisconsin?

"When did you first discuss insurance with Mr. Peters?

"When did you first discuss insurance with Mr. Darling?

"When did you first discuss insurance with Mr. Sachs?

"You have never discussed with anybody connected with Lipschultz Fast Freight the acquisition of insurance or the opening of insurance?

"Have you ever discussed the matter of insurance with Bakery Drivers No. 51?

"Did you end up by getting the insurance on that local?

"Mr. Dorfman, you started to tell us about this transaction. You volunteered the information, and the pertinent part of the transaction we are interested in is whether or not you ended up by getting the insurance on this local. Did you get that insurance?

"Do you have any business transactions with Harry O'Reilly?

"Do you have any business interest jointly with Mr. Joe Jacobs?

"Did you get the insurance of his union?

which questions were pertinent and material to the subject under inquiry, refused to answer such questions; and as a result of Paul Dorfman's refusal to answer such questions, your subcommittee and your committee were prevented from receiving information and testimony concerning matters committed to said committee and subcommittee in accordance with the terms of the subpena served upon the said Paul Dorfman.

The record of the proceedings before the subcommittee on November 25, 1953, during which the said Paul Dorfman refused to answer questions pertinent and material to the subject under inquiry, is set forth in fact, as follows:

"INVESTIGATING OF WELFARE FUNDS AND RACKETEERING

"HOUSE OF REPRESENTATIVES,
"SPECIAL SUBCOMMITTEE ON UNION WELFARE FUNDS AND LABOR, RACKETEERING IN THE DETROIT AREA,
"COMMITTEE ON EDUCATION AND LABOR,
"Detroit, Mich., November 25, 1954.

"The subcommittee met, pursuant to recess, at 9:50 a. m., in room 859, Federal Building, Detroit, Mich., Hon. WINT SMITH (chairman of the subcommittee) presiding.

"Present: Representatives SMITH, HOFFMAN, and LANDRUM.

"Present also: Edward A. McCabe, general counsel, Committee on Education and Labor; John O. Graham, chief clerk, Committee on Education and Labor; William F. McKenna, general counsel, Committee on Government Operations; Clyde W. Smith, investigations counsel, Committee on Government Operations; Lester P. Condon, chief investigator, Commitee on Government Operations; Frank V. Battle, investigator, Committee on Government Operations.

"Mr. SMITH. The committee will please come to order.

• • • • •

"Mr. SMITH. The committee will adjourn until 2 o'clock.

"(Whereupon, at 12 o'clock noon, the committee was recessed, to be reconvened at 2 p. m.)

"AFTERNOON SESSION

"Mr. SMITH. The committee will please come to order.

• • • • •

"Mr. MCKENNA. Call Mr. Paul Dorfman.

"Mr. SMITH. Do you solemnly swear that the testimony you are about to give in the cause now in hearing will be the truth, the whole truth, and nothing but the truth, so help you God?

"Mr. PAUL DORFMAN. I do.

"TESTIMONY OF PAUL DORFMAN, CHICAGO, ILL., SECRETARY-TREASURER, LOCAL 20467, WASTE MATERIAL HANDLERS' UNION, CHICAGO, ILL., ACCOMPANIED BY HIS COUSEL, STANDFORD CLINTON, CHICAGO, ILL.

"Mr. MCKENNA. Mr. Dorfman, what is your full name and address?

"Mr. DORFMAN. Paul J. Dorfman.

"Mr. MCKENNA. Paul J. Dorfman.

"Mr. PAUL DORFMAN. 7347 North Sheridan Road, Chicago.

"Mr. MCKENNA. That is D-o-r-f-m-a-n?

"Mr. PAUL DORFMAN. D-o-r-f-m-a-n.

"Mr. MCKENNA. What is your occupation?

"Mr. PAUL DORFMAN. Secretary-treasurer, Waste Material Handlers' Union.

"Mr. MCKENNA. Located in Chicago?

"Mr. PAUL DORFMAN. Yes, sir.

"Mr. MCKENNA. Do you have any other positions?

"Mr. PAUL DORFMAN. No, sir.

"Mr. MCKENNA. You are here in response to a subpena?

"Mr. PAUL DORFMAN. That is right. I heard they were looking for me, so I came here, and here I am.

"Mr. CLINTON. May the record show that the witness Dorfman came to Detroit without the service of the subpena, and has remained in the hallway subject to the committee's pleasure, and as we were about to enter the room the United States marshal served us with a subpena.

"Mr. MCKENNA. Do you have a copy of the subpena with you, Mr. Dorfman?

"Mr. CLINTON. He just got it.

"Mr. PAUL DORFMAN. I haven't even had a chance to read it.

"Mr. MCKENNA. May this be identified as Paul Dorfman exhibit No. 1, and may it be introduced in the record, Mr. Chairman?

"Mr. SMITH. It will be admitted.

"(The subpena referred to was marked 'Paul Dorfman Exhibit No. 1' for identification. The entire document is available for reference purposes in the permanent files of the Committee on Education and Labor.)

"Mr. MCKENNA. The subpena reads:

"'*To United States Marshal or Other Authorized Agent:*

"'You are hereby commanded to summon Paul Dorfman * * * and to bring with him copies of all his personal income-tax returns to the United States for the years 1948 through 1952, inclusive.'

"Have you produced those returns?

"Mr. PAUL DORFMAN. No, sir.

"Mr. MCKENNA. What is your reason, Mr. Dorfman, for not producing those returns?

"Mr. PAUL DORFMAN. I didn't know they wanted anything. All I know, they wanted me, and so I came here. Here I am.

"Mr. SMITH. How did you find out that they wanted you?

"Mr. PAUL DORFMAN. It is in the papers.

"Mr. SMITH. When did you first read about it that they wanted you in the papers?

[1] Words inside brackets added for clarity.

"Mr. PAUL DORFMAN. Last week, some day last week.

"Mr. SMITH. And all during last week were you at your usual abode or residence?

"Mr. PAUL DORFMAN. I beg pardon, sir?

"Mr. SMITH. Were you living at your usual abode or staying at your usual abode or in your office all last week?

"Mr. PAUL DORFMAN. No, sir; I was not in my office.

"Mr. SMITH. Were you in Chicago?

"Mr. PAUL DORFMAN. Yes; I was in Chicago and I was in Michigan.

"Mr. SMITH. Where were you in Chicago?

"Mr. PAUL DORFMAN. My home.

"Mr. SMITH. All the time?

"Mr. PAUL DORFMAN. I slept there at night when I came home.

"Mr. SMITH. All right. Mr. McKenna.

"Mr. MCKENNA. Were you at your residence on Tuesday, November 17, Mr. Dorfman?

"Mr. PAUL DORFMAN. No; I was not.

"Mr. MCKENNA. You were not there all that evening?

"Mr. PAUL DORFMAN. No.

"Mr. MCKENNA. Was your wife there?

"Mr. PAUL DORFMAN. No, sir.

"Mr. MCKENNA. Where were you?

"(The witness confers with his counsel.)

"Mr. MCKENNA. There is every reason that the witness should consult with his counsel when he wants to, but I believe that the witness should be permitted to answer the questions.

"Mr. SMITH. It is the witness' right to consult, or it is the attorney's right to talk to him, but the attorney is not going to make any public statements.

"(The witness confers with his counsel.)

"Mr. HOFFMAN. Let the record show that counsel is talking to his client.

"Mr. PAUL DORFMAN. That is right. I was trying to get my dates straight. Tuesday night I was at the Senaca Hotel. Wednesday morning I went to Michigan.

"Mr. MCKENNA. Did you know then that the marshal wanted to serve a subpena on you?

"Mr. PAUL DORFMAN. Yes, sir; I did.

"Mr. MCKENNA. You were in Michigan on Wednesday?

"Mr. PAUL DORFMAN. That is right.

"Mr. MCKENNA. Were you here all day Wednesday? Were you in Michigan all day Wednesday?

"Mr. PAUL DORFMAN. Yes.

"Mr. MCKENNA. And all Wednesday night?

"Mr. PAUL DORFMAN. I was there until Sunday.

"Mr. MCKENNA. Until Sunday?

"Mr. PAUL DORFMAN. Yes.

"Mr. MCKENNA. Was your wife with you?

"Mr. PAUL DORFMAN. Yes, sir.

"Mr. MCKENNA. And where were you in Michigan?

"Mr. PAUL DORFMAN. I was in St. Jo, Michigan City.

"Mr. MCKENNA. Your wife was with you all that time?

"Mr. PAUL DORFMAN. That is right.

"Mr. MCKENNA. Did you know all that time that the marshal in Chicago was trying to obtain service on you?

"Mr. PAUL DORFMAN. Yes, sir.

"Mr. MCKENNA. Where is your wife now?

"Mr. PAUL DORFMAN. I don't know where she is.

"Mr. MCKENNA. When did you last talk with your wife?

"Mr. PAUL DORFMAN. Sunday I saw her.

"Mr. MCKENNA. Where was that?

"Mr. PAUL DORFMAN. In Chicago.

"Mr. MCKENNA. In Chicago?

"Mr. PAUL DORFMAN. Yes.

"Mr. MCKENNA. At your home in Chicago?

"Mr. PAUL DORFMAN. I brought her home. I told her—this thing was making a nervous wreck of her, with all the newspaper articles, that Pegler writeup, and she was on the verge of a nervous breakdown, and I told her to go away someplace.

"Mr. MCKENNA. You did not want her to appear and testify?

"Mr. PAUL DORFMAN. I did not want her to tell me where she was going. I said, 'You go ahead and get rested.'

"Mr. MCKENNA. Is your wife a partner in the Union Insurance Agency of Illinois?

"Mr. PAUL DORFMAN. Yes, sir.

"Mr. MCKENNA. How much money has she collected in connection with that partnership in the last few years?

"(The witness confers with his counsel.)

"Mr. PAUL DORFMAN. I decline to answer that question on the grounds it may tend to incriminate me.

"Mr. MCKENNA. I am sorry, I did not hear the answer.

"Mr. PAUL DORFMAN. I decline to answer that question, sir, on the grounds it may tend to incriminate me.

"Mr. MCKENNA. On the grounds it might tend to incriminate you.

"Mr. SMITH. I order you to answer that question, Mr. Dorfman.

"(The witness confers with his counsel.)

"Mr. PAUL DORFMAN. I respectfully decline on the grounds that it may tend to incriminate me.

"Mr. MCKENNA. Mr. Dorfman, how much money has the Union Insurance Agency of Illinois obtained in commissions from the Central States drivers fund in the last 4 years?

"Mr. PAUL DORFMAN. I decline to answer.

"Mr. SMITH. And I order you to answer.

"Mr. CLINTON. May he finish his statement?

"Mr. PAUL DORFMAN. I decline to answer on the grounds that it might tend to incriminate me.

"Mr. MCKENNA. Mr. Dorfman, have you been in Los Angeles within the last year?

"(The witness confers with his counsel.)

"Mr. PAUL DORFMAN. Yes, last October.

"Mr. MCKENNA. When were you last in Los Angeles?

"Mr. PAUL DORFMAN. No, I don't remember the date I was there.

"Mr. MCKENNA. Were you in Los Angeles on September 24 of 1951?

"Mr. PAUL DORFMAN. I don't remember the date I was there. I don't remember the dates, but I was there.

"Mr. MCKENNA. Did you on or approximately that date stay at the Beverly Wilshire Hotel in Beverly Hills, Calif.?

"Mr. PAUL DORFMAN. Yes, sir.

"Mr. MCKENNA. Who paid the expenses while you were there?

"Mr. PAUL DORFMAN. I decline to answer the question on the grounds it might tend to incriminate me.

"Mr. SMITH. I order you to answer as chairman of this subcommittee under the authority given me by the chairman of the full committee.

"Mr. PAUL DORFMAN. I respectfully decline on the grounds it might tend to incriminate me.

"Mr. MCKENNA. What was the purpose of your visit to Beverly Hills, Calif.?

"Mr. PAUL DORFMAN. I respectfully decline to answer that question.

"Mr. SMITH. I order you to answer the question.

"Mr. PAUL DORFMAN. I respectfully decline to answer that question. It may tend to incriminate me.

"Mr. MCKENNA. Mr. Dorfman, will you tell the committee all of the financial holdings of James R. Hoffa with which you are acquainted?

"Mr. PAUL DORFMAN. I respectfully decline to answer on the grounds—I respectfully decline to answer. The question might tend to incriminate me.

"Mr. SMITH. I order you to answer the question.

"Mr. PAUL DORFMAN. I respectfully decline to answer. The question might—the answer might tend to incriminate me.

"Mr. MCKENNA. Mr. Dorfman, I show you committee estimates of the commissions that have been paid to the Union Insurance Agency of Illinois on the Central States Drivers welfare fund, the Michigan Conference of Drivers welfare fund and Local 1031, IBEW, Chicago, on insurance since January 1, 1950, in the amount of $1,142,000. Would you answer whether the Union Insurance Agency of Illinois has received approximately $1,142,000 since January 1, 1950, in the form of commissions on the insurance policies of the Central States Drivers welfare fund, Michigan Conference of Teamsters welfare fund, and the insurance of Local 1031?

"Mr. PAUL DORFMAN. I decline to answer——

"Mr. SMITH. Just a minute. Ordinarily I would not order the witness to answer that question, but then it is leading up to something else, and I will make the usual order in this case, Mr. Dorfman.

"Mr. PAUL DORFMAN. I respectfully decline to answer on the grounds that the question may—the answer may tend to incriminate me.

"Mr. MCKENNA. Mr. Dorfman, do you report part of the income of the Union Insurance Agency of Illinois on your returns as personal income each year?

"Mr. PAUL DORFMAN. I decline to answer the question. The answer might tend to incriminate me.

"Mr. SMITH. I order you to answer the question.

"Mr. PAUL DORFMAN. I respectfully decline to answer on the grounds that it may tend to incriminate me.

"Mr. MCKENNA. Who are the partners of the Union Insurance Agency of Illinois?

"Mr. PAUL DORFMAN. My wife and my son.

"Mr. MCKENNA. What are their respective financial interests?

"Mr. PAUL DORFMAN. I decline to answer that question, sir, on the grounds that it may tend to incriminate me.

"Mr. MCKENNA. Do they own the whole of Union Insurance Agency of Illinois?

"Mr. SMITH. Just a minute.

"We will take a 5-minute recess.

"(Whereupon, a brief recess was taken.)

"Mr. SMITH. The committee will please come to order.

"Let the record show this statement: That the committee has had a majority of the committee here since it resumed its sitting at 2 o'clock. Mr. Landrum left a while ago. During the last three questions of this witness Mr. Hoffman was called to the telephone and was not in the room. In order that there be no question about whether a majority of the committee was present or not, we are going to ask the last three questions over.

"Mr. CLINTON. To save time, I am willing to stipulate that he was here and waive it.

"Mr. HOFFMAN. I apologize to the chairman for being out.

"Mr. SMITH. I have been through a long and tedious matter of this question of the majority of the committee being present, and I certainly respect the attorney's kindness in this matter, but since we Members of Congress can also be subpenaed and have been subpenaed in Washington many times to establish the fact that there was a quorum, I will take no chances with this record, and we will proceed to ask the three questions that you asked again.

"Mr. MCKENNA. Will the reporter please read the questions?

"The REPORTER (reading). 'Who are the partners of the Union Insurance Agency of Illinois?'

"Mr. PAUL DORFMAN. My son and my wife.

"The REPORTER (reading). 'What are their respective financial interests?'

"Mr. PAUL DORFMAN. I decline to answer on the grounds that the answer might tend to incriminate me.

"Mr. SMITH. I order you to answer the question.

"Mr. PAUL DORFMAN. I most respectfully decline to answer. The answer might tend to incriminate me.

"Mr. SMITH. Read the next question.

"The REPORTER (reading). 'Do they own the whole of Union Insurance Agency of Illinois?'

"Mr. PAUL DORFMAN. I decline to answer on the grounds that the answer might tend to incriminate me.

"Mr. SMITH. I order you to answer the question, Mr. Dorfman.

"Mr. PAUL DORFMAN. I respectfully decline to answer. The answer might tend to incriminate me.

"Mr. SMITH. Proceed, Mr. McKenna.

"Mr. MCKENNA. Mr. Dorfman, when did you first become associated with local 20467?

"Mr. PAUL DORFMAN. In 1939.

"Mr. MCKENNA. Who was president of that local 2 years previously?

"Mr. PAUL DORFMAN. I don't remember.

"Mr. MCKENNA. Who was the last president before you became associated with it?

"Mr. PAUL DORFMAN. I don't know.

"Mr. MCKENNA. Had an officer of that union been murdered in the year or two before you became associated with it?

"Mr. PAUL DORFMAN. No; I don't think there was an officer of the union.

"Mr. MCKENNA. Was somebody murdered in connection with the activities of the union, or on the union premises?

"Mr. PAUL DORFMAN. I don't know nothing about it. It was in the papers at that time, there was some kind of a fight. I don't know what is was about.

"Mr. MCKENNA. You did not know anything about it?

"Mr. PAUL DORFMAN. No.

"Mr. MCKENNA. You did not take part in any discussion in regard to that after you were associated with the union?

"Mr. PAUL DORFMAN. No.

"Mr. MCKENNA. It was not a subject of discussion in the union when you became an officer of the union?

"Mr. PAUL DORFMAN. It was none of my business what happened before.

"Mr. MCKENNA. There was no discussion at that time?

"Mr. PAUL DORFMAN. I don't even know what officers were in there, or what the argument was all about.

"Mr. MCKENNA. When you became an officer, or when you became associated with the union in 1939, were you then employed as a scrap iron or junk handler?

"Mr. PAUL DORFMAN. In 1939, Joseph Breigel, who was regional director at that time for the American Federation of Labor, asked me to take over the organization to clean it up.

"Mr. MCKENNA. What was wrong with it?

"Mr. PAUL DORFMAN. I don't—that is when there was some trouble or something. I don't know what it was about.

"Mr. MCKENNA. Before you could clean it up you would have to know what was wrong with it.

"Mr. PAUL DORFMAN. They said it wasn't run right.

"Mr. MCKENNA. Was it?

"Mr. PAUL DORFMAN. I don't think so.

"Mr. MCKENNA. But after you had been in, it ran properly?

"Mr. PAUL DORFMAN. My record will speak for itself, what I have done there.

"Mr. MCKENNA. When did you become an officer?

"Mr. PAUL DORFMAN. In 1940. I went to work for Sangamon Paper Grading Co., and applied for membership, and after I became a member of the union I ran for office.

"Mr. MCKENNA. When did you first become an officer?

"Mr. PAUL DORFMAN. 1940.

"Mr. MCKENNA. How long had you been a member of the union at that time?

"Mr. PAUL DORFMAN. I would say about 3 months, 4 months. I don't know.

"Mr. MCKENNA. Are you familiar with the constitution and bylaws of the Scrap Iron and Junk Handlers Union?

"Mr. PAUL DORFMAN. Well, I don't think there is any bylaws says a man—how long a man has to be a member of the union before he can be elected.

"Mr. MCKENNA. My question is, Are you familiar with the constitution and bylaws of the Scrap Iron and Junk Handlers Union of America?

"Mr. PAUL DORFMAN. No, sir.

"Mr. MCKENNA. Are you an officer of the local of Scrap Iron and Junk Handlers Union?

"Mr. PAUL DORFMAN. No, sir. The union I am a member of is the Waste Material Handlers Union.

"Mr. MCKENNA. Is that a different union?

"Mr. PAUL DORFMAN. We changed the name to Waste Material Handlers Union.

"Mr. MCKENNA. So it is the same union?

"Mr. PAUL DORFMAN. That is right.

"Mr. MCKENNA. With the same constitution and bylaws?

"Mr. PAUL DORFMAN. I don't know.

"Mr. MCKENNA. I show you what purports to be a copy of the constitution and bylaws of the Scrap Iron and Junk Handlers Union.

"May that be Paul Dorfman exhibit No. 2, Mr. Chairman?

"Mr. SMITH. It is admitted.

"(The document referred to was marked 'Paul Dorfman Exhibit No. 2' for identification. While not made a part of this printed record, it is available for reference purposes in the permanent files of the Committee on Education and Labor.)

"Mr. MCKENNA. And I call your attention to section 3 thereof. Would you read it and tell us whether you are familiar with that provision?

"Mr. PAUL DORFMAN (reading):

"'Any members who have been in continuous good standing—only members who have been in continuous good standing for at least 2 years shall be eligible for office in this union.'

"Mr. MCKENNA. Will you explain how you came to be an officer after 3 months in spite of the provisions of that charter?

"Mr. PAUL DORFMAN. The local was in receivership, as I stated before, and Breigel, the regional director at that time, was the receiver for the local, and he held an election for officers because at that time the local had no money, the people were working for $6 a week, working 54 hours, and he wanted to have the organization go on, and asked me to take over. That is all I know. He was the one that is supposed to know the constitution, whether I was eligible to run or not.

"Mr. MCKENNA. So you took over?

"Mr. PAUL DORFMAN. That is right.

"Mr. MCKENNA. Was there any complaint from the law-enforcement authorities about your taking over?

"Mr. PAUL DORFMAN. Was there any complain against——

"Mr. MCKENNA. Did the law-enforcement authorities complain to William Green, the head of the A. F. of L., about your taking over the management of that union or that local?

"Mr. PAUL DORFMAN. I wouldn't know that.

"Mr. MCKENNA. You have never heard that a police officer of the State of Illinois named Gilbert——

"Mr. PAUL DORFMAN. Oh, yes.

"Mr. MCKENNA. Objected to your appointment?

"Mr. PAUL DORFMAN. His argument was with Breigel, who was at that time the general director.

"Mr. MCKENNA. Were you aware, or did he object to your appointment?

"(The witness confers with his counsel.)

"(There was no response.)

"Mr. MCKENNA. I show you what purports to be a photostat of a letter dated April 2, 1940, addressed to Mr. William Green, president of the American Federation of Labor. It says:

"'DEAR SIR AND BROTHER: I have applied for bond to cover Mr. Paul J. Dorfman whom I have appointed as an outside contact agent as per credentials enclosed. The opposition against Mr. Dorfman made by Captain Gilbert of the State's attorney's office because he was not a member and not eligible to membership in the union has been legally arranged.'

"What does that mean?

"Mr. PAUL DORFMAN. I went to work in the industry.

"Mr. MCKENNA. What is meant by 'legally arranged'?

"Mr. PAUL DORFMAN. That is right.

"Mr. MCKENNA. In spite of this provision of the charter?

"Mr. PAUL DORFMAN. I don't know anything about the provision. All I know is that they told me to get a job in the industry and go to work, and I went to work in the industry.

"Mr. MCKENNA. Are you aware that the State's attorney of the State of Illinois complained to Mr. William Green about your appointment?

"Mr. PAUL DORFMAN. I have heard such a rumor.

"Mr. MCKENNA. And said that neither he nor Mr. Fenton 'will tolerate the appointment made by Mr. Breigel'?

"Mr. PAUL DORFMAN. That is not true, because I have heard——

"Mr. MCKENNA. What is not true?

"Mr. PAUL DORFMAN. Mr. Fenton. Because I have heard some rumor about that, but there was a meeting in Chicago at the federation where I met Mr. Fenton, where Mr. Breigel introduced me to Mr. Fenton, and we had a discussion on organization work at that time, and Fenton says, 'Well, just forget about it. Go on and organize.'

"Mr. MCKENNA. Have you ever been arrested?

"Mr. PAUL DORFMAN. Have I ever been arrested?

"Mr. MCKENNA. Have you ever been placed under arrest?

"Mr. PAUL DORFMAN. Yes, sir.

"Mr. MCKENNA. Tell us about it.

"Mr. PAUL DORFMAN. In 1928, I think it was, I was arrested because of some political argument at the polls. I was with the Republican Party at that time, the regular Republican Party.

"Mr. MCKENNA. Was that on a charge of polls fraud?

"Mr. PAUL DORFMAN. No, sir.

"Mr. MCKENNA. What was the charge?

"Mr. PAUL DORFMAN. It was an argument in the polling place about who was eligible to vote and who couldn't vote, and the precinct captains got into an argument, and I was over to the headquarters, and they called up and said there was some disturbance there stopping the people from voting, holding up the count, that is, holding up the line of people going in to vote. And I went over there and a fight started.

"Mr. MCKENNA. What was the next time you were arrested?

"Mr. PAUL DORFMAN. I was discharged.

"Mr. MCKENNA. Were you indicted?

"Mr. PAUL DORFMAN. I went to court and I got discharged.

"Mr. MCKENNA. Were you indicted?

"(There was no response.)

"Mr. MCKENNA. Did the grand jury return an indictment?

"Mr. PAUL DORFMAN. I don't even remember. All I know, I went to court and was discharged.

"Mr. McKENNA. Did you ever see this [handing]?

"Mr. PAUL DORFMAN. I know I didn't appear before no grand jury or nothing. I went to court and got discharged.

"Apparently I was because I had to go to court, and I was found not guilty.

"Mr. McKENNA. And you were arrested on other occasions but not convicted? Is that correct?

"Mr. PAUL DORFMAN. Well, that is right.

"Mr. McKENNA. That is correct?

"Mr. PAUL DORFMAN. That is right.

"Mr. McKENNA. What was your business in Beverly Hills in 1951?

"(The witness confers with his counsel.)

"Mr. PAUL DORFMAN. I decline to answer the question. The answer might tend to incriminate me.

"Mr. SMITH. I order you to answer, Mr. Dorfman.

"Mr. PAUL DORFMAN. I respectfully decline to answer. The answer might tend to incriminate me.

"Mr. McKENNA. Who was with you on that trip?

"Mr. DORFMAN. I decline to answer on the grounds that it might tend to incriminate me.

"Mr. SMITH. I order you to answer the question.

"Mr. PAUL DORFMAN. I respectfully decline on the grounds that the answer might tend to incriminate me.

"Mr. McKENNA. Was your wife with you on that trip?

"Mr. PAUL DORFMAN. I decline to answer.

"Mr. SMITH. I order you to answer the question.

"Mr. PAUL DORFMAN. I respectfully decline to answer. The answer might tend to incriminate me.

"Mr. McKENNA. Was Mr. Edward Fenner with you on that trip?

"Mr. PAUL DORFMAN. I decline to answer.

"Mr. McKENNA. Was Mr. Joe Jacobs with you on that trip?

"Mr. PAUL DORFMAN. I decline to answer.

"Mr. McKENNA. When was your next trip to California?

"Mr. PAUL DORFMAN. I don't remember.

"Mr. McKENNA. Were you in California in October of last year? Did you stay at the Beverly Wilshire Hotel?

"Mr. PAUL DORFMAN. Yes.

"Mr. McKENNA. Who was with you on that trip?

"Mr. PAUL DORFMAN. I decline to answer.

"Mr. SMITH. I order you to answer the question.

"Mr. PAUL DORFMAN. I respectfully decline to answer on the grounds it might tend to incriminate me.

"Mr. McKENNA. What was your business in Beverly Hills in October?

"Mr. PAUL DORFMAN. I decline to answer.

"Mr. SMITH. I order you to answer the question.

"Mr. PAUL DORFMAN. I respectfully decline to answer on the ground that the answer might tend to incriminate me.

"Mr. McKENNA. Who paid the expenses of that trip?

"Mr. PAUL DORFMAN. I decline to answer.

"Mr. SMITH. I order you to answer.

"Mr. PAUL DORFMAN. I respectfully decline to answer, that the answer might tend to incriminate me.

"Mr. GRAHAM. Mr. Dorfman, where were you born?

"Mr. PAUL DORFMAN. Where was I born?

"Mr. GRAHAM. Yes, sir.

"Mr. PAUL DORFMAN. In Warsaw, Poland.

"Mr. GRAHAM. Are you an American citizen?

"Mr. PAUL DORFMAN. Yes, sir.

"Mr. GRAHAM. When did you become an American citizen?

"Mr. PAUL DORFMAN. By act of Congress.

"Mr. GRAHAM. I say when?

"Mr. PAUL DORFMAN. In 1915.

"Mr. GRAHAM. Thank you.

"Mr. McKENNA. Mr. Dorfman, can you identify local 743?

"Mr. PAUL DORFMAN. Can I identify local 743?

"Mr. McKENNA. Yes.

"Mr. PAUL DORFMAN. 743——

"Mr. McKENNA. Where is it located?

"Mr. PAUL DORFMAN. What local are you talking about, 743?

"Mr. McKENNA. Are you familiar with any local 743?

"(The witness confers with his counsel.)

"Mr. PAUL DORFMAN. Is it a Teamster Local 743? In Chicago? When you say the number I don't know.

"Mr. McKENNA. Do you know any local by that number?

"Mr. PAUL DORFMAN. Yes, sir.

"Mr. McKENNA. Which one do you know by that number?

"Mr. PAUL DORFMAN. It is a teamster local.

"Mr. McKENNA. Where is it located?

"Mr. PAUL DORFMAN. In Chicago.

"Mr. McKENNA. Who is the head of that local?

"Mr. PAUL DORFMAN. Peters, Don Peters.

"Mr. McKENNA. How long have you known Mr. Peters?

"Mr. PAUL DORFMAN. For years.

"Mr. McKENNA. How many years?

"Mr. PAUL DORFMAN. For years.

"Mr. SMITH. The press and public is entitled to hear what the witness says. Now, will you please turn around and talk this way? You can stand there, Mr. McKenna, but I want you to talk out so that the audience and press can hear.

"Mr. McKENNA. How long have you known Mr. Peters?

"Mr. PAUL DORFMAN. For years.

"Mr. McKENNA. About how many years?

"Mr. PAUL DORFMAN. Eight, 10 years.

"Mr. McKENNA. Eight or 10 years. When did you first discuss insurance with Mr. Peters?

"Mr. PAUL DORFMAN. I decline to answer.

"Mr. SMITH. I order you to answer the question.

"Mr. PAUL DORFMAN. I respectfully decline to answer. The question might tend to incriminate me—the answer, I mean.

"Mr. McKENNA. Are you acquainted with local 1031?

"Mr. PAUL DORFMAN. Yes, sir.

"Mr. McKENNA. Who is the head of that local?

"Mr. PAUL DORFMAN. Frank Darling.

"Mr. McKENNA. Can you speak up a little bit? How long have you known Mr. Darling?

"Mr. PAUL DORFMAN. Ten, 12 years.

"Mr. McKENNA. When did you first discuss insurance with Mr. Darling?

"Mr. PAUL DORFMAN. I decline to answer. The question——

"Mr. SMITH. I order you to answer the question.

"Mr. PAUL DORFMAN. I respectfully decline to answer. The answer might tend to incriminate me.

"Mr. McKENNA. Do you know James Hoffa?

"Mr. PAUL DORFMAN. Yes, sir.

"Mr. McKENNA. How long have you known Mr. Hoffa?

"Mr. PAUL DORFMAN. Fifteen, 17 years.

"Mr. McKENNA. When did you first discuss insurance of the teamsters locals or organizations with Mr. Hoffa?

"Mr. PAUL DORFMAN. I decline to answer. The answer might tend to incriminate me.

"Mr. SMITH. I order you to answer.

"Mr. PAUL DORFMAN. I respectfully decline to answer. The answer might tend to incriminate me.

"Mr. McKENNA. Do you have any financial interests jointly with Mr. Hoffa?

"Mr. PAUL DORFMAN. I decline to answer. The answer might tend to incriminate me.

"Mr. SMITH. I order you to answer the question.

"Mr. PAUL DORFMAN. I respectfully decline to answer. The answer might tend to incriminate me.

"Mr. McKENNA. Are you a part owner of a girls' camp in Wisconsin?

"Mr. PAUL DORFMAN. I decline to answer. The answer might tend to incriminate me.

"Mr. SMITH. I order you to answer the question.

"Mr. PAUL DORFMAN. I respectfully decline to answer on the ground that the answer might tend to incriminate me.

"Mr. McKENNA. Do you know Morris B. Sachs?

"Mr. PAUL DORFMAN. Yes, sir.

"Mr. McKENNA. How long have you known Mr. Sachs?

"Mr. PAUL DORFMAN. Twenty-five years.

"Mr. McKENNA. When did you first discuss insurance with Mr. Sachs?

"Mr. PAUL DORFMAN. I decline to answer. The answer might tend to incriminate me.

"Mr. SMITH. I order you to answer the question.

"Mr. PAUL DORFMAN. I respectfully decline to answer on the ground that the answer might tend to incriminate me.

"Mr. McKENNA. Are you acquainted with Teamsters Local 805?

"Mr. PAUL DORFMAN. Yes, sir.

"Mr. McKENNA. Where is it located?

"Mr. PAUL DORFMAN. In New York.

"Mr. McKENNA. Who are the officers of that local?

"Mr. PAUL DORFMAN. Miltie Holt.

"Mr. McKENNA. Who else?

"Mr. PAUL DORFMAN. I don't know.

"Mr. McKENNA. Is Abe Gordon connected with that local?

"Mr. PAUL DORFMAN. Yes, sir.

"Mr. McKENNA. Do you know Abe Gordon?

"Mr. PAUL DORFMAN. Yes, sir.

"Mr. McKENNA. Did Abe Gordon talk to you about getting a teamsters local before he acquired this one?

"Mr. PAUL DORFMAN. No, sir.

"Mr. McKENNA. You had no discussion with Mr. Gordon about his acquiring a teamsters local before he acquired Teamsters Local 805?

"Mr. PAUL DORFMAN. That is right, sir.

"Mr. McKENNA. You had none?

"Mr. PAUL DORFMAN. That is right.

"Mr. McKENNA. Did Mr. Gordon visit you in Chicago at any time?

"Mr. PAUL DORFMAN. When he was in Chicago he visited me in Chicago. I seen him in Chicago.

"Mr. SMITH. Mr. Dorfman, that question can be answered. There is nothing incriminating about that.

"Mr. PAUL DORFMAN. That is right.

"Mr. SMITH. He asked you if you visited with him.

"Mr. PAUL DORFMAN. I saw him when he was in Chicago. I am not refusing to answer. I said I saw him when he was in Chicago.

"Mr. McKENNA. Did you see him in Chicago at any time before he acquired local 805?

"Mr. PAUL DORFMAN. No, sir.

"Mr. McKENNA. At no time?

"Mr. PAUL DORFMAN. No, sir.

"Mr. McKENNA. Did you talk with him in New York before then?

"Mr PAUL DORFMAN. No, sir.

"Mr. McKENNA. And you never discussed the acquisition of a charter for a teamsters local?

"Mr. PAUL DORFMAN. That right.

"Mr. McKENNA. Did you sign any application for local 805?

"Mr. PAUL DORFMAN. No, sir.

"Mr. McKENNA. Your signature does not appear in any papers in connection with local 805?

"Mr. PAUL DORFMAN. That is right, sir.

"Mr. McKENNA. Who operates the Lipschultz Fast Freight?

"Mr. PAUL DORFMAN. I don't know.

"Mr. McKENNA. You don't know about that?

"Mr. PAUL DORFMAN. No.

"Mr. McKENNA. You know nothing about Lipschultz Fast Freight?

"Mr. PAUL DORFMAN. No.

"Mr. McKENNA. You have never discussed with anybody connected with Lipschultz Fast Freight the acquisition of insurance or the opening of insurance?

"Mr. PAUL DORFMAN. I decline to answer. The question might tend to incriminate me.

"Mr. SMITH. I order you to answer the question.

"Mr. PAUL DORFMAN. I respectfully decline to answer. The answer might tend to incriminate me.

"Mr. McKENNA. Are you acquainted with Bakery Drivers No. 51?

"Mr. PAUL DORFMAN. No, sir.

"Mr. McKENNA. You know none of the officers of Bakery Drivers No. 51?

"Mr. PAUL DORFMAN. As far as I know, I don't.

"Mr. McKENNA. Have you ever discussed the matter of insurance with Bakery Drivers No. 51?

"Mr. PAUL DORFMAN. I decline to answer. The answer might tend to incriminate me.

"Mr. SMITH. I order you to answer the question.

"Mr. PAUL DORFMAN. I respectfully decline to answer, that the answer might tend to incriminate me.

"Mr. McKENNA. Are you acquainted with local 102, UAW?

"Mr. PAUL DORFMAN. Yes, sir.

"Mr. McKENNA. Who are the officers of that local?

"Mr. PAUL DORFMAN. I don't know who the officers are, but I can tell you the whole story about that. And it started a whole balloon in the papers. And I don't even know how that got started.

"I was in New York and a good friend of mine, Sam Berger, who is connected with the International Ladies Garment Workers Union, asked me if I knew Tony Doria, who is secretary-treasurer of the United Auto Workers, AFL, that there was some CIO locals that wanted to affiliate with the AFL. And he asked me if I knew Doria, and I said, 'Yes, he worked around Chicago. I have met him. I also know the general counsel for the United Auto Workers.'

"And he said, 'Would you set up a date that I could meet Doria and talk to him?'

"Berger came to Chicago and we went to Milwaukee. I called the general counsel and asked him whether Doria was in town, and if there was a chance to see him, and he said, 'Yes,' and we went to Milwaukee, went up to the United Auto Workers headquarters, and I introduced Berger to Doria, and that is all I know about the whole thing.

"Mr. McKENNA. Did you end up by getting the insurance on that local?

"Mr. PAUL DORFMAN. I decline to answer that on the grounds that it might tend to incriminate me.

"Mr. SMITH. I order you to answer.

"Mr. PAUL DORFMAN. I respectfully decline to answer.

"Mr. SMITH. Just a minute. Now, Mr. Attorney, he said, 'I decline to answer on the grounds it would tend to incriminate me.' He lets his voice fall, and I want to be sure that when he says, 'I decline to answer' I want that full and complete answer because of protection to him.

"Mr. CLINTON. I appreciate your suggestion, Mr. Chairman.

"Mr. Dorfman, you must speak loudly enough——

"Mr. PAUL DORFMAN. Wait a minute. He asked a question. Just a minute—he asked a question, and he doesn't let me finish it, and he shoots another question at me. I start talking about 102, and I am trying to explain what happened there, and the next thing I know there is a lot of newspaper notoriety that I got the charter for 102. All I did was make the introduction between Berger and Tony Doria. What the International done with him I have no control over the International.

"He won't let me finish.

"Mr. McKENNA. The next question is whether or not you got the insurance.

"Mr. HOFFMAN. You may incriminate yourself if you make those voluntary statements. You want to watch out.

"Mr. PAUL DORFMAN. Thank you, sir.

"Mr. CLINTON. The chairman is suggesting that when you claim your privilege under the fifth amendment you are letting your voice drop and not completing your statement. The court reporter is not getting it. He is making a suggestion, and it is very helpful to you, and I suggest that you follow his request.

"Mr. McKENNA. Mr. Dorfman, you started to tell us about this transaction. You volunteered the information, and the pertinent part of the transaction we are interested in is whether or not you ended up by getting the insurance on this local. Did you get that insurance?

"Mr. PAUL DORFMAN. I decline to answer. The answer might tend to incriminate me.

"Mr. SMITH. I order you to answer.

"Mr. PAUL DORFMAN. I respectfully decline to answer, that the answer might tend to incriminate me.

"Mr. McKENNA. Do you know George Meany?

"Mr. PAUL DORFMAN. I know him when I see him around conventions.

"Mr. McKENNA. How long have you known him?

"Mr. PAUL DORFMAN. I see him round conventions for the last 15 years.

"Mr. McKENNA. Do you know him very well?

"Mr. PAUL DORFMAN. No, sir.

"Mr. McKENNA. Do you call him by his first name?

"Mr. PAUL DORFMAN. No, sir.

"Mr. McKENNA. Does he call you by your first name?

"Mr. PAUL DORFMAN. No, sir.

"Mr. McKENNA. Do you know Joseph Keenan?

"Mr. PAUL DORFMAN. Yes, sir.

"Mr. McKENNA. How well do you know Joseph Keenan?

"Mr. PAUL DORFMAN. I know Joseph Keenan because Keenan is a Chicago man, and he was secretary of the Chicago Federation of Labor.

"Mr. McKENNA. How well do you know Joseph Keenan?

"Mr. PAUL DORFMAN. I know him for years; I have known him.

"Mr. McKENNA. Do you know Alex Rose?

"Mr. SMITH. This committee is recessed for 5 minutes. I have to answer a very important telephone call.

(A short recess was taken.)

"Mr. SMITH. The committee will please come to order. Proceed, Mr. McKenna.

"Mr. McKENNA. Do you know Alex Rose?

"Mr. PAUL DORFMAN. Yes, sir.

"Mr. McKENNA. Who is Alex Rose?

"Mr. PAUL DORFMAN. He is president of the Millinery——

"Mr. McKENNA. How well do you know Mr. Rose?

"Mr. PAUL DORFMAN. I just know him like you meet other people around conventions and get acquainted with.

"Mr. McKENNA. Do you know Dick Ray, R-a-y?

"Mr. PAUL DORFMAN. Yes, sir.

"Mr. McKENNA. Who is Mr. Ray?

"Mr. PAUL DORFMAN. Head of the Building Trades.

"Mr. McKENNA. Do you know David Dubinsky?

"Mr. PAUL DORFMAN. Just to say hello to him, like anybody else you meet around a convention. You see him year in and year out, you say hello to them, and they say hello to you.

"Mr. McKENNA. Do you know Harry O'Reilly?

"Mr. PAUL DORFMAN. Yes, sir.

"Mr. McKENNA. Do you have any business transactions with Harry O'Reilly?

"Mr. PAUL DORFMAN. I decline to answer.

"Mr. SMITH. I order you to answer.

"Mr. PAUL DORFMAN. I respectfully decline to answer, that the answer might tend to incriminate me.

"Mr. McKENNA. Do you know Longy Zwillman?

"Mr. PAUL DORFMAN. No, sir.

"Mr. McKENNA. You have never met him?

"Mr. PAUL DORFMAN. No, sir.

"Mr. McKENNA. Do you know Joe Jacobs?

"Mr. PAUL DORFMAN. Yes, sir. My attorney for the local union.

"Mr. McKENNA. Do you have any business interest jointly with Mr. Joe Jacobs?

"Mr. PAUL DORFMAN. I decline to answer. The answer might tend to incriminate me.

"Mr. SMITH. I order you to answer the question.

"Mr. PAUL DORFMAN. I respectfully decline to answer. The answer might tend to incriminate me.

"Mr. McKENNA. Do you know Sam Beyer?

"Mr. PAUL DORFMAN. Yes, sir.

"Mr. McKENNA. Who is Sam Beyer?

"Mr. PAUL DORFMAN. Head of the—president of the International Laundry Workers.

"Mr. McKENNA. Do you know Johnny Dioguaidi?

"Mr. PAUL DORFMAN. Yes, sir.

"Mr. McKENNA. What is Johnny Dioguaidi's local?

"Mr. PAUL DORFMAN. That is that local we were talking about, that 102.

"Mr. McKENNA. That is 102, UAW?

"Mr. PAUL DORFMAN. Yes, sir.

"Mr. GRAHAM. Is that CIO?

"Mr. PAUL DORFMAN. AFL, UAW.

"Mr. McKENNA. Did you help Johnny Dioguaidi get that local other than the way you have described here?

"Mr. PAUL DORFMAN. I didn't help him at all. I introduced Mr. Berger to Mr. Doria.

"Mr. McKENNA. Did you sign a petition for that local?

"Mr. PAUL DORFMAN. No, sir.

"Mr. McKENNA. Your name does not appear on the paper in connection with the establishment of that local?

"Mr. PAUL DORFMAN. I have heard later on that they put my name on the charter, as if they wanted to give me an honorable mention for that, and I told them to take it off. I said, 'I don't belong here. What have you got my name on here for?'

"Mr. McKENNA. You did not sign it?

"Mr. PAUL DORFMAN. No, sir.

"Mr. McKENNA. If your signature appears there, it is not your signature?

"Mr. PAUL DORFMAN. It is not my signature.

"Mr. McKENNA. If it appears there, it is a forgery?

"Mr. PAUL DORFMAN. That is right.

"Mr. McKENNA. Do you know Abe Gordon?

"Mr. PAUL DORFMAN. Yes, sir.

"Mr. McKENNA. Do you know Harry Meltzer?

"Mr. PAUL DORFMAN. I can't recall.

"Mr. McKENNA. Do you know him by the name of Mickey Cohen?

"Mr. PAUL DORFMAN. Who is Mickey Cohen?

"Mr. McKENNA. You don't know either Harry Meltzer or Mickey Cohen, or an individual by either name?

"Mr. PAUL DORFMAN. I can't place that name.

"Mr. McKENNA. In any of your trips to Los Angeles, have you talked with Mickey Cohen?

"Mr. PAUL DORFMAN. No, sir.

"Mr. McKENNA. With whom have you talked?

"Mr. PAUL DORFMAN. Now I know what you—I don't know who you are talking about; no sir.

"Mr. McKENNA. With whom have you talked on your trips to Los Angeles?

"Mr. PAUL DORFMAN. Oh, I met all Chicago people I know from Chicago, people you know around the country. I don't know specifically who. I have never spoken to him.

"Mr. McKENNA. Name some of the persons you talked with on your last trip to Los Angeles.

"Mr. PAUL DORFMAN. I decline to answer. The answer might tend to incriminate me.

"Mr. SMITH. I am not going to order you to answer that question. That is a little bit too indefinite.

"Mr. McKENNA. Do you know Harold Krieger?

"Mr. PAUL DORFMAN. Yes, sir.

"Mr. McKENNA. Who is Harold Krieger?

"Mr. PAUL DORFMAN. He was attorney for the Laundry Workers' Union, I think he was. I know he was an attorney. And he is connected with them. In what capacity, whether as general counsel or so I don't know, but I know he was an attorney.

"Mr. McKENNA. Did you get the insurance of his union?

"Mr. PAUL DORFMAN. I decline to answer on the grounds it might tend to incriminate me.

"Mr. SMITH. I order you to answer that question.

"Mr. PAUL DORFMAN. I respectfully decline to answer. The answer might tend to incriminate me.

"Mr. McKENNA. Do you know Leo Perlman?

"Mr. PAUL DORFMAN. Yes, sir.

"Mr. McKENNA. When did you first meet Leo Perlman?

"Mr. PAUL DORFMAN. I met Dr. Perlman in 1945 or the early part of 1946, somewhere around there, at that time. I was looking to get some insurance for my membership, and my membership being about 95 percent colored I was having trouble trying to get insurance, at the premium we were able to pay, and Joe Jacobs, who was the attorney at that time, and is still, for my local, told me that Dr. Perlman, who represents Casualty Co., would give me the kind of coverage that I am seeking.

"I met with Dr. Perlman. I told him what I wanted, and he told me that he would get me a policy that would give my membership 60 percent of their gross pay up to 52 weeks in any sickness, besides surgical and medical and the premium would not be any different because they are colored, whether they are colored or white.

"Mr. McKENNA. Who was to pay for this insurance?

"Mr. PAUL DORFMAN. The employers under contract negotiations.

"Mr. McKENNA. Pay it to whom?

"Mr. PAUL DORFMAN. To the union welfare fund.

"Mr. McKENNA. Who maintained the union welfare fund?

"Mr. PAUL DORFMAN. Who maintained it?

"Mr. McKENNA. Yes.

"Mr. PAUL DORFMAN. Well I don't know just how you mean that.

"Mr. McKENNA. Who operates the union welfare fund?

"Mr. PAUL DORFMAN. There are two trustees.

"Mr. McKENNA. Were there at that time?

"Mr. PAUL DORFMAN. Were there at that time?

"Mr. McKENNA. Yes.

"Mr. PAUL DORFMAN. Well, the executive director of the Waste Material Handlers Union and myself handled the account.

"Mr. McKENNA. Were you formally named trustees?

"Mr. PAUL DORFMAN. That is right.

"Mr. McKENNA. There was a document which named you as trustees?

"Mr. PAUL DORFMAN. That is right.

"Mr. McKENNA. And you received these payments from the employers, did you?

"Mr. PAUL DORFMAN. Well, they send their checks in to the union and we have a separate account called the health and welfare.

"Mr. McKENNA. The employers send it directly to the union——

"Mr. PAUL DORFMAN. The employers send their checks in there and we deposit it into that fund, and from that fund then we draw a check, and I send it to the insurance office and, in return, we service all the claims, check all the claims, service the policies, pass out the policy. We do all the work.

"Mr. McKENNA. Where do you get the money for doing all of that?

"Mr. PAUL DORFMAN. Out of contributions to the fund.

"Mr. McKENNA. Are there any rate credits paid in connection with this insurance fund?

"Mr. PAUL DORFMAN. I don't know what you call it. I don't know the legal terminology of insurance. I know we get a check back every year from the insurance company, which is deposited to the account. My girl deposits it in the bank.

"Mr. McKENNA. What proportion of the premiums is that check?

"Mr. PAUL DORFMAN. I think it is 25 percent.

"Mr. McKENNA. So every year 25 percent of the premiums paid for this insurance is returned?

"Mr. PAUL DORFMAN. No; I can't recall correctly. The first 2 years I think it was less.

"Mr. McKENNA. But now it is 25 percent?

"Mr. PAUL DORFMAN. Correct, sir.

"Mr. McKENNA. What do you do with that money when you get it?

"Mr. PAUL DORFMAN. It is deposited in the bank.

"Mr. McKENNA. To whose credit?

"Mr. PAUL DORFMAN. The welfare fund.

"Mr. McKENNA. And who are the trustees of the welfare fund now?

"Mr. PAUL DORFMAN. Myself and Schulman, the executive director of the Waste Material Handlers Union.

"Mr. McKENNA. Who are the industry representatives?

"Mr. PAUL DORFMAN. Schulman.

"Mr. McKENNA. I believe you said he was executive director of the Waste Material——

"Mr. PAUL DORFMAN. Of the waste-trade industry.

"Mr. McKENNA. Not of the Waste Material Handlers Union?

"Mr. PAUL DORFMAN. No, sir; the Waste Trade Industry. I am the head of the union. I represent the union, and he represents the industry.

"Mr. McKENNA. Does that insurance go through the Union Insurance Agency of Illinois in any way?

"Mr. PAUL DORFMAN. No, sir.

"Mr. McKENNA. Does the insurance of local 1031 go through the Union Insurance Agency of Illinois?

"Mr. PAUL DORFMAN. I decline to answer that. The answer might tend to incriminate me.

"Mr. SMITH. I order you to answer.

"Mr. PAUL DORFMAN. I respectfully decline to answer. The answer might tend to incriminate me.

"Mr. McKENNA. What is your wife's occupation?

"Mr. PAUL DORFMAN. I decline to answer. The answer might tend to incriminate me.

"Mr. HOFFMAN. What is that? His wife's occupation?

"Mr. McKENNA. Yes.

"Mr. HOFFMAN. And you decline to answer that on the ground it may tend to incriminate you?

"Mr. PAUL DORFMAN. Yes.

"Mr. HOFFMAN. For heaven's sakes, what is your wife engaged in doing that you are a partner in? What illegal activity are you and your wife mixed up in that you think an answer to that would incriminate you?

"Mr. PAUL DORFMAN. I respectfully decline to answer. It may tend to incriminate me.

"Mr. HOFFMAN. Between you and the other fellows, isn't that silly?

"Mr. PAUL DORFMAN. I respectfully decline to answer. The answer might tend to incriminate me.

"Mr. HOFFMAN. There ought to be a reason in all things, Mr. Attorney. I assume that his wife is a fine, respectable, and decent woman.

"Mr. CLINTON. She is a lovely lady.

"Mr. HOFFMAN. Sure; and here he is messing her up because if he is a partner in her enterprises he would be guilty of a crime.

"Mr. CLINTON. You know once they get in the area of discussion it is a waiver.

"Mr. HOFFMAN. That is commonsense.

"Mr. CLINTON. As you have seen, he has been anxious to answer a great many questions, and reluctantly submitted to my advice. So he is stuck with me as his lawyer, and he has had to abide by it, and I advised him.

"Mr. HOFFMAN. I hope you can straighten it up for him.

"Mr. McKENNA. What were the discussions you had relative to the establishment of Union Insurance Agency of Illinois?

"Mr. PAUL DORFMAN. I decline to answer on the grounds that the answer might tend to incriminate me.

"Mr. SMITH. I order you to answer.

"Mr. PAUL DORFMAN. I respectfully decline to answer that; the answer might tend to incriminate me.

"Mr. McKENNA. What is your son's occupation?

"Mr. PAUL DORFMAN. I decline to answer. The answer might tend to incriminate me.

"Mr. SMITH. I order you to answer the question.

"Mr. PAUL DORTMAN. I respectfully decline to answer. The answer might tend to incriminate me.

"Mr. McKENNA. That is all.

"Mr. SMITH. Mr. HOFFMAN, do you have any questions?

"Mr. HOFFMAN. No.

"Mr. SMITH. You are excused.

"Mr. PAUL DORFMAN. Thank you.

"Mr. CLINTON. May I make a very brief statement? I promise to say not more than 50 words.

"Mr. SMITH. All right; put it in the record.

"Mr. CLINTON. I wanted to say that this witness, Paul J. Dorfman, is a signator to a joint income-tax return with his wife, who, the evidence discloses, is a partner in this enterprise, Union Insurance Agency of Illinois, and that because of the fact that the income-tax returns are under investigation by the Bureau of Internal Revenue, I have been constrained to claim his privilege under the fifth amendment.

"The only other thing I want to add is that, with respect to the insurance records of his local union, they are available at any time, with the completest of freedom, to the committee and its investigators, and when his income-tax returns are closed and disposed of he will answer freely any and all questions of the committee pertaining to his income and his disbursements.

"Thank you very much."

Because of the foregoing, the said special subcommittee and the Committee on Education and Labor were deprived of answers to material and pertinent questions propounded to the said Paul Dorfman relative to the subject matter which, under Public Law 601, section 121, subsection (g) of the 79th Congress, and under House Resolution 115 of the 83d Congress, the said subcommittee and committee were instructed to investigate; and the refusal of the said Paul Dorfman to answer the aforesaid questions places the said Paul Dorfman in contempt of the House of Representatives of the United States.

Mr. McCONNELL. Mr. Speaker, I offer a privileged resolution and ask for its immediate consideration.

The Clerk read the resolution, as follows:

House Resolution 693

Resolved, That the Speaker of the House of Representatives certify the report of the Committee on Education and Labor of the House of Representatives as to the refusal of Paul Dorfman to answer questions before a duly appointed subcommittee of the said Committee on Education and Labor, together with all of the facts in connection therewith, under seal of the House of Representatives, to the United States Attorney for the Eastern District of Michigan, to the end that the said Paul Dorfman may be proceeded against in the manner and form provided by law.

Mr. McCONNELL. Mr. Speaker, this is a matter passed unanimously by the Committee on Education and Labor—17 to 0. We discussed it very thoroughly. We wanted to be sure of our ground, and the final result speaks for itself. I know of no opposition to it, and if anyone here wishes to ask any questions, the chairman of the subcommittee, the gentleman from Kansas [Mr. SMITH] is present and will be glad to answer them.

Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. The Chair will count. [After counting.] Two hundred and fifty-seven Members are present, a quorum.

Mr. McCONNELL. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

The resolution was agreed to, and a motion to reconsider was laid on the table.

PROCEEDINGS AGAINST ALLEN DORFMAN

Mr. McCONNELL. Mr. Speaker, by direction of the Committee on Education and Labor, I submit a privileged report (Rept. No. 2588).

The Clerk read the report, as follows:

PROCEEDINGS AGAINST ALLEN DORFMAN

Mr. McCONNELL, from the Committee on Education and Labor, submitted the following report:

The Committee on Education and Labor, as created and authorized by the House of Representatives through the enactment of Public Law 601, section 121, subsection (g), of the 79th Congress, under House Resolution 5 of the 83d Congress, and under House Resolution 115 of the 83d Congress, on June 6, 1953, and November 13, 1953, appointed and reappointed a special subcommittee of the Committee on Education and Labor to investigate matters within the jurisdiction of the committee. The letters appointing and reappointing this special subcommittee are set forth below.

HOUSE OF REPRESENTATIVES,
COMMITTEE ON EDUCATION AND LABOR,
Washington 25, D. C., June 6, 1953.

Hon. WINT SMITH,
House of Representatives,
Washington, D. C.

DEAR CONGRESSMAN SMITH: By virtue of the authority vested in me as chairman of the Committee on Education and Labor of the House of Representatives, and, pursuant to House Resolution 115, of the 83d Congress, 1st session, I hereby appoint you as chairman of a special subcommittee of the Committee on Education and Labor to investigate alleged violations in and around Benton Harbor and Detroit, Mich., of the Labor-Management Relations Act of 1947, and other Federal labor legislation coming within the purview of the Committee on Education and Labor, and allegations as to the improper administration and enforcement of such legislation.

I have also appointed Representative CLARE E. HOFFMAN of Michigan and Representative PHIL M. LANDRUM of Georgia to serve with you on this subcommittee.

The subcommittee is hereby authorized and directed to conduct a thorough study and investigation of the aforementioned allegations and any matter or subject coming within the jurisdiction of the Committee on Education and Labor under rule XI, 6, of the Rules of the House of Representatives, 83d Congress, which is covered by these allegations.

You are further directed to hold such public or executive sessions at St. Joseph, Mich., and Detroit, Mich., as you may deem advisable.

Sincerely yours,

SAMUEL K. MCCONNELL, Jr.,
Chairman, Committee on Education and Labor.

HOUSE OF REPRESENTATIVES,
COMMITTEE ON EDUCATION AND LABOR,
Washington D. C., November 13, 1953.

Hon. WINT SMITH,
House of Representatives,
Washington, D. C.

DEAR CONGRESSMAN SMITH: By virtue of the authority vested in me as chairman of the Committee on Education and Labor of the House of Representatives, and pursuant to House Resolution 115 of the 83d Congress, 1st session, I hereby reappoint you as chairman of a special subcommittee of the Committee on Education and Labor to complete the investigation in the Detroit, Mich., area as authorized under my letter of June 6, 1953. In completing this investigation your subcommittee is further authorized and directed to hold hearings in Chicago, Ill., on matters directly pertinent to and directly connected with the aforesaid investigation at Detroit, Mich. This further investigation is to encompass alleged violations of the Labor-Management Relations Act of 1947, and other Federal labor legislation coming within the purview of the Committee on Education and Labor, and allegations as to the improper administration and enforcement of such legislation.

I have also reappointed Representative CLARE E. HOFFMAN, of Michigan, and Representative PHIL M. LANDRUM, of Georgia, to serve with you on this subcomimttee.

The subcommittee is hereby authorized and directed to conduct a thorough study and investigation of the aforementioned allegations and any matter of subject coming within the jurisdiction of the Committee on Education and Labor under rule XI, 6, of the Rules of the House of Representatives, 83d Congress, which is covered by these allegations.

You are further directed to hold such public or executive sessions at Detroit, Mich., and Chicago, Ill., as you may deem advisable and you are hereby authorized and designated by me to issue and have served such subpenas as may be necessary to complete this investigation.

Upon the completion of your study and investigation, you are directed to prepare a report to the Committee on Education and Labor with such recommendations as in your judgment the facts shall warrant.

Sincerely yours,

SAMUEL K. MCCONNELL, Jr.,
Chairman, Committee on Education and Labor.

(Copies to Hon. CLARE E. HOFFMAN, Hon. PHIL M. LANDRUM.)

Acting under the authority conveyed in the above letter of November 13, 1953, the aforesaid subcommittee caused to be issued three subpenas to Allen Dorfman, 3420 North Lake Shore Drive, Chicago, Ill. The said subpenas directed Allen Dorfman to be and appear before said special subcommittee in room 859, Federal Building, Detroit, Mich. The subpenas served upon said Allen Dorfman are set forth in words and figures, as follows:

"SUBPENA NO. 1

"By authority of the House of Representatives of the Congress of the United States of America, to United States Marshal or any other authorized Government agent: You are hereby commanded to summon Allen Dorfman, 3420 North Lake Shore Drive, Chicago 13, Ill., to be and appear before the Special Subcommittee on Strikes and Racketeering of the Committee on Education and Labor of the House of Representatives of the United States, of which the Honorable WINT SMITH is chairman, in their chamber at room 1005, Federal Building, 231 West Lafayette, in the city of Detroit, Mich., on Monday, the 23d day of November 1953, at the hour of 10 a. m., local time, then and there to testify touching matters of inquiry committed to said committee; and he is not to depart without leave of said committee.

"Herein fail not, and make return of this summons.

"Witness my hand and the seal of the House of Representatives of the United States, at the city of Washington, this 14th day of November 1953.

"WINT SMITH, *Chairman.*

"Attest:

"[SEAL] "LYLE O. SNADER,
"Clerk, House of Representatives of the United States."

The said subpena was duly served as appears by the return made thereon by William W. Kepp, Sr., United States marshal, who was duly authorized to serve the said subpena. The return of the service by the said William W. Kepp, Sr., being endorsed thereon, is set forth in words and figures, as follows:

"Served this writ on the within named Allen Dorfman by delivering a copy thereof to him in person this 18th day of November A. D. 1953 and at the same time informing him of the contents thereof.

"WILLIAM W. KEPP, Sr.,
"United States Marshal."

"SUBPENA NO. 2

"By authority of the House of Representatives of the Congress of the United States of America, to United States marshal or any other authorized Government agent: You are hereby commanded to summon Allen Dorfman, 3420 North Lake Shore Drive, Chicago 13, Ill., to be and appear before the Special Subcommittee on Strikes and Racketeering of the Committee on Education and Labor of the House of Representatives of the United States, of which the Honorable WINT SMITH is chairman, and to bring with him copies in his possession or under his control of all his personal income tax returns to the United States for the years 1948 through 1952, inclusive, and all books, records, memoranda, correspondence, vouchers, deposit slips, bank accounts, and other papers, originals and copies, pertaining to the receipt, expenditure, use, or other disposition of moneys of, or received from, the United Public Service Corp., Union Casualty and Life Insurance Co., and Union Casualty Co., or any officer thereof, received, expended, or used by him or under his direction, in their chamber in room 1005, Federal Building, 231 West Lafayette, Detroit, Mich., on Monday, November 23, 1953, at the hour of 10 a. m., local time, then and there to testify touching matters of inquiry committed to said committee; and he is not to depart without leave of said committee.

"Herein fail not, and make return of this summons.

"Witness my hand and the seal of the House of Representatives of the United

States, at the city of Washington, this 16th day of November 1953.

"WINT SMITH, *Chairman.*

"Attest:
[SEAL] "LYLE O. SNADER,
"Clerk, House of Representatives of the United States."

The said subpena was duly served as appears by the return made thereon by William W. Kepp, Sr., United States marshal, who was duly authorized to serve the said subpena. The return of the service by the said William W. Kepp, Sr., being endorsed thereon, is set forth in words and figures, as follows:

"Served this writ on the within named Allen Dorfman by delivering a copy thereof to him in person this 18th day of November A. D. 1953 and at the same time informing him of the contents thereof.

"WILLIAM W. KEPP, Sr.,
"United States Marshal."

"SUBPENA NO. 3

"By authority of the House of Representatives of the Congress of the United States of America, to United States marshal, or any other authorized Government agent: You are hereby commanded to summon Allen Dorfman, 3420 North Lake Shore Drive, Chicago, Ill., to be and appear before the Special Subcommittee on Strikes and Racketeering of the Committee on Education and Labor of the House of Representatives of the United States, of which the Honorable WINT SMITH is chairman, and to bring with him copies in his possession or under his control of all his personal income-tax returns to the United States for the years 1948 through 1952, inclusive, and all books, records, memoranda, correspondence, vouchers, deposit slips, bank accounts, and other papers, originals and copies, pertaining to the receipt, expenditure, use, or other disposition of moneys of, or received from, the United Public Service Corp., Union Casualty & Life Insurance Co., and Union Casualty Co., or any officer thereof received, expended, or used by him or under his direction, and copies of all income-tax returns of the Union Insurance Agency of Illinois, a partnership, and of any predecessor corporation or organization made to the United States and filed on or after December 31, 1948, in their chamber in room 859, Federal Building, 231 West Lafayette, Detroit, Mich., forthwith, then and there to testify touching matters of inquiry committed to said committee; and he is not to depart without leave of said committee.

"Herein fail not, and make return of this summons.

"Witness my hand and the seal of the House of Representatives of the United States, at the city of Washington, this 23d day of November 1953.

"WINT SMITH,
"Chairman.

"Attest:
"[SEAL] "LYLE O. SNADER,
"Clerk, House of Representatives of the United States."

The said subpena was duly served as appears by the return made thereon to Lester P. Condon, House of Representatives, who was duly authorized to serve the said subpena. The return of the service by the said Lester P. Condon, being endorsed thereon, is set forth in words and figures, as follows:

"Served personal service Monday, November 23, 1953, room 859, Federal Building, Detroit, Mich.

"LESTER P. CONDON,
"House of Representatives."

The said Allen Dorfman, in compliance with said subpena, appeared before the aforementioned subcommittee at the afternoon session of November 23, 1953, to give such testimony as required under and by virtue of Public Law 601, section 121, subsection (g) of the 79th Congress, and under House Resolution 115 of the 83d Congress. The said Allen Dorfman having appeared as a witness, having been duly sworn, and having been asked a series of questions, namely:

"Was any part of the proceeds of the checks for commissions and expenses that you received from either the Union Casualty Co. of New York or from United Public Service Co. of New York paid to James R. Hoffa?

"Do you think what your mother did might incriminate you even if you did not know it?

"Do you think he would be issuing checks for $400 or $500 or a couple of thousand dollars and handing them out to somebody unless he had some good reason to?

"I have before me here a list of persons to whom Mr. Perlman gave Christmas gifts in 1950, and I find Mr. and Mrs. Allen Dorfman as receiving a Christmas gift. Was that you and your wife? Did you get one?

"For 1951 I find your name on the same list.

"Then we find on another list that Perlman was giving a number of dinners or entertainments. I find you down for one on January 23–24, Chicago, negotiations for Michigan Conference, 24,000 members, entertained—and your name, Allen Dorfman. Were you there?

"You claim if you had dinner with him that it might incriminate you?

"Was your wife with you at that dinner?

"That is not income. This did not cost you anything. This is entertainment. This is just an invitation to a dinner, and Mr. Perlman said that you were there and you all had a good time and he paid for it. So I don't know what that has to do with income. This fourth one cost $1,800—not you—Perlman paid for it. Won't you say you might have been there?

"Mr. Dorfman, while you were waiting for counsel to ask you a further question, you have declined on constitutional grounds to answer a series of questions regarding checks which purportedly were signed with your name. Now, may I ask you if you ever reported to anyone, any law enforcement or investigative agency, the possibility of forgery on any of these checks?

"Mr. Dorfman, were you advised about May 1952 that the Department of Insurance of the State of New York was investigating certain payments purportedly made to you by either or both the Union Casualty Co. or the United Public Service Co.?

"Do you not consider that as a licensed insurance agency of the State of Illinois you are under an obligation to answer the questions of a congressional committee relating to your activities as a licensed insurance agent?

"In your opinion, should you continue as a licensed insurance agent of the State of Illinois if you refuse to answer to a congressional committee regarding your activities as a licensed insurance agent?

"This fall, a couple of months ago, did a man by the name of Mr. Uhlman come down to Chicago and ask to see your records?

"Is that your signature on the reverse? [Of check.] [1]

"I show you a letter dated December 20, 1950, addressed to Union Casualty Co., purported to be signed by Allen M. Dorfman, manager, Union Insurance Agency of Illinois. Did you write that letter?

"Now, I show you check No. 10224, drawn on the account of the United Public Service Corp., National City Bank of New York, in the amount of $2,350, paid to the order of Allen Dorfman, bearing the endorsement on the reverse, presumably of Allen Dorfman. Is that your signature?

"Following that information, or hearing of that rumor [New York State investigation] [1] did you file an amended income-tax return?"

which questions were pertinent and material to the subject under inquiry, refused to answer such questions; and as a result of Allen Dorfman's refusal to answer such questions, your subcommittee and your committee were prevented from receiving information and testimony concerning matters committed to said committee and subcommittee in accordance with the terms of the subpena served upon the said Allen Dorfman.

The record of the proceedings before the subcommittee on November 23, 1953, during which the said Allen Dorfman refused to answer questions pertinent and material to the subject under inquiry, is set forth in fact, as follows:

"INVESTIGATION OF WELFARE FUNDS AND RACKETEERING

"HOUSE OF REPRESENTATIVES,
"SPECIAL SUBCOMMITTEE ON
"UNION WELFARE FUNDS AND LABOR
"RACKETEERING IN THE DETROIT AREA,
"COMMITTEE ON EDUCATION AND LABOR,
"Detroit, Mich., Monday, November 23, 1953.

"(Executive session)

"The subcommittee, met pursuant to call, at 10 a. m., in room 859, Federal Building, Detroit, Mich., Hon. WINT SMITH (chairman of the subcommittee) presiding.

"Present: Representatives SMITH, HOFFMAN, and LANDRUM.

"Present also: Edward A. McCabe, general counsel, Committee on Education and Labor; John O. Graham, chief clerk, Committee on Education and Labor; William F. McKenna, general counsel, Committee on Government Operations; Clyde W. Smith, investigations counsel, Committee on Government Operations; Lester P. Condon, chief investigator, Committee on Government Operations; Frank V. Battle, investigator, Committee on Government Operations.

"Mr. SMITH. This committee will please come to order.

"Let the record show that this subcommittee of the Committee on Education and Labor is holding executive session this morning, the committee members being present consisting of Mr. CLARE HOFFMAN of Michigan, Mr. PHIL LANDRUM, of Georgia, and Mr. SMITH of Kansas.

* * * * *

"Mr. SMITH. We will take a recess until a quarter of 2, at which time the committee will convene in open session.

"(Whereupon, at 12 noon, the committee was recessed, to reconvene in open session at 1:45 p. m., this same day.)

"Afternoon session

"The subcommittee met, pursuant to recess, at 2 p. m., in room 859, Federal Building, Detroit, Mich., Hon. WINT SMITH (chairman of the subcommittee) presiding.

"Present: Representatives SMITH, HOFFMAN, and LANDRUM.

"Present also: Edward A. McCabe, general counsel, Committee on Education and Labor; John O. Graham, chief clerk, Committee on Education and Labor; William F. McKenna, general counsel, Committee on Government Operations; Clyde W. Smith, investigations counsel, Committee on Government Operations; Lester P. Condon, chief investigator, Committee on Government Operations; Frank V. Battle, investigator, Committee on Government Operations.

"Mr. SMITH. The committee will please come to order.

"Let the record show that this subcommittee is convened at this time and place pursuant to House Resolution 115, and a letter, dated November 13, 1953, addressed to myself as chairman of this subcommittee by Mr. MCCONNELL, chairman of the Committee on Education and Labor, the committee members being present consisting of Mr. CLARE HOFFMAN of Michigan; Mr. PHIL LANDRUM, of Georgia; and Mr. SMITH of Kansas.

* * * * *

"Mr. SMITH. Mr. Dorfman, will you come forward, please?

"Hold up your right hand.

[1] Words inside brackets added for clarity.

"Do you solemnly swear the testimony you are about to give in the cause now in hearing will be the truth, the whole truth, and nothing, but the truth, so help you God?

"Mr. ALLEN DORFMAN. I do.

"*Testimony of Allen Dorfman, Chicago, Ill., accompanied by his counsel, Stanford Clinton, Chicago, Ill.*

"Mr. MCKENNA. What is your full name?

"Mr. ALLEN DORFMAN. Allen Dorfman, age 30.

"Mr. MCKENNA. And where do you live?

"Mr. ALLEN DORFMAN. 3420 Lake Shore Drive, Chicago.

"Mr. MCKENNA. What is your occupation?

"Mr. ALLEN DORFMAN. Insurance business.

"Mr. MCKENNA. You are here in response to a subpena, are you?

"Mr. ALLEN DORFMAN. Yes, sir.

"Mr. MCKENNA. And have you produced certain papers in response to a subpena?

"Mr. ALLEN DORFMAN. Yes, sir.

"Mr. MCKENNA. May we have the papers, please?

"Mr. CLINTON. I would like to remind counsel, if I may, Mr. Chairman, that pursuant to a long-distance telephone conversation I had with you, I believe on Thursday of last week, in which you suggested I contact Mr. McKenna and have him pinpoint the documents that the committee would require, that Mr. McKenna advised me that I need not proceed with the preparation to bring any documents to Detroit unless I heard from him further. And I did not hear further from you, Mr. McKenna, and we have brought nothing. That is the conversation.

"Mr. MCKENNA. Not that kind of conversation.

"Mr. CLINTON. That was the conversation, Mr. McKenna.

"Mr. MCKENNA. We will have a memo of the conversation later.

"Mr. CLINTON. There were 2 or 3 people in the room on my end of the phone when I was talking.

"Mr. MCKENNA. In the meantime we will proceed.

"Mr. CLINTON. For the record, my name is Stanford Clinton. I am an attorney at law, 134 North LaSalle Street, Chicago, Ill.

"Mr. MCKENNA. Mr. Dorfman, I show you what purports to be a copy of your amended income-tax return for the year 1951. Do you recall that return?

"Mr. CLINTON. Mr Chairman?

"Mr. SMITH. Yes.

"Mr. CLINTON. May I address you briefly?

"Mr. SMITH. Go ahead.

"Mr. CLINTON. Mr. Chairman, I would like to say to you and the distinguished members of the committee that Mr. Dorfman and his company have extended from the inception of this investigation every cooperation to the committee. They have permitted the investigators of the committee to have full and free access to every document and record in their possession and in their custody. When word was published in the Chicago press that this committee desired Mr. Dorfman's presence in the city of Detroit for this hearing I called the United States marshal's office in Chicago and advised him as to the time and place of service, the time and place where he could be served, and he has come in a desire to cooperate with the committee.

"I might say to the committee that Mr. Dorfman is anxious and eager to tell the learned members of the committee everything and anything they want to know about his insurance business, about how he procured it and the kind of work he has done in it, and the services he has performed. Unfortunately, he has pending at the present time with the Bureau of Internal Revenue investigations with respect to his personal income-tax returns, and under the circumstances I am constrained as his counsel to advise him that he should not answer any questions pertaining to his personal income and his disbursements until those cases are disposed of. Therefore, I have advised him to claim the privileges guaranteed to him by the fifth amendment to the Constitution of the United States as to the income and disbursements until those cases are closed.

"Mr. HOFFMAN. What is that based on? On some previous conduct of his?

"Mr. CLINTON. What is what based on? The claim of privilege? It is based on the fifth amendment.

"Mr. HOFFMAN. I know about the fifth amendment, but do you mean he has been guilty of some conduct, or has followed a course of conduct which if he tells us about it will show he is guilty of a crime?

"Mr. CLINTON. I don't mean that. I mean there is an investigation pending.

"Mr. HOFFMAN. I don't see how he could be——

"Mr. CLINTON. That is a lawyer's guess. I don't know. I don't believe that he will be prosecuted, but there is an apprehension of it, and he claims the prerogative guaranteed to him by the Constitution, and you would do the same thing.

"Mr. HOFFMAN. If I thought I had been doing something that was illegal and did not want to go to jail, certainly. If I had not done anything I wouldn't mind at all.

"Mr. CLINTON. I don't think he has done anything, but as a lawyer I want to see these investigations concluded.

"I might say that I suspect that the kind of publicity that has emanated as a result of the investigations of this committee is responsible for the fact that his income-tax returns have been left open. If they are closed—and I think they eventually will be—Mr. Dorfman will be very anxious to come here and make a full disclosure as to his income.

"I may say further, and I think I should say further, that Mr. Dorfman is very reluctant to assert his privilege, as I, as his counsel, have advised him that he should under these present circumstances, and I think that is a normal thing under such circumstances.

"Mr. HOFFMAN. I suppose so; but he would know more what he is doing than his attorney would.

"Mr. CLINTON. I don't think you are justified in asserting anything wrongful or sinister. As I understand, by the authorities of the land, the claim of privilege guaranteed by the fifth amendment is not a privilege about which a citizen need be ashamed if he claims it.

"Mr. LANDRUM. Does he admit that there is something wrong with his returns?

"Mr. CLINTON. No; he does not admit that.

"Mr. LANDRUM. What is wrong with him testifying from that return?

"Mr. CLINTON. He only states, Mr. Congressman LANDRUM, that he has an apprehension that any statement that he may make from this stand with reference to his personal income and his disbursements may incriminate him, may tend to incriminate him.

"Mr. HOFFMAN. I do not see how it can unless he has been untruthful about it.

"Mr. LANDRUM. What he is asked about here has already been made. He is asked to testify from that return.

"Mr. CLINTON. Mr. Landrum, with all respect, I do not want to engage in a dialectic of the law with the committee, but I have a very clear comprehension of what the privilege is. I do not think there is any justification for inferring that he is a criminal, or that he has done anything wrong, but that he is exercising a prerogative that is rather sacred to all of us. I have known Congressmen to claim the privilege under the fifth amendment.

"Mr. LANDRUM. I am not arguing with that.

"Mr. CLINTON. I am claiming it, and he is claiming it now on his behalf.

"Mr. SMITH. The Chair has heard the remarks of counsel. Mr. McKenna will proceed to ask the witness any questions, and when he desires to take refuge in the fifth amendment he will so state.

"Mr. CLINTON. Mr. Chairman, may I respectfully request the chairman to alter his terminology, in that the word 'refuge' is hardly a correct description of claiming a constitutional right, and infers something improper.

"Mr. SMITH. I have listened to you about as long as I am going to. Please sit down. I am going to let the record stand as it is.

"Mr. CLINTON. I have made a suggestion to the chairman, and I take it he overrules me.

"Mr. MCKENNA. I show you a check for $2,500, dated November 28, 1951, payable to the order of Allen Dorfman, signed by Leo Perlman, drawn on the National City Bank of New York, on the account of United Public Service Corp. Are you familiar with that check?

"Mr. ALLEN DORFMAN. I decline to answer on the ground that my answer might tend to incriminate me.

"Mr. MCKENNA. Mr. Dorfman, was that check received in connection with any commissions or expenses in connection with your operation as a licensed insurance broker in the State of Illinois?

"Mr. ALLEN DORFMAN. I decline to answer on the grounds my testimony might tend to incriminate me.

"Mr. MCKENNA. Mr. Dorfman, I show you a letter dated February 27, 1950, purported to be signed by you as State general agent of the Union Insurance Agency of Illinois, addressed to Union Casualty Co. Did you originate that letter?

"(The witness conferred with his counsel.)

"Mr. ALLEN DORFMAN. I decline to answer on the grounds it would tend to incriminate me.

"Mr. SMITH. Make a full and complete answer.

"Mr. ALLEN DORFMAN. I decline on the grounds that it might tend to incriminate me; my answer might tend to incriminate me.

"Mr. MCKENNA. Mr. Dorfman, I show you a check in the amount of $758, drawn on February 28, 1950, on the National City Bank of New York, to the account of Union Casualty Co., pay to the order of Allen Dorfman, in the amount of $758. Did you cash that check?

"Mr. ALLEN DORFMAN. I decline to answer on the grounds that it might tend to incriminate me.

"Mr. MCKENNA. Was that check payable to you on commissions on insurance?

"Mr. ALLEN DORFMAN. I decline to answer that on the grounds that it might tend to incriminate me.

"Mr. MCKENNA. Was that check payable to you in the nature of expenses in connection with your——

"Mr. ALLEN DORFMAN. I decline to answer on the grounds that my answer might tend to incriminate me.

"Mr. MCKENNA. In connection with your operations as a licensed broker in the State of Illinois?

"Mr. ALLEN DORFMAN. I decline to answer.

"Mr. MCKENNA. Did you keep the proceeds of that check?

"Mr. ALLEN DORFMAN. I decline to answer on the grounds that it might tend to incriminate me.

"Mr. MCKENNA. Did you pay the proceeds of that check to anyone or any part thereof to anyone?

"Mr. ALLEN DORFMAN. I decline to answer on the grounds that it might tend to incriminate me.

"Mr. HOFFMAN. I think there should be an agreement on the record, or else each time the chairman should order that the witness answer in order to lay a proper foundation.

"Mr. SMITH. I told him to answer on each——

"Mr. HOFFMAN. To avoid repetition, may it be agreed by counsel that the order in each case is that he answer?

"Mr. CLINTON. I think your suggestion is very sensible, and I so stipulate.

"Mr. HOFFMAN. How old are you?

"Mr. ALLEN DORFMAN. Thirty years old.

"Mr. HOFFMAN. Where were you born?

"Mr. ALLEN DORFMAN. Chicago.

"Mr. HOFFMAN. And you are married?

"Mr. ALLEN DORFMAN. Yes, sir.

"Mr. HOFFMAN. And your wife's name is what?

"Mr. ALLEN DORFMAN. Maralyn.

"Mr. HOFFMAN. She was a partner in your business?

"Mr. ALLEN DORFMAN. No, sir.

"Mr. HOFFMAN. And had no connection with the business?

"Mr. ALLEN DORFMAN. No, sir.

"Mr. HOFFMAN. That is all.

"Mr. MCKENNA. Was any part of the proceeds of the checks for commissions and expenses that you received from either the Union Casualty Co. of New York or from United Public Service Co. of New York paid to James R. Hoffa?

"Mr. ALLEN DORFMAN. I decline to answer on the grounds that my answer might tend to incriminate me.

"Mr. CLINTON. I would be perfectly willing to save your time, and I know you are busy, to have counsel prepare any questions he desires with reference to income and disbursements. We will stipulate they were asked and the same answer was given.

"Mr. SMITH. I think that I have understood that to say 'the same answer' is not sufficient for any contempt citation or anything like that at a later date, that you have to make a full and complete answer to each and every question in order to be liable for contempt proceedings.

"Mr. McKenna will proceed.

"Mr. HOFFMAN. I wanted to ask one other question.

"What is your mother's name?

"Mr. ALLEN DORFMAN. Rose.

"Mr. HOFFMAN. Was she a partner in any business with you?

"Mr. ALLEN DORFMAN. Yes, sir.

"Mr. HOFFMAN. What business?

"Mr. ALLEN DORFMAN. The Union Insurance Agency of Illinois.

"Mr. HOFFMAN. What income did you receive from that?

"Mr. ALLEN DORFMAN. I decline to answer on the grounds that it might tend to incriminate me.

"Mr. HOFFMAN. What premiums did your mother receive, to the best of your knowledge and belief?

"Mr. ALLEN DORFMAN. I decline to answer on the ground it might tend to incriminate me.

"Mr. HOFFMAN. How could that incriminate you, what your mother received?

"Mr. ALLEN DORFMAN. I decline to answer on the grounds it might tend to incriminate me.

"Mr. HOFFMAN. Do you think what your mother did might incriminate you even if you did not know it?

"Mr. ALLEN. DORFMAN. I decline to answer.

"Mr. MCKENNA. Where is your mother?

"Mr. ALLEN DORFMAN. She is somewhere in Chicago.

Mr. MCKENNA. Where in Chicago?

"Mr. ALLEN DORFMAN. I don't know.

"Mr. MCKENNA. When did you last talk with your mother?

"Mr. ALLEN DORFMAN. Sometime last week.

"Mr. MCKENNA. When?

"Mr. ALLEN DORFMAN. About Tuesday or Wednesday.

"Mr. MCKENNA. You have not talked with her since?

"Mr. ALLEN DORFMAN. No, sir.

"Mr. MCKENNA. Have you heard since where she is?

"Mr. ALLEN DORFMAN. No, sir.

"Mr. MCKENNA. You have no idea where she is or do you?

"Mr. ALLEN DORFMAN. No, sir.

"Mr. MCKENNA. Do you have an idea where she is?

"Mr. ALLEN DORFMAN. No sir.

"Mr. HOFFMAN. Have you heard from her since last Wednesday, directly or indirectly?

"Mr. ALLEN DORFMAN. No, sir.

"Mr. MCKENNA. Then how do you know she is in Chicago?

"Mr. ALLEN DORFMAN. The last time I talked to her I assumed she was there.

"Mr. MCKENNA. In your opinion she is still in Chicago?

"Mr. ALLEN DORFMAN. I think so.

"Mr. MCKENNA. But you have no knowledge on which to base that opinion?

"Mr. ALLEN DORFMAN. That is right.

"Mr. MCKENNA. You do or do not?

"Mr. ALLEN DORFMAN. I do not.

"Mr. HOFFMAN. Are you still teaching at the University of Chicago?

"Mr. ALLEN DORFMAN. No, sir. I would like to correct the Congressman. I taught at the University of Illinois.

"Mr. HOFFMAN. Illinois?

"Mr. ALLEN DORFMAN. Yes, sir.

"Mr. HOFFMAN. They have a better football team.

"Mr. ALLEN DORFMAN. I agree with you sir, 100 percent, and we had to lose out to Michigan to go to the Rose Bowl.

"Mr. MCKENNA. I show you a check in the amount of $880, drawn on the National City Bank of New York, account of the Union Casualty Co., dated September 26, 1950. Did you cash that check?

"Mr. ALLEN DORFMAN. I refuse to answer that on the grounds that it might tend to incriminate me.

"Mr. MCKENNA. What did you do with the proceeds of that check?

"Mr. ALLEN DORFMAN. I refuse to answer on the grounds that it might tend to incriminate me.

"Mr. MCKENNA. Did you deposit the proceeds of that check into the account of the Union Insurance Agency?

"Mr. ALLEN DORFMAN. I refuse to answer on the grounds that it might tend to incriminate me.

"Mr. MCKENNA. I show you a check in the amount of $976.55, dated October 5, 1950, pay to the order of Allen Dorfman, and drawn on the account of Union Casualty Co., on the National City Bank of New York. Did you cash that check?

"Mr. ALLEN DORFMAN. I refuse to answer on the grounds that it might tend to incriminate me.

Mr. MCKENNA. Were any parts or proceeds of that check expended in connection with the activities of James R. Hoffa?

"Mr. ALLEN DORFMAN. I refuse to answer on the grounds that it might tend to incriminate me.

"Mr. HOFFMAN. If those all incriminated you, you would be in an awful fix, wouldn't you?

"Mr. MCKENNA. Did you on May 26, 1949, receive a check in the amount of $250 in the nature of commissions from either the Union Casualty Co. or United Public Service Co.?

"Mr. ALLEN DORFMAN. I refuse to answer on the grounds that it might tend to incriminate me.

"Mr. MCKENNA. Did you on June 30, 1949, receive a check in the amount of $204.16 for either——

"Mr. ALLEN DORFMAN. I refuse to answer on the grounds that my answer might tend to incriminate me.

"Mr. MCKENNA. Did that check have to do with commissions?

"Mr. ALLEN DORFMAN. I refuse to answer on the grounds that my answer might tend to incriminate me.

"Mr. MCKENNA. Were you then a licensed insurance broker of the State of Illinois?

"Mr. CLINTON. Will you ask your question?

"Mr. MCKENNA. Were you then a licensed insurance broker of the State of Illinois?

"Mr. ALLEN DORFMAN. Date, please.

"Mr. MCKENNA. In 1949.

"Mr. ALLEN DORFMAN. When in 1949?

"Mr. MCKENNA. Either on May 26, 1949, or June 30.

"Mr. ALLEN DORFMAN. I don't recall.

"Mr. HOFFMAN. What is the answer?

"Mr. ALLEN DORFMAN. I don't recall, sir.

"Mr. MCKENNA. When did you first become a licensed broker in Illinois?

"Mr. ALLEN DORFMAN. I have to check the records.

"Mr. MCKENNA. Was it in 1949?

"Mr. ALLEN DORFMAN. Some time in 1949.

"Mr. MCKENNA. Was this check received in connection with your activities as an insurance broker in Illinois?

"Mr. ALLEN DORFMAN. I decline to answer on the grounds that my answer might tend to incriminate me.

"Mr. HOFFMAN. I suggest that counsel show him each one of those checks and have them marked. It might take a little longer, but we would have a better record, unless the chairman thinks it is not necessary. It might refresh his recollection.

"Mr. SMITH. Show him the checks.

"Mr. HOFFMAN. They might be innocent transactions, some of them.

"Mr. SMITH. Show him the checks and then they will be inserted later on in the record.

"Mr. MCKENNA. I show you a check in the amount of $208 paid to the order of Allen Dorfman, drawn on the National City Bank of New York, account of Union Casualty Co. Did you receive the proceeds of that check?

"Mr. ALLEN DORFMAN. I decline to answer on the grounds that my answer might tend to incriminate me.

"Mr. MCKENNA. Is that your signature on the reverse?

"Mr. ALLEN DORFMAN. I decline to answer on the grounds that my answer might tend to incriminate me.

"Mr. MCKENNA. Have you ever seen that check before?

"Mr. ALLEN DORFMAN. I decline to answer on the grounds that my answer might tend to incriminate me.

"Mr. MCKENNA. I show you a letter dated December 20, 1950, addressed to Union Casualty Co., purported to be signed by Allen M. Dorfman, manager, Union Insurance Agency of Illinois. Did you write that letter?

"Mr. ALLEN DORFMAN. I decline to answer on the grounds that my answer might tend to incriminate me.

"Mr. MCKENNA. Mr. Chairman, may the letter be marked as 'Exhibit 1, Allen Dorfman,' and introduced into the record, please?

"Mr. SMITH. It will be so marked and introduced.

"(The letter referred to was marked 'Allen Dorfman Exhibit No. 1.' While not made a part of this printed record, it is available for reference purposes in the permanent files of the Committee on Education and Labor.)

"Mr. HOFFMAN. Are they too long to read?

"Mr. MCKENNA. Some of them we can read as it becomes necessary.

"Now, I show you check No. 10224, drawn on the account of the United Public Service Corp., National City Bank of New York, in the amount of $2,350, paid to the order of Allen Dorfman, bearing the endorsement on the reverse, presumably of Allen Dorfman. Is that your signature?

"Mr. ALLEN DORFMAN. I decline to answer on the grounds that my answer might tend to incriminate me.

"Mr. MCKENNA. May that check be introduced as a part of the record at this point.

"Mr. SMITH. That will be introduced and marked.

"(The check referred to was marked 'Allen Dorfman Exhibit No. 2.' While not made a part of this printed record, it is available for reference purposes in the permanent files of the Committee on Education and Labor.)

"Mr. HOFFMAN. Was that drawn by Periman?

"Mr. MCKENNA. It was, sir.

"Mr. HOFFMAN. Why not have Perlman in and ask Perlman if he wrote it and gave it to him, and if he cashed it. Then you have got the answer.

"Mr. MCKENNA. If the chairman wishes.

"Mr. SMITH. Save the check and we can get Perlman back.

"Mr. HOFFMAN. Maybe he can help him out, unless it incriminates Dr. Perlman.

"Do you know Dr. Leo Perlman?

"Mr. ALLEN DORFMAN. I know Dr. Leo Perlman.

"Mr. HOFFMAN. How long have you known him?

"Mr. ALLEN DORFMAN. Since about 1949.

"Mr. HOFFMAN. You have been associated with him in a business way and socially?

"Mr. ALLEN DORFMAN. Yes, sir.

"Mr. HOFFMAN. Do you think he would be issuing checks for $400 or $500 or a couple of thousand dollars and handing them out to somebody unless he had some good reason to?

"Mr. ALLEN DORFMAN. I decline to answer on the grounds that my answer might tend to incriminate me.

"Mr. HOFFMAN. An opinion as to Dr. Perlman's state of mind—I cannot see how that incriminates you.

"Mr. LANDRUM. How long have you been in the insurance business, Mr. Dorfman?

"Mr. ALLEN DORFMAN. Since 1949, sir.

"Mr. LANDRUM. Didn't your going into the insurance business date from about the same time that you became acquainted with Dr. Perlman?

"Mr. ALLEN DORFMAN. Yes, sir.

"Mr. LANDRUM. Was he responsible for setting you up in the insurance business?

"Mr. ALLEN DORFMAN. That probably depends on what you mean by 'responsible for setting me up in the insurance business.'

"Mr. LANDRUM. What were you doing when you first became acquainted with Dr. Perlman?

"Mr. ALLEN DORFMAN. I was introduced to Dr. Leo Perlman by Joseph Jacobs.

"Mr. LANDRUM. What was your occupation at that time?

"Mr. ALLEN DORFMAN. I was teaching at the University of Illinois, School of Physical Education.

"Mr. LANDRUM. How long after that did you resign your position and establish this insurance agency?

"Mr. ALLEN DORFMAN. I don't recall the exact time.

"Mr. LANDRUM. Was it 30 days?

"Mr. ALLEN DORFMAN. No.

"Mr. LANDRUM. Was it less than 30 days?

"Mr. ALLEN DORFMAN. I don't remember the exact time.

"Mr. LANDRUM. Was it less than 60 days?

"Mr. ALLEN DORFMAN. I don't remember the exact time.

"Mr. LANDRUM. Well, was it within 6 months of the time you met Dr. Perlman that you established your insurance business?

"Mr. ALLEN DORFMAN. No. Soon after I met Dr. Perlman I established my insurance business.

"Mr. LANDRUM. So it was within 6 months then?

"Mr. ALLEN DORFMAN. Yes, sir.

"Mr. LANDRUM. From the time you met him that you established your business?

"Mr. ALLEN DORFMAN. Yes, sir.

"Mr. LANDRUM. Did you know anything about the insurance business at this time?

"Mr. ALLEN DORFMAN. No, sir.

"Mr. SMITH. Did you ever receive any cash from Dr. Perlman, cash money?

"Mr. ALLEN DORFMAN. I decline to answer on the grounds that my answer might tend to incriminate me.

"Mr. SMITH. Did you ever pay Mr. John Hoffa any cash?

"Mr. ALLEN DORFMAN. I decline to answer on the grounds that my answer might tend to incriminate me.

"Mr. SMITH. James R. Hoffa it should have been. Did you ever pay James R. Hoffa any cash or thing of value?

"Mr. ALLEN DORFMAN. I decline to answer on the grounds that my answer might tend to incriminate me.

"Mr. SMITH. Did you ever buy a suit of clothes for $125 for the son of James R. Hoffa by the name of John?

"Mr. ALLEN DORFMAN. I decline to answer on the grounds that my answer might tend to incriminate me.

"Mr. MCKENNA. I show you a check in the amount of $5,694.30, dated May 22, 1951, on the National City Bank of New York, the account of Union Casualty Co., signed by Leo Perlman, executive vice president, carrying another signature which appears to be one Blackner. Did you receive the proceeds of that check?

"Mr. ALLEN DORFMAN. I decline to answer on the grounds that my answer might tend to incriminate me.

"Mr. MCKENNA. Did you cash that check?

"Mr. ALLEN DORFMAN. I decline to answer on the grounds that my answer might tend to incriminate me.

"Mr. MCKENNA. Is the endorsement on that check your signature?

"Mr. ALLEN DORFMAN. I decline to answer on the grounds that my answer might tend to incriminate me.

"Mr. HOFFMAN. Your first name is Allen; isn't it?

"Mr. ALLEN DORFMAN. Allen; that is right.

"Mr. HOFFMAN. I have before me here a list of persons to whom Mr. Perlman gave Christmas gifts in 1950, and I find Mr. and Mrs. Allen Dorfman as receiving a Christmas gift. Was that you and your wife? Did you get one?

"Mr. ALLEN DORFMAN. I decline to answer on the grounds that my answer might tend to incriminate me.

"Mr. HOFFMAN. For 1951 I find your name on the same list.

"Mr. ALLEN DORFMAN. I decline to answer on the grounds that my answer might tend to incriminate me.

"Mr. HOFFMAN. Then we find on another list that Perlman was giving a number of dinners or entertainments. I find you down for 1 on January 23–24, Chicago, negotiations for Michigan Conference, 24,000 members, entertained—and your name, Allen Dorfman. Were you there?

"Mr. ALLEN DORFMAN. I decline to answer on the grounds that my answer might tend to incriminate me.

"Mr. HOFFMAN. As to whether you had dinner with the man? Do you claim that might tend to——

"Mr. ALLEN DORFMAN. I decline to answer on the grounds that my answer might tend to incriminate me.

"Mr. HOFFMAN. You claim if you had dinner with him that it might incriminate you?

"Mr. ALLEN DORFMAN. I decline to answer on the grounds that my answer might tend to incriminate me.

"Mr. HOFFMAN. And then on February 13–16, Chicago, here you are again. What do you say about being at that dinner? That one cost about $800.

"Mr. ALLEN DORFMAN. I decline to answer on the grounds that my answer might tend to incriminate me.

"Mr. HOFFMAN. Can you tell me where you had that dinner?

"Mr. ALLEN DORFMAN. I decline to answer——

"Mr. HOFFMAN. Or what the entertainment was?

"Mr. ALLEN DORFMAN. I decline to answer on the grounds that my answer might tend to incriminate me.

"Mr. HOFFMAN. Was your wife with you at that dinner?

Mr. ALLEN DORFMAN. I decline to answer on the grounds my answer might tend to incriminate me.

"Mr. HOFFMAN. Here are a number. I suppose your answer would be all the same to all of them; would it?

"Mr. ALLEN DORFMAN. I decline to answer on the grounds that my answer might tend to incriminate me.

"Mr. HOFFMAN. You don't know whether you would answer these questions or not before you would hear them.

"Mr. ALLEN DORFMAN. I decline to answer on the grounds that my answer might tend to incriminate me.

"Mr. HOFFMAN. What you say is that you don't intend to answer any question; isn't that right?

"Mr. ALLEN DORFMAN. Sir?

"Mr. HOFFMAN. I say, the substance of your answer to my questions is that you will not answer any question on the grounds that the answer to my question might tend to incriminate you, no matter what the question was.

"(The witness conferred with his counsel.)

"Mr. ALLEN DORFMAN. I decline to answer anything pertaining to my income or my business disbursements.

"Mr. HOFFMAN. That is not income. This did not cost you anything. This is entertainment. This is just an invitation to a dinner, and Mr. Perlman said that you were there, and you all had a good time and he paid for it. So I don't know what that has to do with income. This fourth one cost $1,800—not you—Perlman paid for it. Won't you say you might have been there?

"Mr. ALLEN DORFMAN. I decline to answer on the grounds that my answer might tend to incriminate me.

"Mr. HOFFMAN. Of course, the only purpose of my question is to show the absurdity of your position; that is all.

"Mr. SMITH. Is Miss Lucille Ferkin your secretary?

"Mr. ALLEN DORFMAN. Yes, sir.

"Mr. SMITH. Where is she now?

"Mr. ALLEN DORFMAN. Out here, I believe, sir.

"Mr. SMITH. She is here?

"Mr. CLINTON. She is here under subpena.

"Mr. HOFFMAN. Has she been advised not to answer, too?

"Mr. ALLEN DORFMAN. Sir?

"Mr. HOFFMAN. Has she been advised not to answer as to any transactions between you and her, those that might incriminate her or you?

"Mr. ALLEN DORFMAN. Not to my knowledge, sir.

"Mr. HOFFMAN. Does she have the same lawyer?

"Mr. CLINTON. Yes; I am her lawyer.

"Mr. HOFFMAN. The same lawyer.

"Mr. CLINTON. For the Congressman's information and the committee's information, my advice to the witness Ferkin is to answer questions propounded by the committee or its counsel.

"Mr. HOFFMAN. To answer every question?

"Mr. CLINTON. Answer everything.

"Mr. HOFFMAN. In the same way? By declining?

"Mr. CLINTON. No, sir; that is not what I said. My advice to her is to answer to the best of her knowledge and recollection every and any question the committee may propound to her.

"Mr. HOFFMAN. There is not any mistake about this, that with reference to each and every one of these questions it is understood that, as a matter of jurisdiction and all, the chairman has ordered the witness to answer, and on your advice the witness refuses to answer. There is no doubt about that part of it, is there?

"Mr. CLINTON. I cannot stipulate to anything except what the record shows. I don't know what is meant by a statement of that kind.

"Mr. HOFFMAN. I mean in order to lay a foundation perhaps for contempt. It is possible that the questions should be repeated, or that the questions should be asked and

that the chairman shall order the witness to answer each question. That just consumes endless time for no purpose.

"Mr. CLINTON. Mr. Congressman and Mr. Chairman, I have absolutely no apprehensions about contempt, and I only want to say, for the purposes of saving the committee's time, I will stipulate that any question that you may propose or that counsel would submit to me bearing upon this witness' income and disbursements, we would decline to answer under the protection of the fifth amendment. And as to what this committee does in exercising its authority and its jurisdiction, I cannot stipulate to. The record must speak for itself.

"Mr. SMITH. I said in the beginning that I ordered him to answer the questions.

"Mr. MCKENNA. Under what name did you first engage in the insurance business, Mr. Dorfman?

"Mr. ALLEN DORFMAN. I think it was Circle Insurance Agency.

"Mr. MCKENNA. Was that a partnership or corporation or just your business?

"Mr. ALLEN DORFMAN. I believe it was a corporation.

"Mr. MCKENNA. Who were the stockholders?

"Mr. ALLEN DORFMAN. Myself, my mother, and Mr. Ritman.

"Mr. MCKENNA. Who is Mr. Ritman?

"Mr. ALLEN DORFMAN. My grandfather.

"Mr. MCKENNA. How long was that in effect, that corporation?

"Mr. ALLEN DORFMAN. Circle, a very short time. I don't recall the exact date.

"Mr. MCKENNA. What replaced it?

"Mr. ALLEN DORFMAN. Union Insurance Underwriters.

"Mr. MCKENNA. Was that a corporation or a partnership?

"Mr. ALLEN DORFMAN. A corporation.

"Mr. MCKENNA. Who owned that?

"Mr. ALLEN DORFMAN. The same parties.

"Mr. MCKENNA. Why did you change the name?

"Mr. ALLEN DORFMAN. I don't recall exactly the reason why now. I don't think it was—Circle Insurance Agency—acceptable to the Illinois Department of Insurance.

"Mr. MCKENNA. And what was the second name, of the second company?

"Mr. ALLEN DORFMAN. Union Insurance Underwriters.

"Mr. MCKENNA. How long did the Union Insurance Underwriters continue in operation?

"Mr. ALLEN DORFMAN. A very short time, sir, for the same reasons, that the Illinois Department of Insurance did not approve of the name.

"Mr. MCKENNA. Did you have another corporation or partnership following that?

"Mr. ALLEN DORFMAN. Union Insurance Agency, Inc.

"Mr. MCKENNA. That was a corporation?

"Mr. ALLEN DORFMAN. Yes, sir.

"Mr. MCKENNA. Who were the principal stockholders in that?

"Mr. ALLEN DORFMAN. The same stockholders.

"Mr. MCKENNA. The same as in the Circle?

"Mr. ALLEN DORFMAN. That is correct, sir.

"Mr. MCKENNA. And how long did that continue in operation?

"Mr. ALLEN DORFMAN. Oh, that was up until, I believe, 1951.

"Mr. MCKENNA. From what date, approximately?

"Mr. ALLEN DORFMAN. I don't recall.

"Mr. MCKENNA. Do you think it was established in 1949 or 1950?

"Mr. ALLEN DORFMAN. The corporation was established?

"Mr. MCKENNA. Yes.

"Mr. ALLEN DORFMAN. The corporation was established in 1949.

"Mr. MCKENNA. The Union Insurance Agency was organized in 1949, or its predecessor?

"Mr. ALLEN DORFMAN. Its predecessor, Circle Insurance Agency.

"Mr. MCKENNA. You don't remember when the Union Insurance Agency of Illinois, Inc., was organized?

"Mr. ALLEN DORFMAN. No, sir; I don't recall the exact date.

"Mr. MCKENNA. But you believe that continued until about 1951?

"Mr. ALLEN DORFMAN. Somewhere around there, sir.

"Mr. MCKENNA. What followed that?

"Mr. ALLEN DORFMAN. Union Insurance Agency of Illinois, a partnership.

"Mr. MCKENNA. Who were the partners?

"Mr. ALLEN DORFMAN. Myself and my mother.

"Mr. MCKENNA. Did your mother take an active part in the operation of the business?

"Mr. ALLEN DORFMAN. Yes, sir.

"Mr. MCKENNA. Does she go to the office daily?

"Mr. ALLEN DORFMAN. No; she doesn't go there daily.

"Mr. MCKENNA. How active a part does she take?

"Mr. ALLEN DORFMAN. Oh, she signs checks, comes in and checks the records, reviews the office procedure occasionally.

"Mr. MCKENNA. Just occasionally?

"Mr. ALLEN DORFMAN. Yes, sir.

"Mr. SMITH. What interest does your mother have? How much of an interest?

"Mr. ALLEN DORFMAN. Fifty percent.

"Mr. SMITH. Then the statement would be incorrect if the record showed that she had a three-fourths interest and you only had a fourth interest, would it?

"Mr. ALLEN DORFMAN. Sir?

"Mr. SMITH. In the present partnership do you have a half interest or a fourth?

"Mr. ALLEN DORFMAN. One-half, sir.

"Mr. SMITH. Was there ever a time in this partnership that you only had a fourth interest?

"Mr. ALLEN DORFMAN. Yes; there was.

"Mr. SMITH. When was that?

"Mr. ALLEN DORFMAN. I don't recall.

"Mr. SMITH. Well, was it in 1950 or 1951 or 1952?

"Mr. ALLEN DORFMAN. Sometime in 1951, I imagine.

"Mr. SMITH. How long did that arrangement last—that you only had a fourth?

"Mr. ALLEN DORFMAN. I don't know the exact length of time.

"Mr. SMITH. Was it 6 months, a year, or a year and a half?

"Mr. ALLEN DORFMAN. I have no idea, sir. I have to check my records.

"Mr. SMITH. But the records would disclose that you had a fourth interest?

"Mr. ALLEN DORFMAN. Yes, sir.

"Mr. SMITH. And your mother had a three-fourths interest?

"Mr. ALLEN DORFMAN. That is correct.

"Mr. MCKENNA. Do the respective interests of yourself and your mother in that partnership vary very often?

"Mr. ALLEN DORFMAN. It doesn't vary at all.

"Mr. MCKENNA. Was it different in 1951 than in 1952?

"Mr. ALLEN DORFMAN. It varied such as I indicated—since then as I indicated.

"Mr. MCKENNA. It varied only once.

"Mr. MCCABE. Mr. Dorfman, while you are waiting for counsel to ask you a further question, you have declined on constitutional grounds to answer a series of questions regarding checks which purportedly were signed with your name. Now, may I ask you if you have ever reported to anyone, any law-enforcement or investigative agency, the possibility of forgery on any of these checks?

"Mr. ALLEN DORFMAN. I decline to answer on the grounds that my answer might tend to incriminate me.

"Mr. SMITH. Who does your tax work, your certified public accountant, and makes out your returns?

"Mr. ALLEN DORFMAN. Miller, Mandel & Co.

"Mr. SMITH. I will ask you whether or not some time ago an investigation was made by the New York State Department of Insurance, and whether they came to your office and looked at your books?

"Mr. ALLEN DORFMAN. The New York Department of Insurance?

"Mr. SMITH. Do you know whether or not an investigation was made of the Union Casualty Co. or United Public Service Co. of Mount Vernon, N. Y.?

"Mr. ALLEN DORFMAN. I don't know, sir. I heard it was.

"Mr. SMITH. But nobody asked you to see your books?

"Mr. ALLEN DORFMAN. No, sir.

"Mr. MCKENNA. Mr. Dorfman, were you advised about May 1952 that the Department of Insurance of the State of New York was investigating certain payments purportedly made to you by either or both the Union Casualty Co. or the United Public Service Co.?

"Mr. ALLEN DORFMAN. I decline to answer on the grounds that my answer might tend to incriminate me.

"Mr. MCKENNA. Did you or did you not, shortly after that investigation was commenced, call on one Miller, an accountant in the city of Chicago?

"Mr. ALLEN DORFMAN. I decline to answer on the grounds that my answer might tend to incriminate me.

"Mr. MCKENNA. Did you thereupon advise Mr. Miller that over $100,000 of checks which you had cashed had never been entered in the books of the Union Insurance Agency of Illinois.

"Mr. ALLEN DORFMAN. I decline to answer on the grounds that my answer might tend to incriminate me.

"Mr. MCKENNA. Did you get that money?

"Mr. ALLEN DORFMAN. I decline to answer on the grounds that my answer might tend to incriminate me.

"Mr. MCKENNA. Did you pay any of that money to James R. Hoffa or any of the proceeds thereof?

"Mr. ALLEN DORFMAN. I decline to answer on the grounds that my answer might tend to incriminate me.

"Mr. MCKENNA. Did you pay any of that money to Frank Darling?

"Mr. ALLEN DORFMAN. I decline to answer on the grounds that my answer might tend to incriminate me.

"Mr. MCKENNA. Did you deposit any of that money to the account of Union Insurance Agency of Illinois?

"Mr. ALLEN DORFMAN. I decline to answer on the grounds that my answer might tend to incriminate me.

"Mr. MCKENNA. Was that money received in connection with or as commissions and expenses from the Union Casualty and United Public Service Co.?

"Mr. ALLEN DORFMAN. I decline to answer on the grounds that my answer might tend to incriminate me.

"Mr. MCKENNA. You are a licensed insurance broker of the State of Illinois?

"Mr. ALLEN DORFMAN. Yes sir.

"Mr. MCKENNA. Do you not consider that as a licensed insurance agency of the State of Illinois you are under an obligation to answer the questions of a congressional committee relating to your activities as a licensed insurance agent?

"Mr. ALLEN DORFMAN. I decline to answer on the grounds that my answer might tend to incriminate me.

"Mr. MCKENNA. In your opinion, should you continue as a licensed insurance agent of the State of Illinois if you refuse to answer to a congressional committee regarding your activities as a licensed insurance agent?

"Mr. ALLEN DORFMAN. I decline to answer on the grounds that my answer might tend to incriminate me.

"Mr. SMITH. This fall did a man by the name of Mr. Uhlman come down and ask to look at your records and books?

"Mr. ALLEN DORFMAN. Sir? Repeat the question.

"Mr. SMITH. This fall, a couple of months ago, did a man by the name of Mr. Uhlman come down to Chicago, and ask to see your records?

"Mr. ALLEN DORFMAN. I decline to answer on the grounds that my answer might tend to incriminate me.

"Mr. HOFFMAN. How in the world can that answer incriminate you, if he did or did not see them, if he does not tell what he found?

"Mr. ALLEN DORFMAN. I decline to answer on the ground that my answer might tend to incriminate me.

"Mr. LANDRUM. Mr. Dorfman, a moment ago you stated, in reply to a question by Mr. Smith, that you heard it rumored that an investigation was being made or had been made by the New York State Examiner's office of Union Casualty and UPS; is that correct?

"Mr. ALLEN DORFMAN. Yes, sir.

"Mr. LANDRUM. Following that information, or hearing of that rumor, did you file an amended income-tax return?

"Mr. ALLEN DORFMAN. I decline to answer on the grounds that my answer might tend to incriminate me.

"Mr. LANDRUM. All right.

"Mr. SMITH. That is all. And you will remain out in the hall or in the witness room on call on the committee. You are not excused. Do you understand?

"Mr. ALLEN DORFMAN. Yes, sir.

"Mr. SMITH. You are wanted here tomorrow.

"Mr. CLINTON. Mr. Congressman, do you mean until tomorrow?

"Mr. SMITH. No. He will remain out here in the hall until the committee is adjourned.

"Mr. HOFFMAN. And then come back here when the committee meets in continuous attendance.

"Mr. CLINTON. Very well, sir. We will be glad to be here. We are honored."

Because of the foregoing, the said special subcommittee and the Committee on Education and Labor were deprived of answers to material and pertinent questions propounded to the said Allen Dorfman relative to the subject matter which, under Public Law 601, section 121, subsection (g) of the 79th Congress, and under House Resolution 115 of the 83d Congress, the said subcommittee and committee were instructed to investigate, and the refusal of the said Allen Dorfman to answer the aforesaid questions places the said Allen Dorfman in contempt of the House of Representatives of the United States.

Mr. McCONNELL. Mr. Speaker, I offer a privileged resolution (H. Res. 694) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That the Speaker of the House of Representatives certify the report of the Committee on Education and Labor of the House of Representatives as to the refusal of Allen Dorfman to answer questions before a duly appointed subcommittee of the said Committee on Education and Labor, together with all of the facts in connection therewith, under seal of the House of Representatives, to the United States attorney for the eastern district of Michigan to the end that the said Allen Dorfman may be proceeded against in the manner and form provided by law.

Mr. McCONNELL. Mr. Speaker, as in the previous case, this matter was thoroughly discussed by the committee and the final result was a 17-to-0 vote.

If there are any questions, I will answer them at this time.

Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. The Chair will count. [After counting.] Two hundred and thirty-four Members are present, a quorum.

Mr. McCONNELL. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to, and a motion to reconsider was laid on the table.

PALO VERDE IRRIGATION DISTRICT, CALIFORNIA

Mr. NICHOLSON. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 653 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 8498) authorizing construction of works to reestablish for the Palo Verde Irrigation District, California, a means of diversion of its irrigation water supply from the Colorado River, and for other purposes. After general debate, which shall be confined to the bill, and shall continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Interior and Insular Affairs, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

The SPEAKER. The gentleman from Massachusetts is recognized for 1 hour.

Mr. NICHOLSON. Mr. Speaker, I yield 30 minutes to the gentleman from Virginia [Mr. SMITH].

Mr. Speaker, this resolution makes in order the bill H. R. 8498 authorizing the construction of works to reestablish for the Palo Verde Irrigation District, California, a means of diversion of its irrigation water supply from the Colorado River, and for other purposes.

Mr. ROONEY. Mr. Speaker, will the distinguished gentleman yield?

Mr. NICHOLSON. I yield to the gentleman from New York.

Mr. ROONEY. I wonder whether or not the gentleman would describe what is proposed to be done under the bill, H. R. 8498, and how much it will cost the taxpayers?

Mr. NICHOLSON. Mr. Speaker, this bill proposes to provide a permanent solution to the Palo Verde Irrigation District's diversion problem. Specifically the bill would authorize the Secretary of the Interior to construct a diversion dam across the Colorado River, which would permit the Palo Verde Irrigation District to divert water by gravity to serve its lands.

H. R. 8498 would also authorize the Secretary of the Interior to construct levees and ditches to protect the lands of the Colorado River Indian Reservation.

The bill would also authorize the Secretary of the Interior to make an interest-free loan of $500,000 to the district in order that the district may modify the existing facilities to take care of the new diversion dam.

Finally the bill would give to the United States the right to use the new dam for the generation of hydroelectric power if the Government decides later on to generate this power.

Mr. Speaker, the estimated cost of building this project is $7,099,000. The diversion dam would cost approximately $4,538,000 and the works to protect the Indian lands would cost about $2,061,000. Five hundred thousand dollars would be loaned to the Palo Verde District to assist them in modifying the existing district facilities.

The irrigation district would repay to the United States Government $675,000 of the cost of constructing the diversion dam and would also repay the $500,000. The rest of the cost of the diversion dam would be taken care of from the first net power revenues available from the Boulder Canyon or the Parker-Davis projects. The cost of the protection of the Indian lands would not be reimbursable.

Mr. ROONEY. I wish to commend my friend the distinguished gentleman from Massachusetts for his splendid explanation of the purposes of this bill, H. R. 8498. I doubt if anyone in this House could make a better explanation of the purposes of the bill. The information in which I am interested is that it will take over $7 million of the taxpayers' money.

Mr. NICHOLSON. I am in kind of a quandary myself, because in the district I represent about the only thing we get from the Government is a tax bill.

Mr. RAYBURN. Mr. Speaker, will the gentleman yield?

Mr. NICHOLSON. I yield to the gentleman from Texas.

Mr. RAYBURN. How much does this bill carry?

Mr. NICHOLSON. Seven million dollars.

Mr. RAYBURN. Does the gentleman think that is amply sufficient to reelect the gentleman from California?

Mr. NICHOLSON. From what I can find out about it, I think that would just about cover it.

Mr. ROONEY. Mr. Speaker, will the gentleman yield me 5 minutes?

Mr. NICHOLSON. I yield 5 minutes to the gentleman from New York [Mr. ROONEY].

Mr. ROONEY. Mr. Speaker, I am in a bit of a quandary as to exactly what has been going on here today. The leadership on the Republican majority side of the aisle again unexpectedly presented us with a privileged resolution to adjourn this Congress sine die tomorrow night. I am thoroughly apprehensive that that adjournment resolution may be the gimmick to prevent the postal employees from getting a much-deserved adequate pay raise, to prevent the classified civil-service employees from getting a badly needed and fair pay raise, and to avoid

doing anything at this time for our war veterans, as was described here this afternoon by my friend and colleague the distinguished gentlewoman from Massachusetts [Mrs. ROGERS].

After forcing this adjournment resolution down the throats, so to speak, of those of us who wanted adequate pay raises for the postal employees and the civil classified employees, and who wanted to do something about the war veterans, we find that the immediate next order of business of the Republican leadership is the adoption of two pork-barrel bills. The first one was for $22 million. Was it to elect somebody in the State of Oregon? Now we have one for over $7 million. Is this to help someone in the State of California?

Mr. HOFFMAN of Michigan. Mr. Speaker, a point of order.

The SPEAKER. The gentleman will state it.

Mr. HOFFMAN of Michigan. Is it proper parliamentary language to charge that a bill put on the floor to be voted on is to help some Member of the House to be reelected? I demand that those words should be taken down.

The SPEAKER. The gentleman's point of order comes a little late.

Mr. HOFFMAN of Michigan. No; he just said that.

The SPEAKER. The gentleman from New York will proceed in order.

Mr. ROONEY. Mr. Speaker, I shall be glad to have my words taken down.

Mr. JENSEN. Mr. Speaker, a point of order.

The SPEAKER. The gentleman will state it.

Mr. JENSEN. The point of order is that the gentleman did not ask to speak out of order.

Mr. ROONEY. I am speaking in regard to this raid on the Treasury to the tune of $7 million for this district in California.

Mr. JENSEN. Now I have another question.

Mr. ROONEY. That is the matter contained in H. R. 8498.

Mr. PHILLIPS. Mr. Speaker, will the gentleman yield?

Mr. JENSEN. Mr. Speaker, will the gentleman yield?

Mr. ROONEY. I will first yield to the gentleman from California [Mr. PHILLIPS].

Mr. JENSEN. Why will not the gentleman yield?

Mr. ROONEY. I will in a minute.

Mr. PHILLIPS. The gentleman and I have been friends for a long time, and I know he does not want to make an incorrect statement. It is not $7 million. It is only $7 million including what is to be paid back.

Mr. ROONEY. Yes, in the event that there are repayments to the extent of only $1,175,000.

Mr. PHILLIPS. Yes.

Mr. ROONEY. That is correct.

Mr. PHILLIPS. And of the remainder, after you deduct that, $2,060,000 is on the Arizona side of the river as the result of a bill introduced by my colleague, the gentleman from Arizona [Mr. PATTEN]. It is not a pork barrel bill and it makes no new land, no new power.

Mr. ROONEY. The first part may very well be true and maybe on another occasion I might go along with my distinguished friend from California and with the very distinguished gentleman from Oregon who introduced the bill just passed by the House. But, I am not going to go along at a time when the Republican leadership has put over a parliamentary gimmick to hamstring the postal employees, to hamstring the classified employees and the veterans.

Mr. JENSEN. How did the gentleman vote on the postal pay-raise bill?

Mr. ROONEY. I voted to give the postal employees an adequate pay raise as provided in the bill H. R. 9245, for which 218 Members of the House signed a discharge petition. I was one of the first of the 218 signers of that discharge petition.

Mr. JENSEN. How did the gentleman vote on the postal pay-raise bill?

Mr. ROONEY. I voted to bring about the raise contained in the original Corbett bill, H. R. 9245. You are not kidding the postal employees or the postal unions, because you voted against a decent pay raise for them.

Mr. JENSEN. The gentleman voted "no" on the bill.

Mr. ROONEY. I will say to my distinguished friend from Iowa that I voted against raising the price of a 3-cent stamp to 4 cents.

Mr. JENSEN. But the gentleman voted against the pay raise.

Mr. ROONEY. No; I voted against 4-cent 3-cent stamps. If there is anything else my friend from Iowa wants to know I will be glad to tell him. I do wish he would take it easy. Be calm about this.

Mr. JENSEN. The gentleman voted against the pay raise for the postal employees.

Mr. ROONEY. Be calm about this. That is merely the gentleman's construction. I voted for a decent postal pay raise—as contained in the Corbett bill—when I voted against 4-cent stamps. You voted for higher postage.

The SPEAKER. The time of the gentleman from New York has expired.

Mr. SMITH of Virginia. Mr. Speaker, I yield 3 minutes to the gentleman from Texas [Mr. DIES].

Mr. DIES. Mr. Speaker, I only have a very short observation to make. In the heat of debate oftentimes intemperate statements are made. The statement was made that the preceding two bills were political. I am sure that is not true. I know that such a thing as politics would not motivate any action here on the floor and I am quite certain that those who are so anxious to increase the postal rates and the veterans' pay could not, under any circumstances, be actuated by anything so ulterior as votes on election day.

Mr. SMITH of Virginia. Mr. Speaker, I yield 5 minutes to the gentleman from Arizona [Mr. PATTEN].

Mr. PATTEN. Mr. Speaker, I am coauthor of this bill and I did not introduce this bill for any political purpose as I am not running for office again. In this bill there is slightly over $2 million, which is a repayment for an injustice that we have done the Indians in Arizona because, as we built Hoover, Parker, and Davis Dams, we caused a scouring of a very deep furrow, causing a great change in the course of the Colorado River. This bill provides in addition for the returning of the water rights to the people of Palo Verde, which all will agree they are entitled to that. By the scouring of the river, we lowered the water so that they do not have the gravity flow that they should have. It becomes our moral obligation to do something to return that water to them. I had advocated a canal on the east side of the river down to the Indian reservation, to put that land under cultivation. But in the interest of economy and because during the war we built this wier across the river by dropping rocks in from a cable car above, and that were washed away continually—which is a false economy move—by putting this wier in, we raised the water sufficiently so that the water would flow into the Palo Verde Valley, so that we could return the water to them which we owed to them—then it was necessary to build this canal and a levee to prevent a possible flooding of the Indian lands.

As I have said, this is a moral obligation of the United States Government to these Indians which ought to be repaid.

Mr. GAVIN. Mr. Speaker, will the gentleman yield?

Mr. PATTEN. I yield.

Mr. GAVIN. In view of the fact that the States that are involved here recognize that they have done an injustice to the Indians, why do not these States that are concerned, who are enjoying the advantages that they have developed through these projects, get together and raise the money and make this improvement without coming to the Federal Government?

Mr. PATTEN. Mr. Speaker, if the gentleman will look at the bill he will see that it is provided that there be a repayment.

Mr. GAVIN. I doubt very much that a dime will ever be repaid.

Mr. PATTEN. If the gentleman will look at the bill I am sure that he will see that he is mistaken.

Mr. ENGLE. Mr. Speaker, will the gentleman yield?

Mr. PATTEN. I yield.

Mr. ENGLE. If the gentleman will look at section 7 of the bill it provides that, after the irrigation district pays its share, the power revenues of Parker and Davis Dams pick up and pay back the rest. This money only comes out of the Treasury, in other words, in the nature of an advance. The money is paid back out of the general revenues of those two projects. So the taxpayer, the general taxpayer is not being asked to pay for this. The power production on the river itself is paying for the damage caused by the operation of the project, scouring the river and reducing the level of it so that the gravity system no longer worked.

Mr. SHEPPARD. Mr. Speaker, will the gentleman yield?

Mr. PATTEN. I yield to the gentleman from California.

Mr. SHEPPARD. I should like to say this to the Members of the House with whom I have enjoyed working for a great many years. Any time the Members of this Congress find the upper States of the Colorado, Arizona and California, in unison over the question of water, for goodness sake, let us buy the proposition.

Mr. PATTEN. Mr. Speaker, I believe the gentleman from Texas [Mr. DIES] wanted to ask a question, and I am glad to yield to him.

Mr. DIES. Mr. Speaker, I was interested in the gentleman's statement that this is an economy measure. If it is, I want to vote for it, because I should like to have a little economy in my next platform.

Mr. PATTEN. There were three proposals here to build up the water from the Palo Verde so that those people can get their water back. One was by using a siphon system under the Colorado River, which would be very much more expensive, one to pump water on the California side, and another to build this weir which only raised the water level 4 feet, and thus provide the water to Palo Verde.

The method we have chosen would correct the injustice we have done the Indians caused by this overseepage from the river, protect against possible flood, and provide the return of the waters to Palo Verde.

Mr. SMITH of Virginia. Mr. Speaker, notwithstanding all the levity and good time that we have had on this bill thus far, it is obviously a meritorious bill involving a moderate amount. Those who know something about it, on both sides of the aisle, both Democrats and Republicans, agree that this is a meritorious bill. I think we ought to put it through pretty rapidly, particularly in view of the questions asked by the gentleman from Texas [Mr. RAYBURN] and the answer given by the gentleman from Massachusetts [Mr. NICHOLSON].

And in the light of the affection in which the gentleman from California [Mr. PHILLIPS] is held by all Members of the House, I think we ought to pass this bill promptly.

The SPEAKER. Without objection, the previous question is ordered.

There was no objection.

The SPEAKER. The question is on the adoption of the resolution.

The resolution was agreed to.

Mr. D'EWART. Mr. Speaker, I ask unanimous consent that this bill (H. R. 8498) be considered in the House as in Committee of the Whole.

The SPEAKER. Is there objection to the request of the gentleman from Montana?

There was no objection.

The SPEAKER. The Clerk will report the first committee amendment.

The Clerk read as follows:

Page 5, line 5, insert section 5, to read as follows:

"SEC. 5. The use of all water diverted for the district through said works from the Colorado River shall be subject to and controlled by the Colorado River Compact, the Boulder Canyon Project Act (45 Stat. 1057), the California Limitation Act (Stats. Cal. 1929, ch. 16), contract dated February 7, 1933, between the United States and Palo Verde Irrigation District, and the Mexican Water Treaty (Treaty Series 994), and shall be included within and shall in no way increase the total use of water to which the State of California is entitled as limited by said compact, statutes, contract, and treaty."

The committee amendment was agreed to.

The Clerk read as follows:

Page 5, line 16, strike out "5" and insert "6."

The committee amendment was agreed to.

The Clerk read as follows:

Page 5, after line 20, insert the following:

"SEC. 7. The return of all costs incurred under authority of this act, except those repaid by the Palo Verde Irrigation District, and those costs allocated under subsection (b) of section 4 of this act, as hereinbefore provided, shall be accounted for from the first net power revenues available from the Boulder Canyon and/or the Parker-Davis projects, after payment thereof in accordance with law."

Mr. DAWSON of Utah. Mr. Speaker, I offer an amendment to the committee amendment.

The Clerk read as follows:

Amendment offered by Mr. DAWSON of Utah to the committee amendment: On page 5, line 25, following the word "from", insert the following: "operating and maintenance account over a 10-year period commencing from the date of this act from"; and on page 6, line 1, insert a period after the word "projects" and strike all the remainder of lines 1 and 2.

Mr. DAWSON of Utah. Mr. Speaker, I think we should again review the purposes of this bill. It has been explained that the reason for our spending this money is that when Parker, Davis, and Hoover Dams were constructed we sent clear water down to the areas below which had been taking the water from the Colorado River. As a result of sending this clear water down the bottom of the river was scoured, thereby lowering the water level, requiring the building of a new dam.

The purpose of my amendment is to require the payment of the cost of these projects down below to be paid out of the operation and maintenance account of these dams over a 10-year period.

I might explain to my colleagues that this amendment was presented to the committee, but a substitute amendment was adopted which deferred the payment of the cost of this diversion dam until all of the cost attributed to the Hoover, Davis, and Parker Dams were paid out, which would mean that would be maybe 50 or 60 years, depending on what was attached to these projects later on. The purpose of my amendment would require that these costs be paid back in the first 10 years of the project because it should be considered as an operation and maintenance expense just as though one of their dynamos went out or some other damage had occurred because the testimony before the committee was to the effect that this was damage which arose through the acts of these three dams in lowering their water level. So if it is to be considered as a damage claim, my contention is that it should come out as an operation and maintenance expense, which would bring it out within the next 10 years rather than defer this interest-free money for a 60- or 70-year period. My friend from California talked at some length here yesterday or the day before on the Fryingpan-Arkansas proposition contending that we had hidden subsidies with these interest items in here, and they were computed over a 50- or 60-year period, and that they were compounded. Therefore, they came up with a figure of some $1,300 or $2,000 an acre which it was costing this land. I call your attention to the fact that if we took this $7 million figure and compounded the interest, as they figured the other day, that they contend the interest over the period for which this contract would run around some $21 million, which you might call a hidden subsidy if you care to figure it that way. I do not agree with that. I do not think it should be figured in that manner. But inasmuch as the gentleman from Texas, the gentleman from Pennsylvania, and others have raised the question, I think we should look at it squarely in the face and figure what this is costing us. For that reason, I feel it should be considered as an operation and maintenance account, and therefore be paid in a 10-year period rather than extended to 50 or 60 years.

Mr. ENGLE. Mr. Speaker, will the gentleman yield?

Mr. DAWSON of Utah. I yield.

Mr. ENGLE. This is what happened. If I state the matter incorrectly, I wish the gentleman would correct me. I understand when they built Hoover Dam, they changed the nature of the river south of Hoover Dam so that this irrigation project which drew its water from the Colorado River on a gravity system could no longer draw its water by the gravity system, and the scouring of the river due to the change in the character of the river has lowered the level of the river to the point where the water will no longer run out of its canal.

Mr. DAWSON of Utah. That is quite true.

Mr. ENGLE. So they came along to the Federal Government and said, "Put the water back so that it can get out of our ditch," and the Government went in there and dumped a bunch of rocks, and then along came the floodwaters and washed the rocks away. Now they got into a program of putting in a cement structure across to keep the water level up so that it will go out of the ditch built by these farmers, and which over a long period of time they operated prior to the construction of the Boulder Canyon. Now here is the question: If we built Boulder Canyon Dam and flooded a man's road or flooded his house or flooded out his irrigation system, we would be required to pay him, would we not, or we would have to put him back in status quo as nearly as we could; is that not correct?

Mr. DAWSON of Utah. That is right. I am not disputing the fact that it should be paid for, but Uncle Sam should not be required to hold the sack for 60 years. It should be paid as a damage expense out of the maintenance and operation account.

Mr. ENGLE. Wait a minute; that is exactly the point I am getting to. This is not maintenance and operation. It is part of the capital cost of building the project, which should have been recognized when the project was built, but was not recognized. It is not maintenance and operation. It is damage in the nature of and a type of damage which would have to be paid for in a condemnation proceeding.

Mr. D'EWART. Mr. Speaker, I rise in opposition to the amendment.

Mr. Speaker, the committee carefully considered the amendment when it was offered in the committee. Because of the possibility that it might raise the power rates from Hoover Dam and Parker Dam to such an extent that they would not be feasible, the committee turned the amendment down.

We did not wish to raise those rates to an extent that might make this power not salable and neither did we want to add this cost over a 10-year period to power rates from these projects.

Mr. PATTEN. Mr. Speaker, will the gentleman yield?

Mr. D'EWART. I yield.

Mr. PATTEN. Would it not also involve the complete reworking of all the contracts for power from all those areas and those States along the Colorado River that are involved here, all the purchasers of power, public and private, would have to have their contracts reworked in order to take care of this requirement. That would be made necessary by the gentleman's amendment.

Mr. D'EWART. Unquestionably a power rate increase such as this would mean revision of all the power contracts and the possibility that some could not be renewed.

Mr. DAWSON of Utah. Mr. Speaker, will the gentleman yield?

Mr. D'EWART. I yield.

Mr. DAWSON of Utah. Suppose one of the dams went out, or something else happened? They have sufficient funds; they are being turned back to the Treasury, as I understand, so those funds are reallocated back. If a dynamo went out and it cost $7 million to replace, they would have the money there to replace that.

I think the damage that has resulted through the construction of this dam is just as much an O. and M. item as if a dynamo went out and certainly they would not come in and raise the rate to take care of it over a 10 year period.

Mr. D'EWART. Of course, in such an instance that is true operation and maintenance in the proper sense. This project is new construction that has nothing to do with operation and maintenance.

Mr. ENGLE. Mr. Speaker, will the gentleman yield?

Mr. D'EWART. I yield.

Mr. ENGLE. We have made Boulder Canyon power available under contract for a long period of years. The money is coming from the project into the Treasury. You can change one from in place and another but you are not going to change all. It just is not possible to do it that way.

Mr. D'EWART. The gentleman is entirely correct.

Mr. GAVIN. Mr. Speaker, I rise in support of the amendment.

Mr. Speaker, this debate is taking a very interesting trend. The amount of money involved is $7 million. The gentleman from Montana said that if this legislation is not enacted and the Federal Government does not accept this project the cost of which is $7 million it would affect the rates on power being supplied from Boulder Dam. I do not know. It is a case of either they raise their rates to pay the $7 million or ask the American taxpayers to pay it cash on the barrelhead to pay the cost of this project.

If you do not increase the rates what happens?

Why not let the States involved pay for it themselves? Those who are involved are using the power and selling the power. Increase the cost of the power sufficiently to take care of the $7 million involved in view of the fact they were responsible for the existing situation. They should have recognized when they entered into those contracts that this situation might develop, that they were making a mistake and eventually the Indians were going to suffer, but I do not suppose anybody was very much concerned about the Indians at that time; and now everybody seems to be concerned about the Indians. What I am concerned about is the $7 million. As our old friend Bob Rich used to say: "Where are you going to get the money?" You want to reduce governmental expenditures, you want a balanced budget, yet here is a project that is going to cost a lot of money, $7 million. Are you going to ask the American taxpayers of the various States of the Nation to pay the $7 million? What about it paying out in the area involved.

Mr. PHILLIPS. Mr. Speaker, will the gentleman yield?

Mr. GAVIN. I yield.

Mr. PHILLIPS. The gentleman is usually correct, but I feel that in this instance he is in error—although he is rarely in error.

Mr. GAVIN. I will say to the gentleman the feeling is mutual.

Mr. PHILLIPS. The Palo Verde Valley Irrigation District has the oldest rights on the river; it was one of the first to get water. Under the water law if anything comes along and disturbs the right to get water, whoever or whatever disturbs the right has to make it good. That is all that is involved.

It should be pointed out that there are several items tied together in this bill. The item for rebuilding the present wier, into a permanent dam, comes to $3.9 million. The items for flood control and canals on the Arizona side come to a little over $2 million. The amount to be charged the Palo Verde farmers comes to $1.2 million, approximately. All would be repaid eventually by the district or from future revenues as provided in section 7. The Arizona part of the bill is for a necessary flood-control and water project on the Indian reservation, and it belongs in this bill, which I hope will be adopted.

If the gentleman will pardon a personal reference, one evening I backed my car out of my garage and ran into the rear end of the car of one of the gentleman's colleagues from Pennsylvania. I did not go to him and say: "If you will pay for half of the dent in the fender, I will take care of the rest." I said to him, "I am responsible for your dent. Have it ironed out and I will pay for it," and I did. That is all we are talking about here.

Mr. GAVIN. Will the gentleman permit me to say that that is all right. But why not allocate this $7 million to the States involved? Why bring it up here? Why not follow your argument and let the States involved take care of the cost and not ask us, the Federal Government, to pay for it?

Mr. PHILLIPS. The Federal Government was involved, not the States. The Federal Government did it. Let me say that I hope the amendment will be voted down and I hope the bill will be passed. My only embarrassment is, in view of the statement of the distinguished minority leader, that the amount is so small.

Mr. GAVIN. Here is the point I am trying to make. The gentleman's amendment would cut down the amortization period from 60 to 10 years, so the bill will be paid just a bit faster.

Mr. DAWSON of Utah. Mr. Speaker, will the gentleman yield?

Mr. GAVIN. I yield to the gentleman from Utah.

Mr. DAWSON of Utah. In reply to the gentleman from California, may I say that he is perfectly right. He says they have been damaged down there and the people who created the damage should make it whole. The people who created the damage were the Hoover, Davis and Parker Dams. They should pay for it out of their operating revenues down there.

Mr. GAVIN. I agree with the gentleman.

Mr. DAWSON of Utah. Rather than extending it over a 60- or 70-year period. They would pay it out of their operating expenses. Now I want to call the gentleman's attention to the fact that here again you have this principle of the power revenue subsidizing irrigation. The revenues from these hydro dams out there are paying the costs and subsidizing these irrigation projects down below. We are not objecting to that, but I am saying in my amendment that certainly they should pay it as a damage claim, as the gentleman from California says it is, and pay it now rather than defer this interest over a 60-year period.

Mr. GAVIN. I think the gentleman's argument is quite sound and I intend to support his amendment.

Mr. PATTEN. Mr. Speaker, will the gentleman yield?

Mr. GAVIN. I yield to the gentleman from Arizona.

Mr. PATTEN. The argument is not sound because you are charging a damage to operation and maintenance that should not be charged there. It would be like if a truck ran into your house and did $5,000 of damage and you charge that to the operation and maintenance of the truck by the operator.

Mr. GAVIN. I do not yield any further. It is all according to whose ox is being gored. Like the gentleman the

other night, he asked for a reading of the engrossed copy of a bill because the legislation just was not satisfactory to him. So I quite agree with my very good and able friend from Utah that his amendment is sound and the House should support it.

The SPEAKER. The question is on the amendment to the amendment.

The question was taken; and on a division (demanded by Mr. GAVIN) there were—ayes 7, noes 53.

So the amendment to the amendment was rejected.

The SPEAKER. The question is on the amendment.

The amendment was agreed to.

The SPEAKER. The Clerk will report the next amendments.

The Clerk read as follows:

Committee amendments:

Page 6, line 3, strike out "6" and insert "8."

Page 6, line 5, after the word "appropriated", strike out the words "such sums as may be necessary to carry out the provisions of this Act" and insert "the sum of $7,099,000."

The committee amendments were agreed to.

Mr. KING of Pennsylvania. Mr. Speaker, I move to strike out the last word.

Mr. Speaker, in view of my amazement that this House has just voted for the creation of 18,000 new acres, I want to ask the gentleman from California [Mr. PHILLIPS] a question pertaining to this project.

I understand that this is not extending irrigated acreage but is sort of a resurrection of an area which has been irrigated for a long time. I would like this House to clearly understand that that is so. Otherwise I would say it cannot be justified at all.

Mr. PHILLIPS. Mr. Speaker, if the gentleman will yield, it is not even as bad as that. I would not even use the word "resurrection" because the land is presently being watered by this temporary wier, which is made by the rocks dumped in the river and which wash out and more have to be put in. The United States recognizes its obligations and it is a continued expense. This is a project to stop that continued expense and put this lower cement dam across the river. We bring in no new acreage, we bring in no new water, there is no power involved, no commodities that are not grown now. It is just to replace a temporary dam with a permanent structure.

Mr. KING of Pennsylvania. This project in no way produces a lot of new crops that might wind up in the hands of the Government?

Mr. PHILLIPS. No more than without the bill.

Mr. GAVIN. Mr. Speaker, will the gentleman yield?

Mr. KING of Pennsylvania. I yield to the gentleman from Pennsylvania.

Mr. GAVIN. I know the gentleman was very much interested in the previous legislation. I wonder if he figured out how much it cost per acre. The total cost was $22 million. How much an acre would that be? The gentleman said it was 18,000 acres. How much will that cost an acre?

Mr. KING of Pennsylvania. The gentleman's arithmetic is better than mine. It is still quite expensive.

Mr. GAVIN. I thought the gentleman might be able to give us that figure offhand.

Mr. KING of Pennsylvania. Whatever it is, it is entirely too much and unjustified, because there is no need in this country today for bringing in 18,000 new acres, certainly not in the fruit industry in the Northwest. Maybe 25 years from now it will be justified.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FOOD SERVICE FACILITIES OF THE HOUSE OF REPRESENTATIVES

Mr. ARENDS. Mr. Speaker, I offer a resolution (H. Res. 692) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That the Clerk of the House of Representatives is hereby authorized and directed to enter into a contract providing for the making of a survey of, and a report to him on, the food service facilities of the House of Representatives, giving particular consideraiton to the steps, if any, which should be taken to increase and improve such facilities and to promote more efficiency and economy in their operation. Such report, when received by the Clerk, shall be transmitted by him to the Committee on House Administration.

The expenses, not exceeding $2,500, of carrying out the provisions of this resolution shall be paid from the contingent fund of the House of Representatives.

Mr. HOFFMAN of Michigan. Mr. Speaker, I offer two amendments and ask that they be considered en bloc.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The Clerk read as follows:

Amendment offered by Mr. HOFFMAN of Michigan:

On page 1, line 4, insert after the word "him", "prior to January 1, 1955."

Page 1, line 10, strike out the period and insert "which shall report to the House prior to February 15, 1955."

Mr. HOFFMAN of Michigan. Mr. Speaker, the amendments which have just been offered, if adopted will expedite the establishment of a suitable place where Members of the House can obtain necessary and proper food at a time which will permit them to more efficiently perform their duties.

Mr. Speaker, it is gratifying to know that the House, even belatedly, shows indication that it may take action to provide the Members of the House with facilities which will enable them to render better service to their constituents.

We have had a House restaurant—a room perhaps 40 to 50 feet wide, approximately the same distance in length, and across the corridor from it, another room of somewhat smaller size—where at noon, an average of 300 Members of the House, their visiting constituents, and some of their employees, may drop in, hurriedly snatch something to eat, and almost immediately get out of the way of those colleagues and their guests who are crowded into the corridor. It is not unusual to have the corridor so jammed that it is necessary to push or shove in order to get through. It is not unusual to be forced to wait for one-half an hour in order to be served.

The food is prepared in underground kitchens, the chef and his assistants are capable, efficient, and do their best, as do the waiters, some of whom have been with us for years, but the physical surroundings are such that it is an impossibility to give the Members, their constituents, their employees, adequate service.

The House physician, Dr. Calver, must know that the conditions under which we are compelled to get food at noon—and there is no other convenient, accessible place, except perhaps in the House cafeteria, which is always crowded at noon—are not conducive to good health.

Quite the contrary.

This condition has existed to my personal knowledge since at least 1937. Often have I protested it, but for some reason there are those who have always successfully opposed any move to better the situation. Whether it is a Capitol Architect, whether it is someone else, or some group, I have no way of knowing. I do know that vigorous and repeated protests have been without results.

More recently—that is, on January 29, 1952—I introduced House Resolution 509, which was referred to the Committee on House Administration, where it was permitted to do a Rip Van Winkle.

Again, on January 3, 1953, House Resolution 23 was introduced by me. Again it was referred to the Committee on House Administration.

That committee, under rule 11, section 9, subsection L, had jurisdiction over the matter.

Last week I was notified twice that I would be given a hearing on that resolution, but each time the notice was countermanded. On July 17, 1953, the chairman of the Rules Committee, the gentleman from Illinois [Mr. ALLEN] offered a resolution designed to accomplish the same—that is to provide adequate facilities so that the Members of the House, their constituents, and perhaps the legislative employees, could be properly served the food which it was necessary they must have if they are to perform their daily tasks.

Few people realize that meeting at 12 noon, as the House usually does, and continuing in session until late in the afternoon and sometimes late in the evening, Members of the House have no place where they can conveniently obtain either a lunch or a meal other than in the Capitol Building.

A stranger viewing the situation might conclude that it was the intention of those who control the situation to require the Congress to bring a lunch in a paper sack, their drink in a thermos bottle.

The absurdity of the situation is apparent when we recall that over the years the House has voted to appropriate billions upon billions of dollars for

people in other lands. Tax dollars, appropriated by the House, have built many a hotel thousands of miles from the United States of America.

The ridiculousness, the absurdity, the injurious effects of this situation were pointed out by me from the well of the House just a few days ago. It is doubtful if there are 10 Members of the House who are not of the opinion that the House has shamefully neglected doing the obvious and providing its Members with a place to eat, to entertain at lunch or dinner their constituents.

After I announced that I would ask unanimous consent for the immediate consideration of House Resolution 23, the chairman of the Rules Committee [Mr. ALLEN] came to me and said that he intended to ask for the immediate consideration of his resolution, House Resolution 341. He asked me if I would have objections.

I told him I certainly would unless I would be permitted, when his resolution came up for consideration, to offer an amendment. He was adverse to that, and suggested that inasmuch as he had served a long time on the Rules Committee, I should get out of his way.

I advised him that I had no objections to that provided I could be assured that we would get something more than an expression of a hope. This morning I find that yesterday, July 29, he introduced House Resolution 692.

Now, I have no objections to the calling up of that resolution; but I do offer two amendments. The sole purpose of these two amendments is to attempt to make certain that his resolution will bring action, and that sometime in 1955 the Rip Van Winkles who have been sleeping on this problem for the last 20 years will awaken and provide facilities which will be helpful in enabling the Members of the House to perform their duties.

The gentleman from Illinois [Mr. ALLEN] is chairman of the powerful Rules Committee. At his nod proposed legislation is buried or given a free way to the House Chamber.

It is my understanding that he has opposition in his district, and though he has always had an overwhelming majority, is frequently unopposed, if he thinks he needs some fancied prestige which can be obtained through the adoption of his resolution, and which he thinks will be helpful in the coming November election, my pride of authorship, if any, will yield not only to my desire to get out of the way when I can, figuratively speaking, see the mobile engine bearing down on me. It might also be said that my desire to be fed is greater than my desire to have my name attached to a resolution which may be the beginning of action which will make certain that future Members of the House may have a place where they, their constituents, and guests may be properly and adequately fed—not a swank eating place such as those our tax dollars have provided in foreign lands, but just an ordinary cafeteria or dining room, operated in such a manner that it will pay a profit, instead of imposing a loss upon the Federal taxpayers.

While on the subject of providing facilities which will enable us to efficiently transact the people's business, may I most humbly suggest, if the suggestion be not of contempt of the House leadership, that while we are about it the Committee on House Administration might seek some way of providing adequate telephones adjoining the Chamber so that Members of the House, while they are attending sessions, may receive telephone messages from their offices, their committee rooms, or from outside.

Yesterday members of my committee staff endeavored from 10:30 a. m. to 12 noon to reach me. They could not do so because the telephone lines to House Republicans were jammed continuously during those hours.

Practically every Member of this House has at one time or another not only been impatient but perhaps upset because of the inability to receive a call from his office or from the staff of his committee.

Just the other day we appropriated $3,100,000,000 for foreign aid. Is it unreasonable to ask for the expenditure of a few thousand dollars, the expenditure of which may enable us to somewhat adequately perform our duties to our constituents?

It is my hope that the gentleman's resolution, with amendments, will be adopted.

The SPEAKER. The question is on the amendments offered by the gentleman from Michigan [Mr. HOFFMAN].

The amendments were agreed to.

The resolution was agreed to, and a motion to reconsider was laid on the table.

PRIVATE FINANCING OF NEW SHIP CONSTRUCTION

Mr. ALLEN of California. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 9987) to amend certain provisions of title XI of the Merchant Marine Act, 1936, as amended, to facilitate private financing of new ship construction, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from California?

Mr. SHELLEY. Mr. Speaker, reserving the right to object, I shall not object to consideration of the bill, but I wish to say at this time that the members of the Merchant Marine Committee on this side of the aisle have supported this bill, and I am making this observation on their behalf; that last year we passed, at the request of the administration, a bill allowing for 90 percent private financing of new ship construction which some of the Members on this side felt at that time, and commented on it, would get no new ships built. It got no new ships built. In recognition of the fact that the shipbuilding industry and the American merchant marine are in a very dire situation, we go along with this improvement on that legislation in the hope that it may get ships built. But I wish to ask my colleague, the very able gentleman from California [Mr. ALLEN], this question:

Is it understood by our committee that there is nothing in our approval of this legislation which gives a mandate or permission to or encourages in any way the Federal Maritime Commission or the Department of Commerce to foreclose the operation of the present construction subsidy differential provisions of the 1936 Merchant Marine Act, so that if a company wishes to make use of that method of financing it can be done?

Mr. ALLEN of California. That is quite correct, I will say to the gentleman. The provisions of title V of the Merchant Marine Act provide for financing by Government money. The amendments involved here are to title XI which provide for private financing. Neither program replaces the other.

Mr. SHELLEY. I should like also to ask the gentleman whether corrections are being made to that legislation which we passed last year because of objection to that legislation from the investment houses?

Mr. ALLEN of California. That is correct. The present bill comes out of the conference between the committee staffs, the investment houses, the General Accounting Office, and the Maritime Commission.

Mr. SHELLEY. I thank the gentleman, Mr. Speaker, and I withdraw my reservation of objection.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 1101 of the Merchant Marine Act, 1936, as amended (U. S. C., title 46, sec. 1271), is hereby amended to read as follows:

"SEC. 1101. As used in this title—

"(a) The term 'mortgage' includes a preferred mortgage as defined in the Ship Mortgage Act, 1920, as amended, and a mortgage which will become a preferred mortgage when recorded and endorsed as required by the Ship Mortgage Act, 1920, as amended;

"(b) The term 'loan' includes any loan or advance of credit other than a mortgage loan;

"(c) The term 'vessel' includes all types of passenger, cargo, and combination passenger-cargo carrying vessels, tankers, tugs, towboats, barges, and dredges documented under the laws of the United States, and fishing vessels owned by citizens of the United States;

"(d) The term 'mortgagee' includes the original maker of a loan secured by a mortgage and his successors and assigns, except that in the case of a mortgage involving a trust indenture and an issue of bonds or notes thereunder, it means the trustee designated in such trust indenture and his successors and assigns as trustee, but does not include the holders of the bonds or notes issued under such trust indenture; and the term 'lender' includes the original maker of any loan or advance of credit other than a loan secured by a mortgage, and his successors and assigns, except that in the case of a loan or advance of credit involving a trust indenture and an issue of bonds or notes thereunder, it means the trustee designated in such trust indenture and his successors and assigns as trustee, but does not include the holders of the bonds or notes issued under such trust indenture;

"(e) The term 'mortgagor' includes the original borrower under a mortgage and his successors and assigns approved by the Commission; and

"(f) The term 'actual cost' of a vessel as of any specified date means the aggregate as determined by the Secretary of Commerce of (i) all amounts paid by or for the account of the mortgagor or borrower on or before that date, and (ii) all amounts which the mortgagor or borrower is then obligated

to pay from time to time thereafter, for the construction, reconstruction, or reconditioning (including designing, inspecting, outfitting, and equipping) of such vessel: *Provided*, That in no event, except for certain special purpose vessels as provided for in subsections (a) and (b) of section 1103 (46 U. S. C. 1273), shall the Secretary of Commerce pay as insurance under this title an amount in excess of 90 percent of 75 percent, or 90 percent of 87½ percent, as the case may be, of the amount paid by or for the account of the mortgagor or borrower for the construction, reconstruction, or reconditioning (including designing, inspecting, outfitting, and equipping) of such vessel."

SEC. 2. Section 1102 (46 U. S. C. 1272) is amended to read as follows:

"There is hereby created a Federal ship mortgage insurance fund (hereinafter referred to as the 'fund') which shall be used by the Secretary of Commerce as a revolving fund for the purpose of carrying out the provisions of this title, and there shall be allocated to such fund the sum of $1 million out of funds made available to the Secretary of Commerce under the appropriation authorized by section 1109 (46 U. S. C. 1279). Moneys in the fund shall be deposited in the Treasury of the United States to the credit of the fund or invested in bonds or other obligations of, or guaranteed as to principal and interest by, the United States."

SEC. 3. Section 1103 (46 U. S. C. 1273) is amended to read as follows:

"(a) The Secretary of Commerce, upon application by the mortgagor, is authorized to insure as hereinafter provided the interest on and 90 percent of the unpaid balance of the principal of, any mortgage offered to him which is eligible for insurance as hereinafter provided and, upon such terms as the Secretary of Commerce may prescribe, is authorized to make commitments to insure any such mortgage prior to the date of execution or disbursement thereon: *Provided*, That in the case of special purpose vessels certified by the Secretary of Defense to be essential to national defense, the Secretary of Commerce may insure 100 percent of the principal of and interest on any such mortgage eligible for insurance as hereinafter provided and upon such terms as the Secretary of Commerce may prescribe.

"(b) The Secretary of Commerce, upon application by the borrower, is authorized to insure as hereinafter provided the interest on and 90 percent of the unpaid balance of the principal of, any loan offered to him which is eligible for insurance as hereinafter provided and, upon such terms as the Secretary of Commerce may prescribe, is authorized to make commitments to insure any such loan prior to the date of execution or disbursement thereon: *Provided*, That in the case of special purpose vessels certified by the Secretary of Defense to be essential to national defense, the Secretary of Commerce may insure 100 percent of the principal of and interest on any such loan eligible for insurance as hereinafter provided and upon such terms as the Secretary of Commerce may prescribe.

"(c) Each insurance contract made under this section shall run to the mortgagee or lender and be for the benefit of such mortgagee or lender and the holders of the obligations secured by the mortgage or evidencing the loan, and if the mortgagee or lender is a trustee under a trust indenture, for the benefit of the holders of the bonds or notes issued under such trust indenture.

"(d) The faith of the United States is solemnly pledged to the payment of the interest on and 90 percent of the unpaid balance of the principal amount of each mortgage and loan insured under this title.

"(e) The aggregate unpaid principal amount of the mortgages and loans insured under this section and outstanding at any one time shall not exceed $1 billion."

SEC. 4. Section 1104 (46 U. S. C. 1274) is amended to read as follows:

"(a) To be eligible for insurance under this title a mortgage, excepting as otherwise provided in section 1106 (46 U. S. C. 1276)—

"(1) shall have a mortgagee approved by the Secretary of Commerce as responsible and able to service the mortgage properly; and a mortgagor approved by the Secretary of Commerce as possessing the ability, experience, financial resources, and other qualifications necessary to the adequate operation and maintenance of the mortgaged property;

"(2) shall involve an obligation in a principal amount which does not exceed 75 percent of the actual cost of the vessel, such actual cost to be determined by the Secretary of Commerce prior to the execution of the mortgage and such determination to be conclusive for the purpose of determining the principal amount of the mortgage: *Provided, however*, That in the case of a vessel, the size and speed of which are approved by the Secretary of Commerce, which is eligible for mortgage aid under section 509 of this act and in respect of which the minimum downpayment by the mortgagor required by that section would be 12½ percent of the cost of such vessel, the obligation may be in an amount which does not exceed 87½ percent of such actual cost; or, in the case of vessels purchased pursuant to the Merchant Ship Sales Act of 1946, as amended, for exclusive use on the Great Lakes, involve an obligation in a principal amount which does not exceed 75 percent of the net purchase price of such vessels plus 75 percent of the amounts expended for altering, modifying, converting, and equipping such vessels in excess of that purchase price, or 75 percent of the amount which the Secretary of Commerce estimates will be the value of such vessel so purchased for exclusive use on the Great Lakes when the reconstruction or reconditioning is completed, whichever is the lesser;

"(3) shall secure bonds, notes, or other obligations having maturity dates satisfactory to the Secretary of Commerce but not to exceed twenty years from the date of its execution;

"(4) shall contain amortization provisions satisfactory to the Secretary of Commerce requiring periodic payments by the mortgagor;

"(5) shall secure bonds, notes, or other obligations bearing interest (exclusive of premium charges for insurance) at a rate not to exceed 5 percent per annum on the amount of the unpaid principal at any time, or not to exceed 6 percent per annum if the Secretary of Commerce finds that in certain areas or under special circumstances the mortgage or lending market demands it;

"(6) shall provide, in a manner satisfactory to the Secretary of Commerce, for the application of the mortgagor's periodic payments to amortization of the principal of the mortgage, exclusive of the amount allocated to interest;

"(7) shall contain such terms and provisions with respect to the construction, reconstruction, reconditioning, maintenance, purchase of a vessel for use on the Great Lakes pursuant to the Merchant Ship Sales Act of 1946, as amended, or operation of the property, repairs, alterations, payment of taxes, insurance, delinquency charges, revisions, foreclosure proceedings, anticipation of maturity, additional and secondary liens, and other matters pertinent to the security as the Secretary of Commerce may prescribe;

"(8) shall secure a loan made to aid in financing, including payment of loans previously made to finance, and reimbursement of the mortgagor for expenditures previously made for, construction (including designing, inspecting, outfitting, and equipping) of vessels under title V of this act, as amended, or the purchase by citizens of the United States of vessels for use on the Great Lakes pursuant to the Merchant Ship Sales Act of 1946, as amended, or the construction, reconstruction, or reconditioning (including designing, inspecting, outfitting, and equipping), subsequent to the enactment of this title, of vessels owned by citizens of the United States which are designed principally for commercial use (a) in the coastwise or intracoastal trade; (b) on the Great Lakes, or on bays, sounds, rivers, harbors, or inland lakes of the United States; (c) in foreign trade; or (d) in the fishing trade or industry;

"(9) shall provide that the mortgagor shall pay to the mortgagee the amount required for the payment of each mortgage insurance premium charge at least 60 days before the payment of such premium charge to the Secretary of Commerce is due, and shall further provide that the failure of the mortgagor to make such payment shall be a default under the mortgage;

"(10) may, in the case of a passenger vessel having the tonnage, speed, passenger accommodations and other characteristics set forth in title V of this act, as amended, with the approval of the Federal Maritime Board, provide that the sole recourse against the mortgagor of the United States as assignee of the mortgage for the payment of the principal of, and interest on, the mortgage and the bonds, notes, or other obligations secured thereby shall be limited to repossession of the vessel and the assignment of insurance claims and that the obligation of the mortgagor for such principal and interest shall be satisfied and discharged by the surrender of the vessel and all right, title, and interest therein to the United States: *Provided*, That the vessel upon surrender shall be (i) free and clear of all liens and encumbrances whatsoever except the lien of the preferred mortgage, (ii) in class, and (iii) in as good order and condition, ordinary wear and tear excepted, as when acquired by the mortgagor, except that any deficiencies with respect to freedom from encumbrances, condition, and class may, to the extent covered by valid polices of insurance, be satisfied by the assignment to the United States of claims of the mortgagor under such policies; and

"(11) shall contain such other provisions as may be agreed upon between the mortgagor and mortgagee, which are not inconsistent with the provisions of the preceeding paragraphs of this subsection (a) and which are not disapproved by the Secretary of Commerce.

"(b) To be eligible for insurance under this title a loan—

"(1) shall be made by a lender approved by the Secretary of Commerce to a borrower approved by the Secretary of Commerce as possessing the ability, experience, financial resources and other qualifications necessary to the adequate operation and maintenance of the property;

"(2) shall be made to aid in financing, including payment of loans previously made to finance, and reimbursement of the borrower for expenditures previously made for construction (including designing, inspecting, outfitting and equipping) of vessels under title V of this act, as amended, or for the construction, reconstruction or reconditioning (including designing, inspecting, outfitting and equipping) subsequent to the enactment of this title, of vessels owned by citizens of the United States which are designed principally for commercial use (a) in the coastwise or intercoastal trade; (b) on the Great Lakes or on bays, sounds, rivers, harbors, or inland lakes of the United States; (c) in foreign trade; or (d) in the fishing trade or industry;

"(3) shall be payable prior to or simultaneously with the execution of the mortgage;

"(4) shall provide that no advance shall be made thereunder unless the sum of such

advance and the principal amount of all other advances under insured loans then outstanding at the time of said advance shall be less than 75 percent of the actual cost of such vessel, such actual cost to be determined by the Secretary of Commerce and such determination to be conclusive for the purpose of determining the principal amount of the loan;

"(5) shall provide that the borrower shall pay to the lender the amount required for the payment of each loan insurance premium charge at least 60 days before the payment of such premium charge to the Secretary of Commerce is due, and which shall further provide that the failure of the borrower to make such payment shall give the lender the right to mature the loan;

"(6) shall bear interest at an average interest rate not to exceed the maximum rate permitted by paragraph (5) of subsection (a) of this section; and

"(7) shall contain such other provisions as may be agreed upon between the borrower and the lender which are not inconsistent with the provisions of the preceding paragraphs of this subsection (b) and which are not disapproved by the Secretary of Commerce.

"(c) No commitment to insure a mortgage or loan shall be made by the Secretary of Commerce unless he finds, at or prior to the time such commitment is made, that the property or project with respect to which the mortgage or loan will be executed will be, in his opinion, economically sound, and no mortgage or loan, unless made pursuant to a prior commitment, shall be insured unless the Secretary of Commerce finds, at or prior to the time the insurance becomes effective, that the property or project with respect to which the mortgage or the loan is executed will be in his opinion economically sound.

"(d) The Secretary of Commerce is authorized to fix a premium charge for the insurance of mortgages and loans under this title. In the case of any mortgage insured under section 1103 (a) (46 U. S. C. 1273 (a)), such charge shall not be less than one-half of 1 percent per annum nor more than 1 percent per annum of the average principal amount of the mortgage outstanding. In the case of loans insured under section 1103 (b) (46 U. S. C. 1273 (b)), such charge shall not be less than one-quarter of 1 percent per annum nor more than one-half of 1 percent per annum of the average principal amount of the loan outstanding. Premium payments shall be made when moneys are first advanced under the mortgage or loan agreement and on each anniversary date thereafter. All such premium charges shall be computed and shall be payable to the Secretary of Commerce under such regulations as the Secretary of Commerce may prescribe.

"(e) The Secretary of Commerce shall charge and collect such amounts as he may deem reasonable for the investigation of applications for insurance, for the appraisal of properties offered for insurance, for the issuance of commitments, and for the inspection of such properties during construction, reconstruction, or reconditioning: *Provided*, That such charges shall not aggregate more than one-half of 1 percent of the original principal amount of the mortgage or loan to be insured. Unless otherwise agreed, the charge for any such services shall be paid by the mortgagor or the borrower.

"(f) All moneys received under the provisions of sections 1101–1109 (46 U. S. C. 1271–1279) of this title shall be deposited in the fund."

SEC. 5. Section 1105 (46 U. S. C. 1275) is amended to read as follows:

"(a) (1) In the event of any act or failure to act which gives the mortgagee the right to foreclose, any such events being herein called defaults, and failure on the part of the mortgagor to remove and remedy the default within 30 days, the mortgagee shall have the right (i) in the case of a default in respect of the payment of principal or interest or the payment of any amount to provide for the payment of premium charges for mortgage insurance, to demand at or before the expiration of 60 days after any such default, and (ii) in the case of any other default, to demand at any time during the continuance of such default, payment by the Secretary of Commerce of the insured portion of the unpaid principal amount of said mortgage and of the unpaid interest thereon to the date of payment: *Provided*, That an assignment of the mortgage and of the obligations secured by the mortgage be tendered to the Secretary of Commerce at the time such demand is made. The Secretary of Commerce may at any time during the continuance of any default notify the mortgagee in writing, specifying the default, that by reason of such default the Secretary of Commerce intends to terminate the insurance contract 60 days after such notice is received by the mortgagee, and the mortgagee shall be entitled to demand payment by the Secretary of Commerce as above provided at any time during said 60-day period, whether or not the dafault is removed and remedied, and if the mortgagee shall fail to make such demand, the insurance contract may be terminated by the Secretary of Commerce on or after the expiration of such period. Within a period of 30 days from the date of any such demand, the Secretary of Commerce shall accept the assignment and promptly pay to the mortgagee the insured portion of the unpaid principal amount of said mortgage and unpaid interest thereon to the date of payment: *Provided*, That, except in any case in which the Secretary of Commerce has given notice of intention to terminate the insurance contract pursuant to the foregoing provisions, the Secretary of Commerce shall not be required to accept such assignment if prior to the expiration of said 30-day period he shall find that there was no default or that such default was removed and remedied prior to any such demand.

"(2) In the event of an act or failure to act which gives the lender the right to mature the loan, any such events being herein called defaults, and failure on the part of the borrower to remove and remedy the default within 30 days, the lender shall have the right (i) in the case of a default in respect of the payment of principal or interest or the payment of any amount to provide for the payment of premium charges for loan insurance, to demand at or before the expiration of 60 days after any such default, and (ii) in the case of any other default, to demand at any time during the continuance of such default, payment by the Secretary of Commerce of the insured portion of the unpaid principal amount of said loan and of the unpaid interest thereon to the date of payment: *Provided*, That an assignment of the loan agreement and of the obligations evidencing such loan be tendered to the Secretary of Commerce at the time such demand is made. The Secretary of Commerce may at any time during the continuance of any default notify the lender in writing, specifying such default, that by reason of such default the Secretary of Commerce intends to terminate the insurance contract 60 days after such notice is received by the lender, and the lender shall be entitled to demand payment by the Secretary of Commerce as above provided at any time during said 60-day period, whether or not the default is removed and remedied, and if the lender shall fail to make such demand, the insurance contract may be terminated by the Secretary of Commerce on or after the expiration of such period. Within a period of 30 days from the date of any such demand, the Secretary of Commerce shall accept the assignment and promptly pay to the lender the insured portion of the unpaid principal amount of said loan and unpaid interest thereon to the date of payment: *Provided*, That, except in any case in which the Secretary of Commerce has given notice of intention to terminate the insurance contract pursuant to the foregoing provisions, the Secretary of Commerce shall not be required to accept such assignment if prior to the expiration of said 30-day period he shall find that there was no default or that such default was removed and remedied prior to any such demand.

"(b) Any amount required to be paid by the Secretary of Commerce pursuant to subsection (a) of this section shall be paid in cash.

"(c) (1) In the event the Secretary of Commerce shall accept the assignment of a mortgage upon the default of the mortgagor pursuant to subsection (a) (1) of this section, he may institute foreclosure proceedings and in connection therewith repossess the mortgaged vessel forthwith and, subject to the provisions of section 1104 (a) (10) (46 U. S. C. 1274 (a) (10)), take such other action against the mortgagor that, in his discretion, may be required to protect the interests of the United States and of the mortgagee, as they may appear. Any suit may be brought in the name of the United States or in the name of the mortgagee and the mortgagee shall make available to the United States all records and evidence necessary to prosecute any such suit. If the Secretary of Commerce shall determine that the interests of the United States do not require foreclosure of the mortgage, he may make such agreement with the mortgagor as in the opinion of the Secretary of Commerce will result in remedying the defaults. The Secretary of Commerce shall have the right in his discretion to accept a conveyance of title to and possession of the vessel from the mortgagor, and in the event of a sale under foreclosure proceedings, may purchase the vessel for an amount not greater than the unpaid principal amount of such mortgage and unpaid interest thereon. In the event the Secretary of Commerce shall receive through the sale of the vessel an amount of cash in excess of any payment made to the mortgagee under subsection (a) (1) of this section and the expenses of collection of such amount, he shall pay to the mortgagee such cash amount to the extent that the mortgagee has not been made whole through other sources for amounts advanced to the mortgagor but in no event shall such payment to the mortgagee exceed 10 percent of the unpaid principal amount of mortgage and the interest thereon, and any excess of the amounts thus due the Government and the mortgagee shall be paid to the mortgagor.

"(2) In the event the Secretary of Commerce shall accept the assignment of a loan agreement upon the default of a borrower pursuant to subsection (a) (2) of this section, he shall take such action against the borrower or any other parties liable under the loan agreement or the obligations evidencing such loan thereunder that, in his discretion, may be required to protect the interests of the United States and of the lender as they may appear. Any suit may be brought in the name of the United States or in the name of the lender and the lender shall make available to the United States all records and evidence necessary to prosecute any such suit. The Secretary of Commerce shall have the right in his discretion to accept a conveyance of title to and possession of the property from the borrower, and may purchase the property for an amount not greater than the unpaid principal amount of such loan and unpaid interest thereon. In the event the Secretary of Commerce shall receive through the sale of the property an amount of cash in excess of any payment made to the lender under subsection (a) (2) of this section and the expenses of collection of such amount, he shall pay to the

lender such cash amount to the extent that the lender has not been made whole through other sources for amounts advanced to the borrower but in no event shall such payment to the lender exceed 10 percent of the unpaid principal amount of loan and the interest thereon, and any excess of the amounts thus due the Government and the lender shall be paid to the borrower.

"(d) Notwithstanding any other provision of law relating to the acquisition, handling or disposal of property by the United States, the Secretary of Commerce shall have the right in his discretion to complete, recondition, reconstruct, renovate, repair, maintain, operate, charter, or sell any property acquired by him pursuant to the assignment as provided in this section and may place the mortgaged vessel in the national defense reserve or may sell the same upon competitive bids for not less than the minimum sales price provided by the Merchant Marine Act, 1936, as amended. The buyer shall be required to make cash payment to the Secretary of Commerce of not less than 25 percent of the sales price, and the balance shall be paid in equal annual installments over the remaining period of the expected useful life of such vessel. Interest at the rate of 3½ percent per annum shall be paid on all such installments of the purchase price remaining unpaid.

"(e) Any contract or commitment of insurance entered into by the Secretary of Commerce under the provisions of this title shall not be terminated, canceled, or otherwise revoked for any reason, except as provided in section 1105 of this title, and shall be conclusive evidence that the mortgage or loan complies fully with the provisions of this title and of the approval of the principal amount, interest rate, and all other terms of the mortgage or loan and of the mortgagor or borrower and of the mortgagee or lender; and any contract or commitment of insurance so entered into shall be incontestable from the date as of which such contract or commitment is entered into, except for fraud, duress, or mutual mistake of fact."

SEC. 6. Section 1106 (46 U. S. C. 1276) is amended to read as follows:

"No provision of this title shall be construed to authorize the Secretary of Commerce to insure a mortgage securing any loan or advance made prior to the enactment of this title, and no mortgage shall be insured for refinancing in whole or in part any existing mortgage indebtedness except—

"(1) where a substantial portion of the total amount to be secured by the new mortgage, not to extend beyond the maturity date of the original mortgage, shall be applied to new construction, reconditioning, or reconstruction of one or more of the mortgaged vessels: *Provided however*, That the aggregate amount of all mortgages insured under this paragraph and outstanding at any one time shall not exceed $20 million, and provided that all of the eligibility requirements of section 1104 (46 U. S. C. 1274) not inconsistent with this paragraph are complied with;

"(2) where the Secretary of Commerce has insured a mortgage under the provisions of this title, and the mortgagor thereafter makes application to the mortgagee or another lender for an additional loan or advance for reconditioning or reconstructing the mortgaged property, the Secretary of Commerce may insure a new mortgage, not to extend beyond the maturity date of the original mortgage, in the amount of the principal outstanding balance of the original mortgage plus the amount of the additional loan, provided the amount of the additional loan is within the limits of paragraph (2) of subsection (a) of section 1104 (46 U. S. C. 1274) and the new mortgage conforms to the eligibility requirements of all the other paragraphs of said subsection (a);

"(3) where the Secretary of Commerce has insured a mortgage under the provisions of this title, the Secretary of Commerce may insure a new mortgage for the purpose of refunding such mortgage: *Provided*, That the principal amount of the new mortgage shall not exceed the then unpaid principal amount of the original mortgage; that the interest rate on the new mortgage shall not be higher than the interest rate on the original mortgage; that the maturity date of the new mortgage shall not be later than the maturity date of the original mortgage; and that the new mortgage shall otherwise conform to the eligibility requirements of subsection (a) of section 1104 (46 U. S. C. 1274); or

"(4) the Secretary of Commerce may insure mortgages given to finance the purchase of vessels theretofore acquired by the, fund under the provisions of section 1105 (46 U. S. C. 1275) and to secure loans or advances made for reconditioning and reconstruction of such vessels."

SEC. 7. Section 1107 (46 U. S. C. 1277) is amended to read as follows:

"Whoever, for the purpose of obtaining any loan or advance of credit from any person, partnership, association, or corporation with the intent that such loan or advance of credit shall be offered to or accepted by the Secretary of Commerce for insurance, or for the purpose of obtaining any extension or renewal of any loan, advance of credit, or mortgage insured by the said Secretary of Commerce, or the acceptance, release, or substitution of any security on such a loan, advance of credit, or for the purpose of influencing in any way the action of the said Secretary of Commerce under this title, makes, passes, utters, or publishes, or causes to be made, passed, uttered, or published any statement, knowing the same to be false, or alters, forges, or counterfeits, or causes or procures to be altered, forged, or counterfeited, any instrument, paper, or document, or utters, publishes, or passes as true, or causes to be uttered, published, or passed as true, any instrument, paper, or document, knowing it to have been altered, forged, or counterfeited, or willfully overvalues any security, asset, or income, shall be guilty of a misdemeanor and punished as provided under the first paragraph of section 806 (b) of this act."

SEC. 8. Section 1108 (46 U. S. C. 1278) is amended to read as follows:

"The Secretary of Commerce is authorized and directed to make such rules and regulations as may be deemed necessary or appropriate to carry out the purposes and provisions of this title."

SEC. 9. Section 1109 (46 U. S. C. 1279) is amended to read as follows:

"There is hereby authorized to be appropriated the sum of $1 million and such further sums as may be necessary to carry out the provisions of this title."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

WATER SHORTAGE IN CALIFORNIA

Mr. GUBSER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. GUBSER. Mr. Speaker, I rise to call attention of the House to H. R. 10054, a bill which I have recently introduced. Passage of this bill would relieve the critical shortage of water facing the economy of many parts of California in general, and the industrial and agricultural economy of the Santa Clara Valley in particular.

It is hardly necessary to dwell upon the importance of water. This God-given resource is as necessary to human life and endeavor as the very air we breathe. Yet, as the continued influx of population brings new residents and new industries to our county and State every day, the problem of finding sufficient water to nourish these multitudes, of keeping our fields and orchards rich and fertile, and supplying the demands of the magnificent industrial enterprises rising in that area, increases in gravity from day to day.

The city and county of San Francisco, through far-sighted planning and sensible legislation, acquired Federal grants of watersheds in the high Sierras during the years preceding the First World War. From these ample reservoirs, water is carried toward the coast by aqueducts in quantities sufficient not only for the needs of the city and county of San Francisco, but more than ample to supply additional consumers willing to purchase this water. Consequently, surplus water from the Hetch Hetchy Reservoir is sold by the city and county of San Francisco to municipalities and water districts needing additional resources. Although the supply could satisfy far greater demands, although a crying demand for that supply exists, the city and county of San Francisco is prevented from selling this surplus by an obsolete clause of the 1913 act.

When the Federal Government made the lands of Hetch Hetchy available to San Francisco, utility companies in California were unchecked by any form of public supervision. Indeed, the concept of public utilities, adhering to certain governing principles as an obligation toward the public even though privately owned, was only then crystallizing in our State. I find it justified, therefore, that the Congress, in granting these lands, included provisions against the sale of water to utilities other than those owned by municipalities, irrigation districts, and the like.

Times have changed. The Legislature of the State of California has empowered and charged the railroad commission of our State with regulating the operations and fiscal management and conduct of all public utilities. Under its successor, the Public Utilities Commission of California, these regulations have been perfected and our people enjoy the full protection of the law. At the same time, public utilities operate in a clearly defined margin which protects the public against profiteering while maintaining the stimuli and incentives basic to our American private enterprise system.

In recognition of these facts, Mr. Speaker, we can now proceed to assuage the thirst for water in many areas which today are forced to make ever increasing demands on their sinking groundwater tables for lack of the same surface water which is so abundantly available at Hetch Hetchy. I have introduced in this House a bill, H. R. 5400, which proposes to amend the Raker Act of 1913 by modifying the obsolete clause to which I have referred, so as to permit the sale of water

by the city and county of San Francisco to any utility which is under the jurisdiction and supervision of the Public Utilities Commission of the State of California.

Let me tell you a few of the far-reaching consequences passage of this bill would set in motion. Some 20 percent of the water consumed in Santa Clara County, Calif., during the past few years has gone to domestic and industrial use. About half of this quantity had to be pumped from the ground for lack of other sources. But consider the influx of population into our area. Between 1940 and 1950, the population of California showed an increase of 53.3 percent. The gain made by Santa Clara County during the same period was 66.1 percent, as reported by the Bureau of the Census. The county is now growing at a rate of 2,000 people per month, which means that by 1970, our population will have reached 800,000, and domestic users alone will then consume from 40 to 50 percent of the water supply. In the past, some 80 percent of the available water has gone into agriculture.

Visualize, if you will, the effects of bringing in the available surface water which the city and county of San Francisco is now prohibited from selling to those now pumping preciously needed water from the ground, thus ever more perilously lowering the ground water table. Abundant water means prosperity. Infusion of new water would be as health giving to our economy as is the transfusion of blood to the critically injured patient in the emergency room. No longer would we have to pump the groundwater. No longer would there be a theoretical limit to the influx of industry and business seeking new production fields and new markets in the West while offering ideal living conditions to their workers. No longer would our farmers need to wonder whether their ranches and orchards would some day fall victim to dehydration.

Mr. Speaker, the water is available. The demand is crying. One obsolete clause of a 41-year-old law is keeping supply from meeting demand. I fully realize that so shortly before the end of the current session, the Congress cannot now take action on this bill. But in fairness to the people of Santa Clara County and the people of California—indeed, in fairness to ourselves as legislators—let us not lose sight of this challenge. There is much that can be done between now and January to enable the new Congress to begin work on the matter quickly.

As water is of the essence to our economy, so is time of the essence to get it there. As legislators, we have the means to answer the prayers of that great land in the West. Let us answer them, then, affirmatively, as soon as we possibly can.

AMERICA NEEDS HIGHWAYS

Mr. HAND. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. HAND. Mr. Speaker, I have been immensely encouraged by the recent message of President Eisenhower to the Conference of Governors in which he suggested an all-out attack on one of the Nation's No. 1 problems, its completely inadequate system of highways.

I have not seen the text of the President's speech, which was delivered to the governors by Vice President Nixon, but in essence he suggests that the Nation spend at least $50 billion over a period of the next 10 years to bring our road system up to date.

This sounds like a fantastic amount of money, but in reality it is nothing more than a plan to catch up with vitally needed construction which has been in large measure deferred since the beginning of World War II.

I need not labor the point that every American must realize our woeful deficiency in providing modern highway transportation. The cause is not far to seek. Annual spending on maintenance and improvement of our roads has increased only 18 percent since prewar years, but the number of motor vehicles in use has gone up 71 percent. Mr. Speaker, there are now 58 million motor vehicles on highways which probably are designed to carry half that number. The end is not yet, because it is estimated that within the next 15 years the number of motor vehicles is expected to increase by more than one-third. At our present rate of expenditures, highway improvements will not even keep up with the rate of obsolescence of the old highways.

It is the daily experience of the great majority of our people, especially the millions living in or near concentrations of population, that it takes about 2 or 3 times as long to get from one point to another as it should take if roads were geared to modern conditions. These intolerable delays are aggravated during the vacation season, when millons of our citizens take to the road for their annual holiday, to find that their pleasures are mitigated, to say the least, by the frustrating delays that occur.

It is anybody's guess how many billions of dollars are lost annually by delays in business transportation.

Of even greater importance is the scandalous death and accident rate, caused to a very large extent by the condition of our roads, which, as everybody knows, far exceeds the casualties which we suffer in wars.

Mr. Speaker, in my own State of New Jersey it is estimated that improvement of our highways should cost well over $1,500,000,000, and this despite the fact that there is no State in the Union which has made a more determined attack on the problem. The New Jersey Turnpike, with its four-lane-divided-limited-access construction, is possibly the greatest and certainly the most traveled highway in America. It is interesting to note in passing that it is a fabulous financial success, since its revenues on a moderate toll basis are about 7 years ahead of the most optimistic estimates. As everyone knows, it connects the fine toll roads of New York and New England with the South via the Delaware Memorial Bridge near Wilmington, Del. Nearing completion is the Garden State Parkway, a highway of even more advanced design, which will provide complete access from the northern part of our State to the extreme south at Cape May. This road will likewise connect in the northern area with the Turnpike, and thence to the network of northern toll roads, and will eventually connect to the South by way of a ferry across the Delaware Bay, and probably to the West by spurs connecting ultimately with Philadelphia and the Pennsylvania Turnpike, a forerunner of modern highway construction.

Time is very close in our area when hundreds upon hundreds of miles can be traveled in safety and comfort without even so much as a traffic light to interfere with the smooth flow of vehicles.

The necessity of these great toll roads which have recently been constructed by the States has been clearly demonstrated by their use and financial success. It may well be said, that so far as New Jersey and some other States are concerned, their local problems are close to solution by local efforts.

However, as the President has so clearly seen, transportation in America and adequate highways for Americans is not a local problem. The motorist bent on either business or pleasure is not concerned with where the State boundary is, but is concerned with safe and adequate transportation wherever he chooses to go in his country. Travel is clearly an interstate and a national problem, and its solution depends upon the cooperation of the Federal and State Governments to proceed with a true interstate system of superhighways, the cost of which can be met in very large measure by reasonable tolls, as has been adequately demonstrated by the great toll roads recently built in New Jersey, New York, Pennsylvania, portions of New England, and elsewhere.

This paramount problem has been of great concern to me during the years I have been in Congress. On January 6, 1953, at the beginning of this present session, I introduced H. R. 1032 which was a renewal of an effort to interest the Congress in this problem. This bill proposes the creation of a National Superhighway Commission, the Commission to be directed to make plans and conduct surveys for a true system of superhighways throughout the United States, including airports and emergency landing areas adjacent to the system for special use in time of war or other emergency, and it is designed to include routes for the adequate service of the entire area of the United States. It would include such branch highways as are necessary to couple up the national system with all centers of traffic and with all State capitals so that the completed whole would eventually be a comprehensive system of superhighways for commercial use and also for national defense. My bill also provides for the location and construction of bomb shelters for civilian defense, and storage of strategic materials.

It has been good to note the extension of our Federal-State highway program in recent years, but such planning does not approach the conception of my bill which, in the long run, is a "must" for America. It is absolutely certain that

the cost of such construction will be self-liquidating directly or indirectly, to say nothing of the sure reduction of loss of life and serious injuries, which I have said constitute a scandal to a nation as far advanced as we are.

My bill has not received adequate attention from the committee or the Congress, but now, from the White House itself, comes truly encouraging action. As I understand President Eisenhower's program, it is definitely in line with the conception that I have so long advocated, and I feel encouraged to hope that the next Congress will make a real start toward the development of this essential program.

Mr. Speaker, for the information of those who are interested, I am appending a complete copy of H. R. 1032, which I will call directly to the President's attention:

H. R. 1032

A bill to establish a National Superhighway Commission to provide for plans and surveys for the construction of a national superhighway system

Be it enacted, etc., That (a) there is hereby created a Commission to be known as the National Superhighway Commission (hereinafter referred to as the "Commission"), and to be composed of nine Commissioners to be appointed by the President, by and with the advice and consent of the Senate. Each Commissioner shall receive a salary at the rate of $10,000 per year. Not more than five such Commissioners shall be of the same political party. Five Commissioners shall constitute a quorum for the transaction of business. The Commissioners shall select a chairman from among their number. Any vacancy occurring in the membership of the Commission shall be filled in the same manner as in the case of the original appointment.

(b) The Commission may employ a secretary and such legal and clerical assistants, technical personnel, and other employees as may be necessary to carry out its functions under this act.

(c) The Commission is authorized to make such rules and regulations as may be necessary to carry out the provisions of this act.

SEC. 2. (a) The Commission is authorized and directed to make plans of and to conduct surveys for a system of superhighways within the United States; including airports and emergency landing areas adjacent to such system, for the national defense in time of war or other emergency and for the use of motor vehicles and airplanes in time of peace, with a view to the construction of such system in whole or in part by the United States, when authorized by law.

(b) For the purposes of this act, the term "United States", when used in a geographical sense, means the several States, District of Columbia, and the Territory of Alaska.

(c) Such system of superhighways, including such adjacent airports and emergency landing areas, shall be known as the National Superhighway System and shall include routes designed adequately to serve the entire area of the United States, for purposes of peacetime transportation, and with a view to strategic importance in time of war.

(d) Plans and surveys for branch superhighways, including airport and emergency landing fields, shall be made and shall provide for the extension of such branch highways from the National Superhighway System to all centers of traffic deemed necessary for the completion of a comprehensive system of highways for commercial use and national defense, and to all State capitals.

(e) Included in such plans shall be recommendations for the location and construction, along such highways, of bomb shelters, and concentration points for civilian defense, and for the storage of strategic materials.

SEC. 3. (a) The Commission shall cease to exist not later than 5 years after the date of the enactment of this act.

(b) The Commission shall make a full report, with respect to the plans and surveys to be made and conducted pursuant to this act, to the President and to the Congress at the beginning of each regular session of the Congress. The final report of the Commission shall be made not later than 90 days prior to the date on which the Commission ceases to exist pursuant to section 3 (a) of this act.

SPECIAL ORDER TRANSFERRED

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent that the special order I have for this afternoon, or this evening, may be vacated. It is late; the Members are tired.

I ask unanimous consent that it may be transferred to Tuesday following any special orders entered for that day.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. YATES (at the request of Mr. PRICE), for 4 days, on account of illness in his immediate family.

SPECIAL ORDER GRANTED

Mr. REES of Kansas asked and was given permission to address the House for 10 minutes on Wednesday next, following the legislative program and any special orders previously entered.

THE WARSAW UPRISING

The SPEAKER. Under previous order of the House, the gentleman from Illinois [Mr. KLUCZYNSKI] is recognized for 60 minutes.

Mr. KLUCZYNSKI. Mr. Speaker, in view of recent brutal Communist violations and abuses which we must deal with almost every day, whether it be in the sky over the Pacific, at the conference tables in Berlin, Geneva, or the United Nations, I think it very appropriate to recall an important historical event of 10 years ago. Although the deed I am about to recall here deserves more credit than many other events celebrated and widely publicized, it is not generally realized that this heroic occurrence was only a beginning of the struggle we so well know today and with which we are trying so hard to cope.

I am referring to the heroic 63-day Warsaw uprising staged by the men and women of the Polish Home Army who, almost with bare hands, attacked the German occupants and within a short time cleared Warsaw of nearly every German in sight. It started at dawn on August 1, 1944. While I would like to say more about the heroism and patriotic determination of these gallant people, whose story has never been exploited as fully as it should have been, I shall refrain from so doing, and merely point out the fact that if those brave fighters met complete disaster at the hands of the Germans after 63 days of continuous battle, it was the cynicism of Soviet Russia which was to blame for it. At that time her army stood almost at the gates to Warsaw. For 2 weeks prior to the uprising the inhabitants of the Polish capital could hear the cannonade from the approaching Russian guns. The moment the uprising started the Red army guns became silent. Yes, I do know it sounds strange and because it sounded strange little attention was paid in those days to the pleas of the Polish Government, residing in exile in London, and to the command of the Polish Home Army for immediate aid, because it could have hurt our "ally."

While we were busily engaged in destroying Hitler's might on the battlefields in France and Italy and other places, and fighting Japan in the Pacific, the Red army armed to its teeth with our equipment, was making its calculated headway into Poland.

Since January 1939 there has existed in Poland one of the most powerful underground organizations the world has known—the Polish Home Army or Armia Krajowa, as the Poles called it. It was an organized, disciplined body with its own command, directed by the Polish Government in London. Again there is not sufficient time to recall the many deeds performed by this army of men and women in civilian clothes. They numbered about 300,000.

It has been described in Jan Karski's bestseller as the Secret State. Winston Churchill praised it highly in his World War II Memoirs. Jan Ciechanowski, the Polish Ambassador to Washington mentioned it in his book, Defeat to Victory. But above all Gen. Bor-Komorowski, the Commander in Chief of the Polish Home Army fully described it in his book, The Polish Underground. Yet, as far as Russia is concerned, it was an "army of traitors, collaborators, and Fascists." It was no good because it was not Russian and what is more, it took orders from the London Poles, whose relations with Moscow were severed since the Katyn massacre came into the open. Thus, when on this memorable day of August 1, 1944, the world learned that Warsaw took to arms and all radio stations broadcasted the news of the uprising, the Soviet radio and press remained silent. At that very moment the Russians were bringing their puppets into Poland, trained and indoctrinated in Russia. This, however, did not prevent them from calling the people of Warsaw, a few days prior to the uprising, "to arms." Their calls over the Moscow radio were monitored in England and they certainly cannot dispute this fact. They even sent a liaison officer into Warsaw with instructions to report back by radio. On the first day of Captain Kalugin's arrival in Warsaw, he gave a full report to Marshal Rokossovsky's headquarters and pleaded for aid to the fighting Poles. His radio message and those that followed were relayed via London, received by the Poles and the British and further dispatched to Moscow. This, Moscow can never deny. But Moscow strangely enough kept silent and only after a strong message from Churchill asking the Russians to help the Poles did Stalin answer. At first Stalin

doubted the strength of the Home Army, implying that such help was not worth the cause.

Having familiarized myself with the Warsaw affair, wrote Stalin in answer to Churchill's message, I am convinced that the Warsaw action represents a reckless and terrible adventure which is costing the population large sacrifices.

Stalin cynically explained further that the Warsaw action was not timed with him, and therefore—

The Soviet command has come to the conclusion that it must disassociate itself from the Warsaw adventure, as it cannot take either direct or indirect responsibility for the Warsaw action.

Unfortunately, Stalin's words were not published earlier, but in October of 1953, they were written by Churchill in his memoirs. Thus, those who had doubt as to the Soviet attitude toward the uprising, got a firsthand report from the head of the British Government. Stalin's refusal to help was not yet as sinister as his refusal to permit Allied planes to land on Polish territory, held by the Russians. The few planes which they had sent in those days to drop arms and ammunition over Warsaw had to fly more than 1,500 miles over enemy-held countries because the czars of the Kremlin refused them bases 10 minutes away from Warsaw. In one mission, where Poles took off from England, out of 7 British bombers, 6 did not return to their base.

Permit me to recall one more example of Soviet treachery with respect to the Warsaw uprising. This episode was reported by Gen. Bor-Komorowski in his book. On the 14th day of the uprising one could see from the roofs of Warsaw a battle raging between the Germans and Russians in Praga, a borough of Warsaw, right across the Vistula River—a distance of not farther than from Manhattan to Queens. Meanwhile the Czerniakow district, part of the Warsaw waterfront, although isolated from the rest of the home army, has been in the home army's hands for a number of days. This formed a perfect beachhead for the Russian Army. Underneath the Vistula River were telephone cables, that had been there for many years, linking all boroughs with Warsaw, including Praga. However, the German Army, in its retreat, managed to disconnect the cables on the eastern side of the river held now by the Russian troops. In order to make contact with the Russians, General Bor sent two Polish couriers across the Vistula River with instructions to tell the Russian command the exact spot where the exit of the telephone cables were. Thus the Russians, if they wanted to, could have hooked in their own equipment and established contact with the fighting Poles. Captain Kalugin, the Soviet liaison officer, went along. Although it is known that the Polish team made contact with Rokossovsky's headquarters, the Red army did not establish the telephone contact. As far as Captain Kalugin goes, he was never heard of again.

Lack of supplies in ammunition, and proper guns, which only could be supplied from Brindisi, Italy, or bases in England, was the direct result which caused the Warsaw defeat. Although at one time the Russians had made some drops with supplies over Warsaw, the goods, dropped without parachutes, were of no use to the Poles. Thus, after 63 days of one of the most bitter fights, Warsaw had to surrender to the Germans, at the cost of an entire city in ruins and about one-fifth of its population killed. Those who did not perish in Warsaw were dragged by the Germans into concentration camps. The Warsaw tragedy was the end of the Home Army and the beginning of Stalin's march west. With the Soviet "liberation" of Poland, every member of the Home Army had to go into hiding, for those who did stay in the open were sooner or later liquidated by Soviet orders.

The political aspect of the uprising should have been a lesson to us. Unfortunately, the lesson we derived had to come from Berlin, Iran, Greece, and Korea. Churchill, speaking years later of the political background of the Warsaw tragedy, in particular referring to the refusal of bases to Allied planes, had this to say:

I would have liked to say: We are sending our airplanes to land in your territory after delivering supplies to Warsaw. If you do not treat them properly all convoys will be stopped from this moment by us. But the reader of these pages—

Continued Churchill—

in after years must realize that everyone always has to keep in mind the fortunes of millions of men fighting in a worldwide struggle and that terrible and even humbling submissions must at times be made to the general aim. I did not therefore propose this drastic step. It might have been effective, because we were dealing with men in the Kremlin who were governed by calculation and not by emotion. They did not mean to let the spirit of Poland rise again at Warsaw. Their plans were based on the Lublin committee. That was the only Poland they cared about.

Mr. ROONEY. Mr. Speaker, will the gentleman yield?

Mr. KLUCZYNSKI. I yield to the gentleman from New York.

Mr. ROONEY. I wish to commend the distinguished gentleman from Illinois for bringing to the attention of this House the 10th anniversary of the Warsaw uprising, and to compliment him upon his eloquent remarks. I am one who feels within him that the day when Poland shall rise again as a free nation of the world, please God, is not far distant.

Mr. KLUCZYNSKI. I thank the gentleman.

Mr. SIKES. Mr. Speaker, will the gentleman yield?

Mr. KLUCZYNSKI. I yield to the gentleman from Florida.

Mr. SIKES. I feel that our distinguished friend is to be warmly commended for calling to the attention of the House this act of great heroism and refreshing our memory on the suffering that went on and has gone on and continues to go on in this oppressed country.

Mr. KLUCZYNSKI. I thank the gentleman.

Mr. MADDEN. Mr. Speaker, will the gentleman yield?

Mr. KLUCZYNSKI. I yield to the gentleman from Indiana.

Mr. MADDEN. I wish to commend the gentleman for bringing to the attention of the Congress the fact that this is the 10th anniversary of the great battle of Warsaw. I wish to say further that during the hearings of the Katyn Massacre Committee we took testimony from a great number of Polish officers, Polish soldiers, and Polish heroes who engaged in that battle.

One of the outstanding heroes of the free Polish nation, General Anders, testified before the Katyn Massacre Committee. He also testified before the committee that was authorized by this 83d Congress to investigate Communist aggression, the chairman of which committee is our colleague from Wisconsin [Mr. KERSTEN]. There also testified General Bor-Komorowski and a large number of other Polish patriots. Their testimony, individually and collectively, reveals the sterling fight and battle the Polish people made at that time, 10 years ago, to preserve their freedom and independence.

I might state that the testimony before our committees revealed that that fight still continues, that not only the people and the officers of the Polish Government in exile now in London but also the Polish people behind the Iron Curtain as well as the people of Polish descent living in America are continuing to carry on the fight for eventual Polish freedom.

In closing, I might add that history reveals that no nation or country, tyrant or state of tyrants, in world history has continued to rule long through mass murder, massacre, torture, and prison labor camps. Poland will eventually receive its freedom.

Mr. KLUCZYNSKI. I thank the gentleman from Indiana.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. KLUCZYNSKI. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. Mr. Speaker, August 1, 1954, marks the 10th anniversary of the heroic Polish Home Army's Warsaw uprising—an everlasting symbol of man's struggle to remain free, a tragic monument to Soviet treachery.

Through 1,000 years of her history, Poland has fought off oppression and slavery by her warring neighbors in her ceaseless effort to remain free. Her pages of history are replete with agonizing tales of sacrifice on the altar of freedom. But few can match her last grasp at liberty when an estimated 300,000 Poles gave their lives during the heroic Warsaw uprising which began August 1, 1944.

It was almost 5 years after the infamous Soviet-Nazi pact which plunged Poland and the rest of Europe into the bloodiest of wars, that Poland's gallant Home Army received its orders to revolt in Warsaw.

Poland already had suffered five of the most bitter years of slavery and occupation in her history. The thousands of mass graves; horrifying street executions; mass deportations to concentration camps; hunger; humility; indescribable executions and tortures of Poland's

Jews in their hideous Warsaw ghetto—that was the story of Poland under Hitler's terror.

It was under these circumstances that Europe's most intense resistance corps—the Polish Underground Home Army—was formed. And under these difficult conditions the underground continued as a "secret state," with an organized command, a parliament to preserve the functions of government and carry on its fight for freedom.

The Polish Underground Home Army continued its support of the Allies within the enslaved borders of occupied Poland in much the same spirit and bravery that other Poles and their armies helped fight nazism from Africa to England. But in Poland the weapon was sabotage, diversion, counterintelligence, and espionage.

It was these bold deeds by the Polish Underground Home Army that ultimately forced Hitler to withdraw several of his crack divisions from other fronts in order to keep the restless Poles at bay within their own borders.

Sabotage was the secret Polish Army's main weapon. Working in close contact with the Supreme Allied Command in London, Polish underground soldiers successfully disrupted Hitler's lines of communications. His key rail junctions were dynamited; his main bridges blown up. After 5 years of constant harassment, the Polish underground crowned its tireless and daring ventures with the single act of stealing from the Nazis details of their newest secret weapon—the V–1 and V–2 rockets—and delivering them to the Allies.

But her greatest deed was yet to come. Poland was ready. When on June 6, 1944, Allied armies started their heroic invasion of occupied France and Soviet armies began routing the Nazis from Russia toward the western borders of Poland, the Polish Underground Home Army was alerted to maximum strength. This was the reveille for freedom. This was the call to arms for all.

In an atmosphere of new hope for victory over Nazi tyranny; in the din of Soviety artillery pounding Nazi fortifications on the outskirts of Poland's capital—Warsaw—the urgent call for Polish help from within the city was received by the underground's high command.

Revolt. Rise and be counted. This is the hour of decision.

These were the cries of gallant Poles, determined to crush Hitler's powerful armies which threatened to stop Soviet troops in their plunge westward.

Gen. Thaddeus Bor-Komorowski, the Underground Home Army's battle-scarred leader, was ordered by Allied commanders to start the long-awaited uprising.

The blood-bath of Warsaw—beautiful, serene, center of Polish culture in peacetime—got under way shortly after noon August 1. Within a few days, the Polish revolutionists had captured most of the city over bitter, almost frantic, opposition from Nazi troops. Hitler knew well that the loss of Warsaw could be his most staggering blow. His orders were to crush the uprising at all costs.

Poland's gallant soldiers—poorly armed, poorly fed, poorly protected—fought bitterly against the mighty weapons of Hitler's crack troops.

Everyone in Warsaw became a warrior—men, women, children, the aged and infirm. This was the call to glory.

During the first few days of fighting enthusiasm gave way to nothing—not even death. But suddenly through the deadening sound of Nazi guns—a strange silence descended on the city from the east. Soviet artillery—so heavily relied on by the Poles for support—suddenly becomes silenced. No longer are the Nazi troops threatened by devastating shells. They need now only fear the small, makeshift arms of the Polish underground.

Soviet armor trucks and tanks—a few hours before pounding at the gates of Warsaw—are retreating and Nazi tanks now are free to destroy Warsaw's resistance movement.

Now greatly outnumbered in heavy weapons and left totally exposed to Nazi dive bombers, Warsaw's defenders turn to bricks, stones, and sticks in a last effort to stop the Nazi hordes.

The total and methodical destruction of Warsaw—her historic monuments, her age-old churches, her beautiful streets—all are being torn to shreds by Nazi panzers.

Her gutted hospitals can no longer care for the wounded—her crowded cemeteries have no more room for the dead.

Starvation, disease, and lack of water—monstrous allies of Hitler's troops—kill off those spared by Nazi guns.

But the battle rages. No electricity, no water to quell roaring fires engulfing entire blocks, no medicine, no help—only hope remains for the struggling Poles.

Soviet troops could be seen across the Vistula in Warsaw's suburban Praga. It was only a stone's throw to bring help to the dying Poles—but that was not in Stalin's timetable.

Soviet guns are silent. Her planes remain on the ground. Here—amid the horrors of flaming Warsaw and the agonizing cries of her people—is the rebirth of the infamous Hitler-Stalin Pact; Poland's summons to doom, destruction, and Communist slavery.

To seal his determination for Poland's total destruction and delivery into Soviet bondage, Stalin refuses to give Allied planes permission to land on Soviet captured airfields. The last hope for helping the West's gallant ally—Poland—by flying supplies into Warsaw—is destroyed. A few heroic Allied planes attempt the daring flight from Italy to Warsaw—dropping their supplies and returning to their Italian bases. But losses are too high and the Allied command abandons the effort.

Standing alone now, the dwindling Polish Underground Home Army continues its battle day and night in the raging fires of Warsaw. Bitter at Russia's deceit, the heroic Poles have no time to ask questions now. Hitler must be stopped—or at least diverted—long enough to give Poland's allies a chance on other fronts.

When American supplies finally are dropped to the handful of Polish revolutionists still alive, it is too late. Time has run out. Only a tiny segment in the center of Warsaw remains in Polish hands and all around, Polish civilians are going through most hideous tortures by vengeful Nazi troops.

The brutal battle for survival ends October 2, after 63 days, with the signing of a truce by General Bor. And with it ends the hope of freedom for Poland.

After the last trains carrying survivors of the battle steamed westward to Nazi prison camps, the smoke of burning Warsaw continued to blacken the skies.

Three months later, the whole of Poland was occupied by the Red army. The leaders of the underground and thousands of its surviving members were arrested and deported to prison camps in faraway Siberia.

But the faith and spirit of the people of Poland for independence and liberty will never die.

The Communist oppressors will never destroy or conquer this spirit, and the determination of the people of Poland to regain their independence and their liberty.

Poland will again live and with the help of God it will be soon.

Mr. SADLAK. Mr. Speaker, will the gentleman yield?

Mr. KLUCZYNSKI. I yield to the gentleman from Connecticut.

Mr. SADLAK. Mr. Speaker, I want to join with my colleagues in commemorating the 10th anniversary of the Warsaw uprising which began on August 1, 1944, and ended 63 days later, taking a toll of more than 300,000 heroic Polish lives. This is but one of the many obliterations of Polish nationality that continues even to this day.

Much of Europe was rescued from a barbarous Germany by World War II, but in the case of Poland the rescue simply meant turning her over to the tyranny of Russia. The Poles fought nobly with the Western Allies and also waged a grim underground struggle. Their reward was foreshadowed in the Katyn massacre of the flower of their leadership and by the Russian failure to come to the assistance of the Warsaw uprising against the Nazi oppressors. Saved from the claws of Hitler, she was delivered to the jaws of Stalin.

The United States is responsible, in part, for Poland's present plight through the signing at Teheran and Yalta of agreements in which she did not take part and in which power politics joined with a lack of proper understanding of international conditions. A record we cannot wipe out except by redemptive deeds that will again rescue Poland from the heel of the oppressor.

There is no doubt that the people of Poland will rise again; but when the hour to strike will come, as it did 10 years ago, no man can say, but as sure as God is in heaven that hour will come.

When it does, then the United States must rise in her might, join hands with the millions of the downtrodden in Poland and other enslaved nations and deal the tyrants in the Kremlin the blow from which they will not recover in our time.

Meantime, the remarks made here on the floor of the House today, the time being arranged by the distinguished gentleman from Illinois, my friend, JOHN KLUCZYNSKI, and the friendly statements

made on previous occasions in this Chamber will be the spark of hope and nurturing of that hope that will culminate in freedom and independence. The people seek justice for Poland.

Mr. O'HARA of Illinois. Mr. Speaker, will the gentleman yield?

Mr. KLUCZYNSKI. I yield.

Mr. O'HARA of Illinois. Mr. Speaker, I wish to join my colleagues in commending my beloved and eloquent friend from Chicago [Mr. KLUCZYNSKI] for the tribute he has paid to the people of Poland and the spirit of freedom that always has found in them an instrumentality for highest expression.

In an address both scholarly and dynamic, observing the 10th anniversary of one of the great events in history highlighting the courage of man in standing in unbroken fidelity to high principles in the face of overwhelming dangers, the distinguished gentleman from Illinois has held us in rapt attention. We will remember this as one of the great never-to-be-forgotten orations of the 83d Congress, now on the eve of adjournment.

This is an anniversary that will be observed each year with increasing realization of its significance. As the years and centuries roll on man in the perplexities of his problems will find the strength to carry on in the inspiration of the story of courage sublime and sacrifice supreme that immortalizes the event of 10 years ago tomorrow.

It is most fitting that today the House of Representatives of the Congress of the United States turns from discussion of the existing problems of an unhappy world to devote this hour to an observance of an anniversary belonging not alone to the people of Poland but to all the peoples of the free world.

I commend the Polish American Congress and other patriotic groups for the large contribution they have made in keeping alive the memories of the Battle of Warsaw. To Charles Rozmarek, president of the Polish American Congress, I am deeply indebted for a statement of the facts of the Warsaw uprising and the great sacrifice of Poland's heroes in the cause of liberty. It is a statement so full of historical interest, so vibrantly freighted with the drama of simple truth and earnest sincerity, that having read it I have placed it in my permanent files for future reference and reading.

Mr. CUNNINGHAM. Mr. Speaker, will the gentleman yield?

Mr. KLUCZYNSKI. I yield.

Mr. CUNNINGHAM. Mr. Speaker, I, too, wish to commend the gentleman for calling this occasion to our attention, and I thank him for reminding us of it. This occasion today on the floor of the House of Representatives calls to our attention the great history of the Polish people and their spirit for national survival and particularly what they are undergoing today. If we knew the full story of the hardships they are undergoing and their patriotism, no doubt a new history of which we would all be proud would be written of the Polish people.

Mrs. ROGERS of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. KLUCZYNSKI. I yield.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I believe every Member here would like to join with the gentleman in his expressions this evening. He deserves our great appreciation. All of us are devoted to the Poles and to the people of Polish descent in this country. I have a good many in my district and I wish I had many more. I have the deepest admiration for all of them.

Mr. KLUCZYNSKI. I thank the gentlewoman.

Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. GORDON. Mr. Speaker, August 1, 1954, will be the 10th anniversary when the Polish Home Army's Warsaw uprising took place in Warsaw, Poland, in defense of remaining a free nation. Over 300,000 Poles gave their lives during this heroic uprising which began August 1, 1944.

It was 5 years after the Soviet-Nazi pact that plunged Poland and the European countries into a most devastating and bloodiest of wars. Five years of Nazi occupation and terror, Poland suffered bitter years of slavery; horrifying street executions; thousands of mass graves; mass deportations to concentration camps; hunger; inhuman executions, and tortures.

A Polish Underground Home Army was formulated with an organized command, a parliament to preserve the functions of government, so as to put up resistance against the Nazi invader. This army worked hand in hand with the Allies within the enslaved borders of occupied Poland in the same spirit and bravery that other Poles helped fight nazism from Africa to England. The big weapon in Poland was sabotage, diversion, counterintelligence, and espionage. They successfully disrupted Nazi lines of communications and many war plans; railroads and bridges were dynamited to stop the advancement. These heroic deeds forced Hitler to withdraw several divisions from other fronts in order to keep the restless Poles at bay within their own borders.

After 5 years of this underground warfare, sniping and sabotage, the Polish Underground Army crowned its tireless and daring ventures with the single act of stealing from the Nazis, details of their secret weapon, the V–1 and V–2 rockets and handed them over to the Allies.

But her greatest deed was yet to come. Poland was ready. When on June 6, 1944, Allied armies started their heroic invasion of occupied France and Soviet armies began routing the Nazis from Russia toward the western borders of Poland, the Polish Underground Home Army was alerted to maximum strength. This was the reveille for freedom. This was the call to arms for all.

In an atmosphere of new hope for victory over Nazi tyranny; in the din of Soviet artillery pounding Nazi fortifications on the outskirts of Poland's capitol—Warsaw—the urgent call for Polish help from within the city was received by the underground's high command.

Revolt! Rise and be counted! This is the hour of decision.

These were the cries of gallant Poles—determined to crush Hitler's powerful armies which threatened to stop Soviet troops in their plunge westward.

Gen. Thaddeus Bor-Komorowski—the Underground Home Army's battle-scarred leader—was ordered by Allied commanders to start the long-awaited uprising.

The blood-bath of Warsaw—beautiful, serene, center of Polish culture in peacetime—got under way shortly after noon August 1. Within a few days, the Polish revolutionists had captured most of the city over bitter, almost frantic opposition from Nazi troops. Hitler knew well that the loss of Warsaw could be his most staggering blow. His orders were to crush the uprising at all costs.

Poland's gallant soldiers—poorly armed, poorly fed, poorly protected—fought bitterly against the mighty weapons of Hitler's crack troops.

Everyone in Warsaw became a warrior—men, women, children, the aged and infirm. This was the call to glory.

During the first few days of fighting, enthusiasm gave way to nothing—not even death. But suddenly through the deadening sound of Nazi guns—a strange silence descended on the city from the east. Soviet artillery—so heavily relied on by the Poles for support—suddenly became silenced. No longer are the Nazi troops threatened by devastating shells. They need now only fear the small, make-shift arms of the Polish underground.

Soviet armored trucks and tanks—a few hours before pounding at gates of Warsaw—are retreating and Nazi tanks are now free to destroy Warsaw's resistance movement.

Now greatly outnumbered in heavy weapons and left totally exposed to Nazi dive bombers, Warsaw's defenders turn to bricks, stones and sticks in a last effort to stop the Nazi hordes.

The total and methodical destruction of Warsaw—her historical monuments, her age-old churches, her beautiful streets—all were being torn to shreds by Nazi panzers.

Her gutted hospitals can no longer care for the wounded—her crowded cemeteries have no more room for the dead.

Starvation, disease, and lack of water—monstrous allies of Hitler's troops—kill off those spared by Nazi guns.

But the battle rages. No electricity, no water to quell roaring fires engulfing entire blocks, no medicine, no help—only hope remains for the struggling Poles.

Soviet troops could be seen across the Vistula in Warsaw's suburban Praga. It was only a stone's throw to bring help to the dying Poles—but that was not in Stalin's timetable.

Soviet guns are silent. Her planes remain on the ground. Here—amid the horrors of flaming Warsaw and the agonizing cries of her people—is the rebirth of the infamous Hitler-Stalin

pact; Poland's summons to doom, destruction and Communist slavery.

To seal his determination for Poland's total destruction and delivery into Soviet bondage, Stalin refuses to give Allied planes permission to land on Soviet captured airfields. The last hope for helping the West's gallant ally—Poland—by flying supplies into Warsaw—is destroyed. A few heroic Allied planes attempt the daring flight from Italy to Warsaw—dropping their supplies and returning to their Italian bases. But losses are too high and the Allied command abandons the effort.

Standing alone now, the dwindling Polish Underground Home Army continues its battle day and night in the raging fires of Warsaw. Bitter at Russia's deceit, the heroic Poles have no time to ask questions now. Hitler must be stopped—or at least diverted—long enough to give Poland's allies a chance on other fronts.

When American supplies finally are dropped to the handful of Polish revolutionists still alive, it is too late. Time has run out. Only a tiny segment in the center of Warsaw remains in Polish hands and all around, Polish civilians are going through most hideous tortures by vengeful Nazi troops.

The brutal battle for survival ends October 2, after 63 days, with the signing of a truce by General Bor. And with it ends the hope of freedom for Poland.

After the last trains carrying survivors of the battle steamed westward to Nazi prison camps, the smoke of burning Warsaw continued to blacken the skies.

Three months later, the whole of Poland was occupied by the Red army. The leaders of the underground and thousands of its surviving members were arrested and deported to prison camps in faraway Siberia.

Just as the Soviets sat by and watched Warsaw's population being chewed away by Nazi artillery during the uprising, so now Communist troops were determined to eliminate any revolutionary survivors.

There was no room in Poland for those loving freedom—and willing to give their lives in its quest—under Red rule. There is no room for those today.

But history may have to repeat itself. Another Warsaw uprising is not impossible—for the fibers of freedom are stubbornly ingrained in the Poles.

Mr. ZABLOCKI. Mr. Speaker, Sunday, August 1, will mark the 10th anniversary of the heroic Warsaw uprising, which shall always stand in the memory of mankind as a symbol of Poland's determination to be free.

There are very few instances in contemporary history which can match the indestructible courage and heroism of the Polish people, evidenced in the Warsaw uprising.

After 5 years of war and bitter slavery; after 5 years of tortures, deaths, and persecution under Hitler's reign of terror, the Polish Underground Army in Warsaw plunged into open battle at the bidding of Allied commanders.

As the Soviet artillery was pounding Nazi fortifications on the outskirts of Poland's capital, the Poles within the city arose, determined to crush the invader's powerful armies.

Poorly fed, poorly armed, poorly protected, the people of Warsaw pitted their courage against the mighty weapons of Hitler's crack troops.

Men, women, and children; the sick, the aged, and the handicapped: all became fighters for freedom and liberty.

We know what had ensued. The world can never afford to forget it. After a few days of bitter fighting within the city, the Soviet troops standing within a stone's throw, silenced their guns and refused to attack Hitler's army. While the Nazis exerted every effort to crush the uprising, the Soviets stood by, refusing to help the rebels, refusing to allow the Allies to land planes on Soviet-captured airfields and carry aid and comfort to the gallant Poles.

The Soviets stood by, waiting and watching the Polish Underground Army being crushed and slaughtered by the superior equipment and numbers of Hitler's troops.

For 63 days the brutal struggle went on, and the Poles would not surrender. Finally, amid starvation, disease, lack of water, of medicine, of help, the point of exhaustion had been reached: surrounded on all sides and outnumbered, the rebels signed a truce.

The gallant effort, the bloody sacrifice brought no freedom to their land. The war ended, and the enslavement continued and still continues. But the heroic example of the Warsaw uprising shall always remain on the pages of history: it will continue to gnaw at the conscience of the free peoples as long as the Polish nation will be allowed to remain in Soviet bondage.

The hour of freedom for Poland will come. It will not be reached any sooner because of empty liberation promises distributed generously by vote-hungry demagogues. But it will be reached in time because the free world cannot permit Poland to remain in slavery, and because the fibers of freedom are stubbornly ingrained in the souls and hearts of the people of Poland. So help us God.

Mr. LESINSKI. Mr. Speaker, Sunday, August 1, marks the 10th anniversary of one of the most courageous but ill-starred battles of World War II—the tragically betrayed Polish underground uprising of 1944. For a month and a half, against overwhelming odds, General Bor-Komorowski and the courageous patriots of Poland who yearned for freedom carried on a magnificent defense against the Nazi invader and conqueror—waiting, waiting, waiting for the promised assistance of the Red army only a few miles from Warsaw.

The help never came—the promised assistance never materialized—the Red army never appeared on the scene, while 300,000 or more Polish citizens fought and bled and died in a hopeless cause betrayed by false allies.

In Moscow, Stalin, the man who had given the signal for the start of what was to have been a cooperative joint effort by the Polish underground and the Red army, and who thus casually assigned 300,000 Polish patriots to die uselessly, thereupon ordered the Red army not to move on Warsaw and not to go to the relief of General Bor-Komorowski's outnumbered and outgunned Underground Army.

There was much on the deeply scarred conscience of Josef Stalin for which his soul—if he had one—must forever answer in the Great Beyond, but this was among his most bestial and inhuman single acts of depravity. His successors in the direction of the Communist conspiracy against decency and mankind are his fitting heirs, for they are equally depraved in the treatment of subject peoples who yearn to be free.

On this occasion of the anniversary 10 years ago of the start of the ill-fated Polish uprising, we here in free America and free peoples everywhere salute the memory of the men who rose against oppression and tyranny and subjugation in Warsaw in August 1944.

They have left us a warning that decent people with decent motivations cannot ever successfully join forces with the depraved leaders of the Communist conspiracy. There is no cooperation but only treachery. There is no common cause but only betrayal. It is a one-way street to disaster.

The Polish people and others behind the Iron Curtain praying for freedom and deliverance from their oppressors are brave peoples, ready to fight for their freedom and willing to sacrifice for it. But ever conscious of the tragic disaster which befell General Bor-Komorowski's Underground Army in Warsaw 10 years ago, they do not take kindly to insincere or self-serving appeals to them to arise and throw off the oppressor. Some of our military leaders and "cheap defense" strategists do a disservice to the American cause and to American prestige among the patriots behind the Iron Curtain when they make casual and thoughtless comments in public calling for revolt by the subject peoples.

Mr. Speaker, we tend to think, now that the actual fighting has ended in Indochina, that the international situation has calmed down because there are no hot wars in progress. Let us never forget, as we rise here in the Congress of the United States in salute to the patriots who fought and died for freedom in Poland 10 years ago, that the fury of the cold war, as it is now going on behind the Iron Curtain, is the cold and deliberate fury of depraved leaders seeking to wipe out the heritages and characteristics of whole nations of God-fearing people.

Mr. BOWLER. Mr. Speaker, the greatest threat to the United States and other peace-loving democracies is communism. It is easy for us today, with all of the current problems of the day, to forget the lessons of yesterday. On August 1, 1944, began one of the heroic episodes of modern history—the Warsaw uprising. It demonstrates the height of bravery and sacrifice that freedom-loving people will reach in their struggle for freedom. The Polish people have shown this on many occasions in their tragic history.

The Warsaw uprising evidences Communist treachery against Poland who was then their and our ally. It demonstrates to us Americans that communism follows a well-planned pattern of world conquest. There is no question today

that when the heroic Poles in Warsaw dared to rise against the Nazis occupying the Polish capital city that the mighty Russian Army, equipped in a large measure by the United States, was on the outskirts of Warsaw. The Russian artillery was already shelling the German positions beyond Warsaw. After the Poles' revolt started the Russian guns were silenced and Russian fighting stopped in spite of pleas for help from the Poles. When it appeared that the uprising might fail President Roosevelt and Winston Churchill urged Josef Stalin to help the Poles. These pleas were met with a refusal. Instead of helping Poland, an ally who dared to fight a common enemy, the Russian Army remained in the outskirts of Warsaw and waited while the heroic Poles were slaughtered by the Nazi forces.

It is no longer a conjecture that the Warsaw uprising would have been successful had the Russian Communist Army entered Warsaw and helped the Poles. The Communist leaders in the Kremlin suspected that Poland, loyal to Christian ideals, would not espouse communism. Today it is obvious that the massacre of the anti-Communist Poles by the Nazis made it easier, for the pro-Communist Russia was already training Polish puppets in Moscow to take over the government of Poland after the defeat of the Nazis.

The Polish Home Army in Warsaw fought heroically for 63 days without any appreciable help from the Allies. The efforts to help Warsaw by the United States and England met with unequivocal refusal by the Russians to cooperate. They would not permit our planes to land on Polish soil then occupied by the Russians to deliver food and medicine to the Poles and to refuel.

Some people who are not acquainted with the truth say that the Warsaw uprising was ill-timed and unwise. The facts clearly show that the Poles were led to believe that the time to strike the Nazis in Warsaw was right. This was one of the many examples of Communist perfidy and treachery.

It is well for us in the Congress of the United States to reflect deeply and consider the 10th anniversary of the Warsaw uprising in its true perspective. Our words will not bring to life the heroes of the uprising. They may awaken every American to the realization that this tyrannical force called communism is bent on destroying our American democracy. Let us be alert and united in our efforts to fight this totalitarian force. Let us reflect and recall August 1, 1944, a day of greatness in the history of Poland and civilization. May God grant that the heroes of the Warsaw uprising did not die in vain.

THE RETIREMENT FROM CONGRESS OF THE HONORABLE WILLIAM C. LANTAFF

The SPEAKER. Under the previous order of the House, the gentleman from Florida [Mr. SIKES] is recognized for 60 minutes.

Mr. SIKES. Mr. Speaker, I ask unanimous consent for all Members to have five legislative days in which to revise and extend their remarks on this subject at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. SIKES. Mr. Speaker, I think it is generally known that I have asked for this time in order that I might discuss the very fine legislative record and record of personal service of our colleague, the distinguished gentleman from Florida, Mr. LANTAFF, who to the great regret of all his colleagues is retiring from Congress at the close of this session. This program originally was scheduled on yesterday but because of the lateness of the hour it was postponed until today. It is now late in the evening and the Members are wearied from a long, hard legislative day. Therefore, we shall attempt to be much briefer than BILL LANTAFF's wonderful record of service justifies.

There is, however, one advantage in having gone over until today: This is BILL LANTAFF's birthday. Perhaps that makes it indeed a special occasion. Particularly is that so in the eyes of his family. Most of us here know BILL LANTAFF's wonderful family—Cathy, the very sweet little girl; Court and Kent, their two fine sons; and Betty, his wife. Everything that I am going to say about Bill is extended in great measure and with much credit to Betty, whom we all love for the wonderful and lovely person that she is.

Mr. Speaker, it is with a deep sense of personal regret that I take the floor on this occasion. I don't think there is a Member on either side of the aisle who is willing to see a man of BILL LANTAFF's character leave the Halls of Congress. Therefore, I do not say farewell to him on this occasion because it is my earnest hope that the great ability which he has brought into the field of public service will again be made available to the people at some future date and that we may welcome him back into our midst or see him in some other position of great responsibility.

I have served in Congress for 14 years. It has been a very interesting experience. I consider it one of the greatest privileges of all to be a Member of the world's foremost legislative body. Here we have an opportunity to see history in the making and occasionally we are privileged to contribute something to the making of history. During that 14 years that I have been here I have seen many Members of Congress come and go, but none who showed more promise or greater ability or a finer personality or better judgment in the discharge of his duties than BILL LANTAFF.

I can understand why he leaves us. He feels a great sense of responsibility toward his family. He feels that he cannot properly provide for the future of that family without a more adequate income. Knowing the great love he feels for them I cannot quarrel with his decision, but I view it with regret that is both personal and official.

The recognition that we give him here is altogether inadequate to compensate for his service. But let me say in this brief moment that BILL LANTAFF has built a monument here, he has built a monument with hard work, built it by perseverance. It is a monument which will be a testimonial not only to him but to those who have served with him, for it is a tribute to honest representation, a mark of genuine statesmanship, and it will be a guide to those who follow him.

We are proud of the service that he has rendered here to his State and to his Nation, proud of the association we have been privileged to enjoy with him. The wonderful friendship he has given to us individually is not in any sense the least of the considerations which stir me at this moment as a say, "Bill, may God go with you in all of your undertakings in the years that lie ahead."

STATEMENT OF SENATOR SPESSARD HOLLAND, MADE JULY 29, 1954, WITH REGARD TO RETIREMENT OF CONGRESSMAN WILLIAM LANTAFF

We Floridians in the Senate are particularly proud of our able Florida delegation in the House. It is with deep degret that we see one of its most effective, dependable, and lovable Members—BILL LANTAFF—retire to private life.

Occasionally, there comes to public life a person peculiarly endowed to serve his State and Nation in an outstanding manner. BILL LANTAFF is such a one, and he possesses in a superlative degree those qualities which marked him for a distinguished career in legislative halls.

Coming to the Congress with a splendid background of service as a soldier, where he holds the rank of colonel, and of accomplishment as a capable member of the Florida State Legislature, Congressman LANTAFF in a few short years in the House has come to be recognized as a highly effective debater, a sturdy fighter, and an indefatigable worker. I am sure that his colleagues in the House will make special mention of his fine accomplishments as a Member of Congress.

I wish to make special mention of lovely Mrs. Lantaff and their three fine children. This splendid and typically American family has contributed generously to the social life of our Florida colony and the Congress as a whole.

Our State and the Nation will sorely miss Congressman LANTAFF's wisdom, energy, and devoted service during these critical times, but we are sure that he will continue to render abundant public service as a private citizen and as a distinguished lawyer.

SPESSARD L. HOLLAND.

STATEMENT BY SENATOR SMATHERS IN TRIBUTE TO REPRESENTATIVE LANTAFF UPON HIS PLANNED RETIREMENT FROM THE CONGRESS

It is a highly prized privilege for me to join with my former colleagues of the House for any occasion.

Today there is double significance for me, because in this hour we do honor to a lifelong friend who not only represents my home district in this House, but who also sits so capably in a seat which I occupied for 4 years.

As genuine as are our expressions of admiration for BILL LANTAFF, and as well merited as are the fine things which we say of his service in the Congress, there is more than a note of poignancy in this occasion.

We are all happy for the bright future which beckons this Congressman who has such a splendid record of service in this body, and who retires from public life in full knowledge that he has given his best to his country.

But it is too bad that through the years, we and our predecessors have made it impracticable for men like BILL LANTAFF, with their enormous abilities and their great vision, to devote more of their lives to public service. Our successors may face up to the fact within the next few years that patriotism, loyal devotion to duty, and self-sacrifice motivate the men who serve in the Congress—but that these inspirations do not pay the grocery bills nor provide the security for our families which they have a right to expect of us.

BILL LANTAFF has sacrificed much for his country. He served notably in uniform throughout World War II. He came home, battle weary but refreshed by the victory and inspired by a new vision of freedom, to serve his community and State in the State legislature. He came to Congress a virtual draftee to that office in the same spirit.

I believe that I know and understand the spirit of BILL LANTAFF'S service. We were college-campus friends, we knew each other in a workaday association after college, and we went into the service together and came out together. We have shared a great many things, including our life in the Nation's Capital.

We all hate to see him go back home. He has much to offer his Government.

But we sincerely wish him Godspeed, happiness, and prosperity. And we realize fully that as a private citizen BILL LANTAFF'S contributions to this Nation will continue to be great, his citizenship a wholesome force. In that sense, we know BILL LANTAFF will never retire.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. SIKES. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. Mr. Speaker, I was not aware of the intention of BILL LANTAFF not to run again until after he had made his decision. I was sitting with him on the floor one day, talking about the next Congress. I know my Republican friends will not be disturbed when I say that we were talking about the fact that we Democrats would probably control the next House and assume the responsibilities of the party in control. To my surprise BILL LANTAFF told me that he was not going to run again, that he had announced his retirement from this House. I was stunned. I told him that I wished I had known he was going to make such an announcement about 5 minutes before he made it because I would then have tried to argue him out of it.

It happens that the only committee I have served on since I was first elected majority leader in 1940 is the Committee on Government Operations. I served on that committee in the 80th Congress and after I was elected majority leader again in the 81st Congress I remained on that committee because of the strong affection, friendship, and respect that I had for the distinguished gentleman from Illinois [Mr. DAWSON]. I was so proud and so happy to serve on the committee under his leadership that I have remained on the committee ever since. As my colleagues know, before I was elected majority leader in 1940 I was a member of the Committee on Ways and Means for 10 years.

In addition to the pleasure of serving under the gentleman from Illinois [Mr. DAWSON] I was enabled by reason of my membership on that committee to meet many fine members of the committee, both Republicans and Democrats. I have enjoyed every day I have served on that committee. But in particular it afforded me the avenue of getting to know BILL LANTAFF as we get to know one another when we serve on committees. We meet on the floor, we talk, we converse, but it is only when you serve on a committee with another Member that you really get to know him and to understand the ability and the capacity of a Member more effectively than through contacts and observations on the floor of the House.

By reason of this committee work I came to know BILL LANTAFF very well. I thoroughly agree with everything my good friend from Florida [Mr. SIKES] has said about him. He is a young man of extraordinary ability, rare judgment, good, deep, common sense, which is vitally important, and, above all, courage. He laid the foundation for much greater contributions to this great body, but personal reasons compelled him to retire and not seek reelection. It is a great loss. This body and our country sustain a great loss in his failing to seek reelection. Of course, he would have been renominated and reelected. I feel very keenly the fact that he is not running again. I value greatly the associations that I have had with him, and I shall always retain the memories of our associations as long as I live. The people of his district are justified in being proud of BILL LANTAFF and the service he has rendered to this body. He reflected the greatest of credit that any Member possibly could reflect on the people of his district, and the State of Florida is also indebted to BILL LANTAFF for the character of service that he rendered to this body which so favorably reflects upon the people of the entire State.

To BILL LANTAFF and Mrs. Lantaff I extend my very best wishes for every happiness and success in the many years that I sincerely hope will lie ahead for the both of them.

Mr. SIKES. Mr. Speaker, I yield to the gentleman from Michigan [Mr. MEADER].

Mr. MEADER. Mr. Speaker, I would like to pay tribute to my colleague on the Committee on Government Operations, BILL LANTAFF. I join with those who are participating here today in expressing the friendship we hold for him and our regret in his decision to end his career in Congress after such a short period of time. We all wish him well in his endeavors on returning to his home in Miami for the resumption of the practice of law.

Mr. Speaker, I, perhaps, have been as closely associated with BILL LANTAFF in committee work as any of the other Members of the House. I had the good fortune to serve with him on the so-called Hardy committee in the 82d Congress and again in this Congress upon the Committee on International Operations under the chairmanship of the gentleman from Indiana [Mr. BROWNSON].

I would like to say, in addition to all of BILL'S other fine qualities mentioned here this afternoon, that BILL has displayed in the Committee on Government Operations that rare talent of helping us to arrive at an acceptable conclusion where there are rather wide and sometimes bitter differences between the members of the committee. In this great art of compromise—legislation—BILL LANTAFF furnished in the Committee on Government Operations a very sound and balancing influence. I am sorry to see him leave the Congress, and I wish him well in his career.

Mr. SIKES. Mr. Speaker, I yield to the gentleman from Connecticut [Mr. DODD].

Mr. DODD. Mr. Speaker, I wish to join in the remarks of the minority whip, our colleague, the gentleman from Massachusetts [Mr. McCORMACK], and our friend the gentleman from Michigan [Mr. MEADER], as well as our colleague, the gentleman from Florida [Mr. SIKES], and others who are here. I shall always remember the privilege of association with WILLIAM LANTAFF on the Government Operations Committee. This being my first experience in a legislative body, all will understand when I say that the earliest and first impression is a lasting one often. I served not only on the committee with him, but I served on the subcommittee with him, and with our friend, the gentleman from Michigan [Mr. MEADER], and others.

What I shall remember most about him is his clarity of mind, his forthrightness, and his absolute honesty. That is something good to remember about anybody. He taught me some things, although I do not believe he knew he was doing any teaching, which I hope I shall always remember and which will be a help to me in the years that lie ahead.

I am genuinely sorry to see a man like him leave this body. I join with all the others in wishing him well and in wishing for him and for his family a great happiness and success.

Mr. SIKES. Mr. Speaker, I yield to the gentleman from New York [Mr. ROONEY].

Mr. ROONEY. Mr. Speaker, may I say that I, too, am genuinely sorry that BILL LANTAFF has decided to leave this body and his friends and colleagues here. It has been a great deal of pleasure to serve with BILL over these past 4 years. I wish him and his wife and his dear children many, many years of health, happiness, and good fortune.

Mr. SIKES. Mr. Speaker, I yield to the gentleman from North Carolina [Mr. FOUNTAIN].

Mr. FOUNTAIN. Mr. Speaker, I, too, would like to join those who have participated here today in expressing praise of the splendid record of a great American, the distinguished gentleman from Florida [Mr. LANTAFF]. I agree with everything that has been said.

Just as our seniors observe us who are their juniors, we, the juniors in this body, observe our seniors. As a member of the House Committee on Government Operations, I have had the opportunity of working with our colleague, Mr. LANTAFF. I have learned to admire his fine qualities and to respect his judgment. Among his many splendid qualities, is one in particular which has impressed me most and that is his great ability and capacity to discern between that which is good and

that which is evil. On many occasions during committee discussions and deliberations, I have seen him bring order out of chaos. Amid great controversy and ofttimes confusion, he has shown the unusual capacity to quickly, clearly, and concisely suggest a solution agreeable to the committee, Democrats and Republicans alike.

I am delighted to have had the privilege of working with him and of observing the manner in which he has conducted himself. I have learned much from him. He has reflected credit both upon himself and the people who sent him here.

I want to extend my best wishes to him and his good wife, and to wish them every success in the years ahead. I hope that in the not too distant future, he will again be called into the service of his people. Our Government desperately needs in its service more men and women of his wisdom, his courage, and his integrity. I think I bespeak the conviction of all who have served with him when I say he is admired and loved for the splendid person that he is and for the great ability which he has demonstrated in this great deliberative body. I know the people of his district are proud of him. I know they hate to see him leave their service. They have every reason to be proud of him for he has served them well. He has been a good Congressman. He will be missed by all of us.

May God be with him and his family as he returns to private life. May God inspire him, and guide and direct him in the years ahead.

Mr. SIKES. Mr. Speaker, I yield to the gentleman from Michigan [Mr. HOFFMAN].

Mr. HOFFMAN of Michigan. Mr. Speaker, the brevity of what I may say is no indication of the appreciation I have of the services rendered by our colleague or of the deep affection which I am sure every member of the Committee on Government Operations holds for him. My regret is that a young man of such outstanding ability and devotion to the task which confronts a Member of this House is compelled because of personal reasons to leave our service.

We all wish him well. I am sure that those words spoken so long ago, "Well done, thou good and faithful servant," will be given expression by the people of his community.

Mr. SIKES. Mr. Speaker, I yield to the gentleman from South Carolina [Mr. DORN].

Mr. DORN of South Carolina. Mr. Speaker, I made a very special effort to get back here this afternoon in time to pay tribute to my good friend, who is a friend of all of us who have served with him in this House on both sides of the aisle, the Honorable BILL LANTAFF.

It was my privilege to serve on the committee with him. It was also my very great privilege to go on a trip around the world with him. I saw his splendid work that he did there for the Congress and for the people of the United States. All around the world he asked pertinent and timely questions, and I think as a result of his splendid work, along with others on that committee, the taxpayers of this country were saved many millions of dollars.

I regret to see BILL LANTAFF leave this Congress. I know his colleagues from Florida will miss him. But we wish him well in whatever field of endeavor he undertakes. I predict for him if he so desires in the future a great political career.

With my colleagues here today I should like to testify to his good character and his consideration for his colleagues and his people. It is a pleasure for me to stand here in this well and testify to the fine work of our good colleague. We wish him well, and his fine family.

Mr. SIKES. Mr. Speaker, I yield to the gentleman from New York [Mr. RIEHLMAN].

Mr. RIEHLMAN. Mr. Speaker, I doubt that I can add very much to the many fine things that have been said tonight in respect to our colleague and friend in the Congress, BILL LANTAFF. However, it has been my privilege to serve with him on the Committee on Government Operations for the past 4 years and particularly the last 2 years as he has been a member of the subcommittee of which I have been chairman. In the past 2 years BILL LANTAFF has contributed immeasurably to the success of our committee's activities. As I have observed him at work, I doubt if I have ever known a man who was more devoted to his service, the Congress, and the welfare of his Nation. He is a man of high integrity, outstanding ability, and fine character. I regret, as I know all of my colleagues do, that he is leaving the House of Representatives, because in the few years he has been here he has been outstanding in his efforts for every good piece of legislation. We only hope he will be with us in the years to come to add his great ability and his support to outstanding legislation.

Bill, to you and your fine family I want to wish great success in whatever endeavor you enter into. As a colleague of yours, I have no doubt as to what the future outcome will be. I only hope that someday in the future you will take your place again in the Government either of the United States or your own State, and contribute as well as you have here in the Congress of the United States.

Mr. SIKES. Mr. Speaker, I yield to the gentleman from Florida [Mr. ROGERS].

Mr. ROGERS of Florida. Mr. Speaker, I join with the Florida delegation, as well as the other Members of this Congress, in recording our deep and sincere regret that our esteemed and distinguished colleague, the gentleman from Florida [Mr. LANTAFF], has voluntarily decided to retire from the Congress at the close of the present Congress. With his retirement, the House and the country loses an able Congressman of fine character, splendid ability, and constructive statesmanship, and one who has demonstrated untiring devotion to his State and Nation. As he is closing his legislative book as a Member of the House of Representatives he has written on its pages many accomplishments that point to the noble and constructive work he has performed, and that will show that his entire record while in Congress is one of great distinction.

I can say most sincerely and without any exaggeration that Bill's retirement brings about a loss and a vacancy in the House that will be most difficult to fill. In these critical days, America needs more men of great leadership like BILL LANTAFF, and we can ill afford to lose him. He possesses the qualifications of a public official in that he believes in honesty in Government; economy in Government; and that public office is a public trust.

As an individual, Bill has the kind of personality that draws men to him and he has made many friends during his stay in Washington. Our association together will always be treasured, for I have learned to love Bill as a friend, and admired him as a colleague.

My best wishes go with Bill for a continued long and successful career in whatever field he directs his energies. I bespeak for him, his charming wife and family, all of the blessings, happiness, and good health they so richly deserve.

Mr. SIKES. Mr. Speaker, I yield to the gentleman from Florida [Mr. BENNETT].

Mr. BENNETT of Florida. Mr. Speaker, it is with very keen regret that I see our colleague, Congressman LANTAFF, return to private life after his excellent service here in Congress. I have known Bill intimately ever since our days as students at the University of Florida and have never found in him anything but the finest qualities of character. At the University of Florida he was president of the university's most select society of leadership, Florida Blue Key, honorary service fraternity. He was also president of his social fraternity, Phi Kappa Tau; and during one summer session he was president of the student body as well as being secretary-treasurer of the student body in a regular session.

In his days after graduation from the university law school he established and maintained an excellent reputation as an able lawyer in addition to carrying on a heavy responsibility in civic work, including being president of the Miami Beach Junior Chamber of Commerce and president of the Dade County Young Democratic Club. He was elected to the Florida House of Representatives in 1946 and 1948; and served as a member of the Dade County delegation which was voted in 1949 as the most outstanding and most effective in the legislature. He was voted by the Florida Junior Chamber of Commerce to be one of the five outstanding citizens in Florida in 1948. He had a long and illustrious career in the infantry in World War II rising from the rank of first lieutenant to the rank of lieutenant colonel. His lovely wife and three charming children speak volumes for him as a good husband and father.

Here in Congress, we all know of the ability, character, and perseverance of our colleague, BILL LANTAFF. We have admired his perfection in debate, his excellent committee work, and his ability to get things done. He has a record of success in Congress which would do credit to a man who might have served many more terms than Bill has served.

It will not be my purpose to detail all of his work here in Congress but I might use as an illustration of his achievement, the following quotation from the July 9 edition of the U. S. News & World Report:

There's a new civilian manpower mobilization program being started by the Department of Defense that you will want to watch. Here's what it's all about:

Civilian reserve: Idea is to create a sort of civilian reserve—a pool of executives and specialists at all levels who would step into Government jobs in a war emergency. The idea stems from a proposal advanced by Representative WILLIAM C. LANTAFF, Democrat, of Florida, and explored by the Defense Department and the Civil Service Commission over the last 18 months. Now the plan is getting an actual tryout in the office of the Army's Assistant Chief of Staff for Military Intelligence. If it proves itself in a year-long trial, the program would be expanded to additional defense sections, even to other Government agencies.

Tapped skills: Under the plan, civilians whose skills would be helpful in a national crisis can line themselves up in advance. They get the redtape of assignments, salary scales, and security clearance ironed out. Then they spend 2 weeks a year on active duty in their Government jobs—learning procedure, getting training. Should war come, they could be called in and put right to work—a sort of civilian counterpart of the military Reserve. That would eliminate scrambling to fill important posts, job juggling to satisfy civil-service requirements, or thumb-twiddling while waiting for security clearance. Such things were common in emergency Government expansion during World War II and the Korean war.

In conclusion, Mr. Speaker, I wish to say again that I deeply regret seeing BILL LANTAFF leave us as a Member of the Florida delegation here in Congress. He is able, he is energetic, and he is a man of the very finest character. All of the Florida delegation love him and we hate to see him go. We take this opportunity, with all of our colleagues here in Congress, to wish him and his family every happiness and prosperity in the future.

Mr. SIKES. Mr. Speaker, I yield to the gentleman from Florida [Mr. CAMPBELL].

Mr. CAMPBELL. Mr. Speaker, it is a pleasure for me to join with the other members of the Florida congressional delegation and other distinguished Members of the House in paying tribute to our esteemed and distinguished colleague, BILL LANTAFF, who has voluntarily decided to retire from Congress at the close of the present session.

His record is an outstanding one. At all times he has been sound in his thinking and actions. He has never failed to do what he believed to be best for all. His sincerity of purpose and his honest, forthright approach has the respect of the entire House. His leaving this House will certainly be a great loss to us all.

We wish him all happiness and success as he returns to Florida to private life.

Mr. SIKES. Mr. Speaker, I yield to the gentleman from Florida [Mr. HALEY].

Mr. HALEY. Mr. Speaker, it is a pleasure for me to join with the other members of the Florida congressional delegation and my colleagues in the House in paying tribute to the outstanding legislative service of our colleague from Miami Springs, Fla., the Honorable BILL LANTAFF, as he nears the end of his career in the United States Congress. With Bill's return to private life, we of Florida are losing one of our ablest legislators and the people of the Fourth Congressional District of Florida are losing an outstanding Representative.

Although BILL LANTAFF is a young man, he has had a most enviable career. His career as a public servant must be, without a doubt, an inspiration to the young men of Florida. Of his 41 years, 14 have been spent in the service of his country, his State, and his community. He has served for 1 year as assistant city judge in the city of Miami Beach, Fla., 5 years in the United States Army, 4 years in the Florida House of Representatives, and 4 years in the United States House of Representatives. In each of these positions he has distinguished himself as a capable and able man.

I have known Bill since we served together in the Florida House of Representatives and have had the highest regard for his effective work as a legislator. I have known him as a man of great capacity and intelligence and have admired him for his sincerity and integrity.

When I became a member of the Florida House of Representatives in 1949, Bill was beginning his second term in that august body and was highly respected by his colleagues.

That same year, 1949, the Dade County delegation, of which he was a member, received the distinction of being voted the county delegation most outstanding and effective in legislation during that session of the Florida House.

No greater tribute could be paid to Bill's faithful and competent service as a legislator than the fact that from the announcement of his first candidacy for the Florida Legislature in 1945 the people of his district elected him to that high office and returned him there when he sought reelection. Then they elected him to the 82d Congress and reelected him to the 83d Congress. There is no doubt that had he sought reelection to the 84th Congress the people of Dade and Monroe Counties, Fla., would have said, "Well done, Bill," and sent him back to Washington.

We and all his friends in Congress shall miss him, and we extend to him our very best wishes for a continued successful and happy life.

Mr. CUNNINGHAM. Mr. Speaker, will the gentleman yield?

Mr. SIKES. I yield.

Mr. CUNNINGHAM. Although I am not personally too well acquainted with BILL LANTAFF, not having had the honor to serve on the committee with him, yet I have as a fellow colleague in this House observed his conduct personally, and his conduct as a legislator.

As I have observed BILL LANTAFF during his years of service here, everything about him as a legislator and personally as a Member of this House is commendable in the highest degree.

Being from Iowa, I regret to see any member of the Florida delegation leave this body. There is a reason for that; it happens that Iowa was admitted to the Union in the same legislative act in which the State of Florida was admitted to the Union. We are sister States, and I have a peculiar feeling toward all of the Members from the State of Florida for that reason.

At this time I have a very deep feeling in seeing such a fine Member as BILL LANTAFF sever his connections as a legislator with this great body, but since this is his decision I wish him well in every way and say to him I know that as he returns to his great State of Florida, sister State of Iowa, it is Florida's gain and the Nation's loss.

Mr. SIKES. Mr. Speaker, I yield to the gentleman from Florida [Mr. MATTHEWS].

Mr. MATTHEWS. Mr. Speaker, paraphrasing a remark of the distinguished gentleman from Michigan [Mr. HOFFMAN] some weeks ago: So many nice things have been said about our colleague, BILL LANTAFF, that it almost makes me wish I were resigning from Congress myself this year.

And I also want to say that some of these testimonials make one feel sad, but I have a feeling that Bill is looking forward to going back to incomparable Florida where summer spends the winter and where nature is so gracious that it rains at night and the day is completely reserved for professional and business activity and some of the luxury of recreation.

Mr. Speaker, I want to join with my colleagues in paying tribute to BILL LANTAFF, who is voluntarily resigning from Congress. We will miss Bill at our Florida delegation meetings. I know of no delegation in the House whose Members have a higher regard for each other than we do in the Florida delegation. Although at times our opinions are at variance, on the great national issues with which we are concerned, we stand united in a common feeling of high respect and genuine affection for each other. BILL LANTAFF will be missed at our Florida meetings. Coming from the great and populous southern area of our State, he has set a high example in his devotion for all of Florida—an example that all Floridians might well emulate. Although he has worked tirelessly for his Fourth Congressional District, his interests have gone beyond a sectional bias. He has truly been an all-Florida Congressman.

BILL LANTAFF is a graduate of the University of Florida, the alma mater of a majority of our Florida congressional delegation. For a number of years I was director of alumni affairs at the University of Florida and before I entered Congress I had followed with great interest the career of one of our most distinguished alumni—BILL LANTAFF. He was president of our summer school student body at the University of Florida, and was president of our great service fraternity, the Florida Blue Key Fraternity. His distinguished career at the university continued as he offered himself for election in various capacities. He served as assistant city judge of Miami Beach; was elected to the Florida House of Representatives in the 1946–48

sessions, and his delegation to the Florida House of Representatives was voted in 1949 as the most outstanding and most effective in the legislature.

BILL LANTAFF has had a distinguished career in the Armed Forces of our country. Having received his second lieutenant's commission in the Field Artillery Reserve at the University of Florida, he was inducted into Federal service of the Florida National Guard as first lieutenant on January 6, 1941. After nearly 4 years of service, he was discharged from the Armed Forces on November 15, 1945, as lieutenant colonel, having served as executive officer for the Military Intelligence Division, War Department General Staff.

As his colleagues know, he was elected to the 82d Congress, was reelected to the 83d Congress, and would have been elected by an overwhelming majority if he had decided to offer himself for the 84th Congress. The Nation can ill afford to lose the services of such an outstanding young man as BILL LANTAFF. And the Nation will not lose his services. He will return to his home in the beautiful Miami area, and in his business and professional pursuits I know he will always reflect the high standards of personal conduct which have characterized his outstanding service in Congress. I wish for Bill, his lovely wife, Betty, and their children much happiness and success as they leave us to go home.

Mr. HERLONG. Mr. Speaker, few people have made the impression on, or the contribution to, the Congress that BILL LANTAFF has made in the two short terms he has been here. That he is a hard worker goes without saying. When he came to Congress, it was not long before the Members discovered not only his genial and affable personality, but also a man with a really constructive approach to the problems of the day.

As a member of the Committee on Government Operations he has rendered incalculable service to the people he represents and to the people of the United States. It was most refreshing, the way he went at the problem of improving efficiency and cutting out waste in the various Government Departments. Without fanfare, without headline-seeking, he, along with his committee, did such a thorough job that it resulted in a saving of millions of dollars a year to the taxpayers of the United States.

BILL LANTAFF is a truly unselfish public servant in the finest sense of the word. I know that his service in Congress has been at a tremendous personal and financial sacrifice to himself and his fine family.

Mr. Speaker, the work and the personality of BILL LANTAFF will long be remembered on Capitol Hill. We are fortunate that people of his caliber make the sacrifice that is necessary for them to serve in the Congress. We can ill afford to lose such men, though I can not and do not blame him, under the circumstances, for the choice that he has made. I can only say that along with all of you, I wish him Godspeed in his work. I know he will be successful, because BILL LANTAFF has got what it takes.

Mr. BROWN of Georgia. Mr. Speaker, I heartily concur in all the fine things that have been said on the floor today about our friend and colleague, BILL LANTAFF.

He is an influential and outstanding Member of this body and I consider him to be one of the most brilliant men who has served in the House in recent years. I regret we will be without his services after this session. We shall greatly miss him when he leaves us for other fields of endeavor.

With his warm personality and affable disposition BILL LANTAFF has endeared himself to all of us. I count him as one of my good friends and I wish for him the best of everything in the years ahead.

Mr. SIKES. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and to include therein statements from Senators HOLLAND and SMATHERS.

I also ask unanimous consent, Mr. Speaker, that all Members may have 5 legislative days in which to extend their remarks on this subject at this point.

The SPEAKER. Is there objection to the requests of the gentleman from Florida?

There was no objection.

Mr. HAGEN of Minnesota. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to join in with the many friends of BILL LANTAFF in paying tribute to his fine record as a Congressman from the Fourth District of Florida.

I consider it a privilege and an honor to have been associated with the distinguished gentleman from Florida. It is men like BILL LANTAFF who have made this House of Representatives what it is today—the finest legislative body in the world.

BILL LANTAFF served with me on the House Post Office and Civil Service Committee during the 82d Congress. I was greatly impressed by his keen insight into legislative problems and with his sound judgment and commonsense approach to their solution. In my considered opinion, the people of the Fourth District of Florida can indeed feel fortunate in having had their interests so capably represented in the Halls of Congress for the past 4 years.

It is with deep regret that I learned of BILL LANTAFF's decision to return to private life, because I feel that the Congress can ill afford to lose the services of a man who possesses such high ideals and who is so greatly imbued with devotion to duty. BILL LANTAFF has served his people with distinction, both in war and in peace. I sincerely hope that his decision to leave Congress at this time will not mark the close of BILL LANTAFF's distinguished record of public service. Perhaps he will see fit to again serve the interest of the people of the great State of Florida in another capacity. He would be a great and outstanding governor of his State. I feel confident that his people will welcome BILL LANTAFF's return as a public servant, because they all recognize his sterling qualities of high integrity, outstanding ability, and fine statesmanship.

I am proud to be a friend of BILL LANTAFF, and I shall always remember and value our personal friendship. I know that BILL LANTAFF will be successful in whatever course he pursues, and I wish him and his fine family the best of luck and a future blessed with good health and filled with much happiness.

Mr. BATTLE. Mr. Speaker, I want to join his Florida colleagues and host of personal friends in paying tribute to BILL LANTAFF.

Having served on the Foreign Affairs Committee with his able predecessor, GEORGE SMATHERS, I was naturally interested in the man that Florida would send to Congress in his place when George became a distinguished Senator. I soon found that BILL LANTAFF was a worthy successor. He is an able, intelligent man with a warm personality and a fighter for what he believes is best for his district, State, and Nation.

I remember meeting him early in the 82d session when a small group of Congressmen got together to discuss possible solutions to some of the great problems facing our country. One of Bill's many important suggestions was about stopping the flow of military supplies from the free world to the Communist nations—a subject in which I was and had been vitally concerned. When permanent legislation was passed by the Congress which denied aid to any nation shipping war materials behind the Iron Curtain, BILL LANTAFF was fighting for its adoption. He made a direct and worthy contribution to the original concept of this legislation. He was a strong and welcome supporter of its passage.

Mr. Speaker, this is just one example of BILL LANTAFF's outstanding service during the past 4 years. I am proud to have had the privilege of associating with him and his fine family. My appreciation and best wishes go with Bill, Betty, and their children wherever they may be.

Mr. SIKES. Now, Mr. Speaker, it is my pleasure and privilege to yield to my very good friend the gentleman from Florida [Mr. LANTAFF].

Mr LANTAFF. Mr. Speaker, the hour is late, but I could not let the opportunity that has been presented to me at this time pass without expressing my deep appreciation for the thoughtfulness of the Members here and for the kind and generous remarks they have made.

Of course it has been an honor and privilege to me to have served in the Congress of the United States. The friendships I have made here will last through my lifetime. It has been a genuine pleasure to have served with the wonderful members of the Florida delegation, each of whom has taught me very much in the years I have been here. They are a high type of men, a type you will never run into anywhere else.

Words fail me in my effort to express the deep gratitude that I have in my heart for the opportunity afforded me to serve in this great legislative body. In leaving it and going back home, my only consolation is the fact I am leaving it in the good hands of the many friends I have made here in the Congress. I am

leaving it under the fine leadership that was here when I came in.

I thank you very much.

ROY COHN

The SPEAKER pro tempore (Mr. SADLAK). Under special order heretofore entered, the gentleman from Michigan [Mr. HOFFMAN] is recognized for 15 minutes.

Mr. HOFFMAN of Michigan. Mr. Speaker, I ask unanimous consent to proceed for an additional 40 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. HOFFMAN of Michigan. Mr. Speaker, it might be well if the proceedings which have just occurred in the Florida House here were immediately transcribed and sent over to the other body. It might be helpful to the discussion that is taking place there now.

Now, the recent hearings held by a committee in the other body attracted a good deal of attention. In my humble judgment the newspaper accounts were so biased that had it not been for the broadcast and the telecast, the people of the country would have been misled. Without in any way expressing any opinion as to the capabilities or the character of the individuals who participated or as to the patriotism, the integrity, or the ability of the gentleman to whom I shall refer, I will now read the statements of one of the principals, Roy Cohn. Those statements read as follows:

COHN TELLS ROLE IN PROSECUTION OF REDS

For 6 years, now, since shortly after I was graduated from the Columbia Law School, it has been my lot to fight communism in the United States.

My first job was in the office of the United States attorney for the Southern District of New York; my second was as a special assistant to the Attorney General of the United States; and my third was chief counsel to the United States Senate Permanent Subcommittee on Investigations.

PROSECUTED TOP REDS

My introduction to the prosecution of subversives came when I did some legal work in the case of the top 11 Communist leaders. Following that, I handled, in preparation, presentation, or both—the following:

1. The Brothman-Moscowitz case, which involved the Harry Gold Soviet spy ring.
2. The William Remington perjury case.
3. The Rosenberg atom spy prosecution.
4. The William Perl perjury case.
5. The second-string Communist leaders.
6. The Frederick Vanderbilt Field contempt cases, involving the fugitive Communist leaders.
7. The Gus Hall bail-jumping case.
8. The Owen Lattimore indictment.
9. The unmasking of 39 American Communists in the United Nations.
10. The exposure of Communist-dominated labor unions.
11. The Voice of America investigation.
12. The Government Printing Office investigation.
13. The Fort Monmouth investigation.

CREDIT TO FBI

No man can claim credit for the entire work on any of these cases. Much of it must go to the FBI and the many men in the Department of Justice under the courageous leadership of J. Edgar Hoover.

I particularly want to include in this credit Judge John F. X. McCohey, Justice Irving Saypol, Attorney General James McGranery, and Senator Joseph McCarthy, who were my chiefs. I want to include also my teammates such as John M. Foley, Albert A. Blinder, Frank Carr, James Juliana, and many others.

Nevertheless, it has been my task to work on the principal cases involving subversives that have occurred in this country during the past 6 years and out of the material which passed through my hands, I concluded:

We are losing. The Communists are winning. In 1917, they were a handful. Today they rule over 800 million people. They are constantly moving forward. From the fall of China to the fall of Indochina we have suffered one defeat after another at the hands of the Communists.

And make no mistake about it, the Communists are out to rule the world.

At college, like so many of my generation, I was exposed to the idea that congressional committees were engaged in witch hunts and to the persecution of men and women whose views were unorthodox. It was in this atmosphere that I first met such ex-Communists as Louis Budenz and Elizabeth Bentley.

One day, I was interviewing Elizabeth Bentley in connection with the prosecution of Brothman and Moscowitz who were associated with Harry Gold. Brothman and Moscowitz induced Gold to lie to a Federal grand jury in order to cover up the Rosenberg-Gold espionage ring, which also involved Dr. Klaus Fuchs.

I was certain that one part of Elizabeth Bentley's story was fantastic. She said that she had collected blueprints from Brothman for transmission to a Communist spy ring. She told me that she turned Brothman over to a new Communist courier whose name she did not know. All she knew was that when Brothman met the man at a designated place in the garment district of New York, the man would say, "I bring regards from Helen."

Shortly after Fuchs talked and Gold was arrested in the attic of his house in Philadelphia, a little frayed card was found with these very words scribbled on it a decade before in Gold's writing, fully corroborating every detail of Bentley's story. It was an amazing confirmation of a fact.

No matter what the Communists and their liberal associates may say about this work, whenever we have gone to a court, whenever there has been a trial, before a judge and jury, we won our cases and the higher courts have with few exceptions sustained the decisions of the lower court.

I am not a politician. Perhaps my fault is that, in this fight, I cannot palliate or appease or seek popularity or try to gain favor. The Communist is an enemy of our country. Millions of Americans may die because Julius and Ethel Rosenberg were spies. Millions of our children may be corrupted and subverted because of Communist activity in our schools and colleges.

TARGET OF SMEARS

It was because I was hampered in my duties, involved in small politics, made the target of snide smears by shallow men, that I felt that my usefulness as chief counsel for the McCarthy committee was at an end, and very reluctantly I resigned from that position.

It is of the greatest importance that this and other committees of the Congress, investigating Communist infiltration in our Government, schools, colleges, defense plants, and other institutions, should continue to investigate. I shall tell you why:

No other organ of Government possesses the legal facilities, such as subpena power, to get the facts and disclose them as effectively as a congressional committee.

While the FBI is the most remarkable investigative agency in the world, it is and should be precluded from making the results of its work public, and publicity is a weapon against the Communist. It is said often that the FBI can do the whole job. The fact is that the FBI reports only to other agencies of Government, who may, for whatever reason, ignore the report. For example, despite FBI reports, Alger Hiss, Harry Dexter White, and many other cases were ignored until congressional committees opened them for public scrutiny.

No agency of Government should be permitted to investigate itself. It will always be true and experience shows that such departmental loyalty boards tend to cover up the facts which generally involve errors of judgment by those in charge.

There is no existing evidence known to me that any person has been falsely involved in subversion by a congressional committee. There have been accusations to that effect and there is a vast amount of contrary opinion, but no facts have been presented to establish what is called false accusation.

The Communist conspiracy has existed since 1864 when Karl Marx organized the First Internationale. Since 1903, the Bolsheviks have been active throughout the world. Since 1917, Third Internationale has been engaged in a worldwide conspiracy to destroy existing institutions and governments. Their success has been enormous, until today more than 800 million people are under their control.

And always their target is the United States of America. Whoever gives them aid and comfort is an enemy of the United States.

RED-HUNTER EXPECTS ATTACKS, COHN SAYS

Whenever an American steps into the ring to fight Communists in this country, he must expect to be abused, smeared, his morals assailed, his reputation besmirched, his character assassinated.

The Communists start the smears either directly or through their front organizations. They originate a phrase like "McCarthyism," publish it in the Daily Worker, and then it is picked up by the front organizations, given the widest circulation, until it becomes part of our language. People forget the origin of the word or phrase and use it as their own, not recognizing it as Communist propaganda.

OPPONENTS LISTED

But the principal hatchetmen will not be Communists. They will be doctrinaire liberals, who will always defend the Communists and always attack the anti-Communists. They will be do-gooders who resent any limitation on freedom, even when what is done in the name of freedom is destructive of human rights and the national welfare. They will be writers who curry popularity by twisting the truth to fit the whimsicalities of the moment. They will be speakers who confuse Russian communism, which is slavery, with early Christian communities which were institutions devoted to God.

Among the hatchetmen will be politicians, officials in government, who perhaps inadvertently got themselves involved in Communist or leftwing activities early in their careers, or who have intervened for Communists and who fear that an investigation will reach their own doorsteps.

In my short experience of six years, I have had to contend with all of these types. I have seen roadblocks put in the path of such investigations by persons who are as anti-Communist as you or I. They do not want to help the Communists. Sometimes what is involved is a constituent, a friend, or even a member of their own family.

TVA EXPERIENCE

I encountered one example of this just prior to the perjury trial of William Remington. We learned that certain officials in

the TVA were furnishing Remington's defense counsel with confidential files on witnesses the Government was planning to use to establish Remington's Communist activities in Knoxville. Al Blinder (my associate in the United States Attorney's Office) and I flew down to Knoxville on the eve of the trial and found that one of Remington's attorneys was given unsupervised facilities to scan TVA files. I, representing the Department of Justice, was extended no such cooperation and had to subpena the same files.

The technique generally is not to attack the investigation but to smear the investigator. In the Rosenberg case the judge, Irving Kaufman, the United States Attorney, Irving Saypol, and I, his assistant, were Jews. The Rosenbergs were Jews. We who handled the case are proud of our religious affiliations; the Rosenbergs, as Marxists, were atheists who had thereby repudiated Judaism. Yet we were attacked and pilloried for being anti-Semites. No man has ever gone through the hell that Judge Irving Kaufman, his wife, and his children experienced during the Rosenberg's case.

When Whittaker Chambers broke with the Communists, he found security but not peace by hiding. When finally he came into the open and nailed Alger Hiss as a Communist and a Russian agent, he and his wife and children were subjected to horrible abuse. He was described as a psychiatric case. Chambers fought his battle, but along with it came a heart attack.

THE EUROPEAN TRIP

Louis Budenz—believed by one American jury after another—has been painted as a liar; Elizabeth Bentley, Paul Crouch, Robert Stripling, Martin Dies, Joseph McCarthy, and a host of others have been abused by innuendo, false attack, misquotation, and attack on their morals.

I want to give two of my own experiences:

1. David Schine and I were sent to Europe on a routine trip such as is taken by scores of congressional investigators every year. However, we were marked men from the start because, instead of investigating the effect of potato bugs on European agriculture, we were investigating communism and we were doing it for a committee headed by JOE MCCARTHY.

We found that the men we were investigating because of their reported Communist affiliations and who were expending American funds in Germany beneficial to Communists, used these funds to subsidize German newspapers to smear us.

A State Department employee was assigned to spy on us, travel with us, telephone to American headquarters in Bonn on all our activities every hour of the day, including what we ate, where we went, to whom we talked, etc. This information, distorted shamelessly, was given to the press of the world.

2. During the McCarthy-Stevens hearings the Army, at taxpayers' expense, sent agents to night clubs, restaurants, and hotels, hoping they would discover some impropriety. They subpenaed a lady friend of David Schine to come to Washington on two occasions in a desperate attempt to find some fact which did not exist. They threatened to subpena a young lady of my acquaintance, who could have had no knowledge of the issues involved.

Was this to embarrass or to harass me? This threat was abandoned when I objected to continued attempts at creating a nuisance.

They sent agents to Florida to influence telephone operators in one of David Schine's hotels to permit the Army agents to eavesdrop on telephone conversations of their selection. The telephone operators refused to do it.

Imagine my own position.

GOSSIP ASSAILED

My father, Albert Cohn, has had a distinguished career as a judge in New York City. I am his only son and am in his profession. Not only has my integrity as a lawyer been impugned, but my decency as a human being. My moral conduct, my relations with other human beings have been reduced to the gutter. While I, a young man, can afford to ignore these attacks on me, my parents suffered frightfully from the gossip, rumors, lies carefully spread to bring pressure upon them and upon me. It got so that they could hardly go anywhere without some kind friend asking, "Is it true?" Is what true? What are the facts?

Nobody cared about facts; they only repeated some little nonsense which, while utterly false, could only hurt.

And they succeeded in their pressure because I could not continue to permit my family to undergo this ordeal, particularly when I realized that those who should have defended the fight against communism were aiding in the effort to destroy the effectiveness of the committee on which I served.

Many men and women shun these personal attacks. They are willing to battle against the Kremlin's agents, but they would prefer to do it on ideological grounds. They have no stomach for slop and filth in which the Communists and their friends revel.

They could battle the Communists, but they give up before the onslaught of so-called respectable people, public officials, Members of Congress, and all sorts of men with good fronts, who for some private reason or personal advantage give aid and comfort to the enemies of America.

Such people are more dangerous than the Communists.

MCCARTHY'S COURAGE IS PRAISED BY COHN

During the last months of the Truman administration, I was a special assistant to Attorney General James McGranery, a great lawyer and a remarkable man. I understood that a special department to handle subversive cases was to be created and that I was to be in charge. That did not happen. It was my first experience with bureaucratic politics, Washington style.

When the Truman administration went out, I thought I would go back to private law practice in New York. Senator JOSEPH MCCARTHY, whom I did not know, sought me out and asked me to be chief counsel of his committee. I was surprised, because it is not customary to have a Democrat, which I am, as chief counsel for a committee of which the chairman is a Republican.

FOUND FILES BARE

Senator MCCARTHY told me that he was not concerned with my party politics. He said he knew of my stand on communism and of my work in the Department of Justice, and that that was enough for him.

Living in New York, and not knowing the Senator, I had only known of him as he was characterized in my environment as a demagog and a potential Hitler. During the period I was associated with him I found the exact opposite to be true. The Senator is broad-gaged in his relations with other people, unprejudiced, without vindictiveness, and without undue or improper ambitions.

His strength is his earnestness in the cause which he has chosen to fight for. He is loyal, often beyond reason, to people who worked with him in that cause. He has unusual courage in these days when so many shy away from controversial issues.

After I had accepted the position of chief counsel and went down to Washington to start work, I found the files of the committee bare. We had to start from scratch.

NATURE OF COMMITTEE

This committee was established by the Reorganization Act of 1948 as a subcommittee of the Committee on Government Operations. Its function is most often misunderstood. It cannot conflict with the executive branch of the Government, because it exists to be a watchdog over the executive branch of Government.

It is a permanent committee whose task it is to investigate every agency of Government except the White House. It is obligated to investigate the Army, Navy, Air Force, the Departments of State, Interior, Commerce, etc., for graft, corruption, subversion, misfeasance or malfeasance.

It is not charged to limit itself to investigations in order to find data for new legislation; it investigates principally to discover whether the laws passed by Congress are properly being carried out.

This is the law as Congress passed it. I sometimes wonder whether some of the Senators who voted for the law, and who criticize the scope of our work, remember what the bill was that they voted for.

This came out so clearly in the McCarthy-Stevens hearings when some of the critics of our committee inquired why we were investigating the Army at all.

I must say that often, while I sat through 36 days listening to some of the questions asked and some of the answers given, I could not understand what happened to our investigation of Communist infiltration into the Army.

My task, as chief counsel, was to unearth graft, corruption and subversion and to bring it before the committee. It is up to the committee to decide what they are to do about these cases.

It is impossible to investigate Communists with kid gloves. They are all liars, by party orders.

The investigator starts out with two strikes against him: In a murder trial, it is possible to get evidence, like a dead body or a murder weapon, without asking the witness, whereas in Communist cases you know in advance that the witness will lie; that he will give no valuable information, that he might give misleading information, and that, if pinned down, he will take refuge in the fifth amendment. This makes the job very tough.

It is, therefore, necessary to build a mosaic of evidence from different sources and different people. No confession of guilt is to be expected. Cooperative witnesses are rare. Collateral evidence is hard to get.

I know of a number of persons who have data and would like to testify but who, having witnessed what has happened to ex-Communists who try to serve our country, shun the experience.

I have talked on several occasions with a former Communist who could shed startling light on Soviet espionage in this country. He reluctantly refuses to do so for fear that the left-wing elements will attempt to have him indicted and made a social outcast.

PICTURE OF M'CARTHY

I must say that Senator JOE MCCARTHY surprised me by his patience, his emphasis on facts, and his generous willingness to give every man a chance. I am no longer on his committee and flattery can in no manner serve me. The picture that has been painted of JOE MCCARTHY as a ruffian or as an anti-Semite or as a minor Hitler, is complete nonsense.

This man is a sincere anti-Communist who is making a valiant fight against this conspiracy. Were he interested only in career or in publicity, as some say, he could have limited our work to graft and corruption. There is plenty of noise to be made in those fields.

Instead, he emphasized subversion because subversion is the greatest menace to the United States in this period.

JOE MCCARTHY has done more than any other man to alert the Nation to the dangers of communism. Despite what his enemies,

in ignorance, say, he has forced out of Government and defense plants, dozens of Communists.

When McCARTHY's opponents say, "Name one," I cite the case of Edward Rothschild, who was described under oath as a Communist, who took refuge in the fifth amendment when asked if he had engaged in espionage, and who was in a key position because he had complete access to Government secret documents in the Government Printing Office.

The assertion that on balance, McCARTHY is helping the Communists is ridiculous. The Communists are the best judges as to who is helping or hurting them, and they have named JOE MCCARTHY as their chief enemy.

DILIGENT WORK IN FIELD

I estimate that it takes about 3 years of hard work for an intelligent man to familiarize himself fully with the Communist field. It is necessary to read a wide literature; it is necessary to have a working knowledge of their Aesopian double-talk; it is necessary to know the history and personalities of Communists in this country.

It is necessary most of all to have the courage to go after subversion because some very important personalities in the United States have been stupid enough to get involved in the Communist conspiracy—some innocently; others willfully.

JOE MCCARTHY knows the field. He has done diligent work in it. He has given days and nights to it unceasingly during the time that I have served under him.

We did not investigate Communist infiltration in the Army because we disliked the Army. It was the Julius Rosenberg (atomic espionage) trial that sent us to Fort Monmouth. Rosenberg had worked at Fort Monmouth. We wanted to know what he did there and what and who he left behind him. We found plenty.

The Major Peress case, of itself, is not so important. It was symbolic of why it is necessary to have congressional committees. Peress was identified by a sworn witness as a Communist. He refused to answer loyalty questions on an ordinary Army questionnaire. He should immediately have been yanked out of line and interrogated. Instead, he was promoted from captain to major, was relieved from service abroad, was given a quick, honorable discharge.

Somebody in the Army had done wrong. Who it was, we do not know until this day. If a soldier gets into trouble, he is put in the guardhouse or given a dishonorable discharge; Peress refused to say that he was loyal and he was promoted. It was the business of our committee to discover why.

TO GET AT TRUTH

I think that JOE MCCARTHY was courageous and correct in going into these cases. I went into them with my eyes open. I knew it would mean a fight, because somebody had made a lot of mistakes which we were uncovering. Whenever we did that, all sorts of people combined against us on the theory that it is best to let sleeping dogs lie.

Well, as long as I was counsel for a committee and had a fighting chairman, I had no intention of letting sleeping dogs lie. I wanted the truth. To get at the truth, we had to tread on many highly polished toes. They raged and fought back.

Result: I am off the committee and the Senator is being attacked by everybody who thinks he can benefit by attacking him. Whether we won or lost that round is for the people to say.

UNITED STATES RED PARTY IS SMALL BUT STRONG; COHN WRITES

Out of my peculiar experience I know the enemy of my country.

A military man devotes himself to planning the strategy of war. He hopes to avoid war, but he lays his plans. He stockpiles his necessities. If he is any good, he is always ready.

The diplomat attends conferences and meetings and fixes policies to avert war, to settle the differences among nations by peaceful means.

All this has to do with the externals of national existence. The Communists are not limited to the externals; they work inside a country. They are working inside the United States.

They are working to create a Soviet America as they worked to create a Soviet Czechoslovakia or a Soviet China or a Soviet Guatemala. They work every day and all the days of their lives.

NUMBERS DECEIVING

Do not be fooled by numbers. J. Edgar Hoover estimates that there are 25,000 Communists in the United States; the Kremlin announces 60,000. This looks very small. Compared with the great patriotic organization, the American Legion, the Communist Party is a tiny organization.

If only numbers counted, we could afford to ignore the Communist Party. But the number of Communist Party members in the United States today is comparatively about the same as the number of Communist Party members in Russia on the eve of the October Revolution. And the American Communist Party in the United States today not only has the support of a rich and powerful empire but is directed by a worldwide conspiracy.

The fact is that the Communists have managed to infiltrate virtually every agency of Government, many colleges, universities, and defense plants.

EXAMPLES CITED

It defies belief, but Communist spies have held vital positions in our Government. Then, too, consider the cases of the following, all involved in Communist spy trials or hearings:

Alger Hiss, high State Department official, adviser to the President at the Yalta Conference, secretary general of the San Francisco Conferene which created the United Nations.

Harry Dexter White, Assistant Secretary of the Treasury; executive director of the International Monetary Fund.

William Remington, chairman of the Commerce Department committee in charge of issuing export licenses to Iron Curtain countries.

V. Frank Coe, senior economist in the Treasury Department and as recently as December 1952, the $20,000 a year secretary of the International Monetary Fund.

Irving Kaplan, aide to the director general of UNRRA and as recently as 1952, a top United Nations economist.

Many other examples can be cited.

HOW DO THEY WORK?

If they put only one party member in each place that we find evidence of their activity, there would not be enough party members to go around. Much of the party work is done by fellow travelers and innocent dupes.

How do they do it?

To the uninitiated, the answer is that what we say is a gross exaggeration; that we are making false accusations against innocent people. Yet, in the 6 years that I have been engaged in ferreting out Communists, spies, and subversives, first for the executive and then for the legislative branch of Government, I have found evidences of Communist activity wherever I looked for it.

They do it principally by using those who are not open members of the Communist Party. Let me explain that:

First, when we speak of 25,000 members of the Communist Party, we do not know anything of the vast underground elements who once were open members of the party but now are not, although they continue to accept party discipline. All Americans who are Russian spies fit this category. Alger Hiss belonged to this category. Harry Gold, the courier for the Klaus Fuchs spy ring, never joined the Communist Party. I never knew whether Julius Rosenberg was entirely underground or was still a party member.

CASE OF RED UNIONISTS

An example of this is the case of the top Communist labor leaders. After the Taft-Hartley law was passed, they had to swear that they were not Communists. Many of them executed phony resignations from the Communist Party and then swore that they were not Communists.

In Daily Worker articles they defiantly renewed their allegiance to communism. When I called them before a grand jury in New York they refused to say under the fifth amendment whether their non-Communist Taft-Hartley oaths were merely a subterfuge.

The outraged grand jury unanimously filed a presentment demanding action by the NLRB against the unions involved. But the NLRB, which itself had been infiltrated by such persons as Nathan Witt—named in sworn congressional testimony as a one-time member of a Communist cell—did nothing effective.

The party itself is no longer the center of Communist activity. Its significant leadership is in prison. Its members are the residue of a mass movement.

The underground is important, and it is to be noted that members of the underground may claim that they are not now a member of the Communist Party.

That is why we would ask such a person whether he was a member a year or 2 years ago, and whether he is under Communist discipline. Then he would plead the fifth amendment.

The man in the underground does the work of the international Communist movement. This has been one of the toughest problems in each investigation. It has been difficult to convince some members of our committee and of other committees that such distinctions may be made. I cite the example of Michael Greenberg, described before the Senate Internal Security Committee as a Russian agent, who suddenly became an American citizen, got a job in the White House, but now is out of the country. When Greenberg was rejected by the Civil Service Commission, there were people in high Government office who refused to believe that he was a Kremlin underground worker stationed in the White House.

MIXED-UP PEOPLE

Secondly, there are many ex-Communists who are still Marxists. They dislike Soviet Russia, but they oppose those who fight Marxism. They are mixed-up people who would prefer to be patriots but who cannot tear themselves away from old associations.

What such people do, as a rule, is to cover up for the active Communist and underground workers. It was often hoped, during the various investigations, that we could convince more of them to give to their country the full value of their information and experience.

A few were courageous; most of them were afraid. In some instances, the Communists undoubtedly had something on them. But generally, it proved to be an emotional re-

action. They simply could not make a clean break with their past. They plead the fifth amendment and put themselves in jeopardy rather than tell the truth.

Such men and women are of great value to the Communists. They serve them in many ways, but principally by making it difficult if not impossible for the American Government to get at the facts.

The third category are the anti-anti-Communists. Most of these people are anti-Communists but they are also against everybody who fights the Communists. They are opposed to Soviet Russia but they limit their opposition to what Russia does outside of the United States.

The harm Russia does inside this country by espionage, infiltration, penetration, propaganda, they pass over as within the American code of civil liberties.

They protect and defend Communists. They contribute to defense funds. They influence Senators and Representatives. They conduct propaganda campaigns. Their articles appear in newspapers and magazines. They attack the FBI.

PLEDGE TO CONTINUE FIGHT

The Communists have in the anti-anti-Communists their greatest aids. During the whole of my career in this field, I have found that my principal opponents were the anti-anti-Communists. They smeared and vilified me.

They are the chief antagonists of Senator McCARTHY. They attack Senators McCARRAN, JENNER, MUNDT, WELKER, DIRKSEN, BRIDGES, MALONE, and many other outstanding foes of communism, such as Robert Morris.

They create such a tumult that they influence a section of the public to believe that not the Communists but those who fight the Communists are the enemies of America.

I want to end this series with this note: The fight against communism in the United States and against Communist infiltration will continue.

Even though some of us might be expended, others will take our places. If certain people believe they have solved the problem of the cover-up by getting rid of any one individual, they are mistaken. The truth must come out and no cover-up can be successful as long as our boys have to fight on the battlefield and lose their lives to save America from the worldwide Communist conspiracy.

In God's name, may we have the strength and wisdom to prevail over our enemies.

VETERANS' LEGISLATION

The SPEAKER pro tempore. Under previous order of the House, the gentleman from West Virginia [Mr. STAGGERS] is recognized for 5 minutes.

Mr. STAGGERS. Mr. Speaker, I cannot permit this session of Congress to close without bringing attention to the needs of the veterans of our country and their families. In these times of crises and intermittent cold war and shooting wars, it is easy to forget those who have bought for us with their blood the freedom and privileges which we enjoy today. It is in behalf of the men and women who have served their country in its hour of need and who have never lost a war, that I wish to speak. I wish to comment on some of the things that we have done this session and some of the things that are being left undone.

There are those who are interested in drastically curtailing veterans' benefits. The past several years there has been an almost continuous assault on the veterans' medical and hospital program. I am happy to say that these attacks have been turned back and that this year we are adding 4,000 new hospital beds throughout the country. During the last 2 years we have been successful in wiping out most of the large waiting list of TB patients seeking treatment in VA hospitals. Veterans with service-connected disabilities are now able to obtain admission to a hospital within 24 hours. In most cases, veterans with non-service-connected disabilities are able to gain admission in 2 or 3 weeks.

The great task that lies before us in the medical program is providing hospital care for mentally disabled veterans. There are from 15,000 to 20,000 veterans with mental disabilities of non-service-connected cause on the waiting lists of mental hospitals all of the time. It takes from 4 to 6 months, and in some cases even longer, to gain admission to a veterans' mental hospital. In the meantime, many of the more serious cases have to be restrained in local jails or in overcrowded State hospitals. Care of the mentally disabled veteran is the No. 1 problem confronting us. I certainly hope that we can make substantial advances in eliminating this problem during the next session of Congress.

The veterans' loan guaranty program has been gaining momentum during the last year, yet there are many areas where a veteran cannot obtain a guaranteed loan. I hope that some relief for these areas will be found as a result of the increase in direct loan funds. In the past $100 million a year has been available for direct loan purposes in rural areas and small towns. That amount has been raised to $200 million a year. I certainly hope that this increase will provide more opportunity for the veteran in the rural area and small town to obtain a loan for a home.

I am very disappointed that Congress has failed to equalize the amount of guaranty available for a farm loan as compared with a city residential loan. A veteran obtaining a city residential loan can get up to $7,500 guaranty while a veterans purchasing a farm for a home can get only $4,000. I certainly hope that we can correct this inequity during the next session of Congress. Direct loans are now available only for the purchase of a residence. A farm veteran may not obtain a direct loan to purchase farm real estate. We should give immediate attention to correcting this inequity during the next session of Congress.

Congress should give immediate attention to the needs of children of veterans who died from service-connected causes during a period of wartime. There are 156,000 children in the Nation who lost a parent from a service-connected cause during World War II and the Korean conflict. Most of these children are just entering high school. However, a substantial number are finishing high school this year and are ready for college. We are spending a great deal of money on all sorts of educational programs abroad and scholarship programs of one kind and another for adults. Certainly, our obligation to the child who lost a parent in a war is the greatest conceivable. I wish to urge, therefore, that the Congress give immediate attention to establishing an educational-assistance program for dependent children of servicemen who died from service-connected causes as a result of their service in World War II or in Korea. These dependent children should become eligible for educational assistance upon completion of high school and the assistance should be adequate to assure a reasonable chance for these dependent children to obtain an education which will fit them to earn their own livelihood.

A few days ago the House of Representatives passed a compensation increase bill. The bill is fine as far as it went, but it does not go far enough. The bill provides a 5 percent increase to veterans receiving compensation for service-connected disabilities and badly needed increases in the rate of compensation for widows without children and for dependent parents receiving compensation on behalf of a deceased serviceman who died from service-connected causes as a result of wartime service. There can be no question that these increases are justified; however, I am very disappointed that we were not permitted by the House leadership to vote on the portions of the bill recommended by the Veterans' Affairs Committee which would have extended the 5-percent increase to veterans and dependents receiving pensions. There are about 975,000 of these persons and for the most part they are either aged veterans and widows of the Spanish-American War or widows and dependent children of veterans who served in World War I, World War II, or Korea and who have since died from a non-service-connected cause but at the time of death had a service-connected disability. The remainder of the group is made up of aged veterans with 100 percent non-service-connected disability who have been found unemployable. Certainly this group is badly in need of a small increase in their pensions.

Mr. Speaker, this Nation's veterans have served her well. It is our continuing obligation to give priority consideration to the problems and needs of the Nation's men and women who have delivered her in her hours of peril.

NEW ATTACK ON AIRCRAFT CARRIER CONSTRUCTION ASSIGNED TO BROOKLYN NAVY YARD

Mr. ROONEY. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. ROONEY. Mr. Speaker, just a short while ago on the AP ticker I found the following item sent at 7:04 p. m.:

WASHINGTON.—Representative ROGERS, Republican, Massachusetts, today asked President Eisenhower to set aside a decision announced by the Navy yesterday to build the fourth *Forrestal* class aircraft carrier at the Brooklyn naval shipyard.

If the request is honored she urged that the President call a conference to determine ways of awarding the contract to the Fore River Shipyard of the Bethlehem Steel Co. at Quincy, Mass.

In a letter to the President Mrs. ROGERS argued that it is unfair to require private yards, such as the one at Quincy, to compete on a firm bid basis with a Government yard.

Mr. Speaker, I have taken advantage of this time to offer a vigorous protest to this protest to President Eisenhower. The members of the Brooklyn delegation here in the House have worked long and arduously in connection with the assignment of this work and have been confident all along that the construction of this *Forrestal* class carrier would be assigned to the Brooklyn Navy Yard. The Quincy yard of the Bethlehem Steel Co. cannot compete with the Brooklyn Navy Yard when it comes to the proper expenditure of the taxpayers' money for construction of war vessels. The Brooklyn Navy Yard has the equipment and personnel on hand to build this carrier since they are now constructing one of the same class. Furthermore, the law requires that the construction of this major warship be done in a Government naval shipyard and not in a private shipyard.

So, Mr. Speaker, I believe and am confident that the Secretary of the Navy and the Navy Department, after having spent months and months and months of time in arriving at the proper thing to do in connection with the assignment of construction of this vessel, will abide by their decision made yesterday and that President Eisenhower will back them up in that decision.

Let me read to you Secretary Thomas' announcement:

JULY 29, 1954.

NAVY ANNOUNCES ASSIGNMENT OF ATTACK AIRCRAFT CARRIER AND OTHER SHIPS IN 1955 PROGRAM

The new attack aircraft carrier of the *Forrestal* class (CVA–62) included in the Navy's fiscal 1955 shipbuilding program will be constructed at the New York Naval Shipyard, Secretary of the Navy Charles S. Thomas announced today.

This shipyard already has under construction another carrier of this class. The Secretary stated that the technical know-how and production experience gained in constructing this present carrier will, according to carefully calculated costs, enable the New York shipyard to build the new carrier at the lowest cost to the taxpayer.

I repeat, at the lowest cost to the taxpayer. Who can defend any other course of action? Since when is it unfair to require a private yard to compete on a firm bid basis with a Government naval shipyard on a $120 million job?

Now, I have great admiration for the distinguished gentlewoman from Massachusetts [Mrs. ROGERS] and have great respect for her ability. She has always been a real fighter. But I doubt that under these circumstances even she can put this new 60,000-ton warship in her handbag and carry it up to Quincy.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the RECORD, or to revise and extend remarks, was granted to:

Mr. HAND in two instances and to include extraneous matter.

Mr. WOLVERTON and to include extraneous matter.

Mr. MATTHEWS.

Mr. O'BRIEN of New York.

Mr. RODINO in two instances and to include extraneous matter.

Mr. O'HARA of Illinois.

Mr. MORANO.

Mr. GAVIN.

Mr. DEANE.

Mr. JENSEN and include a statement.

Mr. MCCULLOCH.

Mr. FEIGHAN.

Mr. MARTIN of Iowa and to include extraneous matter.

Mr. SHEPPARD.

Mr. TOLLEFSON to include extraneous matter in his remarks on the tariff bill.

Mr. BEAMER.

Mr. MOSS.

SENATE CONCURRENT RESOLUTIONS REFERRED

Concurrent resolutions of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. Con. Res. 97. Concurrent resolution to print additional copies of part 6 of the hearings held before a subcommittee of the Committee on Interior and Insular Affairs relative to stockpile and accessibility of strategic and critical materials to the United States in time of war; to the Committee on House Administration.

S. Con. Res. 98. Concurrent resolution to print additional copies of an interim report entitled "Activities of United States Citizens Employed by the United Nations"; to the Committee on House Administration.

S. Con. Res. 99. Concurrent resolution to print additional copies of hearings entitled "Strategy and Tactics of World Communism"; to the Committee on House Administration.

ENROLLED BILLS SIGNED

Mr. LECOMPTE, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H. R. 7839. An act to aid in the provision and improvement of housing, the elimination and prevention of slums, and the conservation and development of urban communities.

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 2371. An act to extend emergency foreign merchant vessel acquisition and operating authority of Public Law 101, 77th Congress, and for other purposes;

S. 3458. An act to authorize the long-term chartering of tankers and the construction of tankers by the Secretary of the Navy, and for other purposes;

S. 3466. An act to provide for two additional Assistant Secretaries of the Army, Navy, and Air Force, respectively; and

S. 3713. An act to give effect to the International Convention for the High Seas Fisheries of the North Pacific Ocean, signed at Tokyo May 9, 1952, and for other purposes.

ADJOURNMENT

Mr. CUNNINGHAM. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 8 o'clock and 9 minutes p. m.), under its previous order, the House adjourned until Tuesday, August 3, 1954, at 12 noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1787. A letter from the Secretary of the Navy, transmitting a draft of proposed legislation entitled "A bill to provide that the Department of the Navy shall not be required to reimburse the Reconstruction Finance Corporation for the transfer of certain real property at Columbus, Ohio"; to the Committee on Government Operations.

1788. A letter from the Chairman, United States Atomic Energy Commission, transmitting the 16th Semiannual Report of the United States Atomic Energy Commission, pursuant to the Atomic Energy Act of 1946; to the Joint Committee on Atomic Energy.

1789. A letter from the Secretary, Smithsonian Institution, transmitting a report on tort claims paid by the Smithsonian Institution during the fiscal year 1954, pursuant to section 404 of the Federal Tort Claims Act (28 U. S. C. 2673); to the Committee on the Judiciary.

1790. A letter from the Secretary of Health, Education, and Welfare, transmitting the annual report of the United States Department of Health, Education, and Welfare, for the fiscal year ending June 30, 1953; to the Committee on Interstate and Foreign Commerce.

1791. A letter from the President, Board of Commissioners of the District of Columbia, transmitting a draft of a bill entitled "A bill to provide for the bonding of certain officers and employees of the Government of the District of Columbia, for the payment of the premiums on such bonds by the District of Columbia, and for other purposes"; to the Committee on the District of Columbia.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. JONAS of Illinois: Committee of Conference. H. R. 3522. A bill for the relief of Arthur S. Rosichan (Rept. No. 2575). Ordered to be printed.

Mr. MILLER of Nebraska: Committee on Interior and Insular Affairs. H. R. 9889. A bill to authorize the Secretary of the Interior to execute an amendatory contract with American Falls Reservoir District No. 2, Idaho, and for other purposes; without

amendment (Rept. No. 2577). Referred to the Committee of the Whole House on the State of the Union.

Mr. DONDERO: Committee on Public Works. S. 546. An act to authorize payment for losses sustained by owners of wells in the vicinity of Cold Brook Dam by reason of the lowering of the level of water in such wells as a result of the construction of Cold Brook Dam; without amendment (Rept. No. 2578). Referred to the Committee of the Whole House on the State of the Union.

Mr. REES of Kansas: Committee on Post Office and Civil Service. S. 3681. An act to authorize the Civil Service Commission to make available group life insurance for civilian officers and employees in the Federal service, and for other purposes; without amendment (Rept. No. 2579). Referred to the Committee of the Whole House on the State of the Union.

Mr. DONDERO: Committee on Public Works. H. R. 8651. A bill to provide for the adjustment of tolls to be charged by the Wayland Special Road District No. 1 of Clark County, Mo., in the maintenance and operation of a toll bridge across the Des Moines River at or near Saint Francisville, Mo.; without amendment (Rept. No. 2580). Referred to the Committee of the Whole House on the State of the Union.

Mrs. HARDEN: Committee on Post Office and Civil Service. H. R. 6790. A bill to amend the act of October 15, 1949, with respect to the rate of compensation of the Chairman of the Council of Economic Advisors; with amendment (Rept. No. 2581). Referred to the Committee of the Whole House on the State of the Union.

Mr. YOUNGER: Committee on Interstate and Foreign Commerce. H. R. 9769. A bill to amend the Federal Trade Commission Act with respect to certain contracts, agreements, or franchises to enable manufacturers of automobiles and trucks, and their franchise dealers, to protect their good will in the business of manufacturing and distributing automobiles and trucks, made or sold by them, by restricting franchise dealers from reselling to certain unauthorized persons; without amendment (Rept. No. 2582). Referred to the Committee of the Whole House on the State of the Union.

Mr. HILLINGS: Committee on the Judiciary. H. R. 9921. A bill to amend section 709 of title 18, United States Code, so as to protect the name of the Federal Bureau of Investigation from commercial exploitation; without amendment (Rept. No. 2583). Referred to the House Calendar.

Mr. KEARNS: Committee of conference H. R. 2236. A bill for the establishment of a Commission on Area Problems of the Greater Washington Metropolitan Area (Rept. No. 2584). Ordered to be printed.

Mr. HINSHAW: Committee on Interstate and Foreign Commerce. H. R. 9916. A bill to amend section 5 (a) of the Federal Trade Commission Act with respect to certain unfair methods of competition in connection with the sale of manufactured products; without amendment (Rept. No. 2585). Referred to the House Calendar.

Mr. HINSHAW: Committee on Interstate and Foreign Commerce. H. R. 9917. A bill to amend section 5 (a) of the Federal Trade Commission Act with respect to certain unfair methods of competition in connection with the sale of motor vehicles; without amendment (Rept. No. 2586). Referred to the House Calendar.

Mr. McCONNELL: Committee on Education and Labor. Report of proceeding against Paul Dorfman (Rept. No. 2587). Ordered to be printed.

Mr. McCONNELL: Committee on Education and Labor. Report of proceeding against Allen Dorfman (Rept. No. 2588). Ordered to be printed.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. ARENDS: Committee on Armed Services. House Concurrent Resolution 264. Concurrent resolution expressing gratitude and appreciation to General of the Army Douglas MacArthur for his unsurpassed service to this Nation and the world; without amendment (Rept. No. 2576). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. MACK of Illinois (by request):

H. R. 10130. A bill to provide a direct old-age pension of $60 a month for every individual who is 65 years of age and has been a citizen of the United States for at least 15 years; to the Committee on Ways and Means.

By Mr. MILLER of Nebraska (by request):

H. R. 10131. A bill to implement section 25 (b) of the Organic Act of Guam by carrying out the recommendations of the Commission on the Application of Federal Laws to Guam, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. O'HARA of Illinois:

H. R. 10132. A bill to amend the Fair Labor Standards Act of 1938 to establish a $1.25 minimum hourly wage, and for other purposes; to the Committee on Education and Labor.

By Mr. ROBSION of Kentucky:

H. R. 10133. A bill to add coffee to the list of commodities covered by the Commodity Exchange Act so as to prevent certain undesirable practices; to the Committee on Agriculture.

By Mr. KEARNS:

H. R. 10134. A bill to amend Public Law 815, 81st Congress, so as to extend for 2 additional years the program of assistance for school construction under title III of that act; to the Committee on Education and Labor.

By Mr. REES of Kansas:

H. R. 10135. A bill relating to the transportation of mail by highway post office service; to the Committee on Post Office and Civil Service.

By Mr. YOUNG:

H. R. 10136. A bill to amend Public Law 874, 81st Congress, so as to reduce the "absorption" requirement from 3 percent to 2 percent for small school districts; to the Committee on Education and Labor.

By Mr. CARNAHAN:

H. J. Res. 575. Joint resolution reaffirming the rights of the people of the world to freedom of religion; to the Committee on Foreign Affairs.

By Mr. MORANO:

H. J. Res. 576. Joint resolution authorizing the gift to France by the people of the United States of a Statue of Liberty; to the Committee on Foreign Affairs.

By Mr. PATTEN:

H. J. Res. 577. Joint resolution proposing an amendment to the Constitution of the United States relating to the procedure for amending the Constitution; to the Committee on the Judiciary.

By Mr. BATTLE:

H. J. Res. 578. Joint resolution proposing an amendment to the Constitution of the United States relating to the procedure for amending the Constitution; to the Committee on the Judiciary.

By Mr. SMITH of Mississippi:

H. J. Res. 579. Joint resolution to establish a Special Highways Committee to make recommendations with respect to transcontinental and midcontinental highways; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ALLEN of California:

H. R. 10137. A bill for the relief of Oy Wan Leung, also known as Margarita Oy Wan Chan; to the Committee on the Judiciary.

By Mr. BLATNIK:

H. R. 10138. A bill for the relief of Nicos Nicholas Mouratides; to the Committee on the Judiciary.

By Mr. FEIGHAN:

H. R. 10139. A bill for the relief of Otto Kari Rumpf; to the Committee on the Judiciary.

By Mr. HERLONG:

H. R. 10140. A bill for the relief of Finn Bache; to the Committee on the Judiciary.

By Mr. KING of California:

H. R. 10141. A bill for the relief of Mrs. Maria Carmen Cueto; to the Committee on the Judiciary.

By Mr. MILLER of New York:

H. R. 10142. A bill for the relief of Umberto Randaccio; to the Committee on the Judiciary.

By Mr. NICHOLSON:

H. R. 10143. A bill for the relief of Miss Toshiko Hozaka and her child, Roger; to the Committee on the Judiciary.

By Mr. O'BRIEN of New York:

H. R. 10144. A bill for the relief of Dr. Piero Gasparri; to the Committee on the Judiciary.

By Mr. O'NEILL:

H. R. 10145. A bill for the relief of Cherine Khalil Matta; to the Committee on the Judiciary.

By Mr. SIEMINSKI:

H. R. 10146. A bill for the relief of Stanislaw Siembieda; to the Committee on the Judiciary.

By Mr. TOLLEFSON:

H. R. 10147. A bill for the relief of Rudolf Fritz Liermann; to the Committee on the Judiciary.

By Mr. WESTLAND:

H. R. 10148. A bill to reinstate the soldiers' additional homestead application of the Yakutat & Southern Railway for certain public lands in Yakutat, Alaska; to the Committee on Interior and Insular Affairs.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1125. By the SPEAKER: Petition of Mrs. Lillie Patterson, Ladies of the Grand Army of the Republic, Department of Pennsylvania, Carnegie, Pa., recommending incorporation of the national laws of the Ladies of the Grand Army of the Republic; to the Committee on the Judiciary.

1126. Also, petition of the president, Knox County Labor Council, Mount Vernon, Ohio, relative to being in support of immediate action on the Forand-Douglas bills, H. R. 9430 and S. 3553, relating to Federal unemployment compensation standards; to the Committee on Ways and Means.

EXTENSIONS OF REMARKS

They Are Our Sons

EXTENSION OF REMARKS
OF
HON. LEO W. O'BRIEN
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Friday, July 30, 1954

Mr. O'BRIEN of New York. Mr. Speaker, on Wednesday of this week, at Fort Dix, a noncommissioned officer was acquitted by a court martial board of charges that he kept 225 recruits at punishment attention for 1 hour in 92° heat. Earlier, his immediate superior, a lieutenant, was cleared of "dereliction of duty" charges.

That sergeant, it seems, was "acting on orders of his superior," but his superior testified he knew nothing about the formation until the sergeant told him about it the next day. Perhaps the recruits gave the orders for their own ordeal by sun fire.

It is not my right to pass judgment in this case, but someone must have been responsible for the fact that 225 recruits were subjected to this treatment and for the fact that those who fainted under the harsh sun were doused with water and put back into line for more of the same.

I would not bring this matter to the attention of the House, Mr. Speaker, were it not for a shocking happening a year ago involving the son of a friend of mine. That young man had asked to be relieved from a desk assignment for more active duty. He was sent to an eastern Army camp and, as part of his basic training, he participated in a drill which took place in extreme heat. The young man, according to a witness, fainted. He was placed under a tree, revived, and then ordered back into the drill. He collapsed again and died that night. He was a strapping young man, apparently in good physical condition.

I sought permission from the bereaved father to bring the matter to the attention of Congress. He sadly remarked that it would not restore his only son, and I dropped the idea of relating the happening to you.

After what has happened at Fort Dix, however, I cannot, in conscience, remain silent. I believe a subcommittee of the House Committee on Armed Services should investigate this latest episode and, if the facts there warrant, inquire into whether other recruits, taken from American homes to serve their country, are being trained or bedeviled.

I realize that most of the officers and noncommissioned officers of our armed services are fine, intelligent gentlemen, but we should make very sure that there is a tight curb on the sadistic and unfit.

I do not suggest that we transform our training camps into country clubs or that we avoid training methods rigid enough to turn out capable soldiers. I do suggest, however, that we treat our young men as human beings and that we bring them along in their training at least as sanely as the coach of a football team develops his players.

During recent weeks, we have passed several bills designed to spur reenlistments in our armed services. We have voted larger bonuses and improved housing. Are we to destroy these incentives by permitting the impression to go out that the soldier is fair game for superiors without judgment or human feeling? Mr. Speaker, these are our sons.

A Statue of Liberty for France

EXTENSION OF REMARKS
OF
HON. ALBERT P. MORANO
OF CONNECTICUT
IN THE HOUSE OF REPRESENTATIVES
Friday, July 30, 1954

Mr. MORANO. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following statement:

STATEMENT BY THE HONORABLE ALBERT P. MORANO

Congressman ALBERT P. MORANO, Republican of Connecticut, a member of the Committee on Foreign Affairs, today urged Congress to authorize a gift of a Statue of Liberty to France just as that nation gave the United States its famous monument which has become the symbol of freedom in New York harbor.

"At this crucial time in France's history," Representative MORANO said, "it would be a fine and worthy gesture and a reaffirmation of our historical friendship with France."

The suggestion is embodied in a joint resolution submitted in the House today by Mr. MORANO. It calls upon Congress and the President to authorize funds for the "erection and maintenance of a Statue of Liberty in such location in France as may be agreed to by the government of France."

The resolution points out that the Statue at Bedloe's Island, N. Y., "stands as a beacon of freedom, giving inspiration to our own people and to all peoples yearning for freedom" and that a gift of a similar statue to France by the United States "would reaffirm to the people of France the confidence of the peole of the United States in their defense of liberty and would create a symbol to the peoples of the entire world of the determination of France to maintain its position in the vanguard of those nations dedicated to the cause of freedom."

The Statue of Liberty, nicknamed "The Lady With the Torch," completed on May 21, 1884, was formally presented on July 4 that year to mark the impending 100th anniversary of the Declaration of Independence.

"Since that time," Mr. MORANO said, "millions of immigrants 'yearning to breathe free,' as the inscription on the monument says, have thrilled to see this majestic statue looming out of the mist as their ships entered New York harbor.

"It is a great and lasting monument to Franco-American friendship as well as one of the eternal symbols of freedom not only to Americans, but to all humanity."

He added that today, with France's world position delicate and her internal situation difficult, the United States can demonstrate its gratitude and friendship by a reciprocal gesture.

"A symbol of this kind might help rekindle that great French spirit which Americans have respected and admired through the centuries," he asserted, "the spirit of the revolutionists who battered down the gates of the Bastille and paved the way for eventual democracy, the spirit of the Battle of the Marne and Dien Bien Phu."

The Price-Support Program

EXTENSION OF REMARKS
OF
HON. D. R. (BILLY) MATTHEWS
OF FLORIDA
IN THE HOUSE OF REPRESENTATIVES
Friday, July 30, 1954

Mr. MATTHEWS. Mr. Speaker, along with many other Members of the Congress who represent a farm area, I have insisted that the price-support program has no appreciable effect on the prices that the consumer pays at the market for the farm commodities supported. In further evidence of my position I would like to talk about some information that I read in the Washington Post and Times Herald in its issue of Friday, July 30. This very interesting report tells of the investigation of the Federal Trade Commission concerning the increase in coffee prices from 91 cents to anywhere from $1.18 to $1.32 a pound between December and April. During the same period the price of green coffee went from 58 to 96½ cents per pound. The Federal Trade Commission found out that contrary to widespread industry explanations of a shortage, last July's Brazilian frost had no significant effect upon the 1953–1954 crop. And although Brazil's 1954–1955 production will be down 8 percent, the overall world output will be slightly larger. The Commission found that five great roasters of coffee in this country grabbed up coffee so quickly after last July they translated the expectations of shorter supplies and higher prices into an immediate market shortage. The report continues, a small group of Brazilian speculators started buying up coffee-crop futures on the New York Coffee and Sugar Exchange on December 1, one day before the Brazilian Government announced a big boost in its loan to coffee farmers.

The Brazilians and two succeeding small groups bought in when coffee was 58 cents a pound and kept their corner until January 13 when the price had risen to 72½ cents. It should be emphasized here that they were quickly joined by United States speculative interests. Now the Federal Trade Commission indicated, according to this most interesting article, that there was little excuse

for restaurants to raise coffee prices during the recent boost in retail wholesale prices. The FTC in its report noted that the cost of the coffee in the 5-ounce restaurant cup is only 2 cents when the coffee costs $1 a pound, and only 2.8 cents when the coffee cost $1.48 a pound. The price of coffee in restaurants should not have gone up more than 1 cent a cup at the most. However, restaurants generally raised prices from 5 cents up to 10 cents per cup, demanding a 100 percent extra profit, and a considerable number of restaurants, according to the Federal Trade Commission, increased prices from 10 cents to 15 cents, 20 cents or even 25 cents a cup. They were not content with making a 100 percent profit, but they even demanded more. Now I point out with all of the emphasis with which I am capable that this is just another indication that one reason we have high prices in the market place, and the chief reason, is because of speculative interests and the profits of the middleman, some of which are proper but some of which are exorbitant, and these high prices are not due to the support program that has meant so much to American agriculture. The Federal Trade Commission recommended that extensive hearings with United States coffee interests be held and then that corrective measures be recommended to Congress for enactment into law. Mr. Speaker, I, along with other Congressmen who are interested in the desperate plight of American agriculture, have consistently maintained that we cannot expect the farmer to go it alone in an economy where so many segments are protected. As for the proof of this point of view, I want to point out another interesting article in the July 30 issue of the Washington Post and Times Herald which is headed "PUC Allows Increase in Phone Rates."

The article goes on to say that the Chesapeake & Potomac Telephone Co. yesterday was given permission by the District Public Utilities Commission to raise its rates high enough to bring in an additional $1,625,000. Under yesterday's order telephone company investors who now receive 5.3 percent on their investments will receive a return of 6.2 percent, judged fair and reasonable by the Public Utilities Commission of the District.

Every farmer in the Eighth Congressional District of Florida would whoop and holler if he could be guaranteed a 6.2 percent profit on his crops. We realize that such a guaranty on all of his crops is perhaps impractical, and yet I maintain that the support program with its fixed supports is at least a partial attempt to give the farmer the justice that he deserves in the complex economy of American society. I do not maintain that any segment of our economy should be denied fair consideration and reasonable profit, but I do maintain that the farmer must not be left by the roadside. He certainly cannot exist in our highly competitive economy unless our Government grants to him the same sense of fair play and consideration that it grants to other areas of the economy.

Actions Needed To Deal With Textile Problems

EXTENSION OF REMARKS
OF

HON. CHARLES B. DEANE
OF NORTH CAROLINA
IN THE HOUSE OF REPRESENTATIVES

Friday, July 30, 1954

Mr. DEANE. Mr. Speaker, on July 29, I presented a study appearing on page 12571 of the CONGRESSIONAL RECORD, that I had made of trends in the textile industry. It showed the basic importance of the industry to the people of this Nation and of the textile-producing States. It traced the trends of employment in the several branches of the textile industry which appear to indicate that on the whole we cannot expect much increase in the total number of people working in textiles. Obviously, however, some of the newer branches of the industry will continue to expand, and we should expect some increase of employment in newer textile centers. This means, however, that continuous efforts must be made to preserve employment opportunities in the older textile centers. I am referring here to the older textile-manufacturing centers in the cotton-producing States, as well as to the problems which have been faced for many years by northern mill towns.

Although my study fairly bristled with figures from the census of manufactures and the annual survey of manufactures, I had to point out that there has been no complete census of manufactures of establishments since 1947. The basic law governing the operations of the Bureau of the Census calls for censuses of manufactures to be taken every 5 years. The failure to appropriate funds for the taking of a census of manufactures means, however, that we can only guess what has happened to textile employment in the various branches of the textile industry within the individual States since 1947.

Today, I want to talk more particularly about the problems of the textile industry and what can be done about them. We must have more adequate information than we have today about textiles and we shall continue to need studies of the textile industry. However, we need more action as a result of our studies than we have had in the past. Too often in the past people have started studies of the textile industry when the country was in the grip of a recession but have done nothing about it after the study was completed. During the recession of 1949, for example, the Council of Economic Advisers caused a study to be made of employment trends in New England and the Joint Committee on the Economic Report made an excellent study of textiles which it selected as one of five distressed industries to be studied at that time. I have been unable to determine, however, that any major actions resulted from these studies which could not be completed until the business recovery was well underway.

PROBLEMS OF THE TEXTILE INDUSTRY

The textile industry suffers from two chronic problems. People outside of the textile industry tend to forget this fact when business is generally booming. However, the textile industry suffers both from wide swings of production and from the failure of mills that may leave stranded communities behind them.

Make no mistake about it, there was a depression in the textile industry in the second half of 1953. We hope that this particular downswing touched bottom during the first quarter of 1954, but the textile industry has not yet recovered. The United States Bureau of Labor Statistics has indicated that there were about 39,700 less textile workers employed in the Southeastern States this year than there were a year ago. If we go back to the last extremely prosperous period that the textile industry experienced, we find that employment for the country as a whole decreased from a peak of 1,365,000 in February 1951 to 1,075,000 in April 1954. The most serious decline has been in the wool and worsted industry. In that industry the Federal Reserve Board index of production declined from 97 in the first quarter of 1951 to 59 in the first quarter of 1954. The Federal Reserve Board's indexes of production are based on average production in 1947-49. Production in the first quarter of 1954 was therefore only 59 percent as large as it had been in the 3 years 1947-49. The Federal Reserve Board index for the production of cotton and synthetic fabrics averaged 127 percent of the 1947-49 average during the first 3 months of 1951 and 99 percent in 1954. Considering the production of textile-mill products generally, the Federal Reserve Board's seasonally adjusted production index declined from 117 in the first quarter of 1951 to 90 in the first quarter of 1954, a drop of almost one-fourth.

THE NEED FOR INFORMATION ON INVENTORIES

These wide ups and downs in the production of textiles occur so frequently that business writers talk about the "2-year textile cycles." They mean that on the average a boom one year tends to be followed by a year of bad business or depression, and that this in turn is followed by another good year. The so-called textile cycle does not in fact happen quite as regularly as this, but as the workers and businessmen in every textile town know, textiles has been a feast-or-famine industry and the years of alternating good and bad business have put terrific stress on family budgets and business profits.

These cycles are usually explained as being due to changes in business inventories, inventories of clothing hanging on the racks of department stores, inventories of finished cloth in the hands of garment manufacturers and of converters, inventories of yarn and cloth in the process of being manufactured in mills and finishing plants, and inventories of raw materials. I understand that the total of all of these inventories is believed to amount normally to about a 6 months' supply of textile fabrics.

Businessmen, however, do not keep their inventories to any particular figure. When they expect prices to rise, they expand their inventories. In such periods, therefore, manufacturers have to expand production not only to supply consumers with finished garments and other textile products but also to meet the inventory requirements of other businessmen. On the other hand, when business gets bad and prices begin to fall, businessmen cancel their orders and supply part of their customers' needs from existing inventories. Thus, while normal inventories may average something like a 6 months' supply, it is believed that inventories at some times may amount to as much as 8 months' supply and may at other times be drawn down to no more than a 4 months' supply.

When inventories begin to pile up businessmen become nervous and tend to start working their inventories off. When inventories begin to reach bottom business picks up. This, of course, makes for a big swing in production.

This is the sort of thing that people are talking about when they say we have been going through an "inventory cycle" or an "inventory readjustment." Yet in spite of the importance which everyone attaches to changes in inventories as a cause of changes in employment in the textile industry, our information on inventories is shockingly inadequate. I use the term "shockingly" intentionally because some of the people who would need to report their own inventories if we were to have really good inventory information in the textile industry feel that they can make more money by speculating on the wide swings which occur in textile production.

However, in my opinion the distress caused when people are laid off in textile mills is far too great to permit this kind of situation to continue. If inventories are as important to the textile industry as its leaders say they are, the industry should start collecting complete data on inventories as a first step toward reducing the wide swings which have plagued this industry.

STRANDED COMMUNITIES AROUND CLOSED MILLS

There is no more tragic sight than a stranded industrial community. The failure of a textile mill is very likely to create such a community because textile mills are often located in what are essentially one-industry towns. It is much more serious when a large manufacturing establishment fails in a community of that sort than it is when a business fails in some large city where the workers may find employment with some other firm and where the businessmen have customers who are employed in a wide variety of industries.

The problem of stranded mill communities is in many respects a more serious problem than the problem of alternating years of high and low textile production, because when a mill closes down the effects of the closing are likely to be felt by the community for many years. However, the two problems are so closely interconnected that it may be dangerous to try to say that one is more serious than the other.

For example: One of the very real difficulties those of us who are vitally interested in the textile industry experience has been the problem of keeping attention focused for a long enough period of time on textile problems. In every period of nationwide unemployment the distressed textile communities show up as an especially serious part of the overall picture and attention is drawn to the problems of the textile industry. However, just about the time that the resulting study gets underway, the production of textiles begins to pick up. People who don't know textiles tend to forget that things need to be done about textiles. We therefore have had many studies but not enough action.

The failure of individual mills occurs for a wide variety of reasons. Feast-or-famine profits make wise financial planning difficult. Competition in the textile industry is more severe than it is in most other manufacturing industries in the United States. In some instances there has been an inbreeding of management and the second and third generations have often been less efficient managers than those who founded the business.

However, in almost any industry the essence of business survival is more or less continuous modernization of plant and equipment, adaptation of products to changing markets and the attraction of new blood to the management. The severe downswings of profits that occur so frequently in the textile industry make it most difficult for a mill that has dropped to the margin to find capital for new equipment and the meagerness of average profits in the industry has tempted people to coast along until they are really compelled to spend money.

Furthermore, the severity of competition, especially in periods of poor business, led among other things to second shift and third shift operations. The overhead cost for machinery and equipment is lower when it is used on a 3 shift basis than when it is used on a 2 shift basis. However, when the industry adds a third shift, it has about the same effect on machine capacity that would be experienced if a lot of new mills were built. It is a matter of record that the textile industry has continued to suffer from "overcapacity" in spite of the fact that many mills have been closed and that much obsolete equipment has been junked. The following table indicates, for example, that with a diminishing number of cotton spindles that the cotton mills did as many spindle hours of work in 1937 as they had done in 1923:

Year	Spindles (millions)		Spindle hours (billions)
	In place	Active	
1923	36.3	34.6	101.9
1927	24.4	32.5	102.6
1937	25.4	24.2	101.2

Source: U. S. Bureau of Labor Statistics. Wages in Cotton-Goods Manufacturing, 1939, pp. 20-26.

OLDER MILL COMMUNITIES

A great many people have assumed that the problem of stranded mill communities was peculiarly a problem of northern textiles States. This may have been true in the 1920's and the problems of survival may still be more difficult for mills in the North than for mills in the South. However, there is increasing evidence that southern mill communities are beginning to feel the full force of the swings that occur in the production of cotton and rayon goods.

The following figures from the Bureau of the Census indicate that the South now has seven-eighths of the cotton spindles in the country:

In the South:	*Percent*
1929	55.0
1939	73.0
1949	78.0
1953	82.8

As you know, cotton and rayon-staple fiber are both woven on cotton spindles.

Many of the older mill communities in the South where the textile industry spread out from 1870 to the turn of the century are beginning to show the effects of being "old" mill towns. They have 2- and 3-story factory buildings. Some of them have relatively poor locations for parking and road transport. Some of the mills are operated by second- and third-generation owners and plant managers.

On the other side of the picture we find many of the new mills being built in farming and timber areas, far from existing sources of labor supply. But in such areas a new plant can spread out and reserve ample space for growth. If it hauls its materials over the roads, it has more freedom of location than does a plant that is dependent upon essential rail connections.

While I think it must be realized that many of the older industrial centers in the South face a serious problem of holding their manufacturing employment, I think one can note many encouraging things. Generally speaking, there has not been a major problem with respect to differences in textile wages among the cotton-growing States. The older centers in this respect can hold their own with the newer mill communities which are developing and no State should mistakenly try to advertise that it has lower wages than neighboring States. Industries that are attracted by small wage differentials are very likely to prove fly-by-night affairs.

In this connection, I noticed a report the other day in a North Carolina paper which said that North Carolina has lower wages in manufacturing industries than any other State in the Nation. The full story was not published and I therefore have not had an opportunity to check all of the facts behind this statement. However, I think the article may have given the impression that, industry by industry, wages are lower in North Carolina than they are in other States. I think this is not true. I imagine there is very little difference between wages paid in a cotton-cloth mill in North Carolina and one in South Carolina, and similarly that there is comparatively little difference between wages in the spinning room of a cloth mill and wages in the yarn industry. However, weavers have always been paid more than spinners in the cotton industry. For this reason alone, since there are no weavers in a yarn mill, the yarn branch of the

industry will average lower weekly earnings than cloth mills. And, since North Carolina has proportionately more yarn mills than South Carolina, average weekly earnings in North Carolina for all workers in the cotton textile industry would be lower than wages in South Carolina, even if every weaver and every spinner got the same wages in both States. Actually, in May 1954, average hourly earnings in all manufacturing industries, according to the Bureau of Labor Statistics, were the same in North and South Carolina and Georgia.

One of the most hopeful changes that has come to the textile industry is that we appear to have increased three-shift operation so much that we may not be able to go much farther in this direction. For example, if a mill operated three 40-hour shifts for 50 weeks, it might average 6,000 spindle-hours a year. As is indicated by the following figures from the Bureau of the Census, we are now approaching this kind of a situation:

	Hours per active spindle
1929	3,285
1937	3,962
1948	5,424
1953	5,904

Thus, while the removal of spindles from New England during the twenties gave no immediate relief from excess capacity in the industry, because of increased two-shift operation of equipment in other parts of the country, we may now have reached the point where the scrapping of antiquated equipment will rather quickly restore a balanced capacity for the industry.

WHAT CAN BE DONE?

The older manufacturing centers of a textile State have certain advantages as well as certain disadvantages in comparison with new areas in the same State. A plant moving into a new area has an opportunity to spread out on relatively cheap land. On the other hand it is likely to have to pull together a labor force from distant towns, and may even have to pay more than average wages in order to attract an adequate labor force. Actually, many of the older mill centers in the South have enough nearby vacant land to permit a firm to build a new mill on its outskirts rather than to move to a location 40 or 50 miles away.

However, if the older industrial centers are going to retain their manufacturing employment in any part of the United States, they will have to keep on their toes. This places a responsibility on the local community and local businessmen and also upon the States. Many such towns throughout the United States are setting up communitywide committees to bring in new industries. However, in some parts of the country such efforts are resisted by industries which are already established because they fear that a new industry may bid up the price of labor.

The essential function of the local community is to analyze its real advantages. The location of new plants is now studied sufficiently carefully so that attracting a new industry involves much more than just talking up the town. People will want to know, among other things, where land for factories will be available, how much it will cost, what kind of water supply and transportation facilities are available, and how adequate the labor supply may be.

I suspect that one of the difficulties of some of the older industrial centers is that they have not studied carefully enough what real advantages they may have to offer. In this business of analyzing local community advantages it is also necessary to insure aggressive leadership from those State agencies that are engaged in fostering industrial development. A State that does not offer such leadership to its communities would soon find that it was losing out to other States that pursued new industries more energetically.

The Federal Government can do something to help development efforts of this sort, but by and large the promotion of industrial development is a local and State responsibility. Unless such work is pushed vigorously at the local level it will not be done.

The need for new industry was developed a few days ago by Dr. S. H. Hobbs, Jr., of the University of North Carolina, addressing North Carolina editorial writers at their fifth annual conference at Chapel Hill, N. C. One of the two major themes of the conference was a discussion of ways and means of lifting North Carolina from its status as the 45th State in per capita income. Dr. Hobbs emphasized the importance of preserving the income the State now has and of developing new sources of wealth.

However, in tackling the problems of the textile industry, primary responsibility rests upon the industry, the management of the individual textile-mill companies, and the workers in the industry. I have already pointed out the importance of having the industry as a whole assume responsibility for the collection of adequate statistical information on inventories, for example. Under the conditions of competition which prevail in the textile industry, workers must be prepared to see that labor costs in their plant are kept fully competitive. This does not mean that they should work for low wages, but it does mean that they must cooperate with management in the development of efficient production. On a whole, the record of the textile workers in this respect is one of which they may rightfully be proud. American labor has been far more progressive than certain other countries, but there is always some question in the older manufacturing centers about keeping working rules and practices flexible enough so that they will adapt to newer methods of production, while caring for the workers' legitimate desire to be protected against undue speedup.

The major responsibility, however, for the maintenance of efficiency rests on individual company and plant managers. Only through the efforts of management can the individual enterprise be kept abreast of the times and only through efforts to keep abreast of the times can it hope to survive.

In this connection the problem of giant corporations raises certain new problems. The textile industry used to be one that consisted for the most part of locally owned companies operating 1 or 2 mills. During the past 20 years there has been a continued tendency toward concentration and we have even seen instances recently in which one corporation acquired another which already operated 5 or 6 mills.

Large and small mill companies each have their own advantages. The large company, for example, has an opportunity to do pioneer research work in the development of new combinations of fiber that may definitely enlarge the total market for textiles. Efforts of this sort by American companies were recently described to the International Congress of Man-Made Textiles which was held in Paris, and the account has been published in North Carolina.

On the other hand, the smaller mill companies may have the opportunity to attain a degree of efficiency in their owner-operated plants that can never be attained by a giant corporation which operates through hired managers. Bureaucy is a dangerous disease in big business just as it may be in Government. The small company may have precisely the same sort of advantages that one finds in the Government of a town or city run by a locally alert mayor and city council.

It is important to discover what advantages the one-mill company may have. It is possible that one of the disadvantages of small companies is that they cannot individually afford the kinds of engineering or marketing surveys which might enable them to determine just what their advantages are and how they can compete more efficiently.

I think that all of us are very much concerned after our recent experience of depression in the textile industry with the question of what the influence of the very large corporation may be on textile communities. Will the large corporation assume the same sort of responsibility for the well-being of the community in which it is operating as did the old one-mill company? There have been some unfortunate instances of companies in industries related to the textile industry which have scrapped their obsolete plants and moved to a totally new community, leaving many of their workers stranded. It is hard to see any reason why a textile company should follow a policy of "mining out" an old plant and then moving to a new mill location. But, it requires a greater sense of responsibility to keep a plant alive decade after decade than it does once in a long while to draw up a plan for a brand new mill in a brand new area. There are also serious questions that need to be asked about the relationship between the development of giant companies and the continuation of the old textile cycle with its wide swings of production. I have had a sense that the problems of the textile industry have been accentuated when giant textile companies have gotten into trouble. When one such company is forced to sell its inventories almost regardless of price, it may break the entire market.

I do not doubt that large companies in the textile industry are here to stay.

Textiles are becoming big business but with their bigness goes greater responsibility, and one of the first responsibilities is to take all possible measures to avoid wide up and down changes in textile production and employment.

You will note that I have talked comparatively little about things that the Federal Government should do. Primarily the problems of the textile industry are the responsibility of the textile companies, the textile workers and the textile communities. They can and must cooperate with each other. They can be assisted by State and Federal governments.

I have thought myself that one of the major forms of assistance that the Federal Government has given to the textile industry has been through the establishment of minimum wages which prevent cutthroat competition at the expense of labor and through the development of unemployment compensation. There should certainly be further study to determine whether our present unemployment-compensation system is adequate to meet conditions which are created when a business fails in a one-industry town. It may be that in situations of that sort provisions should be made for an extension of benefit periods and for various devices to assist in the retraining and relocation of workers.

There is surely room for a study of the competitive effect which experience rating has had on tax rates for unemployment compensation. The philosophy of experience rating does not appear to be particularly well related to the needs of the textile industry, because the textile cycle is something which cannot be controlled by the individual manufacturer. If the marginal textile mill has to pay the highest tax for unemployment compensation it will become just that much harder to keep such a company afloat.

I am also concerned that textile-mill communities in North Carolina and other States which are suffering from high unemployment rates shall continue to receive special consideration in the awarding of Federal contracts. I think there has perhaps been too much of a tendency to think that only New England textile communities require such consideration but the Federal Government should be concerned about textile communities wherever there is unemployment.

Schedule of Dates for Conferences and Visits With Constituents

EXTENSION OF REMARKS
OF
HON. WILLIAM M. McCULLOCH
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Friday, July 30, 1954

Mr. McCULLOCH. Mr. Speaker, I believe that a Congressman should be in his district to confer and visit with his constituents whenever possible.

When Congress adjourns this summer, I expect to return home and to be available for conferences and visits with residents of the Fourth District in the courthouse of each county seat between 9 a. m. to 4 p. m., in accordance with the following schedule:

Eaton, Preble County: Tuesday, August 24.

Celina, Mercer County: Wednesday, August 25.

Wapakoneta, Auglaize County: Thursday, August 26.

Sidney, Shelby County: Friday, August 27.

Lima, Allen County: Monday and Tuesday, August 30 and 31.

Greenville, Darke County: Wednesday, September 1.

Troy, Miami County: Thursday, September 2.

No appointments will be necessary. Any problem with, or opinion concerning, the Federal Government will be proper subject for conference.

Of course, I will be glad to see residents of the district, in my Piqua office, any time that the Congress is not in session, except on the days scheduled above.

Park Service Appropriations, 1945–55

EXTENSION OF REMARKS
OF
HON. BEN F. JENSEN
OF IOWA
IN THE HOUSE OF REPRESENTATIVES
Friday, July 30, 1954

Mr. JENSEN. Mr. Speaker, much unwarranted criticism and erroneous information has been given the people about the appropriation for the national parks, hence I ask unanimous consent to insert the following facts and figures in the RECORD.

You will note that Congress appropriated this year more than 6½ times the amount appropriated in fiscal year 1945.

The national park request for funds for fiscal year 1955 was reduced below fiscal year 1954 a less percent than most any other agency of Government.

Park Service appropriations, 1945–55

Year	Management and protection	Maintenance and rehabilitation	Construction	General administrative expenses	Total
1945	$2,405,020	$1,679,065	----------	$729,505	$4,813,610
1946	2,767,835	1,804,105	----------	962,340	5,534,280
1947	4,863,752	5,825,078	$13,911,421	1,496,155	26,096,406
1948	4,468,405	3,464,900	1,375,000	1,338,750	10,647,055
1949	5,187,974	4,816,325	2,629,150	1,461,800	14,095,249
1950	7,437,432	7,000,000	14,595,813	1,164,190	30,197,435
1951	7,643,700	7,350,000	17,687,500	1,294,500	33,975,700
1952	8,175,000	7,448,790	11,370,000	1,254,774	28,248,564
1953	8,786,550	8,003,370	15,030,410	1,342,000	33,162,330
1954	8,869,550	8,300,000	15,416,300	1,268,000	33,853,850
1955	9,098,390	8,425,000	13,618,200	1,084,000	32,225,590

Appropriations for "Management and protection" of the national parks and monuments have been steadily increased from approximately $2,500,000 in 1945 to approximately $9 million in 1954.

Appropriations for "Maintenance and rehabilitation" of physical facilities have steadily increased from approximately $1,700,000 in 1945 to approximately $8,400,000 in 1954.

Appropriations for construction of new roads, trails, parkways, buildings and utilities varied in magnitude from $1,300,000 to $17 million between 1947 and 1954. Variations in this appropriation are caused largely by amounts provided for parkway construction outside the boundaries of the parks proper.

These figures indicate generous treatment during a period in which all possible economy has been attempted in nondefense appropriations.

The Establishment of a Commission on Old-Age and Retirement Benefits

EXTENSION OF REMARKS
OF
HON. PETER W. RODINO, JR.
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES
Friday, July 30, 1954

Mr. RODINO. Mr. Speaker, within the last few days the Newark News carried an editorial describing the departure of 50 experts on the problems of older people for an international conference on that subject in London. The editor called attention to the importance of further study of these problems because, in his words:

Constant increase in the number of aged persons throughout the Western World is a problem with which society is grappling, but for which, as a whole, it has found no definite solution.

I agree with the editor. I further suggest that our approach to these problems of older citizens has too often had much in common with Mark Twain's remark about the weather—namely, that lots of people are talking about it, but nobody is doing anything about it. I am convinced, moreover, that something can be done about it—and that we must find the answers as to how the United States, as the richest and most powerful of nations, deals with the economic status of those who can no longer work because of advancing years.

For this reason I introduced a bill, H. R. 3313, on February 19, 1953, which would establish a bipartisan Commission on Old-age and Retirement Benefits. This Commission would be made up of 12 members, from public and private life, appointed by the President, the President of the Senate, and the Speaker of the House. Necessary compensation and travel allowances would be provided together with the services of a competent staff. Its duty would be to investigate the role of retirement benefits and annuities in providing income for our senior citizens. For myself, I am convinced that such an investigation would confirm such scattered studies as have already been made, by showing that for most people aged 65 and over—or even

for many aged 55 and over—their income is far from adequate.

Mr. Speaker, one major reason for such a study grows out of an anomaly of our time. The marvels of medical science have made it possible for more people to survive the dangers of childhood diseases. The conquest of other dread diseases of the past, such as pneumonia, has further reduced mortality. We are very proud of the fact that the average life span in this country has increased by about 20 years since 1900. But too often we have failed, in any realistic or positive way, to accept the accompanying results of the medical miracles which are making it possible for more of us to live longer.

Here, then, are some of these facts. The 1950 census showed that slightly more than 8 percent of the total population of the United States were 65 years of age or over. This was twice the proportion of older people at the beginning of the century. One of every eight persons of voting age is now 65 or older. Equally significant is the increasing proportion of persons in middle age. In 1900, 1 person in 7 was 45 to 64 years of age. Today the ratio is 1 in 5. Furthermore, older people are increasing faster in proportion than any other age-group above 10 years of age. Between 1940 and 1950, the number of older people increased 37 percent, while the total population increased by less than half that proportion—or by 15 percent.

Moreover, the economic problems faced by our senior citizens have been greatly increased because within a few decades we have changed from a predominantly agricultural country to a predominantly industrialized urban society. In 1950, almost two-thirds—or 64 percent—of our people over 65 were living in cities or towns. It follows that they need more money income in the city than did the grandparents of previous generations who could remain on the farm as a happy and useful member of the family.

Now, how positively have we accepted these results of the development of our scientific skills and the growth of our industrial capacity? Too often, I am afraid, we have preferred to act as if no problems exist, to hope vaguely that they may disappear, or to push them into the corner whenever they are presented. Not long ago one student of the subject remarked bitterly that there was at least one simple solution. If we stopped all medical research and went back to the practice of medicine as it was carried on before sulfa, penicillin, streptomycin and other medical advances were known, he pointed out, the problem would solve itself. Life expectancy would soon drop back to its former level. I use this extreme example, because, to my mind, it points up the tendency of our times to reject any real understanding of the sharp reduction of income and the experience of rejection which too many old people suffer today.

As I have said, such facts as we have suggest that a basic cause of the problems faced by our senior citizens is lack of adequate income. In 1950, 43 percent of the families headed by a person 65 years of age or over had a cash income of less than $1,500. Thirty percent had under $1,000. Nearly 40 percent had less than $500.

Field surveys of the circumstances of persons receiving old-age and survivors insurance benefits have shed some light on the actual living conditions of a representative group of such beneficiaries. They reveal that most people have only small amounts of money income in addition to their insurance benefits. Their incomes are severely limited. The great majority fall into the middle range of incomes among the aged, which means that they have less than $1,000 a year to live on. Most of them cannot live on their retirement income, and are able to maintain themselves only by withdrawal from savings, supplementation from public assistance programs, aid from relatives, or temporary gainful work. To meet large medical expenses, many aged beneficiaries received assistance from relatives or drew heavily on savings. Illnesses requiring hospitalization and hospital expenses accounted for 37 percent of the cases requiring help from relatives or withdrawal of assets.

Another study of the special problems of the older members of our population, conducted by the Institute of Industrial Relations of the University of California under the sponsorship of the Rockefeller Foundation, shows similar results. Let me quote for you just a few of the conclusions drawn.

Prof. Robert Dorfman, of the University of California, summarizes his findings on the labor force status of this age group as follows:

> Older persons have insufficient incomes—in part because they do not have jobs. They are isolated, frustrated, and maladjusted—in part because they do not have jobs. * * * Nor, therefore, is it surprising that an increase in the job opportunities offered to older persons should be one of the most frequently suggested solutions to most of these problems.

Now, no one will deny that an increase of job opportunities may help to solve some individual problems. But listen to Professor Dorfman's down-to-earth conclusions as to the efficacy of this solution on an overall basis. He writes:

> The results of the survey which I am about to present add up to two conclusions, both grim and neither surprising: First, it is certainly true that older members of the population have to a substantial extent become separated from their jobs and from all that their jobs mean in terms of income, social standing, and psychological satisfaction. * * * The second conclusion is that programs for reemploying older people, although they certainly may work constructively in any individual instances, cannot be expected to do much toward relieving the whole range of problems faced by the aged. Partly this is because 40 percent of the men over 64 are already employed, so that, insofar as employment is a cure for their problems, they are taken care of already. To a larger extent this is because 77 percent of the older men who are not in the labor force feel that they are not well enough to work. * * * There is a noticeable tendency * * * for the older man to be demoted even before he stops working.

And listen to the equally forthright conclusions of another participant in this survey, Prof. Peter O. Steiner:

Dr. Dorfman—

He writes—

> has suggested one dismal conclusion: A significant increase in the labor force participation of the aged is not to be expected. I suggest another: The resources of the aged are, to a shocking degree, inadequate.

It seems clear to me, therefore, that we cannot continue to hope that we will find the solution in some easy panacea, any more than we can solve these problems by ignoring them.

Another development of our times which sometimes tends to create the illusion that the problem is solving itself is the development of private pension plans. Again, I would be the first to say that the further development of such plans is a sound approach to the problems of many individuals. But I must also point out that such private plans have at least three limitations in meeting the overall problem. First, they tend to penalize the worker if he moves from one plant to another. Second, they make it harder for older workers to find employment because of the increased pension costs for older workers. Third, they do not give adequate coverage. The first two defects cannot be eliminated without creating grave financial problems for individual employers and for the economy as a whole as well as for our senior citizens. The lack of adequate coverage is suggested by recent estimates that only about 1 of every 6 workers today is covered by such a plan.

Once again, then, we are faced with the fact that the problem is not solving itself. I am convinced we must accept retirement from the labor force as the inevitable answer for most of our old folks. I believe that until we have a complete picture of the role of retirement benefits and annuities in providing income for our senior citizens—the kind of information my bill would provide—we will not be able to find solutions in a realistic or mature way. Until that time we shall be dealing in half-truths, or wishful thinking, with regard to one of the most important problems which we face today. As Bernard Baruch, one of our most eminent oldsters has said:

> The economic problem of the aged is increasing. Down through the ages, there have been every kind of pills, theories, treatments, to avoid old age * * *. In our country and in our times, we don't need these weird ideas.

And now, lest I be accused of painting too gloomy a picture, let me speak briefly on the positive developments of recent years which will help us to find these solutions. First of all, it seems clear to me that there is a growing interest, in certain areas, in getting at the facts and studying the problems in a realistic way. I have cited the conclusions of some of the studies which have already begun to appear, covering selected groups of our population. The conference in London of the International Gerontological Congress, which I mentioned at the beginning of my remarks, is further evidence not only of the growing interest in such problems,

but also of the fact that we have men and women trained in this field who are capable of conducting such a study as I propose.

In this country this interest is becoming apparent at a community-wide and statewide level. Early this year representatives of health and welfare authorities in the 48 States were brought together in a series of regional conferences under the auspices of the National Committee on Aging of the National Social Welfare Assembly. A majority of the States have called general conferences on the subject or have conducted special studies in the field. Many individual communities and many individual citizens are demonstrating their willingness to approach these problems directly and realistically. In my own State one such individual citizen, Robert Gaede, of Ridgewood, is compiling a directory of recreational facilities for senior citizens in the entire State of New Jersey.

All of this interest and all of this ability must, I am convinced, be recognized more concretely at the Federal level—and my bill proposes to do just that in a way which will not only give us adequate working knowledge of the situation in which we find ourselves, but will also be useful in the development of the activities on the part of States, communities, and individual citizens.

I have confidence, born in my deep conviction that we have, in this country, demonstrated our ability to meet and master problems which may seem insuperable that we will find solutions. My confidence is based on our spontaneous, if sometimes slow, adjustment to the facts of life. I suggest that our high standard of living may mean other things than just more or better commodities. It may mean a lower rate of labor force participation especially among young mothers and older folks. It could mean more leisure. It may be that our existing retirement pattern is out of date as a result of the medical and industrial advances which I have mentioned. As for myself, I am convinced that the conventional retirement age of 65 years is already outmoded—as recent pension-planning procedures are already indicating. Looking back at our times from the year 2,000 it may well be that the transformations which must come will seem as spontaneous and natural as the increased urbanization and industrialization, or the growing participation of women in the labor force which has happened in our lifetime.

I want to make it clear, therefore, that my purpose in introducing my bill is to begin to put to use the science and the skill and the great ingenuity of our citizenry in meeting the problems I have outlined. I am convinced that we cannot begin to meet them until we know what they are, on a broad base. As a first long step in this direction, I urge your support for H. R. 3313 so that the Commission on old-age and retirement benefits may be set up immediately. We owe it to those senior citizens who are today facing the problems of getting enough to eat, a place to live, and the right kind of medical care. Indeed we owe it to ourselves.

The article from the Newark News follows:

STUDYING CARE OF AGED

Constant increase in the number of aged persons throughout the Western World is a problem with which society is grappling, but for which, as a whole, it has found no definite solution. That is why 50 experts in the care of old people have flown to London to attend the International Gerontological Congress. Later they will go to Norway, Sweden, and Denmark to see what progress is being made there. Then one group will visit the Netherlands, Belgium, France, and Britain. The other will go to Germany and Switzerland.

As scientists devoted to the phenomena of old age the travelers from our shores will doubtless be asked how the United States, as the richest and most powerful of nations, deals with the mental and physical status of those no longer able to work or who are denied employment because of advancing years. There should be nothing surprising in the knowledge that Federal old-age pensions and private pension systems combined are in most instances inadequate for full support. For this is a nation where, since Franklin's day, thrift has always been preached, and has been practiced by many.

The gerontologists are less concerned about normal diseases among the aged than about the degenerative ailments—cardiac and circulatory. Belgium and the Netherlands have special housing, even villages, set aside for the aged, like a few communities in Florida and southern California.

But some of our scientists think that type of segregation might be mentally injurious to many. They will find elaborate arrangements to care for the aged in the Scandinavian countries. In Germany and Switzerland a medical group will study what has recently been learned and done about the biology and chemistry of old age. In France our travelers will see what it is that keeps the aged in the younger family group. As an outcome of this trip, while there may not be unanimity of opinion, there is certain to be acquisition of knowledge that can be put to profit.

Need for Industrial Dispersal in the Age of the H-Bomb

EXTENSION OF REMARKS

OF

HON. ALEXANDER WILEY

OF WISCONSIN

IN THE SENATE OF THE UNITED STATES

Friday, July 30, 1954

Mr. WILEY. Mr. President, I send to the desk the text of a brief statement which I have prepared on the need for industrial dispersal in the atomic-hydrogen age.

I ask unanimous consent that its text be printed in the CONGRESSIONAL RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR WILEY

Last month I was pleased to note the holding here in Washington, under the auspices of the Chamber of Commerce of the United States, of a conference on industrial defense in the atomic age.

For the first time, high-level officials of the Nation's industry were brought together to learn the hard facts about the vulnerability of their own plants in this dangerous age.

Since the holding of the conference, there have been additional news reports which further underline the gravity of American defense problems.

Reports have it that the Soviet Union has been making alarming progress in the development of an intercontinental ballistics missile (IBM).

According to some experts, within 5 or 6 years or less, the Soviet Union will have the capability of firing from deep within the Soviet heartland a shower of guided missiles—with A-bomb and H-bomb warheads—aimed at the heartland of the United States.

This ghastly prospect is one to give every thinking American deep cause for reflection.

To date, there is no known defense whatsoever against the prospect of intercontinental missiles.

The possibility of such missiles causes us to reevaluate all of our defense plans, not only with respect to American factories, but with respect to American strategic bases at home and abroad.

Under these circumstances, it is more than ever important that at the very minimum there be adequate dispersal of United States industry.

When missiles start falling on our country, there will be no time to try to disperse our factories. Either the factories are dispersed at that very moment, or they will go up in smoke in the conflagration of our major cities.

Even if we were to exclude for the moment thought of the future danger of the missiles as such, we would still be faced right now with the increasing Red air armada—the TU–37 and the TU–39 bombers, capable of raining destruction down upon our country, including our overcentralized factories.

Yet, industry provides the very backbone of American military strategy. If American industry is wiped out, if the skilled workers who man it are wiped out, we cease to be a first-rate power; we cease to be a power capable of surviving in the atomic age.

I believe, therefore, that the chamber of commerce is to be congratulated for the holding of this conference.

I am glad that Director Arthur Flemming, of the Office of Defense Mobilization, held out to the conference the possibility of tax amortization benefits being granted to companies which removed their plants from H-bomb target areas.

Obviously, unless some break is provided under the Nation's tax laws, we could not possibly expect even a modest proportion of United States companies to start thinking in terms of relocation. Dispersal involves a tremendous investment of money, a tremendous amount of time, a tremendous number of man-hours. Providing a break under the tax laws is one of the means available to us to start this long, difficult, and complicated process.

The time is long overdue for us to use tax incentives in this manner.

I conclude with this thought: By preparing for the worst, we will help assure the best.

By preparing America for the worst possible contingency, we will help guarantee that this contingency will never come to pass.

But by closing our eyes, by sitting back in smug complacency, we will make more likely the dread contingencies of the future.

The time to act is now. The time to begin dispersing is now, in a calm, careful manner. The time to start thinking in terms of all the actions that would have to be taken in the event of an enemy attack on our country is now.

We must think for example in terms of modern telecommunications systems to knit together—with lightening speed—our defense and industrial forces. We must think in terms of safeguarding the lives of our civilian population. We must think in terms

of protecting the skilled workers of our industries.

The Federal Civil Defense Administration can't begin to do this job alone. It is up to every single American to think in terms of the role he personally would play, assuming the worst came to the worst. Only by every single American pitching in can we possibly meet this awesome problem.

I append now the text of the letter which President Eisenhower sent to Mr. Clem Johnston, president of the chamber of commerce, commending the defense conference, as well as the text of a writeup describing the conference as contained in the June 18, 1954, issue of Washington Report, published by the chamber of commerce.

THE WHITE HOUSE,
Washington, June 14, 1954.

Mr. CLEMENT D. JOHNSTON,
President, Chamber of Commerce of the United States, Washington, D. C.

DEAR MR. JOHNSTON: The Chamber of Commerce of the United States is performing a national service in sponsoring a businessmen's Conference on Industrial Defense in the Atomic Age.

These are days of unique peril to civilian poulations, to the security of our cities, our industries, and their peoples. This is, therefore, a subject of grave importance to all of us which you, your colleagues, and your guests will discuss during this conference in Washington. I know that you will gain much from this interchange of ideas, and that the Nation itself will be strengthened by your deliberations.

The decisions this problem requires are difficult and involve inconvenience and expense. But the program for industrial defense to be proposed to you may constitute the most valuable investment you can make toward assuring our survival as a free Nation.

Sincerely,

DWIGHT D. EISENHOWER.

FEDERAL TAX INCENTIVES PROPOSED TO SPUR INDUSTRY H-BOMB DEFENSE—FLEMMING URGES PLANTS MOVED FROM TARGET AREAS

Tax amortization benefits for companies which remove their plants from H-Bomb target areas were held out this week by a key Government official as a possibility to accelerate American industry toward more realistic defense programs.

Two hundred and fifty business and industry executives heard Director Arthur Flemming, of the Office of Defense Mobilization, cite such a plan in an address before the national chamber's conference of industrial defense in the atomic age.

The 1-day Washington, D. C., conference brought together for the first time high level officials of the Nation's industry to learn cold, serious facts from Government and business experts in defense needs and plans.

JOHNSTON OPENS EVENT

"Industrial defense," said National Chamber President Clem D. Johnston opening the conference, "is primarily industry's responsibility." The chamber, he added, felt the obligation to see that every American businessman understands the problems of industrial defense and gets the best available advice toward solutions.

Besides Mr. Flemming, other speakers were Federal Civil Defense Administrator Val Peterson, Donald A. Quarles, Assistant Secretary of Defense for Research and Development; Gen. W. S. Paul, Assistant Director of Non-Military Defense, Office of Defense Mobilization; Administrator Charles F. Honeywell of the Business and Defense Administration, and John Redmond, assistant production manager of the Koppers Co., who has made strides in its own plant defense programing.

TAX BENEFITS IDEA

Mr. Flemming noted that while tax amortization benefits have been granted for the construction of new plants which comply with dispersal standards, none has been offered companies which want to transfer from target areas existing plants making products important to defense.

"If the owners of such plants want to remove them to outlying areas," the ODM Director said, "we'll be glad to talk with them about the possibility of tax amortization certificates."

Emphasizing the importance of maintaining our mobilization base to assure instant action in event of war, Mr. Flemming also warned that the Nation could not rely upon current production alone, citing the decrease in defense output after the end of the Korean conflict.

He called for the storage of machine tools and the preservation of a hard core of technical and management personnel to keep them up to date and in plentiful supply.

Civil Defense Administrator Peterson said American industry has shown itself to be a dominant factor in winning a long war, but "it would not be too difficult to lose a short war" in this air-atomic age.

"To lose a short war, you lose enough productive people and plants—quickly enough—to demoralize the rest of the nation's defense production and destroy the nation's will to resist," Mr. Peterson declared.

Machinery can be repaired and plants rebuilt in a comparatively short time, but, the speaker said, "It may take 10 years to train a skilled industrial worker, and when you lose him—and enough like him—you have lost a war."

It is not enough to brace an employee's morale by making his factory job secure; more must be done, Mr. Peterson continued. "You've got to help him protect his wife and his children, and all the other things he works for," he added. "He's got to have evidence he can come back fighting with you, and win, in the face of any attack."

Mr. Quarles, the opening speaker, said Soviet Russia's capability to deliver an attack upon America had increased since they acquired a new jet heavy bomber.

"There is no absolute air defense system in the international chess game of technological move and countermove," the Defense Department official commented, adding:

"Our primary dependence will be on offensive power to destroy the power of the enemy, his industry and his forces in being. As a counterpart to this offensive strength we must continue to make every reasonable effort to achieve a sound air defense. • • •"

The awesomeness of the hydrogen bomb was brought home to the conference with the showing of the 1952 test explosion technicolor film, Operation Ivy.

At the afternoon session, Mr. Honeywell said his agency acknowledged that the greater part of the job of industrial defense must be done by owners and managers, and that while there must be State and national coordination, "we have an idea that a thousand good company plans are to be preferred to a single master plan superimposed by governmental authority.

"BDSA would like to see," he emphasized, "every important defense company, on a voluntary basis, prepare an overall company plan for the protection of its facilities, the continuity of its management and the continuity of its operations. Such a document would be reassuring to the employees, the stockholders, the customers and the Government."

The best defense against nuclear attack is dispersion, General Paul stated.

"We must place our new industries, our new urban growth outside of the present congested areas," he declared. "By this we do not mean we should uproot our established factories and move them out in the desert. We do recommend that new industries locate at least 10 miles from the boundary of a target zone, to obtain relative safety and still meet economic requirements."

Mr. Redmond told the conference that "effective security is a companywide job. Every employee has an interest in it because his life is at stake in the event of a catastrophe or enemy attack."

Koppers, in preparing its defense security plan, Mr. Redmond added, aimed for these objectives:

1. To safeguard facilities from enemy attack, espionage, and sabotage; 2, to insure uninterrupted operation of designated facilities vital to operations; 3, to establish physical security standards to meet security requirements of the Government for defense contracts; 4, to establish physical security standards providing adequate defense protection meeting local consideration and peculiar individual facility hazards.

Federal Aid to Beach Erosion at Last

EXTENSION OF REMARKS
OF
HON. T. MILLET HAND
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES

Friday, July 30, 1954

Mr. HAND. Mr. Speaker, so far as I am personally concerned, July 26, 1954, was a memorable day in my years of service in Congress. On that day, the House passed the omnibus rivers and harbors bill. This was the first such bill which we have had a chance to consider in 4 years due to the emergencies caused by wartime conditions.

Included in that bill were authorizations for Federal assistance to control beach erosion for three great seashore resorts in my district, Atlantic City, Ocean City, and Cape May. These were the only ones which had pursued the required cooperative studies in order to get preliminary approval of the projects from the Chief of Engineers, and the Secretary of the Army.

The bill specifically authorizes the expenditure of Federal funds in Atlantic City in the amount of $2,044,000; in Ocean City $105,000, and Cape May in the amount of $260,000.

These funds have been revised upward since the original cost estimates, and in each case, of course, they follow the basic Federal requirements which provides that the United States can contribute one-third of the cost of construction for the portion of the beaches which are publicly owned.

REIMBURSEMENT FOR WORK DONE

Of course, in the long delay which has ensued, largely as a result of the delay in considering any omnibus bill to which I have just referred, each of these cities has been obliged to go forward with the construction of groins, sand pumping, and other devices, and it is therefore of the utmost importance that the House of Representatives included in this bill section 102, which reads as follows:

The Secretary of the Army is hereby authorized to reimburse local interests for such work done by them on the beach-erosion

projects authorized in section 101, subsequent to the initiation of the cooperative studies which form the basis for the projects: *Provided*, That the work which may have been done on these projects was approved by the Chief of Engineers as being in accordance with the projects hereby adopted: *Provided further*, That such reimbursement shall be subject to appropriations applicable thereto for funds available therefor and shall not take precedence over other pending projects of higher priority for improvements.

Briefly, this provides that where the work has been done in accordance with the plan approved by the Chief of Engineers, the municipalities may be reimbursed for such works even though done prior to congressional approval.

A further explanation of this section is found in the report of the Committee on Public Works—House Report 2247—on page 5 thereof which says:

Following the listing and description of the navigation projects, there is information given for the beach-erosion projects upon which testimony has been heard and which have been reported favorably by the Corps of Engineers. In general, these beach-erosion reports are the result of cooperative studies, financed jointly and equally by the United States and the local public agency requesting the study. These beach-erosion projects are improvements for the protection of the shores of the United States and its Territories. In including these projects, the committee has followed existing law which limits Federal participation to a maximum of one-third of the cost of protecting publicly owned shores. It has also recognized the general principle that because of the emergency nature of shore protection, it is not always practicable for local interests to wait for authorization and appropriation. The committee believes it equitable, therefore, and has included in the bill, provision for reimbursement to local interests, where they have found it necessary to take immediate action in protecting shorelines and where this protection has been studied and approved by the Corps of Engineers and later authorized by Congress for Federal participation.

Wanting to be completely sure that this section applied to the cities in my district, I questioned the chairman of the committee while this bill was being debated on the floor of the House. A brief paragraph of my colloquy with Chairman DONDERO would seem to definitely clear up the point, and I quote it:

Mr. HAND. So the interpretation, as I understand it, especially after having examined your report is that any time that the Chief of Engineers approved actual work done prior to seeking an appropriation, there may be reimbursement, is what the act means; is that correct?

Mr. DONDERO. That is right. That is the way I understand it, and I believe that is correct.

TEN YEARS OF WORK

Mr. Speaker, the action of the House, which I feel sure will be followed by comparable action on the part of the Senate, is the culmination of a full 10 years' work on my part; first, to get the Federal Government to acknowledge a responsibility for the protection of our coastal areas, and second, to get them to implement it by the legislation which was passed on July 26.

I first served in the 79th Congress. At that time the gentleman from New Jersey [Mr. AUCHINCLOSS], who represents the north shore of New Jersey, wholeheartedly cooperated in sponsoring legislation wherein the Federal Government recognizes its responsibility to help. Following an actual inspection of the New Jersey coast by dirigible which many in south Jersey will remember, and following extensive hearings, the Public Works Committee recommended and the Congress passed the basic beach erosion laws, which provided that the Federal Government may contribute one-third of the construction cost of projects in proportion to the amount of publicly owned beaches. A companion law provided for a cooperative survey to be paid for 50 percent by the United States and 50 percent by local municipalities, and such surveys were undertaken. The surveys resulted in the approval and adoption of such projects by the Chief of Engineers, which approval was obtained a long time ago. However, as I have said, there was a long delay because of the emergencies caused by wartime conditions. Now, if the Senate adopts the action taken by the House, we will have concluded all but the last step in actually providing help for our seashore, that is, the actual appropriation of funds, not only for future construction but also for approved construction undertaken in the past. Of course, other seashore cities may take advantage of this law.

Mr. Speaker, I am delighted with the action recently taken by the House, which represents at least a partial culmination of many years of unremitting effort on my part. Hearings both formal and informal have been undertaken. Conferences in Washington and in the district have been innumerable, but all of this effort will have been amply repaid when these authorized projects are firmly established and appropriations become available for them.

We have plowed the long furrow and we seem to be reaching the end of it. This is of the utmost significance to the entire State, because the seashore resorts of our area, entertaining millions from all over the world, are literally a billion-dollar industry in our economy.

For the information of those who are interested in the details of the approved plans, they are appended as follows:

ATLANTIC CITY, N. J.

(H. Doc. 538, 81st Cong., 2d sess.)

Location: On Atlantic coast of New Jersey, about 45 miles northeast of Cape May which is at the southern tip of the State at the entrance to Delaware Bay. It includes nearly one-half the length of the barrier beach island known as Absecon Island.

Report authorized by: Cooperative study provisions of section 2 of the River and Harbor Act approved July 3, 1930, as amended and supplemented.

Existing project: Navigation project adopted 1922, provides for an entrance channel in Absecon Inlet 20 feet deep and 400 feet wide.

Recommended plan of improvement: Provides for (a) removal of damaged concrete wall at the city park and replacement by a steel-sheet piling wall; (b) a stone jetty extending from Brigantine Island, about 4,800 feet in length; (c) 2 new groins and stone extensions of existing groins along Maine Avenue; (d) revetment at toe of bulkhead along Maine Avenue; (e) artificial placement of sand fill to widen the ocean and inlet beaches, the amount not to exceed 1,200,000 cubic yards dredged from the east side of the channel; (f) extension of Oriental Avenue jetty; and (g) 5 new timber groins and extension of a stone groin on the ocean frontage.

Estimated costs

	Federal	Non-Federal	Total
Project document (1948)	$1,579,000	$3,159,000	$4,738,000
Current (fall 1953)	2,044,000	4,088,000	6,132,000

Local cooperation: Federal participation in the project is recommended provided that the city of Atlantic City will (a) adopt the recommended plan and pay two-thirds of the first cost of its construction; (b) submit to the Chief of Engineers for approval detailed plans and specifications for the work prior to its commencement; (c) provide all necessary lands, easements, and rights-of-way; and (d) give assurances that it will maintain the project during its useful life, hold and save the United States free from all claims for damages, prevent water pollution from sources within its jurisdiction, and continue public ownership for the shore and its administration for public use only.

Project economics

	Project document	Current
Annual charges:		
Interest and amortization	$204,075	
Maintenance (local)	380,000	
Total	584,075	$689,400
Annual benefits:		
Protective	2,000	
Beach preservation	8,439,000	
Prevention of loss of income	550,000	
Recreational	337,000	
Total	9,329,000	12,313,000
Benefit-cost ratio	16.0	17.9

Action by local interests: (a) Placed 1,250 linear feet of stone revetment along inlet frontage in 1950; (b) constructed 5 timber groins on ocean frontage in 1951; (c) completed approximately 1,560 feet of Brigantine Island jetty in 1953; and (d) reconstructed seawall at north end of New Hampshire Avenue in 1953.

Remarks: Local interests have accomplished certain work at Atlantic City since formulation of the recommended project, because of the urgent need for protection and improvement. This work forms a part of the recommended project.

OCEAN CITY, N. J.

(H. Doc. 184, 83d Cong., 1st sess.)

Location: On the Atlantic coast of New Jersey about 35 miles northeast of Cape May at the entrance to Delaware Bay. Includes the barrier beach island 8 miles long between Great Egg and Corsons Inlets.

Report authorized by: Cooperative study provisions of section 2 of the River and Harbor Act approved July 3, 1930, as amended and supplemented.

Existing project: There is no existing Federal project for shore protection in this area.

Recommended plan of improvement: Provides for (a) artificial placement of approximately 1,900,000 cubic yards of sandfill to widen the beach to a width of approximately 300 feet from the boardwalk or bulkhead to the mean high-water line, from Surf Road to 12th Street, a distance of about 9,500 feet; and (b) extension of 7 existing stone groins as deferred construction when experience indicates the need therefor.

Estimated costs

	Federal	Non-Federal	Total
Project document (October 1950)	$199,000	$1,683,000	$1,882,000
Current (fall 1953)	105,000	887,000	992,000

Local cooperation: Federal participation in the project is recommended provided that the city of Ocean City or other local authority will (a) adopt the recommended plan, undertake the initial work within 5 years of the date of authorization by Congress, and pay two-thirds of the first cost of construction applicable to publicly owned portions, and all the first costs applicable to privately owned portions of the shore; (b) submit to the Chief of Engineers for approval detailed plans and specifications for the work prior to its commencement; (c) provide all necessary lands, easements, and rights-of-way; and (d) give assurances that it will maintain the project during its useful life, hold and save the United States free from all claims for damages, prevent water pollution from sources within its jurisdiction, and continue public ownership of the shore and its administration for public use only.

Project economics

	Project document	Current
Annual charges:		
Interest and amortization	$79,490	$35,000
Maintenance (local)	62,100	62,000
Total	141,590	97,000
Annual benefits:		
Beach preservation	40,000	----------
Protective	30,000	----------
Increased land values	27,000	----------
Recreational	369,000	----------
Total	466,000	569,000

Action by local interests: Replenished beach between 14th Street and Atlantic Boulevard by placement of approximately 2,500,000 cubic yards of sand in 1952.

Remarks: Local interests have accomplished certain work at Ocean City since formulation of the recommended project, because of the urgent need for protection and improvement. This work forms a part of the recommended project.

COLD SPRING INLET (CAPE MAY HARBOR) N. J.

(H. Doc. 206, 83d Cong., 1st sess.)

Location: In Cape May County 6 miles east of Cape May Point which is the southwestern extremity of the New Jersey coastline at the entrance to Delaware Bay. Study area extends from Cold Spring Inlet to the western corporate limit on Delaware Bay of the borough of Cape May Point.

Report authorized by: The River and Harbor Act approved July 24, 1946.

Existing project: There is no existing project for protection of the shore between Cold Spring Inlet and the borough of Cape May Point. The existing navigation project for Cold Spring Inlet provides for an entrance channel 25 feet deep and 2 parallel jetties extending to the 25-foot depth in the ocean.

Recommended plan of improvement: Provides for artificial placement of approximately 832,000 cubic yards of sand to widen the beach in Cape May City to 100- to 200-foot width above mean high water, artificial placement of 300,000 cubic yards of sand on the adjoining 3,000 feet of shore to the east, construction of 5 new groins and extension of 5 existing groins, the groin construction to be deferred pending demonstration of need.

Estimated costs

	Federal	Non-Federal	Total
Project document	$237,500	$926,500	$1,164,000
Current	260,000	1,010,000	1,270,000

Local cooperation: Federal participation in the project is recommended provided that local authorities (a) adopt the recommended plan and pay two-thirds of the first cost of its construction applicable to the non-Federal publicly owned portions and all of the first costs applicable to the privately owned portions of the shore; (b) submit to the Chief of Engineers for approval detailed plans and specifications for the work prior to its commencement; (c) assure maintenance of the protective and improvement measures during their useful life; (d) provide all necessary lands, easements, and rights-of-way; (e) hold and save the United States free from all claims for damages; (f) assure prevention of water pollution from sources within their jurisdiction; and (g) assure continued public ownership of the shore and its administration for public use only.

Project economics

	Project document	Current
Annual charges:		
Interest and amortization	$48,750	$44,800
Maintenance (local)	84,250	91,000
Total	133,000	135,800
Annual benefits:		
Protective	23,000	----------
Increased land value	6,300	----------
Recreational	204,000	----------
Total	233,300	265,000
Benefit-cost ratio	1.8	2.0

Action by local interests: Constructed 2 stone groins in 1951, and extended 4 existing stone groins—2 in 1952 and 2 in 1953.

Remarks: Local interests have accomplished certain work since formulation of the recommended project, because of the urgent need for protection and improvement. This work forms a part of the recommended project.

Bernard Baruch Cites the Urgent Need for Standby Controls

EXTENSION OF REMARKS

OF

HON. PETER W. RODINO, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, July 30, 1954

Mr. RODINO. Mr. Speaker, when it comes to Federal legislation the American consumer is, as has been declared again and again, truly the "forgotten man." That is a truism. It is, indeed, self-evident. But, nonetheless, it is a fact that needs to be called to our attention over and over. When we are considering economic legislation we are almost always thinking, in one way or another, of producing-groups in our population. In considering farm price policy, we are concerned with the welfare of farmers as producers. When we are considering protective-tariff legislation we are thinking of manufacturers as producers. When we debate about changes to basic labor legislation we are thinking of workingmen as producers of goods and wealth. But at every turn the interests of the consumer appear to be, if not completely forgotten or ignored, at best put into second place.

It is not my purpose today to consider the reasons why this odd state of affairs has come to prevail. Some of the reasons are, of course, not hard to find. Consumers are not as intensively and effectively organized as are farmers, manufacturers, workers, and other producing groups of the economy. The interests of the consumer are not always readily pinpointed. They are often less subject to specific legislative action than those of producers.

This does not mean that nothing can or nothing should be done. On the contrary. There is no need to stand idly by. The resolution to which I am addressing myself, House Concurrent Resolution 47, which I introduced in the House on February 9 of last year (1953) is one small step which will, I trust, point in the right direction as to how consumer interests can be effectively safeguarded and promoted. This resolution has the purpose of establishing a joint committee on consumers to consist of 7 Members of the House of Representatives and 7 Members of the Senate.

The committee would have the duty to study and make recommendations in six major fields, and I quote from the bill:

1. Measures to safeguard consumer interests under conditions of the present national emergency, and otherwise, how they are affected by the policies and programs of the Federal Government and of a consumers' economy generally;

2. The fairness to consumers of prices, quality, and terms of sale for cost-of-living items;

3. Methods and costs of producing, processing, and distributing cost-of-living items;

4. The extent, character, and effectiveness of consumer services made available by the Federal Government; and

5. Activities of State and local governments and private groups relating to the foregoing.

At first glance, this might seem like an unusually large task for a congressional committee to undertake. Indeed if I were not convinced as to the gravity and urgency of the subject, I would be most reluctant to propose such an addition to the already overcrowded duties of the Congress. However, I wish to suggest that it is not as burdensome as might at first glance appear; furthermore, it does have an urgency in these perilous times that has thoroughly persuaded me that any postponement would be folly.

You will note that I have stressed the importance, in any study or investigation to be undertaken by the committee, of the basic cost-of-living items that represent the standard goods in the budget of the ordinary American family. I am not concerned with the luxury items that only a small minority of our people can afford. I am, however, vitally concerned with the prices and quality of the basic articles of food, clothing, and shelter which we have come to recognize as essential for a decent American standard of living. And by concentrating

on these basic needs, a congressional committee on consumers could provide a real service that would be quite within a practicable range.

I am not minimizing the achievements in providing the American consumer with what he wants that our free-enterprise economy has provided. That our people as a whole enjoy the highest standard of living of any peoples of the world is an admitted fact, not only here, but throughout the world, wherever even the most meager knowledge of the United States exists. But this fact cannot lead us to be complacent. We all know that despite the wealth of this Nation, and the economic advantages which most of our people retain, there are many thousands of our citizens who even today do not enjoy the minimum standards of food, housing, clothing, and medical care that we consider a part of the American way of life. Obviously there is no panacea to this problem. No congressional committee is going to eliminate poverty. But the Congress can take steps, however small, to see that the interests of the American people as consumers are constantly represented in the minds of the legislators and the administrators of our Federal Government.

Most of all, I want to stress the urgency for this committee to be established now, so that we may be in a better position to consider the consumer interest in case of any deterioration of world conditions. If I were asked to pick out the heart of this bill, the core of the problem which it is intended to deal with, I would point to the first area which this committee would be directed to study and investigate: Measures to safeguard consumer interests under conditions of the present national emergency, and clearly in any future emergency.

It is, unfortunately, not difficult to imagine situations arising in comparison with which our present state of uncertainty and strain would seem very blissful indeed. We know that the Soviet Union has the power to unleash atomic weapons of undescribable fury. That is a fact we cannot wish away. It is an eventuality that we must prepare ourselves for, as consumers no less than as producers.

In view of this state of world affairs, I was impressed, as I am sure all of you will be, with the views recently expressed by Bernard Baruch, to whom the term "elder statesman" has probably been applied more often than to any other living American, and who has been the adviser of Presidents, Democratic and Republican alike, from Wilson to Eisenhower.

Bernard Baruch is of the firm conviction that legislation is urgently needed now to provide for standby authority that could be instantly invoked in case of enemy attack. In forceful language he predicts:

> The next war is likely to explode all in a big smash. Cities may be all but obliterated. Who knows where Congress will be? If this standby legislation is not enacted, and the day of the big smash comes, there will not be a person alive who will not bitterly rue this tragic, needless neglect.

Now as you know, Bernard Baruch's programs calls for an extensive array of economic controls. The standby program he envisages includes a ceiling on wages, prices, rents, and other consumer costs; consumer rationing; credit and monetary curbs; a revised tax program; and "priorities and all other features of a thorough industrial mobilization program."

This is, of course, a sweeping program, one which is deserving of serious debate. It is not one that I necessarily subscribe to in all details. But it does emphasize the one point that I do think important, and that is that in any all-out emergency such as Baruch envisages, the consumer is placed in extreme jeopardy unless legislation protecting his welfare is enacted prior to the disaster. The Joint Committee on Consumers would be in an admirable position to examine any proposed mobilization and controls program from the point of view of the consumer. Baruch's own plan could be examined as to its feasibility and effectiveness. But unless a legislative committee, such as the Joint Committee on Consumers I am proposing in this bill, takes the initiative, we can be certain that action will be too little and too late.

Let me in closing quote again some wise words by Baruch which have impressed me deeply:

> To wait is to die. To wait is to make certain our mobilization will be needlessly slowed which means lengthening the struggle for victory and dooming some to lose their lives—needlessly. To wait is also to make certain that there will be some degree of cruel inflation—again needlessly.

Let it not be said that we waited, heedless of our peril. Favorable action on this bill will be a token that we are alert and aware of the emergency confronting us, that we do not intend to ignore or sidestep our responsibility to the American consumer—in other words, to the American citizen.

[From the Newark News of July 18, 1954]

BARUCH WANTS LAW FOR CONTROLS RUSHED—FEARS DELAY, WAR WOULD BE FATAL

WASHINGTON.—Elder Statesman Bernard M. Baruch warned yesterday that if Congress fails to enact standby economic controls legislation in the closing days of this session it may cost us dearly.

"To me it would be the height of folly," he said.

His warning came after disclosures that President Eisenhower's mobilization staff is preparing wage, price, rent, and materials controls to be presented to Congress in case of a military emergency.

Baruch said the administration, in not sending the legislation to Congress now, is both ducking the issue and avoiding a decision. He described this as "deluding themselves, or deluding the public, or maybe both."

Time is of the essence, he said, and recalled this statement he once made to Congress:

"The next war is likely to explode all in a big smash. Cities may be all but obliterated. Who knows where Congress will be? If this standby legislation is not enacted, and the day of the big smash comes, there will not be a person alive who will not bitterly rue this tragic, needless neglect."

ALL-EMBRACING

The financier's views were asked after he wrote a letter commenting on a recent Washington dispatch detailing the administration's emergency plan.

He replied that the standby program he envisions includes a ceiling on wages, prices, rents and other consumer costs; credit and monetary curbs; a revised tax program, and "priorities and all other features of a thorough industrial mobilization program."

"A setup for rationing would definitely be provided and it would include penalties for both the seller and the buyer in instances where the regulations were broken," Baruch said.

He also indicated the regulation should be flexible—less severe for a situation such as military intervention in Southeast Asia than in an all-out war. "Controls would last only as long as they were required—certainly for the duration of the emergency and for a sufficient time thereafter to permit a proper readjustment," he said.

CRITICAL OF OLD PLANS

He criticized the controls programs put into effect during World War II and the Korean conflict. He said they were piecemeal and were put together at the last minute.

Baruch told Congress last year he believes a ready controls program would be "the surest deterrent against another war" because an enemy could only hope to "overwhelm us before our gigantic productive energies can have been converted from peace to war."

The administration has been holding closed-door sessions with industry leaders on the program to be sent to Congress in case of an emergency.

"To wait is to die," Baruch said. "To wait is to make certain our mobilization will be needlessly slowed which means lengthening the struggle for victory and dooming some to lose their lives—needlessly. To wait is also to make certain that there will be some degree of cruel inflation—again needlessly."

Colorado and Judge Breitenstein: The Case of a Man With Two Hats

EXTENSION OF REMARKS

OF

HON. HARRY R. SHEPPARD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 30, 1954

Mr. SHEPPARD. Mr. Speaker, my naturally generous nature impels me to suggest that every man should possess at least two hats. I do not suggest any specific type of hats, for a man is entitled to make that choice himself. He may, likewise, decide which of his two hats he will don on any certain day.

The extent of my generosity, however, is equaled by the scope of my natural curiosity, and the following question lately has attracted the application of my mental processes:

What would happen if a man appeared wearing both his hats at once? Of course, I am speaking of a man with one head.

Purely in the interest of studying such a phenomenon, let us consider the case of Federal Judge Jean S. Breitenstein.

Judge Breitenstein has long been a leading citizen of the State of Colorado, a commonwealth bordering the 102d meridian and containing various high ranges of the Rocky Mountains from which course innumerable streams of life-giving snow water. These geographical facts have a bearing on the

subject before us, for they helped to shape the career of Judge Breitenstein.

It may be stipulated that Jean S. Breitenstein went to law school, graduated, passed the bar examination and was admitted to practice. Eventually his professional shingle was displayed in the thriving city of Denver. The very nature of the high and rich country about him provided the setting over which his star ascended to legal prominence. The development of natural resources, such as water for irrigation and hydroelectric power for homes and industries, presented innumerable complicated legal questions to be answered through litigation. Attorney Breitenstein applied himself diligently to the opportunities at hand, and soon was recognized as an authority on such matters. Unquestionably his fees were sufficient to permit him the luxury of more than one hat, and as far as can be determined he then wore only one at a time.

The Colorado River has long been known as the River of Controversy, and today this conflict seethes in the Halls of Congress, the courts of the land, and the bistros of the West. It was not long before Lawyer Breitenstein was caught in this maelstrom. His voice was heard up and down the countryside proclaiming the rights of his clients, and demanding the kilowatts and acre-feet to which he thought them entitled.

In the year 1948, it happened that the State of Arizona was attempting to break open the doors of the United States Treasury and secure a number of billions to build a reclamation project that would pauperize the Nation's taxpayers. Moreover, water for the project would have to come from California's legal share of the Colorado River, and California didn't warm up to the idea. Both California and Arizona are Colorado River Basin States, and they had been waging legal war for years over the matter of water rights in the lower river.

In an effort to reach a final accord, California introduced in Congress a resolution asking the permission of Congress to take the old dispute before the Supreme Court. Such permission was necessary inasmuch as the Federal Government was an indispensable party to the proposed litigation, and the Government could be taken into court only with the sanction of the Congress.

Out of the West, wearing only one hat, rode Lawyer Breitenstein, a formidable brief ensconced with his extra Sunday shirt. Into the hearing room of the Senate Interior Committee he strode, requesting to speak his piece in opposition to Senate Joint Resolution 145, the California resolution.

Lawyer Breitenstein identified himself as counsel for the Colorado Water Conservation Board. History notes that Colorado seldom if ever has approved any act of California involving the waters of the Colorado River. Colorado long had fought river developments proposed by California, and had exacted a high price for its approval of lower basin projects.

Lawyer Breitenstein was prepared to do no less. In clear and emphatic tones he told the Senate committee—Hearings, Senate Joint Resolution 145, 80th Congress, second session, May 11, 1948, page 198:

> Colorado is one of the upper basin and upper division States involved in the Colorado River compact. Two of the States, Colorado and Wyoming, are entirely within the upper basin.
>
> The resolution does not specifically name those two States—Wyoming and Colorado—and it is a proper inquiry as to what interest those two States, which are entirely in the upper basin, have in this matter.
>
> Colorado is one of the signatory States to the Colorado River compact. We feel that any matter which involves the interpretation or application of the Colorado River compact necessarily involves every State which is signatory to that compact. In fact, we feel that in any litigation each of the signatory States would be an indispensable party to the litigation.

The State of Colorado and its official legal counsel, Jean S. Breitenstein, left no doubt that in any litigation involving Colorado River waters, the sovereign State of Colorado was an indispensable party. No legal door should be shut in Colorado's face. On the other hand, neither Colorado nor Lawyer Breitenstein wanted California to get into the Supreme Court to settle the old river controversy, but if such did happen, Colorado demanded to be included in the show.

Without attempting to coin a phrase, it must be said that time went on. California failed to get into the Supreme Court. Arizona failed to get the fantastic Central Arizona project approved by Congress. Lawyer Breitenstein never failed to be on hand in Washington when Colorado River matters were on the congressional stage.

Came the day when Arizona did an about face, and performed the very legal act that California had attempted. Arizona itself went to the Supreme Court with an original suit against the State of California, asking that the old river war be finally adjudicated. This was in August 1952.

Soon it was rumored about that the State of Arizona had gone outside its own borders for assistance in preparing the brief it filed in the case of Arizona against California. Where had Arizona gone for aid? Why, to Colorado. Who had Arizona retained? Why, Lawyer Breitenstein.

Lawyer Breitenstein, you say? Why, in 1952, Lawyer Breitenstein was counsel for the Colorado Water Conservation Board. Could he work for two States? And if so, did he do it with the official sanction of Colorado?

Mr. Speaker, these were interesting questions, and they pertained to the theme of this discourse on the wearing of two hats, so I chose to look into them.

On July 28, 1954, I sent the following telegram to Ivan C. Crawford, director, Colorado Water Conservation Board, State Building, Denver, Colo:

> Will you please telegraph me collect the answers to the following questions: Was Mr. Jean S. Breitenstein employed by the State of Colorado during the period of June 1952 to May 1954, and if so in what capacity or capacities? Did the Water Conservation Board of the State of Colorado know and approve of Mr. Breitenstein's employment by the State of Arizona in the case of *Arizona* v. *California*? Thank you.
>
> HARRY R. SHEPPARD, *Member of Congress.*

Before the day ended, I received the following reply:

Hon. HARRY R. SHEPPARD,
Washington, D. C.:

> Mr. Jean Breitenstein was retained on a part-time basis as attorney for the Colorado Water Conservation Board during period of June 1952 to May 1954. On June 24, 1952, he was authorized by the director of the Colorado Water Conservation Board and the attorney general of Colorado to accept employment as legal consultant for the State of Arizona in the case of *Arizona* v. *California*.
>
> IVAN C. CRAWFORD,
> *Director, Colorado Water Conservation Board.*

Two days before this, it so happens, June 26, 1954, I had sent the following telegram to the Honorable Ross F. Jones, attorney general of Arizona, Phoenix:

> Please advise me whether Jean S. Breitenstein was employed by Arizona in the preparation of the case of *Arizona* v. *California et al.*, now in the Supreme Court, and if so, the inclusive dates of such employment. Request reply by telegram collect to my Washington office.
>
> HARRY R. SHEPPARD,
> *Member of Congress.*

A few hours later I received the following reply:

Hon. HARRY R. SHEPPARD,
Washington, D. C.:

> Mr. Jean S. Breitenstein was employed by the State of Arizona in a consulting capacity relative to *Arizona* v. *California*. Employment from June 1952 to May 1954.
>
> ROSS F. JONES,
> *Attorney General, State of Arizona.*

Mr. Speaker, my research into the two-hat question had begun to bear fruit. Lawyer Breitenstein was indeed an excellent example. Not only was he wearing two hats, but during the period of June 1952 to May 1954 he was drawing 2 salaries from 2 States. Pretty good for a high-country lawyer.

I decided to delve a little deeper into the matter, and I am forced to admit that what I turned up next was a bit surprising.

I discovered that in 1953 the upper basin States, including Colorado, had come into Congress with a bill for a multi-billion-dollar project that staggered the imagination. Hearings were set for June 1954 before the Senate Interior Committee.

But pause. Important events had been transpiring meanwhile in the life of Lawyer Breitenstein.

Here is the record of them:

April 6, 1954: Lawyer Breitenstein nominated for United States District Judge for the District of Colorado. Nomination received by the Senate this day—CONGRESSIONAL RECORD, 83d Congress, 2d session, page 4686.

April 7, 1954: Notice that a hearing on Lawyer Breitenstein's nomination given by Senator LANGER for Committee on the Judiciary. Hearing set for April 15, 1954—CONGRESSIONAL RECORD, 83d Congress, 2d session, page 4757.

April 15, 1954: Hearing held—CONGRESSIONAL RECORD, 83d Congress, 2d session, Daily Digest.

April 23, 1954: Nomination confirmed by Senate—CONGRESSIONAL RECORD, 83d Congress, 2d session, page 5459.

Mr. Speaker, one never knows what others will do. While Lawyer Breitenstein was getting two salaries from Colorado and Arizona he was being made a United States judge. He continued to work for both States for a month after his nomination was confirmed. I suppose he is of a thrifty nature.

Well, Mr. Speaker, here were the upper basin States in Congress with the biggest reclamation bill ever dreamed of, and Lawyer Breitenstein was a Federal judge. I could sympathize with him. The greatest legislative show the upper basin States ever put on was about to begin, and Lawyer Breitenstein would have to be sitting up there on the bench in Denver in black robes listening to dull cases about the theft of some unstamped "moonshine."

But I need not have wasted my sympathy. When a Colorado River bill is introduced in Congress, a Breitenstein will not be far behind.

On June 30, 1954, Federal Judge Breitenstein walked into the hearing room of the Senate committee deliberating on S. 1555, the Colorado River storage project. None the worse for his long years of battling California and working for two bosses, he was, like in the old days, armed with a formidable brief.

He admitted to the committee at the outset that he was a little embarrassed. The young lady who had mimeographed his statement had put his new title of judge at the head of it. There should be no implication at all that he was testifying in an official capacity. He had come as a private citizen, on his own time, and at his own expense.

Moreover, he had got a letter from his boss granting him permission to appear, and he produced a photostatic copy of the letter, which was signed by five judges of the United States Court of Appeals, Tenth Circuit. There was, the letter proclaimed, nothing improper in his appearing before the committee, even though he had been sworn in as a Federal judge.

Well, Judge Breitenstein was allowed to wear his official judge's hat. He could not very well have taken it off, as he had been sworn in. Then, before the committee, he also put on his private citizen's hat, and began to talk.

I trust, Mr. Speaker, that you will recall what the then Lawyer Breitenstein told the same Senate committee in 1948—that Colorado and the upper basin States were indispensable parties to any litigation involving the Colorado River compact. Also recall, please, that in August 1952 Arizona had sued California in the Supreme Court and the case was now pending as Judge Breitenstein talked to the committee this last day of June 1954.

This is what Federal Judge Breitenstein said, Senate hearings on S. 1555, 83d Congress, 2d session, June 30, 1954, page 284:

> This case, *Arizona* v. *California* (No. 10 original, 1953 term, Supreme Court of the United States of America) involves controversies of long standing as to the rights of the lower basin States to the use of Colorado River water. The States of Colorado, New Mexico, Utah, and Wyoming are not parties to, or involved in, this lawsuit.
>
> The pendency of the *Arizona* v. *California* case has no effect whatsoever upon the authorization of the Colorado River storage project. (S. 1555.) All parties to that case assert and rely on the 1922 (Colorado River) compact, the Boulder Canyon Project Act, the Mexican Water Treaty, and the other laws and instruments which constitute the recognized and admitted law of the river. Similarly, the authorization of the Colorado River storage project is predicated upon the validity and integrity of the law of the river. While it is true that in the lower basin there has been a prolonged controversy over the application and construction of certain specific terms and provisions, these controversies do not affect the upper States or the availability of water for the Colorado River storage project.
>
> Any insinuation that the authorization of the Colorado River storage project should be delayed until the *Arizona* v. *California* case is decided is an attempt to defeat upper basin development. There is no legitimate reason for any delay in this project because of the lower basin controversy. (Ibid, p. 285.)

It so happened, Mr. Speaker, that California was inclined to believe that Lawyer Breitenstein was right the first time, that the upper basin States were indispensable parties to any litigation involving the Colorado River compact. So the State of California in the month of July 1954, filed a motion with the Supreme Court to make the upper basin States, including Colorado, parties to the case of Arizona against Californa.

It was just by coincidence that this motion was filed a few days after Federal Judge Breitenstein testified on June 30, 1954, before the Senate committee.

It is difficult for me to understand how Colorado and Federal Judge Breitenstein can pretend to be neutral in the case of Arizona against California. The judge had said Colorado must be a party to any litigation involving the Colorado River compact, and the case of Arizona against California certainly involves that compact.

Judge Breitenstein went to Arizona to start the case. He knew the gun was loaded, and Colorado knew the gun was loaded when it gave Lawyer Breitenstein permission to work for Arizona and to start the suit.

As I said before, Mr. Speaker, I submit that a man is entitled to have two hats. But when a man appears wearing both of his hats at once, and at the same time goes about the Halls of Congress disagreeing with himself, it is a matter worth observing.

I feel that way about the case of Federal Judge Breitenstein, and I am glad I looked into it.

Railroad Retirement Program

EXTENSION OF REMARKS
OF
HON. JOHN E. MOSS, JR.
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Friday, July 30, 1954

Mr. MOSS. Mr. Speaker, on last Friday I voted for H. R. 7840 to improve provisions of the railroad retirement program. I believe that the improvements included in the bill are excellent, although there are a number of other benefits which I believe could have been included without impairing the economic stability of the railroad retirement fund. H. R. 7840, however, appears to be the only bill covering the subject on which we will be permitted to vote this session. It has, therefore, my wholehearted support.

I particularly am happy to be able to support legislation lowering the age at which widows may receive survivors benefits from 65 to 60. I also think it is very important to continue survivors benefits for the widowed mother of a totally disabled child after the child reaches the age of 18.

The liberalization of unemployment benefits for jobless railroad workers also is a step which should have been taken earlier. These, and other improvements in the railroad retirement program, deserve the strongest support of Congress. I hope we will be able, in the future, to apply some of these improvements to other retirement and unemployment insurance programs just as I hope we will soon approve other needed changes in the railroad retirement program.

The Eisenhower Administration and the Negro

EXTENSION OF REMARKS
OF
HON. T. MILLET HAND
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES
Friday, July 30, 1954

Mr. HAND. Mr. Speaker, in the 18 months that the Eisenhower administration and the Republican Congress has been in office, more real advance has been made toward the permanent solution of America's race problem than in all the preceding years of lip service.

For a long time past we have been regaled with a great deal of favorable talk about what was going to be done for the benefit of American Negroes, but a great deal of it was talk. Now, under the first Republican President in two decades we can point to very substantial accomplishments. By far the most important step forward was the opinion of the Supreme Court of the United States on May 17, 1954, striking down segregation in our public schools, and reversing the former doctrine of the Court with respect to "equal but separate facilities."

Chief Justice Warren, formerly the great Republican Governor of California, and President Eisenhower's only appointment so far to the Supreme Court, wrote the opinion and had much to do with bringing the Court into agreement unanimously.

The Court took a broad social view of this problem and quoted with approval the following significant language:

> Segregation of white and colored children in public schools has a detrimental effect upon the colored children. The impact is

greater when it has the sanction of the law; for the policy of separating the races is usually interpreted as denoting the inferiority of the Negro group. A sense of inferiority affects the motivation of a child to learn. Segregation with the sanction of law, therefore, has a tendency to retard the educational and mental development of Negro children and to deprive them of some of the benefits they would receive in a racially integrated school system.

It is impossible to exaggerate the great importance of this opinion by a Republican Chief Justice in a Republican administration.

Mr. Speaker, the Chicago Defender, one of the leading Negro newspapers in the United States, has referred to the great strides made in behalf of the Negro, and concludes that they spring mainly from the President's "deep-seated moral and spiritual convictions." Republican National Chairman Leonard W. Hall explains all of this very simply by saying that the President's whole philosophy and his whole aim in Government is to achieve, in the President's language, that which "is good for all Americans everywhere."

So we have seen, largely by Executive action, the beginnings of abolishing segregation in the Nation's Capital, long a fortress of race prejudice, and what amounts practically to the abolition of segregation practices in the armed services, in the South as well as in the North.

Among other concrete accomplishments have been the following:

SPECIFIC ILLUSTRATIONS

Thompson Restaurant case abolishing segregation in eating establishments in the District of Columbia. Attorney General Herbert Brownell filed a brief as friend of the court requesting the Supreme Court to declare the existing anti-segregation laws valid. This is in line with President Eisenhower's declaration that every vestige of segregation must be eliminated in the Nation's Capital.

Major veterans hospitals in the South are no longer segregated. Integration is the rule instead of the exception. The Veterans' Administrator has said publicly that "segregation is undemocratic, uneconomical, and undesirable. It should be eliminated in all veteran establishments." This statement has been put into operation.

May 18, the recreation department in the District of Columbia abolished all segregated playgrounds.

Segregation at Army post schools abolished by Executive directive.

POSITION OF CONGRESSMAN POWELL

Referring again to the former problem of segregation in the Armed Forces, Congressman ADAM CLAYTON POWELL, a Negro Democrat from New York, and a champion of his race, spoke in Congress on April 29, 1954, and among other things said this:

For the 10 years that I have been a Member of this House of Representatives, I have consistently voted against appropriations for the armed services because of the policy of segregation carried forward by our Armed Forces. I am extremely pleased, therefore, to stand here today and to announce with a clear conscience that I can vote for appropriations for the Defense Department of our Nation. In stating this I know I am stating the feelings of not only the 15 million people of my race—the Negro race—but also the scores of millions of right-thinking Americans who know that you cannot have a first-class army of democracy as long as any portion of it is composed of second-class citizens. Today, there is not a single segregated arm of our Defense Department. The last segregated unit in the Army was abolished within the past few days.

Surely this is significant praise of the Eisenhower administration, coming as it does from a leader of Negroes and a Democratic Congressman.

APPOINTMENTS OF NEGROES

Such general actions have been followed by specific recognition of the qualifications of Negroes and their right to serve their Government in highly respected capacities. Among hundreds of such appointments, who has ever heard before of appointments like the following examples, all made by President Eisenhower and confirmed by a Republican Senate: Archibald J. Carey, Jr., Illinois, first alternate delegate to United Nations; Vernon F. Greene, Maryland, legal counsel, Post Office Department; Roberta Church, Tennessee minority groups consultant, Labor Department; Jesse D. Locker, Ohio, Ambassador to Liberia; Scovel Richardson, Missouri, member, Federal Parole Board; E. Frederic Morrow, New Jersey, adviser on business affairs, Commerce Department; Carmel Carrington Marr, New York, area adviser on staff of Ambassador Henry Cabot Lodge, Jr., United States Mission to U. N.; Jessie Vann, Pennsylvania, member, International Development Advisory Board; Lois Lippman, Massachusetts, secretary in the White House; J. Ernest Wilkins, Illinois, Assistant Secretary, Department of Labor; Ulysses G. Plummer, Jr., Oregon, attorney for Bonneville Power Administration, Oregon.

CONTRAST THE DEMOCRATIC RECORD

By contrast, what has been the general record of preceding Democratic Congresses during the 20 years from 1932 to 1952?

Here are the facts about what actually happened while Democrats were talking civil rights but doing nothing:

Out of 19 Senate votes, a majority of Democrats balloted against civil-rights issues 17 times. In 2 instances, not 1 Democrat joined Republican majorities. In 18 of these 19 civil-rights tests, a majority of Republicans voted favorably; 3 times they lined up 100 percent.

In the House during this same 20-year period, Republicans voted between 68 to 100 percent for civil rights measures on 14 occasions. House Democrats failed on 7 of these test ballots to produce even 50 percent.

Just one specific example of Republican action versus Democrat failure when civil rights showdowns came:

The only FEPC bill ever passed in House history—February 23, 1950—was backed 124 to 42 by Republicans. Democrats voted against it, 134 to 116.

Mr. Speaker, the Republican administration can be proud of its record, and 15 million Negroes can point with pride to their vast strides forward under a Republican government which has demonstrated its friendship to them by action rather than by words.

Trip-Leasing Bill Should Be Enacted Into Law

EXTENSION OF REMARKS

OF

HON. CHARLES A. WOLVERTON

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, July 30, 1954

Mr. WOLVERTON. Mr. Speaker, as adjournment of the 2d session of the 83d Congress approaches, I have been greatly concerned to note that the Congress has not yet completed action on the trip-leasing bill, H. R. 3203.

After exhaustive public hearings before the House Committee on Interstate and Foreign Commerce, of which I am chairman, extending from April 21 to May 7, 1953, with a printed public record of 520 pages, and a favorable report following lengthy executive sessions by our committee, the House of Representatives overwhelmingly passed this bill on June 24, 1953, over 13 months ago.

Hearings were held on the bill before a Trip-Leasing Subcommittee of the Senate Interstate and Foreign Commerce Committee, of which the late Senator Dwight Griswold, Republican, of Nebraska, was chairman, on July 8 and 9, 1953, with 191 printed pages of testimony, and before the full Senate Interstate and Foreign Commerce Committee on May 10 and 11, and June 7, 8, and 25, 1954, with 511 printed pages of testimony. Thus, there have been over 1,200 printed pages of testimony on this bill.

The bill in its present form vests the Interstate Commerce Commission with additional and affirmative authority not heretofore specifically provided by statute to regulate leasing practices of authorized motor carriers in order to bring about adequate carrier responsibility, and to promote safety on the highways; but it denies to the Commission the authority to regulate the duration of leases or amount of compensation thereunder. This limitation on the Commission's authority is the heart of the problem as far as agriculture is concerned because irreparable damage will be done to the effective marketing of farm products by any restrictive and unwarranted regulations to impede the haulers of agricultural commodities from entering into bona fide leases of their trucks to authorized carriers. Agricultural trucks have for many years been leased, and farm people say they should continue to have the right for their trucks to be leased for a single trip or other short periods of time, both for flexibility of movement and economy of operation.

Since the passage of the bill last year by the House, and the subsequent amendment of the leasing rules by the Commission on November 30, 1953, it has been suggested by some of the opponents of the measure, including the ICC, that the rules so amended take care of agriculture's needs and that the urgency for passage of the legislation has been diminished or removed. It is my firm conviction that the need for the enactment of this bill into law is as great today as when it was passed by the House

last year. The recent testimony of many farm groups, including the American Farm Bureau Federation, the National Grange, the National Council of Farmer Cooperatives, the National Farmers Union, and the United Fresh Fruit and Vegetable Association, and many others—details the reasons why this bill is essential to preserve the flexibility of motor transportation needed in marketing agricultural products from the farm to the consumer.

I am very much impressed, too, with the reasons in support of his advocacy of the passage of this bill as set forth in a report from Secretary of Agriculture Ezra T. Benson, dated May 6, 1954, as contained on pages 398 and 399 of the printed hearings before the Senate committee. The following excerpts from Secretary Benson's report are particularly convincing and in point:

We believe, however, that the Commission's amended order does not restore the flexibility which Congress intended should accompany the exemptions set forth in section 203 (b) (4a) (5) and (6) of the Interstate Commerce Act. We wish, therefore, to express our continuing interest in, and support of, the legislation proposed by H. R. 3203.

The flexible, efficient, and economic movement of exempt and processed agricultural commodities may not be adequately accomplished under the rules presently prescribed by the Commission.

* * * * *

A great deal of confusion over a long period of time has resulted in growing uncertainties and conflicting opinions with respect to the matter of trip leasing. In order that all parties may be properly guided by the intent of Congress, it is our hope that H. R. 3203 will be enacted into law, thus removing the multiple uncertainties concerning the activities of vehicles embraced within the provisions of section 203 (b) (4a) (5) and (6) of the Interstate Commerce Act.

Mr. Speaker, I sincerely trust that final action may be taken by the Senate on this important measure before Congress adjourns, and that it will be promptly signed by the President. Failure to do so would permit the Interstate Commerce Commission to continue to handle this important policy matter with the type of indecision, confusion, and uncertainty that has been evident in its handling of the problem up to this time.

Herbert Hoover

EXTENSION OF REMARKS
OF
HON. THOMAS E. MARTIN
OF IOWA
IN THE HOUSE OF REPRESENTATIVES
Friday, July 30, 1954

Mr. MARTIN of Iowa. Mr. Speaker, Congress has paid a highly deserved honor to one of America's greatest statesmen, the Honorable Herbert Hoover, 30th President of the United States, by passing the following resolution:

Resolved, That the Congress of the United States hereby extends to the Honorable Herbert Hoover its greetings and felicitations on the 80th anniversary of his birth, August 10, 1954.

SEC. 2. The Congress expresses its admiration and gratitude to Mr. Hoover for his long years of devoted service to his native land and to the world in general in many different capacities.

SEC. 3. The Congress is especially appreciative of his willingness to accept cheerfully the heavy burden of serving as Chairman of the Second Commission on Organization of the Executive Branch of the Government, which is an arm of the Congress, in order to complete the work so well begun a few years ago by a similar commission under his chairmanship.

SEC. 4. The Congress expresses the hope and desire that divine providence may permit Herbert Hoover to be spared to give many more productive years of honored service to humanity and to his beloved country.

SEC. 5. A copy of this resolution shall be transmitted to America's elder statesman, the Honorable Herbert Hoover.

President Hoover was born and spent his early years of childhood in West Branch, Iowa. I am proud indeed that President Hoover's birthplace is in the congressional district it has been my privilege to represent in Congress for the past 16 years.

It was my privilege to attend the great celebration of President Hoover's birthday at West Branch, Iowa, August 10, 1948, when some 20,000 friends, neighbors, and admirers of President Hoover gathered together to honor him on that occasion.

Last winter the Iowa State Legislature established a special commission to plan a fitting celebration of President Hoover's 80th birthday and present indications are that one of the greatest throngs ever to assemble in the Middle West will meet at West Branch, August 10, 1954, to honor President Hoover and extend him their best wishes for many happy returns of the day. I look forward with great pleasure to joining with his host of friends in extending our high regard to Herbert Hoover—Iowa's distinguished son who has established a magnificent record as one of the outstanding leaders of our time.

The Allegheny National Forest

EXTENSION OF REMARKS
OF
HON. LEON H. GAVIN
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Friday, July 30, 1954

Mr. GAVIN. Mr. Speaker, the national forests are important to all of the people of this Nation. There are 180 million acres in these Federal forests, and many of you Congressmen, like myself, have national forest areas in your districts. You and I know of the contributions public lands make to the economy. But I should like to tell you something of the Allegheny National Forest in my district. I think it illustrates very clearly the importance of the national forests and the need for expanded management programs which are in the public interest.

The Allegheny National Forest is in northwestern Pennsylvania. As national forests go, it is comparatively small, being about a half million acres of public land. It is easily reached by Federal-State highways, and is made accessible by a system of forest roads.

The wood products are very important and can yield in the neighborhood of 7 million board feet of saw timber and 125,000 cords of wood annually. In all there are probably 25 sawmills, several chemical wood plants, and 1 pulp mill drawing timber from the Allegheny National Forest. It is obvious that the water from these public lands is of vital importance to the local communities as well as to populations at distant points.

But what I want to emphasize is the contributions the Allegheny Forest makes to the people for outdoor recreation. It is estimated that there are nearly a million recreation visits to this forest each year. Nearly half of these are in connection with wildlife resources, since these people are hunters and fishermen. There is a large herd of deer, and approximately 500 miles of fishing streams. This is not a surprising recreational use when it is realized that within 300 miles of the forest there are about 15 million people.

The Forest Service has done its best to take care of this public use. They maintain scenic drives, hiking trails, picnicking areas, camping areas, and related facilities. In detail, this requires the construction and maintenance of trails, fire grates, tables, storm shelters, water systems, and toilets, and collection of fire wood. Except for two camp grounds where a small fee is charged, these services are free to the public.

I know that the Forest Service is stretching its funds even farther than we have any right to except them to do. They are having an extremely difficult time taking care of the nearly a million people who enjoy the Allegheny National Forests. The funds available to the forest to handle recreational use have not increased whereas the public use keeps going steadily higher. It is not fair to expect the Forest Service to maintain clean and sanitary facilities under their limited appropriations—nor is it fair to the people, who after all are the owners of this national forest.

I do not see relief through regular appropriations. I think we will have to see that the Forest Service gets its money for recreational and wildlife from other sources than through appropriations. I feel that way because it seems to me that the money is appropriated for income-producing activities, like timber sales, and for protection measures, like fire control. But things such as camping, picnicking, and general public uses are continually bypassed from an appropriation standpoint.

For several years now there have been bills in Congress which would take 10 percent of national forest receipts and make them available to the Forest Service for recreational facilities and clean-up and for wildlife-habitat management. In 1953 I appeared before the House Agriculture Committee in support of such a bill. There has been widespread recognition of this need and the testimony and the communications in favor of such legislation have proved beyond any reasonable doubt that there is both a need

and a public desire for such legislation. At the present time Congressman BAKER of Tennessee has such a bill, H. R. 8225, before the House Agriculture Committee. I support this bill. It provides that 10 percent, but not more than $5.5 million of national-forest receipts, will be set aside in a special fund for recreational use and wildlife-habitat development. It also provides that these funds will be made available by appropriation.

I understand there has been some objection to the earmarking of these funds. This is also the attitude of the Budget Bureau. However, so far as I know, everyone recognizes the need for the work. I think the objection to the method is unreasonable because the earmarked funds are still only available by appropriation. The public has demonstrated in their overwhelming support for this legislation, and it is everywhere recognized that picnicking, camping, fishing, and related outdoor recreation is a desirable and growing use of the national-forest lands. Therefore, I am personally going to do everything I can to see that the type of legislation contained in H. R. 8225 is given favorable consideration.

George Kennan, the Author of Containment, Coexistence, and National Surrender

EXTENSION OF REMARKS
OF
HON. MICHAEL A. FEIGHAN
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Friday, July 30, 1954

Mr. FEIGHAN. Mr. Speaker, on June 29, while in Munich as a member of the Select Committee of the House To Investigate Communist Aggression, I made a statement to the press which I believe will be of interest to the Members of Congress. After hearing a long line of witnesses, most of whom had suffered under the terrible tyranny of communism, tell our committee the hard cold facts of what the Communists intend to do to the United States and all other free nations, I felt compelled to make this public statement:

Even since the day I became a member of the House Committee To Investigate Communist Aggression I have heard remarkable testimony on the methods and techniques of Communist aggression which add up to the greatest criminal conspiracy in the history of all mankind. This testimony has come from the people who have lived under and suffered the tortures of Communist aggression.

None of this testimony came from armchair or ivory-tower theorists.

On the basis of this firsthand testimony I am all the more convinced that the policy of containment as advocated by the former diplomat, George Kennan, is not only amoral but represents a sure formula for the defeat of human freedom everywhere in the world and the establishment of world domination by the Russian Communists.

The policy of the United States toward the enslaved nations of people must be a positive one based on established American moral and political principles. That is the only formula which can preserve western civilization.

The Stars and Stripes and a great many European newspapers, particularly those published in Germany, were kind enough to give my statement complete coverage.

The First Electrically Lighted City

EXTENSION OF REMARKS
OF
HON. JOHN V. BEAMER
OF INDIANA
IN THE HOUSE OF REPRESENTATIVES
Friday, July 30, 1954

Mr. BEAMER. Mr. Speaker, on July 15, 1954, I introduced H. R. 9912 to provide for the issuance of a special postage stamp in commemoration of the 75th anniversary of the first electrically lighted city in the world, Wabash, Ind.

March 31, 1955, will mark an important event in the advancement of science and in its practical application to our daily lives. This date will mark the 75th anniversary of the first electrically lighted city in the world. It was for this reason that the resolution was introduced in behalf of, and at the request of, the many citizens of Wabash, Ind.

It is hoped that the information given in these remarks and also information and data submitted to the Post Office Department, will result in the recommendation that a special stamp be issued in commemoration of this event. It is hoped that the Congress and the Post Office Department will cooperate in the celebration of this event.

The claim for this distinction has been proven. It has been learned that several blocks of a street in Cleveland were illuminated by electric lights in 1879, a year prior to the Wabash installation. The city of Appleton, Wis., also had installed an electric light in one locality. However, the historians substantiated the claim that Wabash was the first electrically lighted city in the world by stating that not one street, or neighborhood, or store, but the entire city was lighted. This is further substantiated by the fact that four lights were installed on the very pinnacle of the courthouse from which the rays of light would be shed over a large area.

It was on a cloudy, rainy evening, March 31, 1880, that the new electric lights here were turned on to the astonishment of the people who gathered in Wabash for the breathtaking event. The rapture and awe shown in the upturned faces was vividly described by the correspondents of metropolitan newspapers assigned to the modern miracle.

The installation in Wabash, Ind., was more or less an experiment. Illumination for large areas had been discussed for several years but the common everyday use of electric power had not occurred.

Several civil leaders in the community and the local newspaper, the Wabash Plain Dealer, had been agitating for the trial operation. The Brush Electric Co., of Cleveland, made investigations and estimated that the project would cost $1,800 for the fixtures and work, and $1.15 per night operating expense. Inasmuch as this sum was less than that required for a similar amount of illumination derived from gas—this was a few years before the Indiana gas boom which exhausted itself in a comparatively short time—the city council influenced by the economy of the idea, signed on the dotted line.

A guaranty was made by the Brush Co. that the 4 lights to be placed on the flagpole would furnish illumination, which at a distance of 1 mile from the courthouse would be equal to the light from a gas fixture at a distance of 100 feet.

On the date set for the turning on of the lights people began to swarm into Wabash from all over the Middle West. Mayors and councilmen of other cities interested in the subject of street lighting arrived in large numbers. Nearly everyone within driving distance arrived and the streets were closely packed with thousands of people.

The lights proved very successful and even more so than was anticipated by the most optimistic people. Reporters who attended the celebration went to some exaggerated lengths to describe the historic event. One journalist excitedly noted, "the faraway river glowed like a band of molten silver." The Elkhart Review observed, "one could not look directly at the lights without blinking his eyes." The prediction was made in a number of publications that this system of lighting which was so successful in Wabash, Ind., eventually would be the only light of the future.

Residents of Boston, Mass., were so impressed with the accounts of the Hoosier contraption that plans immediately were made to construct several bases as lighting points in that city.

The Fort Wayne Daily Sentinel commented "that the light throws a sort of ghostly glow over things so that anyone inclined to spooks and kindred maladies would naturally shudder."

The editor of the Wabash Plain Dealer, Wabash, Ind., wrote that his staff was kept busy far into the night sending out dispatches which newspapers in such large cities as New York, Chicago, and St. Louis had requested. It is unfortunate that the bound volume of the Plain Dealer for the year 1880 was lost in later years by a careless and unscrupulous Indianapolis bookbinder, who apparently sold the book as a collector's item, although this cannot be proved.

Charles Clupper, then of Treaty, was quoted as saying that when the light 5 miles distant was burning he could pick his way about the barn lot with ease on the darkest nights.

Energy for the fixtures was produced by a steam-driven generator in the basement of the courthouse, and wires carried the power to the lights, which were encased for protection in glass globes.

The Brush lights were used in Wabash until 1888, when an improved system of illumination was adopted. The original

equipment was stored and nearly forgotten. Later, when the founders of Greenfield Village—historic museum of the Edison Laboratory, Dearborn, Mich.—were making requests for these items for their collection, the local people in Wabash became interested and recovered some of this original equipment. Fortunately, one of the fixtures was in a condition of preservation that would permit it to be exhibited.

In 1933 the Wabash Rotary Club encased this restored electric light that was used for the first city illumination in a glass case, which now stands in the corridor of the county courthouse.

This is only a brief history of the first lights that were used for city illuminating purposes. My resolution requests that a stamp commemorating the 75th anniversary of this event on March 31, 1885, be ordered. I have submitted to the Post Office Department; Robert E. Fellers, Director of the Division of Philately; Albert J. Robertson, Assistant Postmaster General; and to Arthur E. Summerfield, Postmaster General, an outline of the material and other proof that would serve as evidence of the first electrically lighted city. This list is as follows:

EVIDENCE: FIRST ELECTRICALLY LIGHTED CITY

Miss Mary O'Hair, curator, Wabash County, Ind., Historical Museum, presents references by Gertrude Hassler, assistant librarian:

1. Scrapbook of Mr. Brush, manufacturer of Brush arc lights.

2. Scientific American, April 2, 1881, page 212, Brush System of Lighting.

3. Beloved Scientist, Elihu Thomson, by David O. Woodbury (1944), page 84.

4. Men and Volts, the story of General Electric, by John Winthrop Hammond, 1941, page 31.

Miss Mary O'Hair, curator, Wabash County, Ind., Historical Museum: (1) Letter giving copy of newspaper article in the Wabash County Historical Museum.

The Henry Ford Museum and Greenfield Village: (1) Letter by Roger Van Bolt, historical research specialist.

General Electric Co., Nela Park, Cleveland, Ohio: (1) Letter by C. Dudley Foster.

The Library of Congress: (1) Letter by Julius W. Hobson, economics division, quoting information secured from the Smithsonian Institution, Chronological History of Electrical Distribution (published by the National Electrical Manufacturers Association).

Indiana Historical Bureau, Indianapolis, Ind.: (1) Letter by Hubert H. Hawkins quoting:

(a) Indiana History Bulletin, October 1924.

(b) Famous First Facts, by Joseph N. Kane, 1934, and including copies of (1) First Beacon Kept as Wabash Memento, by Wayne Guthrie in Indianapolis News, April 5, 1951; (2) Pioneer in Modern Street Lighting from History of Wabash County, Ind. A narrative account of its historical progress, its people, and its principal interests, by Clarkson Weesner (vol. I, pp. 311–314); (3) Indiana History Bulletin, vol. II, No. 3, December 1924, pages 45–47.

Fort Wayne News Sentinel: (1) Clipping of article by Ken Weaver with rotogravure photographs.

Wabash (Ind.) Plain Dealer: (1) Tearsheet of 90th anniversary edition of August 9, 1949.

Photograph of 1 of the 4 original arc lights now in glass case in courthouse, Wabash, Ind.

Wabash Chamber of Commerce:

1. Letter resolution requesting this commemorative stamp.

2. Copy of First Electric Lamps Used for Street Lighting from Helm's History of Wabash County, 1884.

3. Miscellaneous copies of news articles excerpts.

4. Portion of original newspaper dated 1880.

Public Laws 511 to 530, Inclusive

EXTENSION OF REMARKS
OF

HON. BARRATT O'HARA

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, July 30, 1954

Mr. O'HARA of Illinois. Mr. Speaker, for the convenience of those of my colleagues and others who may wish for ready reference to a compendium of the legislation we in the 83d Congress have enacted, I have extended my remarks on numerous occasions to include the reports on the new laws which I have been sending to my constituents in the Second District of Illinois. By unanimous consent, I am extending my remarks to continue with these reports, as follows:

PUBLIC LAW 511

H. R. 8973, taxi drivers in the District of Columbia: This will save the District of Columbia the expense of issuing badges to hackers. Hereafter the license posted in cabs (as in Chicago) will suffice. Hackers themselves will be unbadged.

PUBLIC LAW 512

H. R. 8692, District of Columbia: Another instance in which the Congress of the United States serves in the joint capacity of State legislature and City Council for the District of Columbia. Public Law 512 places building and loana associations in the District on the same basis as the banks in the matter of payment of trust accounts to the beneficiary on death of trustee.

PUBLIC LAW 513

H. R. 8974, International Bank: This permits insurance companies organized in the District of Columbia to invest in obligations of the International Bank.

In the 81st Congress we authorized the investment in International Bank debentures of trust funds of national banks. This seemed to me to be leading by indirection to a contribution of American capital to the loaning funds of the World Bank much in excess of our share under the proportionment arrangement.

As a member of the Banking and Currency Committee I recently made an inquiry on this phase and was happy to learn that one or two bond issues had been floated successfully in foreign countries. American capital, however, continues to furnish the bulk of the money of the International Bank, the activities of which are largely similar to those of our own Export-Import Bank. So far the two banks have worked in harmony in doing an outstanding job.

PUBLIC LAW 514

H. R. 9143, Federal Reserve greenbacks: In circulation at the present time is about $30 billion of greenbacks, seven-eights of which are greenbacks issued by Federal Reserve Banks. You will be interested in learning that behind $26.5 billion of Federal Reserve notes now outstanding is $28.1 billion collateral, consisting of $11 billion in gold certificates, $17 billon in United States Government securities and $100 million in eligible paper. Please note that much over half of the collateral behind your greenbacks is the Government's I O U.

Under section 16 of the Federal Reserve Act banks could not pay out notes of other Federal Reserve Banks. This necessitated the sorting out of millions of greenbacks and much crisscross shipping in making exchanges. It cost $750,000 a year and served no useful purpose. All that Public Law 514 does is to repeal this expensive section 16.

If you are interested further in the Federal Reserve setup, I suggest you obtain a copy of House Report 1702, 83d Congress, 2d session.

PUBLIC LAW 515

S. 1303, elections during Japanese occupancy: During the American occupation of Japan (1945–52) there were a number of elections and plebiscites in which some 2,000 visiting Americans expatriated themselves by participating. Reason for their participation was a general belief (stemming from newspaper articles) that General MacArthur approved voting by Japanese-Americans as the issue was one between communism and the new order of Japanese life and government established by the United States.

Public Law 515 restores the right to naturalization to American citizenship as was done in the case of Americans participating in the elections in Italy and in other similar instances. Benefited by the act is a constituent in the the second district, a fine and loyal American for whose relief I had introduced a private bill in 1953, consideration of which was withheld pending the expected enactment of this general legislation. On the signing by the President of Public Law 515 I wired him the glad news and received the following reply:

"You have brought me the best news of this year. I am aware of your great support for the passage of this bill and I am indebted to you for your effort to solve my personal problem and many other Japanese Americans who voted in Japan during the occupation."

PUBLIC LAW 516

S. 3605. Under Secretary of Treasury for Monetary Affairs: Offices of Assistant Treasurer of the United States and Assistant Registrar of the Treasury are unoccupied because unnecessary. Public Law 516 abolishes the offices and substitutes therefor an Assistant Treasurer of the United States for monetary affairs (debt management and protection of public credit) and another Secretary in addition to the present two Secretaries.

PUBLIC LAW 517

S. 3378, revision of Organic Act of Virgin Islands: Some 50 islands comprise the Virgin Islands which we purchased from Denmark for $25 million ($40 an acre) during World War I. Only St. Thomas, St. John, and St. Croix are inhabited. Total population: 25,000. In 1953 we appropriated $745,000 in grants to the Virgin Island municipalities to cover deficits. Our total appropriation for the Virgin Island in 1953 was over $6 million, at the rate of $240 for each inhabitant.

Public Law 517 rewrites and modernizes the organic act of 1936 (patterned on the old colonial system of Denmark) in the interest of efficiency and economy. I was glad to join with Congressman DAWSON and others in effecting amendments that removed discriminatory features and inequities to native Virgin Islanders. There still

is room for improvement, which I hope will be made in the 84th Congress.

The Virgin Islands were discovered (1493) and named (in honor of St. Ursula and her companions) by Columbus on his second voyage. Sea-roving bands of Carib Indians inhabited them, later the pirates took over and then Denmark. In 1867 we started negotiations, in 1905 Denmark offered to sell for $5 million but 12 years later when our fear of the use by Germany of the islands for a submarine base made it a seller's market the price went up fivefold.

PUBLIC LAW 518

H. R. 7125, removing the poison from food: Here is legislation of direct concern to you since it relates to the health safety of your family in eating fruits and vegetables.

When the use of pesticides and coloring substances (as with oranges) was unregulated there were occasional deaths, many illnesses, from excess of residue.

In 1938 Congress first made specific provision for the regulation of pesticide residue. At that time there were few pesticide chemicals on the market. In postwar years industry research has made a valuable contribution in the development of many new chemicals. Public Law 518 provides for prompt and efficient testing (1) in the safeguarding of the public health and (2) in protecting producers from costly and complicated procedures in processing.

Representing a consumer constituency, my support was won by the provision for an advisory committee of scientific experts selected by the National Academy of Science to pass judgment. I know you will agree with me that we should be satisfied with nothing less than the judgment of disinterested scientists whether the residue of poison is harmless or enough to kill us.

PUBLIC LAW 519

H. R. 6342, Purchase Contract Act of 1954: Public Law 519 supplies a third method for occupying buildings for Federal purposes. Heretofore it was possible only (1) by direct construction, or (2) by lease. This act (title I) broadens the authority by permitting the Administrator of General Services and the Postmaster General to acquire land and construct public buildings through purchase contract agreements. Funds available for 1955 (present fiscal year) are $5 million.

Title II covers the so-called lease-purchase setup. It authorizes the Postmaster General to make lease agreements for the erection of postal buildings on real estate acquired by the Postmaster General and conveyed to the lessor for the construction thereon of a post office to be rented to the Government. If interested, Assistant Postmaster General Ormonde A. Kieb is the man to contact. Address: Bureau of Facilities, Office of Postmaster General, Washington, D. C.

PUBLIC LAW 520

S. 3480, loans to small business: This merely corrects an omission from the Small Business Act of 1953, permitting national banks to participate in real-estate loans to small business. However, in debate in the House some illuminating facts were brought out: (1) The Small Business Administration, which since its creation in the summer of 1953 has received 2,146 applications from small business, has made only 39 loans, and (2) the Small Business Administration has spent $2 million in administrative expense to process $2 million worth of loans affecting only 39 concerns and leaving over 2,000 deserving applicants still waiting at the church.

Chairman WOLCOTT of the Banking and Currency Committee replied that most of the money had gone to furnishing technical advice to small business such as big business obtains from its own research organizations.

The Small Business Administration, however, was set up to fill the gap when RFC was prematurely junked. Instead of filling the gap by supplying an available lending source to small businesses that qualify, the trend has been toward research.

PUBLIC LAW 521

S. 1276, interest on farm loans: Most of the loans under the Bankhead-Jones Farm Tenant Act (for buying and improving family-sized farms) have gone to veterans reestablishing themselves in agriculture. The interest rate has been 3 percent. Public Law 521 raises it to 4 percent. Reason: when the administration in 1953 adopted its hard money policy and boosted the Government interest rate the money of the banks went into Government securities. The available market for 3 percent loans to GI farmers and others dried up.

I was among those who deplored the hard money policy proclaimed by the Secretary of the Treasury a year or so ago. Finally the bankers themselves found it was bringing on a critical financial situation with its repercussions upon interest rates everywhere. Then there was some moderation. But the GI farmers with others will continue to pay through the nose because of someone's folly.

PUBLIC LAW 522

H. R. 7468, foreign truckers on our highways: Canadian motor carriers use our highways in increasing numbers. To less extent the conditions exists on the Mexican border. Public Law 522 requires them to comply with the rules of the Interstate Commerce Commission applicable to American carriers as regards (1) qualifications and hours of employment of drivers, and (2) safety of operation and equipment. Furthermore, foreign truckers must carry insurance and have a resident agent in each State for legal service.

PUBLIC LAW 523

H. R. 8247, preservation of historic battleships: In 1953 when the U. S. S. *Olympia* (Dewey's flagship in the historic battle of May 1, 1898, in Manila Bay, and which later carried back the body of the Unknown Soldier of World War I) was about to be junked your Representative introduced a bill for her preservation. This bill was incorporated (with others for the preservation of the *Constitution*, *Hartford*, and *Oregon*) in what is now Public Law 523.

The measure was approved by the President and became effective on July 23, 1954. Within 6 months thereafter the *Olympia* must be claimed by some State, municipality, or nonprofit organization, otherwise this flagship enthroned in the affection of the veterans of two wars, will be consigned to Davy Jones. In the House your Representative succeeded in extending the time to 1 year, Senate was obstinate and conferees agreed on 6 months.

I am happy, however, that the provision was left in for the removal before scrapping of any parts or pieces of historic interest. The larger parts will go to interested historical or educational institutions, smaller pieces to individuals wishing them as memontoes. Distribution will be made through the Secretary of the Navy.

The *Constitution* will be repaired, towed to Baltimore and presented to Maryland for restoration as a public monument.

The *Hartford* repaired and towed to Mobile, will remain as a public memorial in the harbor of that city.

The *Oregon* will share the same fate as the *Olympia*, 6 months more of life after July 23, 1954, unless sooner claimed.

PUBLIC LAW 524

S. 2987, reseeding public rangeland: Commodity Credit Corporation owns 77 million pounds of hay and pasture seeds [value, $2.7 million] acquired under support programs ending with the 1952 crops. Public Law 524 makes good use of some of this seed (about 1 percent) by turning it over to the Forest Service, the Fish and Wildlife Service and the Bureau of Land Management for the seeding of grazing lands. As a result an additional 110,000 acres of the public rangeland will be available for grazing.

PUBLIC LAW 525

H. R. 6263, Alaska: This reconveys back to the Rotary Club of Ketchikan, Alaska, a 4-acre recreation area which the club gave to the Federal Government in 1942 but was found difficult to supervise.

PUBLIC LAW 526

H. R. 6975, site for a high school: In 1905, when Tule Lake was being lowered in connection with a Federal reclamation project, California gave the United States title to the land uncovered. Public Law 526 gives back some 28 acres as the site for a new high school which will benefit the settlers on the Klamath irrigation project.

PUBLIC LAW 527

H. R. 8713, helium gas: Under the Helium Act of 1925 the Secretary of the Interior was authorized to dispose of byproducts of helium production not needed for Government use. Public Law 527 restores this authority which had been deleted from the 1951 act.

PUBLIC LAW 528

H. R. 9005, wartime production extended: On the finding by the Committee on Armed Services (House Report 1765) that "the present emergency may become acute at any time," Public Law 528 was enacted further to extend (July 1955) the wartime authority of the Secretaries of Army, Navy, and Air Force to expand and maintain industrial productive capacity in both Government and private plants to meet military needs.

PUBLIC LAW 529

H. R. 9006, paintings to Australia: As trophies of war the United States got 28 paintings of Australian troops which were made during World War II by German artists when the Australians were in North Africa and Crete. Public Law 529 permits their donation to the Australian War Memorial in Camberra, Australia, where they appropriately belong, and will be treasured. This gracious gesture, however, required another public law since without it no one had authority to make the gift to a foreign government or museum.

PUBLIC LAW 530

H. R. 7601, White House Conference on Education: Some time prior to November 30, 1955 prominent educators and interested laymen from all parts of the country will meet with the President at a White House Conference on Education. From this conference will come recommendations how best the municipalities, the States and the Federal Government can cooperate in meeting what is described in the act as "significant and pressing problems in the field of education."

Public Law 530 authorizes an appropriation of $1 million to be alloted to the various States, according to population, to meet the expense of State conferences preliminary to the White House conference.

The House passed the measure by roll call, 269 to 69. I voted yes. Most of the votes in opposition came from the southern bloc, heated up by the recent antisegregation decision of the Supreme Court.

SENATE

SATURDAY, JULY 31, 1954

(Legislative day of Friday, July 2, 1954)

The Senate met at 10 o'clock a. m., on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Eternal God, Father of all, who art above all and through all and in all, without whom life has no spiritual source, no divine meaning or destiny, but with whom there is power for the present and hope for the future: We seek Thee as our fathers before us have sought Thee in former days, when the difficulties they faced were as frowning heights before their climbing feet; yet by faith they were led over the peaks to the pleasant valleys and still waters beyond. So lead us on, for Thou only art our guide and deliverer.

Strengthen us with Thy might that the strain of these days may not break our spirits and that no denials of human freedom now loose in the world may intimidate our souls. When the problems which front us seem insoluble, when the very principles for which brave men have died are betrayed, when the seamless robe of world unity is rent in twain, when even the shining river of our dreams seems to sink into the sands of futility, still may we labor on serene and confident knowing, while the weeping of hopes deferred may endure for a night, that the joy of Thy sure victory cometh in the morning. We ask it in the dear Redeemer's name. Amen.

THE JOURNAL

On request of Mr. KNOWLAND, and by unanimous consent, the reading of the Journal of the proceedings of Friday, July 30, 1954, was dispensed with.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS AND JOINT RESOLUTION

Messages in writing from the President of the United States were communicated to the Senate by Mr. Tribbe, one of his secretaries, and he announced that on July 29, 1954, the President had approved and signed the following acts and joint resolution:

S. 1381. An act to amend the Agricultural Act of 1949;

S. 2380. An act to amend the Mineral Leasing Act of February 25, 1920, as amended;

S. 2766. An act to amend section 7 (d) of the Internal Security Act of 1950, as amended;

S. 3630. An act to permit the city of Philadelphia to further develop the Hog Island tract as an air, rail, and marine terminal by directing the Secretary of Commerce to release the city of Philadelphia from the fulfillment of certain conditions contained in the existing deed which restrict further development; and

S. J. Res. 96. Joint resolution to strengthen the foreign relations of the United States by establishing a Commission on Governmental Use of International Telecommunications.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its clerks, announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 7840. An act to amend the Railroad Retirement Act, the Railroad Retirement Tax Act, and the Railroad Unemployment Insurance Act;

H. R. 8384. An act to authorize the Secretary of the Interior to construct, operate, and maintain the Talent division of the Rogue River Basin reclamation project, Oregon;

H. R. 8498. An act authorizing construction of works to reestablish for the Palo Verde Irrigation District, California, a means of diversion of its irrigation water supply from the Colorado River, and for other purposes;

H. R. 9434. An act to amend section 216 (b) of the Merchant Marine Act, 1936, as amended, to provide for the maintenance of the Merchant Marine Academy;

H. R. 9666. An act to amend section 1001, paragraph 412, of the Tariff Act of 1930, with respect to hardboard;

H. R. 9785. An act to provide a method for compensating claims for damages sustained as the result of the explosions at Texas City, Tex.; and

H. R. 9987. An act to amend certain provisions of title XI of the Merchant Marine Act, 1936, as amended, to facilitate private financing of new ship construction, and for other purposes.

ORDER FOR TRANSACTION OF ROUTINE BUSINESS

Mr. KNOWLAND. Mr. President, I ask unanimous consent that immediately following the quorum call there may be the customary morning hour for the transaction of routine business, under the usual 2-minute limitation on speeches.

The VICE PRESIDENT. Without objection, it is so ordered.

CALL OF THE ROLL

Mr. KNOWLAND. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	George	McCarran
Anderson	Gillette	McCarthy
Barrett	Goldwater	Millikin
Beall	Gore	Monroney
Bennett	Green	Morse
Bowring	Hayden	Mundt
Bricker	Hendrickson	Murray
Bridges	Hennings	Neely
Burke	Hickenlooper	Pastore
Bush	Hill	Payne
Butler	Holland	Potter
Byrd	Humphrey	Purtell
Capehart	Ives	Reynolds
Carlson	Jackson	Robertson
Case	Jenner	Russell
Chavez	Johnson, Colo.	Saltonstall
Clements	Johnson, Tex.	Schoeppel
Cooper	Johnston, S. C.	Smathers
Cordon	Kennedy	Smith, Maine
Crippa	Kerr	Smith, N. J.
Daniel	Kilgore	Sparkman
Dirksen	Knowland	Stennis
Douglas	Kuchel	Symington
Duff	Langer	Thye
Dworshak	Lehman	Upton
Ellender	Long	Watkins
Ferguson	Magnuson	Welker
Flanders	Malone	Wiley
Frear	Mansfield	Williams
Fulbright	Martin	Young

Mr. CLEMENTS. I announce that the Senator from Mississippi [Mr. EASTLAND], the Senators from North Carolina [Mr. ERVIN and Mr. LENNON], the Senator from Tennessee [Mr. KEFAUVER], and the Senator from Arkansas [Mr. MCCLELLAN] are absent on official business.

The Senator from South Carolina [Mr. MAYBANK] is absent by leave of the Senate.

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred as indicated:

REPORT OF DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

A letter from the Secretary, Department of Health, Education, and Welfare, transmitting, pursuant to law, the report of that Department for the fiscal year 1953 (with an accompanying report); to the Committee on Labor and Public Welfare.

TRANSFER OF TITLE TO CERTAIN LAND AND IMPROVEMENTS IN NEW MEXICO

A letter from the Assistant Secretary of the Interior, transmitting a draft of proposed legislation to provide for the transfer of title to certain land and the improvements thereon to the Pueblo of San Lorenzo (Pueblo of Picuris), in New Mexico, and for other purposes (with an accompanying paper); to the Committee on Interior and Insular Affairs.

GRANTING OF STATUS OF PERMANENT RESIDENCE TO CERTAIN ALIENS

A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, copies of orders granting the applications for permanent residence filed by certain aliens (with accompanying papers); to the Committee on the Judiciary.

REPORT ON TORT CLAIMS PAID BY SMITHSONIAN INSTITUTION

A letter from the Secretary, Smithsonian Institution, Washington, D. C., reporting, pursuant to law, on tort claims paid by that Institution during the fiscal year 1954 (with an accompanying paper); to the Committee on the Judiciary.

REPORT OF A COMMITTEE

The following report of a committee was submitted:

By Mr. BRIDGES, from the Committee on Appropriations, with amendments:

H. R. 9936. A bill making supplemental appropriations for the fiscal year ending June 30, 1955, and for other purposes (Rept. No. 2034).

ADDITIONAL FUNDS FOR OFFICIAL REPORTERS OF SENATE DEBATES AND PROCEEDINGS—REPORT OF A COMMITTEE

Mr. JENNER. Mr. President, from the Committee on Rules and Administration, I report favorably, without amendment, the resolution (S. Res. 296) to provide additional funds for Official Reporters of Senate debates and proceedings.

Mr. KNOWLAND. Mr. President, I ask unanimous consent for the immediate consideration of the resolution.

There being no objection, the resolution (S. Res. 296), submitted by Mr. KNOWLAND on July 29, 1954, was considered and agreed to, as follows:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay from the contingent fund of the Senate, to

the Official Reporters of the Senate debates and proceedings during the period of July 1, 1954, to December 31, 1954, so much as may be necessary, not to exceed $10,000 for the employment of additional office personnel.

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on today, July 31, 1954, he presented to the President of the United States the following enrolled bills:

S. 2371. An act to extend emergency foreign merchant vessel acquisition and operating authority of Public Law 101, 77th Congress, and for other purposes;

S. 3458. An act to authorize the long-term chartering of tankers and the construction of tankers by the Secretary of the Navy, and for other purposes;

S. 3466. An act to provide for two additional Assistant Secretaries of the Army, Navy, and Air Force, respectively; and

S. 3713. An act to give effect to the International Convention for the High Seas Fisheries of the North Pacific Ocean, signed at Tokyo, May 9, 1952, and for other purposes.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. SALTONSTALL (by request):

S. 3824. A bill for the relief of Joao-Pinguel Rodrigues; to the Committee on the Judiciary.

By Mr. HOLLAND (for himself and Mr. SMATHERS):

S. 3825. A bill for the relief of certain aliens; to the Committee on the Judiciary.

By Mr. SMITH of New Jersey:

S. 3826. A bill for the relief of Cornelis Johannes Eeman; to the Committee on the Judiciary.

By Mr. BUTLER (for himself, Mr. POTTER, Mr. KUCHEL, and Mr. MAGNUSON):

S. 3827. A bill to amend section 705 of the Merchant Marine Act, 1936, as amended, and for other purposes; to the Committee on Interstate and Foreign Commerce.

(See the remarks of Mr. BUTLER when he introduced the above bill, which appear under a separate heading.)

AMENDMENT OF SECTION 705 OF MERCHANT MARINE ACT, 1936

Mr. BUTLER. Mr. President, on behalf of myself, the Senator from Michigan [Mr. POTTER], the Senator from California [Mr. KUCHEL], and the Senator from Washington [Mr. MAGNUSON], I introduce for appropriate reference a bill to amend section 705 of the Merchant Marine Act, 1936, as amended, and for other purposes, to establish a uniform pricing base for a series of ships of the same type.

I understand that similar bills are being introduced in the House by Representative TOLLEFSON, acting chairman of the Committee on Merchant Marine and Fisheries, and by other Members of the House of Representatives. It is realized that there will not be time during the remainder of this session to hold hearings on the bill. However, the introduction of the bill will serve a useful purpose, in that it will enable us to secure during the period of the adjournment the views of the interested Government agencies. Then, when the new Congress convenes, it will be possible to have a new bill introduced and considered without further loss of time.

The proponents of the bill have prepared a statement captioned "Purpose of the Bill." I ask unanimous consent to have the statement printed in the RECORD, as a part of my remarks.

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the statement will be printed in the RECORD.

The bill (S. 3827) to amend section 705 of the Merchant Marine Act, 1936, as amended, and for other purposes, introduced by Mr. BUTLER (for himself, Mr. POTTER, Mr. KUCHEL, and Mr. MAGNUSON), was received, read twice by its title, and referred to the Committee on Interstate and Foreign Commerce.

The statement presented by Mr. BUTLER is as follows:

PURPOSE OF THE BILL

This proposed amendment to section 705, Merchant Marine Act, 1936, as amended, has a dual purpose: The first is to bring the pricing formula of section 705 into consonance with a basic concept of the 1936 act, namely, the dispersal of ship construction as set forth in section 502 (f); the second is to insure a uniform pricing base for a series of vessels of the same type, such as the mariner vessels, constructed and sold under the provisions of the act. This latter theory that all vessels of the same type should be sold at the same price was clearly established in the Merchant Ship Sales Act of 1946.

To accomplish the foregoing, the amendment to section 705 provides one uniform date to be used in determining the foreign cost of the commercial equivalent of vessels constructed or contracted for in the series. In situations where a series of contracts for the same type of vessels are to be let, national defense requirements and other considerations often require that the construction be dispersed and allocated to shipyards throughout the country. Section 502 (f) of the 1936 act recognized these considerations and specifically provided that the difference in cost occasioned by the dispersal requirements would not be considered a part of the construction-differential subsidy but would be charged to national defense. Therefore it may be said that the recognition of the necessity of dispersing shipyard contracts is a basic policy of the 1936 act. As mentioned before, the concept that all vessels of one type should be sold at the same price was established in the Ship Sales Act of 1946.

There are two methods of pricing vessels for commercial sale under the 1936 act. The first method is to take the total construction cost and to deduct therefrom the national-defense features. From this figure is deducted the construction-differential subsidy, with the result being the final price to the commercial operator. The second method is provided for under section 705, and is based upon an estimate of the foreign cost of the commercial equivalent of the vessel exclusive of national-defense features.

The second method was used by the Maritime Administration in pricing the Mariners for the reason that difficulty was encountered in arriving at the cost of the national-defense features on these vessels. Therefore, the Administration proceeded to obtain the estimated cost of a vessel built in a foreign yard which had the same commercial features as the Mariner vessel, namely, 18-knot speed, 733,000 bale cubic capacity. This cost was finally obtained, based upon a theoretical contract let in a foreign yard on February 7, 1951. This date coincided with the contract date of the first 25 Mariner vessels, 5 of which were assigned to each of the following yards: Newport News Shipbuilding & Drydock Co.; Ingalls Shipbuilding Corp.; Bethlehem Steel Co. (Sparrows Point); Bethlehem Steel Co. (Quincy); Sun Shipbuilding & Drydock Co. In discussions between Admiral Cochrane and President Truman, the President approved the dispersal of contracts for national-defense purposes, and further agreed that no more than five vessels should be built in any one yard and that west coast facilities should be considered in the awarding of Mariner contracts. In accordance with this policy, bids were received from New York Shipbuilding Co. and the Bethlehem Steel Co., at San Francisco, but such bids were considerably higher than the bids for the first 25 vessels. Therefore, the Maritime Administration decided to endeavor to obtain bids more favorable to the Government. After approximately 6 months of negotiation this was accomplished, and the New York Shipbuilding Co. contract was signed June 25, 1951, and the Bethlehem Steel contract was signed August 1, 1951. The delay in the awarding of these contracts was occasioned solely by the Government's policy of dispersing the contracts and collaterally of obtaining more equitable bids from the administration's standpoint.

As mentioned before, section 502 (f) provides for a national defense adjustment in the construction cost of the portion resulting from the dispersal of the contracts. However, this section applies only to vessels built and priced under the first formula, namely, using the construction cost in the United States. Due to the fact that the Maritime Administration used the second method and arrived at the Mariner price by using the estimated cost of the foreign commercial equivalent, the specific language of 502 (f) does not cover this situation. We believe that section 502 (f) contains a basic philosophy of the act, and that section 705 should be amended to include this policy so that all sections of the act will be consistent. In addition, the accepted theory that all vessels of the same type should be sold at one uniform price will be recognized.

The following amendment designed to carry out the foregoing was prepared by the staff of the General Counsel of the Administration, and approved by both the General Counsel and the Administrator:

"A bill to amend section 705 of the Merchant Marine Act, 1936, as amended, and for other purposes

"*Be it enacted, etc.*, That section 705 of the Merchant Marine Act, 1936, as amended (U. S. C., title 46, sec. 1195), is hereby amended by inserting before the period at the end thereof a colon and the following: '*Provided*, That in the event the Commission subsequent to January 1, 1951, awards a series of contracts for the construction of ships to effect the allocation of work for national defense, the foreign construction cost of said ships shall be determined as of the date of the award of the first contract of such series and the excess of the awarded price of each allocated contract over the price of the first awarded contract shall be a national defense cost.'"

Finally, it should be noted that the proposed amendment would be of general applicability to all of the mariner vessels and any other series of vessels of one type sold to private purchasers.

PRINTING OF ADDITIONAL COPIES OF ANNUAL REPORT OF COMMITTEE ON GOVERNMENT OPERATIONS

Mr. McCARTHY submitted the following resolution (S. Res. 302), which

was referred to the Committee on Rules and Administration:

Resolved, That the Senate Permanent Subcommittee on Investigations of the Committee on Government Operations is authorized to have printed for its use 12,000 copies of Senate Report No. 881, 83d Congress, 2d session, entitled "Annual Report of the Committee on Government Operations made by its Senate Permanent Subcommittee on Investigations pursuant to Senate Resolution 40."

AMENDMENT OF RULE RELATING TO COMMITTEE AND SUBCOMMITTEE PROCEDURE

Mr. CASE submitted the following resolution (S. Res. 303), which was referred to the Committee on Rules and Administration:

Resolved, That subsection 3 of rule XXV of the standing rules of the Senate is amended by adding at the end thereof the following:

"(c) The rules of the committees shall be the rules of the subcommittees so far as applicable. Committees and subcommittees may adopt additional rules not inconsistent with the rules of the Senate.

"(d) Unless otherwise provided, committee action shall be by vote of a majority of a quorum, but an investigating subcommittee of any committee may be authorized only by majority vote of the committee and any such authorization shall be reported in writing to the President of the Senate.

"(e) Subpenas to require the attendance of witnesses, the giving of testimony, and the production of books, papers, or other evidence shall be issued only by authority of the committee or subcommittee.

"(f) Committee interrogation of witnesses shall be conducted only by members and authorized staff personnel of the committee and no person shall be employed for or assigned to investigate activities until approved by the committee.

"(g) A witness subpenaed to appear before a committee may be accompanied by counsel of his own choosing and may be advised of his legal rights by such counsel while testifying.

"(h) No confidential testimony taken or confidential material presented in an executive hearing of a committee, and no report of the proceedings of such a hearing, shall be made public either in whole or in part or by way of summary unless authorized by a majority vote of the committee.

"(i) No committee or subcommittee hearing shall be scheduled in any place outside of the District of Columbia except by a majority vote.

"(j) Vouchers covering expenditures of any investigating committee shall be accompanied by a statement signed by the chairman that the investigation was duly authorized under the provisions of this rule."

SOCIAL SECURITY AMENDMENTS OF 1954—AMENDMENT

Mr. IVES submitted an amendment intended to be proposed by him to the bill (H. R. 9366) to amend the Social Security Act and the Internal Revenue Code so as to extend coverage under the old-age and survivors insurance program, increase the benefits payable thereunder, preserve the insurance rights of disabled individuals, and increase the amount of earnings permitted without loss of benefits, and for other purposes, which was ordered to lie on the table and to be printed.

AMENDMENT OF SUBVERSIVE ACTIVITIES CONTROL ACT OF 1950—AMENDMENTS

Mr. FERGUSON. Mr. President, I submit amendments intended to be proposed by me to the bill (S. 3706) to amend the Subversive Activities Control Act of 1950 to provide for the determination of the identity of certain Communist-infiltrated organizations, and for other purposes. I ask unanimous consent that the amendments be printed and lie on the table, in order that they can be called up when the proposed legislation is being considered by the Senate.

The VICE PRESIDENT. The amendments will be received and printed, and will lie on the table, as requested by the Senator from Michigan.

Mr. FERGUSON. Mr. President, I ask unanimous consent that the amendments be printed in the RECORD.

There being no objection, the amendments were ordered to be printed in the RECORD, as follows:

On page 5, line 22, strike out the phrase "within 5 years."

On page 6, line 8, strike out the phrase "within 5 years."

On page 6, line 13, strike out the phrase "within 5 years."

On page 6, lines 17 and 18, strike out the phrase "within 5 years."

On page 6, line 22, strike out the phrase "within 5 years."

On page 7, line 8, strike out the phrase "within 5 years."

On page 8, lines 8 and 9, strike out the phrase "(c), (d), (e), and (f)" and insert in lieu thereof the phrase "(c) and (d)."

On page 10, lines 7 and 8, strike out the phrase "or paragraph (1) of subsection (j)."

On page 2, strike out all in lines 1 to 14, inclusive, and insert the following in lieu thereof: "means any organization in the United States (A) the policies, programs, or actions of which are in any substantial degree directed, dominated, controlled, or influenced by or on behalf of the Communist Party, a Communist-action organization, or a member or members thereof, and (B) which is in a position to affect the national defense or security of the United States.

"(4B) The term 'Communist Party' means the Communist Party of the United States, or of any State or Territory, or of any subdivision of any State or Territory, without regard to the name by which it may be or has been known."

On page 1, line 8, strike out the word "paragraph" and insert in lieu thereof the word "paragraphs."

NOTICES OF MOTIONS TO SUSPEND THE RULE—AMENDMENTS TO SUPPLEMENTAL APPROPRIATION BILL, 1955

Mr. BRIDGES submitted the following notice in writing:

In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 9936) making supplemental appropriations for the fiscal year ending June 30, 1955, and for other purposes, the following amendment, namely: On page —, after line —, insert the following:

"PAYMENT TO FEDERAL REPUBLIC OF GERMANY

"For payment to the Federal Republic of Germany for the acquisition or construction of an Embassy in the District of Columbia, $300,000: *Provided*, That this appropriation shall be effective only upon enactment of legislation set forth in either H. R. 9988 or S. 1573, 83d Congress."

Mr. BRIDGES submitted the following notice in writing:

In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 9936) making supplemental appropriations for the fiscal year ending June 30, 1955, and for other purposes, the following amendment, namely: On page —, after line —, insert the following:

"BUREAU OF THE CENSUS

"CENSUSES OF BUSINESS, MANUFACTURES, AND MINERAL INDUSTRIES

"For expenses necessary for taking, compiling, and publishing the censuses of business, manufactures, and mineral industries as authorized by law, including personal services by contract or otherwise at rates to be fixed by the Secretary of Commerce without regard to the Classification Act of 1949, as amended; and additional compensation of Federal employees temporarily detailed for fieldwork under this appropriation; $8,430,000, to remain available until December 31, 1957."

Mr. BRIDGES submitted the following notice in writing:

In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 9936) making supplemental appropriations for the fiscal year ending June 30, 1955, and for other purposes, the following amendment, namely: On page —, line —, after *"Provided"*, insert the following: ", to remain available until expended: *Provided*, That transfers may be made to the appropriation for the current fiscal year for 'Salaries and expenses' for administrative expenses (not to exceed $500,000) and for reserve fleet expenses and such amounts as may be required, and any such transfers shall be without regard to the limitations under that appropriation on the amounts available for such expenses: *Provided further*."

Mr. BRIDGES submitted the following notice in writing:

In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 9936) making supplemental appropriations for the fiscal year ending June 30, 1955, and for other purposes, the following amendment, namely: On page —, after line —, insert the following:

"REIMBURSEMENT TO DISTRICT OF COLUMBIA

"For reimbursement to the highway fund, District of Columbia, for part cost of construction of highway-railroad grade separation structure in the District of Columbia on New York Avenue in the vicinity of South Dakota Avenue NE., $290,000: *Provided*, That this appropriation shall only become available upon the enactment into law of H. R. 6080, 83d Congress."

Mr. BRIDGES submitted the following notice in writing:

In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 9936) making supplemental appropriations for the fiscal year ending June 30, 1955, and for other

purposes, the following amendment, namely: On page —, after line —, insert the following:

"BUREAU OF ACCOUNTS

"SALARIES AND EXPENSES, DIVISION OF DISBURSEMENT

"For an additional amount for salaries and expenses, $500,000: *Provided*, That this paragraph shall be effective only upon enactment into law of H. R. 9366 or similar legislation of the 83d Congress."

Mr. BRIDGES submitted the following notice in writing:

In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 9936) making supplemental appropriations for the fiscal year ending June 30, 1955, and for other purposes, the following amendment, namely: On page —, after line —, insert the following:

"BUREAU OF LABOR STANDARDS

"SALARIES AND EXPENSES

"For an additional amount for 'Salaries and expenses,' $25,000; and the amount made available under this head in the Department of Labor Appropriation Act, 1955, for the work of the President's Committee on National Employ the Physically Handicapped Week, is increased from $75,000 to $100,000: *Provided*, That this paragraph shall be effective only upon the enactment during the 83d Congress of legislation increasing the authorization for appropriations for such purpose."

Mr. BRIDGES submitted the following notice in writing:

In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 9936) making supplemental appropriations for the fiscal year ending June 30, 1955, and for other purposes, the following amendment, namely: On page —, after line —, insert the following:

"UNEMPLOYMENT COMPENSATION FOR FEDERAL EMPLOYEES

"For payments to unemployed Federal employees, either directly or through payments to States, as authorized by title XV of the Social Security Act, as amended, $10,000,000, to remain available until expended.

"UNEMPLOYMENT COMPENSATION FOR FEDERAL EMPLOYEES, NEXT SUCCEEDING FISCAL YEAR

"For making, after May 31 of the current fiscal year, payments to States, as authorized by title XV of the Social Security Act, as amended, such amounts as may be required for payment to unemployed Federal employees, for the first quarter of the next succeeding fiscal year, and the obligations and expenditures thereunder shall be charged to the appropriation therefor for that fiscal year.

"The two immediately preceding paragraphs in this act under the head 'Bureau of Employment Security' shall be effective only upon enactment into law of H. R. 9709, 83d Congress, except that $896,000 of the appropriation for 'Grants to States for Unemployment Compensation and Employment Service Administration' shall be effective only upon enactment into law of H. R. 9640 or S. 2759, 83d Congress."

Mr. BRIDGES submitted the following notice in writing:

In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 9936) making supplemental appropriations for the fiscal year ending June 30, 1955, and for other purposes, the following amendment, namely: On page —, beginning in line —, insert the following:

"GENERAL PROVISIONS

"SEC. 502. There shall be hereafter in the Department of Labor, in addition to the Assistant Secretaries now provided for by law, one additional Assistant Secretary of Labor, who shall be appointed by the President by and with the advice and consent of the Senate, and who shall be subject in all respects to the provisions of the act of April 17, 1946 (60 Stat. 91), as amended (5 U. S. C. 611b), relating to Assistant Secretaries of Labor. Section 3 of Reorganization Plan No. 6 of 1950, as amended (64 Stat. 1263; 66 Stat. 121), is hereby repealed: *Provided*, That the present incumbent of the position of Administrative Assistant Secretary may be reassigned to an appropriate position in the Department without reduction in the rate of basic compensation."

Mr. BRIDGES submitted the following notice in writing:

In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of the rule XVI for the purpose of proposing to the bill (H. R. 9936) making supplemental appropriations for the fiscal year ending June 30, 1955, and for other purposes, the following amendment, namely: On page —, after line —, insert the following:

"FOOD AND DRUG ADMINISTRATION

"SALARIES AND EXPENSES, CERTIFICATION AND INSPECTION SERVICES

"The paragraph under this head in the Department of Health, Education, and Welfare Appropriation Act, 1955, is amended to read as follows:

" 'Salaries and expenses, certification and inspection services: For expenses necessary for the certification or inspection of certain products in accordance with sections 406, 408, 504, 506, 507, 604, 702A, and 706 of the Federal Food, Drug, and Cosmetic Act, as amended (21 U. S. C. 346, 348, 354, 356, 357, 364, 372a, and 376), the aggregate of the advance deposits during the current fiscal year to cover payments of fees by applicants for certification or inspection of such products, to remain available until expended. The total amount herein appropriated shall be available for personal services; purchase of chemicals, apparatus, and scientific equipment; expenses of advisory committees; and the refund of advance deposits for which no service has been rendered.' "

Mr. BRIDGES submitted the following notice in writing:

In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 9936) making supplemental appropriations for the fiscal year ending June 30, 1955, and for other purposes, the following amendment, namely: On page —, after line —, insert the following.

"PAYMENTS TO SCHOOL DISTRICTS

"Notwithstanding the provisions of section 3 (c) (1) of Public Law 874, 81st Congress, as amended, the amount payable to a local educational agency for the fiscal year ending June 30, 1955, with respect to the number of children determined under subsection (a) or (b) of section 3 thereof shall be computed on the same basis as was used during the fiscal year ending June 30, 1954, under subsections (a), (b), (c), and (d) of section 3 of said law."

Mr. BRIDGES submitted the following notice in writing:

In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 9936) making supplemental appropriations for the fiscal year ending June 30, 1955, and for other purposes, the following amendment, namely: On page —, after line —, insert the following.

"Salaries, expenses, and grants: For carrying out the act of July 26, 1954 (Public Law 530), including services as authorized by section 15 of the act of August 2, 1946 (5 U. S. C. 55a), $1,250,000, of which $1 million shall be for grants to the States in accordance with section 2 of such act: *Provided*, That a Conference Director may be appointed by the Secretary at a salary of $15,000 per annum."

Mr. BRIDGES submitted the following notice in writing:

In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 9936) making supplemental appropriations for the fiscal year ending June 30, 1955, and for other purposes, the following amendment, namely: On page —, after line —, insert the following.

"GRANTS TO STATES AND OTHER AGENCIES

"For grants to States and other agencies in accordance with the Vocational Rehabilitation Act, as amended, $6 million, of which $1,500,000 is for vocational rehabilitation services under section 2 of said act; $1,500,000 is for extension and improvement projects under section 3 of said act; and $3 million is for special projects under section 4 of said act: *Provided*, That the amounts appropriated for the Office of Vocational Rehabilitation under the heads 'Payments to States' in the Department of Health, Education, and Welfare Appropriation Act, 1955, shall be available, without regard to the limitations set forth therein, for the purposes of section 2 of the Vocational Rehabilitation Act, as amended: *Provided further*, That the paragraphs under the head 'Office of Vocational Rehabilitation' in this act shall be effective only upon enactment into law of H. R. 9640 or S. 2759, 83d Congress."

Mr. BRIDGES submitted the following notice in writing:

In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 9936) making supplemental appropriations for the fiscal year ending June 30, 1955, and for other purposes, the following amendment, namely: On page —, beginning in line —, insert the following:

"SALARIES AND EXPENSES

"For an additional amount for 'Salaries and expenses,' $400,000, of which $8,800 shall be transferred to the appropriation 'Salaries and expenses, Office of the General Counsel': *Provided*, That the limitation under this head in the Department of Health, Education, and Welfare Appropriation Act, 1955, on the amount available for production, purchase, and distribution of educational films, is hereby repealed."

Mr. BRIDGES submitted the following notice in writing:

In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 9936) making supplemental appropriations for the fiscal year ending June 30, 1955, and for other

purposes, the following amendment, namely: On page —, after line —, insert the following:

"The amounts made available under this head for the fiscal year 1955 shall be available for the payment of special allowances to those employees of the Department whose headquarters are relocated from Baltimore, Md., to Washington, D. C., at $9 per day after arrival at Washington, D. C., for 6 days for employees, plus $4.50 per day additional for 6 days for each member of immediate families of employees."

Mr. BRIDGES submitted the following notice in writing:

In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 9936) making supplemental appropriations for the fiscal year ending June 30, 1955, and for other purposes, the following amendment, namely: On page —, after line —, insert the following:

"ADVANCES TO STATE, NEXT SUCCEEDING FISCAL YEAR

"For making, after May 31 of the current fiscal year, advances to States under section 221 (e) of the Social Security Act, as amended, for the first quarter of the next succeeding fiscal year, such sums as may be necessary from the above authorization may be expended from the Federal old-age and survivors insurance trust fund.

"The two immediately preceding paragraphs under the head 'Bureau of Old-Age and Survivors Insurance' in this act shall be effective only upon enactment into law of H. R. 9366 or similar legislation of the 83d Congress."

Mr. BRIDGES submitted the following notice in writing:

In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 9936) making supplemental appropriations for the fiscal year ending June 30, 1955, and for other purposes, the following amendment, namely: On page —, after line —, insert the following:

"CONSTRUCTION, BUREAU OF OLD-AGE AND SURVIVORS INSURANCE

"For construction of an office building and appurtenant facilities for the Bureau of Old-Age and Survivors Insurance, including equipment, acquisition of land (including donations thereof), and preparation of plans and specifications, $22,290,000, to be derived from the Federal old-age and survivors insurance trust fund and to remain available until expended."

Mr. BRIDGES submitted the following notice in writing:

In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 9936) making supplemental appropriations for the fiscal year ending June 30, 1955, and for other purposes, the following amendment, namely: On page —, after line —, insert the following:

"WATERSHED PROTECTION

"For an additional amount for 'Watershed protection,' to remain available until expended, $2,425,000, of which not to exceed $50,000 shall be transferred to and made a part of the appropriation 'Office of the Solicitor,' 1955: *Provided*, That funds appropriated under this head shall be available for carrying out the purposes of the act of —— (Public Law —, 83d Cong.): *Provided further*, That this paragraph shall be effective only upon enactment into law of H. R. 6783, 83d Congress."

Mr. BRIDGES submitted the following notice in writing:

In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 9936) making supplemental appropriations for the fiscal year ending June 30, 1955, and for other purposes, the following amendment, namely: On page —, after line —, insert the following:

"FOREIGN AGRICULTURAL SERVICE

"For an additional amount for 'Foreign Agricultural Service,' including not to exceed $15,000 for representation allowances, $1,500,000, of which $1 million shall be derived from such appropriation or appropriations available to the Department of State as the Director of the Bureau of the Budget may determine: *Provided*, That transfers shall be made under this authorization in lieu of any similar transfers which may be authorized under the Agricultural Act of 1954 (H. R. 9680, 83d Cong.): *Provided further*, That this paragraph shall be effective only upon the enactment into law of H. R. 9380, 83d Congress."

Mr. BRIDGES submitted the following notice in writing:

In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 9936) making supplemental appropriations for the fiscal year ending June 30, 1955, and for other purposes, the following amendment, namely: On page —, beginning in line —, insert the following:

"COMMODITY EXCHANGE AUTHORITY

"For an additional amount for 'Commodity Exchange Authority,' $93,000: *Provided*, That $39,000 of this appropriation shall be effective only upon enactment of legislation which would add 'coffee' under the definition of the word 'commodities' as defined in section 2 (a) of the Commodity Exchange Act, as amended (7 U. S. C. 1–17a); $34,000 shall be effective only upon enactment into law of H. R. 6435, 83d Congress; and $20,000 shall be effective only upon enactment into law of S. 2313, 83d Congress."

Mr. BRIDGES submitted the following notice in writing:

In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 9936) making supplemental appropriations for the fiscal year ending June 30, 1955, and for other purposes, the following amendment, namely: On page —, after line —, insert the following:

"LOAN AUTHORIZATIONS

"For loans under the act of August 28, 1937, as amended, $3,500,000: *Provided*, That not to exceed the foregoing amount shall be borrowed from the Secretary of the Treasury in the manner authorized under this head in the Department of Agriculture and Farm Credit Administration Appropriation Act, 1955: *Provided further*, That this appropriation shall be effective only upon enactment into law of either H. R. 8386 or S. 3137, 83d Congress."

Mr. BRIDGES submitted the following notice in writing:

In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 9936) making supplemental appropriations for the fiscal year ending June 30, 1955, and for other purposes, the following amendment, namely: On page —, after line —, insert the following:

"OFFICE OF THE SOLICITOR

"For an additional amount for 'Office of the Solicitor,' $54,000: *Provided*, That $40,000 shall be effective only upon enactment into law of either H. R. 8386 or S. 3137, 83d Congress."

Mr. BRIDGES submitted the following notice in writing:

In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 9936) making supplemental appropriations for the fiscal year ending June 30, 1955, and for other purposes, the following amendment, namely: On page —, line —, after "———," insert the following: ": *Provided*, That $3 million of the foregoing amount shall be available to provide financial assistance to public school districts for the construction and equipment of public school facilities for Navaho Indian children from reservation areas not included in such districts; and $31,000 shall be for the payment of the excess value of land, water rights, and irrigation structures to be received by the Pyramid Lake Paiute Tribe of Indians of the Pyramid Lake Indian Reservation in exchange for tribal lands of said tribe located in the State of Nevada: *Provided*, That title to the land to be acquired for said tribe described as southeast quarter of section 22, township 21 north, range 24 east, Mount Diablo base and meridian, containing 160 acres, more or less, and structures shall be taken in the name of the United States in trust for said tribe: *Provided further*, That the prohibition against the use of funds appropriated under this heading in the Interior Department Appropriation Act, 1955, for the acquisition of land or water rights within the State of Nevada, either inside or outside the boundaries of existing reservations shall not apply to this transaction: *Provided further*, That the limitation under this heading in the Interior Department Appropriation Act, 1955, on the amount available for personal services is increased by $1 million."

Mr. BRIDGES submitted the following notice in writing:

In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 9936) making supplemental appropriations for the fiscal year ending June 30, 1955, and for other purposes, the following amendment, namely: On page —, after line—, insert the following:

"GENERAL PROVISIONS

"SEC. 702. Limitation on amounts to be expended for personal services under appropriations in the Interior Department Appropriation Act, 1955 (Public Law 465, 83d Cong.), shall not apply to lump-sum leave payments pursuant to the act of December 21, 1944 (5 U. S. C. 61b–d)."

Mr. BRIDGES submitted the following notice in writing:

In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 9936) making supplemental appropriations for the fiscal year ending June 30, 1955, and for other

purposes, the following amendment, namely: On page —, after line —, insert the following:

"SEC. 703. The limitation for personal services under the heading 'Construction, Bonneville Power Administration,' contained in the Interior Department Appropriation Act, 1955 (Public Law 465, 83d Cong.), is hereby increased from $6,250,000 to $7,450,000."

Mr. BRIDGES submitted the following notice in writing:

In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 9936) making supplemental appropriations for the fiscal year ending June 30, 1955, and for other purposes, the following amendment, namely: On page —, after line —, insert the following:

"SEC. 704. Funds appropriated under the heading, 'Administration of Territories' in the Interior Department Appropriation Act, 1955 (Public Law No. 465, 83d Cong.) shall be available to carry out the provisions of the Revised Organic Act of the Virgin Islands (Public Law No. 517, 83d Cong)."

Mr. BRIDGES submitted the following notice in writing:

In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 9936) making supplemental appropriations for the fiscal year ending June 30, 1955, and for other purposes, the following amendment, namely: On page —, line —, before the period, insert the following: "credited to the fund from which rental payments are made."

Mr. BRIDGES submitted the following notice in writing:

In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 9936) making supplemental appropriations for the fiscal year ending June 30, 1955, and for other purposes, the following amendment, namely:

On page —, beginning in line —, insert the following:

"SURVEY OF GOVERNMENT RECORDS, RECORDS MANAGEMENT, AND DISPOSAL PRACTICES

"For necessary expenses, including administrative expenses, in connection with conducting surveys of Government records, and records creation, maintenance, management and disposal practices in Federal agencies, pursuant to sections 505 and 506 of the Federal Property and Administrative Services Act of 1949, as amended, $500,000: *Provided*, That notwithstanding any other provision of said act, the Administrator shall have final authority in all matters involving the conduct of surveys and the implementation of recommendations based on such surveys: *Provided further*, That the General Services Administration is authorized to procure services in accordance with section 15 of the act of August 2, 1946 (5 U. S. C. 55a): *Provided further*, That a detailed quarterly report on the progress of each survey conducted hereunder shall be made to the Appropriations Committees of the Congress."

Mr. BRIDGES submitted the following notice in writing:

In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 9936) making supplemental appropriations for the fiscal year ending June 30, 1955, and for other purposes, the following amendment, namely: On page —, after line —, insert the following:

"SALARIES AND EXPENSES

"For an additional amount for 'Salaries and expenses,' $1,000,000; and the limitation under this head in the Independent Offices Appropriation Act, 1955, on the amount available for expenses of travel, is increased from '$169,325' to '$260,825': *Provided*, That the authority contained under this head in the Third Supplemental Appropriation Act, 1954 (Public Law 357), for transfer of funds to this appropriation is continued through December 31, 1954, but additional amounts transferred pursuant to this extension shall not exceed $250,000, including not to exceed $25,000 for expenses of travel."

Mr. BRIDGES submitted the following notice in writing:

In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 9936) making supplemental appropriations for the fiscal year ending June 30, 1955, and for other purposes, the following amendment, namely: On page —, after line —, insert the following:

"FAMILY HOUSING

"For family housing authorized by the enactment into law of H. R. 9924, 83d Congress, not to exceed $175,000,000 to be made available to the respective military departments in such amounts as may be determined by the Secretary of Defense, to remain available until expended: *Provided*, That funds appropriated under this heading shall not be used for family housing unless the Secretary of Defense certifies that (1) it is impracticable to construct family housing under the provisions of title VIII of the National Housing Act, and (2) that adequate housing at reasonable rental rates is not available in the immediate vicinity of the military installation, and (3) it is impracticable to acquire suitable housing under other existing provisions of law."

Mr. BRIDGES submitted the following notice in writing:

In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 9936) making supplemental appropriations for the fiscal year ending June 30, 1955, and for other purposes, the following amendment, namely: On page —, after line —, insert the following:

"ARMY NATIONAL GUARD

"The Secretary of the Army may transfer not to exceed $3,000,000, to the appropriation 'Army National Guard, 1955' for additional State National Guard civilian employees from any appropriation available to the Department of the Army when such transfers are determined by the Secretary of the Army to be in the national interest."

Mr. BRIDGES submitted the following notice in writing:

In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 9936) making supplemental appropriations for the fiscal year ending June 30, 1955, and for other purposes, the following amendment, namely: On page —, after line —, insert the following:

"SEC. 906. Subsection (b) of section 404 of the Civil Aeronautics Act of 1938 (52 Stat. 993; 49 U. S. C. 484 (b)) is hereby amended by inserting at the end thereof the following: '*Provided*, That nothing in this or any other act shall prevent the carriage, storage, or handling of property free or at reduced rates for the Department of Defense, or the transportation of persons free or at reduced rates for the Department of Defense on a space-available basis on scheduled service.'"

Mr. BRIDGES submitted the following notice in writing:

In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 9936) making supplemental appropriations for the fiscal year ending June 30, 1955, and for other purposes, the following amendment, namely: On page —, after line —, insert the following:

"CONSTRUCTION OF TANKERS

"For construction of tankers as authorized by the act of ———, 1954, Public Law —, $37,500,000 to remain available until expended: *Provided*, That this appropriation may be transferred to such appropriation as the President may designate."

Mr. BRIDGES submitted the following notice in writing:

In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 9936) making supplemental appropriations for the fiscal year ending June 30, 1955, and for other purposes, the following amendment, namely: On page —, line —, before the period, insert the following: "purchase of not to exceed two passenger motor vehicles; and entertainment; $170,000."

Mr. BRIDGES submitted the following notice in writing:

In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 9936) making supplemental appropriations for the fiscal year ending June 30, 1955, and for other purposes, the following amendment, namely: On page —, after line —, insert the following:

"CORPORATIONS

"Federal National Mortgage Association: The limitation on the amount available for administrative expenses under this head in title II of the Independent Offices Appropriation Act, 1955 (Public Law 428), shall be exclusive of expenses (including expenses for fiscal agency services performed on a contract or fee basis) in connection with the issuance and servicing of obligations as authorized by title II of the Housing Act of 1954."

Mr. BRIDGES submitted the following notice in writing:

In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 9936) making supplemental appropriations for the fiscal year ending June 30, 1955, and for other purposes, the following amendment, namely: On page —, after line —, insert the following:

"Federal Housing Administration: The amount made available under this head in title II of the Independent Offices Appropriation Act, 1955 (Public Law 428), for administrative expenses, is increased from '$5,150,000' to '$6,500,000' and the limitation on the amount available for expenses of travel is increased from '$175,000' to '$355,000': *Provided*, That the limitation under said head on the amount available for certain nonadministrative expenses of said Administrator is increased from '$25,000,000' to '$28,000,000.'"

Mr. BRIDGES submitted the following notice in writing:

In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 9936) making supplemental appropriations for the fiscal year ending June 30, 1955, and for other purposes, the following amendment, namely: On page —, after line —, insert the following: "Office of the Administrator, public facility loans: Not to exceed $210,000 of funds in the revolving fund established pursuant to section 108 of the Reconstruction Finance Corporation Liquidation Act, as amended (40 U. S. C. 459), shall be available for administrative expenses, but this amount shall be exclusive of payment for services and facilities of the Federal Reserve banks or any member thereof, the Federal home loan banks, and any insured bank within the meaning of the act creating the Federal Deposit Insurance Corporation (act of August 23, 1935, as amended, 12 U. S. C. 264) which has been designated by the Secretary of the Treasury as a depository of public money of the United States."

Mr. BRIDGES submitted the following notice in writing:

In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 9936) making supplemental appropriations for the fiscal year ending June 30, 1955, and for other purposes, the following amendment, namely: On page —, after line —, insert the following: "Public Housing Administration: The amount made available under this head in title II of the Independent Offices Appropriation Act, 1955 (Public Law 428), for administrative expenses of the Public Housing Administration in carrying out duties imposed by law, is increased from '$6,950,000' to '$7,750,000'; and the limitation under said head on the amount available for expenses of travel is increased from '$500,000' to '$580,000'."

Mr. BRIDGES submitted the following notice in writing:

In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 9936) making supplemental appropriations for the fiscal year ending June 30, 1955, and for other purposes, the following amendment, namely: On page —, after line —, insert the following:

"SEC. 908. The Secretary of the Army is authorized to convey, subject to such terms, conditions, and restrictions as are required by this act and the public interest, to the Los Angeles City High School District of Los Angeles County, Calif., all right, title, and interest of the United States to the Birmingham General Hospital tract (consisting of one hundred seventeen and thirty-one one-hundredths acres of land, more or less, and all improvements thereon) located at Van Nuys, Calif. In addition to other consideration required by this section for the conveyance authorized hereunder, such school district shall be required to pay to the Secretary of the Army the sum of $500,000. Upon receipt by the Secretary of the Army such sum shall be credited to the appropriation, 'Military Construction, Army', and shall be available for (1) the construction and other costs involved in moving to a suitable Government-owned site the buildings to be reconveyed to the Secretary under the provisions of this section, and (2) the construction of additional supporting facilities at such site as may be required for authorized defense construction.

"In addition to other terms, conditions, and restrictions contained in the deed whereby the Birmingham General Hospital is conveyed to such school district, the school district shall agree, as a part of the consideration for the conveyance, (1) to reconvey to the Secretary of the Army, immediately upon acceptance of the deed, and without consideration, title to the buildings which are located at the Birmingham General Hospital and which are occupied by troops on the date of enactment of this act, and (2) to permit such buildings to remain in place for continued occupancy by troops until substitute facilities are constructed by the Secretary of the Army, and such buildings are removed."

Mr. BRIDGES submitted the following notice in writing:

In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 9936) making supplemental appropriations for the fiscal year ending June 30, 1955, and for other purposes, the following amendment, namely: on page —, after line —, insert the following:

"CONSTRUCTION, GENERAL

"For an addtional amount for 'Construction, General,' $8,275,000 to remain available until expended, of which $1,600,000 shall be available for advanced engineering and design by the Corps of Engineers for projects which have been authorized for development with participation by State, local government or private groups and for authorized projects which are under consideration for participation by such agencies: *Provided*, That not to exceed $2,000,000 of unexpended funds appropriated for the current or any previous fiscal year to the Department of the Army for Construction, General, Rivers and Harbors, shall be available until expended for use on such authorized river and harbors projects as may be determined by the Secretary of Defense to be essential to the national defense program."

Mr. BRIDGES submitted the following notice in writing:

In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 9936) making supplemental appropriations for the fiscal year ending June 30, 1955, and for other purposes, the following amendment, namely: On page —, after line —, insert the following:

"For contribution to the city of Muskogee, toward the construction of a water supply pipeline from the existing city water supply intake on the Grand River near its junction with the Arkansas River to Fort Gibson Dam, in settlement for all damages to the water supply of the city of Muskogee, on account of the construction and operation of Fort Gibson Reservoir, $200,000 out of funds previously appropriated."

Mr. BRIDGES submitted the following notice in writing:

In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 9936) making supplemental appropriations for the fiscal year ending June 30, 1955, and for other purposes, the following amendment, namely: On page —, after line —, insert the following:

"The project for bank protection on the Missouri River from Kensiers Bend, Nebraska, to Sioux City, Iowa, authorized by the act approved August 18, 1941, and modified and extended upstream to include Miners Bend and vicinity, South Dakota and Nebraska, by the act of June 30, 1948, is hereby further modified to include dredging McCook Lake at an estimated Federal cost of not to exceed $500,000."

Mr. BRIDGES submitted the following notice in writing:

In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 9936) making supplemental appropriations for the fiscal year ending June 30, 1955, and for other purposes, the following amendment, namely: On page —, after line —, insert the following:

"EMERGENCY FUND FOR INTERNATIONAL AFFAIRS

"For expenses necessary to enable the President to take such measures as he deems appropriate to meet extraordinary or unusual circumstances arising in the international affairs of the Government, $5 million, to remain available until expended, for use in the President's discretion and without regard to such provisions of law as he may specify: *Provided*, That the President shall transmit to the Committees on Appropriations of the Senate and of the House of Representatives, not less often than quarterly, a full report of expenditures under this appropriation."

Mr. BRIDGES submitted the following notice in writing:

In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 9936) making supplemental appropriations for the fiscal year ending June 30, 1955, and for other purposes, the following amendment, namely: On page —, line —, after "allocated", insert the following: "*Provided further*, That the entire amount herein appropriated may, if found necessary by the Bureau of the Budget for effective administration of the program, be apportioned for use during the first 9 months of the fiscal year."

Mr. BRIDGES submitted the following notice in writing:

In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 9936) making supplemental appropriations for the fiscal year ending June 30, 1955, and for other purposes, the following amendment, namely: On page —, line —, after "Conclusion:" strike out "$8,525,000" and insert the following: "$11 million: *Provided*, That not to exceed $350,000 of the unobligated balance of the 1954 appropriation for this purpose shall remain available until June 30, 1955."

Mr. BRIDGES submitted the following notice in writing:

In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 9936) making supplemental appropriations for the fiscal year ending June 30, 1955, and for other purposes, the following amendment, namely: On page —, after line —, insert the following:

"SEC. 1312. The appropriations, authorizations, and authority with respect thereto in this act shall be available from July 1, 1954, for the purposes provided in such appropria-

tions, authorizations, and authority. All obligations incurred during the period between June 30, 1954, and the date of enactment of this act in anticipation of such appropriations, authorizations, and authority are hereby ratified and confirmed if in accordance with the terms hereof and the terms of Public Law 475, 83d Congress."

Mr. BRIDGES submitted the following notice in writing:

In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 9936) making supplemental appropriations for the fiscal year ending June 30, 1955, and for other purposes, the following amendment, namely: On page —, beginning in line —, insert the following:

"SEC. 907. (a) The Department of Defense is authorized to acquire by purchase, or by lease or otherwise for a period not to exceed 7 years, not to exceed six vessels capable of transporting, loading, and unloading railroad rolling stock, on rails by the roll-on, roll-off method, as well as wheeled and tracked military equipment to be loaded and discharged under their own power.

"(b) Any appropriation of the Department of Defense shall be available for the purposes of this act."

Mr. BRIDGES also submitted amendments intended to be proposed by him to House bill 9936, making supplemental appropriations for the fiscal year ending June 30, 1955, and for other purposes, which were ordered to lie on the table and to be printed.

(For texts of amendments referred to, see the foregoing notices.)

HOUSE BILLS REFERRED OR PLACED ON CALENDAR

The following bills were severally read twice by their titles, and referred, or placed on the calendar, as indicated:

H. R. 7840. An act to amend the Railroad Retirement Act, the Railroad Retirement Tax Act, and the Railroad Unemployment Insurance Act; to the Committee on Labor and Public Welfare.

H. R. 8384. An act to authorize the Secretary of the Interior to construct, operate, and maintain the Talent division of the Rogue River Basin reclamation project, Oregon; and

H. R. 8498. An act authorizing construction of the works to reestablish for the Palo Verde Irrigation District, California, a means of diversion of its irrigation water supply from the Colorado River, and for other purposes; to the Committee on Interior and Insular Affairs.

H. R. 9434. An act to amend section 216 (b) of the Merchant Marine Act, 1936, as amended, to provide for the maintenance of the Merchant Marine Academy; to the Committee on Interstate and Foreign Commerce.

H. R. 9666. An act to amend section 1001, paragraph 412, of the Tariff Act of 1930, with respect to hardboard; to the Committee on Finance.

H. R. 9785. An act to provide a method for compensating claims for damages sustained as the result of the explosions at Texas City, Tex.; to the Committee on the Judiciary.

H. R. 9987. An act to amend certain provisions of title XI of the Merchant Marine Act, 1936, as amended, to facilitate private financing of new ship construction, and for other purposes; placed on the calendar.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD, as follows:

By Mr. DOUGLAS:

Statement prepared by him on the tenth anniversary of the Battle of Warsaw.

JOHN C. ALLEN—EDITORIAL

Mr. DIRKSEN. Mr. President, I take pride in asking unanimous consent to have printed in the body of the RECORD a complimentary article on John C. Allen, Assistant Postmaster General, a citizen of Illinois, who will soon leave the postal service to retire to Illinois, and to return to his prior employment. I am delighted to note the tribute to him which was published in the Washington Post on Monday, July 26, 1954. He deserves this tribute.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

IDEA MAN

The resignation of Assistant Postmaster General John C. Allen deprives the Post Office Department of one of its most versatile and imaginative executives. Mr. Allen brought fresh and challenging ideas to a Department long ingrown in its concepts of handling transportation of the mail. He sought to apply to the mail service some of the techniques he had used in private business as traffic manager for Sears Roebuck & Co., and he succeeded in some notable respects. Perhaps his outstanding accomplishment was the inauguration of first-class mail service by air on an experimental basis, using excess airline capacity, on Washington-Chicago, New York-Chicago, New York-Florida and Chicago-Florida routes. The experiments have proved eminently worthwhile. Mr. Allen also helped draw up the plan to separate air subsidies from mail payments. His enthusiasm and determination occasionally created resentment among the carriers with which he worked, particularly when he questioned rate structures; but his questioning also served to impress upon industry the need to do a better job. There can be no doubt that he has materially benefited the Government and the taxpayers in obtaining speedier, more economical mail service. He deserves a vote of appreciation as he returns to private life.

MODERNIZATION AND IMPROVEMENT OF MERCHANT-TYPE VESSELS

The VICE PRESIDENT laid before the Senate the amendments of the House of Representatives to the bill (S. 3546) to provide an immediate program for the modernization and improvement of such merchant-type vessels in the reserve fleet as are necessary for national defense, which were, on page 2, line 14, strike out "twelve" and insert "twenty-four"; on page 2, line 20, strike out "$45,000,000" and insert "$25,000,000"; on page 2, lines 22 and 23, strike out "and on the Great Lakes or other inland waterways," on page 2, line 25, strike out all after "and" over through page 3, line 4, and insert:

(4) may be negotiated without competitive bidding whenever such action is determined by the Secretary of Commerce to be necessary to carry out the purpose of this act.

And on page 3, line 7, strike out "$45,000,000" and insert "$25,000,000."

Mr. BUTLER. I move that the Senate disagree to the amendments of the House, request a conference with the House on the disagreeing votes of the two Houses thereon, and that the Chair appoint the conferees on the part of the Senate.

Mr. KNOWLAND. Mr. President, if the Senator from Maryland will yield at this point, let me ask whether this is the matter he took up earlier with the minority leader?

Mr. BUTLER. That is correct.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Maryland.

The motion was agreed to; and the Presiding Officer appointed Mr. BUTLER, Mr. PAYNE, and Mr. MAGNUSON conferees on the part of the Senate.

THE ROBERT A. TAFT MEMORIAL FOUNDATION

Mr. KNOWLAND. Mr. President, it was just a year ago today—July 31, 1953—that the Senate heard the sad news of the death of Senator Robert A. Taft, of Ohio, the majority leader. I know that I do not speak for myself alone when I say that despite his untimely death, his presence and the ideals and objectives for which he stood continue in this Chamber.

I recall on that day a year ago, when the tragic news of Senator Taft's death reached us, Senator after Senator, on both sides of the aisle, stood on the floor of the Senate, and one common theme was noticeable in the spontaneous eulogies they delivered. That theme was expressed in a simple way: That the life of Bob Taft and the philosophy he espoused, in victory and defeat, would continue to inspire and encourage his colleagues in the Senate, as well as the people throughout the Nation who were devoted to him.

In recent days, a number of Senator Taft's closest friends have formed the Robert A. Taft Memorial Foundation, to perpetuate the high standards and ideals of public service which were exemplified by the life of Senator Taft. I have had the honor of being asked to serve as one of the trustees for the foundation. The President of the United States is the honorary chairman, and former President Herbert Hoover has been named as chairman. The foundation will promote the collection and disbursing of funds to be used for furthering the high purposes which motivated the life of Senator Taft. These purposes, stated briefly, will be the advancement of progress in the religious, charitable, scientific, literary, and educational fields in the United States.

As long as any of us survive, we shall remember with great appreciation the great public service of Bob Taft.

Mr. SMITH of New Jersey. Mr. President, I rise just to identify myself with what the majority leader said about the late beloved Robert A. Taft. I also have been honored by being invited

to be a charter member of the Robert A. Taft Memorial Foundation; and it is with the greatest pride and satisfaction I have accepted the invitation.

Mr. SALTONSTALL. Mr. President, as one who has been honored by being asked to be a charter member of the Board of Trustees of the Robert A. Taft Memorial Foundation, I desire to associate myself with the remarks of the majority leader and of the Senator from New Jersey [Mr. SMITH].

With the late Senator's name, his background, and what he stood for throughout his life, the Robert A. Taft Memorial Foundation will be of great value to all the citizens of the country.

Mr. FERGUSON. Mr. President, as one of the Senators who have been invited to become trustees of the Robert A. Taft Memorial Foundation, I should like to associate myself with the remarks of the distinguished majority leader and other Senators, because it is a great honor and a privilege to be associated with his name and with this undertaking.

LEGISLATIVE PROGRAM

Mr. KNOWLAND. Mr. President, I now desire to refer to the legislative program. I should like to make a brief announcement to the Senate. The pending business is Senate Resolution 301, submitted by the Senator from Vermont [Mr. FLANDERS]. I expect that, after the morning hour, the Senate will proceed to the consideration of the motion which is before us.

I hope that the Senate may continue in session until approximately 12:30 p. m. today. At that time I shall move a recess of the Senate until 2 o'clock. I consider this to be a matter of great importance. Inasmuch as there has been no committee consideration, in fairness to all parties concerned, I feel that every Senator should hear all the debate. The recess will permit the Senators to obtain their lunch and to return to the Senate Chamber.

The Senate will reconvene at about 2 o'clock and continue in session until approximately 7 or 7:30 tonight. At that point I shall move that the Senate stand in recess until Monday next.

I wanted Senators to be advised of the situation so that they could make their plans accordingly.

Mr. LANGER. Mr. President, will the Senator yield for a question?

Mr. KNOWLAND. Yes.

Mr. LANGER. Will the Senate session begin at noon on Monday, so that committees may have an opportunity to meet?

Mr. KNOWLAND. It is planned that on Monday the Senate will meet at noon, so that committees may function on Monday morning, and arrange their plans accordingly.

Mr. BUSH. Mr. President——

Mr. KNOWLAND. Mr. President, I yield to the Senator from Connecticut.

Mr. BUSH. Does the Senator from Connecticut correctly understand that the motion before us is the motion of the Senator from Vermont [Mr. FLANDERS] to take up the resolution of censure or——

Mr. KNOWLAND. I believe that is the motion, but I was about to address a parliamentary inquiry to the Chair so that we may have the correct picture before us.

Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. KNOWLAND. What is the pending question before the Senate?

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from Wisconsin [Mr. MCCARTHY] to proceed to consider Senate Resolution 301, submitted by the Senator from Vermont [Mr. FLANDERS].

Mr. KNOWLAND. Mr. President, just a brief announcement, and I shall be finished.

When we shall have disposed of the Flanders resolution—and I cannot predict just when that will be—we shall, of course, resume consideration of the foreign aid bill. We shall continue consideration of the foreign aid bill until it is disposed of, and I shall then move to make the farm bill the unfinished business.

When the farm bill shall have been disposed of—and debate on that measure will probably continue for several days—I expect to move to proceed to consider a series of anti-Communist bills. There are three on the calendar, namely, Calendar No. 1720, Senate bill 3706, a bill to amend the Subversive Activities Control Act of 1950; Calendar No. 1834, Senate bill 3428, relating to the guarding of defense facilities protection against espionage and sabotage; and Calendar No. 1833, House bill 9580, to revise laws relating to espionage and sabotage.

Those bills will be followed by the proposed social security extension legislation, Calendar No. 2004, House bill 9366; the veterans' compensation bill, Calendar No. 2002, House bill 9020; the school construction legislation, Calendar No. 1797, Senate bill 2601; the Servicemen's Indemnity Act, Calendar No. 2003, House bill 5314; the unemployment compensation program, Calendar No. 1808, House bill 9709.

Following those bills, whenever they are ready, there will also be the foreign aid appropriation bill and the supplemental appropriation bill, and, of course, conference reports, as they become ready.

A number of other bills, announcement with respect to which has been previously given, will be taken up as they can be worked in.

When the foreign-aid bill has been disposed of, and just prior to the consideration of the farm bill, as previously announced, I expect to ask for the consent of the Senate to have a calendar call for the consideration of unobjected-to bills from the beginning of the calendar so that we may ascertain how many of the measures on the calendar can be disposed of. In that way the majority leader and the policy committee will be able to determine what remaining bills can be scheduled in the time that is left. I shall consult with the minority leader [Mr. JOHNSON of Texas] in regard to the further program.

I invite the attention of Senators to the fact that the House has adopted a concurrent resolution to adjourn sine die as of July 31.

Of course, the Senate will not adjourn as of July 31. At the proper time the Senate will have to amend that resolution so as to name the date which seems in keeping with the desires of the Senate. But the resolution is here to be amended and passed and returned to the House in preparation for adjournment sine die.

LEAVES OF ABSENCE AND PERSONAL STATEMENTS

Mr. GREEN. Mr. President, I regret to say before I knew of the meeting of the Senate this afternoon, I had made an engagement in my own State, which is quite important and which I feel obliged to keep. I ask to be excused, with the consent of the Senate, from 4 o'clock this afternoon on. I shall be here Monday morning for the convening of the Senate.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. HICKENLOOPER. Mr. President, it is essential that I be absent from the Senate this afternoon. It is a matter over which I have very little control. Therefore, at the conclusion of my remarks, I shall ask leave of the Senate to be absent this afternoon.

I expect to be present in the Senate Chamber on Monday, but in the event a vote is taken this afternoon upon the question of the resolution of the Senator from Vermont [Mr. FLANDERS], if it should become the business of the Senate, I wish to make my attitude perfectly clear. I shall vote against the resolution of the Senator from Vermont. I wish to make my position clear in the event a vote is had during my absence this afternoon.

I feel that there is no charge or specification involved in the resolution of censure by the Senator from Vermont which charges the junior Senator from Wisconsin [Mr. MCCARTHY] with any violation of the rules of the Senate or of the committee of which he is the chairman. I feel that the resolution is an utterly improper approach to a question involving a difference of opinion as to either methods or political position.

I invite the attention of Senators to the fact that for 2 weeks, with sessions running around the clock, the major portion of the business of the Senate was held up, and, therefore, the business of the Congress was held up, by what I consider to be the delaying tactic of a filibuster. Certain Senators do not agree with that viewpoint. However, I consider that that procedure did a disservice to the business of the Senate and to the United States. But should such tactics become the subject of a motion of censure against Senators who participated in what I believe to have been an unnecessary, unusual, and repetitious discussion of issues which could have been decided in about 4 days? Certainly not.

They were operating under the rules of the Senate.

It would be just as unconscionable to charge those Senators with conduct unbecoming a Senator or Senators, and to file a motion of censure against them because I happened to think that they delayed the business of the Government of the United States. As I say, certain other Senators do not agree with me.

I may or may not agree with the junior Senator from Wisconsin [Mr. McCARTHY]. Probably I do not agree with him in positions he has taken in many cases. I probably agree with the Senator on other positions he has taken. But for me to vote for censure because of a man's own personal convictions and his belief that he is properly discharging the responsibility which the people placed upon him when he was elected to the Senate, is utterly unconscionable.

Whenever the junior Senator from Wisconsin is charged with violating the rules of the Senate, I will meet that issue and vote on it. If I believe the Senator has violated the rules of the Senate in any way that deserves censure, I will vote to censure him.

The VICE PRESIDENT. The time of the Senator has expired.

Mr. HICKENLOOPER. I ask unanimous consent to proceed for 2 additional minutes in view of the fact that I am leaving the Chamber.

The VICE PRESIDENT. Without objection, the Senator from Iowa may proceed.

Mr. HICKENLOOPER. To censure the Senator from Wisconsin [Mr. McCARTHY] for pursuing the dictates of his own conscience, in the belief that he is representing the interests of his people and the Government, without pointing out specific alleged violations, is unconscionable, as I said a moment ago.

Mr. President, I suggest that hardly a week goes by in the Senate during which a Member or Members do not in some minor degree—and sometimes in a major degree—transgress and violate the rules of the Senate; but they are not called to account for such violations. We tolerate them.

In this case there is no transgression. There is no specific allegation of a violation of either the rules of the Senate or of the committee of which the junior Senator from Wisconsin is chairman.

I wish to make my position perfectly clear on the proposal of the Senator from New Jersey [Mr. SMITH]. If it is voted on today, I wish to declare that I am against it. I do not believe it is the proper procedure. I think it proceeds on the wrong assumption. In my judgment, it has no place in this proceeding.

If the resolution of censure comes up on Monday for a vote, I shall vote against it. If it comes up in my absence, I wish my position to be clear.

I shall vote to censure any Member of the Senate when I believe he is guilty of a violation of the rules and deserves censure, but I shall not vote to censure any Member of the Senate, regardless of how much I may personally disagree with his political or social views, when he is exercising the freedom, the liberty, and the rights which election to the office of Senator, not only of his own State, but of the United States, places upon him.

Now that I have made my position clear, Mr. President, I ask unanimous consent to be absent from the Senate for the remainder of the day.

The VICE PRESIDENT. Without objection, leave is granted.

Mr. REYNOLDS. Mr. President, the junior Senator from Nebraska is flying home to Nebraska over the weekend to attend the State convention of the American Legion, a convention which the Senator has not missed in 35 years.

The first question my comrades there will ask me is, "How did you vote on the McCarthy matter?" I desire to make my position clear in the RECORD.

Mr. President, there are many to whom the term "Johnny-come-latelys" might be applied in connection with the fight against communism, but that term cannot be applied to the American Legion. The American Legion's war started 35 years ago, come November 11 this year. It started at Centralia, Wash., when the American Legion post of that town, marching down the streets of its hometown on the first anniversary of the armistice, was fired upon by the IWW, the extreme radicals of those days. Warren Grim, the commander of the post, was shot and killed.

Much has been said about methods. The American Legion learned about methods the hard way. Rifle fire was the method of the IWW.

From that day until this minute the American Legion has declared and waged unrelenting war on all those who would destroy the American institutions for which all American veterans have fought.

Mr. President, I may or may not return in time to vote, but my vote will be subject to one test, and one test only. If either a vote "yea" or a vote "nay" will lend comfort in the slightest degree to the Communists and their multitudes of fellow travelers, then I shall not cast such a vote.

Mr. President, I request leave of absence for such time as may be necessary.

The VICE PRESIDENT. Without objection, leave is granted.

Mr. MARTIN. Mr. President, I ask unanimous consent to be excused from attendance on the session of the Senate for the remainder of the day, beginning at 12 o'clock noon. God willing, I shall return Monday morning.

I have missed the 35th reunion of the American Legion because of the work of the Senate.

I have missed the convention of the Veterans of Foreign Wars of Pennsylvania, which I have always attended, because of work in the Senate.

I have missed the 55th anniversary of my old regiment, which served in the Philippines. This morning that regiment will celebrate the 56th anniversary of its baptism of fire.

I have always opposed communism. I have always wanted to see proper procedure, so far as parliamentary bodies are concerned, and so far as our courts are concerned.

I desire to leave this message: If the Senate votes on the resolution of censure this afternoon, I desire to be recorded as in opposition to it. I shall read the speeches which are delivered this afternoon.

I hope the question will be considered in an orderly manner, as any court proceeding or parliamentary proceeding should be conducted.

I am very sorry not to be able to be present this afternoon. I desire to have the RECORD show my views.

The VICE PRESIDENT. Without objection, leave of absence is granted the Senator from Pennsylvania.

On his own request, and by unanimous consent, Mr. FERGUSON was excused from attendance on the session of the Senate on Monday, August 2, because of a death in his family.

IMPLEMENTATION OF UNIVERSAL COPYRIGHT CONVENTION

Mr. WILEY. Mr. President, I was pleased to note that yesterday the Senate Judiciary Committee reported a bill to implement the Universal Copyright Convention which had earlier been approved by the Senate.

It is my earnest hope that very shortly the Senate companion bill, S. 2559, can be brought up for final Senate debate.

The convention and the domestic implementing bill necessary to the convention going into effect are of major and historic importance to the American book, magazine, music-publishing, and printing industries; to the American motion-picture industry, American authors, composers, and playwrights; to scholars, educators, and librarians; and to a great variety of other organizations.

I know that my colleagues, once the bill is brought up on the Senate floor, will promptly approve it, because it would be unthinkable for the convention to fail to take effect before next year.

I send to the desk a list of the organizations supporting the Universal Copyright Convention and related legislation. I ask unanimous consent that this list be printed at this point in the body of the CONGRESSIONAL RECORD.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

GROUPS SUPPORTING THE UNIVERSAL COPYRIGHT CONVENTION AND THE RELATED LEGISLATION

(S. 2559, Senator LANGER; H. R. 6670 and H. R. 6616, Congressmen REED and CRUMPACKER)

American Academy of Arts and Sciences.
American Bar Association.
American Book Publishers Council, Inc.
American Civil Liberties Union.
American Council on Education.
American Council of Learned Societies.
American Library Association.
American Society of Composers, Authors, and Publishers.
Artists Equity Association.
Association of American University Presses.
Authors League of America.
Book Manufacturers' Institute.
Catholic Library Association.
Chicago Bar Association.
Chicago Patent Law Association.
Christian Science Church.

Congress of Industrial Organizations.
Copyright Committee of the Bar Association of the City of New York.
Curtis Publications.
Federal Bar Association.
Hearst Publications.
Inter-American Bar Association.
Los Angeles County Bar Association.
McGraw-Hill Publishing Co.
Music Publishers Association.
Music Publishers Protective Association.
Mystery Writers Association of America.
National Association of Radio and Television Broadcasters.
National Music Council.
Patent Bar Association.
Photographers' Association of America.
Protestant Church-Owned Publishers Association.
Reader's Digest.
Song Writers Protective Association.

A PERMANENT MERCHANT MARINE ACADEMY

Mr. WILEY. Mr. President, I was pleased to note that yesterday the House of Representatives, by voice vote, passed H. R. 9434 to amend section 216 (b) of the Merchant Marine Act of 1936, as amended, to provide for the maintenance of a United States Merchant Marine Academy.

It is my pleasure to serve as a cosponsor of a companion bill on the Senate side for this same purpose, S. 3610.

On July 23, our colleague, the senior Senator from Maryland [Mr. BUTLER], commented in the CONGRESSIONAL RECORD, on page 11576, on reasons why a Senate Commerce Subcommittee which he heads has decided to temporarily defer action on this proposed legislation.

I earnestly hope that our associate and his colleagues will now, however, decide to reconsider their position, notwithstanding the reasons set forth in the July 23 statement.

A strengthened United States merchant marine is absolutely required in this age of great danger.

If Congress does not take action in this session, it may be a year or longer before final action again looms as possible. That year should not be lost.

I ask unanimous consent to have printed in the RECORD the text of a telegram which I have received from Mr. James J. Murphy, president, Alumni Association of the United States Merchant Marine Cadet Corps.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

NEW YORK, N. Y., *July 31, 1954.*

SENATOR WILEY,
Senate Office Building,
Washington, D. C.:

Unanimous action of the House on H. R. 9434 is a clear manifestation of the support for this bill. This action was taken notwithstanding the position of Secretary Weeks and represents a unanimity for the bill that is most gratifying. I sincerely trust that the House action will influence favorable action in the Senate on the companion bill S. 3610. Any floor action by the Senate will receive the support of a majority of the Senators. I sincerely trust that you can move S. 3610 to the floor of the Senate.

Very truly yours,

J. J. MURPHY,
National President Alumni Association of the United States Merchant Marine Cadet Corps.

SALVATION ARMY WEEK

Mr. WILEY. Mr. President, one of the great and universally esteemed organizations of our land is the famed Salvation Army.

There is now pending in the Senate Judiciary Committee a resolution for observance of a week in its honor. Although introduced earlier this month, I trust that the resolution will be promptly and favorably acted upon before adjournment.

I send to the desk the texts of several messages which I have received from several of Wisconsin's most distinguished citizens. They have highly and rightly praised the work of this great organization which, incidentally, administers 6,400 centers of charitable and religious work. These messages were personal expressions to me, but I feel will evidence the high caliber of lay leaders supporting this organization.

I ask unanimous consent that these messages, all of which come from men whom I esteem as great and good friends, be printed in the body of the CONGRESSIONAL RECORD at this point, together with a letter from Lieutenant Colonel Leader, of Wisconsin divisional headquarters. I ask that they be followed by the text of the actual resolution which was offered by our able colleague, the senior Senator from New York [Mr. IVES].

There being no objection, the letters and the resolution were ordered to be printed in the RECORD, as follows:

MILWAUKEE, WIS., *July 29, 1954.*

Hon. ALEXANDER WILEY,
Senate Office Building,
Washington, D. C.

DEAR SENATOR WILEY: As a trustee of the Salvation Army here in Milwaukee, I would request that, if you can, you favor the Joint Resolution No. 173 now in the Senate to authorize the President to proclaim the week of November 28, 1954, through December 4, 1954, as National Salvation Army Week.

I have served as a trustee of this wonderful organization for several years, and can truthfully say that the work which it performs is of tremendous importance, and the good effect thereof is felt throughout the Nation. I feel that the Salvation Army deserves the recognition provided for in this joint resolution.

With kindest regards,
Sincerely yours,

LEON B. LAMFROM.

ALBERT H. WEINBRENNER CO.,
Milwaukee, Wis., July 29, 1954.

Senator ALEXANDER WILEY,
United States Senate,
Washington D. C.

MY DEAR FRIEND: You perhaps recall that for a period of 2 years I was president of the Citizens' Advisory Committee of the Salvation Army in Wisconsin.

Knowing the Salvation Army and its ideals so intimately, I am very much interested in a joint resolution which Senator IVES introduced before the Judiciary Committee on July 9. I am attaching a copy of this resolution.

I trust that you can and will give your favorable consideration to Senator IVES' resolution regarding the Salvation Army.

My kindest personal regards,
Sincerely yours,

JOHN E. DICKINSON.

GLOBE-UNION, INC.,
Milwaukee, Wis., July 29, 1954.

The Honorable ALEXANDER WILEY,
The United States Senate,
Washington, D. C.

DEAR SIR: Having an interest in the work of the Salvation Army and being actively a member of their advisory board of the Milwaukee unit, I wish to urge your favorable consideration of the Senate Joint Resolution No. 173, authorizing the President to proclaim the week of November 28 through December 4, 1954, as National Salvation Army Week.

Being fully aware of the fine work this organization is doing, I am sure you will give support to the passing of this resolution.

Very truly yours,

WM. M. WANVIG.

THE SALVATION ARMY,
Milwaukee, Wis., July 26, 1954.

Senator ALEXANDER WILEY,
United States Senate,
Washington, D. C.

MY DEAR SENATOR: Senator IRVING M. IVES (New York) has recently presented Senate Joint Resolution 173 to the 2d session of the 83d Congress.

This resolution requests the President of the United States to proclaim the week of November 28 to December 4, 1954, as National Salvation Army Week, honoring the Army for 75 years of service to humanity in the United States.

Naturally, this resolution is of great interest to us in the Salvation Army. We hope that you will be able to give it your support when a vote is called.

Yours sincerely,

DALLAS P. LEADER,
Lieutenant Colonel, Divisional Commander.

Joint resolution to authorize the President to proclaim the week of November 28, 1954, through December 4, 1954, as National Salvation Army Week

Whereas in October of 1879 a lone woman Salvation Army officer, Lt. Eliza Shirley, encouraged the formation of an official party, comprising seven women officers and Commissioner George Scott Railton, to extend the work of the Salvation Army in the United States; and

Whereas today the Salvation Army has grown into a huge operation with its 3,996 officers administering 6,400 centers of charitable and religious work assisted by 34,687 prominent citizens of all races and creeds who have formally associated themselves in the close relationship of lay leadership; and

Whereas the Salvation Army, acting under a charter issued by the State of New York in 1899, is an organization designed to operate as a religious and charitable organization with the following purposes: The spiritual, moral, and physical reformation of all who need it; the reclamation of the vicious, criminal, dissolute, and degraded; visitation among the poor and lonely and sick; the preaching of the gospel and dissemination of Christian truth by means of open-air and indoor meetings: Therefore be it

Resolved, etc., That the President of the United States is requested and authorized to officially proclaim the week beginning November 28, 1954, through December 4, 1954, as National Salvation Army Week.

MESSAGES ON FARM PARITY SUPPORT

Mr. WILEY. Mr. President, messages continue to pour into my office on the absolute necessity of strong farm parity support legislation. One telegram to me yesterday afternoon reported that farmers were receiving as little as $2.60 per hundredweight of milk. This is a piti-

fully small return for the farmer's hard labor and investment.

I send to the desk two representative messages which I have received. I ask unanimous consent that they be printed at this point in the body of the CONGRESSIONAL RECORD.

There being no objection, the telegrams were ordered to be printed in the RECORD, as follows:

CHICAGO, ILL., *July 16, 1954.*

Senator ALEXANDER WILEY,
Senate Office Building:

Upon behalf of 16,500 Pure Milk Association dairy farmers we strongly urge your support of Senate farm bill, S. 3052, as reported by Senate Agriculture Committee.

W. E. WINN,
President, Richmond, Ill.
H. C. KLEET,
Joliet, Ill.
J. J. VOLKERING,
Burlington, Wis.
F. HIGLI,
Union Mills, Ind.
H. NOREM,
Newark, Ill.
C. M. COSGROVE,
Elgin, Ill.

CHIPPEWA FALLS, WIS., *July 29, 1954.*

Senator ALEXANDER WILEY,
Senate Office Building:

Wisconsin Farmers Union urges you to support Senate Agriculture Committee majority report. We further request amendment to raise dairy supports to at least 90 percent parity. Milk prices to farmers now lowest since 1938. Our plant hit new low of 2.60 hundredweight. Consumers not benefiting in farmers low prices.

WISCONSIN FARMERS UNION,
K. W. HONES, *President.*

THE MUTUAL SECURITY ACT OF 1954

The VICE PRESIDENT. If there be no further morning business to be transacted, the Chair lays before the Senate the unfinished business, which the Secretary will state for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H. R. 9678) to promote the security and foreign policy of the United States by furnishing assistance to friendly nations, and for other purposes.

THE JUNIOR SENATOR FROM WISCONSIN

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from Wisconsin [Mr. MCCARTHY] to proceed to consider Senate Resolution 301, submitted by the Senator from Vermont.

Mr. FLANDERS. Is it not true that the Senate has not heretofore voted to consider the resolution of censure?

The VICE PRESIDENT. That is correct. The Senator from Vermont will recall that the Chair was putting the question on the motion of the Senator from Wisconsin, but the Senator from Oregon [Mr. CORDON] was on his feet seeking recognition.

Mr. FLANDERS. May we not have a vote on that motion?

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from Wisconsin [Mr. MCCARTHY] to proceed to the consideration of the resolution (S. Res. 301) to censure the Senator from Wisconsin [Mr. MCCARTHY].

The motion was agreed to; and the Senate proceeded to consider the resolution.

Mr. SMITH of New Jersey. Mr. President, I desire to address myself to this controversial matter in a spirit somewhat different, I think, from the spirit in which it has been discussed. I have thought and felt deeply on this matter for some months.

Two days ago I announced on the floor of the Senate that I proposed to offer an amendment in the nature of a substitute for the pending resolution of the Senator from Vermont [Mr. FLANDERS], but before formally offering it—which I shall do in a few moments—I desire to tell my colleagues my approach to this matter and the reason I shall offer this substitute.

I have been criticized on the ground that I am trying to evade the issue. That is not true. I am not afraid of the issue any more than is any other Senator. My position as a critic of the junior Senator from Wisconsin [Mr. MCCARTHY] is well known.

I agree with the statement made last night by the Senator from Oregon [Mr. CORDON] and other Senators, that the resolution in its present form is not one which we should take up in this form.

Frankly, Mr. President, I say with all kindness to my distinguished colleague from Illinois [Mr. DIRKSEN], I was deeply distressed by his approach to this question. It seemed to me he was getting away from what is before us and trying to charge, I think unfairly, to the proposer of the resolution motives which I am certain were not his. In my judgment, the proposer of the resolution, the Senator from Vermont [Mr. FLANDERS] is acting from the highest motives and from deep convictions, and I do not accept the suggestion that he is a part of a crusade to destroy the junior Senator from Wisconsin.

Mr. President, my conviction is that the question is not who is to blame for the situation in which we find ourselves or who is to blame for the fact that this resolution is before us. The issue is, what is the right thing to do under these circumstances.

I gave a great deal of thought to this matter while the McCarthy-Army hearings were going on. I was not able to attend those hearings because of the pressure of business, but I doubt that I would have attended anyway, for I was very much disturbed by the publicity, and other circumstances which accompanied the hearings and by the unfortunate impression that was given to the public of America by the hearings.

Let me say at this moment, before I discuss my amendment in full detail, that, in suggesting the creation of the committee I propose in the amendment, I have no intention of having it hold any such sessions as those TV hearings were. I am not suggesting any public hearings. I am not suggesting a trial of Senator MCCARTHY. In fact, if the committee I propose is set up, I hope Senator MCCARTHY will be invited to discuss with it the approach which should be taken to the serious question we are facing.

Mr. President, I am troubled by another matter in connection with the Flanders resolution. I have had the great honor of being a Member of this body for 10 years, and I have made it a principle never in any way to raise on the floor of the Senate the question of the personalities of my colleagues. The time may come when we may have to consider that question if something very flagrant is done, but I have felt that we should limit ourselves on the floor of this great body to a discussion of the issues before us. Differ violently, if we will, on what those issues are, but not question the motives of those who raise the issues.

I have the great privilege, Mr. President, of serving as the chairman of a committee in which we do have differences of views, but I would be opposed to any criticism or censure of my colleagues on the Democratic side because they did not happen to agree with the position I took or the position my party took. This year on a number of occasions we have had differences, and I know there was hard feeling at times, which I regret, but to my mind the question of personalities or charging Senators with wrongful motives is something below the dignity of this great body.

Mr. President, while the McCarthy-Army hearings were going on, another question which rose in my mind was whether it was possible to settle this controversy. Do we have to have violent battle and competition between the groups who have these different views? I was very critical of the junior Senator from Wisconsin when it seemed to me he defied the President of the United States in regard to certain classified documents, and I made a public statement that it was wrong. The junior Senator from Wisconsin is aware of that fact, and I do not think he criticized me for it. I believe he realizes that I had a right to criticize him and to take sharp issue with him. But from that moment it was my determination to try to work with the junior Senator from Wisconsin to see if we could not together devise, without these charges and countercharges, an approach to this subject which might bring us into unity rather than disunity, and into cooperation rather than divisiveness.

The day the McCarthy hearings were concluded, my office, at my direction, called the office of the junior Senator from Wisconsin and requested a conference for me with the Senator. The Senator was away. A few days later I repeated the request. I said, "Please get the information to the Senator, if you can locate him, that the Senator from New Jersey would like to talk to him." Finally, when the junior Senator from Wisconsin returned, we had a talk, and I told him what was on my mind. I told him that it seemed to me he was in a unique position to say to the President of the United States that he was as much concerned as we all were over the divisiveness and the exchanges of criticisms which were developing from the hearings, and I suggested that he could very appropriately move in and say he regretted that situation and wanted to work with the President of the United

States, not against the President of the United States, and wanted to put whatever knowledge he had, whatever skills he had—and he has many valuable and brilliant skills—at the disposal of the President and of the administration.

I did not mean that the committee of which he is the chairman should not remain alert to the dangers that surround us, but I did suggest to him that it would be appropriate for him, in light of the fact that he is such a controversial figure, to say that he would be glad temporarily to suspend the immediate operations of his committee and temporarily, at least, recognize that there had just been set up in the Department of Justice a new division for the purpose of studying and weeding out Communist subversives wherever they might be found in the United States. I called to his attention that it was a great source of pride to me and to my colleague from New Jersey [Mr. HENDRICKSON] that, of all the Federal district attorneys in the United States, the man who was in office in New Jersey at that time, appointed so recently, should have been chosen by the Attorney General and the President to head this new division.

I asked the junior Senator from Wisconsin if he would be willing to meet with Mr. Tompkins, who is the head of the division, to discuss these questions. I am very happy to say that the Senator said he would be very glad to cooperate. That was reassuring to me.

I was a little brash, perhaps, but I even suggested to the junior Senator from Wisconsin the kind of communication I thought he might send to the President, which I believe would be received with enthusiasm by the President, indicating ways in which these operations might be brought together, and ways in which the junior Senator from Wisconsin might continue his contributions, with the knowledge and the information he has. I thought that by offering, in this instance, to cooperate, there would be brought about a joint effort and a healing of the wounds which appear to be in evidence throughout the country. My letters show that on the one hand there are those who think the junior Senator from Wisconsin is being persecuted, and on the other, those who think he is defying the President of the United States, and should be punished.

My point of view is that I would rather invite the junior Senator from Wisconsin to join with us, and challenge him to discontinue those activities which we think are inappropriate, for which I am prepared to criticize him, but for which I am most reluctant to censure him publicly.

What I want to see is an approach of that kind. I do not want the Senate of the United States as a whole to consider the matter simply as what might be called a pro-and-con discussion between the two groups, pro-McCarthy and anti-McCarthy; but if we are to try the Senator, let us have a proper trial and put it on the books.

But I do not want to try the junior Senator from Wisconsin. I want to suggest the other approach. I asked, How can we bring that about? I thought it could be brought about if it were made clear in our minds that the issues I was trying to present were the real issues, and not a question of who is wrong and who is right.

If the situation could be handled in that way, the Vice President of the United States could be asked to designate 3 Members of the Senate nominated by the Republican policy committee and 3 Members of the Senate nominated by the Democratic policy committee. The Vice President could then be asked to sit with that group, not to hold hearings, not to conduct television circuses, not to have a repetition of what has happened before, but to decide together what is in keeping with the dignity of the United States Senate and what is the responsibility of the United States Senate. The junior Senator from Wisconsin could be asked to join with the committee and agree to abide by the decision of such a group.

With these thoughts in mind, considering the trouble which the problem has caused me in my own thinking, I have prepared my resolution. In the first draft, which I sent to every Member of the Senate, I used the word "McCarthyism," because I thought that that, in a general sense, indicated the difficulty with which we were struggling. My first draft read as follows:

> The disunity in the country over the alleged good and evil of so-called McCarthyism—

I was not simply speaking of something evil, because I recognized the possibility that there was some good in the activities of the junior Senator from Wisconsin. I wanted to give the junior Senator from Wisconsin full credit for the good things he has done in fighting the dangers confronting the country. So at the suggestion of some friends yesterday I have amended my amendment to eliminate the word "McCarthyism," because I realize that it might cause some emotional feeling. I do not want any such feeling to exist. I want to have an attitude of challenge, to see if the problem cannot be solved in a statesmanlike way. So my amendment now has one little change: I intend to offer the amendment as a substitute, and presently I shall send it to the desk. I do not intend to call it up immediately, because I do not wish to foreclose any other Senator from making suggestions which may be better than mine. I shall merely ask to have the amendment lie on the desk, and I shall call it up at such time as I deem appropriate, prior to the vote on the resolution of the Senator from Vermont [Mr. FLANDERS].

My amendment in the nature of a substitute reads as follows:

> Strike out all after the resolving clause and insert in lieu thereof the following:
>
> "That the Senate views with real concern the growing divisiveness and disunity in the Senate and throughout the country over the problems created by the fact that there had been infiltration of Communists and other security risks into sensitive positions, and the methods and procedures employed in exposing and eliminating such security risks."

I am trying to remove any element of personality, and to get to the issues which are before the country, to see if our forces can be brought together, and if we can recognize the common enemy of the country, which is the present Communist risk. I continue to read the resolution:

> *Resolved further,* That it is the immediate responsibility of the Senate to deal with this critical situation in an objective, judicial, and statesmanlike manner.

If there were involved ultimate criticism of the junior Senator from Wisconsin, that would be up to the committee. I do not intend that the proposed committee should try the junior Senator from Wisconsin. I continue to read:

> *Resolved further,* That the Vice President of the United States immediately appoint a special bipartisan committee of the Senate to investigate and report with recommendations to the Senate on this controversial matter. The committee shall be composed of 6 Senators, 3 of whom shall be nominated by the Republican policy committee and 3 by the Democratic policy committee.

They do not necessarily have to be members of the policy committees, but they shall be nominated by those committees. Senators other than those on the policy committees may be available and chosen for this important work. I continue to read:

> The Vice President shall be ex officio chairman of the group. The committee shall report with recommendations to the Senate not later than February 1, 1955.

I do not intend that there shall be any partisan wrangling in the Senate. I think it would be wiser to have a committee appointed, the committee then to work objectively for the best interests of the United States, the Senate, and the dignity of the Senate, which we are seeking to preserve. In my judgment, this is the approach which should be made to this important question.

Mr. President, I now send to the desk my amendment in the nature of a substitute, which I ask to have lie on the desk until I feel the time has come to ask for a vote on it.

The VICE PRESIDENT. The amendment will be received, printed, and lie on the table.

Mr. SMITH of New Jersey. In closing, I simply wish to say that I believe the committee, if it be chosen, could deal with these problems and could be of great service to the country.

In the first place, unless it be provided otherwise, the committee could consider the entire question of rules. I know that my distinguished colleague, the Senator from Connecticut [Mr. BUSH], has offered a very fine set of rules. Other rules have been offered and are being considered by the Committee on Rules and Administration, of which the distinguished junior Senator from Indiana [Mr. JENNER] is chairman. But the committee I am proposing could help to solve the question of rules designed to protect witnesses under the safeguards of the Constitution of the United States. It has long been my conviction that the rules of the Senate should definitely take into consideration that situation.

Second, I suggest—and this is a matter which I have discussed with the junior Senator from Wisconsin [Mr.

McCARTHY]—that until the ad hoc committee acts and its recommendations are made known, the Senate should postpone action by the present Subcommittee on Investigations.

I understand there are pending some investigations of defense production plants, and activities of that sort. Except for such investigations, I should say the other activities should be suspended until the procedure I have suggested can be brought about.

Third, and most important, I hope there may be worked out with representatives of the executive branch of the Government, including the President himself, and his associates, a proper relationship between the departments of the Government and the investigating committees of the Senate. We all know that investigating committees are essential and proper, but a way must be developed to insure cooperation between them and the departments of the Government.

Then I hope we can line up the Congress wholeheartedly behind the new division of the Department of Justice to which I have referred, and which should have the wholehearted support of all of us, including, I hope, that of the Senator from Wisconsin.

Mr. President, I send forward my amendment and ask that it lie on the table until it be taken up at the proper time for such action as may be appropriate.

Mr. MUNDT. Mr. President, will the Senator yield?

Mr. SMITH of New Jersey. I yield to the Senator from South Dakota.

Mr. MUNDT. I listened with interest to the suggestions of the Senator from New Jersey with respect to the duties and responsibilities proposed to be given to the committee which he suggests. During the course of the recent hearings, in dealing with one phase of the investigatory problems, repeatedly we were called to face a problem generally known by Members of the Senate, and that is that one of the spots where our security program was weak was the failure to have developed in our methods up to now an effective means for utilizing reports that the FBI was carefully, effectively, and efficiently producing as a result of its field studies.

We found that after the FBI had made its studies and reports to the various departments there is an understandable reluctance on the part of administrative heads to take prompt action with regard to the reports they have. The Department head is inexperienced in evaluating such reports. It is a difficult decision to make. So there is a tendency to defer and delay making a decision.

The Senator from South Dakota has on his desk a bill that he has worked over which contains a proposal for meeting this problem, and I understand that the President, also, by executive action, may make some kind of determination which will reach this particular point.

I think we should all recognize the difficulty which is being endeavored to be reached by the proposal of the Senator from New Jersey. The Senator's proposal contemplates, as I understand his substitute, that the top-level committee could devote some time to that particular problem, and perhaps make some suggestions to the Senate, and to the executive departments as to what might be done to tighten up our security as a result of this loose link in the chain of our program for protecting our Government against those endeavoring to infiltrate and corrupt it.

Mr. SMITH of New Jersey. That is entirely agreeable. It is contemplated that the proposed committee would do just that. I do not want that committee to bring a lot of witnesses before it and have a fracas going on. That would destroy the effectiveness of the committee. The proposal is to have a group of patriots, with the Vice President presiding. As the Senator from Connecticut [Mr. BUSH] and others have suggested, the Jenner committee should confer with it. I have included all such activities in contemplation of the committee. I would expect to have the junior Senator from Wisconsin [Mr. McCARTHY] invited to meet with that committee.

I hope that by challenging the junior Senator from Wisconsin to play ball with us we will get results and will eliminate some of the things which have occurred, and for which the junior Senator from Wisconsin was subject to criticism.

If I were to vote against the Flanders resolution, then it would seem to me that I would, in a sense, be whitewashing what the junior Senator from Wisconsin has done; and I cannot do that.

If I voted in favor of it, I would feel it would be the wrong way to charge the Senator, and that we would not have given him a full day in court.

I admit I am in a real dilemma on the question. I do not want to vote for the resolution, but I do feel we should challenge the junior Senator from Wisconsin to play ball with us in the spirit in which we should be working together for unifying America, and not have a division throughout the country.

Mr. MUNDT. Since the Senate has determined to endeavor to solve the problem, I hope we can look forward to a constructive program that may flow from this consumption of time. The most constructive thing that could result from a debate at this time would be, at long last, to find a solution to the problem created by the failure to act promptly and effectively on FBI security reports. Up to now no effective or intelligent manner has been found for utilizing the FBI reports which are submitted to heads of departments. It is easy to criticize a Cabinet member or the head of a bureau, when an FBI report has cast doubts and suspicions, and has made allegations against an employee in his department. It is easy to criticize him for not summarily dismissing such employee. But I suppose many of us in that position, if we received such a report, would also consider making such a decision a distasteful duty. Human nature being what it is, it is easy to delay and defer and put such a report in the file.

As a result, we had the Harry Dexter White and Alger Hiss developments, as well as others. So, if some method were developed—and I am sure we are intelligent enough to devlop one—I am confident a method under the executive head could be evolved for correcting this weakness. If that is not the proper approach, perhaps something along the line the Senator from South Dakota has suggested would be proper. My proposal would create a group on evaluation which would be skillful and determined in evaluating reports the FBI produced, and then make action on the part of the executive agency mandatory. There would be little work for executive investigating committees to do if a method were found for evaluating reports produced by the FBI, and then requiring prompt corrective action. It is because no action is taken on such recommendations that we get into the investigating field as extensively as we must.

Mr. SMITH of New Jersey. I have discussed this matter with Mr. J. Edgar Hoover. He is very much in sympathy with what I have been trying to say. He knows of the value of the junior Senator from Wisconsin, but he is also critical of the way the junior Senator from Wisconsin does things. I am sure we can get a proper method worked out, so the forces working on this problem may work for us all.

Mr. MUNDT. Another one of the difficulties brought to light as a consequence of the late hearings over which the Senator from South Dakota was required to preside was the fact that there is no clear line of demarcation between the responsibilities, functions, and powers of the executive, and the responsibilities, functions, and powers of the legislative committees. It would be my hope that the proposed committee suggested by the Senator from New Jersey, if it is created, would have broad enough power to make recommendations in this area, after consultation not only with the appropriate Members of Congress, but also with the proper authorities within the executive branch.

There should be a definition of what is the proper responsibility of the executive in connection with personnel reports, and what is the proper authority of Congress, in connection with such personnel reports. We have had arguments and quibbles on that question in the American Congress since the days of George Washington. It was not so serious then, but when we are confronted with a worldwide conspiracy such as communism, it is important. The problem was not serious prior to our recognition of Russia, but now Russia has an Embassy on 16th Street which "doubles in brass" as an organization having diplomatic immunity and at the same time being an outpost for spies.

It is important that we all work as a team, because everyone in the executive and in the Congress is reaching toward the same goal, which is that of trying to protect ourselves in this atomic age against a threat that can ruin everybody.

Does the Senator from New Jersey think his resolution is sufficiently broad to cover those matters?

Mr. SMITH of New Jersey. I have not thought through all of the ramifications mentioned by the Senator from South Dakota, but when the Senator uses the word "team" he says in one word what I am talking about. We need a team in the Senate, on both sides of the aisle, in order to face adequately the Communist menace.

Mr. MUNDT. The word "team" brings to mind the word "game." The word "game" brings to mind the concept of rules and regulations. For a team to work successfully, I believe there must be rules and regulations, both on the side of the executive and on the side of Congress, which both branches of Government will understand and accept. If we have such teamwork, it will be comparatively simple to solve the security problem, and there will be concerted action instead of conflict and confusion.

Mr. SMITH of New Jersey. I thank the Senator for his contribution.

Mr. McCARTHY. Mr. President, will the Senator yield?

Mr. SMITH of New Jersey. I yield to the Senator from Wisconsin.

Mr. McCARTHY. I can agree with much the Senator from New Jersey has said. However, he made one remark which I should like to correct, if I may. The Senator said he hoped I would "play ball with us." I do not know whom he means when he uses that term. The Senator also, I think, without intention, created the impression that I might, as chairman, have desisted from performing my duty as chairman in the hearings which were held. I may say to the Senator from New Jersey that if by "playing ball," he means to quit the investigation of communism, graft, and corruption, I will never play that kind of ball. I wish to make that very clear.

Mr. SMITH of New Jersey. I am sorry the Senator has made that interpretation. I have a feeling there is some solution somewhere whereby the Senator and the administration can approach each other and work out these problems. Of course, if Communist infiltration is found anywhere, we all want to keep our eye on it. I think the important activities of the committee could be continued. All of us have responsibility in this matter, and we want the Senator from Wisconsin to be one of us, and not a separate item in the picture.

Mr. McCARTHY. Mr. President, if the Senator from New Jersey will yield again, let me say I am sure he did not wish to create the impression, but I think it would be a great disservice to our President to create the impression that he would want investigating committees to stop their work. The President campaigned from coast to coast—honestly so and effectively so—against the graft, corruption, and Communist infiltration which he felt existed, not because of the good Democrats we have here, but because of the type of bureaucracy which grew up over the past 20 years. He said, "We are going to clean house."

As chairman of a committee established under the Reorganization Act, I have no choice but to continue. I wish to make it clear that there is not now, there never has been, there never will be, so long as I am chairman of that committee, any agreement on my part to desist from exposing wrongdoing. That is my job. I have no choice but to do that, and I intend to continue.

So when the Senator from New Jersey talks about "playing ball," I do not know what he means; but I wish to make it clear that if "playing ball" means that I would quit digging out Communists, then, as I say, I will never play that brand of "ball."

Mr. SMITH of New Jersey. Mr. President, the Senator from Wisconsin knows perfectly well that I am not suggesting such a thing.

I am simply asking him to cooperate with a committee which I suggest be established, so as to see whether we can work out a formula for handling this subject.

Mr. President, I yield the floor.

Mr. BUSH. Mr. President——

The VICE PRESIDENT. The Senator from Connecticut is recognized.

Mr. BUSH. Mr. President, in common with my fellow Senators, I rise with a very heavy heart to speak about this matter today. I think there is nothing more unhappy or more unfortunate than for the United States Senate to have to consider a vote of censure on one of its Members. I have felt many times, Mr. President, that a vote of censure or some sort of censure would be effective and was merited by the junior Senator from Wisconsin [Mr. McCARTHY].

I was very much moved last night by the statement of the senior Senator from Oregon [Mr. CORDON]. It was a splendid reminder of our duties and our obligations in connection with this very weighty decision. Likewise, I was very much impressed with the statement of the junior Senator from Oregon [Mr. MORSE], a distinguished constitutional lawyer, although one with whom I seldom agree on matters of economic legislation. On other legislative matters and a general political philosophy we seem miles apart at times. But what he said last night rather shook me, and I think we should consider it very closely.

As I have thought about it overnight, I wonder whether the proceedings in connection with a vote of censure can be compared to the proceedings in dealing with an illegal act or a criminal act or something of that kind, where the processes of law came into play; or whether the proceedings in connection with a vote of censure are something very different from that, and that perhaps a vote of censure is only a reminder of one's duties or obligations as a United States Senator.

I was somewhat disturbed by the remarks made by my distinguished friend, the junior Senator from Illinois [Mr. DIRKSEN], because the inference to be drawn from what he said was that if one toyed with the idea of censure or thought it worth considering, he was "in bed" with the Communists, with the ADA, with the National Committee for an Effective Congress, or with Walter Reuther. That disturbed me, Mr. President. Most of those persons have opposed me consistently since I have been in public life. Some of them—not the Communists, so far as I know, but some of the others—have supported my opponents. I do not think it is fair to say that because one may hold reservations about the methods employed by the junior Senator from Wisconsin, one is to be classed with the Communists or with the ADA or as a tool of Walter Reuther. Their reservations concerning the junior Senator from Wisconsin may be on very different grounds from those on which I hold my reservations. Perhaps they are. But I have a right to hold my views without having a fellow Senator draw the inference, at least, that I am "in bed" with such persons.

Mr. President, I have been particularly concerned about this matter this year, although it is not new with me, for during the campaign in 1952 I expressed very strongly and very definitely my reservations concerning the methods employed by the junior Senator from Wisconsin. I did so publicly, and I did so in his presence in my own State, before an overflow audience of very stanch admirers of the junior Senator from Wisconsin. The junior Senator from Wisconsin himself was there. We sat down, after that meeting, and had a talk. I said then to the junior Senator from Wisconsin, "Senator, you make it very hard for a Republican like me to go along with you, because of the strange things you do, things that do not seem to me to be fair, and I wish you would not do them."

I shall not go into the whole conversation. It was friendly. The Senator from Wisconsin has always been friendly to me. He seems to be a friendly man in his personal life. People like him because he is friendly, and he likes people. I suppose that is the reason why people like him.

But, Mr. President, in this entire matter I have had a growing feeling that the Senate itself has a real responsibility; that in a way we are responsible for this affair, because, as has been said here, even this morning, if we had adopted an adequate code of fair procedure in connection with investigations, I doubt very much that we would be sitting here on this Saturday morning, discussing this question. I suggest that most Senators would likely agree with me that we would not be here if we had established rules under which investigations should be conducted, rules which would establish Senate responsibility, rules which would establish majority responsibility of committees, and rules which would offer to witnesses adequate protection and assurances of fair play.

Mr. President, that is the subject I propose to discuss not too long this morning. I now send to the desk an amendment which I intend to offer as a substitute for the resolution of the Senator from Vermont [Mr. FLANDERS]. I ask to have my proposed substitute printed, and I ask that it lie on the desk, and that it be read at this time by the clerk.

The PRESIDING OFFICER (Mr. PAYNE in the chair). The amendment intended to be proposed by the Senator from Connecticut will be received and printed, and will lie on the desk; and, without objection, it will be read at this time by the clerk.

The LEGISLATIVE CLERK. In Mr. FLANDER'S resolution, it is proposed to strike out all after the word *"Resolved"* and to insert:

That rule XV of the Standing Rules of the Senate is amended by inserting at the end thereof the following:

"3. All bills and resolutions to authorize the investigation of a particular subject matter shall define such subject matter clearly, and shall state the need for such investigation and the general objects thereof."

SEC. 2. Rule XXV of such Standing Rule is amended by deleting the title "Standing Committees" and inserting in lieu thereof "Powers and Duties of Committees."

SEC. 3. Paragraph (b) of subsection 3 of such rule XXV is amended to read as follows:

"(b) Unless the committee otherwise provides, one member shall constitute a quorum for the receipt of evidence and the taking of testimony; but no witness shall be compelled to give oral testimony before less than two members if, prior to testifying, he objects to the presence of only one member."

SEC. 4. Such rule XXV is amended by inserting at the end thereof the following subsections:

"5. The rules of the committees shall be the rules of the subcommittees so far as applicable. Committees and subcommittees may adopt additional rules not inconsistent with the rules of the Senate.

"6. All hearings conducted by committee shall be open to the public, except executive sessions for marking up bills or for voting or where the committee by a majority vote orders an executive session.

"7. Unless otherwise provided, committee action shall be by vote of a majority of a quorum.

"8. An investigating subcommittee of any committee may be authorized only by a majority vote of the committee.

"9. No committee hearing shall be held unless specifically authorized by the committee.

"10. No committee hearing shall be held in any place outside of the District of Columbia unless authorized by a majority vote of the committee.

"11. No measure, finding, or recommendation shall be reported from any committee unless a majority of the committee were actually present.

"12. No testimony taken or material presented in an executive session shall be made public, either in whole or in part or by way of summary, unless authorized by a majority vote of the committee.

"13. No person shall be employed for or assigned to investigate activities until approved by the committee.

"14. Unless otherwise provided, subpenas to require the attendance of witnesses, the giving of testimony, and the production of books, papers, or other evidence shall be issued only by authority of the committee, shall be signed by the chairman or any member designated by the chairman, and may be served by any person designated by the committee, the chairman, or the signing member.

"15. No witness shall be compelled to give oral testimony for broadcast, or for direct reproduction by motion picture photography, recording, or otherwise in news and entertainment media if he objects.

"16. Oaths may be administered and hearings may be conducted and presided over by the chairman or any member designated by the chairman.

"17. Witnesses shall be permitted to be advised by counsel of their legal rights while giving testimony, and unless the presiding member otherwise directs, to be accompanied by counsel at the stand.

"18. Witnesses, counsel, and other persons present at committee hearings shall maintain proper order and decorum; counsel shall observe the standards of ethics and deportment generally required of attorneys at law. The chairman may punish breaches of this provision by censure or by exclusion from the committee's hearings, and the committee may punish by citation to the Senate as for contempt.

"19. Whenever the committee determines that evidence relating to a question under inquiry may tend to defame, degrade, or incriminate persons called as witnesses therein, the committee shall observe the following additional procedures, so far as may be practicable and necessary for the protection of such persons:

"(a) The subject of each hearing shall be clearly stated at the outset thereof, and evidence sought to be elicited shall be pertinent to the subject as so stated.

"(b) Preliminary staff inquiries may be directed by the chairman, but no major phase of the investigation shall be developed by calling witnesses until approved by the committee.

"(c) All testimony, whether compelled or volunteered, shall be given under oath.

"(d) Counsel for witnesses may be permitted, in the discretion of the presiding member and as justice may require, to be heard briefly on points of right and procedure, to examine their clients briefly for purposes of amplification and clarification, and to address pertinent questions by written interrogatory to other witnesses whose testimony pertains to their clients.

"(e) Testimony shall be heard in executive session, the witness willing, when necessary to shield the witness or other persons about whom he may testify.

"(f) The secrecy of executive sessions and of all matters and material not expressly released by the committee shall be rigorously enforced.

"(g) Witnesses shall be permitted brief explanations of affirmative or negative responses, and may submit concise, pertinent statements, orally or in writing, for inclusion in the record at the opening or close of their testimony.

"(h) An accurate verbatim transcript shall be made of all testimony, and no alterations of meaning shall be permitted therein.

"(i) Each witness may obtain transcript copies of his testimony given publicly by paying the cost thereof; copies of his testimony given in executive session shall be furnished the witness at cost if the testimony has been released or publicly disclosed, or if the chairman so orders.

"(j) No testimony given in executive session shall be publicly disclosed in part only, except when the committee decides that deletions from the transcript are required by considerations of national security.

"20. Whenever the committee determines that any testimony, statement, release, or other evidence or utterance relating to a question under inquiry may tend to defame, degrade, or incriminate persons who are not witnesses, the committee shall observe the following additional procedures, so far as may be practicable and necessary for the protection of such persons:

"(a) Persons so affected shall be afforded an opportunity to appear as witnesses, promptly and at the same place if possible, and under subpena if they so elect. Testimony relating to the adverse evidence or utterance shall be subject to applicable provisions of subsection 19 of this rule.

"(b) Each such person may, in lieu of appearing as a witness, submit a concise, pertinent sworn statement which shall be incorporated in the record of the hearing to which the adverse evidence or utterance relates.

"21. The chairman or a member shall when practicable consult with appropriate Federal law-enforcement agencies with respect to any phase of an investigation which may result in evidence exposing the commission of Federal crimes, and the results of such consultation shall be reported to the committee before witnesses are called to testify therein.

"22. Requests to subpena additional witnesses shall be received and considered by the chairman in any investigation in which witnesses have been subpenaed. Any such request received from a witness or other person entitled to the protections afforded by subsection 19 or 20 of this rule shall be considered and disposed of by the committee.

"23. Each committee conducting investigations shall make available to interested persons copies of the rules applicable therein."

Mr. BUSH. Mr. President, I apologize to the Senate that the reading has taken so long a time.

I should like to say that I discussed this matter with the Senator from Vermont [Mr. FLANDERS], when he offered his first resolution.

I went to the Senator from Vermont some 10 weeks ago, whenever it was, and told him that I did not like the resolution, and that if it was his intention to offer it, I intended to submit what has been read as an amendment in the nature of a substitute. I discussed the matter in a friendly fashion with him many times, since then it has been discussed between us.

I have proposed a code of fair investigating procedures as a substitute for the resolution of the junior Senator from Vermont [Mr. FLANDERS], because I feel very strongly that the Senate has a duty to set its own house in order before taking such a grave step as censuring one of its Members.

It is, I believe, a fact that all the various proposals to discipline, in one fashion or another, the junior Senator from Wisconsin [Mr. MCCARTHY] have arisen from his activities as chairman of the Permanent Subcommittee on Investigations in the 83d Congress, and more particularly from his controversy with the Army.

I ask the Senate to consider now how great a share of the responsibility it bears. As I said in introducing my code of fair procedures, Senate Resolution 253, on last May 24, the unfortunate situation which developed might have been avoided entirely. The likelihood of its occurrence would have been greatly reduced if the Senate, in the past, had adopted uniform rules of fair investigating procedures and if the Senate had insisted upon their observance.

The more I have thought about this matter—and I am frank to confess that I have thought about it almost constantly recently because it is a matter of grave importance—the more I am convinced that it is essential for the Senate to take an affirmative action before it considers taking a negative one. By that I mean that it would be a more lasting solution to the problem which confronts us if the Senate would take advantage of this opportunity to adopt immediately a code of fair procedures in its rules—a code which would establish committee responsibility beyond any question of doubt, which would establish the fact that committees and subcommittees are but agents of the Senate; and that the Senate has the overall responsibility which it cannot evade in connection with the activity of each committee.

I believe that it is possible for us to give an answer now to the most pressing

question raised by the McCarthy-Army controversy—namely, whether the Senate has responsibility for insisting upon fair investigating procedures by its committees.

For the sake of the honor and integrity of the Senate, I believe the answer must be a loud and clear affirmative.

For that reason, I am bringing the issue of fair procedures before the Senate at this time. The course of action I am suggesting offers the Senate an opportunity to take positive, constructive action which will display to the people of the United States our determination:

First, to accept responsibility for the actions of the committees and subcommittees which are the agents of the Senate and whose actions reflect credit or discredit upon us.

Second, to insist that the principle of majority rule and majority responsibility be followed in committees to the maximum extent practicable.

Third, to recognize the need to provide basic safeguards for the rights of individuals without in any way crippling the Senate's essential power to investigate.

The introduction of my amendment was the only practicable way in which the issue of fair procedures could be raised before we adjourn.

The proposed code, in my judgment, is a good and workable set of rules which will give needed protection to witnesses and others affected by Senate investigations and at the same time will not in any way hamper the Senate's power to investigate.

Parenthetically, I should like to emphasize at this point that I have always upheld vigorously the right of the Congress to investigate. I believe that the Congress should investigate. I disassociate myself, right now and completely, from those who believe that the power of Senate committees to investigate should be rigidly circumscribed or confined within unreasonable bounds. I am convinced that it is an essential part of the obligation of the Congress to investigate matters which may require legislation by the Congress.

That covers a wide field and certainly communism is one of the matters, and the field of government operations is another.

But I point out that investigations must be carried on with fairness and justice to all, and with good results, and without bringing the Senate into disrepute, and perhaps dishonor, in the minds and hearts of millions of Americans.

This can be done. I cite as an example the excellent work of the Subcommittee on Internal Security, both under the chairmanship of the able junior Senator from Indiana [Mr. JENNER] and his predecessor as chairman, the able Senator from Nevada [Mr. MCCARRAN]. I remind the Senate of the fact that this subcommittee has been praised for the fairness of its methods, not only by Republicans, but by others, including some generally regarded as "liberals," such as Dr. Harry Gideonse, the president of Brooklyn College, who made a very definite statement in that connnection. It has been an impressive fact that the findings of this subcommittee have had unanimous bipartisan support by its members.

As further evidence of my conviction that committee investigations are essential and can serve a useful purpose, I say today, as I did before the Subcommittee on Rules a few weeks ago, that when the Internal Security Subcommittee issued its report in 1953 on "Interlocking Subversion in Government Departments," I personally bought a thousand copies of the report, at my own expense. They were distributed to thought-leaders in the State of Connecticut. The chairman of my party in Connecticut also purchased a thousand copies which were widely distributed.

So, I emphasize, very strongly, that my feelings in this whole matter do not reflect any lack of interest, or any lack of faith in Senate investigations.

Indeed, I am a member of the Committee on Banking and Currency, which, under the able chairmanship of the distinguished senior Senator from Indiana [Mr. CAPEHART] is even now conducting an investigation, and has, for some weeks past, into the Federal Housing Administration.

This investigation already has uncovered some shocking scandals, which may well dwarf others of the past.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. BUSH. I should prefer not to yield until I have finished my remarks.

I am happy that the Banking and Currency Committee has adopted a code of fair procedures almost identical with that proposed by the distinguished chairman of the Republican Policy Committee [Mr. FERGUSON]. Even in the absence of that code, which was only recently adopted by resolution of the committee, the investigations had been conducted, in my judgment, by our able chairman with fairness and justice, and without valid criticism from the public or from witnesses or Members of the Senate of the United States.

I have digressed to make it clear that I wish to give no comfort to those who would seek to cripple the power of the Congress to investigate. If there is anything in my proposed code of fair procedures which would have that result I want it stricken out.

I have said that I believe that the proposed code is a sound set of rules establishing majority responsibility and giving to witnesses and others affected by investigations safeguards against abuse which they now lack.

However, this is a subject upon which reasonable men may differ. The subject is still under study by a subcommittee of the Committee on Rules and Administration, headed by the junior Senator from Indiana [Mr. JENNER]. It deserves thorough and careful study, for changing the Senate's rules is a serious matter, rarely undertaken.

Some may contend that it is unwise to attempt to adopt uniform rules for investigating committees until the Jenner subcommittee has completed its study and is ready to make its recommendations.

I respect that point of view, but it is my conviction that those who hold it are mistaken. I believe that we can take action now in this session to adopt rules on which there is substantial agreement on both sides of the aisle. The Jenner subcommittee, and the full Committee on Rules and Administration, can and should then continue work during the recess. Building upon the base we establish in this session, the Committee on Rules and Administration can recommend to the Senate at the opening of the 84th Congress those refinements and additions which it considers necessary to make a complete and all-embracing code of fair investigating procedures.

I believe that at a minimum we should establish in this session these essential principles:

First, the responibility of the majority of a committee for the work of the committee, and the necessity for majority rule to discharge that responsibility.

Second, the responsibility of committees to the Senate itself, and the Senate's responsibility to the public for the actions and conduct of its committees and subcommittees.

I hope that it will be possible to obtain common consent to go further in this session and establish some essential protections of the rights of witnesses and others who may be affected by the action of investigating committees. The code which I have proposed takes care of that.

My amendment contains provisions recognizing these principles. In connection with the question of committee responsibility and Senate responsibility, similar provisions, identical provisions in some respects, are contained in the rules proposed by the distinguished Senator from Michigan [Mr. FERGUSON], chairman of the Republican Policy Committee. His proposals have been introduced as Senate Resolution 287, and he has urged that action be taken upon them before we adjourn. He urged that before the Jenner Committee, and I heard him do so.

With one exception, the Ferguson rules establishing committee responsibility are, I believe, outside the area of possible controversy. That exception is the requirement that two members, one representing the majority and the other the minority, are the minimum number which may constitute a quorum for the purpose of hearing subpenaed witnesses or taking sworn testimony. I believe that a majority of a committee can be trusted to establish the minimum number of members necessary to constitute a quorum for such purposes, and that it should be so provided. A slight modification in the language proposed by the distinguished Chairman of the Majority Policy Committee will accomplish that result in the code.

Some may question whether it is possible to obtain agreement on a uniform code of investigating rules at the present time.

I say it can be done if the Senate has the will to do it, and if there is cooperation on both sides of the aisle.

This attempt to take affirmative, constructive action—and that is what the Senate ought to do about this whole issue; not negative action, but affirmative, constructive action—can succeed if individual Senators are willing to subordinate their own preferences for spe-

cific details in the code and join in a common effort.

I have previously advised the Senate that I take no pride of authorship in the code introduced as Senate Resolution 253, and which is now embodied in my amendment. It is a compilation of the best proposals I have been able to find. It includes the original recommendations of the majority policy committee and rules which were suggested by a subcommittee of the House Committee on Rules after a long and careful study. That House committee was headed by Representative HUGH SCOTT, of Pennsylvania. I believe my proposed code strikes a proper balance between preserving the Senate's essential power to investigate and the need for protecting the rights of individuals.

However, I am willing to support any code on which general agreement can be reached, and I urge other Senators who have introduced proposals of their own to do the same. In that way we can establish the principle in this session before we go home. In that way we can lay a firm base from which we can build at the opening of the 84th Congress after we have had the benefit of the recommendations of the Committee on Rules. In that way we can declare to the people of the United States that we believe in fair investigating procedures and will not tolerate methods which offend their sense of justice and fair play.

Mr. President, I yield the floor.

Mr. LEHMAN. Mr. President——

The VICE PRESIDENT. The Senator from New York.

Mr. JENNER. Mr. President——

The VICE PRESIDENT. Does the Senator from New York yield to the Senator from Indiana?

Mr. LEHMAN. Mr. President, at the request of the Senator from Indiana [Mr. JENNER], I shall be glad to yield to him for 5 minutes in order to give him an opportunity of commenting on the remarks of the Senator from Connecticut [Mr. BUSH], with the understanding that I do not lose my place on the floor.

The VICE PRESIDENT. Without objection, it is so ordered.

The Senator from Indiana may proceed.

Mr. JENNER. Mr. President, at this time, while the Subcommittee on Rules is engaged in a thorough and comprehensive survey of the work of all congressional committees with a view toward recommending rules and procedures, the amendment offered by the Senator from Connecticut [Mr. BUSH] as a proposed substitute for the resolution of the Senator from Vermont [Mr. FLANDERS], will have the effect of discharging the committee of which I am chairman from the consideration of the resolutions on rules of procedure which have been referred to it.

Senate Resolution 253, offered by the Senator from Connecticut [Mr. BUSH] is one of several measures being considered by the Subcommittee on Rules of the Committee on Rules and Administration, which subcommittee is holding hearings and taking testimony on the very issues of that resolution.

Mr. President, I hold in my hand the various resolutions which have been submitted on which the subcommittee is holding hearings.

To force the resolution of the Senator from Connecticut as a substitute for the resolution of the Senator from Vermont would be completely diversionary. It would not answer the problem. It is only somebody's idea of a way out of a bad mess. To force, prematurely and without due deliberation, the substitute resolution of the Senator from Connecticut to a vote would introduce a political note into a question that should be above politics, namely, the fairness and the effectiveness of our investigating committees.

Mr. President, I hold in my hand a copy of the rules of the Senate. They have been 160 years in the making. To attempt to write instanter rules of procedure for this great body, particularly at a time when emotions are stirred, by substituting the amendment of the Senator from Connecticut for the resolution of the Senator from Vermont seems to me to be most inadvisable. It is no way to write rules of procedure.

The Subcommittee on Rules has been holding hearings 2 days a week since the last week in June of this year on all the various proposals to amend the rules. We have heard the testimony of the chairmen of important committees of present and past Congresses in the hope of obtaining the benefit of their investigative experience.

We expect, for example, to hear the Senator from South Dakota [Mr. MUNDT], who acted as chairman of the Senate investigating committee during the Senator MCCARTHY-Secretary Stevens hearings, as well as his counsel, Mr. Ray Jenkins. That hearing has been set for August 10.

We have asked the Vice President of the United States, who has had experience in this line, to appear on August 11.

We have heard 16 Senators and 8 Members of the House.

We have also heard the testimony of a score of representatives of bar associations, civil liberties unions, church and civic groups.

The subcommittee is learning many important facts, discovering many legal pitfalls, and acquiring many helpful points of view. We are moving with a dispatch that we believe to be appropriate in the effort to compile a record, write a report, and make recommendations to the Senate; which is the orderly and proper procedure which should be followed.

When we consider the tremendous accomplishments of congressional committees, present and past, in unearthing corruption and inefficiency, and in exposing Communist agents, who never would have otherwise been exposed, it behooves every Senator to hesitate before he votes for a proposal which might destroy the effectiveness of all Senate and congressional committees.

I am not passing judgment on the resolution of the distinguished Senator from Connecticut [Mr. BUSH] because the subcommittee has not yet acquired all the facts. Maybe the resolution does not go far enough; maybe it goes too far.

The resolution of the Senator from Connecticut would make it impossible, for instance, for committees to continue the almost universal practice of allowing one member to take testimony—merely to take testimony. The resolution would prohibit that. Perhaps the Subcommittee on Rules will decide that this drastic step is necessary, after it hears all the testimony.

For example, the Senator from Nevada [Mr. MCCARRAN], the first chairman of, and the chairman with the longest experience on the internal security subcommittee, has testified under oath before the Subcommittee on Rules that the internal security subcommittee could never have functioned if the resolution of the Senator from Connecticut had been in effect. Many other experienced Senators have also expressed themselves in opposition to this restriction; as well as Members of the House.

I might say that the very Subcommittee on Rules which is considering these difficulties and problems would itself not be able to operate if the resolution of the Senator from Connecticut were in effect.

The distinguished chairman of the Republican policy committee, the Senator from Michigan [Mr. FERGUSON], I know, concurs with the Senator from Connecticut [Mr. BUSH]. The Senator from Connecticut says he has incorporated his ideas and the ideas of the majority policy committee in this resolution. The Senator from Michigan, who has had long experience, was asked to come before the committee, and the committee examined him.

Mr. President, let me inform the Senate that the distinguished Senator from Michigan in the investigation of communism held 102 1-man hearings.

We are never going to pass laws which will make men who are unfair become fair. On the other hand, we should not set up rigid rules which will "hamstring" and destroy congressional committees. Our committee is looking into this whole subject. Give the committee a chance. What is it desired to do: Discharge the committee and write a set of rules on the floor of the Senate in a moment of passion?

I might add that the very Subcommittee on Rules which is considering these difficult questions would itself not have been able to operate if the resolution of the Senator from Connecticut had been in effect, because in 415 of the hearings where testimony has been taken I have sat as a single member of the committee. I know that is the experience of every Member of this body.

The procedure now proposed may be all right when we are dealing with inefficiency and corruption in Government, but, with the experience I have had in dealing in committee with Communists, pinkos, egg heads, who have a Communist lawyer sitting by them, I can say that if they are given such a set of rules as proposed by the Senator from Connecticut they will destroy us.

Think what comfort such rules would have afforded to the hundreds of Communist agents who have been exposed by the Internal Security Subcommittee—all, I might add, with a very minimum of criticism.

I am drawing no conclusions, but I say again that those who would force this resolution to a vote before all the facts are in and before we who have been given this assignment are able to compile a record and present our findings, would indeed, if successful, bring about a situation that might prove of great benefit to rogues, embezzlers, drones, and Soviet agents who would destroy the very structure of our security.

Mr. BUSH. Mr. President, will the Senator yield?

Mr. JENNER. I yield.

Mr. BUSH. Mr. President, yesterday or the day before I talked with the distinguished Senator, the chairman of the Committee on Rules and Administration [Mr. JENNER] and told him what I proposed to do. I did that because I desired to be absolutely fair and did not desire to catch him unaware. I think the Senator realizes that was my sole purpose.

Mr. JENNER. The Senator from Connecticut will recall the Senator from Indiana said he would have to oppose the resolution.

Mr. BUSH. The Senator told me at that time he would have to oppose it on the floor. I understand that perfectly.

Mr. LEHMAN. Mr. President, may I interrupt?

The PRESIDING OFFICER. The Senator from New York has the floor. The Senator yielded to the Senator from Indiana [Mr. JENNER].

Mr. BUSH. Will the Senator kindly yield me 1 minute?

Mr. LEHMAN. I should be glad to yield the Senator as much time as he desires. I merely wish to make sure I do not lose my place on the floor.

The PRESIDING OFFICER. The Senator from New York yielded the floor with the understanding he would have a right to the floor at the conclusion of the discussion.

Mr. BUSH. Mr. President, I should like to make this point with my good friend from Indiana: I do not consider my amendment—and I told the Senator so 2 days ago—anything in the nature of a motion to discharge the Rules Committee.

Mr. JENNER. But it is, sir, in fact. That would be the result of it.

Mr. BUSH. I wish the distinguished Senator to know I do not consider it will do so, and I respectfully disagree with him on that point.

I feel more strongly than perhaps most other Senators do that the Rules Committee should proceed. As the Senator knows, I have attended many of the committee hearings. I am very much interested in this subject. My assistant attended almost every one of the hearings, because we are vitally interested in what the Senator's committee is doing; and I want that work to continue, and desire to have the Vice President appear before the committee.

Mr. President, my point is that it is so important for the Senate to take an affirmative action on this question before it that I see no danger whatever in taking a code of fair procedure and putting it into the Senate rules.

Mr. President, let me say further that in my speech I made it plain that I have no pride of authorship. I will take as a substitute anything within reason the Senator from Indiana will propose, realizing the Senator has not finished his labors and that he will have a right, and indeed a duty, to revise the resolution when the time comes.

I protest, Mr. President, that I am not lacking cooperation with the Rules Committee. I am not lacking respect for the Rules Committee. Indeed, I have the greatest respect for what that committee is doing, and I am very glad it is doing what it is doing. I hope the committee will continue its labors and will accomplish its work.

The Senator from Indiana mentioned in his remarks something I did not understand, and perhaps it is of no consequence. The Senator said something about striking a political note. I am not conscious of striking any political note in this particular matter. I do not know what the Senator means.

I wish to disavow, for myself, striking any political note in connection with this matter.

Mr. JENNER. I will say in answer to what the Senator from Connecticut has said, since we are using the time of the Senator from New York [Mr. LEHMAN] that in substance the resolution provides for taking away from the Rules Committee that which is its duty and responsibility and, sir, that which we are performing to the best of our ability as rapidly as we possibly can.

Two days a week I have sat in hearings on this important question. I do not think it is proper, in an emotional atmosphere, to use this method to discharge a committee from its responsibility and to write a set of rules which every one of us may regret, which may destroy the very functioning of this body itself.

What I am afraid of is by this attempt the firecrackers are going to be shot on the 3d of July. It would be better to wait until the 4th.

Mr. CAPEHART. Will the Senator yield?

Mr. BUSH. Mr. President, I simply desire to say, in closing, I disavow any intention of discharging the Rules Committee, and I hope that committee will continue its labors.

The PRESIDING OFFICER. Does the Senator from New York [Mr. LEHMAN] yield to the Senator from Indiana?

Mr. CAPEHART. I merely desire to make a statement.

Mr. LEHMAN. How much time does the Senator desire?

Mr. CAPEHART. Only a couple of minutes.

Mr. LEHMAN. I shall be glad to yield to the Senator from Indiana.

The PRESIDING OFFICER. The Senator from New York yields to the Senator from Indiana.

Mr. CAPEHART. Mr. President, with respect to this whole controversy, and particularly with respect to the resolution of the Senator from Connecticut, that I have been holding hearings for several months on FHA scandals, and I wish to give the benefit of my experience. I think it ought to be very helpful. My observation has been that I conduct a very fair and honest hearing in the minds of all the witnesses who come before me, except those who we know in advance, or who we discover as a result of their testimony, are guilty of questionable actions and practices. To such witnesses it is a very unfair and a terrible committee. For example, the committee had before it a gentleman by the name of Powell, who has hidden behind the fifth amendment a couple of times. He thinks I am so unfair as chairman that he has already filed in this body a petition, not to have me thrown out as chairman of the committee, but thrown out of the Senate of the United States. He thinks I am a very, very unfair chairman and that I have been very unfair to him. He has hidden twice behind the fifth amendment. He has already filed the petition which I mentioned to throw the senior Senator from Indiana out of the United States Senate, and the matter is now before the Rules Committee.

In another instance a lawyer, representing a witness who hid behind the fifth amendment, was very abusive of the chairman and the members of the committee. In fact, he gave us a tongue lashing. Yet the witness hid behind the fifth amendment. He made a statement to the press that we were very unfair. He said it is a terrible committee and that the chairman is unfair.

I have learned that a committee is thought to be all right so long as certain persons do not get hurt, and that a person considers the committee as all right unless he himself is hurt because of actions he took before he appeared before the committee. But if he is guilty, if he has something to hide, or is a Communist, or has been doing something on which he thinks he ought to have the protection of the fifth amendment, then he considers the chairman to be very, very unfair.

Another observation I should like to make—and I say this somewhat in criticism of the United States Senate—is that if rules such as are being proposed should be adopted, Senators would be condemning themselves. I hear Senators state on the floor, and I read in the press continually, that one-man committees are terrible things. As chairman of a committee, let me say in the most charitable way I can, that any time there is a committee, it is because other members of the committee have not shown up. In many instances, the reason for that is that those members are attending other committee meetings. They do not have time, and they simply cannot be present.

I do not think it behooves any of us to talk about one-man committees, because any time there is a one-man committee it is because the other members of the committee are not present. With respect to a full committee, the reason there is a 1-man committee is that 14 members have not appeared. If it happens to be a 5-man subcommittee, it is a 1-man committee because 4 members have not been able to attend the committee meeting. There cannot possibly be one-man committees unless the other members do not attend the committee meetings.

In adopting rules such as are proposed, Senators will only be condemning

themselves if they prohibit one-man committees.

The committee of which I am chairman has been holding hearings on FHA scandals for several months. For about 80 percent of that time I have been the only member present. It is not because I wanted it that way. I have desired other members to be present, but they are busy on other work, and they cannot be there. I understand that. I sit in the committee and take the testimony and swear in the witnesses. I conduct a good, honest investigation in the mind of every witness except the one who has something to hide from the committee, the country, and the United States Senate, and that witness will think I am very unfair.

Is the Senate going to adopt rules and regulations that will protect persons who ought to be exposed? That is what my colleagues will do if they are not careful. Is the Senate going to adopt rules and regulations that will handicap committees, one-man committees, if you please, or committees on which only one Senator is sitting in trying to get out of witnesses the truth and the facts.

Are Senators going to permit witnesses to tell them what they are going to do, and what they are not going to do? If such rules are adopted, the honest witness, meaning the man with nothing to hide, will be very cooperative; and the one who does have something to hide and does not want the facts secured, will use every means at his disposal to browbeat the committee, as I have had happen to me several times in the past several months. A petition has been filed in the United States Senate to have me thrown out of the Senate. Several witnesses have been hiding behind the fifth amendment. I am very unpopular. Pressure has been put on me from many directions not to call a particular witness, or to go easy on him, or do this or the other thing.

I wish to make one other statement, and then I shall yield the floor. The person who has something to cover up and does not want to make known the facts is the one who is in favor of the proposal now before us, the so-called Bush resolution, and all other similar proposals. He is the person who wants rules and regulations put in effect that will permit him to avoid telling the committee or the chairman the truth and the facts. That is exactly what he wants to happen.

In my opinion, this is an attack on the Congress of the United States. It is an attack on the right of Congress to investigate. We had better stop, look, think, listen, and be very careful what action is taken in regard to the McCarthy matter, the Flanders matter, and all other such matters, because it is an attack on the right of the Congress of the United States to investigate.

I also wish to say that, sitting on an investigation such as I have for the last several months, it is very easy to make mistakes. It is very easy to lose one's temper.

I ask any of my colleagues what he would have done with that attorney from New Jersey. By the way, we shall have him back; and before we are through, all Members of the Senate will understand why that attorney told me to shut my mouth, and then proceeded to make a speech, as the amendment to the resolution would permit him to do—to make an oral statement and abuse the committee and abuse the chairman. I say to the Senate—and I will prove it before we are through—that the man for whom the attorney acted is guilty, and he has a great deal to cover up; and we will prove it before we are through.

That is what a chairman and a committee are up against. I am amazed and surprised that Senators would take their time and the time of the Senate and the time of the United States, at a period such as the one through which we are passing at the moment, to seek to censure or criticize the committees. This matter is one for each individual committee to handle.

I say in all charity to the members of the so-called McCarthy committee, that if the junior Senator from Wisconsin [Mr. McCARTHY] is not performing properly—is conducting so-called one-man committees or is doing any other things that the other members of the committee think he should not be doing—they should take a good look in the mirror, because theirs is the responsibility, for there are 13 members of that committee; and at any time they wish they can, by majority vote, adopt any rules they desire to have as a committee. They know they have the right to do that. Similarly, if in the Banking and Currency Committee, of which I am chairman, there is anything wrong in the conduct of our investigations, it is the responsibility of the 15 members of that committee to handle that matter.

So, Mr. President, if there is anything wrong in the conduct of the so-called McCarthy committee, it is the responsibility of each of the 13 members of that committee to straighten it out. It is not the responsibility of the Senate as a whole, in my personal opinion.

We should caution Senators who at the moment are not serving as chairmen of committees, and who have not participated in a real investigation into possible fraud or into situations which may lead to the sending of certain persons to prison. Such Senators do not know what investigating committees in such situations are faced with. Senators who have not had that experience do not realize the amount of pressure that is brought to bear upon the chairman and the other members of such a committee. As a result of the FHA investigating committee, I receive anonymous letters, threatening me; and I receive threatening telephone calls, both at my office and at my apartment. Why? They come from persons who are guilty and who do not wish the truth to come out. Any Member of the Senate who sits, day in and day out, as chairman of a committee investigating something really serious, has or will have the experience of having before the committee witnesses who will do everything within their power to keep the committee from obtaining the facts and the correct information. Such witnesses will abuse the chairman of the committee and the other members. Such witnesses will do everything they can to keep the committee from obtaining the truth. It is not easy for the chairman of such a committee to hold his temper. Under such circumstances, it is all too easy for the chairman to do something wrong or to say something wrong.

The other day, when the attorney gave me that tongue lashing—and the distinguished junior Senator from Maine [Mr. PAYNE], who is now presiding over the Senate, was present at that time, and he can tell other Senators what happened then—it would have been very easy for me to have said to that witness some things that possibly I would have regretted later. If I had had that witness in a backyard, somewhere in Indiana, possibly I would have thrashed him physically; at least, I would have when I was a little younger. [Laughter.]

But under such circumstances it is very easy for one who is serving as chairman of such a committee to say something wrong or to do something wrong.

Mr. President, we should proceed with the business of the United States Senate, and each of our committees should accept its own responsibility. We who serve on the Banking and Currency Committee have, at the suggestion of the able Senator from Connecticut [Mr. BUSH], the able Senator from New York [Mr. LEHMAN], and other Senators, gotten together and adopted a set of rules and regulations under which our committee can operate, and under which we can obtain information and facts, and can protect and defend ourselves against unscrupulous witnesses. We have adopted good rules and regulations. They are fine, and that action was taken by all the members of the committee. That is the job of each of the committees, Mr. President. It is not the job of the Senate. Certainly the adoption of such rules and regulations is not a matter to be handled on the floor of the Senate.

So, Mr. President, let us vote on this entire matter; and let us table this resolution. Let the Committee on Rules and Administration then proceed with its hearing; and then let all chairmen and all committees take their responsibilities more seriously, and adopt their own rules and regulations. Let us be fair and honest with every witness, of course; but let us not tie our own hands, to the point where we cannot handle an unscrupulous witness.

Mr. MALONE. Mr. President, will the Senator from New York yield for one question?

Mr. LEHMAN. Yes, provided I may do so with the understanding that I shall not thereby lose the floor.

The PRESIDING OFFICER. Without objection it is so ordered.

Mr. MALONE. Mr. President, I wish to ask the Senator from Indiana whether he knows on how many committees, on the average, each Member of the Senate serves. I refer to both committees and subcommittees.

Mr. CAPEHART. Let me say, Mr. President, that there was one time, I remember, when I was a member of 15 subcommittees. That was during the 80th Congress. So it is simply impossible for Senators to sit all day long in one committee. Senators simply cannot do it. It would be impossible to operate the

Senate except on the basis of having only one Senator present in a subcommittee from time to time. Otherwise it would be impossible to handle the business of the Senate. No one knows that better than I do.

I am not criticizing Senators for their inability to attend committee meetings, for a Senator simply cannot be in two places at the same time.

I am saying it is the responsibility of each committee; each committee should make its own rules and regulations. Each committee should settle its own problems. Each committee, and likewise the entire Senate, should keep in mind that there is never any trouble with honest witnesses. The trouble comes from witnesses who wish to cover up something. From my experience as a committee chairman, I can see such trouble coming, because, let me point out—and of course this is well known by all Senators—the committees hold executive hearings with the witnesses, before they are put on the stand in public or open hearings. So the committees know what the testimony of the witnesses will be at the open hearings, and before the open hearings are held, the committees know what the witnesses have done or have failed to do. We know, in advance of the public hearings, whether a particular witness is guilty of doing this or of doing that. The same pattern runs through all committee proceedings. In the case of a witness who is guilty of wrong doing, the committee knows it before the public hearing is held, because the committee has held an executive session, with the witness under oath. As a result, the committee knows that it will be embarrassing to that witness to have the facts displayed in public. In such circumstances, when the public hearing is held, invariably the guilty witness comes to the hearing with his lawyer, and at the very beginning starts to abuse the chairman or the other members of the committee, an attempts to cover up and to do things that will divert attention from the facts that he knows the committee will bring out, because the witness knows the committee has the truth.

So, Mr. President, let us table this entire matter, and let us proceed with the business of the United States Senate; and then let each committee work out its own rules and regulations. That is my suggestion.

Mr. MALONE. Mr. President, if the Senator from New York will further yield, let me repeat what I have previously said, namely, that neither the Senator from Wisconsin [Mr. McCARTHY], the Senator from Indiana [Mr. CAPEHART], nor the Senator from New Hampshire [Mr. BRIDGES], nor any other Senator is on trial in this matter. The investigative power of the Senate is what is on trial.

Mr. CAPEHART. Yes, Mr. President; I said that only a moment ago.

Mr. KNOWLAND. Mr. President, if the Senator from New York will yield to me, with the understanding that he will not thereby lose his right to the floor——

Mr. LEHMAN. With that understanding, I shall be very glad to yield to the Senator from Californina.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KNOWLAND. Mr. President, I have previously announced that because of the importance and the unprecedented nature of, and the peculiar circumstances surrounding the censure resolution which is before this body, and which has not had committee action, I feel it is most important that every Senator be in a position to listen to the entire debate. For that reason, I have asked the committee not to meet until this matter is finally disposed of.

I had previously announced that, in order that Senators would not have to be off the floor at lunch time—as is the customary practice of the Senate—I would move that the Senate take a recess at about 12:30 p. m. until 2 p. m. this afternoon. In that way, Senators will be able to have lunch during the period of the recess, and then will be able to return to the Chamber at 2 o'clock.

Thereafter we expect the session to continue from 2 o'clock until approximately 7 o'clock this evening, at which time we expect to take a recess until Monday next.

I have had a conversation with the Senator from New York, and he tells me that because of the fact that it is now very close to 12:30, it will be agreeable to him—and, in fact, he would prefer it, provided he will have the floor when the Senate reassembles at 2 o'clock—to begin his speech at 2 o'clock, rather than to begin now, and have an interruption occur in the middle of his remarks.

With that understanding, Mr. President, and in conformity with the agreement with the Senator from New York, I am about to make such a motion.

Mr. WELKER. Mr. President, will the Senator from New York yield to me at this time?

Mr. KNOWLAND. Yes, Mr. President; I shall postpone making the motion for the recess, until the Senator from Idaho is able to ask a question, if that is what he wishes to do.

Mr. WELKER. Mr. President, will the Senator from New York yield to me at this time, with the understanding that he will not thereby lose his right to the floor?

Mr. LEHMAN. Yes, Mr. President; with that understanding, I yield.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WELKER. With respect to Senate Resolution 253, I must confess that I have not read it or studied it although I have looked at subsection 12 of section 4, on page 3, reading as follows:

> 12. No testimony taken or material presented in an executive session shall be made public, either in whole or in part or by way of summary, unless authorized by a majority vote of the committee.

Mr. President, I have the honor of serving with the Senator from Indiana [Mr. JENNER] on the internal security subcommittee of the Judiciary Committee. At the commencement of every executive session, every witness, every counsel, every staff member, and every member of the committee is admonished that none of the testimony is to be released until authority is given by the committee.

Mr. President, we can well imagine the embarrassment that a fifth amendment Communist could give the committee, should he make public such testimony—release it and give it to the world—and thus be in a position to say that the investigating committee had violated this proposed rule, and, therefore, the Senator conducting the investigation should be thrown out of the Senate. Such a rule would be a very dangerous one, because I have seen certain witnesses do that sort of thing time and time again, in connection with hearings held by our committee. Such witnesses like to embarrass the committees.

I say that subsection 12 is absolutely the most vicious provision in this proposal, because the tort feasor, or Communist, or thief, will wish to demolish a committee, no matter how honorable the committee may be. Such a person will see that testimony taken in executive session is "leaked" to persons who will be in a position to cause embarrassment to the committee. In that event, who will be blamed? Not the Communist or the thief, but the committee.

I thank the Senator very much for yielding to me.

RECESS TO 2 P. M.

Mr. KNOWLAND. Mr. President, pursuant to the previous understanding that the Senator from New York will not lose his right to the floor when we reassemble, I now move that the Senate stand in recess until 2 o'clock this afternoon.

The motion was agreed to; and (at 12 o'clock and 21 minutes p. m.) the Senate took a recess until 2 o'clock p. m. on the same day.

On the expiration of the recess, the Senate reassembled, and was called to order by the Presiding Officer [Mr. PAYNE in the chair].

THE JUNIOR SENATOR FROM WISCONSIN

The Senate resumed the consideration of the resolution of censure (S. Res. 301) submitted by Mr. FLANDERS relative to the junior Senator from Wisconsin [Mr. MCCARTHY].

Mr. KNOWLAND. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Daniel	Holland
Anderson	Dirksen	Humphrey
Barrett	Douglas	Ives
Beall	Duff	Jackson
Bennett	Dworshak	Jenner
Bricker	Ervin	Johnson, Colo.
Bridges	Ferguson	Johnson, Tex.
Burke	Flanders	Johnston, S. C.
Bush	Frear	Kennedy
Butler	Fulbrght	Kerr
Byrd	George	Kilgore
Capehart	Gillette	Knowland
Carlson	Goldwater	Kuchel
Case	Gore	Langer
Chavez	Green	Lehman
Clements	Hayden	Long
Cooper	Hendrickson	Magnuson
Cordon	Hennings	Malone
Crippa	Hill	Mansfield

McCarran	Potter	Stennis
McCarthy	Purtell	Symington
Millikin	Robertson	Thye
Monroney	Russell	Upton
Morse	Saltonstall	Watkins
Mundt	Schoeppel	Welker
Murray	Smathers	Wiley
Neely	Smith, Maine	Williams
Pastore	Smith, N. J.	Young
Payne	Sparkman	

Mr. SALTONSTALL. I announce that the senior Senator from Nebraska [Mrs. BOWRING] and the junior Senator from Nebraska [Mr. REYNOLDS] are necessarily absent.

The Senator from Iowa [Mr. HICKENLOOPER] and the Senator from Pennsylvania [Mr. MARTIN] are absent by leave of the Senate.

The PRESIDING OFFICER. A quorum is present.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the yeas and nays be ordered on the question of agreeing to the resolution of the Senator from Vermont [Mr. FLANDERS], so that all Members will know there will be a yea-and-nay vote on that question.

The yeas and nays were ordered.

Mr. LEHMAN. Mr. President, today is a day when those who would stand up for decency, liberty, and integrity may do so. Today is a day when the opportunity is given us to raise, by our own act, the prestige of the Senate, and to help repair, to some extent, the grave damage which has been done to America's standing in the minds and hearts of men here and abroad.

The resolution submitted by the junior Senator from Vermont is a symbol. It has little actual force, but it has much meaning. That meaning will shine through whatever device may be chosen, or may be sought to be chosen, to avoid a decision on the resolution, itself.

On numerous occasions in the past, the two Houses of Congress have voted to censure individual Members. Those resolutions of censure have been based, for the most part, on single acts. Here we have a resolution of censure based on whole categories of acts, on almost numberless outrages against the sense of decency which is part of the highest tradition of this great body, the Senate of the United States.

Mr. President, I shall not attempt at this time to enumerate all the acts which in my opinion justify this resolution of censure. A listing of them would occupy the Senate for days. Hundreds of articles have been written about them. Special issues of magazines have been devoted to them. Books have been written about them. The bibliography of books, articles, and scholarly studies listing and analyzing the amazing charges, allegations, and innuendoes which have marked the course of Senator MCCARTHY during the past 5 years is more exhaustive than that on any other subject of current interest.

At different times, two subcommittees of the Senate have devoted themselves to a study of various aspects of Senator MCCARTHY'S activities. The conclusions reached and the observations made by those two subcommittees justify, in themselves, action, in my opinion, far more severe than a resolution of censure.

Here is a man who has attacked, condemned, and denounced as traffickers with treason, men who have occupied the highest offices in our land, whose names adorn the brightest pages of our history—Franklin Delano Roosevelt, Harry S. Truman, Gen. George C. Marshall, and Dean Acheson. He has smeared some of the most eminent public servants in our recent history — Ambassador Charles Bohlen, Ambassador Philip Jessup, High Commissioner James Conant, and Ambassador Averell Harriman, among many others.

Mr. President, he has attacked and abused such men as General Zwicker and President Nathan Pusey, of Harvard.

He has attacked and smeared Members of this Senate.

He has made wholesale and unconscionable attacks upon the press, charging publications such as Time magazine, Commonweal, the Saturday Evening Post, the New York Post, and the Milwaukee Journal with following the Communist line.

He has sought to smear such outstanding journalists as the Alsop brothers, Edward R. Murrow, James Wechsler, and Drew Pearson with the imputation of being Communist sympathizers.

He has given comfort to one of the most shocking attacks in recent history on the loyalty of the American clergy, that of Mr. J. B. Matthews, by undertaking to hire Mr. Matthews as an employee of a Senate committee.

Mr. President, he has used his position as a Member of the Senate, and as chairman of one of our committees, to ride roughshod over the Government service, over two administrations of different political complexion, and, finally, over the Senate itself.

Mr. President, shall we sit idly by and divest ourselves of any responsibility for these actions and others without number?

Shall we make pious protests in private, while maintaining silence in public?

Mr. President, shall we content ourselves by saying that, while we disapprove of the methods of the junior Senator from Wisconsin, it is up to the voters of Wisconsin, or to the Republican Party, or to President Eisenhower, to discipline this reckless colleague of ours? No. Under the Constitution, it is our individual responsibility as Senators. It is no one else's.

Why do we hesitate to take such action as is merited? Will a majority of us stand up and say, either privately or publicly, that they see no fault meriting censure of the junior Senator from Wisconsin? Where is that majority? Where is there more than a handful who will say that?

Only a year and a half ago the junior Senator from Wisconsin, sought to oppose confirmation of the nomination of Ambassador Charles Bohlen in the Senate, by charging that he had information, and that the FBI had information, to the effect that Ambassador Bohlen was a security risk.

Charles Bohlen had spent 24 years in the service of the State Department of his Government. He had entered the Foreign Service while Herbert Hoover was President of the United States. His reward for a quarter century of dedicated service was to be charged with being a security risk, after having held some of the most critical posts in the United States Government.

The late Senator Taft, who died a year ago today, and who at the time occupied the chair of majority leader, was delegated by the Senate to inspect the FBI files on Charles Bohlen. Senator Taft reported back:

> There was no suggestion anywhere by anyone reflecting on the loyalty of Mr. Bohlen in any way, or any association by him with communism or support of communism or even tolerance of communism.

Was not that incident, which provided one of the first crises of the Eisenhower administration, of itself sufficient to merit this resolution of censure?

Why do we hesitate, then, when this incident has been multiplied by a hundred, and a hundred more, before and since? Do we fear the political repercussions of a vote to censure the junior Senator from Wisconsin?

Is that the real answer to the timidity, the apprehensions, and the doubts which have characterized the position of so many of us in regard to the Flanders resolution? I am telling no secrets when I say that this fear is, indeed, a compelling force.

Mr. President, this is a measure of the danger represented by our colleague from Wisconsin, because the junior Senator from Wisconsin has spread fear, intimidation, suspicion, and reprisal throughout the length and breadth of this great and beloved land of ours.

Let us face this danger. Let us put aside this fear. Whatever the political repercussions, history will honor us for a vote of censure; and, in my judgment, so will our constituents.

Let us vote overwhelmingly, without regard to partisan considerations—for this is not a partisan question—to approve the resolution of the Senator from Vermont.

I yield the floor.

Mr. FULBRIGHT. First, Mr. President, I wish to make 1 or 2 observations with regard to the remarks made last night by the distinguished junior Senator from Illinois [Mr. DIRKSEN]. The Senator from Illinois is a very powerful speaker and makes an extremely interesting address. I invite attention to his opening remarks, as found on page 12737 of the RECORD, in which he said:

> Mr. President, if I were to select a text tonight I think I should dip into the Old Testament and find it in the Book of Exodus. It comes to mind because in the Republican Convention of 1952 in Chicago a very eminent rabbi was asked to deliver the invocation on one of the convention days, and in that eloquent invocation he used an expression from the Old Testament which said:
>
> "Thou shalt not follow a multitude to do evil."

Mr. President, I regret very much that the Senator from Illinois stopped with that quotation. It would have been extremely appropriate, I believe, if the Senator had read all of that particular passage. I might even recommend the reading of the preceding 2 or 3 paragraphs from chapter 23 of the Book of Exodus, which I shall read. Beginning

in the paragraph preceding the one read by the Senator from Illinois, I read:

Thou shalt not raise a false report: Put not thine hand with the wicked to be an unrighteous witness.

It seems to me that that passage is peculiarly appropriate to the particular subject matter which is under consideration before the Senate today.

Then comes this quotation:

Thou shalt not follow a multitude to do evil; neither shalt thou speak in a cause to decline after many to wrest judgment:

Neither shalt thou countenance a poor man in his cause.

If thou meet thine enemy's ox or his ass going astray, thou shalt surely bring it back to him again.

If thou see the ass of him that hateth thee lying under his burden, and wouldest forebear to help him, thou shalt surely help with him.

Thou shalt not wrest the judgment of thy poor in his cause.

Keep thee far from a false matter; and the innocent and righteous slay thou not: for I will not justify the wicked.

Mr. President, I am quite willing to take that passage as the text of the entire subject to be considered by the Senate; and if the Senate will apply that standard to what I believe to be the unquestionable evidence in this case, I have no doubt as to what its judgment will be in connection with the pending resolution.

Another characteristic of the address of the junior Senator from Illinois, it seems to me—a characteristic which is borne out throughout some 2 or 3 years, or longer, of the activities of the subject of the pending resolution—is the refusal to address the remarks in any respect to the merits of the matter under consideration, but to confine them to an attack upon the person who has made observations concerning the matter. I had a personal experience of that kind many years ago in the so-called Jessup hearings, when I raised a question about the validity of an exhibit which had been offered to the committee, which proved to be completely false. Instead of arguing about the exhibit I was attacked as being a Communist, or at least as being pro-Communist, or soft toward communism—one of those many phrases which are applied to anyone when disagreement arises.

I noticed that was the same approach last night. There was very little said on behalf of the subject of the resolution; the remarks were directed to a personal attack upon the honorable Senator from Vermont [Mr. FLANDERS]. The remarks seemed to me to be quite irrelevant to the question under consideration. If a resolution were pending about the Senator from Vermont, they might be relevant.

I pass to the other speeches, which concerned me much more than did the speech of the Senator from Illinois.

I refer to the speeches of the two Senators from Oregon. Both of them are eminent and very careful lawyers, as we well know. I was amazed that neither of them had taken the trouble to check the precedent on this question. Reference was made to the precedent, which I consider to be the precedent on this matter, which was made on November 4, 1929. The senior Senator from Oregon [Mr. CORDON] referred to the fact that two Senators, who are Members of the Senate today, and who are on the floor today, the Senator from Georgia [Mr. GEORGE] and the Senator from Arizona [Mr. HAYDEN], were Members of the Senate at the time, and that both of them voted in favor of a resolution of censure at that time.

I distinctly gained the impression from the remarks of the distinguished senior Senator from Oregon that that resolution had been, in his opinion, referred to a committee and had been considered by a committee. That is not the fact.

The fact is that a resolution, designated Senate Resolution 20, was submitted to investigate lobbying. It was submitted on April 20, 1929. It is a coincidence that that resolution was submitted by the distinguished predecessor of myself, Senator Caraway. As I say, it was submitted on April 20, 1929. It was a special resolution, to investigate the activities of lobbying associations and lobbyists in and around Washington, D. C.

I shall read it to the Senate, so that there will be no misunderstanding about it. It has nothing whatever to do with a resolution of censure.

The resolution of censure was not submitted until November 1, 1929, several months later. The resolution submitted by Senator Caraway on April 20, 1929, reads as follows:

Whereas it is charged that the lobbyists located in and around Washington filch from the American public more money under a false claim that they can influence legislation than the legislative branch of the Government costs the taxpayers; and

Whereas the lobbyists seek by all means to capitalize for themselves every interest and every sentiment of the American public which can be made to yield an unclean dollar for their greedy pockets: Now, therefore, be it

Resolved, That a special committee to be appointed by the President of the Senate consisting of three members is hereby authorized. Said committee is empowered and instructed to inquire into the activities of these lobbying associations and lobbyists to ascertain of what their activities consist; how much and from what source they obtained their revenues; how much of these moneys they expend and for what purpose and in what manner; what effort they put forth to effect legislation. Said committee shall have the power to subpena witnesses, administer oaths, send for books and papers, to employ a stenographer, and do those things necessary to make the investigation thorough.

That was the resolution. There was no idea of censuring any Member of the Senate. It was directed at lobbyists. The resolution certainly was not directed at Mr. Eyanson.

The committee was appointed, and in pursuance of it, on September 30 there was issued Senate Report No. 43, 71st Congress, 1st session, and ordered to be printed.

Mr. Caraway, from the subcommittee of the Committee on the Judiciary, submitted the following report, pursuant to Senate Resolution 20.

That is the resolution which I have just read.

I shall not read all of the report, but I ask unanimous consent that at this point the entire report, which consists of only 4½ pages, be inserted in the RECORD.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

Your committee, named by the chairman of the Committee on the Judiciary, pursuant to Senate Resolution 20, having had under consideration the matter of the association of one Charles L. Eyanson, assistant to the president of the Manufacturers Association of Connecticut, Inc., with Hon. Hiram Bingham, a Senator from that State, during the consideration by the Finance Committee of the Senate and the majority members thereof of the pending tariff bill (H. R. 2667) and having completed that phase of its work, beg leave to report as follows:

The Manufacturers Association of Connecticut, Inc., is an organization in the nature of a trade association, the purpose of which is to promote the general interests of its members in their business, manufacturing establishments of the State of Connecticut, including the New York, New Haven & Hartford Railroad Co. Its business at Hartford, Conn., is under the immediate supervision and direction of the said Charles L. Eyanston under the president thereof, E. Kent Hubbard. Eyanston is paid a salary of $10,000 per annum by the association. He came to Washington while the tariff bill referred to was under consideration by the Committee on Ways and Means of the House of Representatives in the early part of the present year, and aided members of the association in preparing arguments and data for submission by them to the committee referred to.

On February 25, 1929, Senator Bingham wrote to Mr. Hubbard, saying, among other things:

"I am wondering whether there is anyone whom you could loan me as an expert adviser on tariff problems, particularly those in which Connecticut is interested."

In explanation of the letter Senator Bingham told the committee that the people of the State generally were vitally interested in tariff questions and that he was unfamiliar with the problems presented by legislation of that character, having devoted much of his time while in the Senate theretofore to other subjects. A copy of the letter of Senator Bingham, referred to, is hereto attached, marked "Exhibit A," and made a part of this report.

Mr. Hubbard replied in a sympathetic way, his letter being likewise attached, marked "Exhibit B."

A copy of the letter from Senator Bingham was sent to each member of the association and the views of the members solicited. The replies were generally favorable, the treasurer suggesting that the board of directors be authorized "to utilize an amount not to exceed $5,000 to be expended in connection with tariff work in Washington." A limitation of the amount to be expended was suggested in a number of the replies. By arrangement between Hubbard and Senator Bingham, entered into at the office of J. Henry Roraback, chairman of the Republican State committee of the State of Connecticut, Eyanston was deputed as aid to Senator Bingham pursuant to his request, the board of directors of the association adopting a resolution, as follows:

"That the vote received by letter authorizing aid to Senator Bingham in protecting interests of Connecticut manufacturers be confirmed.

"It was further reported that the staff of the association had been engaged in a comprehensive analysis in columnar form of the Underwood and Fordney-McCumber tariffs; request presented before the Ways and Means Committee of the House and the schedules proposed in the House bill (H. R. 2667), now before the House of Representa-

tives for action, and furthermore that a representative would shortly be in Washington to assist Senator Bingham personally in his office."

Eyanson came to Washington to take the position, in effect as a clerk in the office of Senator Bingham, in which he had a desk where he received callers who came to consult with him or Senator Bingham or both. He assembled material for the use of Senator Bingham in connection with the hearings before the Senate Committee on Finance and attended the hearings, occupying a seat from which he could communicate at any time with Senator Bingham and aided him with suggestions while the hearings were in progress. After the hearings were completed the majority members went into secret session for the purpose of considering the bill. At that time, at the direction of Senator Bingham Eyanson was sworn in as clerk of the Committee on Territories and Insular Possessions, of which Senator Bingham was then and is now the chairman, displacing one Henry M. Barry, who was told by Senator Bingham that his salary would nevertheless continue. This course was pursued, the committee was told by Senator Bingham, that Eyanson might be "subject to the discipline of the Senate," the significance of the phrase being left unexplained.

After Eyanson had thus been introduced into the secret meetings of the majority members and had sat with them for some 2 or 3 days, Senator Smoot, chairman of the committee, inquired of Senator Bingham whether he, Eyanson, was an officer or employee of the Manufacturers Association of Connecticut, and being advised that he was, Senator Bingham was told by Senator Smoot that objection had been made to Eyanson's presence in the committee and intimated it would be better if he did no longer attend. Senator Bingham then inquired as to the attitude of other members of the committee and from the views thus elicited reached the conclusion that Eyanson ought not longer to attend the meeting and he did not. Eyanson drew his salary as clerk of the Committee on Territories and Insular Possessions. At the end of his first month's services as such he turned the amount so received over in cash to Senator Bingham. The remainder of his salary while he continued on the rolls he drew and turned over to Mr. Barry, the whole amounting to $357.50.

One of the subordinates of Mr. Eyanson, pursuant to the practice of his office, on the 30th day of August 1929, prepared on a blank provided for that purpose a memorandum, as follows:

"THE MANUFACTURERS ASSOCIATION OF CONNECTICUT (INC.),
"August 30, 1929.

"Memorandum:
To Mr. Eyanson.
From Mr. Wuichet.
Subject: Information for Senator Bingham.

"In telephone conversations with Mr. Henderson, of the Crescent Fire Arms Co., and Mr. Warner, of the Davis & Warner Arms Co., both of Norwich, in reply to an inquiry originating with Mr. Henderson, I informed these gentlemen that Senator Bingham met with very strong opposition to the 10-percent duty on rough-bored shotgun barrels from the Savage Arms Co., et al., and three influential members of the Senate Finance Committee, Senators Smoot, chairman, Reed, and Edge; and that Senator Bingham considered it a decisive victory to have held the duty where it now stands in the House bill at 10 percent in face of a very strong effort to raise it to 30 percent."

It is obvious from the memorandum that Wuichet, who was in Hartford, Conn., at the time the memorandum was written, had information concerning some of the proceedings in the secret meetings of the majority members of the Finance Committe; but he informed your committee that he had no recollection of the source of his information, and while he denied that it came from Eyanson he admitted that he could assign no other source from which it could come. This witness told the committee that he is a dollar a year man of the Department of Commerce. He holds the position of foreign trade secretary of the manufacturers association of Connecticut, a position which requires him to ascertain and assemble information of value to the members of the association for the promotion of their foreign trade and to convey the same to them as an officer or employee of the Department of Commerce. Having taken as usual the official oath he gathers information in and about Hartford, as requested by the Department of Commerce, or that may be of service to it in its work, and secures information from the Department of value to manufacturers in that section. In this connection your committee calls attention to the following provision of the act of 1917 (39 Stat., pt. 1, p. 1106):

"That on and after July 1, 1919, no Government official or employee shall receive any salary in connection with his services as such an official or employee from any source other than the Government of the United States, except as may be contributed out of the treasury of any State, county, or municipality, and no person, association, or corporation shall make any contribution to, or in any way supplement the salary of, any Government official or employee for the services performed by him for the Government of the United States. Any person violating any of the terms of this proviso shall be deemed guilty of a misdemeanor, and upon conviction thereof shall be punished by a fine of not less than $1,000 or imprisonment for not less than 6 months, or by both such fine and imprisonment as the court may determine."

It appeared from evidence before the committee that, in respect to 52 of the leading industries of the State of Connecticut, the pending tariff bill recommends raises in the duties on 44. With respect to 7 it remains unchanged, and in one instance it provides for a decrease.

After the departure of Eyanson from Washington on the completion of his work here with Senator Bingham, the latter transmitted to him a check for $1,000, which has never been cashed, the recipient having determined tentatively on its receipt to return it personally rather than by letter to Senator Bingham, but now remains undecided as to what disposition he should make of the check.

Senator Bingham was, at the time Eyanson came to his office, paying all the clerks sums in addition to their official salaries and would be obliged, he felt, to employ 1 or 2 additional stenographers. He hoped, when asking the assistance of the Manufacturers Association, to get a high-grade man, whose salary the Senator felt he could not pay in view of the fact that he was paying additional salary to four clerks.

As heretofore stated, the New York, New Haven & Hartford Railroad Co. is a member of the Manufacturers Association of Connecticut. A reply to one of the circular letters sent out by President Hubbard, heretofore referred to, addressed to E. G. Buckland, vice president, came signed "E. G. Buckland, chairman," which was as follows:

"Answering your letter of March 5; I am strongly of the opinion that the association should leave nothing undone to assist Senator Bingham in the presentation of briefs giving the facts and arguments in favor of tariff rates such as the industries of Connecticut believe should be adopted in the new tariff bill. The fact that one of our Senators is willing to undertake this work, not only justifies but practically demands that the association should support him to the limit."

The New York, New Haven & Hartford is one of the largest contributors to the revenues of the Manufacturers' Association of Connecticut, amounting to $100,000 annually, the contribution of the railroad company on the basis of the number of men in its service being approximately $4,000 annually. The committee questions the propriety of the utilization of the funds of a railroad company for the payment of the services of a lobbyist in Washington. Whether such contributions are forbidden by any statute may be the subject of further communication from your committee. Meanwhile the committee recommends the adoption of a resolution by the Senate calling upon the Secretary of Commerce to furnish to the Senate a list of all officials employed by the department in the regular service of private individuals or corporations drawing a salary of $1 a year or any other sum from the Government.

EXHIBIT A

UNITED STATES SENATE,
February 25, 1929.

Hon. E. KENT HUBBARD,
President Manufacturers' Association of Connecticut, Hartford, Conn.

MY DEAR MR. HUBBARD: As you know, many matters of great importance to the manufacturers of Connecticut and our citizens generally will come up during the extra session, particularly while the tariff is being discussed in committee and on the floor of the Senate.

I am wondering whether there is anyone whom you could loan me as an expert adviser on tariff problems, particularly those in which Connecticut is interested.

It seems to me that it would be advantageous if I could have some one on whom I could rely for summaries and briefs, giving the facts and arguments in favor of such rates as the people of Connecticut believe should be adopted in the general interest.

There is no one in my office who is familiar with this general field.

Our hearings will probably begin about May 1 or 10. During the hearings many questions will arise on which I should like to have expert advice. Then when the committee begins considering the bill in executive session I ought to have a well-prepared brief on every schedule in which Connecticut is interested. Could you help me out?

Sincerely yours,

HIRAM BINGHAM.

EXHIBIT B

FEBRUARY 28, 1929.

Hon. HIRAM BINGHAM,
United States Senate,
Washington, D. C.

MY DEAR SENATOR BINGHAM: I was most gratified to receive your letter of February 25 in regard to the tariff.

Connecticut industry has been apprehensive ever since the announcement of Senator McLean's retirement, but with the knowledge which comes through your letter that you are planning to study the matter in your usual thorough manner, that apprehension is relieved.

Tariff and transportation are two of the most vital subjects to Connecticut manufacturers, and you may rest assured that we will arrange to provide for all the facilities for information which you may need during the hearings before the Senate Finance Committee and during the executive sessions. The person or persons whom we shall select will be representative of Connecticut industry, and will be thoroughly competent on tariff matters.

Again let me express my appreciation for your cooperation. I shall arrange to confer with you personally or, if that isn't possible, through a representative well before the date of hearings.

Very truly yours,

E. KENT HUBBARD, *President.*

Mr. FULBRIGHT. I shall read the part of the report which I think is significant. However, I want to make this observation, namely, that this report makes no recommendation whatever about censure. It makes no reference to censure in any respect. It was submitted before any censure motion was introduced. What it did was simply find the fact and state what had happened. That is all. It did not condemn, and it did not question its propriety, or anything like that.

I may say for the benefit of the Senate that Mr. Eyanson was the lobbyist who was involved. He had been brought into an executive meeting of the majority members of the committee. Mr. Eyanson was not brought into the executive meeting of the whole committee, but was brought into the executive meeting of only the Republican members, who were in the majority.

I read from the report:

After Eyanson had thus been introduced into the secret meetings of the majority members and had sat with them for some 2 or 3 days, Senator Smoot, chairman of the committee, inquired of Senator Bingham whether he,. Eyanson, was an officer or employee of the Manufacturers Association of Connecticut, and being advised that he was, Senator Bingham was told by Senator Smoot that objection had been made to Eyanson's presence in the committee and intimated it would be better if he did not longer attend. Senator Bingham then inquired as to the attitude of other members of the committee, and from the views thus elicited reached the conclusion that Eyanson ought not longer to attend the meetings and he did not. Eyanson drew his salary as clerk of the Committee on Territories and Insular Possessions. At the end of his first month's service as such he turned the amount so received over in cash to Senator Bingham. The remainder of his salary while he continued on the rolls he drew and turned over to Mr. Barry, the whole amounting to $357.50.

The report contains a letter written by Senator Bingham to the Manufacturers' Association, asking for assistance, and so forth.

Mr. KNOWLAND. Mr. President, will the Senator yield for a question at that point?

Mr. FULBRIGHT. Certainly.

Mr. KNOWLAND. Does not the Senator think that that is a very pertinent fact he has brought out, namely, that there was a specific act which it was alleged Senator Bingham had participated in, namely, the bringing of Mr. Eyanson into the executive meeting of the majority members of the committee? That was a specific act. Senator Bingham had an opportunity to go before the committee and to make his explanation on the specific charge and on the specific act.

Mr. FULBRIGHT. Go before whom?

Mr. KNOWLAND. Senator Bingham had an opportunity to go before the committee and to make his explanation as to how it came about that he had Mr. Eyanson attending the meeting. That is not the situation in the case of the resolution which is before the Senate today.

In other words, so far as the Senate was concerned, the specific act was the bringing of Mr. Eyanson into the executive meeting of the majority members of the committee. The committee had an opportunity to take testimony from Senator Bingham as to what the facts were regarding that specific act.

Mr. FULBRIGHT. There is no question that these facts are very simple. This is the report of the committee. I am forced to anticipate my statement slightly, I should say. I intend to offer an amendment to the pending resolution which I believe will bring it absolutely and completely within the precedent set by the Bingham case. I do so because of the very eloquent appeal of the two Senators from Oregon that we follow orderly procedure.

Mr. CORDON. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I shall be glad to do so in a moment.

In view of all the facts, I certainly do not think the Senate now is less concerned about its honor, integrity, and dignity than was the Senate in 1929. Later I shall read the remarks of the Senator from Georgia [Mr. GEORGE] on that very point. If the Senate as at present constituted lives up to the high standards set by the Senate in 1929, I shall certainly be satisfied.

What I intend to do, by an amendment, is to bring this case exactly into line with this precedent, and to follow what I consider to be orderly procedure, as represented by the latest precedent of the Senate. I know of no better authority.

I now yield to the Senator from Oregon.

Mr. CORDON. With the permission of the Senator from Arkansas, the Senator from Oregon will say that if the pending resolution is amended so as to state specific allegations, which allegations are admitted as true, so that this body can pass judgment upon undisputed facts, the Senator from Oregon will be prepared to consider the resolution on the floor and act on it.

Mr. FULBRIGHT. I doubt very seriously that I could possibly satisfy the Senator's ideas with respect to allegations being undisputed and admitted. I do not consider that the allegations in the case cited were undisputed and admitted by Senator Bingham, in the precedent I have cited.

On the floor of the Senate Senator Bingham contended most vigorously that there was nothing wrong with his actions. He did not admit that he had done wrong at all. He protested up to the last minute. My colleagues will find in the debate on the question, while it is not stated in so many words, the clear implication is that if the Senator had said on the floor, "I am sorry. I think I did wrong," the charges would have been dropped. But he persisted up to the last minute in the attitude that he was right and that there was nothing wrong with what he had done. Therefore, the Senate went ahead and adopted the resolution of censure.

Moreover, if at that time the Senate was willing to accept the finding of the committee as to the facts, I see no reason why the Senate today should not be willing to accept the finding of one of its committees as to what is, to my way of thinking, a very pertinent fact relative to the Senator from Wisconsin [Mr. MCCARTHY], which finding I shall read to the Senator. If one were disposed to do so, I suppose he could perhaps question the good judgment or the thoroughness of this committee, because the committee which reported in this case is a different committee from the one which reported in 1929.

Mr. CORDON. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I yield to the Senator from Oregon.

Mr. CORDON. Is it not a fact that in the Bingham case, Senator Bingham admitted that the individual was employed by the Connecticut Manufacturers Association and disputed only the conclusion as to whether his acts were correct and subject to censure?

Mr. FULBRIGHT. I should say "subject to censure," because no one really seriously thought he was personally corrupt in the sense that he was feathering his own nest. No one alleged and no one believed that he had gained any money from the transaction. He thought he was doing his duty to his State. That makes all the more praiseworthy, in my opinion, the action of the Senate in protecting the integrity of the Senate as a body. I think it is that very spirit that accounts for the survival of this body as the one remaining upper legislative body in the world which has power and influence.

In all the various experiments that have been made in parliamentary government or self-government, this is the only upper legislative body which still has power. I think that is true because of the very spirit evinced by the Senate in 1929 when it voted a resolution of censure. The Senate did not want its honor to be sullied by the action of an individual Senator, even though no personal corruption was involved.

Mr. CORDON. Mr. President, will the Senator further yield?

Mr. FULBRIGHT. Let me make a further point. The Senator is making it necessary for me to anticipate my amendment, but it is appropriate to raise the question at this point. I intend, for example, to offer this specification, among others. It is a specification which, in my opinion, is precisely in point with the specification set out by the precedent. The Senator will find this specification in the committee report which the Senator from Missouri [Mr. HENNINGS], the Senator from Arizona [Mr. HAYDEN], and the Senator from New Jersey [Mr. HENDRICKSON] signed in 1952. I think my suggested amendment would bring the case completely within the rule and the precedent which I have mentioned.

Mr. CORDON. Mr. President, will the Senator yield for an observation?

Mr. FULBRIGHT. The censure is for this reason:

1. The junior Senator from Wisconsin, while a member of the committee having jurisdiction over the affairs of the Lustron Co., a corporation financed by Government money, received $10,000 without rendering services of comparable value.

That is an example which I believe to be on all-fours with the case in 1929. A Senate committee had spent many months considering this question, among

many others. I shall read the four pages of the report which set out the documentary evidence to support the charge, such as photostats of checks and other documents. I do not know whether the Senator has seen that report or not.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. FULBRIGHT. Just a moment.

I suggest that a finding of fact of a subcommittee of the Senate with as much dignity as the subcommittee which reported in the Eyanson case is just as persuasive and complete with respect to that particular fact as is the act which Senator Bingham was found to have done. That committee made no recommendation of censure. Neither did the so-called Hennings-Hayden-Hendrickson committee, which I mentioned. They set out the facts and, instead of making recommendations, they asked questions. The committee had asked the Senator to come before it on numerous occasions. We can discuss that subject if the Senator desires to do so. However, I think we are all familiar with the record. Every Senator has had an opportunity to read it.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. FULBRIGHT. In a moment I will.

The Senator from Oregon [Mr. CORDON] made a great point about the right of the Senator from Wisconsin to his "day in court." If the junior Senator from Wisconsin refuses to have a day in court after many and continuous urgings, I do not know what can be done about it. The committee cannot force him to come before it. Perhaps his attendance could have been forced. At any rate, the committee did not wish to force him to attend.

The Senator from Oregon [Mr. CORDON] made a strong plea for orderly procedure. We have just had a fine example proving that it is almost impossible to have an orderly procedure. I should say that the procedure before the subcommittee which heard the Army-McCarthy controversy was very disorderly. That was certainly contrary to the desire of most of the members, but in my opinion there was no way to preserve order. I observed the hearings. I do not know how many other Members of the Senate observed them.

Mr. FERGUSON and Mr. CORDON addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Arkansas yield; and if so, to whom?

Mr. FULBRIGHT. I yield first to the Senator from Michigan, who was on his feet before the Senator from Oregon.

Mr. FERGUSON. What is the number of the report in reference to the Lustron case, and when was it filed with the Senate?

Mr. FULBRIGHT. This is a report of the Subcommittee on Privileges and Elections, of the Committee on Rules and Administration. It is entitled "Investigations on Senators JOSEPH R. McCARTHY and William Benton, pursuant to Senate Resolution 187 and Senate Resolution 304."

The Senator is familiar with it, is he not?

Mr. FERGUSON. When was it filed with the Senate?

Mr. FULBRIGHT. I do not know that it was filed with the Senate. It was filed with the committee.

Mr. FERGUSON. Did the committee adopt the report?

Mr. FULBRIGHT. The subcommittee did. Report No. 43 of the Subcommittee on the Judiciary. That is the basis for the others.

Mr. FERGUSON. Mr. President, will the Senator yield for a question?

Mr. FULBRIGHT. I yield.

Mr. FERGUSON. A report was filed in the Senate on the resolution of Senator Caraway, was it not?

Mr. FULBRIGHT. That is my understanding. Senate reports, volume C, No. 43. It may be that in the book there are a number of other reports on lobbying. This is only one of a number of reports on lobbying. This is only one, which pertains to Mr. Eyanson.

I have no doubt that one can find a difference in personnel. This report is very familiar to most of us, however.

As I have said, the chairman of the subcommittee was THOMAS C. HENNINGS, Jr., of Missouri, and the other members of the committee were CARL HAYDEN, of Arizona, and ROBERT HENDRICKSON, of New Jersey.

Mr. HENDRICKSON. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I yield to the Senator from New Jersey, who was a member of that committee. He may recall the details on that point.

Mr. HENDRICKSON. I shall try to clear the matter from memory. My recollection is that when the report was finished, the Senate was not in session, and it was transmitted to the Secretary of the Senate.

Mr. FULBRIGHT. I submit, Mr. President, that in any case I see no materiality to the point, if I may so suggest to the Senator from Michigan. It seems to me to make no difference.

Mr. FERGUSON. Mr. President, the Senator wants to have the facts.

Mr. HENNINGS. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I yield to the distinguished Senator from Missouri, who was chairman of the subcommittee.

Mr. HENNINGS. Am I to understand that the Senator from Arkansas is not in the least disturbed by the question put to him by the distinguished Senator from Michigan [Mr. FERGUSON], who seems to suggest by his inquiry that because the report was not filed in the Senate—if it was not, we may be assured that it was filed with the Committee on Rules and Administration—the Senator has not taken judicial notice of the report, and would like to suggest that perhaps the report does not exist?

Mr. FULBRIGHT. I tried to say to the Senator from Michigan that I see no materiality. It makes no difference whatsoever.

Mr. HENNINGS. The Senator from Arkansas is, of course, aware of the fact that every Member of the Senate received a copy of the report, is he not?

Mr. FULBRIGHT. That is my understanding.

Mr. HENNINGS. The Senator also is aware, is he not, that the report did go to the Committee on Rules and Administration, where it has languished, although perhaps it has not as yet died? So far as I know, the report still is in the files of the Committee on Rules and Administration, whether or not it was filed with the Secretary of the Senate, although I presume it was.

I wondered if the Senator from Arkansas thought there was any tincture of validity to the point suggested by our distinguished friend from Michigan, that because the report actually did not come before the Senate as a report for consideration, the report was in any wise lacking in substance or in effect.

Mr. FULBRIGHT. I may say to the Senator that it is not by any means. The report is far more thorough and far more extensive than the report on which the 1929 censure was based, which, as I pointed out a moment ago, is a short report. There was a very simple set of facts.

The report on the one point with regard to Lustron is set out on four pages, and is documented. It relates to the question whether or not it was proper, under the circumstances, for the junior Senator from Wisconsin [Mr. McCARTHY] to receive $10,000 from the Lustron Corp., and it discusses the facts, which I shall reserve until I offer the amendment. I only bring up the question now to try to enlighten the Senator from Oregon [Mr. CORDON] as to what I understand happened in 1929, because it was a rather unusual procedure. There have been only two of them in this century. There is no better source for us to follow, no better precedent, than what was done in 1929. I do not think any Member of the Senate would criticize what was done in the Senate in that year. On the contrary, I think we should be very proud that two of the present Members of the Senate voted in that matter. The RECORD speaks for itself. I do not wish to embarrass either of the Senators by asking them questions. I am certain the Senator from Georgia [Mr. GEORGE] will not mind if I read his remarks to the Senate, because they are extremely appropriate. It seems to me that they fit this case precisely.

I do not know of any Member of this body for whom we all have greater respect than we have for the Senator from Georgia. I think it is very appropriate to refer to his remarks in this instance.

Mr. CORDON. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I am glad to yield.

Mr. CORDON. I am most appreciative of the Senator's final courtesy. I shall not further transgress upon the time of the Senator from Arkansas, except to suggest that the Senator is now discussing what may be before the Senate, not what is before the Senate.

The Senator, by the suggestions he is making, is adding proof, if proof needs to be added, to the suggestions made last evening that somewhere in the course of this matter there should be some certainty and some facts alleged which the Senate can consider.

As to the remainder of the Senator's random shooting, I shall be happy to discuss it, so far as it goes to last evening's discussion, when the Senator finishes.

Mr. FULBRIGHT. I had assumed that Members of the Senate who read the newspapers and at least occasionally see television knew about some of the matters to which the Senator from Vermont [Mr. FLANDERS] was referring. If they have refused to do that, or have failed to do it—I know they are very busy, especially the members of the Committee on Appropriations—I do not wish to offer criticism. But if the Senator from Oregon [Mr. CORDON] does not know anything about what happened in the activities of the investigating subcommittee or in the recent hearings, we will try to enlighten him.

As to the action of the Senate itself with regard to the censure brought up on November 4, 1929, I think it is very interesting. Before I get into it, there are a few statistics which seem to me to be of interest, especially to both parties.

The vote on the final passage was 54 to 22. The Republican Party, I may say, split precisely—22 for and 22 against. I think it is very interesting to recall some of the names. Many Senators will remember more of the names than I will. But I recognize a number of them.

For example, the distinguished Senator from Idaho, Mr. Borah, voted "yea." Senator Couzens, of Michigan, voted "yea." Senator Cutting, of New Mexico, voted "yea." Senator Glenn and Senator Goldsborough each voted "yea."

I shall read all the names.

Allen, Blaine, Borah, Brookhart, Capper, Couzens, Cutting, Frazier, Glenn, Goldsborough, Jones, LaFollette, McNary—Senator McNary was one whom we all knew, one of the most distinguished Republicans ever to sit in the Senate, I think, in this century—Norbeck, Norris, Nye, Pine, Robinson of Indiana, Schall, Steiwer, Thomas of Idaho—both Senators from Idaho voted "yea"—and Vandenberg, of Michigan, for whom we all had the greatest respect, and whom most of us knew personally.

They were the 22 Republicans who voted "yea."

There were 22 Republicans who voted "nay." I do not know many of them personally. I know a few of them. There are some very well known names, such as Smoot, of Utah. He offered one of the amendments, a substitute for the bill, which I shall discuss.

In that case there were two substitutes offered, quite similar to the substitute which has been offered to the Senate in this case. Their purpose was completely to emasculate the meaning of censure, and to nullify it as being of any significance, or to avoid a direct vote. Both amendments were rejected.

Smoot offered one amendment, and Edge, of New Jersey, offered the other. That is rather a coincidence, similar to the one I mentioned about Caraway, of Arkansas, who had been chairman of the committee which looked into the matter. I am not, of course, referring to myself, but to the senior Senator from Arkansas [Mr. MCCLELLAN].

I shall read the names of the Republican Senators who voted "nay":

Dale, Edge, Fess, Gillette, Goff, Gould, Greene, Hale, Hastings, Hatfield, Herbert, Johnson, Keyes, Metcalf, Moses, Oddie, Phipps, Reed, Shortridge, Smoot, Townsend, and Walcott.

Certainly, with 22 Republicans voting on each side of the question, it was not a partisan matter. I think the integrity of the Senate is not a party matter. Both parties desire to preserve the integrity of the Senate.

It is not something on which one party should take one side and the other party should oppose. It is a question far above such considerations. It is a question which goes to the preservation of an essential and most important part of our Government.

Mr. President, I shall try to go through this history quickly, but I think it is worth while to point out a few of the highlights.

On November 4, 1929, there were 32 Democrats who voted, and I now put into the RECORD the names of the Democrats who voted for the resolution:

Ashurst, Barkley, Black, Bratton, Brock, Broussard, Caraway, Connally, Copeland, Dill, Fletcher, George, Harris, Harrison, Hayden, Heflin, Kendrick, McKellar, Pittman, Ransdell, Sheppard, Simmons, Smith, Steck, Stephens, Swanson, Thomas of Oklahoma, Trammell, Tydings, Walsh of Massachusetts, Walsh of Montana, and Wheeler.

There were 7 Democrats and 10 Republicans not voting, as well as Senator Shipstead, Farmer-Labor Party member. That is the complete record of the voting.

Mr. BENNETT. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Arkansas yield to the Senator from Utah?

Mr. FULBRIGHT. I yield for a question.

Mr. BENNETT. Did any Democrats vote against it?

Mr. FULBRIGHT. No. I said that there was a split among the Republicans of 22 to 22.

Mr. BENNETT. So in view of that fact the illusion that the voting was not along partisan lines disappears, does it not?

Mr. FULBRIGHT. The Republicans did not regard it as a partisan question. They split. I am glad that the Democrats were so solicitous of the honor of the Senate. They recognized the importance of this body as a part of our system of government.

Mr. BENNETT. The Senator does not think the Democrats sought to bring disrepute on the part of one of their colleagues, does he?

Mr. FULBRIGHT. I leave it to the Senator. I think there is no better statement on the subject than that made by the Senator from Georgia [Mr. GEORGE], which I am about to read. The Senator from Georgia is certainly one of the leading Democrats, if not the leading one. The passage is extremely short, and I hope the Senator from Utah will listen to it. I am sure he will not question the motives of the Senator from Georgia.

The Senator from Georgia had this to say, as appears on page 5126 of the RECORD for November 4, 1929:

> Mr. GEORGE. Mr. President, I regard it as most regrettable that this resolution and debate involve personalities at all. I regard it as most regrettable that the personal element is injected on either one side or the other of this matter.
>
> Personally I took occasion some days ago to say that I had the very warmest personal admiration for the Senator from Connecticut, and I do not believe that he has intended any moral wrong or breach of what he considers to be the right course of conduct to be pursued by Senators.

I think the following is the most important passage:

> The view that I take of the question, Mr. President, is simply this: That the official act of each one of us has a public quality, and that act is either in the interest of the public good or it is contrary to the interest of the public. It either promotes confidence in the processes of government or it tends to weaken public confidence in the processes of government; and before I vote upon this resolution I wish to make it entirely clear that my vote is not controlled by any personal consideration whatever and that my vote does not express any opinion, much less condemnation, upon the personal morality or the intent or purpose of the Senator from Connecticut. I have already declared myself upon that matter.

I think that is the point involved. I disagree thoroughly with what the Senator from Illinois [Mr. DIRKSEN] stated last night when he said that this is a personal matter, and that because the Senator's resolution dropped the reference to the chairman of the committee, that made it personal. The resolution in the Bingham case was not based upon the action of Bingham as chairman; it was based on his action as a Senator. He was not chairman of the Finance Committee; he was merely a member. I see nothing whatever to that point, and the Senator from Georgia made it very clear that he was considering the actions of a Senator. He was not worried about his personal motives; he was concerned about the effect of the Senator's actions on the public good—in a word, I think, its effect upon the Senate. If the Senator takes money from a corporation which consists largely, or almost entirely, of Lustron's capital, and the matter in question is under the jurisdiction of his committee, we are not complaining about the $10,000 or about the Senator personally. What we are complaining about is the effect upon the public and the citizens who support the Government, and their respect for an institution, the Senate of the United States. If Members of the Senate go about shaking down corporations dependent on governmental operations and organizations—or, as in this instance, a borrower from the RFC—that is important. No one cares what happened to the money in the pocket of the individual. Personal corruption on the part of Bingham was denied. But when there is involved the defense of a man, a lobbyist—and people came to know that; it was known outside the committee—that fact casts a reflection upon the integrity of the whole processes of legislation. It makes

the people suspect the honesty and integrity of the very processes of writing legislation. That is what the Senator from Georgia meant when he said what I read.

Mr. JENNER. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I yield to the Senator from Indiana for a question.

Mr. JENNER. I was not present on the floor when the Senator made his statement, but, as I understand, the Senator contemplates filing a new petition of censure, with a bill of particulars. Although I was not on the floor, I understand the Senator stated that the $10,000 referred to as having been received from the Lustron Corp. was sufficient ground for that action. Am I correct?

Mr. FULBRIGHT. I dislike to bore the Senate by repeating what I just said. The Senator is not correct. At the end of my remarks I intend to offer perfecting amendments to the resolution of censure, in an effort to meet the complaints or suggestions made last evening by the two Senators from Oregon. I personally feel that in this case we are quite justified in taking judicial notice of a great many factors, many of which involve occurrences on the floor of the Senate.

Mr. JENNER. Mr. President, will the Senator further yield?

Mr. FULBRIGHT. I shall also offer an amendment relative to a statement made on the floor of the Senate. When a Member of the Senate makes a statement on the floor of the Senate, and it is published in the CONGRESSIONAL RECORD, if we cannot take judicial notice of it, I do not know how the Senate can act on anything. Must the Senate appoint a committee to examine into statements made on the floor of the Senate before we can pass judgment on whether or not such statements are becoming to a Senator, and whether they represent proper conduct on the part of a person who is worthy of being a Member of this body?

Mr. JENNER. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I yield for a question.

Mr. JENNER. May I ask the Senator whether that allegation arose as a result of the Benton-McCarthy hearings?

Mr. FULBRIGHT. It is in the report. As I mentioned a moment ago, a report was filed by the subcommittee, headed by the Senator from Missouri [Mr. HENNINGS], the Senator from Arizona [Mr. HAYDEN], and the Senator from New Jersey [Mr. HENDRICKSON] joined in it.

Mr. JENNER. Mr. President, I should like permission to correct the RECORD, if the Senator will yield. The report was never filed with the Committee on Rules and Administration. The report was one made by the subcommittee, and was handled by it entirely. The matter was never reported to the full Committee on Rules and Administration.

If the Senator from Arkansas will be kind enough to yield, I think we can clarify some misunderstandings.

Mr. FULBRIGHT. Mr. President, I do not wish to yield the floor.

Mr. JENNER. I do not wish the Senator from Arkansas to yield the floor, but inasmuch as the discussion is proceeding along this line, I think it would be helpful for me to bring out certain facts.

Mr. FULBRIGHT. If I correctly understood the Senator from New Jersey [Mr. HENDRICKSON] and the Senator from Missouri [Mr. HENNINGS], two members of the subcommittee—I sometimes wonder whether we use words any more which mean the same thing—have said that report was filed with the full committee.

Mr. JENNER. I am chairman of the committee and I have never received the report. I do not know where it is, if it has been filed. The report has not been filed with the Senate committee; it has not been filed with me; it has not been filed with the Senate. I think the Senate should have the facts.

Mr. FULBRIGHT. My impression is that it was filed with the committee before the Senator from Indiana became chairman of the committee. I believe that is correct.

Mr. JENNER. Will the Senator yield so that I may clarify this matter?

Mr. FULBRIGHT. Perhaps the Senator from Indiana has refused to admit the existence of the report; I do not know.

Mr. JENNER. No; but I should like to explain this matter. I think it is only proper that I do so.

I do not wish the Senator from Arkansas to lose the floor. I think it will take me only 3 or 4 minutes.

Mr. FULBRIGHT. Mr. President, I ask unanimous consent that I may yield to the Senator from Indiana for 4 minutes and no longer, to permit him to clarify this situation, but with the understanding that at the conclusion of the 4 minutes I shall continue to have the floor.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. JENNER. I shall have to cut my presentation down somewhat in order to finish within that time. I hope the time used in making that statement will not be charged to the 4 minutes allowed me.

Senate Resolution 187 was submitted August 6, 1951, by Senator Benton, of Connecticut, calling for an investigation to determine whether expulsion proceedings should be instituted against the junior Senator from Wisconsin [Mr. McCARTHY].

Senate Resolution 304 was submitted April 10, 1952, by the junior Senator from Wisconsin [Mr. McCARTHY] calling for an investigation of Senator Benton.

On July 3, 1952, the junior Senator from Wisconsin testified before the Subcommittee on Privileges and Elections, of the Committee on Rules and Administration, in support of Senate Resolution 304, which pertained to charges made against the junior Senator from Wisconsin by Senator Benton.

A review of the printed hearings before the subcommittee, in regard to Senate Resolution 187, does not reveal that the junior Senator from Wisconsin testified as to charges made by Senator Benton.

The committee print of the hearings is marked "Part I," which would indicate there is a part 2 of such hearings. However, apparently there is no part 2 of the printed hearings; but there is a transcript of the testimony of the junior Senator from Wisconsin relative to Senate Resolution 304, and Senator Benton's answer to the charges made by the junior Senator from Wisconsin. For some reason, this testimony was not printed, although the hearing was held July 3, 1952, which was almost 4 months before the November 2, 1952, election.

Why was part 2 not printed? Why did it not accompany the official report? A review of the committee print report concerning the investigation of Senators McCARTHY and Benton, pursuant to Senate Resolution 187 and Senate Resolution 304, does not reveal that the junior Senator from Wisconsin testified in answer to Senator Benton's charges contained in Senate Resolution 187, but does mention that the junior Senator from Wisconsin appeared and testified at public hearings and amplified the charges set forth in Senate Resolution 304.

However, the report which we are now talking about does not give any of the text of the testimony of the junior Senator from Wisconsin against Senator Benton, notwithstanding the fact that the transcript of the testimony of the junior Senator from Wisconsin concerning Senator Benton runs from page 3 to page 213.

This report is entitled "Investigations of Senators JOSEPH R. McCARTHY and William Benton, Pursuant to Senate Resolution 187 and Senate Resolution 304. Report of the Subcommittee on Privileges and Elections, to the Committee on Rules and Administration."

That is a quotation from the report.

The total quantity printed of the confidential committee print of the Subcommittee on Privileges and Elections to the Senate Committee on Rules and Administration, concerning Senators McCARTHY and Benton, was 2,480 copies. One thousand copies were ordered by requisition signed by the Secretary of the Senate, Leslie F. Biffle, Requisition No. 3422, Jacket No. 236027. One thousand four hundred and eighty copies were printed pursuant to the Joint Committee on Printing requisition signed by James L. Harrison, providing for the full statutory $700 limit. Requisition No. 13, erroneously dated January 2, 1952, should have been dated January 2, 1953. The order was placed on December 23, 1952, and was delivered on January 2, 1953, to the room of the Subcommittee on Privileges and Elections.

When the Committee on Rules and Administration was organized on January 16, 1953, with myself as chairman, only 3 copies of the report were to be found in the committee rooms, out of the original 2,480. No distribution record could be found, although it is believed that each Senator received one copy.

The VICE PRESIDENT. The time of the Senator from Indiana has expired.

Mr. JENNER. Will the Senator from Arkansas permit me to finish? I shall need only another minute or two, and then we shall have the complete record.

Mr. FULBRIGHT. I am unable to see the relevancy so far of what the Senator has said.

Mr. JENNER. I wish to state the basic facts concerning this report.

Mr. FULBRIGHT. I call attention to the fact that the chairman of the Committee on Rules and Administration who signed this report was the Senator from Arizona [Mr. HAYDEN]. It is inconceivable to me he could make a report and sign it as chairman and not receive it.

Mr. JENNER. Will the Senator from Arkansas yield one more minute to me for this purpose?

Mr. FULBRIGHT. Very well; I will yield for another minute, but I do not see the relevancy, if the Senator from Indiana is criticizing the former committee.

Mr. JENNER. The report does not show that it was ever submitted to the full committee or the Subcommittee on Privileges and Elections, or that any action was ever taken on it by the full committee.

The Democrats held a majority in the Committee on Rules and Administration until January 7, 1953. Up to that time, opportunity existed for action on the report, while the committee was under Democratic control.

According to hearsay, the full committee did not discuss the report at any of its meetings. The report reveals that a thorough investigation of the junior Senator from Wisconsin was conducted. Even a mail cover was placed on him and several others. I have an attached memorandum of what this mail cover did. That is an incredible procedure, a mail cover.

In this connection I desire to present a letter dated October 13, 1953, from the Honorable Herbert Brownell, Attorney General of the United States.

Mr. HENDRICKSON. Mr. President, will the Senator from Arkansas yield?

Mr. FULBRIGHT. At this time I yield no further to the Senator from Indiana.

I yield now to the Senator from New Jersey, to permit him to respond to that, inasmuch as he has been seeking recognition.

Mr. JENNER. Very well.

Mr. HENDRICKSON. Mr. President, the Senator from Indiana is entirely correct with respect to the meetings of the full committee. After the report was completed there never was another meeting of the full committee during that session.

Mr. FULBRIGHT. During that session.

Mr. JENNER. That committee was in existence until January 7, 1953. I did not become chairman until January 16, 1953.

Let me read the letter I received from the Attorney General of the United States:

> In accordance with Senator HENNINGS' reference, the report has been carefully reviewed by the Criminal Division of the Department of Justice as to possible offenses within the Department of Justice jurisdiction. The report fails to show the commission of any such offense. The subcommittee spent a great deal of time, effort, and money in its investigations made prior to the preparation of the report, and there is no reason to believe that new evidence would be forthcoming from further investigations.

If I had time I could go on to clarify this whole matter, but I believe I have presented sufficient information to permit the Senate to understand what occurred.

I thank the Senator from Arkansas for yielding.

Mr. FULBRIGHT. Mr. President, I should like to make 1 or 2 comments about this matter.

The Senator from Indiana is under a complete misapprehension, if I correctly understand this matter, that the only basis for criticism of the conduct of the junior Senator from Wisconsin is possible violation of a statute or a criminal act. Much of the evil of this world comes not from violation of criminal law but from offenses which in no way violate manmade law, such as lying. It is not generally an offense to lie about one's neighbors or to bear false witness, except that it violates the Ten Commandments; but I do not think it is anything for which the Department of Justice would prosecute anybody.

In this case I do not think it is alleged that the taking of $10,000 violates a criminal statute. It may or may not violate a statute, but that is irrelevant and immaterial for the present purpose.

The question is whether or not it is becoming a Senator who was in the particular position the junior Senator from Wisconsin then was in—namely, vice chairman of the Subcommittee on Housing—to accept that much money from a corporation which was engaged exclusively in housing activities, and which ended up owing the Government $37 million.

I think the facts as shown by this committee report will indicate a very substantial loan was made just about that time.

Now, these are facts stated by the committee. I do not know whether we wish to go behind the committee's investigation. In 1929 the Senate did not wish to go behind the committee report. The Senate did not question the validity of the committee report.

If the Senate wishes to question the honesty of the Senator from Arizona [Mr. HAYDEN], the Senator from Missouri [Mr. HENNINGS], and the Senator from New Jersey [Mr. HENDRICKSON] for allegedly pulling the wool over Senators' eyes by saying that it is not a bona fide report, it can do so. I will leave that decision up to the Senate. That is the kind of judgment which the Senate is supposed to make in cases like this. That is the very function for which we are sitting. It is for us to pass judgment on that very question.

If the Senate has no confidence in the subcommittee, it can throw out the report. The Senate can reject the resolution of censure for any reason, good, bad, or indifferent, but that is one of the factors.

I am only saying that, in offering this amendment, based upon the committee report, I think I am bringing the case absolutely within the principal precedent for such action by the Senate.

If we have progressed so far in this great new atomic era that it no longer matters what individual Senators do, that is unfortunate. The Senate can reach such a judgment.

The Senate is quite capable, and it has the power, if it wishes to do so, of approving the conduct of Senators, which makes it good, legal, and proper.

So far as the resolution of censure is concerned, I am only trying to tell Senators what the Senate did, and I am trying to bring the present case within the precedents. If Senators do not think the specific actions which I shall outline are unbecoming a Senator, it is within their power and right to say so. All we wish is to have the Senate to speak.

We would like to know, and I think the country would like to know, just what conduct is expected of Senators and of the Senate itself. I think it may be proper before I conclude to make 1 or 2 observations on the point of the propriety of the Senate itself passing upon this type of question instead of referring it to a committee.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I yield to the Senator from Oregon for a question.

Mr. MORSE. I ask the Senator to yield only for the purpose of making a brief announcement of intention, and with the understanding that the Senator shall not lose his right to the floor; and with the further understanding that I shall not occupy more than half a minute.

Mr. FULBRIGHT. I ask unanimous consent, Mr. President, that I may yield under those conditions.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MORSE. Mr. President, I have been working since last night on a bill of particulars to be offered as an amendment to the resolution of the Senator from New Jersey [Mr. SMITH] or to be offered, if the parliamentary situation which develops so requires, as an independent resolution. I shall be governed by developments in the Senate. The bill of particulars is now in course of preparation. I shall have it ready so that it can be offered on Monday. It can be printed and ordered to lie on the table until Monday. I assume we shall still be discussing this resolution on Monday. I wanted Senators to know of my intention. The bill of particulars which I am preparing is a memorandum which carries out the procedural principle in behalf of which I spoke last night.

Mr. FULBRIGHT. I may say to the Senator from Oregon that before he entered the Chamber I also had prepared, and had ready to offer, amendments to the pending resolution.

Mr. MORSE. Mr. President, will the Senator yield at that point?

Mr. FULBRIGHT. If the Senator will permit me to finish one sentence, I shall be glad to yield.

I disagreed with the argument which the Senator from Oregon made last night, if I correctly recall his argument, which surprised me very greatly, I may say, for the reason that the Senator sought a delay on the part of the Senate and reference to a committee in order, in some way, to force action by requiring the committee to report back.

In all deference to the Senator from Oregon, I submit that, at this stage in the session, if we are to reach a vote on any action at all, I certainly would oppose that proposal. If it were early in the session, I think such a course might be quite appropriate, but in view of the precedents which I have just cited, and in view of the fact that not only have hearings been held by the committee I mentioned, but several hearings have been held by the committee which the Senator from Wisconsin [Mr. McCARTHY] himself heads, in my opinion, it is not appropriate.

I do not know whether or not Senators wish to question the integrity of the other committee. Apparently the Senator from Indiana [Mr. JENNER] does. But some of the specifications or the bill of particulars, I shall base upon the printed record of the committee headed by the junior Senator from Wisconsin. So I see no need whatever for reference to a committee.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I assume that at least the minority members of the so-called Army-McCarthy special subcommittee will be in a position to report very soon. I shall welcome such report. On the other hand, I would not advise delay beyond the end of this session before the Senate receives such a report.

For my own benefit I followed those hearings more closely, I think, than did most Senators. I read the newspapers every day, and I saw the televised hearings, as did many others. There are many incidents with respect to which I do not believe the subcommittee is in any better position to judge than I am. I saw such incidents with my own eyes, and if I were told something contrary to what I saw I do not think I would be inclined to believe it. I do not need a committee report with respect to any incidents which occurred before my eyes in those hearings. I am quite prepared to justify my view and my judgment on the basis of what I personally observed.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I yield for a question only.

Mr. MORSE. With the understanding that the Senator does not lose his right to the floor.

Mr. FULBRIGHT. I regret that I cannot yield in that way. The Senator made his speech last night. I shall yield the floor very soon. I am trying to make a somewhat consistent presentation of what happened in connection with the only recent precedent in the Senate.

I yield for a question only.

Mr. MORSE. The Senator yields for a question, and I think I can accomplish my purpose by asking a question.

Mr. FULBRIGHT. It must be a brief one, because I must get on with my own remarks.

Mr. MORSE. Mr. President, I will desist.

The PRESIDING OFFICER. The Senator from Arkansas has the floor.

Mr. FULBRIGHT. Mr. President, I do not wish to be discourteous to the Senator from Oregon, but I am trying to describe what I consider to be a technical subject. I do not blame the people for not reading all the references in the RECORD to the case of Senator Bingham. It has required a good deal of trouble to look up the references. Many other Senators are much busier than I am at this time of the year, inasmuch as I am not a member of the Appropriations Committee. So I believe I will defer certain further observations until the conclusion of my remarks.

I wish to get on with this discussion before I lose the thread of what happened in the Bingham case, because I think it is very important. I was reading the remarks of the Senator from Georgia [Mr. GEORGE].

I ask unanimous consent, Mr. President, at this point in my remarks that the complete statement of the Senator from Georgia [Mr. GEORGE] be inserted in the RECORD because I do not wish to leave any doubt about our knowledge of everything that he said. The statement is not very long; it is less than one column.

Mr. LANGER. Mr. President, I object; I think it ought to be read.

Mr. FULBRIGHT. I am quite willing, if the Senator is interested, to read the entire statement.

Mr. LANGER. I am interested in what the Senator from Georgia said.

Mr. FULBRIGHT. I think it is very informative. I am very proud of what the Senator from Georgia said; and the Senate ought to be proud of what he said and what he did in that case. Continuing his statement:

I regret that this resolution is framed exactly in the way that it is framed, because it is subject to some misinterpretation—not, perhaps, by those who give it careful study, but the public may read into it some implications that ought not to be read into it.

Mr. President, my interpretation of the resolution is this, and with this understanding I shall vote against the substitute—

By way of explanation, I may say that the Senator from Utah [Mr. Smoot] had offered a substitute, which was practically innocuous—it was just against sin—and I shall read it in a moment That is what was referred to—

because I regard that as meaningless, something like the poetry at the head of one of Kipling's chapters, it has not anything to do with the real issue that has been raised here by an act which cannot be regarded or passed over as purely private, but which has in it a public significance and carries with it certain public signifiance. This is my interpretation of the resolution, and upon this interpretation I shall vote against the substitute and I shall vote for the resolution offered by the Senator from Nebraska. I express the hope now that he may modify the language, but I shall not formally offer this statement as a substitute for his resolution for obvious reasons.

Resolved, That the action of the Senator from Connecticut in placing Charles L. Eyanson, then an officer in the Manufacturers' Association of Connecticut, upon the official rolls of the Senate in the circumstances set forth in the report of the subcommittee of the Committee on the Judiciary (Rept. No. 43), thereby enabling the said Eyanson to enter the secret executive sessions of the majority members of the Finance Committee during their consideration of the tariff bill (H. R. 2667), etc., tends to weaken public confidence in the processes of Government, is contrary to the public morals and the public interest, and is condemned.

Mr. President, no private morals are here attacked; there is no assault upon the intent or the purpose of anyone, but we are concerning ourselves, as only we may be rightfully concerned, I think, with public morals, with the public interest, the quality of official conduct and act, the manner in which that conduct or that act affects the public welfare.

I submit that is a very excellent statement of what is concerned and involved in this matter, too.

I interpret the Senator's resolution to mean this, that it is lifted above possible criticism of the personal conduct or act of the Senator from Connecticut, and so interpreting that resolution, I shall vote for the resolution offered by the Senator from Nebraska.

That is the complete statement, verbatim, as I said, on page 1526 of the CONGRESSIONAL RECORD. There are a few other statements I should like to get into the RECORD. First, I think for the RECORD it would be well for me to read exactly what Senator Norris offered. I read from page 5115:

The Chief Clerk read the resolution (S. Res. 146), submitted by Mr. Norris on the first instant—

That is the 1st of November—

as follows:

"Resolved, That the action of the Senator from Connecticut, Mr. Bingham, in placing Mr. Charles L. Eyanson upon the official rolls of the Senate at the time and in the manner set forth in the report of the subcommittee of the Committee on the Judiciary (Rept. No. 43, 71st Cong., 1st sess.), is contrary to good morals and senatorial ethics, and tends to bring the Senate into dishonor and disrepute, and such conduct is hereby condemned."

I submit the wording of that resolution is more severe than the one we have before us today.

Contrary to good morals and senatorial ethics—

They still thought about senatorial ethics back in 1929—

and tends to bring the Senate into dishonor and disrepute, and such conduct is hereby condemned.

Senator Bingham made one of the first speeches in his own defense. In effect he did not deny the facts, but he denied very vigorously that he had done anything wrong. He denied that it had the public effect that the Senator from Georgia so well set forth.

The next interesting point I think is the substitute that was offered by Senator Smoot, of Utah:

The CHIEF CLERK. The Senator proposes as a substitute for Senate Resolution 146 the the following:

"Resolved, That the Senate disapprove the employment as a clerk to a Senator or committee of the Senate, of any person who at any time during his service as such clerk has been or is employed by any individual, partnership, corporation, or association engaged in the manufacture, production, or importation of articles affected by tariff legislation, or by any association or group of such manufacturers, producers, or importers."

That is the one which was voted down.

It is the one which was voted down. That is the one that the Senator from Georgia [Mr. GEORGE] referred to.

I want to read one or two very short statements. Senator GILLETTE said, on the next page, relative to this discussion:

Mr. GILLETTE. I recognize and admit the difference, Mr. President. I admitted at the outset. I admit the entire impropriety of what was done; but what I claim is that the Senator from Connecticut did not appreciate it, and did not do it for the purpose of furthering those particular interests, and that he did not believe that the individual he employed in the committee room was there to give away any of the secrets of the committee or in any way to do more than to give him the facts in the case.

They made the point that, well, he was not personally morally corrupt. That is what the Senator from Georgia [Mr. GEORGE] was talking about. He said that is not what the issue is. Although the Senator felt in his mind that his motives were completely free of fraud, the fact remains that he did commit an act which reflected upon the integrity and honesty of the procedures in the writing of a tariff bill, and therefore it should be condemned. He was not sentenced to death. He was not subjected to a criminal trial, which was apparently what the senior Senator from Oregon [Mr. CORDON] must have had in mind when he spoke last evening, when he was so concerned about a day in court, and all that. Senator GILLETTE was simply condemning conduct as unworthy of a Senator.

Senator Norris said:

Even if it be true—

Referring to the Gillette statement—

assuming the Senator from Connecticut has no conception of senatorial ethics or senatorial honor and that he does these things without thinking they are wrong, is it not time, if that be true, that the Senate should take some action to let him as well as the country know that we think it is wrong?

I submit that is a very appropriate observation about this case and about some of the words in defense that have been uttered here.

The statement of Senator Norris, of Nebraska, on page 5116, continues:

Even if that be true, assuming that the Senator from Connecticut has no conception * * * is it not time * * * that the Senate should take some action to let him as well as the country know that we think it is wrong?

I submit it is time we let the country know that we do not approve of some of the things that have been said on the floor of the Senate about some of the outstanding citizens of this country, and a few other things, such as I mentioned, with regard to the acceptance of large fees from companies that one might say are under the domination of particular committees of this Congress.

From page 5119 of the RECORD I should like to read 2 or 3 sentences on this matter. I believe Senator Norris, who was the sponsor of the resolution, understood the situation quite well. Referring to a remark made by Senator GILLETTE, he said:

I think that the Senator from Massachusetts does not yet comprehend the real issue before the Senate, at least as I see it. This is not a question of the vindication of the Senator from Connecticut or of his condemnation. It is a question of the honor of this body. It is a question as to whether the Senate is going to approve certain actions taken by some of its Members or one of its Members, and because it happens to be the Senator from Connecticut does not make it a personal matter by any means.

I particularly invite the attention of the Senator from Illinois [Mr. DIRKSEN] to that statement. Last night he vigorously asserted that the resolution of censure is purely a personal matter between the Senator from Vermont [Mr. FLANDERS] and the Senator from Wisconsin [Mr. MCCARTHY].

Continuing the quotation from Senator NORRIS.

I assure the Senator from Massachusetts, and I hope I may be believed by all of my fellow Senators, that in the introduction of the resolution I had no personal feeling whatsoever.

He continued:

However, I have no personal ill will in taking it. I want to preserve the honor and the dignity of this body before the people of our country; I think unless we take some action we cannot preserve that honor and that dignity, and we shall be held in disrepute if we permit things that have admittedly been done in this case to go uncensured and uncondemned. * * *

Mr. President, the speech of the Senator from Massachusetts, taking it as a whole, was an apology for the action of the Senator from Connecticut. Some parts of it seemed to condemn the Senator from Connecticut worse than I condemn him; but the speech was apologetic all the way through; it was an apology; and yet the Senator from Connecticut will not make any apology. He says, "No, what I did was right; I am not apologizing for it." I can hardly appreciate how the Senator from Connecticut must feel when his own friends are going to vote in his favor with the apology that the Senator from Massachusetts makes in his behalf. I think if I were the Senator from Connecticut, I had rather take the condemnation, however severe it might be, than to be rescued by friends in the apologetic manner suggested by the Senator from Massachusetts.

To give a little variety by quoting a different Senator, on page 5121, Mr. Pittman had this to say:

The Senator must keep in mind all the time, as I have urged the Senator from Connecticut to do, that this resolution was not drawn as a personal resolution. It does not charge the Senator himself with being immoral. It charges this conduct as reported, and standing undisputed, the conduct itself, as contrary to good morals; and I think it is.

I pass on to the statement of Senator Edge, of New Jersey. The first Smoot amendment was voted down. The yeas were 32, the nays were 44. I did not analyze that vote to see how many Republicans and Democrats were on each side. I assume there was a similar division, but the vote which I mentioned a moment ago was the vote on final passage of the resolution.

Mr. KNOWLAND. Mr. President, will the Senator yield, without losing his right to the floor, in order that I may make a brief announcement to the Senate?

Mr. FULBRIGHT. I yield for that purpose.

Mr. KNOWLAND. Inquiry has been made of the majority leader regarding the program for the remainder of the afternoon. I had previously stated that the Senate would not remain in session after 7 o'clock, but it is not our intention to come to a vote this afternoon on any of these resolutions or proposed amendments or substitutes. I hope the Senators will remain in attendance in the Senate Chamber to participate in and listen to the discussion, but when the discussion has run its normal course I shall be prepared to move to recess the Senate until 12 o'clock noon on Monday next. I wanted to make that statement because I had no intention of bringing to a vote any of the amendments or substitutes that have been offered at this time. In the interest of orderly procedure I feel that it is of importance that Senators have an opportunity to reflect and rest over the weekend, and when matters are not under quite so much tension, to reach a determination as to the proper course of action of the Senate. For that reason; I do not intend to press for any vote this afternoon.

I thank the Senator from Arkansas.

Mr. FULBRIGHT. I reassure the Senator that I do not intend to read all the material before me on my desk. I am almost through with this RECORD. I wish to make one or two further comments, and then I shall conclude very briefly.

I think this case is worthy of so much attention because it is an unusual action. As I have stated, the next preceding case of censure was in 1902. There have been only 2 such cases in the past 54 years. I believe it is necessary to go back from 1902 to Revolutionary days to find another such censure resolution. So actually there have been only 2 such cases in more than 100 years.

So the case to which I have referred is our last precedent. I think certainly the older Members of the Senate know how important it is. When our very able predecessors have given such great thought to these matters, I do not know of anything more important in the consideration of the present than a thorough understanding of what was said and done in the last previous action of a similar kind taken by this body.

After the defeat of Senator Smoot's substitute, Senator Edge, of New Jersey, offered this substitute:

Resolved, That the action of the Senator from Connecticut, Mr. Bingham, in placing Mr. Charles L. Eyanson upon the official roll of the Senate at the time and in the manner set forth in the report of the subcommittee of the Committee on the Judiciary * * * is contrary to senatorial ethics and tends to bring the Senate into disrepute, and such conduct is hereby disapproved; be it further

Resolved, That in the presentation of this resolution it is not intended to in any way impugn the motives of the Senator from Connecticut as being improper or dishonorable.

That amendment, with very little debate, was voted down 34 to 43.

The debate continued on the Norris resolution. I wish to read 1 or 2 further excerpts from statements by various Senators, to give the Senate a taste of the sort of things Senators were saying and thinking on this subject at that time.

Senator Dill—whose name is well known to all of us—commented on page 5130. I shall not read the entire statement. That is not necessary. But I believe these comments are significant.

I said some days ago outside the Senate what I now say on the floor of the Senate—that I believe that the action of the Senator from Connecticut should cause him to be removed from the Finance Committee; and I seriously considered the advisability of offering an amendment to this resolution providing for his removal. The Senate has that power. When I recall, however, that members of committee are placed on committees largely by their own party leaders, it seems to me that in this situation it is the duty, if such duty there is, to be performed by the Republican leaders, particularly the Republican leaders on the Finance Committee. So I decided not to offer such an amendment.

I read that statement because of the discussion which has taken place with respect to a previous suggestion by the Senator from Vermont [Mr. FLANDERS] as to membership on the committee. Senator Dill did not call for the censure itself. He went on to say:

To me it is the gravest kind of breach of public trust, and a still greater breach of faith in one's fellow Senators, to place upon a committee intrusted with the writing of a tariff law to give special privileges in the form of tariff taxes a man who is in the employ of an association whose biggest purpose at this time is to secure special tariff rates. But the Senator from Connecticut sees no offense in such action. As I have said, that is what makes it so difficult to deal with this situation.

I submit that Senators of that day were very sensitive indeed to the honor of the Senate.

I have already placed in the RECORD the vote on that resolution.

I submit, Mr. President, that that is a most appropriate and important precedent for us to follow in the present situation, and I recommend it to all Senators who are interested in this subject. Surely every Member of the Senate should read that complete debate, because in a very real sense his own reputation is involved.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I yield to the Senator from Florida.

Mr. HOLLAND. Mr. President, in view of the fact that the resolution dealt with the reputation of a Senator, I hope the distinguished Senator from Arkansas will see fit to place in his remarks the additional comment that the author of the resolution, the distinguished Senator from Nebraska, Mr. Norris, accepted an amendment reading:

While not the result of corrupt motives on the part of the Senator from Connecticut.

The amendment was offered by Senator Glenn and Senator Bratton, and was accepted, on page 5129 of the RECORD. It is found in the final draft of the resolution as adopted, which the Senator from Arkansas will find on page 5131 of the RECORD. I think a very important feature of the debate is that the distinguished Senator from Nebraska, Mr. Norris, accepted the amendment:

While not the result of corrupt motives on the part of the Senator from Connecticut.

Mr. FULBRIGHT. I certainly am glad to do what the Senator from Florida suggests. I thought that in the remarks of Senator Norris and in the previous remarks of Senator GEORGE, they had made it eminently clear, time and again, that it was not the corrupt motives of the Senator from Connecticut which they were passing upon, or that were even significant, in their view. As I understand the remarks of the Senator from Georgia, he was not concerned about the personal motives of the Senator from Connecticut. It was the effect on the public and the reputation of the Senate in the eyes of the citizens which concerned him.

Mr. President, I shall ask unanimous consent to have printed, or I shall read, if the Senator prefers, the resolution after it was amended by the acceptance of a suggestion by the Senator sponsoring the resolution. I read as follows:

Resolved, That the action of the Senator from Connecticut, Mr. Bingham, in placing Mr. Charles L. Eyanson upon the official rolls of the Senate and his use by Senator Bingham at the time and in the manner set forth in the report of the subcommittee of the Committee on the Judiciary (Rept. No. 43, 71st Cong., 1st sess.), while not the result of corrupt motives on the part of the Senator from Connecticut, is contrary to good morals and senatorial ethics and tends to bring the Senate into dishonor and disrepute, and such conduct is hereby condemned.

There are other remarks also on that page. I thought the Senate was becoming tired of hearing me read the more or less repetitious remarks on that point. I think the previous remarks cover attitude and interpretation of the Senator from Georgia, the Senator from Nebraska, the Senator from Washington, and other Senators.

I agree with the Senator from Florida [Mr. HOLLAND] that the entire debate would be most interesting, if we had time to read it now. However, I do not feel that I am justified in taking more of the time of the Senate to read that particular debate.

Mr. SALTONSTALL. Mr. President, before the Senator leaves the record of debate in 1929, I may say that I have read that record, and the distinction between the resolution of Senator Norris, as it was finally adopted, and the resolution of the distinguished Senator from Georgia [Mr. GEORGE], who is still with us, which was not adopted, although it was offered and read, is the distinction between personal conduct and what is good public morals. Is not that the question?

Mr. FULBRIGHT. As I understand, what the Senate was concerned with and was getting at was the condemnation of actions which were contrary to good morals and which would result in the disrepute and dishonor of the Senate.

Mr. SALTONSTALL. The original resolution reads——

Mr. FULBRIGHT. The Senator from Georgia offered his resolution only as an interpretation of what he thought the Norris resolution meant. He did not formally offer it for action by the Senate.

Mr. SALTONSTALL. The language of the proposal of the Senator from Georgia was:

Is contrary to public morals and the public interest, and is condemned.

The Norris resolution reads:

It contrary to good morals and senatorial ethics and tends to bring the Senate into dishonor and disrepute, and such conduct is hereby condemned.

In other words, the distinction is between personal conduct which might be condemned and a public action which might be condemned because it was against public morals. Is not that the distinction?

Mr. FULBRIGHT. I think that is correct, if I understand the Senator. What we are concerned with is the effect on the public. I do not know how better to illustrate it.

There is no doubt that the Members of the Senate are in a very special situation. If we do things which give the public the idea that we are corrupt, that we expect large fees from interested persons, that will cause disillusionment on the part of the people. It will weaken the entire fabric of democratic society, and this country will end up in the same way that Germany or Italy did. Such a condition will cause the disruption of our whole system of government. The faith of the people in their representatives is fundamental to our system. I think that was what the Senator from Georgia is trying to get at. He was concerned about the effect of that case on the public. As he said, it was regrettable that personalities were involved. He said two or three times that personalities were involved, which he regretted, but he could not overlook the fact that there were public implications, and the public welfare was involved also. He felt that it simply would not do for the people to think that their tariff laws were being written under conditions whereby paid lobbyists were invited into secret meetings, because it would make the whole operation suspect.

Mr. SALTONSTALL. Will the Senator yield for one more question?

Mr. FULBRIGHT. I yield.

Mr. SALTONSTALL. The Senator from Vermont, in his resolution, speaks about the personal conduct of the junior Senator from Wisconsin.

Does the Senator from Arkansas, having brought in the so-called Lustron case in the report, intend to utilize that incident as an example of poor personal moral conduct, or does he intend to itemize that incident as having been against the public morals, without being itself poor personal moral conduct? There is a very good distinction there.

Mr. FULBRIGHT. It is very difficult for me to determine your point. This resolution is not personal. I think the Senator is seeking to oversimplify. What I intend to do is to offer an amendment, and then to read to the Senate, in support of the amendment, a statement by the committee, to which I referred, which goes far beyond the acceptance of $10,000. It goes to the surrounding circumstances. That is what is very significant and is of a public nature.

As I have said, I have no objection to the junior Senator from Wisconsin getting or making money under circumstances which cast no reflections upon the Senate or upon him in his capacity as a Senator.

Any time any one of us does anything which brings disrepute upon himself as a Senator, to some extent that disrepute attaches to the Senate as a whole.

I do not know whether I quite follow the Senator from Massachusetts. I hope the Senator will agree with me, after he has read the report. I do not know whether the Senator is familiar with all the circumstances which are set forth in the report concerning that particular incident.

Mr. SALTONSTALL. What I am trying to make clear in my own mind, after listening to the points the Senator has tried to make, from a reading of the Bingham case, which I also have read, is to make a distinction between personal conduct, and conduct as a Senator which is against public morals. If the Senator from Arkansas is trying to make the latter point, is he trying to implement it by the Lustron case?

Mr. FULBRIGHT. I have not the slightest interest in the personal life of the junior Senator from Wisconsin—none whatsoever.

I am trying to make the same point which the distinguished Senator from Georgia made. In my feeble way, I have tried to follow him. That is why I have read his words. He said what I think we are trying to do here. That is my interpretation of this particular situation.

I do not know how I can improve on the words of the distinguished Senator from Georgia. I think he did a very fine job, and it made sense to me.

If the Senator from Massachusetts cannot understand what the Senator from Georgia said, I am afraid I cannot make it any plainer to him.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. FULBRIGHT. Certainly; I yield.

Mr. SALTONSTALL. I can understand what the Senator from Georgia said. I am trying to make up in my own mind whether it is in the mind of the Senator from Arkansas to go along with the Senator from Georgia in the case, or whether he is going along the line of the Senator from Nebraska, Mr. Norris.

Mr. FULBRIGHT. I thought I made it very clear that I approved most heartily of the language and the sentiments of the Senator from Georgia, and that I thought his language was a precedent for the present action; that the reasons he gives so persuasively for voting for censure in that case apply equally to the present situation. I was trying to make that point.

I regret my inability to express myself more clearly.

Mr. SALTONSTALL. Then, does the Senator feel that the language of the pending resolution, offered by the Senator from Vermont, is too personal in its effect, and that it should be in some modified form, which would indicate that it is aimed against acts not in the public interest, rather than against poor moral personal conduct as such.

Mr. FULBRIGHT. I do not understand the resolution to be personal. What does the Senator mean by this being so much more personal than the other?

Mr. SALTONSTALL. I thought the Senator was trying to draw a distinction in the Bingham case between what were good personal morals, and what was in the best interest of the public or in the public good.

The language in the pending resolution is:

Resolved, That the conduct of the Senator from Wisconsin, Mr. McCARTHY, is unbecoming a Member of the United States Senate, is contrary to senatorial traditions, and tends to bring the Senate into disrepute, and such conduct is hereby condemned.

That would seem to me to be personal.

Mr. FULBRIGHT. I do not so read it. What we are getting at is the Senator's actions. Although I have several other specific proposals I shall offer, it seems to me it is contrary to senatorial conduct to accept money under the circumstances under which it was accepted by the Senator from Wisconsin.

It also seems to me it brings the Senate into disrepute, without regard to the Senator's personal enrichment, or what effect it may have on his standard of living, or anything else. What the Senator did with the money is not important to me. The committee report sets out exactly what he did do with the money, but that is not what I am interested in. I am interested in the effect on the public.

I thought I was trying to present the same idea presented by the Senator from Georgia. Perhaps the language could be strengthened. The language in the Bingham case was stronger than the proposed language. I would welcome the Senator from Massachusetts tightening the language up by offering an amendment to insert, "contrary to good morals," or whatever the language is. I think it would be a very desirable move, if the Senator from Massachusetts would care to do that.

Mr. WELKER. Mr. President, will the Senator yield for a question?

Mr. FULBRIGHT. I yield to the Senator from Idaho.

Mr. WELKER. With respect to the Lustron matter——

Mr. FULBRIGHT. Will the Senator from Idaho speak a little louder? I cannot hear him.

Mr. WELKER. I have a sore throat. I am sorry, but I shall do my best.

Mr. FULBRIGHT. Mr. President, can we have a little order, so we can hear?

The PRESIDING OFFICER. The Senate will be in order.

Mr. WELKER. With respect to the Lustron matter which has been discussed in the debate, I understand that matter will be involved in the Senator's amendment to the resolution.

Mr. FULBRIGHT. That is one of the matters involved.

Mr. WELKER. Does the Senator from Arkansas feel that the junior Senator from Wisconsin, by virtue of the fact that he wrote a book, under a contract, could have had any influence on the administration which was then headed by President Truman?

Mr. FULBRIGHT. I will say to the Senator from Idaho that I rely upon the report of the committee on that very subject, which I shall read in a moment, on the same theory as that on which the Senate relied with regard to the report of the preceding committee. The best evidence as to the facts mentioned by the Senator from Idaho is the report of the committee. The report is the source of my making this particular specification, if I may call it that.

Mr. WELKER. Will the Senator yield further?

Mr. FULBRIGHT. I yield for a question.

Mr. WELKER. Will the Senator tell me what the difference is between one Senator writing a book for veterans which shows them how to get housing loans, and so forth, under a contract with the Lustron Corp., and a Senator on the opposite side of the aisle, who served as chairman of a crime investigating committee, writing a quite famous book, from which, I am informed at least, he made much more money than did the junior Senator from Wisconsin. It was a book about crime in America, and was published by Doubleday in 1951. I should like to have that difference clarified.

Mr. FULBRIGHT. Mr. President, I yield no further, because the Senator is getting into an argumentative matter.

Mr. WELKER. I do not wish to do that, I may say to the Senator.

Mr. FULBRIGHT. It is within the Senator's right to discuss the question, but he should do it on his own time. The Senator is not asking me a question; he is making a speech, which really goes to the validity of the report of the Senate committee. He has a right to do it. I am not objecting to that. But the Senator is not asking me a question. I have already informed the Senator that I rely upon the report of the committee. I am not making this up out of thin air, although I remind the Senator that the particular incident of the $10,000 first turned up in the investigation of the RFC by a subcommittee of which I was chairman. That was the first time the matter came to public notice. I recall very distinctly having the president of the company appear before our committee, and asking him why the $10,000 was given, and all about it. As I say, I am not relying on that incident; I am not relying on the hearing held at that time. Perhaps before this matter is completed, we should look into that. But for the moment I assume that the statement contained in the committee report, in conjunction with the statement in the Bingham case, is a proper basis for the charge. That is the point I made.

Mr. WELKER. I apologize to the Senator if he thinks I am trying to take up his time. I am sure the Senator realizes I would not do that. I was merely asking the Senator the difference between those two overt acts. If he does not care to discuss it perhaps I can take time to discuss it later.

Mr. FULBRIGHT. I am sure the Senator will discuss it. I do not know that this is a complete answer at all, but I did

not think that the purchaser of the book written by the Senator from Tennessee had any connection whatever with the Government, or that he was in any position to favor, intimidate, or in any way influence officials in the Government. I assume that transactions in connection with the sale of the book were at arm's length. My definite impression, from the committee report, is that that was not the case with regard to the $10,000 matter. That is one very obvious difference that occurs to me.

Regarding what the Senator from Idaho said, although I am not familiar with the terms of the sale of the book written by the Senator from Tennessee, I have heard similar talk, but that transaction has not been the subject of a senatorial committee report, and I have no evidence as to the circumstances of that sale. If a Senator had sold the book to the Information Division of the State Department for $10,000, and he had been chairman or vice chairman of a committee which had obtained certain information because of his control of the committee, and he had been making recommendations to increase the salary of a director of that agency, and if he was also influential in having appropriations made, it might have been a similar matter—at least similar to the statement contained in the report, which I shall read when I offer the amendment.

Mr. WELKER. Will the Senator be kind enough to yield for one more question?

Mr. FULBRIGHT. I shall yield for a brief question, because my throat is also getting sore, and it is high time I yielded the floor. I am at about that point.

Mr. WELKER. I hope my friend realizes that I do not wish to delay his very able presentation. The Senator from Arkansas is aware of the fact, is he not, that for a long time I sat on that same Privileges and Elections Committee, and I heard the testimony of the gentleman who founded the Lustron Co.? I have forgotten his name.

Mr. FULBRIGHT. His name is Carl Strandlund.

Mr. WELKER. I resigned from that committee on the ground and for the reason that I felt it was a political committee, and I felt the Senate should have that information.

Mr. FULBRIGHT. That is certainly within the right of the Senator. He can resign from any and all committees, if he chooses. I do not know of any committee in the Senate which is not slightly touched by politics. In fact, I was under the impression that the Senate is a political body, and that all of us came here as a result of political action on the part of constituents who are citizens in a political organization. If we are going to attempt to escape politics in this body, I think we had better close up shop.

The question is not whether it is politics. The question is whether it is good politics, whether it is in accordance with accepted traditions and ethical conduct, largely growing out of the practices and precepts handed down to us by the Founding Fathers and many eminent men since then. That is why I emphasize what was done in 1929. I think it is an excellent example of the highest sort of conduct on the part of the Senate. I think the Senate at that time exhibited a very praiseworthy sensitiveness to the honor of this body; and I believe that all of us here are the beneficiaries of the action taken by that group of men in 1929; and I am very anxious to have us maintain the honor and prestige of the Senate in as good condition.

Mr. WELKER. I am sorry that I am not able at this time, because I do not have the floor, to answer the long discourse of the Senator from Arkansas.

Mr. FULBRIGHT. Mr. President, I do not yield. I beg to remind the Senator from Idaho that I have the floor and that I am making my own speech.

Mr. WELKER. I appreciate that.

Mr. FULBRIGHT. The Senator from Idaho will have ample time to discuss this matter when I have completed my speech.

Mr. WELKER. I hope the Senator from Arkansas will be on the floor when I do discuss it.

Mr. FULBRIGHT. I hope I shall be able to. I must admit that I am getting rather tired.

The PRESIDING OFFICER (Mr. GOLDWATER in the chair). The Senator from Arkansas declines to yield.

Mr. FULBRIGHT. Mr. President, my concluding remarks, if I may call them that, relate to a somewhat different matter, one which I think is of extreme importance. To me, the way we approach this whole matter is of the greatest importance.

I support the resolution of censure of the junior Senator from Wisconsin, not because of his personal character, as I have said, or because of his private views about human affairs. On the contrary, I support the resolution of censure because of his official degradation of a power of the Senate, by which he has gravely injured the United States and the Senate of the United States.

Here at home, the prestige and position of the Senate have been lowered in the estimation of our people. Abroad, the power and influence of the United States, which in large part depend upon the respect in which we are held, are greatly weakened by the junior Senator from Wisconsin. The power he has abused is a vital power of the Senate, namely, the power of investigation and inquiry. This power lies at the very heart of the Senate's legislative role. To weaken it and to bring it into disrepute, strike at the heart of the legislative process and of the power itself.

The investigative power is one which only the Senate itself can preserve and protect. It is not a party responsibility. The Senate alone has that power and responsibility. Here the courts have no function. The Executive cannot enter. Even the Congress as a whole is not responsible. Each body of the Congress is responsible, and alone responsible, for the committees and for the Members who exercise its power in its name. In the case of the Senate the whole Senate is responsible, because the whole Senate is injured.

In the words of the Constitution—article I, section 5:

> Each House may determine the rules of its proceedings, punish its Members for disorderly behavior.

Section 6 of article I of the Constitution provides, in part, as to the Members of each House, that for "any speech or debate in either House they shall not be questioned in any other place."

Mr. President, I emphasize the words "they shall not be questioned in any other place."

Mr. President, this provision of the Constitution is often said to give Members immunity from responsibility, but this immunity relates solely to the forum in which they shall be held accountable.

When the Founding Fathers took from a person who might be libeled from the floor of the Senate the right to have recourse in the courts, they did not mean that the floor of the Senate should become a place where falsehoods could be told with immunity. They meant to transfer to the Senate, and to the Senate alone, the responsibility for what took place on the floor of the Senate. This privilege of freedom from accountability in any other place has helped make the Senate the greatest deliberative body in the world. But this privilege, like all other privileges, carries with it a heavy responsibility—the responsibility of the Senate for the conduct of its Members on the floor of the Senate. When Members have violated the canons of good conduct, have been contemptuous of the traditions of the Senate, the only place where they can be held accountable is in the Senate itself. Clearly, Mr. President, the Constitution contemplates that in cases of this kind, the Senate as a whole, without regard to party, must take full responsibility for judging the conduct of its Members.

Mr. President, the junior Senator from Wisconsin is an unusual character, with extraordinary talents. It is necessary for one to see him in action as chairman of his committee, to fully appreciate his talents; they cannot be described adequately by words. Fortunately, many millions of Americans, including, I assume, all Members of this Senate, have observed the technique and methods of the junior Senator from Wisconsin, so there is no need to attempt a description thereof.

I propose merely to recall to mind some of the instances of abuse of power which I believe fully warrant the resolution of censure submitted by the Senator from Vermont.

Mr. President, the abuses by which the junior Senator from Wisconsin has degraded and brought into disrepute the great and vital power of the Senate to investigate are not minor. His abuses have recalled to the minds of millions the most abhorrent tyrannies which our whole system of ordered liberty and balanced power was intended to abolish.

First. He has used the position and power which this Senate has conferred upon him, to infringe the rights and liberties of citizens of this Republic, and he has inflicted grave injury upon them.

The first case I should like to mention is that of Gen. George C. Marshall. I

believe that Gen. George C. Marshall is a great patriot. I think his service to his country, both in time of war and in time of peace, has entitled him to the thanks of the country which he has served with devotion and ability. I am not alone in this view. General Eisenhower, on August 22, 1952, described General Marshall as one of the patriots of this country. He went on to say:

If he was not a perfect example of patriotism and a loyal servant of the United States, I never saw one. I have no patience with anyone who can find in his record of service for this country anything to criticize.

Yet on the floor of this Senate, the junior Senator from Wisconsin [Mr. McCARTHY] sought to identify General Marshall with "a conspiracy so immense and an infamy so black as to dwarf any previous venture in the history of man."

"The object of this conspiracy," said the Senator, "was to diminish the United States in world affairs, to weaken us militarily, finally fall victim to Soviet intrigue from within and Russian military might from without."

This attack on General Marshall was only the forerunner of other attacks on other American citizens. Nathan M. Pusey, Gen. Ralph Zwicker, John J. McCloy, Struve Hensel, and Charles E. Bohlen have all had their loyalty impugned, their patriotism attacked, and their devotion to this country questioned.

Finally, we have the case of Annie Lee Moss, who was told—even before she had been given a chance to take the witness stand in her own defense—that the junior Senator from Wisconsin had decided that she was a Communist. She was told that if she denied the charges against her, she would be committing perjury, and that her prosecution would be recommended.

Having put a Member in a position of power where he may compel attendance upon his committee and response to his inquiry, it is the duty of the Senate to see that citizens are protected from insulting and offensive attacks by its agent. The more insignificant and helpless the citizen, the more compelling is the duty of the Senate. The Senate is not living up to this duty if it permits tactics like those used by the junior Senator from Wisconsin in the case of Annie Lee Moss to go unrebuked. I say that regardless of whether she may have been affiliated with the Communists. The procedure itself was absolutely indefensible, as will be noted from reading the record I shall present.

Second. The Senator from Wisconsin has openly invited and incited employees of the Government to violate the law and their oaths of office. I think the legal position has been well stated by the chief law official of the Eisenhower administration, Attorney General Brownell. This is what he has said:

Anyone who attempts to put himself above the law and invite Government employees to turn over classified information relating to our national security, in violation of statute and Presidential order, is tragically mistaken if he believes he is helping to protect our Nation's safety. * * *

* * * * *

Nothing pleases the Communists more than to create division among the people on matters of national security, impair constitutional government, and encourage disobedience to the law.

* * * * *

The cardinal precept upon which the Constitution safeguards personal liberty is that this shall be a Government of laws.

I think there is no doubt that if a member of the executive branch called on the Members of the Senate, or upon the employees of the Senate, to violate their oaths of office, all of us would agree that the member of the executive branch responsible should be disciplined, punished, or perhaps even dismissed. Our Constitution is based on the assumption that there are three separate branches of the Government, each equal in importance. We of the legislative branch cannot, therefore, be any more tolerant of a request by a member of the legislative branch that members of the executive branch break their oaths of office, than we should be if the situation were reversed.

Third. The Senator from Wisconsin has virtually paralyzed the Voice of America and the overseas libraries by his reckless investigations. I would like to read you excerpts from an official report of the United States Advisory Commission on Information which has been signed by Erwin D. Canham, editor of the Christian Science Monitor; Philip D. Reed, chairman of the board of the General Electric Co.; Ben Hibbs, editor of the Saturday Evening Post, and Justin Miller, chairman of the board of the National Association of Radio and Television Broadcasters:

The wide and unfavorable publicity that resulted from one of the congressional investigations gave the agency such a bad name that professionally competent persons were reluctant to accept employment in it. * * * It is not too much to say that the desirable results sought through the activities of the information agency are largely offset if not destroyed, by this constant counter-barrage which is so generously distributed to the peoples of the world.

The Voice of America and the United States Information Service is one of the most important weapons in the arsenal of the free world in combating the evil forces of Communist aggression. I may say, the Senate has approved sums up to or in the neighborhood of $75 million a year to try to make that information service effective. These gentlemen have told us that the attacks on the United States Information Service has reduced the Voice of America to impotence, that they have deprived the United States of this key weapon in its fight against Soviet aggression. Had a member of the executive branch of the Government been responsible for destroying the effectiveness of the Voice of America, such official should be impeached and certainly consured.

There is no question who is responsible for the attack on the Voice of America which has produced the result so clearly portrayed by the report of Mr. Canham and his colleagues. This is the responsibility of the junior Senator from Wisconsin. As Members of the Senate, we have a responsibility for the same censure that we should expect of the executive branch if a member of the executive were guilty of similar action.

Fourth. Mr. President, the ability of the Senate of the United States to function effectively is indispensable to the preservation of our democratic system. The tradition of this body requires that the Members treat one another with mutual respect and consideration. This body can function properly only if its Members treat one another with mutual respect and consideration. Representing 48 sovereign States of a great Federal system with sharp diversity in religious, economic, cultural, and racial characteristics, it is not easy to restrain within reasonable bounds the conflicting opinions and personalities of the Members.

By his personal attacks upon fellow Senators and apparent attempts at intimidation, the junior Senator from Wisconsin has enhanced the differences among us, impeded the work of the Senate and tended to bring the Senate itself into disrepute in the eyes of the citizens of this country. A few examples of this kind of offense against the Senate are as follows:

ATTACKS ON SENATOR MONRONEY

New York Herald Tribune, July 28, 1953; dateline Washington, D. C., July 27:

McCARTHY said today that Senator MONRONEY is "taking over the job of whitewash and coverup of communism and corruption."

United Press dispatch, July 27, 1953:

McCARTHY said MONRONEY was welcome to the job of becoming "a megaphone on the Senate floor" through which "fellow travelers and Communists could spew forth their smear and character assassination against anyone hurting the Communist cause." But he said MONRONEY used the Senate floor "for smear and character assassination against members of our staff who cannot in turn use the Senate floor to fight back."

On August 20, 1951, he had this to say about the Senator from New Jersey [Mr. HENDRICKSON] who is certainly one of the most distinguished and honorable Members of the Senate, and I may say that I do not mean by that that the Senator from Oklahoma [Mr. MONRONEY] is not one of the most distinguished and honorable Members in the Senate, for certainly it is generally recognized that he is. I believe that everyone who knows the two Senators is aware of their high character.

The junior Senator from Wisconsin said this on that date about the Senator from New Jersey [Mr. HENDRICKSON]:

How such a man can live is a miracle—no brains, no guts, no nothing.

(C) ATTACK ON SENATOR FLANDERS

United Press dispatch, June 2, 1954:

The kindest thing I can say about Ralph is that this may be a result of senility.

From hearings of subcommittee investigating Army-McCarthy dispute. McCARTHY:

This is a statement by the Senator from Vermont. * * * I wonder whether this has been a result of senility or viciousness.

New York Times, June 12, 1954; dateline Washington, D. C., June 12:

McCARTHY said: "I think they should get a man with a net and take him [FLANDERS] to a good quiet place."

Attack upon Senator GILLETTE and the members of his subcommittee, Senators HENNINGS, HENDRICKSON.

CONGRESSIONAL RECORD, April 8, 1952, page 3707—letter by Senator MCCARTHY to Senator GILLETTE dated December 19, 1951:

As I have previously stated, you and every member of your subcommittee who is responsible for spending vast amounts of money to hire investigators, pay their traveling expenses, etc., on matters not concerned with elections, is just as dishonest as though he or she picked the pockets of the taxpayers and turned the loot over to the Democratic National Committee.

Fifth. The junior Senator from Wisconsin has injured the morale of the Army of the United States during a period of national danger. The recent events growing out of the attacks made by the junior Senator from Wisconsin on the Army of the United States are too fresh in the memory of all of us for it to be appropriate for me to recount them here. I would like, however, to recall to the minds of my colleagues the statement of the distinguished senior Senator from Arkansas. Senator MCCLELLAN sat through virtually every minute of these long hearings and this is what he had to say at their conclusion:

I am compelled to say in conclusion, Mr. Chairman, that the series of events, actions, and conduct that precipitated the ugly but serious charges and countercharges that made these lengthy and unpleasant public hearings mandatory, I think, will be recognized and long remembered as one of the most disgraceful episodes in the history of our Government.

Simply to say that this series of events is regrettable is a gross understatement. They are deplorable and unpardonable.

Mr. President, I submit that these deplorable and unpardonable events are but the culmination of a course of conduct which imposes upon the Senate the duty to approve the motion submitted by the Senator from Vermont [Mr. FLANDERS].

Mr. President, I should like to close with a paragraph from a statement by one of the leading Catholic prelates in this country, Bishop Sheil, of Chicago. It reads as follows—it is very short. I wish to close, I may say, this part of my remarks, and then I am going to offer the amendment.

The paragraph from Bishop Sheil's statement reads as follows:

But although the church takes no position, and will not, on such matter of public controversy, the church does take a position on lies, calumny, the absence of charity, and calculated deceit. These things are wrong—even if they are mistakenly thought of as means to a good end. They are morally evil and to call them good or to act as if they were permissible under certain circumstances is itself a monstrous perversion of morality. They are not justified by any cause—least of all by the cause of anticommunism, which should unite rather than divide all of us in these difficult times.

That quotation is from a speech concerning the junior Senator from Wisconsin, which I inserted in the RECORD in its entirety only a short time ago.

Mr. President, I have completed my remarks. I now send to the desk certain amendments. I intend to submit these amendments to the resolution.

I wish to propound a parliamentary inquiry, as to whether it is now in order to offer my amendment No. 1.

I ask that the amendments be read for the information of the Senate, and I wish to offer my amendment No. 1, if that is now in order.

The VICE PRESIDENT. The Secretary will read the amendments.

The LEGISLATIVE CLERK. On line 5, after the word "condemn", it is proposed to strike the period and insert the following:

For the following reasons:

1. The junior Senator from Wisconsin, while a member of the committee having jurisdiction over the affairs of the Lustron Co., a corporation financed by Government money, received $10,000 without rendering services of comparable value.

2. In public hearings, before the Senate Permanent Investigations Subcommittee, of which he was chairman, the junior Senator from Wisconsin strongly implied that Annie Lee Moss was known to be a member of the Communist Party, and that if she testified she would perjure herself, before he had given her an opportunity to testify in her own behalf.

3. Although repeatedly invited to testify by a committee of this Senate headed by the Senator from Iowa, the junior Senator from Wisconsin denounced the committee and contemptuously refused to comply with its request.

4. Without justification the junior Senator from Wisconsin impugned the loyalty, patriotism, and character of Gen. Ralph Zwicker.

5. The junior Senator from Wisconsin openly, in a public manner before nationwide television, invited and urged employees of the Government of the United States to violate the law and their oaths of office.

6. The junior Senator from Wisconsin in a speech on June 14, 1951, without proof or other justification, made an unwarranted attack upon Gen. George C. Marshall.

Mr. KNOWLAND. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. KNOWLAND. It is a little difficult for me to follow just what the Senator has in mind. Is he offering a series of amendments, or does he desire to have the amendments considered en bloc, covering certain specifications which the Senator has in mind to be added to the resolution of the Senator from Vermont [Mr. FLANDERS]?

Mr. FULBRIGHT. Mr. President, after consulting the Parliamentarian, I understand that it is in order to offer these amendments seriatim, each one separately. I now ask that amendment No. 1, which is the amendment relative to Lustron, be made the pending question.

Mr. KNOWLAND. As I understand what the Senator has in mind is that the amendment shall be the pending question, but the Senator is not now pressing for a vote on his amendment No. 1.

Mr. FULBRIGHT. No; but as soon as that amendment is disposed of I intend, if permitted to do so, to offer the next amendment, offering each amendment in turn. I should like to have the Senate express itself on the amendments. If I may be permitted to do so, since my voice is growing weak, although I am willing to read from this report, I ask unanimous consent that the clerk be permitted to read it instead. What I desire to have read is not too long, but I am growing a little hoarse.

I should like to have the clerk read what is in the report to which I referred a moment ago, pertaining to my first amendment.

The VICE PRESIDENT. For the information of the Senate, the clerk will read the first amendment.

The LEGISLATIVE CLERK. On line 5, after the word "condemn", it is proposed to strike the period and insert the following:

For the following reasons:

1. The junior Senator from Wisconsin, while a member of the committee having jurisdiction over the affairs of the Lustron Company, a corporation financed by Government money, received $10,000 without rendering services of comparable value.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Arkansas.

Mr. FULBRIGHT. I thank the Chair.

Mr. President, I now ask unanimous consent that the clerk may be permitted to read pages 15 to 19 of the committee report to which I have referred, because it will be much easier for Senators to hear him. This is a special section entitled "Whether Under the Circumstances It Was Proper for Senator MCCARTHY To Receive $10,000 From the Lustron Corp."

The VICE PRESIDENT. Without objection, the clerk may read the report.

Mr. KNOWLAND. Mr. President, is that pages 15 to 19 or 15 to 90?

Mr. FULBRIGHT. Oh, no; it is only about three and a half pages. I marked the extent of it.

The quotation relates to one particular point. The clerk reads much better than I can read.

The legislative clerk read as follows:

WHETHER UNDER THE CIRCUMSTANCES IT WAS PROPER FOR SENATOR MCCARTHY TO RECEIVE $10,000 FROM THE LUSTRON CORP.

On September 28, 1951, Senator Benton, in his testimony before the Privileges and Elections Subcommittee in support of Senate Resolution 187, raised the question as to the propriety of Senator MCCARTHY's receiving a $10,000 fee from the Lustron Corporation of Columbus, Ohio, which was being financed by the Reconstruction Finance Corporation. (See Hearings, pp. 23–28.)

During the 80th Congress, Senator MCCARTHY was a member of the Banking and Currency Committee, which committee had jurisdiction over both the RFC and the Housing Agencies, as well as the Committee on Expenditures in the Executive Departments, which committee was also interested in some of the Lustron operations.

The Lustron prefabricated steel house, endorsed by various veterans and other organizations and sponsored by the Housing Agencies in accordance with the Veterans' Emergency Housing Act of 1946, was ultimately financed by the RFC, over its initial objection due to the fact that the private risk capital involved was negligible. A series of seven loans totaling $37,500,000 were made between June 30, 1947, and August 29, 1949.

The venture was a failure; RFC instituted foreclosure on February 14, 1950, and the loss to the Government will reportedly exceed $30 million. Incident to a subsequent inquiry by the Senate Subcommittee on RFC

it was devoloped that Lustron had been mismanaged; that frauds had been practiced upon it; and that excessive salaries were paid officials, such as E. Meri Young because of alleged influence. The payment of the $10,000 Lustron fee to Senator McCarthy was also referred to.

During the pertinent period of the Lustron operations, both Lustron and the RFC were particularly sensitive to the will of the Congress; Lustron because, aside from an initial relatively negligible investment, it was entirely financed by public funds; the RFC because its authority expired as of June 30, 1947, and the Congress was obliged to temporarily extend it for 1 year until further inquiry was completed, when the life of the RFC was extended, on June 30, 1948.

On January 14–15, 1948, the Senate Banking and Currency Committee, at Washington, hearings pursuant to its investigation of RFC operations under Senate Resolution 132, and its inquiry regarding Lustron, developed through Lustron president, Carl Strandlund, that he had been advised of his needs for congressional support of his venture (p. 351), and that he accordingly did see many Senators and Congressmen to present the merits of his project (p. 363).

Senator McCarthy, a sponsor of the resolution of July 1947 which created the Joint Committee on Housing, consisting of members of the Banking and Currency Committees of both the House and the Senate, took an active part, as vice chairman, in its nationwide hearings on housing conditions. Upon the completion of the housing inquiry on March 15, 1948, Senator McCarthy filed his own report reflecting his views on housing and related proposed legislation, and favored encouragement of mass produced homes. But particularly commended the Housing and Home Finance Administration and recommended that Administrator Foley's salary be increased.

Various amendments and additions to the Housing Act, after numerous proposals, substitutions, etc., some of which were sponsored by Senator McCarthy, were ultimately approved by the Senate and were incorporated into the related housing laws. Section 102 of Public Law 901 (August 10, 1948) authorized the RFC to make loans to prefab manufacturers, aggregating no more than $50 million. This provision gave the RFC additional funds and authority to make its third Lustron loans of $7 million on February 14, 1949, as well as the subsequent loans. The act also provided for an increase in the salary of the HHFA Administrator.

A few days subsequent to the enactment of the new Housing Act, Senator McCarthy contacted Administrator Foley to request his assistance for Miss Jean Kerr, of his office, who was working on a housing manuscript. The HHFA cooperated and assisted her in the compilation of data, etc., through December 1948. (See testimony of Walter Moore Royal, Jr., Special Assistant to the HHFA Director of Information, before the Privileges and Elections Subcommittee on May 16, 1952, pp. 293–320.) HHFA Administrator Foley, in a letter dated February 23, 1951, to Senator Maybank, chairman of the Senate Committee on Banking and Currency, outlined in detail the part played by his agency in the preparation of Senator McCarthy's housing booklet, their review and corrections of three separate drafts.

These subcommittee hearings of May 1952 developed that Senator McCarthy approached Strandlund during October of 1948, setting a price of $10,000 for his housing manuscript, which was "not in publishable form," and that Strandlund agreed to it without any prior consultation with his public relations or executive staff, or notification to the RFC, and at a time when Lustron had not completed its machinery and tooling installation, had a huge backlog of orders, and had completed only a few sample houses for demonstration purposes. (See testimony of Carl Strandlund, Lorenzo Semple, Thomas J. O'Sullivan, Maron J. Simon, and George E. McConley; pp. 76–86, 109, 141; 188–193; 194–195; 198–199; 205–206; 217–222; 273, 276–278, 280–281.)

Lustron's purchase of the housing article which Senator McCarthy unsuccessfully attempted to sell to other publishers the previous March and April, was attributed by him to the fact that Lustron gave him "the most favorable contract." (See Congressional Record, June 19, 1950, vol. 96, No. 120, pp. A4764–4771, wherein Senator McCarthy inserted the housing article, his correspondence with several publishers, and his version of the Lustron phase.)

To appreciate the urgency of the hasty negotiations with Lustron to obtain a $10,000 fee on November 12, 1948, it is essential that we consider Senator McCarthy's overextended debt position at the Appleton State Bank, which became quite desperate during September through November of 1948. Although the bank had notified him that it was essential that his total bank debt of $72,943.96 be reduced, or his collateral liquidated (see supporting letters, exhibits 49–50), Senator McCarthy did not use the Lustron fee for this purpose but bought stock with it which he pledged as additional collateral for the loan. The Lustron check for $10,000, dated November 12, 1948, issued to "Joseph R. McCarthy," was endorsed in blank over to Wayne, Hummer & Co., the Senator's broker (exhibit 55) to purchase additional stock of the Seaboard Airline Railroad.

It may or may not be significant that the Seaboard Airline Railroad was also financed by the RFC and at the time indebted to RFC in excess of $15 million. Our inquiry developed that during October of 1948, Senator McCarthy purchased 1,500 shares of Seaboard common stock at an average price of $22 per share; that this railroad had been in receivership since 1930, came out of reorganization in 1946 to be operated under a voting trust arrangement through April 1, 1951, and that the Lustron $10,000 fee was used to increase his Seaboard holdings to 1,950 shares. These holdings were pledged by Senator McCarthy to support his Appleton bank loans. While it is not known whether Senator McCarthy's information with respect to this stock had anything to do with his position as a United States Senator, it is interesting to note that Senator McCarthy suggested speculation in Seaboard stocks to others. (See letters dated December 16, 1948, and January 5, March 2, and March 10, 1949, annexed hereto as exhibits 56–59.)

Our inquiry developed information which reflected that at the time of Senator McCarthy's purchases of Seaboard stock it did not appear to an "outsider," or to the uninformed, to be either a good investment or speculation, particularly since no dividends had been declared since long prior to receivership in 1930, and, further, because the common stock was encumbered by the voting trust agreement.

Although the depreciation of the stock market had its consequent effect upon his pledged collateral, and Senator McCarthy was obliged to sell 250 shares of Seaboard in 1949 and 1950 at a loss, he resisted the bank's suggestion that the balance be liquidated, and on August 25, 1950 (exhibit 60), advised the Appleton State Bank that he had checked with some of the directors (not otherwise identified), who advised against the sale. Senator McCarthy held 1,700 shares until the RFC had disposed of its Seaboard holdings, and, on September 12, 1951, he sold 1,000 shares for a net profit of $35,614.75. After liquidating the bank debts of $45,214.40 and a $14,016.31 loan from G. J. Sensenbrenner, $1,346.16 was remitted to him. Pursuant to his request of October 3, 1951 (exhibit 61), the bank returned the remaining 700 shares of Seaboard to Senator McCarthy on October 5, 1951 (exhibit 62).

Seaboard was quoted recently on the New York Stock Exchange at $113.

The subcommittee extended to Senator McCarthy, on May 7, 1952, the opportunity to appear at the scheduled open hearings on Lustron for the purpose of presenting testimony relating to this specific charge, as to the Lustron fee. He ignored the invitation but in a sardonic letter dated May 11, 1952 (exhibit 21), he discussed the subcommittee's misfortune in being deprived of its "star witness." (The person referred to was Robert Byers, Columbus, Ohio, builder, who apparently just prior to the subcommittee's May 1952 hearings had a breakdown.) Senator McCarthy stated:

"If only you had set the hearings 10 days earlier before the judge committed your star witness to an institution for the criminally insane, you would not have been deprived of this important link in the chain of evidence."

It was this same Robert Byers who, under questioning by Senator McCarthy, at a Joint Committee on Housing hearing at Washington, D. C., on January 15, 1948 (the same day Carl Strandlund was testifying before the Senate Banking and Currency Committee as indicated above) recommended a thorough investigation of Lustron (p. 5, pp. 4912–4913, Joint Committee on Housing, 80th Cong.). Our inquiry failed to develop any indication that action was taken on Mr. Byers' recommendation. It was also the same Robert Byers who engaged Senator McCarthy on two separate occasions to appear at promotional dinners at Columbus, Ohio, for a fee of $500 and expenses in connection with the Byers housing project (see testimony of Clark Wideman, public relations counsel for the Byers firm, at subcommittee's hearing of May 15, 1952, pp. 258, 260–262). It would also appear to be the same Robert Byers to whom Senator McCarthy referred on page 5 of his individual report to the Joint Committee on Housing, as follows:

"The main outstanding example of what a builder of conventional houses can do was found in Columbus, Ohio, where very attractive veterans' houses are being built in sizable quantities to be sold at approximately $4,000."

From such facts the obvious questions which suggest themselves, particularly in the absence of any explanation from Senator McCarthy, are:

Are there other instances where Senator McCarthy received some consideration from persons or agencies that he was in a position to assist or hurt in his official position as a United States Senator?

How can Senator McCarthy justify acceptance of a $10,000 fee from Lustron, which, in effect, was a fee being paid out of public funds, at a time when Lustron's continued operations and financing depended entirely upon the RFC, and which agency, in turn, was dependent upon the Congress and, more particularly, the Banking and Currency Committee, of which he was a member, for its continued authority and operation?

Did Senator McCarthy take advantage of Lustron's sensitive position and its need for continued Government financing to induce its president, Carl Strandlund, to pay a fee, set by him at $10,000, for a manuscript which was neither finished nor in publishable form, without any prior consultation with Lustron's public relations or executive staff and without notification to the RFC?

Was there any connection between Senator McCarthy's recommendations for Government aid to prefab manufacturers and his subsequent contracts with Lustron, which culminated in his receiving $10,000 for the sale of his manuscript?

Was there any relationship between Senator McCarthy's position as a member of the Senate Banking and Currency Committee and his receipt of confidential information relating to the stock of the Seaboard Airlines

Railroad, which was indebted to the RFC for sums in excess of $15 million?

Does Senator McCARTHY consider that his requests for the active assistance of the HHFA in the preparation of a housing manuscript, which he intended to sell, after he had recommended legislation to increase the salary of its Administrator, to be ethical?

ORDER FOR RECESS UNTIL MONDAY

Mr. KNOWLAND. Mr. President, I ask unanimous consent that when the Senate completes its labors this afternoon, it stand in recess until 12 o'clock noon on Monday next.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE JUNIOR SENATOR FROM WISCONSIN

The Senate resumed the consideration of the resolution of censure (S. Res. 301) submitted by Mr. FLANDERS relative to the junior Senator from Wisconsin [Mr. McCARTHY].

Mr. DANIEL. Mr. President, I rise to discuss the nature of this proceeding and the principles of justice which should apply. I refer to the draft of Senate Resolution 301, introduced last evening by the Senator from Vermont [Mr. FLANDERS]. I do not refer to the amendments which have been offered by the Senator from Arkansas [Mr. FULBRIGHT], because I have not had occasion to study or consider them fully.

In this highly controversial matter, when one speaks even of the procedure to be followed, I recognize that he runs the risk of having his motive impugned and his sincerity questioned. There are those who aline themselves with the junior Senator from Wisconsin, who will infer that in speaking about procedure, the junior Senator from Texas wishes to duck or dodge the issue. And then on the other side, there are those who would judge the same words as a defense of the junior Senator from Wisconsin. They are intended as neither.

I direct my remarks to the fact that the Senate, here and now, is sitting in a quasi-judicial capacity, and that it is as important to apply the proper rules of procedure as it is to do anything else in connection with the consideration of the resolution.

Many persons have criticized the junior Senator from Wisconsin for the procedures he has followed in his committee. I feel certain that I would be more likely to criticize those procedures than anything else spoken of thus far in this debate. For that reason, I think it is doubly important that the Senate should apply the proper rules of procedure when it considers the charges of condemnation made against the junior Senator from Wisconsin. The Senate should set the right example for committees to follow.

As a lawyer and a prosecutor grounded in the principles of justice and fairness to the accused, whether he be guilty or innocent, I cannot sit in silence while there is the possibility that the Senate may act on a resolution of censure which neither specifies charges nor allows for the development of evidence in support of or in defense against the charges.

In this respect, I am in full agreement with the views as to procedure which were expressed last night by the senior Senator from Oregon [Mr. CORDON] and the junior Senator from Oregon [Mr. MORSE]. I congratulate them on their statements. There is little I can add except a documentation of some of the principles to which they referred from memory.

First, and most important, as I have indicated, this proceeding is judicial in nature, and the general standards of American justice should be applied as heretofore in similar proceedings.

A distinguished Senator said on the floor earlier today, as I understood him, that upon reflection last evening he questioned the theory of the Senators from Oregon that judicial principles and restraints must be followed in this proceeding, because, after all, the resolution may be considered simply as an expression of the sense of the Senate.

There is no basis whatsoever for such reasoning. If all that the Senate had under consideration were an expression of opinion or the sense of the Senate, the speech of the Senator from Vermont last evening and the whole proceeding would be in violation of Senate rule XIX, paragraph 2, which reads as follows:

> No Senator in debate shall, directly or indirectly, by any form of words impute to another Senator or to other Senators any conduct or motive unworthy or unbecoming a Senator.

Mr. President, what is the exception to that rule which permits speeches charging the junior Senator from Wisconsin with conduct and motives unbecoming a Senator? The speeches are entirely in order. The resolution is entirely in order. But why under this rule of the Senate? What is the exception to the rule?

The exception is due to a provision of our Constitution which authorizes the Senate to determine its rules and to punish its Members for misconduct. The second paragraph of section 5, article I, of the Constitution reads as follows:

> Each House may determine the rules of its proceedings, punish its Members for disorderly behavior, and, with the concurrence of two-thirds, expel a Member.

That is the only authority under which the Senate has the power to consider and act upon a resolution which would find a Senator's conduct to be unbecoming a Member of the Senate, and to censure and condemn him for such conduct.

Under the constitutional provision which I have just read, the resolution introduced by the Senator from Vermont [Mr. FLANDERS] would convict and punish the junior Senator from Wisconsin if adopted. Therefore, we are engaged in a proceeding of a judicial nature, one in which the standards of American justice should be applied in our procedure.

The word "censure" is defined in Webster's New International Dictionary as follows:

> Judgment, opinion, or sentence: To form or express a judgment in regard to.

A footnote under the word "censure" reads as follows:

> "Condemn" is a term of more judicial connotation, and implies the pronouncing of an adverse judgment.

The word "condemn" appears in the last phrase of the resolution, as follows: "and such conduct is hereby condemned."

We turn to the word "condemn" in the dictionary, and we find the following definition:

> To pronounce to be wrong; to declare the guilt of * * * to make manifest the faults of; to convict of guilt; to pronounce a judicial sentence against; to sentence to punishment; to pronounce or find guilty; to convict.

That is exactly what the pending resolution, or any other censure resolution, would carry with it. It would convict a Member of whatever he is charged with in the resolution, and it would punish him by condemning him.

Some persons may say that is not so much of a punishment, but, Mr. President, I know of not many greater punishments which a Member of this body could suffer than to be condemned for his conduct by his fellow Senators.

The pending resolution calls for what would amount to a trial if we were in court. Of course, we are not going to have the technicalities of a trial, but I point out to the Members of the Senate that, that insofar as a legislative body can sit as a court, that is exactly what we are doing when we, under the authority to punish our Members, sit in judgment on a Member of this body, and pass out a sentence, and punish him by our condemnation.

If any Member of the Senate doubts what I have said, I hope he will talk to those skilled in parliamentary procedure, or to any lawyer who has studied the question, because all precedents for censure come under this constitutional provision which says that the Senate may punish its Members for disorderly conduct.

In Haynes' The Senate of the United States, on page 186, we find the precedents for censure, and we find them under the heading, "Punishment for Disorderly Behavior."

In Hinds' Precedents we find first the case of Tillman and McLaurin, volume II, page 1140. We find the precedent listed under the heading, "Punishment of Members for Contempt."

Mr. President, in the Tillman-McLaurin case a committee of the Senate brought in a report which contained a sentence making it very clear that a resolution of censure is a conviction and a punishment. I should like to read from the majority report in the Tillman-McLaurin case of the Committee on Privileges and Elections, this sentence:

> The penalty of a censure by the Senate—

The penalty; not an expression of the sense of the Senate—

> in the nature of things, must vary in actual severity in proportion to the public sense of the gravity of the offense of which the offender has been adjudged guilty.

In that case the committee recommended that the two Senators be adjudged guilty, and condemned and censured in words similar to those in the

pending resolution, except that the present resolution lacks definite specifications.

We find the Bingham case, which has been cited previously, in volume VI of Cannon's Precedents, 1936, page 408, under the heading, "Punishment and Explusion of Members."

It is possible for legislative bodies to sit in a judicial capacity in certain instances, if so provided by our Constitution. We have a Supreme Court case which recognizes that principle, the case of *Kilbourn* v. *Thompson* (103 U. S. 168), page 189, in which the Supreme Court said:

> The Constitution declares that the judicial power of the United States shall be vested in one Supreme Court, and in such inferior courts as the Congress may from time to time ordain and establish. If what we have said of the division of powers of the Government among the three departments be sound, this is equivalent to a declaration that no judicial power is vested in the Congress or either branch of it, save in the cases specifically enumerated to which we have referred.

The Court specifically referred to the exception provided in our Constitution authorizing each House to determine the qualifications of its Members and punish its Members for disorderly behavior. In this connection the Court said:

> As we have already said, the Constitution expressly empowers each House to punish its own Members for disorderly behavior. We see no reason to doubt that this punishment may in a proper case be imprisonment, and that it may be for refusal to obey some rule on that subject made by the House for the preservation of order.

The point is that the Court recognized that in this instance, as well as in impeachment and other similar instances provided by the Constitution, the Senate sits in a judicial capacity. The nature of this proceeding is judicial.

We find the same principle in Willoughby's discussion of the Constitution of the United States, volume 2, Willoughby on the Constitution, at page 1262. After explaining the doctrine of separation of powers and the exceptions thereto, Willoughby says:

> Thus, the legislatures are made the sole judges as to the constitutional qualifications of those claiming membership; they have the power of disciplining and expelling members; their members are in general not liable to arrest except for felony, treason, or breach of the peace, and they may not be held responsible in actions of slander or libel for words spoken or printed by them as Members.

Willoughby proceeds to show that in sitting in matters of this kind a legislative body sits in a judicial capacity.

Mr. President, in Cushing's Law and Practice of Legislative Assemblies, we find a similar discussion on page 258.

Cushing was of the opinion that a procedure of this kind is criminal in nature, not civil. He says:

> The criminal jurisdiction of a legislative assembly is much more extensive than the civil; embracing the misconduct or disorderly behavior of its own members, as well as misdemeanors and offenses committed by other persons. In both cases, the offense may be committed either against the assembly itself, or against its members individually.
>
> Members may be guilty of misconduct, either towards the assembly itself, towards one another, or towards strangers. Misconduct of members towards the assembly, besides being the same in general as may be committed by other persons, consists of any breaches of decorum or order, or of any disorderly conduct, disobedience to the rules of proceeding, neglect of attendance, etc.; or of any crime, misdemeanor, or misconduct, either civil, moral, or official, which, though not strictly an attack upon the house itself, is of such a nature as to render the individual a disgrace to the body of which he is a member. Misconduct of members towards one another consists of insulting remarks in debate, personal assaults, threats, challenges, etc., in reference to which besides the ordinary remedies at law or otherwise, the assembly interferes to protect the member, who is injured, insulted, or threatened. Offenses by members towards other persons, of which the assembly has cognizance, consists only of injurious and slanderous assertions, either in speech or by writing, which, as there is no other remedy, the assembly itself, if it thinks proper, takes cognizance of and punishes.
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> The constitutions of the United States, and of almost all the States, contain provisions relating to the incidental powers of their legislative assemblies, which, although widely differing among themselves, in some cases, as to the number of powers enumerated, come clearly within the first two rules already mentioned in regard to the privileges of members, and do not, in any degree, change, either by enlarging or diminishing, the powers of jurisdiction recognized by the ordinary parliamentary law. The only changes, made by these provisions, relate to the kind, form, and duration of the punishments to be inflicted. It may be laid down, therefore, first, that every legislative assembly in the United States possesses all the powers of jurisdiction, in a judicial way, which are recognized by the common parliamentary law; and, second, that they possess authority to punish agreeably to the rules of that law, as modified by express constitutional or legal provision.

Mr. President, since a resolution of this nature, if adopted, would call for a conviction and a punishment, we must recognize that judicial standards of American jurisprudence should apply.

There are certain fundamental principles which must apply when a man is brought to the bar for trial and before he is convicted and punished. There are certain basic principles of justice, fairness, and due process. We have criticized the Senator from Wisconsin for not applying those fundamental principles in some of his procedures, and we should not forget them now that he stands accused before the Senate. It is ironical that many who have criticized the junior Senator from Wisconsin for not applying some of these fundamenal principles, are today supporting a resolution which fails to apply them when he is brought to the bar for a hearing in his case.

One of these fundamental principles is that the accused shall have specifications as to what he is being tried for. The sixth amendment of the Constitution clearly provides that in trials by the courts, the accused shall "be informed of the nature and cause of the accusation." Mr. President, it is fundamental in English and American law that the accused should have a bill of particulars or specifications, so he will know exactly of what he is being charged and of what he may be convicted.

The second fundamental principle of English and American law in cases of this kind is that a proper procedure should be provided for the evidence against the accused to be adduced, and for the accused to introduce evidence in defense of himself, if he cares to do so. The rights of the accused in proceedings of this nature are fully discussed in 14 American Jurisprudence. I believe most of the Members of this body are acquainted with them sufficiently, so that I shall not read them here. We know that in a court, those rules apply; and when a legislative body sits in a judicial capacity, at least those two fundamental rules, should apply, namely, there should be specifications—and there should be some forum—either this one or a committee—to hear the evidence.

Mr. President, those two fundamental principles and standards of English and American jurisprudence were applied in all the precedents we have in the case of censure resolutions or resolutions of condemnation which have been offered in the United States Senate against a Member of this body.

The first arose as a result of a fight between Senators Benton and Foote. We find that the matter went to a special committee for consideration. The committee did not report with a resolution, but the committee made some type of rebuke and warning, and hoped it would not go unheeded in the future. The important thing is that the Senate sent the matter to a committee, to have it hear the evidence and to report, in order that Senators Benton and Foote could present their evidence, under oath, and in order that all the facts could be brought back before the Senate.

In the Tillman and McLaurin case, as has already been pointed out, although the fight between those two Members from South Carolina occurred right on the floor of the Senate, the matter was sent to the Committee on Privileges and Elections—for consideration and recommendations. The committee brought back the censure resolution. It specifies what the Senators were charged with; and the Senate acted only after the evidence was heard in the committee and reported back to the Senate with recommendations.

Then we have the third case—the Bingham case, which has been discussed fully. In that case, a committee had already considered the action with which Senator Bingham was charged, and had reported to the Senate. The Senate then acted on the basis of that report and on the basis of the fact that the evidence in the case was uncontradicted and undisputed—as had been stated on the floor several times, as the Senator from Georgia will remember. For instance, Senator Norris said:

> No one has disputed the evidence. No one has contradicted the facts which were brought out.

They were brought out by the Judiciary Committee, which already had heard the case against Senator Bingham; and the resolution of censure was

specific as to the act for which he was condemned. As a matter of fact, it refers to what the committee reported as wrongful acts. In that case we find these two standards applied.

Those are the three precedents, Mr. President; the Benton-Foote case, the Tillman-McLaurin case, and the Bingham case. In all of them the Senate specified exactly what the Senators were charged with and provided for hearing evidence.

Mr. President, in my opinion, that is what we should do in this case. If we fail to do it, the action of the Senate will rise to haunt Members of the Senate in the future. We should never depart from the precedents and the principles of English and American justice and jurisprudence.

The resolution, as submitted last evening, does not specify with any particularity any of the conduct of which the junior Senator from Wisconsin would be found guilty and for which he would be punished. Neither does it provide for having brought before the Senate, under oath, evidence on which Senators might decide whether they find the junior Senator from Wisconsin guilty or innocent.

Mr. President, it matters not what was shown on television or what was printed in the newspapers or what was stated here on the floor of the Senate. Under English and American jurisprudence, if one sees a man on the street shoot down another in cold blood, or even if the judge of the court himself sees it, that does not convict the accused. Even in such a case the accused must be brought before the bar of justice, must have the charges against him specified, and must be given an opportunity to submit evidence if he cares to do so; and, of course, evidence must be adduced against him by the prosecuting authorities.

It may be that some committees have heard certain evidence in this matter. A moment ago I heard it stated that there is a possibility of that, insofar as one charge is concerned. I have not studied that matter fully. I am not sure whether in that case the committee ended by asking questions, or whether it reached a conclusion based upon the evidence. I do not know.

If one of our committees has already acted, if it has taken evidence under oath and has brought it to the Senate, after having provided ample opportunity for both sides to be heard, we have a precedent for the Senate to act in such cases. There is a committee which heard evidence concerning the conduct of the junior Senator from Wisconsin this year. The committee heard the evidence for several weeks, but the committee has not yet reported.

Mr. President, I say that in all fairness and in all justice, not only to the accused, but also to those of us who sit in judgment, the committee should have an opportunity to make its report, before we are called upon to pass on the resolution. If the Senate wishes to go into other matters, the resolution should be referred to the Judiciary Committee or to some other committee in order that evidence on the other matters may be heard before the Senate is called upon to perform its duty in this case. Above all, Mr. President, let us perform that duty in accordance with the principles and standards of American justice and fairness to the accused, be he guilty or be he innocent.

Mr. COOPER obtained the floor.

Mr. WELKER. Mr. President, will the Senator from Kentucky yield to me, to permit me to ask several questions of the distinguished Senator from Texas?

Mr. COOPER. I yield, if I may have unanimous consent to yield under those circumstances.

The PRESIDING OFFICER (Mr. BUSH in the chair). Without objection, it is so ordered.

Mr. WELKER. I thank the Senator from Kentucky.

Mr. President, will the Senator from Texas enlighten us about the principles of English and American justice? Has he found in the precedents before him anything in respect to limitation on actions and in respect to how far back it is permissible to go, in charging a person, so that—in this case—the Member concerned may be censured by the Senate?

Mr. DANIEL. No; I have not had occasion to look into that point.

Mr. WELKER. Under the American and English judicial system of criminal law, I am sure it is obvious to the Senator from Texas, who has been a great prosecutor and attorney general, that a limitation on action certainly is a bar to prosecution.

Mr. DANIEL. That is correct, in certain cases.

Mr. WELKER. Has the Senator from Texas found, in the course of his research, anything with respect to the fundamental right in criminal law that the accused is presumed to be innocent until found guilty beyond a reasonable doubt?

Mr. DANIEL. Oh, yes.

Mr. WELKER. And that that presumption goes with the accused until the matter is decided by a jury. Is that a correct statement?

Mr. DANIEL. Yes; and that is one of the fundamental principles—of course, it is so well known that I did not even mention it—namely, that the accused is presumed to be innocent until his guilt is established beyond a reasonable doubt and until he is found guilty.

Mr. WELKER. In fact, some persons say until his guilt is established to a moral certainty.

Mr. DANIEL. That is correct; and that is true even in the example I gave a moment ago, namely, when the judge or when bystander witnesses see a murder committed in cold blood. When the accused goes before the bar of justice, he is still presumed to be innocent until he is found guilty under the procedures we have established in our law.

Mr. WELKER. Does the Senator from Texas advocate or does he feel that some Senate committee should be assigned to hear sworn testimony upon these charges; or does he believe that the matter should be referred to the Subcommittee on Privileges and Elections, which sat from the spring of 1952 until the summer of that year, or to other committees which may have heard evidence in the case of charges against the accused?

Mr. DANIEL. I have no opinion as to which is the best committee for this resolution to go to. I do feel that we should not be called upon to vote on this resolution until at least the Government Operations Subcommittee, which has gone into some of the matters, has reported to the Senate.

Mr. WELKER. I thank my colleague from Texas.

Mr. FERGUSON. Mr. President, would the Senator yield for a question?

Mr. SALTONSTALL. Mr. President, would the Senator yield for a question?

The PRESIDING OFFICER. Would the Senator from Kentucky yield, without losing the floor?

Mr. COOPER. Yes.

Mr. FERGUSON. The Senator from Texas [Mr. DANIEL] has given a very able argument to the Senate. He cites a case where a court, for instance, a judge, could not take judicial notice. I wondered whether or not it would not be well to put in the RECORD a possible exception to that rule, for instance, contempt of court in the presence of the court, when the court is in session.

Mr. DANIEL. Yes.

Mr. FERGUSON. That would be an exception.

Mr. DANIEL. Yes, that would be an exception; and contempt by a Member here on the floor of the Senate would be an exception, as you will remember, in the Tillman-McLaurin case——

Mr. FERGUSON. That is what I am getting to.

Mr. DANIEL. Both Senators were held guilty of contempt for what the Senators saw right here on the floor before they sent a resolution to the committee to consider formal censure and condemnation of the Senators.

Mr. FERGUSON. Mr. President, will the Senator yield for another question?

Mr. DANIEL. Yes, I yield.

Mr. FERGUSON. To follow that just a little further, if a court, and it will be contempt of either a civil or criminal nature, decides that the contempt is outside of the hearing and the sight of the court, then it is necessary, is it not, that an order to show cause be issued specifying what the contempt is before the court can act?

Mr. DANIEL. That is correct.

Mr. FERGUSON. So that we have precedents in our judicial system for contempt, which are very similar to the constitutional provision here of disorderly behavior, do we not?

Mr. DANIEL. That is correct.

Mr. SALTONSTALL. Mr. President, will the Senator yield for one question?

Mr. DANIEL. I yield.

Mr. SALTONSTALL. I would like to ask a question. I very much appreciate the Senator's discourse and the way in which he presented his argument.

I would like to ask this question: Does the Senator draw any distinction between the censure or condemnation of a Senator for poor moral conduct as opposed to one whose conduct or action in and of itself may not be poor morally, but is such as may be against the public interest or public morals?

I was trying to bring out the distinction that was in the Bingham case, which seemed to me quite important for the Senate to consider in connection with this case.

Now the procedure may be the same, as the Senator says, but has the Senator, from his examination of these cases and from these facts, drawn any distinction between those two types of conduct?

Mr. DANIEL. I have not. I have not yet studied them with that question in mind.

Mr. SALTONSTALL. Well, from the point of view of the Senator on the floor of this body, there might well be an action by the Senator which in and of itself is a perfectly proper action, but publicly might be poor morally or against public conduct, and so on, as opposed to a personal kind of conduct which would be more in the nature of being against the man as an individual rather than his action being against the public whom he was serving; is there not a valid distinction between those two?

Mr. DANIEL. There might very well be.

PERMISSION TO RECEIVE MESSAGES FROM THE PRESIDENT AND TO REFER COMMUNICATIONS TO COMMITTEES

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the Secretary of the Senate be authorized during the recess of the Senate to receive messages from the President of the United States and to refer such communications to the appropriate committees.

The PRESIDING OFFICER. Is there objection to the request of the Senator from California? The Chair hears none, and it is so ordered.

EXECUTIVE SESSION

Mr. KNOWLAND. Mr. President, will the Senator from Kentucky yield at this time, in order for us to consider the nominations on the Executive Calendar?

Mr. COOPER. I yield.

Mr. KNOWLAND. Mr. President, I move that the Senate proceed to the consideration of executive business, for consideration of the nominations on the Executive Calendar, except for the postmaster nominations of Thomas W. Robison, of Lecompte, La., and Harry H. Seylaz, of Lincroft, N. J.

The motion was agreed to; and the Senate proceeded to consider executive business.

The PRESIDING OFFICER. If there be no further reports of committees, the clerk will proceed to state the nominations on the Executive Calendar, with the exception of the two postmaster nominations specified by the majority leader.

POSTMASTERS

The Chief Clerk proceeded to read sundry nominations of postmasters.

Mr. KNOWLAND. Mr. President, with the exceptions I have noted, I ask unanimous consent that the postmaster nominations be confirmed en bloc.

The PRESIDING OFFICER. With the exceptions previously stated, the postmaster nominations are confirmed en bloc.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of these nominations.

The PRESIDING OFFICER. Without objection, the President will be notified forthwith.

MESSAGE FROM THE PRESIDENT—WITHDRAWAL OF NOMINATION

The PRESIDING OFFICER laid before the Senate a message from the President of the United States, withdrawing the nomination of Charles H. Grossman, of New Mexico, to be Director of Locomotive Inspection.

LEGISLATIVE SESSION

Mr. KNOWLAND. I move that the Senate resume the consideration of legislative business.

Mr. COOPER. Mr. President, when Senator FLANDERS introduced his motion several weeks ago to remove Senator MCCARTHY from his position as chairman of the Senate Committee on Government Operations, I was asked to state my position and I said publicly at the time that I would vote for the motion. At that time I was thinking of the substance of the motion and not of the procedure by which it would be considered in the Senate.

Last evening I heard with interest and respect the speech of the distinguished senior Senator from Oregon, Senator CORDON. He argued that the pending motion should state its charges and specifications and that adequate hearings in consideration should be given to the motion before a vote is taken in the Senate. It was a plea for the orderly procedures of government, and for due process and for fair treatment of any individual charged with wrongful conduct.

I listened with interest and respect to Senator CORDON because of my confidence in his complete honesty, sincerity, and devotion to legal and constitutional processes. He is one of the greatest lawyers, and in my view, one of the ablest and best men in this body. I listened to him because I believe in due processes, in the orderly conduct of government and in fair treatment of every individual charged with wrongful conduct.

I should say that I have listened with interest to the recent statement of the distinguished and able Senator from Texas [Mr. DANIEL].

I would have preferred to vote upon the original motion of Senator FLANDERS rather than the one of censure which is before us today, because the original motion presented to the Senate the direct issue of its responsibility for the conduct of its committees.

I speak with the knowledge that I do not have the experience in the Senate to present views of any great value upon the complex questions which attend this motion, such as the procedures, and organization of the Senate and the individual rights and responsibility of a Member of the Senate. Nevertheless, I speak today because I have stated my position on the substance of the motion and I want to state the reasons which have led me to support the motion. One of the reasons I do this is to inform those in my State who have written me about this matter. But beyond this, I have wanted to record my views because I believe basic questions are involved in the motion of Senator FLANDERS.

In the beginning, I should like to say that my vote on this question is not based on any personal attitude I hold toward the junior Senator from Wisconsin [Mr. MCCARTHY]. I have known him since we entered the Senate together in 1947. It happens that we have not served together on any committee and that we have not worked together on any matters during my short service in the Senate. In our association as Members of this body, the junior Senator from Wisconsin has been considerate and fair to me.

Neither do I base my support of this motion on any charges or particulars in the motion of censure not connected with his work as chairman of the Committee on Government Operations. My decision to support the motion relates solely to certain aspects of his conduct of investigations as chairman of the Committee on Government Operations.

I have never questioned the determined opposition of Senator MCCARTHY to the Communist movement. It is my opinion that at the time he began his investigations, laxness and a negligent attitude toward the danger of Communist subversion existed in some quarters of the Government of the United States. It has also been proven that some individuals in the Government were sympathizers and actors in the Communist conspiracy.

Moreover, it has been my observation that one direct consequence of his investigations has been to inform many of our people regarding Communist subversion within the United States. Statements to that effect have been questioned, but I repeat my observation has led me to the conclusion I have stated.

However, in my view, the fact that this result has come from the work of the committee does not avoid questions relating to the conduct of investigations, which the resolution of the Senator from Vermont brings in issue.

It seems to me that one issue is whether the standards of conduct followed by the junior Senator from Wisconsin meet those which the Senate must require of its committees if they are to be respected and their value preserved. Committees are but instrumentalities of the Congress.

A second question of great importance is whether his conduct of investigations has been in accord with the spirit of our fundamental law, in conformity with which they are authorized, and with the principles which give meaning to our system of free government.

I was very much interested last evening in the speech of the Senator from Illinois [Mr. DIRKSEN] which named a number of organizations which it was stated were interested in the adoption of this resolution. I can only say for myself that I have consulted with no groups, either for or against the resolution. The decision that each of us will make is a matter of personal judgment, and I may

say that I came to my judgment several months ago.

Last night I was extremely interested in the great speech that was made by the senior Senator from Oregon [Mr. CORDON] upon our system of law and our system of orderly government. I think I can say that in my whole life, in my service as a judge I tried to uphold the law, and in my service in the Senate, I have never voted for any motion or for any action which I thought was in contradiction of the spirit of the law or orderly government or of due process of law. If I have arrived at a conclusion to vote for this resolution, it is because of my convictions about orderly procedures and due process of law and the protection of the rights of individuals.

I shall vote for this resolution because of the convictions I have consistently held and expressed against the wrongful exercise of power by officers and members of the Government.

It is my view—and again, it is my personal view, as all our views must be—based on my observations and reading and attendance at times upon the hearings, that the junior Senator from Wisconsin, as chairman of the committee, has extended and at times abused his great powers. I do not believe any end or purpose, however valuable or desirable it may appear, justifies the abuse of governmental power.

All of us are familiar with the growing sentiment throughout the country that there is something wrong with the exercise of the investigatory powers of Congress. Congress is being pressed to regulate investigations and to control committees and committee members. Some have insisted that this can be done by the adoption of rules of procedures. Others assert that it is merely a problem of party discipline. Still others have stated that strong action ought to be taken by the executive branch of the Government.

Whatever validity may be found in these proposals, they emphasize a common point of interest. It is the belief that the investigatory power has been abused and that the rights of persons before committees have not been guarded. It is the conviction that abuses violate the letter and spirit of the American system of government.

From statements which have been made in the debate it would appear that the matter before us is a new one and only incidental to the question of procedure. If that be true, I ask why it is that adverse sentiment sweeps through the country and why pressure is put upon Congress to adopt rules and to assert party discipline and to have the Executive take action.

The investigatory power of Congress is of great value to the Nation. It does not belong to any particular committee or any particular committee member. The source of power lies in the Constitution itself. It is implied in the constitutional grant to the Congress of all legislative powers.

Congressional investigations have been undertaken by every Congress, including the first one, and with few exceptions the results have been good.

Because of its importance to Congress and the Nation, the courts have construed the power to be broad and extensive in its scope. A congressional committee can compel the presence of witnesses and the production of papers. It can enforce its own process. It can cite for contempt. It has been held that a legislative purpose will be presumed in authorizing a congressional investigation, and that the inquiry may be as broad as its legislative purpose requires.

These implied powers have been strengthened by congressional action. By the Legislative Reorganization Act of 1946, Congress, in effect, gave the 16 standing committees of the Senate general powers of investigation, without the requirement of further Senate approval.

If the investigating power of the Congress is to be of continuing value for the good of the Nation, it must have the confidence, the respect, and the support of the people. It cannot have that support if it abuses its powers. And if abuses cannot or will not be corrected in the committee, the ultimate responsibility lies with the Senate. For it is the power and the integrity of the Senate and the Congress which is being questioned.

I have not followed every investigation or hearing held by the subcommittee of the junior Senator from Wisconsin [Mr. MCCARTHY]. However, there have been several instances which have illustrated an assumption of power by him which I have believed wrongful and in conflict with our basic governmental principles. The first concerns itself with, what it seems to me to be, the insistent effort of the Senator from Wisconsin to invade the powers of the Executive. Admittedly, it is not always clear at what point the rights of an investigating committee end and those of the Executive begin, but in the many questions which have arisen heretofore between investigating committees and the executive branch throughout the years a mutual respect for the separation of powers has always intervened to avoid conflict. Yet for more than a year there have been continuing points of conflict as between the exercise of powers of the executive branch of the Government and the attempted exercise and assumption of power by the chairman of this committee.

There is one area in which the power of the President is quite clear, and that is the constitutional power to conduct the foreign relations of the United States. It is the President who deals with foreign powers and through them with foreign citizens. An example of the attempted invasion of this field by Senator MCCARTHY concerns the case of the Greek shipowners. In March 1953 Senator MCCARTHY announced that he had been carrying on negotiations with certain Greek shipowners of New York City. As a result, he had secured an agreement with the owners of over 200 merchant ships to stop all trade with Communist China, North Korea, and Russian Pacific ports. Senator MCCARTHY charged the Eisenhower administration with dismal failure in stopping this trade and claimed that he was carrying on negotiations with other Greek shipowners in London to reach the same sort of agreement.

But according to the State Department and the Foreign Operations Administration—I secure my facts simply from the newspapers and the reported statements of Government officials—they had a few weeks previously, after months of negotiations, reached an agreement with the Greek Government to ban the flow of strategic materials to Communist countries. The Greek officials had taken prompt action and, in deference to the Greek Government, the State Department had given no publicity to the achievement. It was reported that Senator MCCARTHY had been taken into the administration's confidence and had been informed of this pact between the Governments, but, nevertheless, he went his own way and entered into negotiations with citizens of a foreign country.

Whatever the facts may have been, and however effective the efforts of Senator MCCARTHY may have been, however good his purposes may have been, I cannot believe that it was the purpose of the Congress that one of its committee members shall assume power in the field of foreign relations. If such adventures are approved, the issue of responsibility for international action will be confused and the constitutional separation of powers between the executive and legislative branches undermined.

It is apparent to all of us that the President of the United States has been exceedingly respectful of the powers of the Congress. He has a difficult task, particularly so in the field of foreign relations and he cannot succeed if individual Members of the Congress insist that they have the power to invade his domain.

Let me cite one further illustration. Another more serious encroachment into the area of executive responsibility was revealed this year during the so-called Army-McCarthy hearings. At this time, Senator MCCARTHY stated that he had received classified military information from an Army intelligence officer. He further stated, "As far as I am concerned, I would like to notify the 2 million Federal employees that I feel it is their duty to give us any information which they have." This was an open invitation to violate the laws of the United States. Its result could be to substitute government by the individual for government by law.

In section 792 (d) of title 18 of the United States Code, it is provided that anyone who has lawfully received classified information relating to national security and turns it over to anyone not entitled to receive it commits a crime. In spite of this fact, and in spite of the obviously sound reasoning behind the law, Senator MCCARTHY has reiterated his invitation.

Mr. MORSE. Mr. President, will the Senator yield at this point for a question?

Mr. COOPER. I yield to the Senator from Oregon.

Mr. MORSE. I have not checked that particular statute. Does it also impose

any criminal liability upon the person receiving security information?

Mr. COOPER. I think it does. I will say to the Senator from Oregon that I have read the speech of Attorney General Herbert Brownell citing these facts. I cannot answer the question with specific detail, but I think the Senator's premise is correct.

Mr. MORSE. I do not know. I am seeking information. That is the common statutory form. It not only makes it a criminal offense on the part of those who commit an act of conspiracy or collusion, but also makes it a criminal act on the part of the party who receives the information.

Mr. COOPER. I think the Senator is correct.

This invitation is more than an encroachment into the area of executive responsibility; it is a direct challenge to the orderly processes of Government. Again I do not believe that it is the intention of the Congress and the Senate to give anyone of its committees or its members the color of authority to set himself above the law.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. COOPER. I yield.

Mr. CAPEHART. Is there any law which prohibits Federal employees, including the 2 million to which the Senator refers, from giving to a committee information which is not classified?

Mr. COOPER. I do not know of any.

Mr. CAPEHART. Unless the information is classified, there is no law against giving such information.

Mr. COOPER. I think the Senator is correct.

Mr. CAPEHART. Was the junior Senator from Wisconsin talking about that, or was he talking about classified information?

Mr. COOPER. I am certain that the case which arose involved classified information.

Mr. CAPEHART. My question is, Does the Senator from Kentucky know of his own knowledge whether the junior Senator from Wisconsin was talking about classified or nonclassified information, or was it purely hearsay? As the Senator from Kentucky said a moment ago, that most of the information he is talking about was hearsay. Did the Senator read it in a newspaper?

Mr. COOPER. The junior Senator from Wisconsin said, "So far as I am concerned, I would like to notify the 2 million Federal employees that I feel it is their duty to give us any information which they have."

Mr. CAPEHART. Period.

Mr. COOPER. Yes.

Mr. CAPEHART. That was a newspaper article, was it not?

Mr. COOPER. The statement arose from the refusal of the Department of Justice to furnish information.

Mr. CAPEHART. It was published in the press, was it not?

Mr. COOPER. I have read from a statement made by the Attorney General, Herbert Brownell.

Mr. CAPEHART. Does the Senator know the position of the junior Senator from Wisconsin as to whether or not he made the statement?

Mr. COOPER. I did not personally hear him make it.

Mr. CAPEHART. Did the Senator from Kentucky read it in the press?

Mr. COOPER. I know the background from which the statement arose. It was a question of the use of classified material.

Mr. CAPEHART. Then it is hearsay information so far as the able Senator [Mr. COOPER] is concerned.

Mr. COOPER. Yes. Much of my information is hearsay, but it is hearsay which I read every day in the newspapers and from reliable sources.

It is difficult to define or point out exactly abuses of power. Isolated breaches might not be important. But, the junior Senator from Wisconsin has stated again and again that he intends to pursue a course of action as he sees fit and presumably the course of action which he has been following. In such a case, it seems to me that there is little that can happen in the future which will change the judgments that we now must have concerning his conduct of this committee.

Mr. MORSE. Mr. President, will the Senator from Kentucky yield for a question?

Mr. COOPER. I yield.

Mr. MORSE. Am I correct in my understanding it is the position of the Senator from Kentucky that even though a Senator sought from Government employees information which was not security information, nevertheless such an attempt to set himself up as an interferor with the operation of the executive department of government would be a course of conduct which would not be in the best traditions of the Senate?

Mr. COOPER. I agree with the Senator. The courts and the Congress have given to committees tremendous power. The committees have the power to subpena witnesses, to subpena papers, and to compel the production of papers. Such a procedure is the proper way .to obtain evidence; either through compelling the attendance of witnesses or the production of papers.

Mr. MORSE. Mr. President, will the Senator yield for a further question?

Mr. COOPER. I yield.

Mr. MORSE. I seek only to understand the Senator's position. If his position is what I think it is, I am in agreement with it.

Is it the position of the Senator from Kentucky that if a Senator, be he chairman of a committee or not, should seek to set himself up as a receptacle for receiving from Government employees complaints and criticisms and alleged information of wrongdoing, such a course of conduct in and of itself would be bound to negatively affect morale in the Government service in the executive branch of Government; and such a course of action on the part of a Senator would not be in keeping with the best traditions of the Senate?

Mr. COOPER. I agree with the Senator.

It may be argued that the powers which are ordinarily applicable in congressional investigations are not effective in the case of investigation of communism in Government, and that legalistic and theoretical standards have no practical effect in dealing with the menace of communism.

I answer by saying that other committees of the Senate which have dealt with aspects of loyalty, and aspects of security, of Communist subversion, and of crime, have followed standards and have achieved successes which the Senate and the Nation have approved. I point out as examples of my statement the investigations conducted by the late and distinguished Senator from North Carolina, Senator Clyde Hoey; by the Senator from Tennessee [Mr. KEFAUVER]; by the Senator from Indiana [Mr. JENNER], as chairman of the Subcommittee on Internal Security; and the Senator from Iowa [Mr. HICKENLOOPER], as chairman of a subcommittee of the Committee on Foreign Relations. I can add, if the Senator from Indiana will permit me to do so, the FHA investigation presently being conducted by the distinguished Senator from Indiana [Mr. CAPEHART].

Both the junior Senator from Wisconsin and the Senator from Iowa [Mr. HICKENLOOPER] investigated the United States information program. And as arbiter of the work done by the two groups, there is the distinguished United States Advisory Commission for Information; composed of Erwin Canham, editor of the Christian Science Monitor; Philip D. Reed, chairman of the board of the General Electric Co.; Ben Hibbs, editor of the Saturday Evening Post; and Justin Miller, chairman of the board of the National Association of Radio and TV Broadcasters.

This group reported on February 3, 1954, that the kind of investigation conducted by the junior Senator from Wisconsin had crippled the country's global information program. Referring to the inquiry of the junior Senator from Wisconsin, the Commission said:

> The wide and unfavorable publicity that resulted from one of the congressional investigations gave the agency such a bad name that professionally competent persons were reluctant to accept employment in it.

Some of these investigations, the Commission said, have produced unfavorable impressions abroad on the very persons to whom the program is directed.

On the other hand, the Commission found that a Senate Foreign Relations Subcommittee, headed by the Senator from Iowa [Mr. HICKENLOOPER], had rendered thoroughly and extremely constructive service in revealing both the strength and weaknesses of the information program.

A second reason which impels me to vote for this motion grows from my belief that it is a responsibility of those who compose the Government to uphold in every possible way the rights of individuals under law and their integrity and freedom. It is certainly a responsibility of those who represent the people to set the example for these high purposes. In this respect I believe the junior Senator from Wisconsin has not met the responsibiilties of his powerful position.

Mr. WELKER. Mr. President, will the Senator yield for a question?

Mr. COOPER. I yield.

Mr. WELKER. I wonder if my distinguished friend and colleague could help me by drawing a line as to how far a Senator should go, not only in the investigatory field, but also when he speaks in the Senate to the American people, through the CONGRESSIONAL RECORD, and discusses matters which pertain to the very future of our country?

I think the Senator will admit that he and I have heard it said upon the floor of the Senate that the present President of the United States was in effect a despicable character; that he had misled—which means "lied to"—the American people; that he was a man who wanted to hurt the poor people; and things of that sort.

I suppose that is legitimate debate; but I am wondering if the Senator from Kentucky can tell me just how far this so-called code of ethics should go? Where is the stopping place?

If the Senator will allow me a further comment, I remember in the days of ex-President Truman when there was a demand from the floor of the Senate, in loud and unruly language, that he be impeached, that he be thrown out of office for his actions while doing what I am sure he thought was best for his country.

I have heard other Senators say ex-President Truman was nothing but a "little ham actor" and things of that sort.

Where is the invisible line we are supposed to follow in our conduct while representing the people of the United States?

Mr. COOPER. I have said on many occasions that I opposed and I did not like the conduct of investigations by Senator MCCARTHY, but in all the controversy which has taken place about the junior Senator from Wisconsin during the last 2 years, I have never made a denunciatory statement about him, nor have I made a statement about him as an individual.

One of the reasons I would not do so—and I do not say this politically, but because I believe it—is that in the last 20 years there has developed in this country the practice of denunciation of people who did not happen to agree with the views of those who are in power. That atmosphere, of denunciation has in my opinion contributed to some of the difficulties we are now having with respect to this committee.

I will say further, that when I read the numerous letters I receive upon this subject, it is always surprising to me that many of those who oppose bitterly Senator MCCARTHY call for the same tactics for which they critize him. They demand the extra legal action that they charge him with practicing.

These are some of the factors which have led me to avoid the business of denunciation.

However, in the conduct of his investigations the junior Senator from Wisconsin has, in my view, first abused his powers; and, second, he has in my judgment, been heedless and reckless of the rights of individuals.

Mr. WELKER. Mr. President, will the Senator further yield?

Mr. COOPER. I yield.

Mr. WELKER. I am afraid the Senator misunderstood my question. I wanted to ask my distinguished friend how far we as Senators can go in debate in this Senate? Can we denounce the President? Can we call him a fraud and a man who has misled the American people?

I have heard charges made here that the junior Senator from Wisconsin in this matter has been unjust toward certain people, some famous people and some not so famous.

Suppose, for the purpose of this question only, I should say that the Secretary of State was dishonest and was a traitor to his country? Would I not then be subject to the same penalties and provisions of this proposed censureship rule?

Mr. COOPER. I am not so certain about that. It is my view in the expression of opinions by any Senator on the floor of the Senate, it is a matter of the Senator's own responsibility and judgment as to what criticism he makes of the executive branch of the Government. If in the expression of his views he made statements which were clearly untrue, and known by him to be untrue, I am certain the Senate could take such action it deemed proper. I think there is and should be wide latitude in the expression of opinions in debate on the Senate floor.

I am not talking about that kind of situation. I am talking about a situation where the Senate has entrusted to one of its Members a tremendous power, which, in reality is the Senate's power. It seems to me there then is a great responsibility upon those entrusted with that power to exercise it properly.

Mr. WELKER. Mr. President, will the Senator yield for one further question?

Mr. COOPER. I yield.

Mr. WELKER. I think I observed when I came in the Chamber that the Senator was discussing the matter of receiving secret documents or encouraging people to give information.

Mr. COOPER. Yes, sir.

Mr. WELKER. I am wondering what the Senator would do and what the American people would do should they discover that a known spy, such as Harry Dexter White, was in the Government, that he wanted to mislead the employees who worked under him, and so would stamp certain documents top secret, which would keep the information they contained from ever being divulged. Would the Senator say that the conduct of another Senator, whether the junior Senator from Wisconsin [Mr. MCCARTHY], the Senator from Indiana [Mr. JENNER], the senior Senator from Indiana [Mr. CAPEHART], the Senator from Idaho, or any other Senator, would be guilty of a great tort in the event he exposed that situation and sought to save his country?

Mr. COOPER. Again, the Senator has not referred to the case about which I was speaking. I am speaking of the statement of the junior Senator from Wisconsin in which he is reported to have called upon 2 million employees of the executive branch of the Government to turn over to him any information which they had.

Mr. WELKER. If the Senator from Kentucky will allow me, I should like to ask if he assumes the employees would do that unless they believed in their own hearts that treason or sabotage or espionage was being perpetrated by their superiors?

Mr. COOPER. I would say that if the employees followed the request of the junior Senator from Wisconsin, they could turn over to him anything that they thought was important from their own viewpoint. It might be information about some other employee of the Government. It could be any kind of information.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. COOPER. I yield to the Senator from Indiana.

Mr. CAPEHART. I have before me Public Law 601, 79th Congress. Under "Standing Committees of the Senate," on page 6, appears the Committee on Expenditures in the Executive Departments, which is the committee of which the junior Senator from Wisconsin is the chairman. Among its duties are the following, and I should like to read them:

(g) (1) Committee on Expenditures in the Executive Departments, to consist of 13 Senators, to which committee shall be referred all proposed legislation, messages, petitions, memorials, and other matters relating to the following subjects:

(A) Budget and accounting measures, other than appropriations.

(B) Reorganizations in the executive branch of the Government.

(2) Such committee shall have the duty of—

(A) receiving and examining reports of the Comptroller General of the United States and of submitting such recommendations to the Senate as it deems necessary or desirable in connection with the subject matter of such reports.

This is the important one:

(B) studying the operation of Government activities at all levels with a view to determining its economy and efficiency,

(C) evaluating the effects of laws enacted to reorganize the legislative and executive branches of the Government,

(D) studying intergovernmental relationships between the United States and the States and municipalities, and between the United States and international organizations of which the United States is a member.

It states "Government activities at all levels."

The question which concerns me in that respect, as chairman of a committee, is how a committee is going to get information and make a study of such matters. For instance, the committee of which I am chairman is studying at the moment scandals in the FHA. How can a committee obtain the information it needs unless it is obtained from FHA employees and FHA officials? In other words, if the President of the United States has the right to say to every FHA official and employee, "You cannot, or you dare not, give any information to a committee," how is that information to be obtained? Is it not just as dangerous to give the President the authority to say that about 2½ million employees of the Government shall give the Senate no information as it is for a chairman of a

committee to insist upon employees giving the committee secret information? I certainly am opposed to Federal employees giving secret information to anybody other than those authorized to receive it.

The question that comes to my mind arises because of the newspaper report which was referred to, and which I read also, and I think every other Member of the Senate probably read. The report had to do with secret information or information concerning governmental operations. The committee of which the junior Senator from Wisconsin is the chairman has the authority to investigate and the responsibility of investigating all governmental organizations or departments at every level.

I remember that I was on the committee on committees of my party, and I suppose I still am, when the junior Senator from Wisconsin was placed on that committee. I remember that the junior Senator from Wisconsin objected to becoming a member of that committee. He did not want to go on it. The committee was considered a minor one, and he objected very strenuously. Perhaps some of the Senators present may remember how strenuously the junior Senator from Wisconsin objected to going on that committee. In fact, he came to the committee on committees at the time and said he opposed it. He said he did not like the idea of being on that committee.

Mr. WILEY. Mr. President, if the Senator will yield, I should like to ask him if he is referring to the junior Senator from Wisconsin?

Mr. CAPEHART. I am referring to the junior Senator from Wisconsin.

The question is where the line should be drawn, and what is the point beyond which Government employees should not give Congress information.

Mr. COOPER. The Senator from Indiana asked me if the statement of the junior Senator from Wisconsin referred to classified information. I should like to answer that it certainly did.

Mr. CAPEHART. The best information of the Senator from Kentucky is that the junior Senator from Wisconsin was talking about classified information?

Mr. COOPER. Yes.

The second question asked me was where the line should be drawn. There is no way whereby anyone can draw a line. There is involved a general power of Congress to investigate. There are certain areas reserved to the Executive by the Constitution which Congress cannot invade. The conflict over the powers of the legislative and executive branches of Government has been going on for years. The point I make is that, with respect to the present conflict, it is not being solved by moderation or adjustments, but the Senator from Wisconsin has taken to himself the power to decide questions of the separation of powers for himself.

I recognize that investigations raise the ancient dilemma of balancing the rights of individuals and the national interests. It is true that in the case of the most circumspect committee there is no way to avoid inadvertent harm to an individual. As it is in the courts, the act of calling a person before a committee exploring subversive activities may place him under a cloud, though he may be free of fault. There is no way that this can be avoided. But in hearings before committees, there is a wider latitude for harm because they cannot be surrounded by the safeguards and procedures of a court.

Mr. MORSE. Mr. President, will the Senator yield for a question?

Mr. COOPER. I yield to the Senator from Oregon.

Mr. MORSE. I should like to go back at this point to the procedure that is followed by a Senator or a chairman of a committee in getting information from a Government employee. Is it the understanding of the Senator from Kentucky, as it is mine, that the junior Senator from Wisconsin sought to get classified information from Government employees?

Mr. COOPER. My recollection is that the junior Senator from Wisconsin had received classified information from an officer of the Army, and the question was raised about that. The Attorney General issued a statement in which he said:

> The executive branch of the Government has the sole and fundamental responsibility, under the Constitution, for the enforcement of our laws and Presidential orders. They include those to protect the security of our Nation which were carefully drawn for this purpose. That responsibility cannot be acquired by any individual who may seek to set himself above the laws of our land or to override the orders of the President of the United States to Federal employees in the executive branch of the Government.

Either before that time or after that time the junior Senator from Wisconsin made the statement that he felt it was the duty of 2 million Federal employees to give his committee any information the committee requested.

Mr. MORSE. My next question is this: Am I correct in my understanding that the Senator from Kentucky takes the position that every committee of the Senate now has procedural power, by way of invitation, or, if unaccepted, by way of subpena, to call before it Government employees for such information as they are free to give, subject, of course, to the separation of powers doctrines and the rights relative thereto vested in the President of the United States? Is that the position of the Senator from Kentucky?

Mr. COOPER. The Senator from Oregon is correct. In case after case the courts have held that congressional committees have the broadest power to compel the attendance of witnesses or papers. Further, the Congressional Reorganization Act, which always is referred to as a model, specifically gives our standing committees these powers.

Mr. MORSE. Mr. President, will the Senator from Kentucky yield for a further question?

Mr. COOPER. I yield.

Mr. MORSE. Then does the Senator from Kentucky agree with me that when we consider the Reorganization Act and the language which has been read by the Senator from Indiana [Mr. CAPEHART], which gives to the Senate Committee on Government Operations—now the so-called McCarthy committee—jurisdiction to investigate the operation of Government activities at all levels, it means, of course, subject to the limitation of the inherent rights of the Congress and the inherent rights of the Executive under the separation-of-powers doctrine?

Mr. COOPER. Of course, every member of the Government is bound by the Constitution and the laws, just as much as is a private individual. In fact, I think in that respect there is a greater responsibility upon those of us who serve in the Congress, because we make law, we set standards.

Mr. MORSE. Then, is it the understanding of the Senator from Kentucky that all the Attorney General sought to point out in the section of his speech which the Senator from Kentucky has read is that the executive branch of the Government, under this administration, intends to exercise its rights under the separation-of-powers doctrine, and intends to resist any attempt on the part of any congressional committee to encroach upon the executive powers of the President?

Mr. COOPER. That is correct.

Mr. President, I should like to conclude. I shall proceed for 1 or 2 minutes longer.

I desire to make clear that congressional committees have broad power to investigate the executive branch of the Government. Some persons seem to think congressional committees do not have such power. However, Mr. President, they have the widest power. But, at some point, there is a line where the constitutional powers of the Executive obtain; and beyond that point we cannot go.

It is not always easy to define an abuse of the rights of an individual. In some cases the letter of the law is not violated although the spirit of the law may be. But if over a period of time denunciations of individual attitudes and language which evidence a heedless disregard of the rights of individuals who appear before a committee—whether they be guilty or innocent—continue, then it seems to me that the great principle of justice under law must deteriorate and weaken.

Everyone who has been a lawyer and who is familiar with the courts knows that a good judge observes strictly the letter of the law and the spirit of the law in his conduct, his attitude, and his expression. Similarly, we know that a judge who is not a good judge can, by his attitudes and conduct, create an atmosphere difficult for those who are in his court. It may be argued again that in this case the fight is against communism, and that ordinary methods and standards will not work. At this time, I refer to a statement of the junior Senator from Wisconsin, which I have read from time to time. I have read that he has said that strong means are required in Communist investigations. I am certain that vigorous methods are required; and I am certain that there are some persons who are fitted to do this work, and others who are not. I myself would not be, as others would be. But I make the point that there is no valid argu-

ment for the use of unauthorized power; it is the old plea of emergency as reason for power. It is the old excuse for heedless treatment of the rights of individuals. As we look back over the past 20 years, we remember the cry of "emergency." It was used as an excuse for the court-packing scheme, and for the expulsion of American citizens from their homes on the Pacific coast during World War II. It was the basis of the proposal in 1945 that the Government draft into the Army striking workers; and, not long ago, it was the basis of the proposal to seize the steel mills, under a claim of inherent power.

Another unfortunate aspect of the past which I have mentioned was the practice of denunciation, the practice of charging impure motives, against those in opposition to those currently in power. It is ironic that some of those who today protest so bitterly, and I think with reason, against the action of the junior Senator from Wisconsin, in his investigations at other times advocated expedients and denounced those who disagreed with them.

There can be no doubt that our country and our liberties are threatened by aggressive communism. There can be no doubt that we must oppose it, and we must make its purpose clear, so that we may prevent subversion in our Nation. In order to do that, the people of the United States are making great sacrifices now to assure their security and freedom. In this connection the congressional investigating committees have a great and a rightful place. But if it is argued that security can only be assured by exceeding the powers of the Government—in this case the legislative branch and its arms—its committees, then our fight has no meaning, and it may be foredoomed.

Mr. President, in this connection I quote the well-known words of Justice Davis, in the famous case of ex parte Milligan:

> The Constitution of the United States is a law for rulers and people, equally in war and in peace, and covers with the shield of its protection all classes of men at all times and under all circumstances. No doctrine involving more pernicious consequences was ever invented by the wit of man than that any of its provisions can be suspended during any of the great exigencies of government. Such a doctrine leads directly to anarchy or despotism. But the theory of necessity on which it is based is false, for the Government within the Constitution has all the powers granted to it which are necessary to preserve its existence.

Mr. President, I am sure it is of the greatest importance to the maintenance of our free system of government and its triumph over communism, that the spirit and form of our free system shall not be compromised or lost in any respect. Certainly this is a responsibility of every branch of the Government and of every committee of the Congress and of every officer and representative of the people.

I am indeed sorry we are called upon to act on this resolution. But we are not responsible for the fact that we are called upon to act. I do not consider that the vote which I shall cast in favor of adoption of the resolution will be cast against due process or orderly procedure.

Sometime ago I decided that I would vote in favor of the resolution, because I believe in orderly procedure in government—the rightful exercise of power, the due process of law, and the rights of individuals under the law. Although procedures are important, the substantive rights of which I have spoken, are, in my view, the rights which are at issue before the Senate today.

Mr. SMITH of New Jersey. Mr. President, will the Senator from Kentucky yield for a question?

Mr. COOPER. I yield.

Mr. SMITH of New Jersey. Does the Senator from Kentucky agree with me that the protections which are being urged here, as protections of the junior Senator from Wisconsin in connection with the procedure in the Senate, are exactly the same as the protections we are criticizing the junior Senator from Wisconsin for not observing in his investigatory procedures at the hearings?

Mr. COOPER. That is my view. I think they should be available to him as well as to all who appear before congressional committees.

I think the Senate has the right to say that we are now in the forum in which to have discussion, in which to make specifications, and in which to reach a decision. That will be decided as the debate proceeds.

Mr. MORSE. Mr. President, I ask unanimous consent to be allowed to file with the clerk of the Senate not later than midnight tonight certain amendments to Senate Resolution 301.

The PRESIDING OFFICER. Is there objection?

Mr. KNOWLAND. So that they will be printed and lie upon the table?

Mr. MORSE. So that they will be printed and be available Monday morning.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MORSE. Mr. President, if the Senator will permit me to make one other statement, I wish to say that I will be free on Monday, of course, to modify them, depending upon the debate in the Senate today. I have been working on this matter all day and have not heard much of the debate. I will read the RECORD tomorrow.

In closing, let me say that stories to the contrary notwithstanding, it is not the position of the Senator from Oregon that action on the issue before the Senate should be postponed until sometime next session. I am for taking action before this session adjourns, but I am for taking action on the basis of a resolution that sets forth specific charges.

While I am on my feet, I ask unanimous consent to have printed in the RECORD certain communications showing a cross-country reaction to the fight some of us made against the atomic energy bill.

The PRESIDING OFFICER. Without objection it is so ordered.

[The communications referred to appear in the RECORD under an appropriate heading.]

SOVIETS ARE PREPARING DICTIONARIES IN 80 LANGUAGES

Mr. WILEY. Mr. President, I have received a message from Mr. Mortimer Graves, executive director of the American Council of Learned Societies, pointing out that, according to a Pravda item, the Soviet Union is producing dictionaries in 80 languages. Some of those languages are native to various sections of the U. S. S. R. Most of them are completely outside the Iron and Bamboo Curtains.

The Pravda item gives food for thought to every friend of freedom who is concerned about our winning the battle for men's minds. If we who are producing dictionaries for but a few languages cannot even communicate with foreign peoples because of the language barrier, how can we get across to them the message of freedom? How can we antidote Soviet lies and rot?

We had better start applying ourselves in the direction of communication with foreign peoples—communication by the printed word, by the still photograph, by the motion picture, by the television screen, by the radio broadcast.

I send to the desk the text of Mr. Graves' letter and ask unanimous consent that it be printed at this point in the body of the CONGRESSIONAL RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

AMERICAN COUNCIL OF LEARNED SOCIETIES,
Washington, D. C., July 4, 1954.

DEAR FELLOW CITIZEN: We think you need to know that the Soviets are not only producing atomic and hydrogen bombs; they are producing dictionaries in 80 languages; they know that it is a war for men's minds. Here is their list: Adygei, Afghan (Pashto), Albanian, Amharic, Arabic, Avar, Bashkir, Belorussian, Bengali, Bulgarian, Buryat-Mongol, Burmese, Chinese, Chukot, Chuvash, Czech, Danish, Dutch, English, Erzyan, Eskimo, Even (Lamut), Evenki, Finnish, French, German, Greek, Gujarati Gypsy, Hindi, Hungarian, Indonesian (Malay), Italian, Japanese, Kabardin, Karakalpak, Kazakh, Khakass, Khanti, Komi, Korean, Koryak (Nymylan), Kurdish, Lamut (Even), Latin, Lithuanian, Malay (Indonesian), Mansi, Marathi, Mari, Mokshan, Moldavian, Mongolian, Nenets (Samoyed), Norwegian, Nymylan (Koryak), Oirot, Ossetian, Pashto (Afghan), Persian, Polish, Portuguese, Punjabi, Rumanian, Samoyed (Nenets), Serbocroatian, Siamese (Thai), Spanish, Swahili, Swedish, Tadjik, Tamil, Telegu, Thai (Siamese), Tibetan, Turkish, Turkmenian, Tuvinian, Udmurt, Uigur, Ukrainian, Urdu, Uzbek, Vietnamese, Yakut, Zulu, and many others, according to the statement, believed to be fairly accurate, on page 3 of Pravda, April 29, 1954, as translated for you by the Current Digest of the Soviet Press [May 12], published each week by the joint committee on slavic studies appointed by the American Council of Learned Societies and the Social Science Research Council.

All 80 cost less than 1 round-trip bomber. We are making dictionaries, too—three of them so far—and we'll start the fourth when we can find the money for it.

Sincerely yours,

MORTIMER GRAVES,
Executive Director.

(American Philosophical Society, 1743; American Academy of Arts and Sciences, 1780; American Antiquarian Society, 1812; American Oriental Society, 1842; American

Numismatic Society, 1858; American Philological Association, 1869; Archaeological Institute of America, 1879; Society of Biblical Literature and Exegesis, 1880; Modern Language Association of America, 1883; American Historical Association, 1884; American Economic Association, 1885; American Folklore Society, 1888; American Philosophical Association, 1900; American Anthropological Association, 1902; American Political Science Association, 1903; Bibliographical Society of America, 1904; Association of American Geographers, 1904; American Sociological Society, 1905; College Art Association of America, 1911; History of Science Society, 1924; Linguistic Society of America, 1924; Mediaeval Academy of America, 1925; American Musicological Society, 1934; American Society for Aesthetics, 1942.)

THE FEDERAL AIRPORT PROGRAM

Mr. KUCHEL. Mr. President, will the Senator yield?

Mr. KNOWLAND. I yield.

Mr. KUCHEL. I had prepared a statement on the third supplemental appropriation bill which I intended to read. But in the interest of time I ask permission that it be printed in the body of the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR KUCHEL

THE FEDERAL AIRPORT PROGRAM

The President's request, while short of nationwide civil airport needs, would permit the most urgent projects to proceed and would serve as recognition of Federal responsibility in this field. The President in his letter of transmittal to the House Appropriations Committee said:

"Pending a reappraisal of the appropriate Federal role in airport construction, no new program funds were appropriated in fiscal 1954 or requested in the 1955 budget. As a result of a review by the Department of Commerce it has been decided to continue Federal participation with State and local governments in such airport construction projects as will clearly serve the national interest in air safety and the movement of air traffic."

The junior Senator from California supports the President in this request and commends the administration for its vision and recognition of the needs of what may truly be called the air age. That this is so is shown by the fact that within the past 2 months major airlines in the United States have inaugurated service that brings California within 8 flying hours of the Nation's Capital. This achievement is all the more astounding to one from a State which abounds in tales of hardship and travail by those who traveled to the Golden West to settle and pioneer in that State.

More than 1,500 communities in the United States have provided local tax dollars to match Federal airport funds since 1946. Nearly 5 percent of them are in California. All have signed splendid sponsors assurances and agreements with the Federal Government to operate their public airports with essential facilities for every class of aeronautical user, on fair and reasonable terms and without unjust discrimination. A very large majority of these airport operators have secured a small amount of Federal aid on one or more of the projects which are part of an overall master plan for this Nation's airport development. They had expected other projects to follow over 3 to 5 years, while the master plan was being completed with Federal aid. However, all Federal aid was cut off on June 30, 1953, leaving airport sponsors alarmed and seriously concerned about operational, developmental, and related airport problems. Considerable time was required by prospective airport sponsors to establish the legislation which would enable them to acquire local matching funds. Some municipalities, in good faith and in anticipation of a continuing Federal-local partnership, floated bond issues for airport development. Those cities have been forced to curtail airport improvements because Federal funds were not available. Some, like San Francisco, have even had to pay interest on money which was not being put to use because of the unavailability of Federal matching dollars which were reasonably anticipated.

Cities own and operate the major airports of the Nation. In my own State of California, there are over 50 municipal airports. They were the chief sponsors of the Federal Airport Act of 1946. While it is true that airports are a public benefit to the cities they serve, it is also equally true that their major benefit is to the Nation. Airports are vital to national defense and to the progress of our country. We are fond of saying that this country affords the greatest mobility to its citizens, of any country in the history of the world. Since the pace of the Nation is geared to transportation, and since we are living in the "air age," it is essential that we do not retard further, the program of developing the Nation's airports.

A national system of airports is required for the national defense, business convenience, and public safety. The present system of airports has been built, maintained, and operated primarily by a joint Federal-municipal cooperation. The cutoff of Federal funds last June threatened this development with strangulation. Well-qualified representatives of the Nation's airport system have testified to the fact that since this cutoff there has been an alarming drop in the development of plans for new and improved airports. We cannot allow this to continue.

At a time when we are authorizing $875 million for highway transportation annually we cannot continue to neglect our national airport system. The partnership must continue if we are to have adequate airports. It cannot be dissolved because one of the partners fails to make a financial contribution to it. If the partnership is dissolved, then the national system of airports is in danger of dissolution.

Mr. President, a great American President, John Quincy Adams, in his first message to the Congress of the United States said:

"No government, in whatever forms constituted, can accomplish the lawful ends of its institution but in proportion as it improves the condition over whom it is established. Roads and canals, by multiplying and facilitating the communications and intercourse between distant regions and multitudes of men, are among the most important means of improvement."

Who can doubt that President Adams would have included airports in that splendid description of the purpose of government, had the airplane been known to his day? What was true for roads and canals in President Adams' day is true for airports in President Eisenhower's day. Instead of roads and canals we need to think of air transportation—to meet the needs of the atomic age. It is essential, in the national interest, that we have a system of airports in order to haul startegic goods and manpower. A national system of airports is needed. It is a field in which the Federal Government has a legitimate, paramount interest. Airports will not be built, as the statistics of the past year show, unless the Federal Government fulfills its share of the responsibility. President Eisenhower has requested that we fulfill that responsibility by appropriating no less than $22 million for the next fiscal year. I support that request and stand ready to vote in favor of the President's supplemental budget item.

I beg leave to extend in the RECORD a report of the airport panel of the Transportation Council of the Department of Commerce. Earlier this year this distinguished study group, appointed by the administration, came up with 15 major recommendations. I should like to make them a part of the RECORD and to read to my colleagues the major finding which the panel made after taking a new look at the national-airport program:

"The studies undertaken by the panel have revealed that States and municipalities and other local political units alone are unable to carry the capital-investment burden involved in providing an adequate system of national airports. Therefore, it is the unanimous opinion of the panel that it is the responsibility of the Federal Government to give financial assistance to local governments in developing airports which are in the national interest."

I am firmly convinced of the merit of this program. I hope the Senate will be so convinced when appropriations are considered.

I am delighted to observe that the Senate Committee on Appropriations has seen fit to include an item for the reactivation of the Federal airport program. This is in consonance with the recommendations of President Eisenhower.

RECESS

Mr. KNOWLAND. Mr. President, under the previous order of the Senate, I move that we now stand in recess until 12 o'clock noon on Monday next.

The motion was agreed to; and (at 6 o'clock and 24 minutes p. m.) the Senate took a recess, the recess being under the order previously entered, until Monday, August 2, 1954, at 12 o'clock meridian.

CONFIRMATIONS

Executive nominations confirmed by the Senate July 31 (legislative day of July 2), 1954:

POSTMASTERS

ALABAMA

Wanda M. Shattuck, Brookwood.
Martha J. Wyatt, Pike Road.
Charlie B. Edwards, Sycamore.

CALIFORNIA

John D. Stephenson, Norwalk.

COLORADO

George E. Hamblin, Akron.
Ruby M. Colopy, Lake City.
George M. Price, Manitou Springs.
William E. Baker, Morrison.

CONNECTICUT

Burton W. Henry, Hazardville.
Calvin E. Kirchhoff, Quaker Hill.

DELAWARE

Charles S. Willin, Bridgeville.

FLORIDA

Delmer T. Warren, Fern Park.
Chauncey L. Costin, Port Saint Joe.

GEORGIA

Frances Marion Clark, Blythe.

IDAHO

Howard L. Jenkins, Naples.

ILLINOIS

Mary N. Ceyte, Bulpitt.
Weldon A. Tranbarger, Franklin.

INDIANA

David H. Jordan, Dunreith.

IOWA

Wendell T. Smith, Mount Pleasant.
Charles R. Mayo, Pocahontas.
Loretta M. Steffens, Rowan.
Donald R. deGooyer, Sioux Center.

MAINE

William C. Lint, Mapleton.

MASSACHUSETTS

Joseph A. Boudreau, Jr., Fiskdale.

MICHIGAN

Clarence L. Carlson, Whitehall.

MINNESOTA

Leslie E. Torrison, Buffalo.
Harold F. Otto, LeRoy.

MISSISSIPPI

Delmer E. Edwards, West Point.

NEBRASKA

Reynold F. Nelson, Gordon.
Russell M. Abrams, Stapleton.

NEW HAMPSHIRE

Carl Chase Blanchard, Farmington.
Frederick James Rowe, Portsmouth.

NEW JERSEY

Paul R. Cronce, Frenchtown.
Theodore Lee Adams, Ocean City.
Bruno P. Zorn, Waldwick.

OHIO

John L. Bricker, Mount Sterling.

OREGON

Myrl A. Haygood, Philomath.
Daniel W. Macy, Warm Springs.

PENNSYLVANIA

Lydia S. Love, Cheyney.
John W. Beach, Fairfield.
John W. Reznor, Greenville.
Leonard Wayne Elder, Rochester Mills.
Esther S. Neeld, Wrightstown.

SOUTH CAROLINA

Raphael L. Morris, Clemson.

SOUTH DAKOTA

Casimir F. Kot, Stephan.

VERMONT

Morris W. Depew, Dorset.

VIRGINIA

William L. Pickhardt, Chester.
Beulah W. Davis, Concord.
Marion L. Beeton, Lexington.
Richard F. Weaver, New Market.
Ralph T. Phillips, Parksley.

WISCONSIN

Clifford J. McKenzie, Centuria.
Virginia F. Waupochick, Keshena.
Amy J. Pofahl, Pleasant Prairie.
Estelle W. Hill, Sarona.
Herbert N. Hoskins, Shell Lake.
Wallace L. Nelson, Siren.

WYOMING

Evalee V. Arnwine, Linch.

WITHDRAWAL

Executive nomination withdrawn from the Senate July 31 (legislative day of July 2), 1954:

INTERSTATE COMMERCE COMMISSION

Charles H. Grossman, of New Mexico, Director of Locomotive Inspection.

EXTENSIONS OF REMARKS

Tenth Anniversary of the Battle of Warsaw

EXTENSION OF REMARKS
OF
HON. PAUL H. DOUGLAS
OF ILLINOIS
IN THE SENATE OF THE UNITED STATES
Saturday, July 31, 1954

Mr. DOUGLAS. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD a statement I have prepared on the 10th anniversary of the Battle of Warsaw. This statement commemorates one of the bravest uprisings in the history of man, and also condemns one of the foulest betrayals in the history of man.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR DOUGLAS

Tomorrow, August 1, is the 10th anniversary of the Battle of Warsaw. It is the anniversary of one of the bravest, most heroic uprisings in the history of man. It is also the anniversary of one of the foulest betrayals in all of man's long history.

The Communists are adept in betrayal; it is their stock in trade.

The Warsaw uprising was instigated by the Russian Communist high command. On July 31, 1944, the Russian armies were within a few miles of the tortured city, and the shelling of the Germans could easily be heard. On that evening, the Russians continued their radio appeals for an uprising within the city, and announced a general attack from their positions a few miles to the east.

At once, the Polish underground went into action. As the brave General Bor described it, "in 15 minutes an entire city of a million inhabitants was engulfed in the fight. * * * The battle for the city was on."

The carnage was indescribable.

Immediately, the Communist Russian radio went silent, the Communist armies ceased their attacks and their shelling of the Nazi forces, and halted all air activity. They simply sat down and waited for the Nazis to slaughter the brave Polish underground army. The Nazis were not slow to act. They moved in the Herman Goering Division, two S. S. tank divisions, pulled up artillery, cut the city into pockets, and started a methodical slaughter of the Polish people.

The Russian Communist armies and air forces made no move to relieve the Polish underground army of General Bor. Men, women, children fought bitterly, street by street and house by house; buried the dead insomuch as possible; cooked and delivered meals to the men at the rifles; tended the wounded who piled up in cellars and houses. Virtually the only weapons the Poles had with which to fight the Nazi tanks, artillery, and Luftwaffe were rifles, revolvers, and bottles filled with gasoline.

Meanwhile, the Warsaw radio made repeated appeals for help. The Communist armies did not budge.

In Churchill's Triumph and Tragedy a special chapter—The Martyrdom of Warsaw—is devoted to this betrayal. Repeatedly Mr. Churchill and President Roosevelt appealed to Marshal Stalin to set his armies in motion to relieve the city. He refused. Then they sought permission for the British-American Air Forces to make air drops of ammunition, food, medicine, and guns to the underground forces. In order to accomplish this, because of the distances involved, it was necessary to obtain Stalin's permission to fly on and land for refueling of the planes behind the Soviet lines.

This, Marshal Stalin bluntly refused, not once but many times. In Churchill's volume, one may read the series of urgent appeals to the Communist Marshal Stalin.

Not once did the Communists lift so much as a single rifle to support the uprising they had instigated. It soon became apparent that they were guilty of the most degrading perfidy; they were waiting for the Nazis to slaughter off the real resistance and patriotic leaders of the Polish peoples. Then, with the heart of Polish patriotism crushed, they would be free to impress on the Polish people their own puppet Lublin Communist controlled government.

The battle was being waged above ground and even in the sewers of the city. On September 4, the brave women of Warsaw broadcast a message to the Vatican. I want to repeat a part of it here:

"For 3 weeks, while defending our fortress, we have lacked food and medicine. Warsaw is in ruins. The Germans are killing the wounded in hospitals. * * * The Rusisan armies which have been for 3 weeks at the gates of Warsaw have not advanced a step. * * * God alone is with us."

Churchill said of the Communists:

"They wished to have the non-Communist Poles destroyed to the full, but also to keep alive the idea they were going to their rescue."

One of the last broadcasts before the Warsaw radio was silenced and the slaughter completed tells the entire story:

"This is the stark truth. We were treated worse than Hitler's satellites, worse than Italy, Rumania, Finland. May God, who is just, pass judgment on the terrible injustice suffered by the Polish nation, and may He punish accordingly all those who are guilty."

After more than 2 months of the bitterest fighting, the resistance was crushed—without a single act of the Russians to help the brave underground army.

Of the 40,000 men and women of the underground army, 15,000 were killed. Nearly 200,000 persons were wounded. Ten thousand Nazis were killed, 7,000 were missing, and 9,000 wounded. A mortal blow had been struck at the Germans, weakening them in the front of the Russian armies, but at a terrible cost.

I want to quote the final lines of Churchill's recital.

"When the Russians entered the city 3 months later, they found little but shattered streets and the unburied dead. Such was their liberation of Poland, where they now rule. But this cannot be the end of the story."

In remembering this 10th anniversary of the Battle of Warsaw, let us forget neither the Communist treachery against their own ally, nor Churchill's final statement:

"This cannot be the end of the story."

We must see to it that it will not be.

SENATE

MONDAY, AUGUST 2, 1954

(Legislative day of Friday, July 2, 1954)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

Maj. Robert D. Coward, chaplain, United States Air Force, Bolling Air Force Base, Washington, D. C., offered the following prayer:

Almighty God, our Heavenly Father, we invoke Thy divine blessing upon this session, as the honorable Senators of our United States accept herein the adventure and challenge of this new day. Bring us to this hour conscious of the prayers which were offered in our behalf this past weekend within the homes and churches of our land. Find us grateful for a people who thus support us as we deliberate and decree on what is best for our great Nation.

Most heartily we beseech Thee to grant Thy guidance unto our esteemed President, to all others in authority, and to the people who trust our leadership. To this end, grant loyalty and courage to the men and women who serve with our Armed Forces at home and abroad. Keep us mindful of the sacrifices many of them are making that our own defenses, and our aid to peace-loving nations, may be adequate. Inspire us with the deep values of our national heritage. Imbue us all with the spirit of wisdom, goodness, and truth; and so rule our hearts and bless our endeavors that good will, justice, and peace may everywhere prevail, to the honor of Thy holy name, through Jesus Christ our Lord. Amen.

THE JOURNAL

On request of Mr. KNOWLAND, and by unanimous consent, the reading of the Journal of the proceedings of Saturday, July 31, 1954, was dispensed with.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILL

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that on July 30, 1954, the President had approved and signed the act (S. 252) to permit all civil actions against the United States for recovery of taxes erroneously or illegally assessed or collected to be brought in the district courts with right of trial by jury.

ORDER FOR TRANSACTION OF ROUTINE BUSINESS

Mr. KNOWLAND. Mr. President, I ask unanimous consent that immediately following the quorum call there may be the customary morning hour for the transaction of routine business, under the usual 2-minute limitation on speeches.

The PRESIDENT pro tempore. Without objection, it is so ordered.

CALL OF THE ROLL

Mr. KNOWLAND. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The Secretary will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Goldwater	McCarthy
Anderson	Gore	McClellan
Barrett	Green	Millikin
Beall	Hayden	Monroney
Bennett	Hendrickson	Morse
Bricker	Hennings	Mundt
Bridges	Hickenlooper	Murray
Burke	Hill	Neely
Bush	Holland	Pastore
Butler	Humphrey	Payne
Byrd	Ives	Potter
Capehart	Jackson	Purtell
Carlson	Jenner	Robertson
Case	Johnson, Colo.	Russell
Chavez	Johnson, Tex.	Saltonstall
Clements	Johnston, S. C.	Schoeppel
Cooper	Kennedy	Smathers
Cordon	Kerr	Smith, Maine
Crippa	Kilgore	Smith, N. J.
Daniel	Knowland	Sparkman
Dirksen	Kuchel	Stennis
Douglas	Langer	Symington
Duff	Lehman	Thye
Dworshak	Lennon	Upton
Ellender	Long	Watkins
Ervin	Magnuson	Welker
Flanders	Malone	Wiley
Frear	Mansfield	Williams
Fulbright	Martin	Young
George	Maybank	
Gillette	McCarran	

Mr. SALTONSTALL. I announce that the Senator from Michigan [Mr. FERGUSON] is absent by leave of the Senate. The senior Senator from Nebraska [Mrs. BOWRING] and the junior Senator from Nebraska [Mr. REYNOLDS] are necessarily absent.

Mr. CLEMENTS. I announce that the Senator from Mississippi [Mr. EASTLAND] and the Senator from Tennessee [Mr. KEFAUVER] are absent on official business.

The PRESIDENT pro tempore. A quorum is present.

Routine business is now in order, under the 2-minute rule.

PROPOSED SUPPLEMENTAL APPROPRIATION, DEPARTMENT OF COMMERCE (S. DOC. NO. 151)

The PRESIDENT pro tempore laid before the Senate a communication from the President of the United States, transmitting a proposed supplemental appropriation for the Department of Commerce, in the amount of $25 million, for the fiscal year 1955, which, with the accompanying paper, was referred to the Committee on Appropriations and ordered to be printed.

STEAM GENERATING PLANT AT WEST MEMPHIS, ARK.—RESOLUTION OF WEST MEMPHIS CHAMBER OF COMMERCE

Mr. FULBRIGHT. Mr. President, I present for appropriate reference, and ask unanimous consent to have printed in the RECORD, a resolution adopted by the Chamber of Commerce of West Memphis, Ark., relating to the establishment of a steam generating plant at West Memphis. On page 11219 of the RECORD, I had printed in the RECORD a resolution adopted by the Memphis Chamber of Commerce which endorsed the establishment of a steam generating plant at West Memphis. This resolution expresses the appreciation of the West Memphis Chamber of Commerce for this splendid gesture and expression of friendliness toward the people of eastern Arkansas.

There being no objection, the resolution was ordered to lie on the table and to be printed in the RECORD, as follows:

RESOLUTION BY THE WEST MEMPHIS CHAMBER OF COMMERCE IN REGARD TO ACTION OF THE BOARD OF DIRECTORS OF THE MEMPHIS CHAMBER OF COMMERCE ENDORSING THE ESTABLISHMENT OF A STEAM GENERATING PLANT AT WEST MEMPHIS, ARK.

Whereas the West Memphis Chamber of Commerce and its industrial council have worked diligently to attract industry to West Memphis; and

Whereas the proposed $107 million steam generating plant to be built at West Memphis by private enterprise under the directive of President Eisenhower to supply power to the TVA for the Atomic Energy Commission represents the greatest industrial opportunity in the history of West Memphis; and

Whereas the proposed plant and the contract for its erection have been under a bitter and unjustified attack by the advocates of TVA and as a result the people of the Memphis area have not had access to the true and complete facts of the controversy; and

Whereas notwithstanding this public attack the board of directors of the Memphis Chamber of Commerce, after careful deliberation and thorough consideration of the facts of the case, did, by unanimous action and in the true spirit of free enterprise, pass a resolution endorsing the proposed generating plant at West Memphis and expressing a spirit of true friendship and real concern for the mutual interests of the people of Memphis, West Memphis, and eastern Arkansas; and

Whereas this resolution, when brought to the attention of the general public, the President of the United States, Members of the United States Congress, and representatives of other interested governmental agencies, did have a very direct and beneficial effect on the final decision of the United States in confirming the erection of the plant; and

Whereas this splendid gesture and expression of friendliness and cooperation has served to weave even closer the bonds of understanding between the people of eastern Arkansas and the people of Memphis; and

Whereas the action of the Memphis Chamber of Commerce and its extremely beneficial effect accruing to the community of West Memphis has been thoroughly considered by this board: Therefore be it

Resolved, That we, the board of directors of the West Memphis Chamber of Commerce do hereby and herewith express the undying gratitude and deepest appreciation of the people of West Memphis and eastern Arkansas to the board of directors of the Memphis Chamber of Commerce and to the members they represent for this forthright, voluntary, and effective expression of true friendship and cooperations; be it further

Resolved, That the members of this board do hereby affix their individual signatures to this resolution and order that it be presented to the Memphis Chamber of Commerce as a perpetual and lasting reminder of our appreciation and that a copy of the resolution also become a part of the permanent records of this chamber of commerce to be preserved for all to see and remember.

W. T. Ingram, President; James Bledsoe, First Vice President; Bernie McCarley, Second Vice President; J. C. Johnson, Third Vice President; Bernie McCauley, Treasurer; Bernard High; Ray Marley; Herman Spears; J. C. Temison; Margaret Woolfolk; R. J. Pryor; C. H. Rowton; Leonard Warden; Charles J. Upton; J. W. Rich; Hugh Chalmers.

This 24th day of July 1954.

LOWERING OF RETIREMENT AGE FOR SOCIAL SECURITY BENEFITS—RESOLUTION

Mr. KENNEDY. Mr. President, I present for appropriate reference, and ask unanimous consent to have printed in the RECORD, a resolution adopted at a meeting of the Franco-American War Veterans, Inc., Department of Massachusetts, Salisbury Beach, Mass., on June 4, 1954, relating to the lowering of the retirement age for social-security benefits.

There being no objection, the resolution was ordered to lie on the table, and to be printed in the RECORD, as follows:

DEPARTMENT OF MASSACHUSETTS,
FRANCO-AMERICAN WAR VETERANS, INC.,
New Bedford, Mass., June 14, 1954.

Hon. JOHN F. KENNEDY,
United States Senate,
Washington, D. C.

MY DEAR SENATOR: The Franco-American War Veterans, Inc., Department of Massachusetts, in convention assembled at Salisbury Beach, Mass., on June 4, 1954, adopted unanimously the following resolution with a directive that a copy be sent to you:

"Whereas many veterans of World War I are between the ages of 60 and 65; and

"Whereas no national emergency exists requiring more manpower in our defense establishments: Be it

"*Resolved*, That this convention go on record as approving legislation now being considered in Washington, D. C., recommending the lowering of the retirement age for social-security benefits from 65 to 60; be it further

"*Resolved*, That copies of this resolution be forwarded to all Senators and Representatives from the Commonwealth of Massachusetts."

It is their hope that you will favor such change.

THEODORE A. COTE,
Adjutant
(For the Department).

SUGGESTION FOR MAKING BIRTHDAY OF FRANKLIN DELANO ROOSEVELT A LEGAL HOLIDAY—RESOLUTION

Mr. KENNEDY. Mr. President, I present for appropriate reference, and ask unanimous consent to have printed in the RECORD, a resolution adopted by the New England conference, International Association of Machinists, in session on Saturday, April 24 and Sunday, April 25, 1954, in Portsmouth, N. H., suggesting that the birthday of Franklin Delano Roosevelt be made a legal holiday.

There being no objection, the resolution was referred to the Committee on the Judiciary, and ordered to be printed in the RECORD, as follows:

RESOLUTION OF INTERNATIONAL ASSOCIATION OF MACHINISTS, ARSENAL LODGE, NO. 150, WATERTOWN, MASS.

LEGAL HOLIDAY FOR BIRTHDAY OF FRANKLIN DELANO ROOSEVELT

Hon. JOHN F. KENNEDY,
Senate Office Building,
Washington, D. C.

DEAR SENATOR KENNEDY: Whereas Franklin Delano Roosevelt holds a high place in the memory of the people of this country both as a friend to labor and a great humanitarian; and

Whereas this memory should be perpetuated with other great Americans and statesmen: Therefore be it

Resolved, That the New England conference, I. A. of M. take the necessary steps to effect and promote legislation to make January 30, the birthday of Franklin D. Roosevelt a national holiday in his memory.

Sponsored by Arsenal Lodge 150, IAM.

Adopted by Massachusetts State council.

Resolution adopted by New England conference of machinists in session on Saturday, April 24 and Sunday, April 25, 1954, in Portsmouth, N. H.

T. P. CHRISTI,
Recording Secretary.

CAMBRIDGE, MASS.

CODE OF PROCEDURE FOR CONGRESSIONAL COMMITTEES—RESOLUTION OF MASSACHUSETTS BAR ASSOCIATION

Mr. KENNEDY. Mr. President, I present for appropriate reference, and ask unanimous consent to have printed in the RECORD, a resolution adopted by the Massachusetts Bar Association at their annual meeting in Swampscott, Mass., on June 26, 1954, relating to a code of procedure for congressional committees.

There being no objection, the resolution was referred to the Committee on Rules and Administration, and ordered to be printed in the RECORD, as follows:

MASSACHUSETTS BAR ASSOCIATION,
Boston, June 30, 1954.

The Honorable JOHN F. KENNEDY,
United States Senate,
Washington, D. C.

MY DEAR SENATOR KENNEDY: The members of the Massachusetts Bar Association at their annual meeting in Swampscott on June 26, 1954 adopted the following resolution:

"*Resolved*, That the Massachusetts Bar Association urge Congress to adopt a code of procedure for required use in all congressional committee hearings to which witnesses are subpenaed, and that copies of this resolution be sent to the United States Senators from Massachusetts and to the Speaker of the House of Representatives and to such other Members of Congress and such other bar associations as the executive committee may determine."

Your attention is respectfully called to the foregoing resolution in the hope that some such action as suggested may be taken promptly.

Respectfully yours,
ROBERT W. BODFISH,
President.

STATE DEPARTMENT ACADEMY FOR TRAINING DIPLOMATS—RESOLUTION

Mr. KENNEDY. Mr. President, I present for appropriate reference, and ask unanimous consent to have printed in the RECORD, a resolution adopted unanimously by the officers and members of Waltham Post 2152 of the Veterans of Foreign Wars of the United States, at the meeting held on Thursday, June 24, 1954, relating to the establishment of a State Department academy for the training of diplomats.

There being no objection, the resolution was referred to the Committee on Foreign Relations, and ordered to be printed in the RECORD, as follows:

The officers and members of Waltham Post 2152, Veterans of Foreign Wars of the United States, assert that the following facts and conclusions are self-evident to every intelligent citizen:

1. We win wars but lose the peace. The Second World War has been followed by international tension, expenditures of billions of dollars of American taxpayers' money to combat the menace of totalitarian communism at home and abroad, the Korean conflict, and increasing loss of freedom all over the world. Atomic war threatens. The American people ask, why? Why do we win wars but lose the peace?

2. The military victories achieved in war by our Armed Forces have been largely the result of two causes. First, the United States is the arsenal of democracy. Second, our Armed Forces have been under the command of superior leadership by qualified officers who have been properly trained. This proper training for our military leaders has been provided in important part by West Point and Annapolis.

3. The diplomatic weakness suffered in peace by our Government are demonstrated by the observation that there is less democracy in the world today than before our Armed Forces and our military leadership overcame the enemies of democracy. What has been won on the field of battle with a tremendous expenditure of blood and treasure has been lost at the conference table. Our diplomacy has failed to win the peace.

4. Our diplomacy has failed to win the peace because our diplomats have not been provided with the same advantages of full-time preparation for duties in the now all-important field of diplomacy that the diplomats of other nations have received. Our diplomats have not been given specific proper training in the knowledge necessary to getting along with other people in friendly human relations and in foreign affairs.

5. This specific proper training necessary to adequately equip our diplomats with keen political vision and absolute loyalty in exercising proficiency in representing the American people and American interests includes languages, customs, history, government, economics, and other means to sufficient knowledge, skill, and understanding in their negotiations with representatives of other countries: Therefore be it

Resolved, That our Government take an immediate forward step in the solution of the life and death problems which now beset our beloved country by the establishment of a State Department academy similar to West Point and Annapolis for the proper training of qualified leaders for our diplomatic service so that the American people will be assured of strong, intelligent, and loyal representation in the councils of the nations of the world.

ROBERT F. NICHOLS,
Commander.
JOHN J. COLEMAN,
Adjutant.

THE TAFT-HARTLEY LABOR LAW—RESOLUTIONS

Mr. KENNEDY. Mr. President, I present for appropriate reference, and ask unanimous consent to have printed in the RECORD, a resolution adopted by the New England Conference of Machinists, International Association of Machinists, on Saturday, April 24, and Sunday, April 25, 1954, at Portsmouth, N. H., relating to the so-called Taft-Hartley labor law.

There being no objection, the resolution was ordered to lie on the table and to be printed in the RECORD, as follows:

RESOLUTION OF INTERNATIONAL ASSOCIATION OF MACHINISTS, ARSENAL LODGE, NO. 150, WATERTOWN, MASS.

TAFT-HARTLEY LAW

Hon. JOHN F. KENNEDY,
Senate Office Building,
Washington, D. C.

DEAR SENATOR KENNEDY: Whereas the Taft-Hartley law has utterly failed as a Labor-Management Relations Act in bringing about

its heralded peace in industry, but has instead been the direct cause of much greater and more bitter industrial unrest; and has also succeeded by its illegal restrictions on the peaceful organizing activities of labor organizations in preventing hundreds of thousands of underpaid wage-earners from exercising their Constitutional rights of becoming members of a bona fide labor union of their respective choice; and

Whereas the said Taft-Hartley law by repealing the Norris-LaGuardia Act and removing that great legal protection that union men and women had in the event of a labor dispute with an employer; has set up procedure which has been and will continue to be of inestimable value to the sweatshop employers of the Nation by assisting hard-boiled management in enforcing intolerable conditions upon defenseless employees; and

Whereas the said Taft-Hartley law has successfully thwarted the efforts of the International Association of Machinists in its efforts, many times, to establish more equitable working conditions and wages for members of our craft in nonunion shops and factories, by reason that the law protects the antagonistic employer in his efforts to resist a labor union: Therefore be it

Resolved, That the New England Conference of Machinists, I. A. of M., in body assembled on Saturday, April 24, and Sunday, April 25, 1954, in Portsmouth, N. H., do hereby denounce and condemn the said Taft-Hartley law as being an unholy and immoral and degrading piece of antilabor legislation, and we also declare it to be at variance with the constitutional rights of American citizens, in their liberty of forming voluntary organizations, therefore, it should be repealed outright.

Fraternally yours,

T. P. CHRISTI,
Recording Secretary.

CAMBRIDGE, MASS.

Mr. KENNEDY. Mr. President, I present for appropriate reference, and ask unanimous consent to have printed in the RECORD, a resolution adopted by the Bay State Lodge, No. 1898, of the International Association of Machinists, on Thursday, July 1, 1954, in Brighton, Mass., concerning the so-called Taft-Hartley labor law.

There being no objection, the resolution was ordered to lie on the table and to be printed in the RECORD, as follows:

BAY STATE LODGE, NO. 1898, I. A. OF M.,
Brighton, Mass., July 10, 1954.

Mr. JOHN F. KENNEDY,
Senate Office Building,
Washington, D. C.

DEAR SIR: The Taft-Hartley law has utterly failed as a Labor-Management Relations Act in bringing about its heralded peace in industry, but has instead been the direct cause of much greater and more bitter industrial unrest; and has also succeeded by its illegal restrictions on peaceful organizing activities of labor organizations in preventing hundreds of thousands of underpaid wage earners from exercising their constitutional choice; and

Whereas the said Taft-Hartley law by repealing the Norris-LaGuardia Act and removing that great legal protection that union men and women had in the event of a labor dispute with an employer; has set up procedure which has been and will continue to be of inestimable value to the sweatshop employers of the Nation by assisting hard-boiled management in enforcing intolerable conditions upon defenseless employees; and

Whereas the said Taft-Hartley law has successfully thwarted the efforts of the International Association of Machinists in its efforts, many times, to establish more equitable working conditions and wages for members of our craft in nonunion shops and factories, by reason that the law protects the antagonistic employer in his efforts to resist a labor union: Therefore be it

Resolved, That Bay State Lodge, No. 1898, of the International Association of Machinists in body assembled on Thursday, July 1, 1954, in Brighton, Mass., do hereby denounce and condemn the said Taft-Hartley law as being an unholy and immoral and degrading piece of antilabor legislation, and we also declare it to be at variance with the constitutional rights of American citizens, in their liberty of forming voluntary organizations, therefore, it should be repealed outright.

Sincerely,

WALTER E. DOGGETT,
Recording Secretary.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. GOLDWATER, from the Committee on Labor and Public Welfare, without amendment:

H. R. 8180. A bill to increase the amount of Federal aid to State or Territorial homes for the support of disabled soldiers, sailors, and airmen of the United States (Rept. No. 2035); and

H. R. 9888. A bill to amend the laws granting education and training benefits to certain veterans to extend the period during which such benefits may be offered (Rept. No. 2036).

By Mr. SMITH of New Jersey, from the Committee on Labor and Public Welfare, without amendment:

H. R. 6253. A bill to amend Public Law 410, 78th Congress, with regard to compensation for overtime, Sunday, and holiday work of employees of the United States Public Health Service, Foreign Quarantine Division (Rept. No. 2037).

By Mr. MILLIKIN, from the Committee on Finance, with amendments:

H. R. 6440. A bill to amend section 345 of the Revenue Act of 1951 (Rept. No. 2038).

By Mr. AIKEN, from the Committee on Agriculture and Forestry, with an amendment:

S. 3800. A bill to amend section 6 of the act of August 30, 1890, as amended, and section 2 of the act of February 2, 1903, as amended (Rept. No. 2042).

By Mr. ELLENDER, from the Committee on Agriculture and Forestry, without amendment:

H. R. 6393. A bill granting the consent and approval of Congress to an interstate forest fire protection compact (Rept. No. 2043).

By Mr. JENNER, from the Committee on the Judiciary, without amendment:

H. R. 8658. A bill to amend title 18, United States Code, to provide for the punishment of persons who jump bail (Rept. No. 2041).

By Mr. LANGER, from the Committee on the Judiciary, without amendment:

S. 575. A bill for the relief of Moniek Lemberger, Frida Lemberger, and Peysach Lemberger (Rept. No. 2046);

S. 1083. A bill for the relief of Kurt Glaser (Rept. No. 2047);

S. 1291. A bill for the relief of Charalampos Socrates Iossifoglu, Nora Iossifoglu, Helen Iossifoglu, and Efrossini Iossifoglu (Rept. No. 2048);

S. 1417. A bill for the relief of Gerard Lucien Dandurand (Rept. No. 2049);

S. 1622. A bill for the relief of Constantinos Pantermalis (Rept. No. 2050);

S. 2010. A bill for the relief of Alexy W. Katyll and Ioanna Katyll (Rept. No. 2051);

S. 2056. A bill for the relief of Deborah Jordan Williams (Grace Yoko Watanabe) (Rept. No. 2052);

S. 2329. A bill for the relief of Garabed Papazian (Rept. No. 2053);

S. 2452. A bill for the relief of David Wei-Dao Lea and Julia An-Fong Wang Lea (Rept. No. 2054);

S. 2525. A bill for the relief of Lupe M. Gonzalez (Rept. No. 2055);

S. 2613. A bill for the relief of Dr. Luciano A. Legiardi-Laura (Rept. No. 2056);

S. 2640. A bill for the relief of Esther Joanne Potter (Rept. No. 2057);

S. 2646. A bill for the relief of Victoriana Areitio Berincua (Rept. No. 2058);

S. 2667. A bill for the relief of Mary George Solomon (Rept. No. 2059);

S. 2674. A bill for the relief of Moxon J. van den Abeele (Rept. No. 2060);

S. 2830. A bill for the relief of Christos Paul Zolotas (Rept. No. 2061);

S. 2840. A bill for the relief of Jonas Dercautan (Rept. No. 2062);

S. 2843. A bill for the relief of Ursula Else Boysen (Rept. No. 2063);

S. 2849. A bill for the relief of Elisa-Pompea Roppo (Elisa-Pompea Cardone) (Rept. No. 2064).

S. 2884. A bill for the relief of Sister Anna Serinzi, Sister Giuliana Paladini, Sister Iolanda Mazzocchi, and Sister Giuseppina Zanchetta (Rept. No. 2065);

S. 2887. A bill for the relief of Hon Cheun Kwan (Rept. No. 2066);

S. 2904. A bill for the relief of Jan Hajdukiewiez (Rept. No. 2067);

S. 2921. A bill for the relief of Ervin Fuchs (Rept. No. 2068);

S. 2922. A bill for the relief of Robert A. Borromeo (Rept. No. 2069);

S. 2945. A bill for the relief of Eulalio Rodriguez Vargas (Rept. No. 2093);

S. 2950. A bill for the relief of Domenico Scaramuzzino (Rept. No. 2070);

S. 2954. A bill for the relief of Christine Thum (Rept. No. 2071);

S. 2968. A bill for the relief of Franciszek Janicki and Stefania Janicki (Rept. No. 2072);

S. 2984. A bill for the relief of Roger Ouellette (Rept. No. 2073);

S. 2996. A bill for the relief of Sister Ramona Maria (Ramona E. Tombo) (Rept. No. 2074);

S. 3029. A bill for the relief of Miroslav Slovak (Rept. No. 2075);

S. 3031. A bill for the relief of Antonin Volejnicek (Rept. No. 2076);

S. 3032. A bill for the relief of Bohumil Suran (Rept. No. 2077);

S. 3055. A bill for the relief of Jan R. Cwiklinski (Rept. No. 2078);

S. 3058. A bill for the relief of certain nationals of Italy (Rept. No. 2079);

S. 3087. A bill for the relief of Peter Charles Bethel (Peter Charles Peters) (Rept. No. 2080);

S. 3094. A bill for the relief of Christa Harkrader (Rept. No. 2081);

S. 3112. A bill for the relief of Emiko Watanabe (Rept. No. 2082);

S. 3138. A bill for the relief of Wakako Niimi and her minor child, Katherine (Rept. No. 2083);

S. 3148. A bill for the relief of Francesco Pugliese (Rept. No. 2084);

S. 3150. A bill for the relief of Xanthi Georges Komporozou (Rept. No. 2085);

S. 3156. A bill for the relief of Slavoljub Djurovic and Goran Djurovic (Rept. No. 2086);

S. 3164. A bill for the relief of Rosario Estevez de Aponte (nee Frias), otherwise known as Rosario Estevez Aponte (Rept. No. 2087);

S. 3218. A bill for the relief of Maria Elena Venegas and Sarah Lucia Venegas (Rept. No. 2088);

S. 3234. A bill for the relief of Aron Klein and Zita Klein (nee Spielman) (Rept. No. 2089);

S. 3404. A bill for the relief of Anni Stroee Jacobsen (Rept. No. 2090);

S. 3415. A bill for the relief of June Rose McHenry (Rept. No. 2091);

S. 3485. A bill for the relief of Liselotta Kunze (Rept. No. 2092);

S. 3577. A bill for the relief of Miles Knezevich (Rept. No. 2182);

S. 3586. A bill for the relief of Mrs. Hildegard Simon Walley (Rept. No. 2094);

S. 3598. A bill for the relief of Eleonore Schmucker and her child (Rept. No. 2095);

S. 3769. A bill to amend section 709 of title 18, United States Code, so as to protect the name of the Federal Bureau of Investigation from commercial exploitation (Rept. No. 2096);

H. R. 669. A bill for the relief of George D. Kyminas (Rept. No. 2097);

H. R. 787. A bill for the relief of Israel Ratsprecher and Maryse Ratsprecher (Rept. No. 2098);

H. R. 803. A bill for the relief of Christakis Modinos (Rept. No. 2099);

H. R. 804. A bill for the relief of Enrichetta F. C. Meda-Novara (Rept. No. 2100);

H. R. 868. A bill for the relief of Ciriaco Catino (Rept. No. 2101);

H. R. 905. A bill for the relief of Franciszek Wolczek (Rept. No. 2102);

H. R. 950. A bill for the relief of Panoula Panagopoulos (Rept. No. 2103);

H. R. 977. A bill for the relief of Mrs. Aimee Dutour Rovzar (Rept. No. 2104);

H. R. 1171. A bill for the relief of Mrs. Wai-Jan Low Fong (Rept. No. 2105);

H. R. 1324. A bill for the relief of Georgina Chinn (Rept. No. 2106);

H. R. 1463. A bill for the relief of Ilona Elizabeth Carrier (Rept. No. 2107);

H. R. 1646. A bill for the relief of Arthur Neustadt and Mrs. Emma Neustadt (Rept. No. 2108);

H. R. 1697. A bill for the relief of Mrs. Katharina Batke (Rept. No. 2109);

H. R. 1897. A bill for the relief of Mrs. Betty E. LaMay (Rept. No. 2110);

H. R. 2051. A bill for the relief of Ivo Markulin (Rept. No. 2111);

H. R. 2359. A bill for the relief of Joseph Veich, also known as Guiseppe Veic (Rept. No. 2112);

H. R. 2635. A bill for the relief of Olga Abitia (Rept. No. 2113);

H. R. 2654. A bill for the relief of Sisters Linda Salerno, Luigiana C. Cairo, Antonietta Impieri, Anna Impieri, Rosina Scarlato, Iolands Gaglianone, Maria Assunta Scaramuzzo, Franceschina Cauterucci, and Filomena Lupinacci (Rept. No. 2114);

H. R. 2793. A bill for the relief of Miyoko Nagare (Rept. No. 2115);

H. R. 2879. A bill to stay deportation proceedings on Juan Onativia (Rept. No. 2116);

H. R. 3116. A bill for the relief of Dimitra Makhavitzki (Rept. No. 2117);

H. R. 3125. A bill for the relief of Alexander Hahn and Suzanne Hahn (Rept. No. 2118);

H. R. 3344. A bill for the relief of Carmen Salvador and her daughter, Ruby Salvador (Rept. No. 2119);

H. R. 3444. A bill for the relief of Toki Yaeko (Rept. No. 2120);

H. R. 3616. A bill for the relief of Nicoletta Di Donato (Rept. No. 2121);

H. R. 3677. A bill for the relief of Sister Paolina (Angela Di Franco) (Rept. No. 2122);

H. R. 3759. A bill for the relief of Babette Mueller Esposito (Rept. No. 2123);

H. R. 3855. A bill for the relief of Sister Agrippina (Agrippina Palermo), Sister Battistina (Franceschina Serpa), Sister Romana (Angela Iolanda Morelli), Sister Franceschina (Maria Caruso), and Sister Bruna Giuseppina De Caro) (Rept. No. 2124);

H. R. 4092. A bill for the relief of Mira Tellini Napoleone (Rept. No. 2125);

H. R. 4371. A bill for the relief of June Ann Sakurai (Rept. No. 2126);

H. R. 4740. A bill for the relief of Kaoru Yoshioka (Rept. No. 2127);

H. R. 4959. A bill for the relief of Muhittin Schuer (Rept. No. 2128);

H. R. 4998. A bill for the relief of Paul Frkovich (Rept. No. 2129);

H. R. 5072. A bill for the relief of Carmen D'Ottavio, also known as Carmeron D'Ottavio (Rept. No. 2130);

H. R. 5077. A bill for the relief of Sophia Nassopoulos (Rept. No. 2131);

H. R. 5443. A bill for the relief of Eva Lowinger (Rept. No. 2132);

H. R. 5639. A bill for the relief of Edeltraud Kamberg Douglass (Rept. No. 2133);

H. R. 5822. A bill for the relief of Evanthia Demetrios Makrozonari (Rept. No. 2134);

H. R. 5944. A bill for the relief of Alberto Ugo Landry (Rept. No. 2135);

H. R. 6414. A bill for the relief of Barbara Pator Allen (Rept. No. 2136);

H. R. 6955. A bill for the relief of Margers Nulle-Siecenieks (Rept. No. 2137);

H. R. 6987. A bill for the relief of Gene C. Szutu and Florence C. Szutu (Rept. No. 2138);

H. R. 7138. A bill for the relief of Rosa Marie Adelheid Herok (Rept. No. 2139);

H. R. 7451. A bill for the relief of Erika Jette Lavery (Rept. No. 2140);

H. R. 7486. A bill to amend section 1071 of title 18, United States Code, relating to the concealing of persons from arrest, so as to increase the penalties therein provided (Rept. No. 2141);

H. R. 7494. A bill for the relief of Elizabeth Forster Austin (Rept. No. 2142);

H. R. 7584. A bill for the relief of Angele Marie Boyer (nee Pieniazeck) (Rept. No. 2143);

H. R. 7593. A bill for the relief of Theresia Probst Uhl (Rept. No. 2144);

H. R. 7606. A bill for the relief of Michael Henry LaFleur (Rept. No. 2145);

H. R. 7612. A bill for the relief of Enrico Intravaia (Rept. No. 2146);

H. R. 7628. A bill for the relief of Mrs. Adriana M. Truyers Aretz (Rept. No. 2147);

H. R. 7629. A bill for the relief of Mrs. Ruth Gruschka Krug (Rept. No. 2148);

H. R. 7635. A bill for the relief of Martti Ilmari Timonen, Maj-Lis Timonen, and Marja Timonen (Rept. No. 2149);

H. R. 7807. A bill for the relief of Heinz Gerhard Rolappe (Rept. No. 2150);

H. R. 7924. A bill for the relief of Giuseppi Clementi (Rept. No. 2151);

H. R. 7925. A bill for the relief of Mrs. Dina Miannulli (nee Kratzer) (Rept. No. 2152);

H. R. 7945. A bill for the relief of Bart Blaak (formerly Johannes J. M. Gijsbers) (Rept. No. 2153);

H. R. 8146. A bill for the relief of Palmina Smarrelli (nee Lattanzio) (Rept. No. 2154); and

H. R. 8334. A bill for the relief of Helmut Cermak and Hanna Cermak (Rept. No. 2155).

ADDITIONAL FUNDS FOR COMMITTEE ON AGRICULTURE AND FORESTRY—REPORT OF A COMMITTEE

Mr. AIKEN. Mr. President, from the Committee on Agriculture and Forestry, I report an original resolution to provide additional funds for the Committee on Agriculture and Forestry, and I submit a report (No. 2044) thereon.

The PRESIDENT pro tempore. The report will be received, and the resolution will be placed on the calendar.

The resolution (S. Res. 304), reported by Mr. AIKEN, from the Committee on Agriculture and Forestry, was placed on the calendar, as follows:

Resolved, That the Committee on Agriculture and Forestry, or any duly authorized subcommittee thereof, hereby is authorized to expend from the contingent fund of the Senate, during the 83d Congress, $12,000 in addition to the amount and for the same purposes as specified in Senate Resolution 127, 83d Congress, 1st session (providing for an investigation of various matters related to agricultural programs).

ADDITIONAL FUNDS FOR COMMITTEE ON THE JUDICIARY—REPORT OF A COMMITTEE

Mr. LANGER, from the Committee on the Judiciary, reported an original resolution (S. Res. 305), which was placed on the calendar, as follows:

Resolved, That the Committee on the Judiciary is hereby authorized to expend from the contingent fund of the Senate, during the 83d Congress, $10,000 in addition to the amount, and for the same purposes specified in section 134 (a) of the Legislative Reorganization Act approved August 2, 1946.

CITATION OF WENDELL H. FURRY FOR CONTEMPT OF SENATE—REPORT OF A COMMITTEE

Mr. McCARTHY. Mr. President, from the Committee on Government Operations, I report an original resolution, citing Wendell H. Furry for contempt of the Senate, and I submit a report (No. 2039) thereon.

The PRESIDENT pro tempore. The report will be received, and the resolution will be placed on the calendar.

The resolution (S. Res. 306) reported by Mr. McCARTHY from the Committee on Government Operations, was placed on the calendar, as follows:

Resolved, That the President of the Senate certify the report of the Committee on Government Operations of the United States Senate as to the refusal of Wendell H. Furry to answer questions before the Senate Permanent Subcommittee on Investigations, said refusal to answer being pertinent to the subject matter under inquiry, together with all the facts in connection therewith, under the seal of the United States Senate to the United States attorney for the District of the State of Massachusetts, to the end that the said Wendell H. Furry may be proceeded against in the manner and form provided by law.

CITATION OF LEON J. KAMIN FOR CONTEMPT OF SENATE—REPORT OF A COMMITTEE

Mr. McCARTHY. Mr. President, from the Committee on Government Operations, I report an original resolution, citing Leon J. Kamin for contempt of the Senate, and I submit a report (No. 2040) thereon.

The PRESIDENT pro tempore. The report will be received, and the resolution will be placed on the calendar.

The resolution (S. Res. 307), reported by Mr. McCARTHY from the Committee on Government Operations, was placed on the calendar, as follows:

Resolved, That the President of the Senate certify the report of the Committee on Government Operations of the United States Senate as to the refusal of Leon J. Kamin to answer questions before the Senate Permanent Subcommittee on Investigations, said refusal to answer being pertinent to the subject matter under inquiry, together with all the facts in connection therewith, under the seal of the United States Senate to the United States attorney for the district of the State of Massachusetts, to the end that the said Leon J. Kamin may be proceeded against in the manner and form provided by law.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. KENNEDY:

S. 3828. A bill for the relief of Mrs. Purita Rodriguez Adiarte and her two minor children, Irene Grace Adiarte and Patrick Robert Adiarte; to the Committee on the Judiciary.

By Mr. MONRONEY:

S. 3829. A bill for the relief of Mr. and Mrs. Andrej (Abram) Gottlieb; to the Committee on the Judiciary.

SOCIAL SECURITY AMENDMENTS OF 1954—AMENDMENTS

Mr. MUNDT (for himself and Mr. CASE) submitted amendments, intended to be proposed by them, jointly, to the bill (H. R. 9366) to amend the Social Security Act and the Internal Revenue Code so as to extend coverage under the old-age and survivors insurance program, increase the benefits payable thereunder, preserve the insurance rights of disabled individuals, and increase the amount of earnings permitted without loss of benefits, and for other purposes, which were ordered to lie on the table and to be printed.

FLOOD CONTROL ACT OF 1954—AMENDMENT

Mr. JOHNSON of Colorado (for himself and Mr. MILLIKIN) submitted an amendment intended to be proposed by them, jointly, to the bill (H. R. 9859) authorizing the construction, repair, and preservation of certain public works on rivers and harbors for navigation, flood control, and for other purposes, which was ordered to lie on the table and to be printed.

PRINTING OF STAFF STUDY OF THE PROBLEMS OF MEMBERSHIP IN THE UNITED NATIONS

Mr. WILEY. Mr. President, the Special Subcommittee on the United Nations Charter, of which I am chairman, has been publishing as committee prints a series of staff studies on various aspects of charter review. It has prepared a study on the veto, another on membership, and one on how the U. N. Charter has developed. It has in preparation additional studies on such subjects as the International Court, the specialized agencies, and so forth.

It is the purpose of these studies to supply background information for the subcommittee and the Senate. The subcommittee is operating under the terms of Senate Resolution 126, as amended, and proposes early next year to report to the Senate what changes, if any, it recommends in the charter, bearing in mind that our participation in the United Nations must be in our national interest.

So that these studies may be given circulation among the Senate and among interested Americans, I ask unanimous consent that these staff studies that have been printed as committee prints and those in preparation may be bound together and printed as a Senate document, and that 1,000 additional copies be made available to the Committee on Foreign Relations.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Wisconsin? The Chair hears none, and it is so ordered.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

The following favorable reports of nominations were submitted:

By Mr. CAPEHART, from the Committee on Banking and Currency:

Paul Emmert Miller, of Minnesota, to be a member of the Board of Governors of the Federal Reserve System, vice R. M. Evans, term expired.

By Mr. LANGER, from the Committee on the Judiciary:

Elbert Parr Tuttle, of Georgia, to be United States circuit judge, fifth circuit;

Charles Swann Prescott, of Alabama, to be United States marshal for the middle district of Alabama, vice Benjamin Franklin Ellis, removed; and

Paul W. Cress, of Oklahoma, to be United States attorney for the western district of Oklahoma, vice Robert E. Shelton, resigned.

By Mr. AIKEN, from the Committee on Agriculture and Forestry:

Earl L. Butz, of Indiana, to be a member of the Board of Directors of the Commodity Credit Corporation, vice John H. Davis, resigned.

NOTICE OF HEARING ON NOMINATIONS OF W. LYNN PARKINSON AND CALE J. HOLDER TO BE UNITED STATES DISTRICT JUDGES FOR NORTHERN AND SOUTHERN DISTRICTS OF INDIANA

Mr. LANGER. Mr. President, on behalf of the Committee on the Judiciary, I desire to give notice that a public hearing has been scheduled for Monday, August 9, 1954, at 9 a. m., in room 424, Senate Office Building, upon the nominations of W. Lynn Parkinson and Cale J. Holder, of Indiana, to be United States district judges for the northern and southern districts of Indiana, respectively, to fill new positions. At the indicated time and place all persons interested in the nominations may make such representations as may be pertinent. The subcommittee consists of myself, chairman, the Senator from Idaho [Mr. WELKER], and the Senator from Nevada [Mr. MCCARRAN].

SUBVERSIVE LABOR YOUTH LEAGUE—RECOMMENDATION BY HON. HARRY P. CAIN

Mr. WILEY. Mr. President, I shall take the time of the Senate for a few moments to comment on an important and historic recommendation which was released to the press this morning.

My subject is the extremely significant recommended decision by a member of the Subversive Activities Control Board, the esteemed ex-Senator from Washington, the Honorable Harry P. Cain. The recommendation is that the SACB determine the Labor Youth League a Communist-front organization, and that the Board therefore serve notice on the League that it is required to register as such under section 7 of the Internal Security Act of 1950.

This recommendation climaxes a 5-month open hearing in which our former colleague impartially heard, first, the charges leveled by the Attorney General of the United States that the Labor Youth League is a tool of the international Communist conspiracy; and then, the League's response. I ask unanimous consent that the remainder of my statement be printed in the RECORD.

There being no objection, the remainder of Mr. WILEY's statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR WILEY

COMMUNISM TRIES TO TRAP WORLD YOUTH

As the ranking majority member of the Senate Judiciary Committee (which is concerned with internal security), and having formerly served as its chairman, I am naturally particularly interested in this important finding on this organization.

In my capacity as chairman of the Senate Foreign Relations Committee (where I have encountered evidences throughout the world of the desire of communism to ensnare young people within its trap) I am also particularly glad that action has been taken against this organization.

In virtually every country of the world where communism is a major or minor menace, the Communists have first sold their lies to impressionable youngsters in the teens and early twenties. Far too many foreign youngsters have swallowed hook, line, and sinker the false Communist claims of ushering in the millenium; the results are all too apparent. The so-called World Federation of Democratic Youth and its Red affiliates in many, many countries have taken their place among the leading executioners of man's freedom. And, too, the young Red European firebrands of the 1920's have become Malenkov's "Murder, Inc." associates of the 1950's.

Here in this country, at long last, if the recommendation is approved by the Board, the Labor Youth League will be the first active Communist-front organization to be required by the SACB to be registered.

BACKGROUND OF LEAGUE

The league was founded in Chicago just 5 years ago. It purported to be a group of independent clubs dedicated to the "disinterested" study of Marxism as an economic theory.

It was, however, recognized from the outset by the vigilant Federal Bureau of Investigation as an offshoot of the Communist Party, as an organization founded for the purpose of infecting our young people with the virus of Marxist fanaticism.

Thanks to the FBI's detection, the league almost since its founding has been included in the Attorney General's list of subversive organizations.

Under the cloak of academic freedom, it has, however, managed to carry on. A few of our institutions of higher learning have tolerated the league's off-the-campus chapters. None of these chapters attained any particular strength (including at the University of Wisconsin). Why? Because to the overwhelming majority of sound-thinking Wisconsin and other American students, the

hateful theories and practices of communism, however disguised, hold no appeal.

The league was, however, able to infect a certain number of young people throughout the land; and, so far as I am concerned, any organization which poisons the mind of a single youth does a disservice to America.

Now, however, there has gone to attorneys for the league, to the Attorney General, and to the board itself, copies of the recommendation by former Senator Cain.

WORLD SHOULD NOTE THIS CAREFUL PROCEEDING

I trust that the news of this decision will be circulated around the world.

Why? Because it will demonstrate to men of good will everywhere the care and precision with which the legal instrumentalities of the United States analyze the problem of communism in our midst. It will show them the procedures of fair play by which a Communist front is brought to book.

The Attorney General had presented 14 witnesses, the respondent presented 4 witnesses. The Attorney General's witnesses, some of whom had left the league in disgust or disillusionment, were subjected by the league's lawyers to a combing of their lives and habits, their beliefs and truthfulness. Their testimony was not impaired in the slightest degree.

When, however, the league's own four witnesses took the stand and in turn were cross-examined on their Communist affiliations, all—and this should prove no surprise—pleaded the first and fifth amendments. Their very silence betrayed them and belied their so-called defense.

Of course, the recommendation of Board Member Cain will be greeted by Communists and Communist-fronters with howls of dismay and blasts of criticism. They will vilify in every way possible the proposed control order requiring the league to register as a Communist-front organization, to list all its officers yearly, to reveal its finances yearly, and to label its propaganda as Communist. They will try to use every conceivable legal stratagem for delay in the courts. But I point out that none of the requirements which I have listed impairs any constitutional right of any league member. It simply exposes such members and their affiliates to the pitiless light of public attention.

I should like to point out that the parent of the LYL, the Communist Party, which was previously found by the Board to be the direct agent and puppet of the Soviet Union and ordered to register as such, has stated the following in its appeal to the courts: It has said that compliance (which in its case calls for registration of all members as well as officers) is tantamount to commiting suicide.

But if, as I trust, the courts uphold the Communist Party registration, and if the party thereafter dissolves itself, it will have died by its own foul hand. It will have proven its inability to stand up in the full light. That no doubt may well be the case as regards the Labor Youth League as well.

MILWAUKEE JOURNAL'S CONTRIBUTION

I do not believe that it would be inappropriate if I pointed out that a leading American newspaper contributed very significantly to the SACB finding.

I point out that when the league was founded in Chicago 5 years ago, one or more of the young Communists who gathered there apparently came from the University of Wisconsin. The alert Milwaukee Journal had asked the assistant city editor of the Chicago Daily News, Mr. Maurice Fisher, to cover the meeting. It was on the basis of evidence gained in the course of that Milwaukee Journal assignment and Mr. Fisher's testimony at the SACB hearing, backed as it was, by the concrete documents which he had picked up at the Chicago session, that the Attorney General relied in part in proving this fact: It was the Communist Party which through its officials presided at the league's very birth. I commend the Journal therefore for this important contribution and I believe the Attorney General would do likewise if he were asked his reaction.

I believe that former Senator Cain's recommendation is an important element in the history of United States quasi-judicial institutions. It is a demonstration of the vitality of such institutions, like the SACB.

I only wish that our friends abroad in the many countries where communism has taken a hold among youth would similarly institute proceedings against the Communist and Communist-front organizations which are trying to poison their own young people.

The hour is late for many, many lands. We are doing our part to protect our internal and external security. Let other lands do their part.

LEAVE OF ABSENCE

Mr. SMITH of New Jersey. Mr. President, I find myself in an embarrassing position in rising today, because I shall be compelled to ask unanimous consent of the Senate to be absent beginning at 4 p. m. this afternoon, until tomorrow morning. Some days ago the President of the United States asked me to represent him at a dinner of the Korean Foundation, this evening, in New York, in honor of Dr. Syngman Rhee, President of South Korea. President Eisenhower asked me because of my personal acquaintance with Dr. Rhee and because of the President's desire to have me give to Dr. Rhee his greetings on that important occasion. Therefore, I feel that I am required to ask unanimous consent of the Senate to be absent, much as I regret to have to leave the debate this afternoon.

It is my sincere hope that no important votes will be taken on the pending question in my absence, but, of course, I am eager to have the work of the Senate expedited, so I would not ask to have any vote postponed. But if any important vote is taken in my absence, on tomorrow I shall ask unanimous consent to make a statement of my position cn any such question.

Therefore, Mr. President, I ask unanimous consent to be absent from the Senate beginning at 4 p. m. today, until tomorrow, in view of the request I have received from the President of the United States.

The PRESIDENT pro tempore. Without objection, leave is granted.

THE COLORADO RIVER STORAGE PROJECT AND PARTICIPATING PROJECTS—SUPPLEMENT TO MINORITY VIEWS

Mr. KUCHEL. Mr. President, I desire to present for the information of the Senate certain comments supplementing the minority views filed by me in connection with Senate 1555, the Colorado River storage project and participating projects measure. These views deal primarily with the economic justification and financial feasibility of the project, items which are of vital interest to every section of the Nation. The material is presented in brief fashion, and I trust that all Members of the Senate will take a few moments to study it.

Mr. President, I ask unanimous consent that the material be printed at this point in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR KUCHEL

I desire to present for the information of the Senate certain comments which supplement the minority views filed by me in connection with S. 1555, the Colorado River storage project and participating projects legislation. These views deal primarily with the economic justification and financial feasibility of the project, items which are of vital interest to every section of the Nation. This material is presented in brief fashion, and I trust all members will take a few moments to study it. This material points out:

1. The bill reported by the committee is not the bill approved by the administration.
2. Project authorizations of this magnitude subject only to secretarial review delegates excessive authority to the Secretary and constitute bad legislation.
3. Additional storage units are unwarranted and infeasible.
4. Irrigation projects are financially infeasible.
5. The financial plan constitutes a drastic departure from the existing reclamation law.
6. The huge concealed subsidy is unjustified.
7. The ultimate cost is at least $5 billion.
8. Essential engineering, economic, and financial data are lacking.
9. The bill undercuts the Hoover Commission.
10. The power to be generated will be high-cost power which must be continued for at least 75 years under the financing plan of the project.
11. The bill would approve the benefit-cost ratio, a device not sanctioned by existing reclamation law, to test the economic justification of these projects.
12. The project is not self-liquidating, as claimed by the Reclamation Bureau.

1. THE BILL REPORTED BY THE COMMITTEE IS NOT THE BILL APPROVED BY THE ADMINISTRATION

The administration, through the Secretary of the Interior and the Budget Bureau, recommended initial authorization of two storage dams, Glen and Echo, and conditional authorization of 11 participating reclamation projects—La Barge, Seedskadee and Lyman, in Wyoming; Silt, Smith Fork, Paonia, Florida and Pine River Extension, in Colorado; Emery County and Central Utah, in Utah; and Hammond, in New Mexico. The estimated total construction cost of all of these features is about $920 million.

The bill, S. 1555, reported by the Senate Committee on Interior and Insular Affairs, seeks the authorization of four additional storage dams—Cross Mountain, Curecanti, Flaming Gorge and Navaho—making 6 in all; and authorization of three additional participating projects—Gooseberry in Utah, San Juan-Chama and Navaho, in New Mexico; making 14 in all, at an additional estimated cost of over $680 million.

The Senate, thus, has a bill before it involving a total estimated cost of in excess of $1,600,000,000 as opposed to a bill recommended by the Secretary involving about $920 million.

There are other significant changes in the bill as sponsored by the Interior Department. That bill provided conditional authorization of 11 participating projects, using the following language (see Senate hearings, p. 9): *"Provided*, That the authority to construct any participating project * * * shall not become effective until the Secretary has reexamined the economic justification of such project." The bill before the Senate provides:

"Provided, That construction of the participating projects shall not be undertaken

until the Secretary has reexamined the economic justification of such project."

The clear intent of the recommendation by the Secretary of the Interior, concurred in by the Bureau of the Budget, is that the Secretary of the Interior would be required to reexamine the economic justification of each participating project and submit a report thereon to the Congress through the President, the findings of which would be reviewed by the President and the Congress before the authorization to construct would become effective. The change in wording in the bill merely requires the Secretary of the Interior to submit a report to the President and the Congress. Construction of the project could proceed, as long as the Secretary is satisfied with his report, without further review or necessary approval by either the Executive or the Congress. There can be no doubt that this bill would constitute congressional authorization for 12 of the participating projects. With respect to 2 participating projects—San Juan-Chama and Navaho—and these 2 only, authorization has been expressly reserved to the Congress, after reports have been submitted in accordance with section 1 (c) of the Flood Control Act of 1944. This section requires the submission of reports on projects to the affected States for comment, prior to their submission to the President and to Congress. But even this requirement is waived in this bill except with respect to the San Juan-Chama and Navaho projects. It is worthy of note that both the Department of the Army and the Federal Power Commission, in commenting on this bill, by letters to the committee dated June 14 and 18, 1954 (pp. 12–15, Senate hearings), recommended that the bill adhere to this requirement of the Flood Control Act of 1944, for all participating projects.

The 4 additional storage dams and 3 additional participating projects now in the bill were not recommended by the Secretary and the Budget Bureau for even conditional authorization because of positive lack of economic justification. With respect to one of these additions the Bureau of the Budget in its report dated March 18, 1954, stated: "Provisional authorization of the Shiprock unit of the Navaho project would not be in accord with the program of the President at this time." Yet, the bill before the Senate includes the entire Navaho project, about 75 percent of which is made up of the Shiprock unit.

It is true that the bill still provides for a reexamination of the economic justification of the participating projects by the Secretary, but there is a change as to the Agriculture Department's participation in this reexamination. The bill suggested as a substitute by the administration directed that a reappraisal of agricultural benefits be made by the Secretary of the Interior in cooperation with the Secretary of Agriculture. But the measure before the Senate merely provides that such reappraisal be made after consultation with the Secretary of Agriculture. By letter dated June 30, 1954, to the Senate committee the Secretary of Agriculture said that if the legislation is favorably considered, he would recommend—

"(1) that it provide, as the administration draft bill specifically provides for 11 initial participating projects, for cooperation by the Department of Agriculture with the Department of the Interior in the appraisal, before authority to construct projects becomes effective, of the prospective direct agricultural benefits of each proposed project that is expected to produce such benefits."

This recommendation has been ignored with the result that the Agriculture Department can be effectively bypassed in the reappraisal called for for these projects. The appraisal of agricultural benefits by the Department of Agriculture has been in the past, and should have been, far more realistic than such appraisals by the Bureau of Reclamation.

In a number of respects then, the bill before the Senate is not the bill which had administration approval. It is almost $700 million bigger, provides outright authorization by Congress for the great bulk of the projects, and, in effect, bypasses one of the executive departments in connection with the reappraisal of participating projects.

2. PROJECT AUTHORIZATIONS OF THIS MAGNITUDE SUBJECT ONLY TO SECRETARIAL REVIEW, DELEGATE EXCESSIVE AUTHORITY TO THE SECRETARY, AND CONSTITUTE BAD LEGISLATION

It is apparent from the record and the reports of the Secretary of the Interior and the Bureau of the Budget that the economic justification and financial feasibility of each of the participating projects proposed for authorization in the bill is questionable. The bill would require the Secretary of the Interior, prior to construction, to certify to Congress that the benefits of the participating projects will exceed their costs and that they can meet the financial reimbursability requirements of section 4 of the bill. The projects should certainly be reexamined as to their economic and financial aspects, but the results of such reexamination should be submitted to the Congress in accordance with the procedure provided by law. Final authorization should be reserved by the Congress until such reports are submitted and have been studied and acted upon by the appropriate congressional committees.

Authorization of these participating projects, even conditional authorization, at this time is premature and entirely unwarranted in the light of the serious questions in regard to economic justification and financial feasibility. The bill would delegate excessive authority to the Secretary of the Interior, and would abdicate the responsibilities of Congress. Such delegation of the responsibility of the Congress as is proposed in the bill is bad legislation and should not be approved.

3. ADDITIONAL STORAGE UNITS ARE UNWARRANTED AND INFEASIBLE

The purported purpose of the storage units is to provide holdover storage to meet requirements of the Colorado River compact. The record shows that storage for this purpose would not be required for at least 25 years and when the need arises, Glen Canyon alone would suffice for another 40 to 50 years. Yet this bill provides for the construction now of not 1 but 6 storage dams which will impound some 45 million acre-feet of water, enough to contain the entire flow of the river for several years. If these dams were to store waters for direct application of the land, they might find some immediate justification. But they are admittedly not for this purpose. The construction of the additional storage units 50 years in advance of need is unwarranted.

Moreover, with the possible exception of Cross Mountain, Glen Canyon is the only storage and power unit that can stand on its own feet financially. The other storage units must be subsidized by Glen since the cost of producing power would exceed the proposed sale price of 6 mills per kilowatt-hour, making them financially infeasible. Thus, from the standpoint of lack of need and financial infeasibility, the authorization of additional storage units as proposed by the bill and of Echo Park as recommended by the Secretary, is unwarranted at this time.

4. IRRIGATION PROJECTS ARE FINANCIALLY INFEASIBLE

The bill seeks to authorize 14 irrigation reclamation projects which would provide for irrigation of about 730,000 acres, of which about 280,000 acres would be new lands and 450,000 acres would be existing irrigated lands that would receive only a relatively small supplemental water supply. The irrigation investment for the facilities required to serve these projects, including the portion of the cost of the storage dams allocated to irrigation, would be about $750 million, or an average of over $1,000 per acre for the original construction cost alone to irrigate lands having an average value of about $150 per acre.

Of the total irrigation investment of about $750 million, the irrigation water users would be able to repay in a period of 50 years only about $90 million, or about 12 percent of the total. Thus, about 88 percent of the irrigation investment would have to be subsidized from some source to the extent of about $900 per acre construction cost, on the average.

The largest of the participating projects, the central Utah and the Navaho, are the most infeasible of all. On the central Utah project (the initial phase), involving 160,000 acres, of which 131,000 will receive only a supplemental water supply, the water users could repay only $94 per acre out of a total investment of nearly $800 per acre, or less than 12 percent. On the Navaho project, involving 151,000 acres, all of new lands, the water users could repay only $129 per acre out of a total estimated cost of $1,540 per acre, or about 8½ percent of the total.

The lands included in the proposed participating projects are of limited producing capacity. Due to their high elevation, all have a short growing season and are limited in the types of crops that can be grown. On some of the projects there is frost every month in the year. These factors, combined with high costs, result in the financial infeasibility of these projects.

5. THE FINANCIAL PLAN CONSTITUTES A DRASTIC DEPARTURE FROM THE EXISTING RECLAMATION LAW

The existing reclamation law requires repayment of the irrigation investment to be completed within 50 years (40 years after a 10-year development period), contemplating repayment in approximately equal annual installments in accordance with past practices and procedure as generally applied.

The repayment plan proposed for the Colorado River storage project and participating projects would postpone the commencement of repayment of about 88 percent of the irrigation investment for 40 to 50 years, and would extend the repayment period to 70 years or more. The irrigators would be able to pay only about 12 percent of the cost allocated to irrigation, including storage costs. The balance of 88 percent is proposed to be paid by net power and municipal water revenues after the power and municipal water investments have been repaid in a period of 40 to 50 years.

By reason of postponement of commencement of repayment on the major portion of the irrigation investment, the interest cost to the Federal Government and the Nation's taxpayers on the funds advanced for construction of the works proposed for authorization in the bill is increased manyfold over what it would be under existing law.

6. THE HUGE CONCEALED SUBSIDY IS UNJUSTIFIED

Under the proposed plan of financing the projects sought to be authorized by the bill, the concealed subsidy to the Nation's taxpayers would amount to at least $3 billion and possibly as much as $4 billion to provide irrigation for about 730,000 acres of land (of which about 450,000 acres would receive only a supplemental water supply). Using the smaller figure, the subsidy would be about $4,000 per acre irrigated. This would be equivalent to over $640,000 for a 160-acre farm. The average value of fully developed irrigated land in the area of the participating projects is about $150 per acre, or $24,000 for a 160-acre farm.

Even for the projects recommended by the Secretary, involving a construction cost of $920 million, the concealed subsidy from the

Nation's taxpayers would be over $1 billion to provide irrigation for less than 370,000 acres, or over $2,500 per acre irrigated, or $370,000 for each of the 2,700 farms to be benefited.

For either the larger development sought to be authorized by the bill or the smaller recommended by the Secretary, the subsidy is grossly excessive and unjustified.

Proponents of this project either completely overlook or gloss over this subsidy. The hard fact remains that the Government must borrow money and in borrowing must pay interest. The irrigation features of this project are interest free. This policy is not new, for irrigation money has been made available interest free since the Reclamation Act of 1902. The difference is that the Reclamation Act of 1902 required repayment in 10 years. This period has expanded through the years to 40 years plus a 10-year development period. But here, the repayment of irrigation features is to be postponed for 40 to 50 years while power and municipal water project revenues are devoted to the paying out, with interest, of those costs allocated to power and municipal water. Then and only then, will repayment of 88 percent of the irrigation investment begin. In the meantime and continuing to the end of the repayment period, the interest which the Government must pay on borrowed money compounds to pile up a huge burden on the general taxpayer.

7. THE ULTIMATE COST IS AT LEAST $5 BILLION

Section 2 of the bill would commit the Congress to the proposition that other storage and participating projects will be added in the future to use the full 7,500,000 acre-feet apportioned by the Colorado River Compact to the upper basin. There are over 100 such projects in the Reclamation Bureau's inventory with an ultimate construction cost of over $5 billion. Any project can be declared feasible under the standards and type of financing proposed by the Bureau of Reclamation in this bill. The financing here proposed would dedicate the power revenues of the Government dams to subsidize irrigation for as long as may be necessary to retire the principal of any debt, however large, provided the taxpayers pay the interest on moneys obtained by the sale of Government bonds to build the project. The resulting subsidy with which the Nation's taxpayers would be burdened would be many billions of dollars.

8. ESSENTIAL ENGINEERING, ECONOMIC, AND FINANCIAL DATA ARE LACKING

Neither the Bureau of Reclamation nor the Secretary of the Interior has made a report supplying essential data and analyses as to the engineering, economic, and financial aspects of the storage and participating projects as now sought to be authorized by this bill. No construction or financial operation program for the projects and units, showing when and in what amount Federal funds would be required to be advanced for construction, and when and in what amount revenues and repayments would be received, and just how each project and unit could and would pay out in 50 years as alleged, has been furnished.

Such data on costs and revenues as have been furnished by the Department of Interior and the Bureau of Reclamation are conflicting, incomplete, or inadequate. For example, the estimates of firm power output and revenues are unsupported and apparently exaggerated in comparison to corresponding estimates contained in the basic project planning report issued in 1950.

The House committee held longer hearings on this project and ultimately reported, by a vote of 13–12, a much more modest measure than the Senate committee has. At that, questions directed to the Secretary of the Interior bearing on economic and financial aspects of the projects sought to be authorized by the bill have still not been answered. The haste attending the consideration of a measure, which now by Seante committee action involves a minimum commitment of $1,600,000,000, would have questionable justification even if all the material necessary to an informed decision were available. With questions on financing and general project economics still unanswered and with reports which by the admission of the Interior Department are still only fragmentary, the haste attending the efforts to authorize these proposed developments is indefensible.

9. THE BILL UNDERCUTS THE HOOVER COMMISSION

This Congress created the Hoover Commission, assigning it, among other jobs, the responsibility of investigating and reporting to the Congress on all water and power policies. A representative of the task force on water resources and power appeared before the committee to protest the enactment of this legislation at this time, prior to the submission by the task force of its report. One of the significant policy matters on which the Commission may be expected to report is that of financing projects. This bill would establish the so-called Colibran formula as a vehicle for project financing on such a tremendous scale that this policy would be firmly established, even though such a policy for future projects was disclaimed when the relatively small $16 million Colibran project was authorized by Congress in 1952. The task force of the Hoover Commission has completed public hearings in five major cities throughout the country and has heard considerable testimony on this matter of financing alone. Congress should not establish the sweeping financial policy called for in this bill, among others, until the Commission it created has had an opportunity to file its recommendations for the consideration of Congress. A report by the task force is expected in the near future.

10. THE POWER TO BE GENERATED WILL BE HIGH-COST POWER WHICH MUST BE CONTINUED FOR AT LEAST 75 YEARS UNDER THE FINANCING PLAN OF THE PROJECT

Justification for Federal power projects has usually been made on the ground that they will bring low-cost power to large numbers of people. But this bill would necessarily involve high-cost power in order to provide the bank account to subsidize infeasible irrigation projects. Power could be developed at Glen Canyon and delivered to load centers for 3.75 mills per kilowatt-hour, and still retire with interest all the Government investment in that structure charged to power. Yet that power is proposed to be sold for 6 mills or more in order to subsidize the other proposed power projects and irrigation. Six-mill power from a Federal project can hardly be classed as low-cost power. It is closely equivalent to the cost of steam-electric power.

It is well known that the region in which the power dams would be constructed has a vast mineral potential. Here are located what are believed to be the greatest coal, oil shale, and uranium deposits in the country. This combination, considering the fact that atomic electric power is already being generated at decreasing costs, raises the question of whether the competitive market value of power would remain as high as 6 mills in that region for even the next several decades, let alone the next 75 years. Yet what questionable financial prop there is to this project is dependent upon 6-mill power being sold for at least that period—an expectation that is highly speculative to say the least.

11. THE BILL WOULD APPROVE THE BENEFIT-COST RATIO, A DEVICE NOT SANCTIONED BY EXISTING RECLAMATION LAW, TO TEST THE ECONOMIC JUSTIFICATION OF THESE PROJECTS

The bill would, in effect, approve the use of the so-called benefit-cost ratio for testing the economic justification of irrigation projects. Testimony indicates that this device, as now utilized, is applied in attempting to justify projects which are economically and financially infeasible by the use of fictitious and unrealistic values to inflate the benefits while overlooking factors of cost to the Nation which would result from the project. The term "benefit" includes indirect as well as direct benefits such as the probable amount of income tax which beneficiaries of the project will pay, the amount of business which may be created in communities at the other end of the country through the sale of agricultural products produced by the project, and so forth. In short, factors which go into this ratio are not confined to the project area. The device is an application of the multiplier theory—a dollar put in here will create $2 elsewhere.

An example of how this operates may be illustrated from the Hammond participating project in this bill. The Bureau of Reclamation would collect only $2.02 per acre per year from the farmers on this project, yet the Bureau says the direct benefits are $41.50 per acre per year, or 2,000 percent of the amount it would require the farmers to pay. Note these are direct benefits to say nothing of what the indirect factors in the formula may be. At the same time, looking at the other side of the coin, the Government's revenues from firm power production at Hoover, Parker, and Davis Dams would be decreased by as much as 25 percent during the time, which may be as long as 20 years, that the storage dams of the proposed projects are filling. This loss has been ignored by the Bureau in the benefit-cost formula.

The only true criterion of economic justification of reclamation is reimbursability which has been the required basis of findings of feasibility since the inception of Federal reclamation in 1902. It should be maintained in the law without change.

12. THE PROJECT IS NOT SELF-LIQUIDATING, AS CLAIMED BY THE RECLAMATION BUREAU

The Bureau represents this as being a self-liquidating project. Plain arithmetic shows that it would not be. Simple interest alone, even at 2½ percent, on $1.6 billion of original investment is $40 million per year. Total net revenues, as estimated by the Bureau, would average substantially less than this amount. As the project could not pay simple interest on the investments, its revenues could never retire the capital cost. The Nation's taxpayers would have to do that. Or if revenues were earmarked to retire the capital, the taxpayers would have to pay about all of the interest. In any event, the net burden on the taxpayers would be $3 billion to $4 billion by the end of the proposed repayment period and this debt would keep on increasing until paid off by general taxation since it could never be repaid from project revenues.

OPPOSITION TO DELAWARE RIVER APPROPRIATION

Mr. WILEY. Mr. President, I have prepared a statement setting forth reasons why I oppose a $91 million appropriation amendment for an engineering project to deepen the Delaware River.

This provision is incorporated in Calendar No. 2026, the omnibus rivers and harbors bill, H. R. 9859, and is present also on the Senate Calendar in separate form in S. 2317, Calendar No. 1832.

I personally object to passage of both such items. I do not believe this last-minute throwaway of taxpayers' funds should be allowed to stand. A throwaway at any time is bad; but at this time, with little or no opportunity to study it, it is absolutely indefensible.

I ask unanimous consent that the statement be printed at this point in the body of the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR WILEY

The United States Senate is being given a sample demonstration of how American citizens' tax resources are arbitrarily spent.

There is now pending in the Senate version of the omnibus rivers and harbors bill, an authorization for a $91 million engineering project to deepen the Delaware River.

I point out that this project was definitely not authorized by the House Public Works Committee, or by the full House of Representatives. The amendment was inserted on the Senate side after a hearing by the Public Works Committee on a bill which had been introduced but a few days previously. The committee had also approved S. 2317 in separate form for the same $91 million allocation.

Thus, we see how the last-minute action of a single committee, by the insertion of a few lines in a bill, can wave a magic wand, after which $91 million of the taxpayers' resources disappear into another river and harbor item.

There are a great many worthy port improvements which do merit congressional action, but to approve $91 million without the House of Representatives committee having even held hearings on the subject, but simply being given the opportunity to approve it as a fait accompli in conference seems to me a dubious procedure.

I point out, moreover, that $18 million or so of the $91 million, represents practically a gift by the taxpayers of the United States to the United States Steel Co.

Originally, when the Delaware River project had first come up, through a Corps of Engineers' request, it had been proposed that $18 million of the cost be borne by local interests. But, lo and behold, in the version of S. 2317 and in the omnibus rivers and harbors bill, the $18 million is nowhere to be found as being required to be paid by local interests. Where will the $18 million come from? Why, of course, from the pockets of the American taxpayer.

I point out that this gift of $18 million from the taxpayers to United States Steel is specifically contrary to a recommendation by the Department of the Army.

Secretary of the Army Robert Stevens, in a letter dated March 19, 1954, to the Speaker of the House of Representatives, stated:

"It appears true that additional economic benefits will accrue directly to the United States Steel Corp. from a 40-foot channel and there seems every reason for the beneficiary to participate in the project. Although the proposed cash contribution would be an appreciable sum, it does not appear exorbitant. While it would be larger than in any precedent cases to date, the principle and practice of such participation has long been established and is consonant with a sound policy of Federal and local cooperation in such projects."

The Secretary further pointed out that the Bureau of the Budget, in a letter of February 25, 1954, "considers that the proposed cash contribution toward the cost of the 40-foot depth channel is reasonable."

But the judgment of the United States Army and the Corps of Engineers was tossed into the ashcan by the Senate Committee.

Here is what Representative CHARLES OAKMAN (Republican, of Michigan), wisely stated:

"Before the Public Works Committee I said that to approve a $55 million, or a $91 million, river and harbor project in the closing days of the Congress on a measure of this type on which no hearings have been held on the House side of the Capitol was a reprehensible practice. The hearings held by a committee of the other body have not as yet been printed.

"I further stated that I wanted to go on record as opposing the inclusion of a $55 million as well as a $91 million authorization in the omnibus bill for this purpose.

"The primary use of this channel is to bring Venezuelan ore directly to the United States Steel Co.'s Fairless plant.

"It is expected that the Senate will include this in the omnibus bill which is currently on the Senate calendar. This action is expected momentarily.

"Therefore, a House-Senate conference committee will consider the differences in the House-approved and the Senate-approved versions."

Third, I want to point out that I, for one, fully recognze the importance of increased transportation on the Delaware River.

I can only state very frankly, however, that the Representatives from this area have, by and large, failed to demonstrate any similar awareness of the future needs of the Great Lakes.

On the contrary, a great many of them opposed the St. Lawrence seaway down through the years.

Next year, when the Corps of Engineers' recommendations for deepening the connecting channels on the Great Lakes come up, some of these same Delaware River area legislators will, no doubt, once more be found in the ranks of the opposition. I point out, however, that the lake area involves a great many ports of a great many States and far more millions of people than are involved in Delaware River improvement.

Unlike this particular $91 million project for the benefit of a single plant of a single company—United States Steel—channel deepening will affect literally hundreds and thousands of varied companies.

I can assure my colleagues that I would want funds for the lake area scrutinized with the same care and determination as to whether or not the public interest was being served, as I would want funds for the Delaware River area scrutinized. I do not believe in making free gifts of the taxpayers' resources to any American company or group of companies.

The PRESIDENT pro tempore. Is there further morning business?

If not, the Chair lays before the Senate the pending business.

THE JUNIOR SENATOR FROM WISCONSIN

The Senate resumed the consideration of the resolution of censure (S. Res. 301) submitted by Mr. FLANDERS relative to the junior Senator from Wisconsin [Mr. MCCARTHY].

The PRESIDENT pro tempore. The question is on the amendment offered by the Senator from Arkansas [Mr. FULBRIGHT].

Mr. KNOWLAND. Mr. President, during the course of debate upon the pending resolution, some mention was made of the release, during the so-called Army hearings before the Government Operations Subcommittee, of a classified document, and I understand there has been an indication that that would be considered the basis of one of the charges which the Senate might consider as a reason for a vote of censure.

Merely for the benefit of the RECORD, and without being argumentative about the situation, I desire to ask to have printed in the body of the RECORD as a part of my remarks a newspaper article from the New York Times of Tuesday, October 28, 1952, entitled "MORSE Says Eisenhower Backed Taking GI's From Korea in 1947—Senator Reads Top Secret Memorandum From Forrestal Asserting Chiefs Saw Little Strategic Interest There." The article is datelined Minneapolis, Minn., October 27, by the United Press, and contains a copy of a memorandum labeled "top secret."

There being no objection, the article was ordered to be printed in the RECORD, as follows:

MORSE SAYS EISENHOWER BACKED TAKING GI'S FROM KOREA IN 1947—SENATOR READS TOP SECRET MEMORANDUM FROM FORRESTAL ASSERTING CHIEFS SAW LITTLE STRATEGIC INTEREST THERE

MINNEAPOLIS, MINN., October 27.—Senator WAYNE MORSE, of Oregon, read a top secret Government memorandum today that he said proves that Gen. Dwight D. Eisenhower, as Army Chief of Staff, had recommended the withdrawal of American occupation troops from South Korea in September 1947.

Senator MORSE, who bolted the Republican Party last week, read the memorandum to a student rally at the University of Minnesota Armory. Labeled "top secret," it was signed by the late Secretary of Defense, James Forrestal, and was directed to the Secretary of State.

TEXT OF THE MEMORANDUM

WASHINGTON, *September 26, 1947.*

Memorandum top secret
From Office of Secretary of Defense
Directed to Secretary of State
Subject: The interests of the United States in the military occupation of South Korea from the point of view of the military security of the United States.

Pursuant to the request in SWN-5694, (copy attached), initiated by the State member of the committee, the following views have been received:

The Joint Chiefs of Staff consider that from a standpoint of military security, the United States has little strategic interest in maintaining the present troops and bases in Korea for the reasons hereafter stated.

In the event of hostilities in the Far East, our present forces in Korea would be a military liability and could not be maintained there without substantial reinforcements prior to the initiation of hostilities. Moreover, any offensive operation the United States might wish to conduct on the Asiatic continent most probably would bypass the Korean peninsula.

If, on the other hand, an enemy were able to establish and maintain strong air and naval bases in the Korean peninsula, he might be able to interfere with United States communications and operations in East China, Manchuria, the Yellow Sea, the Sea of Japan, the adjacent islands. Such interference would require an enemy to maintain substantial air and naval forces in that area where they would be subject to neutralization by air action. Neutralization by air action would be more feasible and less costly than large-scale ground operation.

In light of the present severe shortage of military manpower, the corps of two divisions totaling some 45,000 men now maintained in South Korea, could well be used elsewhere. The withdrawal of these forces from Korea would not impair the military of the Far East Command unless, in consequence, the Soviet established military strength in South Korea capable of mounting assault in Japan.

At the present time, the occupation of Korea is requiring very large expenditures for the primary purpose of preventing disease and disorder which might endanger our occupation, with little, if any, lasting benefits to the security of the United States.

Authoritative reports from Korea indicate that continued lack of progress toward a free and independent Korea, unless offset by an elaborate program of economic, political and cultural rehabilitation, in all probability will result in such conditions, including violent disorder, as to make the position of the United States occupation forces untenable.

A precipitant withdrawal of our forces under such circumstances would lower the military prestige of the United States, quite possibly to the extent of adversely affecting cooperation in other areas more vital to the security of the United States.

JAMES FORRESTAL.

Mr. KNOWLAND. Mr. President, when that article was published in the press of the Nation, I immediately addressed a series of inquiries to the Department of Defense and to the Department of State, which I shall ask to have placed in the RECORD at this point in my remarks, but before doing so I should like to have printed as a part of the record a memorandum of March 7, 1952, from the Federal Civil Defense Administration taken from Manual 22–1, entitled "Security Regulations," containing definitions as to what the various classifications mean, that is, "confidential," "secret," and "top secret" and their impact upon the national security.

There being no objection, the memorandum was ordered to be printed in the RECORD, as follows:

FEDERAL CIVIL DEFENSE ADMINISTRATION,
Washington, D. C., March 7, 1952.

I. FCDA Manual M22–1, Security Regulations, dated August 31, 1951, is amended, as follows:

A. Page iv, item 5: Delete this item and substitute the following:

"5. Classified information: The term 'classified information' as used herein denotes 'classified security information,' and means official information, the safeguarding of which is necessary in the interest of national security and which is classified for such purpose by appropriate classifying authority."

B. Page 2, paragraph 3.1: Delete this paragraph and substitute the following:

"3.1. 'Classified material' as used in these regulations means all official material, the safeguarding of which is necessary in the interest of national security and which, for reasons of security, has been assigned one of the security information classifications. There shall be four categories of classified security information which, in descending order of importance to national security, shall carry one of the following designations: 'top secret,' 'secret,' 'confidential,' or 'restricted,' in addition to being specifically identified as security information. No other classification or classifications shall be used to designate classified security information. Such material includes all copies of official records (documents, reports, memoranda, telegrams, airgrams, notes, drafts, shorthand notes, carbons, charts, plans, drawing, recordings of conferences, and conversations, etc.) which contain information classified under any of the above-mentioned four categories. Discussions and conferences, as well as documents, shall be considered classified when appropriate."

C. Page 4, section 4: Add paragraph 4.8, as follows:

"4.8. Information or material which does not require protection in the interest of national security, but which, for one reason or another, is not for general distribution or publication to the general public, may be marked with one or more of the following identifications, or similar ones: "For official use only. Not for publication. Confidential. (This last marking may be used on nonsecurity information when it is believed that the contents are of a personal nature and their disclosure or revelation to unauthorized persons may be prejudicial to an individual. For example: personnel records, investigative reports, etc.)"

II. Explanation of changes:

A. Executive Order 10290 prescribes regulations establishing minimum standards for the classification, transmission, and handling by departments and agencies of the executive branch of the Government, of official information which requires safeguarding in the interest of the security of the United States.

B. In general, M22–1 meets the standards prescribed under the Executive order with the following important exception:

The Executive order requires that when material containing security information is originated it must be marked with the words "security information," in addition to 1 of the 4 classifications "top secret," "secret," "confidential," or "restricted." Paragraph 3.1 has been amended accordingly.

C. In addition to the above, section 4 has been amended to include paragraph 4.8, suggesting markings for information which does not require security protection but which, for one reason or another, is not for general distribution or publication.

D. In his letter to the heads of the executive departments and agencies concerning the Executive order, the President placed special emphasis on the fact that the regulations prescribed under the order are to be used exclusively to safeguard the security of the Nation, and not for any other purpose. They must not be used to withhold nonsecurity information or to cover up mistakes made by an official or employee of the Government.

E. In order to comply with the requirements of the new classification markings for classified security information, rubber stamps have been procured by the Security Division. Sets of these stamps, consisting of 1 of each of the 4 security classifications, may be obtained from the Administrative Services Division.

MILLARD CALDWELL,
Administrator.

Mr. KNOWLAND. Then, Mr. President, I desire to have printed in the body of the RECORD, but I shall take the time to read them, because otherwise the information will not be available to the Senate until the RECORD is printed tomorrow, several telegrams.

The first is one sent by me to the Honorable Robert A. Lovett, Secretary of Defense, Pentagon Building, Washington, D. C., and is dated October 29, 1952:

OCTOBER 29, 1952.

Hon. ROBERT A. LOVETT,
Secretary of National Defense,
Pentagon Building,
Washington, D. C.:

In the New York Times of Tuesday, October 28, appears what purports to be a top-secret memorandum from James Forrestal dated September 26, 1947, released by Senator WAYNE MORSE, of Oregon, in Minneapolis on the previous day. I desire to have the following information:

1. Is the text published a true copy of the document in question?

2. On September 26, 1947, was it classified as top secret?

3. If it has been declassified or downgraded since that time on whose authority and on what dates was such action taken?

4. Does the document still have a security classification and if so what is that classification?

WILLIAM F. KNOWLAND,
United States Senator.

Next—and I am presenting them in sequence—is a telegram I received in reply from the Department of Defense, dated October 30, 1952, from the Office of the Secretary of Defense:

OCTOBER 30, 1952.

Senator WILLIAM F. KNOWLAND,
The Oakland Tribune,
Oakland, Calif.:

Replying to your inquiry of October 29 to the Secretary of Defense CMA as stated by Department of Defense spokesman yesterday, the New York Times press account referred to represents a portion of a classified document dated September 26, 1947, which has not been declassified or downgraded by anyone in the Department of Defense and which still retains the security classification of top secret.

Rear Adm. HAROLD A. HOUSER,
United States Navy, Director, Legislative Liaison.

Unclassified.

Col. G. V. UNDERWOOD,
United States Army, Deputy Director, EXOS.

Next I read a telegram which I addressed to the Attorney General of the United States, under date of November 2, 1952, as follows:

NOVEMBER 2, 1952.

The ATTORNEY GENERAL,
Department of Justice,
Washington, D. C.:

On October 29 I addressed a telegram to the Secretary of National Defense and on October 30 to the Secretary of State reading as follows: "In the New York Times of Tuesday, October 28, appears what purports to be a top secret memorandum from James Forrestal, dated September 26, 1947, released by Senator WAYNE MORSE, of Oregon, in Minneapolis, on the previous date. I desire to have the following information:

"1. Is the text published a true copy of the document in question?

"2. On September 26, 1947, was it classified as top secret?

"3. If it has been declassified or downgraded since that time on whose authority and on what dates was such action taken?

"4. Does the document still have a security classification and if so what is that classification?"

I have now received replies from both the Defense and State Departments stating that the document is still classified as top secret.

Civil Defense Manual M22–1, dated August 31, 1951, defines top secret as follows: "That material and information the security aspect of which is paramount and the unauthorized disclosure of which might cause exceptionally grave damage to the Nation will be classified as top secret. As a general rule, top secret material in time of peace will be limited to that which, if disclosed without authorization, would reasonably be expected to lead directly to a break in diplomatic relations, to war, or to an attack by a potential enemy upon the United States. Very few documents will be classified top secret."

The transmission or the revelation of top-secret information in any manner is contrary to the espionage laws, title 18, United States Code, sections 793 and 794.

In view of the above what steps have the Department of Justice and/or the Federal Bureau of Investigation taken to determine if there has been a violation of the law relative to the release of this top secret classified information?

WILLIAM F. KNOWLAND,
United States Senator.

Mr. President, in reply I received from the Assistant Attorney General, Charles

B. Murray, the following letter dated November 10, 1952:

NOVEMBER 10, 1952.

Hon. WILLIAM F. KNOWLAND,
United States Senate,
Washington, D. C.

MY DEAR SENATOR: Your telegram of November 2, 1952, to the Attorney General, regarding the public disclosure of the contents of a memorandum dated September 26, 1947, prepared by the late James V. Forrestal, has been referred to this division for consideration and reply.

The Department of Justice has not requested the Federal Bureau of Investigation to conduct any investigation of this matter pending notification from the Department of Defense that the information in Mr. Forrestal's memorandum was classified for military reasons and was disclosed without authorization. You will appreciate that if the information in question when released had been declassified by the proper military authority because it no longer needed protection against public dissemination, then as such it would be considered to be information in the public domain and not national defense information within the meaning of the espionage statute (18 U. S. C. 793). This interpretation of the espionage statute was made by the United States Court of Appeals, Second Circuit, in the case of *United States* v. *Heine* (151 F. 2d 813).

I trust the foregoing will answer the questions contained in your telegram.

Sincerely,

CHARLES B. MURRAY,
Assistant Attorney General.

I may say, parenthetically, that it does not answer the questions, because it is clear, from the communications I received from the Department of State and from the Department of Defense, that as of the date of the speech of the junior Senator from Oregon and the release of the material, that material was at that time still classified top secret.

I have before me a telegram which I received from Ben H. Brown, Acting Assistant Secretary of State for Congressional Relations, under date of October 30, 1952.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. KNOWLAND. I shall be happy to yield after I have read the telegram.

The telegram reads:

WASHINGTON, D. C., *October 30, 1952.*

Senator WILLIAM F. KNOWLAND,
Oakland Tribune, Oakland, Calif.:

In reply to your telegram of October 30 received at 4:01 p. m., the New York Times dispatch referred to a portion of a document dated September 26, 1947, which was then and has since remained classified top secret in the Department of State. It has not been at any time declassified or downgraded in this Department.

BEN H. BROWN,
Acting Assistant Secretary of State for Congressional Relations.

I merely wanted those communications to go into the RECORD at this time since the question of an allegedly classified document has come into the present proceedings of the Senate, and I thought this information should be made available to the Senate for such judgment as it may wish to render upon it.

I now yield to the Senator from Arkansas.

Mr. FULBRIGHT. Mr. President, I was interested in the Senator's reading of the various communications. Is it the Senator's point that if some other Senator, specifically the junior Senator from Oregon [Mr. MORSE], has violated a rule, then that makes it all right for the junior Senator from Wisconsin to violate a rule?

Mr. KNOWLAND. No; that is not my point at all.

Mr. FULBRIGHT. What is the point?

Mr. KNOWLAND. The point of the senior Senator from California is that apparently a question of the release of classified information—and of the very highest classification—was not made the subject of a motion of censure in that particular case—and there may be other such cases—even though the case I have mentioned dealt with a document which both the Department of Defense and the Department of State said was still classified as top secret at the time it was released. Top secret, of course, is the highest classification of government documents and information. I think that the Senate and the country are entitled to have these facts before them in connection with the allegations made in the pending resolution of censure.

Mr. FULBRIGHT. Mr. President, will the Senator yield further?

Mr. KNOWLAND. I yield further.

Mr. FULBRIGHT. The Senator from California knows that I do not make that point as one of my specifications. I will let the person who is involved make his own explanation.

Mr. KNOWLAND. I recognize that fact. I would not have brought this point up except for the faot that I have read in the press that the release of a classified document has been suggested as one of the bases upon which a resolution of censure might be adopted by the Senate. I merely brought up these matters for the purpose of calling them to the attention of the Senate. At a later time I may want to discuss the matter in more detail. I merely wanted to bring the factual record to the attention of the Senate, although subsequent to the making of the speech and the release of the classified document to the press, the document in question was declassified by the President of the United States. I have never been quite certain in my mind whether that declassification, which came about subsequent to the act of releasing the top-secret document, was done for the purpose of foreclosing any possibility of prosecution under the espionage law, or what the purpose of it was at the time. I doubt very much whether that declassification in and of itself would waive the requirements of the law, which are very clear to the effect that a document cannot be released until it has been declassified. Therefore, I do not believe that declassification after the act would wipe out the act itself.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. KNOWLAND. I yield.

Mr. FULBRIGHT. That is quite clear, but I hope the Senator from California understands that this matter has nothing whatever to do with the pending resolution, or with the specifications which have been submitted, based upon a resolution. This matter, pertaining to classified information, has no relvancy whatever to the pending business before the Senate. Does not the Senator agree?

Mr. KNOWLAND. I do not quite agree.

Mr. FULBRIGHT. What does it have to do with the pending business?

Mr. KNOWLAND. I assume that the Senator from Arkansas does not mean to say that the only business before the Senate is his amendment, which is pending at the present time. The whole question is before the Senate. Secondly, any allegation that the release of a classified document might be the basis for a resolution of censure, in my judgment, at least, opens up for consideration by the Senate what was done in the past in similar cases by a Member of the Senate. I believe it is pertinent, although it does not relate to the amendment of the Senator from Arkansas, which is the pending amendment. I will say to the Senator that that is the basis for my offering the material at this time.

Mr. FULBRIGHT. I thank the Senator.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. KNOWLAND. I yield to the Senator from Oregon.

Mr. MORSE. I shall not take more than 3 or 4 minutes at this time. At a later time I shall present a full and detailed exhibit of evidence on the matter to which the Senator from California has referred. In view of the fact that this charge has been made against the Senator from Oregon, I shall briefly state a highlight or two of the controversy to which the Senator from California has referred.

Mr. KNOWLAND. If the Senator from Oregon will permit me to say so, I wish to make it clear that I have made no charge against him. I have put into the RECORD a series of telegrams and letters exchanged with the Department of Defense and the Department of State and the Attorney General, relating to inquiries which I made at the time following the speech made by the Senator from Oregon in Minneapolis, in which he quoted a top-secret document of the late Secretary of Defense, Mr. Forrestal, which document was put into public print as a result of the action of the Senator from Oregon.

I am not charging the Senator with anything. As a matter of fact, I did little more than to put the facts before the American people and the Senate. I would not have done that except for the fact that my attention has been called in the public press to an amendment which the Senator from Oregon intends to propose to Senate Resolution 301, which is a resolution to censure the junior Senator from Wisconsin [Mr. MCCARTHY]. On page 2 of the amendment proposed to be offered by the Senator from Oregon there appears the following subsection:

(d) received and made use of confidential information unlawfully obtained from a document in executive files upon which document the Federal Bureau of Investigation had placed its highest classification; and offered such information to a lawfully constituted Senate subcommittee in the form of a spurious document which he falsely asserted to the subcommittee to be "a letter from the FBI."

Since the question of confidential information had been brought into the matter, I thought the Senate should have all the facts.

Mr. MORSE. I am sure the Senator from California [Mr. KNOWLAND] will not quibble with me on the interpretation that is made of the statement by the press. I assure him, if he does not want to take judicial notice of it, the interpretation certainly will be: "KNOWLAND charges MORSE with violating classification code," or something of that nature.

Mr. KNOWLAND. I cannot be responsible for what the public press says. We have no censorship in this country.

Mr. MORSE. I do not charge the Senator with responsibility for it. I am sure he will permit me, however, to reply very briefly in my own protection.

I did not hear all the Senator's remarks, but I was briefed when I came in to the Senate Chamber concerning what was said before I entered, and I heard his concluding remarks. Mr. President, it apparently goes back to the incident of my Minneapolis speech during the 1952 campaign. Apparently the Senator from California is not aware of what took place before the Minneapolis speech.

The Republican candidate spoke at Detroit, Mich., during that campaign, on, I believe, a Friday night. In the course of the Republican candidate's speech he castigated the State Department for withdrawing the American troops from South Korea in 1949.

The next morning I had a telephone conversation at some length with the then President of the United States, Harry S. Truman. In the course of that conversation we discussed a memorandum which went to the Secretary of State, signed by the then Secretary of Defense, James Forrestal—a memorandum which had the unanimous backing of the Joint Chiefs of Staff at the time Dwight Eisenhower was Chief of Staff of the United States Army. That memorandum called upon our Government or recommended to our Government that the American troops be withdrawn from South Korea as a matter of military strategy and policy.

President Truman and I discussed that memorandum and its unanimous backing by the Joint Chiefs of Staff. The President of the United States made perfectly clear to me that there was no doubt about the fact that at the time when Dwight Eisenhower was Chief of Staff of the Army, he strenuously urged that American troops be withdrawn from South Korea.

The President of the United States then authorized me to quote from the contents of that memorandum in my Minneapolis speech; and the President of the United States sent the memorandum to my office. There is no question, Mr. President, that the President then and there, by that authorization, declassified the document, which he, as Commander in Chief, had the power and the authority to do.

Mr. KNOWLAND. Mr. President, will the Senator yield to me at that point?

Mr. MORSE. Yes; I yield.

Mr. KNOWLAND. The Senator is reciting most interesting history, and I hope the entire Senate and the country will not miss its significance. As I understand the Senator, in a private telephone conversation, over wires which at least presumably were not security-protected in the sense that the private line between the White House and the State Department is protected, the President not only authorized the Senator from Oregon to disclose top secret information in a political speech in Minneapolis, but he did so without notice to his Secretary of State or to his Secretary of National Defense or to his Department of Justice, and that was done in a political campaign so that the Senator from Oregon could use it in a political speech in Minneapolis. Year after year the Senator from California, the members of the Foreign Relations Committee, the members of the Armed Services Committee, and the members of the Appropriations Committee, to my personal knowledge, time and time again requested that the secret Wedemeyer report on China and Korea be released to a responsible committee of the Congress for the information of the Congress in carrying out its legislative responsibilities under the Constitution. Those requests by official committees, as a result of official committee action, were denied, as any number of Senators on both sides of the aisle can confirm. The Wedemeyer report was denied the Congress, and yet, by a telephone conversation, the former President of the United States, for political purposes, released a top secret document without the knowledge of his Secretary of State or his Secretary of National Defense; and as much as a week later those officials had not been notified that it had been declassified.

I am deeply shocked by the historic revelations the Senator from Oregon is making, and I think the Senate and the country have a right to be shocked, under all the circumstances.

Mr. MORSE. Mr. President, will the Senator yield further?

Mr. KNOWLAND. I yield.

Mr. MORSE. Mr. President, what I am saying now I have said on other occasions in many places. There is nothing new about what I am now announcing to the Senate of the United States. I thought it was common knowledge, Mr. President.

I shall not be diverted by any irrelevancies. I shall simply pinpoint the fact, Mr. President, that the document was sent from the White House to my office by the President of the United States, with authority to use the document in answering what, in my judgment and the President's judgment, was a clear misrepresentation of fact by the Republican candidate in his Detroit speech.

To this date, Mr. President, there has been no answer to the contents of that document.

I used the contents of the document in the Minneapolis speech on a Monday, and on the following Wednesday I used it at Town Hall in New York. I called upon the Republican candidate in that speech to answer whether it was true or false that he had joined in a unanimous request on the part of the Chiefs of Staff to withdraw American troops from South Korea. The fact is, Mr. President, he did. The then President of the United States, as Commander in Chief, had complete authority to authorize the use of the document, and he did.

Any charge or innuendo or implication that the Senator from Oregon, in relation to any classified document, acted without the complete authority of the Commander in Chief, the exercise of which authority automatically made it no longer a classified document, cannot be squared with the facts.

Mr. KNOWLAND. Mr. President, at this point I shall have no further comments on the matter. I repeat, I am deeply shocked that during the course of a political campaign, following a telephone conversation, a top secret document should be disclosed and a copy of a top secret document should be furnished to the Senator from Oregon [Mr. MORSE], to be used in a political speech in a political campaign; that it should be done without notice to the Secretary of State or to the Secretary of National Defense; and that when a Member of the Senate of the United States in his official capacity, as I was, telegraphed the State Department and the Defense Department for information regarding the classification, he received from them official reports that the document had not been declassified at the time it was released to the public press.

It seems to me that that is one of the most flagrant abuses of executive power I have heard of, particularly when taken with the fact that time after time the responsible committees of the Congress, proceeding in their official capacity, after action taken in executive session, had requested classified information to which they were entitled in the proper conduct of the foreign relations or the defense policies of the Nation, and were denied time and time again by that same President, classified information which they needed under the Constitution in the discharge of their legislative responsibilities. That a top secret document was released under these circumstances, I say is subject to the condemnation of the Senate and of the Nation as well.

Mr. MORSE. Mr. President, will the Senator yield for a question?

Mr. KNOWLAND. I yield.

Mr. MORSE. Does the Senator claim that the President of the United States, as Commander in Chief, lacks the authority to make use of such document?

Mr. KNOWLAND. No, I do not claim that he lacks the authority to declassify, but I believe we have a Government of laws and not of men, and that a proper procedure is provided for the declassification of a document. It seems to me that, unless the President was putting himself above the law and above the regulations on security, his proper procedure would have been to have gone to the Defense Department and the State Department and to have ordered the document declassified from top secret to no classification whatever; and after that had been done and he had notified his proper Cabinet officials and heads of the responsible departments, then, and then only, should he have turned over

to the Senator from Oregon for use in a political speech in a political campaign, a document which at the moment he spoke of it was still classified under the espionage laws as top secret.

Mr. MORSE. Mr. President, will the Senator further yield?

Mr. KNOWLAND. I yield.

Mr. MORSE. Assuming the President did not follow the procedure which the Senator from California would have preferred him to follow—although I am not at all satisfied that he did not——

Mr. KNOWLAND. Unless false official reports have been sent to me, he did not follow that procedure.

Mr. MORSE. I am not at all satisfied that the Pentagon Building was not well aware of what the President was doing; but assuming he did not follow the procedure which the Senator from California would have liked the President to follow, can the Senator cite any legal requirement, any statutory law, which required the President of the United States to follow the procedure which the Senator has just outlined?

Mr. KNOWLAND. I have already placed in the RECORD the regulations dealing with security classifications. I think I shall be prepared to go into them further, and to show that the prescribed procedure was not followed.

Mr. MORSE. Mr. President, will the Senator yield for a further question?

Mr. KNOWLAND. Yes.

Mr. MORSE. Does the Senator wish to dispute that those regulations relate to the action of subordinates of the President, but do not place a requirement upon the President of the United States to follow any particular procedure, when in his wisdom and discretion he thinks a particular document should be declassified?

Mr. KNOWLAND. The junior Senator from Oregon and I apparently differ. I have the highest respect for the office of President of the United States, whether that office be occupied by a member of my party or by a member of the opposite political party. I was brought up as a youngster to respect the great office of President of the United States. I respect it as being probably the most powerful office in the world today, certainly under any constitutional form of government. But, in my view, even the President, great and powerful as he is, is subject to the Constitution of the United States and to the statutes of the United States, and is not above the law.

Mr. MORSE. Mr. President, will the Senator yield for a further question?

Mr. KNOWLAND. I yield.

Mr. MORSE. I certainly agree with the distinguished Senator from California that the President is subject to the Constitution and statutes of the United States when they pertain to him. But if there is no statute which requires the President to follow any particular course of action in declassifying a document, then I think it is perfectly obvious that, as Commander in Chief, it falls within his discretion and his judgment to declassify, if, in his opinion, a document no longer, from the standpoint of public security, requires classification.

Mr. KNOWLAND. If the President of the United States is acting in his capacity as Commander in Chief of the Nation, the Senator may well be correct. But if he is acting as the head of a single political party, and declassifies information in a political campaign for use in a political speech, he is not acting under his constitutional authority as Commander in Chief by any reasonable interpretation of the laws or the Constitution.

Mr. MORSE. Mr. President, will the Senator further yield?

Mr. KNOWLAND. I yield.

Mr. MORSE. There is no doubt in my mind that Harry S. Truman was acting in his capacity as Commander in Chief of the Nation in supplying the American people with the facts in regard to the particular document concerned, which showed very clearly that, after all, the decision to withdraw American troops from South Korea in 1949 was a decision which rested upon military urging for some time prior thereto.

Mr. KNOWLAND. Then it seems to me that if the President was acting in his capacity as Commander in Chief and as President of the United States, his action was not in accordance with orderly procedure.

I may say to the Senator from Oregon that I would be as critical of President Eisenhower, if he released documents under such a situation, as I am of the former President of the United States. I remember when the former Senator from Idaho, Mr. Taylor, rose in the Senate and made an attack on both the President and one of his top Cabinet officers. This was some years ago, when I was a newer Member. I came upon the floor and made a speech in defense of the President of the United States, because of the high regard I have for the office.

I speak in no narrow partisan sense, but it seems to me that if the President, acting as President of all the people, and as Commander in Chief of the Armed Forces, without following the procedures which had previously been outlined for declassifying documents, gave the information to the public press at the White House, which is very well covered by the press, that would be one thing. He could have released the document on his own responsibility so that not only the junior Senator from Oregon, who was speaking on behalf of the Democratic nominee for the Presidency, but all America could have had a copy of it, and if he had added to it, extenuating circumstances, if there were any, other secret documents, which threw a different light upon the subject, at least the members of the opposite political party, as well as the group with which the Senator from Oregon was then associated, might at least have had the facts. It would seem to me that the President then would have been acting properly in accordance with his responsibilities as President of the United States, and as Commander in Chief of the Armed Forces.

Mr. MORSE. Mr. President, I desire to finish my very brief discussion with the distinguished Senator from California. It will take me about 2 minutes to do so.

I wish to make it very clear that, in my judgment, the then President of the United States, Mr. Truman, is in no way subject to any criticism for the course of action he followed in regard to the particular document which has been referred to by the Senator from California. In my judgment, President Truman followed a course of action clearly within his power as Commander in Chief. He felt that the statement by the Republican candidate in his Detroit speech, concerning who was responsible for withdrawing the troops from South Korea in 1949, went to a matter of great public concern.

He had authority as Commander in Chief, and he was required by no procedure other than the procedure which he followed, if he wished to follow it, to make certain quotes from that document available to the American people, and he did so.

If anyone believes that any great offense or any small offense was committed by the junior Senator from Oregon, I would welcome a resolution of censure being filed in the Senate in regard to that matter, which would afford an opportunity to bring out evidence in regard to the entire background of the particular incident.

I close by saying, as I said in Minneapolis, and as I said on the following Wednesday in New York, at a Town Hall meeting, that I would not have used the document if I had not received authorization from an authority high enough to give it to me, so as to inform the American people as to the substance of the document. No one seemed to be surprised at that time as to the source of the authority. Everyone in the country, so far as I knew, save a few on the Republican side, knew who had authorized the use of the document. When it was authorized, Mr. President, it ceased to be a classified document, and it ceased to be a classified document by the authority of the Commander in Chief, who had the power to declassify it.

Mr. FLANDERS. Mr. President, I have been much disturbed by reports in the press that I would be willing to see the resolution of censure referred to a committee. I have been cudgeling my memory as to when and where I have made any statement which could be so interpreted. It has never been my feeling that the resolution should be referred to a committee; it has never been my purpose to ask for that, nor am I willing to vote for a reference to committee. So I trust that this statement of mine may have some such spread of publicity as had the misunderstood statement that I was willing to have the resolution referred to committee.

With regard to having the resolution referred to committee, it seems to me very clear that the last excuse for so doing would be removed if the Senate accepted any or all of the amendments proposed by the Senator from Arkansas [Mr. FULBRIGHT] last Saturday. Each one of the six proposed amendments goes back to official records, either to the CONGRESSIONAL RECORD itself or to the official records of committees. There is no need to go back to those records. There is, therefore, no need to have any

further testimony, in my judgment, on these matters, since the records are official, and since it is on the face of the records that the resolution of censure is based.

Six amendments have been offered; and I now ask the Chair whether, if the amendments are presented one by one, the Senate is free to vote them up or down.

The PRESIDING OFFICER. The answer is "Yes." The pending question, however, is on the perfecting amendment offered by the Senator from Arkansas [Mr. FULBRIGHT] to the resolution offered by the Senator from Vermont [Mr. FLANDERS].

Mr. FLANDERS. The resolution as proposed to be amended, is still the pending business of the Senate. Is that correct?

The PRESIDING OFFICER. That is correct.

Mr. FLANDERS. So the Senate is perfectly free to consider the amendments one by one, and vote on them; and then the resolution, as amended, if amended, would continue to be the pending business before the Senate. That clears up a situation in my mind which has been rendered somewhat foggy by statements in the press that it would require unanimous consent to act on those amendments. I am happy to learn that is not so.

If the junior Senator from Wisconsin—Why is it I keep on thinking about the junior Senator from Wisconsin? [Laughter.] It is one of those things that is completely inexplicable. I now say that if the Senator from Arkansas wishes to call up his amendments, I shall be glad to express my own feeling and my own purpose with regard to them, one by one.

The PRESIDING OFFICER. There is but one amendment pending. When that amendment shall be disposed of, other amendments may be called up and disposed of.

Mr. KNOWLAND. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Goldwater	McCarthy
Anderson	Gore	McClellan
Barrett	Green	Millikin
Beall	Hayden	Monroney
Bennett	Hendrickson	Morse
Bricker	Hennings	Mundt
Bridges	Hickenlooper	Murray
Burke	Hill	Neely
Bush	Holland	Pastore
Butler	Humphrey	Payne
Byrd	Ives	Potter
Capehart	Jackson	Purtell
Carlson	Jenner	Robertson
Case	Johnson, Colo.	Russell
Chavez	Johnson, Tex.	Saltonstall
Clements	Johnston, S. C.	Schoeppel
Cooper	Kennedy	Smathers
Cordon	Kerr	Smith, Maine
Crippa	Kilgore	Smith, N. J.
Daniel	Knowland	Sparkman
Dirksen	Kuchel	Stennis
Douglas	Langer	Symington
Duff	Lehman	Thye
Dworshak	Lennon	Upton
Ellender	Long	Watkins
Ervin	Magnuson	Welker
Flanders	Malone	Wiley
Frear	Mansfield	Williams
Fulbright	Martin	Young
George	Maybank	
Gillette	McCarran	

The PRESIDING OFFICER. A quorum is present.

Mr. KNOWLAND. Mr. President, I move to refer the pending resolution (S. Con. Res. 301), together with all amendments proposed thereto, to a select committee to be composed of 3 Republicans and 3 Democrats who shall be named by the Vice President; and ordered further that the committee be instructed to act and to report to the Senate as expeditiously as equity and justice will permit.

Mr. MONRONEY rose.

Mr. KNOWLAND. Mr. President, I wish to make a brief explanatory statement, and then I shall be glad to yield to the Senator from Oklahoma.

Mr. President, this motion does not cut off debate on either the pending resolution or the amendments, or on the question of the advisability of my motion. It is not in the nature of a tabling motion that would cut off or foreclose debate.

In the past several days a considerable number of varying points of view have been presented to the Senate. A very large backlog of legislation is awaiting consideration by this body. There have been several suggested groups of allegations, charges, or specifications. It seems to me the time is coming when the Senate must decide whether, in effect, it is to sit almost as a court of impeachment, or as a Committee of the Whole, to take testimony on the various allegations and specifications, and in equity and justice hear the testimony pro and con, supporting or refuting each of the so-called allegations, or whether the controversy is to be referred to a committee which, with equity and justice, can consider the charges and take testimony.

So far as I know, there has never been a case of censure in the Senate with respect to which there has not been committee action.

While, as a general rule, I believe that the party which is charged with the responsibility of organizing the Senate should have a majority on all committees, I believe that in a situation of this kind it is important that there be no partisan tinge to any action which may be taken.

I would hope that in the selection of the members of the committee the Vice President would be guided by the desire to appoint from both sides of the aisle Senators who have not become active partisans on one side or the other of this question for membership on the committee, and that when the committee comes to make its report, it will be able to do so in as judicial an atmosphere as possible under the circumstances.

Mr. IVES. Mr. President, will the Senator yield for a question?

Mr. KNOWLAND. I yield.

Mr. IVES. Is it the intent or desire of the Senator from California that the report of the committee be made before this Congress adjourns?

Mr. KNOWLAND. I will say to the Senator from New York that it would be very desirable, if possible, that the report be made before the Congress adjourns. But I also point out, Mr. President, merely by way of expressing a personal opinion, that I do not know how many additional charges or specifications may be brought forth. I do not know whether such charges will be supported by affidavits or testimony. I do not know whether, in equity and justice under the circumstances, the committee should swear witnesses or obtain affidavits or take such action as a committee might take in a semijudicial proceeding. I would not want the committee to operate, in effect, with a gun at its head and with the Senate saying, in effect, "No matter whether you have had an opportunity to take sworn testimony or obtain affidavits, no matter whether you have not completed your job or not, you are to report within 3 days, willy-nilly." I do not think that would be in keeping with the dignity of the Senate or consonant with proper proceedings in a case in which the Senate is being asked to censure and condemn a Member of this body.

Mr. IVES. Mr. President, will the Senator yield again for a question?

Mr. KNOWLAND. I yield.

Mr. IVES. Does not the Senator from California feel that it would be advisable to set a date, by which the committee would have to make some kind of report, rather than to leave the date open, with the result that nothing would be done before adjournment?

Mr. KNOWLAND. I do not know what date we could set. In the first place, I do not know how long this session is to continue. I do not know whether we shall be in session for 10 days, 2 weeks, or a month longer. If we become involved in prolonged discussion, we may be in session for 2 or 3 months longer, until Thanksgiving. So frankly I do not know what date could be set, by which the committee should be required to report. Furthermore, only last night certain additional allegations or specifications were brought forward.

I have no way of knowing whether 15 or 20 or more resolutions may be submitted, making allegations which may or may not be supported by sworn testimony or committee action.

Again I say that I would hope that members of the committee from both sides of the aisle would be Senators who had not become partisans in this controversy. I do not believe we should appoint a committee of that caliber and standing, and then point a gun at their heads and say, "Regardless of what the allegations are, regardless of whether there are any supporting affidavits or testimony, you must submit your report by a certain day, come what may." That would be as improper as it would be to tell a court of justice that it had to proceed in that way.

Mr. IVES. Mr. President, will the Senator yield for a further question?

Mr. KNOWLAND. I yield.

Mr. IVES. I merely wish the Senator from California to understand that I have no idea of advocating holding a gun at the head of any committee or any Member of the Senate. However, it seems to me that some definitive action should be taken prior to adjournment. Therefore, I suggest that the motion be amended so as to call upon whatever

committee may be created to make a report prior to adjournment. I am not proposing any fixed date.

Mr. KNOWLAND. That is entirely in the hands of the Senate. I assume the committee could make an interim report, if it desired to do so, stating that, in view of the number of charges and the necessity of obtaining sworn testimony, or whatever the facts might be, the committee was not prepared to report before adjournment, if that should be the case; or, if the committee could complete its work and submit a report, I am sure every Member of the Senate would like that to be done.

Mr. IVES. Mr. President, will the Senator yield for another question?

Mr. KNOWLAND. I yield.

Mr. IVES. Would it not be possible after receiving an interim report for the Senate to consider what might be done by way of further action?

Mr. KNOWLAND. The Senate is always in complete control of its proceedings, and could give its instructions to the committee. In view of the discussion and in view of what I think at least would be a very bad precedent if the Senate should proceed to vote on certain allegations, some of them without supporting testimony, none of them made affirmatively, I believe it would not be wise to have the Senate put in the position of voting on such allegations without the help of witnesses or without resolving itself into a Committee of the Whole and taking necessary sworn testimony.

If we were to do that, we would have to be prepared to remain in session for perhaps 3 or 4 weeks; and in the meantime we would not be able to act on the supplemental appropriation bill, the foreign-aid bill, the farm bill, and all the other proposed legislation which must be acted upon by the Senate.

Mr. IVES. Mr. President, will the Senator yield further?

Mr. KNOWLAND. I yield.

Mr. IVES. Would the Senator be willing to amend his motion so as to provide that the committee should make a report before adjournment?

Mr. KNOWLAND. I will say to the Senator from New York that I will certainly be glad to consider his suggestion. I am not prepared at this time to modify my amendment. It is entirely within the discretion of the Senate to do so. My motion is not made for the purpose of delaying or foreclosing debate. I am not pressing for a vote on the motion at this particular time. I hope during the course of the day we may have discussion of the various alternative proposals which may be made. The Senator from New York has made one suggestion. There may be other suggestions made during the day. I am merely making the motion because I have in mind the alternative which is now before the Senate, under which the Senate may be called upon to vote on certain allegations without supporting testimony having been taken by any committee, or any report having been rendered.

Several Senators addressed the Chair.

Mr. KNOWLAND. Mr. President, I promised to yield first to the Senator from Oklahoma. Then I shall yield to the Senator from New Jersey.

Mr. MONRONEY. Mr. President, having had experience with the junior Senator from Wisconsin in the case in which former Senator Baldwin, of Connecticut, was pilloried rather strongly for his participation in the Malmedy incident—and his experiences were given as a part of the reason for his resigning from the Senate—having in mind the Tydings case, involving charges made by the junior Senator from Wisconsin, having in mind the experiences in the Maryland election case, in which the junior Senator from Wisconsin played a very prominent part, having memories of the Gillette case which involved consideration of the Benton resolution with reference to the expulsion of the junior Senator from Wisconsin, and having seen on television and witnessed personally the farce of the recent Army-McCarthy hearings, and in view of the fact that there have been five committees dealing largely with the subject matter of the resolution submitted by the distinguished Senator from Vermont, in the light of the knowledge of history which all Members of the Senate have as a result of awareness and observation, I wonder if a sixth committee, created for the purpose of arriving at conclusions based on the facts which have developed in the course of the other committee hearings, could conceivably meet and come to a conclusion before the adjournment of the next Congress. It seems to me that the proposal to refer this case to a select committee would amount to indefinite postponement, putting it on ice, and avoiding meeting the issue head on.

Mr. KNOWLAND. If the Senator will permit an interruption, in the first place, if the Senate, by resolution, appoints a committee representing both political parties, the committee will do its duty in as judicial an atmosphere as it is possible to find. I do not believe that such a committe would be intimidated. I do not subscribe to the intimation of the Senator from Oklahoma that we are a body of intimidated men.

In the second place, I point out to the distinguished Senator from Oklahoma—and I say this in all good humor and kindness—that one of the committees to which the Senator referred took testimony during a time when the Senator's party was in control of the Senate.

The subcommittee involved made no report to the full committee and made no recommendation of either censure or expulsion, or whatever else it might have done. At that time the Senator and his party were in control of the Senate, and if the committee had felt that the matter warranted action, it could have come to the Senate with a recommendation for censure or any other action. That was not done. Since that time the junior Senator from Wisconsin has been reelected by the people of Wisconsin. The Senator who made the charges before the committee, the former Senator from Connecticut, Mr. Benton, has been defeated by the voters of Connecticut.

I say to the Senator from Oklahoma that subsequent to that time the junior Senator from Wisconsin presented himself before the Senate and took his oath of office as a United States Senator.

Since that time the Senate has elected both the majority and minority members of its committees.

Since that time the Senate itself has acted on a resolution providing certain funds for the Committee on Government Operations. If the Senator's theory is that various committees, operating in the past and dealing with various subjects having no relation to a resolution of censure or condemnation, should be brought together in a general hodgepodge and, based on that, a United States Senator should be censured and condemned, without hearing and without the matter being laid before a committee, which would take sworn testimony, in a quasi-judicial atmosphere, the Senator may follow that course if he wishes.

I shall not vote to condemn or censure a Senator unless he has had an opportunity to have the facts presented before a fair and impartial committee, and until that committee has had an opportunity to report to the Senate.

Mr. MONRONEY. Mr. President, will the Senator yield?

Mr. KNOWLAND. I yield.

Mr. MONRONEY. As I understand the bill of particulars presented by the junior Senator from Arkansas [Mr. FULBRIGHT], every item specified in the bill of particulars is a matter which has been sworn to before a standing committee or a subcommittee of a standing committee, and that all the specifications are matters of record. At least one of them, the one pertaining to the Lustron Corp., has never been denied. The Senator from Wisconsin never denied that he received a $10,000 fee from the Lustron Corp. for the article that was printed under his name.

Mr. KNOWLAND. Mr. President, at that point——

Mr. MONRONEY. That is a matter of record. It is up to the Members of the Senate to consider whether, as the junior Senator from Arkansas said on Saturday, that is a proper exercise of the high conscience of the United States Senate.

Mr. KNOWLAND. If the Senator will yield at that point——

Mr. MONRONEY. No one has suggested that it is a subject for criminal prosecution.

The PRESIDING OFFICER (Mr. PAYNE in the chair). The Senator from California has the floor.

Mr. KNOWLAND. Let me say to the distinguished Senator from Oklahoma that he has no higher conscience, at least, I do not think he has, than I have, sitting in this chair. I do not believe he has any greater obligation to discharge properly his oath of office as a Senator of the United States than I have. I am merely saying that I would not want to condemn any Senator—and I would feel this way about my most bitter opponent—until he has had an opportunity to know the charges that were being presented against him, and until he had been served with a bill of particulars and had had an opportunity to hear sworn testimony and had had an opportunity to offer refutation and extenuating cir-

cumstances, and until a committee of his peers could consider the subject in a judicial atmosphere, not in a political atmosphere.

It seems to me that the party of which the Senator is a member has quite a responsibility if it had the knowledge of certain facts and did not present a resolution of censure or of expulsion to the Senate when it was in control of this body. Certainly the Senator is not going to take the position that it did not do it then because the junior Senator from Wisconsin was very powerful, but now that perhaps he has been a little crippled, it can do now what it was not willing to do then.

I am reminded of my father telling a story of going to the Washington Zoo. He was walking through the zoo and went by a tiger's cage. The tiger started jumping at the bars and was very ferocious. It had been quite calm prior to that time. My father went to the keeper and said, "I have been here many times during my 12 years in Congress, and I have never before seen that animal act in that way." The keeper said, "Perhaps you don't understand the psychology of animals. If you had noticed carefully, there was a crippled man who walked by the cage a little while ago. The tiger recognized that he was crippled, and he acted then as he would not have acted otherwise."

Certainly the Senator from Oklahoma is not taking the position, because perhaps the Senator from Wisconsin looks a little weaker now than he did when the Senator's party was in control, that he would do now what he was not willing to do then. Is that the basis upon which we are to make judicial determinations in the Senate of the United States?

Mr. MONRONEY. Mr. President, will the Senator yield?

Mr. KNOWLAND. Regardless of what the Senator's opinion may be about that, I do not think the great majority of the Members of this body want to condemn and censure a man without giving him, so to speak, his day in court.

Mr. MONRONEY. Mr. President, will the Senator yield?

Mr. KNOWLAND. I yield to the Senator from Oklahoma.

Mr. MONRONEY. I think the Senator well knows that the junior Senator from Wisconsin was invited on many occasions, not only once, but repeatedly, to come before the Gillette committee, and to have the full-time advice of counsel, and to present any and all material relating to some of the subject matter before the Senate today.

Also, in regard to the junior Senator from Wisconsin being a crippled man, if he is crippled he has crippled himself before the country by his own exposure of McCarthyism on the television sets of the Nation. So nothing that has happened on this side of the aisle or on the other side of the aisle has resulted in perhaps his fall from power.

The Senator might also care to look at the date on which this report was compiled, and recognize that it had to be compiled after Senators had gone through the campaigns preceding their own election and the election of the President of the United States. In the atmosphere of a political campaign, they were not able to conduct an investigation. I think it was quite proper that their investigations were suspended during that period in order to relieve so far as possible the political connotations which might have resulted on one side or the other. From about November 5 or 7 until January, the committee worked hard in preparing its report, and the report was filed on January 2. There was no time for the 96 Members of the Senate to examine the hearings which were printed, the photostatic copies of exhibits, and the report. There was no action that could reasonably have been taken before January 3, when the junior Senator from Wisconsin was sworn in.

I resent the matter being placed on the basis that the junior Senator from Wisconsin is crippled.

Mr. WELKER. Mr. President——

Mr. MONRONEY. I do not believe the Senator from Vermont [Mr. FLANDERS] is a man who goes around kicking cripples. I do not think that anyone else on either side of the aisle is of that nature.

Mr. WELKER. Mr. President——

Mr. MONRONEY. It seems to me that if it is not desired that there be a vote on the matter before the Senate, certainly we should give some consideration to the committee of Democrats and Republicans who, through long, long weeks of hearings, went into a test tube investigation of McCarthyism. Certainly we might look forward to the report of the committee that has had the advantage of seeing and hearing and knowing all that went on. At least the majority leader might give us hope that we could have a majority report and, if it is a majority report by both the Democrats and the Republicans, have it before the Senate for its approval or rejection.

Mr. KNOWLAND. Mr. President, if the Senator will permit me at that point, it is not the Senator from California who has precipitated this matter before the Senate prior to the report of the distinguished committee under the chairmanship of the Senator from South Dakota [Mr. MUNDT] and on which the distinguished and able Democrat from Arkansas [Mr. MCCLELLAN] serves. I pled privately and otherwise a number of times in the hope that this matter might be delayed at least until the time the committee could report to the Senate, but the proponents of the pending resolution and of the amendments to the resolution are proposing that the Senate vote before the committee has even a chance to report. On that committee an able and distinguished group of Democrats are serving, some of the ablest Members of the Senate.

Mr. MONRONEY. The junior Senator from Oklahoma will say to the distinguished majority leader that, along with many other Senators, we would like to see a vote taken on this matter, which is perhaps more important than any other subject before the Nation.

Mr. WELKER. Mr. President——

Mr. MONRONEY. I feel we should have some way of coming to a vote. It might be better to have before the Senate the report of the committee which conducted the Army-McCarthy hearing, or it might be better to have a vote on the resolution of the Senator from Vermont, with the bill of particulars proposed by the Senator from Arkansas [Mr. FULBRIGHT]. Certainly we should face up to the challenge, since most of the complaints heard today of abuses of power which have occurred, arise because the junior Senator from Wisconsin is acting as the agent of 96 Members of the United States Senate in the investigations he is conducting. The responsibility is not only that of the junior Senator from Wisconsin; the responsibility for every action rests on every one of the 96 Members of this great parliamentary body.

Mr. KNOWLAND. I have not denied that, and in my remarks the other night I pointed out that the responsibility rested on the Senate, and that it was a responsibility which each Member of the Senate would have to share. But I think there are orderly procedures.

As some of the most distinguished Democratic Members of this body have pointed out, even if one sees a man commit a murder, is a witness to it, the murderer is not condemned and lynched at that point. He is at least given an opportunity to appear before a jury and to have a trial. He is assumed to be innocent until proven guilty. I am only calling for orderly procedures.

I have been a Member of this body for only 9 years, but I know that precedents which are established today may guide our successors for the next 100 years—if America survives 100 years, as I believe it will—and long beyond that. The precedents we establish in acting on the case of a Member of the Senate today, as I pointed out the other night in my remarks, may be likened to throwing a stone into a millpond. The ripples go out, and no man knows where or when they will stop.

At least we should try, as a responsible body, Democrats and Republicans alike, to follow orderly procedures, so that if, in the future, censure action is brought against another Member of this body, be he Democrat or Republican, we shall at least have established fair and equitable procedures that will do justice to the Senator against whom the attempt to censure is made, and also do justice to the Senate. That is my only plea.

Mr. SMITH of New Jersey and Mr. WELKER addressed the Chair.

The PRESIDING OFFICER. Does the Senator from California yield, and, if so, to whom?

Mr. KNOWLAND. I yield first to the Senator from New Jersey.

Mr. SMITH of New Jersey. Mr. President, if I correctly understand the motion of the Senator from California, it is that this subject be referred first to an ad hoc committee for consideration of the so-called charges against Senator MCCARTHY. It seems to me that that is too narrow an approach. That is the reason I submitted my resolution today.

I shall read this language and ask the Senator from California [Mr. KNOWLAND] if he is willing to accept it as a

statement of the purpose of the committee rather than merely to provide for a trial of Senator McCARTHY:

Resolved, That the Senate views with real concern the growing divisiveness and disunity in the Senate and throughout the country over the problems created by the fact that there had been infiltration of Communists and other security risks into sensitive positions, and the methods and procedures employed in exposing and eliminating such security risks; and be it further

Resolved, That it is the immediate responsibility of the Senate to deal with this critical situation in an objective, judicial, and statesmanlike manner.

I suggest that we further resolve to refer the subject to a committee, so that the entire field may be covered and not merely the trial of the junior Senator from Wisconsin.

Mr. KNOWLAND. I may say to the Senator that, so far as I personally am concerned, I am willing to consider any suggestions made by the Senator. I am not prepared to modify my motion at this time. I wish to say that at least one of my objections to the Senator's resolution is the proposal that the Vice President of the United States should serve as chairman of the committee. I object to that for two reasons.

First, with a committee membership of 7 there would be a partisan majority of 1. In a matter of this kind, if a decision were finally reached on a 4 to 3 basis, even though it were a sound decision, the committee immediately would be subject to the charge that the decision was a partisan one. In a matter of this kind, I do not think the Senate should get into that kind of situation.

Second, the Vice President of the United States primarily is a member of the executive branch of the Government. It is true that one of his responsibilities is to preside over the Senate of the United States, but that is his only legislative responsibility. Since the President of the United States has made it very clear that he believes this to be a matter for determination within the province of the United States Senate, I do not believe the executive branch of the Government should be brought into a determination of the decision of the committee.

Those are the reasons why, frankly, I oppose the suggestion of the Senator from New Jersey that the committee should consist of an equal number of Republicans and Democrats, and to be presided over by the Vice President.

Mr. SMITH of New Jersey. I have no objection to leaving the Vice President off the committee, but I would recommend that the suggestions for membership on the committee be made by the respective policy committees. My thought is that the entire subject is one which is bigger than simply an investigation of the junior Senator from Wisconsin.

Mr. KNOWLAND. I think there is a great deal of merit in the Senator's suggestion, save for the appointment of the Vice President as chairman, that prior to the appointment of any committee, suggestions should be received from the policy committees and the leadership on both sides of the aisle.

Mr. SMITH of New Jersey. Does the Senator from California desire to have the Senate vote on his motion at this time?

Mr. KNOWLAND. No. I have made it clear that I am not pressing for a vote at this moment; but I think the motion should at least be before the Senate. The Senate should counsel together on it. There may be other suggestions to be made. But I think before the Senate reaches the point of voting on specific allegations, it should, at least, determine whether it wishes to proceed to a vote on what, in effect, will be considered a condemnation and censure of a Member, without, at least, receiving sworn testimony to uphold the charges.

Mr. SMITH of New Jersey. I desire a wider approach than simply to make this a trial of the junior Senator from Wisconsin, because otherwise there would be television and hoopla, and I am opposed to that.

Mr. KNOWLAND. I certainly hope that the proposed committee would not open up its hearings to television and similar activities. I am merely expressing my own feeling in the matter, but I think such hearings should be conducted in as nearly a judicial atmosphere as it would be possible to achieve. There are many fine, able Senators, among them eminent lawyers, who have not become partisans one way or the other in this matter. I hope the leadership on both sides of the aisle would seek to place the most qualified Members on the committee.

Mr. SMITH of New Jersey. My hope is that there will be an avoidance of the atmosphere of a trial.

Several Senators addressed the Chair.

The PRESIDING OFFICER. Does the Senator from California yield; and if so, to whom?

Mr. KNOWLAND. I can yield to only one Senator at a time. I yield first to the Senator from Missouri.

Mr. HENNINGS. Mr. President, I thoroughly agree with the distinguished majority leader that orderly procedure is an essential element in any investigation which a committee or any other responsible tribunal undertakes.

I assume, from the suggestion which has been made, I may say to the distinguished majority leader, that another committee will be appointed to study the activities of the junior Senator from Wisconsin. I can speak with some slight degree of feeling about that, because I was assigned to a subcommittee which, for 3 years, in one way or another, investigated a similar matter. For the greater part of 3 years I perforce, not because I wanted to be, was assigned by the leadership of my party, to the Subcommittee on Privileges and Elections. I soon began to wonder whether I had been sent to the Senate of the United States to do anything else but to consider and study matters relating to the sweep and the scope of the activities of the junior Senator from Wisconsin.

The PRESIDING OFFICER (Mr. PAYNE in the chair). The Chair requests visitors in the galleries to try to be as quiet as possible when they move from one location to another, in order that the debate on the floor may be clearly heard.

Mr. HENNINGS. The Subcommittee on Privileges and Elections consisted of the distinguished then junior Senator from Maine [Mrs. SMITH], the distinguished Senator from Oklahoma [Mr. MONRONEY], the distinguished Senator from New Jersey [Mr. HENDRICKSON], and myself. We began what we thought was a nonpartisan investigation of the Maryland senatorial election. We thought we were, as the distingished majority leader has stated, a nonpartisan committee. The fact that we made a unanimous report, as to which Republicans and Democrats on the subcommittee had no serious disagreement in what we recognized to be principles, propriety, and justice, would seem to have indicated that we were a nonpartisan committee, or a bipartisan committee, if Senators please. But no sooner had the report been submitted to the Senate than we were charged with being the most intense sort of partisans; and I believe the charming soubriquet or phrase was applied that we were "just a bunch of puny, cheap politicans."

I wonder if it has been considered how long a nonpartisan committee should investigate a matter of this character, with respect to the subject of the investigation, and continue to be considered as a nonpartisan or a bipartisan committee. That is one thing which bothers me.

Again, in terms of the later investigations—and I hope I may refresh the memory of the majority leader, who may have forgotten some of these things—I lived with them for 3 years, and I shall never forget them. I am certain that some of our friends found a sort of amusement in the activities of the subcommittee. Perhaps they were sympathetic—I hope, and they may have been sympathetic for occasionally I was commiserated with by persons outside the Senate—but, at any rate, there were not many Senators who became very indignant about the various charges and accusations directed at the subcommittee making the investigation.

I recall particularly the indignation of the distinguished Senator from Maine [Mrs. SMITH], when she and three others of us were charged with picking the pockets of the taxpayers in connection with certain investigations—in other words, we were charged with thievery. We were charged, first, with wanting to stop investigations of communism, the implication being that we were speaking for the Communists; that we wanted to see the Communists flourish; and that we would do anything to stop the man who was imbued with a desire to expose Communists, and was trying to do something to stop them.

I should like further, and most respectfully, to suggest to the majority leader that we had another problem, which was that we were never able to get the junior Senator from Wisconsin to appear before the subcommittee, except on one occasion. He was invited five times, but did not appear before the sub-

committee upon any occasion except one, and that was in order to testify with respect to a resolution which the junior Senator from Wisconsin himself had introduced, in order to investigate another Senator, former Senator Benton, of Connecticut. That resolution, my distinguished friend the majority leader may recall, charged Senator Benton with any number of things. The bipartisan or nonpartisan nature of the subcommittee was demonstrated, Mr. President, when it criticized former Senator Benton. The subcommittee criticized Senator Benton for conduct which it thought to have been unfortunate for the Senator.

Mr. KNOWLAND. Did the subcommittee recommend a censure resolution to the Senate?

Mr. HENNINGS. We recommended no censure resolution. I shall come to that in a moment. We recommended no censure resolution for this reason: The Senator is aware that there was a considerable turnover in the membership of the committee. I do not believe any Member of the Senate ever has applied for membership upon the Subcommittee on Privileges and Elections. I believe there were five resignations from that subcommittee during the time following submission of the resolution of the junior Senator from Wisconsin relating to Mr. Benton, and the resolution of Mr. Benton relating to the junior Senator from Wisconsin.

There was a constant turnover of membership on the subcommittee. I had been spending my time during the recess not so much in campaigning but as Vice Chairman of the Commission studying the Missouri Basin, which Commission had been appointed by the President of the United States to study the land and water-use problems of one-sixth of the Nation. I had spent the entire summer and fall and as much of the winter as I was able to devote to the task before the 83d Congress came back in session, traveling up and down the valley from Canada to the Mississippi River holding hearings. I was devoting my time to that work.

However, I was called in, together with other Senators, when the distinguished Senator from Iowa [Mr. GILLETTE] felt, because of reasons set forth in this report, he should resign from the subcommittee. I was then told that I was scheduled to become chairman of the subcommittee. I demurred, stating that I had certain responsibilities in connection with another commission, which I had asked the President of the United States to appoint, relating to flood and drought and water uses, things which I thought were extremely urgent and very important.

However, I was told that the subcommittee would disintegrate if I refused to accept the chairmanship, so I accepted the chairmanship.

The subcommittee tried to be impartial. We tried to be fair. We again invited the junior Senator from Wisconsin to come before the committee, and the Senator ignored our repeated invitations.

I should now like to make a comment relative to the inquiry of my friend, the Senator from California, about the failure of our subcommittee to bring in a resolution of censure or a resolution recommending expulsion.

In that period of time I returned from my State, out in the Missouri Valley, I believe the distinguished Senator from Iowa [Mr. GILLETTE] resigned on the 26th of October. Is that correct?

Mr. GILLETTE. I am not sure about the date.

Mr. HENNINGS. Whatever date it was, I then became chairman of the subcommittee.

If the Senator from California will bear with me, since I think the history of this case is important, for it has been referred to several times——

Mr. KNOWLAND. I am bearing with the Senator.

Mr. HENNINGS. I do not like to keep the Senator on his feet while I go into all these particulars. I probably should have presented this history on my own time.

Mr. KNOWLAND. I think the Senate desires to have all the pertinent facts.

Mr. HENNINGS. It seems to me this is germane; and I shall be glad to be corrected if I misstate any fact, because it is not my purpose to color or misstate any of the things of which I may have some particular knowledge.

Immediately upon assuming the chairmanship of the subcommittee, which for more than a year had been investigating the so-called Benton resolution and the so-called McCarthy resolution, I had a conversation with the counsel who had recently come to the committee. I believe he had been appointed by the Senator from Iowa [Mr. GILLETTE], or possibly by the distinguished Senator from Arizona [Mr. HAYDEN]. At any rate, the subcommittee had a new counsel.

I told the counsel, "Immediately during the period between now and the presidential election, begin the investigation. Do not slant the investigation. We want only facts which can be sworn to under oath; and everything any witness who is before this subcommittee has to say with respect to either the Senator from Connecticut or the junior Senator from Wisconsin must be testified to under oath."

I am sure the Senator from New Jersey [Mr. HENDRICKSON], who is present in the Chamber, will bear me out in that statement.

The subcommittee then consisted of the Senator from New Jersey [Mr. HENDRICKSON], the Senator from Oklahoma [Mr. MONRONEY], and myself. Coming back on November 5, we learned that the investigation had not been completed by Mr. Paul Cotter, who was then chief counsel of the subcommittee. We then undertook to tell Mr. Cotter that we wanted the investigation completed as soon as possible, so that we could hear the testimony, weigh the evidence, and make a report. We had a deadline, the termination of the 82d Congress, which was very important. Time was an element of the greatest importance.

Mr. Cotter then said he would require another 2 weeks, as I recall. The committee remained in Washington, though I believe the Senator from New Jersey returned home. I remained in Washington.

The subcommittee had other election matters to consider during that period of time. As I recall, there was the Michigan election, certain things which had to do with the Maine election, and other matters. We sat as a subcommittee during that period, the Senator will recall, hearing complaints, taking testimony, and listening to lawyers, with regard to other election contests or complaints in other States.

After that work was completed the distinguished Senator from Arizona [Mr. HAYDEN] came to my office. I said, "We have a two-man subcommittee." The Senator from Oklahoma had been called to Europe, and was unable to meet with us. I said, "Will the Senator not appoint another member? This committee, which had 5 members 2 months ago, has now fallen away to 2 members."

The distinguished Senator from Arizona [Mr. HAYDEN], then chairman of the Committee on Rules and Administration, cast about for other Members who might be willing to serve. The Senator could find no others, so he appointed himself as a member of the subcommittee.

Incidentally and parenthetically, the Senator who appointed himself as a member of the subcommittee is the Senator referred to when it is suggested that the Senator did not file the report with himself at the termination of the subcommittee's deliberation. I do not know what formality is required for a member of a subcommittee to file a report with himself as chairman of the full committee, but it has been implied or suggested that possibly he did not satisfy himself as to the formality.

Mr. KNOWLAND. Mr. President, will the Senator yield at that point? We must keep the facts in mind.

Mr. HENNINGS. I am glad to yield.

Mr. KNOWLAND. I think my suggestion was that during the period of time when the distinguished Senator's party controlled the committee, the subcommittee did not file with the full committee a resolution suggesting censure, a resolution suggesting expulsion, or a resolution suggesting any other disciplinary action. The full committee did not file with the Senate any such resolution or statement of charges. That was my point; my point was not that the chairman of the subcommittee turned over to himself a report on a subject on which the subcommittee had held hearings.

Mr. HENNINGS. I am aware that that was not the point of the distinguished Senator from California, but I believe it was the point of the distinguished Senator from Indiana [Mr. JENNER] on Saturday, and it was the point of the distinguished Senator from Michigan.

Mr. JENNER. Mr. President, will the Senator yield at that point? Since my name has been brought into the discussion, I think the Senator should be willing to yield.

Mr. HENNINGS. I yield.

Mr. JENNER. The Senator from Indiana said that it is true that the subcommittee never filed a report with the full committee, and that no action was ever taken by the full committee, which never even filed a report with the Senate. But the subcommittee was very diligent in having the so-called subcommittee report printed, because I have learned that they hand-carried the requisition down to the Public Printer, and a man who holds a high position in the Government Printing Office was so concerned about seeing that the report was delivered promptly, so that it could be circulated over the country, that he personally rode on the truck which delivered the report to the subcommittee. Let us keep the record straight.

Mr. HENDRICKSON. To whom does the Senator refer when he says "they"? I was a member of that subcommittee.

Mr. JENNER. I have learned that a member of that committee, not the Senator from New Jersey——

The PRESIDING OFFICER. The Chair must advise the Senator from Indiana that the Senator from California [Mr. KNOWLAND] has the floor. The Senator from California yielded to the Senator from Missouri [Mr. HENNINGS].

Mr. KNOWLAND. I yield to the Senator from Missouri.

Mr. HENNINGS. There was a reason, I may say to the majority leader, why the subcommittee made no recommendation of censure and no recommendation of expulsion. We had been unable in that short time, between November 5 and January 2, to adduce any testimony from the junior Senator from Wisconsin—bearing in mind the fact, as I have always believed, and as I am sure all other Members of the Senate believe not less than I—that charges involving serious offenses or charges reflecting upon character or integrity should be supported by proof beyond a reasonable doubt.

We had made what we lawyers call a prima facie case. We were satisfied that upon the basis of this report, we were in a position to go before a jury. Let me say that I can remember reading proof on New Year's Day and New Year's Eve, together with the Senator from Arizona [Mr. HAYDEN] and the Senator from New Jersey [Mr. HENDRICKSON], in an effort to have the report as accurate as possible, having in mind that we were working night and day—a decimated committee, what was left of the committee, although with the great assistance of the then chairman of the Committee on Rules and Administration, the senior Senator from Arizona [Mr. HAYDEN], who had appointed himself a member of the committee.

We concluded that this was a case sufficient to go to a jury. We had concluded that this was a case that, insofar as we had been able to determine, was predicated and based upon evidence and facts, all of which had been presented to us under oath.

But out of an abundance of caution and out of what we thought was an imperative obligation to be fair—in spite of the fact that we had long since passed the point where we were considered by some to be a nonpartisan committee—we concluded at that time we did not have in the report sufficient of fact upon which to make a recommendation of censure or of expulsion.

The reason, let me say to the distinguished Senator from Indiana [Mr. JENNER] also, was that the report was printed with all possible speed. I do not know who rode on the truck; but I am glad someone did, because copies of the report were distributed to the office of each Senator before any of the newspapers were given any copy of the report or before any person other than the members of the committee saw the report. Of that I am positive. We wanted the Senators to see the report before it became public property. I am sure that those members of the committee, both of whom are present at this time, will bear me out in that statement.

Mr. WELKER. Mr. President——

Mr. KNOWLAND. Mr. President, will the Senator from Missouri yield, to permit the Senator from Idaho to ask a question at this point?

Mr. HENNINGS. I prefer to continue, if the Senator will indulge me.

Mr. KNOWLAND. Of course.

Mr. HENNINGS. We believed, Mr. President, I say for the benefit of all Senators, that as members of the committee we were agents of the Senate. We believed that there had been laid upon the committee a trusteeship, if you please, to do an honest job for the Senate—although a job that was unpalatable, far more unpalatable than the job which Senators now are being asked to perform, namely, that of voting on certain resolutions.

We had to sit down and sweat this out, if you please. I had been at it for 3 years, and the report was the culmination of 3 years of work in the committee on one matter or another, although the major portion of that time had been devoted to the case of the junior Senator from Wisconsin.

We believed that Senators should read the report before we came in, on the following day, with a resolution suggesting that the junior Senator from Wisconsin not be sworn in or that he stand aside.

I would be very much surprised to hear from the Senator from Arizona [Mr. HAYDEN] that the report was never filed with the Committee on Rules and Administration. I would be very much surprised to hear that the report is still not in the bosom of the Committee on Rules and Administration.

I should like to ask the Senator from California, in terms of his recommendation or motion in connection with the resolution: Does he have reason to believe that the committee now proposed to be established will be less partisan that our committee was? I am sure abler committees might be selected from this great body. I would not for a moment contend that there are not abler Senators, at least, than this Senator, who was a member of the committee. But I can assure the Senate, and I do assure the majority leader and all my other colleagues, that we made every effort to be as fair, as nonpartisan, and as objective as we knew how to be.

Mr. KNOWLAND. Mr. President, if the Senator from Missouri will permit me to interrupt at this point, let me say I made no charges, nor have I even intimated, that the committee was not a fair one.

Mr. HENNINGS. I understand that the Senator from California has not.

Mr. KNOWLAND. But I point out that the subject matter covered is only 1, or perhaps 2, I do not know—of the long list of allegations or specifications of charges which have been coming in. I am sure that the Senator from Missouri, who is an able lawyer and well grounded in the American traditions of justice, would not contend that, because a committee had heard—even assuming it had all the facts in relation thereto—1 or 2 items of the specifications, the Senate should be prepared to vote on 20 or 30 allegations, or whatever the exact number may be.

Mr. HENNINGS. Let me ask a question of my able friend, the senior Senator from California, who I know has many burdens and many responsibilities resting upon him—and I sympathize with him because of the responsibility he has to discharge all of them, that I am trying to maintain a proper balance, good feeling, and a mutuality of understanding between all of us collectively in our efforts to do what we think best for the country. Of course, the televised hearings have only recently been concluded. Incidentally, let me say that our committee always refused to permit television or radio at either the Maryland hearings or these hearings. We had the idea that it was Senate business. True, it was business of the country; but we believed it was not to be made a sideshow or an extravaganza for the amusement of the general public. We believed it was serious business; and we had hoped to hold executive hearings, had the junior Senator from Wisconsin [Mr. MCCARTHY] come to give us the benefit of his testimony. Is it the fond hope of the distinguished majority leader that, should another committee be appointed, that committee would then deliberate in a manner more constructive and more successful in terms of all those charges than has been the case with the past several committees, which have taken valuable time of busy Senators for the greater portion of the past 4 years? If it is suggested that we have another committee, and if another committee is appointed, there will be more charges and more countercharges, of course. Have we any assurance that the other committee will have more success, that its efforts will be crowned with a greater and higher degree of achievement, than in the case of the committees which already have gone into these belated matters?

Mr. KNOWLAND. Mr. President, if the Senator from Missouri will yield, let me say—because I know he is fair and he wishes to be fair——

Mr. HENNINGS. I am glad to yield, and I thank the Senator from California for his kind remarks.

Mr. KNOWLAND. I merely wish to say that when there is a long list of charges, the mere fact that a Senator submits to the resolution an amend-

ment listing 6, 10, or 100 instances which he feels indicate that the junior Senator from Wisconsin, or any other Senator, might have been guilty of improper conduct, is not a prima facie case that he is guilty of such improper conduct.

I am merely saying that I do not think the Senate should be called upon to vote on a series of important allegations—and they are only allegations until proof and testimony are taken—which have developed from the censure and condemnation resolution which has been submitted by the Senator from Vermont [Mr. FLANDERS].

I thought the distinguished junior Senator from Texas [Mr. DANIEL] made a very able presentation, on Saturday, of the entire theory of American justice; and I hope any Senators who did not hear his remarks, or who have not already read them in the RECORD, will take the trouble to read them. He pointed out that we should not be called upon to vote upon this matter until testimony has been presented to a Senate committee; that in the white heat of a political controversy, on the eve of an election, or at any other time, we should not establish a precedent to the effect that it is sufficient to produce only charges, and that at once the Senate can vote censure—an action which, in my view, is of the most serious type that the Senate can take, with the exception of expulsion from this body. Such action condemns and censures the person affected; and in one of two instances, at least, I suppose that it, as much as anything else, has driven the man concerned out of public office.

Those being the facts, it seems to me that no fair-minded Member of this body would wish to vote on so serious a matter—certainly I would not—without at least knowing that such a group of Senators devoted to the public service had carefully studied the charges, and recognized the precedents that would here be established, and recognized that if this matter were acted upon too hurriedly—as might be the case in the heat of a political controversy—the result might be that the mere filing of the charges would result, if a majority voted to sustain the charges—in having the one under consideration condemned and censured under those circumstances without having an opportunity to appear before the committee, and without at least having the allegations supported by affidavits and sworn testimony.

It may be that I am wrong, but at least as I look upon it, this is an action which I feel is as important as one which would call upon me to sit in the Senate as a member of a court impeachment to try a member of the judicial or executive branch of the Government. I think we should approach it in that light. I do not believe we should lightly vote to censure and condemn a Member of this body without at least, in equity, fairness, and justice, prescribing the procedures by which we would be willing to be tried under similar circumstances.

Mr. HENNINGS. Mr. President, will the Senator yield?

Mr. KNOWLAND. I yield.

Mr. HENNINGS. I heartily concur with almost everything the Senator has said relating to orderly procedure and justice and fairness.

I can conceive of nothing more reprehensible, nothing more contemptible, than any Member of this body voting for expulsion or voting for censure of any Senator for partisan reasons. I can conceive of nothing that would demean, in my judgment, a Senator's character more completely than his undertaking to reflect upon the actions or the character of another Senator by his vote for naked, shallow, partisan reasons.

When I say to my distinguished friend from California that I have dubiety about the efficacy or the ability of another committee to study this resolution and its amendments and other related matters, I might also say that I do not think that it is of great interest to the country as a whole when the Senate adjourns.

If it be that the entire Senate has to sit as a court of impeachment—not technically, but de facto—that may be one solution. But certainly it would seem to me, I may say to the distinguished majority leader, that I can think of nothing more unpleasant because I have been through it, and along with other Senators, have taken the punishment of sitting here when the Senate was not in session—than having to come to grips with the unpalatable task of sitting in judgment on another Senator. Most decent men do not like to sit in judgment on other men, anyway. It is nothing to enjoy.

I am a little skeptical about the success of investigations of individual Senators, but I should be very glad to hear what the Senator has by way of assurance that this matter can be somehow or other dealt with promptly, in justice to the junior Senator from Wisconsin, as well as in justice to the Senate, which has this responsibility and this duty, whether we want to have it or not.

Mr. WELKER. Mr. President, will the Senator yield?

Mr. HAYDEN. Mr. President——

Mr. KNOWLAND. I will yield to the Senator from Idaho [Mr. WELKER], and then to the Senator from Arizona [Mr. HAYDEN].

Mr. WELKER. Mr. President, I expect to speak on this question later this afternoon. I certainly agree with my distinguished colleague and friend from Missouri [Mr. HENNINGS] that it would be most tragic if we did not end this "ball game," so to speak, one way or the other, without having another committee that might well be partisan against the junior Senator from Wisconsin, who is charged with having committed the censurable acts.

I should like to ask the distinguished Senator from Missouri, who happened to be chairman of a couple of investigating committees, whether he can give me the dates when his committee asked the junior Senator from Wisconsin to appear before his subcommittee for testimony?

Mr. HENNINGS. With the permission of the Senator from California——

The PRESIDING OFFICER. Does the Senator from California yield?

Mr. KNOWLAND. Yes, I yield for that purpose.

Mr. HENNINGS. I got a copy of this report [indicating] Saturday night. I had not seen it for many, many months, and I did not think I was ever going to have to read it again, but here it is.

The Senator from Iowa [Mr. GILLETTE] was a member, of course, and he was chairman of the committee during a period of the time, preceding my misfortune in inheriting the chairmanship. I see there is an exhibit No. 2, singularly at page 60 of the report, under date of September 17, 1951.

Mr. WELKER. What date?

Mr. HENNINGS. September 17, 1951. The junior Senator from Wisconsin wrote the then chairman of the committee, the Senator from Iowa [Mr. GILLETTE], and among other things, he said:

> I understand that under Senate precedent, members of a full committee have always had the right to question witnesses who appear before a subcommittee of their own committee. This I propose to do in the case of witnesses who appear to ask for my expulsion because of my exposure of Communists in Government. In view of the fact that your subcommittee, without authorization from the Senate, is undertaking to conduct hearings on this matter, it would seem highly irregular and unusual if your subcommittee would attempt to deny me the right to question the witnesses, even had I not been a member of the full committee. If there is any question in your mind about my right to appear and question the witnesses, I would appreciate it greatly if you would inform me immediately.

Mr. WELKER. Mr. President, will the Senator further yield?

Mr. HENNINGS. I mention this letter because it is the first one written by the junior Senator from Wisconsin in which he asked for the right to appear.

> If your subcommittee attempts to deny me the usual right to appear and question the witnesses, I think it might be well to have the full committee meet prior to the date set for your hearings to pass upon this question.

Mr. WELKER. Mr. President, I insist that the Senator has not answered my question.

Mr. HENNINGS. That is the first request of the kind I can find.

On October 1—does the Senator have a copy of the hearings before him?

Mr. WELKER. I have never seen it.

Mr. HENNINGS. One was delivered to the Senator's office, I am sure—at least one or two.

Mr. WELKER. Despite what many people say, I keep pretty good track of such things.

Mr. HENNINGS. The Senator has never seen the report?

Mr. WELKER. I saw it in the articles of a number of columnists who are famous, or who think they are famous, and in articles by other newspaper writers. In that way I saw what was in the report or allegedly in the report long before it was ever printed.

Mr. HENNINGS. Here is exhibit No. 4, page 61, indicating a letter to Senator MCCARTHY, which closes:

> I should be glad to have your comment relative to a convenient time for you, if you so desire, to come before us. If you do not desire, I shall appreciate——

Mr. WELKER. Mr. President, will the Senator yield? I merely asked the Senator when the subcommittee had asked

Senator McCarthy to come before them for his cross-examination.

Mr. HENNINGS. I will try to give the information to the Senator.

For cross-examination?

Mr. WELKER. Well, for cross-examination; yes.

Mr. HENNINGS. I understood the Senator to say "cross-examination."

Mr. WELKER. I am sure it would have been cross-examination. I should like to know.

Mr. HENNINGS. I am doing my best, if the Senator will be patient. Then, there is a response by the junior Senator from Wisconsin. Exhibit 6—there were a number of letters written by Senator McCarthy which did not have to do with his coming before the committee. He asked about the number of employees, and so on.

Mr. KNOWLAND. I wonder whether I may yield to the Senator from Arizona at this point, so that he may ask his questions.

Mr. WELKER. Let us not destroy the chain of thought. I have several questions I should like to ask of the Senator from Missouri [Mr. Hennings.]

Mr. HENNINGS. There are a number of letters——

Mr. THYE. Mr. President, I suggest that the Senator from Arizona be permitted to raise the questions he has in mind, and that his questions may follow the remarks of the Senator from Idaho, so that the Senate may proceed in an orderly fashion.

The PRESIDING OFFICER (Mr. Purtell in the chair). Does the Senator from California yield to the Senator from Arizona?

Mr. KNOWLAND. I yield.

Mr. HAYDEN. My question deals with the pending amendment offered by the junior Senator from Arkansas [Mr. Fulbright]. I have a distinct recollection that when I became a member of the Subcommittee on Privilege and Elections the junior Senator from Wisconsin was invited to appear and testify before the subcommittee, and that he refused to do so. My recollection is that altogether on six different occasions the Senator from Wisconsin was given an opportunity to appear before the subcommittee, and that he refused to testify at any time, except once, when it was for the purpose of testifying with reference to his own resolution against Senator Benton. The question was raised at that time—I believe it was raised by the junior Senator from Wisconsin—that a Senator could not be subpenaed and compelled to attend a session of any committee, because he had immunity as a Senator. I know that the question was very carefully considered by the two Senators with whom I was associated on the subcommittee. They are good lawyers. They decided that it would be a very difficult matter to compel the Senator from Wisconsin to appear and answer in particular with reference to the Lustron charge.

The Lustron case is made out in clear-cut terms in the subcommittee report and has been read into the record. It is based on sworn testimony. There is no question that the junior Senator from Wisconsin received the sum of $10,000. That is what is now before the Senate. It seems to me that the Senate should consider the several issues one at a time. Therefore, I believe it would be perfectly proper for the junior Senator from Wisconsin to ask to be sworn by the Vice President and to have him make his defense here on the floor of the Senate on that one issue. Then the Senate could determine whether in response to the charge prepared by the subcommittee—and it is a prima facie case—the junior Senator from Wisconsin had properly answered. If it is determined that he has properly answered, the Senate should vote down the pending amendment.

Mr. KNOWLAND. I am not prepared to argue the facts, because I have not had an opportunity carefully to examine the testimony with regard to the allegation that the junior Senator from Wisconsin had written a book, an article, a pamphlet, or whatever it may be, and had been compensated for writing it.

There may be other cases in the Senate involving Senators who may have written articles, books, pamphlets, biographies, or books relating their experiences in the Senate while still Members of the Senate. I do not know to whom they may have sold such articles, or whether the people to whom they sold their writings may have had, directly or indirectly, an interest in legislation pending before Congress. I do not know whether such writing should be permitted as a matter of policy.

I do know that many Senators quite properly accept fees for speaking before organizations. It may be that some of those organizations have a direct or indirect interest in legislation pending before the Senate. I understand that some of the fees paid for speaking engagements run as high as a thousand dollars or $1,500, for one speech.

I am only a country boy, but to me that seems like a great deal of money for one speech. I do not know whether that is a fair amount to be paid for a speech. Of course, it may depend on the type of speech, and whether the speaker falls on his face or whether the speaker makes a speech which the audience feels is worth the compensation they pay the Senator for making it.

Again, as a matter of public policy, I do not know whether the Senate ought to condemn that practice in general. Perhaps it should. All I am saying is that we ought to be very careful in examining all the facts, all the ramifications, and all the extenuating circumstances involved, to determine whether a Senator who serves as a chairman of a committee or as a member of a committee, be it the Committee on Government Operations or a committee investigating crime, should, based on his personal knowledge, write a book and be compensated for writing it. I do not know whether a member of the legislative branch of the Government or an official connected with the executive branch of the Government, having access to information which the general public does not have access to, should use his position as the basis for writing a book for profit.

It is not our concern, it seems to me, what the Prime Minister of Great Britain does. I do not know whether such a person, based on documents and experiences which he had in his possession, which information and knowledge no one else had, should write 10 volumes dealing with the background of World War II. Perhaps that is all right. Perhaps that is sound policy. Perhaps a President, a Prime Minister, or a former President, or other high official of the Government should write his experiences. Perhaps that is all right.

At least we ought to have all the facts before we take a stand with reference to a fee of a certain amount, which may seem high to some, but may seem proper compensation to others. That is my point. We are at least entitled to develop the facts.

Mr. HAYDEN. All that can be said is that the facts, so far as they could be ascertained by careful investigation and by the taking of testimony under oath, are stated in the committee report. The answer can be given on the floor of the Senate by the junior Senator from Wisconsin, and the Lustron issue can be settled by the Senate.

Mr. KNOWLAND. I have great love and affection for the Senator from Arizona. He served in the House with my father from 1913 to 1915, and I respect him as I respect no other man in the Senate, and hold him in higher esteem and affection than I hold almost any other Member of the Senate. It seems to me, under all the circumstances, and in the face of the various allegations, at least a committee ought to be appointed to take testimony. If such a committee—and I am just thinking out loud—meeting together in as judicial an atmosphere as possible, could have before it the various suggestions that have been made by the Senator from Arkansas [Mr. Fulbright], by the Senator from Oregon [Mr. Morse], by the Senator from Vermont [Mr. Flanders], and such other suggestions as may be made by other Senators, and could examine into those questions, perhaps without too much delay, it could determine which ones with propriety and equity and justice might be set up in a bill of particulars. In that way there would be something definite which the Senator from Wisconsin could deal with. He would know what the charges were. I say that, because as it has been stated on the floor of the Senate, if Senators should in fact write an indictment——

Mr. HAYDEN. I am not in agreement with that.

Mr. KNOWLAND. I understand. I believe that if we were to proceed in an orderly manner, in a judicial atmosphere, with a bill of particulars, and if the 6 members of the committee—3 Democrats and 3 Republicans—felt that the charges warranted their being brought before the Senate, then, if the Senator were to refuse to come before such a committee, in such a judicial atmosphere, it might have great weight with me on the ultimate decision I would make. At least it would be a pertinent fact. At least the junior Senator from Wisconsin is entitled to know what the charges are and on what basis they are made, and he is entitled, at least, to have the charges presented to a group which

is as nearly judicial in character as it is possible to get.

Mr. HAYDEN. The subcommittee definitely informed the junior Senator from Wisconsin as to what the charges were. It invited him to appear. He declined to appear. The information we received was that he could not be compelled to appear because a Senator was not subject to subpena. I should like to know whether, in the opinion of the majority leader, the committee proposed to be created should have the power of subpena to compel attendance.

Mr. KNOWLAND. I should say so, if the committee is to do a good job and obtain the facts. I am not a lawyer. I am only a newspaperman.

Mr. HAYDEN. Neither am I a lawyer.

Mr. KNOWLAND. So I do not know the fine legal points involved in the question whether the Senate or one of its committees has the power of subpena without special provision being made through a motion or resolution of this kind. I should certainly give great weight to the opinion of a distinguished lawyer such as the Senator from Georgia [Mr. GEORGE], the Senator from Colorado [Mr. MILLIKIN], or other Senators who are learned in the law, which I am not. I do not mean, by mentioning their names, to imply that there are not others equally capable. If they were to say that the committee should have such power, I should certainly give great weight to their opinion.

Mr. CAPEHART. Mr. President, I was a member of the RFC investigating committee of which the able Senator from Arkansas [Mr. FULBRIGHT] was chairman. I remember that the Lustron matter was brought out and discussed. I think that was 3 years ago. At that time the committee did not vote, or even consider voting, to censure the junior Senator from Wisconsin, or make the suggestion that he be expelled from the Senate.

My question is, Why, 3 years later, does the able Senator from Arkansas bring something to the floor of the Senate which, at the time he was chairman of the committee, he looked into and, after listening to the testimony, did nothing about? What has happened in 3 years' time? If the conduct in question was bad then, why did not the Senator from Arkansas do something about it then? Why did not the full committee do something about it? Why did we wait 3 years to bring up something that we knew about 3 years ago?

Mr. KNOWLAND. Mr. President, I understand the Senator from Missouri [Mr. HENNINGS] is prepared to answer the question raised by the Senator from Idaho [Mr. WELKER].

Mr. HENNINGS. I apologize for having taken so much time. This correspondence was separated from certain other correspondence. I read from page 98 exhibit 41, under date of November 21, 1952. I read this, with the indulgence of the Senator from Idaho and the majority leader, because the letter itself, and certain other communications which follow, embrace the dates referred to:

DEAR SENATOR MCCARTHY: As you will recall, on September 25, 1951, May 7, 1952, and May 10, 1952, this subcommittee invited you to appear before it to give testimony relating to the investigation pursuant to Senate Resolution 187.

Under date of November 7, 1952, the following communication was addressed to you:

"DEAR SENATOR MCCARTHY: In connection with the consideration by the Subcommittee on Privileges and Elections of Senate Resolution No. 187, introduced by Senator Benton on August 6, 1951, as well as the ensuing investigation, I have been instructed by the subcommittee to invite you to appear before said subcommittee in executive session. Insofar as possible, we would like to respect your wishes as to the date on which you will appear. However, the subcommittee plans to be available, for this purpose, during the week beginning November 17, 1952.

"It will be appreciated if you will advise me at as early a date as possible of the date you will appear, in order that the subcommittee may arrange its plans accordingly."

Following that letter there are some additional communications. I read from a letter under date of November 14:

DEAR MR. COTTER: Inasmuch as Senator MCCARTHY is not now in Washington, I am taking the liberty of acknowledging receipt of your letter of November 7.

I have just talked to the Senator over the telephone and he does not know just when he will return to Washington. It presently appears he will not be available to appear before your committee during the time you mention. However, he did state that if you will let him know just what information you desire, he will be glad to try to be of help to you.

Sincerely yours,

RAY KIERMAS.

Under date of November 16, I wrote the following letter, addressed to the junior Senator from Wisconsin:

The subcommittee is grateful for your offer of assistance, and we want to afford you every opportunity to offer your explanations with reference to the issues involved. Therefore, although the subcommittee did make itself available during the past week in order to afford you an opportunity to be heard, we shall be at your disposal commencing Saturday, November 22 through, but not later than, Tuesday, November 25, 1952.

This subcommittee has but one object, and that is to reach an impartial and proper conclusion based upon the facts. Your appearance, in person, before the subcommittee will not only give you the opportunity to testify as to any issues of fact which may be in controversy, but will be of the greatest assistance to the subcommittee in its effort to arrive at a proper determination and to embody in its report an accurate representation of the facts.

Pursuant to your request, as transmitted to us through Mr. Kiermas, we are advising you that the subcommittee desires to make inquiry with respect to the following matters:

1. Whether any funds collected or received by you or by others on your behalf to conduct certain of your activities—

I will not burden the RECORD with further reading from this letter unless Senators desire to hear it. It is all in the report at pages 98 and 99. I signed the letter.

Following that, as has been indicated, we set out the charges or allegations in the Benton resolution. We were compelled and in duty bound to inquire into the facts and circumstances. Those are all set out in six specifications in the letter to which I have referred.

A Western Union telegram appears at the end of this series of correspondence. It does not bear a date but, as is indicated by a reference, it was subsequent to the preceding letter. It is addressed to Senator JOSEPH MCCARTHY, Hotel Desert Hills, Phoenix, Ariz., sent from Washington, and signed by THOMAS C. HENNINGS, chairman of the subcommittee. It reads as follows:

Reference is made to our letter of November 7 again inviting you to appear before this subcommittee and to the reply of your administrative assistant received today. You are advised that this committee does not consider the aforementioned letter of your assistant to be an adequate or satisfactory answer. This committee desires an opportunity to examine you under oath to clarify—if possible—certain questions that have been raised from facts at hand, particularly with respect to your intricate financial transactions and certain of your activities. Your continued refusal to cooperate with the committee in its efforts to carry out the instructions of the United States Senate would appear to present a conscious disregard by you for the Senate's authority and a desire to prevent a disclosure of the facts. Failure to receive a reply by return wire that you will appear before this committee in executive session no later than November 20 can only be construed as a final refusal to testify under oath before this committee.

I signed that telegram.

This leads up to my question of the distinguished majority leader, as to whether he can give the committee which he proposes under the terms of his resolution, or any other body, assurance that the junior Senator from Wisconsin will appear and testify. I assume that he can give no such assurance. He can only indulge in the hope that such might be the case.

Mr. KNOWLAND. I have been on my feet for quite a while, so if the Senator does not mind, I will yield the floor.

Mr. IVES. Mr. President, before the Senator from California takes his seat, will he yield to me?

Mr. KNOWLAND. Certainly. I had promised to yield to the Senator from New York.

Mr. IVES. Mr. President, I offer an amendment to the motion of the Senator from California. I should like to ask him to accept a modification of his motion.

The PRESIDING OFFICER. The clerk will state the amendment.

The LEGISLATIVE CLERK. On line 5, it is proposed to strike out all following the word "and" and to insert "to make a report to the Senate before August 10, 1954, or prior to the final adjournment of the 2d session of the 83d Congress, whichever date is earlier."

Mr. KNOWLAND. I am glad the Senator has offered his suggestion in written form. I am not prepared at the moment to accept it as a modification of my proposal, but I shall certainly consider and discuss it with the minority leadership and others who may have suggestions as to an appropriate time or appropriate circumstances.

Mr. IVES. Does the Senator from California intend to have his motion printed and lie on the table? Is that his plan?

The PRESIDING OFFICER. The motion of the Senator from California is

the pending question. It is in typewritten form.

Mr. IVES. I understand that, but will it also be available in printed form?

Mr. KNOWLAND. It will be printed in the RECORD.

Mr. IVES. I should like to have my amendment printed and lie on the table, so that it will appropriately conform with the motion of the Senator from California. I offer my amendment as a modification.

The PRESIDING OFFICER. The amendment will be received and printed, and will lie on the table.

Mr. IVES. It is offered as an amendment to the motion now before the Senate.

Mr. FULBRIGHT. Mr. President, will the Senator from California yield for a question?

Mr. KNOWLAND. I yield for a short question.

Mr. FULBRIGHT. I wish to make reference to the matter of the precedents. The Senator has emphasized the precedents. He said once or twice that he did not want the Senate to set a precedent which would be regretted. He seems completely to ignore the precedent which already has been established, and which was participated in by the Senator from Arizona [Mr. HAYDEN], and the Senator from Georgia [Mr. GEORGE], to whom the Senator paid a deserved compliment a moment ago when he referred to them as great lawyers.

They were present when the last resolution of censure was submitted on the floor of the Senate. It was not referred to any committee. It was based solely and entirely on facts found by a committee which had no knowledge of a resolution of censure, and did not even have such a resolution in mind at all. The committee simply produced a set of facts, just as in this case.

Mr. KNOWLAND. I do not wish to argue the point with the Senator now. We had a brief colloquy concerning it on the floor on the day before yesterday. I respectfully differ with him to this extent:

The circumstances in the Bingham case were that a specific act was charged, namely, that Senator Bingham, of Connecticut, had brought into an executive meeting of, I believe, the majority members of the Senate Committee on Finance, which then had under consideration a bill proposing changes in the tariff rates, a Mr. Eyanson who had been connected with or employed by the Connecticut Manufacturers Association; that that had been done while Mr. Eyanson was on loan from the Connecticut Manufacturers Association; that he had been temporarily placed upon the payroll of one of the minor committees of which Senator Bingham was a member; and that was in progress about the time an investigation was being conducted by a subcommittee of the Committee on the Judiciary dealing with——

Mr. FULBRIGHT. The Senator from California is misstating the facts. I am trying to get them straight.

Mr. KNOWLAND. I have read the record. I believe it is clear that Senator Bingham, of Connecticut, had had an opportunity to go before a committee of the Senate, to make his explanation, and to give his reasons for employing Mr. Eyanson and having him sit in a meeting of the committee. Whether it is set forth in the resolution is, I think, immaterial. The fact is that there was a specific act charged, and the Senator who was so charged had his day in court, so to speak. He had an opportunity to present his testimony before an established committee of the Senate.

The Senator from Arkansas and I may differ on the situation, but I devoted an entire Sunday 2 weeks ago to a reading not only of the Bingham case, but also of the Tillman case.

I am not a lawyer, and perhaps the distinguished Senator from Arkansas is, but I at least have a right, from what I have read, to my own impression of what the facts were. The Senator from Arkansas is entitled to his opinion.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. KNOWLAND. I yield.

Mr. FULBRIGHT. I do not think there is any room for a difference of opinion about this very simple fact. The Senator from California says he is not a lawyer. Perhaps he did not understand the terminology that was used in the report, but it is clear, without question, that the resolution of censure was not referred to any committee at all, under any circumstances.

It is also clear that the statement of facts, which was reported to the Senate by the subcommittee of the Committee on the Judiciary took place before there was any resolution of censure. The subcommittee did precisely what I am saying or proposing to do in this instance. The Committee on the Judiciary found a certain fact, just as the committee headed by the Senator from Arizona found a fact, namely, that $10,000 had been accepted for such and such—exactly as the facts are set forth in the report.

It is for the Senate to judge of the fact. Was it acceptable? Was it a proper act or not?

In the other case the committee made no recommendation at all. It was intimated that the subcommittee of which I was chairman may have been derelict in its duty in not recommending censure. That is not according to precedent at all. Censure is brought about by the entire Senate. I think that has been true in every case—at least, it was true in the only case I know of. There are not many such cases. The last such case was in 1929, and affords the best evidence of what should be the proper procedure. I know exactly what happened in that case, and I placed in the RECORD last Saturday the official documents supporting it. What the Senate should do is to follow that case precisely. All the Senate has to do is to determine whether the action as found by the committee is acceptable or not.

The Senator from California is afraid of imaginary situations when he says the Senate may have to vote on something as to which there are no facts found by a committee. There is a very simple answer to that. All that is necessary to be done is to vote such a proposal down. I think the Senate should vote it down, if there is no basis for it. If there is no official statement in the RECORD or in a committee report, if someone alleges an entirely imaginary situation, the Senate does not have to act upon it other than to vote it down—and I shall be the first to vote it down.

Mr. KNOWLAND. The senior Senator from California is not afraid to vote on anything which is before the Senate. I think I have made that fact clear.

Mr. FULBRIGHT. I would not say "afraid"; I think the Senator from California does not want to vote on it.

Mr. KNOWLAND. No. The Senator from California has never avoided a vote in the 9 years he has been here. I am not afraid to vote on an issue. I have announced my position. I think it would be unfair, inequitable, and outside the normal bounds of American justice to vote upon the unsubstantiated charges contained in the original resolution of the Senator from Vermont [Mr. FLANDERS].

I made a speech regarding that resolution. I announced my position. I am not at all loath to vote on that or any other question before the Senate, but I think I have a right, based upon my responsibility as a United States Senator, at least to suggest, with respect to the procedures of the Senate, that there be provided fair, reasonable, and equitable rules of justice, before a Member of the Senate is condemned and censured.

As I pointed out in the earlier part of my remarks, I would not condemn or censure my worst enemy—and I hope I have no enemies in that category—I would not censure a criminal, even had I seen a criminal act committed, without at least giving the person his day in court and permitting him to file whatever extenuating circumstances he might be able to present, if any there should be, and to go through the normal American procedure of justice and equity. I do not intend to depart from that position, and I think, in the long run, the Senate might have cause to regret it, if it should fail to follow that procedure. There may be the votes for censure, but, speaking as only one Member of the Senate, I think such a course of action will rise up in the future to plague the Senate if there is a departure from the orderly procedure.

Mr. FULBRIGHT. The Senator from California is saying, in effect, that the procedure followed by the Senator from Georgia [Mr. GEORGE], who, I believe, we all think is very logical, was an unconscionable, unjustified procedure, inasmuch as the Senator from Arkansas is following precisely the procedure followed by the Senator from Georgia.

Mr. KNOWLAND. I think the Senator from Arkansas is mistaken and is in error, because in the case of Senator Bingham there was a censure resolution dealing with particular items and particular facts. Senator Bingham had appeared before a subcommittee of the Committee on the Judiciary. The Committee on the Judiciary had made a report to the Senate dealing with the particular transgression of public policy which the censure resolution subsequently sought to condemn.

Mr. FULBRIGHT. The Senator does not deny that the report deals with the Lustron matter, does he?

Mr. KNOWLAND. In the Bingham case the Committee on the Judiciary made a report to the Senate on that particular matter.

Mr. FULBRIGHT. Why would the Senator from California object, since his motion goes only to the resolution of the Senator from Vermont and not necessarily to the amendments, to broadening his motion, and then acting on the question of referral?

Mr. KNOWLAND. The motion is broad enough so that both the original Flanders resolution and the suggested allegations—all of them in toto—could go to the committee.

Mr. FULBRIGHT. Why should not the Senate be permitted to vote on one of the proposals, in order to determine what the sentiment of the Senate is? Why could the Senate not vote on the first offered proposal and then consider the motion to refer to the committee?

Mr. KNOWLAND. I am sorry that the Senator from Arkansas apparently has a closed mind in regard to the situation, because once there is a vote on a resolution of censure, without proper safeguards being set up, in the eyes of the country and the eyes of the Senate a Senator will have been condemned and censured without the Senate having taken testimony and without having followed normal, orderly procedures. If action is taken on one aspect of the question, why not go through the entire bill of particulars, whether or not they are only empty allegations, whether they have any support or not, because of a political desire to condemn, without having set up orderly procedures which equity and justice require?

I hope the Senate will not now do what was done during reconstruction days. At that time my party sat with a heavy majority in the Senate and in the House of Representatives. Because the party had the power, it was able to do a great many things; but that did not make them right.

As I pointed out earlier, during the time of the French Revolution, deputies in the French Assembly could denounce each other. Certain members were not necessarily wrong, but they were in the minority——

Mr. LEHMAN. Mr. President, will the Senator yield for a question?

Mr. KNOWLAND. I yield to the Senator from New York.

Mr. LEHMAN. I should like to ask the distinguished majority leader whether he asserts that it is an unsubstantiated charge that the junior Senator from Wisconsin, in a speech on June 14, 1951, without proof or other justification, made an unwarranted attack upon Gen. George C. Marshall.

Every word of that attack was carried in the CONGRESSIONAL RECORD, which every Senator saw.

Mr. KNOWLAND. Why did the Senator from New York not offer a resolution of censure at that time?

Mr. LEHMAN. That has nothing to do with the question. May I ask the Senator from California another question?

Mr. KNOWLAND. I do not intend to carry on the debate now. I have been on my feet for 3 hours. I do not wish to be discourteous to the Senator from New York, but I am a little weary. I have been through——

Mr. LEHMAN. I sympathize with the Senator.

Mr. KNOWLAND. I have been here through several nights, and I have been using my Sundays to read up on the Tillman case, the Bingham case, the CONGRESSIONAL RECORD, and everything else on the subject. I have tried to make my position clear. I previously told the Senator from Idaho [Mr. WELKER] that I would yield to him. I shall yield for one additional question, if the Senator from New York wishes to ask one.

Mr. LEHMAN. I thank the distinguished majority leader. I shall, of course, have much more to say on the subject later, but this is the question I wish to ask the majority leader: Is it an unsubstantiated charge that the junior Senator from Wisconsin openly, in a public manner before nationwide television, invited and urged employees of the Government of the United States to violate the law and their oaths of office?

Is that an unsubstantiated charge?

Mr. KNOWLAND. I do not know what all the facts are in the situation.

Mr. LEHMAN. It is a matter of record.

Mr. KNOWLAND. The Senator from New York says it is a matter of record. I know that over the years many Members of the Senate have received classified information. I do not know whether a United States Senator is a person who is entitled to have certain classified information. I know I have pointed out cases in which committees of the Senate have officially requested classified information, and it was denied to them. During a political campaign, on the eve of the election, a certain Senator was given a top-secret document, and he released it for political purposes without its being declassified.

If the charge which the Senator from New York has stated can be substantiated, perhaps the junior Senator from Wisconsin should be condemned for it; but, if that be so, others should likewise be condemned and censured. I do not know whether the recollection of the former President of the United States is correct or not, because I know all our memories are subject to failure. That is particularly true when a man has held the great office of President of the United States. It is difficult to remember all the facts. He had many heavy burdens to bear while he was President. This illustrates one of the dangers of proceeding without getting all the facts.

I read a dispatch from Independence, Mo.:

> Former President Truman said he had no recollection of giving Senator WAYNE MORSE any top-secret document during the 1952 presidential campaign. Mr. Truman is at home here recuperating from abdominal surgery performed 6 weeks ago. "While I have every confidence in Mr. MORSE'S veracity," Mr. Truman said, "I have no recollection of any such document."

Mr. WELKER. Mr. President, will the Senator from California yield so that I may ask the Senator from Missouri a question I wished to ask him a half hour ago?

Mr. HENNINGS. I do not have the floor.

Mr. WELKER. I merely wanted to ask a question or two of the Senator from Missouri.

Mr. KNOWLAND. I yield to the Senator from Idaho.

Mr. McCLELLAN. Mr. President, may I inquire who has the floor?

The PRESIDING OFFICER. The Senator from Idaho has the floor.

Mr. HENNINGS. I do not intend to stand on the floor of the Senate and be cross-examined while the Senator from Idaho makes a speech. I am glad to answer a question in debate, but I do not propose to stand and abide the Senator's pleasure until he is ready to ask me a question. I was on my way to the restaurant.

Mr. WELKER. I desire to ask the Senator from Missouri if it is not a fact that the Lustron case was brought before our committee, that Mr. Strandlund was cross-examined at length, and that the junior Senator from Wisconsin came before the committee and was cross-examined at length. Is that a fact or is it not?

Mr. HENNINGS. Mr. President, I take it I am not under oath.

Mr. WELKER. No; but I should like to have the best recollection of the Senator.

Mr. HENNINGS. I shall have to refresh my recollection, with my colleague's indulgence.

Mr. WELKER. The Senator has stated he is tired. Perhaps he can answer my question later.

Mr. HENNINGS. No; my recollection becomes tired, and sometimes it fails me. My best memory is that the junior Senator from Wisconsin did not appear at the hearings held by the Subcommittee on Privileges and Elections. Is that the subcommittee to which the Senator from Idaho is referring?

Mr. WELKER. Yes; it is the subcommittee on which we both worked so hard.

Mr. HENNINGS. I have a volume of those hearings before me. I do not know whether the junior Senator from Wisconsin appeared at the hearings or not. There seems to be two parts of the transcript. The one for September 28, May 12, May 13, May 14, May 15, and May 16, 1952, shows that the following witnesses appeared:

Perry J. Bachelder.
Senator William Benton.
R. Harold Denton.
Stanley T. Fisher.
George E. McConley.
Thomas V. O'Sullivan.
Walter Moore Royal, Jr.
Lorenzo Semple.
Carl G. Strandlund.
Clark Wideman.

If the Senator from Idaho has another volume——

Mr. WELKER. If the Senator from Missouri will refresh his recollection, I am quite certain he will recall that the junior Senator from Wisconsin appeared at those hearings and made a lengthy

statement. I should like to ask my distinguished colleague whether or not he has any information——

Mr. HENNINGS. Mr. President, will the Senator yield?

Mr. WELKER. I yield.

Mr. HENNINGS. I am not undertaking to say that the junior Senator from Wisconsin did or did not appear. To the best of my recollection, he did not appear before the Subcommittee on Privileges and Elections inquiring into the so-called Lustron matter. The record may refute my best memory of it. I cannot recall that the junior Senator from Wisconsin testified, although I remember that many other persons did. Does the Senator recall that the junior Senator from Wisconsin appeared before the subcommittee?

Mr. WELKER. Yes; I recall that he appeared before our subcommittee.

Mr. HENNINGS. In the Lustron matter?

Mr. WELKER. I know Strandlund was there on the Lustron matter, and we certainly had the right to look into the matter.

Mr. HENNINGS. Did the junior Senator from Wisconsin appear in the Lustron matter?

Mr. WELKER. In the list of witnesses the Senator from Missouri mentioned, he named Lustron, Senator Benton, and others.

Mr. HENNINGS. I said Strandlund. Lustron was the name of the company; Strandlund was its president.

Mr. WELKER. Whatever the name is.

Mr. HENNINGS. There is nobody named Lustron. That is a defunct company.

Mr. WELKER. Very well. Now I wish to ask a question of the distinguished Senator who was chairman of the subcommittee. Of course, the Senator succeeded several other distinguished chairmen. Let me say I have all the sympathy in the world for him. He is a fine friend of mine and always will be.

Mr. HENNINGS. I thank the Senator very much.

Mr. WELKER. Does the Senator from Missouri have any information with respect to the fact that subpenas were ordered to be issued by the then committee counsel of the Subcommittee on Privileges and Elections, Mr. Moore, to witnesses who were ostensibly friendly to the junior Senator from Wisconsin, which subpenas were later canceled by the then chairman of the subcommittee [Mr. GILLETTE]?

Mr. HENNINGS. Let me say to my friend, the Senator from Idaho, that I have no recollection of the persons to whom subpenas were issued. This procedure continued day after day, week after week, month after month, and year after year. I must confess that I do not remember about the subpenas. Subpenas were issued for many witnesses.

That hearing is much like a case a lawyer has already tried: Once it is behind him he forgets about it, and focuses his attention on cases yet to come.

Mr. WELKER. Of course, this one is still in progress.

Mr. HENNINGS. I simply cannot remember who was subpenaed or who appeared on any given day of the hearings.

Mr. WELKER. I am about to terminate my remarks at this point. Later I wish to address myself at length to this subject.

A moment ago the Senator from Missouri spoke of how secret the hearings were; he referred to the fact that executive sessions were held, and so forth. Is it not a fact that while we were on the committee we cited a writer for alleged contempt because he declined to reveal the source of information obtained by him in connection with testimony received by us in executive session?

If the Senator from Missouri is not able to answer, I am certain the distinguished Senator from Iowa, then chairman of the subcommittee, remembers very well that occasion.

Mr. HENNINGS. Mr. President, I do remember that occasion. The then chairman, the Senator from Iowa [Mr. GILLETTE] did in fact issue a subpena. I do not recall that there was a citation.

Mr. WELKER. I believe a subpena was issued.

Mr. HENNINGS. I believe this was for the purpose of laying the foundation for the possible citation of a newspaperman who had written a story relating to certain information developed in an executive session of the subcommittee.

At that time the subcommittee met and decided not to cite the newspaperman, who refused to disclose the source of his information. I believe my recollection is correct. The subcommittee sustained the right of members of the press to obtain information. By our action, we denounced and discouraged any effort on the part of committees, by means of the interrogation of newspapermen in the pursuit of their profession, to ascertain the sources of their information. Some of us considered that such action would be an infringement upon the right of freedom of the press, and for that reason I think all the committee members—or at least some of them—refused to vote for a contempt citation.

Mr. WELKER. Does the Senator from Missouri agree with me that at least all during the time when I was on the subcommittee, trying as hard as I could to be fair and honorable and to assist the chairman and other members of the subcommittee, certain news leaks received more attention or quicker attention than did the transcript of the testimony? The leaks resulted in newspaper articles which were published next day and generally circulated before we received the transcript of the testimony which had been taken in executive session.

Mr. HENNINGS. I seem to recall that, Mr. President. Of course, I think it is obvious that anything that has "leaked" is always more interesting than the contents of a transcript, which can be examined at leisure the next day.

This is my fourth year of membership on the Subcommittee on Privileges and Elections; I believe I am one of the oldest members of that subcommittee. I am rounding out my 4th year upon that subcommittee—albeit because of my sins.

On the subcommittee we have always had a great deal of trouble of one kind or another. The trouble generally runs the gamut; it has great variety. But there is always trouble; that subcommittee has always been plagued by "leaks." Generally we have been unable to ascertain the source; as a matter of fact, I do not think we have ever discovered very much about the "leaks."

Mr. WELKER. I believe the distinguished and able Senator from Iowa, when he was chairman of the subcommittee, discovered one source of the "leaks." He heard someone approach the door. The Senator from Iowa tiptoed up, jerked open the door, and then discovered, as I recall, someone who was at least more than casually interested in our executive hearings. Is that a correct statement?

Mr. GILLETTE. Mr. President, that is a correct statement.

Mr. WELKER. I shall not delay the Senate longer. I expect to speak further upon this subject matter as soon as other Senators, now scheduled ahead of me, have been heard.

Mr. IVES. Mr. President, will the Senator from Idaho yield, so that I may submit a parliamentary inquiry?

Mr. WELKER. Certainly.

The PRESIDING OFFICER. The Senator from New York will state his point of inquiry.

Mr. IVES. Mr. President, what is the pending question?

The PRESIDING OFFICER (Mr. BEALL in the chair). The pending question is on agreeing to the amendment of the Senator from New York [Mr. IVES] to the motion of the Senator from California [Mr. KNOWLAND].

Mr. IVES. I thank the Chair.

Mr. GILLETTE. Mr. President, during the session there have been a number of inquiries with reference to matters which many of us would prefer to forget, including some of the most unpleasant episodes which have occurred to me or in connection with me during my service in the Senate.

The able Senator from Idaho [Mr. WELKER] asked a number of questions of the distinguished Senator from Missouri [Mr. HENNINGS], relative to the time factor, and the question whether the junior Senator from Wisconsin had been asked to appear before the Subcommittee on Privileges and Elections.

I should like to read 4 or 5 very brief letters exchanged between the junior Senator from Wisconsin and myself, in my then capacity as chairman of the Subcommittee on Privileges and Elections. The following letter was dated September 17, 1951, and was written to me by the junior Senator from Wisconsin:

Senator GUY M. GILLETTE,
Chairman, Subcommittee on Privileges and Elections,
Senate Office Building,
Washington, D. C.

DEAR SENATOR GILLETTE: I understand that your subcommittee is planning on starting hearings Thursday of this week on the question of whether your subcommittee should recommend that McCARTHY be expelled from the Senate for having exposed Communists in Government. I understand further that the only two witnesses who have asked to

appear to date are William Benton, former Assistant Secretary of State and a friend and sponsor of some of those whom I have named, and the American Labor Party, which has been cited twice as a Communist front.

I understand that, under Senate precedent, members of a full committee have always had the right to question witnesses who appear before a subcommittee of their own committee. This I propose to do in the case of witnesses who appear to ask for my expulsion because of my exposure of Communists in Government. In view of the fact that your subcommittee, without authorization from the Senate, is undertaking to conduct hearings on this matter, it would seem highly irregular and unusual if your subcommittee would attempt to deny me the right to question the witnesses even had I not been a member of the full committee. If there is any question in your mind about my right to appear and question the witnesses, I would appreciate it greatly if you would inform me immediately.

If your subcommittee attempts to deny me the usual right to appear and question the witnesses, I think it might be well to have the full committee meet prior to the date set for your hearings to pass upon this question. For that reason, it is urgent that you inform me immediately what your position is in the matter.

Sincerely yours,

JOE MCCARTHY.

On September 25, 1951, I replied, as follows:

Hon. JOSEPH R. MCCARTHY,
United States Senate.

MY DEAR JOE: I promised to tell you the decision of the Subcommittee on Privileges and Elections as to procedure as soon as they had made the decision. They are going to take up the Benton resolution at 9:30 a. m., Friday, September 28, in room 457. At that time, they are going to hear Senator Benton's statement. They voted to hear the Senator in executive session but also voted that you could be present if you so desired and if time permitted, to make a statement at this same meeting. It was also decided that there should be no cross-examination except by the members of the subcommittee.

A further decision was made that if additional evidence is taken, it will be governed by rules of procedure determined after this first meeting.

With personal greetings, I am,

Sincerely,

GUY M. GILLETTE.

On October 1, 1951, I wrote the following letter:

Hon. JOSEPH R. MCCARTHY,
United States Senator,
Washington, D. C.

MY DEAR SENATOR: On last Friday, September 28, Senator Benton appeared before the Subcommittee on Privileges and Elections and presented a statement in support of his resolution looking to action pertaining to your expulsion from the Senate. You had been advised that you could attend this meeting, which was a public one, but without the right of cross-examination of Senator Benton. The subcommittee recessed to reassemble on call of the chairman. The chairman announced at the close of the meeting that an opportunity would be accorded Senator MCCARTHY to appear and make any statement he wished to make concerning the matter and with the right of Senator Benton to be present, but without any right on the part of Senator Benton to cross-examine you in any way. This is to notify you that this action was taken and the subcommittee will be glad to hear you at an hour mutually convenient. It is hoped that if you desire to appear and make any statement in connection with this matter, that a time can be fixed before the 10th of October. I should be glad to have your comment relative to a convenient time for you if you desire to come before us. If you do not so desire, I shall appreciate it if you will advise us of that fact.

With personal greetings, I am,

Sincerely,

GUY M. GILLETTE.

Mr. HENDRICKSON. Mr. President, will the Senator yield?

Mr. GILLETTE. Yes; of course.

Mr. HENDRICKSON. Senator Benton did appear as the Senator has said. Does the Senator recall whether Senator Benton was sworn or not?

Mr. GILLETTE. I do not recall the record of the hearings, I will say to the Senator from New Jersey.

On October 1 I sent the letter I just quoted.

On October 4, 1951, I received the following letter:

Hon. GUY M. GILLETTE,
United States Senate,
Washington, D. C.

DEAR GUY: This is to acknowledge receipt of your letter of October 1 in which you offer me an opportunity to appear before your committee and answer Senator Benton's charges.

Frankly, Guy, I have not and do not intend to even read, much less answer, Benton's smear attack. I am sure you realize that the Benton type of material can be found in the Daily Worker almost any day of the week and will continue to flow from the mouths and pens of the camp-followers as long as I continue my fight against Communists in Government.

With kindest personal regards, I am,

Sincerely yours,

JOE MCCARTHY.

I have read these letters, Mr. President, and I asked the distinguished Senator from Idaho [Mr. WELKER] to wait uitil I had read them because he had interrogated the eminent Senator from Missouri [Mr. HENNINGS] as to whether or not an opportunity was given to Senator MCCARTHY to appear and testify on those occasions.

Mr. WELKER. Mr. President, may I ask, does the Senator indicate that the junior Senator from Wisconsin did not appear before our committee?

Mr. GILLETTE. With reference to the Benton resolution?

Mr. WELKER. With reference to both resolutions that came before us at both times. We shotgunned and cross-examined on both of them, as I recall.

Mr. GILLETTE. I would have to trust to my memory, I will say to the distinguished Senator.

Mr. WELKER. My memory may be faulty.

Mr. GILLETTE. Yes.

Mr. WELKER. But I will say, with the great affection that I have for my friend from Iowa, that I certainly recall the appearance of the junior Senator from Wisconsin at the hearing.

Mr. GILLETTE. The Senator from Iowa would not attempt to say that the junior Senator from Wisconsin did not appear, but I am trusting to my recollection, and I have no recollection of it. I take this occasion to say with reference to the able Senator from Idaho, that during the period when we both had the misfortunate to serve on this committee I found him cooperative in every way.

The task we had was monumental, a disagreeable task, dealing not only with the matter which has just been discussed, but a host of others, and our task was accentuated by the difficulty which arose in connection with the fact that while we were investigating, as was our duty, charges made in connection with election irregularities, there was referred to us by the Senate of the United States the expulsion resolution submitted by the then Senator from Connecticut, Mr. Benton. This further complicated an already complicated task.

But my purpose in rising now, and my purpose in asking the able Senator from Idaho to remain, was because of this record I have which shows that the Senator from Wisconsin was invited on more than one occasion to appear. I thank the Senator from Idaho.

Mr. WELKER. I thank the Senator from Iowa very much.

I had not intended, Mr. President, to speak at this early hour. I thought there was a schedule of several speakers ahead of me. Over the weekend I have given serious consideration to the question before the Senate. I have been referred to in a column written by a man who is not known to tell the truth, as "Junior McCarthy." I have been called about everything in the book for trying to defend the junior Senator from Wisconsin.

Like the able Senator from Illinois [Mr. DIRKSEN], I probably have scolded and have been very, very rough on the junior Senator from Wisconsin many times when I felt he was wrong.

How well do I remember my first appearance on the floor of this great body, when I engaged in debate with the then Senator Benton, of Connecticut, and the deceased Senator McMahon, of Connecticut, on the McCarthy issue, and I believe, if my recollection serves me correctly, I stated at that time I would defend Senator MCCARTHY when he was right, and would criticize him when he was wrong.

Mr. President, it is to carry out exactly what I then said that I rise today. I do not care what people say about me so long as I have in my heart the consciousness and the feeling that I am doing what I think is best for my fellow man.

I should like to know, since it is probably going to be the favorite indoor sport of this great body to submit resolutions of censure, whether or not there is any truth to the allegation made by the distinguished junior Senator from Illinois [Mr. DIRKSEN] to the effect that this entire charge was masterminded by the ADA and the National Committee for an Effective Congress, and other groups considered to be a little left of the thinking of the Senator from Illinois and the junior Senator from Idaho. If the Senator from Illinois was wrong in his allegation, somebody had better get ready to shoot in a resolution of censure against him immediately, because the Senator from Illinois made a very profound statement when he said:

Thou shalt not follow a multitude to do evil.

Mr. President, I am wondering just which way we are going in this matter.

I can well imagine that in years to come there might be a revival of the Ku Klux Klan, that there might be a revival of the Night Riders of the West; that there might be a revival of those who seek to destroy this great country of ours. They might even establish headquarters at the Carroll Arms or at the Statler, and, with proper publicity men, try to tell the Senate of the United States what to do.

Mr. President, this whole matter arose because of the original speech of my friend, the senior Senator from Vermont——

Mr. FLANDERS. The junior Senator from Vermont.

Mr. WELKER. Pardon me, the junior Senator from Vermont, who has always been kind to me. I know he is an honorable, fair, and fine man. I shall never forget his many acts of kindness to me from the first day I came to the Senate. When I differ with him, Mr. President, with respect to this resolution which he initiated, he knows as well as I do that it is not a personal matter, and I hope the Senator from Vermont will believe me when I say that.

Some rather vigorous statements were made in speeches on the floor of the Senate and elsewhere by my distinguished friend from Vermont. I can recall one that hurt me a great deal. It was one in which, in effect, the Senator from Vermont criticized certain actions and words of Cohn and Schine while they were overseas. As I recall the now famous television show—not so famous for the United States Senate, but famous for those who would try to destroy the United States Senate—Roy Cohn testified under oath with respect to every activity while he and Schine were in Europe.

I further recall that my distinguished friend from Vermont was invited to appear and, under oath, to give his observations. I do not recall that the Senator from Vermont ever appeared to give that committee the benefit of his observations and his knowledge.

I also heard it said that Cohn and Schine actually engaged in a fist fight while in Europe, and that they jumped a hotel bill. I did not hear any sworn testimony from my distinguished friend from Vermont on that subject matter, and I am quite certain that had that charge been true it would have been brought to the attention of the people of America through the medium of the vast television, radio, and newspaper and columnist networks.

Then I was hurt—I was hurt very much—Mr. President, when I heard the junior Senator from Vermont say that there was a peculiar relationship between Joe McCarthy, David Schine, and Roy Cohn. That was a vicious inference, Mr. President. It was an inference which could be understood in many ways. In the one State in which I am licensed to practice law, an inference amounts to evidence, and even an inference upon an inference amounts to evidence, and can go to the jury, and upon such an inference a verdict may be reached, which may not be set aside by an appellate court.

I do not think that was fair; nor do I think it was decent; nor do I think it was honorable on the part of my distinguished colleague, the Senator from Vermont, whom I know to be an honorable man. Why did he not tell the American people what he meant by that "peculiar relationship" among the three? Certainly different minds might well differ with respect to such an allegation.

No, Mr. President, that is not the way to "play baseball" in the United States Senate or in a court of law, or anywhere else. I beg of my colleagues to think of that. It is an accusation which is easily made, but very, very hard to disprove.

In his speech the other day my distinguished friend from Vermont listed 10 famous cases which have been solved by the Department of Justice and the FBI, and the Senator from Vermont stated, as I recall, that the junior Senator from Wisconsin played no part in any of them.

The other day I paid my respects on the floor of the Senate to Roy Cohn for his help in the fight against communism within the United States. I may say that even though JOE MCCARTHY had nothing whatever to do with the 10 most famous cases, Roy Cohn did have an active part in the prosecution of 6 of the 10 cases.

When the Jenner committee held hearings in New York City, in its effort to protect the security of the United States, the Internal Security Subcommittee used the offices of Roy Cohn at the courthouse on Foley Square. I well remember two framed letters on a wall of that office. I made a note of them a long time ago, when we were there interrogating persons who, according to our information, sought to destroy our country.

I need not tell the Senate again that Roy Cohn had a direct part in the prosecution of the infamous Rosenberg spies who sold this country down the river, of William Remington, and of the two top Smith Act cases of the first and second team of Communists in the United States.

As I recall, one of the letters was dated in January 1953. It was written by a man whom all of us admire. I would rather work with him, through all the years of my service here, than to work with various congressional committees, which are always subjected to gunfire whenever they bring to light someone who would destroy this country.

The author of that letter of January 1953 was none other than J. Edgar Hoover. In that letter J. Edgar Hoover described Roy Cohn as a man who had done outstanding work and who was largely responsible for the decisive blow that had been struck at the Communist Party. On January 16, 1953, Roy Cohn was hailed for his splendid service by the then Democratic Attorney General of the United States, James P. McGranery.

Let us go back to Jim McGranery for a moment. I remember that I disagreed with the party to which I belong when Republican Senators did not want to confirm the nomination of Jim McGranery. The able senior Senator from New Hampshire [Mr. BRIDGES] and the junior Senator from Idaho fought as best we could to have the Senate confirm the nomination of Jim McGranery because we felt that there had been a failure to make a case against him. I still think that Jim McGranery is an able jurist and that he was a fine Attorney General. I am not biased against anyone in this matter. I want to tell the Senate what I have been thinking about, and I want to tell the American people, and especially my colleagues.

We speak about a code of ethics. The able Presiding Officer [Mr. HENDRICKSON] is an outstanding attorney, and I hope he will soon be a great Federal judge. The able Presiding Officer is retiring from the Senate. I want to say to him that the junior Senator from Indiana [Mr. JENNER], the able chairman of the subcommittee on internal security, has received great praise in this body and a great deal of fine publicity since he has been chairman of that subcommittee, but, under a nicey, nicey code of ethics, and as soon as the Communists knock out one man who is investigating Communists the next man will be JENNER, and, following him, Representative VELDE. I well remember that not many years ago MARTIN DIES was liquidated for his exposure of communism in the United States. That may well happen to some of us.

The Senator now acting as Presiding Officer was present the other day in one of the most infamous hearings we have ever held. It was a public hearing, in which appeared a man recently returned from Red China. We saw him sit there and equivocate and dodge and consult his attorney on every question asked of him. Not once would he come out and tell the American people the truth. Certainly it would have been easy for us to have lost our temper. We knew exactly what would happen if we did. That is exactly what the Communist Party would love to have us to do.

So we sat there. We saw Mr. Hinton receive the benefit of a code of fair ethics, which was much fairer than the rules of evidence that apply in any court I have ever practiced in. Hinton would take a long time to consult with his attorney before he answered any questions put to him.

The Presiding Officer was there and he assisted very ably in the cross-examination of that man. I venture to say that all of us present in the hearing knew that Mr. Hinton did the audible testifying, but that his attorney was the mastermind who told him what to say.

It happens every day when we have such people before us.

How many strange attorneys have we seen in the Internal Security Subcommittee hearings when we have had before us for interrogation the kind of characters I have in mind? The attorneys are always the same.

The man I have in mind started his career in the Putney School, in the great State of the junior Senator from Vermont [Mr. FLANDERS]. I believe his mother was the founder of the school. I asked him whether at the time he was teaching in that school—and ostensibly

he was a man skilled in agriculture—he was a member of the Communist Party. He took advantage of the privilege and right which he had under the fifth amendment—a right granted to the guilty as well as innocent. We inquired of him at some length with respect to his affiliations at that time. After lengthy consultation with his counsel, the answer was always the same: "I refuse to answer upon the ground of the fifth amendment."

One of the most pitiful cases I have ever seen came to my attention when I substituted for the distinguished chairman of the Internal Security Subcommittee in a case involving a man who was teaching at the University of Vermont. I should never release this information if it were not already public. This was a public session. I saw in Dr. Novikoff a hope that we could rehabilitate a human being back to the thinking of God-fearing persons and people who want to serve this country as loyal Americans. Dr. Novikoff had suffered a tragedy in his home. As I recall, his young son, 6 years of age, nearly lost his life in an automobile accident. Dr. Novikoff came before our committee in a depressed state of mind. He did not have the customary attorney with him, to advise the witness how to talk. Tears were in his eyes. He asked me if I would not give him several weeks so he could decide whether or not he wanted to come back to America—and back to his God, Who had saved his child and Whom he had forsaken. Without any argument, the distinguished chairman [Mr. JENNER] said, "Give him 2 weeks or 3 weeks if you can save this man for us."

So Dr. Novikoff left. He went to attend a meeting on cancer research in Chicago. I think he came back before our committee some 3 weeks later. He was a different Novikoff. He was not the man with tears in his eyes. He was not the man who did not know how to frame an objection so as to take advantage of the fifth amendment. Mr. President, I leaned over backward on his first appearance before the committee, told him of his rights, and framed the objection so that he would be perfectly protected.

I ask the distinguished chairman, who sits at my right, to confirm my statement. When Dr. Novikoff, the able, brilliant scholar from the University of Vermont, came before the committee again he was an entirely different personality. I have never seen another congressional committee take such a beating in my life. We got it between the eyes. As I have said before, we have taken it between the horns many, many times, but, in the case of this witness, a hundred times harder than ever before.

All praise to the great University of Vermont. Their attorney was present and heard the testimony, and Dr. Novikoff was immediately discharged.

That did not set well with us, because the Senator from Indiana and every other member of the committee would rather save one of those people than have him lose his job or be embarrassed by being dismissed from his position.

The other day we interrogated Mr. William Hinton with respect to his two sisters, one being Jean Hinton, as I recall. Her first husband had been on the stand prior to the interrogation of Mr. William Hinton. He made a most shocking disclosure: He had been in the basement of Nathan Gregory Silvermaster, named by at least 2 or 3 witnesses as the most vicious espionage agent in the United States of America today, and who has been operating as such for many, many years. He told us of seeing the camera, the apparatus, the darkroom, and everything else. They were warm personal friends. She took the Daily Worker. I believe it is truthful to say that they were divorced upon the ground that she had dedicated her life to communism.

Then we interrogated Mr. William Hinton with respect to his other sister, Joan Hinton. Who was Joan Hinton? Joan Hinton was a famous atomic scientist who worked at Los Alamos with Robert Oppenheimer and the others. She studied diligently to become skilled in the highly technical field of atomic research and atomic information in order that she might give the benefit of her knowledge to her country, or perhaps to someone else. She had visited in the home of Dr. Oppenheimer. After the Los Alamos project was closed she went to Chicago. Where is she now? She is behind the Iron Curtain in Red China, if you please, ostensibly working on a diary.

That was the story that was given to us. The present occupant of the chair [Mr. HENDRICKSON] was present when, on cross-examination, I presented to the witness, William Hinton, Communist propaganda written by his sister and printed in Peking, China, and asked him if he knew anything about it. No; he did not. More of the fifth amendment.

Mr. President, when we engage in the extra work that these committees require of us I sometimes wonder whether or not human bodies and minds can stand it. No doubt I have made mistakes in my interrogation of witnesses brought before our committee. I see before me the distinguished chairman of the Judiciary Committee [Mr. LANGER], who appointed me to that subcommittee. He asked me to do a job. I have never let him down and I never will, nor will I let down the chairman of the Internal Security Subcommittee [Mr. JENNER].

Things are not so easy. Why do the proponents of the code of ethics level the gun on McCARTHY every time? As I say, perhaps I have lost my patience at times.

Who among us has not, when cross-examining an adamant, mean, and cruel witness?

Mr. LANGER. Mr. President, will the Senator yield for a question?

The PRESIDING OFFICER. Does the Senator yield to the Senator from North Dakota?

Mr. WELKER. I yield.

Mr. LANGER. The distinguished Senator from Idaho has done a very good job as a member of the Judiciary Committee. I am sure he has done a good job as a member of the Subcommittee on Internal Security. I want to testify to that.

Mr. WELKER. That is very gracious of the Senator from North Dakota, and I thank him.

Committee members must travel all over the country. Those who want this code of fair ethics would require that a majority of the subcommittee, or at least 2 or 3 members, make such trips. The Senator from Indiana [Mr. JENNER] has ordered me to go to the west coast to investigate Communist infiltration over the Mexican border. I must hold hearing after hearing in Texas, Arizona, New Mexico, California, Utah, Idaho, and Oregon, and then come back to Chicago and travel all over the country to find the extent of the infiltration. How many Senators from the Internal Security Subcommittee will feel able and ready to go? Some of them will be engaged in political campaigns; some will want some well deserved rest.

Mr. President, let us think twice before we adopt a code of ethics such as is proposed, because no matter what kind of code may be adopted, it cannot make a bad chairman good nor a good chairman bad.

I have had the honor and distinction of serving with one of the greatest lawyers ever to be a Member of this body. God took him away from us a year or so ago. Senators know to whom I am referring. He served on the Subcommittee on Internal Security. Certainly he had the highest degree of professional ethics of any man I ever knew. He was present in room 318, the Senate caucus room, when the subcommittee was investigating Communist infiltration of printing plants and Communist propaganda. The Commies—perhaps I should say "the witnesses"—gave us a bad time. They were being coached by their attorney.

I actually saw that wonderful man, whom I loved as much as any man I ever knew in the Senate or elsewhere, who was, as I have said, one of the greatest men ever to enter the Senate, swear the attorney representing the witness who was under examination. Had the Senator been permitted to live, his great ability, qualities of fairness and honesty would be of great assistance to us all. But time ran out for him, too.

I actually saw him swear the attorney. That is not usually done in courtrooms, but it was done in this instance, because the subcommittee was at the point of giving up. The Senator swore the attorney and then asked him the very simple question: "Are you now or have you ever been a member of the Communist Party?"

Mr. President, you love the legal profession, I love it, the junior Senator from Indiana [Mr. JENNER] loves it; every person who has taken the oath to become a lawyer and to defend the defenseless and oppressed, at any cost, loves the law. Mr. President, how do you think we felt when the attorney answered the question by saying "I refuse to answer upon the ground that my answer might tend to incriminate me"?

Why did not someone offer a resolution of censure against the Senator who asked the question? No person who was more popular ever came from the other side of the aisle. Death took him away,

but I will say that had a resolution of censure been offered against him, there would have been a slight revolution on the part of all of us. We all loved him, Mr. President.

I have been in New York with the distinguished chairman, in the United States courthouse on Foley Square, where we received nothing but hisses and boos in response to every question we asked. But times have changed. There seem to be a few red-blooded Americans in attendance nowadays at the hearings. Instead of boos and hisses, we receive a little praise now and then. We do not get praise from those whom we examine. All we get from them is the fifth amendment, notwithstanding the fact that the international tribunal has decreed that the American people shall pay their percentage, $179,000 indemnity, to the poor, unfortunate little characters in the United Nations, who refused to answer the simple question propounded by the junior Senator from Indiana [Mr. JENNER]:

> Are you now or have you ever been a member of the Communist Party?

They were American citizens, Mr. President. They were there representing us, our families, and all of America.

I remember the words of the question asked by the Senator from Indiana:

> Do you mean to say that should you answer that question truthfully, you who are here representing the American people on the United Nations, it would tend to incriminate you?

Then they resorted again to the fifth amendment. They appealed to the United Nations International Tribunal for Justice. They could not get a passport to go overseas, where the International Tribunal sits at Geneva. Why? The answer is perfectly simple. The State Department knew exactly what we knew, and they did not issue visas and passports to people who do that sort of thinking.

So when that vote comes, if I am the only Member of the United States Senate to vote against the resolution, I shall do so. Then someone can fire a resolution of censure at me, too, because I am going to stand up and hit a lick for America before I ever let those people hit a lick against America.

We hear much about a code of fair ethics. One of the finest Members of the Senate, a distinguished lawyer, is Judge WATKINS, the senior Senator from the great State of Utah. He has tried hundreds and hundreds of cases. He held hearings in Cleveland last year. He was given the double treatment, to the point where that poor man, not in good health, had to have evicted from the room a number of those whom he had intended to investigate. I suppose a resolution of censure should be aimed against him because he did not play fair, because he threw some persons out of the room.

I suppose that in order to be members of a congressional committee investigating communism, graft, fraud, or that type of offense, which we are obligated to investigate, we should be very polite cross-examiners. We should never say anything against those who believe in the one-world philosophy; we should never say anything against the giveaway program, which will soon break the United States of America financially.

Again I say that if I am the only Member of the Senate to do so, I shall vote against such a program, because I have read the able discourse by the distinguished senior Senator from North Dakota [Mr. LANGER] and his minority views upon the subject. He has written the finest report I have ever read in the 3½ years I have been a Member of the Senate. It is exactly the thinking of westerners, the thinking of Americans in the area where I live. I have told the distinguished Senator from North Dakota in so many words that his report was "strictly western." That is the greatest tribute one man can pay to another.

I suppose it is thought by some persons that one should be in a position where he would not be criticized for his activities in this sort of business; that he should be willing to surrender the sovereignty of the United States to nations overseas. I am even led to believe that perhaps we should say that we will go along with Great Britain and advocate her trading with Red China, although I shall never do so, even though a resolution of censure be offered against me. It will take more than 1 such resolution; it will take 8 to get at me.

If resolutions of censure are fired at me in this great body, this is about the last place from which they will be fired, because I know of an easier way in which to make a living. When I can no longer stand up for my rights as an individual, and say what I think is just and honorable in this body, then the people of Idaho owe me the duty to get rid of me as a Member of the Senate, for I have no inherent right to be here.

I suppose also, to avoid criticism, we should listen to the talk of some of the millionaires who have criticized the junior Senator from Wisconsin. I assume they have criticized the Internal Security Subcommittee and the Velde committee. I know they criticize Representative DIES. They ran him back to Texas. I suppose we should give up and go along with the millionaires who have made their fortunes as a result of the foreign aid giveaway program—a program which the senior Senator from North Dakota said is dangerous, to which I agree. There may be only our two votes against the bill, but we shall go down the line together on that matter.

While our country is in dire circumstances, and staggers under a tremendous national debt, every Member is wondering what he will do if a bill is offered seeking to increase the limit. I wonder what we shall do when we return home. Could it not be that if the debt ceiling is raised, we shall be going down the road to disaster, just as Stalin predicted when he said, "I will cause them to spend themselves into bankruptcy, and I will take them without firing a shot"? Those are pretty serious words. I should like to be informed as to whether anyone knows whether the Senator from Illinois [Mr. DIRKSEN] lied on the floor of the Senate the other day when he told of the tremendous lobby which encircles the Capitol, headed by Mr. Rosenblatt, I believe, or someone by a similar name—an organization which the Senator from Illinois said, as I recall, would if it prevailed, liquidate every conservative Member in this body.

"Thou shalt not follow a multitude to do evil." I want someone to tell me whether my friend, the Senator from Illinois lied. If he did, who will have the temerity to introduce another resolution of censure? Perhaps, if the Senator from Illinois told the truth, and I want to remain in good grace in the Senate, I should make application with Prof. Arthur J. Schlesinger, at the Washington office of the National Committee for an Effective Congress. Perhaps I should say in that application that I am not, and have never been a Legionnaire; that although my war service was not enough, I am proud of the fact that I gave up the happiest little girl that I know, my baby, to spend time in trying to do, in my humble way, what so many millions of Americans did.

As I say, I do not agree for a moment with the suggested resolution of my distinguished friend, the able majority leader.

My friend, the Senator from Vermont [Mr. FLANDERS] indicated the other day that a few of us would not have the temerity—in the West we call it the "guts"—to stand up and vote upon the resolution. I cannot wait until I get a chance to vote on the resolution, and every red-blooded Member of this body will vote on that resolution. If not, he should take the pictures off the walls of his office, pack them up, and go home at once.

As I said before, if the Senator from Illinois lied, I would soon want to forget the fine statement he made. That certainly could be used as a "theme song" for those of us who want to save America, regardless of political party. We are equally divided on the question. This is not a partisan question. "Thou shalt not follow a multitude to do evil."

I have heard it said that there are resolutions before the Senate criticizing the junior Senator from Wisconsin with respect to what he said about some famous and, in my book, some infamous people. How far can we go in honest, legitimate debate upon the subject? I asked my distinguished friend, the Senator from Kentucky [Mr. COOPER], in debate last week, where the line is to be drawn. At what point are we to call a halt? I have stood upon the floor of the Senate and said things that I now regret. I demanded that Harry Truman resign from the Presidency of the United States. I also heard from the floor of the Senate that he should be impeached. What more cruel language could be used against a man in such high public office? The Office of the President is a little higher than that of any general, or than any news commentator, radio commentator, or pseudo television performer. So where are we going to draw the line?

Every time a Senator feels in his heart he has a duty to discuss something on the floor of the Senate of the United States, is he to cringe like a coward and be afraid that a resolution of censure will

be directed against him, a resolution which would kill any man in public or private life?

I heard one of the authors of the resolution call the President of the United States a ham actor. I have heard him say—and I read from press reports, if one can believe what he sees in the press—that "General Eisenhower has stooped to the big-lie technique in his campaign."

I do not desire to offer a resolution of censure against the Senator from Oregon. He is my neighbor. He is my friend. But that language is a little strong, is it not? It is just about as strong as any language which I have heard the junior Senator from Wisconsin or anybody else use.

The Senator from Oregon went on to say, according to the news reports, that the Republican Party is "dominated by reactionaries running a captive general for the Presidency of the United States."

He is further quoted as saying—and this is from the New York Times, I believe, which is sometimes considered to be a rather liberal newspaper:

Senator MORSE charged General Eisenhower with "stooping to any tactics"—

"Any tactics," if you please, Mr. President—

with "taking support from any source no matter how reprehensible" in order to win votes, and said the American people "were beginning to get wise to him."

The Senator from Oregon further stated on August 8, giving the reasons why he broke with the Republican Party—and I am quoting now from a United Press news release dated August 9, 1953:

Mr. MORSE, who broke with the Republicans during last fall's presidential campaign, attacked President Eisenhower today for "one act of political expedience after another" and branded the Secretary of State, John Foster Dulles, as "incompetent."

Further quoting him:

The much ballyhooed political crusade has become a crusade for paying off the powerful, selfish economic forces that ran Eisenhower's campaign and are running his administration.

I could go on and on. I shall not go into the subject further, but the statements were made against the present Chief Executive of the United States, one of the greatest generals ever to wear a uniform. One would be led to believe that General Eisenhower, the President of the United States, had been taught to lie, cheat, steal, and commit a fraud upon the American people.

Where are we to draw the line in campaign statements, or in statements on the floor of the Senate, or in statements made in the heat of cross-examination? Anyone who has cross-examined in a justice court knows that a snarling, mean witness may cause one to lose his temper. I have lost my temper many times. I have regretted it. I try not to lose my temper. But certainly I am not going to censure an advocate or a Senator who is carrying the ball alone in a crusade to save America, if he may have said something in an ill-tempered vein.

Mr. President, there has been much reference to the Lustron case. I have stated on the floor of the Senate that I examined Mr. Strandlund, the president of the Lustron Corp., in connection with the famous charge which has existed for so many years. Mr. Strandlund did not seem to have much to say about it that would hurt anyone.

I have given speeches throughout the United States, based upon information I obtained in the Senate. I did not know who was going to listen to my speeches, but I knew who paid for my appearances. Some of the Members who are so able and quick in drafting resolutions are making many more speeches than I am, and are basing them upon what they learned in the course of their service and their duties in the United States Senate.

Mr. President, there is talk of personal animosity. I want all my colleagues to believe me when I say that I remember a road show, as I call it—the Crime Investigating Subcommittee—which did a great deal of good and received a great deal of publicity by means of both television and radio. Before the ink was dry upon their report, a book was written in 1951. It was published by Doubleday & Co. I am informed that the publication of the book resulted in the receipt by the author of the book, the chairman of that distinguished subcommittee—which did a good job—of many, many times more, in the way of a financial return, than the $10,000 the junior Senator from Wisconsin received from the Lustron Corp.

It may well have been that when I interrogated the distinguished junior Senator from Arkansas [Mr. FULBRIGHT] the other day, with respect to that matter——

Mr. McCARTHY. Mr. President, will the Senator from Idaho yield to me for a minute?

Mr. WELKER. I yield.

Mr. McCARTHY. So many misstatements have been made about the Lustron matter, that I wonder whether the Senator from Idaho would like to have me give him the facts in that case, if I may.

I had been writing, and I wrote, the Housing Act of 1948. I took up with the special House committee the question on whether we should do something to try to bring to the attention of the young veterans the various housing aids which Congress had provided for them. The committee did not manifest any enthusiasm in response to my suggestion.

I then wrote, with the aid of some very able Washington newsmen, what I thought was a complete, thorough dissertation on what aids were available and how they could be obtained.

Incidentally, I offered it to some of the magazines which today are screaming about this matter. I offered it to them free of charge, if they would publish it. But they did not. I received offers from various corporations in the housing business, who wanted to publish it. Lustron made what I thought was the best offer at the time. Of course, later on Lustron went bankrupt. The Lustron offer was 10 cents a copy for the first 100,000 copies, and 5 cents a copy for each succeeding copy. The testimony of the head of Lustron Corp., when he appeared before the Banking and Currency Committee, was, as I recall, that that was one of the few projects upon which they made money. They lost money and went bankrupt on the others. But they made some money on that, at the rate of 10 cents a copy.

I may say that if I were embarrassed at all regarding the Lustron deal, it would be because my efforts were worth only 10 cents a copy.

Mr. WELKER. Mr. President, I shall not yield further to the junior Senator from Wisconsin in regard to that matter. I myself have made some research on it, having served on the Privileges and Elections Subcommittee, and having taken quite an interest in the matter, and having cross-examined witnesses regarding it, and having made some research. If the junior Senator from Wisconsin wishes to discuss it in his own time, that will be very fine; but at this time I should like to pursue to the end what I regard as my very feeble remarks, because I have had this matter "on my chest." I prefer not to yield, because I believe I shall handle the matter to my own satisfaction, at least.

Mr. President, returning to the so-called Crime Investigating Committee, which traveled all over the United States, let me say I saw that subcommittee on the television. Most Members of the Senate saw the subcommittee on television, I am sure. Perhaps that subcommittee needed a code of fair ethics. I have heard that the chairman of that great subcommittee is screaming for a code of fair ethics.

Mr. President, I believe I have had more experience than any other Member of the Senate of my age in defending persons who have been charged with the commission of serious crimes of various sorts. I know what it is to be in a courtroom and receive abuse from the press, from prosecutors, and from almost everyone else. But that is the duty of those who serve as defenders of persons charged with crime.

Let me say that in watching the televised proceedings of the so-called Crime Investigating Committee, I saw time and again—yes, 50 times; yes, 100 times; and I challenge anyone to deny it—a man who was presumed to be innocent called a liar, a thief, a dope peddler, or charged with almost everything else in the book. Such persons were not permitted to make statements. They had to go behind the fifth amendment. Some of them were asked "to come back to God"; some of them were asked "to be a human being once more."

Mr. President, this investigating business works both ways. I wish to tell the Senate that no matter whether one is investigating crime, Federal housing scandals, JOHN WILLIAMS' scandals, or any other matter, he will bring down upon his head the wrath of certain persons.

I heard no cry or demand from the so-called liberals—the group so termed by the distinguished junior Senator from Illinois [Mr. DIRKSEN] the other evening, if he did not lie to this body—for the adoption of a resolution of censure, as

a result of all that activity by the so-called Crime Investigating Committee, No; I did not hear a word of that sort.

Mr. President, a censure resolution has been used only four times in the history of the Senate.

The other evening we were reminded of the Biblical passage:

Thou shalt not follow a multitude to do evil.

Mr. President, I wish some Member would rise at this time and would ask, "The other evening did the junior Senator from Illinois [Mr. DIRKSEN] lie to this body, or did he tell the truth?" If he lied, Mr. President, I wish to see a censure resolution sent to the desk at once, because I am sure all Members of this body listened with great attention to what was the greatest speech I ever heard in all my life. It was based upon research and upon the fundamental belief in the heart of the junior Senator from Illinois that he was doing right for the country he so ably serves.

Mr. McCARTHY. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Idaho yield to the Senator from Wisconsin?

Mr. WELKER. I yield to the junior Senator from Wisconsin.

Mr. McCARTHY. Mr. President, I ask unanimous consent to insert in the body of the RECORD a letter from Harry Woodring, written June 23, 1954, to Mr. Bob Harris, and I should like to mention in connection with the letter that Mr. Woodring was Assistant Secretary of War from April 6, 1934, to September 25, 1936; he was Secretary of War from 1936 to 1940; he served with the Tank Corps of the United States Army during World War II; he is a member of the American Legion, and is a past State commander; and he served as Secretary of War while Gen. George Marshall was Chief of Staff. He is, and I believe all of his life has been, an active Democrat.

Mr. Woodring has indicated that he has no objection to the letter being publicly used.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

TOPEKA, KANS., *June 23, 1954.*

DEAR BOB: First, I want to thank you for the book you had sent, McCARTHY and His Enemies. I thought the chapter on General Marshall was very illuminating, but inclined to advance the thought that Marshall acted from judgment; while I think he knew better in the China question and acted under instructions from the State Department and the White House, which to me is not to his credit anyway. He is a good enough military strategist to know that he was selling out to the Reds. I learned to know him better than most people who have not had the close association, and I can tell you that he would sell out his grandmother for personal advantage; that he would sell out his policies, beliefs, and standards to maintain his political and military position with the powers that be.

I never missed a one of the televised hearings of the McCarthy-Stevens controversy. They came on at 8 a. m. here in Topeka. I would get up and have breakfast in the library as they started—at 10:30 recess go to the office and be back in time for lunch in the library at 12 noon.

I think Schine, Stevens, and Adams made very poor witnesses—I would not believe Stevens or Adams under oath after listening to them. McCARTHY does not have a very good appearance before the television. But, I am so strong for McCARTHY's objectives and the work he is doing that I found myself defending him every day of the hearings.

I think he has made the greatest contribution to the American people in alerting and informing them how easy it was the past 20 years for the Communists to infiltrate our agencies and departments of Government. If the threat is so great from the outside as so many of those opposed to McCARTHY indicate, then we had all the more the obligation to clear our own house of Communists in high places and strategic places—to avoid sabotage and treason if the threat developed an attack from within.

I believe Roy Cohn is the smartest guy in the whole outfit—and I am afraid a compromise decision by the Mundt committee may develop whereby Cohn will be sacrificed on the McCARTHY side to offset Adams' dismissal. Stevens should be censured and allowed to resign in a few months.

As Senator McCARRAN said yesterday, I am afraid the greatest and most dangerous result is the impasse between the executive and legislative branches—the Executive order of President Eisenhower which sets a precedent for the executive department to challenge the right of the people's representatives—the legislative—and congressional committees.

Again thanks. Let me hear from you.

Sincerely,

HARRY H. WOODRING.

Mr. WELKER. I should like to have the Senator from Oregon [Mr. MORSE] remain on the floor for a brief observation.

Mr. President, a moment ago I was trying to draw a line as to where we could go with respect to remarks made in debate on the floor of the Senate, in committee hearings, and things of that nature. I am referring to a speech made by my distinguished friend from Oregon at the Volunteers for Stevenson rally on Friday, 8 p. m., October 24, 1952, in which he was giving to the American people his reasons for leaving the Republican Party. I certainly am not critical of the Senator he has every right in the world to do that.

But for the purpose of this debate—and I say this seriously, Mr. President—I should like to know how far a Senator can go without being hit on the head with one of these resolutions of censure. I quote from page 3 of the press release, the text of which, I presume, was prepared by the distinguished Senator from Oregon, in which he said:

When Eisenhower stooped in demagogic fashion to raise false hopes in the hearts of the mothers and fathers of the boys in Korea by leaving them with the impression that if he were elected President he would bring the American boys home from Korea and train South Koreans to fight against Communist Asiatics, when he did that, he reached a new low in political campaigning.

In the last paragraph of that page, my friend from Oregon—and he is my friend—stated:

When Eisenhower played politics with the cause of freedom in Asia, he lost my vote and he lost my support.

I bring that up not in a derogatory manner against my friend from Oregon, because, perhaps, in the heat of political campaigns I have slugged just as hard, but I want this question determined once and for all: How far can we go in these matters without subjecting ourselves to a resolution of censure?

I ask my friend to please let me continue. I have bored the Senate for a long time. I know the Senator will speak again on his subject. I have stood on the floor of the Senate and urged and argued for wire-tap legislation, which would permit the Federal Bureau of Investigation and the Department of Justice to find the espionage agents and saboteurs who are within our midst. I have been told I was invading the right of privacy by suggesting such an awful thing, that I was in fact losing my mind, when I tried to say that a wire-tap interception was no different in principle from a microphone concealed in the room of any person or persons, which, as the distinguished Acting President well knows, is the basis for competent evidence.

I have never yet seen any Senator who offered to send a resolution of censure down on that score even though it is claimed to be an invasion of the right of privacy of our citizens. The only privacy such action would invade is the privacy of an espionage agent or a saboteur seeking to destroy this country. It would put a roadblock in the way of such persons, instead of a roadblock in front of the Federal Bureau of Investigation and the Department of Justice.

I hope and pray I can prepare a substitute bill which will satisfy the Committee on the Judiciary, and that we can bring such a bill to the floor of the Senate and discuss that subject in honest and honorable debate, without rancor or bitterness. I was appointed to make a study of that subject and to study the bill. I have worked diligently. I do not want to be censured because of the fact that I recommend a wiretap measure which, in my opinion, is the only method by which we can catch subversives and espionage agents in the United States of America.

What is the difference between a wiretap and a monitored telephone conversation? In my opinion, monitoring a telephone conversation is actually a crime. I have studied section 605 of the Federal Communications Act in its entirety, and I believe it is so prohibitory that in effect such an action is a crime.

Yet we stand here in these great temples of marble, where people get the odor of marble and think they are great, and we see no resolution of censure introduced in regard to those who tap wires when the other person has not been notified.

Mr. President, I am about to reminisce a bit. I am looking at one of the dearest friends I have in this body, the able senior Senator from North Dakota [Mr. LANGER], whose honor, in my opinion, is above reproach.

I have the honor of working for the Senator night and day, trying to do the job he has assigned to me on the busiest committee in the United States Senate.

I well recall when the Senator from North Dakota came to the 83d Congress. The Senator has spent his adult lifetime serving the people of North Dakota.

Whether we like it or not, the people of North Dakota like it. The Senator has served as Governor of his State. I have visited the Senator's great State, and I say that if anyone wants a set of false teeth in a hurry, let him go to North Dakota and say something derogatory about that fine man.

When the new administration took over I was sitting in my office, and the Senator from North Dakota paid me a visit. The Senator appeared depressed and acted as if sorrow had overcome him. He came to me and said: "Senator, my political opponents have filed some 60 charges against me, charges which seek to invalidate my election and throw me out of the United States Senate."

He said: "Herm, will you help me?"

I said: "BILL LANGER, a man is presumed to be innocent until proved guilty beyond a reasonable doubt."

There was some "horsepower" behind those 60 some charges. Great and powerful politicians were involved.

I do not know why the Senator from North Dakota came to me. I have no special ability to represent a Senator who is charged by another with having ruined his life. I would rather represent a man charged with murder than fail in an attempt to satisfactorily represent a Senator who has had such vicious charges filed against him. I said: "BILL LANGER, I do not know how well I can do the job, but you have me; you have me in every hour, every moment of a fight that is yours."

The greatest tribute I ever had paid to me, Mr. President, was to see tears come to the eyes of that great man, my friend from North Dakota, who gave me his hand and said, "Thank you very much."

Nothing happened with regard to those 60 charges. That was not because of any ability of mine; but in my own way I was willing to fire a cannon for a man who was being fired at eight times as viciously as is the junior Senator from Wisconsin by reason of the resolution of censure against him.

Mr. President, I am informed that the purpose of the resolution is to protect the dignity and the good name of the Senate of the United States. Despite his short period of time in this body, no Senator could desire to protect the dignity and good name of the Senate more than the junior Senator from Idaho. But I am one who was elected to the United States Senate because I made a crusade, if you please, upon the proposition that I would run every Communist out of Idaho and out of the United States, if I could find ample legal proof against him. I will work every hour I can toward that end. As I have heretofore said, when I cannot properly perform the duties of my office efficiently, the voters of my State will take care of me. It will not be necessary to propose any resolutions of censure.

I might be the next one up; but if so, let us hurry it along, because I happen to have had some experiences, as many of my colleagues have had, which were pretty close to my heart. I used as a symbol in the 1952 campaign my little next door neighbor, Jimmy Wilson. Jimmy Wilson was not my own boy, but I could not have loved him more had he been my own. I knew him from the day he was born until the day he was taken away. Jimmy Wilson was the most religious young man I ever knew. In May of 1952 I received a letter from Jimmy in Korea. He had been taken out of divinity school. He did not want to be a conscientious objector. He was a brave American. In his letter to me he said, "Senator, I feel that I am about to die. I am here where the going is tough. I am the only thing that mom and dad have. It would mean so much to them to know why I am fighting here in Korea."

I wrote back as best I could, in the words of a mealymouthed speech, if ever I heard of one, that I picked up from the State Department, hoping to give that brave boy encouragement that he might live to come home and be the great Christian minister he desired to be.

In June a telegram came from a far-off cattle ranch in the wild west, from the little city where I was born, telling me that Jimmy Wilson was dead. Jimmy Wilson was dead because of the tactics of the Communist Red Chinese, if you please.

Nothing could have hurt me more, other than the taking of my own child, because we lived as one family. I asked that his body be hurriedly brought home, and Jimmy was brought back. In the little town of fewer than 300 people, where I was born, thousands of his neighbors and his friends came to say farewell to little Jimmy Wilson. I drove down from McCall, Idaho. I arrived there late. I could not get within half a block of the church. So I want out to the graveyard where my mother and father and oldest brother are buried, to pay my respects to them, waiting for Jimmy to take his last ride and to be buried in the ground of the country he loved.

Never did I dream that I would be called upon to make the hardest speech that I have ever made or ever will make in my life. The minister turned around to me and stated, "At the request of the family, Senator WELKER will preside at the last rites at the grave."

I have never been a minister. I have to some extent neglected my religious training. All I could express was the feeling of my people in saying farewell to that young man who suffered from the tactics of the brutal Red Communists about whom the leftwingers around here yell when we are trying to get them out of our country. As long as Jimmy Wilsons are dying or are about to die, this Senator will hit Communists with everything he can get hold of, and I would welcome a censureship resolution at any time and at any place for such action.

Speaking of the rude, vigorous tactics of those who seek to save this country and bring the spotlight of public opinion upon Communist infiltration, how about those sneaking, lying Red Chinese when they broke through and killed so many at the Chosen Reservoir? It was a bitterly cold night. It was so cold the ground was frozen, and the soldiers could not dig into a foxhole. They could not get an inch deep. They had to sit there and take it. They had to meet the tactics of the "beautiful" Red Chinamen, and those Red Chinese Communists are no different from the Communists in this country and all over the world who are seeking to destroy the United States of America. They all have the same philosophy.

Mr. President, the night of the breakthrough at Chosen Reservoir it was so cold that the blood and blood plasma were frozen and could not be used for our boys who had lost legs and limbs and were maimed and dying as a result of their wounds.

Then brave American boys—God bless the fighting United States Marines there and the marines we have in the United States Senate—took jeeps and skidded out on the ice and picked up those who were injured. The tactics of the Red Chinese were a little bit rough. They sat on the hillside and shot at the rescuers and the wounded, without any thought of whether or not they were doing an honorable thing.

It is probably not right to discuss what they did to our war prisoners, but to those of us who attended the hearings held by the junior Senator from Michigan [Mr. POTTER] and heard of the atrocities committed upon our boys, it was simply shocking to the greatest degree. Yet we say, "Let us be careful of our tactics."

I wonder about our own tactics, Mr. President. Maybe I am wrong. I am asking for help. I am wondering about our tactics with respect to young Private Dickinson from Cracker's Neck, Va., when he had accepted the Communist philosophy. I think he was 1 of 26—a poor, young, ignorant, uneducated boy who had not had the benefit of attending one of our great educational institutions, which do not want anything done about academic freedom. The American people, through the Army of the United States, begged that he return to freedom, repent his sins, and be a loyal American again.

This boy from Cracker's Neck, Va., certainly cannot vote for me, and I have never seen him. All I know is what I have read in the press. He was brought back. What tactics did we use against him? This was the treatment he received; he was court-martialed and given a dishonorable discharge, and given a heavy sentence in the penitentiary.

Now let us talk about tactics from different angles. In the West we do not think that is good tactics. When we make a man a promise, when we beg him to do something, we do not turn around and do a double cross upon him—not by a long shot.

Other American prisoners were brainwashed. Colonel Schwable was one of the first men who gave out the alleged information on germ warfare in the Korean war. Actually, I think he hurt the cause of America more than did Corporal Dickinson. I do not recall that he received the sentence that that poor, ignorant kid from Virginia received.

A charge has been filed with respect to the conduct of the junior Senator from Wisconsin in his interrogation of one Annie Lee Moss. I think I am correct in saying, Mr. President, that Annie Lee

Moss was subject to a full field investigation by the Federal Bureau of Investigation, under the Federal Employees Loyalty Program, in 1948. This is information taken from a report which the Civil Service Commission provided. It was found that Annie Lee Moss occupied the position of a telegraphic typewriter operator in the Army Command and Administrative Communications Agency, Signal Service at Large, Department of the Army, Pentagon, Washington, D. C.

The description of Mrs. Annie Lee Moss' job reflected that one of her major duties was to examine messages received over the radio or wire circuits from stations all over the world; messages in tape form, in code, and clear text; to determine the coherence of such messages, whether the numbers were in correct sequence, the correctness of time and date groups, precedence, and whether complete, and to determine from procedure headings how the message should be disposed of.

I could go on with the job description. This is a portion of the job description as it was presented by the Department of the Army to the junior Senator from Wisconsin. Annie Lee Moss was dropped from her Army job prior to her hearing before Senator McCarthy because of information received by the Army to the effect that she was an active member of the Communist Party in the District of Columbia from 1943 to 1948, and had been assigned, at different times, to the northeast branch and the Frederick Douglass branch of the Communist Party and had subscribed to the Daily Worker in 1945. When she was before the committee headed by the distinguished junior Senator from Wisconsin, I understand that she testified she did not subscribe to the Daily Worker, but had received a few copies of that publication.

The Army also had information that she was a member of the Communist Political Association in the District of Columbia in 1944 and 1945. That was the reason why the Army dropped her at that time. She was later restored to her job after a loyalty hearing in which no witnesses were called to corroborate or substantiate the derogatory information against her. This information came, I am informed, from the House Committee on Un-American Activities.

As I have heretofore stated, I have all the sympathy in the world for any person who gets sucked into the Communist conspiracy. I hope and pray that whatever the end result is, Annie Lee Moss will be repentant, and that she will be a loyal and good American citizen from this time forward.

Let me say a word with respect to Mary Markward, the undercover FBI agent, who was working for the junior Senator from Wisconsin. She has appeared before the Subcommittee on Internal Security time and again. She is one of the most outstanding witnesses I have ever seen. I do not believe she would lie for any person or persons. She testified that she had received dues from one Annie Lee Moss.

In the telephone book, I am informed, there are two persons by that name. The first name of one person is spelled "Annie"; the first name of the other is spelled "Anna."

An investigation was made of the other person, Anna Lee Moss, who had never, at any time, had the job as described by the Civil Service Commission. She never, at any time, came within the examination of the FBI or had a loyalty hearing under the Federal Employees' Loyalty Act. For many years Mary Markward lived in the Communist Party as an agent working for the FBI and her country. As I have said, the person named "Anna Lee Moss" never had the job described by the Civil Service Commission, and never lived at the address as given by the person whose testimony and whose activities brought about the charge by the junior Senator from Wisconsin.

I do not know how far one can go in these matters. I wonder why the head of a committee should not be permitted to cross-examine at length, when he has before him, under oath, a person who acted as an FBI undercover agent, who would face the penitentiary should she commit perjury.

Mrs. Annie Lee Moss, I am informed, stated that she was born in Chester, S. C., on August 9, 1905; that she lived at 525½ Second Street NE. in 1943; that for a short time she lived in the 600 block of Second Street NE., the home of Hattie Griffin, who had been identified as a Communist Party member by the same Mary Markward whose job it was to collect dues and to investigate other persons. Mrs. Annie Lee Moss stated she was employed as a cafeteria worker in the Pentagon from 1942 to 1944. Mrs. Markward testified that although she could not positively identify this person as being the person who paid her the dues, she did recall that Mrs. Moss was a colored woman, about 38 years old, who lived in the vicinity of Second and F Streets NE., and worked in the Pentagon cafeteria. The record bears Mrs. Markward out, as Mrs. Moss was exactly 38 years old in 1943. The other identifying information is also corroborated by the record. Hattie Griffin advised the investigators that Mrs. Moss did in fact live with her a short time, but, of course, as I say, denied party membership.

On February 24, 1954, Miss Sallie F. Peek, after having been identified by Mrs. Markward as being in the same Communist Party group as Annie Lee Moss, sought refuge in the fifth amendment upon being asked about her Communist Party membership and as to whether she recruited Annie Lee Moss into the party.

On the basis of the positive identification of one Annie Lee Moss by Mrs. Markward, and since the other person known as Anna Lee Moss never lived in the northeast section and was not similar in physical makeup or height, I cannot see why the junior Senator from Wisconsin should be censured for his interrogation of that unfortunate person.

Mr. President, I could go into that subject at length, but I have already taken too much time of the Senate.

Mr. KENNEDY. Mr. President, will the Senator yield for a question?

Mr. WELKER. I yield to the Senator from Massachusetts.

Mr. KENNEDY. I must say I share the Senator's opinion that there are no adequate grounds for censure in the Annie Lee Moss case because of the questions asked by the junior Senator from Wisconsin. However, I think some of the interrogation by counsel for the committee was not adequately based, and I think that was the opinion of the Senator from Arkansas and the Senator from Missouri. However, the Senator from Idaho is not correct when he states that Mrs. Markward identified Annie Lee Moss in the sense that she identified her in person.

Mr. WELKER. No. I did not mean to leave that impression. I said she could not remember. Did I not say that?

Mr. KENNEDY. I wanted to make sure of that, because at the end the Senator from Idaho said Mrs. Markward identified Annie Lee Moss.

Mr. WELKER. No. What I intended to say was that she recalled certain facts about Annie Lee Moss. She could not identify her by seeing her face.

Mr. KENNEDY. I thank the Senator.

Mr. WELKER. I want to be as fair as I can, because I certainly do not want to do an injustice to the lady or to anyone else.

In conclusion, Mr. President, I am wondering what the direction of all this activity is. I have not heard answered the question that is in the minds and in the thoughts of 90 percent of red-blooded Americans, as to who promoted Major Peress, and who had him returned from Seattle when he had overseas orders. After he was disclosed by the junior Senator from Wisconsin as having altered his oath, and as having been a fifth amendment Communist, in my book, as well as in the book of the junior Senator from Wisconsin, I want to know what was wrong with that sort of procedure.

Oh yes, these liberals seem to weep and wail with respect to that. Jimmy Wilson is not here. He is in his grave in Cambridge, Idaho. But Major Peress is free. I assume he is practicing his profession of dentistry, and may well receive all benefits as an honorably discharged war veteran. With all respect to Secretary of the Army Stevens, he admitted that a mistake was made. All that goes to show that mistakes can happen. I say that the Major Peress case was a vicious mistake, and the American people will not be satisfied until that mistake is explained clearly and fully, with names, dates, times, and places.

Oh, yes, vicious tactics were used when Major Peress was interrogated, which brought on interrogation of General Zwicker.

I suppose the tactics were the same as those used by Big Bill Haywood out in Centralia, Wash., in 1919, when in that fine little city of the Far West an American Legion post was organized and the first parade was held, from an office occupied by the "wobblies," sometimes called the IWW, dictated and governed by Big Bill Haywood. What tactics were used? The same tactics Communists use today. Warren Grim, commander of that American Legion post, was hit with a bullet. Blood gushed out of his mouth. The parade of those brave men who saved

this country in World War I came to an end. And what happened to Big Bill Haywood? Where did he go? Did he go to New York City or any place in this country? He fled at once to Russia, and remained there until he died.

We talk about tactics. As the Senator from Nebraska [Mr. REYNOLDS] said the other day in his speech, the tactics of a hot bullet are much rougher than any question any Senator can ask one of those cowards, whoever he may be, who embrace the philosophy of communism.

I know a great deal about Big Bill Haywood. His name became famous as a result of his activity in my State. He was responsible for getting in office the man who once occupied the desk in this body which I now have the honor to occupy. He was responsible for the great name of Clarence Darrow, because the philosophy and tactics were the same then as those employed in the Communist conspiracy now. Big Bill Haywood, Moyer, and Pettibone engaged a paid killer to bomb and kill the Governor of Idaho. A time bomb was planted at the garden gate. It was known at what time he would reach that point. William E. Borah, then a young man, and one of the ablest trial lawyers this Nation ever had, was appointed as a special prosecutor. Clarence Darrow was hired to defend. A verdict of not guilty was entered. Suffice it to say that Harry Orchard, whose true name was Albert Horsley, was the paid killer.

The junior Senator from Colorado [Mr. MILLIKIN] has just asked me if Harry Orchard is still alive. I inform the Senator that he died about a month ago. He threw a bomb in the Denver Union Station. I would not hazard a guess as to the number of persons killed, but it was a large number.

Big Bill Haywood was a paid killer known throughout all the West. After the Centralia incident, that gentleman sought a haven in Russia. If Big Bill Haywood were not now deceased, as I believe he is, no doubt he would be enjoying a life of happiness with the Kremlin group who would destroy the things we hold so dear to our hearts.

I have heard it stated that the Secretary of Defense has said he is going after subversives wherever he can find them. Of course the FBI will do the same, and of course the Department of Justice will do the same. I wish to say to my distinguished friend, the junior Senator from New Jersey [Mr. HENDRICKSON], who now occupies the chair, that he knows how devoted I am to the newly appointed Assistant Attorney General, William Thompkins, of the great State of New Jersey, who will do a tremendous job in gaining information and in prosecuting Communists, who are dedicated to the overthrow of our country by force and violence. There is no jealousy between departments or committees or other Government agencies in the case of these matters. It is our job. I say to the Senator from New Jersey that if and when the time ever comes when it is no longer necessary for congressional committees to investigate communism or anything else, what a beautiful, peaceful time not only I and the junior Senator from New Jersey, but all other Members of the Senate who are engaged in that hard work, will have.

Mr. President, much has been said about the Lustron case. I sat with the distinguished Senator from New Jersey through weeks and months of a hearing that I could not stomach, and finally I resigned in disgust, and publicly stated that the subcommittee was politically inspired, in an attempt to tell the people of Wisconsin whom they should send to the United States Senate. I have never regretted that act, because I knew that day after day, following the interrogation of witnesses by several Senators, as soon as the testimony was received in executive session, much of the testimony would be "leaked" to leftwing, New Deal columnists—even before the committee reporters had a chance to transcribe the testimony.

The Senate well recalls the day when we called before the subcommittee a young newspaper reporter, and asked him to reveal the source of his information on which he had based a newspaper story which should have been kept within the confines of the committee, in view of the fact that the testimony was taken in executive session. We got from that reporter nothing but an answer that it was not very much of our business. That was the end of that.

I was in Idaho when a man I did not even know—an investigator—told me that that hearing was nothing but a one-sided attempt to take action against one Senator and to absolve another, and that he had had enough. I well remember that the minority counsel, whom the Senator from New Jersey and I had such a job getting employed by the subcommittee, called me in sheer desperation and said he wanted to resign because it was nothing but a political hatchet group. I begged him to remain, because if he had resigned there would not have been much left for any of us to do.

The Lustron matter was discussed. I am certain that the distinguished junior Senator from New Jersey remembers the cross-examination of Mr. Strandlund. I myself engaged in that cross-examination. I had never seen Mr. Strandlund before, and perhaps I shall never see him again. I questioned him at length about that matter.

Mr. President, I believe, as do many others, in giving a man a fair break and in giving him what is coming to him. If he is wrong, then let us give it to him the hard way. If he is right, let us try to stand up for him.

On Sunday, March 15, 1951, the Post-Standard, a newspaper printed in Syracuse, N. Y., published a very critical editorial regarding the junior Senator from Wisconsin [Mr. MCCARTHY]. On Friday, October 19, 1951, after the junior Senator from Wisconsin had filed suit against the Post-Standard, and after the matter had been at issue, and was ready for trial the next day—and I shall take judicial notice of the fact that in a city as large as Syracuse, and in the case of a newspaper as great and strong as that one, having been founded in 1829, I believe, I rather assume that the newspaper had the finest counsel that money could employ—the newspaper settled, I am informed, by paying the junior Senator from Wisconsin $16,500 in cash; and the newspaper had the following to say by way of an apology to the junior Senator from Wisconsin in regard to the Lustron case:

> The editorial of March 15, 1951, also criticized Senator MCCARTHY for a financial transaction with the Lustron Co. The facts in this case are these—

Mr. President, this is not the junior Senator from Wisconsin speaking; this is the Post-Standard, a great newspaper of the State of New York.

I quote further from the editorial of apology.

> Senator MCCARTHY had prepared a book advising veterans how they could finance home purchases and obtain full advantage of all helps and provisions of Federal housing law. He entered into an agreement with the Lustron Co., whereby they undertook to publish and distribute 100,000 copies of this book, and to pay him 10 cents a copy for these, and 5 cents a copy thereafter. This agreement was entered into after Senator MCCARTHY's party, the Republican Party, had been defeated in the 1950 elections, and had lost control of Congress, and Senator MCCARTHY was very unpopular with the Truman administration. It is not possible, therefore, that Senator MCCARTHY could have been useful to the Lustron Co. with the Truman administration.

I read further from the editorial:

> There has not been evidence presented before any committee or elsewhere that Senator MCCARTHY in any way attempted to intercede on behalf of Lustron. The Post-Standard is therefore convinced that Senator MCCARTHY's part in this transaction was on the same plane as the common practice among legislators of accepting fees for speeches and earning other fees for legitimate services.

Mr. President, why at this late and unusual hour do we bring up this dead body again? The people of Wisconsin had a chance to pass upon the facts as to whether the junior Senator from Wisconsin [Mr. MCCARTHY] was a liar and a thief and would doublecross his own Government and would sell out for a measly $10,000. Yes, the Lustron case was pointed to all over Wisconsin—in fact, all over the United States—as were other cases, in an attempt to convince the people of Wisconsin that the junior Senator from Wisconsin should not be returned to the Senate. But the people of Wisconsin spoke, and I think their speech should be final.

No doubt many of us have been unpopular. I think of the days when I used to read about a distinguished statesman, whose son happens to be one of my intimate friends, and who occupies a seat in this great body. I read in the press that he was a demagog, that he was everything in the world but what I found him to be. There was so much adverse publicity that that man lost his life; he was assassinated, if you please. Mr. President, Senator William E. Borah, of Idaho, once told me that that deceased Senator, Senator Huey Long, was one of the greatest men who ever occupied a seat in the United States Senate.

Contrast that statement with the smear, ridicule, and abuse which he received, even to the point of losing his life. Contrast that with the fact that Chief Justice Taft of the United States

Supreme Court said that he was the most brilliant counselor ever to appear before the Supreme Court of the United States during his time. Oh, yes, politicians are easy prey.

"Thou shalt not follow a multitude to do evil."

I am wondering yet if anyone who has entered this Chamber can tell me whether or not the Senator from Illinois [Mr. DIRKSEN] lied to this body in his speech the other night. If he did, I want him to be censured, just as there has been an attempt to censure the junior Senator from Wisconsin. As I said at the outset, I will be with JOE MCCARTHY when he is right, and I will be against him when he is wrong, and I will let the chips fall where they may.

Mr. President, the greatest speech I have heard on this subject was the learned legal discourse by the distinguished junior Senator from Texas [Mr. DANIEL]. He had made a profound study of the four precedents. Keep in mind that only four times in the history of our country has this vicious principle ever been used. He studied this question night and day, and came before the Senate Saturday with a most profound legal argument. I was thrilled to hear his statements.

What did he say? He said that a move such as this—and he supported it by precedents and by the law stated therein—was, in fact, a criminal action, and that it should be handled as a criminal action; that the defendant should be entitled to a bill of particulars.

I cross-examined the Senator from Texas with respect to a few matters. I ask the Senate if his statement is the truth, if this is a criminal action, in the great judicial institution which we have for the defense of the innocent, when did it ever happen in America that a man was not permitted to be faced by his accuser? When did it ever happen that a man had to go to trial before a jury of his peers, knowing that some of them were biased?

The junior Senator from Arkansas [Mr. FULBRIGHT] who submitted the resolution before the last one, was the only Member of this body who voted against the appropriation to continue the work of the committee headed by the junior Senator from Wisconsin.

Mr. President, do Senators think I would be naive enough to go to trial before a man who would hold up his hand and swear to God that he would give the defendant a fair and impartial trial upon such evidence as that alone?

There has been personal hatred in these matters. That is something that we do not like. But certainly the defendant in this case is entitled to the voir dire examination of the jury. He can ask them whether or not they have made up their minds, whether they would have scruples, one way or the other, in arriving at a fair and impartial verdict.

He could ask them under oath, as should be the case if we are to follow the American system of jurisprudence, whether or not they had an opinion. If they had an opinion for or against the defendant, he could ask them the further question, whether that opinion is such that it would require evidence to remove, and if the answer were "Yes," the court, the presiding judge—and we have none here—would say, "The juror will step down. The next juror will please come forward." The junior Senator from Wisconsin is entitled to a trial by a fair and impartial jury, and I am sure that he will get just that at the hands of a preponderance of these able Senators.

Why should there be even one vote against the Senator from Wisconsin, based upon prejudice or upon something other than the American system of justice and fair play? What sort of evidence do we want? What sort of evidence does the Senate hear argued as a basis for assuming the guilt or innocence of the accused, who, as the Senator from Texas [Mr. DANIEL] says, is before us on what really amounts to a criminal prosecution?

Senators want to hear evidence, some of it outlawed by the statute of limitations years ago, and some of it based upon political expediency.

When I interrogated the junior Senator from Arkansas [Mr. FULBRIGHT] the other day and told him I resigned from the Subcommittee on Privileges and Elections because I felt that it was, in fact, a political committee, what did he say? He said, "All committees must play a little politics."

Is that not wonderful? He submits a resolution to censure this man, knowing at the time he submits it that politics had been played in connection with the evidence which he seeks to adduce to convict the junior Senator from Wisconsin for one of the most infamous crimes that a public servant could ever commit.

If this case were being tried in an orderly court of law, even in Mexico—and we have heard a great many observations with respect to Mexican justice—upon the testimony and evidence used here, where this man is deprived of the right of counsel, and deprived of the right of cross-examination, he must submit to evidence against himself, no matter how old or how new. He must take that evidence, and he cannot be heard to deny it. Even in Mexico the junior Senator from Wisconsin would have a fair trial.

The people of Wisconsin, who sent the junior Senator from Wisconsin here, are put completely out of bounds. This august body tells the people of Wisconsin that they know not what they do. I say to Members of the Senate that there is not a lawyer present listening to my voice who would not say that upon the facts adduced here, with the penalty prescribed and urged here, there is not a court of law in the land which would not grant a directed verdict as soon as the evidence was laid before the court.

This man is entitled to the presumption of innocence. That presumption of innocence should attend him throughout the trial. He is presumed to be innocent until proven guilty beyond a reasonable doubt, and to a moral certainty.

Where is the presumption here? Who is to instruct the jury of 96 Senators? I do not know of a court of law in the land, presided over by one who is learned in the law and profound in honor and in justice, who after hearing a case as terrible as this one, would not instruct the jury as to just how far it could go.

I am not asking for sympathy because, Mr. President, tomorrow may be my day. I hope that it will never be your day, Mr. President, because you are retiring from the Senate to live a quiet and peaceful life, which I hope will bring you everything that is good in this world.

The next time someone may become angry at the Senator from Ohio [Mr. BRICKER], or the night riders or Ku Klux Klansmen may organize a plan to liquidate the Senator from Ohio. The next victim may well be the senior Senator from North Dakota [Mr. LANGER], or the Senator from Michigan [Mr. POTTER]. Of course I have little doubt that when those people organize I will be one of the first victims.

I want everyone to know that I am ready, willing, and able to take them on at any time. However, I prefer to let the people of my State and not some cowardly leftwing writers who smear and abuse anyone who stands up for his country be the judge of what I do. I do not want any groups who are out to kill off any of us so-called conservatives to dictate to the conscience of this great, august body, sometimes called the greatest deliberative body in the world.

Some day I may send a resolution to the desk censuring a Senator for filibustering. I am becoming sick and tired of seeing pages of pictures of little 14-year-old youngsters, published in newspapers throughout the land, because certain Senators think they are doing something smart by keeping the Senate in session day after day, night after night, week after week. It might be very clever to talk for 22 hours on 1 subject, but so long as we are determined to preserve the dignity of this great body, I am about ready, if this resolution of censure prevails, to fire down, as the next item, a resolution of censure on silly filibusters, when the same subject matter has been debated over and over again at least 500 times. I am quite certain that a number of my colleagues would join me in such a resolution of censure.

It is very easy to ruin a man in public life. Perhaps JOE MCCARTHY, by virtue of this resolution, has been ruined. However, before anyone starts counting his chips and rejoicing over his victory, I would suggest that he go to one of the most beautiful States I ever visited and walk down the streets of the cities and towns of Wisconsin and find out from those people whether they are going to be dictated to by those who ask us to follow a multitude to do evil.

Mr. President, I am sorry to have detained the Senate this long. I have felt from the bottom of my heart the sincerity of my position. I rose the other night in anger when I heard the third charge made in the original Flanders resolution—and the Senator from Vermont is my friend—in which it was stated that JOE MCCARTHY had contempt for people. I am happy to say that I received a little letter today from my only child, thanking me for standing up for her, because she knows better than anyone else that

I know that JOE MCCARTHY does not have contempt for people.

As I have often said, I have differed bitterly with that Irishman, and I have blistered him time and time again. No doubt I will do it again. However, no one can tell me that that Irishman would not give the shirt off his back to anyone who needs it, except a dirty, lying, stinking Communist who is dedicated to the overthrow of this country by force and violence.

LEAVE OF ABSENCE AND PERSONAL STATEMENT

During the delivery of Mr. WELKER'S speech,

Mr. SCHOEPPEL. Mr. President, I first ask unanimous consent to be absent from the Senate from 5 o'clock tonight until Tuesday evening next, because of a desire to return to my home State for the primary elections.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SCHOEPPEL. Mr. President, it appears I shall not have an opportunity to vote on this important matter before I leave the Senate tonight. I wish to have the Members of the Senate know if I were present to vote, I would not support the resolution of the distinguished Senator from Vermont [Mr. FLANDERS].

I cannot in good conscience vote to condemn any Member of the Senate on the basis of such a wide-open resolution as is now before the Senate. I shall never be ready to condemn in any such fashion, without the facts and circumstances being set forth and supported.

Mr. President, to do otherwise, in my judgment, would be to establish such a dangerous precedent for the denial of the high standards of justice which are the rights of every American citizen who is accused and sought to be brought to account, that it would haunt us.

Mr. President, when the Senate undertakes to condemn and to try one of its Members, I prefer that it do so free from personalities, free from rancor and political differences and bitternesses. The Senate of the United States should be big enough and fair enough to do that, so that it may finally feel secure in its action in this important matter. Therefore, I shall not support the Flanders resolution. In my opinion, the whole question should be considered by an appropriate, unbiased, nonpartisan committee. The junior Senator from Wisconsin should be given an opportunity to hear specific charges and submit his defense. I hope that such action is taken. I hope that such a committee submits its report before we adjourn, so that we can finish with this matter once and for all.

The PRESIDING OFFICER (Mr. HENDRICKSON in the chair). The Chair would like to take the liberty of wishing the people of Kansas well in the primary which lies ahead.

Mr. SCHOEPPEL. I thank the distinguished Presiding Officer.

During the delivery of Mr. WELKER'S speech,

Mr. MORSE. Mr. President, will the Senator from Idaho yield to me?

Mr. WELKER. I yield.

Mr. MORSE. I ask the Senator from Idaho to yield, subject to the understanding that I shall speak for not more than 3 or 4 minutes on a matter of personal privilege. I make this request with the understanding that my remarks will be printed in the RECORD following the remarks of the Senator from Idaho.

Mr. WELKER. I am glad to yield, so long as the Senator from Oregon asks a question.

Mr. MORSE. Let me make clear to the Senator from Idaho that I am asking him to yield for a matter of personal privilege. I wish to comment on something the majority leader said earlier in the day, by way of reading to the Senate a communication from former President Truman. I wish to reply to that. It will not take me more than 3 or 4 minutes. So I ask the Senator from Idaho to yield for that purpose, with the understanding that in yielding to me, he will not lose the floor, and also that my remarks will be printed in the RECORD following his remarks.

Mr. WELKER. Very well, I yield, if unanimous consent may be had to that effect.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered, and the Senator from Oregon may proceed.

Mr. MORSE. Mr. President, while I was in my office, working on a speech, to be given by me later, on the merits of the business now before the Senate, I was advised that the majority leader [Mr. KNOWLAND] read a communication from former President Truman. Let me say that I have asked my staff to see that he is notified that I am about to speak on this matter; but in view of the fact that I shall not make a personal derogatory reference to him, it is perfectly ethical and proper for me to speak now in his absence. However, later I shall tell him of anything I say in his absence by way of reference to him. The statement from ex-President Truman as read to the Senate by the majority leader was carried on the ticker and I have just seen it. It was given to me by the senior Senator from Minnesota [Mr. THYE], the acting majority leader, although the substance of it was related to me over the telephone by a newspaperman. It reads as follows:

> Former President Truman said he had "no recollection" of giving Senator WAYNE L. MORSE any top-secret document during the 1952 presidential campaign.
>
> Mr. Truman is at home here recuperating from abdominal surgery performed 6 weeks ago.
>
> "While I have every confidence in Mr. MORSE'S veracity," Mr. Truman said, "I have no recollection of any such document."

Mr. President, let me make very clear that I do not cast the slightest criticism upon former President Truman. After all, the President speaks to many persons. On the other hand, it is a rare experience for one to converse with the President. When one converses with the President, one does not easily forget the conversation; it usually is indelibly imprinted upon his mind, memory, and recollection.

So, Mr. President, on the basis of notes made in my office at the time, and on the basis of checking on them, I wish to present the following recollection of a telephone conversation with President Truman on the morning of October 25, 1952. I talked to President Truman about 9 a. m., the morning of October 25, about General Eisenhower's speech the night before, at Detroit. I asked President Truman if he were aware that General Eisenhower had made many misstatements of fact in his speech, particularly in connection with who was responsible for taking the American troops out of South Korea in 1949. The President expressed his opinion that Eisenhower's speech was full of misstatements and misrepresentations. I told the President that as a member of the Armed Services Committee I recalled that, back in 1947, the Joint Chiefs of Staff had recommended that the troops be taken out of South Korea as a matter of military policy and strategy, and that at that time Dwight Eisenhower was Chief of Staff of the Army.

I told the President that I understood there was a classified document down at the Pentagon Building which bore out that fact. He said he was working on an answer to Eisenhower's speech of the night before which he would make in Indiana the next week, and that he was familiar with the document to which I referred. I told him that I was preparing a speech to be given at Minneapolis on the next Monday, and that if he would care to make the document available to me and authorize me to refer to it and quote from it in my Minneapolis speech I would prove to the Nation that Eisenhower had misrepresented the facts in his Detroit speech. The President said that he would have a copy of the document on my desk within the hour, and that I would be free to exercise my judgment by using it in any way the situation at Minneapolis warranted. He said there was nothing in the document which at that time should not be known to the public, particularly in view of Eisenhower's misrepresentations in his speech the night before. The document was delivered to my office by a messenger about 45 minutes later.

I quoted from the document in the Minneapolis speech on Monday and in my New York speech on Wednesday. On both occasions I answered inquiries from the press about the source of the document by saying that I would not quote from the document if I did not have authorization from authority high enough to give it to me to use the document. Between my Monday speech in Minneapolis and my Wednesday speech in New York, Senators KNOWLAND and FERGUSON called upon the Department of Justice to investigate me on a charge that I had made illegal use of a classified document. I replied to them in my New York speech by saying that I had full authority to use the document, which I did have, and from authority high enough to give it to me, as I have just pointed out.

In my New York speech, after explaining my position on the document, I said I would ask the following question of the Republican candidate for President:

> When are you going to come clean and tell the American people whether it is true or false that you joined in a unanimous recommendation of the Joint Chiefs of Staff

in 1947, when you were Chief of Staff of the Army, that the American troops should be taken out of South Korea as a matter of military policy and strategy?

I am still waiting for the answer to that question.

In my New York speech I also said that I would welcome any investigation by the Department of Justice, and that was my answer to Senators KNOWLAND and FERGUSON.

I give the same answer today.

Incidentally, Mr. President, it should be noted that the same day I made my speech in Minneapolis, President Truman himself referred to the position of the Joint Chiefs of Staff as set forth in the document, in a speech in Indiana, I think it was at Gary, although time has not permitted me as yet to research into the exact city in which he made his speech. However, I recall vividly that President Truman spoke in Indiana on the same day that I spoke in Minneapolis. The President himself referred to the same position taken by the Joint Chiefs of Staff in 1947, as I did in my Minneapolis speech. In subsequent speeches, Mr. President, the President of the United States, at that time on a campaign tour, referred to the position taken by the Joint Chiefs of Staff in this matter, just as I had in my speeches at Minneapolis and New York.

I wish to have it distinctly understood that I made no criticism of President Truman. I consider him one of our history's great Presidents. However, in fairness to myself I have made the foregoing statement based upon my office notes and my very clear recollection of the events that preceded my use of the document.

I thank the Senator from Idaho [Mr. WELKER] for permitting me to make the statement—I made the statement, Mr. President, because my recollection is as clear as crystal as to what happened.

I close by emphasizing that my statement is meant as no reflection upon the ex-President at all. I am not at all surprised that he does not recall the incident. As President he lived a life consisting of a chain of experiences with a multitude of details and thousands of conversations each month. But I know the conversation I had with President Truman, I know how the document came into my possession, and I know the authorization that I had to use the document. Further, I recall that the then President of the United States himself referred to the document in his own speeches.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from New York [Mr. IVES] to add certain instructions in the motion of the Senator from California [Mr. KNOWLAND].

Mr. IVES obtained the floor.

Mr. KNOWLAND. Mr. President, will the Senator from New York yield so that I may suggest the absence of a quorum, with the understanding that he will not lose his right to the floor?

Mr. IVES. I should like to submit my proposed modification of the motion before the quorum call is had.

Mr. KNOWLAND. I think it would be for the benefit of the membership to have a quorum at this time, if it is agreeable to the Senator from New York, because I expect to be able to accept the Senator's proposed modification.

Mr. IVES. Mr. President, with the understanding that I will retain my right to the floor, I yield.

The PRESIDING OFFICER. That right will be reserved.

Mr. KNOWLAND. Mr. President, with that understanding, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Gillette	McCarran
Anderson	Goldwater	McCarthy
Barrett	Gore	McClellan
Beall	Green	Millikin
Bennett	Hayden	Monroney
Bricker	Hendrickson	Morse
Bridges	Hennings	Mundt
Burke	Hickenlooper	Murray
Bush	Hill	Neely
Butler	Holland	Pastore
Byrd	Humphrey	Payne
Capehart	Ives	Potter
Carlson	Jackson	Purtell
Case	Jenner	Robertson
Chavez	Johnson, Colo.	Russell
Clements	Johnson, Tex.	Saltonstall
Cooper	Johnston, S. C.	Schoeppel
Cordon	Kennedy	Smathers
Crippa	Kerr	Smith, Maine
Daniel	Kilgore	Smith, N. J.
Dirksen	Knowland	Sparkman
Douglas	Kuchel	Stennis
Duff	Langer	Symington
Dworshak	Lehman	Thye
Ellender	Lennon	Upton
Ervin	Long	Watkins
Ferguson	Magnuson	Welker
Flanders	Malone	Wiley
Frear	Mansfield	Williams
Fulbright	Martin	Young
George	Maybank	

The PRESIDING OFFICER (Mr. FERGUSON in the chair). A quorum is present.

Mr. IVES. Mr. President, I believe that the amendment which I have offered to the motion of the distinguished majority leader is now the pending question. I desire to modify that amendment, after conversation with some of my colleagues in the Senate, so that in some ways it will be more pinpointed than it was, and not so much so in other ways.

Before doing so, however, I point out that I feel very strongly that the case presented before the Senate by the two distinguished Senators from Oregon [Mr. CORDON and Mr. MORSE], by the junior Senator from Texas [Mr. DANIEL], and by others, with the idea that justice must prevail here before we take any final action, is utterly sound from the standpoint of the welfare of the Senate, from the standpoint of precedent and, finally, from the standpoint of the welfare of the people of the United States. However, Mr. President, I feel that action of some nature, one way or the other, should be taken on this matter before this session of the Senate—I say the Senate advisedly—finally adjourns this year.

So, Mr. President, I have sent to the desk a modification of the amendment to the Knowland motion which I previously offered, and I ask that the clerk read the modification.

The PRESIDING OFFICER. The Secretary will state the modification.

The LEGISLATIVE CLERK. On line 5, it is proposed to strike out following the word "and" and add the following language:

To make a report to this body prior to the adjournment sine die of the Senate in the second session of the 83d Congress.

So that, as modified, the motion will read:

I move to refer the pending resolution (S. Res. 301), together with all amendments proposed thereto, to a select committee to be composed of 3 Republicans and 3 Democrats, who shall be named by the Vice President; and to make a report to this body prior to the adjournment sine die of the Senate in the 2d session of the 83d Congress.

Mr. KNOWLAND. Mr. President, I had misunderstood the Senator from New York [Mr. IVES]. I am prepared to accept his amendment and modify my motion accordingly. I merely wish to be certain where that language comes in. Does it come after the "and"?

Mr. IVES. In the motion of the Senator from California, I strike out everything following the word "and" in line 5. In other words, the clause "report to the Senate as expeditiously as equity and justice will permit" is stricken out, and the new language which the clerk just read takes its place. The committee is instructed to act—and I now quote the new language—"to make a report to this body", namely, the Senate, "prior to the adjournment sine die of the Senate in the 2d session of the 83d Congress." The House can adjourn and go home, and we can remain here to consider this case.

Mr. KNOWLAND. Mr. President, I am prepared to accept the amendment and so modify my motion accordingly.

The PRESIDING OFFICER. The motion is so modified.

Mr. KNOWLAND. Mr. President, I understand that the Senator from Washington [Mr. JACKSON] has a proposed amendment.

Mr. JACKSON. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The clerk will state the amendment.

The CHIEF CLERK. On line 4, after the word "committee" it is proposed to insert the following: "which shall be authorized to hold hearings, to sit and act at such times and places during the sessions, recesses, and adjournment periods of the Senate, to require by subpena or otherwise the attendance of such witnesses and the production of such correspondence, books, papers, and documents, and to take such testimony as it deems advisable, and that the committee——

Mr. KNOWLAND. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. KNOWLAND. Does that amendment go in after the words "to a select committee"?

The PRESIDING OFFICER. The clerk will read the entire motion, as proposed to be modified.

The Chief Clerk read as follows:

I move to refer the pending resolution (S. Res. 301) together with all amendments proposed thereto, to a select committee to

be composed of 3 Republicans and 3 Democrats, who shall be named by the Vice President; and ordered further, that the committee shall be authorized to hold hearings, to sit and to act at such times and places during the sessions, recesses, and adjourned periods of the Senate, to require by subpena or otherwise the attendance of such witnesses and the production of such correspondence, books, papers, and documents, and to take such testimony as it deems advisable, and that the committee be instructed to act and to make a report to this body prior to the adjournment sine die of the Senate in the 2d session of the 83d Congress.

Mr. KNOWLAND. Mr. President——

The PRESIDING OFFICER. The Senator from California.

Mr. KNOWLAND. Pursuant to a prior discussion with the Senator from Washington, I understand that this language has been prepared by the Parliamentarian and is the precise language now in the Congressional Reorganization Act, giving subpena power to standing committees. This is merely meant to apply that same power to the select committee; is that correct?

Mr. JACKSON. Mr. President, the distinguished majority leader is correct. It is my understanding that under section 134 (a) of the Reorganization Act of 1946, this power is given to all standing committees, but no provision has been made for select committees. It is my understanding that the motion by the distinguished majority leader relates to a select committee, and therefore this amendment is necessary in order that the committee may have the power provided for in this amendment.

Mr. KNOWLAND. Mr. President, I am prepared to accept the amendment as a modification of my motion.

The PRESIDING OFFICER. The Senator from California has the right and privilege to accept it. It is so modified.

Mr. FULBRIGHT. Mr. President, a parliamentary inquiry.

Mr. KNOWLAND. I yield for a parliamentary inquiry.

Mr. FULBRIGHT. I should like to ask the Chair if there is any precedent in the history of the Senate for reference to any committee, standing or select, of a motion to censure?

The PRESIDING OFFICER. The McLaurin and Tillman case was referred to a committee.

Mr. FULBRIGHT. Mr. President, I did not ask that. I asked if there were any precedents for reference to a committee of a motion to censure. I inquired of the Chair whether the motion of censure in the Tillman and McLaurin case was referred to a committee.

The PRESIDING OFFICER. There has never been an identical situation, so far as the Chair can learn from the Parliamentarian, except that the Tillman case was a contempt case which had been taken up first as contempt and then referred.

Mr. FULBRIGHT. Mr. President, I think the record should be clear. If I correctly understand the Chair, the record is clear that there is no precedent for reference to a committee of a motion to censure. Is that not the case?

The PRESIDING OFFICER. The Chair so rules.

Mr. FULBRIGHT. That is the case.

The PRESIDING OFFICER. That is the case.

Mr. FULBRIGHT. The fact of the matter is that in the McLaurin and Tillman case the fist fight occurred on the floor and immediately, without any action by the committee, they were cited for contempt, and that matter was referred to a committee. Is that correct?

The PRESIDING OFFICER. That is correct.

Mr. FULBRIGHT. I ask the Chair if it is not correct that the motion of censure in the Bingham case in 1929, the last precedent, was not referred to any committee?

The PRESIDING OFFICER. It was not referred to any committee, but there had been a report from a committee in that particular case covering the facts.

Mr. FULBRIGHT. I desire to have the record very clear. What does the Chair mean by the words "in that particular case"?

The PRESIDING OFFICER. In the Bingham case.

Mr. FULBRIGHT. Was there a report from any committee referring to a censure motion with respect to the Senator from Connecticut, Mr. Bingham?

The PRESIDING OFFICER. There was not.

Mr. FULBRIGHT. There was not. In other words, there had been a report from a committee.

The PRESIDING OFFICER. That is correct.

Mr. FULBRIGHT. There are reports from committees coming to the Senate every day, are there not? Senate committees have not stopped making reports, have they?

The PRESIDING OFFICER. The Chair assumes that on many days there are reports.

Mr. FULBRIGHT. There is nearly always a report from some committee.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. KNOWLAND. I have yielded to the Senator from Washington.

Mr. JACKSON. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER The Senator will state it.

Mr. JACKSON. Some question has been raised as to whether or not the select committee referred to in the motion by the distinguished majority leader will have the right to administer an oath.

The PRESIDING OFFICER. Does the Senator refer to the motion before his amendment is added?

Mr. JACKSON. With the amendment.

The PRESIDING OFFICER. May the Chair see the amendment?

Mr. JACKSON. I refer the Chair to section 191 of chapter 6 of the General and Permanent Laws Relating to the Senate, dealing with congressional investigations.

The PRESIDING OFFICER. The Chair will say that he finds nothing in the motion, as amended, which would permit the swearing of witnesses.

Mr. JACKSON. Mr. President, would section 191 be applicable?

"Section 191. Oaths to witnesses" is found on page 195 of the Senate Manual. It provides as follows:

> The President of the Senate, the Speaker of the House of Representatives, or a chairman of any joint committee established by a joint or concurrent resolution of the two Houses of Congress, or of a Committee of the Whole, or of any committee of either House of Congress, is empowered to administer oaths to witnesses in any case under their examination.
>
> Any Member of either House of Congress may administer oaths to witnesses in any matter depending in either House of Congress of which he is a Member, or any committee thereof.

My parliamentary inquiry is: Would that particular provision, section 191, be applicable in the event the motion made by the distinguished majority leader were adopted?

The PRESIDING OFFICER. The Chair was speaking of the amendment as read by the clerk; there is nothing in it to permit the administration of an oath. Section 191, "Oaths to witnesses," contains the words:

> Any Member of either House of Congress may administer oaths to witnesses in any matter depending in either House of Congress of which he is a Member, or any committee thereof.

Giving certain citations. The Chair rules that that language would authorize this select committee, or any member thereof, to administer oaths to the witnesses and take sworn testimony.

Mr. JACKSON. It is the understanding of the junior Senator from Washington that it would not be necessary to include language authorizing the administration of oaths, in view of section 191 of the general and permanent laws relating to the Senate, which would apply to the proposed select committee.

The PRESIDING OFFICER. The Chair rules that, while the request borders on a legal interpretation of a rule, the Chair will accept it as a parliamentary inquiry and will state that the section would permit the administration of oaths by any members of the select committee proposed in this motion.

Mr. LEHMAN. Mr. President——

Mr. MORSE. Mr. President, will the Senator yield?

The PRESIDING OFFICER. The Senator from California has the floor.

Mr. LEHMAN. Mr. President, will the Senator yield for a parliamentary inquiry?

Mr. KNOWLAND. I yield to the Senator from New York.

Mr. LEHMAN. The junior Senator from New York inquires whether the motion offered by the distinguished majority leader and modified by the amendments of the senior Senator from New York [Mr. IVES] and the junior Senator from Washington [Mr. JACKSON] is now before the Senate, and whether it is in order for the junior Senator from New York to speak on that amendment?

The PRESIDING OFFICER. It is not permissible because the Senator from California [Mr. KNOWLAND] has the floor. The Senator has been yielding for parliamentary inquiries.

Mr. MORSE. Mr. President, will the Senator from California yield to me?

Mr. KNOWLAND. I yield to the Senator from Oregon.

Mr. MORSE. I wish to refer to the point raised by the Senator from Arkansas [Mr. FULBRIGHT].

Mr. President, from my study of the authorities thus far, I think it is true that there is no precedent for the Senate referring to a select committee a motion of censure. I do not think there is in the history of the Senate any case on all fours with this. But we have some cases which are somewhat analogous, I think, and I desire to invite attention to a couple of cases referred to in previous speeches; one at some length by the Senator from Arkansas [Mr. FULBRIGHT] and another by the Senator from Texas [Mr. DANIEL].

I take the information from volume II of Hinds Precedents, page 1138, referring very briefly to the Foote case of 1850. Hinds says:

> In 1850 occurred an episode between Messrs. Thomas H. Benton, of Missouri, and Henry S. Foote, of Mississippi, in the Senate, in which the latter menaced the former with a pistol. The subject was referred to a select committee, who made a report giving the facts in the case, and condemning the practice of carrying arms in the Senate as well as regretting the flagrant breach of order. The report further stated that this was the first instance of disorder of this kind in the Senate. There was no recommendation for action and no action was taken by the Senate.

Of course, there were expressions of regret on the floor of the Senate by the Senators involved.

Just a word about the Tillman case. Although there was not involved in that case a question of censure, the Senate was dealing with the taking of judicial notice of a contempt committed before its very eyes. That contempt took two forms. One was the statement of the Senator from South Carolina, Mr. McLaurin, in which he said:

> I now say that that statement is a willful, malicious, and deliberate lie.

Of course, that was obviously a violation of the rules of the Senate as to proper conduct on the floor, and the Senate took judicial notice of such conduct. Then there followed the altercation, in which Tillman went over and struck McLaurin in the face. In the heat of passion, McLaurin made certain assertions which the Senate found were not in keeping with proper decorum in the Senate.

In that case the Senate was dealing with a contempt of which the Senate took judicial notice through its vision and hearing. That case was referred to a select committee.

It seems to me those two cases are sufficiently applicable to the procedural problem before the Senate at the present time, namely, that the charges which have been made and leveled against the junior Senator from Wisconsin, now in some specified form, raise a question for consideration by a select committee. Even outward acts of contempt in the cases I have cited caused the Senate, in past history, to send the matters to select committees. If the Senate sent to a select committee, for the taking of evidence and subsequent report to the Senate, a case involving misbehavior openly committed on the floor of the Senate by way of menacing a Senator, in one case, and in the other by striking him in the face, I think it is precedent for sending to a select committee a question of this kind involving censure.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. MORSE. I yield to the Senator from Arkansas.

Mr. FULBRIGHT. I should like to know how the Senator from Oregon distinguishes the present case from the Bingham case, which the Senator does not seem to be discussing. How would the Senate deviate from the precedent established in the Bingham case, if any one of the specifications were attached to the resolution?

Mr. MORSE. I may say to my good friend from Arkansas that as a lawyer I learned long ago that one does not always find cases on all fours with a particular case in a particular category. If distinctions must be made between this case and the Bingham case, I shall make two distinctions. The first is that I think the Bingham case was considered by a committee which had been appointed to study lobbying activities in the Senate. It was after the committee reported the facts to the Senate that the Senate first considered the case.

Mr. FULBRIGHT. Mr. President, will the Senator yield further?

Mr. MORSE. Let me finish the distinction, and then I shall yield. The committee was conducting its investigation of lobbying when it ran across the Eyanson incident in relation to Senator Bingham, and the committee sent to the floor of the Senate its report of Bingham's conduct in connection with the lobbyist. I do not think one can read the report on the Eyanson case without coming to the conclusion that the Senate had before it a pretty thorough committee analysis of the conduct of Senator Bingham. On the basis of a committee report, there was debate in the Senate, and there resulted what the Senator from Arkansas referred to in his brilliant research on this subject, in his speech last Saturday on the Bingham case, namely, a motion of censure. I submit that the only difference between the instant McCarthy case and the Bingham case is the difference in time-tabling. In that case there was committee consideration in advance of the final debate in the Senate of the United States on the Eyanson conduct, but Bingham had this committee hearing.

Mr. FULBRIGHT. Does the Senator from Oregon think that the report of the committee headed by the Senator from Arizona is a nullity, and that we should wipe it off the record?

Mr. MORSE. No.

Mr. FULBRIGHT. Why is there not a committee report, and why does it not serve the same function as a committee report?

Mr. MORSE. That goes to the second point I wish to make. If what one is looking for is a uniform rule of the Senate for handling these cases without any differences, one will never find it in the law books or in the precedents of the United States Senate. There are many exceptions in the law, and there are also many exceptions in the precedents of the United States Senate in respect to a common problem which may be involved in the cases or precedents.

On this particular point I respectfully say—and I shall dwell on the subject further in a speech I shall make later—that the Bingham case is somewhat singular with respect to what the Senate has done in other cases. I do not for the moment seek to shuffle out of consideration the Hennings report. In my judgment, it is a vitally important report, but it is a report which will be considered, and the evidence taken by the committee will be considered by any select committee under some of the very counts which the Senator from Arkansas has set forth in his specifications.

The Senator from New York [Mr. IVES] and the Senator from Washington [Mr. JACKSON] have proposed amendments to the motion of the majority leader that make sense. I think they close the door to any criticism that the Senate went forward to a vote on a motion or resolution of censure before the fullest possible opportunity to all concerned had been given to make the record on that motion.

If the motion of the Senator from California is agreed to, that record will be made before the Senate adjourns. I think that is the important thing. I would rather lean over backward to make certain that I had resolved all doubts in favor of procedural rights of a person accused than to feel that the Senate was subject to the slightest criticism because it closed the door of procedural right in any way to anyone.

When I make my speech later I shall stress the importance of the Hennings report, because I think that is the report to which the Senate should have given formal consideration a long, long time ago. But better late than never.

Mr. GEORGE. Mr. President, will the Senator yield?

Mr. KNOWLAND. I yield to the distinguished senior Senator from Georgia.

Mr. GEORGE. Mr. President, I rise only because the Bingham case has been referred to in debate, and I believe there are but two present Members of the Senate who were Members at that time. One cannot take a case out of its context, and out of the proper setting of surrounding events and circumstances. In 1929 and 1930 the Finance Committee had under consideration the Smoot-Hawley tariff bill. During the consideration of that bill many charges were made in the press, and perhaps on the floor of the Senate—certainly wherever Senators gathered—regarding open lobbying by persons interested in the tariff matter then before the Senate. That was a tense condition. It inspired or led to the creation of a special subcommittee of the Judiciary Committee, as I recall—I am speaking only from memory, because I have not reviewed the facts—to investigate lobbying, and, in particular, to make inquiry into lobbying, because of the constantly repeated declarations and assertions that lobbying was occurring openly in the recep-

tion room, just outside this Chamber, and, in fact, all about the Capitol.

While that subcommittee, of which the then Senator from Arkansas, Mr. Caraway, was chairman, was discharging its duties, the Eyanson incident arose. It was discovered, one morning, that the then Senator from Connecticut, Mr. Bingham, had employed and placed upon his staff and upon the payroll of the Senate a representative of the manufacturing association of his State, and that that representative had sat in the executive sessions of the majority side of the committee. At that time the Finance Committee held hearings in the morning and until late in the afternoon; and usually the minority and the majority sides went into executive session—not an executive session of the entire membership of the committee, but only of the respective sides. Senator Simmons, of North Carolina, a distinguished Senator, was the ranking member, as I recall, on the Democratic side; but also on that side were other distinguished members on the committee, notably Senator Jones, of New Mexico, and Senator Pat Harrison, of Mississippi, among others. There were also very able Senators on the Republican side, including Senator Smoot, of Utah, an experienced legislator, the chairman of the full committee; Senator Couzens, of Michigan, who had come into the Senate perhaps on the very same day when I first took the oath in the Senate—back in 1922; David Reed, of Pennsylvania; and other very experienced and able Senators.

It was discovered, as I have said, that Senator Bingham had employed that representative of a manufacturers' association—in his own State, I believe—and had used him in connection with his committee work, and that he had actually participated to the extent of being present and hearing all the arguments, pro and con, before the full committee or the subcommittees which were daily hearing one particular schedule after another, in connection with that Tariff Act, and also had participated in the executive sessions of the majority side.

When that fact was discovered, Senator Smoot, the chairman of the committee, drew the matter to the attention of the full committee or at least to the attention of representatives of both the minority and the majority sides. Of course it was at once said that the matter should be promptly investigated, and it was also said that the representative of the manufacturers' association who had been placed on the payroll by Senator Bingham should be removed from the payroll. Under those conditions, and in a very tense atmosphere—which had been tense for many weeks, certainly, and perhaps for months—the subcommittee of which Senator Caraway of Arkansas was chairman went into the facts of the case.

There was no denial of the actual facts of the case. Senator Bingham of Connecticut himself did not attempt to conceal the actual facts. He felt—and I believe his feeling was sincere—that he needed the assistance of someone who knew more about tariff matters than he did, and who knew more than he did about the problems of industry. He said that to the committee; and it is my recollection that he also said it, in effect, on the floor of the Senate.

At any rate, I know it was on that basis that I made, to the Senate, a brief statement in which I undertook to point out that the quality of every public act by every public servant, including every Member of the Senate possessed either a politically good effect or a politically bad effect; and that the quality of that act itself justified, in my judgment, and in our judgment, some action by the Senate.

When the special committee of the Judiciary Committee, to which I have referred, made its report to this body—whether it was a final report or a partial report, I do not recall, although I do not believe it was a final report; however, that is merely a matter of recollection—Senator Norris of Nebraska, then the distinguished senior Senator from that State, and a Senator who had served in this body for a very long time, immediately filed a censure resolution. Of course, he had conferred with other Members of the Senate before filing it. He had had more than one conference with the members on the minority side of the Finance Committee. He insisted upon his resolution. The report was in; it was a part of the Senate's records. And Senator Bingham was present. There was no concealment of the facts; there was no denial of the facts upon which the censure resolution was based.

Under those circumstances the Senate proceeded to consider the resolution. At the time I said I felt that however mistaken Senator Bingham was—and I thought he was most regrettably so—yet he did not feel that he had committed any moral wrong. On the contrary, he felt he had a right to the best information he could obtain. I still feel that he was mistaken. But I took the position then which I think distinguished between personal immorality and political immorality.

Mr. President, I know, and I am happy to make the statement, that I have detailed as faithfully as I can what actually happened in the Bingham case. Always thereafter, and down to this good day, I have been on terms of personal friendship with the then Senator from Connecticut, Mr. Bingham; but I did not hesitate to vote to censure him, because I thought he had failed entirely to appreciate properly or conceive the difference between personal immorality and gross political and public immorality, which was involved in the conduct to which I have referred.

I feel that I should make this statement, Mr. President, because I was here and lived through that experience in the Senate. It was not a pleasant duty, but one which the Senate did not hesitate to discharge when all the facts were before it.

That leads me to make this further statement, Mr. President: When the distinguished Senator from Arkansas [Mr. FULBRIGHT] presented certain specifications to this body I had the impression that the report in that case had actually been filed and had become a part of the Senate records.

On inquiry since of the only other present Member of the Senate who was sitting in this body at that time, the distinguished senior Senator from Arizona [Mr. HAYDEN], I find that the report was not actually filed, and did not actually become a part of the records of this Senate.

So, when I look at the various specifications I am obliged to concede—although I would like to have done with this matter, so far as I am concerned, at once—that an issue of fact is raised by every specification which has come to my attention, and, of course, it would be unthinkable that the Senate of the United States should proceed without resolving the facts by some appropriate committee representing the Senate itself, in connection with the resolution of censure.

That, Mr. President, is the statement which I desired to make.

Of course, there is no doubt that when the Senate sits to punish for a contempt committed in its immediate presence or committed out of its presence, or to punish misconduct, either personal or political, or political or public immorality, by way of a censure resolution, the Senate sits in the capacity of a judicial tribunal. There can be no doubt of it. All the power we have comes from the Constitution itself, and if we cut loose from that power, we have no power except the inherent power of every voluntary organization, so to speak, to preserve some sort of order in its own proceedings. So there is no doubt that the proceedings here partake of the nature of a judicial inquiry, leading to a judicial decision.

I have always said—in that respect I agree with the distinguished junior Senator from Oregon [Mr. MORSE] in his magnificent declaration the other night—that according to the American concept of American jurisprudence, the chief function of every judicial tribunal is to preserve the rights of the 1 man as against 90 and 9.

Mr. KNOWLAND. Mr. President——

The PRESIDING OFFICER. The Senator from California is recognized.

Mr. KNOWLAND. Mr. President, I ask—and this will not foreclose any discussion—that the yeas and nays be ordered on my motion, as modified.

The yeas and nays were ordered.

Mr. MANSFIELD. Mr. President, will the Senator yield for a question?

Mr. KNOWLAND. I yield to the Senator from Montana.

Mr. MANSFIELD. I should like to ask the distinguished majority leader one question, because I am a little insecure in my own mind. Under the proposal offered by the majority leader, just how far would the authority of this particular committee extend? Would it be confined to a motion to censure or not to censure, or would it go beyond that?

Mr. KNOWLAND. It seems to me that the problems before us—and the matters proposed to be referred to the select committee are the Flanders' motion to censure, and such amendments thereto and substitutes therefor as have been offered by various Senators. So I assume that it is the motion of censure and such allegations or specifications as have been presented by various Senators.

Mr. MANSFIELD. I thank the majority leader. The situation was not clear in my mind; that is why I asked the question.

Mr. THYE. Mr. President, will the Senator yield?

Mr. KNOWLAND. I yield to the Senator from Minnesota.

Mr. THYE. Mr. President, I rise for the purpose of thanking the able and distinguished senior Senator from Georgia [Mr. GEORGE] for having given us the benefit of his many years of experience in the Senate, and drawing on his memory to give us the information relating to the Bingham case.

In that instance, the committee had studied the question before it, which was an actual resolution before the Senate.

The other evening the able and distinguished senior Senator from Oregon [Mr. CORDON] and the junior Senator from Oregon [Mr. MORSE] gave us the foundation of an approach to this question by pointing out to us the legal questions with which we were faced, and they did it so ably that there can be no question that we must proceed in an orderly and judicious manner to arrive at what are the questions which we are to consider when we make the final decision on the floor of the Senate, including the question whether we are to censure or not to censure a distinguished Member of this body. Therefore, Mr. President, I think now we are approaching the subject in the orderly and judicious manner in which this body must approach it, and that is to appoint a select committee which will have the responsibility of determining what will be the questions on which the Senate will make a decision when Senators cast their votes.

Therefore, Mr. President, I say that we are now arriving in an orderly manner at the method we must use in approaching this question and determining what to do with the resolution.

I wish again to thank the able and distinguished senior Senator from Georgia for giving us the benefit of his insight into what occurred during his many years of experience in the Senate.

Again I invite attention to the service which both the junior and senior Senators from Oregon rendered. The senior Senator from Oregon, in his able presentation on the first evening of the debate, laid the foundation for judicial thinking on this question.

Mr. KNOWLAND. Mr. President, I am prepared to yield the floor, unless some Senator has a question to ask.

Mr. McCLELLAN. Mr. President, as is well known to my colleagues, I have been absent from the Senate for several days. During the past 2 or 3 weeks I have not been able to keep fully advised of the proceedings here, and, therefore, I am not familiar with all that may have been said either pro or con with respect to the issue now before the Senate.

I was very eager to get behind me my own personal problems and return to the Senate before action was taken upon the pending motion.

In its original form, the resolution of censure states nothing specific. In a sense it charges an offense, without indicating when, where, or how the offense was committed. I use the word "offense" advisedly, because it is in the nature of an offense against the Senate to be guilty of conduct which is unbecoming to a Senator, or conduct which is contrary to senatorial traditions.

I was concerned about the resolution in that form, because I do believe that when one is asked to answer to a charge, that charge should be sufficiently identified by specifications to inform the accused, so that he may have an opportunity to defend himself against the charge, particularly with reference to the time and place of the alleged act or conduct which constitutes the offense and the grounds that warrant or justify the censure, as in this instance.

Therefore, it was my first thought that before I could support the resolution there would have to be specific acts charged by way of an amendment to the resolution, and that those acts would have to present on their face some merit to justify my voting to censure a Member of the Senate.

This is one instance in which I would certainly resolve every reasonable doubt in favor of my colleague. I shall do that whenever we come to a final vote. In other words, Mr. President, this is one instance, if the Golden Rule has any application at all in my life, it will be applied here, because I do not want to do unto one of my colleagues what I would not want him to do unto me under the same circumstances.

For that reason, Mr. President, I shall support the pending motion with the amendment. I shall do so because I believe every Member of the Senate who is accused of having conducted himself in a manner unbecoming a Senator, or contrary to the traditions of the Senate, is entitled to be heard. I believe he is entitled to have the charges presented and to have an opportunity to appear either before the Senate, sitting as a Committee of the Whole, or before a select committee of the Senate to answer those charges. For that reason I shall support the amendment.

I could not bring myself readily to condemn someone who had not been given such an opportunity.

Surely I may have knowledge of my own which would possibly warrant my coming to some definite conclusions with respect to the specifications which are now before us, and possibly with respect to others also. However, even if I have that personal knowledge, possibly my colleagues do not have it. They are entitled to have it after it has been presented in some form of testimony. The same is true with respect to some of my colleagues. They may have facts in their knowledge that I do not have. They may have facts that may tend to substantiate the specifications and charges. They may have facts or information which might tend to mitigate or refute some of the charges.

Therefore I think it is only fair, if we are to preserve the traditional principles of Anglo-Saxon jurisprudence, that a Member of the Senate, having charges made against him, which if sustained by the Senate would place a stigma upon him, should be heard before the Senate takes such action. The amendment to the motion will afford that opportunity.

I am very much interested in the amendment because I do feel very strongly that the Senate should not adjourn without disposing of the issue, either by voting condemnation or censure on one of our colleagues, or by acquitting him of the charges.

I believe if there is any effort made to defer action by the Senate on the charges until the next session of Congress it will be interpreted possibly as an act of cowardice on the part of the Members of the Senate, and as our being unwilling to face the issue, and as our being unwilling to be recorded on the issue.

Therefore, Mr. President, I earnestly hope that the amendment will be adopted and that the matter will be referred to a select committee, which, as the amendment provides, will act expeditiously, giving an opportunity to the junior Senator from Wisconsin to appear before it to face the charges and to offer, if any he can, reasonable testimony to either refute the charges, or to minimize them, or to mitigate the circumstances under which any alleged act may have been committed.

I see no reason why that cannot be done within a few days, certainly within a reasonable time. I have confidence in the committee that may be appointed for that purpose. I am sure the committee will wish to act expeditiously, bearing in mind that the Senate will not adjourn until the committee has reported, and that after the committee makes its report the Senate will act on that report, either by sustaining the recommendation of the committee, whatever it may be, or by rejecting it. There should be final action and a complete disposition of the subject before the Senate adjourns.

Mr. FULBRIGHT. Mr. President, will my colleague yield on the last point he mentioned?

Mr. McCLELLAN. I am very glad to yield to my colleague.

Mr. FULBRIGHT. The point the Senator has mentioned last is a very important one, and it gives me some concern. Does the Senator have any assurance that we will have an opportunity to vote on the findings of the select committee? Is there anything in the resolution which assures the Senate that it will be given an opportunity to pass upon those findings?

Mr. McCLELLAN. The resolution provides that the committee shall act and make report to the Senate prior to the adjournment sine die of the second session of the 83d Congress. I know of no way in which we can assure a vote in the Senate if the Senate refutes that provision later and votes to adjourn without taking such action. Of course the Senate can do it. However, the same Senate that could do that could also vote to table the pending matter.

Therefore, Mr. President, I have confidence, if the committee is appointed, that the committee will function by accepting its responsibility, and that it will act promptly, and that it will expedite its work and report its findings to the Senate.

I do not believe that we are all cowards. I believe that after the matter has taken a proper course through a proper process, in accordance with American standards of justice, we will have the courage and manhood and patriotism to stand on the floor of the Senate and vote "yea" or "nay" on the charges made against our colleague.

I shall assume that responsibility. All I am asking is that the accused be given an opportunity to go before a forum of the Senate to present his case.

Mr. THYE. Mr. President, will the Senator yield?

Mr. McCLELLAN. Upon that course of action being taken I will be in a position, when the committee reports to the Senate, to vote on the charges and specifications now filed as amendments to the original Flanders resolution, or on any others on which the committee may report.

I now yield to the Senator from Minnesota.

Mr. THYE. Mr. President, the Senator from Arkansas has made the point well. I believe all Members of the Senate can face up to the issue and that we will vote either "yea" or "nay" on the question. I, for one, want it brought back to the Senate floor just as speedily as possible. We must act on it before we adjourn sine die. I shall be prepared to vote either "yea" or "nay" on the question as the committee lays the facts before us as to what the Senate then has to consider as an official charge that may be presented against one of our Members.

Mr. McCLELLAN. In conclusion, Mr. President, I do not want it ever to be said of me with any justification that I am a coward and afraid to face an issue that involves a basic principle. Neither do I want it ever said of me that I am unfair to the accused. I believe in our traditional system. I believe in the presumption of innocence until one is proven guilty. I believe the accused, whoever he may be, whether a United States Senator or a professional bum, has a right to be heard. I insist upon that, Mr. President, and I shall vote accordingly. I shall accept my responsibility and I shall vote my convictions with respect to the charges.

Mr. MONRONEY. Mr. President, will the Senator yield for a question?

The PRESIDING OFFICER. Does the Senator from Arkansas yield to the Senator from Oklahoma?

Mr. McCLELLAN. I yield.

Mr. MONRONEY. I apreciate very much the thoughtful, fair, and concise statement of the distinguished former chairman of the Committee on Government Operations. I have made preliminary inquiries of parliamentary experts, and I have been informed that it is impossible by resolution to compel a committee to report to the Senate on a day certain. But if I understand the view of the distinguished senior Senator from Arkansas [Mr. McCLELLAN] on the resolution now pending, in a way it expresses the sense and the pledge of the Senate that it will not adjourn sine die until a report is forthcoming from the select committee.

Mr. McCLELLAN. It is my view that this committee should be given a reasonable time and opportunity to function, and I believe it will do that without any coercion on the part of this body. I cannot conceive that this committee would fail in its duty, but if it should, bear in mind that the Senate still has jurisdiction and can discharge the committee at any time. I am certain that will never become necessary. I do not believe there is a Senator among us who is not willing to have this come to a final test. I hope I am correct about that. At any rate, it is my belief, with all the emphasis, all the power, and all the influence I may have as a United States Senator, that it should come to a conclusion before the Senate adjourns sine die.

Mr. MONRONEY. I appreciate that statement very much.

May I ask this one further question regarding a technicality, because I do know the distinguished senior Senator from Arkansas has had far more experience in committee procedure than has the junior Senator from Oklahoma.

Mr. McCLELLAN. I would not say that, but I will say to the junior Senator from Oklahoma that I have lived very close to this whole problem for quite a long time.

Mr. MONRONEY. The Senator has come through it with the plaudits of the Nation, and we have all been grateful for his service.

In view of the Senate's meeting this issue before adjournment sine die, if this resolution, as amended, should be adopted, and assuming the committee could not present a unanimous decision, is it the Senator's idea that the Senate then would have before it the majority and minority views, if they were unable to agree? I am speaking of the numbers on the committee rather than of party membership, because I agree that party decisions should have no place in matters of this kind. It would be despicable to think of party entering into a decision of this kind. I know it would not enter into the decision of the senior Senator from Arkansas.

Mr. McCLELLAN. Require a report of the committee, or discharge it. If the committee cannot agree and will not file a report, it can be discharged. Certainly in the meantime the committee will have afforded an opportunity to the junior Senator from Wisconsin to appear before it and answer these charges. He will have had that opportunity. Then if the committee fails for any reason to file a report, the committee can be discharged, and the Senate will have the record of the proceedings for its guidance, irrespective of whether they submit a recommendation.

Mr. MONRONEY. Does the Senator agree, then, that if the committee could not reach a unanimous decision and a division should occur among the members of the committee, the Senate would have the opportunity to consider both the majority report and any report or views filed by a number smaller than a majority?

Mr. McCLELLAN. I am confident that is true. We have that situation with respect to legislation all the time. We have a majority report and sometimes a minority report. Where the majority report prevails in the bill as reported out, there is also the opportunity for the minority to offer amendments to conform with its recommendations.

Whatever is reported out by this committee, certainly there will be opportunity afforded on the floor to offer amendments or to offer substitute charges.

The basic thing I would fight for, for myself and for any other Member of this body, is to give the accused the opportunity to present his case before he is condemned. I think that is fundamental to every liberty that we cherish. I shall never knowingly deny that to anyone charged with an offense.

Mr. FULBRIGHT. Mr. President, will the Senator yield for one more question?

Mr. McCLELLAN. I am glad to yield.

Mr. FULBRIGHT. Mr. President, the Senator said there were two alternatives—one to go to committee, and the other to hear the defense on the floor.

Having seen two different records with regard to the first specification suggested by me, I understand that the Senator from Wisconsin [Mr. McCARTHY] would not deny the factual statement, but he would deny only the conclusion. I wonder why the Senator does not think there is ample opportunity for the junior Senator from Wisconsin to defend himself here and now. We are in session. The junior Senator from Wisconsin has a perfect right to take the floor and to deny before the Senate the allegations made.

I remind the Senator from Arkansas that the junior Senator from Wisconsin is rather difficult before committees, with points of order and things of that nature. The Senator from Arkansas knows that as well as I. I also participated in a committee some years ago before which the junior Senator from Wisconsin appeared.

I think this is the proper forum. Here we can see that a fair hearing is had and that he is given an opportunity to deny the charges. If he does not deny the charges, then certainly I see no reason for this matter to go to a committee.

Mr. McCLELLAN. I suggest to my distinguished colleague that the mere denial by the accused raises an issue and a controversial allegation, but the accused may have some proof that he wishes to offer to substantiate or corroborate his position of denial.

If the Senator wishes to resolve the Senate into a Committee of the Whole, that is one course and one way, but I think the better procedure is to have a committee serve and hold any hearings that may be deemed necessary. After it has concluded its hearings, it may then make its recommendations to this body.

Mr. HUMPHREY. Mr. President, I thank the Senator for his very fine and objective discussion of the motion before us.

Does the Senator from Arkansas interpret the motion, as modified, of the Senator from California, the majority leader, as not only requiring the committee to make a report prior to the adjournment of the Senate, but also that

the Senate itself, following the submission of the report, shall act upon the report of the committee?

Mr. McCLELLAN. I do not think the resolution or the amendment could possibly go that far. I interpret the intent of the Senate, if it adopts the motion, as modified to be to dispose of the matter before the end of this session. I do not know of any way in which the Senate could be bound to do that. It may be of that opinion today, but tomorrow it might change its mind and adjourn anyway. I do not know how that situation could be controlled, because a motion to adjourn is always in order and takes precedence over anything else.

I think this is as far as it is possible to go to bind the Senate to take final action on and to dispose of the matter before the session ends. That is my objective. I am saying this in as emphatic language as I know how to express it. I would be most reluctant to support an amendment if I did not feel that final disposition of the matter could be had before adjournment.

Mr. HUMPHREY. Would the Senator permit me, in his time, to interrogate the majority leader in reference to that point, since the majority leader is the promulgator of the motion? If the majority leader will be kind enough to give me his attention, I shall ask the Senator from Arkansas if he will yield to me for that purpose.

Mr. McCLELLAN. I am glad to yield.

The PRESIDING OFFICER. Will the Senator from Minnesota state his unanimous-consent request?

Mr. HUMPHREY. I ask unanimous consent that the Senator from Arkansas may yield to me, without losing his right to the floor, so that I may interrogate the majority leader.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. HUMPHREY. I wish to ask the majority leader whether or not, in the offering of the motion as modified, as it has now been discussed and interpreted, it is within his contemplation that the Senate, as a body, shall act upon the resolution following the report of the committee, or whether he contemplates only a report to be made by the committee which is proposed to be established under his motion.

Mr. KNOWLAND. I answer the distinguished Senator from Minnesota by saying that with the language contained in my original motion, together with the 2 modifications which I have accepted, one by the Senator from New York [Mr. IVES], and the other by the Senator from Washington [Mr. JACKSON,] I think the intent is quite clear that the committee shall expeditiously proceed, after its selection, which I hope will be done forthwith, or within a reasonable period of time, to take evidence, hold hearings, and make a report to the Senate prior to the adjournment of the Senate sine die.

I can conceive that if the matter is disposed of in that manner today, we shall be able to return to action on the foreign-aid bill, the farm bill, the supplemental appropriation bill, and other bills, and that action might be completed on those legislative acts in which House concurrence is necessary, either by adoption or passage of the same bills, or by the adoption of conference committee reports.

A point might then be reached where the House would be ready to adjourn, since the present matter is one which pertains to the Senate alone, and in which the concurrence of the House is not necessary. The Senate then, in its judgment, might determine to remain in session for 3 or 4 extra days, or perhaps a week. That would be within the control of the Senate, because, after all, as the Senator knows, adjournment cannot be without a majority of the Members of the Senate agreeing to adjournment.

So I anticipate that not only would the matter be reported to the Senate, but that the Senate would have an opportunity to vote on the report. The Senate itself, of course, would still have the power to make a final decision. I do not know how that power could properly be taken from the Senate. The Senate might wish to debate the question. It might determine that it desired to vote on the question one way or the other and terminate the case. But, at least, that would be within the control of the Senate itself.

Mr. HUMPHREY. As I understand, the majority leader had in mind, when he presented the motion, that there would be an ad hoc committee appointed for the express purpose as outlined in both the motion and the Flanders resolution; that the committee would report to the Senate; and that the Senate then would act upon the report of the committee.

Mr. KNOWLAND. The Senator is correct. Of course, he understands that I do not know what the committee may report. I do not know what facts they may find—whether they may find that any action is justified; that the junior Senator from Wisconsin should be censured or condemned; that he should be cleared; or whatever else it might desire to report.

The committee would report to the Senate, and the Senate would have an opportunity to act. The case then would be in control of the Senate itself. The Senate would determine how much longer it would remain in session and would debate, discuss, or amplify the report, whatever it might be.

As the distinguished Senator from Arkansas has quite correctly pointed out, should the committee either not report or not be prepared to report, the case still would be within the control of the Senate, and a motion to discharge the committee would be in order. Again, it would be for the Senate to determine whether the committee should be discharged. So it seems to me the situation is within the hands of the Senate, regardless of what action is taken.

Mr. HUMPHREY. I wish to make my position clear. I was not prejudging what the committee might do. I have my views. If the committee were created, it might return a clean bill; it might return a resolution of censure; it might adopt any of several alternatives. But at all times the Senate, even as of this hour, could adjourn, despite the wishes of the majority leader.

Mr. KNOWLAND. That is correct. A concurrent resolution to adjourn sine die is lying at the desk. Technically, the Senate tonight could agree to the resolution to adjourn, and thus leave several appropriation bills, the farm bill, the foreign-aid bill, and other bills, with no action having been taken on them. I do not believe the Senate will do that; but technically it is within the power of the Senate to do so.

Mr. HUMPHREY. I am very grateful to the Senator from California.

Mr. McCLELLAN. I yield the floor.

Mr. HOLLAND. Mr. President, I am in complete accord with the position taken on the procedural side of this question, first, by the distinguished senior Senator from Oregon [Mr. CORDON], later by his distinguished colleague, the junior Senator from Oregon [Mr. MORSE], followed by the able support of the distinguished junior Senator from Texas [Mr. DANIEL], and this afternoon again clearly restated by the distinguished senior Senator from Georgia [Mr. GEORGE].

I think the positions which they have taken chart a safe and sound course to be followed in the determination of this question, and that such a course is far different from the one which the Senate was invited to take under the wide-open resolution—I believe it was the third resolution of the kind—filed by my distinguished friend—and he is, indeed, my friend—the junior Senator from Vermont [Mr. FLANDERS].

The senior Senator from Georgia stated with remarkable and meticulous accuracy the facts concerning the Bingham case, which, as he correctly stated, and has been stated by other Senators in the debate, charts a very clear course to be followed in the pending case.

However, I think there are two quotations from the CONGRESSIONAL RECORD relating to that case which will afford even clearer evidence as to the course which was followed so thoroughly by the Senate in the Bingham case, a course which was so clearly free from any prejudice or looseness as to commend itself to the Senate, and to all Senators, during all time, as a proper course to be followed. I read into the RECORD, therefore, the resolution in its final form, in which it was passed by the Senate. I think Senators, merely from hearing it read, will realize how carefully drawn and how specific was the resolution, and how completely fair it was to the Senator whose reputation was at stake in that proceeding, and whose acts were being passed upon at that time.

I shall read the resolution:

Resolved, That the action of the Senator from Connecticut, Mr. Bingham, in placing Mr. Charles L. Eyanson upon the official rolls of the Senate and his use by Senator Bingham at the time and in the manner set forth in the report of the subcommittee of the Committee on the Judiciary (Rept. No. 43, 71st Cong., 1st sess.), while not the result of corrupt motives on the part of the Senator from Connecticut, is contrary to good morals and senatorial ethics, and tends to bring the Senate into dishonor and disrepute, and such conduct is hereby condemned.

Mr. President, no resolution could have been more carefully worded so as to pre-

serve and include every specific allegation concerning the facts involved in that case.

Mr. President, the distinguished Senator from Georgia [Mr. GEORGE] said very properly and accurately it was his recollection that the Senator from Connecticut, Mr. Bingham, had been heard in the subcommittee of the Judiciary Committee and had been heard upon the floor of the Senate. In order that the RECORD at this time may clearly show that fact, I read from the comments of the first speaker in the debate, who was Mr. Bingham, the Senator from Connecticut, and I read his words in order to show clearly that he had already been heard in the subcommittee and that he had already been heard upon the floor of the Senate itself before the resolution came on to be debated.

I read from Senator Bingham's statement. He was the first speaker, is speaking in the debate upon the Bingham resolution:

> The resolution asks for the condemnation of my having placed Mr. Eyanson, secretary to the president of the Connecticut Manufacturers' Association, on the Senate rolls on three grounds: First, that it is contrary to good morals; second, that it is contrary to senatorial ethics; and, third, that it tends to damage the honor and reputation of the Senate.
>
> In view of the fact, Mr. President, that I have previously explained at some length the whole transaction, both on the floor of the Senate and before the special committee charged with investigating lobbyists, I shall not go into the matter in detail at this time.
>
> On the other hand, I do desire to be heard briefly in regard to the three charges which have been brought against me.

It could not have been made more clear that the Senator from Connecticut had been heard both in the subcommittee and in full debate upon the Senate floor before that time, and that he was heard as the first speaker in this debate.

I do not read the rest of his statement, but in the remainder of that statement Senator Bingham takes up the three charges, one by one, and gives his answer as to the implication of those charges, each of which he admitted insofar as the act committed was concerned, but all of which he contended did not bring about the results charged by the resolution.

Mr. President, I have one more observation and I shall conclude. I shall certainly support this resolution, because it points the way to and requires a proper procedural handling of this serious matter. I take that position in the hope that it will lead to speedy hearings.

But may I express the hope that such a procedure will not lead to hearings which will not go thoroughly into each of the subjects suggested by the amendments of the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Oregon [Mr. MORSE], and the long list of additional specifications mentioned by the Senator from Vermont [Mr. FLANDERS].

I do not think the Senate desires such haste as would preclude a thorough investigation and a full report.

As the Senator from Florida understands this resolution, it will require able Members of the Senate, an equal number from each side, to proceed promptly, but in such a way as to bring out the facts, to a hearing upon the various specifications which are being suggested to be added to the resolution of the Senator from Vermont.

Mr. President, the Senator from Florida speaks only for himself. He does not believe that such a hearing, accompanied by proper safeguards and surrounded by the atmosphere of deliberation which such a matter should have about it can be concluded within a few days. The Senator from Florida wants to make it abundantly clear that as he understands this resolution the report may not be submitted for several weeks—perhaps 2 or 3 months.

The Senator from Florida feels that the terms of the resolution would be completely observed if the Senate were required to come back here in November or December to conclude this case.

I close upon this thought: I think it is the duty and obligation of the Senate to dispose of this case even if such action requires us to come back here after the recess of the present session, which of course would then end without a sine die adjournment, but only with a recess.

Mr. THYE. Mr. President, will the Senator yield for a question?

Mr. HOLLAND. I am glad to yield.

Mr. THYE. I recognize in the distinguished Senator from Florida an able judicial mind.

Mr. HOLLAND. I thank the distinguished Senator.

Mr. THYE. I have always admired the Senator's ability to analyze a question.

The Senator says this procedure may require even several months, and that the Senate might possibly recess to come back some time later in the fall to give consideration to the proposed committee's recommendation. That brings a fear to my mind. The Senator from Florida has an excellent judicial mind, a well qualified and trained judicial mind. If the Senator were a member of such a committee and if he felt he could not possibly render a decision in less than several weeks of intensive study and hearings, I can very easily see that we shall not be able to adjourn this Congress, but that the best we can hope for will be a recess within the next 10 days or 2 weeks to a time, indefinite or uncertain, in the fall.

That poses another problem with which the Senate is faced, because such a procedure would mean that the Senate would have to examine the work of the committee; but, above all, if we deferred this matter to some indefinite time, we could be subjected to a great deal of criticism, possible newspaper editorials stating that the Senate was afraid to face the issue, and therefore had recessed; and it would be stated that it is hard to say when the Senate will return and pick up the question.

Mr. HOLLAND. Mr. President, I appreciate the comments of the distinguished Senator.

Mr. THYE. These are factors which we must recognize.

Mr. HOLLAND. All I can say is that the Senator from Florida values the doing of justice in this matter sufficiently to be perfectly willing to stand up on this floor and say that is his judgment. The Senator from Florida will not be a member of this committee, because in the very nature of things, this committee will consist of senior Members from both sides of the aisle.

But in the nature of these charges, numerous as they are and covering as much time as they do, this case cannot be handled deliberately within a few days. If when the Senate votes, it thinks this case will be back in our laps in 5 or 6 days, I think the Senate is not doing justice to the gravity of this case or the size of it.

So far as the Senator from Florida is concerned, he has already said he thinks it is his duty, the duty of the Senator from Minnesota, and the duty of every other Senator so to handle this case as to clear it out of the way, dispose of it one way or another, with the present membership of the Senate.

I call attention to the fact that already we are imposing upon Members of the Senate—many of whom are younger in time of service here, the handling of matters which happened before they came here. A moment ago I checked the record, and found that 18 of the present Members of the Senate have come here since the date of the making of the so-called Hayden report, which has been referred to. I found that about half the membership of the Senate came here since the act mentioned in the first amendment suggested by the distinguished Senator from Arkansas [Mr. FULBRIGHT] transpired.

I know this is not a simple case. It covers 6 or 7 years of time, and apparently covers 6 amendments offered by the Senator from Arkansas and 7 offered by the Senator from Oregon, although I think there is some overlapping. It also involves a list which I understand from the Senator from Vermont comprises 33 different items which he has to suggest to Members of the Senate. I am sure that his candor will be such that he will present that list to the able Members of the Senate who will be called upon to handle the duties of this committee, which is not a desirable service but is a necessary service, and should be rendered. It should be rendered by the Senate during this Congress, even if we have to come back here, as I believe we shall have to come back here, much later in the fall.

I have called attention very frankly to what I think I see in this matter—not because it is designed by anyone, but because I cannot conceive that this matter could be handled with sufficient care and deliberation in the few days which all of us hope remain before we shall be allowed to return home.

I think that means a recess, and certainly it means that if we live up to the spirit of the resolution—as I feel we should—there will not be an early adjournment sine die, but there will be a recess to a fixed date this fall, when we can return and deal adequately with this matter.

Mr. JACKSON. Mr. President, will the Senator from Florida yield for a question?

Mr. HOLLAND. I gladly yield to the Senator from Washington.

Mr. JACKSON. Would it be fair to say that to the extent that it is necessary in order to obtain a thorough judicial determination of this matter, a fixed date should not be set for the taking of action by the committee?

Mr. HOLLAND. That is exactly what I think, and I am glad to see that my friend, the Senator from Washington, is thinking along the same line.

I believe it would be both unfair, unwise, and unjust to the Senate and its reputation and unjust to the Member of the Senate who is most concerned with this matter—the Senator who is charged with misconduct—for the Senate to attempt to set a fixed early date for the committee to report, in view of the knowledge which all of us have of the tremendous size and scope of the investigation which will be delegated to the members of the committee, if the resolution, as modified, is agreed to.

Mr. JACKSON. Mr. President, will the Senator from Florida yield further?

Mr. HOLLAND. I yield.

Mr. JACKSON. On the other hand, if there should be any sort of dilatory tactics and unnecessary and improper delay, the Senate itself could act in such a situation, could it not?

Mr. HOLLAND. Yes, I am sure the terms of the recess resolution could so provide, so as to give the Senate the power to return and to deal with this matter.

Insofar as I am concerned, if the report has not been filed and acted upon by the time we are ready to go home on the first occasion, I shall not only hope, but I shall insist, that the provisions of the recess resolution call for such a procedure.

Mr. STENNIS. Mr. President, will the Senator from Florida yield to me?

Mr. HOLLAND. I yield.

Mr. STENNIS. In regard to the time limit, does not the Senator from Florida think it will require at least 2 more weeks for the legislative calendar to be handled, during which time the select committee would have but little chance to go into the case assigned to it?

Mr. HOLLAND. Did the Senator from Mississippi use the words "little chance"?

Mr. STENNIS. I meant that it would have very little chance to go into the case.

Mr. HOLLAND. I thoroughly agree, because in the closing, hectic hours of each session, and particularly in what is now the second session of this Congress, every Senator has duties he must perform, duties which he owes to all the people of the Nation, and in many cases, particularly to the people of his own State; and those duties have to be performed then, or not at all.

Mr. STENNIS. Mr. President, will the Senator from Florida yield further to me?

Mr. HOLLAND. I yield.

Mr. STENNIS. I am trying to emphasize the point the Senator from Florida is making, namely, that if we adopt the resolution, we have to face the fact that it will take considerable time—at least some weeks—after the legislative business is more or less completed, before the committee can possibly go adequately into a resolution so broad, high, and long as the Flanders resolution, which relates to the entire conduct of the junior Senator from Wisconsin.

Mr. HOLLAND. I think the Senator from Mississippi has stated the matter exactly, correctly, and much better than I have stated it.

Mr. STENNIS. I thank the Senator from Florida.

Mr. HOLLAND. Mr. President, I wish to discuss briefly one more point. I have heard the Senator from New York and other Members in the course of the debate say that the Senate does not have the courage, or that it is being charged that the Senate does not have the courage, to face this matter and go through with it. I do not believe that any Member of this body is properly subject to such a charge. I have read those charges in the editorial columns of certain of the liberal newspapers, and I have received from certain of the members of the liberal organizations, letters transmitting those charges. I think they are little better than reflections upon those who make the charges.

Anyone who has the fortitude to run for membership in the Senate of the United States and to go through the gruelling battle that is required in any State in connection with a senatorial campaign can hardly be a timid person; and anyone who has done that again and again and again, hardly can be a fearful person who is afraid to face issues.

Furthermore, anyone who has served as governor of his State—and about 30 of the Members of the Senate have served in that capacity—has had to face many disagreeable issues and situations. I think there is no more disagreeable situation which could possibly face a governor than the task of signing a death warrant. Yet that duty has faced many of us time and time again; and after going carefully into the matter and after carefully checking all the facts, including a careful reading of the transcript of the testimony, many of us have reached the decision that we should sign a death warrant, thus depriving a human being of his life. Certainly no duty more disagreeable than that can face a person who serves in public office.

Furthermore, many of the Members of this body have faced other duties of the most arduous, exacting, and dangerous nature. I refer to service in the Armed Forces of our country, in time of war—service on the battlefield, combat service. Many of our Members have engaged in combat with the enemy. Some of our Members have engaged in active combat on the land; some of our Members have engaged in combat at sea, and in that connection I think now of the experience of my valorous and distinguished young friend, the junior Senator from Louisiana [Mr. LONG]. Others of our Members have had combat service in the air. I think that half a dozen of the Members of this body bear on their bodies honorable wounds received in the military service of their country. I think particularly of my distinguished friend, the junior Senator from Michigan.

In view of that situation, Mr. President, it rather makes me sick to hear such careless charges of a lack of willingness to come to grips with a relatively small matter of this kind. What does it amount to, insofar as the possible hurtful effect to any particular Senator is concerned? I think it would be well for me to state for the RECORD what I have ascertained in that connection, Mr. President. This morning I had my files carefully checked, and then I rechecked them myself. I find that I have received from all the people of my State, either by telegraph or by letter, the sum total of 98 communications, exactly evenly divided, 49 to 49, upon this question; and many of those communications disclose a very great ignorance of the nature of the question with which we are dealing.

I recall that when I was a member of the Florida State Legislature I received in 1 hour 285 telegrams, all on one side of an issue, and most of them making the most terrible threats of political obliteration. That was in connection with a question then pending in the Florida Legislature.

Mr. President, this matter is one on which I think the great body of the people throughout the Nation realize that the Senate is willing to assume any responsibility which properly pertains to it, and I think the people of the country know that we in the Senate feel that this is a responsibility which pertains to the Senate. So far as I am concerned, I do not believe there is one Member of the Senate who even thinks of this matter in such a way as that indicated by some of the speeches which have been made upon this floor or as indicated by some of the very loose editorials and expressions which I have heard from radio and other speakers in the course of the development of this matter.

Mr. President, the Senate should face this matter, and should do so deliberately. A path is now being laid out, so as to enable the Senate to face it deliberately and properly; and I am sure the Senate will do so.

Mr. President, certainly I shall support the motion, as modified; and I believe it will enable us for the time being to dispose of this matter—to channel it in the proper direction, and then to proceed with the concluding business of this second regular session of a very important Congress.

Mr. ERVIN. Mr. President, will the Senator yield to me for a question?

Mr. HOLLAND. I am glad to yield to my distinguished friend, the Senator from North Carolina.

Mr. ERVIN. I ask the Senator from Florida if the procedure outlined in the motion, as modified, does not fullfil the due-process-of-law clause, or the law of the land, as Daniel Webster defined it in the celebrated Dartmouth College case, as being a law which proceeds upon inquiry and renders judgment only after a hearing?

Mr. HOLLAND. I will say to my distinguished friend, formerly a justice in the supreme court of one of our greatest States, North Carolina, that, of course, he has correctly stated a fundamental principle of our law, as stated in the Dartmouth College case, and in many cases since that time. I thank the distinguished Senator.

Mr. LEHMAN. Mr. President, I have listened with great interest and admiration to the remarks of the distinguished senior Senator from Georgia [Mr. GEORGE] and the junior Senator from Oregon [Mr. MORSE].

I think I am safe in saying that no one in the Senate is more jealous of the rights of the people to have fair hearings, to have a fair trial, to be permitted to answer charges that are made against them, than I am. I have fought for that, as have many of my colleagues in the Senate, for more years than I like to think of.

But it seems to me that in the debate which has taken place here during the past day or two, we have been confusing procedures with facts. In the charges which have been made in the specifications largely at the instance of the distinguished junior Senator from Arkansas [Mr. FULBRIGHT] and by the junior Senator from Oregon [Mr. MORSE], certain matters of fact have been brought before the Senate. They are no longer matters of debate. They are no longer matters of doubt. They are established by the record itself.

There are countless numbers of charges which could be, and undoubtedly have been, from time to time, made against the junior Senator from Wisconsin. I think most of them are justified. I think most of them can be proven. But I shall not at this time make any attempt to cover the entire field of the charges that have been made, I think, as a matter of prima facie fact or evidence against the junior Senator from Wisconsin.

I shall address myself only to the specific charges or specifications which are contained in the two amendments which have now been presented by the junior Senator from Arkansas and the junior Senator from Oregon.

Mr. President, there is not the slightest question that the junior Senator from Wisconsin, while a member of the committee having jurisdiction over the affairs of the Lustron Co., a corporation financed by Government money, received $10,000 without rendering service of a comparable value.

That is a matter of record. He has explained it, and he has sought to justify it, but there is no question of doubt as to the accuracy of the charge. Now, the doubt will come in the evaluation on a moral plane that the Senate of the United States may wish to place on this and other charges.

Mr. President, there is not the slightest question and there is no denial, there cannot be any doubt and there cannot be any denial, that the junior Senator from Wisconsin in a speech on June 14, 1951, without proof or other justification, made an unwarranted attack upon Gen. George C. Marshall. The record is complete. It is carried in the CONGRESSIONAL RECORD which is before every Senator, containing every word of the speech that was made by the junior Senator from Wisconsin attacking one of the very great Americans, attacking him in a manner which was completely unfair, and which was totally inaccurate. That was malicious, and it demeaned the man who made the accusations and demeaned the entire Senate, which listened to the accusation.

Mr. President, there is no question, no doubt whatsoever, nor can there be any question or doubt whatsoever with regard to the fact as disclosed in the amendment proposed by the Senator from Arkansas [Mr. FULBRIGHT], that, without justification, the junior Senator from Wisconsin impugned the loyalty, the patriotism, and the character of Gen. Ralph Zwicker. That is a matter of record in the hearings, carried in the archives of the committee, and spread on the pages of every newspaper in this country. There is no denial, and there cannot be any denial. Here was a man of great character, a man who had served his country for a long number of years, accused and told in a executive hearing by a Member of the Senate, who had been appointed by the Senate to a high position, that he was unworthy of wearing the uniform of the United States.

Furthermore, Mr. President, there can be no question, and there is no question whatsoever, with regard to another specification set forth by the Senator from Arkansas [Mr. FULBRIGHT], in one of his amendments, to the effect that the junior Senator from Wisconsin openly, in a public manner before a nationwide television audience, invited and urged employees of the Government of the United States to violate the law and their oaths of office. Mr. President, that is a matter of record; it is not open to doubt. The fact has been established. It is there on the record, undisputed, undenied, and it cannot be disputed and it cannot be denied.

All we need to do is to look at the record and at the facts. Yes; if the Senate of the United States believes that the charges which I have enumerated, and others—and I shall enumerate 2 or 3 more, but there are a great many others—do not justify censure by the Senate, if it evaluates the abuses of authority, the abuses of the dignity of the Senate of the United States in such a low manner that they feel no censure is necessary, then, of course, that is within the right of the Senate. But there is no question of fact or of the record.

Do not let us confuse the situation by suggesting for a minute that there is any question concerning the facts or the record.

Mr. HOLLAND. Mr. President, will the Senator yield for a question?

Mr. LEHMAN. I should like to finish my remarks, and then I shall be very glad to yield to the Senator.

Mr. President, I refer now to the amendment proposed by the junior Senator from Oregon [Mr. MORSE] and to the resolution originally introduced by the junior Senator from Vermont [Mr. FLANDERS], wherein the Senator from Oregon sets forth in paragraph (b) that the junior Senator from Wisconsin "unfairly accused his fellow Senators GILLETTE, MONRONEY, HENDRICKSON, HAYDEN, and HENNINGS of improper conduct in carrying out their duties as Senators."

Is there any question about the fact? Are we to assume that these Senators are not to be treated with dignity and consideration? I do not want any Senator to tell me that he would seek to justify the position, which is now being taken by some of my colleagues, that there is a question of fact involved in that case.

Then I proceed to another specification in the amendment offered by the junior Senator from Oregon, for whom I have the greatest respect and consideration. In paragraph (d) the junior Senator from Wisconsin "received and made use of confidential information unlawfully obtained from a document in executive files upon which document the Federal Bureau of Investigation had placed its highest classification; and offered such information to a lawfully constituted Senate subcommittee in the form of a spurious document which he falsely asserted to the subcommittee to be 'a letter from the FBI.'"

Can there be any question of accuracy in that regard? Can there be any question about the facts covered by that specification or accusation? There cannot be, because it is a matter of public record, spread throughout the country on television and in the press and, what is even more important, on the records of the committee.

I come to another specification in the amendment offered by my highly respected friend, the junior Senator from Oregon. In paragraph (f) he charges that the junior Senator from Wisconsin "attempted to invade the constitutional power of the President of the United States to conduct the foreign relations of the United States by carrying on negotiations with certain Greek shipowners in respect to foreign trade policies, even though the executive branch of our Government had a few weeks previously entered into an understanding with the Greek Government in respect to banning the flow of strategic materials to Communist countries."

Senators will recall that that was at the time when the junior Senator from Wisconsin invaded the province and responsibilities of Harold Stassen, former Governor of Wisconsin and now the head of the Foreign Operations Administration. There is no question about that. It is all a matter of record. It is all a matter of incontrovertible fact.

Mr. President, I have read 8 or 9 specifications of what I believe to be misconduct on the part of the junior Senator from Wisconsin. It is misconduct which has brought the Senate of the United States into disrepute both here and abroad.

My colleagues may feel that the seriousness of these abuses are not sufficiently serious to justify censure by the Senate. I believe the abuses are sufficiently serious to justify far more drastic action. However, Senators may not feel as I do in that regard. That is a matter of evaluation.

I am not trying for a moment to suggest that the junior Senator from Wisconsin is not to be given a right to answer the charges and specifications.

There is no reason why, the specifications constituting facts, having been made, and the record existing, the junior Senator from Wisconsin cannot answer them on the floor of the Senate in the Committee of the Whole, with

every Member of the Senate being given the right to interrogate him and he being given the right to interrogate any other Member of the Senate. That seems to me to be the only way to proceed.

I probably would not bring up this matter if it had not been brought up in the remarks of the senior Senator from Florida [Mr. HOLLAND]. He very frankly and very honestly stated that he did not believe that a committee not yet formed and not yet chosen could possibly act effectively within the few days remaining before what is proposed to be or suggested to be the final adjournment of Congress. He said that, as he visualized the situation, we would take a recess and we would come back in November or December to debate the report of the committee.

I would not raise this question—because I certainly do not believe there is any deliberate attempt to sidetrack the whole matter—except that it is in my mind very distinctly, just as it was in the mind of my distinguished colleague, the senior Senator from Florida, when he spoke. I believe that is what is going to happen. We are not going to adjourn sine die on the 10th or 12th of August, if we act on this resolution.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. LEHMAN. I believe we will recess from time to time, as we have every legal and parliamentary right to do, and finally the matter will be pushed over, pushed off, and pushed off, into the autumn, if a report is submitted at all.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. LEHMAN. I shall be glad to yield when I have finished my thought on this point.

The PRESIDING OFFICER. The Senator from New York declines to yield.

Mr. LEHMAN. I am glad the Senator from Florida brought up the point. I would have hesitated to do so, because it might have been looked upon as a reflection upon the distinguished majority leader. I believe, however, that is exactly what is going to happen.

Mr. HOLLAND. Mr. President, will the Senator yield for a question?

Mr. LEHMAN. I believe we will be brought back and held in suspense with 3-day recesses, or recesses for other periods, repeated time after time, to suit the convenience of the Members of the Senate.

Mr. HOLLAND. Mr. President, will the Senator yield for a question?

Mr. LEHMAN. I shall be glad to yield in a minute. That would be evading the situation. That is why I am opposed to the motion. Even if I am the only Senator to vote in opposition, I shall vote against the motion proposed by the distinguished majority leader, as amended by my colleague, the Senator from New York [Mr. IVES], and the Senator from Washington [Mr. JACKSON]. I am now glad to yield to the Senator from Florida.

Mr. HOLLAND. Is it because the distinguished Senator from New York recognizes that it will take 2 or 3 weeks or perhaps more for a hearing that the Senator from New York prefers, instead, to have no hearings, but to proceed in the form of a drumhead court-martial to a judgment of the facts on the varied recollections which we have after listening to various broadcasters and after reading various newspaper accounts based on differing sources of background information? Is that the reason why the distinguished Senator from New York is unwilling to have any trial, because he thinks it will take a little time to have a fair trial?

Mr. LEHMAN. No; of course that is not the case, and I do not believe the Senator from Florida believes that was in my mind. I want the junior Senator from Wisconsin to have the right to answer any charges that are made against him. Specifications and charges have been made in two or more amendments, and concerning those charges the facts are known. What is to stop the junior Senator from Wisconsin from appearing on the floor of the Senate to answer those charges set forth in those specifications? Nothing can stop him. The Senate can act as a Committee of the Whole. I say to my distinguished colleague from Florida that I would much rather have the Senate remain in session for another month, if necessary, in order to dispose of this matter.

Of course, the junior Senator from Wisconsin has the right——

Mr. IVES. Mr. President, will the Senator yield?

Mr. LEHMAN. I will in a moment.

The junior Senator from Wisconsin has, and should have, the right to answer all these charges. He must be given that right, so long as the Senate remains in session.

I am now glad to yield to my colleague.

Mr. IVES. I point out to my colleague from New York that the motion as now amended does not in any way, shape, or manner mean that we are going to have a recess from time to time after the House adjourns. There is no reason in the world why, before we decide to adjourn, at least before final adjournment by the House, that we cannot make final determination as to what we are going to do.

It should be pointed out that, under the provisions of the motion as it now stands, a report has to be made by the committee to be created under the motion, and at that time we can decide what we are going to do.

I must point out to my distinguished colleague that I think his apprehension is slightly premature. I do not think there is any cause for it at this time.

Mr. LEHMAN. As I listened to the proposer of the amendment to the motion, it seemed to me that it calls for a report before the Senate of the United States adjourns sine die.

Mr. IVES. That is correct.

Mr. LEHMAN. That is correct. I know that. I am not imputing any deliberate desire on the part of the distinguished majority leader to delay this matter or to sidetrack it, although I believe his motion will have that effect. I am echoing what the Senator from Florida [Mr. HOLLAND] has said. The motion provides that the report must be made before the Senate adjourns sine die. The Senate may not adjourn sine die until December 31, but there can be recesses all the time.

Mr. KNOWLAND. Mr. President, will the Senator yield at that point?

Mr. LEHMAN. I am glad to yield.

Mr. KNOWLAND. The Senator says he is not imputing any such thing to the majority leader, but that is precisely what he is doing. What he is doing is charging the majority leader with sharp practice. I came to the floor of the Senate and offered in good faith the motion which I made. I accepted the amendments of the Senator from New York [Mr. IVES] and the Senator from Washington [Mr. JACKSON]. I discussed the motion with the minority leader, with the senior Senator from Arkansas [Mr. MCCLELLAN], and other Senators who are interested in this situation, and submitted it to the Senate with a statement of the fact that, so far as I was concerned, I believed the clear legislative intent was that the committee, when selected, should proceed expeditiously with its work, make a report to the Senate of the United States, and that the Senate of the United States should act upon the report before it adjourned sine die. I had no mental reservations when making that statement. I attempted no sharp practice. I am not used to dealing in that manner on the floor of the Senate of the United States, and the Senator from New York [Mr. LEHMAN] should know it.

I personally resent his statements because, despite his disclaimer, that is precisely what he has attempted to charge against the majority leader. I have acted in good faith today, and if the Senator from New York does not know that, I think there are at least 94 other Members of this body who do.

Mr. LEHMAN. While I do not have before me the exact words of the Senator from California [Mr. KNOWLAND], because, of course, they have not been typed, I think he will find that he himself, in the course of the debate, made the statement that, of course, he could not tell what kind of resolution might be brought up for a recess or for how long a period; that it might very well be that the House of Representatives, having completed their business, might decide to go home, but that we might, through recesses, continue our deliberations.

Mr. IVES. Mr. President, will the Senator yield at that point?

Mr. LEHMAN. I am glad to yield.

Mr. IVES. Does not my distinguished colleague realize that every time we take a recess we have to decide on that question? There is time enough to decide that when that occasion arises. We do not have to decide it tonight. Now is not the time to do it. We have to take this motion on good faith. As the distinguished majority leader pointed out, unless we do, we are not going to get anywhere with the whole controversy.

Mr. LEHMAN. I may say to my colleague, I certainly am not imputing bad faith to the majority leader. This question was raised by the senior Senator from Florida [Mr. HOLLAND] in the statement he made. When I say that, I repeat that, in my opinion, the effect of the adoption of this motion will be exactly what I have predicted and outlined.

Mr. LANGER. Mr. President, will the Senator yield for a question?

Mr. LEHMAN. I am very glad to yield.

Mr. LANGER. Does not the Senator realize that the House can adjourn and go home, and the Senate can still stay here and clean up this matter, even after the House goes home?

Mr. LEHMAN. I realize that, of course.

Mr. FLANDERS. Mr. President——

The PRESIDENT pro tempore. Does the Senator from New York yield to the Senator from Vermont?

Mr. LEHMAN. I shall be glad to yield.

Mr. FLANDERS. Mr. President, there are three things, as I see it now, that we can logically do in this matter. One thing we can do is to lay it on the table. The junior Senator from Wisconsin [Mr. MCCARTHY] told me a while ago that he was proposing to do so, but very kindly offered to wait until I had had a chance to speak. I am grateful to him for that promise.

Laying it on the table, of course, is something that does indicate a desire to run away from this question, and I am quite sure that that is not the sentiment of the Senate as it has been expressed by speaker after speaker, particularly this afternoon.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. FLANDERS. Yes.

Mr. KNOWLAND. First of all, I assure the Senator that I doubt very much if a motion to lay on the table will be made. Secondly, if it is made, the majority leader will resist it and will ask every Senator with whom he may have any influence to resist any motion to table.

Mr. FLANDERS. Of course, there is no discussion on it, but I have the assurance that at least I might be allowed to speak.

The second thing that can logically be done——

Mr. MCCARTHY. Mr. President, will the Senator yield?

Mr. FLANDERS. I yield.

Mr. MCCARTHY. I missed what the Senator said because I just came into the Chamber. I caught the tag-end of it, and I understand the Senator is concerned about my making a motion to lay the resolution on the table.

Mr. FLANDERS. We had a little conversation about that, as the Senator will remember. I said if the Senator was going to make such a motion, I wanted a chance to speak first.

Mr. MCCARTHY. The Senator is correct about the conversation. I said if I made such a motion it would be only after all the debate had ended.

I wonder if the Senator will yield so I may ask a parliamentary question.

Mr. FLANDERS. I yield for that purpose.

Mr. MCCARTHY. Mr. President, am I correct in the assumption that if a motion were made to lay the resolution of the Senator from Vermont [Mr. FLANDERS] on the table, that motion would take precedence over all other amendments or motions and it would carry with it all amendments? In other words, the motion to lay on the table would carry everything else?

The PRESIDENT pro tempore. A motion to table would take precedence over any other amendment or motion. A motion to table would take precedence and would carry with it every pending amendment.

Mr. MCCARTHY. I may say to the Senator from Vermont, I had considered making a motion to table before the motion of the Senator from California [Mr. KNOWLAND] was perfected. My present thought is that I will make no motion to table. I shall speak on that very briefly when the Senator from Vermont has finished.

Mr. FLANDERS. I thank the Senator.

The second logical thing that can be done is what has been done with my original resolution and the amendments proposed by the junior Senator from Arkansas [Mr. FULBRIGHT]. Those amendments are of such nature that they refer only to things which are on the record. So it is possible, in his judgment and in mine, for each Senator to come to his conclusions on those things which are already of record.

There is in every matter of this sort, in every situation of this kind, a question not only of the "whether," but also of the "why." I am not now talking legal language; I am speaking Vermont and Arkansas language. The question whether these things are so has already been decided. They are on the record. So the question of "whether" is wiped out.

When it comes to a consideration of the question "why" these various things took place, it is evidently very proper that the Senator in question should be given a chance to say why. But the "whether" in the amendments is not in question, in my view, or in the view of the junior Senator from Arkansas [Mr. FULBRIGHT], who offered the amendments.

There is one amendment, by the way, about which I am not so keen. I wish the junior Senator from Arkansas were present and could hear my friendly criticisms. The more I read the amendment, the more humorous, in a way, it becomes, particularly to me, personally. I refer to amendment AAA, offered by the junior Senator from Arkansas. "AAA," in this case, does not stand for "Agricultural Adjustment Administration," although it deals with money. After the three introductory lines, the amendment reads as follows:

> The junior Senator from Wisconsin, while a member of the committee having jurisdiction over the affairs of the Lustron Co., a corporation financed by Government money, received $10,000 without rendering services of comparable value.

That began to strike home. It is true that I am not in the $10,000 class at all. The highest fee I ever received while a Member of the United States Senate was a fee of $1,500 in consideration of the delivery of 3 Godkin lectures at Harvard. Did I render services of comparable value? I am not sure. Have I, in the language of the resolution, done something contrary to senatorial traditions, tending to bring the Senate into disrepute, and shall my conduct thereby be condemned? Perhaps it should be. I became nervous as I read this specification.

When this matter is taken up by any committee, if a committee is appointed, perhaps the condemnation should come on the ground of—I ask the distinguished senior Senator from Virginia, What is that phrase?

Mr. BYRD. Conflict of interests.

Mr. FLANDERS. It should come on the ground of a conflict of interests, not on the question of rendering services of comparable value. So much for that.

It has been and it is my conviction that these amendments, properly drawn, make it possible, after explanations as to why these things happened, for the Senate, and for Senators individually, to give immediate judgment as to whether or not these acts have affected the reputation and standing of the Senate, as has been suggested.

So without prejudice or without endeavoring unduly to influence the votes of other Members of the Senate, I shall still stand by the original resolution and the amendments offered by the junior Senator from Arkansas [Mr. FULBRIGHT].

If, however, the Senate in its wisdom and experience, which in the case of many Senators, extends for years anterior to mine, and possibly, in some cases, will extend for years posterior to mine, as well as anterior, decides otherwise, that is within the province of the Senate.

However, I feel that something more should be said if the posterior and anterior wisdom of the Senate decides that a committee must handle the question. I wish to bring up some points with reference to the proposed committee, so for that reason I am glad at this time to have the presence on the floor of the majority leader, whose motion this is.

The points raised in the amendments offered by the junior Senator from Arkansas were very closely restricted to those which were already documented. That gave a narrow range. I hope the majority leader will reassure us that when it comes to having a committee consider this subject, it will not be necessary to limit the investigation to the very narrow range of the already documented points.

I wish to ask if the Senator from California has any observations on that subject at this time?

Mr. KNOWLAND. I have no observations. A somewhat similar question was asked earlier, and I said that the motion to commit, with instructions to report before the adjournment of the Senate sine die, carries with it the prospect that the resolution offered by the Senator from Vermont, together with the various amendments and substitutes which have been heretofore offered in regard to the resolution, shall be referred to the committee. Certainly I think the committee should consider the so-called allegations, specifications, or itemized list of specifications which have been before the Senate. I do not assume it was the Senator's intention that the committee should engage in a general hunting expedition, with no limitations and no specifications charged, but

with merely a general, overall hunting license. I do not believe that was the intent of the specifications drawn by either the Senator from Arkansas [Mr. FULBRIGHT] or the Senator from Oregon [Mr. MORSE], or of other specifications which may have been heretofore submitted.

Mr. FLANDERS. I observed on the floor a few minutes ago that the senior Senator from Florida [Mr. HOLLAND], as I understood him, indicated that the investigation should be somewhat broadened. I do not see him in the Chamber now.

Mr. THYE. The Senator from Florida is out of the Chamber. I just met him in the corridor.

Mr. FLANDERS. How far away?

Mr. THYE. I would not attempt to tell the Senator that now, because the Senator from Florida was walking very fast when I met him.

Mr. FLANDERS. Certain points were eliminated by the narrow framework of the amendments offered by the Senator from Arkansas, which I should like now to specify, and which I feel a conscientious committee cannot fail to consider. So I shall specify some of them.

The senior Senator from Arkansas [Mr. FULBRIGHT] said, and very properly, that he felt that any defendant, in the course of the normal procedure of justice in this country—I think the Senator used the phrase "whether the defendant be a bum or a Senator"—should have preserved to him all the liberties and all the rights of a person accused or under investigation.

I ask—I demand—that the question whether the junior Senator from Wisconsin has treated "bum" and Senator alike and with the same consideration shall come before the proposed committee, if it be established. If so, will it not be considering matters which relate to conduct unbecoming a Member of the United States Senate, contrary to senatorial traditions, and tending to bring the Senate into disrepute, which conduct ought to be condemned? So I demand that that subject also enter into the proposed committee's consideration, if the proposed committee is formed.

There is another matter which was left out of the amendments proposed by the junior Senator from Arkansas simply because it was not officially documented. The junior Senator from Wisconsin gave the most outrageous description of the junior Senator from New Jersey [Mr. HENDRICKSON]. It was nasty beyond words. It appeared in the public press. It has no official documentation, but certainly those nasty words were unbecoming a Member of the United States Senate, they were contrary to senatorial traditions, unless senatorial traditions are far worse than I ever supposed they were, and they tended to bring the Senate into disrepute, and such conduct should be condemned. So I ask, Mr. President, and I demand, that this committee, if formed, take notice of those words.

There is another charge that was in my bill of particulars which must not be left out, and that relates to the antics and gyrations of the Cohn-Schine expedition to Europe. That subject must come under the purview of the proposed committee, if the Senate votes for the committee, and if the committee undertakes inquiries of any sort which would indicate conduct unbecoming a Member of the United States Senate, which is contrary to senatorial traditions and which tends to bring the Senate into disrepute, and such conduct must be condemned.

I hold in my hand the 33 charges against the junior Senator from Wisconsin. This is not fishing. These are specific charges. They were left out of the list of the junior Senator from Arkansas because most of them are not documented—some of them are documented—and if we are to proceed on the basis of charges not documented, these are all valid.

Mr. President, I demand that these be considered also by the committee, should it be appointed.

One last thing—and I address myself in all friendliness——

Mr. BUSH. Mr. President, will the Senator yield?

Mr. FLANDERS. I yield to the Senator from Connecticut.

Mr. BUSH. Has what the Senator is holding in his hand been put into the RECORD?

Mr. FLANDERS. I shall put the charges in the RECORD, and ask that they be made a part of my address at this point.

Mr. KNOWLAND. Mr. President, will the Senator yield for a question?

Mr. MCCARTHY. Mr. President——

Mr. KNOWLAND. I missed a part of the remarks of the Senator from Vermont. May I ask him where the specifications came from?

Mr. FLANDERS. That is unimportant.

Mr. KNOWLAND. I was wondering——

Mr. FLANDERS. That is unimportant. The question is, Are they valid?

Mr. KNOWLAND. I respectfully submit——

Mr. FLANDERS. The question is, Are they valid?

Mr. KNOWLAND. I respectfully submit that if the Senator is submitting certain charges or allegations it certainly becomes pertinent to ask whether the Senator himself devised the allegations, or whether this is a list which the CIO or ADA has prepared, or just what the list is. I think the Senate is entitled to know its antecedent.

Mr. THYE. Mr. President, a point of order. Can that request be granted except by unanimous consent?

The PRESIDENT pro tempore. The Senator from Vermont has the floor. Does the Senator from Vermont yield for a point of order?

Mr. FLANDERS. I yield.

The PRESIDENT pro tempore. The Senator from Minnesota will state his point of order.

Mr. THYE. The Senator from Vermont did not ask unanimous consent to have the list printed in the RECORD without reading it.

Mr. FLANDERS. Mr. President, I ask unanimous consent to have the list printed in the RECORD at this point in my remarks.

The PRESIDENT pro tempore. The Senator from Vermont asks unanimous consent to have the list printed in the RECORD at this point. Is there objection?

Mr. KNOWLAND. Mr. President, reserving the right to object, would the Senator from Vermont be willing to inform the Senate where the specifications were drafted? I think it is a perfectly reasonable question to ask whether the Senator himself devised the list, whether it is a list which was published by the CIO, or the Americans for Democratic Action, or the so-called Committee for a More Effective Congress, or whatever the name of the committee is.

Mr. FLANDERS. Let me say first that I was looking for a list. I asked to have one drawn up. I have been over the list, and every item in it is mine. It is mine.

Mr. KNOWLAND. So the Senator from Vermont drafted the list?

Mr. FLANDERS. I accept every item in the list. In came from the Committee for a More Effective Congress.

Mr. KNOWLAND. I thank the Senator.

Mr. FLANDERS. It came from them. That is unimportant. Now, put that in capital letters in the RECORD, or in italics, or, if the CONGRESSIONAL RECORD has "studhorse" type, use that.

Mr. MCCARTHY. Mr. President, reserving the right to object——

The PRESIDENT pro tempore. The Senator from Wisconsin reserves the right to object.

Mr. MCCARTHY. Reserving the right to object, I have sat here now for 2 days listening to scurrilous, defamatory, false statements being made. I did not insist that the rules of the Senate be followed. If I did, I could have made Senators sit down time after time. I do not think I could consent to having some 33 charges put in the RECORD without knowing what they are. I assume they are of the nature of what has already been put in the RECORD, but I would not give unanimous consent to put them in the RECORD unless I know what they were. I know how strongly some of my good friends, if I may put the word "friends" in quotes, would like to "privilege" certain charges.

Mr. FLANDERS. Do I understand that the junior Senator from Wisconsin objects to the charges going into the RECORD?

Mr. MCCARTHY. I object unless I see the charges first. If they are in the nature of the usual insipid "stuff" of the Senator from Vermont, I shall let them go in.

Mr. FLANDERS. I would be glad to have the clerk lend the list of charges to the Senator from Wisconsin, though I must say I do that purely out of the goodness of my heart.

Mr. MCCARTHY. I am sure of that.

Mr. FLANDERS. Surely, there is some way in which a Senator can make charges without being held up by a purely technical situation.

Mr. THYE. Mr. President, the Senator can read them, if he so desires.

Mr. FLANDERS. I shall read them.

Mr. MCCARTHY. I can perhaps save the Senator's time if he will show them to me.

Mr. FLANDERS. No; I shall read them.

Mr. McCARTHY. I intend to ask that the Senator take his seat if he does.

Mr. FLANDERS. First, he has retained and/or accredited staff personnel whose reputations are in question and whose backgrounds would tend to indicate untrustworthiness—Surine, Lavinia, J. B. Matthews—as an example.

Mr. McCARTHY. Mr. President, I call the Senator to order.

The PRESIDENT pro tempore. The Senator has been called to order.

Under rule XIX, when a Senator is called to order, the Chair has no discretion but to order the Senator to take his seat.

(Thereupon Mr. FLANDERS took his seat.)

Mr. CORDON. Mr. President, I move that the Senator from Vermont be permitted to proceed in order.

Mr. McCARTHY. I will second that motion, if the Senator will proceed in order.

The PRESIDING OFFICER (Mr. FERGUSON in the chair). The question is on agreeing to the motion of the Senator from Oregon.

The motion was agreed to.

The PRESIDING OFFICER. The Senator from Vermont may proceed in order.

Mr. FLANDERS. Second, he has permitted his staff to conduct itself in a presumptuous manner. His counsel and his consultant—Messrs. Cohn and Schine—have been insolent to other Senators, discourteous to the public, and discreditable to the Senate. His counsel and consultant traveled abroad, making a spectacle of themselves, and brought discredit upon the Senate of the United States, whose employees they were.

I shall now add, though not to be put into the record, the fact that Mr. Cohn habitually rang three bells for the Senate elevator, and when the elevator boy asked him, "Where is the Senator?" he said, "I am here." [Laughter.]

I continue:

Third, he has conducted his committee in such a slovenly and unprofessional way that cases of mistaken identities have resulted in grievous hardship or have made his committee, and thereby the Senate, appear ridiculous. Examples: Annie Lee Moss, Lawrence W. Parrish subpenaed and brought to Washington instead of Lawrence T. Parish.

Fourth, he has proclaimed publicly his intention to subpena citizens of good reputation, and then never called them. Examples: Gen. Telford Taylor; William P. Bundy; former President Truman; reporters Mauder, Joseph Alsop, Friendly, Bigrant, Phillip Potter.

Fifth, he has repeatedly used verbal subpenas of questionable legality. Example: He tried to prevent State Department granting visa to William P. Bundy, on ground that he was under "oral subpena."

Sixth, he has attempted to intimidate the press and single out individual journalists who have been critical of him or whose reports he has regarded with disfavor, and either threatened them with subpena or forced them to testify in such a manner as to raise the possibility of a breach of the first amendment of the Constitution. Examples: Murray Marder of the Washington Post and Times Herald, the Alsops, and James Wechsler.

Seventh, he has attempted "economic coercion" against the press and radio, particularly the case of Time magazine, the Milwaukee Journal, and the Madison Capital Times. On June 16, 1952, McCARTHY sent letters to advertisers in Time magazine, urging them to withdraw their ads.

Eighth, he has permitted the staff to investigate at least one of his fellow Senators [Mr. JACKSON], and possibly numerous Senators. Such material has been reserved with the obvious intention of coercing the other Senator or Senators to submit to his will, or for the purpose of inhibiting them from expressing themselves critically. Cohn said he would "get" Senator JACKSON—Washington News, June 14, 1954.

Mr. McCARTHY. Mr. President, if the Senator from Vermont will yield, let me say I am sure he would not purposely misstate a fact. Therefore, I should like to correct him and tell the Senator that my staff has never investigated the Senator from Washington [Mr. JACKSON] even remotely.

Mr. FLANDERS. Has the staff ever threatened the Senator from Washington [Mr. JACKSON]?

Mr. McCARTHY. Not that I know of.

Mr. FLANDERS. Very well.

Mr. WELKER. Mr. President, will the Senator from Vermont yield?

Mr. FLANDERS. I yield.

Mr. WELKER. These additional 33 charges are very interesting. I should like to ask my friend, the Senator from Vermont, how long he has had these charges in his hand.

Mr. FLANDERS. A few days.

Mr. WELKER. How many days?

Mr. FLANDERS. Oh, I think 4 or 5 days. I was glad to get them.

Mr. WELKER. The Senator received them from the Committee for a More Effective Congress?

Mr. FLANDERS. That I have already said. I have also said in a loud and firm voice——

Mr. WELKER. Yes; I heard.

Mr. FLANDERS. That that is an immaterial matter.

Mr. WELKER. I heard that. Would the Senator from Vermont mind telling me why he did not amend his original resolution so as to include all these charges?

Mr. FLANDERS. That reason, Mr. President, I have already explained; probably while the Senator from Idaho was absent from the floor.

Mr. WELKER. I am sorry if I missed it. I should be glad to hear it.

Mr. FLANDERS. I agreed on the framework of the original charges with the junior Senator from Arkansas [Mr. FULBRIGHT], and they were so framed that they were completely documented. These charges are not completely documented, so I did not use them.

Mr. WELKER. Very well. I thank the Senator from Vermont very much.

Mr. McCARTHY. Mr. President, if the Senator from Vermont will yield briefly once more, let me say I fear the statement he has made might create the impression with some of us there is some reason to investigate the Senator from Washington [Mr. JACKSON]. Let me say I have no information of any nature, shape or form whatsoever which would even remotely indicate that there should be any investigation of the junior Senator from Washington. I know nothing of a derogatory nature about him, nothing which would justify an investigation. I say that for fear that the statement of the Senator from Vermont may have created the impression that I or someone else thought there might be something which should be investigated. There is absolutely nothing.

Mr. FLANDERS. That is a very helpful statement from the junior Senator from Wisconsin, and I am glad he made it.

Mr. CAPEHART. Mr. President, will the Senator from Vermont yield to me?

Mr. FLANDERS. I yield.

Mr. CAPEHART. From where does the Senator get his information that the staff was going to investigate the junior Senator from Washington [Mr. JACKSON]? Was that not hearsay?

Mr. FLANDERS. I got that from the Washington News, June 14, 1954.

Mr. CAPEHART. In other words, does the Senator from Vermont mean to tell me that a United States Senator will stand on the floor of the United States Senate and repeat something he read in the newspapers, which is not documented, against a fellow Senator? Does the Senator from Vermont mean to tell me he would do that? Every one of the charges he has made is based upon what he has read in the newspapers.

Mr. FLANDERS. Not all of them.

Mr. CAPEHART. The Senator from Vermont does not know of a single one of his own knowledge. Yet he stands here and indulges in the very same tactics of which he accuses the junior Senator from Wisconsin. I am amazed.

Mr. FLANDERS. Well, so am I.

Mr. CAPEHART. I am amazed.

Mr. FLANDERS. So am I.

Mr. CAPEHART. I am amazed that the Senator from Vermont would indulge in such procedure.

Mr. FLANDERS. I am amazed that a Senator so experienced as is the Senator from Indiana should pay no attention to what is published in the newspapers, and should close his eyes to such information, and not consider that once in a while it is barely possible—just barely possible—that what is printed in the newspaper may have some foundation of fact.

Mr. CAPEHART. Mr. President, if the Senator from Vermont will yield to me, let me say there is not any question about that; but since when does a Senator of the United States, on the basis of reading something perhaps only one time, in a newspaper, rise on the floor of the United States Senate and condemn a fellow Senator?

I say that is the height of ridiculousness and silliness. Again I say I am amazed that a Senator should indulge in such procedure, because every word he has uttered here tonight is pure hearsay. The Senator from Vermont has no documentary evidence at all. He stands here and tries to convince other

Members of the Senate. Frankly, in my opinion, he is insulting the intelligence of other Senators when he submits such trash.

Mr. FLANDERS. I thank the Senator from Indiana for his kind observations. [Laughter.]

Mr. President, I continue.

Ninth, he has posed as saviour of his country from communism, yet the Department of Justice reported that McCARTHY never turned over for prosecution a single case against any of his alleged "Communists." That is the Justice Department report of December 18, 1951.

There may be something newer than that, I am free to admit.

I continue:

Since that date not a single person has been tried for Communist activities as a result of information supplied by McCARTHY.

Here I wish to enter a disclaimer or a warning. As I said, I believe the other evening, it is a fact that the junior Senator from Wisconsin was active in the Lattimore case; and I desire to give him credit for that. That case is still untried.

I continue:

Tenth, he has attacked, defamed, and besmirched military heroes of the United States, either as witnesses before his committee or under the cloak of immunity of the Senate floor. The examples are: General Zwicker and General Marshall.

Eleventh, he has used distortion and innuendo to attack the reputations of the following citizens: Former President Truman, Gen. George Marshall, Attorney General Brownell, John J. McCloy, Ambassador Charles E. Bohlen, Senator Raymond Baldwin, former Assistant Secretary of Defense Anna Rosenberg, Phillip Jessup, Marquis Childs, Richard L. Strout of the Christian Science Monitor, Gen. Telford Taylor, and the three national press associations.

Mr. McCARTHY. I hate to interrupt the Senator, but I wonder if the Senator would yield for one question, Mr. President?

Mr. FLANDERS. I am glad to yield.

Mr. McCARTHY. Do I understand that this was prepared by the group that had two rooms in the Carroll Arms Hotel, and were doing this lobbying?

Mr. FLANDERS. It was prepared by the Committee for a More Effective Congress.

By way of diversion, I might mention that they sent me a check for $1,000 to use in my campaign in Vermont, and I sent it back, so that is my connection with them.

Mr. McCARTHY. Could the Senator tell me when that was prepared by them?

Mr. FLANDERS. I have not the slightest idea, except that I asked for it about 5 days ago.

Mr. McCARTHY. When did they give it to the Senator, does the Senator know?

Mr. FLANDERS. Oh, 3 or 4 days ago. I have not the exact dates in my mind.

Mr. McCARTHY. I thank the Senator.

Mr. FLANDERS. That is not documentary evidence.

Mr. McCARTHY. I thank the Senator.

Mr. FLANDERS. Twelfth, he has disclosed restricted security information in possible violation of the espionage laws. McCARTHY has made public portions of an Army Intelligence study, "Soviet Siberia," which compelled the Army to declassify and release the entire document.

Thirteenth, he received and held a valuable classified document in possible violation of the Espionage Act. This was revealed in the Army-McCarthy hearings that he had improperly obtained J. Edgar Hoover's report on subversives from the Army, and failed to restore the document to properly authorized hands. He permitted that document to fall into the hands of a gossip columnist to wit, Walter Winchell.

Fourteenth, he has publicly incited Government employees to violate their security oaths and serve as his personal informants, thus tending to break down the orderly chain of command in the civil service, as well as violate the security provisions of the Government.

Fifteenth, he has used his official position to fix the Communist label upon all individuals and newspapers as might legitimately disagree with him or refuse to acknowledge him as the unique leader in the fight against subversion. There are, for instance, deliberate slips, such as calling Adlai Stevenson "Alger"; saying that the American Civil Liberties Union had been "listed" as doing the work of the Communist Party; calling the Milwaukee Journal and Washington Post and Times Herald local "editions of the Daily Worker."

Sixteenth, he has attempted to usurp the functions of the executive department by having his staff negotiate agreements with a group of Greek shipowners in London; and has infringed upon functions of the State Department, claiming that he was acting in the "national interest."

Seventeenth, he has continued to show his contempt for the Senate by failing to explain in any manner the six charges contained in the Hennings-Hayden-Hendrickson report, which was filed in January 1953. This involves his bank transactions, possible income-tax evasions, and the Lustron deal. The taint persists until he satisfactorily explains these matters, which he has refused to do, although invited six times to appear, during the 82d Congress.

I am more than half way through.

Mr. McCARTHY. The Senator could save some of his time, if he would hand the list to me. I would glance over them, and we could, perhaps——

Mr. FLANDERS. I enjoy reading them. I thought it might turn out to be boring, but it has not been.

Eighteenth, he has made false claims about alleged wounds which in fact he did not suffer. He claims he was a tail-gunner when, in fact, he was a Marine Air Force ground intelligence officer; he claims he entered as a buck private, when he entered as a commissioned officer.

Nineteenth, his rude and ruthless disregard of the rights of other Senators has gone to the point where the entire minority membership of the Permanent Investigating Subcommittee resigned from the committee in protest against his high-handedness—July 10, 1953.

Twentieth, he has intruded upon the prerogative of the executive branch, violating the constitutional principles of separation of powers. Within a single week, February 14–20, 1953, Senator McCARTHY's activities against Voice of America forced the State Department three times to reverse administrative decisions on matters normally considered internal operating procedures. (1) The Department had authorized the use of certain writings by pro-Communist authors as part of their program to expose Communist lies and false promises. Senator McCARTHY compelled the State Department to discontinue this practice.

I might say, parenthetically, that I should have gone all through this material, and wherever the proper name occurs, I should have crossed it out and said, "the junior Senator from Wisconsin." That I will now undertake to do.

(2) The Department authorized its employees to refuse to talk with McCARTHY's staff in the absence of McCARTHY himself. It was compelled to cancel this directive. (3) John Matson, a departmental security agent who had cooperated with the junior Senator from Wisconsin, was transferred so as to be put out of reach of the Department's confidential files. The junior Senator from Wisconsin compelled the Department to return Matson to his original position.

Twenty-first, he has infringed upon the jurisdiction of other Senate committees, invading the area of the Internal Security Subcommittee and other committees of the Congress.

Twenty-second, he has failed to perform the solid and useful duties of the Government Operations Committee, abandoning the legitimate and vital functions of this committee.

I do not see the senior Senator from Delaware [Mr. WILLIAMS] in the Chamber. Were he here I would make a low bow—there he is—I make a low bow in his direction.

Twenty-third, he has held executive sessions in an apparent attempt to prevent the press from getting an accurate account of the testimony of witnesses, and then released his own versions of that testimony, often at variance with the subsequently revealed transcripts, and under circumstances in which the witness had little opportunity to correct or object to his version.

Twenty-fourth, he has questioned adverse witnesses in public session in such a manner as to defame loyal and valuable public servants, whose own testimony he failed to get beforehand, and whom he never provided a comparable opportunity for answering the charges.

Twenty-fifth, he has barred the press and general public from executive sessions and then permitted unauthorized persons whom his whim favored to attend, in one case, a class of school girls, thus holding the very principle of executive sessions up to ridicule.

I do not know, I will say to the junior Senator from Wisconsin, whether that

was the class of school girls the Senator was taking to lunch in the Vandenberg Room, when I was invited to come in. I must say that they were a very attractive group.

I could pardon almost anything the Senator might have done in according to them such privileges of the United States Senate. Yet I wonder whether it was the right thing to do.

Twenty-sixth, his conduct has caused and permitted his subcommittee to be incomplete or incapacitated in its normal work for approximately 40 percent of the time that he has been its chairman. During his 19 months as chairman of the subcommittee, his refusal to recognize their rights—later acknowledged by him—caused the minority members to leave the subcommittee on July 10, 1953, and they did not return until January 25, 1954. His personally motivated quarrel with the United States Army necessitated the interruption of the subcommittee's work and its exclusive preoccupation with the Army-McCarthy hearings from April 22, 1954 to June 17, 1954.

Twenty-seventh, he has publicly threatened publications with the withdrawal of their second-class mailing privilege because he disagreed with their editorial policy. Examples are the Washington Post and Times Herald, Wall Street Journal, and Times magazine. Letter to Postmaster General Summerfield made public August 22, 1953, as reported in the Washington Post and Times Herald of August 23, 1953.

Twenty-eighth, he has exploited his committee chairmanship to disseminate fantastic and unverified claims for the obvious purpose of publicity. The junior Senator's hint that he was in secret communication with Lavrenti P. Beria and would produce him as a witness at a time when Beria was on the verge of execution in Moscow, as reported in the Washington News of September 21, 1953, in connection with the announcement of the plan to subpena Beria.

Mr. McCARTHY. Mr. President, will the Senator yield on that point?

Mr. FLANDERS. I yield.

Mr. McCARTHY. I am sure that the last thing the Senator from Vermont would want to do is to make a misstatement of fact. Therefore, I should like to inform him that the junior Senator from Wisconsin never even remotely indicated that he was in touch with Beria. The press and wire services in the gallery can testify to that fact. They came to my office day after day and asked me if I had had any contact with Beria. I told them I had had no contact whatever, but that I had good reason to believe that the Beria story was a complete fake. My good friends in the press gallery know that to be a fact, and I am sure the Senator from Vermont would not want falsely to misrepresent the facts.

Mr. FLANDERS. I am glad to have the Senator's statement interposed at this time.

Twenty-ninth, he has denied Members of Congress access to the files of the committee, to which every Member of Congress is entitled under the Reorganization Act, under title II, section 202, paragraph (d).

Thirtieth, he has ridiculed his colleagues in the Senate, defaming them publicly in vulgar and base language—regarding the junior Senator from New Jersey [Mr. HENDRICKSON], "A living miracle without brains or guts."

I have something here also about which I do not feel so keenly. With regard to me the observation is, "Senile. I think they should get a man with a net and take him to a good quiet place." I should like to say to the junior Senator from Wisconsin that I enjoyed that, but I did not enjoy what he said about the junior Senator from New Jersey [Mr. HENDRICKSON].

Mr. HENDRICKSON. Mr. President, will the Senator yield?

Mr. FLANDERS. I yield.

Mr. HENDRICKSON. I can assure the Senator from Vermont that it never worried the junior Senator from New Jersey one bit.

Mr. FLANDERS. At the same time I submit that it was unbecoming a Member of the United States Senate and was contrary to senatorial traditions and tended to bring the Senate into disrepute, and such conduct should be condemned.

Thirty-first, he has announced investigations prematurely, subsequently dropping these investigations so that the question whether there was ever any serious intent to pursue them may be justifiably raised, along with the inevitable conclusion that publicity was the only purpose.

Thirty-second, checking through hearings, one will note that favorable material submitted by witnesses will usually have the notation "May be found in the files of the subcommittee," whereas unfavorable material is printed in the record.

Thirty-third, he has permitted changing of committee reports and records in such a way as to substantially change or delete vital meanings. As an example, the senior Senator from Maine [Mrs. SMITH] felt compelled to object to the filing of his 1953 subcommittee reports without their first being sent through the full committee.

I have one final word with the majority leader.

Mr. KNOWLAND. Mr. President, will the Senator yield for an inquiry at that point, so that we may proceed in an orderly fashion?

Mr. FLANDERS. I yield.

Mr. KNOWLAND. I am not certain. Is the Senator now offering these allegations or specifications, or whatever we may call them, as an amendment in the nature of a substitute, so that they may be sent to the select committee, along with other substitutes and amendments; or is he merely offering them to the Senate, as a matter of information? The reason I raise the question is that my motion reads:

> I move to refer the pending resolution, Senate Resolution 301—

I say parenthetically that that is the original Flanders resolution—

> together with all amendments proposed thereto, to a select committee.

And so forth. That includes all the modifications that have been made. Therefore, I am trying to find out before the motion is voted on whether the Senator is now offering these allegations in the nature of an amendment to his original resolution or in the nature of a substitute, so that they will be taken to the committee, in conformity with the motion I have made.

Mr. FLANDERS. I will offer these allegations as amendments after a few concluding words.

Mr. CASE. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. Does the Senator from Vermont yield for a parliamentary inquiry?

Mr. FLANDERS. I do.

The PRESIDING OFFICER. The Senator will state it.

Mr. CASE. Have the yeas and nays been ordered on the motion?

The PRESIDING OFFICER. The yeas and nays have been ordered.

Mr. CASE. Can amendments be offered at this point?

Mr. KNOWLAND. As I understand, the allegations are not an amendment to the motion to refer the matter to a select committee, but are in the nature of amendments to the original Flanders resolution.

The PRESIDING OFFICER. Unanimous consent would be required to modify the original Flanders resolution, because the yeas and nays have been ordered.

Mr. McCARTHY. I urge that the Senate give unanimous consent.

Mr. KNOWLAND. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from California will state it.

Mr. KNOWLAND. I do not understand that the Senator from Vermont is asking unanimous consent to modify his original resolution, but that he is requesting the right to offer these allegations as amendments to the original resolution. Does such an act require unanimous consent?

The PRESIDING OFFICER. There is pending a preferential motion to refer the matter to a committee. Therefore the amendments are not in order.

Mr. McCARTHY. Mr. President, will the Senator yield to me on that point?

The PRESIDING OFFICER. The Senator from Vermont may ask unanimous consent to have the amendments printed and to have them lie on the table.

Mr. McCARTHY. Mr. President, will the Senator from Vermont yield?

Mr. FLANDERS. I will yield to the Senator from Wisconsin in a moment. Do I understand that there is no way, no possible way, no imaginable way, by which to get these amendments before the Senate?

Mr. KNOWLAND. I have a suggestion to make in that connection. The Assistant Parliamentarian states that the Senator from Vermont may be given unanimous consent that the specifications he has read be offered as an amendment to the original Flanders resolution, to be printed and to lie on the table. Therefore they will go to the committee with the Fulbright substitute and the Morse substitute and such other amendments as have been offered, and they will be referred to the select committee in the

event the Senate decides to appoint a select committee for that purpose.

Mr. FLANDERS. Mr. President, I ask unanimous consent that that be done.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request of the Senator from Vermont?

Mr. McCARTHY. Mr. President, I hope no Senator will object. I believe the Senator from Vermont and all other Senators who have resolutions against me should be allowed to put in the whole load. I do not think there should be any objection.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. FLANDERS. I have one final word to say to the majority leader. I must say, to put it very mildly, that the majority leader is very optimistic about getting this done within the next week or 2 or 3.

I suggest that the majority leader make some arrangement or make some suggestion other than that it be done before we adjourn.

Mr. CORDON. Mr. President, will the Senator yield?

Mr. FLANDERS. I yield.

Mr. CORDON. Mr. President, would the Senator object to an arrangement by which the present situation might go forward; that is to say, that the Senator's original specification plus the supplemental specification, in addition to the specifications of the Senator from Arkansas [Mr. FULBRIGHT] and of the Senator from Oregon [Mr. MORSE] may be considered by the committee. Would the Senator feel that any Senators who have offered specifications might individually at any time withdraw any or all of them from the committee so that the committee might have an opportunity to consider, first, everything that might be offered or, second, that which, after consideration and before the committee reports, might be withdrawn. I make the suggestion with the thought that all we seek here is to have a considered, sound judgment reached upon those charges which, after consideration, the membership of the Senate desire to have considered.

Mr. FLANDERS. Is the Senator from Oregon suggesting that we not determine tonight what the committee shall act upon?

Mr. CORDON. Exactly—that we determine tonight that the committee may act upon everything that has been offered; that we determine, however, that anything which has been offered may, before determination thereon, be withdrawn.

I would suggest in such event that certainly every Member of the Senate who has put himself in the position of taking the responsibility of filing charges would act expeditiously in his final determination.

Mr. FLANDERS. The suggestion, then, would be that I might want to withdraw 1, 2, 3, or 4 charges. If the suggestion of the Senator from Oregon can be taken care of in a parliamentary way, I should be glad to be given permission to withdraw any charge that I find I cannot adequately document, because my next step will be to document these charges. I might be willing to withdraw the documentation on some of them, although they stand up, I think, pretty well. I do not believe that the batting average is much below 0.900.

Mr. McCARTHY. Mr. President——

The PRESIDING OFFICER. The Senator from Wisconsin is recognized.

Mr. McCARTHY. Mr. President, the Knowland resolution offers an opportunity that I deeply appreciate. For the first time it appears that I shall be able to appear before a nonpartisan committee—I assume they will be carefully selected so we will not have anyone prejudiced on one side or the other—and we will finally put to rest all of the false, scurrilous, defamatory, irresponsible charges that have been made over the past number of years.

For example, the charge made by the Senator from Arkansas [Mr. FULBRIGHT] was made in a much gentler vein, but without Senate immunity, by a New York paper. It cost them $16,500 in a libel and slander suit, and cost them the embarrassment of apologizing and stating that they were completely wrong.

I know the Senator from Arkansas is trying to ignore me on this, but you are hearing, I am sure. You have criticized me often for using Senate immunity. You used Senate immunity to make a charge of a shakedown. I want to inform you tonight, if you will make that statement off the Senate floor you will have the same experience that the New York newspaper had which cost them $16,500 for much less vicious charges.

Mr. President, there is one thing about the resolution which disturbs me somewhat. Under the rules of the Senate, I believe a committee has no authority to subpena a Senator. We have a number of Senators—FLANDERS, COOPER, LEHMAN, MORSE, MONRONEY, HENNINGS, and "Halfbright"—who made charges on the Senate floor which were not under oath. This resolution will not allow the committee to subpena those Senators. There is no way to force their appearance.

I do think, Mr. President, there should be an amendment after the words "require by subpena or otherwise the attendance of such witnesses" to insert the words "including Senators."

Mr. KNOWLAND. Mr. President, will the Senator yield at this point?

Mr. McCARTHY. I shall be glad to yield.

Mr. KNOWLAND. As the Senator knows, the original motion has been modified by the proposal of the Senator from New York [Mr. IVES] and the proposal of the Senator from Washington [Mr. JACKSON], which were accepted by me, and the yeas and nays have been ordered on it. So further modifications can be made only by unanimous consent. After the junior Senator from Wisconsin spoke to me concerning the point he has raised, I did a little exploration on the other side of the aisle, and it was pointed out that the precise language of the Jackson amendment, which I accepted and made a part of my motion, is taken from the Congressional Reorganization Act. I think there might be some legitimate objection raised to the additional words, because they are not in the Reorganization Act. I am not a lawyer, but there is some question as to the constitutional problem involved.

The junior Senator from Wisconsin has made clear that he is prepared to appear before such a committee. I certainly hope and believe that the committee will be as nearly of judicial character as it is possible to get from among the Senators in the Chamber. I should hope that any other Senator whose testimony might be desired by such a committee would be prepared to answer an invitation of the committee to appear. If the Senator presses the point of giving subpena power to the committee, I think that would be objected to.

Mr. MONRONEY. Mr. President, will the Senator yield?

Mr. McCARTHY. The Senator says he thinks that would be objected to and that it would require unanimous consent. I shall ask for unanimous consent, to find out who objects to subpenaing Senators. Those who have made their scurrilous, false charges on the floor should not object to being subpenaed. I am going to ask for unanimous consent that the words "including Senators" be inserted between the word "witnesses" and the word "and."

The PRESIDING OFFICER. Is there objection to the modification?

Mr. HAYDEN. I object.

The PRESIDING OFFICER. Objection is heard.

Mr. MONRONEY. Mr. President, will the Senator yield?

Mr. McCARTHY. I am glad to yield to the Senator from Oklahoma.

Mr. MONRONEY. I wish to advise the distinguished Senator from Wisconsin, who did me the favor of mentioning my name, that I shall be glad to appear, either under subpena or voluntarily, at any time any Senator on the committee requests my presence.

Mr. McCARTHY. That leaves the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Vermont [Mr. FLANDERS], the Senator from Kentucky [Mr. COOPER], the Senator from New York [Mr. LEHMAN], the Senator from Oregon [Mr. MORSE], and the Senator from Missouri [Mr. HENNINGS]. I sincerely hope that they will appear.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. McCARTHY. I yield.

Mr. MORSE. While pleading "not guilty" to the adjective used by the Senator from Wisconsin in describing the group of Senators, let me say to him now that I shall be very glad to appear before any committee, at any time, to answer whatever questions the committee may wish to ask.

Mr. McCARTHY. I do not think I used any adjectives in describing the Senator.

Mr. MORSE. Perhaps I misunderstood the Senator, but I thought that when the Senator began to comment upon certain remarks made upon the floor of the Senate, he attributed those remarks to the group of Senators whose names the Senator has just finished reading.

Mr. McCARTHY. No. I said that they were the Senators who made very,

very serious charges against me, and that I thought they should all be willing to appear under oath and give the committee the benefit of their testimony.

Mr. MORSE. Speaking in a facetious and good humored way, I may say that I do not believe that is what the Senator said. In making the charges against us, he used some interesting adjectives.

Mr. McCARTHY. The Senator may be correct.

Mr. HENNINGS. Mr. President, will the Senator yield?

Mr. McCARTHY. I am glad to yield to the Senator from Missouri.

Mr. HENNINGS. I was not aware of making any charges against the Senator from Wisconsin this afternoon or at any other time, except as was required of me, as a member of a Senate committee appointed by the Senate, and confirmed by a vote as to its authority and jurisdiction.

In any event, I shall not have to be written to more than once. I shall respond to an invitation for such purpose as the committee may indicate is its desire.

Mr. FLANDERS. Mr. President, will the Senator yield?

Mr. McCARTHY. I yield.

Mr. FLANDERS. The wording of the request of the junior Senator from Wisconsin gave me the thought that perhaps he has in mind investigating the other Senators. I would even be willing to appear before the committee for that purpose. But I understand the investigation is to be on the charges made against the junior Senator from Wisconsin, and I trust that the subcommittee will not be led into byways and footpaths leading no one knows whither. So, while I shall be willing to come, yet I wish to emphasize that the testimony is to be on charges formally made in the Senate at this time, and to be answered by the junior Senator from Wisconsin.

Mr. McCARTHY. I understand the junior Senator from Vermont will be willing to appear before the committee. Is that correct? Did I understand the Senator to say he would be willing to come?

Mr. FLANDERS. I shall come for any legitimate reason, but I still wish to emphasize that the committee will be concerned with charges to be answered by the junior Senator from Wisconsin.

Mr. McCARTHY. That leaves the Senator from Arkansas [Mr. FULBRIGHT], the Senator from New York [Mr. LEHMAN], and the Senator from Kentucky [Mr. COOPER]. I sincerely hope they will be willing to appear before the committee, and, under oath, to make the statements which they have made on the Senate floor, backing them with some proof.

I do not intend to offer an amendment to the resolution, but in view of the seriousness of the charges which have been made and remade over the past 3 or 4 years, charges prepared by some lobbying group for the Senator from Vermont, who comes to the Senate floor and reads them, and who says that some of them may be lacking in truth, I sincerely hope that the committee which is selected will give me the right to cross-examine the Senators who make these serious charges.

Although I know there will be a great many objections on the part of the Senators who have made the charges, nevertheless, if I am given the right to cross-examine, I assure the American people that the Senators who have made the charges will either indict themselves for perjury, or will prove what consummate liars they are, by showing the difference between their statements on the floor of the Senate and their testimony in the hearing.

I hope that the Senators will agree that I may cross-examine them.

Mr. LEHMAN. Mr. President, will the Senator yield?

Mr. McCARTHY. I am glad to yield to the Senator from New York.

Mr. LEHMAN. I was not in the Chamber until a minute or two ago, so I am not quite certain as to exactly what the junior Senator from Wisconsin said. However, I think I know in a general way.

I wish to assure the junior Senator from Wisconsin that when and if this matter is considered by a special committee, and if I am requested to appear by the committee to support any charges I have made against the junior Senator from Wisconsin, I shall be very glad, indeed, to do so, and I shall be glad to testify under oath with all that that implies.

Mr. McCARTHY. Will the Senator from New York agree to permit the committee to allow me to cross-examine him?

Mr. LEHMAN. Oh, of course, if the committee so decides. I do not make charges without being willing to stand up to them. At any time, if I am requested by the committee to appear, I shall be glad to be there.

Mr. McCARTHY. That leaves only two Senators to be concerned about.

For the benefit of the junior Senator from New York, that matter came up in the following form: I had asked for unanimous consent to amend the resolution to give the committee the right to subpena Senators. The Senator from Arizona [Mr. HAYDEN] objected to that request. Therefore, the question arose as to whether Senators would voluntarily agree to appear before the committee.

The junior Senator from New York has agreed. I think he is to be commended for doing so. He has volunteered to appear.

There are only two Senators who have not so indicated. One is my friend, the Senator from Kentucky [Mr. COOPER], who saw fit to make charges about me the other day, when I was not present. The other is the Senator from Arkansas [Mr. FULBRIGHT], who, I hope, before the hearings are held, will also decide that he will appear and, under oath, will try to back up the completely irresponsible, false, and unfounded charges which have been made by some Senators, who did not even have the courtesy to tell me that they would appear on the floor of the Senate to indict me. Therefore I could not be here to listen to them and I could not answer them.

I hope the Senator from Kentucky and the Senator from Arkansas will follow the lead of the junior Senator from New York [Mr. LEHMAN] and other Senators, who have said that they would appear, raise their right hands, and be sworn.

I hope that more Senators will follow the lead of the junior Senator from New York in saying that they also will ask the committee to allow the junior Senator from Wisconsin, who is charged with improper conduct, to cross-examine them. No one should be afraid of cross-examination if he is telling the truth.

I assume that some Senators who have made charges here will be afraid to have me cross-examine them.

Mr. LEHMAN. Mr. President, will the Senator yield?

Mr. McCARTHY. I yield.

Mr. LEHMAN. I wish to make it very clear that I am perfectly willing and ready, as I have said, to appear before the committee, raise my right hand, and be put under oath to testify on any matter on which the committee considers it is proper to interrogate me, and in such manner as the committee may decide.

Mr. McCARTHY. I thank the Senator.

Mr. CORDON. Mr. President, this colloquy again confirms the wisdom of the action that may and should be taken on the motion. However, the matter has become more complex, as very obviously it was bound to become in the course of the debate on the subject.

Mr. President, there is still, I believe, a hope and a possibility that the inquiry may be narrowed to an area which may be investigated, and upon which returns in the way of recommendations may be made at this session, whether they be recommendations for specific action or recommendations that the Senate take over on the basis of the facts reported by the committee. I still hope that that can be done.

But in order that the Senate may do what it can at this time to advance that action, I ask unanimous consent that, at any time within 3 days from the adoption of the resolution, if it be adopted, additional specifications may be made—one may term them additional items to the bill of particulars, or whatever it may be called—and that also within that time specifications heretofore made, or in that interim made, may be withdrawn; but at the conclusion of 3 days from the time of the appointment of the committee, the charges shall be deemed to have been made, and thereafter no charge shall be made.

By doing that, I am hopeful that the investigation may be narrowed, so as to permit orderly consideration and an expeditious conclusion.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request of the senior Senator from Oregon?

Mr. GORE. I object.

Mr. FULBRIGHT. Mr. President——

The PRESIDING OFFICER. The Senator from Arkansas.

Mr. FULBRIGHT. Mr. President, I did not object. Another Senator objected to the unanimous-consent request, although I can understand why objection was made.

Mr. President, we have already had a very slight example of what we can expect. I think the junior Senator from Wisconsin is a great genius. He has the

most extraordinary talent for disruption and causing confusion in any orderly process of any body of men that I have ever seen. I have seen various explanations of how he has come by that genius, but I do not wish to go into that subject at the present time. We have already seen how he has attempted to put 6 or 8 Senators on the defensive. We have seen how we have been asked to come and profess that we are "good boys," and at the hearing he will be asking others in the Senate to come before him and assert their loyalty.

It seems to me many Members of the Senate failed to observe the recent hearings held by a committee of some honorable Members of this body, some of whom are as able in the law as any Members of this body. I think they failed to observe how the junior Senator from Wisconsin was able almost completely to stultify the hearings. Members of the committee started out to have a complete hearing. They were going to be statesmanlike and thorough, and all that. It was through no fault of the membership of that committee that they did not produce very much, because every time the attorney for the Army, particularly Mr. Welch, was about to make a point, after building up to it, he was confronted with points of order, and the cross-examination began. I think, in all candor, it must be said that very little was proved in those hearings.

A great deal was discussed. Many issues were raised. But very few issues were ever resolved. I think the committee will have great difficulty in bringing in a report—certainly one in which there is unanimity, or one in which there is agreement on any particular point.

We all recognize that throughout history geniuses of one kind of another appear. Some are military geniuses, and some are political geniuses. When they do appear they do not conform to established principles and rules of society, and they cause many difficulties. I think the junior Senator from Wisconsin has all the characteristics of a most unusual man. I do not mean by that statement that all of his characteristics are necessarily evil; but he is an unusual character, and I think what has been going on proves it. We have had five investigations concerning one activity or another of the junior Senator from Wisconsin since he has been a Senator, and the Senator has been here only a short time. I believe he has been a Senator since 1946, which is only 8 years.

Today the Senator from Missouri [Mr. HENNINGS] stated that during a large part of the last 3 years, in one way or another he has spent that time in studying the activities of this man. Honestly, I ask my colleagues, has the Senate nothing to do but use its time in this kind of activity? I certainly object to having spent whatever time I have spent on it. I might say to my colleagues that I was one of the first Senators to face this genius in a hearing. I was assigned to the committee aginst my will, just as the Senator from Missouri was. That was on the so-called Jessup committee. I had never met Mr. Jessup before that time. I had never had an impression of the junior Senator from Wisconsin before that hearing. A record was made of the hearing.

I would not trust my memory to remember every detail of it, because there never is any pleasure in recalling such experiences, and one tries to throw them out of his mind; but one cannot forget them. One of the reasons I made my proposal was in an effort to bring to a close the increasing crescendo of activity on the part of the junior Senator from Wisconsin, so that Senators can pay more attention to other matters.

If ever the Senate was delayed in its work by a single matter, it was this spring when hearings were held for 6 or 7 weeks, or whatever the time was, while the so-called Army-McCarthy hearings were televised. Serious matters could get no attention in the press, and no one was interested in them.

Going back to the Jessup hearing, it is very difficult to describe the procedure of the junior Senator from Wisconsin, because his activities and procedures do not conform to normal activities of people. Words which would mean one thing to a normal person do not mean the same thing when applied to the junior Senator from Wisconsin. When the Senator presented our committee with a whole series of documents which he had prepared, they were contained in a beautiful little folder which was carefully tinted pink, in order to convey a suggestion as to the political philosophy of the subject, in that case Mr. Jessup. We had long hearings. The Senator from Alabama [Mr. SPARKMAN] was chairman of the committee. I was on the committee, and the Senator from Iowa [Mr. GILLETTE] also was. Senator Brewster and Senator SMITH, I believe, were members. I think that was the whole of the committee. We had long hearings. I remember distinctly one meeting when many exhibits were introduced, but in particular I remember one that had been prepared by the junior Senator from Wisconsin. I was reminded of that not so long ago when we saw the letter which purported to have been written by Mr. Hoover, but was not. In the Jessup hearing the document undertook to show that a certain organization in New York had been cited as having communistic leanings. It was one of those un-American citations. It had been cited by the Un-American Activities Committee.

Our committee staff looked thoroughly into the matter. It spent days trying to trace the organization down and could not find it. After all the long hours of search, it finally turned out that the reference was to the Un-American Activities Committee of the State of California. It did not refer to the organization in New York, but to the one in California. It was completely misleading.

When one confronts the junior Senator from Wisconsin with a deliberately misleading document, one which was intended to mislead the committee, the responses of the junior Senator from Wisconsin are never those to explain, or to say it was a mistake on his part, or that he thought it meant one thing; the Senator just turns on one and says, "You must be soft on communism." Never is there a direct rejoinder.

If the motion to appoint a committee is agreed to, I cannot imagine that the committee will be able to bring the question to an issue. There is no limit to the number of witnesses that can be requested. The junior Senator from Wisconsin can ask for 500 or 1,000. If one witness is denied him, he will say, "You are prejudiced; you are soft on communism, and you do not want to find out the truth."

Mr. HENNINGS. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I yield to the Senator from Missouri.

Mr. HENNINGS. Does the Senator suggest that he may be somewhat disillusioned with the prospects of success of any committee appointed to study the phenomena relating to the activities of the junior Senator from Wisconsin? Am I to gather, too, that what we have seen thus far might be some indication of attempts in connection with the proposed investigation, here and now, even before the committee has been appointed, and conceivably premature, to dominate the method of procedure of the committee, by asking one Senator, "Will you appear?" and another Senator "Will you prove that you are either a liar or a perjurer? You must be one or the other"?

Mr. FULBRIGHT. "You must be one or the other."

Mr. HENNINGS. Can the Senator from Arkansas see that there would be any end to this Donnybrook? Are we further enlightened as to whether the hearing might be lengthened to the inordinate extent of the recent so-called Army-McCarthy hearings, by hiring able counsel, having the hearings televised, and putting on another example of what has been termed variously by some as an extravaganza, or a burlesque, or what more seriously might be called a degrading, humiliating, and shameful spectacle, reflecting upon the honor of the United States Senate and the country?

Can the Senator from Arkansas foresee that there might be a repetition of the experiences had by the previous committees? I care not how high minded or how honest or how impartial the proposed committee might undertake to be in its report to the Senate and in its trusteeship, Mr. President. Does any Member of the Senate think for a moment that the proposed committee would not encounter the same kind of difficulties that other Senate committees have encountered and have found confronting them when they undertook the discharge of the responsibility given to them, namely, to study, if not to investigate, the methods of the junior Senator from Wisconsin?

Mr. FULBRIGHT. The Senator from Missouri is absolutely correct.

In the course of 1 minute the junior Senator from Wisconsin has already threatened me with a libel suit amounting, in round numbers, to $16,000. He thinks that would bankrupt me, so I am supposed to be frightened to death.

All of us remember that the junior Senator from Wisconsin sued Senator Benton of Connecticut for $2 million. I am sure that caused Senator Benton a great deal of expense in preparing a

defense; at the least he had to retain a lawyer. But then, before the suit came to trial, the junior Senator from Wisconsin withdrew it. Why did not he pursue it to trial? But that is typical of him.

He has not even offered to deny one of these charges. He cannot deny the charge that he took $10,000 from the Lustron Co.

The report of the committee has been dismissed here very cavalierly, although it is a committee report, printed at Government expense, and was intended for the Senate, and was distributed to the Senate. It is said, "Oh, that is not a Senate document," I do not know. I suppose it is only because it is an unpleasant report. But in it there is a photostat of the check from the Lustron Corp. I saw the check or the photostat of it at our hearings.

There are 2 sets of hearings on the same matter, 1 before the RFC subcommittee, and 1 before the Subcommittee on Privileges and Elections, of which the Senator from Missouri [Mr. HENNINGS] was chairman. Both of them cover the same matter.

If the Senator from Wisconsin were at all serious, in my view he would say he did not get the $10,000.

However, I am pointing out that he has not denied the charges here. Some of them are very simple. One or two of them arose from the recent hearings. I do not know how I could prove them any more clearly. I said specifically that when I made the charge about the Lustron Corp., I was relying on the committee report. I did not make that charge out of thin air. If that report, which the clerk read into the RECORD, does not support the charge, then I simply do not understand the English language.

Mr. HENNINGS. Mr. President, will the Senator from Arkansas yield further to me?

Mr. FULBRIGHT. I yield.

Mr. HENNINGS. Apparently the Senator from Arkansas is not aware of the proprieties which, in the last 10 minutes, it has been suggested that we observe. I do not see the junior Senator from Wisconsin on the floor at this time.

Mr. FULBRIGHT. He did not have notice that I was to speak.

Mr. HENNINGS. Apparently the Senator from Arkansas did not hear the statement of the junior Senator from Wisconsin [Mr. MCCARTHY] to the effect that when Senators who are discussing the pending question intend to mention him, they should notify him each time, in advance. Does not the Senator from Arkansas believe it is his duty, under the circumstances, to notify the junior Senator from Wisconsin that he is to be mentioned in the discussion?

Mr. FULBRIGHT. He just left the floor, as he did the other day when I spoke.

Mr. HENNINGS. The Senator from Arkansas is very careless in regard to observing the protocol. [Laughter.]

Mr. FULBRIGHT. The junior Senator from Wisconsin has yet to challenge any of these allegations, and he will not challenge them, except in a place where he can control the conditions, as he did recently when he had control over the proceedings of his committee.

To return to my remarks on the way the junior Senator from Wisconsin proceeds, let us consider the Jessup case. We never got anywhere on that case, for the reason that we could not join the issue on it. The point is that if any of us challenges the testimony of the junior Senator from Wisconsin, he says we are soft on communism.

Thus, there is a series of allegations and assertions, without any chance to resolve the issue. I do not think there is the slightest chance of changing that pattern.

As I have said, there have been 4 or 5 hearings.

As Senators recall, the attempted procedure in the Subcommittee on Privileges and Elections was incomplete, because the junior Senator from Wisconsin would not appear there.

Mr. President, imagine the effrontery of this fellow, who would not appear before that committee; and yet he wants to make sure that each of us will appear before this new committee, to be cross-examined by him. What a pleasure it is even to be in the same room with this man.

I certainly do not look forward with eager anticipation to the opportunity to appear at his hearing. I state frankly that if I am told it is the pleasure of the committee that I appear there, I shall respond. However, I hope the committee will not call me, unless they think it is necessary, for it is not a duty I welcome.

I believe that, upon examination, it will be found that official documents are the source of the six allegations or specifications I made at the request of two of the leading Members on the other side of the aisle, who asked for specifications. Personally I did not think any specification was needed, because the Senate has now been regaled for 4 or 5 years with facts about this particular individual, and I thought everyone knew them by heart. But if there is any need for documentation of them, I think the source exists in official documents. I think the source of every allegation I have made is to be found in some official document—either the CONGRESSIONAL RECORD showing the speech he made on the floor of the Senate—and surely we can take notice of the CONGRESSIONAL RECORD in that connection—or the official hearings of his own committee. Several of the specifications are based on the hearings of his own committee; and surely he will not deny the correctness of the hearings of his own committee. In several cases, the specifications are based on his own statements or answers. I am sure that, as is customary, either he or his staff had an opportunity to correct the record of his committee hearings, and that the printed hearings are an accurate record of what occurred there. Of course, if he wishes to question that, that is his privilege.

I cannot see any reason why we cannot proceed with this matter here on the floor of the Senate. This is the only body in the United States, that I can think of that he would not be able to completely rout and confuse by his methods. I think he would hesitate to go as far on the floor of the Senate as he has gone in the committees—at least, as far as he has gone in the committees with which I have had experience.

I have always attempted to testify in the best of faith before the Appropriations Committee, for example. Some of the members of the committee are present at this time, and they can verify what I say. I remember that the Senator from Louisiana [Mr. ELLENDER] and other Members now present attended the hearings at which I was present, although I shall not name at this time all the members of the Appropriations Committee who were present on the occasions when I appeared before that committee. They will remember what happened. I went there with a prepared statement, ready to testify on the exchange program. What was I met with, immediately? A personal attack. The junior Senator from Wisconsin thinks it is great humor to call me "Halfbright." He uses that expression on every occasion he can, and everyone is supposed to laugh about it.

Then he proceeded to examine me about things which had no relevancy whatsoever to the matter about which I came to testify; and when I refused to cooperate with that line of questioning, he left the committee in high dudgeon, claiming that the committee and I were not cooperating.

As soon as he left the room, everything settled down, and we proceeded. I remember that the distinguished senior Senator from Michigan [Mr. FERGUSON], who now is presiding over the Senate, was chairman of the subcommittee; and as soon as the junior Senator from Wisconsin left the room, everything proceeded smoothly, and there was no further trouble. We proceeded to make a case, and that was all there was to it. I have seen that happen time and time again. So long as the junior Senator from Wisconsin was present, one could not proceed with the business of the committee. What I am stating is not just imagination at all. Many Senators have seen it.

I am interested in that kind of character as a psychological study. But I think it is doing incalculable harm to the work of the Senate. I know it has already done tremendous harm to the relations of the United States with all the rest of the world, because the people of the other countries think we have lost our minds if we are willing to follow such a leader.

Mr. HENNINGS. Mr. President, will the Senator from Arkansas yield further to me?

Mr. FULBRIGHT. I yield again to the distinguished Senator from Missouri.

Mr. HENNINGS. Since the Senator from Arkansas has said he is interested, as he put it, in that kind of character, I should like to suggest that the Senator from Arkansas would be an excellent member of the proposed committee. For my part, I should like to disavow any interest in it. The only emotion I feel with reference to the junior Senator from Wisconsin is profound and utter

tedium and boredom—as a result, I suppose, of my 3 years of service on the committee.

I trust that if the proposed committee is appointed, it will be composed of Senators who have the keen interest the Senator from Arkansas has expressed. I hope that other Senators who wish to turn their attention to other, more worthwhile things, may be excused from service on the new committee.

Mr. FULBRIGHT. I must say to the Senator that I am afraid the Chair may think I am prejudiced in the matter, and would not think I was a fit member, so I am afraid I would be excluded.

I think it might be interesting, however, as soon as I finish, or even now, to call for volunteers. I would be interested to see which six men in this body would wish to serve on this committee. [Laughter.] I think, in all fairness, that the principal proponents of this resolution to create a committee ought to volunteer their services now, and say they are willing to sit here all summer and up until next January on this committee.

Mr. MONRONEY. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I yield to my distinguished friend from Oklahoma.

Mr. MONRONEY. I wish hastily to remark, as a veteran of investigating Senator McCARTHY's antics, that I am not rising to volunteer.

I should like to suggest that the remarks of the distinguished Senator from New York [Mr. LEHMAN] at which the majority leader seemed to take offense, to the effect that we would be here well past Christmas on this investigation, were interpreted by him to cast a reflection on the distinguished Senator from New York [Mr. IVES] on the Republican side, and on the majority leader. That, I am sure, is not the case.

Those who think we shall be able to finish with this case in a week, or 2 weeks, or 2 months, or 6 months, are the world's greatest optimists. Speaking as a man who has had 2 years of this experience, I can only say that if we intend to conduct the kind of investigation that will be satisfactory to the junior Senator from Wisconsin—and make no mistake about it, we shall be absolutely unable to make it satisfactory to him unless he runs the committee—we shall find that the committee members, no matter who is chosen to serve, no matter how much dignity or how much prestige they have, will be suddenly found to be coddling Communists, soft on communism, attempting to destroy the valued work of the great junior Senator from Wisconsin.

So I think we are merely perpetuating a difficulty in trying to pass the case on in the hope that someone will find the merit and be able to render justice, so the junior Senator from Wisconsin will find no further complaint.

The only time he will find no further complaint is when we make him the great McCARTHY who runs all our great campaigns to eradicate internal subversion and communism, even though the FBI, the world's greatest internal-security organization, has spent $540 million, more than a half billion, since 1947, more than $400 million of which was given by that party of treason, those 21 years or 20 years of treason—the junior Senator from Wisconsin made it 21 the other day to make it bipartisan [laughter]—that party of treason that started out to give $400 million—and, I will say, the distinguished President has added enough money to make it $548 million—and yet the distinguished junior Senator from Wisconsin will not be satisfied unless we say, "You are the champion of all Communist hunters in the wide, wide world, Senator McCARTHY. You can find the Communists and you can protect and save this Nation with $225,000."

J. Edgar Hoover must be a sap. He requires $548 million to protect this country. No; I think we are perpetuating a hoax on the United States of America and our people when we allow, through the official acts of the Senate, the perpetuation of that kind of false thinking.

So I do not see how we can improve on the known facts. There is sworn evidence in the committee hearings—no one denies that—that the junior Senator from Wisconsin wrote the article for the Lustron housing booklet and got $10,000 therefore.

No one denies the speech he made on the floor of the Senate about Gen. George C. Marshall, accusing him of subversive infamy so black that when the truth is finally known it will dwarf all previous conspiracies, or words to that effect. Those words are in the RECORD.

What are we asked to do? The Democratic policy committee took no action in deciding what to instruct the Democrats to do. They said they would leave it to the consciences of the Members.

Are we to be asked to refer our consciences to a committee to determine whether it was ethically wrong to do some of these things, to a committee of six men, no matter who they are, to pass down from on high our ideas and our ideals of ethics? No. I think the Senate floor is the proper place to bring our bill of particulars, to have our Committee of the Whole, to appoint the defense counsel, if you wish, although the junior Senator from Wisconsin seems to have some 10 or 20 pretty able counsels and is an able counsel himself. He has freedom of speech in the greatest legislative body in the world where he can talk at length to the whole 160 million people of America, and the wire services and the radio will carry his words to the farthest reaches of this land.

I do not think now is the time for any of us to pass this on, even in the hope that this case will go away and not bother us any longer, just so long as we have in our possession a precious committee report, unanimous, I presume—or so someone thinks—findings of fact that will be satisfactory to the junior Senator from Wisconsin, as well as to all those others who do not approve of his being the voice of Senators from other States.

My own principal objection is that the Senator is my agent as an official of the United States Government. I think that is the reason why we have a right to criticize, why we have a right to say to an employee, "We do not like the kind of work you are doing; we do not like the kind of job you are doing; we think you have flopped and fizzled in every way possible, brought the Senate into disrepute and disrespect, destroyed our standing around the world with our friendly allies, and destroyed the very agency that this Nation must depend on to win the cold war against communism."

What about the Central Intelligence Agency, the most vital single office of this country to find out what is going on behind the Iron Curtain? Twice the Senator from Wisconsin has proposed to have a public investigation, in a McCarthy manner, of this highly supersensitive agency. If one single operative of the Central Intelligence Agency were subpenaed by the committee of the junior Senator from Wisconsin, our sources of information around the world would dry up and never could be reestablished.

We have seen a shambles made of that great career organization, the State Department, the Voice of America, when it should have been strong, determined, and factual at the time of the death of Premier Stalin, was suffering from a case of shellshock from Cohn and Schine as they marched ruthlessly across the friendly nations of Europe, enjoying and demanding more attention, more consideration, and greater prerogatives than the majority leader or the minority leader of this great body would ever have thought of demanding.

The Army has just come back with bloody wounds and one hundred thousand-some-odd causualties from fighting the Red Communists in the hills of Korea. It is being pilloried for being soft on communism and coddling Communists. It is sought to discredit great generals. Great Secretaries of the Army have been forced to knuckle under to the strange power that has grown up in the United States Senate, and forced, because of fear of destroying the great reputation of the wonderful body of men who wear the uniform of the United States, to take orders from the clerks of a committee of the United States Senate.

I say to you that this is on the conscience of the United States Senate, and it cannot be passed on, no matter how we wish it, to six men, no matter who they are.

Mr. FULBRIGHT. Mr. President, I appreciate very much the contribution of the Senator from Oklahoma [Mr. MONRONEY], and I wish to associate myself with his statements.

Mr. President, that is about all I have to say. I think the Senate is making one of the greatest mistakes that it will ever have made in assigning this to a committee without the slightest hope, I think, of resolving this question.

As I said a moment ago, I cannot believe that it can be any more successful in reaching a conclusion which can be passed upon here than those which have already handled these matters.

Therefore, I shall feel constrained to vote against the motion to refer to a special committee, and I regret very much that the leadership has seen fit to prevent a straight vote upon the amendments to the resolution offered by the Senator from Arkansas.

Mr. CAPEHART. Mr. President, I wish to take about 5 minutes.

We in the United States Senate tonight have the American people very, very much confused. When I came to the United States Senate on January 3, 1945, if anyone had stood up on the floor of the United States Senate at that time and said an unkind word about Communist Russia he would have almost been tried for treason. The Russians were our allies. We were talking about them as being great, brave people. We were spending billions of dollars helping them.

At that time we were discussing and "cussing" the Nazis, the Germans. They were terrible people. When the war ended we tried the German leaders for the war crimes, and we put many of them to death.

Then in 1947, or perhaps 1948, when the President of the United States, Mr. Truman, sent a message to the United States Congress in which he asked for $500 million to stop communism in Greece and Turkey, the Congress of the United States voted him the money.

From that time on in the United States and in the Congress we have been spending billions of dollars to stop communism. In practically every bill we have passed since that day we have said we were doing so in order to stop communism. We went to war in Korea to stop communism. We suffered 150,000 casualties to stop communism.

There is not a Senator on this floor who has not made a speech against communism, stating how terrible it is and how it will destroy the world.

Yet we have one man in the United States Senate by the name of McCarthy, from Wisconsin, who has tried to do something about communism. I will admit that his methods have not always been the methods I would have used. I will admit I have blown hot and cold in my likes and dislikes with respect to this Senator. I think he has made many mistakes. He has said things and done things I would not have said or done.

I think that possibly is true of every other Senator, but I say to Senators that we have the American people confused, when we ask them to spend billions of dollars to stop communism, when we send an army into Korea and suffer 150,000 casualties, and then talk about washing out—that is what we are talking about—the one man in the United States, or one man in the United States, who has been fighting or trying to fight communism at home.

I say to Senators, if we are going to wash this man out we had better find a substitute for him. I said a moment ago that there have been many times when I did not like his methods, but if we are to wash him out we had better find a substitute for him. If we are simply to wash him out on the ground that he has been a little too rough, a little too tough with Communists and Communist agitators in the United States, we had better think twice.

We had better look to the American people, because they are not going to stand still for this washing out of one man who has tried to do something about Communists without some sort of substitute being offered. Believe me when I say that. Believe me when I say the American people are divided over this issue.

Any man can go anywhere in the United States—I care not where he goes—and if there are six people, more or less, gathered together and the subject of McCarthy or McCarthyism is brought up, he will find those people will take sides, and before it is over the division will be very, very bitter.

I do not know what percentage of the people of the United States are for or against this Senator. But I do know this: The American people are confused. They cannot understand the President of the United States, they cannot understand the Senate of the United States, they cannot understand individual Senators, and they cannot understand people who will say to them, "We are going to take billions and billions of American dollars to fight communism; we are going to take American boys and we are going to put them into battle to fight communism."

Then we stand on the floor of the United States Senate and make speeches and condemn the one man who the American people think is trying to do something about communism in the United States. Now, the American people are not going to stand for that, whether they are dealing with Republicans or whether they are dealing with Democrats. Some substitute is necessary.

Perhaps this Senator should be washed out. Perhaps his efforts have been all wrong. But I say to Senators that unless we are careful we shall prolong and prolong and agitate and agitate, and split the American people right down the middle.

What we had better do here tonight is to table this whole business and let the committee of which the junior Senator from Wisconsin is chairman take this matter up back in the committee rooms, adopting some rules and regulations which will control this Senator if he needs controlling. The committee has the power and has the authority to do it.

I say we are dividing the American people. I say we are doing an injustice to the American people. I say to the Senate: There sits the junior Senator from Wisconsin. He has been in the United States Senate 8 years. He is a little Senator, as I am a little Senator. We are all little Senators in our own right. We are only strong when there are 96 of us.

The junior Senator from Wisconsin has been built up, not because of himself but because he was fighting communism, right or wrong. The thing which has built the junior Senator from Wisconsin up has not been what he said or what he did not say but the fact that the President of the United States, Mr. Truman, fought him. Do not say he did not. He did. He fought his methods. Perhaps his methods were wrong. The Secretary of State, Mr. Acheson, fought him. The Army recently fought him. Other people have fought him.

It has been the people who have fought the junior Senator from Wisconsin who have made news and put him on the radio and put him on television; and now the United States Senate is fighting him, making him bigger and bigger and bigger and giving him more publicity. What we ought to do is forget him; permit him to go on with his committee, and have his committee members get together and adopt rules and regulations. Everybody in the Government should become enthusiastic about rooting out subversive individuals in the United States and those who are Communist minded. Do not say there are not many of them, and do not say we have not found many of them. I do not know whether McCarthy has been responsible for it or not, and I do not care. I do not know whether he has had any convictions or whether he has not, and I do not care.

I know that certain individuals have been convicted. I know there must be many of them in the United States. The American people are not very happy over the idea that billions of dollars are being taken from them, that their boys are being put in uniform and sent all around the world, that they are losing their lives fighting communism, and that we are a little afraid to let somebody fight it in the United States with his bare fists.

We are doing an injustice to the American people and to the world. I am not thinking in terms of the junior Senator from Wisconsin. I do not care what happens to the junior Senator from Wisconsin, but I do care what happens to the American people and the American Government. The spectacle of the 36-day Army-McCarthy hearing, televised every day, built up hatred among the people of the United States. It developed to the point that neighbors were fighting each other. One could not attend a meeting, as I said a moment ago, of half a dozen people without almost getting into fist fights. We are now carrying on the fight in the great United States Senate. Tonight we are promoting the same sort of thing. We are about to appoint a committee. I suppose the proceedings of that committee will be televised and will continue for many days. If we carry this thing on we shall further incite the American people to division. I am pleading with my colleagues not to confuse the American people.

I am not taking the side of the Senator from Wisconsin. On that subject I have blown both hot and cold. There have been times when, if I could have gotten hold of him, I think I would have thrown him out. There have been other times when I thought, "by golly, there is a great guy." I think that has been the experience of almost all of us.

I am pleading with Senators. It seems to me that the majority of us want to refer this problem to a committee. I shall vote to do so, because I think the majority of us want it that way, but I am pleading with Senators that that is not the way to do it.

SEVERAL SENATORS. Vote! Vote! Vote!

Mr. CAPEHART. I am pleading with my colleagues that that is not the way to do it, but I am not going to make an issue of it. Settle this matter, table this resolution, or send it to the committee. I am amazed that 13 or 15 Senators come

on the floor of the United States Senate and admit that they cannot control one little JOE MCCARTHY, from Wisconsin.

I have listened to the 36 points cited by the able Senator from Vermont [Mr. FLANDERS], the 6 points by the able Senator from Arkansas [Mr. FULBRIGHT], and the 6 or 7 points by the able Senator from Oregon [Mr. MORSE]. There is nothing new in any of them.

For example, much has been made about the motion by the able Senator from Arkansas [Mr. FULBRIGHT] with respect to the $10,000 payment by Lustron to the junior Senator from Wisconsin. We brought that out back in 1950. I was on the RFC Committee. It was discussed. I hold in my hand every report ever issued by that committee, headed by the able Senator from Arkansas [Mr. FULBRIGHT]. There was not a single report in which the name of the Senator from Wisconsin was mentioned.

Senators on the other side of the aisle had the control of the Congress in those days, and there was not sufficient information brought out in our hearings to warrant even the mention of MCCARTHY's name.

All the items in these bills of particulars are old. We have listened to them over and over. They have been in the newspapers time and time again. Frankly, I do not know whether they are true or not. They sound to me a little like gossip. Some of them may be partially true; some of them may be wholly true. That is not my point. My point is that the American people are divided and confused, and we are not doing the American people a favor when we prolong this fight.

It is the responsibility of the majority leader and the minority leader if they wish to table this matter or if they wish to go on with a committee, but my colleagues are making a grave mistake. They are further building up the gentleman. They are further building up this matter, because the American people are not satisfied that out of one corner of our mouths we can say, "We want billions and billions and billions to stop communism. We are going to send your boys all over the world. You have already lost 150,000 of them. You may have a third world war"; and on the other hand say, "We do not like MCCARTHY because he is a little too rough and a little too tough with these so-called Communists."

We ought to table this whole matter and we ought to get on with the business of the Senate; and the committee of which the junior Senator from Wisconsin is the chairman ought to handle it.

INVESTIGATIVE POWER OF THE SENATE ON TRIAL

Mr. MALONE. Mr. President, will the Senator from Indiana yield?

Mr. CAPEHART. I yield.

Mr. MALONE. I agree with the Senator from Indiana [Mr. CAPEHART] that it is the investigative power of the Senate that is on trial, not JOE MCCARTHY. If he will make a motion to table this accusation or resolution of censure which has been filed without specific charges, I will guarantee him one vote. That is all I can guarantee.

Mr. CAPEHART. I am not going against the wishes of the majority and minority leaders on this matter. I believe we are making a mistake. I wish to leave with my colleagues this word: Remember, we are not going to satisfy the American people by continuing this turmoil.

Mr. COOPER. I know the Senate is anxious to vote, but I ask your indulgence for a few minutes.

I would not say anything at all this evening if it had not been for the remarks of the junior Senator from Wisconsin [Mr. MCCARTHY]. He referred to the short speech that I made on Saturday afternoon.

I would like to say in response that I knew the order of business was the motion of Senator FLANDERS. The majority leader had asked all Members of the Senate to be present during the debate. I assumed, of course, that the subject of the motion, Senator MCCARTHY, would be present. If I was wrong in not notifying him that I was going to speak briefly, I regret it.

He spoke further of scurrilous remarks. Those who were here when I spoke will remember that I said at the beginning of my remarks that nothing I would say concerned the personal conduct of the junior Senator from Wisconsin [Mr. MCCARTHY] and that my support of the motion was not based on any action outside of his conduct of investigations as chairman of the Committee on Government Operations.

I speak in great deference to the older Members of this body, and to their knowledge, which has come from their service and their experience. In my year and a half of service here I had said nothing until a few months ago about the conduct of investigations by the junior Senator from Wisconsin. But it was my judgment, finally, that in the conduct of investigations, the chairman of the committee, Senator MCCARTHY was abusing and extending his powers granted by the Senate and that he was heedless of the rights of individuals.

It was my decision, whether I was to be here for a few weeks or a year or 2 years. I did not want to approve by silence what I thought was wrong. I then said that if a motion of the character we are considering should be introduced, I would support it. When I made the statement I was thinking of the substance of the problem, and I did not think of procedural questions.

I now desire to address myself, for a minute or two, to the procedural matter which is before the Senate, because I am deeply moved and impressed by the arguments which have been made, to refer the matter to a committee. They appeal to the questions of orderly procedure, of due process, and of justice to an individual charged with wrongful conduct.

Those were the same interests which had led me to speak and to say that I would support the motion, because I had come to the belief that in the conduct of his committee, the junior Senator from Wisconsin did not observe orderly procedures proper to a hearing; that we had evidenced a heedlessness of individual rights; and that a deterioration of the process of justice must be a consequence.

What is justice? Justice is not justice by form or procedure. Justice is justice in substance. Again, I speak with deference to those who know the precedents of the Senate. But I suggest that justice can be done in this matter in several ways. Justice could be done by a submission of this matter to a committee, as proposed, if action ever follows that submission and the Senate is permitted a decision. But if action never follows, there is no decision. There is no decision to speak to the obligation to the Senate as well as to the junior Senator from Wisconsin. This would not be justice in substance, but a hollow form.

Another alternative has been suggested by the Senator from Arkansas. There are specifications before the Senate. If the junior Senator from Wisconsin does not deny them, then certainly the Members of the Senate can make their own judgment in this forum, in conscience, as to whether or not they are sufficient to justify censure.

If the junior Senator from Wisconsin admits the specifications but says he does not think they deserve censure, then, it seems to me, as in the case of former Senator Bingham, of Connecticut, it becomes a question of the judgment of the Senate as to whether the specifications deserve censure.

If the junior Senator from Wisconsin says he needs to be heard before the committee, that he needs to have witnesses brought before the committee, and that he wants to present proof to deny the charges or to explain them, and that he cannot explain them, then, I think, in conscience he should have the opportunity in committee. He has not asked that.

In these circumstances, I shall vote against the motion. If it should be defeated, the junior Senator from Wisconsin can then be heard on the Senate floor. If he says that he needs more time, that he needs to be heard, alone or with witnesses, then a reference to a committee would be proper, and I would support it.

I can only speak for myself. This course I believe would do justice in form and justice in substance. It is a justice which will speak for the Senate as well as for the junior Senator from Wisconsin.

Mr. President, I desired to make this brief statement in order to explain my position against the motion.

SEVERAL SENATORS. Vote! Vote!

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from California, as modified.

Mr. ANDERSON. Mr. President, may the motion as modified be stated?

The PRESIDING OFFICER. The clerk will state the motion as modified.

The Chief Clerk read as follows:

I move to refer the pending resolution (S. Res. 301) together with all amendments proposed thereto, to a select committee to be composed of 3 Republicans and 3 Democrats, who shall be named by the Vice President; and ordered further, that the committee shall be authorized to hold hearings, to sit and to act at such times and places

during the sessions, recesses, and adjourned periods of the Senate, to require by subpena or otherwise the attendance of such witnesses and the production of such correspondence, books, papers, and documents, and to take such testimony as it deems advisable, and that the committee be instructed to act and to make a report to this body prior to the adjournment sine die of the Senate in the 2d session of the 83d Congress.

The PRESIDING OFFICER. On this question the yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. McCARTHY (when his name was called). I vote "present."

Mr. SALTONSTALL. I announce that the Senator from Kansas [Mr. SCHOEPPEL] is absent by leave of the Senate. The Senator from New Jersey [Mr. SMITH] is absent by leave of the Senate at the request of the President of the United States. The senior Senator from Nebraska [Mrs. BOWRING] and the junior Senator from Nebraska [Mr. REYNOLDS] are necessarily absent.

If present and voting, the senior Senator from Nebraska [Mrs. BOWRING], the junior Senator from Nebraska [Mr. REYNOLDS], the Senator from Kansas [Mr. SCHOEPPEL], and the Senator from New Jersey [Mr. SMITH] would each vote "yea."

Mr. CLEMENTS. Mr. President, I desire to make an announcement on behalf of the junior Senator from West Virginia [Mr. NEELY]. The Senator from West Virginia remained in the Chamber until a short while ago in the hope that he could record his vote on the pending motion. Because of the fact that a primary election is to be held in the State of West Virginia on tomorrow, it was necessary for the Senator from West Virginia to leave before the vote was taken. The Senator from West Virginia requests me to announce that if he were present, he would vote "yea."

I desire to announce further that the Senator from Mississippi [Mr. EASTLAND], the Senator from Tennessee [Mr. KEFAUVER], and the Senator from Alabama [Mr. SPARKMAN] are absent on official business.

The result was announced—yeas 75, nays 12, voting "present" 1, not voting 8.

YEAS—75

Aiken	Gillette	Maybank
Anderson	Goldwater	McCarran
Barrett	Gore	McClellan
Beall	Green	Millikin
Bennett	Hayden	Morse
Bricker	Hendrickson	Mundt
Bridges	Hickenlooper	Murray
Burke	Holland	Pastore
Bush	Ives	Payne
Butler	Jackson	Potter
Byrd	Jenner	Purtell
Capehart	Johnson, Colo.	Robertson
Carlson	Johnson, Tex.	Russell
Case	Johnston, S. C.	Saltonstall
Clements	Kennedy	Smathers
Cordon	Kerr	Smith, Maine
Crippa	Kilgore	Stennis
Daniel	Knowland	Symington
Dirksen	Kuchel	Thye
Dworshak	Langer	Upton
Ellender	Lennon	Watkins
Ervin	Long	Welker
Ferguson	Malone	Wiley
Frear	Mansfield	Williams
George	Martin	Young

NAYS—12

Chavez	Flanders	Humphrey
Cooper	Fulbright	Lehman
Douglas	Hennings	Magnuson
Duff	Hill	Monroney

VOTING "PRESENT"—1

McCarthy

NOT VOTING—8

Bowring	Neely	Smith, N. J.
Eastland	Reynolds	Sparkman
Kefauver	Schoeppel	

So, Mr. KNOWLAND's motion, as modified, was agreed to.

Mr. MORSE subsequently said: Mr. President, it had been my plan to make a speech today, documenting and supporting the bill of particulars I have filed in the case of the McCarthy controversy. However, in view of the fact that the motion, which I believe to be a sound one, to refer the matter to a select committee has been agreed to, I shall reserve for presentation to that committee the materials which otherwise I would have presented to the Senate in the course of a speech.

There are three items which I could have presented in my speech, and which I wish to have incorporated in the CONGRESSIONAL RECORD, for future reference by Senators.

First, I ask unanimous consent to have printed in the body of the RECORD, as a part of my remarks, what I believe to be one of the best editorials I have read on the McCarthy issue before the Senate. The editorial appeared in a recent issue of the Christian Science Monitor, and is entitled "Let the Senate Answer."

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

LET THE SENATE ANSWER

Senatorial investigators often demand yes or no answers from citizens summoned to testify. Today the Senate itself—and every individual Senator—is being required to answer a few simple questions:

1. Are you responsible for the actions of committees authorized by you to make investigations?

2. Will you fulfill that responsibility by reprimanding abuse of such authority?

3. Will you apply to your own Members the same rules of contempt—for refusing to answer a committee—that you do to ordinary citizens?

4. Should these acts be censured: Encouraging the breaking of law; exploiting senatorial office for private gain; recklessly blackening the reputations of innocent citizens and hiding behind senatorial immunity; attempting to purge Members who dare to differ on methods; repeatedly resorting to misrepresentation and slander?

5. Have you the courage to stand up and be counted on this issue involving the honor, moral integrity, and responsibility of the United States Senate?

Yes or no?

Senators who answer those questions in the affirmative will not try to shelve the Flanders resolution with flimsy excuses that it is untimely, that any vote on it may damage them politically, or that the issue is not clear. The issue is very clear. It does not involve either partisanship or a man's attitude toward communism. Nor does it require animosity toward any person; it is a simple matter of censuring actions which bring the Senate into disrepute.

Let the Senate answer.

Mr. MORSE. Mr. President, immediately following the editorial to which I have just referred, I ask unanimous consent to have printed in the RECORD a copy of a study entitled "Senate Election Cases, 1789–1951." The study was prepared by William R. Tansill, of the Government Division of the Legislative Reference Service of the Library of Congress.

There being no objection, the memorandum was ordered to be printed in the RECORD, as follows:

SENATE ELECTION CASES, 1789–1951, CONTAINING (1) LIST OF SENATORS SINCE 1789 WHOSE SEATS HAVE BEEN CONTESTED; (2) LIST OF SENATE EXPULSION CASES SINCE 1789; (3) STATISTICS ON SENATE ELECTION CASES

(By William R. Tansill, Government Section, August 21, 1951)

LIST OF SENATORS SINCE 1789 WHOSE SEATS HAVE BEEN CONTESTED, WITH BRIEF DIGESTS OF THE MORE IMPORTANT CASES

1. Albert Gallatin, Pennsylvania (1793–94): Senator from December 2, 1793, to February 28, 1794; on the latter date he was unseated, as he had not been an American citizen at least 9 years.

2. Kensey Johns, of Delaware (1794): Appointed Senator on March 19, 1794, but admission rejected on March 28, 1794.

3. Humphrey Marshall, of Kentucky (1796): Senator from March 4, 1795, to March 4, 1801. Senate, on March 22, 1796, sustained him in office.

4. William Blount and William Cooke, of Tennessee (1796): Admission of both to Senate rejected on June 1, 1796. But both gentlemen were again elected to the Senate on August 2, 1796, and were allowed to take their seats on December 6, 1796.

5. Uriah Tracy, of Connecticut (1801): Senator from December 6, 1796, till his death, July 19, 1807. Senate sustained him on March 4, 1801, after validity of his seat had been questioned.

6. Samuel Smith, of Maryland (1809): Senator from March 4, 1803, to March 3, 1815, and from December 17, 1822, to March 3, 1833. Senate, on June 6, 1809, sustained him in his seat.

7. Stanley Griswold, of Ohio (1809): Senator from June 2 to December 11, 1809. Senate sustained him on June 15, 1809.

8. Jesse Bledsoe, of Kentucky (1815): Senator from March 4, 1813, to December 24, 1814. Senate on January 20, 1815, decided that his resignation, expressed in letter to governor prior to December 24, 1814, and to be effective on the latter date, was valid.

9. James Lanman, of Connecticut (1825): Senator from March 4, 1819, to March 3, 1825. Senate, on March 7, 1825, refused to permit him to continue in office for another term.

10. Ephraim Bateman, of New Jersey (1827–28); Senator from December 7, 1826, till January 12, 1829, when he resigned. Senate, on May 22, 1828, declared that he had been duly elected to a second term.

11. Elisha R. Potter v. Asher Robbins, of Rhode Island (1833–34): Senate on May 27, 1834, declared that Robbins was entitled to retain his seat.

12. Ambrose H. Sevier, of Arkansas (1836–37): Senator from December 5, 1836, to March 4, 1837, and from March 8, 1837, till he resigned, March 15, 1848. Senate on March 8, 1837, resolved that he was entitled to a seat.

13. John M. Niles, of Connecticut (1844): Senator from December 21, 1835, till March 3, 1839, and from May 16, 1844, till March 3, 1849. Senate on May 16, 1844, agreed that he was of sound mind and consequently entitled to his seat.

14. James Shields, of Illinois (1849): Senator from March 6, 1849, till March 15, 1849, and from December 3, 1849, till March 3, 1855. Senate, on March 15, 1849, declared that he was not entitled to his seat as he had not been naturalized long enough. Shields was afterward elected for the same term, and was admitted to the Senate.

15. Robert C. Winthrop, of Massachusetts (1851); Senator from July 30, 1850, to February 7, 1851. Winthrop, appointed by the

governor to fill a vacancy, vacated his seat February 7, 1851, at which time Robert Rantoul, who had been elected by the legislature to fill the same vacancy, presented his credentials before the Senate, which body accepted him.

16. David L. Yulee v. Stephen R. Mallory, of Florida (1851–52): Senate, on August 27, 1852, resolved that Mallory, not Yulee, had been duly elected. Mallory had taken the oath on December 1, 1851.

17. Archibald Dixon, of Kentucky (1852–53): Senate on December 20, 1852, resolved that Dixon, not David Meriwether, was entitled to a seat in the Senate. On December 15, 1851, Henry Clay informed the Kentucky legislature that he was resigning his seat in the United States Senate, to take effect on the first Monday in September, 1852. On December 30, 1851, the Kentucky legislature elected Archibald Dixon to fill that unexpired term. On June 29, 1852, during the recess of the legislature, Clay died. The governor therefore, on July 6, appointed David Meriwether Senator until Clay's resignation should take effect. Meriwether was permitted to take his seat on July 15, and held it until Congress adjourned, August 31. When Congress reassembled on December 6, Meriwether did not appear. Dixon, however, presented both himself and his credentials. Objection was immediately made that Meriwether had been appointed to fill a vacancy occasioned by the death of a Senator; that he had a right to the seat until the next meeting of the legislature; and that the governor had not enjoyed the power to limit Meriwether's term to the first Monday in September, 1852. The seat was vacant until December 20, when the Senate by a vote of 27 yeas to 16 nays decided that Dixon had been duly elected.

18. Samuel S. Phelps, of Vermont (1853–54): Senator from March 4, 1839, to March 3, 1851, and from January 19, 1853, to March 17, 1854. Senate on March 16, 1854, resolved that he was not entitled to retain his seat.

19. Jared W. Williams, of New Hampshire (1854–54): Senator from December 12, 1853, to August 4, 1854. Senate on August 4, 1854, resolved that he could not retain his seat.

20. Lyman Trumbull, of Illinois (1855–56): Senator from March 4, 1855, to March 3, 1873. Senate on March 1856, sustained him in his seat.

21. James Harlan, of Iowa (1855–57): Senator from March 4, 1855, to January 12, 1857, and from January 29, 1857, until March 15, 1865, when he resigned. Senate on January 12, 1857, resolved that his seat should be vacated on the ground that his election by the Iowa Legislature had not been a valid one. On December 13, 1854, the Legislature of Iowa met in joint convention in the hall of the house of representatives in order to elect a United States Senator for the term beginning March 4, 1855. After a number of ineffectual ballots and adjournments the two houses met on January 5, 1855, only to adjourn to 10 o'clock of the next day. Following the adjournment of the joint convention of January 5, the senate returned to its own chamber and adjourned the same hour to 10 o'clock January 6. Upon meeting in its own chamber on January 6, the senate immediately adjourned until 9 o'clock January 8. The senate, consequently, was not in session after 10 o'clock on January 6, and did not proceed as a body to the house chamber, though certain members of the senate did attend what was supposed to be a joint session. The body which met comprised, therefore, a majority of the house and a minority of the members of the senate; together, the attendants constituted a majority of the members of the joint convention. In the ensuing ballot Mr. Harlan received 52 votes (52 being a majority of the members of the joint convention), and was declared duly elected. But the Senate of Iowa sent resolutions to the United States Senate asserting that the election was invalid. Harlan was given his seat on December 3, 1855, the opening of Congress for the term for which he was elected. On December 15, 1856, the matter was referred to the Judiciary Committee. On January 5, 1857, the committee submitted a resolution that Harlan's seat be declared vacant; a resolution which passed the United States Senate January 12, 1857, by a 26–18 vote. The issue before the National Senate was whether the group which elected Harlan was the Legislature of Iowa within the meaning of the National Constitution; whether the presence of the senate as a body was required for the election to be valid, or whether a majority of the individual members of the convention constituted the legislature even if the senate as a body was not present, nor even a majority of the members comprising the senate. Following his unseating, as of January 12, 1857, Harlan was reelected, and on January 29, 1857, resumed his seat.

22. Graham N. Fitch and Jesse D. Bright v. Henry S. Land and William Monroe McCarty, of Indiana (1857–59): Senate on February 14, 1859, resolved that Fitch and Bright were entitled to their seats.

23. Simon Cameron, of Pennsylvania (1857): Senator from March 17, 1845, till March 3, 1849; from March 4, 1857, till he resigned in March 1861; and from March 4, 1867, till he resigned in March 1877. Senate on March 13, 1857, sustained him in his seat.

24. James Shields, of Minnesota (1858): Senator from May 12, 1858, till March 3, 1859. Shields had attempted to acquire a seat before a bill for the admission of Minnesota into statehood had been enacted into law but was forced to wait until May 12, 1858, 1 day after the bill was approved.

25. Waitman T. Willey and John S. Carlile, of Virginia (1861): These Union men from Virginia were granted admission to the Senate on July 13, 1861, even though there was no "regular" State government in Virginia.

26. Frederic P. Stanton v. James N. Lane, of Kansas (1861–62): Senate, on January 16, 1862, resolved that Lane was entitled to retain his seat.

27. Benjamin Stark, of Oregon (1862): Senator from February 27, 1862, till September 13, 1862. Senate, on June 6, 1862, sustained him in his seat.

28. William M. Fishback, Elisha Baxter, and William D. Snow, of Arkansas (1864–65): Senate, on June 29, 1864, refused to admit Fishback and Baxter. On February 26, 1866, Senate ordered that Snow's credentials be laid on the table; no further action was taken.

29. R. King Cutler, Charles Smith, and Michael Hahn, of Louisiana (1864–65): Senate, on February 18, 1865, debated admission of Cutler and Smith but took no action; the two men consequently were denied seats. On March 9, 1865, Senate postponed action on Hahn's case. He was never admitted.

30. Joseph Segar and John C. Underwood, of Virginia (1865–84): Senate, on February 17, 1865, ordered Segar's credentials to be laid on the table. On March 9, 1865, Senate ordered that consideration of the credentials of both Segar and Underwood be postponed. No further action was taken.

31. John P. Stockton, of New Jersey (1865–66): Senator from March 4, 1865, till March 27, 1866, and from March 4, 1869, till March 3, 1875. Senate, on March 27, 1866, passed resolution that his seat be declared vacant. Stockton took his seat on December 4, 1865; at the same time a memorial from the New Jersey Legislature protesting against his admission was presented and ordered to lie on the table. On January 30, 1866, the Committee on the Judiciary, to which body the credentials of Mr. Stockton, as well as the memorial, were presented, reported the background of the election. The joint meeting of the legislature which elected Stockton previously passed a resolution that the candidate receiving a plurality of votes of the members present should be declared duly elected. All members of the joint assembly, which consisted of 81 members, were present when the vote for Senator was held. Stockton received 40 votes, while the other candidates were given a total of 41 votes. The main question before the National Senate was whether a joint convention could prescribe an election by plurality, rather than majority vote. The Committee on the Judiciary, in its report to the United States Senate, maintained that for the purpose of electing Senators the joint convention of a State legislature was the legislature; consequently, it enjoyed the power, under the Constitution, to prescribe the mode of electing Senators. The committee therefore recommended that Stockton be declared entitled to his seat. Some Senators, however, held that in the absence of any law (there was no law in New Jersey prescribing the procedure of senatorial election, other than the stipulation that they should be elected in joint convention of the State legislature) a majority was by the parliamentary law of the land necessary to make an election valid, and that the legislature alone, acting in a legislative capacity through its two houses separately, was competent to order an election by a plurality vote. On March 23, 1866, the Senate of the United States approved the committee's resolution that Stockton be confirmed in his seat; the vote was 22 yeas to 21 nays, with Stockton himself voting. Three days later the Senate voted to reconsider the vote on the resolution, at which time it barred Stockton from participating in the final balloting as to whether or not he was to keep his seat. The next day, March 27, 1866, the Senate, by a vote of 23 yeas to 20 nays, held that Stockton was not entitled to his seat. Like Albert Gallatin, James Shields, and James Harlan, Stockton was, in effect, expelled from the Senate, after he had been seated, by a majority, rather than a two-thirds, vote.

32. David T. Patterson, of Tennessee (1866): Senator from July 28, 1866, to March 3, 1869. Senate, on July 27, 1866, voted to seat him.

33. Philip F. Thomas, of Maryland (1867–68): Senate, on February 20, 1868, resolved to debar him.

34. John T. Jones, Augustus N. Garland, V. Alexander McDonald, Benjamin F. Rice, of Arkansas (1868): Senate, on June 23, 1868, decided that Rice and McDonald should be given seats.

35. William Marvin v. Thomas W. Osborn, of Florida (1868): Senate, on June 30, 1868, voted to seat Osborn.

36. Joshua Hill, N. V. M. Miller v. Richard N. Whiteley, Henry P. Farrow, of Georgia (1868–71): Senate, on February 1, 1871, voted to seat Hill; on February 24, 1871, the Vice President administered the oath of office to Miller, after the latter had sworn to a special oath of loyalty.

37. H. R. Revels, of Mississippi (1870): Senator from February 25, 1870, till March 3, 1871. Senate admitted him to membership on February 25, 1870.

38. Adelbert Ames, of Mississippi (1870): Senator from April 1, 1870, till he resigned in 1874. Senate seated him on April 1, 1870.

39. Ossian B. Hart v. Abijah Gilbert, of Florida (1870): Senate on April 28, 1870, agreed that Gilbert be permited to retain his seat, which he had held since March 4, 1869.

40. Joseph J. Reynolds v. Morgan C. Hamliton, of Texas (1870–71): Senate on March 18, 1871, agreed that Hamilton should be given a seat.

41. Thomas M. Norwood v. Foster Blodgett, of Georgia (1871–72): Senate, on December 19, 1871, agreed to the seating of Norwood.

42. George Goldthwaite, of Alabama (1871–72): Senator from January 15, 1872, till

March 3, 1877. Senate, on January 15, 1872, permitted Goldthwaite to take his seat.

43. Matt W. Ransom v. Joseph C. Abbott, of North Carolina (1871–72): Senate, on April 23, 1872, resolved that Abbott was not entitled to a seat. On April 24, 1872, Senate admitted Ransom.

44. Powell Clayton, of Arkansas (1872–73): Senator from March 25, 1871, till March 3, 1877. Senate, on March 3, 1873, absolved Clayton of corruption charges, and declared him entitled to retain his seat.

45. S. C. Pomeroy and Alexander Caldwell, of Kansas (1872–73): After serving since March 4, 1871, Caldwell, on March 24, 1873, resigned—while under fire of corruption charges. Pomeroy was subjected to the same kind of charges but was cleared on June 3, 1872, of blame incident to the election of 1867, and likewise exonerated on March 3, 1873, of charges arising out of his unsuccessful election campaign in 1873. Pomeroy served from April 4, 1861, to March 3, 1873.

46. The Louisiana cases (1873–80)—John Ray v. William L. McMillen; William L. McMillen v. Pinckney S. B. Pinchback (Robert H. Marr and James B. Eustis); and Henry M. Spofford v. William P. Kellogg (Manning): One Louisiana legislature elected Ray while another, rival, Louisiana legislature elected McMillen. In February 1873, both Ray and McMillen were denied admission to a seat for the term expiring March 3, 1873, on the ground of fraudulent election. The legislature which had elected McMillen for the unexpired term ending March 3, 1873, elected him for the succeeding term, while the legislature which had elected Ray elected Pinckney B. S. Pinchback for the succeeding term. On March 5, 1875, Pinchback's credentials were laid on the table. Three days later they were again taken up for debate, which discussion continued through March 16, 1875, at which time further debate was postponed until the following December. On December 15, 1875, the Senate permitted McMillen to withdraw his own credentials. Five days later, the credentials of Robert H. Marr, appointed by John McEnery (one of the rival governors) to fill the vacancy occasioned by McMillen's resignation, were presented and ordered to lie on the table. On January 18, 1876, the credentials of James B. Eustis, elected by the legislature to the contested seat, were presented and ordered to lie on the table. On March 8, 1876 the Senate resolved that Pinchback not be admitted. On December 10 of the next year the Senate agreed to seat Mr. Eustis, who took the oath of office the same day. He served until the term expired on March 3, 1879. Confusion also characterized the contest for the Senate seat the term of which began March 4, 1877. One legislature elected William P. Kellogg while its rival chose Henry M. Spofford. On November 30, 1877, the Senate resolved that Mr. Kellogg was entitled to the seat, which was taken the same day by that gentleman. On March 22, 1880, a Senate investigation committee recommended that Kellogg be unseated and Spofford take his place. The Senate debated the issue but no decision was reached. After Spofford died (on August 20, 1880), Thomas C. Manning was appointed by the Democratic Governor to take Spofford's place as a contestant for the seat. Manning's quest proved as fruitless as had been that of his predecessor. Mr. Kellogg served out the term.

47. Francis W. Sykes v. George E. Spencer, of Alabama (1872–76): Spencer was admitted on March 7, 1873. On May 28, 1874, the Senate resolved that the special committee investigating the claims of Sykes to Spencer's seat be discharged from further consideration of the subject. On December 16, 1875, Spencer asked the committee to investigate the charges of corruption against himself in connection with the late election. On May 20, 1876, the committee cleared him. No further action was taken.

48. Lewis W. Bogy, of Missouri (1873): Senator from March 4, 1873, till his death, December 20, 1877. On March 25, 1873, the Senate compiled with the request of the committee investigating corruption charges against Mr. Bogy that it be permitted to drop its investigation.

49. L. Q. C. Lamar, of Mississippi (1877): Senator from March 6, 1877, till he resigned March 9, 1885. After some debate upon his credentials, Lamar, on March 6, was administered the oath.

50. John T. Morgan, of Alabama (1877): Senator from March 8, 1877, till his death in 1907. Senate, on March 8, 1877, permitted him to take his seat.

51. David T. Corbin v. M. C. Butler, of South Carolina (1877–79): On November 30, 1877, Butler was administered the oath. In 1879, however, debate in the Senate over the claims of Butler V. Corbin was resumed. On February 28, 1879, the contest was conducted by Corbin withdrawing his claim.

52. LaFayette Grover, of Oregon (1877–78): Senator from March 8, 1877, till March 3, 1883. Grover, admitted on March 8, 1877, asked the next day to have his election investigated. On June 15, 1878, he was cleared of all charges.

53. Stanley Matthews, of Ohio (1878–79): Senator from October 15, 1877, till March 3, 1879. On June 5, 1878, Matthews requested the Senate to investigate his connection, if any, with fraud committed in the Louisiana election of 1876. The investigating committee cleared him of fraud but declared his conduct counter to the best interests of the public. No further action was taken by the Senate.

54. Charles H. Bell, of New Hampshire (1879): Senator from April 10, 1879, till June 20, 1879. Senate, on April 10, 1879, resolved that Bell was entitled to fill the vacancy in question.

55. John J. Ingalls, of Kansas (1879–80): Senator from March 4, 1873, till March 3, 1891. On February 17, 1880, the committee investigating Ingalls exonerated him of guilt relative to bribery charges. No further action was taken by the Senate.

56. Elbridge G. Lapham and Warner Miller, of New York (1881): Senate investigating committee, on December 12, 1881, requested that it be discharged from further consideration of the Lapham and Miller election. The next day the Senate so ordered; nothing further was done.

57. Henry W. Blair, of New Hampshire (1885): Senator from June 20, 1879, to March 3, 1891. Senate, on March 10, 1885, agreed that he was entitled to his second term.

58. Henry B. Payne, of Ohio (1885–86): Senate investigating committee, on July 15, 1886, decided not to investigate charges of corruption against him.

59. David Turpie, of Indiana (1887–88): On December 5, 1887, almost 6 months after the committee (the Committee on Privileges and Elections) investigating his credentials and a memorial from the Indiana Legislature had been discharged from further consideration of his case, Turpie took his seat. On the same day another memorial from Indiana was referred to the Committee on Elections and Privileges. On May 14, 1888, the committee asked to be discharged from further investigation. The next day the Senate agreed that the case be dropped.

60. Daniel B. Lucas v. Charles J. Faulkner, of West Virginia (1887): On December 12, 1887, the credentials of Lucas and Faulkner were referred to the Committee on Privileges and Elections. Two days later the committee reported in favor of Faulkner. The Senate agreed the same day to seat him.

61. William A. Clark and Martin Maginnis v. Wilbur F. Sanders and Thomas C. Power, of Montana (1890): In January 1890 the credentials of Clark, Maginnis, Sanders, and Power were referred to the Committee on Privileges and Elections. On April 16, 1890, the Senate agreed to the majority report of the committee; and Sanders and Power were seated.

62. George L. Shoup and William J. McConnell, of Idaho (1890): Shoup took his seat on December 29, 1890, but his credentials were referred to the Committee on Privileges and Elections. On January 5, 1891, that committee recommended that Shoup be confirmed in his seat and that McConnell be permitted to assume the other Idaho seat. The Senate concurred the same day.

63. Fred T. Dubois, of Idaho (1890–91): Dubois' credentials for the 6-year term beginning March 4, 1891, were referred on December 30, 1890, to the Committee on Privileges and Elections. On January 5, 1891, the committee recommended that the credentials be placed on file, as it was not customary to consider any credentials until the term for which they applied had arrived. The Senate had them filed.

64. Horace Chilton, of Texas (1891–92): On December 10, 1891, Chilton, appointed to fill a vacancy, took his seat, but his credentials were referred the same day to the Committee on Privileges and Elections. The committee, on January 25, 1892, asserted that Chilton was entitled to retain his seat. Two days later the Senate concurred. (See the case of Rosier v. Martin, 1941).

65. William M. Clagett v. Fred T. Dubois, of Idaho (1891–92): On December 18, 1890, Dubois was elected to the Senate. On February 6, 1891, however, the Idaho Legislature voted that inasmuch as the validity of Dubois' election was open to question a new election should be held. In the second election Clagett was elected. On December 8, 1891, Dubois, however, was seated; but his credentials, as well as a memorial of protest from Clagett, were referred to the Committee on Privileges and Elections. On March 3, 1892, the Senate resolved that Dubois was entitled to his seat.

66. Wilkinson Call, of Florida (1891): On December 7, 1891, Call presented himself for admission, but was not seated until the next day. His credentials, however, were referred the same day to the Committee on Privileges and Elections.

67. Robert H. M. Davidson v. Wilkinson Call, of Florida (1892): On May 26, 1891, the joint assembly of Florida elected Call United States Senator, but a quorum of the State senate was not present at the voting. The governor, believing the lack of a senate quorum invalidated the election, appointed Davidson, as of September 22, 1891, to be Senator. The credentials of both Call and Davidson were presented to the United States Senate on Decmeber 7, 1891. The next day Call was seated, while his credentials and those of Davidson were referred to the Committee on Privileges and Elections. The Commitee, on February 1, 1892, reported in favor of Call, asserting that the joint assembly rightly was composed of not the two houses, but of the members thereof; thus a majority of all the members elected to both houses constituted the one true quorum. On February 4, 1892, the Senate agreed to the report, and declared Call lawfully entitled to his seat.

68. Lee Mantle, of Montana (1893): On March 4, 1893, the governor appointed Mantle to fill a vacancy, after the State legislature had adjourned without electing a successor to the seat. On March 9, 1893, Mantle's credentials were ordered by the United States Senate to lie on the table. The Committee on Privileges and Elections submitted a report on March 27, 1893, in which Mantle's claim to the seat was defended. The Senate, however, decided on August 28, 1893, that Mantle was not entitled to be seated.

69. Asabel C. Beckwith, of Wyoming (1893): On March 9, 1893, the governor appointed Beckwith to fill a vacancy, after the

State legislature had adjourned (like the Montana Legislature in the case of Lee Mantle) without electing a successor to the seat. Beckwith's credentials were presented on March 15, 1893, and ordered to lie on the table, from which they were later referred to the Committee on Privileges and Elections. On March 27, 1893, the committee in its report supported Beckwith's claim; but the Senate failed to adopt the recommendation of the committee. That chamber on August 7, 1893, received Beckwith's resignation of his appointment as Senator.

70. John B. Allen, of Washington (1893): On March 10, 1893, the governor appointed Allen to fill a vacancy, after the State legislature had adjourned without electing a successor to the seat. Allen's credentials were referred to the Committee on Privileges and Elections. The committee reported March 27, 1893, recommending that Allen be admitted to a seat. On August 28, 1893, the Senate voted that he not be admitted.

71. William N. Roach, of North Dakota (1893): In March and April 1893, resolutions providing for an investigation of allegations charging Roach, who had already been seated in the Senate, with criminal embezzlement were introduced. No action was taken following debate in the Senate.

72. Joseph W. Ady v. John Martin, of Kansas (1893–95): After Martin was admitted to a seat on March 4, 1893, a memorial from the Kansas legislature protesting his seating was received by the Senate. The State legislature asserted that the election of Martin was illegal, whereas the subsequent election of Ady was the only valid election. The case was referred to the Committee on Privileges and Elections and debated in the Senate; but the Committee never made a report nor did the Senate ever bring the matter to a vote.

73. Warren T. Reese, of Alabama (1895): On February 1, 1895, Reese's credentials were presented to the Senate. After a short discussion, the credentials were ordered to lie on the table, from which they were not disturbed.

74. Henry A. DuPont, of Delaware (1895–97): DuPont's petition claiming a seat in the Senate was presented on December 4, 1895. The petition included a certificate signed by the speaker of the Delaware House of Representatives which stated that DuPont was elected to the Senate by the Delaware Joint Assembly on May 9, 1895. In this election DuPont received 15 votes, one shy of a majority if William T. Watson's vote for Edward Ridgely could be considered valid. DuPont asserted that the vote was not valid inasmuch as Watson had taken the oath of office as governor on April 9, 1895, and thus was no longer entitled to serve as a State senator or to vote as one. DuPont's claim was referred to the Committee on Privileges and Elections, which, on February 18, 1896, submitted its report, in which Dupont's claim was upheld. On May 15, 1896, the Senate rejected the recommendation of the committee and declared DuPont not entitled to a seat. In January of the following year DuPont requested that his case be reopened. His memorial was referred to the Committee on Privileges and Elections which recommended that the case be dropped. It was.

75. Andrew T. Wood, of Kentucky (1897): Joseph C. S. Blackburn's term expired March 3, 1897. With the State legislature not then in session, the Governor appointed Wood on March 5, 1897, to fill the vacancy. Five days later Wood's credentials were presented to the Senate, from which body they were referred to the Committee on Privileges and Elections. The committee failed to report upon them. The Kentucky Legislature some time later elected William J. Deboe to fill the vacancy, and he was permitted to take the seat.

76. Henry W. Corbett, of Oregon (1897–98): On March 3, 1897, the term of John M. Mitchell as a Senator expired. As the joint assembly of Oregon had adjourned on February 24, 1897, without electing a successor to Mitchell's seat, the Governor, on March 6, 1897, appointed Corbett to the vacancy. On March 15, 1897, Corbett's credentials were presented to the Senate and then referred to the Committee on Privileges and Elections. The committee, on January 26, 1898, reported, submitting at the same time a resolution to the effect that Corbett was not entitled to a seat. On February 28, 1898, the Senate agreed not to admit Corbett to a seat.

77. John A. Henderson, of Florida (1897): On March 3, 1897, Wilkinson Call's term expired. As the Florida legislature (which normally elected the Senators) was not to convene until April 1897, and as a special session of the United States Congress had been called for March 15, 1897, the Florida Governor, on March 6, 1897, appointed Henderson to fill the vacancy. The latter's credentials, as later amended, were referred to the Committee on Privileges and Elections on March 25, 1897. The committee never submitted a report. On May 14, 1897, Stephen R. Mallory was elected to the position by the Florida Legislature; he took his seat the following day.

78. John E. Addicks v. Richard R. Kenney, of Delaware (1897): The term of Anthony Higgins expired March 3, 1895. On January 21, 1897, the credentials of John E. Addicks, certifying to his election by the legislature on January 20, 1897, for the term beginning March 4, 1895, were presented to the Senate. On February 5, 1897, the credentials of Richard R. Kenney, certifying to his election by the legislature on January 19, 1897, were likewise presented to the Senate. Addick's credentials were signed by the speaker of the State senate, by the speaker of the State house, and by the clerks of both chambers; Kenney's credentials were signed by the Governor, Kenney was admitted to a seat the same day—February 5—that his credentials were presented. On March 19, 1897, Addicks presented a petition to the Senate protesting the seating of Kenney. The petition was referred the same day to the Committee on Privileges and Elections, but no action was ever taken upon it.

79. Marcus A. Hanna, of Ohio (1898–1900): On March 5, 1897, John Sherman resigned as Senator. After being elected by the State legislature to the vacant position, Hanna, on January 17, 1898, took his seat in the United States Senate. On May 28, 1898, the report of the committee appointed by the Ohio Senate to investigate bribery charges was referred to the Committee on Privileges and Elections of the United States Senate. The committee, on February 28, 1899, reported and asked permission to drop the case. The Senate itself took no further action, other than to order the committee's report to lie on the table. On June 5, 1900, however, Senator Foraker had the entire report (of the Committee on Privileges and Elections) inserted in the RECORD.

80. Matthew S. Quay, of Pennsylvania (1899–1900): On March 3, 1899, Matthew S. Quay's term as Senator expired. On April 21, 1899, after the legislature had failed to elect Quay's successor, the Governor appointed Quay to succeed himself. Quay's credentials were presented, on December 4, 1899, to the Senate, and were referred the same day to the Committee on Privileges and Elections. On January 23, 1900, the committee reported, asserting that Quay was not entitled to a seat. The Senate, on April 24, 1900, upheld the committee; and Quay was not admitted to a seat.

81. Nathan B. Scott, of West Virginia (1899–1900): Before Scott appeared to take his seat, for the term beginning March 4, 1899, certain memorials protesting against his seating were presented to the Senate. On December 4, 1899, when the first session of the 56th Congress opened, Scott was seated without objection. Two days later, memorials of protest and a resolution debarring Scott were referred to the Committee on Privileges and Elections. On March 20, 1900, the committee reported, asserting that Scott was entitled to his seat. The Senate, on April 27, 1900, agreed to his admission.

82. William A. Clark, Montana (1899–1901): On the same day, December 4, 1899, that Clark took his seat, a memorial and a petition remonstrating against his seating were presented to the Senate. These were immediately referred to the Committee on Privileges and Elections. On April 23, 1900, the committee submitted its report, which declared that Clark had not been legally elected, inasmuch as 8 votes of his majority of 15 had been obtained through corrupt methods. On May 11, 1900, Clark resigned as Senator.

83. Martin Maginnis v. William A. Clark, of Montana (1900): On May 15, 1900, the acting governor (the lieutenant-governor) of Montana appointed Clark who had resigned from the Senate only 4 days earlier, to succeed himself. The governor, however, revoked the appointment by the acting governor, and on May 19, 1900, appointed Maginnis to the vacancy. Both Clark and Maginnis submitted claims to the Senate relative to the seat in question, but that body took no action whatever in determining which of the claimants was entitled to the seat. It remained vacant until March 7, 1901.

84. Reed Smoot, of Utah (1903–07): On February 23, 1903, the credentials of Smoot, elected for the term beginning March 4, 1903, were presented to the Senate. On the same day a protest against his seating by a group of Utah citizens was introduced; 3 days later another protest was filed. Both remonstrances asserted that inasmuch as Smoot was a polygamist and an apostle of the Mormon Church he was disqualified from taking the oath required of a Senator. On March 5, 1903, and after his credentials had been found in good order, Smoot was seated without objection. On January 27, 1904, however, the Senate passed a resolution that the Committee on Privileges and Elections be permitted to investigate the right of Smoot to his Senate seat. It was not until June 11, 1906, that the committee submitted its report, which declared that Smoot was not entitled to his position. The final Senate vote on the resolution of the committee that he not be seated was taken on February 29, 1907, virtually 4 years after his credentials had been filed. The Senate on that day sustained Smoot in his seat, after passing a resolution that same day to the effect that the vote of at least two-thirds of the Senators present would be required to declare him not entitled to his seat.

85. Charles H. Dietrich, of Nebraska (1904): Dietrich, elected by the legislature, took his seat on December 2, 1901. On February 1, 1904, Dietrich asked to have a special committee of Senators investigate charges of corruption against him in connection with the appointment of a postmaster and the leasing of a post office building. On April 14, 1904, the special committee submitted its report, in which Dietrich was completely exonerated. No further action was taken by the Senate.

86. James A. Hemenway, of Indiana (1905): On January 17, 1905, Hemenway was elected by the legislature to fill a vacancy which, by the terms of the incumbent's resignation, was to occur 2 months later. On February 21, 1905, Hemenway's credentials were presented to the Senate. After some debate on the propriety of seating a candidate who had been elected to fill an anticipated vacancy, the credentials, on February 21, 1905, were placed on file. On March 4, 1905, Hemenway was permitted to take his seat. (See the case of Rosier v. Martin, 1941.)

87. Joseph R. Burton, of Kansas (1906): On January 25, 1901, Burton's credentials

were presented to the Senate; on March 4, 1901, he took his seat. Five years later, on May 22, 1906, the Senate adopted a resolution directing the Committee on Privileges and Elections to investigate the legal effect of the decision of the Supreme Court in the case of Joseph R. Burton. No report was ever submitted, but on June 5, 1906, the Senate was notified of Burton's resignation from that body.

88. John W. Smith, of Maryland (1908): On March 25, 1908, Smith was elected to fill a vacancy caused by the death of William P. Whyte. The next day his credentials were presented, but he was not seated. Objection was made on the ground that Smith's election had not been according to the Constitution and laws of the United States. The Federal act of 1866 provided that in case of a vacancy occurring during a session of the legislature the election to fill that vacancy should be held on the second Tuesday after the legislature had organized, or on the second Tuesday after the legislature had been notified of such vacancy. As Whyte had died on Tuesday, March 17, it was contended that the second Tuesday would have been March 31. Others, however, asserted that the regular custom should be observed and that Smith be seated on the strength of his credentials. Afterward, his credentials could be referred to the Committee on Privileges and Elections, which unit would then determine whether or not Smith was entitled to retain his seat. The Senate that same day, March 26, 1908, refused to refer the credentials to the Committee on Privileges and Elections, but voted, instead, immediately to seat Smith. No further action was taken by the Senate.

89. William Lorimer, of Illinois (first investigation—1910–11): On May 26, 1909, Lorimer was elected by the Illinois Legislature on the 95th joint ballot; on June 18, 1909, he took his seat. A year later, on May 28, 1910, he introduced a resolution demanding an investigation of charges contained in a Chicago Tribune article that he had been guilty of bribery in connection with his victorious election campaign. On June 7 of the same year further charges of bribery were hurled at him; these were referred to the Committee on Privileges and Elections. Two weeks later the Senate directed that committee to investigate the methods employed in Lorimer's election. On December 21, 1910, the committee submitted its report, exonerating Lorimer. It was found that even if four members of the general assembly had been guilty of bribetaking, Lorimer still would have had a majority of the votes cast in the assembly. On January 9, 1911, Senator Beveridge, one of the two dissenting members of the committee, submitted a resolution declaring that Lorimer was not entitled to his seat. After debating for weeks on the merits of the committee report and the Beveridge resolution, the Senate on March 1, 1911, upheld the report and refused to pass the resolution.

90. William Lorimer, of Illinois (second investigation—1911–12): On April 6, 1911, Senator La Follette introduced a resolution providing for a reinvestigation of Lorimer's election by a special Senate committee. Other resolutions of similar nature followed, all holding that the Senate had authority to reopen the case on the ground of newly discovered evidence. On June 6, 1911, the Illinois Senate officially requested the National Senate to reinvestigate the election. The next day the United States Senate authorized a reexamination of the case by a committee comprising eight specified members of the Committee on Privileges and Elections. On May 20, 1912, the majority report of the committee was submitted. It held that inasmuch as no new evidence had been unearthed, the previous verdict of the Senate should be considered final. The report, nevertheless, reviewed the charges of corruption on Lorimer's part, but pronounced all of them baseless. On the same day, May 20, Senator Lea submitted the minority views, and also introduced a resolution declaring that Lorimer was not entitled to his seat. After almost 2 months of debate on the majority report, the views of the minority, and Lea's resolution, the Senate, on July 13, 1912, adopted the Lea resolution, and Mr. Lorimer's seat was declared vacant. (see the Steck v. Brookhart case, 1926.)

91. Isaac Stephenson, of Wisconsin (1911–12): On March 15, 1909, Stephenson took his seat. More than 2 years later, on August 15, 1911, the Senate authorized the Committee on Privileges and Elections to investigate certain charges of corruption preferred against Stephenson by the Wisconsin Legislature. The committee reported February 12, 1912, the majority declaring that even though more than $107,000 had been spent in the primary election alone, the charges against Stephenson could not be sustained. On March 27, 1912, the majority report, exonerating Stephenson, was adopted.

92. Henry A. DuPont, of Delaware (1912): DuPont's credentials were presented to the Senate on January 26, 1911; on April 4 of the same year he took his seat. Senator Reed on February 26 of the following year submitted a resolution authorizing the Committee on Privileges and Elections to investigate DuPont's conduct relative to certain Delaware elections in 1904 and 1910. The next day DuPont denied that he was guilty of any malpractice. On the succeeding day, February 28, 1912, Reed's resolution was referred to the Committee on Privileges and Elections, but no further action was taken by the Senate.

93. Clarence W. Watson and William E. Chilton, of West Virginia (1912–13): On February 2, 1911, Watson took his seat as a Senator for the term ending March 3, 1913; on April 4, 1911, Chilton was admitted as a Senator for the term beginning March 4, 1911. The following year, on August 26, 1912, a petition from five West Virginia citizens was presented, praying that an investigation be held relative to the election of Watson and Chilton inasmuch as the new Senators, they alleged, had employed bribery and corruption in their quest of Senate seats. The petition was referred to the Committee on Privileges and Elections. On February 11, 1913, the committee reported, exonerating Watson and Chilton of all blame. The Senate the same day adopted both the report and a resolution of the commitee that the latter be discharged from further consideration of the case.

94. Albert B. Fall, of New Mexico (1912): The first State legislature of New Mexico, convening early in 1912, elected Fall for the short term, as well as for the long term beginning March 4, 1913. Protests challenging the right of that session of the legislature to elect for the long term were referred to the Committee on Privileges and Elections. No official inquiry was made, however, as the next regular session of the State legislature, meeting in January, removed all doubts by again electing Fall for the long term.

95. Henry D. Clayton, of Alabama (1913): Joseph F. Johnston, elected by the Alabama legislature for the 6-year term beginning March 4, 1909, died in office August 8, 1913. The Seventeenth Amendment to the Constitution, providing for the direct election of Senators, was adopted by the last necessary State on April 8, 1913. On August 12, 1913, the Governor appointed Henry D. Clayton to serve in the Senate until the next regular session of the Alabama legislature met, which would be in 1915. Clayton's credentials were presented to the Senate on August 20, 1913, but were referred the same day to the Committee on Privileges and Elections. The Governor contended that any vacancy occurring through the death, resignation, or expulsion of any Senator elected before the amendment took effect had to be filled according to the dictates of the original Constitution—that is, temporarily by appointment by the Governor, and thereafter by election by the legislature. Before any report was submitted by the Committee, Clayton, on October 21, 1913, had his credentials withdrawn.

96. Frank P. Glass of Alabama (1913–14): On November 17, 1913, the Governor appointed Glass to fill the vacancy occasioned by the death of Senator Joseph F. Johnston. His credentials were immediately referred, as had been those of Henry D. Clayton, to the Committee on Privileges and Elections, which was authorized to determine whether the Governor had the legal authority to make the appointment or whether the vacancy should have been filled by a special election by the people of Alabama. The Governor and his supporters contended that the 17th amendment did not apply in the cases either of Clayton or Glass; any vacancy occurring during the full 6-year period for which any Senator had been elected prior to the ratification of the amendment should, they maintained, be filled according to the provisions of the original Constitution. A majority of the committee was not impressed by such reasoning, and, in reporting to the Senate, on January 21, 1914, submitted a resolution that Glass not be seated. On February 4, 1914, it was adopted by a vote of 34 to 30.

97. Blair Lee, of Maryland (1914): In January 1910, Isidor Rayner was elected by the Maryland Legislature to the Senate for the 6-year term ending March 3, 1917. On November 25, 1912, he died. The Governor, acting under the old provision of the Constitution, on November 29, 1912, appointed William Purnell Jackson to fill the vacancy. On August 2, 1913, he issued, in accordance with the 17th amendment, a writ of election, to fill the deceased Rayner's seat with a permanent successor. In the ensuing election, held November 4, 1913, Blair Lee emerged the victor. Blair's certificate of election was presented to the Senate on December 5, 1913, which body referred it the same day to the Committee on Privileges and Elections. On January 19, 1914, the majority submitted its report, with a resolution that Blair be seated—even though the conditions of the election had not been prescribed by the Maryland Legislature. The Senate adopted the resolution on January 28, 1914.

98. William E. Chilton v. Howard Sutherland, of West Virginia (1916–18): Sutherland was elected on November 7, 1916, for the term of 6 years beginning March 4, 1917. On March 14, 1917, Chilton, the defeated candidate and former incumbent, had a petition presented to the Senate requesting an investigation into the legality of the late election. The petition was referred the same day to the Committee on Privileges and Elections. On June 26, 1918, the committee reported back, and recommended that the Senate adopt a resolution that Sutherland had been duly elected. Three days later the Senate did so.

99. Henry Ford v. Truman N. Newberry, of Michigan (1918–22): In the primary election of August 27, 1918, Newberry was elected the Republican nominee while Ford, who had also sought the Republican nomination, was chosen as the Democratic standard-bearer. In the general election of November 5, 1918, Newberry received a majority of 7,567 votes. On January 6, 1919, and again on May 20 of the same year, Ford presented petitions protesting Newberry's election. These remonstrances alleged that illegally excessive sums had been expended on Newberry's behalf in both the primary and general elections, and that undue influence had been exerted on the voters during the latter election. On May 19, 1919, however, Newberry was permitted to take his seat. On November 29, 1919, Newberry

and 84 others were indicted for violating the Federal acts of 1910–1911 regulating election expenditures on the grounds that excessive sums had been spent in Newberry's behalf during the primary campaign and that primary elections had to be considered subject to Federal restrictions just as much as general elections. Ten weeks later the grand jury, sitting in a Michigan district court, convicted Newberry and 16 associates. An appeal was at once submitted to the Supreme Court of the United States, which, in an opinion delivered on May 2, 1921, set aside the conviction. Four of the nine justices declared that Congress lacked power to regulate nominations, while a fifth, Chief Justice White, concurred in the judgment of reversal even though he dissented from the court's opinion. The Chief Justice held that inasmuch as the trial judge had erred in his charge to the Michigan jury the finding of the lower court had to be reversed. Meanwhile, the Senate, on December 3, 1919, had authorized the Committee on Privileges and Elections to investigate the Newberry-Ford contest. Almost 2 years later, on September 26, 1921, the majority and minority reports of the committee were submitted. The majority held that even though approximately $195,000 had been expended on Newberry's behalf—most of it in the primary—he had had no knowledge of such expenditure, and was therefore not guilty of violating either the State or Federal acts limiting election expenditures. The minority report contended that the Michigan law prohibited an election expenditure of over $3,750 on the part of any candidate; that Newberry was fully cognizant of the amounts contributed in his behalf; that therefore the Senate should declare his seat vacant. On January 12, 1922, the Senate, by a vote of 46 yeas and 41 nays, declared Newberry a duly elected Senator. On November 8, 1922, after realizing that his position could never be other than uncomfortable, he resigned his seat.

100. Earle B. Mayfield, of Texas (Peddy v. Mayfield 1923–25): On November 7, 1922, Mayfield was elected to the Senate. Three months later, on February 22, 1923, George Peddy, who had been Mayfield's chief opponent for the seat, filed a petition contesting the election and requesting an investigation. The petition charged that Mayfield had been guilty of illegal practices in both the first and "run off" primaries as well as in the general election. One of the more serious charges was that Mayfield had entered into a conspiracy with the Ku Klux Klan. The remonstrance was referred the same day, February 22, 1923, to the Committee on Privileges and Elections. Before the committee could report, Mayfield, on December 3, 1923, was sworn in. On February 2, 1925, the committee finally submitted its report, which, while admitting that many irregularities and violations of the law had occurred during the various elections, found that such acts had not been sufficiently prevalent or venal to play a decisive role in determining the victor; and unanimously recommended, therefore, that the contest be dismissed from further Senate consideration. The next day, February 3, 1925, the Senate unanimously agreed to do so.

101. Holm O. Bursum v. Sam G. Bratton, of New Mexico (1925–26): Bratton was elected for the term beginning March 4, 1925, defeating the incumbent Senator, Holm O. Bursum. On January 8, 1925, Bursum filed with the Secretary of the Senate a notice of his intention to contest the election, as well as a petition charging that a number of irregularities, including falsification of ballots, had characterized the election. On March 4, 1925, Bratton was admitted to a seat. Six days later a resolution to investigate the charges against Bratton was referred to the Committee on Privileges and Elections, which at once appointed a subcommittee to conduct hearings on the contest. Bursum now decided to waive most of the charges, stating that he would base his case upon a recount of the ballots; and should the recount fail to dissipate the contestee's plurality, he was willing to have the contest dismissed. On April 30, 1926, the full committee reported and unanimously recommended that Bratton be declared a duly elected Senator. The committee in its report concluded that even if the contestant were granted credit for everything he claimed, the contestee still would enjoy a substantial majority. The Senate the same day approved the recommendations.

102. Danial F. Steck v. Smith W. Brookhart, of Iowa (1825–26): In the election of November 4, 1924, Brookhart, Republican incumbent, defeated Steck, the Democratic nominee. On January 8, 1925, the latter had a petition of contest filed in the Senate, in which the contestant asserted that in the election there had been considerable falsification of ballots in Brookhart's favor. The Republican State Central Committee of Iowa on March 3, 1925, followed up with a complaint of its own against the seating of Brookhart, charging that the latter was not truly a Republican—that he had secured the Republican primary nomination under false pretenses. (Some observers felt that the Iowa group wanted Brookhart's seat declared invalid simply because he was too independent to please the Iowa party leaders.) Brookhart, nevertheless, was permitted to take his seat the following day. Six days later, on March 10, 1925, the Committee on Privileges and Elections was authorized to investigate the conduct of the election. After each party to the contest had agreed to have a recount of the ballots to determine who had been elected, a subcommittee was organized to make the recount. On March 29, 1926, the full committee reported, after having adopted the finding of the subcommittee to the effect that Steck enjoyed a plurality of 1,420 votes in the recount, and recommended that he be given Brookhart's place. On April 12, 1926, the Senate complied, by adopting a resolution that Steck be declared a duly elected Senator. The vote was 45 to 41. Thus Brookhart, like Albert Gallatin, James Shields, James Harlan, John P. Stockton, and William Lorimer was removed by less than a two-thirds vote. In the earlier days it had been customary to deny a seat by a majority vote, whereas the constitutional provision requires a two-thirds vote for expulsion once a Senator is seated. The Lorimer case established a precedent by expelling with only a majority vote, but the resolution denying Lorimer a seat was so worded as to declare the election invalid and the seat vacant.

103. Magnus Johnson v. Thomas D. Schall, of Minnesota (1925–26): In the election of November 4, 1924, Schall defeated Johnson, the incumbent. On February 2, 1925, Johnson had filed with the Senate a complaint contesting Schall's election, charging that the contestee had been guilty of various violations of the Corrupt Practices Acts of both the United States and the State of Minnesota. On March 4, 1925, Schall was given a seat in the Senate. Six days later that body authorized the Committee on Privileges and Elections to investigate the charges made against Schall. Fifteen months later, on June 8, 1926, the committee reported with a resolution that Schall be declared a duly elected Senator. Eight days later the Senate unanimously agreed to the resolution.

104. Gerald P. Nye, of North Dakota (1925–26): On November 14, 1925, the Governor appointed Nye to fill the seat vacated by Senator Edwin F. Ladd's death until the vacancy could be permanently filled through a special election called for June 30, 1926. On December 7, 1925, Nye's credentials were referred to the Committee on Privileges and Elections. The case revolved around the issue as to whether or not the Governor had been granted authority by the State legislature to make a temporary appointment until the voters of the State could permanently fill the vacancy through a special election. In 1917 the legislature adopted a bill authorizing the Governor to fill all vacancies in State offices, with certain exceptions, by appointment. The statute did not refer to the office of United States Senator or to the 17th amendment, clause 2 of which reads: "When vacancies happen in the representation of any State in the Senate, the executive authority of such State shall issue writs of election to fill such vacancies: *Provided*, That the legislature of any State may empower the executive thereof to make temporary appointments until the people fill the vacancies by election as the legislature may direct." On December 16, 1925, the committee reported, with a resolution by the majority, that Nye be declared not entitled to a seat. The majority held that the State legislature in enacting the statute of 1917 had not intended to endow the Governor with power to make temporary appointments to the United States Senate, that the legislature had deliberately refrained from mentioning United States Senatorships in providing for the filling of vacancies in State offices simply because it had not considered Senators State officers. Senator Stephens submitted the minority report in which it was asserted that Senators are State officers, and therefore it was unnecessary for the legislature in granting authority to the Governor to make temporary appointments to refer in any way to the 17th amendment; or, in other words, to grant the Governor specific power to make temporary senatorial appointments. On January 12, 1926, the Senate, while not necessarily adopting Senator Stephens' opinion that Senators were State officers, agreed by a vote of 41 to 39 to seat Mr. Nye, who was administered the oath the same day.

105. Arthur R. Gould, of Maine (1926–27): On November 20, 1926, Gould was elected Senator to fill a vacancy; on December 6, 1926, he was permitted to take his seat. The next day the Committee on Privileges and Elections was authorized to investigate charges made against Gould that he had been guilty of malpractices, including that of bribery, in having a railroad constructed in the Province of New Brunswick, Canada. Although the alleged acts had been committed more than 14 years previous to Gould's election, the Senate, the next day, ignored the argument advanced by Gould's attorneys that the Senate had no right under the Constitution to inquire into pre-election acts, and by an overwhelming vote insisted that an investigation be conducted. On March 4, 1927, the committee reported, exonerating Gould of all charges and recommending that his right to a seat be confirmed. The Senate approved the recommendation.

106. Frank L. Smith, of Illinois (1926–28): In the Illinois Republican primary of April 13, 1926, Smith, chairman of the Illinois Commerce Commission, defeated the incumbent, Senator William B. McKinley. In the general election of November 2, 1926, Smith again was the victor, defeating George E. Brennan, the Democratic nominee. Although no contest was filed against him in regard to either his nomination or election, the Senate, on May 19, 1926, authorized a special committee to investigate the means used to influence the primary nominations in the 1926 Senate campaign. The committee submitted several reports, which disclosed that $514,143 was expended in the primary in behalf of McKinley while $458,782 was contributed in Smith's favor. Samuel Insull was found to have helped Smith in his primary fight with a gift of $125,000. Insull was an Illinois public utilities magnate and as such was subject to the regulation of the Illinois Commerce Commission, of which Smith was chairman at the time of his election to the Senate. Insull, oddly enough, contributed $15,000 to the

general election campaign of Smith's Democratic opponent, George E. Brennan. Although the Illinois statutes did not specify the amount that any candidate could expend or have expended on his behalf, nor did they require a filed statement disclosing the amount expended; and although the Federal Corrupt Practices Act of 1911, which provided for restrictions on senatorial campaign expenditures, had been declared unconstitutional in the Newberry case as far as it related to primary elections, the Senate had committed itself to a precedent in the Newberry resolution, which despite its endorsement of Newberry's seating, condemned his extravagant expenditure in the primary election. On December 7, 1926, Senator McKinley, who had been defeated by Smith in the primary for the term beginning March 4, 1927, died in office. The Governor 9 days later appointed Smith to fill the unexpired seat. On January 20, 1927, the Senate authorized the Committee on Privileges and Elections to study the question of the prima facie right of Smith to be sworn in as an appointed Senator to fill a vacancy, as well as his final right to the seat as an elected Senator. The Congress adjourned, on March 4, 1927, before the committee could complete its hearings and thus Smith was not permitted to fill the unexpired term to which he was appointed. On January 17, 1928, the special committee submitted its final report, recommending that Smith be declared not entitled to a seat. The Senate 2 days later accepted by a vote of 61 to 23 the recommendation, and the question of Smith's final right to a seat was thus settled. On February 9, 1928, Smith offered his resignation to the Governor, Len Small. The Governor accepted declaring that a vacancy existed, and then appointed the same Smith to fill the unexpired term. Smith again was refused a seat. The Governor then called for a special election for United States Senator for November 6, 1928. In the primary, held April 10, 1928, Smith was defeated by Otis F. Glenn. Smith was at last finished.

107. William S. Vare, of Pennsylvania (Wilson v. Vare 1926–29): In the Pennsylvania Senatorial primary of May 18, 1926, William S. Vare, Republican, received 596,928 votes; George Wharton Pepper, Republican and incumbent Senator, received 515,502 votes; and Gifford Pinchot, Republican and governor of Pennsylvania, received 339,127 votes. The unopposed Democratic candidate, William B. Wilson, received 153,750 votes. On May 19, 1926, the Senate authorized the creation of a special committee to investigate expenditures in the Senatorial primaries and general elections for the 6-year term beginning March 4, 1927. The Committee devoted its time primarily to the Smith case in Illinois and the Vare contest in Pennsylvania. In the latter State the primary contest between Vare and Pepper was a factional one between coalition tickets, headed by the Vare-Beidleman machine on the one hand and the Pepper-Fisher machine on the other, for political control of the State. Vare and Fisher won in the general election for Senator and governor, respectively. On December 22, 1926, the special committee disclosed in a report that in the primaries the Vare-Beidleman machine expended $785,934; the Pepper-Fisher organization, $1,803,979; whereas Pinchot received contributions amounting to $187,029, and Wilson had $10,088 expended in his behalf. On January 10, 1927, Governor Pinchot filed a certificate of election of Vare as Senator, but refused to certify that he had been chosen by the qualified electors of that State. The Senate the same day authorized the special committee to commandeer the records of the general election held on November 2, 1926. On March 4, 1927, Wilson had a formal statement of contest submitted to the Senate, which was immediately referred to the Committee on Privileges and Elections. Wilson based his protest not on excessive expenditures but on widespread falsification of ballots. When Congress reassembled in December, 1927, Vare was not permitted to take a seat. On February 22, 1929, the special committee submitted its final report, recommending that Vare be declared not entitled to a seat. No action was taken on the report during that session. On December 5, 1929, the Committee on Privileges and Elections reported, declaring that Vare had received a plurality of the legal votes cast. The next day the Senate by a vote of 58 to 22 denied Vare a seat; and by a vote of 66 to 15 agreed that neither had Wilson been elected to the Senate. While the Vare case was under discussion in the Senate the Supreme Court answered a number of questions besetting the former body. In the famous *Cunningham* case (279 U. S. 597) the Court held that when a Senator elect presents himself before the Senate with his credentials the jurisdiction of the Senate to ascertain the validity of his claim is invoked; and the Senate's power to adjudicate such claim or rights immediately attaches by virtue of section 5 of article 1 of the Constitution; and whether or not the credentials should be accepted and the oath administered, pending this adjudication, is a matter involving only the discretion of the Senate. The Court further held that the refusal of the Senate to seat a claimant pending investigation does not deprive that claimant's State of its "equal suffrage in the Senate" within the meaning of article V of the Constitution.

108. Joseph R. Grundy, of Pennsylvania (1929–30): on December 11, 1929, Governor Fisher appointed Joseph R. Grundy to the vacancy occasioned by the Senate's refusal to seat either Vare or Wilson. The next day Grundy's certificate of appointment was presented to the Senate. Immediately objection arose as to his right to the seat, especially on the ground that he had raised and contributed a combined total of approximately $400,000 from Pennsylvania manufacturing interests for the 1926 Pepper-Fisher campaign fund. All told, the Pepper-Fisher ticket, supporting Pepper for Senator and Fisher for governor in the Republican primary as against the candidacies of Vare and Beidleman, respectively, for the same offices, boasted an expenditure of $1,804,979. The debate over the seating of Grundy not only considered the latter's fitness in view of his excess expenditures in behalf of Pepper and Fisher, but also revolved around the question of the Senate's power, under the Constitution, to inquire behind the returns of a State election in order to decide whether a governor had been legally elected, and whether the Senate enjoyed the authority to question the validity of a senatorial appointment by that governor. Grundy, nevertheless, was permitted to take a seat the same day, December 12, 1929. At the same time, his credentials were referred to the Committee on Privileges and Elections. On January 31, 1930, the Committee reported, declaring that Grundy had been duly and legally appointed and that he was entitled to his seat. No action on the report was taken by the Senate; the case was tacitly dismissed.

109. J. Thomas Heflin v. John H. Bankhead, of Alabama (1930–32): In the general election of November 4, 1930, Bankhead defeated the incumbent, Senator Heflin. On February 24, 1931, Heflin filed his formal petition of protest, charging that he had been defrauded of his right to run in the regular Democratic primary and was forced to run on an independent ticket; and that irregularities, including excessive expenditures, fraud, and intimidation, had marked the general election. The Alabama primary election law permitted political parties to prescribe the qualifications of candidates for the primary election. Heflin, however, asserted that the Democratic State Executive Committee was legally in error in fixing as a qualification for a Democratic candidate in the primary a test of party loyalty in the preceding presidential election and not requiring this same qualification for the voters in that primary. This requirement barred Heflin from entering the Democratic primary, as he had supported the Republican candidate in the 1928 presidential election. On February 28, 1931, the Senate authorized the Committee on Privileges and Elections to investigate the case. On December 7, 1931, Bankhead was administered the oath. On April 18, 1932, the majority of the full committee reported, submitting concomitantly a resolution that Bankhead be declared a duly elected Senator. The majority found that the Supreme Court of Alabama had upheld the legality of a party test oath for candidates only; that the alleged irregularities in the conduct of the general election and of the election officials constituted only infractions of directory provisions of the State law as distinguished from mandatory provisions, and did not invalidate the election; that no evidence of excessive or corrupt expenditures had been disclosed; and that Bankhead could not be coupled personally with any of the alleged irregularities. On April 28, 1932, the Senate declared Bankhead a duly elected Senator by a vote of 64 to 18.

110. George M. Pritchard v. Josiah W. Bailey, of North Carolina (1931–33): Bailey was elected to the Senate for the term beginning March 4, 1931, defeating Pritchard, his Republican opponent. On March 3, 1931, Pritchard filed a petition of contest, which was referred the same day to the Committee on Privileges and Elections. The contestant listed numerous alleged irregularities: Illegal registration of nonresidents, minors, etc.; illegal voting of absentees; falsification of ballots; refusal of election officials either to register or permit qualified Republican voters to cast their ballots; general intimidation of voters; etc. On December 7, 1931, Bailey was permitted to take the oath. Ten days later the Senate authorized the Committee on Privileges and Elections to conduct hearings on any subject which might come before it. On January 13, 1932, however, the Senate refused to appropriate funds for an investigation on the ground that sufficient evidence had not been presented to justify a hearing and investigation. The full Committee on Privileges and Elections, nevertheless, met on January 16, 1932, and studied Pritchard's petition. Bailey the same day filed a motion to dismiss the contest as frivolous, and also filed an answer to Pritchard's charges as well as a demand that the contestant submit a bill of particulars relative to the alleged illegalities on the part of the contestee, Mr. Bailey. On January 2, 1932, Pritchard complied, but his amended petition contained only general allegations. A subcommittee was thereupon authorized by the full committee to report upon the amended petition. On February 3, 1933, it reported that the allegations by Pritchard did not justify the founding of a contest, and recommended, therefore, that the contestant's charges be dismissed. The Senate the same day agreed without a record vote to do so.

111. Einar Hoidale v. Thomas D. Schall, of Minnesota (1932–33): In the election of November 4, 1930, Schall, Republican incumbent, defeated Hoidale, the Democratic nominee. On December 7, 1931, Schall took the oath of office. Four months later, on April 14, 1932, Hoidale filed a petition protesting the election, principally on the ground that violations of both the Federal and Minnesota Corrupt Practices Acts, as well as of Federal postal laws, had occurred in behalf of Schall. The petition was referred the same day to the Committee on Privileges and Elections, which body, on July 16, 1932, informed Hoidale that his petition would be dismissed unless charges contained therein were made

more specific. Holdale thereupon submitted, on August 30, 1932, an amended petition. On January 17, 1933, the committee reported upon both petitions, finding that neither the original petition nor its amendment presented charges definite enough to warrant further investigation; and as for the more specific allegations, they were either answered satisfactorily by the contestee or were found to be of trivial consequence. On January 31, 1933, the Senate agreed without a record vote to a resolution that Schall be declared a duly elected Senator.

112. John E. Erickson, of Montana (1933): After the death of Senator Thomas J. Walsh on March 2, 1933, Gov. John E. Erickson resigned to accept, on March 13, 1933, appointment to the United States Senate by his successor, the former Lieutenant Governor. On March 17, 1933, Erickson was permitted to take the oath. The Senate the same day received a petition protesting Erickson's seating from George M. Bourquin, a Montana Federal judge, who alleged that the seat had been secured (or "purchased") solely by an exclusive bargain between the Governor and the Lieutenant Governor. The petition was immediately referred to the Committee on Privileges and Elections. On February 3, 1934, the committee reported a resolution that it be authorized to investigate the circumstances incident to Erickson's appointment. The resolution was referred the same day to the Committee To Audit and Control the Contingent Expenses of the Senate, from which committee it was never reported back.

113. Dennis Chavez v. Bronson M. Cutting, of New Mexico (1935): In the election of November 6, 1934, Cutting, the incumbent Senator, defeated Chavez by a plurality of 1,261 votes. On January 3, 1935, Cutting was sworn in. On February 25, 1935, Chavez had filed with the Senate a petition contesting Cutting's election and requesting a recount of the ballots. The petition was immediately referred to the Committee on Privileges and Elections. In his protest, Chavez charged that the Cutting forces had been guilty of intimidation of voters, illegal use of influence and money, and falsification of ballots. On March 25, 1935, Cutting filed a motion to dismiss the contest and a brief in support thereof on the grounds that the petition was ambiguous, general, and untrue; and that Chavez had failed to take advantage of a New Mexico statute whereby any unsuccessful candidate for public office, including that of United States Senator, could have the election contested in the district court of the county in which either the contestant or the contestee resided. On April 10, 1935, Chavez filed with the committee an answer to Cutting's motion to dismiss in which he ridiculed Cutting's charge that he, Chavez, had failed to have a contest instituted in a county court. Chavez acidly observed that Cutting wanted the Senate to surrender the right accorded it by the Constitution to be the judge of its own membership, a right the Senate had always jealously guarded. The next day, April 11, 1935, a hearing was held before the Committee on Privileges and Elections on the motion to dismiss, at which time Chavez filed a bill of particulars listing the names of persons who, he charged, had been permitted to vote illegally. Shortly thereafter the committee struck out all charges of illegal use of money but required the contestee, Cutting, to answer to the charges of conspiring to have illegal votes counted for him while preventing the counting of legal votes for the contestant. Cutting thereupon left for New Mexico to take personal charge of an investigation to determine the validity of such charges. While returning to Washington on May 6, 1935, he was killed in an airplane accident. On June 4, 1935, the committee met to receive the late Senator's answer to Chavez's charges which was filed with the committee by Cutting's counsel. Chavez now requested the committee to drop the case, but the group refused to do so until the allegations against Cutting had been proved or disproved. After counsel for the deceased presented the latter's findings, the committee the same day, June 4, 1935, recommended in its report to the Senate that the contest be dismissed, on the ground that the record contained nothing which reflected in any way upon the honor or integrity of the late Senator. The Senate immediately and unanimously agreed to do so.

114. Henry D. Hatfield v. Rush D. Holt, of West Virginia (1935): In the general election of November 1934, Holt defeated Hatfield, the incumbent Senator. Holt did not present himself for seating until after his 30th birthday, which occurred on June 19, 1935. On April 18, 1935, Hatfield had presented to the Senate a petition of protest and contest, charging that the election of Holt was void and asserting that he, Hatfield was entitled to the seat on the ground that he had received the next highest number of votes. On May 15, 1935, a memorial from certain citizens of West Virginia was filed with the Senate alleging that Holt's election was void and that the seat should be declared vacant. Both the petition and the memorial were referred on April 18 and May 15, 1935, respectively, to the Committee on Privileges and Elections. Each protest revolved primarily around the question of Holt's age qualification. It was claimed that inasmuch as Holt would not be 30 years old until June 19, 1935, and was not, consequently, 30 years of age either at the time of his election or at the commencement (January 3, 1935) of the term for which he was elected, his election should be declared void; he had failed to meet the constitutional requirement as provided in paragraph 3, section 3, of article 1 of the Constitution. It was also asserted that his certificate of announcement as a candidate had not been executed. It was ascertained, however, that though the notary before whom Holt acknowledged his candidacy was not an officer of the county in question, he had been commissioned a notary for the State at large and was legally authorized to administer oaths of senatorial candidacy. On June 19, 1935, the committee reported. The majority held that the West Virginia voters were quite aware that Holt would not become of age until June 19, 1935; that the acknowledgment of Holt's candidacy by a notary who was not a county officer was of no importance; that even if the election was void, Hatfield was not entitled to the seat as it had long been recognized that the ineligibility of a majority candidate does not entitle the candidate receiving the next highest number of legal votes to the office; and that the date on which a Senator-elect takes his seat should determine whether or not he had complied with the age qualifictaions as stated in the Constitution. The majority, therefore, submitted a resolution that Holt was entitled to a seat. On June 21, 1935, the Senate, by a vote of 62 to 17, adopted the resolution. Holt the same day took the oath and was seated.

115. H. C. Lowry v. George L. Berry, of Tennessee (1937): On May 6, 1937, the Governor appointed Berry to fill the unexpired term of the late Senator Nathan L. Bachman. Four days later Berry took his seat. The next day, H. C. Lowry, a citizen of Tennessee, had presented to the Senate a petition requesting an investigation of Berry's right to the seat. The petition, which was immediately referred to the Committee on Privileges and Elections, charged that Berry's character was not above reproach; he had been involved in a lawsuit over an accounting of funds due the International Printing Pressmen and Assistants' Union; he had been delinquent in paying his taxes; and his business operations featured unfair competition. It was also alleged that a Presidential "confidant" had telephoned the Governor urging Berry's appointment. Berry shortly thereafter filed with the committee an informal answer denying utterly the truth of all the charges. He stated that the lawsuit had been instituted in 1917 while he was serving with the AEF in France, and had been withdrawn by those who precipitated it. The other charges advanced by Lowry were equally ridiculous. On June 14, 1937, the committee reported, unanimously recommending that the Senate, in view of the fact that Lowry's allegations were insufficient to warrant Senate consideration, dismiss the case. The Senate the same day did so, without a record vote.

116. John R. Neal v. Tom Stewart, of Tennessee (1939): During the Tennessee primary campaign of 1938, a special committee appointed to investigate general senatorial campaign expenditures and the use of Government funds received serious charges from Neal, a candidate in the Democratic primary. Neal alleged that all State primary election officials in Tennessee had been illegally appointed; that Stewart, another Democratic candidate, had expended more money than the law allowed, and such money had been supplied by assessments against WPA and other Federal workers; and that illegal voters had been registered. On January 3, 1939, the committee reported, asserting that essentially the charges could not be sustained, and that no evidence jeopardizing Stewart's right to his seat (which he won defeating Neal, who ran as an Independent in the general election) had been found. Thirteen days later Neal filed a petition with the Senate, which was immediately referred to the Committee on Privileges and Elections. The petition charged Stewart and his followers with having been guilty in the general election of numerous irregularities, including refinements on the offenses committed in the primary. On February 17, 1939, the contestant filed an amended petition—also referred to the Committee on Privileges and Elections—which contained additional and more specific charges. On March 31, 1940, the committee reported, again absolving Stewart of any blame, and recommending that the case be dismissed. The Senate the same day unanimously agreed to do so.

117. Raymond E. Willis v. Frederick Van Nuys, of Indiana (1939): Van Nuys was reelected to the Senate on November 8, 1939, defeating Willis, the Republican nominee. On January 3, 1939, Van Nuys took his seat. On March 13, 1939, Willis filed a petition with the Senate requesting a recount of the ballots and a general investigation of the election. The Republican State central committee supported the petition, which alleged that fraud, bribery, excessive expenditures, abuse of Federal relief funds, etc., had marked the election. The petition, nevertheless, did not charge that Van Nuys himself was in any way connected with such offense, or that he was unfit for the office. On April 13, 1939, the committee reported, recommending that inasmuch as the petition was insufficient it should be dismissed. The Senate the same day unanimously agreed to do so.

118. Joseph Rosier v. Clarence E. Martin, of West Virginia (1941). On January 10, 1941, Gov. Homer A. Holt appointed Clarence E. Martin United States Senator, effective immediately upon the resignation of MATTHEW M. NEELY, who, it was anticipated, would resign on January 12, 1941, to become governor of West Virginia, succeeding Mr. Holt. NEELY did resign on the 12th, claiming that he did so precisely at 12 o'clock midnight. (The governor's term, as fixed by West Virginia statute, begins on the first Monday after the second Wednesday in January; in 1941 the date was January 13.) The very next moment (or sometime between 12:01 and

12:50 a. m.—the several certificates of the oath of office as signed by NEELY before the secretary of state and the president of the supreme court of appeals vary as to the exact time) NEELY appointed, in what he considered his capacity as the new Governor, Joseph Rosier to be United States Senator. Holt, in the meantime, had suspected what NEELY was planning to do, and on January 11 repeated his appointment of Martin; and again, at "the first moment of January 13, 1941," he designated him as NEELY'S successor in the Senate. The case was referred later the same month to the Committee on Privileges and Elections, before which group Martin's counsel maintained that Holt had remained governor for several days after the 12th of January inasmuch as the governor's term is fixed at 4 years; and 4 years from the date of Holt's inauguration would carry it to several days beyond January 12, even though the West Virginia law stated that all the inaugurals had to be staged on the first Monday after the second Wednesday. Martin's counsel held further that NEELY deliberately held off resigning as Senator until the last possible moment in order to be free to make his own successor; but Mr. Holt divined NEELY'S plan and appointed Martin in anticipation of NEELY'S resignation. Holt was able legally to do this because when NEELY resigned as Senator, the governor was still in office, and remained governor until his successor, NEELY, had fully qualified—which was not, Martin's counsel maintained, until 4 or 5 days after January 13. Martin, however, rested his case primarily upon Holt's "right" to make an anticipatory appointment. As proof of such right, he and his counsel cited the Chilton case which in turn was based on other precedents. In April 1891, Senator Reagen, of Texas, resigned, the resignation to take effect on June 10, 1891. The governor, after receiving Reagen's resignation, appointed Chilton, on April 25, 1891, to fill the vacancy, the appointment to take effect on June 10, 1891. On December 7, 1891, Chilton appeared and was seated, although his credentials were referred the same day to the Committee on Privileges and Elections. On January 25, 1892, the committee upheld Chilton's right to a seat, which right the Senate 2 days later confirmed. The committee in 1892 cited a number of precedents in support of its stand: "It appears that in three cases persons so appointed (in anticipation of vacancies) have been admitted to their seats without question; that Mr. Tracy was admitted and Mr. Lanman rejected, where the executive made the appointment in anticipation of a vacancy, there being a discussion in the Senate, but no satisfactory evidence of the grounds of the judgment; that in one case, that of Mr. Sevier, a person so appointed has been admitted, when the validity of the appointment was questioned, upon other grounds, without raising this question specifically; and that in modern times the practice has been uniform for the State executive to delay appointment until the actual happening of the vacancy; that where the power is given to fill vacancies in public offices it has been the uniform practice to permit resignations of such officers to be made to take effect at a future day, and to hold that the appointing power is entitled to make the appointment in advance to fill the vacancy, to take effect when the resignation becomes operative, unless the language of the constitutional or statute provision under which the authority is exercised forbids such construction." (Compilation of Senate election cases from 1789 to 1913 (62d Cong., 3d sess., S. Doc. No. 1036), p. 48.) On April 29, 1941, the committee reported, a majority of one recommending that Rosier, rather than Martin, be seated. The majority acknowledged the force of the precedents established in the Chilton and similar cases, but maintained that in each of these instances the governor remained in office as governor for a substantial length of time after he had made an appointment to fill a Senate vacancy; he himself had not resigned, as had Holt, at approximately the same time he made the appointment. The majority held, furthermore, that Holt had no intention of making the appointment until he learned of NEELY'S intention of appointing his own successor; and that NEELY became governor immediately upon his taking the private oath of office, and not several days thereafter. On May 13, 1941, the Senate adopted the majority report, by a vote of 40 to 38. The next day Rosier took his seat. (CONGRESSIONAL RECORD, vol. 87, pt. 4, pp. 3952–3976, 4017.)

119. Herbert R. O'Conor v. D. John Markey, of Maryland (1946–48): In the election of November 5, 1946, O'Conor, Democratic Governor of Maryland, defeated Markey, his Republican opponent by a margin of 2,232 votes, the total vote having been 237,232 ballots for O'Conor and 235,000 for Markey. On December 10, 1946, Markey filed with the Special Committee to Investigate Campaign Expenditures (1946) a preliminary sworn petition in which he charged that there had been such errors and irregularities in the recent campaign as to affect the result of the election. On December 31, 1946, after a recount had been taken of the votes cast on the voting machines in Baltimore city and Montgomery County, Markey filed with the Secretary of the United States Senate a formal sworn petition, requesting the Senate to have a recount made of all ballots cast during the election. The petition was referred on January 6, 1947, to the Committee on Rules and Administration; the Subcommittee on Privileges and Elections was entrusted on January 18, 1947, with consideration of the contest. After conducting a recount of all votes cast in the State, and after "examin[ing] into all of the charges of irregularities and fraud meriting consideration," the subcommittee concluded that O'Conor had been "duly elected" a United States Senator. On May 13, 1948, Senator JENNER submitted a report from the full Committee on Rules and Administration, stating that it in turn had adopted the report of its Subcommittee on Privileges and Elections. (80th Cong., 2d sess., S. Rept. No. 1284.) On May 20, 1948, the Senate agreed to Senate Resolution 234, which provided that O'Conor be declared entitled to his seat in the Senate. O'Conor, incidentally, had been sworn in as a Senator on January 4, 1947. (CONGRESSIONAL RECORD, vol. 94, pt. 5, p. 6160.)

120. HARLEY M. KILGORE v. Tom Sweeney, of West Virginia (1946–49): In the election of November 5, 1946, KILGORE, incumbent Senator, defeated Sweeney, his Republican opponent, by a majority of 3,534 votes; KILGORE received 273,151 votes while Sweeney received 269,617. On January 3, 1947, Sweeney filed with the United States Senate a sworn petition, outlining the grounds for his contest. The petition asserted that irregularities and fraudulent practices had occurred in 12 of the 55 West Virginia counties. The next day, January 4, 1947, KILGORE was administered the oath as United States Senator. Two days later Sweeney's petition was referred to the Committee on Rules and Administration, which in turn referred it to the Subcommittee on Privileges and Elections. The subcommittee found that "many election officials were inefficient and negligent" in some particulars, yet its investigation, which was conducted for approximately 18 months, "failed to develop any indication whatsoever of any general plan to defraud or of any general pattern of irregularities or violations." And despite the fact that "gross irregularities and violations of election laws" did occur, it was obvious that "neither the contestants or [sic] incument were [sic] aware of such irregularities or violations, or were a party to such conduct or in anywise condoned any of the illegalities or irregularities. * * *" The subcommittee "adjusted" the total vote count, giving KILGORE 272,215 votes and Sweeney 269,291 votes; it was admitted, however, that this did not necessarily represent a completely accurate tabulation inasmuch as the investigation was confined to such areas in which the vote favored KILGORE. On July 28, 1949, Senator Myers, from the Committee on Rules and Administration, reported to the Senate that the subcommittee recommended that KILGORE be declared "duly elected." (81st Cong., 1st sess., S. Rept. No. 802.) That same day (July 28, 1949) the Senate agreed to the recommendation. (CONGRESSIONAL RECORD, vol. 95, pt. 8, p. 10321.) On August 3, 1949, the vote was reconsidered, but only in order to correct a clerical error. (CONGRESSIONAL RECORD, vol. 95, pt. 8, p. 10652.)

121. HOMER FERGUSON v. Frank E. Hook, of Michigan (1948–49): In the election of November 2, 1948, FERGUSON, incumbent Senator, defeated Hook, his Democratic opponent, by a vote of 1,045,156 to 1,000,329. FERGUSON was sworn in as United States Senator on January 3, 1949. On January 5, 1949, Hook's petition contesting the election was referred to the Committee on Rules and Administration, from which it was subsequently referred to the Subcommittee on Privileges and Elections. The petition asserted, among other things, that "there were innumerable errors, illegalities, irregularities, and fraudulent acts in the conduct of the election * * *;" and that the "Republican national committeeman from Michigan was acting with the complete knowledge and approval of the said HOMER FERGUSON during the years 1947–48 collecting several hundred thousand dollars as political contributions." The subcommittee found that in "a great number of the precincts investigated * * * the election procedure was faulty and inadequately administered." Such "faulty and inadequate procedure," however, was not "coupled with a fraudulent intent." And although the election laws of the State of Michigan were frequently violated, there was no indication that FERGUSON himself was responsible for such illegalities; neither was any evidence produced that FERGUSON had direct knowledge of or had given approval to the conduct of the above-mentioned Republican national committeeman. Senator Myers, from the Committee on Rules and Administration, reported to the Senate on July 28, 1949, that the Subcommittee on Privileges and Elections recommended that FERGUSON be declared "duly elected." (81st Cong., 1st sess., S. Rept. No. 801.) The recommendation was adopted immediately. (CONGRESSIONAL RECORD, vol. 98, pt. 8, p. 10321.)

LIST OF SENATE EXPULSION CASES SINCE 1789

1. William Blount, of Tennessee (1797): Senator from December 6, 1796, to July 8, 1797. On July 8, 1797, Blount, having been found guilty of a high misdemeanor, was expelled from the Senate by a vote of 25 to 1.

2. John Smith, of Ohio (1807–08): Senator from October 25, 1803, till he resigned, April 25, 1808. On November 27, 1807, the Senate resolved that a committee investigate Smith's fitness to hold his seat as a Senator. A month later, on December 31, 1807, the committee submitted its report and, concomitantly, introduced a resolution to the effect that by his participation in the Aaron Burr conspiracy Smith had been guilty of conduct incompatible with his position as a Senator and should, consequently, be expelled. On April 9, 1808, the Senate sustained him in his seat, but by the smallest possible margin. The vote was 19 for adoption of the resolution, 10 for its rejection; so that with one less than two-thirds of the Senators present not concurring in the passage of the resolution, Smith was permitted to retain his seat.

3. Henry M. Rice, of Minnesota (1858): Senator from May 12, 1858, till March 3, 1863. On May 12, 1858, immediately following the presentation of his credentials, Rice took

his seat. Three days later the Committee on Military Affairs was instructed to investigate Rice's role in the sale of the Fort Crawford Reservation. The committee reported June 9, 1858, fully exonerating him. The Senate the next day unanimously approved the report.

4. Jefferson Davis and Albert C. Brown, of Mississippi; Stephen R. Mallory and David L. Yulee, of Florida; C. C. Clay and Benjamin Fitzpatrick, of Alabama; Robert Toombs, of Georgia; Judah P. Benjamin, of Louisiana: On January 23, 1861, a motion was introduced that the Journal be so corrected to state that Davis, Mallory, Yulee, Clay, and Fitzpatrick had announced that they had withdrawn from the Senate following the secession of the States they represented. An amendment was then moved that their names be stricken from the list of Senators. Both motions were ordered to lie on the table. On March 14, 1861, the Senate resolved that inasmuch as Brown, Davis, Mallory, Clay, Toombs, and Benjamin had withdrawn from the Senate, thus making their seats vacant, the Secretary should be directed to omit their names, respectively, from the roll. An amendment to the foregoing resolution, offered just prior to the passage of the latter, to read that these Senators had ceased to be Members of the Senate, was defeated.

5. Louis T. Wigfall, of Texas (1861): Senator from January 4, 1860, till July 11, 1861, when he was expelled. On March 8, 1861, a resolution was offered that Wigfall be expelled from the Senate. The resolution and an amendment thereto, declaring that Texas was not entitled to be represented in this body, were referred on March 12, 1861, to the Committee on the Judiciary. The committee failed to report on either, but on July 11, 1861, the Senate passed a resolution expelling him.

6. James M. Mason and Robert M. T. Hunter, of Virginia; Thomas L. Clingman and Thomas Bragg, of North Carolina; James Chestnut, Jr., of South Carolina; A. O. P. Nicholson, of Tennessee; William K. Sebastian and Charles B. Mitchel, of Arkansas; John Hemphill and Louis T. Wigfall, of Texas: On July 10, 1861, a resolution was submitted providing for the expulsion of the above-mentioned Senators. The next day the resolution was passed.

7. John C. Breckinridge, of Kentucky: Senator from March 4, 1861, till December 4, 1861, when he was expelled. On December 4, 1861, a resolution was offered that Breckinridge be expelled from the Senate. The same day an amendment was moved whereby a preamble, stating that Breckinridge had joined the enemies of his country, was affixed to the resolution; and the resolution itself was expanded so as to brand Breckinridge as the traitor. The Senate at once agreed to the amended resolution, by a vote of 37 yeas to no nays.

8. Trusten Polk, of Missouri (1861–62): Senator from March 4, 1856, till January 10, 1862. On December 18, 1861, a resolution was introduced that Polk, now a traitor to the United States, be expelled * * * from the Senate. It was referred the same day to the Committee on the Judiciary. On January 9, 1862, the committee recommended unanimously that the resolution pass. The next day it did so—unanimously.

9. Waldo P. Johnson, of Missouri (1861–62): Senator from March 4, 1861, till January 10, 1862. On December 10, 1861, a resolution was submitted that Johnson be expelled because of his sympathy with and participation in the rebellion. Two days later the resolution was referred to the Committee on the Judiciary. On January 9, 1862, the committee reported back the resolution with the recommendation that it be agreed to. The next day it passed unanimously.

10. Jesse D. Bright, of Indiana (1861–62): Senator from March 4, 1845, to February 5, 1862. On December 16, 1861, a resolution providing for Bright's expulsion on the ground of disloyalty was submitted to the Senate. It was referred the same day to the Committee on the Judiciary. On January 13, 1862, the committee reported, recommending that the expulsion resolution not pass. The Senate, however, on February 5, 1862, ignored the advice of the committee, and, by a vote of 32 yeas to 14 nays, agreed to the resolution.

11. Lazarus W. Powell, of Kentucky (1862): Senator from March 4, 1859, till March 3, 1865. On February 20, 1862, a resolution that Powell be expelled, on the ground of treason, was offered in the Senate. It was referred to the Committee on the Judiciary. On March 12, 1862, the committee reported, recommending that the resolution not pass. Two days later the Senate accepted the recommendation of the committee by not agreeing to the resolution of expulsion. The vote was 28 nays, 11 yeas.

12. James F. Simmons, of Rhode Island (1862): Senator from March 4, 1841, till March 3, 1847, and from March 4, 1857, till he resigned in August 1862. On July 2, 1862, a resolution was submitted to the Senate providing that Simmons be expelled from the Senate, on the ground that he had used his official influence for private monetary gain. On July 8, 1862, the resolution was referred to the Committee on the Judiciary. The committee reported on the 14th of the same month, asserting that Simmons' conduct was "highly improper," but should any penalty be imposed upon Simmons such punishment would be liable to that objection to which all post facto laws are justly subject—Congress had not passed a law making illegal conduct such as that of Simmons until after that Senator's offensive actions had occurred. The committee made no recommendation; it merely asserted that the Senate might do as it thought proper. The Senate did nothing. Three days later, Congress adjourned; before the next session convened, Simmons resigned his seat.

13. James W. Patterson, of New Hampshire (1873): Senator from March 4, 1867, till March 3, 1873. On February 4, 1873, the Senate received a communication from the House of Representatives asserting that a special House committee had evidence relating to matters of bribery affecting Members of both Houses; a copy of such evidence was transmitted with the communication. Both were referred to a select committee, which, on February 27, reported back, exonerating of all bribery charges all Senators mentioned in the House documents save Mr. Patterson. The committee submitted a resolution relative to him providing that he be expelled. No action, however, was taken by the Senate; and he was permitted to finish his term, which expired on March 3, 1873.

14. Robert M. La Follette, of Wisconsin (1917–19): On September 29, 1917, the Minnesota Commission of Public Safety presented a resolution to the Senate praying that the latter body prepare the way for La Follette's expulsion on the ground that he was a "teacher of disloyalty and sedition"; had given "aid and comfort to our enemies"; and had succeeeded in "hindering the Government in the conduct of the war." This resolution, as well as similar ones subsequently presented, was referred to the Committee on Privileges and Elections. The committee held hearings for 14 months. On December 2, 1918, it recommended that the resolution be dismissed. The Senate, on January 16, 1919, agreed by a vote of 50 to 21 to do so.

15. Senators from Louisiana: Huey P. Long and John H. Overton (1933–34): On July 11, 1932, a resolution was adopted that a special committee of five Senators be provided to investigate campaign expenditures of presidential, vice presidential, and senatorial candidates in connection with the primaries and general elections of 1932. In the summer and fall of 1932, petitions were filed by Senator Broussard (defeated by Overton in the primary) and others which charged that fraud had been committed in the primary. Several subcommittees were then set up; from October 5 to December 2, 1933, they held intermittent investigations in Louisiana. No special election contest, however, was involved; Senator Broussard himself never instituted a contest against Overton, nor did he claim to have won the nomination. On January 16, 1934, the special committee reported, at which time it reminded the Senate that it had not been authorized or requested to make decisions on any of the issues raised during the investigations of its subcommittees; that it had been instructed merely to report facts which would be of public interest, or which would be of service to the Senate in deciding an election contest or enacting remedial legislation; that it could not itself determine whether Senator Broussard or Mr. Overton had been duly elected. The committee, through its subcommittees, found that political conditions in Louisiana as they related to elections could not be defended: fraud, intimidation of voters, and various unethical practices, including the use of the "dummy candidate" device, were enthusiastically and generally employed by Louisiana politicians regardless of the machines with which they were affiliated. The committee, however, asserted that no evidence whatever of Mr. Overton's personal connection with any fraud had been discovered. On the same day, January 16, 1934, the Senate received a petition from the Women's Committee of Louisiana, giving formal notice of contest of Overton's election and alleging that he was not entitled to a seat—that he should be expelled—as he had relied on fraud, coercion, intimidation, and corruption in his primary campaign. The petition was at once referred to the Committee on Privileges and Elections. The next month this committee decided that the various charges against both Long and Overton, as they had thus far been presented, were too general and otherwise insufficient to justify further committee consideration. The petitioners were advised, consequently, to make their allegations more specific. In the meantime, in April 1933, many petitions seeking the expulsion of Senator Long, who had been elected in 1930, were filed in the Senate. These protests, charging that Long had been guilty of many irregularities in the 1930 election, were referred on April 14, 1933, to the Committee on the Judiciary. On January 10, 1934, Senator Ashurst from the same committee declared that charges against a Senator should be referred to the Committee on Privileges and Elections; and that the Judiciary Committee rightfully had been directed to study only the legal questions involved in the matter of privilege relative to the petitions filed against Long; and to determine whether or not such petitions should ever have been received by the Vice President. The Senate at once ordered that such of the petitions that related strictly to Long's right to his seat be referred to the Committee on Privileges and Elections. The Judiciary Committee retained possession of the other petitions, some of which were almost identical with those surrendered to the Committee on Privileges and Elections. On March 19, 1934, the Judiciary Committee reported, declaring that all the petitions including those transferred to the jurisdiction of the Privileges and Elections Committee, not only comprised unsupported generalities, but were also scurrilous and defamatory. Because of their nature, the Senate should not have received them; but because it had done so, the petitions were "clothed with a limited privilege." On June 16, 1934, the Committee on Privileges and

Elections recommended that inasmuch as the petitioners had failed to add any new evidence in submitting amendments to their petitions, the committee should be discharged from further consideration of the Louisiana cases. The Senate the same day accepted the recommendation, thus definitively concluding the Overton-Long contests.

16. WILLIAM LANGER, of North Dakota (1941–42): LANGER was elected Senator on November 5, 1940. On January 3, 1941, he was permitted to take his seat "without prejudice," either to himself or to the Senate. His credentials were later turned over to the Committee on Privileges and Elections, which considered the case for over a year. On January 29, 1942, the committee reported, with the majority recommending that inasmuch as the charge of "moral turpitude [had] been proven beyond all reasonable doubt," the "integrity of the United States Senate be upheld by denying WILLIAM LANGER the right to be a United States Senator from the State of North Dakota." The committee further recommended that the Senate cast a record vote upon the following resolutions: (1) That the case did not "fall within the constitutional provisions for expulsion or any punishment by two-thirds vote, because Senator LANGER is neither charged with nor proven to have committed disorderly behavior during his membership in the Senate"; (2) that "WILLIAM LANGER is not entitled to be a Senator of the United States from the State of North Dakota." Two alleged acts of corruption apparently involving LANGER particularly disturbed the committee: (1) A lawyer for the Great Northern Railway, it was charged, paid LANGER $25,000 for stock in some Mexican lands (already expropriated) after the railway's taxes were cut $150,000 a year; (2) Attorney Gregory Brunk, after profiting handsomely in North Dakota county bonds, paid LANGER, the committee asserted, $56,800 for Dust Bowl lands the former had never seen. On March 27, 1942, the Senate, after 2 weeks of debate, voted upon the resolutions advanced by the Privileges and Elections Committee. By a vote of 45 to 37 on the first resolution the Senate decided that LANGER's case was really one to be decided, as in expulsion cases, by a two-thirds vote. On the second resolution—that of declaring LANGER not entitled to be a Senator—the Senate again ignored its committee's advice and voted 52 to 30 to uphold LANGER's right to his seat (CONGRESSIONAL RECORD, vol. 88, pt. 3, pp. 3063–3065).

(A note relative to removals: "There appear to be six * * * instances where Members of the Senate have been removed by less than a two-thirds vote: Albert Gallatin, James Shields, James Harlen, John P. Stockton * * * William Lorimer [and Smith W. Brookhart]. Article I, sec. 5, of the Constitution provides that 'Each House may * * * with the concurrence of two-thirds, expel a Member.' * * * It [has] been customary to deny a seat [or declare it vacant even after having been occupied] by a majority vote, while the constitutional provision requires a two-thirds vote for expulsion after a Senator is once seated. The Lorimer case established a precedent [for cases involving moral turpitude, the five other cases concerned technicalities] by expelling with a majority vote the resolution being so worded as to declare the election invalid and the seat vacant.")

(Senate Election Cases from 1913 to 1940 (76th Cong., 3d sess., S. Doc. No. 147), p. 217.)

Statistics on Senate Election Cases

Number of Senate seats contested since 1789	121
Number of Senate expulsion cases (additional cases)	16
Number of Senators who were denied admission to seats	20
Number of Senators who resigned under fire or who withdrew their credentials	7

Statistics on Senate Election Cases—Con.

Number of Senators expelled:	
A. By two-thirds vote	15
B. By simple majority vote ("removed" after passage of resolution declaring given Senators not entitled to their seats or that such seats were "vacant")	6

Sources: Compilation of Senate Election Cases from 1789 to 1913 (62d Cong., 3d sess., S. Doc. No. 1036); Senate Election Cases from 1913 to 1940 (76th Cong., 3d sess., S. Doc. No. 147, p. 217); CONGRESSIONAL RECORD (impractical to list the numerous volumes consulted); United States Congress, Senate Reports: 80th Cong., 2d sess., Senate Report No. 1284; 81st Cong., 1 sess., Senate Report No. 801; 81st Cong., 1st sess., Senate Report No. 802.

Mr. MORSE. Mr. President, I ask unanimous consent to have published in the RECORD immediately following the memorandum to which I have referred, certain material from Hinds' Precedents of the House of Representatives, volume 2, at page 1138, beginning with the so-called Henry S. Foote, of Mississippi, case, section 1664; and then the Tillman-McLaurin case, section 1665, going to the end of that section on page 1142.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

1664. In 1850 occurred an episode between Messrs. Thomas H. Benton, of Missouri, and Henry S. Foote, of Mississippi, in the Senate, in which the latter menaced the former with a pistol. The subject was referred to a select committee, who made a report giving the facts in the case, and condemning the practice of carrying arms in the Senate as well as regretting the flagrant breach of order. The report further stated that this was the first instance of disorder of this kind in the Senate. There was no recommendation for action and no action was taken by the Senate.

1665. For unparliamentary language and an assault two Senators were declared in contempt and later were censured.

Two Senators having been declared in contempt a question was raised as to the right to suspend their functions as Senators, including the right to vote, but was not decided.

The President pro tempore of the Senate declined to take the responsibility of directing the Secretary to omit from the call of the yeas and nays the names of two Senators who had been declared in contempt.

Two Senators, declared by the Senate to be in contempt, were allowed to speak only after permission had been given by the Senate.

On a resolution in the Senate censuring two Senators the names of both called, but neither voted.

On February 22, 1902, while the Senate was considered the bill (H. R. 5833) temporarily to provide revenue for the Philippine Islands, Mr. John L. McLaurin, of South Carolina, referring to a certain statement made in debate by Mr. Benjamin R. Tillman, of South Carolina, said:

"I now say that that statement is a willful, malicious, and deliberate lie."

At this point Mr. Tillman advanced to Mr. McLaurin, of South Carolina, and the two Senators met in a personal encounter, when they were separated by Mr. Layton, the acting assistant doorkeeper, assisted by several Senators sitting near.

The Senate at once went into executive session and after some time spent therein the executive session was terminated and the injunction of secrecy was removed from the following, which had been agreed to:

"*Ordered*, That the two Senators from the State of South Carolina be declared in contempt of the Senate on account of the altercation and personal encounter between them this day in open session, and that the matter be referred to the Committee on Privileges and Elections with instructions to report what action shall be taken by the Senate in regard thereto."

Thereupon Mr. J. C. S. Blackburn, of Kentucky, asked whether or not Mr. Tillman would be entitled to recognition to make a statement.

After debate the President pro tempore (William P. Frye, of Maine) said:

"While these two Senators are declared to be in contempt the Chair could not recognize either if he should rise and address the Chair; but on motion made by any Senator that they be heard the Chair would recognize the Senator making the motion, and would hold that the motion was in order. In the ordinary transgression of the rules or violation of order the Senator violating must take his chair, and he cannot be recognized by the Presiding Officer again until the Senate has relieved him of that by motion. Of course, the Senators from South Carolina can be relieved from the condition in which they are now, so far as recognition by the Chair is concerned, by a motion and by a majority vote of the Senate."

Thereupon, on motion of Mr. Blackburn, the Senate voted to allow the two Senators to be heard in order that they might purge themselves of contempt.

And Messrs. Tillman and McLaurin thereupon addressed the Senate apologizing for the occurrence.

On February 24, a vote being taken on the pending bill, Mr. George Turner, of Washington, called attention to the fact that the name of neither Senator from South Carolina had been called.

The President pro tempore declined to entertain the question of order until the roll-call had been completed and the result announced.

The result of the vote having been announced, Mr. Turner, rising to a question of privilege, stated that the State of South Carolina had been deprived of its rights under the Constitution, which declared that the Senate should "be composed of two Senators from each State," that "each Senator shall have one vote," and that "no State, without its consent, shall be deprived of its equal suffrage in the Senate."

In the course of the debate, Mr. Nelson W. Aldrich, of Rhode Island, read the following from Cushing:

"The power to expel also includes in it a power to discharge a Member, for good cause, without inflicting upon him the censure and disgrace implied in the term 'expulsion'; and this has accordingly been done, in some instances, by the House of Commons.

"Analogous to the right of expulsion is that of suspending a Member from the exercise of his functions as such, for a longer or shorter period; which is a sentence of milder character than the former, though attended with somewhat different effects; for during the suspension the electors are deprived of the services of their representative, without power to supply his place; but the rights of the electors are no more infringed by this proceeding than by an exercise of the power to imprison."

And Mr. Joseph W. Bailey, of Texas, denying the applicability of the law of Parliament, read the following from the American and English Encyclopedia of Law:

"The same inherent power of punishing for contempt belongs to Parliament in England. The House of Commons has it, not because it is a representative body with legislative functions, but because it is a part of the high court of Parliament, the highest court in the realm.

"A legislative assembly of an English colony, not being a judicial body, has no inherent right to punish for contempt, and,

except in those cases where Parliament has invested them with it, they cannot exercise it.

"In the United States the judicial power is vested by the various constitutions in the courts created by the constitutions and such others as may be created. Neither Congress nor the State legislatures succeeded to those inherent and unlimited powers of punishing for contempt possessed by the English Parliament.

The Senate having passed to other business without disposing of the question on February 27, the President pro tempore made this statement to the Senate:

"The Chair desires to say that on Monday last he requested the clerks not to call the names of the two Senators from South Carolina, they being by a resolution of the Senate in contempt of the body. On Tuesday he requested the clerks to read the names in the event there was a rollcall. He did this not because he doubted in the least the propriety of the action he took on Monday. He did it because he recognized that it was a grave question, and he preferred to be in a position where, if it again arose, it could be by him submitted to the decision of the Senate and thus relieve the Chair from the responsibility."

On February 28, Mr. Julius C. Burrows, of Michigan, from the Committee on Privileges and Elections, made a report which, after reciting the circumstances of the encounter, proceeded:

"We thus present to the Senate the entire record bearing upon this unfortunate occurrence, and no examination or investigation by your committee could possibly throw any additional light upon the transaction, which occurred in open session and in the presence of the membership of this body. That the conduct of the two Senators was an infringement of the privileges of the Senate, a violation of its rules, and derogatory to its high character, tending to bring the body itself into public contempt, cannot be questioned or denied. Indeed, the Senate by a unanimous vote has already placed on record its condemnation of the Senators by declaring both guilty of contempt."

"The majority of the committee are of the opinion that the legal effect of adjudging these Senators in contempt of the Senate was to suspend their functions as Senators, and that such a punishment for disorderly behavior is clearly within the power of the Senate, but the conclusion they have reached makes it unnecessary to discuss this question.

"The offenses committed by the two Senators were not, in the opinion of a majority of the committee, of equal gravity. The charge made by Mr. Tillman had been once before in the Senate specifically denied in parliamentary language by Mr. McLaurin. The offense charged against Mr. McLaurin was among the most reprehensible a Senator could commit. He could not ignore it or fail to refute it and hope to be longer respected as either a man or a Senator.

"Mr. McLaurin did not commence the encounter, but only stood in his place at his desk, where he was speaking, and resisted the attack that was made upon him.

"In other words, his offense was confined to the use of unparliamentary language, for which he had unusual provocation.

"Nevertheless, his offense was a violation of the rules of the Senate of so serious a character that, in the opinion of the committee, it should be condemned.

"In the case of Mr. Tillman the record shows that the altercation was commenced by the charge he made against Mr. McLaurin. Such a charge is inexcusable, except in connection with a resolution to investigate. Mr. Tillman not only made the charge without any avowal of a purpose to investigate, but also disclaiming knowledge of evidence to establish the offense; and this he did after the charge had been specifically and unqualifiedly denied by Mr. McLaurin.

"Such a charge under any circumstances would be resented by any man worthy to be a Senator, but, made as it was in this instance, its offensiveness was greatly intensified, and the result must have been foreseen by Mr. Tillman if he took any thought, as he should, of the consequences of his statements. This feature of his offense, coupled with the fact that he also commenced the encounter by quitting his seat, some distance away from Mr. McLaurin, and, rushing violently upon him, struck him in the face, makes the case one of such exceptional misbehavior that a majority of the committee are of the opinion that his offense was of much greater gravity than that of Mr. McLaurin.

"The penalty of a censure by the Senate, in the nature of things, must vary in actual severity in proportion to the public sense of the gravity of the offense of which the offender has been adjudged guilty. Therefore, notwithstanding the fact that, in the opinion of a majority of the committee, there is a difference in the gravity of the offenses under consideration, your committee are of the opinion that public good and the dignity of the Senate will be alike best promoted and protected, so far as this particular case is concerned, by imposing upon each Senator, by formal vote, the censure of the Senate for the offense by him committed; and, therefore, the committee recommends the adoption of the following resolution:

"'*Resolved*, That it is the judgment of the Senate that the Senators from South Carolina, Benjamin R. Tillman and John L. McLaurin, for disorderly behavior and flagrant violation of the rules of the Senate during the open session of the Senate on the 22d day of February, instant, deserve the censure of the Senate, and they are hereby so censured for their breach of the privileges and dignity of this body, and from and after the adoption of this resolution the order adjudging them in contempt of the Senate shall be no longer in force and effect.'"

A minority of the committee, Messrs. Joseph W. Bailey, of Texas, E. W. Pettus, of Alabama, Jo. C. S. Blackburn, of Kentucky, Fred. T. Dubois, of Idaho, and Murphy J. Foster, of Louisiana, presented the following dissenting views:

"We dissent from so much of the report of the committee as asserts the power of the Senate to suspend a Senator and thus deprive a State of its vote, and so much as describes the offenses of the Senators as of different gravity; but we approve the resolution reported."

A portion of the majority, Messrs. L. E. McComas, of Maryland, Albert J. Beveridge, of Indiana, and J. C. Pritchard, of North Carolina, submitted views in favor of suspension of the two Senators. After discussing the power to punish generally, they submitted:

"Since punishment for disorderly behavior may be inflicited by a majority vote in the Senate, what sorts of punishment may be imposed upon a Senator?

"In *Kilbourn* v. *Thompson* (103 U. S., 189) Justice Miller says: 'We see no reason to doubt that this punishment may in a proper case be imprisonment, and that it may be for refusal to obey some rule on that subject made by the House for the preservation of order.'

"Later, in *In re Chapman* (166 U. S., 668), Chief Justice Fuller says of the Senate: 'It necessarily possesses the inherent power of self-protection' (Ib., 671); 'Congress could not divest itself or either of its Houses of the essential and inherent power to punish for contempt in cases to which the power of either House extended.'

"While the Supreme Court has said that it does not concede that the Houses of Congress possess the general power of punishing for contempt analogous to that exercised by courts of justice, it had admitted that there are cases in which the Houses of Congress have such power of punishing for contempt, and points out the source of this power.

"In *Kilbourn* v. *Thompson* (103 U. S. 201) the court said: 'We may, perhaps, find some aid * * * if we can find out its source, and fortunately in this there is no difficulty. For, while the framers of the Constitution did not adopt the law and custom of the English Parliament as a whole, they did incorporate such parts of it and with it such privileges of Parliament as they thought proper to be applied to the two Houses of Congress.'

"Among these privileges, says the court, is the right to make rules and to punish members for disorderly behavior. The Senate has not like power with Parliament in punishing citizens for contempt, but it has like power with Parliament in punishing Senators for contempt or for any disorderly behavior or for certain like offenses. Like Parliament, it may imprison or expel a member for offenses. 'The suspension of members from the service of the House is another form of punishment.' (May's Parliamentary Practice, 53.) This author gives instances of suspension in the seventeenth century and shows the frequent suspension of members under a standing order of the House of Commons, passed February 23, 1880.

"Says Cushing, section 280: 'Members may also be suspended by way of punishment, from their functions as such, either in whole or in part or for a limited time. This is a sentence of a milder character than expulsion.'

"'During the suspension,' says Cushing, section 627, 'the electors are deprived of the services of their representative without power to supply his place, but the rights of the electors are no more infringed by this proceeding than by an exercise of the power to imprison.'

"The Senate may punish the Senators from South Carolina by fine, by reprimand, by imprisonment, by suspension by a majority vote, or by expulsion with the concurrence of two-thirds of its Members.

"The offense is well stated in the majority report. It is not grave enough to require expulsion. A reprimand would be too slight a punishment. The Senate by a yea-and-nay vote has unanimously resolved that the said Senators are in contempt. A reprimand is in effect only a more formal reiteration of that vote. It is not sufficiently severe upon consideration of the facts."

The resolution proposed by the committee was agreed to, yeas 54; nays 12.

The names of both Senators from South Carolina were called on this vote, but neither voted, Mr. McLaurin stating that for obvious reasons he would refrain from voting.

Mr. MORSE. Mr. President, I now ask unanimous consent to have printed at this point in the RECORD, immediately following the printing of excerpts from Hinds' Precedents, to which I have just referred, certain excerpts from volume 6 of Cannon's Precedents of the House of Representatives, beginning on page 408, with section 239, and continuing to the end of page 410.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

239. A proposition for the censure of a Senator was entertained as privileged.

A Senator who had employed an official of a manufacturing association as a clerk in the formulation of a tariff bill was censured by the Senate.

The introduction in official capacity to confidential committee conferences of a representative of business organizations interested in legislation under consideration was

declared by resolution to be contrary to senatorial ethics.

A Senator against whom a resolution of censure was pending addressed the Senate without permission being asked or given.

On September 30, 1929, in the Senate, a subcommittee of the Committee on the Judiciary, instructed by resolution (S. Res. 20) "to inquire into the activities of lobbying associations and lobbyists," reported:

"Your committee, having had under consideration the matter of the association of one Charles L. Eyanson, assistant to the president of the Manufacturers Association of Connecticut (Inc.), with Hon. Hiram Bingham, a Senator from that State, during the consideration by the Finance Committee of the Senate and the majority members thereof of the pending tariff bill and having completed that phase of its work, beg leave to report as follows:

"The Manufacturers Association of Connecticut (Inc.) is an organization in the nature of a trade association, the purpose of which is to promote the general interests of its members in their business, manufacturing establishments of the State of Connecticut, including the New York, New Haven & Hartford Railroad Co. Its business at Hartford, Conn., is under the immediate supervision and direction of the said Charles L. Eyanson under the president thereof, E. Kent Hubbard. Eyanson is paid a salary of $10,000 per annum by the association. He came to Washington while the tariff bill referred to was under consideration by the Committee on Ways and Means of the House of Representatives in the early part of the present year, and aided members of the association in preparing arguments and data for submission by them to the committee referred to.

"Eyanson came to Washington to take position, in effect, as a clerk of the office of Senator Bingham, in which he had a desk where he received callers who came to consult with him or Senator Bingham or both. He assembled material for the use of Senator Bingham in connection with the hearings before the Senate Committee on Finance and attended the hearings, occupying a seat from which he could communicate at any time with Senator Bingham and aided him with suggestions while the hearings were in progress. After the hearings were completed the majority members went into secret session for the purpose of considering the bill. At that time, at the direction of Senator Bingham, Eyanson was sworn in as clerk of the Committee on Territories and Insular Possessions, of which Senator Bingham was then and is now the chairman, displacing one Henry M. Barry, who was told by Senator Bingham that his salary would nevertheless continue. This course was pursued, the committee was told by Senator Bingham, that Eyanson might be 'subject to the discipline of the Senate,' the significance of the phrase being left unexplained.

"After Eyanson had thus been introduced into the secret meetings of the majority members and had sat with them for some 2 or 3 days, Senator Smoot, chairman of the committee, inquired of Senator Bingham whether Eyanson was an officer or employee of the Manufacturers Association of Connecticut, and being advised that he was, Senator Bingham was told by Senator Smoot that objection had been made to Eyanson's presence in the committee and intimated it would be better if he did not longer attend. Senator Bingham then inquired as to the attitude of other members of the committee and from the view thus elicited reached the conclusion that Eyanson ought not longer to attend the meetings and he did not. Eyanson drew his salary as clerk of the Committee on Territories and Insular Possessions. At the end of his first month's service as such he turned the amount so received over in cash to Senator Bingham. The remainder of his salary while he continued on the rolls he drew and turned over to Mr. Barry, the whole amounting to $357.50.

"After the departure of Eyanson from Washington on the completion of his work here with Senator Bingham, the latter transmitted to him a check for $1,000, which has never been cashed, the recipient having determined tentatively on its receipt to return it personally rather than by letter to Senator Bingham, but now remains undecided as to what disposition he should make of the check."

On November 4, 1929, Mr. George W. Norris, of Nebraska, referred to this report and offered the following resolution:

"*Resolved*, That the action of the Senator from Connecticut, Mr. Bingham, in placing Mr. Charles L. Eyanson upon the official rolls of the Senate at the time and in the manner set forth in the report of the Subcommittee of the Committee on the Judiciary is contrary to good morals and senatorial ethics and tends to bring the Senate into dishonor and disrepute, and such conduct is hereby condemned."

A request that consideration of the resolution be delayed having been submitted by Mr. Simeon D. Fess, of Ohio, the President pro tempore (George H. Moses, of New Hampshire) said:

"The Chair is of the opinion that the resolution is privileged."

Request then being preferred by Mr. Fess that consideration of the resolution be postponed until the following day, the President pro tempore continued:

"Although privileged, with the assent of the mover of the resolution, it will go over 1 day."

On November 4, during consideration of the resolution in the Senate, Mr. Bingham participated in the debate and thus analyzed the issues raised by the pending resolution:

"The resolution asks for the condemnation of my having placed Mr. Eyanson, secretary to the president of the Connecticut Manufacturers' Association, on the Senate rolls on three grounds: First, that it is contrary to good morals; second, that it is contrary to senatorial ethics; and third, that it tends to damage the honor and reputation of the Senate.

"In the first place, it is claimed that the employment of Mr. Eyanson was contrary to good morals. It is difficult, Mr. President, to know exactly what is meant by this expression 'contrary to good morals'; but if it means anything at all it must mean that there was something in this employment which was immoral in the sense of being dishonorable or corrupt. To this charge, Mr. President, I plead not guilty. There was nothing in his employment which was dishonorable or corrupt. Not one dollar of the public money was wasted. Not a single taxpayer's dollar was employed for any sinister purpose. I did not profit to the extent of one dollar by any part of this transaction. There was nothing contrary to good morals.

"Now, let us take the second point: It is claimed that his being placed on the rolls of the Senate was contrary to senatorial ethics. It is fair to assume, Mr. President, that the expression senatorial ethics relates to what is considered by senatorial practice to be right or wrong. Again, Mr. President, I plead not guilty.

"Everyone in the Senate knows that to each Senator there are assigned four clerkships. It may not be generally known to the public, but it is known to every Senator that the Senator himself is considered the sole judge as to the nature of the employment to which these clerks should be put and the character of the persons appointed to those positions. There is no restriction on who should be appointed or how he or she shall be employed. That is the custom of the Senate. That is the nature of senatorial ethics so far as these positions are concerned.

"So far as I have been able to learn, according to senatorial ethics, no official of the Government, no official of the Senate, no committee of the Senate has ever held that a Senator was answerable as to whom he appointed or as to how the clerk was used. In view of this fact, Mr. President, I do not see how my placing of Mr. Eyanson on the rolls as one of my four clerks can possibly be held to be contrary to senatorial ethics.

"The third charge, Mr. President, is that my action tends to bring the Senate into dishonor and disrepute. In order for this action to bring the Senate into dishonor and disrepute it must have had some sinister motive and must have been directed against the interest of the people of the United States.

"Mr. President, I do not believe that those who have done me the honor of listening to or of reading my previous statements will accuse me of having had dishonorable or unpatriotic motives. My sole desire was to secure the best possible information on a difficult and intricate subject, particularly as it related to the people who elected me to the United States Senate.

"My sole object, my sole purpose in placing Mr. Eyanson on the official rolls of the Senate was so that I might be the better prepared to present the case of my constituents in Connecticut, both employers and employees, both producers and consumers; that I might be the better prepared to meet in committee and on the floor of the Senate the arguments of those who are opposed to a high protective tariff.

"Mr. President, this was my motive. This was my sole object. In carrying it out not a dollar of the public funds was misused. Nothing dishonorable or disreputable was attempted. Nothing was done contrary to good morals or to senatorial ethics."

Mr. Norris replied:

"This is not a question of the vindication of the Senator from Connecticut or of his condemnation. It is a question of the honor of this body. No one has disputed the evidence; no one has contradicted the facts which were brought out."

After extended debate an amendment disavowing any imputation of corrupt motives was incorporated and the resolution was agreed to, yeas 54, nays 22, in the following form:

"*Resolved*, That the action of the Senator from Connecticut, Mr. Bingham, in placing Mr. Charles L. Eyanson upon the official rolls of the Senate and his use by Senator Bingham at the time and in the manner set forth in the report of the subcommittee of the Committee on the Judiciary (Rept. No. 43, 71st Cong., 1st sess.), while not the result of corrupt motives on the part of the Senator from Connecticut, is contrary to good morals and senatorial ethics and tends to bring the Senate into dishonor and disrepute, and such conduct is hereby condemned."

Mr. MORSE. Mr. President, I submit this material because I believe it should be in the CONGRESSIONAL RECORD, for ready reference by Members of the Senate, for, in my opinion, much of the material will be of precedential value as we come to consider the McCarthy issue.

MUTUAL SECURITY ACT OF 1954

The PRESIDING OFFICER. The Chair lays before the Senate the unfinished business, which is H. R. 9678.

The Senate resumed the consideration of the bill (H. R. 9678) to promote the security and foreign policy of the United States by furnishing assistance to friendly nations, and for other purposes.

LEGISLATIVE PROGRAM

Mr. KNOWLAND. Mr. President, for the information of the Senate, I desire to make an announcement. We are now back on the foreign-aid bill. The Senate obviously is not going to continue in session any longer this evening. It has had a full day. I expect shortly to move that the Senate recess until 10 o'clock tomorrow morning. The pending business before the Senate will be the foreign-aid bill.

At the conclusion of action on the foreign-aid bill the Senate would ordinarily proceed to the consideration of the farm bill, but I have been requested by the chairman of the Appropriations Committee, the distinguished Senator from New Hampshire [Mr. BRIDGES] to take up the supplemental appropriation bill, which I shall expect to do perhaps late tomorrow afternoon or tomorrow evening, when action has been completed on the unfinished business, because it will be necessary to go to conference on a number of items in the supplemental appropriation bill.

I have discussed the matter with the distinguished Senator from New Hampshire, and it is desired to call the appropriation bill up after action is completed on the foreign-aid bill. Immediately thereafter it is expected that the Senate will proceed to the consideration of the farm bill.

Mr. THYE. Mr. President, every day or every other day we are informed that another bill is going to be considered instead of the agricultural bill. The conference on the agricultural bill can be expected to be just as lengthy as would be a conference on the supplemental appropriation bill. I have sat idly by, and have patiently waited for the Senate to begin consideration of the agricultural bill. Again I have seen another important measure placed on the calendar ahead of the agriculture bill. I think it is entirely a mistake to be laying aside important proposed farm legislation, and delaying consideration of the bill to a point where we know the Congress will not have time in conference to give the bill proper consideration. For that reason I must express disappointment that the Senate now finds another bill is to be considered ahead of the farm bill.

Mr. KNOWLAND. I should like to say to the Senator from Minnesota, because he serves with me on the Committee on Appropriations, that the Senate will consider the farm bill. There will be no other legislative matter considered ahead of it after the supplemental appropriation bill is acted on. There is much important legislation to be considered by the Senate, including the social-security bill, the anti-Communist bill, the unemployment insurance bill, and a great many other bills. I assure the Senator from Minnesota there is no desire unnecessarily to delay the consideration of the farm bill. I have been doing all I can to expedite the business of the Senate, but it is the customary practice of the Senate to give priority consideration to appropriations bills. I think the request of the Senator from New Hampshire is not unreasonable. I assure the Senator from Minnesota that nothing other than the supplemental appropriation bill will be allowed to come between consideration of the foreign aid bill and of the farm bill.

Mr. THYE. I thank the Senator for that assurance.

Mr. BRIDGES. Mr. President, will the Senator from California yield?

Mr. KNOWLAND. I yield to the Senator from New Hampshire.

Mr. BRIDGES. I should like to state that not only is it a tradition and a custom, but it is a rule of the Senate, that appropriation bills shall have priority in the Senate's consideration. I assure the Senator from Minnesota that I am willing to sit here tomorrow until midnight to finish consideration of the appropriation bill, so that the Senate may proceed to the consideration of the farm bill. So far as I know, unless there are objections, the appropriation bill ought to be disposed of very quickly. I hope the farm bill will be considered very soon.

Mr. YOUNG. Mr. President, will the Senator yield?

Mr. KNOWLAND. I yield to the Senator from North Dakota.

Mr. YOUNG. Of late years it has been the custom and the practice to take up farm bills just before Congress adjourns. That seems to happen every time there is pending an important piece of proposed farm legislation. I wish to join my friend, the Senator from Minnesota, in expressing disappointment over the great delay in considering the farm bill. I do not know whether the matter was taken up with the Republican policy committee, or just how the decision was arrived at to delay consideration of the farm bill, but I think it is the wrong thing to do.

Mr. KNOWLAND. I may say to the Senator from North Dakota, as I said to the Senator from Minnesota, that it is the custmoary practice, and it is a rule of the Senate, to take up appropriation bills, when they are reported and ready for action. That has been done during the entire session. I have given assurance to the Senate that no other bill will be allowed to come in between consideration of the foreign aid bill and the farm bill. There is no desire or purpose on the part of the majority leader to delay consideration of the farm bill, because it is one of the high priority pieces of proposed legislation which the Senate must consider before adjournment. I recognize that once the farm bill goes to conference, several days will be spent in conference on various aspects of the bill. I assure the Senator that the farm bill will be given very high priority.

Mr. STENNIS. Mr. President, will the distinguished senior Senator from California yield to me?

Mr. KNOWLAND. I yield.

Mr. STENNIS. I appreciate the courtesy of the Senator from California in yielding to me. In speaking from this side of the aisle, and at the moment representing it, I wish to express some concern about the farm bill. We were unable to hear very clearly what the majority leader said a few moments ago, because of the confusion which existed. However, I understand that the farm bill is to come before the Senate after the appropriation bill which has been mentioned.

Mr. KNOWLAND. That is correct. I give the Senator from Mississippi my assurance that no other proposed legislation will be run in between; and if we have the cooperation of the Senate tomorrow or tomorrow night, the Senator from New Hampshire [Mr. BRIDGES] has said he will be willing to remain here until midnight, if necessary, in order to have the Senate take final action on the appropriation bill; and I hope we shall be able to take up the farm bill the next day.

Mr. STENNIS. I thank the Senator from California. We know he is trying in every way to cooperate.

Mr. HOLLAND. Mr. President, will the Senator from California yield to me?

Mr. KNOWLAND. I yield.

Mr. HOLLAND. I note that the calendar has some 21 pages of bills and other measures which have been reported since the last call of the calendar. I recall asking the majority leader some days ago when he expected to have a call of the calendar. I understood him to say there would be a calendar call early this week.

Mr. KNOWLAND. I had indicated my hope in that regard, but that was before I got caught in the most recent situation. I had announced, and I think the RECORD will so show, that we would have a call of the calendar when we finished action on the Flanders resolution, the foreign aid bill—which was the pending measure, and which we had hoped to dispose of before the Flanders resolution came up—and the farm bill.

Immediately following the farm bill, we shall have a call of the calendar, for the consideration of bills and other measures to which there is no objection, from the beginning of the calendar.

ADDITIONAL REPORTS OF COMMITTEES

The following additional reports of committees were submitted:

By Mr. LANGER, from the Committee on the Judiciary, with an amendment:

S. 831. A bill for the relief of Pietro Meduri (Rept. No. 2157);

S. 883. A bill for the relief of Tokuko Kobayashi, and her minor son (Rept. No. 2158);

S. 1604. A bill for the relief of Margot Herta Matulewitz (Rept. No. 2159);

S. 1838. A bill for the relief of Azzam Issac Rafidi (Rept. No. 2160);

S. 1890. A bill for the relief of Olivia Mary Oreiuch (Rept. No. 2161);

S. 2216. A bill for the relief of Vasilios Demetriou Kretsos and his wife Chryssa Thomaidou Kretsos (Rept. No. 2162);

S. 2633. A bill for the relief of Stanislavas Racinskas (Stacys Racinskas) (Rept. No. 2163);

S. 2636. A bill for the relief of Arturo Rodriguez Diaz (Rept. No. 2164);

S. 2678. A bill for the relief of Liselotte Warmbrand (Rept. No. 2165);

S. 2679. A bill for the relief of Ahti Johannes Ruuskanen (Rept. No. 2166);

S. 2695. A bill for the relief of Francoise O. McMahon (Rept. No. 2167);

S. 2731. A bill for the relief of Jean Cantalini (Rept. No. 2168);

S. 2768. A bill for the relief of Lydia Tischler (Rept. No. 2169);

S. 2877. A bill for the relief of Philopimin Michalacopoulos (Mihalakopoulos) (Rept. No. 2170);

S. 2936. A bill for the relief of Elisa Palumbo Castaldo (Rept. No. 2171);

S. 2941. A bill for the relief of Kim Kwang Suk and Kim Woo Shik (Rept. No. 2172).

S. 2993. A bill for the relief of Ruth Wehrhan (Rept. No. 2173);

S. 3045. A bill for the relief of Margaret Isabel Byers (Rept. No. 2174);

S. 3046. A bill for the relief of Nejibe El-Sousse Slyman (Rept. No. 2175);

S. 3047. A bill for the relief of Luzia Cox (Rept. No. 2176);

S. 3056. A bill for the relief of S. Sgt. Silvestre E. Castillo (Rept. No. 2177);

S. 3084. A bill for the relief of Elsa Lederer (Rept. No. 2178);

S 3273. A bill for the relief of Cirino Lanzafame (Rept. No. 2179);

S. 3392. A bill for the relief of Anna C. Giese (Rept. No. 2180);

S. 3569. A bill for the relief of Mrs. Lisa Lear (Rept. No. 2181);

S. 3652. A bill for the relief of Francis Timothy Mary Hodgson (formerly Victor Charles Joyce) (Rept. No. 2183);

S. 3688. A bill for the relief of Helga Schart Coulson (Rept. No. 2184); and

S. 3689. A bill for the relief of Gisela Nagel (nee Maireder) (Rept. No. 2185).

By Mr. LANGER, from the Committee on the Judiciary, with amendments:

S. 26. A bill to amend chapter 19, title 5, of the United States Code, entitled "Administrative Procedure," so as to prohibit the employment by any person of any member, official, attorney, or employee of a Government agency except under certain conditions (Rept. No. 2156);

S. 1338. A bill for the relief of certain Palestinian Arab refugees (Rept. No. 2186);

S. 1605. A bill for the relief of James Arthur Cimino (Rept. No. 2187);

S. 1720. A bill for the relief of Eugenia Gafos and Adamantios George Gafos (Rept. No. 2188);

S. 2879. A bill for the relief of Helen Hilda Coral Newbery, Peter Julian Newbery, and Prudence Ellen Newbery (Rept. No. 2189);

S. 2994. A bill for the relief of Edward H. Hon (Rept. No. 2190);

S. 3024. A bill for the relief of Malvina David (nee Gabriel) (Rept. No. 2191);

S. 3054. A bill for the relief of Rosita A. Jocsan (Rept. No. 2192);

S. 3276. A bill for the relief of Cleophat Robert Joseph Caron (Rept. No. 2193);

S. 3352. A bill for the relief of Joseph Feghali and Roger Feghali (Rept. No. 2194);

S. 3585. A bill to amend the Strategic and Critical Materials Stockpiling Act (60 Stat. 596), relating to the acquisition of stocks of strategic and critical materials for national defense purposes (Rept. No. 2195);

H. R. 7045. A bill for the relief of Dr. Marciano Gutierrez, Dr. Amparo G. Joaquin Gutierrez, and their children, Rosenda, Rebecca, Raymundo, and Marciano, and Mrs. Brigida de Gutierrez (Rept. No. 2196); and

H. Con. Res. 227. Concurrent resolution favoring the granting of the status of permanent residence to certain aliens (Rept. No. 2197).

By Mr. WATKINS, from the Committee on the Judiciary, without amendment:

H. R. 7130. A bill to amend the Immigration and Nationality Act to provide for the loss of nationality of persons convicted of certain crimes (Rept. No. 2198).

By Mr. WATKINS, from the Committee on the Judiciary, with amendments:

H. R. 8193. A bill to amend the Refugee Relief Act of 1953 (Rept. No. 2045).

By Mr. McCARRAN, from the Committee on the Judiciary, without amendment:

S. 1708. A bill to amend section 11 of the Administrative Procedure Act, and for other purposes (Rept. No. 2199).

By Mr. McCARRAN, from the Committee on the Judiciary, with an amendment:

S. 521. A bill to amend title 18, United States Code, regarding published articles and broadcasts by foreign agents (Rept. No. 2200).

By Mr. McCARRAN, from the Committee on the Judiciary, with amendments:

S. 19. A bill to suspend the running of the statutes of limitations applicable to offenses involving performance of official duties by Government officers and employees during periods of Government service of the officer or employee concerned (Rept. No. 2201).

By Mr. COOPER, from the Committee on Labor and Public Welfare, without amendment:

S. 3726. A bill granting the consent of Congress to certain New England States to enter into a compact relating to higher education in the New England States and establishing the New England Board of Higher Education (Rept. No. 2202).

PERMANENT PROGRAM OF ASSISTANCE FOR SCHOOL CONSTRUCTION—REPORT OF A COMMITTEE—ADDITIONAL COSPONSORS OF BILL

Mr. COOPER. Mr. President, from the Committee on Labor and Public Welfare, I report favorably, with an amendment, the bill (S. 3628) to amend Public Law 815, 81st Congress, in order to provide a permanent program of assistance for school construction under the provisions of such law, and I submit a report (No. 2203) thereon. I ask unanimous consent that the names of the following Senators be added as cosponsors of the bill: Mr. IVES, Mr. COOPER, Mrs. BOWRING, Mr. MURRAY, Mr. HILL, Mr. NEELY, Mr. DOUGLAS, Mr. LEHMAN, Mr. BURKE, and Mr. JOHNSON of Colorado.

The PRESIDING OFFICER. The report will be received, and the bill will be placed on the calendar; and, without objection, the names of the Senators referred to will be added as cosponsors of the bill.

AMENDMENT OF PUBLIC LAW 874, 81ST CONGRESS, RELATING TO THE ELIMINATION OF THE 3-PERCENT ABSORPTION REQUIREMENT—REPORT OF A COMMITTEE

Mr. COOPER. Mr. President, from the Committee on Labor and Public Welfare, I report favorably, with an amendment, the bill (S. 3629) to amend Public Law 874, 81st Congress, so as to eliminate the 3-percent absorption requirement, and I submit a report (No. 2204) thereon. I ask unanimous consent that the names of the following Senators be added as cosponsors of the bill: Mr. CLEMENTS, Mr. COOPER, and Mr. JOHNSON of Colorado.

The PRESIDING OFFICER. The report will be received and the bill will be placed on the calendar; and, without objection, the names of the Senators referred to will be added as cosponsors of the bill.

PAUL A. SMITH, OF THE COAST AND GEODETIC SURVEY—ADDITIONAL BILL INTRODUCED

Mr. BRICKER. Mr. President, by request, I ask unanimous consent to introduce for appropriate reference a bill to authorize the President to place Paul A. Smith, a commissioned officer of the Coast and Geodetic Survey, on the retired list, in the grade of rear admiral—lower half—in the Coast and Geodetic Survey, at the time of his retirement, with entitlement to all benefits pertaining to any officer retired in such grade. I ask unanimous consent that a statement of purpose and need in support of the proposed legislation be printed in the RECORD.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the statement will be printed in the RECORD.

The bill (S. 3830) to authorize the President to place Paul A. Smith, a commissioned officer of the Coast and Geodetic Survey, on the retired list, in the grade of rear admiral (lower half) in the Coast and Geodetic Survey, at the time of his retirement, with entitlement to all benefits pertaining to any officer retired in such grade, introduced by Mr. BRICKER (by request), was received, read twice by its title, and referred to the Committee on Interstate and Foreign Commerce.

The statement presented by Mr. BRICKER is as follows:

STATEMENT OF PURPOSE AND NEED IN SUPPORT OF THE PROPOSED LEGISLATION TO AUTHORIZE THE PRESIDENT TO PLACE PAUL A. SMITH, A COMMISSIONED OFFICER OF THE COAST AND GEODETIC SURVEY, ON THE RETIRED LIST, IN THE GRADE OF REAR ADMIRAL (LOWER HALF) IN THE COAST AND GEODETIC SURVEY, AT THE TIME OF HIS RETIREMENT, WITH ENTITLEMENT TO ALL BENEFITS PERTAINING TO ANY OFFICER RETIRED IN SUCH GRADE

In August 1954 Capt. Paul A. Smith will have served continuously for 30 years as a commissioned officer in the Coast and Geodetic Survey. He will be eligible for, and has requested, voluntary retirement at that time under the provisions of section 13, act of June 3, 1948 (33 U. S. C. 853*l*). Under authority contained in Private Law 5, 80th Congress, approved May 15, 1947, then Lieutenant Commander Smith was appointed alternate representative of the United States to the Interim Council of the Provisional International Civil Aviation Organization and was promoted to the rank of rear admiral (lower half) effective June 20, 1947. Under authority contained in Private Law 297, 81st Congress, approved October 6, 1949, he was appointed United States Representative on the Council of the International Civil Aviation Organization with the personal rank of minister. He served in this capacity until August 1, 1953, thus completing a period of continuous service in excess of 6 years in the grade of rear admiral.

Captain Smith's appointment to the International Civil Aviation Organization was terminated on August 1, 1953, and he reverted to his permanent grade of commander in the Coast and Geodetic Survey. Since that time he has been promoted to the rank of captain. There is no existing law which specifically covers the retirement of an officer of this service who serves on such special duty for the President. Laws are in effect which provide for the retirement in the highest rank held, permanent or temporary, for officers of this service who were transferred to the Armed Forces, and whose performance of duty was satisfactory, and provided the temporary rank was held prior to June 30, 1946. The law also provides that "any officer who may be retired while serving as Director or Assistant Director, or

who has or shall have served 4 years as Director or Assistant Diector and is retired after completion of such service while serving in a lower rank or grade, shall be retired with the rank, pay, and allowances authorized by law for the highest grade or rank held by him as Director or Assistant Director" (33 U. S. C., 852b—1948 Supp.).

When the laws were drafted and enacted to cover the retirement of officers of flag rank in this service, no provision was specifically made to cover the possibility that there would be any flag ranks other than those of Director and Assistant Director. It is clearly the intent of the law to provide for retirement in the highest rank satisfactorily held, and with retired pay of that rank, for any officer assigned to duty by the President by and with the advice and consent of the Senate in an office of great responsibility and who serves in that capacity for a considerable period of time. This intent is clearly demonstrated in the provisions of law governing retirement of officers in the highest temporary grades held in the other uniformed services, and in the provision for such retirements for the officers of this service who were transferred to the military departments during World War II.

It is believed that Captain Smith is entitled to retirement at the appropriate time with the rank and pay of rear admiral (lower half) in the Coast and Geodetic Survey, since he has satisfactorily held this rank (as evidenced by a letter of commendation from the President dated July 22, 1953) under Presidential appointment for a period of over 6 years. The Comptroller General has stated under date of June 3, 1954, that his office is not aware of any provisions of law which would permit such retirement; therefore, the proposed remedial legislation is needed.

NOTICE OF MOTION TO SUSPEND THE RULE—AMENDMENT TO SUPPLEMENTAL APPROPRIATION BILL, 1955

Mr. BRIDGES submitted the following notice in writing:

In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 9936) making supplemental appropriations for the fiscal year ending June 30, 1955, and for other purposes, the following amendment, namely:

On page 7, after line 25, insert the following:

"All functions, duties, and authority of the Architect of the Capitol with respect to the Legislative Garage, together with any funds, contracts, authorizations, appropriations, and records of the Architect of the Capitol which are primarily related to and necessary for, the exercise of such functions, duties, and authority, are transferred to the Sergeant at Arms of the Senate and shall be performed, exercised, and administered by him in accordance with the provisions of law relating to the control, supervision, and care of the Legislative Garage. The employees engaged in the care and maintenance of such garage are transferred to the jurisdiction of the Sergeant at Arms of the Senate without any reduction in compensation as a result of such transfer."

Mr. BRIDGES also submitted an amendment intended to be proposed by him to House bill 9936, making supplemental appropriations for the fiscal year ending June 30, 1955, and for other purposes, which was ordered to lie on the table and to be printed.

(For text of amendment referred to, see the foregoing notice.)

ADDITIONAL MATTER TO BE PRINTED IN THE APPENDIX

On request, and by unanimous consent an additional address was ordered to be printed in the Appendix, as follows:

By Mr. BRICKER:

Address entitled "Japanese Trade Agreement and GATT," delivered by O. R. Strackbein before the International Brotherhood of Operative Potters, at Atlantic City, N. J., on July 8, 1954.

RECESS TO 10 A. M. TOMORROW

Mr. KNOWLAND. Mr. President, if there is no further business to come before the Senate, I move that the Senate stand in recess until tomorrow morning, at 10 o'clock.

The motion was agreed to; and (at 10 o'clock and 16 minutes p. m.) the Senate took a recess until tomorrow, Tuesday, August 3, 1954, at 10 o'clock a. m.

NOMINATIONS

Executive nominations received by the Senate August 2 (legislative day of July 2), 1954:

Tennessee Valley Authority

Herbert Davis Vogel, of Michigan, to be a member of the Board of Directors of the Tennessee Valley Authority, effective subsequent to August 31, 1954, for the term expiring May 18, 1963, vice Gordon R. Clapp, term expired.

Federal Reserve System

C. Canby Balderston, of Pennsylvania, to be a member of the Board of Governors of the Federal Reserve System for the remainder of the term of 14 years from February 1, 1952, to fill an existing vacancy.

Ira A. Dixon, of Indiana, to be a member of the Home Loan Bank Board for a term of 4 years, expiring June 30, 1958, to fill an existing vacancy.

United States District Judges

Hon. W. Lynn Parkinson, of Indiana, to be United States district judge for the northern district of Indiana, to fill a new position.

Cale J. Holder, of Indiana, to be United States district judge for the southern district of Indiana, to fill a new position.

In the Navy

The following-named officers of the line of the Navy for temporary promotion to the grade of rear admiral, subject to qualification therefor, as provided by law:

George W. Anderson, Jr.	Benjamin E. Moore
	Albert G. Mumma
Harold M. Briggs	Joseph N. Murphy
Henry H. Caldwell	Henry S. Persons
Robert W. Cavenagh	Paul H. Ramsey
Clifford S. Cooper	Robert H. Rice
Lawrence R. Daspit	Walter F. Rodee
William A. Dolan, Jr.	William K. Romoser
Robert B. Ellis	Harry E. Sears
Frank W. Fenno, Jr.	Allen Smith, Jr.
William E. Ferrall	Philip W. Snyder
Charles D. Griffin	Frederick C. Stelter, Jr.
Miles H. Hubbard	James H. Ward
William J. Marshall	George C. Weaver

Postmasters

The following-named persons to be postmasters:

ALABAMA

Lester C. Smith, Sr., Pell City, Ala., in place of N. R. Shockley, resigned.

Ralph D. Buster, Sardis, Ala., in place of W. R. Buster, retired.

ARIZONA

Klyle N. Stall, Chandler, Ariz., in place of E. L. Turner, Jr., resigned.

Paul H. McEwen, McNary, Ariz., in place of H. R. Henderson, removed.

Bertha Bernice Boggs, Waddell, Ariz., in place of L. M. Taylor, resigned.

ARKANSAS

James A. Myover, Cotton Plant, Ark., in place of C. N. Parker, retired.

Robert C. Hixson, Paris, Ark, in place of W. F. Eisken, resigned.

CALIFORNIA

Hazel M. Bailey, Los Alamos, Calif., in place of G. R. Brewington, resigned.

Harry S. Barr, Meridian, Calif., in place of L. M. Burris, retired.

Myrtle D. Jennings, Mount Eden, Calif. Office reestablished December 1, 1953.

Alden H. Stookey, Portola, Calif., in place of J. A. Sheeley, resigned.

Gladys K. Mohnike, Tecopa, Calif., in place of F. A. McQueary, resigned.

Marion E. Underhill, Yuba City, Calif., in place of A. A. McMullen, deceased.

COLORADO

Lloyd R. Swedhin, Buena Vista, Colo., in place of Rose Richards, retired.

Maybelle M. Wright, Erie, Colo., in place of M. J. Brennan, retired.

CONNECTICUT

Joseph Rocco Ferrigno, Meriden, Conn., in place of J. J. Scanlon, resigned.

FLORIDA

William Dale Dunifon, Fort Lauderdale, Fla., in place of A. G. Shand, transferred.

Clyde P. Stickney, Key West, Fla., in place of H. R. Bervaldi, retired.

GEORGIA

Martha E. Priester, Grantville, Ga., in place of J. T. Bohannon, retired.

ILLINOIS

Enid I. Crotchett, Kane, Ill., in place of R. E. Williams, removed.

Salvator R. Forlenza, Park Forest, Ill. Office established January 1, 1954.

Robert F. Herzog, Peru, Ill., in place of C. F. Schmoeger, retired.

INDIANA

Clifford K. Smith, Leesburg, Ind., in place of B. L. Anglin, retired.

IOWA

Buster Davenport, Anamosa, Iowa, in place of C. J. Cash, Jr., removed.

KENTUCKY

Georgia R. Callahan, Canmer, Ky., in place of H. B. Hedgepeth, retired.

LOUISIANA

Ruth T. Hingle, Pointe a la Hache, La., in place of G. C. Dragon, resigned.

MAINE

Helen I. Bennett, Charleston, Maine, in place of M. C. Lord, retired.

Sewall L. Moody, Guilford, Maine, in place of O. M. Fortier, transferred.

MASSACHUSETTS

Donald F. Griffin, Lanesboro, Mass., in place of A. E. Sherman, retired.

MICHIGAN

Lawrence A. Hahn, Au Gres, Mich., in place of M. C. Duby, retired.

Robert J. Price, Baraga, Mich., in place of T. E. Barry, retired.

Walter R. Cremeans, Elmira, Mich., in place of O. M. Martin, retired.

Andrew R. Fuller, Fife Lake, Mich., in place of J. J. Voice, deceased.

Henry A. Torretti, Iron Mountain, Mich., in place of H. A. Torretti, resigned.

Marjorie A. Hershiser, Lake Odessa, Mich., in place of D. M. Gray, transferred.
Marvin D. Cole, Middleton, Mich., in place of P. A. Curtis, transferred.
Shirley E. McBean, Peck, Mich., in place of Lyman Woodward, retired.
Burnetta W. Lawitzke, Port Hope, Mich., in place of H. C. Bunting, retired.

MINNESOTA

Robert J. Talbert, Crystal Bay, Minn., in place of E. T. Swanson, deceased.
Vernon A. Temanson, Greenbush, Minn., in place of Andrew Lubinski, retired.
Ruby S. Lynch, South International Falls, Minn., in place of H. S. Ness, removed.

MISSOURI

Weldon P. Coy, South St. Joseph, Mo., in place of E. C. Buehler, retired.

NEBRASKA

Ivan E. Hiatt, Bristow, Nebr., in place of M. E. Andersen, retired.
William H. Weber, Creighton, Nebr., in place of W. A. Horstman, removed.
Duane M. Vannice, Halsey, Nebr., in place of L. F. Besley, retired.
Clarence O. Rodine, Polk, Nebr., in place of M. P. Westfall, retired.

NEVADA

Bettie J. Narmi, Austin, Nev., in place of W. B. Collins, resigned.

NEW JERSEY

Lester W. Schroeder, Franklin, N. J., in place of Elizabeth Massey, resigned.
Frank W. Murphy, Paterson, N. J., in place of D. B. Morgan, deceased.

NEW YORK

Leon P. Carey, Woodstock, N. Y., in place of Howard Bell, resigned.

OHIO

August J. Leagre, De Graff, Ohio, in place of P. D. Smith, removed.
Harry A. Titsworth, Fremont, Ohio, in place of L. C. Brokate, resigned.
Earl W. Conner, Waynesville, Ohio, in place of L. H. Gordon, resigned.

OREGON

Albert M. Hodler, Portland, Oreg., in place of E. T. Hedlund, deceased.

PENNSYLVANIA

Earl S. Cummings, Aliquippa, Pa., in place of E. E. Hanna, resigned.
Bruce Crumm, Altoona, Pa., in place of P. V. Tillard, retired.
Kelvin L. Bowman, Klingerstown, Pa., in place of W. H. Davis, retired.
George W. Gunia, Springdale, Pa., in place of E. F. Kapteina, resigned.
William W. Davis, Wilkes-Barre, Pa., in place of E. J. Quinn, deceased.

TENNESSEE

Robert A. Smith, Clinton, Tenn., in place of B. R. Vandergriff, resigned.
Francis M. Bray, Jellico, Tenn., in place of H. H. Hackney, removed.

TEXAS

John W. Veazey, Ben Wheeler, Tex., in place of L. L. Cates, retired.
Rupaco T. Gonzalez, Falcon Heights, Tex. Office established September 1, 1951.

VIRGINIA

R. Frazier Smith, Jr., Covington, Va., in place of T. B. McCaleb, deceased.

WASHINGTON

Wanda G. Wyatt, Union, Wash., in place of H. G. Andersen, retired.

WISCONSIN

William D. Arnold, Lake Nebagamon, Wis., in place of L. J. Drolson, transferred.

SENATE

TUESDAY, AUGUST 3, 1954

(Legislative day of Friday, July 2, 1954)

The Senate met at 10 o'clock a. m., on the expiration of the recess.

Rev. Russell Cartwright Stroup, D. D., minister of the Georgetown Presbyterian Church, Washington, D. C., offered the following prayer:

Almighty God, our Heavenly Father, look with compassion upon these Thy servants, who hold in solemn trust the heritage and hopes of all the people in the land we love. Theirs are burdens too great to be borne save by Thy power. Theirs are problems too perplexing to solve save by Thy wisdom.

Grant, we beseech Thee, to each man strength for his day. Guide all in the way of truth by Thy holy spirit. Vouchsafe to them vision to perceive Thy purpose and the courage to obey Thy will, to the end that as they are blessed by Thee the Nation may be blessed through them. And to Thee we shall give the glory, world without end. Amen.

THE JOURNAL

On request of Mr. KNOWLAND, and by unanimous consent, the reading of the Journal of the proceedings of Monday, August 2, 1954, was dispensed with.

MESSAGE FROM THE HOUSE— ENROLLED BILL SIGNED

A message from the House of Representatives, by Mr. Maurer, its reading clerk, announced that the Speaker had affixed his signature to the enrolled bill (S. 3683) to amend the District of Columbia Credit Unions Act, and it was signed by the Vice President.

LEAVE OF ABSENCE

Mr. BUSH. Mr. President, I ask leave of the Senate to be absent for 24 hours beginning at 3 o'clock this afternoon, to attend the funeral in New York of the wife of my long-time friend and intimate business partner.

The VICE PRESIDENT. Without objection, leave is granted.

ORDER FOR TRANSACTION OF ROUTINE BUSINESS

Mr. KNOWLAND. Mr. President, I ask unanimous consent that immediately following a brief executive session and a quorum call there may be the customary morning hour for the transaction of routine business, under the usual 2-minute limitation on speeches.

The VICE PRESIDENT. Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. KNOWLAND. Mr. President, I move that the Senate proceed to the consideration of executive business to act on the nominations on the Executive Calendar which appear under the heading "New Reports."

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

The VICE PRESIDENT. If there be no reports of committees, the clerk will state the nominations on the Executive Calendar under the heading "New Reports."

FEDERAL RESERVE SYSTEM

The Chief Clerk read the nomination of Paul Emmert Miller, of Minnesota, to be a Member of the Board of Governors of the Federal Reserve Board for the remainder of the term of 14 years from February 1, 1954.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

COMMODITY CREDIT CORPORATION

The Chief Clerk read the nomination of Earl L. Butz, of Indiana, to be a member of the Board of Directors of the Commodity Credit Corporation.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

UNITED STATES CIRCUIT JUDGE

The Chief Clerk read the nomination of Elbert Parr Tuttle, of Georgia, to be United States circuit judge for the fifth circuit.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

UNITED STATES ATTORNEY

The Chief Clerk read the nomination of Paul W. Cress, of Oklahoma, to be United States attorney for the western district of Oklahoma.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

UNITED STATES MARSHAL

The Chief Clerk read the nomination of Charles Swann Prescott to be United States marshal for the middle district of Alabama.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

Mr. KNOWLAND. Mr. President, I ask that the President be immediately notified of the nominations confirmed today.

The VICE PRESIDENT. Without objection, the President will be immediately notified.

LEGISLATIVE SESSION

Mr. KNOWLAND. I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

CALL OF THE ROLL

Mr. KNOWLAND. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Anderson	Green	McCarran
Barrett	Hayden	Murray
Bennett	Hendrickson	Payne
Bowring	Hickenlooper	Reynolds
Butler	Holland	Smith, N. J.
Carlson	Johnson, Tex.	Upton
Cordon	Knowland	Watkins
Crippa	Langer	Wiley
Ervin	Lehman	Williams
Flanders	Long	Young
George	Mansfield	
Gillette	Martin	

Mr. SALTONSTALL. I announce that the Senator from Pennsylvania [Mr. DUFF] is necessarily absent.

The Senator from Kansas [Mr. SCHOEPPEL] is absent by leave of the Senate.

Mr. CLEMENTS. I announce that the Senator from Mississippi [Mr. EASTLAND], the Senator from Tennessee [Mr. KEFAUVER], and the Senators from West Virginia [Mr. KILGORE and Mr. NEELY] are absent on official business.

The VICE PRESIDENT. A quorum is not present.

Mr. KNOWLAND. Mr. President, I move that the Sergeant at Arms be directed to request the attendance of absent Senators.

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from California.

The motion was agreed to.

The VICE PRESIDENT. The Sergeant at Arms will execute the order of the Senate.

After a little delay, Mr. AIKEN, Mr. BEALL, Mr. BRICKER, Mr. BRIDGES, Mr. BURKE, Mr. BUSH, Mr. BYRD, Mr. CAPEHART, Mr. CASE, Mr. CHAVEZ, Mr. CLEMENTS, Mr. COOPER, Mr. DANIEL, Mr. DIRKSEN, Mr. DOUGLAS, Mr. DWORSHAK, Mr. ELLENDER, Mr. FERGUSON, Mr. FREAR, Mr. FULBRIGHT, Mr. GOLDWATER, Mr. GORE, Mr. HENNINGS, Mr. HILL, Mr. HUMPHREY, Mr. IVES, Mr. JACKSON, Mr. JENNER, Mr. JOHNSON of Colorado, Mr. JOHNSTON of South Carolina, Mr. KENNEDY, Mr. KERR, Mr. KUCHEL, Mr. LENNON, Mr. MAGNUSON, Mr. MALONE, Mr. MAYBANK, Mr. McCARTHY, Mr. McCLELLAN, Mr. MILLIKIN, Mr. MONRONEY, Mr. MORSE, Mr. MUNDT, Mr. PASTORE, Mr. POTTER, Mr. PURTELL, Mr. ROBERTSON, Mr. RUSSELL, Mr. SALTONSTALL, Mr. SMATHERS, Mrs. SMITH of Maine, Mr. SPARKMAN, Mr. STENNIS, Mr. SYMINGTON, Mr. THYE, and Mr. WELKER entered the Chamber and answered to their names.

The VICE PRESIDENT. A quorum is present.

Routine business is now in order.

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred as indicated:

REPORT ON PROVISION OF WAR-RISK AND CERTAIN MARINE AND LIABILITY INSURANCE FOR AMERICAN PUBLIC

A letter from the Secretary of Commerce, transmitting, pursuant to law, a report on the provision of war-risk insurance and certain marine and liability insurance for the American public, as of June 30, 1954 (with an accompanying report); to the Committee on Interstate and Foreign Commerce.

SUSPENSION OF DEPORTATION OF CERTAIN ALIENS

Three letters from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, copies of orders suspending deportation of certain aliens, together with a statement of the facts and pertinent provisions of law as to each alien, and the reasons for granting such suspensions (with accompanying papers); to the Committee on the Judiciary.

GRANTING OF APPLICATIONS FOR PERMANENT RESIDENCE FILED BY CERTAIN ALIENS

A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, copies of orders granting the applications for permanent residence filed by certain aliens, together with a statement of the facts and pertinent provisions of law as to each alien, and the reasons for granting such applications (with accompanying papers); to the Committee on the Judiciary.

REPORT ON APPORTIONMENT OF APPROPRIATION FOR "SUPPORT OF UNITED STATES PRISONERS"

A letter from the Director, Bureau of the Budget, Executive Office of the President, reporting, pursuant to law, that the appropriation to the Department of Justice for "Support of United States Prisoners" for the fiscal year 1955 has been apportioned on a basis which indicates a necessity for a supplemental estimate of appropriation (with an accompanying paper); to the Committee on Appropriations.

DISPOSITION OF EXECUTIVE PAPERS

A letter from the Archivist of the United States, transmitting, pursuant to law, a list of papers and documents on the files of several departments and agencies of the Government which are not needed in the conduct of business and have no permanent value or historical interest, and requesting action looking to their disposition (with accompanying papers); to a Joint Select Committee on the Disposition of Papers in the Executive Departments.

The VICE PRESIDENT appointed Mr. CARLSON and Mr. JOHNSTON of South Carolina members of the committee on the part of the Senate.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. ANDERSON, from the Committee on Agriculture and Forestry, with amendments:

S. 3601. A bill to provide that the Secretary of Agriculture is authorized to extend until not later than October 18, 1962, certain timber rights and necessary ingress and egress, and for other purposes (Rept. No. 2206).

By Mr. CASE, from the Committee on Public Works:

S. 3622. A bill to provide for the preparation of plans and specifications for a museum building for the Smithsonian Institution; with amendments (Rept. No. 2207).

By Mr. LANGER, from the Committee on the Judiciary, without amendment:

H. R. 9804. A bill to authorize the appointment in a civilian position in the Department of Justice of Maj. Gen. Frank H. Partridge, United States Army, retired, and for other purposes (Rept. No. 2205).

By Mr. KUCHEL, from the Committee on Interior and Insular Affairs, with an amendment:

S. 3040. A bill to provide financial assistance to the Oakdale and South San Joaquin Irrigation Districts, California, in the construction of the Tri-Dam project (Rept. No. 2209).

By Mr. WATKINS, from the Committee on Interior and Insular Affairs, without amendment:

H. R. 3419. A bill to authorize a $50 per capita payment to members of the Red Lake Band of Chippewa Indians from the proceeds of the sale of timber and lumber on the Red Lake Reservation (Rept. No. 2210).

JOINT COMMITTEE ON TIN—REPORT OF A COMMITTEE

Mr. CAPEHART. Mr. President, from the Committee on Banking and Currency, I report favorably, without amendment, the concurrent resolution (H. Con. Res. 259) to provide for the Joint Committee on Tin, and I submit a report (No. 2208) thereon.

The PRESIDING OFFICER (Mr. PAYNE in the chair). The report will be received, and, pursuant to the order of the Senate of July 29, 1954, the concurrent resolution will be referred to the Committee on Armed Services.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. SMITH of New Jersey (by request):

S. 3831. A bill to amend the Fair Labor Standards Act of 1938, as amended; to the Committee on Labor and Public Welfare.

(See the remarks of Mr. SMITH of New Jersey when he introduced the above bill, which appear under a separate heading.)

By Mr. MANSFIELD:

S. 3832. A bill for the relief of William Murray; to the Committee on the Judiciary.

By Mr. KNOWLAND:

S. 3833. A bill for the relief of Julius Firt; to the Committee on the Judiciary.

AMENDMENTS OF FAIR LABOR STANDARDS ACT OF 1938

Mr. SMITH of New Jersey. Mr. President, at the request of the Acting Secretary of the Navy, Thomas S. Gates, Jr., I introduce for appropriate reference a bill to amend the Fair Labor Standards Act of 1938, as amended. Mr. Gates forwarded the bill to the Senate by letter addressed to the President of the Senate, dated July 21, 1954, which I request be printed in full text in the body of the RECORD as a part of my remarks. The President of the Senate, Vice President NIXON, referred the matter to me as chairman of the Committee on Labor and Public Welfare. It will be noted that Mr. Gates states that he has been designated as the representative of the Department of Defense in regard to this proposed legislation.

In introducing this bill I wish to make it clear that I am doing so by request.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the letter will be printed in the RECORD.

The bill (S. 3831) to amend the Fair Labor Standards Act of 1938, as amended, introduced by Mr. SMITH of New Jersey (by request), was received, read twice by its title, and referred to the Committee on Labor and Public Welfare.

The letter referred to is as follows:

JULY 21, 1954.

Hon. RICHARD M. NIXON,
President of the Senate,
United States Senate,
Washington, D. C.

MY DEAR MR. PRESIDENT: There is forwarded herewith a draft of legislation to amend the Fair Labor Standards Act of 1938, as amended.

This proposal is a part of the Department of Defense legislative program for 1954 and it has been approved by the Bureau of the Budget. The Department of the Navy has been designated as the representative of the Department of Defense for this legislation. It is recommended that this proposal be enacted by the Congress.

PURPOSE OF THE LEGISLATION

This proposal would amend the Fair Labor Standards Act of 1938 (29 U. S. C. 201) to provide that its principal provisions shall not apply to employees whose services are performed in a foreign country or within United States territory other than a State of the United States, the District of Columbia, Alaska, Hawaii, Puerto Rico, the Virgin Islands, outer Continental Shelf lands, Guam, American Samoa, and Wake Island. With respect to Guam, American Samoa, and Wake Island, this proposal provides that the Secretary of Labor after a public hearing may determine the minimum wage appropriate for the geographical area or particular work performed, not in excess of the minimum rate applicable within the continental United States.

The proposal also provides that no employer shall be subject to any liability under the Fair Labor Standards Act or the Portal-to-Portal Act for work performed outside the areas named above, or for work performed on Guam, American Samoa, or Wake Island prior to the effective date of a minimum wage fixed by the Secretary of Labor.

The Fair Labor Standards Act covers employees engaged in commerce or the production of goods for commerce. The geographic coverage of the act turns upon the definition of "State" as "any State of the United States or the District of Columbia or any Territory or possession of the United States." As a result of this broad definition, the act may be interpreted as applicable not only to employees in the United States and its Territories but also to employees upon any United States base anywhere in the world.

This broad interpretation of coverage is supported by the decision of the Supreme Court of the United States in *Vermilya-Brown Co., Inc.* v. *Connell* (335 U. S. 377 (1948)). This case held that the Fair Labor Standards Act, if otherwise applicable, covered employees of United States contractors engaged in construction of a military base for the United States on land in Bermuda acquired from Great Britain under the destroyer-lease agreement. The Court held that the "facts indicate an intention on the part of Congress in its use of the word 'possession' to have the act apply to employer-employee relationships on foreign territory under lease for bases."

The full effect of the Vermilya-Brown decision was not immediately felt by the Department of Defense because the Department was not then engaged in a mobilization effort which involved extensive overseas construction in areas covered by this decision. However, the expansion of military operations at home and abroad since the Korean incident has precipitated serious problems relating to the applicability of the Fair Labor Standards Act to the various overseas possessions.

The Fair Labor Standards Act imposes a minimum wage of 75 cents per hour and requires that overtime compensation at time and one-half for all hours worked beyond 40 in a workweek be paid to all employees covered by the act. On bases or establishments in foreign areas where the act may presently be held applicable and where native workers are utilized, labor standards for areas contiguous to the base or establishment are under the jurisdiction of foreign governments and are established at levels consistent with the prevailing local economy. Applying the conditions of the Fair Labor Standards Act to work performed within the base or establishment would require, in most instances, wage payments on the part of contractors performing work for the Department of Defense to be made at higher wage scales than those generally prevailing in the area. Such wage payments would obviously distort the local economy and, in some instances, objections have been received from foreign governments. In addition, such payments would result in higher costs to the United States.

With respect to areas, other than those designated in section 3 of the proposal, upon which the United States may have defense bases or other establishments, the proposal expressly provides that the minimum wage, overtime, recordkeeping, and child-labor provisions of the Fair Labor Standards Act do not apply. With respect to Guam, American Samoa, and Wake Island, the proposal would authorize the Secretary of Labor to determine minimum-wage rates not in excess of the generally applicable minimum, now 75 cents per hour, taking into consideration the fact that the labor standards in these areas are unlike those in the United States. In addition, where such minimum-wage rates are established, the Secretary of Labor may make rules and regulations providing variations and exemptions from any of the provisions of section 7 (overtime payments) and section 12 (child labor) if he shall find that economic conditions warrant such action.

The principal problem now arises upon Guam, where Department of Defense contractors have been engaged in a major expansion program for improving defense facilities. There have not been sufficient local resident workers to accomplish this program. The remoteness of the island, its climate, and the more favorable economic conditions in the United States have prevented the attraction of sufficient United States workers, particularly in the laboring and semiskilled classifications. As a consequence, a large number of the required workers were recruited under contract from the Philippines. These workers had to be taught new skills and techniques, and their usefulness and productivity suffered from inability to understand English. They have been paid hourly wages and have been provided with lodging, board, and medical care. The compensation and the conditions of employment had the approval of the Philippine Government. The total of such compensation and benefits has been commensurate with their productive efficiency. Although for the less skilled workers the total compensation and benefits has not amounted to the 75-cent minimum prescribed by the Fair Labor Standards Act, the compensation has been substantial and has been much greater than they would have earned in the Philippines.

The Department of Defense believes that the employment of native workers in foreign areas as well as the employment of Filipinos on Guam has been advantageous to the workers and to their countries. The program has been administered fairly, without exploitation, to produce substantial savings for the United States and to promote good international relations. To remove any technical doubt as to the legality of this employment, the Department of Defense proposes the exemptions from the Fair Labor Standards Act as set forth in the attached draft of legislation.

COST AND BUDGET DATA

This proposal would forestall claims that could amount to several million dollars from foreign workers on defense bases who have been paid less than the 75-cent minimum wage. It will also make unnecessary increases in the wage scales for foreign workers on such bases to pay all employees who may be covered by the Fair Labor Standards Act not less than this minimum and to maintain established wage differentials above this minimum. These claims and these increased wages would be reflected in higher costs to the United States for its contract work. For example, if the Fair Labor Standards Act is enforced on Guam, the Department of Defense is faced with a potential cost of more than $3 million for retroactive wage payments; in addition, annual costs would increase by a minimum of $1,500,000, which figure would be greatly increased if existing wage differentials between occupational categories are maintained.

Sincerely yours,

THOMAS S. GATES, JR.,
Acting Secretary of the Navy.

PRINTING OF ADDITIONAL COPIES OF HEARINGS ENTITLED "COMMUNIST PROPAGANDA"

Mr. JENNER submitted the following concurrent resolution (S. Con. Res. 103), which was referred to the Committee on Rules and Administration:

Resolved by the Senate (the House of Representatives concurring), That there be printed for the use of the Senate Committee on the Judiciary an additional 20,000 copies of the hearings entitled "Communist Propaganda," held before a subcommittee of the above committee during the 83d Congress.

AGRICULTURAL ACT OF 1954—AMENDMENT

Mrs. SMITH of Maine (for herself and Mr. PAYNE) submitted an amendment intended to be proposed by them, jointly, to the bill (S. 3052) to encourage a stable, prosperous, and free agriculture and for other purposes, which was ordered to lie on the table and to be printed.

Mr. ANDERSON submitted an amendment intended to be proposed by him to Senate bill 3052, supra, which was ordered to lie on the table and to be printed.

Mr. WILLIAMS submitted an amendment intended to be proposed by him to Senate bill 3052, supra, which was ordered to lie on the table and to be printed.

FLOOD CONTROL ACT OF 1954—AMENDMENTS

Mr. MAGNUSON (for himself and Mr. JACKSON) submitted amendments intended to be proposed by them jointly to the bill (H. R. 9859) authorizing the construction, repair, and preservation of certain public works on rivers and harbors for navigation, flood control, and for other purposes, which were ordered to lie on the table and to be printed.

SOCIAL SECURITY AMENDMENTS OF 1954—AMENDMENTS

Mr. HUMPHREY submitted amendments intended to be proposed by him to the bill (H. R. 9366) to amend the Social Security Act and the Internal Revenue Code so as to extend coverage under the old-age and survivors insurance program, increase the benefits payable thereunder, preserve the insurance rights of disabled individuals, and increase the amount of earnings permitted without loss of benefits, and for other purposes, which were ordered to lie on the table and to be printed.

SOCIAL SECURITY ACT AMENDMENTS OF 1954—AMENDMENT

Mr. LEHMAN. Mr. President, I submit an amendment in the nature of a substitute, intended to be proposed by me to the bill (H. R. 9366) to amend the Social Security Act and the Internal Revenue Code so as to extend coverage under the old-age and survivors insurance program, increase the benefits payable thereunder, preserve the insurance rights of disabled individuals, and increase the amount of earnings permitted without loss of benefits, and for other purposes, now pending on the Senate calendar. This substitute conveys, with some modification, the substance of a bill I introduced last year, S. 2260, for the improvement and liberalization of our social-security laws, and proceeds along the lines of the administration's bill except that it makes much more comprehensive changes in the present law. I ask that the amendment lie on the table, and be printed.

The PRESIDING OFFICER. The amendment will be received and printed, and will lie on the table.

NOTICE OF HEARING ON NOMINATION OF BRIG. GEN. HERBERT D. VOGEL TO BE MEMBER OF BOARD OF DIRECTORS OF TENNESSEE VALLEY AUTHORITY

Mr. MARTIN. Mr. President, on behalf of the Committee on Public Works, I desire to give notice that a public hearing has been scheduled for Monday, August 9, 1954, at 10 a. m., in room 412, Senate Office Building, upon the nomination of Brig. Gen. Herbert D. Vogel to be a member of the Board of Directors of the Tennessee Valley Authority.

NOTICE OF HEARING ON NOMINATION OF C. CANBY BALDERSTON TO BE A MEMBER OF THE BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

Mr. CAPEHART. Mr. President, on behalf of the Committee on Banking and Currency, I desire to give notice that a public hearing has been scheduled for Thursday, August 5, 1954, at 10 a. m., in room 301, Senate Office Building, upon the nomination of C. Canby Balderston, of Pennsylvania, to be a member of the Board of Governors of the Federal Reserve System for the remainder of the term of 14 years from February 1, 1952, to fill an existing vacancy. At the time and place all persons interested in the nomination may make such representations as may be pertinent.

NOTICE OF HEARING ON NOMINATION OF IRA A. DIXON TO BE A MEMBER OF THE HOME LOAN BANK BOARD

Mr. CAPEHART. Mr. President, on behalf of the Committee on Banking and Currency, I desire to give notice that a public hearing has been scheduled for Thursday, August 5, 1954, at 10 a. m., in room 301, Senate Office Building, upon the nomination of Ira A. Dixon, of Indiana, to be a member of the Home Loan Bank Board for a term of 4 years, expiring June 30, 1958, to fill an existing vacancy. At the time and place all persons interested in the nomination may make such representations as may be pertinent.

REVISION OF McCARRAN-WALTER IMMIGRATION AND NATIONALITY ACT—RESOLUTION

Mr. LEHMAN. Mr. President, on June 30 the Orleans County, N. Y., American Legion, in convention assembled, adopted a resolution favoring the revision and overhauling of the McCarran-Walter Immigration and Nationality Act, and urging the national organization of the American Legion to modify its position accordingly. A copy of this resolution was sent to me by the chairman of the Americanism Committee of the Orleans County American Legion, William H. Murray.

It is a very detailed resolution reflecting much thought and considerable study on the part of those who drafted the resolution and considered the matter. I ask unanimous consent that the resolution, reflecting a forward-looking attitude on the part of the Legionnaires and of the Legion posts situated in Orleans County, be printed in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

RESOLUTION OF ORLEANS COUNTY AMERICAN LEGION, JUNE 30, 1954

UNITED STATES IMMIGRATION STATUTE

Whereas our United States immigration statute, Public Law 414, 82d Congress, commonly referred to as the McCarran-Walter Immigration Act, is not in keeping with our traditions of fair play, decency, and justice for all; and

Whereas the quota system of Public Law 414 is based on the 1920 National Census population total less our Negro and American Indian citizens; and

Whereas Public Law 414 clearly discriminates against nationals of the southern European countries; and

Whereas consuls are charged with and hold the power of decision as to whether or not a visa shall be issued to an alien; and although there are no adequate or well defined standards on which to base these decisions, there is, nevertheless, no appeal from these decisions; and

Whereas naturalized citizens are placed in a second-class status in that they may be deported for an act which at the time of commission was not a crime and is not now a crime for native born citizens; and

Whereas the deportation of aliens, who may have been residents of this country for many years and may have established homes and reared families, work unduly severe hardships even though the grounds for the deportation may be based, may have occurred 30, 40, 50, or more years ago, there being no statute of limitations; and

Whereas no court review is permitted of the decision of the United States Attorney General to deport an alien; and

Whereas unduly severe and detailed procedures are required by Public Law 414 for alien professional and scientific workers seeking visas with the result that our country is to a large extent losing the valuable contributions which these people offer; and

Whereas Senator IRVING IVES holds that Public Law 414 is "contrary to the American creed," and he has "joined" with colleagues in the Senate and House in sponsoring a bill which would rewrite the present statute; and

Whereas Senator HERBERT LEHMAN views the present immigration statute as dangerous and un-American, and he has joined with 7 of his fellow Senators and 24 Members of the House in introducing a bill to rewrite the present statute; and

Whereas by resolution the national executive committee of the American Legion meeting in October of 1952 urged that "an adequate trial period be given the McCarran-Walter Act," which became effective on December 24, 1952; and

Whereas the American Legion's National Executive Committee, at their April–May 1953 meeting which was less than 5 months after the new immigration law became effective resolved "that the American Legion opposes any and all attempts being made to repeal in toto, or to materially weaken, destroy, or amend Public Law 414, 82d Congress, and that all necessary steps be taken to defeat any bills now pending, or that may hereafter be introduced in the Congress for said purposes." Thus the national executive committee accepted Public Law 414 as perfection and acceptable for all time; and

Whereas grave injustices have become apparent in the statute and its administration; and

Whereas President Dwight D. Eisenhower, in his state of the Union message of January 1953, said of the immigration statute, "Existing legislation contains injustices. It does in fact discriminate. I am informed by Members of the Congress that it was realized, at the time of its enactment, that future study of the basis of determining quotas would be necessary." The President cited 10 specific provisions of the law "which it is claimed may operate with unwarranted harshness" in a letter to Senator ARTHUR WATKINS, chairman of the Congressional Joint Committee on Immigration and Naturalization, and the President recommended that an immediate study be made with full and open hearings held to afford all those interested to be heard; and

Whereas Public Law 414 contains provisions which permit aliens who were and are believers in nazism and fascism to enter the United States; and

Whereas Public Law 414 furnishes the Communists with a great deal of propaganda material and causes the United States to look absurd to the rest of the world when it claims to be, on the one hand, a democratic peace-loving nation, with justice for all and on the other hand it enacts discriminatory legislation containing severe injustices; and

Whereas the American Legion's support of Public Law 414 is inconsistent with the Legion's general program, its avowed esteem for fair play, and its moral purposes: Now, therefore, be it

Resolved, That the Orleans County American Legion, in convention assembled at the James P. Clark Post, No. 204, Medina, N. Y., on June 24, 1954, proclaims itself to favor legislation which would rewrite Public Law

414, the 82d Congress, commonly known as the McCarran-Walter Immigration Act, to the end that the injustices and discrimination contained therein would be removed; and be it further

Resolved, That the national organization of the American Legion is hereby petitioned and urgently requested to recede from its stand of being in opposition to any, or material, changes in the present immigration statute; and that the national organization desist from issuing further press releases stating that the Legion is opposed to any change in the statute; and that the national commander is petitioned and requested to appoint a committee to make an immediate and full study of the immigration problem in order that a report might be available during the early part of the 1st session of the 84th Congress; and be it further

Resolved, That the eighth New York district and the department of New York is hereby petitioned to use every honorable means to effectuate the purposes of this resolution; and be it further

Resolved, That copies of this resolution be sent to the eighth district, the department of New York, to the national commander, to Senators IRVING IVES and HERBERT LEHMAN, and to Congressman HAROLD C. OSTERTAG.

The above resolution was duly adopted by Orleans County American Legion at its annual convention held June 24, 1954, at the James P. Clark Post, No. 204, Medina, N. Y.

CLYDE C. DILLON,
Orleans County Commander.
EVERETT CADY,
Orleans County Adjutant, the American Legion.

SENATORS' DILEMMA IN THE McCARTHY DISPUTE—ARTICLE BY JAMES RESTON

Mr. FULBRIGHT. Mr. President, I ask unanimous consent to have printed in the body of the RECORD an article published today in the New York Times.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

DILEMMA IN POLITICS—SENATORS HAVE ONE EYE FOR PRINCIPLES, ANOTHER FOR VOTERS IN McCARTHY DISPUTE

(By James Reston)

WASHINGTON, August 2.—The debate in the Senate on Senator JOSEPH R. McCARTHY has proved one thing: that the Wisconsinite is still a very influential man in the United States Senate.

The polls may be right in suggesting that Senator McCARTHY lost support during the televised Army hearings, but he still has working for him one rule of politics, which all politicians hesitate to break.

That is that a politician never antagonizes any group of voters in an election year—if he can avoid it.

Last week many Senators on both sides of the aisle were trying to avoid a vote on the resolution to censure Senator McCARTHY'S actions on the ground that the resolution lacked a bill of particulars.

Now the generalized Flanders resolution has been amended by Senator J. WILLIAM FULBRIGHT so that it has a most specific bill of particulars against the Senator from Wisconsin.

But many Senators are still hoping to find ways and means of avoiding a direct vote on the issue.

And though the question has been sent to a special committee for study, it is still not certain that the Senators will have to commit themselves before the Congress adjourns for the summer recess.

If the bipartisan committee, to which the censure motion has been referred, does force the Senate to make a decision before adjournment, the chances still are that it will choose to vote for McCARTHY rather than against him.

Senator WILLIAM F. KNOWLAND of California, the leader of the Senate Republicans, would rather take a chance on antagonizing the anti-McCarthy Senators than the pro-McCarthy. Anti-McCarthy Republicans such as Senator RALPH FLANDERS; MARGARET CHASE SMITH, of Maine; and JOHN SHERMAN COOPER, of Kentucky; might forgive the majority leader for forsaking them, but the pro-McCarthy bloc would never forgive or forget.

Perhaps the most significant and certainly the boldest speech of the debate was made by Senator EVERETT DIRKSEN, of Illinois. It was significant because he is the chairman of the Senate Republican campaign committee, charged with responsibility for helping the Republican Senators up for election in November, and he seemed more than willing to make defense of Senator McCARTHY a major campaign issue.

Unlike many of his colleagues, he did not try to evade the vote. He was cocky. He demanded a vote on the censure motion. He challenged the Democrats to vote against Senator McCARTHY. He taunted and goaded the liberals, roundly condemning the Congress of Industrial Organizations, the Americans for Democratic Action, and even a most distinguished group of liberal Republicans who had called on the Senate to vote for the censure resolution.

The Senator from Illinois even produced a biblical text for his defense of the Wisconsin Senator: "Thou shalt not follow a multitude to do evil." His point was that since the Communist Party, the Daily Worker, and a host of liberal groups were for censuring Senator McCARTHY, all decent folk should be against such a resolution.

Senator DIRKSEN said he had heard this quotation in an invocation at the 1952 Republican National Convention, delivered by a very eminent rabbi. "Let us remember what the equities and the verities are," said the Illinois Senator: "Follow not a multitude to do evil."

THE BEST OF THE QUOTATION

This biblical theme seems to have impressed the orators, particularly on the Republican side. Senator HERMAN WELKER, of Idaho, picked it up again today and kept throwing it at the Democrats, but nobody apparently looked up what Senator DIRKSEN'S very eminent rabbi really said in Chicago.

The invocation that impressed Senator DIRKSEN in that convention was made by Rabbi Louis L. Mann of the Sinai Temple of Chicago. He said several things that Senator DIRKSEN omitted.

"May freedom of assembly," he said, "not sink into the depths of mob action, but be utilized for high and noble purposes. Recalling the words of our Scriptures, 'thou shalt not follow a multitude to do evil.'

"We thank Thee for the gift of righteous indignation, and we are humbled, aye humiliated, by the crime, corruption, the dishonesty and faithlessness of those who have brought shame to our country. * * *

"We pray:

" 'God give us men! A time like this demands
Strong minds, great hearts, true faith and ready hands;
Men whom the lust of office does not kill;
Men whom the spoils of office cannot buy;
Men who possess opinions and a will;
Men who have honor; men who will not lie;
Men who can stand before a demagogue
And damn his treacherous flatteries without winking;
Tall men, sun-crowned, who live above the fog
In public duty and in private thinking.
God, give us men.'
"Amen."

LEGISLATIVE PROGRAM

Mr. KNOWLAND. Mr. President, I wish to make a brief announcement to the Senate relative to the legislative program on which I hope the Senate will be able to work during the coming week or 8 days.

After the morning hour has been concluded, the Senate will proceed to the consideration of the unfinished business, which is Calendar No. 1831, H. R. 9678, the foreign aid authorization bill. I hope the Senate will be able to complete its work on that bill within a reasonable time today. There are only a few pending amendments remaining. We have disposed of a number of them so far. Therefore it is my hope that we may be able to complete our work on that bill some time this afternoon.

I shall then move that the Senate proceed to the consideration of the supplemental appropriation bill, in the hope that we can complete work on that bill this evening. When consideration of the supplemental appropriation bill has been concluded, it shall be my purpose to make the farm bill the unfinished business of the Senate.

The Senate would then consider the farm bill beginning on Wednesday, when the Senate convenes on that day. I may say we expect to convene at 10 o'clock in the morning each day of this week. I am sure Senators recognize the fact that I can only make an estimate, but I assume consideration of the farm bill will take approximately 3 days—3 rather full days, to be sure. I hope the Senate may be able to complete its consideration of the Senate version of the farm bill within 3 days, which would bring us to Friday of this week.

On Saturday it will be my intention, after the Senate convenes at 10 o'clock in the morning, to have a call of the calendar for the consideration of bills to which there is no objection. I believe the call of the calendar will take all of Saturday. We would not want to hold a late session on Saturday evening.

Mr. HENDRICKSON. Mr. President, will the Senator yield?

Mr. KNOWLAND. I yield.

Mr. HENDRICKSON. I can assure the distinguished majority leader that the call of the calendar will occupy a full day.

Mr. KNOWLAND. I am sure it will. Therefore the Senators on both calendar committees will be on notice, as will Senators who have interest in bills on the calendar. The call will be from the beginning of the calendar. In that way we will clear the decks, so to speak, and we will know what is left on the calendar for further consideration.

On Monday we expect to take up the anti-Communist bills, including Calendar No. 1720, S. 3706, to amend the Subversive Activities Control Act of 1950, to provide for the determination of the identity of certain Communist-infiltrated organizations, and for other purposes; Calendar No. 1834, S. 3428, to authorize the Federal Government to guard strategic defense facilities against individuals believed to be disposed to commit acts of sabotage, espionage, or other subversion; Calendar No. 1833, H. R. 9580,

to revise and extend the laws relating to espionage and sabotage, and for other purposes.

The anti-Communist bills will be followed by the consideration of the social-security legislation. By that time I expect the foreign-aid appropriation bill will be ready for Senate action.

By that time, also, the Senate will be ready to take action on conference reports, which are privileged matters, and can be taken up during the course of the legislative program I have announced.

I have also previously announced that the Senate will take action on a number of other bills, not of such priority importance, perhaps, as the bills to which I have referred, but nevertheless of considerable importance. We expect to consider those bills also.

However, for the immediate future, I have stated the list of major measures which I hope the Senate will be able to dispose of during the next week or 8 days.

Mr. JOHNSON of Texas. Mr. President, will the distinguished majority leader yield?

Mr. KNOWLAND. I am glad to yield.

Mr. JOHNSON of Texas. How long does the distinguished Senator plan to have the Senate stay in session tonight?

Mr. KNOWLAND. In order to complete action on both the foreign-aid bill and on the supplemental appropriation bill, so that we can take up the farm bill tomorrow, I expect the Senate to remain in session until 10 o'clock tonight.

Mr. JOHNSON of Texas. I note that the majority leader has scheduled the supplemental appropriation bill prior to the farm bill. I want to make it abundantly clear that the minority has been ready for some time to proceed with the farm bill.

Mr. KNOWLAND. So has the majority leader, but we have had a few intervening problems to dispose of. I hope we may be able to dispose of the supplemental appropriation bill by this evening. If so, we will be able to begin consideration of the farm bill tomorrow.

Mr. JOHNSON of Texas. The scheduling of the supplemental appropriation bill ahead of the farm bill, while it is not displeasing to the minority, but agreeable, if it is the desire of the majority leader to do so, I assume is not being done because of any desire to postpone consideration of the farm bill.

Mr. KNOWLAND. I assume full responsibility for that. It is being done in accordance with the custom and usual procedure of the Senate, and in keeping with the rules, to give appropriation bills priority consideration.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. KNOWLAND. I yield.

Mr. HOLLAND. I did not hear the distinguished majority leader mention the omnibus navigation and flood-control bill, which is on the calendar.

Mr. KNOWLAND. I will say to the Senator from Florida that there are quite a number of bills of importance which I did not mention. I did not mean the list I gave to be all-inclusive. I was merely trying to give a week's preview of proposed legislation which the Senate would handle on a priority basis. I am not unmindful of the fact that the Public Works Committee has reported the bill to which the Senator from Florida has referred. There have also been reported to the Senate an unemployment insurance bill, a school construction bill, and quite a number of other bills which have been previously mentioned. I was not trying to give an all-inclusive list. All I was trying to do was to give Senators an idea of the legislative program for the next week or 8 days, and the order in which bills would be called up.

Mr. HOLLAND. If the Senator from California will yield further, as I understand, the majority leader does expect to give the Senate a chance to pass upon the omnibus navigation and flood-control bill.

Mr. KNOWLAND. I will say to the Senator from Florida that although the bill to which he refers has not been scheduled for action by the policy committeee, it will be very difficult to know how much proposed legislation will be disposed of on the call of the calendar and how much will be left over after the call of the calendar. I have some doubt that the bill to which the Senator has referred will be passed on the call of the calendar, although it might be passed. However, until we know what has been disposed of on the call of the calendar on Saturday, it will be very difficult to tell about the remaining legislative measures. I expect by Monday of next week to be able to make a further announcement to the Senate with respect to the remaining legislative program, depending on the progress we make on the measures I have listed. I recognize that the bill referred to by the Senator from Florida is an important piece of proposed legislation which is worthy of consideration.

Mr. JOHNSON of Texas. Mr. President, with reference to the omnibus public works bill, to which the Senator from Florida has referred, if we should be able to dispose of the bills on the calendar with reasonable dispatch, perhaps the majority leader could move to take up the omnibus navigation and flood-control bill following the call of the calendar on Saturday, because there is intense interest in that bill. I know of no deep opposition to it. It may require some discussion, but not prolonged discussion. I wonder whether the majority leader would bear that in mind in consulting with the policy committee, and perhaps we could work it out in that way.

Mr. KNOWLAND. I shall do that. Looking over the calendar, I think probably the calendar will occupy most of Saturday. It is a fairly long calendar now, and much has accumulated on it. In any event, I assume the public works bill will not require prolonged discussion. Whether it is scheduled for Saturday or the following week, we shall certainly give every consideration to it.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. KNOWLAND. I yield to the Senator from Vermont.

Mr. AIKEN. If consideration of the appropriation bill is concluded by 4:30 this afternoon, is it the intention of the majority leader to call up the farm bill and immediately proceed with it, or call it up and then lay it aside?

Mr. KNOWLAND. Pursuant to my statement to the Senate, not only last night but on prior occasions, as soon as we have finished the consideration of the supplemental appropriation bill, we will proceed immediately to the consideration of the farm bill. I hope we may be able to open debate on it immediately. If we should finish the foreign-aid bill and the supplemental appropriation in the afternoon or early evening, I hope we will move along as far as we can in the voting on any amendments offered to the farm bill, and stay with that bill until we have completed it. It will not be laid aside for any other measures. We may consider conference reports which will not take a prolonged period of time, but I certainly shall not expect to lay the farm bill aside until we have disposed of it, because undoubtedly it must go to conference. I think the distinguished junior Senator from North Dakota [Mr. YOUNG] has indicated that he thinks the conferees will need from 3 to 5 days in conference.

Mr. YOUNG. That is correct.

Mr. KNOWLAND. I am desirous of getting it to conference as rapidly as possible.

Mr. AIKEN. Then it is entirely possible that we may put in several hours' work on the farm bill before 10 o'clock tonight.

Mr. KNOWLAND. I am prayerfully hoping that our schedule will run along so as to permit that to be done.

Mr. AIKEN. I am hopeful the discussion on the farm bill will not occupy several days. In fact, I do not know of any long speeches which have been prepared by those who favor flexible supports.

Mr. KNOWLAND. Undoubtedly there will be a number of yea-and-nay votes, which of course require some time. Nevertheless, I am hopeful we can expedite the passage of the bill.

Mr. AIKEN. I should be surprised if it were necessary to spend from 3 to 5 days in conference. I believe we shall find very quickly whether or not the House and Senate conferees are to agree on the proposed legislation. I believe that it would be futile to drag out the conference for several days if it should become apparent at the start that agreement was not possible.

Mr. KNOWLAND. I hope the majority leader has been a little conservative in his estimate of 3 days' time for consideration of the bill on the floor and from 3 to 5 days in conference. I am a little gun shy now in making predictions, so I would rather estimate a little extra time than to shorten it too much.

Mr. AIKEN. I can well understand that.

Mr. YOUNG. Mr. President, will the Senator yield?

Mr. KNOWLAND. I yield to the junior Senator from North Dakota.

Mr. YOUNG. I hope the Senator from Vermont did not mean to imply that the Senate conferees should say to the House conferees, "Take our bill or

leave it." I believe there is room for compromise on both sides.

Mr. AIKEN. There certainly is, because there are several imperfections in the House bill which should be corrected, either on the floor of the Senate or in conference. I think the House Members themselves realize that there must be some modifications of certain provisions.

Mr. YOUNG. We ourselves will probably have plenty of amendments.

Mr. KNOWLAND. There is always a little give and take in such conferences.

Mr. BUSH. Mr. President, will the Senator from California yield?

Mr. KNOWLAND. I yield to the Senator from Connecticut.

Mr. BUSH. Can the Senator suggest when he believes the Senate may vote on the foreign-aid bill?

Mr. KNOWLAND. I have high hope that we may be able to dispose of the foreign-aid bill by midafternoon.

MUTUAL SECURITY ACT OF 1954

The Senate resumed the consideration of the bill (H. R. 9678) to promote the security and foreign policy of the United States by furnishing assistance to friendly nations, and for other purposes.

The PRESIDING OFFICER. If there be no further morning business, the Chair lays before the Senate the unfinished business.

The bill is open to further amendment.

Mr. LONG. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Goldwater	McClellan
Bennett	Gore	Monroney
Bowring	Green	Payne
Burke	Hendrickson	Purtell
Bush	Holland	Reynolds
Butler	Johnston, Tex.	Smith, N. J.
Byrd	Knowland	Sparkman
Ervin	Langer	Thye
Ferguson	Lehman	Welker
Flanders	Lennon	Wiley
Frear	Long	Williams
George	Mansfield	
Gillette	Martin	

The PRESIDING OFFICER. A quorum is not present.

Mr. KNOWLAND. Mr. President, I move that the Sergeant at Arms be directed to request the attendance of absent Senators.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from California.

The motion was agreed to.

The PRESIDING OFFICER. The Sergeant at Arms is instructed to execute the order of the Senate.

After a little delay, Mr. ANDERSON, Mr. BARRETT, Mr. BEALL, Mr. BRICKER, Mr. BRIDGES, Mr. CAPEHART, Mr. CARLSON, Mr. CASE, Mr. CHAVEZ, Mr. CLEMENTS, Mr. COOPER, Mr. CORDON, Mr. CRIPPA, Mr. DANIEL, Mr. DIRKSEN, Mr. DOUGLAS, Mr. DWORSHAK, Mr. ELLENDER, Mr. FULBRIGHT, Mr. HAYDEN, Mr. HENNINGS, Mr. HICKENLOOPER, Mr. HILL, Mr. HUMPHREY, Mr. IVES, Mr. JACKSON, Mr. JENNER, Mr. JOHNSON of Colorado, Mr. JOHNSTON of South Carolina, Mr. KENNEDY, Mr. KERR, Mr. KUCHEL, Mr. MAGNUSON, Mr. MALONE, Mr. MAYBANK, Mr. MCCARRAN, Mr. MCCARTHY, Mr. MILLIKIN, Mr. MORSE, Mr. MUNDT, Mr. MURRAY, Mr. PASTORE, Mr. POTTER, Mr. ROBERTSON, Mr. RUSSELL, Mr. SALTONSTALL, Mr. SMATHERS, Mrs. SMITH of Maine, Mr. STENNIS, Mr. SYMINGTON, Mr. UPTON, Mr. WATKINS, and Mr. YOUNG entered the Chamber and answered to their names.

The PRESIDING OFFICER. A quorum is present. The bill is open to further amendment.

Mr. LONG. Mr. President, I call up my amendment, designated "7-28-54-E."

The PRESIDING OFFICER. The clerk will state the amendment.

The LEGISLATIVE CLERK. On page 168, after line 21, it is proposed to add a new section as follows:

SEC. 547. Reduction of authorizations: Notwithstanding the foregoing provisions of this act, such provisions shall not be construed to authorize the appropriation, for the purposes of titles I, II, and IV of this act, of amounts (exclusive of unexpended balances of prior appropriations authorized to be continued available under such provisions) aggregating in excess of $2,066,000,000.

Mr. LONG. Mr. President, I regret that it was necessary for me to insist that a quorum be called before I called up my amendment. However, it does seem to me we owe the country the responsibility of careful accounting for the money of the taxpayers that is to be expended under the bill.

The bill would authorize the expenditure of $12,849,000,000. I say that because the bill is necessary in order to authorize the expenditure of funds that have already been appropriated. In addition, the bill is necessary to authorize another $3,100,000,000 of expenditures.

I regret that although I have made every effort to have a quorum of Senators present on the floor, I do not see more than 30 Senators present. The fact is that there are committee meetings in progress, and Senators feel that they have certain responsibilities toward those committees. They want to do their best to discharge those responsibilities, and they feel other Senators can inform them as to what is going on on the floor of the Senate in the course of the debate.

This is an example of the loose accounting of the taxpayers' money. I say that because at the very moment we are discussing how much of the $13 billion we should spend, the Appropriations Committee is already marking up the bill as to how much money should be appropriated even before the appropriation is authorized.

The House of Representatives has already passed the appropriation bill, with a reduction of only about $100 million or $150 million from the authorizations provided in this bill; and that has been done before the Congress has even authorized the expenditure of the funds.

Mr. President, the amendment I have offered proposes that there be a reduction of one-third of the new money in this fund, but that will be a reduction of only about 7.2 percent of the money which would be on hand when this money is appropriated.

I believe that Senators do not realize, however, that the maximum amount the foreign-aid administrators have been able to spend is only about $5 billion in 1 year. With this appropriation, they will have on hand $12,849,000,000, or enough money to carry the program, at the maximum rate at which they have been able to spend American money overseas, for another 2 years and 3 months.

Would not it be fine if those who are interested in the development of the resources of this Nation could have their money on hand 2½ years ahead of time? Would it not be a fine thing if those who are interested in flood control, navigation, soil conservation, rural electrification, and housing in the United States could have on hand enough money to carry them 2½ years, even if Congress did not appropriate another 5 cents?

But if we were to reach that situation in regard to our own resources, Senators would rise on this floor and say that it was an outrageous thing, and that it was wasteful of public funds, to pile money on top of money, 2½ years in advance of the time when the money would be spent. Senators would say that, instead, year by year we should establish that each one of the items was necessary.

By contrast, our Foreign Relations Committee and our Appropriations Committee rapidly approve the newly recommended expenditures, and recommend the passage of these money bills, far in advance of the time that the money is needed.

I was impressed by the economies made in the military budget of the new administration. In studying them, having previously served on the Armed Services Committee, I was most impressed by the fact that the greatest reductions in proposed appropriations arose from discoveries by the new administration that the previous administration had been piling billions of dollars on top of the billions of dollars left on hand from previous years—billions of dollars that the armed services could not possibly spend during the next 2, 3, or even 4 years in some instances.

Having been chairman of the Subcommittee on Military Bases, I noticed the Armed Forces had had money on hand more than 3 years in advance of the time when it was needed for expenditure in developing many of the military bases. The same situation exists with regard to the funds we now have under consideration.

What I am proposing is that we require those in charge of this program to go back over the program and study it to see where reductions can be made in the proposed $12,849,500,000 worth of expenditures.

Last year I was on the floor, urging that we reduce this foreign, overseas giveaway program. I admit that much of it is a good giveaway program; much of it is in the interest of our Nation.

But I was urging that we reduce the program by $500 million of the new money which was authorized in that connection. My amendment did not prevail, although I am pleased to say that a majority of the Republican Senators did vote for the amendment, and a goodly number of Democratic Senators also voted for it. The amendment failed by only a very small margin.

Mr. President, if my motion had prevailed last year, this year we would find that the Foreign Operations Administration would have on hand only $9,249,500,000 of unspent appropriations—only enough to carry the program for another 2 years. As it is, thanks to the leadership of the distinguished chairman of the Foreign Relations Committee, the Foreign Operations Administration has on hand the great sum of $9,749,500,000 of appropriations which have not been spent.

The previous year I also urged that we reduce some of the money that was being provided; I did so in the hope that we might get a better accounting of the taxpayers' funds. Once again I was unsuccessful, except I did succeed in shaving off a mere $100,000,000. As a result, at the end of that fiscal year, and at the time when the corresponding bill was debated last year, we at that time had on hand, appropriated and unexpended, according to the Foreign Relations Committee, balances of $10,061,000,000—only enough to carry on the program for a little more than 2 years with the money then on hand.

Mr. President, anyone who wishes to go overseas and see what happens to this money will find that this is the most loosely handled of any of the taxpayers' money, under any program of our Government. Let me state the reason why that is so. This money cannot be spent until some sort of agreement is reached with the foreign countries concerned. When Congress proceeded to appropriate the money in terms of lumps of $5 billion, or $4,500,000,000, at a time, our foreign administrators were not immediately able to obtain the agreements with the other countries they wanted for military aid.

In some instances they were not able to arrive at agreements for a long time. But that did not keep our administrators from coming back and requesting Congress for a second year's installment, although the first year's installment was still on hand. That made the overseas administrators feel that they should try to make up for lost time. The result was that they had on hand twice as much money as they could spend in that year.

What was the result in the foreign countries? Those administering the program felt they had a directive of Congress to find some way to spend the money in the foreign countries, although they had on hand twice as much money as they felt they could dispose of in 1 year. The result was that some of them were almost pleading that the foreign countries should accept the money. That is not a good way to give away money. If we propose to give away money, we should encourage those who will receive it to believe they are as much interested in the program as are those who are spending the money.

Mr. LANGER. Mr. President, will the Senator from Louisiana yield for a question?

Mr. LONG. I yield to the distinguished Senator from North Dakota.

Mr. LANGER. Is it not true that Sweden sent back to the United States $20 million, and would not even accept it?

Mr. LONG. That is correct; and in instance after instance a foreign country has simply told us it was not interested in the program we had to offer, based upon the terms we were offering that country.

I had occasion to look at many of the instances in which foreign countries felt they were actually doing us a favor by taking our money and taking our arms. I once discussed this matter with an Englishman. I was discouraged to find how little this friend of mine was interested in the amount of foreign aid we were making available to his country. Finally I asked him, "If the worst comes, we Americans will save our country. The question in my mind is whether you Englishmen are interested in saving your country, because if you are not, from my point of view I am no more interested in saving you than you are interested in saving the liberty and freedom and sovereignty of your own nation." Oddly enough, he had never thought of it from that point of view, and it was rather strange to him to hear an American speak that way.

Mr. President, in the administration there are those who are interested in economy. But they get very little encouragement; and when they talk to representatives of foreign nations, the unfortunate thing about the program is that those representatives of foreign nations know that all they have to do is obtain a recommendation from the Foreign Operations Administration for additional funds, and then Congress will grant the funds. In some instances Congress will grant the funds even when they cannot be justified, and when the need for the funds cannot be fairly established.

Mr. REYNOLDS. Mr. President, will the Senator from Louisiana yield to me?

Mr. LONG. I yield to the distinguished Senator from Nebraska.

Mr. REYNOLDS. How does the Senator from Louisiana arrive at the proposed $1 billion reduction called for by his amendment, which is one-third of the additional $3 billion? Why does not the Senator provide in his amendment for eliminating the entire $3 billion?

Mr. LONG. Frankly, I believe there is enough money without the $3 billion. Certainly there is enough money on hand to carry on the program for 2 years, even if we were not to appropriate an additional 5 cents. That could be done simply by reprograming some of the funds already on hand. However, as a practical matter, having tried to reduce this appropriation on the floor year in and year out, I am optimistic only to the extent of approximately $1,033,000,000; and when we come to vote on the amendment, the Senator from Nebraska will find that even that reduction will be a very difficult one to make.

Mr. LANGER. Mr. President, will the Senator from Louisiana yield further to me?

Mr. LONG. I am glad to yield to the distinguished Senator from North Dakota.

Mr. LANGER. Is it not true that only a few days ago we tried to get rid of the entire $3 billion, but we were voted down? So now we are trying to do the next best thing, by making a reduction of approximately $1,033,000,000.

Mr. LONG. The Senator is entirely correct.

Mr. President, I believe that there is merit to this program. I believe that we should help our allies to arm themselves and be prepared. But I submit to the Senators that no program financed with American tax money is more wasteful than the program we are discussing. One reason is that this program is out from under the scrutiny of the average Senator and the average Member of the House of Representatives. If there is waste in expenditures for programs in this country it comes to the attention of Senators and Representatives more readily than does waste in our overseas program.

Let me give an indication of how loosely some of this money is being proposed to be expended. On page 255 and page 256 of the hearings Senators will find a discussion of Indochina. To the best of my understanding, in that area approximately $450 million worth of military equipment is stacked on the docksides still in crates in addition to billions of dollars of American money already spent in arming and paying the French and Vietnamese.

As Senators know the war in Indochina is over; a truce has been signed; and it has been agreed that there will be free elections in Indochina to see whether Vietnam goes Communist or whether the country is going to be free.

I regret to say that every American expert with whom I have discussed the matter has presumed that those elections will be lost to the Communists, and that all the billions of dollars worth of equipment we have sent to Indochina will go behind the Iron Curtain.

Nevertheless, there is more than $450 million of military equipment on the docksides available to anyone in Indochina who would like to fight for the free world. Of course, the difficulty is that the people there do not seem to have the heart to fight with the free world on the democratic side of this issue.

In addition to that, it is my best understanding that between $600 million and $755 million of additional money are in the pipeline. That money was committed to the Indochina theater at a time when a "hot" war was being fought there. Yet this bill fails to reveal that any consideration at all has been given to the fact that at a time when we are appropriating money at the rate of $800 million for Indochina to fight a "hot" war, there is no "hot" war. As a result

of the election to be held, there is serious danger that the Communists will win, and that the whole $600 million already appropriated, plus the $450 million of equipment will fall into the hands of our enemies rather than of our friends.

As though that were not bad enough, Mr. President, this bill contains another $800 million for Indochina, in addition to the $600 million in the pipeline, and the $450 million worth of equipment already there, representing a grand total of far more than $1 billion. The amount in this bill is about $1,400,000 for a war that is no longer being waged, in an area where free elections are to be held, which, we are told, will probably result in the Ho Chi Minh forces winning rather than the free world winning. Yet according to this bill and report we are to pour another $1,400,000,000 into that area.

Certainly that situation should be restudied. The committee should have said that we ought to hold up and see what is going to happen in Indochina before we send another $800 million or another $1,400,000,000 of additional equipment to Indochina.

Mr. President, Senators may say, "There is some flexibility in this program, and the money need not be sent to Indochina; some replanning can be done." But I will tell you that, with regard to the so-called replanning program of the proposed expenditures, the money for the other countries has already been provided for years in advance.

For example, let us look at the situation that exists in Europe. To countries in Europe we have already given away $17 billion worth of arms and equipment, in addition to what those countries can do for themselves.

For Europe there is on hand unexpended, $5,683,100,000, $2,527,000,000 of which is uncommitted and unobligated.

Senators may ask why we have such an enormous amount of money, $2,527,000,000, unobligated in the European phase of the program. I suspect that the reason we have so much uncommitted and unobligated in Europe is that we hope that one of these days the European Defense Community proposal will be ratified, and our administrators would like to have on hand billions of dollars appropriated, unexpended, and unobligated, which they could use for arming the Germans.

Mr. President, $2,527,000,000 certainly is enough to have ahead of time in the event that program is ratified. We have no reason to believe that the EDC is going to be ratified, and we have no reason to believe that the Germans are going to insist on being or are even willing to be rearmed in the event that program is ratified.

I recall very well when the distinguished Senator from Ohio, the late Senator Taft, made a great argument on the floor of the Senate against this whole program. At that time he argued that it was a mistake for us to take the attitude that we were more interested in preserving the sovereignty and freedom of any nation than that nation was in fighting for and preserving its own freedom and its own sovereignty. He said that the initiative for this program should come from the other countries; that they should be the ones to request this assistance from us rather than we being the ones to ask them to take our arms and our equipment. He said we would get much better results for our expenditures in that way. I have always been impressed by the fact that the late Senator from Ohio was right in his argument that we should show no more zeal in saving others than they show in saving themselves.

We have on hand $5,683,000,000 for European countries. Would it not be a good idea for us to insist on knowing what is going to happen to the EDC before we proceed to pile a third or fourth year's increment on top of the enormous amount of funds already available?

I point out to Senators that in addition to the $5,683,000,000 unexpended for military aid, there is another $360 million for military defense support. That is the kind of appropriation the Europeans most like, because that means jobs and employment are provided in their factories, producing equipment by their efforts, but paid for at the expense of the American taxpayers.

This bill provides another $900 million in addition to the $6 billion already on hand for Europe, and in addition to the $17 billion we have already given them.

Mr. President, I should like to call attention to the fact that when no war is going on the equipment given to a foreign country is not used up or destroyed as in the case of war. Last year's rifle is just as good as this year's rifle. It is still a Garand rifle, and if it is properly maintained and properly kept and properly oiled and greased, it is just as good a rifle the second year as it was the first year. Rifles, tanks, airplanes, ships, and guns last for many, many years, and shells and mortars are still on hand; there is still left the $17 billion we have given them already, in addition to the roughly $6 billion on hand.

Mr. President, when this program was originally started we were told that the year 1954 was the year of greatest peril. We were told that this was the year in which we could expect the Russians to start a war, if they were going to start it, and we were told that we should build toward the year 1954.

We had about 5 years to do that. We have appropriated the amount of money this program originally contemplated when it was first put into effect, and we have roughly $6 billion of that money still on hand.

In the opinion of the junior Senator from Louisiana, reducing this authorization $1 billion will not prevent our allies from receiving 1 gun, 1 airplane, 1 knapsack that those nations have any need of during the next year.

There is flexibility in the program, so that the President can shift aid from one area to another. The committee's own report states that at the end of this fiscal year it is expected that $7,368,800,000 will be on hand. That will be next year in 1955, when Congress will be in session.

If Senators wish to give all this money away, why give it away 2 years in advance? Why not wait until next year? We do not have to give it all away now. We shall be in session in January. Presumably in January there will have been spent only half of the $5½ billion which could be given away during the next fiscal year. We would have on hand at that time approximately $10 billion.

If we find at that time that we are not giving away our arms and equipment to our friends and allies fast enough, we can step up the expenditures and appropriations next year.

Therefore, it would be well for us to demand that a more careful accounting be made of this program, and that there be done with this program what was done with our own military program.

One of the most commendable actions taken by the Eisenhower administration was in January, when the Secretary of Defense, Charles Wilson, went over the whole program with respect to military bases. He had before him a request for $4 billion. After studying the matter, he found he had enough money on hand to carry the program for another 2 years without the necessity of requesting new appropriations for military bases.

Thereupon he refused the request.

Likewise, he studied the plans for airplane procurement. As a result of his study, he found he had enough orders on hand and enough money on hand for airplane procurement to carry the program for another 4 or 5 years. He withdrew his request for additional appropriations. In other words, he found he had sufficient money on hand to carry that program for a long time, and he therefore withdrew his request for additional funds.

Mr. President, we have enough money on hand to carry the foreign aid program for another 2 years. Of course, some Senators will say there is another reason why we should hand out money 2 or 3 years in advance of its need.

They will say that long lead times are required to produce some of these weapons. That is not true with respect to the kind of weapons we are giving away under this program. We are not giving away our latest model jet airplanes. We are giving away the older-type equipment. We are not giving away our fastest and most modern high-climbing aircraft.

We are giving away our older equipment, for use in areas of the world where an older product is just as useful and effective for the type of local actions anticipated.

If the Foreign Operations Administration wants to have more goods on order, I point out that there is $2 billion worth of waste or "fat" in the Army's budget. That money could be used by simply switching that program of procurement to foreign aid, when the need is established.

There is approximately $2 billion worth of "fat" or unnecessary funds in the Army budget. That could be used for foreign aid by placing some of the

orders for tanks, for example, and simply transferring the equipment to foreign aid at a later date.

The orders could be placed, and it would be a simple matter to shift the money to foreign aid operations.

On July 9 I placed in the RECORD an article published in the Washington Post and Times Herald of June 21, 1954. It is entitled "Army Gets $2 Billion Extra To Allay Fears." It was written by John W. Finney. The article is printed at page 10165 of the CONGRESSIONAL RECORD of July 9. It reads:

A Defense Department official has told Senators that $2 billion in "fat" was left in the Army budget to allay public fears that America's ground forces were being cut too hard.

Lyle S. Garlock of the defense comptroller's office made the statement to members of the Senate Appropriations Committee recently in secret hearings on the administration's $29 billion defense budget. The bill was approved by the Senate Thursday.

Garlock said the $2 billion was appropriated in past years for Army procurement and production. It will not be used by the Army in fiscal 1955, but was left in the budget for public psychology, he said.

The administration's defense budget for the 12 months beginning July 1 is about $5.5 billion below the funds provided by Congress for the current fiscal year. The Army would absorb about $5.3 billion of the cut.

THE ARMY TO BE CUT

The administration's New Look military strategy calls for more reliance on air and new weapons retaliatory power and less on ground forces. Defense officials plan to cut Army strength from 20 to 17 divisions between now and June 30, 1955.

Testimony released by the Appropriations Committee shows that Senator LEVERETT SALTONSTALL, Republican, of Massachusetts, chairman of the Armed Services Committee, first hit on the Army surplus as an easy target for a quick savings.

The Senator from Massachusetts [Mr. SALTONSTALL] is to be commended for finding that there was $2 billion of unnecessary "fat" in the Army's appropriations for this year.

SALTONSTALL noted that the Army presently has about $5 billion in past appropriations for procurement and production, and that by June 1955 some $2 billion of this still will remain unobligated or unused.

He asked why it would not be a good idea to transfer this to some other fund, such as maintenance and operation and thus save it in new appropriations for the Army in the coming fiscal year.

IDEA HELD FEASIBLE

Garlock admitted that SALTONSTALL's idea technically was feasible since the Army has no plans to spend or obligate this $2 billion in fiscal 1955.

But Garlock said strictly a policy decision had been made in the executive branch that it would be advisable to leave the money in the Army's pockets.

Garlock agreed with SALTONSTALL that the policy decision was based on psychology.

All I can say is, "Is not that fine?" We are asked to appropriate $2 billion—which some persons do not consider to be a great deal of money. It would cost each family in America $50—for psychological purposes, so that the people will not be afraid that we will be cutting the Army too much if we do not give it more money than it can possibly use.

The Army has enough money on hand to place such orders, if they are really needed, and after the orders are placed they can be transferred to Foreign Operations.

Foreign Operations has enough funds on hand to carry it for more than 2 years. What the junior Senator from Louisiana is hoping to accomplish is to make those in charge of the program come back to Congress and show how they can make savings in that program.

I have suggested where we could save far more than a billion dollars on the program for Indochina alone, so long as there is a truce in that area and so long as there is a grave danger that the arms we have already sent there will fall into Communist hands. Therefore, what we should be doing with regard to Indochina is to take some precaution to insure that the billions of dollars of arms we have already sent there do not fall into Communist hands.

In addition, there is the possibility of reprograming and thus saving billions of dollars in the program for Europe. My amendment does not touch the technical-aid program. Relatively speaking, that program is a very small part of the total program for giving away billions of dollars of wealth to our friends and allies around the world.

I had hoped that we would be successful in demonstrating to those in charge of the program that we are at least interested in economy in this program, as in all other programs.

I should like to point out also to Senators that in many instances we are giving away obsolete equipment. In the areas where we are doing that it is not possible to win a war—at least not a modern world war III type of war—with the kind of weapons we are giving those countries. Much of it is being done for psychological reasons, to encourage those countries to resist, and to make it clear that in the event Russia decides to attack it will have to commit a major force to the area, instead of a small group or a group of subversives. It would afford the United States the opportunity to consider its position and to be able to engage in warefare in that area in the event we should decide to become committed.

Mr. LENNON. Mr. President, I desire to comment on the amendment offered by the distinguished junior Senator from Louisiana [Mr. LONG] and to commend him for his action. I also wish to express my regret that all Members of the Senate were not present to hear the Senator's fine dissertation on what seems to be wrong with our foreign economic and military-aid program.

Mr. President, at the risk of being repetitious, I shall cite some of the figures which were given by the junior Senator from Louisiana. I think these figures are important. It is too bad that the Congress and the people of the Nation are not familiar with the figures and with the amount of money which has been spent during the past 12 or 14 years for both foreign military and foreign economic aid. I am told, Mr. President—and I am sure these figures can be verified, and in fact have been documented—that those charged with the responsibility of administering foreign military and economic aid had on hand on June 30 of this year $9,749,500,000. That is money unexpended, now on hand. Of this amount, there was on hand $2,604,300,000 of unobligated funds. I think that figure is significant.

Of course, we recognize, properly and rightly so, the distinction between unobligated funds on hand and funds which are obligated but not yet expended. However, the significant figure to my mind is the $2,604,000,000 which is on hand, unobligated for any particular purpose.

Congress is now asked to appropriate $3,100,000,000 of new money. If the authorization of $3,100,000,000 is approved, those charged with the responsibility of administering our foreign military and economic aid program will have on hand for this fiscal year $12,849,500,000. I repeat that figure. I want Members of the Senate and the people of America to know what those who are charged with the responsibility of administering this fund will have available for expenditure during this fiscal year. I repeat the figure is $12,849,000,000.

Of this amount it is said—and I believe the statement can be documented—that on the basis of past and future commitments we shall have on hand on June 30, 1955, the sum total of $7,360,800,000.

Mr. President, I wish that all Members of the Senate and the people of America were familiar with the figures which have been used today on the Senate floor. It is inconceivable to me, as I believe it is to most of the people of our great land, that so much money can be spent beneficially or wisely during any 12 months' period for a program which apparently has failed to an appreciable degree for 12 years.

I recognize that in some areas both military assistance and economic assistance have been of great aid to the peoples and free nations of the world, but today I think we can count on our fingers, perhaps even on the fingers of one hand, the free nations of the world that have benefited by both our military and our economic foreign aid.

Furthermore, Mr. President, I think perhaps we can today count on our fingers—and again I say the fingers of one hand—those free nations of the world which have stood up and which are standing up to the onslaught of the communistic march.

I hope the amendment of the distinguished junior Senator from Louisiana will be adopted. I believe that if the people of America knew the amount of money which has been poured into what have been referred to time and time again as rat holes in far corners of the world, they would be here to petition their duly elected representatives in the Senate to call a halt to the continued spending for foreign economic aid.

As I said before, if the amendment of the distinguished Senator from Louisiana is adopted, there will still be on hand on June 30, 1955, 1 year from now,

or at the end of this fiscal year, the sum total of $6,326,700,000.

Mr. LONG. Mr. President, will the Senator yield?

Mr. LENNON. I am glad to yield to the distinguished Senator from Louisiana.

Mr. LONG. The Senator will see that the report states on page 12 that there will be even more than that. According to the committee's report there will be on hand an estimated $7,360,000,000.

Mr. LENNON. When the Mutual Security Administrators begin to bandy around billions, they pay no attention to 1 billion; perhaps I am short 1 billion in my estimate of what they would have on hand.

Mr. LONG. Perhaps we are both talking about the same thing. If my amendment fails, there will be on hand $7,360,000,000. If my amendment carries, there will be on hand at this time next year six-billion-three-hundred-and-thirty-some-odd-million dollars.

Mr. LENNON. I accept the correction from the junior Senator from Louisiana and say to the Senate that certainly, to my way of thinking—and I believe to the way of thinking of the majority of the people of the United States—those figures are an indication of the fact that we have appropriated tremendous sums for foreign aid and yet, as the Senator from Louisiana so ably pointed out, we continue piling up and putting into the hands of those charged with responsibility for this program enormous amounts of money which they cannot even anticipate spending any time in the near future.

Mr. President, I mentioned a while ago that on June 30 of this year those charged with the responsibility of administering the foreign-economic and military-aid program had on hand $9,749,000,000. This means that the sum total of $4,250,500,000 was spent from June 30, 1953, to June 30, 1954.

It is now said that we are cutting down on foreign aid, especially foreign-economic aid. Let us see if that is so. Actually, if the bill now before the Senate is passed without the Long amendment there will be $5,704,300,000 of new money and carried over, unobligated funds for the present fiscal year. That means that there will be available for the present fiscal year $1,443,000,000 more than was spent during the past fiscal year. Yet there are those who say that we are making an honest effort to cut down foreign economic-aid spending.

Mr. LONG. Mr. President, will the Senator yield for a question?

Mr. LENNON. Yes.

Mr. LONG. If the Senator will subtract from the gross amount of funds which the administration will have on hand, which is $12,800,000,000, the amount that it is expected to remain at this time next year, which is $7,360,000,000, the Senator will see that the difference is $5,489,000,000, which represents the most rapid rate at which we have given away money in the history of the country in this type of program.

Mr. LENNON. The Senator is eminently correct. It is a far departure, Mr. President, from a wise spending program for this purpose.

Mr. LONG. If the Senator will yield, I should correct my statement by saying that it is the most rapid rate at which we have given away money in the peacetime history of such a program.

Mr. LENNON. The Senator is correct. I think that statement is generally understood and accepted. It is a far departure from the statement of the present administration that it would lend its efforts toward economy in government, toward an honest effort to balance the budget, and ultimately, toward reducing the national debt.

I recall that during the last week of July, last year, the Senate debated for about 4 days the appropriation for the Mutual Security Act. There were Senators who took the position—and I think correctly—that an overall ceiling should be placed upon the amount of new funds which could be appropriated by Congress in the last session, in the amount of $5,500,000,000. We who supported the amendment of the Senator from Louisiana [Mr. LONG] lost that fight. But it is significant that during the months of the late summer and fall of last year, according to the press of the United States, Members of the Senate and the House who had traveled in the far corners of the world returned to the United States and, almost uniformly, reported that economic conditions were good in the approximately 60 nations which the United States virtually has been carrying on its back for the past 10 or 12 years.

I was happy and delighted that I had had the pleasure of supporting amendments which would have substantially reduced foreign economic spending, especially after I had read the statements made by Members of Congress who had personally visited many of the countries which were receiving aid from the United States.

I was pleased, too, when the President of the United States, in his message on the state of the Union, made the statement that the time at last had come when the Government could substantially reduce spending for foreign economic aid. Yet the figures which have been produced in connection with the bill under consideration indicate that it will be necessary to spend in new money this year, in addition to the unobligated funds which were carried over from the past fiscal year, more than a billion dollars in excess of what was spent from June 30, 1953, to June 30, 1954.

I recognize the fact that the people of the United States are now ready to say "No" to a continuation of foreign economic spending. Let us consider how the administration is approaching the question of such spending. By the way, it is no longer called "foreign economic spending." Formerly it was referred to as military assistance and foreign economic assistance. But those terms are no longer used. Today there is military assistance. All of us know what that is. That means guns, tanks, planes, ammunition, material of war—the sinews of war.

But what formerly was called economic support is now called direct forces support. There is still another name for economic support. It is defense support. In addition, there is relief and rehabilitation. Another category is development assistance.

Frankly, if the people of America correctly understood the situation, I believe their sentiment would be such that they would be in Washington petitioning Members of Congress to curtail such spending.

I do not believe the people of America would agree to a continuation of foreign economic assistance if they knew that the administration is now providing such assistance under such terms as direct forces assistance, defense support, relief and rehabilitation, and development assistance. Frankly, there has never been in my mind any distinction between economic assistance and direct forces support, defense support, relief and rehabilitation, and development assistance.

I recall, as I am sure all other Members of the Senate must recall, that during the week of June 12, I believe, the Senate considered the National Defense Appropriation Act—the "big baby," if you please, to appropriations. I remember, too, the heated debate which was carried on by some Members of the Senate, led by the distinguished junior Senator from Massachusetts [Mr. KENNEDY], in their efforts to restore to the national-defense appropriation bill a sufficient sum of money to provide for two divisions to be kept in the Far East, especially in Korea. I was not one of those who supported that amendment, because I had been informed that the Department of Defense actually had on hand $75 billion to be expended for national defense. I am sure that the information was factual; as a matter of fact, it was given on the floor of the Senate by the distinguished senior Senator from Virginia [Mr. BYRD]. Having that figure in mind, I voted against the amendment of the distinguished Senator from Massachusetts, which would have restored to the bill a sufficient amount of money for the arming of two divisions, which otherwise, it had been said, would be eliminated.

Let us examine to see what happened. I remember that Members of the Senate were confused. I was confused; and certainly if other Members of the Senate were confused, the people of America had an excuse for being confused—and I believe they were confused. This is what I mean by that. Time and again one could have picked up the newspapers of America and have read in them or in some of the leading magazines statements made by the Joint Chiefs of Staff and by other persons who were charged with the responsibility of knowing what the defense needs of the United States were. The public announcements by those persons were to the effect that the United States was running behind Russia in the armament race.

Yet those same persons, to whom the people of America have a right to look for advice and counsel in all things pertaining to national defense, would appear before the Committee on Armed Services, and perhaps even before the

Committee on Foreign Relations, and state for the record that the appropriations recommended by the administration for national defense purposes were sufficient. Those statements were almost certainly, in my mind, and I believe in the minds of the American people, in direct conflict with what those same persons were saying about our defense needs publicly and to Members of Congress, who are charged, in the final analysis, with the responsibility of our national defense program.

So the amendment offered by the junior Senator from Massachusetts [Mr. KENNEDY] was defeated on, Thursday, June 17, if I recall correctly. It was rejected largely, in my opinion, because of the statement made by the senior Senator from Virginia [Mr. BYRD], when, in his colloquy with the distinguished senior Senator from Massachusetts [Mr. SALTONSTALL] he said he understood that $75 billion was available for national defense, including money provided for in the bill, along with obligated and unobligated funds which had been carried over.

On the following Monday, I believe, the Department of Defense, through the office of its Comptroller—I assume that is the technical name of the officer—made a statement to the press that the Army budget, which was included in the national defense budget, had a surplus of $2 billion—in other words, $2 billion worth of fat. Yet distinguished Members of the Senate had stood on the floor and assured the Senate that that budget had been cut to the bone. Were they sincere? Certainly they were sincere. The reason for such statements by Senators was that information had been withheld from the Members of the committee. I see no other explanation for the situation.

In like manner, I believe that there is a great deal of fat in the mutual security bill. I do not believe that the Senate should cut the bill to the bone, to the sinew, or to the marrow, but I believe the bill should be stripped of every unessential element. I think there is much fat in the bill.

I am also reminded of statements which were made about 2 weeks ago in the Senate by the distinguished senior Senator from New Hampshire [Mr. BRIDGES] and the distinguished senior Senator from Virginia [Mr. BYRD]. Incidentally, I wish to say that, in my judgment, the senior Senator from Virginia probably has a greater knowledge of the fiscal affairs of the Nation than is possessed by the Secretary of the Treasury, and the Director of the Budget, combined.

The Senator from New Hampshire and the Senator from Virginia submitted a resolution which I thought should have claimed the attention of Members of this body, and I hope it has. The resolution called for a constitutional amendment which would have made the Congress of the United States face up to its responsibility—and I say it is a grave one, Mr. President—that some day it must balance the budget.

I am reminded, Mr. President—and I am sure all other Members of this body are—that on the eve of adjournment last year, when many Members of Congress had obtained their plane and train reservations, there was laid on the desk of every Member of the Congress what amounted to an ultimatum from the President of the United States which called on the Congress to raise the national debt limit from $275 billion to $290 billion.

I am sure that request or ultimatum must have given Members of the Congress a great deal of concern, coming to us as it did while Congress was in the throes of the effort to bring about final adjournment. I am sure it caused a great many of us to do some research work in an attempt to ascertain just where this Nation stood with respect to its fiscal and financial obligations as compared with those of the 60 nations of the world which we have virtually carried on our back for a number of years. It was my desire to seek information on the question, because I believed that very likely I would be called upon to cast my vote for or against the proposal to raise the national debt limit from $275 billion to $290 billion.

I raise this question, Mr. President, because, as surely as we are in the Senate today, we shall be again faced with the question of whether or not we shall vote to increase the national debt limit, if not by $15 billion, at least by $5 billion.

When the request of the President to raise the national debt limit came to the Congress, the House of Representatives passed the proposal, after it was considered by the House Ways and Means Committee. I am glad to report to this body that the Members of the North Carolina delegation in the other House opposed raising the national debt limit. When the proposal came to the Senate, it was referred to the Committee on Finance. Because I knew I would be faced with the responsibility of voting "yea" or "nay" if the proposal came to a vote, I consulted the records. I learned that the national debt limit of our country today is $100 billion more—and I repeat it for emphasis, $100 billion more—than the national debt limit of all the countries of Europe, Russia and her satellites. That fact startled me, as I am sure it must have startled many persons who had sought and obtained the same information.

Again, Mr. President, in a matter of a few days I am advised the Senate will be called upon to raise the national debt limit. I for one shall oppose legislation which would authorize it, if such a proposal should come to the Senate from the Finance Committee. I could not support a mutual security program which calls for the expenditure of more than $5 billion, either in new money or in unobligated money, and then in good conscience vote to increase the national debt limit.

I should like to have the opportunity, if possible, to vote for an amendment which would strip the mutual security bill to all except exclusively military aid. Frankly and honestly, I think that is the inner feeling of a majority of Members of the Senate. If an amendment to the bill were offered which proposed to strip the authorization for the expenditure of funds for everything except pure, unadulterated military assistance, such as guns, planes, tanks, and all the materials and sinews of war, I believe the amendment would be adopted.

I hope the amendment offered by the junior Senator from Louisiana will meet with the honest appraisal and approval of Members of the Senate.

Last year, when the mutual security bill was enacted, the RECORD shows that those charged with the responsibility of administering the act had $14 billion to spend in the fiscal year which has just ended. How much of that $14 billion was spent? Just a little more than $4 billion. Yet it is proposed that we continue to raise the ante, and that we increase the amount appropriated for that purpose. The proposal is not for the purpose of getting such materials into the pipelines. The pipelines are so full that, even with hydraulic pressure, no more materials could be forced through them. No more materials could be put into the pipelines than are presently there, and which will be there continuously. Why should we give those who are charged with the responsibility of administering the program a tremendous amount of money which will not be used, and which could be used for so many domestic needs which press upon our country today?

If the bill is passed in its present form, I am sure that at least Senators who vote for it—and I hope Members of the Senate will listen to me as I make my prediction—will be almost compelled to vote for an extension of the national debt limit. My conscience will be clear, because I intend to support, with all the vigor at my command, the amendment offered by the junior Senator from Louisiana. I only wish the Senator could devise a way to go farther than he now proposes to go and to include the stripping of everything from the bill except military assistance, and military assistance alone.

Mr. LONG. Mr. President, will the Senator yield for a question?

Mr. LENNON. I yield to the Senator from Louisiana.

Mr. LONG. Does the Senator agree with me that the effect of passing the bill, in view of the enormous backlog of more than $9 billion already on hand, which is available to the Foreign Operations Administration, would be to admonish those handling the administration of the fund and to say in effect to them, "Why have you not spent the money more rapidly than you have?"

Mr. LENNON. I think the Senator is eminently correct. It seems to me that if a person is given $1,000, which he does not spend judiciously, beneficially, or wisely, and yet $1,000 bills continue to be forced upon him, that person is told in effect, "You must spend it. You had better get rid of it." That seems to be the idea of those charged with the administration of the fund. I cannot understand the reason for it, and I have not yet heard a statement on the floor of the Senate by any Senator regarding the

necessity for continuing to appropriate new funds.

It seems to me that the more than $2 billion of unobligated funds are in themselves sufficient to be spent, along with the $7 billion which is available. Of course, some of it is obligated. Nevertheless, it is unexpended; and these programs are changing and varying rapidly. The $7 billion which the Foreign Operations Administration claim now is obligated, but unexpended, perhaps in substantial part may not be obligated a month from now, because the program is changing.

I understand these long-range programs for the construction of war implements contain provisions enabling the Department to void the contracts in the event of technical developments and technical changes—and properly so. So I take the position that perhaps only half of the $7 billion is really unobligated.

Mr. LONG. Does the Senator from North Carolina realize that the allies have on hand upwards of $20 billion worth of American arms which we have given them in previous years, in addition to the $9 billion that the Foreign Operations Administration has on hand, to be sent to those countries?

Mr. LENNON. I certainly am aware of that. I am also aware of the fact that it is not possible to obtain friendship by spending money. This country has made an effort for 10 or 12 years to buy the personal friendship and the military friendship of many of the other peoples of the world. We have succeeded only in some faraway places.

I do not believe that the Members of the Senate agree or that the people of the United States agree with the present basic political philosophy of either of our great allies, the French or the British. If there are any countries in the world that have ever had the benefit of our generosity—and properly so in many instances, I believe—it is those two countries. Yet they differ with us basically on the recognition of Red China.

Mr. FREAR. Mr. President, will the Senator from North Carolina yield for a question?

The PRESIDING OFFICER (Mr. REYNOLDS in the chair). Does the Senator from North Carolina yield to the Senator from Delaware for a question?

Mr. LENNON. Mr. President, I yield the floor.

Mr. MORSE obtained the floor.

Mr. FREAR. Mr. President, will the Senator from Oregon yield to me, to permit me to ask a question of the Senator from Louisiana?

Mr. MORSE. I yield, provided it is understood that I shall not thereby lose the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. FREAR. I thank the Senator from Oregon.

Mr. President, let me ask the Senator from Louisiana whether he knows the value of our military equipment that is now at Hanoi?

Mr. LONG. I do not have the actual figures, but I have heard estimates running as high as $450 million in the case of United States military equipment which has not even been uncrated, and is now in Indochina, on the docks—in addition to the more than $1 billion of equipment we already have sent there.

Of course the Senator from Delaware knows that by this time the Communists are well armed. If they did not have any arms to begin with, certainly after the capture of Dien Bien Phu and other French posts, the Communists now are well equipped with American arms.

Mr. FREAR. Is it not also true that if we use proper precautions, we may salvage equipment valued at half the amount the Senator from Louisiana proposes as a reduction in the authorizations in the pending mutual-security bill?

Mr. LONG. That is entirely correct.

Mr. FREAR. Mr. President, if the Senator from Oregon will permit me to ask a further question of the Senator from Louisiana——

Mr. MORSE. Certainly, on the same basis as before.

Mr. FREAR. Then, on the point to which we have just referred, would it not be possible for us, by means of the salvage of such equipment, to save equipment valued at half the amount of the decrease in the authorization proposed by the amendment of the Senator from Louisiana? In fact, I have heard estimates considerably higher than that. However, Indochina is only one place where we have military equipment. So we would have only a little trouble in salvaging or regaining control of $1 billion worth of equipment, and that would cover the entire amount of the amendment of the Senator from Louisiana.

Mr. LONG. My best understanding is that there is more than $400 million worth of military equipment in Indochina now, on the docks, crated, in addition to a billion dollars' worth of equipment we have previously sent there; and there is also in the pipeline, programed to go to Indochina, more than $700 million of last year's appropriation for Indochina.

Mr. FREAR. Yes.

Mr. LONG. In addition, this bill calls for another $800 million worth for Indochina.

So it seems to me that if we wished to do first things first, the first thing we should try to do, is to save the billion dollar's worth of equipment we already have sent there; we should save it by preventing it from falling into Communist hands, for it makes good sense that a billion dollars' worth of our equipment falling into Communist hands will require another billion dollars of expenditure on our part to offset that much addition to the Communists' fighting power.

Mr. FREAR. I think that is a very good point—that in addition to the $400 million or $600 million of our equipment which is on the docks there now, crated, there is another $700 million or $800 million of equipment lying somewhere, which we might salvage; and that would mean that the Communists or the opposition would have to spend that much more money of their own, in order to be that well prepared.

That reminds me of the fact that every Republican who votes for a Democrat means two votes for the Democrat. [Laughter.]

Mr. MORSE. Mr. President, I wish to make a few brief remarks in summing up the philosophy which I think is apparent in the bill, and also in registering a few exceptions to that philosophy.

At one time I considered offering an amendment to the bill providing for a $50 million increase in the appropriation for aid to the one beachhead of freedom in the Middle East, namely, the State of Israel. But after consultation with my good friend, the Senator from Wisconsin [Mr. WILEY], the chairman of the Foreign Relations Committee, and with some other members of the Foreign Relations Committee and with certain officials of the State Department, I decided not to offer the amendment. I wish to make clear that if an informal count of votes here in the Senate indicated that the amendment would pass I would offer it. However, such a count shows it would be defeated.

However, Mr. President, I wish to make these comments in regard to what I consider to be the shortcomings of the bill in respect to the State of Israel.

When we go through the bill, it is very interesting to find that it has been drafted in such a way as to fail to earmark any specific sums of money for aid to specific countries in the Middle East. We read the bill in vain if we seek to find in it any specific item of aid in dollars to the State of Israel. I think that is regrettable, Mr. President.

I am advised by members of the committee that the bill contains language making it clear that the State of Israel will receive some aid. However, the bill does not say so specifically in terms of a given amount of money. Let me say that if I am in error about this matter, I wish the chairman of the committee to put me right, by documenting a citation to the section and line of the bill which corrects the statement I just made if my statement is not correct. I am advised that certain language in the bill means that approximately $40 million will be available for the State of Israel. However, the language does not say so specifically. It gives the widest discretion to the State Department in this matter. There is no assurance that Israel will receive anything.

Mr. President, let us accept the assumption that Israel will get $40 million although no such fund is so earmarked in the bill. But let us accept the assumption. If true, the fund is most inadequate. It is most inadequate when we consider the moral obligations of the United States and the people of the United States to Israel. It is most inadequate when we consider the meaning and the symbolism of Israel in the Middle East.

I wish to address myself briefly to these two points, and then to discuss briefly a third one, namely, the attitude of the United States in the years to come in connection with the entire problem

of colonialism in the world and the relationship of that problem to the foreign policy of the United States.

First, Mr. President, let me say that I do not think we have ever started to fulfill our moral obligations to the State of Israel. Let us consider the situation in the year 1946. In that year, we came to the end of World War II. We should always keep in mind the fact that one of the causes of our entering the Second World War in the first instance was the revulsion of feeling throughout the body politic in the United States over the atrocities and the persecutions by Nazi Germany of minority groups. It was in 1946, Mr. President, that I performed a confidential mission for the then Secretary of War, Mr. Robert Patterson. I inspected the displaced persons camps in Europe, and I returned and made my report to him. Later, as the CONGRESSIONAL RECORD will show, I made certain comments on the floor of the Senate.

I pointed out then that there was no question of the fact that we had a tremendous moral obligation to see to it that the masses of people in those concentration camps—because that is what they were in fact, although they were called displaced persons camps—should be distributed among the free nations of the world. I urged in a speech on the floor of the Senate at that time that the United States Government take the initiative in asking the Prime Ministers of the free nations of the world or their representatives to meet in a conference of foreign ministers for the purpose of seeing if an international understanding could not be reached whereby we would participate in distributing among the free nations of the world the people in the concentration camps.

I did not get anywhere with that suggestion, Mr. President. It was very interesting that as early as 1946 and 1947, we were falling back into the old American pattern of forgetting too quickly our responsibilities in regard to an international situation and the moral obligations involved therein.

I remember that in the cloakrooms of the Senate my suggestion was met by the comment on the part of some of my colleagues, "I would not go for that because most of them are Jews." Factually, those colleagues were wrong. It so happened that in 1946 and 1947 a majority of the inhabitants of the displaced persons camps of Europe were not Jews.

But I asked then, as I have asked many times since, suppose it were true? What does that have to do with America's moral obligations to human beings who have been persecuted, which persecutions formed a part of the reason for our going into World War II? There was still an obligation on the part of the United States to do something for the inhabitants of those displaced persons camps by assisting in bringing them to lands of freedom, even if it happened to be true—which it was not—that a majority of them were Jews.

A large number of them were Jews; and in respect to those, the State of Israel, at that time known as Palestine, came to the assistance of the so-called Jewish refugees, and, in spite of strong British opposition—and let us not forget the role that Great Britain played in 1946 and 1947 in connection with this problem—in spite of British opposition and British attempts to prevent those refugees from landing on the shores of Palestine, thousands upon thousands of them sought Palestine as a source of refuge.

I think the people of Palestine wrote a glorious and thrilling chapter in the history of world humanitarianism by putting into effect the Biblical teaching that, after all, we human beings are our brother's keeper. A homeland was provided for those refugees; and, to the extent that the people of Palestine took care of those refugees, they assumed a burden of moral obligation which was also partly the burden of the United States and the burden of every other nation in the world that believed in personal freedom, human dignity, and human decency.

In my judgment, Mr. President, when we add up the aid that the United States has given to this little beachhead of freedom in the Middle East, it is but a mite, a pittance, in comparison with what I think our true obligation is to that republic of freedom in the Middle East.

Let us take a look at that republic. It cannot be denied that it is a republic which has been established with the sanction of the United Nations. It belongs to the family of free nations, and it has the stamp of approval of the United Nations upon it. Because it is a member of the family of free nations, I respectfully say that free men and women everywhere have a stake in the freedom of Israel. It is surrounded by economic feudalism. It is surrounded by many countries in which the principles of democratic processes do not exist.

Let me make very clear that the junior Senator from Oregon is perfectly willing to be of economic aid to the Arab States, if they have a willingness to help improve the economic plight of the masses of their population. I am very desirous, Mr. President, of being of aid to the Arab States by bringing to their people a standard of living under which economic freedom of choice for the individual can exist there, too. It does not now exist.

I have no intention, Mr. President, as a Member of the United States Senate, of ever following a course of action in this body which would add up to trading the freedom of Israel and right to liberty of the people of Israel for Arabian oil.

I hope I am realistic enough to recognize that if we get into a third holocaust, no nation will get the benefit of that oil. If we wish to talk about the problem of Arabian oil from the standpoint of the ugly realities incident to a possible third world war, let us face the fact that no nation will get the oil because it will be one of the prime targets. Every power involved will try to prevent the other powers from getting the oil. It will be destroyed, so far as accessibility for the duration of that war is concerned. There would be hardly any other target more vital than the derricks and refineries connected with Arabian oil fields.

But, Mr. President, I do not argue this issue on the basis of Arabian oil. I argue on the basis of our moral obligation to be of assistance to a beachhead of freedom in an area of the world where the symbolism of freedom should be strengthened.

Although I expect to be criticised for it, the fact that I will be criticised in no sense deters me on this issue, and it has never deterred me in the past in connection with any other issue. If we do not give strength to the State of Israel, we shall be building a foreign policy which lets freedom down in the world.

Israel has made a great many mistakes. I do not condone any of Israel's mistakes. I do not condone the violation of the truce by Israel. In my judgment, the State of Israel must be charged with at least assuming responsibility for those violations. However, Israel has not been alone in violation of the truce.

I am not dealing with comparative statistics on violations. I make the assertion—and I am sure it can not be contradicted by the record—that violations of the truce have been at least as frequent—if not more frequent—by the Arab States as by Israel. I hope I am a good enough lawyer to know that, although provocations never justfy a wrong, they often explain why the wrong occurred. Provocations often provide an explanation of the motivation and causation of wrongful conduct.

I have been heard to say many times—and I repeat it today—that if we believe in a system of international justice through law, the policy of the United States State Department always should be to seek to call to account before the United Nations, through an international judicial tribunal of the United Nations, both Israel and the Arab States for any violation of the truce. That is the position of the junior Senator from Oregon, and it will always be his position.

However, we cannot explain the State Department's attitude toward Israel over the past 14 months on the basis of that principle. In my judgment, ever since the visit of the Secretary of State to the Middle East a little more than a year ago, his course of conduct and his pronouncements have been subject to the clear criticism that apparently the policy of the State Department is in part to win the friendship of the Arab States at the expense of Israel. I am critical of that course of action on the part of the Secretary of State. I am critical because apparently every time there has been a violation of the truce by Israel a statement of condemnation has been issued by the Department of State; whereas too frequently when there has been a like violation on the part of the Arab States there has been no such severe censure by the State Department.

I repeat that, in my judgment, the obligation of the United States in its foreign policy in connection with that serious situation in the Middle East is to make it clear to all parties in those disputes that they must submit their differences to the United Nations, and through

the United Nations to its international judicial tribunal, for decision and determination by the application of the rules of reason applied to a record of evidence.

I have been very much disturbed about what, in my judgment, has been a lack of adequate support on the part of the United States Government of the Republic of Israel in the Middle East. I have been disturbed by the apparent readiness of the United States State Department to supply arms to the Arab States. One example is the situation in Iraq. Not so long ago the Department of State took the position that arms should be supplied to Iraq, and gave as its explanation that they were needed in order to take care of internal disorder in Iraq. I do not know whom our State Department officials thought they were fooling. In my judgment, they did not fool anyone who knows the facts with respect to the Middle East. I cannot overlook the fact that during World War II the Iraq army went over to the Nazis. They were on the side of the Nazis. It may be that there is justification for believing that in the future we can count upon Iraq as an ally. However, judging by the past, it is very dubious.

Furthermore, let me mention, in passing—because it deals with the third point I wish to mention in these brief remarks—that when we are dealing with the Arab States, we are, after all, not dealing with governments based upon democratic processes. We are not dealing with governments in which the people are the masters and the governments the servants, as is the case when we are dealing with the Republic of Israel. It is another case in which we are apparently giving way to our great fear of the expansion and aggressive intentions of Russia. Therefore, we are willing to give support to other forms of totalitarianism, which in my book are very little different from communistic totalitarianism.

The issue of totalitarianism must be directed to the rights of the individual citizen. Whether a citizen in any country lives under the totalitarianism of communism or fascism does not make very much difference so far as his personal liberty and personal dignity are concerned.

Therefore, I say that we had better give greater attention to the need for aiding freedom in the world, instead of to an American foreign policy based upon the doctrine of the expediency of encouraging and aiding totalitarianism in the world.

The next point I wish to make is that we had better recognize, before it is too late, that the greatest defense weapon the United States has and will have for the century ahead and longer is the economic productive power of men and women in other parts of the world who are willing to stand shoulder to shoulder with us in the contest between freedom and totalitarianism, a contest which will continue for a long time.

In the Middle East there is a little republic which, in my judgment, ought to be strengthened. Instead, its enemies abroad and some powerful forces here at home would undermine the economically productive power of Israel by seeing to it that the maximum amount of her resources is devoted to military defense. Dollars spent for military defense are not economically productive. In my judgment, if we are to give military aid to the Arab States, as we have been doing, we have a moral obligation toward the Republic of Israel to do the same for Israel. I return to that point because I premise my speech on the basis of a moral obligation to the cause of freedom and the relationship of that cause to American foreign policy. If we are to give military aid to the Arab States—and we have been giving such aid even though they do not belong to NATO and even though the mutual obligations of NATO are not involved in such military aid, we have the clear moral obligation to see to it that adequate defense funds are made available to Israel, so that the economic life of Israel will not be sucked dry by forcing her to use a large percentage of her income and economic resources for defense purposes.

In my judgment we have the moral obligation to protect this state of freedom in the Middle East by making very clear that such aid as we give to the Arab States under the pretext of seeing that they have the equipment to keep down internal disorder should at least be counterbalanced and matched by adequate defenses in Israel so that the Arab States will not be tempted to prosecute a war against the state of freedom in the Middle East, namely, Israel.

In my judgment, if it is true that in this bill some $40 million is available for Israel, it is but a pittance in view of the tremendous forces now being used in order to reduce to impotency the economic and military strength of this republic in the Middle East.

Mr. President, when I think of the treatment that Israel received not so many years ago from the British Empire, and of the treatment she is receiving today from the Arab States, I wonder what the attitude of the United States would be if Israel were in a position, for example, to apply to some other country the kind of boycott that has been applied to Israel in relation to the use of the Suez Canal. In my judgment it would be necessary to supply the Secretary of State with a piece of asbestos paper on which to write the kind of protest that would be sent to Israel if she invoked such a boycott. Yet in my judgment the part we have played in connection with the boycott of the Suez Canal and the effect of that boycott on the State of Israel has amounted to a very feeble slap-on-the-wrist approach, in the field of diplomacy, to the Middle East situation.

Knowing that there are those who think it would be a mistake to offer the amendment which I suggested I had originally contemplated, to increase aid to Israel by at least another $50 million, and knowing also that in view of the attitude now prevailing in the Senate the amendment would not be adopted anyway, I felt at least a clear moral obligation to raise my voice today in protest against what I think has been the unfortunate policy followed by the Secretary of State during the past year or more in regard to the State of Israel. I raise my voice to urge that we recognize, before it is too late, that the greatest defense weapon we have is the economic productive power of free men and women everywhere in the world. The fight for freedom in the next century will be won only to the extent that we are able to build up a better standard of living, provide economic opportunity, and export the know-how of enlightened American capitalism to those sections of the world where the need for economic improvement is so pressing upon the people and on the basis of which need the vicious, lying Russian Communist propagandists make so much political hay.

Mr. President, when we come to consider economic aid, in my judgment such aid produces more security for the United States than all the guns, ammunition, and airplanes that may be shipped to foreign countries, important as armaments are.

I do not propose to curtail military aid, because I recognize that we must keep free peoples strong militarily for years to come if we are to hold in check the aggressive intentions of Russia. She certainly has demonstrated such intentions time and time again. Let a segment of the world become militarily weak to the extent that Soviet Russia thinks she can move in, and she will move in. That is why I am such a strong advocate, for example, not only of NATO, but of a corresponding organization in Asia, where the free nations together—not the United States on a go-it-alone policy—will stand shoulder-to-shoulder against the danger of an aggressive course of action on the part of Russian totalitarianism.

I plead today for aid to freedom, because that is what the fight is all about. The struggle for the century ahead will be a struggle to strengthen the cause of freedom against the enslavement of totalitarianism.

That brings me to the third and the last point of my speech. Much has been said on the floor of the Senate in recent weeks about a reexamination of American foreign policy. We should reexamine it, Mr. President. We should reexamine it from every angle. I am for such reexamination. I wish to suggest one angle from which we ought to reexamine it. We ought to reexamine it from the angle of the criticism which confronts us all over the world, in those areas of the world where masses of people are struggling for freedom against colonialism, against the economic imperialism—at least in their sight—of powerful colonial countries. We cannot ignore it. We must come to grips with it. We must be frank and honest with our colonial-minded allies. We must be frank and honest with Great Britain, France, Holland, and other nations.

Mr. President, we have no answer for this rising tide in the course of human events. There is nothing the United

States can do, and there is nothing that Great Britain, France, Holland, or any other power can do, to stem the trend of human events for the century ahead—a trend which is obvious if one will but read the handwriting on the wall. In every one of the so-called backward areas of the world the answer is the same. The trend exists, and can be seen if one will but open his eyes and look. In every backward area of the world where at present a policy of economic colonialism and imperialism exists, the people are rising up against it. The question is, Are we to follow an American course of action in the field of foreign policy which will cause those people to be on the side of freedom with us, or are we to continue to follow a course of action supporting colonialism, imperialism, and totalitarianism in the world, and drive free people behind the Communist Iron Curtain?

Mr. President, if we do not stand with them in their fight for human freedom, in their fight for emancipation from the colonialism of powerful western nations, they will go behind the Iron Curtain, because they will fall victims to the vicious, lying propaganda of the Russians that behind the Iron Curtain they can get more to eat, more with which to clothe their children, and better living conditions.

We know that such propaganda is not true, but we cannot convince our friends of that if at the same time we support a policy of colonialism.

Much has been said on the floor of the Senate about American mistakes in Asia, and there have been many. I am perfectly willing to stand on the record as to my position about those mistakes, referring to speeches I made on the floor of the Senate as early as 1945 and 1946 and 1947 and every intervening year between then and now.

One of the greatest mistakes we have made in Asia is that apparently we lacked the courage to tell our free allies we could not support their colonial policies in Asia. In my judgment, one of the reasons why the mess in Indochina developed was that we were not frank enough with France. We should have made clear to France that we were in favor of protecting the freedom of the Indochinese, but not at the price of maintenance of French colonialism in Indochina.

I have always said, and I repeat now, Mr. President, I think possibly the most important issue in the whole Indochina matter was an issue many Americans did not want to face—the issue of Morocco. In my judgment, Morocco had more to do with Indochina than any other single factor because I think it was perfectly clear the French were afraid that a complete withdrawal of their colonial policy in Indochina would jeopardize their colonial policy in Morocco, and Morocco happens to be a very, very valuable colonial asset to France.

Just as surely as that we are in the Senate today, Mr. President, in my judgment, any Senator who is 55 years of age or younger, if God permits him to have the normal longevity Americans enjoy, will live to see the end of French colonialism in Morocco. That is the handwriting on the wall. We should not stick our heads in the sand about it. I believe we have an obligation to our colonial-minded allies to make clear to them we are going to be of assistance to them in solving their economic problems, but that from the standpoint of their colonial policies and from the standpoint of what American freedom stands for, we can no longer give support to the suppression of peoples in the so-called backward areas of the world by the imposition upon them of a policy of colonialism.

I have been very frank about this issue, Mr. President, but, in my judgment, someone needs to be frank about it, because a failure to face the issue may involve in the future the lives of many American civilians, as well as many American boys who may find themselves in uniform. I do not think we can continue during the decades ahead to support a policy of economic domination of peoples in the backward areas of the world by other powerful nations and still have peace in the world.

Economic freedom in the backward areas of the world represents a cause for which millions of people are going to be willing to die until ultimate victory is theirs. This is the record, Mr. President, of what happens to people once they are imbued with a dedicated devotion to the concept of freedom. Read the history of the development of great social and economic movements in the history of civilization and such a story will unfold.

In this historic era we see the great human movement to attain freedom on the part of peoples who have been denied freedom heretofore; and they are going to achieve their objective.

I wish to see my country always on the side of freedom. That means, of course, we must carry on statesmanlike diplomacy. It means we have to face world economic problems from the standpoint of recognizing that no nation can live unto itself alone economically and survive on through the future—not even the United States. Oh, in our lifetime we can do it, of course; but we are a baby Nation. America has not lived long in the history of mankind. There have been other civilizations as great for their era as ours is for our era, which thought they could live unto themselves alone. Those civilizations thought they could enjoy standards of living in perpetuity so far superior to the standards of the peoples surrounding them that they need have no fear as to their survival; but they did not survive.

The "have not" nations have a way, we learn from history, of wearing down the so-called have nations which believe they can hold economic advantage unto themselves and live within themselves.

In these days voices must be raised in America pleading for an historic perspective and for a recognition of the importance of thinking in terms of historic time, in terms of the American boys and girls 300 years from now. That is the challenge of our generation, as I see it.

I think that challenge is involved in this aid bill, even though it is not written in such language, because the philosophy underlying this aid bill ought to be the principle that, after all, the soundest foreign policy from a moral standpoint is one which recognizes we are our brother's keeper. We must recognize that the moral law is the soundest foreign policy a free people who believe in the dignity of the individual can follow in terms of history.

That is why, Mr. President, I say, in closing, we must be frank with our allies. We must not maneuver ourselves into the position our State Department allowed us to be maneuvered into when it took the position that it would not support a vote in the United Nations on Tunisia and Morocco. Why not support such a vote? Why should the people of Tunisia and Morocco not be heard in the United Nations on their case?

Mr. President, when we take the position we took on that issue, what do we do? We open ourselves to the charge that we are aiding and abetting the exploiting policies of colonialism.

I have been to the section of the world where colonialism prevails. If a person goes there he cannot be there long without recognizing the equities and the merits of the moral case of the natives of those colonial lands.

My attention has recently been called, Mr. President, to the Cyprus issue in the Middle East. Apparently, under the "head in the sand" attitude of the British Government, there is no issue in Cyprus. Let anyone who thinks the British are right about that go to Cyprus, look over the situation, and see for himself. If he goes there, he cannot deny the fact that the nationalistic spirit of the people of Cyprus for self-determination is unanswerable; yet the British Government is taking the position there is no Cyprus issue. The fact is that 80 percent of the people of Cyprus are Greeks. For years and years they have wanted to be united with Greece.

I note in this morning's New York Times, Mr. President, an article which says, "Britain will curb Cyprus agitation. She invokes old antisedition laws to silence advocates of union with Greece."

I ask unanimous consent, Mr. President, to have this article included in the RECORD at this point, as a part of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

BRITAIN WILL CURB CYPRUS AGITATION—SHE INVOKES OLD ANTISEDITION LAWS TO SILENCE ADVOCATES OF UNION WITH GREECE

NICOSIA, CYPRUS, August 2.—The Cyprus Government, in an effort to stamp out illegal agitation for a union of Cyprus with Greece has decided on strict enforcement of existing laws against sedition.

C. G. Tornaritis, attorney general, summoned a press conference today and read a proclamation that had been posted in towns and villages.

The right of citizens to candid, free, and full discussion of any public matter will not be interfered with, he explained, but writings and practices aimed at changing the sovereignty of the colony or at exciting discontent against the Government will not be tolerated.

The proclamation warned that criticism of Government policy in the future must not stray into the sphere of sedition, and

that henceforth the present law of sedition would be strictly enforced.

A person convicted of seditious conspiracy or publication with seditious intention is liable to 5 years' imprisonment.

Any organization advocating the carrying out of seditious intention is an illegal association whose officials are liable to 5 years' imprisonment and its members to 3 years, the proclamation added.

A newspaper in which a seditious libel is published may be suspended by the court for 3 years. A naturalized British subject who has shown himself disloyal toward Queen Elizabeth II may be deprived of British nationality.

Mr. MORSE. Great Britain can apply all the antisedition laws she cares to invoke. Yes; by the use of a greater force, Mr. President, she can put down for the time being this agitation on the part of the people of Cyprus for the advantages of self-determination and human rights and freedom, but this spirit of freedom will rise again to plague Great Britain, and to plague the United States if we aid and abet the policy of colonialism.

Certainly the people of Cyprus should be heard in the United Nations, Mr. President. I hold in my hand the New York Times for Thursday, July 29, 1954, which contains an article headed, "Britain Proposes a Cyprus Charter." I ask unanimous consent that the article be printed in the RECORD at this point as a part of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

BRITAIN PROPOSES A CYPRUS CHARTER—MOVE DENOUNCED BY LABORITES FOR NOT ALLOWING ISLAND TO QUIT COMMONWEALTH

LONDON, July 28.—The Government announced today it intended to give Cyprus a new constitution on the pattern of those of Britain's African and Asian colonies. The move ran into immediate criticism from Laborites.

The constitution would provide a legislature of which only a minority would be elected, the majority being composed of colonial officials and the governor's appointees. This is the same pattern applied in politically immature colonies as they begin to move toward self-government.

Unlike most such constitutions, this one has been prepared without consultation with the inhabitants of Cyprus themselves, who are so zealous for union with Greece that they refused to consider a similar constitution offered in 1948.

A debate arose over the fact that Cyprus, unlike other maturing colonies, will not be allowed to leave the Commonwealth if it wishes to. This restriction, announced by Henry L. Hopkinson, Minister of State in the Colonial Office, was called hypercritical by Tom Driberg, a leftwing Laborite. The speaker of the house required Mr. Driberg to withdraw the word.

Aneurin Bevan, leader of the Labor Party's leftwing, said the Government stand would be fiercely resented by the population of Cyprus.

He connected the offer with the pending British withdrawal of troops from Egypt, which had been anticipated by the removal of the Middle East command to Cyprus. He said the command was being established "in the middle of a hostile colony, made more hostile by the extremely unfortunate language used this afternoon."

Mr. Hopkinson had declared it always had been understood and agreed that certain commonwealth territories could never be expected to be fully independent. He was backed up by the outgoing Colonial Secretary, Oliver Lyttelton, who told the House of Commons this might be the last occasion he would address it.

Mr. Lyttelton said Britain could not turn Cyprus over to Greece, as a large number of Cypriots desired, because all the experts agreed the island was essential to Mediterranean defense. To "hand it over to an unstable, though friendly, power at this moment," he said, "would undermine the eastern bastion" of the North Atlantic Treaty Organization.

ATHENS, July 28.—Foreign Minister Stephan Stephanopoulos said tonight that Greece planned to bring the Cyprus question before the United Nations despite Britain's decision to grant a constitution to the Cypriots. He said the proposal was an improvement over that of 1948 but did not give Cypriots the right of self-determination.

Mr. MORSE. The article sets forth a typical British colonial policy. The policy seeks, by way of form, to recognize political rights in Cyprus, but gives the people of Cyprus no substantial control of their own political rights. The people of Cyprus will understand that. In the course of human events, the rest of the world will come to understand it, too.

I think the time is long overdue when the United States should stop supporting colonialism in this world as a part of its foreign policy. Likewise it should stop supporting the totalitarian practices of totalitarian states. It should answer the vicious, lying Russian propaganda by way of a clear demonstration of acts which would make clear to the world that we are not on the side of colonialism, and are not on the side of economic imperialism of any foreign power; but that we recognize that all human beings have a common denominator of human instincts, and that instinctively all people know that they are entitled to political freedom and self-determination.

Mr. President, I shall continue to be critical of any foreign policy of my Government whenever I see such specific acts as we have noted in recent years that would justify the criticism that this country is allied on the side of colonialism.

I have mentioned Indochina. To repeat, my position has been all along that the part this country should have played—and we failed to take advantage of a great opportunity of leadership in this matter, in my judgment—was to have urged from the very beginning the declaration of a United Nations trusteeship in Indochina, based upon independence now—not tomorrow, not next year, but now—and a guaranty by the United Nations to the people of Indochina of their political freedom now. What a rocking back on the heels that would have produced, so far as Russian propaganda in Asia is concerned. It would have been a clear demonstration that we meant it when we took our stand on the side of the self-determination principle as it was written into the San Francisco Charter which became the Charter of the United Nations. But apparently we were afraid to offend the French. Apparently in our foreign policy we were not willing to stand up against the materialistic aspirations of the French and take a clear and strong stand on the side of human rights. What a different situation would exist in Indochina if such a trusteeship had been supported by the free nations of the world. We would have had Russia on the defensive in the battle between freedom and enslavement in Asia. But that is not the course of action we followed; and I think we muffed the ball at Geneva.

There was an opportunity for the American Secretary of State to assume the offensive against Russian propaganda. That was not the course of action which the Secretary of State followed. In my judgment, as a result of his course of action at Geneva, we suffered one of the greatest major defeats in all the history of American diplomacy.

In the early stages of that controversy, apparently the course of action the United States State Department wanted to follow was one of armed intervention in Indochina—to protect what? From the standpoint of the Asians, it would have been looked upon as a program to protect French colonialism in Indochina. That policy should have been discarded first. With that policy abandoned, and with the free nations among the Allied group then standing to protect the territorial integrity of Indochina, under a United Nations trusteeship, until free elections could have been held, and until the people of Indochina could have taken over their Governments for themselves and operated them by themselves, Russia would have been put on the defensive in Asia.

In my judgment, Russia will never come forward and stand up against the free nations of the world when they are willing to stand for united action, and when they stand for the kind of moral law I am urging here today, and which should be the warp and woof of American foreign policy. But I regretfully say that, in my judgment, that is not the situation today.

I close by saying that if we mean it when we say we wish to be an ally of freedom, we had better follow a different course of action in respect to protecting the freedom of Israel than we have followed during the past 14 months. If we mean what we say, then we had better make clear to the world that we can be counted upon to come to the assistance of free nations, because, in my judgment, the maintenance of their freedom is essential in the century ahead if freedom is eventually to survive in the United States.

Mr. MARTIN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MARTIN. Mr. President, I ask unanimous consent that the order for the call of the roll be rescinded.

Mr. LONG. Mr. President, I object.

The PRESIDING OFFICER (Mr. BARRETT in the chair). Objection is heard.

The call of the roll will be continued.

The legislative clerk resumed and concluded the call of the roll, and the

following Senators answered to their names:

Aiken	George	Monroney
Barrett	Green	Morse
Beall	Hayden	Murray
Bennett	Hickenlooper	Pastore
Bowring	Hill	Reynolds
Byrd	Holland	Robertson
Carlson	Johnson, Tex.	Smathers
Cooper	Knowland	Smith, N. J.
Dirksen	Kuchel	Sparkman
Douglas	Long	Symington
Ervin	Malone	Upton
Flanders	Mansfield	Wiley
Frear	Martin	Williams

The PRESIDING OFFICER. A quorum is not present.

Mr. MARTIN. Mr. President, I move that the Sergeant at Arms be directed to request the attendance of absent Senators.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Pennsylvania.

The motion was agreed to.

The PRESIDING OFFICER. The Sergeant at Arms will execute the order of the Senate.

After a little delay, Mr. ANDERSON, Mr. BRICKER, Mr. BRIDGES, Mr. BURKE, Mr. BUTLER, Mr. CAPEHART, Mr. CASE, Mr. CHAVEZ, Mr. CLEMENTS, Mr. CORDON, Mr. CRIPPA, Mr. DANIEL, Mr. DWORSHAK, Mr. ELLENDER, Mr. FERGUSON, Mr. FULBRIGHT, Mr. GILLETTE, Mr. GOLDWATER, Mr. GORE, Mr. HENDRICKSON, Mr. HENNINGS, Mr. HUMPHREY, Mr. IVES, Mr. JACKSON, Mr. JOHNSON of Colorado, Mr. JOHNSTON of South Carolina, Mr. KENNEDY, Mr. KERR, Mr. LANGER, Mr. LEHMAN, Mr. LENNON, Mr. MAGNUSON, Mr. MAYBANK, Mr. McCARRAN, Mr. McCARTHY, Mr. McCLELLAN, Mr. MILLIKIN, Mr. MUNDT, Mr. PAYNE, Mr. POTTER, Mr. PURTELL, Mr. RUSSELL, Mr. SALTONSTALL, Mrs. SMITH of Maine, Mr. STENNIS, Mr. THYE, Mr. WATKINS, Mr. WELKER, and Mr. YOUNG entered the Chamber and answered to their names.

The PRESIDING OFFICER. A quorum is present.

The question is on agreeing to the amendment offered by the Senator from Louisiana [Mr. LONG].

Mr. LONG. Mr. President, I ask for the yeas and nays on my amendment.

The yeas and nays were ordered.

Mr. LONG. Mr. President, I shall not detain the Senate more than a few moments. However, I wish to point out to the Senate what the amendment entails. It means a reduction of approximately $1,033,000,000 in the overall authorization for this program.

Although that would appear to be a reduction of about one-third of the new money, I should like to point out to Senators that it is a reduction of only 7.2 percent, just a little over 7 percent, of the overall amount now in the program.

If we grant the full amount requested under the bill, there will be on hand $12,849,500,000. Based on the report of the committee, and referring to page 12 of the committee report, even the Foreign Operations Administration does not believe it is capable of spending this money much more rapidly than at the rate of $5,500,000,000 a year. Therefore, looking at page 12 of the report, based on the Foreign Operations Administration's own estimate, we find that at this time next year they would still have left over $7,360,000,000. In other words, Mr. President, based on the report of the Foreign Relations Committee itself, they would have on hand enough money to carry the program on for 2 years and 3 months, if my amendment should carry.

Mr. President, there is no need having money on hand that much ahead of time, or, to illustrate it another way, if Senators would just look at the committee report before them, and if they will turn to page 13 in that committee report, they will see a chart. They will see on the bottom line of the chart figures indicating the rate at which the Foreign Operations Administration has been able to dispose of funds under this program.

They will see, Mr. President, that during the first year of the program Congress appropriated around $5 billion, and they will further see that it was 3 years before the Foreign Operations Administration was successful in disposing of the first $5 billion appropriated by the Congress. But during that same period of time the Congress appropriated twice that amount of money, so during the first 3 years the Congress appropriated three times as much money as the Foreign Operations Administration and its predecessor could dispose of during the first 3 years.

If Senators will look at last year's expenditure, which is shown at the end of the dotted line on page 13 of the report, they will see that we have already on hand enough money to carry the program for another 2 years. I insist that it is terribly wasteful to give any organization appropriations to the extent of $9,749,000,000 more than it can spend in the next year. I am not saying that we should not give away those weapons to our friends and allies, but I do say that if we want to give arms away, there is no requirement that we appropriate the money as much as 3 years in advance.

The statement is made in the report that lead time is involved, and that the money is required to be on hand in advance, so as to make sure that the guns, tanks, and other weapons are constructed.

I say to Senators that the weapons we are giving away under this program are weapons which require the shortest possible lead time. A type of weapon which takes a long lead time is the latest type of jet aircraft. The latest type of jet aircraft requires several years from the time it is on the drawing board until it begins to roll off the production line. However, we are not giving away our latest type jet aircraft to our friends and allies.

Let us look at the kind of equipment we are giving to Chiang Kai-shek on Formosa. He does not even have the oldest model American jet airplane. We give our allies the older type of equipment, and weapons of a second rank. We give them the type of weapons that are not in the greatest need here, and it makes good sense to do it that way. We have such weapons available generally on much shorter notice.

I point out to Senators that this program has never been restudied and reconsidered. If that had been done, the same thing would have happened to this program that happened with regard to the military base construction program. Senators will recall that during the first year of the Eisenhower administration an enormous reduction was made in the Air Force requests for airplanes. We spent for airplanes during that year even more than we spent during the previous year. The spending for military construction was even more than it had been during the previous year. Nevertheless, the fact remains that there had been such an excess in appropriations remaining from prior years that the administration was in the position that it did not need to ask for as great an appropriation during that year, even though it actually spent more money on defense than its predecessor administration had spent.

Mr. President, I believe that some new Members of the Senate would be interested to know that since the end of World War II we have given to our friends and allies in the world a grand total of $45,510,000,000. That amounts to approximately $1,000 for every family in the United States.

Our debt today, in terms of purchasing power, is as great as that of all the nations of the world combined. Yet we shall be asked to raise the debt limit before this session of Congress ends.

I urge Senators to adopt the same philosophy with respect to spending money to help our allies that the Committee on Finance has very soundly adopted with regard to raising the national debt limit. What is that philosophy? It is the philosophy advanced by the distinguished senior Senator from Virginia [Mr. BYRD], who argued in that committee that we should not raise the debt limit until it had been proved it was necessary to raise it.

If my amendment were approved, according to the committee report, on page 12, the second from the last paragraph, there would be on hand $6,360,000,000 of unexpended money at this time next year. I say that because on page 12 of the committee report there is an estimate that there will be on hand $7,360,800,000 if the full amount is appropriated.

Why does the Foreign Operations Administration have this amount of money on hand? I believe I can tell Senators the reason. The reason is that we had a program which entailed obtaining agreements with our allies before we gave them arms and equipment paid for by the Treasury of the United States. However, our administrators had difficulty in negotiating such agreements with our allies. Therefore, if we look at the chart on page 13, we note that they were not successful in spending in the first year of the program 10 percent of the money given to them. It will be noted also that at the end of the second year they had not been successful in disposing of more than 30 percent of the money given them during the first year. However, that did not keep them from asking for money at an ever accelerated pace.

Why did they not, at the end of the first year, come to tell us that they could not get rid of the first $5 billion, and that they still had $4 billion on hand at the beginning of the second year? Why did they not come to us and tell us at the end of the second year that they were not able to get rid of the $10 billion they had on hand, and that they had been able to get delivery of only a little more than $2 billion?

It is because they advanced the philosophy that if they could not get rid of all the money in 1 year they should double up on the amount to be spent in the next year. They were faced with the fact that they were unable to make their program move as fast as they wanted, and to give away money at the rate of $5 billion a year. At the same time, we have been continuing to appropriate money at an ever accelerated pace.

With regard to our own military program, the Secretary of Defense made the discovery that money had been requested too fast with regard to air bases. He reduced the appropriation for air bases, and we had a fight on that point on the floor of the Senate, and the Secretary was upheld.

The Secretary of Defense found that he had money far in advance of requirements for acquiring airplanes. Thereupon he reduced his request for new appropriations for that item.

Such reappraising has not been done in connection with this program. The committee has furnished a chart which proves that to be the fact. There will be on hand next year $7 billion. There is no item in the program that we cannot acquire if we reduce the program by a billion dollars as of now.

What I should like to have done is to have the same savings and economies and replanning effected in connection with this program that we have seen applied to our own defense program. I should like to point to one example of the failure of replanning in connection with the expenditure of taxpayers' funds. That is in connection with Indochina. If Senators will look at pages 253 and 254 of the hearings, they will note that General Stewart told the Senator from Iowa [Mr. GILLETTE] that he had no idea how they could possibly dispose of the $800 million provided in the bill for Indochina. He did not know what they would do with the money.

I do not have this information directly, but I do have it on good hearsay, and I will be interested to hear a statement on this item by the committee. The fact is that today we have on the docks in Indochina, still in the crates, approximately $450 million worth of equipment which has never been taken from the crates in which it was shipped to Indochina. That is not to mention more than $1 billion worth of equipment already in the hands of the French and Vietnamese, or the equipment that was funneled first to France and then into Indochina. In addition, there is $600 million worth of equipment in the pipelines, on its way to Indochina. In addition, $800 million is provided in the bill for Indochina.

No war is going on in Indochina now. A truce has been signed. The terms of the truce pledge both sides to free elections. I have yet to hear one American expert tell me that he expects us to win those free elections. Therefore we can anticipate that on this whole program we may lose all of our expenditures, and our enemies may receive the full benefit of our enormous investments in that war.

There was some consideration being given to the fact that we should not spend the $600 million that has already been appropriated, and that we should not spend the $800 million requested in the bill. By how much did the committee cut it? The committee cut the $800 million by $72 million. They should have taken out the whole $800 million. They should have also asked for a reprograming of the $600 million that was left over.

Let us take a look at Europe. According to the chart on page 19 of the committee report we have already given Europe in direct defense assistance and defense support $17 billion worth of arms. There is no war in Europe. European countries are not using the machine guns, rifles, tanks, and planes that we have given them. There is no fighting going on there at all. I have had occasion to visit some of the enormous ammunition depots in Europe, stocked up sufficient for months of heavy fighting. They already have on hand $17 billion of American equipment.

That is not the end of it. There is $5,683,000,000 unexpended and $2,527,000,000 unobligated for Europe. Why would there be $2,527,000,000 unobligated for Europe? My best guess is that funds have been held back in the hope that some day France would ratify the European Defense Community and then we could use some of the $2,500,000,000 to arm the Germans. That would be a good project, but why should additional billions of dollars be authorized awaiting something that may never happen? If we are able to ratify the European Defense Community, that will be a good time to take a new look at the whole program and see what else we could give those people. I point out that already we have on hand enough to keep the program going for another 2 years at the maximum rate of expenditure that has ever been reached.

In addition to the $5,683 million for Europe, there is also on hand for Europe $360 million for defense support, making a total amount of money for Europe, unspent, of approximately $6 billion already. This bill provides another $900 million. Certainly the program can be restudied, and reductions can be made.

In this program approximately $20 billion has been spent to the present date for arming our friends and allies. Most of those arms are still on hand. At the present time there is $9,500 million still left on hand, and even if my amendment carries, there will be left almost $12 billion of unexpended funds. Think of it, Mr. President. That is two-thirds of the amount of money spent under the entire Marshall plan over a period of 5 years. If this bill is passed, even with my amendment, there will be on hand, unexpended, two-thirds of the entire amount of money provided under the Marshall plan for the reconstruction of all Europe.

Senators will recall that when we undertook the Marshall plan we would not put such enormous amounts of unobligated appropriations in the hands of any administrator. We required a careful year-by-year check to see how much money had been spent and how much money was still needed. That program was carefully reviewed and checked year by year.

I regret to say that Congress has lost control of the program. It is completely beyond our control. Yet Senators, in all good faith, not wanting to be criticized for reducing defense spending, have found themselves voting year in and year out for the highest possible figure for our allies.

Let us see what happened last year. An amendment offered by the junior Senator from Louisiana to reduce the program by $500 million came within four votes of carrying. What do we find this year? The Administrator now has on hand $9,749,500,000. If my amendment had carried last year, the administration would now have on hand $9,249,500,000. Would not that be difficult? Think what a difficult task would be imposed on him to operate his agency with a surplus of only $9½ billion, just enough to carry him for 2 years. Would not that be unfortunate?

Mr. President, that is the program we have before us. The administration has not been able to spend all the money. The wars have stopped. The situation has changed. There is a truce in Indochina. But does that cause our officials to slow down the rate of spending? No. They say, "Give us every possible bit."

The Appropriations Committee has examined some of these generals. They were asked, "What will you do with the $800 million when the war ends in Indochina?" They said, "We can reprogram the money." Yet every program they have already has adequate funds for more than 2 years and 3 months. When they reprogram, all they can do is to project the program another year or two further in advance.

When enormous piles of dollars are made available to administrators, the effect on them is to chastise them for the fact that they could not get rid of the money any faster than they did. It is discouraging to anyone who is trying to economize and save the taxpayers' money.

It also places our allies in a very advantageous position. They know that our administrators are on the spot, because they have not been able to spend all the money. The result is that if our allies hold back and drag their feet a little, American officials will extend even more cooperation and let them have things even more their own way.

I recall that when I was in France there was a great furor because the

French had understood that they were to have a contract to produce approximately $600 million of American military equipment each year. It seemed as though the Foreign Operations Administrator was not going to give them quite that favorable a contract for the employment of French labor. They were somewhat doubtful that they would accept any of our money if we did not extend the contract to produce more of the equipment in France. That is the sort of situation we get into.

I regret that the late Senator Taft of Ohio is not with us today, because I recall so well how many times he stood on this floor and eloquently argued for a reduction in the rate of foreign-aid expenditures. I recall that the junior Senator from Louisiana voted with the Senator from Ohio in every one of those attempts. Generally speaking, he was only trying to reduce the program by 10 percent year by year.

In those cases the Administrator was able to show that, if we did not give him that 10 percent, it would mean a slowdown of the program. There is no such showing here. There is money enough to operate the program for more than another year. If Congress wishes to step up the rate of expenditure, it can step it up next year. There need be no slowdown when there are more than 2 years' funds on hand.

One of Senator Taft's last statements to the press was that he felt we would either have to stop this program or to reduce it drastically, because he felt that the public would not stand for it much longer.

We have seen complaints about the cost of our farm program, and yet my understanding is that all the losses actually sustained in our farm program to this date do not amount to much more than $1 billion.

If this amendment carries, a slowdown and a careful study of the amount of money that is being spent could mean the saving of as much money as the entire American farm program has cost the American taxpayers in 20 years.

If we are to reduce this program, I submit that the time to do it is before the Appropriations Committee reports to the Senate. It is contemplated under the law that when Congress authorizes these programs, the authorization bill should be passed before the Appropriations Committee acts. In the haste with which we must act, the Appropriations Committee has not been able to wait for the authorization. It has had to go ahead and act on the appropriation. At least we would be in position to instruct the committee that we believe it should insist upon some economies and upon a careful study of the whole program, particularly a study of what will be done with the hundreds of millions of dollars entailed for Indochina, amounting to a gross of more than a billion dollars, which now must be reprogramed, to see whether we should appropriate all of that great amount of money.

Furthermore, Mr. President, I should like the Senators to remember that this is——

Mr. SMATHERS. Mr. President, will the Senator yield?

Mr. LONG. I yield to the Senator from Florida.

Mr. SMATHERS. The Senator will remember that the other day the Senate voted—I think 86 to 2—for an amendment which I offered, to increase the technical-assistance appropriation for Latin America. I wonder how the Senator's amendment would affect the amendment which was approved the other day, and how consistently one might support the Senator's amendment after having supported the amendment to increase technical assistance to Latin America.

Mr. LONG. My amendment does not at all affect the technical-assistance program. My amendment applies to titles I, II, and IV of the bill. The technical-assistance program is title III of the bill. I believe the technical-assistance program has been carefully studied. As the Senator well knows, there has been much criticism of the economic aid portion of the bill. Therefore, that portion has been carefully scrutinized and cut down.

On the other hand, everything under the military program has been rushed ahead, and billions of dollars have been provided in excess of that amount which would be spent in the next 2 years.

With regard to the amendment of the Senator from Florida that would not at all be affected by the amendment I am offering. My amendment applies only to titles I, II, and IV. The amendment offered by the Senator from Florida applies to title III, and provides for a mere $10 million. I am talking about billions of dollars.

I wish to point out that this program will not save this Nation. Much of the program is of a psychological character, designed to encourage our allies to resist in the event they are attacked. The weapons we shall be providing will not be modern weapons or the latest weapons. In the main they will be weapons which our armed services do not have in short supply. There will be no need to cut back on the production of any weapons which any of our allies may want.

If Senators will turn to page 10165 of the RECORD, they will find that the Comptroller of the Department of Defense testified before the Committee on Appropriations that the Army already has on hand $2 billion more than it needs. So if there is any worry in the mind of any Senator that we might produce tanks, guns, or aircraft more slowly than we should, I simply point out that the Army already has on hand $2 billion more than it needs, according to the statement of the Comptroller of the Department of Defense.

Furthermore, there is more than a 2 years' supply of cash on hand ahead of time for this foreign-aid program.

In the main, the program is one which contemplates that any effort to subjugate or overcome a friendly power must be by a major Russian effort, instead of by internal subversion. No matter how much we give to our allies—including the $20 billion already given, the $9 billion now on the way, and the $3 billion requested in the bill before the Senate—there will still be an overwhelming power on the Russian side, in the event Russia chooses to start a war.

The type of armament to be provided under this program will only make it possible for our allies to put up some effective resistance, so as to make it necessary for the United States to consider its position before Russia could subjugate those powers.

This military program only makes it inevitable that if Russia starts world war III, it will start the war by a direct attack on the United States of America, rather than starting the war against some foreign power which could be quickly overcome, but only by raising the probability that the United States would go to war against the aggressor.

Any nation planning a major aggression against the free world must realize that it must destroy the productive and fighting power of the United States. If that could be done, the aggressor then could easily overcome and destroy all the other nations. In fact, many of them would not fight because they would know they would be quickly brought to their knees.

In the long run, it will be found that the only nation which will save the United States is the United States of America itself. This program does not reduce the essential expenditures necessary for the defense of this country. Our generals and admirals who testified for the program stated at the inception that the foreign-aid program would not reduce the defense requirements of this Nation. It is nice to have our allies armed; but in the last analysis no one but Americans are going to save the United States of America.

I hope the amendment will be agreed to. I am positive that it will not mean a slowdown in the rate at which we can supply arms to our allies. I believe it will result in a careful restudy of the program, and will result in a saving of money. I do not believe the amount of the saving can be foreseen at the moment, but I am certain that it will be in the interest of the taxpayers of the Nation.

Mr. HAYDEN. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. HAYDEN. I wish to make reference to a statement which I understood the Senator from Louisiana to make to the effect that the Committee on Appropriations was not diligent in checking up on the foreign-aid expenditures. Expenditures are what count and not appropriations or authorizations.

In the 1953 fiscal year, for all purposes, the United States spent $5 billion for military and economic foreign aid. In the last fiscal year which has just ended, $4,800,000,000 was spent. The present fiscal year rate of expenditures, as estimated by the Bureau of the Budget is $5 billion.

The $5 billion is made up of $3,500,000,000 which is to be appropriated this year, and $1,500,000,000 carried over from moneys which have been previously appropriated. This means that $5 billion will be expended from the Treasury of the United States. What affects the American taxpayer is the actual amount of money being paid out of the Treasury.

There will be collected from the American taxpayers this fiscal year some $60 billion. There will be expended on foreign aid, military and economic, in this fiscal year, $5 billion or one-twelfth of the total collections.

This use of one-twelfth of the Treasury income insures that if the United States is engaged in a war, American soldiers will not have to do all the fighting, but that there will be men of the free nations fighting along side of them. In my opinion, the war will not begin in the United States as our good friend, the junior Senator from Louisiana, would imply. The United States may be attacked. I agree that the attack may be from the air. But as to the fighting on the ground, I want it to be as far away from the United States as it can be, and I want help to come from every free nation in the world.

Mr. LONG. Mr. President, will the Senator yield?

Mr. HAYDEN. I yield.

Mr. LONG. First, may I say to the Senator that I make no reflection upon the members of the Committee on Appropriations; but I believe every Senator has some responsibility.

I ask the Senator from Arizona if it is not true that there is already on hand $9,500,000,000 which in itself is almost enough to carry the program for another 2 years.

Mr. HAYDEN. No. That money, as the Senator knows, is not available for expenditure now. It is committed under a long-term program. I am speaking of money which will be paid in the next fiscal year from previously appropriated funds. That is $1,500,000,000.

Mr. LONG. Mr. President, will the Senator yield for a question?

Mr. HAYDEN. I yield.

Mr. LONG. In the funds which we are discussing, is it not true that there is about $2,700,000,000 which is not even committed as of this date, and that of the funds committed $700 million is committed to Indochina—a proposal which should be restudied?

Mr. HAYDEN. There is no doubt about that. The Committee on Appropriations is now considering what to do about the money programed for Indochina.

But the junior Senator from Louisiana figures there is $2,500,000,000 uncommitted. The Committee on Appropriations is considering estimates which provide that $1,500,000,000 will be committed next year, and that requests for $3,500,000,000 of new money be appropriated.

Mr. DOUGLAS. Mr. President, the Senate apparently is about to vote, but I have not heard from the distinguished leadership of the majority party as to what their basic position is on the amendment now being offered by the Senator from Louisiana, or what their reply is to the very cogent arguments which he has been making.

In times past, I have heard speeches similar to that which the Senator from Louisiana has just made, but they have, however, come from the other side of the aisle. It is interesting to see some reversals in the roles.

I am now wondering whether the other side of the aisle agrees with the amendment offered by the Senator from Louisiana, or whether they are opposed to the amendment.

I therefore rise to ask unanimous consent if I may be permitted to ask either the eminent majority leader or the distinguished chairman of the Committee on Foreign Relations as to what the position of the majority party is on the amendment offered by the Senator from Louisiana.

Mr. WILEY. Mr. President, I am very happy to respond to the inquiry. I heard the distinguished Senator from Louisiana speak this morning, and I heard him speak again this afternoon, quoting figures and debating the question to a considerable extent. I told him that I admired his energy, but I can assure the distinguished Senator from Illinois that the President of the United States has spoken very authoritatively against the amendment, as also have General Gruenther and Admiral Radford.

I quote the President:

> For the new program I urge that the Congress authorize new appropriations to the President in the amount of approximately $3,500,000,000. This amounts to approximately a 40-percent reduction in 2 years. Further reductions in the authorized program at this time, in view of the continuing threat to our national safety—

I emphasize that—

> in view of the continuing threat to our national safety, would be unjustified and unsafe. Because the new program is in larger measure a continuation of existing programs, its success requires reauthorization for expenditure of funds that are still unexpended.

Mr. President, I heard this morning and I heard this afternoon about all the money which the Senator said was unexpended. I am sure the distinguished Senator from Louisiana realizes that when an airplane is built or when a warship is built it is not paid for, according to the contract, until the money is due.

The Senator called attention to the fact that while there was $9,749,500,000 unexpended as of June 30, out of the total amount, there was only $2,604,000,000 which had not been obligated. How much has been obligated in the last 30 days I do not know, but "all the world is a stage." We have certainly seen dynamic situations recently which called to our attention the importance of this matter.

When the President of the United States, who is a great general, and Admiral Radford and General Gruenther tell us that this program is necessary to be continued in the interest of the United States, who am I to hold back, especially after the Foreign Relations Committee voted almost unanimously, with only two dissenting votes, to sustain this program?

We did cut the program to some extent. We cut it from $3.5 billion to $3.1 billion.

I could repeat a number of the arguments which were made this morning, but that would only take time. I wish to state this amendment would add a new section imposing an overall ceiling of $2,066,000,000 on authorizations for title I, Mutual Defense Assistance, title II, Development assistance, and title IV, Miscellaneous Programs. As approved by the committee, for those three titles appropriations of $3,196,772,000 are authorized. Of this amount $228,300,000 is for items for which no appropriations are requested within this fiscal year, so that so far as fiscal year 1955 is concerned the authorization in the committee bill is $2,968,472,000. The amendment of the Senator from Louisiana [Mr. LONG], however, is not limited to fiscal year 1955. It would, therefore, make a reduction of $1,130,772,000, or more than 30 percent. A reduction of this magnitude would result in a complete change in the character of this program. It would make impossible the carrying out of many of the activities specifically provided for.

Mr. President, something has been said about Indochina. I know the Senators many times do not listen to speeches of other Senators, but time and time again I did speak on this subject, and I referred to it when I opened this debate. In that speech I called attention specifically to a letter I received from the Secretary of State on the very issue of Indochina. Of course, the letter resulted from an evaluation of the world situation in the Far East. I shall read the letter again, so that the distinguished Senator from Louisiana may understand what I said before, and what the Secretary said.

This is a letter of July 22, 1954. I wish to say that what caused me to ask for this information was the changed situation in the Far East.

The Secretary addresses me as follows:

> DEAR SENATOR WILEY: You have asked me whether in my judgment the signing of armistice agreements regarding Indochina diminishes the need for funds requested for the area of southeast Asia and the western Pacific in the mutual-security legislation now before the Congress.
>
> I believe that the armistice does not diminish the need for these funds. If anything it increases the need to have available funds with which to build the defensive capabilities and strengthen the resistance of the free nations in the area.

Mr. President, let me say parenthetically that we have the executive branch of the Government speaking, which branch, under the Constitution, has the authority and the power to speak in terms of foreign relations. This is the Commander in Chief speaking through his servant, in relation to what is needed for the defense of this nation.

I continue:

> When I appeared before the Foreign Relations Committee during the hearings on this legislation and discussed the need for funds in this area, the possibility of a settlement of the nature which has now taken place was already foreshadowed. As you will recall, when I testified as to the importance of having a flexible fund to build strength in this region, I emphasized the need for it even should such a settlement occur and I believe this was also held in mind by members of your committee. In my estimation, the gain which communism has now established in this area should be a warning to all the people of the region as well as to ourselves of a need for a determined effort to preserve their freedom. I believe no one can now foresee exactly how these funds will be used.

However, their availability will be essential for the success of plans now under way. In the event that unforeseen circumstances prevent the efficient expenditure of these funds for the purposes of strengthening the area against further Communist encroachment, they will of course be held unexpended for future disposition by the Congress.

For these reasons I believe it is a matter of grave importance to the national interest that these funds be available and I trust that the Congress will see fit to authorize and appropriate them.

In the discussion the other day, as was brought out by the distinguished Senator from Louisiana, several comments had been made in relation to equipment and materials, and so forth. I should like now to make a statement which I believe answers some of the hypothetical statements—which is all they are—made in relation to this matter.

Several questions have been asked on the floor during the debate on this mutual security bill about the equipment and materials which we have furnished in the Indochina war. I wish to give the best answers which I can to these questions. I have discussed these matters with representatives of the Defense Department and the State Department, and I feel sure that I can provide the Senate with satisfactory answers to all the questions which have been asked.

First, the question has been asked whether all possible steps are being taken to prevent the equipment which has been furnished by the United States to defend Indochina from falling into Communist hands? The answer to this question is "yes." I am informed that all further shipments of equipment to Indochina have now been stopped, and shipments on the high seas have been diverted elsewhere. With regard to equipment which is already in Indochina, the situation is this. General O'Daniel—"Iron Mike" O'Daniel—the chief of the United States Military Assistance Advisory Group in Indochina, is working very closely with General Ely, the commander of the French forces in Indochina. The French have assured us that they are determined to prevent military equipment from falling into the hands of the Communists, and that they will evacuate from northern Vietnam the maximum quantity of military matériel which it is physically possible to remove under the circumstances. General O'Daniel is satisfied that the measures which the French are taking and plan to take in the future will afford adequate protection. As you know, the terms of the armistice agreements in Indochina allow 10 months for evacuation of forces and their equipment from areas which will be eventually controlled by the Communists.

Now, the second question which has been asked has to do with the legal situation regarding military equipment which has been furnished by the United States. I am informed that the facts are as follows: Title to military equipment passes to the receiving country when we deliver it to the receiving country. That is, in the case of equipment for the French in Indochina, title passes when we deliver it in Saigon or when it is placed aboard a French ship for transport to Indochina. On the other hand, even though the French have title to the equipment which has been delivered to them, that equipment was furnished to them for the purpose of defending against Communist aggression. They have signed an agreement with us that when the equipment is no longer needed by them for the purpose for which it was furnished they will offer to return it to us. Therefore, we have the right to work out with the French the disposition of the equipment which is now in Indochina. Negotiations with the French are now underway.

It should be pointed out that several possibilities are open with regard to the disposition of this equipment. Some items excess to continued French needs in that area may be returned to the United States for appropriate disposition by this Government. Some items may be turned over by the French, with the consent of the Government of the United States, for use by the Governments of Cambodia, Laos, and free Vietnam in the defense of their territories. The precise quantities of equipment and materials which will fall into these several categories remains to be worked out in the months ahead, as circumstances develop in that area.

Everyone should be aware that on many of these matters, answers more precise than the ones I have just given cannot be given. The situation in Indochina is a brandnew one. The ceasefire agreements are susceptible of various and sometimes conflicting interpretations. We do not know in detail what the plans of the independent Governments of Cambodia, Laos, and free Vietnam will be. We do not know what role the International Truce Commission will play.

What we do know is that the free nations of the world have suffered a setback in Indochina. It is true that the request for an emergency fund for Indochina was based on some assumptions which no longer are valid. But the vital thing to remember is that the situation is worse, not better, that it was then assumed to be. The President has asked for an emergency fund to deal with the whole problem of the defense of southeast Asia and the western Pacific. We should not deny him that means of coping with the dangers and problems which lie ahead in strengthening that area against any further advances by communism.

Mr. DOUGLAS. Mr. President, will the Senator from Wisconsin yield?

The PRESIDING OFFICER (Mr. GOLDWATER in the chair). Does the Senator from Wisconsin yield to the Senator from Illinois?

Mr. WILEY. Does the Senator from Illinois wish to ask a question?

Mr. DOUGLAS. Yes.

Mr. WILEY. I yield.

Mr. DOUGLAS. Let me ask the very eminent Senator from Wisconsin whether he agrees with the statement of the Senator from Louisiana [Mr. LONG] and the Senator from Arizona [Mr. HAYDEN] that the administration is planning to spend next year on foreign aid approximately the same amount as in past years, namely, approximately $5 billion?

Mr. WILEY. Let me say that of course when there is a pipeline, there is difficulty in getting deliveries started; but once the start is made, the volume of deliveries increases. For example, only today or yesterday I heard a statement that some of the jet planes we authorized in 1951 for delivery to Turkey are just now being delivered. In other words, once the authorization is made and once the pipeline is established, some time must pass before the deliveries are actually made—in this case to the Turks. We have to authorize the appropriations and make the appropriations well in advance of the delivery dates.

Having that situation in mind, and considering the approximately $3 billion which we propose to authorize for appropriation at this time, we expect the balance will come out of appropriations we have heretofore made. I think the statement made by the distinguished Senator from Arizona [Mr. HAYDEN] is substantially a correct one.

Mr. LONG. Mr. President, if the Senator from Wisconsin will yield to me at this point, for a question—and if the Senator from Illinois will permit me to ask a question at this time——

Mr. DOUGLAS. Certainly, if the Senator from Louisiana wishes to ask a question.

Mr. WILEY. I yield.

Mr. LONG. Is it not true, based on the chart on page 15, that this administration is giving away money twice as rapidly as the Truman administration succeeded in giving away money in connection with the same program, in the last year it was in office? I ask that question because in the last part of the Truman administration, they succeeded in giving away $2,500,000,000 under this program, whereas the present administration has, under this program, been giving away money at the rate of $5 billion this year.

Mr. WILEY. I think——

Mr. DOUGLAS. Let me ask the Senator from Wisconsin whether that is a fact.

Mr. WILEY. Let me say that once a manufacturing operation has begun, there is greater efficiency as time passes and as greater experience is had in the operation.

In this case, it is possible to do a better job after the operation has been well begun. So the deliveries are now reaching the maximum, if that is what the Senator from Louisiana means.

Mr. DOUGLAS. Is what the Senator from Louisiana has said actually true?

The PRESIDING OFFICER. The Senator from Wisconsin has the floor.

Mr. DOUGLAS. I beg pardon, Mr. President.

The PRESIDING OFFICER. Does the Senator from Wisconsin yield for a question?

Mr. WILEY. Yes, Mr. President, I yield for a question.

Mr. DOUGLAS. Does the Senator from Wisconsin agree that the Senator from Louisiana has made a correct statement in view of the fact that it seems to be borne out by the chart appearing

on page 15 of the hearings? I refer to the point made by the Senator from Louisiana, to wit, that whatever may be the authorizations, the present administration is now spending on foreign aid at a rate approximately twice that of the last year of the Truman administration.

Mr. WILEY. In making that statement, the Senator from Louisiana is not placing the matter on a fair basis. This administration is now paying for what the Government contracted for in the last years of the preceding administration. The articles are now being placed in the pipeline and delivered.

Mr. DOUGLAS. Mr. President, will the Senator from Wisconsin yield for another question?

Mr. WILEY. I yield.

Mr. DOUGLAS. Do I correctly understand that the request for the present authorization is approved by the President of the United States, and that the White House is opposed to the amendment of the Senator from Louisiana [Mr. LONG]?

Mr. WILEY. The Senator from Illinois has asked a double-barreled question. I would say the President is opposed to any substantial cuts.

Mr. DOUGLAS. The amendment of the Senator from Louisiana proposes a cut of $1 billion. Therefore, is it correct to say that the President of the United States is opposed to the amendment of the Senator from Louisiana?

Mr. WILEY. That is correct.

Mr. DOUGLAS. Let me ask whether the Republican policy committee is opposed to the amendment of the distinguished junior Senator from Louisiana?

Mr. WILEY. I assume it is opposed, although I am not a member of the policy committe.

Mr. DOUGLAS. Will the Senator from Wisconsin permit me to state that in times past, as the Senator from Wisconsin is well aware, I have supported the foreign-aid program, both under the Truman administration and under the Eisenhower administration.

Mr. WILEY. Yes; and I honor the Senator from Illinois for it. I, too, have supported the foreign-aid program under both the Truman administration and the Eisenhower administration.

Mr. DOUGLAS. I know that, and I congratulate the Senator from Wisconsin for it.

I have given this support because I have believed we had to have allies; that in the case of Europe we needed to build up the economic health of those countries; and that in the case of certain countries, we needed to provide arms. Let me say that I also believe in the technical assistance program for the people between Cairo and Singapore as a practical way of demonstrating Christian friendship and in the process helping win friends among the neutral and uncommitted third of the world. However, I have been placed in a very peculiar situation in my own State of Illinois, in that after having supported the Eisenhower foreign-aid program last year, I was then attacked by virtually every Republican leader in my State and was denounced for my program of supporting the Eisenhower foreign-aid program. The Republican leaders who denounced me for that include some of the leaders who now seem to be in great favor at the White House.

Mr. WILEY. Has the Senator from Illinois asked me a question?

Mr. DOUGLAS. So I wish to make certain, this afternoon, where the White House stands on the program. If the White House favors foreign aid, and is opposed to the amendment of the Senator from Louisiana [Mr. LONG], I think the White House is taking a correct position—much as I love the Senator from Louisiana.

However, do you think it is quite fair for me to be put in the position of diving into the water to help save the child of the administration, and then, when I get to the shore, to have the administration and the Republican leaders say, "That is not our child, and you are wasting our money"?

Mr. WILEY. Mr. President, that is a wonderful question, and I agree with it. [Laughter.]

Mr. DOUGLAS. I was asking the question of the Senators on the other side of the aisle.

Mr. WILEY. In response to the question of the senior Senator from Illinois, let me say that, on the subject of the foreign-aid situation, the Senator from Illinois and I have seen a great many matters eye to eye. Let me also say that I have been condemned by some of my own Republican brethren for some of the same things for which the Senator from Illinois has been condemned. However, in that connection I may refer to the statement made about a famous Democrat: "We love him for the enemies he has made." I think that statement is applicable in the case of the Senator from Illinois.

Mr. DOUGLAS. I glory in those enemies. [Laughter.]

Mr. WILEY. Yes. So now we have on this floor a demonstration of the American way. We can disagree.

I wish to make a little clearer my position on this matter, because I respect the distinguished junior Senator from Louisiana [Mr. LONG]. I realize that anyone who keeps his eye on the dollar at this time is very much honored in the United States; he is supposed to be one who thinks in terms of saving the ship of state. However, in my humble opinion, as was said earlier today by a distinguished Senator, the money we are spending on this program constitutes the best insurance-policy premium we can pay to save America. If we do not spend this money abroad, we probably shall have to spend 10 times as much in preparing our national defense within our own borders—although of course that is a matter of opinion. Yet that opinion is based upon the statement of one of our great leaders in the military field. His statement was made before our committee.

Mr. LONG. Mr. President, will the Senator from Wisconsin yield at this point, for a question?

Mr. WILEY. I yield for a question; but the Senator from Louisiana must admit that I have been very patient today, for I have listened to him make the same speech twice. [Laughter.]

Mr. LONG. Will the Senator from Wisconsin agree that it is a good idea to know what our money is to be spent for, when we appropriate it by the hundreds of millions of dollars? Does not the Senator from Wisconsin think it is a good idea for us to know precisely what our money is to be spent for?

Mr. WILEY. Of course I do.

Mr. LONG. Does not the Senator from Wisconsin agree with me that in carrying out the program, $600 million of appropriations have been made for Indochina, although the Senator's letter has explained that those funds or goods purchased with them will not be sent to Indochina; and $800 million of new appropriations are now proposed to be authorized for Indochina, although in the Senator's letter it is explained that that money, or goods purchased with it, will not be sent to Indochina?

Mr. WILEY. I fully agree that we can get a bill of particulars. We got one last night. We can get a bill of particulars every time about the future. If we could look into the crystal ball and see what is going to happen here or there, we could tell exactly where we were going to spend the money. The Secretary's letter says that. We do not know what will happen in the Far East tomorrow, because the Kremlin is pulling the strings. We do not know what will happen anywhere, but we must be prepared, and appropriate money at the proper time.

Mr. DOUGLAS. Mr. President, will the Senator permit me to make a reply to the Senator from Louisiana [Mr. LONG] in defense of the administration?

Mr. WILEY. I love the Senator for that.

Mr. DOUGLAS. Let me say to my good friend from Louisiana [Mr. LONG] that although we have lost out in northern Indochina, and although the elections may turn against us in the rest of Indochina, we have not given up the struggle to keep southeastern Asia free; so we are trying to create an alliance of those people and other nations in that part of the world to keep communism out of Thailand, Burma, Malaya, Indonesia, the Philippines, and so forth. So I think it is proper that there should be an uncommitted authorization which can be used for these purposes if the administration is successful in negotiating such a treaty.

I am delighted to defend the administration on this point. I regret only that our good friend from Wisconsin [Mr. WILEY] has been left alone, as he so often has been, to defend the administration on the other side of the aisle. The good Senator from Wisconsin has carried the burden for the administration and for the cause of world peace, and he has had nothing but kicks and cuffs from his party for his pains.

I should like to say that the Senator is a great American and deserves the thanks not only of his country, but of his party; and if his party will not thank him, I, at least, will do so from this side of the aisle.

Mr. SMITH of New Jersey. Mr. President, will the Senator yield for an interruption? I wish to help my distinguished colleague [Mr. WILEY] for a moment, and answer what the distinguished Senator from Illinois has said.

Mr. WILEY. I yield.

Mr. SMITH of New Jersey. The entire membership of the Foreign Relations Committee supported the bill. Furthermore, the Republican policy committee is supporting the bill. The Senator from New Jersey has been fighting for the bill for months.

At this point I ask unanimous consent to insert in the RECORD——

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. SMITH of New Jersey. Just a moment.

I ask unanimous consent for the insertion in the RECORD of pages 10, 11, and 12 of the committee report, with the tables of balances that have been discussed so much.

There being no objection, the pages, together with the tables, were ordered to be printed in the RECORD, as follows:

5. UNOBLIGATED AND UNEXPENDED BALANCES

The committee thoroughly examined the amounts unobligated and unexpended from previous appropriations, which the bill carries over. The following table shows these balances as of June 30 last year, with estimates for June 30 this year and next year:

Unexpended and unobligated balances

[In thousands]

Category	June 30, 1953		June 30, 1954		June 30, 1955, unexpended balance (estimate)
	Unobligated balance	Unexpended balance	Unobligated balance (estimate)	Unexpended balance (estimate)	
Grand total	$2,115,400	$10,061,100	$2,604,300	$9,749,500	$7,360,800
Title I—Mutual defense assistance:					
Chapter 1—Military assistance:					
Sec. 103. General authorization	(1)	(1)			
Sec. 106 (c):					
(1) Europe, includes facilities assistance	(1)	(1)	2,043,200	5,683,100	
(2) Near East	(1)	(1)	167,600	761,500	
(3) Far East	(1)	(1)	254,500	1,067,700	
(4) Latin America	(1)	(1)	34,700	58,700	
Sec. 104. Infrastructure	(1)	(1)			
Sec. 105. Development of weapons of advanced design	(1)	(1)	27,000	50,000	
Total, chapter 1	(1)	(1)	2,527,000	7,621,000	5,587,400
Chapter 2—Southeast Asia, the western Pacific and direct forces support:					
Sec. 121. Southeast Asia and the western Pacific	(1)	(1)		590,000	
Sec. 122. Production for forces support	(1)	(1)		165,000	
Sec. 123. Common-use items	(1)	(1)			
Total, chapter 2	(1)	(1)		755,000	701,400
Chapter 3—Defense support:					
Sec. 131 (b):					
(1) Europe	(1)	(1)	37,500	360,060	
(2) Near East, Africa, and South Asia	(1)	(1)		124,300	
(3) Far East and Pacific	(1)	(1)		130,600	
Sec. 132:					
(a) Korean program	(1)	(1)		160,000	
(c) United Nations Korean Reconstruction Agency	(1)	(1)	10,700	10,700	
Total, chapter 3	(1)	(1)	48,200	786,200	662,600
Total, title I	(1)	(1)	2,575,000	9,162,200	6,951,400
Title II—Development assistance:					
Sec. 201 (a):					
(1) Near East and Africa	(1)	(1)		72,200	
(2) South Asia	(1)	(1)		65,000	
Far East and Pacific	(1)	(1)		24,700	
(3) American Republics	(1)	(1)		2,000	
Europe (coal and steel loan)	(1)	(1)		100,000	
Total, title II	(1)	(1)		263,900	224,300
Title III—Technical cooperation:					
Sec. 304. Authorization	(1)	(1)		164,500	
Sec. 306. Multilateral technical cooperation:					
(a) United Nations Technical Assistance	(1)	(1)		700	
(b) Organization of American States	(1)	(1)			
Total, title III	(1)	(1)		165,200	136,700
Title IV—Other programs:					
Sec. 403. Special assistance in joint control areas	(1)	(1)			
Sec. 405 (a). Movement of migrants and refugees	(1)	(1)		5,900	
Sec. 405 (c). United Nations Refugee Emergency Fund	(1)	(1)			
Sec. 406. Children's welfare	(1)	(1)			
Sec. 407. United Nations Relief and Works Agency (authorization only)	(1)	(1)	29,100		
Sec. 408 (a). North Atlantic Treaty Organization	(1)	(1)			
Sec. 409. Ocean freight charges	(1)	(1)		700	
Sec. 410. Control Act expenses	(1)	(1)			
Sec. 411. Administrative expenses	(1)	(1)		6,900	
Total, title IV	(1)	(1)	29,100	13,500	48,400
No fiscal year 1955 request:					
Escapees	(1)	(1)		5,100	
Basic materials	(1)	(1)		18,900	
Sec. 550 sales	(1)	(1)		117,000	
Special projects	(1)	(1)		2,200	
East German food	(1)	(1)		1,500	
Operation Reindeer	(1)	(1)			
Total	(1)	(1)		144,700	
Recapitulation:					
Military assistance	1,930,500	8,479,000	2,527,000	7,621,000	5,587,400
Nonmilitary assistance	184,900	1,582,100	77,300	2,128,500	1,773,400
Grand total	2,115,400	10,061,100	2,604,300	9,749,500	7,360,800

[1] Breakdown not available due to different fiscal year 1954 appropriations structure.

The more significant figures in this table are not those of the unexpended balances, but those of the unobligated balances. The difference between the unobligated and the unexpended funds, which amounted to approximately $7 billion on June 30, 1954, represents appropriations which have been obligated but not yet spent. The goods have been ordered, and they will have to be paid for when delivered. This balance of $7 billion in obligated but unexpended funds, therefore, is not available for any other use.

The unobligated balance of $2.6 billion represents funds not firmly set aside against a specific contract. Most of them, however, are definitely committed to specific programs, even though those programs have not yet advanced to the stage where the funds can be said to be obligated within the strict definition of that term insisted upon by the General Accounting Office.

In explaining the unobligated balances, Mr. Stassen stressed two factors which contribute to this situation. The Administration does not make firm programs until funds have been appropriated. After receiving its annual appropriation, programs are agreed upon with recipient countries and agreements negotiated to effectuate the programs. This process usually takes several months and sometimes longer. For example, before obligations for aircraft procurement for a recipient nation can be made, that nation must be prepared to receive the aircraft. This may involve technical training for its crews, lengthening of its runways, establishment of repair centers and similar advance work. Jet aircraft delivered to Turkey this year, for example, were paid for out of funds appropriated in 1950. These funds were at first unobligated and then unexpended, but if they had not been appropriated when they were and carried over from year to year, the Turkish jet air force planned in 1950 would not have come into being.

The Administration witnesses also pointed out that a certain level of unobligated balances would be desirable in any event to give flexibility in meeting new situations.

The great bulk of unobligated and unexpended amounts are in the funds for military assistance. This is the so-called pipeline created by time-consuming programing, contract negotiations, and long-lead items. For such complicated equipment as tanks, airplanes, and radar equipment, this production lead time runs as long as 2 or 3 years.

The Indochina situation, which required a considerable amount of transferring and reprograming during fiscal 1954, has also contributed to the amount of unobligated balances.

The chart on page 13 shows that expenditures are continuing to rise steadily while obligations are leveling off.

Particular attention is called to the inset which illustrates the fact that expenditures during 1953 far exceeded obligations, as more contracts became payable and fewer new contracts were let. This trend is expected to continue even stronger during 1954–55. The result is a shrinking of the unexpended balances. It will be noted that on June 30, 1953, the unexpended balances were $10,061,100,000; on June 30, 1954, $9,749,500,000; and on June 30, 1955, they will be an estimated $7,360,800,000. As new appropriations and obligations are reduced, the pipeline in future years will become progressively less.

The committee felt, nevertheless, that a certain amount of water could be squeezed out of the unobligated balances and the requested new authorizations, taken together. After careful consideration of the varied factors involved, it reduced the total of new authorizations for which appropriations will be sought at this session of Congress from 3.4 to 3.1 billion dollars. The committee does not believe either the unobligated balances or the new money can prudently be reduced further.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. SMITH of New Jersey. Yes.

Mr. DOUGLAS. Now that the Senator has said that the Republican policy committee supports the bill, that the President supports the bill, that the Department of Defense supports the bill, and that the Foreign Relations Committee supports the bill, will the Senator come to Illinois and tell the Republicans there all about the facts of life.

Mr. SMITH of New Jersey. I shall be very glad to do so.

Mr. DOUGLAS. I will rent a hall for the Senator so that he may do it.

Mr. SMITH of New Jersey. I am ready to go there.

Mr. WILEY. Mr. President, as was stated, the President of the United States supported this program, and he said that it was essential to the efforts of the United States in the field of international relations and national defense.

I believe that reductions such as those proposed by the Senator from Louisiana [Mr. LONG] are unwise and unsafe. Such a serious reduction would serve notice to our friends abroad that the United States is not really interested in helping to build the joint defenses of the free world.

It is imperative that we hold the line now. This amendment would seriously cripple the MSA program. It would make it impossible to carry out many of the plans which the administration has developed.

I repeat, as President Eisenhower said:

> We have chosen to build defenses with our allies rather than go it alone because we are convinced that this course is more effective and less costly.

The President then substantiates the statement of the great general that this is a less costly procedure.

Mr. President, I spoke for an hour at the opening of the debate of this program. It is very apparent that some folks did not hear my speech, nor did they read it. I made two points. One that I stressed particularly was that when we began this program the idea was to rebuild the morale and the economic structure of our allies. We have succeeded in doing that. But in doing so we stopped a depression from coming upon this country, a depression which had been prophesied by men in high places and by great economists, on the basis of the experience after the First World War, when a depression did come.

We hear talk about pouring money into ratholes. This is not money poured into ratholes. It provides credit, which creates a demand upon the production plant of this country. It creates a demand upon the labor of this country. It puts money into the hands of the laboring men so that they can create a demand again. That is what happened, to say nothing about the fact that we have staved off a third world war.

I have heard a great many statistics given today. I shall not reply to all of them, but I invite attention to the fact that we are always talking about our allies falling down. The significant thing is that since 1950 we have appropriated $15.3 billion for our western allies. These funds, in combination with those put forward by other NATO countries, have led to the expansion of the NATO general forces.

What did the other countries put in? They put $43 billion into their own defense, and we are talking about doing the whole job.

I am as much in favor of saving money as is anyone else.

Mr. LONG. Mr. President, will the Senator yield for a question?

Mr. WILEY. Just a moment.

I like to save money as much as does anyone, and I think I have as high a concept of trusteeship as anyone else.

When I came to the Senate I could not even continue my law partnership because I felt I could not serve two masters. I dissolved the law partnership. This job has had my full time.

Among the important functions of this job is the duty of seeing to it that when we spend a dollar belonging to this Government we should get value received. Value received does not consist merely of material value; it consists of preserving the great economic values, spiritual values, and political values of a nation.

Mr. President, that is what these programs are for, and in my humble opinion, despite all the closed-mind reasoning, in spite of all the isolationist tendencies, I cannot believe that we can close our eyes to the fact that this world has been shrunken by the ingenuity of man until it is a very small place.

Only the other day I used the illustration that when I was flying to Panama several months ago it required only 8 hours, but my previous trip to Panama required 5 days.

When my mother came to this country as an immigrant before the Civil War she was 6 weeks on the way. Yet only a few months ago a man crossed the ocean in a little more than 4 hours.

While I was flying to Panama, a man flew from Los Angeles to New York in less than 4 hours, indicating that this little globe of ours has been shrunken. With that has come, I trust, eyes that are open so that we can respond to that which is necessary to be done. So, Mr. President, I ask that this amendment be voted down.

Mr. HOLLAND. Mr. President, will the Senator from Wisconsin yield?

Mr. WILEY. I yield.

Mr. HOLLAND. I heard a very scholarly discussion of world affairs on Sunday by Mr. Howard K. Smith, the head of the CBS news gathering service in Europe. Perhaps the distinguished Senator from Wisconsin also heard it. The theme of Mr. Smith's discussion was the great betterment in many conditions affecting friendly nations, which he thought had resulted in large measure from the help which we had given them.

I recite some of the things he mentioned. First, in Britain, he said, there was the highest level of prosperity that had been found there in many years. He said it was the first time in 14 years that Britain had been able to stop rationing.

Mr. WILEY. That is correct.

Mr. HOLLAND. With reference to France, he remarked on the cessation of hostilities in Indochina and the fact that that would greatly relieve the budgetary burden of the French and would at once bring about better feeling there.

He spoke, of course, more directly about Indochina and the fact that funds which we had destined for that faraway place would no longer be needed there.

He spoke of Iran and the fact that within the past few days a settlement had been agreed upon between the Iranian Government and the former British owners of the oil concessions there for the settlement of their troubles and for the renewed production of oil.

He spoke of the Suez settlement and of the fact that it would remove from the British the heaviest single burden they have carried in recent years. I believe he said that some eighty-thousand-odd British troops had been maintained in the Suez Canal fortress up to this time, and that such forces would be withdrawn beginning almost at once.

He spoke of the fact that it was an open secret that a settlement of the Trieste dispute awaited only the drafting of certain documents, and that such settlement would not only bring about relief from tension, but would reduce confusion and create greater economic stability.

He spoke of the fact that whereas Yugoslavia on the one hand, and Greece and Turkey on the other, had not been very friendly until recently, they are now at the point of executing a Balkan alliance which, he said, should be a highly stabilizing factor.

It seems to me that that statement points up the fact that the money we have been spending has been doing some good, and it may point up the fact also that it is now possible to begin to reduce, and reduce rather heavily, our spending.

Mr. WILEY. Which we have done in this bill.

Mr. HOLLAND. The Senator from Florida has not made up his mind what conclusion is the more logical at this time. Mr. Smith in his broadcast was merely reporting factually on the situation as he saw it.

I should like to ask the distinguished Senator from Wisconsin, the chairman of the committee which is handling the bill, to comment on these real betterments in world affairs which were so ably listed by Mr. Smith, and to comment on the effect of those betterments upon the program which is embodied in the pending authorization bill. Is it the opinion of the distinguished Senator from Wisconsin that we now have an opportunity to make a sizable reduction along the lines that have been suggested by the Senator from Louisiana [Mr. LONG], or along some other lines; or is it the view of the distinguished Senator from Wisconsin that we should at least maintain the level of the foreign operations program which is embodied in the pending legislation in order that it may continue to be effective? I should very much appreciate an expression in some detail by the distinguished Senator from Wisconsin upon the question to which I have invited his attention.

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator yield?

Mr. WILEY. I shall be very happy to respond to the challenging question. First I wish to thank the Senator from Florida for a very fine résumé of what might be called the constructive steps that we have taken.

Very often, in evaluating what is taking place, we have a tendency to look on the negative side, and very often we have the tendency to complicate our thinking, instead of simplifying it. The Senator from Florida has given a résumé of the many fine results which have been accomplished.

Mr. MAYBANK and Mr. JOHNSTON of South Carolina addressed the Chair.

Mr. WILEY. I should like to continue with my answer to the question of the Senator from Florida. First let me say, with respect to the help that has been given by us, that the program was started with $7.6 billion in 1951. It was then reduced to $6 billion, then to $5 billion, and then to $3 billion.

That gives an indication of the fact that, as Europe builds up its military defenses, the military part of the program can be reduced. There is no question that the economic part of the program is also being reduced.

I am satisfied—and again I must say that I cannot look into a crystal ball—that unless there appears on the world stage some eruption of a very serious nature which would take Europe into the maelstrom of war, next year we can make an additional reduction, as we have done this year. We have curtailed the program by 40 percent during the past 2 years. That is a great reduction, from a total of $8 billion to less than $3 billion.

I am satisfied that unless the Kremlin executes another of its so-called tactical utilizations of satellites, we can probably reduce the program again next year. Eventually—because to a large extent many of these countries are really becoming self-sustaining—it will mean that the opening up of trade among themselves, enabling Europeans to get rid of their tariff barriers, will result in an improvement in their health. Of course, those are dreams which depend on the attitudes of a great many people, and no one can foresee the future. However, I am sure the Senator from Florida entertains the hope that we shall see a little brighter sunlight than we see now.

Mr. HOLLAND. Mr. President, will the Senator yield for a question?

Mr. WILEY. I yield.

Mr. HOLLAND. The Senator from Florida has been hoping, with his friend from Wisconsin, not only that we would see more sunlight, but that we would be able to reduce the burden of the program in the very near future. I understand the Senator to say that some reduction as compared with last year is embraced in the authorization bill now pending before the Senate.

However, what has disturbed the Senator from Florida has been the apparent fact that approximately $1,400,000,000 is admitted to be unallocated in this authorization measure. Although it was designed for use in the Indochina area, it is apparently being held in reserve for any need that may arise in that area. Is the Senator from Florida correct in that understanding?

Mr. WILEY. I am informed that the major portion of it is programed, but not obligated.

Mr. MAYBANK. Mr. President, $2½ billion has not been allocated. The Senator from Florida knows it, and the Senator from Wisconsin knows it.

Mr. WILEY. It is all programed.

Mr. MAYBANK. It has not been obligated.

Mr. WILEY. What is that?

Mr. MAYBANK. It has not been obligated.

Mr. WILEY. That is correct.

Mr. MAYBANK. It has not been obligated for anything. It is now being programed. They are programing a university for Ethiopia. If the Senator from Wisconsin does not know it, I know it.

Mr. THYE. Mr. President, that is not in the bill before us.

The PRESIDING OFFICER. The Senator from Wisconsin has the floor.

Mr. THYE. Mr. President, will the Senator from Wisconsin yield so that I may reply to the statement of the Senator from South Carolina?

Mr. WILEY. I yield.

Mr. THYE. Mr. President, the $2½ billion to which the Senator from South Carolina [Mr. MAYBANK] just referred is in a bill lying on the table. I do not think we are discussing that item in connection with this bill.

Mr. MAYBANK. This is the authorization bill to carry on the building in Ethiopia, and the Senator from Minnesota knows that there is $2½ billion that has not even been obligated. We are adding by this bill some $3 billion to the $2½ billion that has not been obligated, making an additional $7½ billion that has not been spent. Is that correct?

Mr. THYE. However, that is an entirely different item from what we are discussing here.

Mr. MAYBANK. I agree with the Senator from Minnesota that it is not in this bill, because, of course, this has not been obligated. It has not even been passed.

Mr. THYE. Mr. President, we are discussing this bill, and if the Senator from Wisconsin will yield to me further——

Mr. MAYBANK. I wish to keep the record straight. This bill adds to that which has not been obligated and which is now before the Appropriations Committee, on which we held a hearing this morning.

Mr. THYE. However, that is technical assistance, an entirely different program from that which we are discussing in connection with the mutual security bill.

Mr. President, I have sat here this afternoon and listened to various figures being referred to in connection with different programs. I can only rise in defense of the Appropriations Committee,

on which both the Senator from South Carolina and I serve.

Mr. MAYBANK. I am not saying an unkind thing against the Appropriations Committee. I am only giving the figures which the staff of the Appropriations Committee compiled for me, from which it appears that $7½ billion has not as yet been spent.

Mr. THYE. That is true.

Mr. MAYBANK. There is $2½ billion which it is planned to spend, for which planning has not been completed. This program is in addition.

Mr. THYE. The program to which the Senator and I were giving consideration this morning in the Appropriations Committee is technical assistance. This is mutual security.

Mr. President, we must take into consideration that mutual security includes orders for tanks and airplanes of various types.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. THYE. I yield.

Mr. MAYBANK. But the administration has not even obligated all the money we appropriated 2 years ago. I agree with what the distinguished Senator from Wisconsin said about the good we have done, but I must agree with the Senator from Florida it is about time to do some good for our taxpayers. There is $10 billion which we have not spent.

Mr. THYE. Mr. President, will the Senator yield further to me?

Mr. WILEY. I yield.

Mr. THYE. In all fairness to the particular program embodied in the bill before us, if we are to have military equipment, we must first plan it, program it, obligate the funds, and then wait for the completion of construction of the equipment, whether it be a plane, an atomic weapon, a tank, a battleship, or a submarine. We cannot place an order today and expect delivery tonight.

Mr. MAYBANK. I understand that.

Mr. THYE. An order placed in 1951 is delivered in 1954.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. THYE. I yield.

Mr. MAYBANK. I never suggested that the distinguished Senator from Minnesota was wrong about the obligation of funds. The point I wished to bring out was that we have $2½ billion in another bill which we have not obligated.

Mr. THYE. That is in the technical assistance program and the general program which encompasses that type of assistance—welfare, health, and so forth.

Mr. MAYBANK. What is the difference?

Mr. THYE. This is the military program, and the other is technical assistance. The Senator can confuse me or even himself if he tries to combine these two programs in his thinking.

Mr. MAYBANK. I have been a member of the Appropriations Committee——

Mr. THYE. Longer than I have.

Mr. MAYBANK. No; I would not say that, but I am confused because there we find that $7½ billion has not been spent, $2½ billion of which has not been obligated. Now we have another bill for $3,400,000,000, and the President has the right to transfer these funds.

Mr. THYE. Mr. President, I read from page 14 of the report, which is the most concise and specific source to which we could possibly turn to try to obtain clarification of the question which has become so confused in the debate:

> The total amount requested by the administration this year is the least of any year since the military-assistance program began in fiscal 1950, and is considerably less than half of the peak year of 1951 when appropriations reached $7.6 billion. Since then, there has been a steady decline to $7.3 billion in 1952, $6 billion in 1953, and $4.5 billion in 1954, with $3.4 billion requested and $3.1 billion authorized for 1955.

Let us take a look at the drop since 1950. At that time the figure stood at $7,600,000,000, and now it is down to $3,100,000,000.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. THYE. I am happy to yield.

Mr. MAYBANK. Of course the Senator is absolutely correct. During the years for which he read figures, we were in the Korean war. Then we were in the Indochina war. We spent over a billion dollars on goods. The Senator knows that. General Van Fleet was before the committee the other day in executive session. I remember that he said on the record that he thought the $800 million provided in the bill for Indochina ought to be used in a pool for other countries.

Mr. THYE. Mr. President, the Senator from South Carolina knows the appropriations question very well, because he is one of the most able members of the Appropriations Committee.

Mr. MAYBANK. I appreciate what the Senator has said.

Mr. THYE. The Senator knows that during the height of the Korean crisis we were borrowing from the account which had been made available to the European theater in order to fight the war in Korea; and today we are fulfilling the obligations which the Korean war imposed upon this Nation because we borrowed from the European theater to fight the Korean war.

Mr. MAYBANK. The Senator is correct.

Mr. THYE. Of course I am.

Mr. MAYBANK. I raised the point in the Appropriations Committee at that time that we were fooling the people by fighting the Korean war and not paying for it.

Mr. THYE. Exactly.

Mr. MAYBANK. Are we going to be fooled with respect to Indochina?

Mr. THYE. We borrowed from the European commitments to fight the Korean war, and we are today paying it back, just the same as if a housewife went to a neighbor and said, "Give me a bowl of sugar," and the next week she returned the sugar.

Mr. MAYBANK. The Senator is correct, but two wrongs do not make a right. Now we are borrowing from the Indochina fund. The Senator knows that, too.

Mr. THYE. The Senator and I know the appropriations question because we have lived with it for several years. I did not want the record to be confused to the extent that we did not clarify the point that we are today paying back some borrowed war merchandise which we took out of the European theater with which to fight the Korean war.

Mr. MAYBANK. The Senator is correct. I raised the point in the committee at the time, and I think the Senator did, also. In this bill are we going to borrow for Thailand and Burma from the Indochina $800 million?

Mr. THYE. Today we are paying the bills that have been accumulating for 3½ years. That is one reason we see the authorizations dropping, but the financial cash outlay going up.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. THYE. I yield.

Mr. MAYBANK. Only yesterday afternoon the Senator from South Dakota [Mr. MUNDT] offered an amendment to the bill providing for the payment of all the obligations in certain areas, as the Senator knows, so far as appropriations are concerned.

Mr. JOHNSTON of South Carolina. Mr. President——

The PRESIDING OFFICER. Does the Senator from Wisconsin yield to the Senator from South Carolina?

Mr. WILEY. I yield.

Mr. JOHNSTON of South Carolina. Is it not also true that we have an unused surplus of approximately $9,500,000,000 at the present time, and that of that amount, approximately $2½ billion is entirely unallocated or unobligated? In this bill is there not an additional $3,100,000,000 which will make approximately $12,800,000,000?

I listened a few minutes ago to the Senator from Florida [Mr. HOLLAND], who spoke about a Mr. Smith broadcasting over the radio. Did the Senator hear that man say anything about our spending or giving away to other nations $122 billion during the past 10 or 12 years? Did he hear him say anything to the effect that the United States has gone into debt by that much, and that we have increased our taxes by that much? Was there anything said at that time about that?

I should like to hear the Senator from Wisconsin explain the indebtedness which is being incurred at present, by giving our money away when we do not have it. We are going further and further into debt. Our national debt has become greater year after year.

So let someone speak sometimes about the United States, how it is going into debt, and how it owes twice as much as all the rest of the nations together. I should like to hear a little discussion along the line of our Nation's finances.

Mr. WILEY. The Senator from Florida [Mr. HOLLAND] can reply to that point when I have finished, if he wishes to. So far as I personally am concerned, I must say that the unexpended balance——

Mr. JOHNSTON of South Carolina. I did not think the Senator would care to discuss it. He does not care to discuss anything about the tax increases in the United States and about the debt this

Nation owes. Those questions are always dodged when Senators are speaking about giving money away. But they do not tell us how or where we are to get the money.

Mr. WILEY. I do not wish to be interrupted by the distinguished Senator, unless he desires to ask a question. However, I shall discuss the subject, since he has challenged me to do so.

The Senator has said we are going into debt. Yes; we are. But he did not mention the fact that the United States now has an annual output in manufactured goods of approximately $380 billion. There was a time when the United States had a $60 billion or a $80 billion annual national income. Now the income of the United States is more than $200 billion.

There is no need to become so wrought up, if we do recognize the facts as they exist. If I thought a marauder was about to attack my home, I would not hesitate to buy some pretty good ammunition and weapons with which to protect my home.

The mutual-aid program is a protective program. The Senator can talk all he likes about giving money away. But the distinguished senior Senator from Florida [Mr. HOLLAND] showed the fruits which have been borne when he commented upon what he had heard broadcast over the radio by Mr. Smith, who described those fine results.

The peace which exists in the world today—it is not exactly peace, but at least what there is of it—is largely the result of the effort our country has made. I shall refer to statements to that effect made to me by two distinguished citizens of the world.

Some months ago a Japanese who held a high position in his government visited me in my office. I relate this incident because it corroborates what the distinguished Senator from Florida has said. He asked if I was the chairman of the Committee on Foreign Relations. I told him I was. I offered him a chair, and we sat down and had a conversation. He spoke very good English.

He said, "I have come to thank the American people through you. You know, when MacArthur went through the streets of Tokyo as a conqueror, millions of our people turned their backs on him. Why? Because they thought they had coming to them what our nation had always imposed upon a conquered people. We always applied the rule which the West applied: To the conqueror belongs the spoils.

"Weeks, months and years went by. But there was no spoliation. Instead, your country helped us to rehabilitate our people and our nation. You gave us faith. You brought us new ideas. You spent money upon us."

Mr. President, at about the same time I had a conversation with Chancellor Adenauer, who spoke in practically the same language.

He said, "When the Americans marched into Germany, we felt that they would apply the rule we had always applied: To the conqueror belong the spoils. But you did not commit spoliation. You encouraged us. You rebuilt our nation. You brought us a new view of life and a new conception of the function of a conqueror."

Senators can discount this attitude all they wish to, but when history is written a thousand years from now, it may be that the people of that era will look back to this time and say that it was then that humanity finally turned the corner and started up the road toward peace. Perhaps this is the beginning.

Mr. President, one cannot tell from the amendment offered by the Senator from Louisiana what portions of the program would be eliminated or curtailed. Would the Senator from Louisiana reduce the amount of military assistance by a billion dollars? Would he stop the flow of arms to Greece and Turkey? Would he make it impossible to carry out the projected building of the defenses of Japan? Would he stop arms aid to our allies in southeast Asia, at the very moment when a southeast Asian defense pact is in process of negotiation, as has been stated by the distinguished Senator from Illinois?

Mr. LONG. Mr. President, will the Senator yield?

Mr. WILEY. Let me finish; then I shall be glad to yield.

Or would the Senator from Louisiana make the reduction in other parts of the bill? Would he eliminate the item for direct forces and greater support in southeast Asia, thereby having the United States withdraw from the most critical area of the world?

Would he stop relief and rehabilitation assistance to Korea?

There is no way of telling which of these vital programs would be affected by the amendment, but there is a certainty that some of them would be affected; and to do so would be to lessen the security of and increase the danger to the United States.

I appeal to Senators to reject the amendment.

Mr. LONG. Does not the Senator understand that the purpose of my amendment is to require the Committee on Appropriations to make recommendations for a reduction of the overall program? The committee should examine into the $1,400,000,000 allocated for Indochina. That program has been canceled.

Mr. WILEY. Again, my answer to the Senator's question is very clearly set forth in the letter of the Secretary of State and by the executive branch of the Government, which say, "No."

The executive branch of the Government is spearheading the United States foreign policy. Many of us would like to be justices of the Supreme Court; many of us would like to be Cabinet secretaries—perhaps Secretary of Commerce or the Secretary of State. But we are legislators. I recognize the responsibility of a legislator, but that responsibility is not to spearhead the foreign policy of our Nation.

Mr. DOUGLAS. Mr. President, will the Senator from Wisconsin permit me to rise again in defense of administration policy?

Mr. WILEY. I bow to the Senator from Illinois.

Mr. DOUGLAS. Is it not true that northern Indochina was merely the immediate place where the struggle for southeast Asia was occurring; and that while the battle in northern Indochina has been lost, would it not be very mistaken for us, who have lost that individual encounter, to give up our own general policy? If we close southeast Asia, do we not lose India, because all essential rice would be shut off from India? If we lose southeast Asia, do we not probably also lose Japan, with Australia being threatened? Therefore, is it not rather fainthearted to "throw in the sponge" at so early a date, and to write off the entire effort?

Mr. WILEY. I think the answer to the Senator's question is a decided, "Yes." At least, I may say that I have been informed, as has the committee, that negotiations are now in progress to effectuate the security pact which the Senator has mentioned on several occasions; recognizing, of course, that if all of southeast Asia is lost, and with it India, also, approximately 500 million more human souls will be placed within the Russian orbit.

We cannot close our eyes to the potentialities of that situation. Consequently, again I say that the Senator from Illinois is precisely correct in supporting the administration.

Mr. DOUGLAS. May I invite the distinguished senior Senator from Wisconsin to journey southward to the State of Illinois this fall, and make similar statements in my State?

Mr. WILEY. I thank the Senator from Illinois.

Mr. HOLLAND. Mr. President, first I wish to say that I wholeheartedly approve of this much of the statement of the distinguished Senator from Wisconsin: The program has produced good results. There is no question in the world about that.

But it seems to me that with a budget framed last fall and winter, and with all the improvements in the international picture which have occurred since that time, a few of which were mentioned by me a while ago, certainly there should be some approach to a reduction of authorizations in this bill; and that any failure to recognize the possibility of such reductions closes our eyes to the fact that there have been great changes in the world, which enable such reductions to be fairly made. I am not at all sure that the figure incorporated in the amendment of the Senator from Louisiana has been accurately evolved, or that it correctly states the exact amount by which the authorization should be reduced; but I am not willing to, nor will I, vote for a bill which was predicated upon a budget drawn months ago, and one which does not reflect in the slightest the great improvements which have taken place in the international picture, and the fact that large blocks of the proposed authorization were designed to be spent in a place where such expenditure can no longer be spent. It seems to me it is unrealistic not to recognize the fact that certain reductions can appropriately be made. I was hoping the distinguished Senator from Wisconsin

would give us some aid by suggesting what amount could be properly subtracted from the amount embraced in the authorization bill.

Mr. WILEY. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield to the Senator from Wisconsin.

Mr. WILEY. The committee did cut the amount by $350 million. The Senator from Georgia [Mr. GEORGE] went along with that recommendation, recognizing the situation about which the Senator has spoken. I thought the Senator from Florida was discussing a short time ago what the idea of the Senator from Wisconsin was about the future years. As I said, I cannot look into a crystal ball, but I think, if conditions continue, we shall be able to continue reductions. When it is realized that the authorization has been cut about 60 percent from the amount recommended when the program was started, it will be realized that a tremendous reduction has taken place. This year the committee cut the amount much below the figure recommended by the President. It seems to me that action alone would entitle the bill to Senate support.

Mr. HOLLAND. The committee cut the new amount about 10 percent. Meantime, since the cut was made, there has been a cessation of hostilities in Indochina.

Mr. WILEY. Yes; and according to the best advice the committee could obtain, that event has precipitated a dynamic situation. I might say the proposal involves only an authorization. I understand the House of Representatives has cut the recommended authorization and the appropriation. That is my information. The committee decreased the recommended amount. It seems to me the action of the committee represented the action of men working hard and seeking to ascertain facts on which to base their action.

Mr. HOLLAND. It seems to me the action of the House of Representatives in cutting the requested appropriation heavily below the authorization which reached the Senate is realistic and justified, and I only hope I may have the opportunity to vote for some such reduction in the present proposed authorization. I think the reduction of $1 billion suggested in the amendment of the Senator from Louisiana is too large a cut. I should prefer not to support so large a cut. But it does seem to me that a continuation of the authorization of a figure which was arrived at months ago, since which time the Indochinese war has come to an end, since which time the Iranian dispute has been settled, since which time the British withdrawal from the Suez has been arranged, since which time the settlement of the Trieste situation has been arranged, and since which time so many things have been done which tend to reduce the backlog of matters on which we must help, would be a failure to recognize those improvements in the world situation, and would not be realistic. I hope there will be some opportunity to vote for a reduction of the authorization which will be somewhat in line with improved conditions in many parts of the world.

Mr. LONG and Mr. KNOWLAND addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Florida yield; and if so, to whom?

Mr. HOLLAND. I yield first to the Senator from Louisiana. Then I shall yield to the Senator from California.

Mr. LONG. Does the Senator from Florida realize, when he speaks about the percentage of reduction, that if one looked at the gross appropriation provided for in the bill, which includes reappropriation of funds as well as new appropriations, the reduction made by the committee is less than 3 percent, or about 2½ percent, instead of 10 percent? When one looks at the overall picture, the recommendation of the Senator from Louisiana amounts to only about 7.2 percent of the overall program.

Mr. HOLLAND. I understand that. I understand that we are reappropriating appropriations made in the past which have not been spent, some of which have been committed, and some of which have not been committed. I understand that in all probability all old appropriations are expected to be spent, and that the amount of the new authorization is based upon the full amount of the old appropriations being available. But it seems to the Senator from Florida that the $1 billion cut suggested by the Senator from Louisiana is not justified, and he could not support so large a reduction.

Mr. LONG. Is the Senator from Florida aware of the fact that during the entire Truman administration, based on the aid mentioned on page 13 of the bill, there was only about $5 billion actually expended from 1950 up to January 1953, and that the present administration is now spending money in 1 year at a rate in excess of what was spent in 3 years under the Truman administration?

Mr. KNOWLAND. Mr. President, will the Senator yield at that point, because I think the RECORD——

Mr. HOLLAND. I shall be glad to yield to the Senator from California in a moment. I invite the attention of my distinguished friend from Louisiana to the fact that the program is a bipartisan one. I have supported it under both Presidents. I think most of us who have supported the program have done so. I realize perfectly well that most of the supplies and materials bought and contracted for under the program were not supplied in the same year in which they were contracted for or agreed to be supplied. I understand a long pipeline is involved. So I do not prefer to measure it out in the way suggested by the Senator from Louisiana. Of course, I also realize that we are spending more money now because we have come to the point of liquidation of a great many orders placed, and commitments made in the past. However, the point I am trying to make is that it does not seem to me it is realistic to retain the authorization at the specific figure which was calculated months before important changes in the international situation took place.

I am not happy about the fact that the distinguished chairman of the committee, who has so ably handled the argument on the floor of the Senate, does not recognize the fact that this is an invitation to a reduction. The Senator from Florida would rather be led by someone who knows more of the details than he does, and who wants to see the program carried through by attempting to make an intelligent detailed reduction rather than a broadax reduction.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield to the majority leader.

Mr. KNOWLAND. In the first place, I think the Senator has pointed out, in response to the argument of the Senator from Louisiana, that this is not a partisan question. Actually, the reason why the expenditures have increased is that the orders for materiel placed under the prior administration are now bills which are becoming due. When one goes to a department store and charges certain items, on the first of the next month he will get the bill. We are now getting the bill for materiel which has been in the pipelines of production. The tanks and guns and the planes are now being delivered. So that is the reason why the rate of expenditure has gone up.

As to the statement made by my good friend from Florida that conditions are improved, I disagree with that statement. I do not think conditions are improved in the Far East. Ten million more people have just gone beyond the Communist Iron Curtain. To me that is not an improvement. I think the situation is that while, for the moment, the Communists may have to digest their new gains, in southeast Asia they have taken over the Tonkin Delta area, one of the great rice bowls of the world, which will give them the weapon of food to use against the free nations of Asia. The fact of the matter is that the victory the Communists have won in the northern part of Vietnam will give them a springboard which, if the Communists decide to do so, will permit them to move on into Thailand, Burma, lower Vietnam, Cambodia, Laos, or Malaya, and on the way to India.

So when the Senator from Florida says conditions have improved, I do not believe conditions generally have improved. The fact of the matter is that since the close of World War II, over 600 million people have passed behind the Communist Iron Curtain. That represents a rate of almost 100 million people a year. Certainly that is not an improvement in the situation vis a vis the Soviet world.

So when the Senator from Florida comes to the floor and says the committee did not give consideration to these changed conditions, I say that simply is not the fact. This matter was discussed for many hours. The same questions were raised in the Committee on Foreign Relations, a committee of which I am a member. I am sure the same questions were raised in the Committee on Armed Services, which also considered this bill, as to the funds which had been originally

allocated by the administration to Indochina.

Obviously the situation in Indochina has changed. That situation has worsened. But at least there still remain southern Viet Nam, Cambodia, Laos, Thailand, Burma, the Philippines, the free government of China on Formosa, the Republic of Korea, and Japan, all of which are in the danger sphere.

It has been testified time and time again before the committees of the Congress that if we look at this problem as one of collective security—which I believe we must do, because we are a nation of only 160 million people; and already, so far as the free world is concerned, the balance of power, so far as manpower is concerned, has passed into Communist hands. The only way we can hope to meet this threat is to have the other free nations of the world in Asia, Europe, and the Americas prepare to stand with us.

The testimony has made clear that the cost of maintaining approximately 10 divisions of native troops in South Korea, in Japan, in Formosa, or in Southeast Asia is only equal to the cost of maintaining one American division; just as in Turkey it is probably possible to equip perhaps 2 or 3 divisions for the cost of equipping 1 American division.

I am not proposing the idea that we shall have our allies alone prepared to stand up and oppose communism if communism decides to move again, but rather the idea that we, with our 160 million people, cannot bear the entire brunt of the defense of the free world.

Therefore, it is important, I believe, to encourage our allies in Asia and Europe and the Americas as well as to help defend themselves and, collectively, defend the free world, and to assist them in that undertaking.

I merely rose to say most respectfully, that I differ with the statement of the Senator from Florida, that the picture has improved in that great area of the world.

Mr. HOLLAND. I appreciate the comments of the distinguished majority leader. I am sorry he was not here when I made my original comments. Had the majority leader been here, I do not believe he would have made the statement he has just made.

I stated, for instance, that one of the improvements was that the British had just concluded their arrangement with the Egyptians, under which they were withdrawing some eighty-thousand-odd military personnel and many thousand civilian and technical personnel from the Suez area. That operation is stated to be one of the largest, if not the largest, drains now upon the finances of the British Empire. In that respect the necessity for that great financial drain will cease to exist.

I mentioned the fact that in Iran it has just been announced there has been a settlement worked out between the former owners of the oil concessions in Iran and the Government, and that such concessions are being put into actual operation. The production of oil is again taking place. That is certainly an improvement.

I notice here in this report that substantial funds are included for expenditure in Iran, with the statement that the expenditure must be continued until the oil dispute with the British has moved near solution, and I quote:

> Until oil revenues actually become available, further needs for assistance of this type may develop.

That goal has been reached.

I mentioned also the announcement by the broadcaster whom I quoted—and I have found him to be the best informed on European affairs whom I have heard for years—that in Trieste the settlement had been arranged, that the papers were being drawn, and that the disputed territory was to be divided in a way reasonably agreeable to the Italians and the Yugoslavs, which means that the necessity for our maintaining heavy expenditures there soon will be concluded.

Of course, as to Indochina, whatever the distinguished Senator may say, there is no way for us to now reach those 10 million good people who are behind the Iron Curtain, who formerly were not behind it. There is no way for us to give them anything now.

Certainly it has been admitted on the floor here today by the distinguished chairman of the committee that there is a substantial sum—as I understand it, $600 million of the new authorization, and $800 million in the carryover—which was destined for expenditure, and which is to be held as a reserve. The statement that the Senator from Florida made was that there is a bettering financial situation, under which we are given every opportunity to make a reduction. It does not seem to me realistic to go ahead and pass on authorization on the basis of a request made many months ago, before these things developed, and moving out of a committee before these things actually developed.

I am disappointed that we do not have from the leadership some indication of the fact that the time has come when we can begin to reduce the load on our own people here in America.

I am the first to agree that in the event we work out a Southeastern Asia pact similar to NATO we may then have to embark upon a heavy series of expenditures, something like we experienced with reference to the NATO nations. But the fact that there is a reserve just held here in suspense of $1.4 billion—which is what it will be—plus other funds which do not need to be expended for the various activities which I have mentioned, as well as more which could be mentioned, makes me believe we should realistically reappraise the situation and make some reduction in the authorization.

Up to now I have heard not the slightest intimation from anyone charged with the responsibility of carrying this bill or anyone speaking for the administration that this could be done. Again, I am not making this a political matter, for I stand with this administration on whatever is necessary in this field. I am disappointed that the administration has not come here with the statement that this changed situation does allow us to make a reduction.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. KNOWLAND. We had Admiral Radford before the committee. We had General Gruenther, who is in charge of the EDC, before the committee, we had representatives of both the Department of State and the Department of Defense before the committee, to give the appraisal they had made of the situation. They of course recognized that the program they originally had for Vietnam, before the conference which led to the loss of the Tonkin Delta, was changed by that situation.

Nevertheless, I think that also underscores the delicate nature of the situation and requires an acceleration of the aid to the free people of Thailand, who are prepared to defend themselves and will need help to do so.

Burma, if she ultimately comes into the southeast Asian pact, will need help in order to help defend herself and to participate in collective defense.

The Philippines will need additional help, for they are on the route of the possible or potential Communist advance.

There is an opportunity to build up the forces in Japan, so that she can at least defend her home islands, and make it unnecessary to have American divisions there to defend Hokkaido and the other home islands of Japan.

The Republic of Korea can build up her forces so that the American divisions which are there may be withdrawn ultimately, and replaced, if necessary, by a mobile reserve.

The Republic of China on Formosa could accelerate its program, which is considerably behind its original schedule, and build up there a non-Communist force which, in the event of further Communist aggression, might ultimately be important not only to the security of ourselves but to the security of the entire free world.

All of these matters have been testified to by the responsible military authorities of the country and by the responsible representatives of the executive branch.

The chairman of the committee has already pointed out that over a period of years the reductions proposed are approximately 40 percent, compared to the amounts formerly allowed. Certainly the administration, as rapidly as it can diminish the expenditures, will be prepared to do so.

That is the best judgment and the best testimony of those who are charged with the responsibility of this program, who live with it day by day. Each morning they have to read the cables from Thailand and Cambodia and Laos and Vietnam and China and Japan. They are confronted with the problems which arise in the world. Those men, who deal with those problems hour by hour and day by day, feel that this authorization is necessary for the common defense.

Mr. HOLLAND. Mr. President, I do not care to debate the subject further. I thank the majority leader for his comments.

I close by again expressing the feeling that it is not sound fiscal management

to proceed upon the basis of a bill framed upon hearings beginning in April, and a budget made last winter, in the face of known changes in the situation, without any apparent realization on the part of those steering the bill of the fact that there have been great changes in the situation.

Mr. SMITH of New Jersey. Mr. President, will the Senator yield?

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Louisiana [Mr. LONG].

Mr. GEORGE. Mr. President——

The PRESIDING OFFICER. The Senator from Georgia is recognized.

Mr. GEORGE. Mr. President, I think I should make a brief statement on this particular amendment. I have great sympathy for the amendment. In fact, Mr. President, I announced last year that I was almost through with economic aid in this whole program. Economic aid has been very greatly reduced.

I invite attention to a fact which I think is of importance, namely, that under the Senate version of the pending bill $2,897,982,000 is authorized almost exclusively for military purposes to aid our allies in Europe and elsewhere.

The total item under title II is in the nature of economic aid, but it also has a military effect so far as our allies are concerned.

Then in title III, which we used to call title IV, there is a much smaller item of $181,528,000 for so-called technical cooperation.

I announced that in view of the fact that some $9.6 billion was available—I believe the Senator from Louisiana [Mr. LONG] correctly quoted the figure—and in view of the fact that between $2.5 billion and $2.6 billion of that amount had not been obligated, we ought to cut back this appropriation by about $1.5 billion or at least a reduction of approximately $1 billion more than was made by the committee.

I held that view very strongly. But when I began to look into this question to see what was involved, I confess that the cost of the military program, even with the NATO countries, ran far ahead of what, in our judgment, we thought it would be. In fact, the ink had not become dry on the treaty before we were asked to appropriate in money and in end items, defense items—surplus items as they were then called—more than $2 billion. It was called surplus, but it was good material, put into good condition by our own money.

There was no plan made for NATO. There was no blueprint. It was only a dream in the minds of some of the military men, and some of the men on this side who called themselves statesmen. But we voted to enter into it. I did not vote for it. The appropriation for NATO was the only big one that looked as though it was even aimed to strengthen our defense and to add to the defense of what we call the free nations of the earth that I voted against, because I knew it was foolish. It was a foolish program because no one had any plan, no one had any blueprints, no one had anything except a wild disposition to go forth and spend a great amount of money, make friends for our country, and scare the very life out of all our enemies in the world. So I thought the time had come to refuse an appropriation. I went into the matter fully, as I have said, Mr. President, expecting to offer to cut the appropriation somewhere between $600 million and $1 billion below the cuts which were actually made.

I found that we had been asked by the President and, of course, by all the departments that were interested, for a total appropriation for the current fiscal year of some $3,676,000,000, in round numbers, of new money. The House had authorized about $3,566,000,000, the House having acted first on the authorization bill.

I reached a certain conclusion. It may not be sound. I confess to much frustration in my own thinking in connection with the entire program, but I reached my conclusion, in view of the conditions that exist in Europe now—not next year but now—in view of the fact that France had not come into the EDC, that Italy had not come into the EDC, and, perhaps, could not politically take the necessary steps to ratify the treaty, in view of the fact also, Mr. President, that things were not going too well in Indochina, and that, although all our military experts told us that the so-called Navarre plan could not fail, because it was almost foolproof, it did fail. There is no need to debate why it failed, or whose fault it was. Perhaps it was ours in part, but I hardly think so. In any event, it would do no good to discuss it. Actually things did not go well in Indochina. Things are not going well in the Far East. They look a little better in the Near East, but they are not by any means secure. There is trouble in portions of the Near East which may flare up any day. It does not matter to me how many times we are told by the Department of State or by any other department of Government—and I am not critical of the State Department in this statement—that conditions are becoming better and that great progress has been made, the fact remains that world conditions, so far as peace and security are concerned, have not grown appreciably better, and we might as well face the facts as they are, because world conditions are precarious and most uncertain. In view of the conditions existing in the world I reached the conclusion that to have reduced the authorization by a billion and a half dollars would have served notice not only upon Europe, but upon all the world, that the United States was withdrawing from all we had done in the Far East, all we had done in Europe, and all we had attempted to do elsewhere in the world. It seemed to me we could not afford to take that chance. It seemed to me that to do so would be taking a gambler's chance, which the United States could not afford to take, whatever our misgivings may be and no matter how strongly we feel that we could appropriate a much smaller sum of money.

Therefore I said to the committee, as I said to the representative of the executive branch of the Government, that if we cut the authorization bill to not exceeding approximately $3 billion in new money, I felt I could go along with it.

We did cut it. The House authorized $3,566,908,000. We cut it down to $3,100,000,000; $10 million has been added on the floor for Latin American countries. I think that was a very wise decision by the Senate. Therefore we reduced substantially the amount of new money in the bill. That is what we are now asked to authorize.

It is true that there are two other items in the bill for which no appropriation is asked, which items are continued in the present authorization bill, one involving the Palestine refugees in the Near East, and the other the so-called infrastructure program, totaling $228,300,000.

The new money being asked for in the pending bill as it stands at the moment is $3,110,000,000.

If we cut the amount by another half billion dollars, perhaps we could get by, but if we cut it by a billion dollars, as I first thought we should cut it, we would serve notice upon the world that the United States at least was withdrawing so far as our NATO program is concerned, so far as all our efforts in southeast Asia are concerned, and so far as any protection in the Far East, in the Middle East, and in all of Europe is concerned.

Is anyone so confident that the world has suddenly become peaceful and secure as to justify the taking of that great chance?

I could not do so. I was unable to justify it in my own thinking. I said that if we cut the present authorization of new money to substantially $3 billion for this year, which is about 40 percent less than it was 2 years ago, almost all of it being money for military purposes, I would go along with the program. I will go along with it, in the hope that we may at least give some encouragement to the world until we can see if our efforts are availing.

There was another very important consideration in connection with the bill. I am not critical of anyone operating the special new agency, because it does not make any difference to me who it is, but so long as there is a special new agency which operates all over the world and tries to find out how much money we can afford to spend in every country on the globe, we shall expend an enormous sum of money.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. GEORGE. I shall be glad to yield in a moment.

The junior Senator from Montana [Mr. MANSFIELD], a man of great ability and of great vision and wide experience in international affairs, as he served in the House on the Foreign Affairs Committee before he came to the Senate, and although a junior Senator, was placed on the Foreign Relations Committee, in agreement with many of his confreres on the Democratic side of the aisle, insisted upon placing in the bill another cutoff date for the new agency. Without such an amendment, I would not have been willing to go along with the authorization bill now before the Senate.

Let me repeat, so long as this new agency exists, so long will this bill involve

enormous sums. I say that because anyone can find a place on this globe to spend money.

Therefore, we said, as we said last year, that this new agency would go out of business on June 30, 1955; that 1 year would remain in which to liquidate the unexpended balances credited to the economic side of the ledger in the program; and that an additional year would be given to permit the liquidation of the military program authorized in prior appropriations and in this authorization bill.

We did it in the 1953 bill, but the House conferees objected. They may object again, but there will be an end to this program even if their objection prevails.

We did not propose to say that there should be no further military aid given to NATO or to any part of Europe or to any area of the world, but we did say that the military part of the program should be taken over by the Defense Department. We said also that all the point 4 program and other aspects of the economic program should be taken over by the State Department.

The State Department does not like that. Understandably, the State Department does not want to undertake an operating program. Nevertheless, we make the policies. The Congress writes the policies. Whatever the House conferees may now insist on, they are nevertheless writing an end to this program, if we cannot bring it to an end by June 1955, as this bill proposes. There is no doubt about the sentiment in the Senate to end this program.

Perhaps this program will not be greatly reduced, but when whatever it is is placed in the regular departments of Government, such as the Defense and State Departments, those Departments will not be out looking for more places to give away money. They will have their own programs to care for, and they will present reasonable requests for the foreign-aid program.

Mr. President, I have stated why I have felt that, in the present disturbed and uncertain conditions in world affairs, we could not afford to say to our friends abroad, if we have friends, or to say to our allies, if we have dependable allies—and I hope we have—that the United States is serving notice upon them that we are withdrawing from this program, that we are quitting. A further billion-dollar cut in this program will be nothing less than a fire alarm which every country in the world will hear.

Mr. President, I have briefly indicated how I feel on this question. I find myself in the greatest sympathy with every effort to reduce this vast expenditure. Great progress has been made, and great progress is being made. With the policymaking power in the Senate and in the House of Representatives, if we say that regular establishments of Government must take this program over, whether the State Department altogether likes it or not, we shall really make it possible to cut the program down to a reasonable size.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. GEORGE. I yield to the Senator from South Carolina.

Mr. MAYBANK. The Senator has made an excellent speech. He spoke the truth when he said that agencies of the Government, regardless of what they may be—and I cast no aspersions on anyone—look to see how they can spend money. I understood the Senator to say that.

Mr. GEORGE. Exactly.

Mr. MAYBANK. Now they are trying to find out what to do with the unexpended balance of this $2½ billion.

I ask the Senator to do me a favor and to make my conscience clear. Is the Senator certain that the program will be cut off in 1955? The Senator says the House is expected to cut it off.

Mr. GEORGE. I said the Senate proposed last year that it was to be cut off June 30 of this year.

Mr. MAYBANK. I know that.

Mr. GEORGE. But it has not been cut off.

Mr. MAYBANK. Has the Senator any assurance that it will be cut off? There is available $2½ billion, and the members of the Appropriations Committee are trying to find out how the agency intends to spend it.

Mr. GEORGE. We have the assurance that its termination is provided for in this bill.

Mr. MAYBANK. My fear is that the program will not be cut off, and I do not hesitate to say so.

Mr. GEORGE. I can see the Senator's point of view.

Mr. MAYBANK. I hope the Senator appreciates my sincerity.

Mr. GEORGE. Mr. President, there is one other feature in the bill with which I wish to deal. A considerable sum of money is authorized for the Far East. Originally a big item was earmarked for Indochina. I do not know what other Senators think about it, but I do not believe there is much opportunity left to do too much good in Indochina itself. The bill gives to the President a large discretion in the handling of a considerable sum of money, and it does not require the President to expend that money in Indochina. It may be spent, as the majority leader has said, in Japan, the Philippines, Formosa, Korea, or Indochina. I have a great deal of faith that the President of the United States will not expend recklessly and needlessly a large sum of money in the Far East or in Indochina unless he is convinced that the conditions amply justify such an expenditure. The President has demonstrated that he is concerned with the size of our expenditures, our appropriations, and our whole budget. I have enough confidence in the President to leave in his hands the sum of money provided in the bill, although it is large. I believe that he will conserve that asset unless it can be used in the far eastern area to the advantage of the United States.

Mr. LONG. Mr. President, will the Senator yield for a question?

Mr. GEORGE. I am glad to yield to the Senator from Louisiana for a question.

Mr. LONG. As I understand, the Senator is concerned about the psychological effect on our allies of reducing the appropriation. Is it not true that our allies themselves actually created the necessity for this reduction when they signed the truce in Indochina, inasmuch as the bill, as reported from the committee, contained more than $600 million of old money and $800 million of new money for Indochina, which will not now be spent there?

Mr. GEORGE. I am disposed to agree with the Senator. I think there is more than a psychological effect involved. I say with the utmost confidence that I do not think we can take a billion dollars out of this appropriation without destroying the hope of the world that we are any longer to "play ball" with the programs which we have undertaken. I do not know what the consequences would be. I agree that it might be that the agency could, with the unpledged balance in prior appropriations, operate with a lesser sum than the $3 billion which this bill authorizes.

I hope the Appropriations Committee will scrutinize the appropriation bill with the utmost care, because every item making up the $3 billion is authorization for not exceeding "X" dollars. So the Appropriations Committee is at liberty, and has the power, to reduce the appropriation even below the amount of the authorization. Indeed, the Appropriations Committee of the House reduced it below the $3 billion which we are authorizing, and considerably below the amount authorized in the House bill. I assume that the Appropriations Committee will make some further reduction in this bill. Reasonable reductions, properly placed in the bill, cannot serve to frighten our friends abroad, and around the world, into believing that such reductions are intended to signify our disposition to withdraw from the security effort which we have been making in the interest of preserving peace.

Mr. LONG. Mr. President, will the Senator yield?

Mr. GEORGE. I yield.

Mr. LONG. Is it not true that the failure of our allies to cooperate in rearming in the manner which we should have liked them to do may prevent us from spending as much money as we would otherwise spend? I have in mind the refusal of France and Italy to cooperate in the rearming of Germany, and the reluctance of Japan to raise an armed force of more than 150,000 men.

Mr. GEORGE. I do not wish to quarrel with the position of the Senator from Louisiana. He knows how I feel about the matter. He knows that I feel that Congress should make all the reductions which can be made. I know the weaknesses in our foreign-aid program—or at least I fear I do. But we are now facing the fiscal year 1954–55 and we are facing a world in which conditions are anything but stable and anything but reassuring. I do not believe it would be wise upon our part to take so deep a bite into the present appropriation, or to make so deep a cut as to indicate that we are withdrawing. What the Committee on Appropriations may see fit to do under the authority which will be provided in this bill will not, I think, have the effect which I have indicated.

What I have tried to say to the Senate is that the provisions of the bill for the liquidation of the new agencies, and for the transfer to the Department of Defense of certain defense items and to the Department of State of economic assistance and such other items as we find proper to transfer in the future, would really be the first long step toward a final reduction of this vast program—and it has been a vast program, in my judgment. This will really make it possible to cut the appropriations again next year.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. GEORGE. I yield.

Mr. HOLLAND. The Senator from Georgia knows of the very great respect which I have for him. It goes without saying that that respect pertains to his opinion on this particular subject, on which he has so very much information and so great a background.

Is it my understanding that the distinguished Senator from Georgia feels at this time that the $1 billion additional reduction in authorization would be extremely unwise?

Mr. GEORGE. I do feel that way, in all sincerity. I first had the same views as have been expressed by my good friend, the distinguished junior Senator from Louisiana. I myself had the purpose of trying to reduce the amount of new money by about $1,400,000,000 or $1,500,000,000, in order to bring the amount of new money down to approximately $2 billion. But I reached the conclusion that it would be too hazardous to do so, under world conditions as they actually exist.

Mr. HOLLAND. I should like to ask one more question, if I may do so.

Do I correctly understand the opinion of the distinguished Senator from Georgia to be that rather than attempt to make any reduction in the authorization bill, the Senator feels that any effort toward reduction should occur in the Committee on Appropriations, based on the facts available at the time?

Mr. GEORGE. I do think so. I have felt that way; and I feel also that the whole defense program should go under the Department of Defense.

Congress has told the American people year after year that the money which has been appropriated for NATO, for the Far East, and for our friends everywhere else in the world, was money expended for our safety, for our defense, for our security, particularly. Let us live up to that statement made to the American people, and make certain that the defense program will be placed under the Department of Defense and other established agencies.

Those agencies will have in view their own needs and necessities every time they come to Congress, and they will not be disposed to increase their requests for appropriations merely for the sake of giving them away. Rather, they will seek to conserve.

I have every belief that that is the view of the President. I have talked with him about the problem. I have every belief that though large power is given him, and a very large blank check is given him by the bill, it will not be wasted in the Far East, but will be used only, as I have said, if conditions seem to him and his military advisers to justify the expenditure of that blank check, or any great portion of it, for the safety and security of the United States.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. GEORGE. I am glad to yield to the Senator from Montana.

Mr. MANSFIELD. As always, it is a pleasure to listen to the distinguished and able senior Senator from Georgia, not only on this bill, but on other matters as well.

I wish to ask the distinguished Senator, who is the ranking Democratic member of the Committee on Foreign Relations, if he does not believe it is the intent of the Senate, and of Congress, that, come next June 30, the Foreign Operations Administration shall be abolished, and that any aid programs of a military or economic nature shall be carried on through the Department of Defense and the Department of State, at the specific request of the President of the United States, and on a limited basis in line with the objectives of the foreign policy of the United States?

Mr. GEORGE. I do. I sincerely believe that the Senator from Montana has made an exact and accurate statement. Furthermore, I believe that had the fight been made this year, it would have been possible to transfer such expenditures as were approved to the regular established agencies of the Government.

But rapidly changing world conditions, having ominous portent, at least in my mind, led me to believe that we should be content with the amendment which the distinguished Senator from Montana himself offered, which I supported, and which I shall heartily support as a conferee if I am named as a conferee on the bill.

Mr. MANSFIELD. Mr. President, will the Senator yield for one more question?

Mr. GEORGE. I am happy to yield.

Mr. MANSFIELD. Is it not true that while the bill now before the Senate extends the authorization for the Foreign Operations Administration to June 30, 1955, in effect it carries out the unanimous sentiment of the Senate expressed last year that the military-aid program would be liquidated within 2 years after 1955, namely, June 30, 1957, and the economic-aid program would be liquidated 1 year after 1955, namely, on June 30, 1956, so that in effect, whereas last year 3 years were allowed in which to liquidate the military program, and 2 years to liquidate the economic program, we are doing the same thing this year, but the process is a little more costly?

Mr. GEORGE. The Senator is entirely correct.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. GEORGE. I yield.

Mr. MAYBANK. The Senator has no assurance that they will be liquidated, has he?

Mr. GEORGE. Provision is being made in the bill that they will be liquidated.

Mr. MAYBANK. We have so provided time and time again.

Mr. GEORGE. No. We provided for it last year, but we are now carrying out what was written into the law last year, recognizing that perhaps conditions did not warrant such action at that time.

Mr. MAYBANK. We did not provide for a liquidation of the program in 1957, and it is the same Senate. The same Senate turned down the request of the Air Force, and the former distinguished Chief of the Air Force.

Mr. GEORGE. The Senator is quite right. I do not wish to get into another field.

Mr. LONG. Mr. President, will the Senator yield?

Mr. GEORGE. I yield.

Mr. LONG. Did I understand correctly the distinguished Senator from Georgia to say that he felt the program could perhaps be reduced by an additional $500 million below the committee figure?

Mr. GEORGE. Perhaps without hurting it greatly, but I do not want to take a chance on it. However, I am willing to support the Committee on Appropriations if, upon a careful review, it is found that it would be wise to reduce the program further by any reasonable amount, which would not indicate that we were withdrawing our support from our allies, and if such reduction would not jeopardize our own national security.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. GEORGE. I yield.

Mr. MAYBANK. I do not intend to delay the Senate, because I know Senators have their minds made up. But, according to the discussion in the Committee on Appropriations, there is available a large sum of unobligated funds. The Senator from Nevada [Mr. McCARRAN] called attention to that. Why cannot some of the unobligated funds be used in lieu of the $2,500 million authorized by the bill? Is there anything to prevent that?

Mr. GEORGE. Nothing at all.

SEVERAL SENATORS. Vote! Vote!

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Louisiana [Mr. LONG].

On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The Chief Clerk called the roll.

Mr. GILLETTE (when his name was called). Having announced in the Senate that I shall vote against the bill on final passage, I now vote "present."

Mr. SALTONSTALL. I announce that the Senator from Connecticut [Mr. BUSH] and the Senator from Kansas [Mr. SCHOEPPEL] are absent by leave of the Senate.

The Senator from Pennsylvania [Mr. DUFF] and the Senator from Indiana [Mr. JENNER] are necessarily absent.

On this vote the Senator from Connecticut [Mr. BUSH] is paired with the Senator from Delaware [Mr. FREAR]. If present and voting, the Senator from Connecticut [Mr. BUSH] would vote

"nay" and the Senator from Delaware [Mr. FREAR] would vote "yea."

If present and voting, the Senator from Pennsylvania [Mr. DUFF] would vote "nay" and the Senator from Kansas [Mr. SCHOEPPEL] would vote "yea."

Mr. CLEMENTS. I announce that the Senator from Mississippi [Mr. EASTLAND], the Senator from Delaware [Mr. FREAR], the Senator from Tennessee [Mr. KEFAUVER], and the Senators from West Virginia [Mr. KILGORE and Mr. NEELY] are absent on official business.

I announce further that the Senator from Delaware [Mr. FREAR] is paired on this vote with the Senator from Connecticut [Mr. BUSH]. If present and voting, the Senator from Delaware would vote "yea" and the Senator from Connecticut would vote "nay."

The result was announced—yeas 38, nays 48, as follows:

YEAS—38

Anderson	Ellender	McClellan
Barrett	Ervin	Monroney
Beall	Goldwater	Mundt
Bennett	Gore	Potter
Bricker	Johnson, Colo.	Reynolds
Butler	Johnson, Tex.	Russell
Byrd	Johnston, S. C.	Smathers
Capehart	Langer	Stennis
Case	Lennon	Watkins
Clements	Long	Welker
Crippa	Malone	Williams
Daniel	Maybank	Young
Dworshak	McCarthy	

NAYS—48

Aiken	Hendrickson	McCarran
Bowring	Hennings	Millikin
Bridges	Hickenlooper	Morse
Burke	Hill	Murray
Carlson	Holland	Pastore
Chavez	Humphrey	Payne
Cooper	Ives	Purtell
Cordon	Jackson	Robertson
Dirksen	Kennedy	Saltonstall
Douglas	Kerr	Smith, Maine
Ferguson	Knowland	Smith, N. J.
Flanders	Kuchel	Sparkman
Fulbright	Lehman	Symington
George	Magnuson	Thye
Green	Mansfield	Upton
Hayden	Martin	Wiley

ANSWERED "PRESENT"—1

Gillette

NOT VOTING—9

Bush	Frear	Kilgore
Duff	Jenner	Neely
Eastland	Kefauver	Schoeppel

So Mr. Long's amendment was rejected.

Mr. LONG. Mr. President, to the committee amendment, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment submitted by the Senator from Louisiana to the committee amendment will be stated.

The LEGISLATIVE CLERK. In the committee amendment on page 168, after line 21, it is proposed to add a new section, as follows:

SEC. 547. Reduction of authorizations: Notwithstanding the foregoing provisions of this act, such provisions shall not be construed to authorize the appropriation, for the purposes of titles I, II, and IV of this act, of amounts (exclusive of unexpended balances of prior appropriations authorized to be continued available under such provisions) aggregating in excess of $2,599,000,000.

Mr. LONG. Mr. President, I can explain the amendment very briefly; I do not care to labor this matter with the Senate.

This amendment would reduce the overall authorization by $500 million.

I should like to point out that if the bill is passed without the amendment, there will be on hand in the Foreign Operations Administration $12,849,000,000. It is estimated by the Foreign Operations Administration that it cannot spend that much money next year, and that it will then have on hand $7,360,000,000.

Mr. MAYBANK. Mr. President, will the Senator from Louisiana yield to me?

Mr. LONG. I yield.

Mr. MAYBANK. The FOA cannot even spend the money it has now. It already has $7,500 million which has not been spent. The FOA has $2,500 million which it has not even obligated.

Mr. LONG. The Senator from South Carolina is entirely correct.

Mr. MAYBANK. The FOA is now going around the world, trying to find how to spend the $2,500 million.

Mr. LONG. That is correct.

Mr. President, I know that some Members of the Senate have not had the frustration I have experienced in trying to have reductions made in the funds authorized and appropriated for the foreign-aid program. For the benefit of those Senators, let me explain what usually happens. When the authorization bill is considered on the floor, the members of the Foreign Relations Committee usually stick together, and say, in response to all suggestions for reductions in the amounts of the authorizations, "Leave it up to the Appropriations Committee." So one who favors making reductions in the authorizations thus usually has 15 Members of the Senate against him in the very beginning.

Subsequently, when the Appropriations Committee reports the appropriation bill on the same subject, the 23 members of that committee usually agree to stick together on the appropriations that committee recommends. So one who favors making reductions in the amounts is, from the very first, opposed by a total of 38 Senators.

Mr. President, I know that Senators are beginning to hear about these programs from their constituents. It may be that we are approaching a turn of the tide, a time when the people will wish to have Mr. Stassen instructed to reduce his program of expenditures.

It seems to me that when Mr. Stassen and other representatives of his organization appear before the various congressional committees and seek to have billions of dollars added to the funds already available for their program, it would be a good idea if Mr. Stassen were told to determine where reductions could be made, instead of having the Appropriations Committee recommend all the appropriations requested, without receiving from the FOA any advice in regard to the making of reductions.

Mr. MAYBANK. Mr. President, will the Senator from Louisiana yield further to me?

Mr. LONG. I yield.

Mr. MAYBANK. I see the distinguished Senator from South Dakota [Mr. MUNDT] on the floor. Let me say that in the committee some of us fought with him all yesterday afternoon, in an attempt to have a slight reduction made in the appropriations under the authorizations provided by the pending bill. However, the FOA seeks to have an additional $800 million added to the fund for next year. Is not that correct?

Mr. MUNDT. Yes, that is correct.

Mr. MAYBANK. Yet the FOA already has $2,500,000,000 which it does not know how to spend, although the expenditure of that money has been authorized by the Congress.

Mr. MUNDT. Mr. President, will the Senator from Louisiana yield to me?

Mr. LONG. I yield to the Senator from South Dakota.

Mr. MUNDT. I think the logic and the English of the distinguished Senator from Louisiana are better than his arithmetic, for I wish to point out that a number of the members of the Appropriations Committee already have voted in favor of his amendment proposing a cut of $1 billion; and I am sure that a number of the members of the Appropriations Committee will vote in favor of his pending amendment, which proposes a cut of $500 million in the authorization. So, instead of having all 38 members of the 2 committees—the Foreign Relations Committee and the Appropriations Committee—oppose his proposal, he will find that a great many of the members will vote with him on this question.

Furthermore, let me point out that if the Senator from Louisiana is unsuccessful in the fight he is making for reductions in the authorizations carried in the pending bill, I am sure that cuts will subsequently be made in the appropriation bill, anyway.

Mr. LONG. My point is that among the membership of those two committees, there are a number of Senators who normally oppose any reductions proposed in the amounts recommended by those committees. So I was glad to see that the Senator from South Dakota was among those who voted in favor of the reduction proposed by my amendment which was voted on just a few minutes ago.

Nevertheless, Mr. President, the members of those two committees—even though they may favor making such reductions—are oftentimes bound, as a matter of committee procedure, to go along with the amounts agreed to by a majority of those committees.

Mr. MUNDT. I may say that in the Appropriations Committee we have such friendly relations with one another that the members are not prohibited by any protocol or other restriction from voting in favor of reductions, if they believe reductions should be made.

Mr. LONG. Mr. President, let me assure the Senate that if my remarks were understood as being in any way critical of the Appropriations Committee, I certainly did not so intend them.

I desire to state that the pending bill carries actual authorizations of appropriations which everyone has now agreed will not be made. For example, the bill authorizes an appropriation of $800 million for Indochina. The distinguished chairman of the Foreign Relations Committee wrote to us a letter in which he clearly stated that the $800 million will not be spent, in view of the truce in Indochina and, I suppose, because free elections there may result in

having the Communists acquire the arms we have there already. In addition, the fact that $600 million already appropriated for arms for Indochina will not be spent for that purpose, means that a total saving of $1,400,000,000 can be made in the items authorized in the pending bill.

The PRESIDING OFFICER. The question is on agreeing to the amendment submitted by the Senator from Louisiana to the committee amendment, on page 168, after line 21.

Mr. LONG. Mr. President, on this question I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. WILEY. Mr. President, I cannot let some of the statements made by the Senator from Louisiana go unanswered. In the first place, he said the Foreign Operations Administration now has on hand $7,360,000,000 in cash. It is true that as of June 30, that amount was unexpended. But it is obligated and contracted for; and as the merchandise is contracted for, as has been said many times before this afternoon, it sometimes takes 2, 3, or 4 years before it is delivered.

The Senator from Georgia [Mr. GEORGE] made a wonderful statement in opposition to the proposed reductions in the authorizations, and regarding why he is standing by the bill.

Mr. President, the criticisms made of the Foreign Relations Committee are absolutely unfounded, in my opinion. In referring to the work of the committee, I do not speak of the work done by its chairman; but I say without fear of contradiction that all the other members of the Foreign Relations Committee are most sincere and honest in going very thoroughly into all the matters which come before the committee. In that respect, the work of the committee is outstanding.

Let me say that in answer to the argument of the Senator from Louisiana [Mr. LONG], I produced data supplied by the Government. He says, "$800 million is available for Indochina and we are authorizing some $600 million more."

I produced a letter from the Secretary of State, and I think it was entirely substantiated by the statement of the Senator from Georgia [Mr. GEORGE], when he told about the serious situation in the world today.

We have cut the program some 60 percent from what it was when it was initiated, and in the last 2 years we have cut it 40 percent, and this year we have cut it $350 million, which cut occurred after the Indochina incident.

Yet the Secretary of State says in his letter:

> I believe that the armistice does not diminish the need for these funds. If anything, it increases the need to have available funds with which to build the defensive capabilities and strengthen the resistance of the free nations in the area.

So I say, Mr. President, that when the President of the United States, when General Gruenther, the Secretary of State, and Admiral Radford, say that the amount included in the bill is needed—and, after all, the President of the United States through these officials, spearheads the foreign relations, and they know something about the world situation—when they ask for it, and say that it is needed, I, for one, shall vote against the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Louisiana [Mr. LONG].

The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. SALTONSTALL. I announce that the Senator from Connecticut [Mr. BUSH] and the Senator from Kansas [Mr. SCHOEPPEL] are absent by leave of the Senate.

The Senator from Pennsylvania [Mr. DUFF] and the Senator from Nebraska [Mr. REYNOLDS] are necessarily absent.

On this vote the Senator from Connecticut [Mr. BUSH] is paired with the Senator from Delaware [Mr. FREAR]. If present and voting, the Senator from Connecticut [Mr. BUSH] would vote "nay," and the Senator from Delaware [Mr. FREAR] would vote "yea."

If present and voting the Senator from Pennsylvania [Mr. DUFF] would vote "nay," and the Senator from Kansas [Mr. SCHOEPPEL] would vote "yea."

Mr. CLEMENTS. I announce that the Senator from Mississippi [Mr. EASTLAND], the Senator from Delaware [Mr. FREAR], the Senator from Tennessee [Mr. KEFAUVER], and the Senators from West Virginia [Mr. KILGORE and Mr. NEELY] are absent on official business.

I announce further that the Senator from Delaware [Mr. FREAR] is paired on this vote with the Senator from Connecticut [Mr. BUSH]. If present and voting, the Senator from Delaware would vote "yea," and the Senator from Connecticut would vote "nay."

The result was announced—yeas 45, nays 41, voting "present" 1, as follows:

YEAS—45

Anderson	Goldwater	Maybank
Barrett	Gore	McCarran
Bennett	Holland	McCarthy
Bricker	Jackson	McClellan
Butler	Jenner	Monroney
Byrd	Johnson, Colo.	Mundt
Capehart	Johnson, Tex.	Murray
Case	Johnston, S. C.	Potter
Chavez	Kennedy	Russell
Clements	Kerr	Smathers
Crippa	Langer	Stennis
Daniel	Lennon	Watkins
Dworshak	Long	Welker
Ellender	Magnuson	Williams
Ervin	Malone	Young

NAYS—41

Aiken	Green	Morse
Beall	Hayden	Pastore
Bowring	Hendrickson	Payne
Bridges	Hennings	Purtell
Burke	Hickenlooper	Robertson
Carlson	Hill	Saltonstall
Cooper	Humphrey	Smith, Maine
Cordon	Ives	Smith, N. J.
Dirksen	Knowland	Sparkman
Douglas	Kuchel	Symington
Ferguson	Lehman	Thye
Flanders	Mansfield	Upton
Fulbright	Martin	Wiley
George	Millikin	

VOTING "PRESENT"—1

Gillette

NOT VOTING—9

Bush	Frear	Neely
Duff	Kefauver	Reynolds
Eastland	Kilgore	Schoeppel

So, Mr. Long's amendment was agreed to.

Mr. LONG. Mr. President, I move that the vote by which the amendment was agreed to be reconsidered.

Mr. ANDERSON. I move to lay that motion on the table.

The PRESIDING OFFICER. The question is on agreeing to the motion to lay on the table.

The motion to lay on the table was agreed to.

GREETINGS TO MR. AND MRS. KAPUS

Mr. JOHNSON of Texas. Mr. President, I should like to call attention to the fact that we have as our guests in the gallery today some very important visitors. They are Mr. and Mrs. Geza Kapus and their 8-year-old daughter, Eva. They are the first escapees from the Iron Curtain who have received visas under the Refugee Relief Act.

Mr. and Mrs. Kapus, who escaped from Communist Hungary under incredible difficulties, are now on their way to Midland, Tex., where they will begin life anew. The heart of Texas will surround these fine people, and I know America will be better for their presence in our country.

Mr. President, I hope they will stand.

[Mr. and Mrs. Kapus and their daughter, Eva, rose from their seats in the gallery, and were greeted with applause, Senators rising.]

Mr. DANIEL. Mr. President, I wish to join my colleague, the senior Senator from Texas [Mr. JOHNSON], in welcoming the Kapus family to America and to our State of Texas.

MUTUAL SECURITY ACT OF 1954

The Senate resumed the consideration of the bill (H. R. 9678) to promote the security and foreign policy of the United States by furnishing assistance to friendly nations, and for other purposes.

The PRESIDING OFFICER. The bill is open to further amendment.

CEASE FINANCING NATIONS RECOGNIZING COMMUNIST CHINA

Mr. MALONE. Mr. President, I send an amendment to the desk and ask that it be read.

The PRESIDING OFFICER. The Secretary will state the amendment.

The CHIEF CLERK. At the end of the bill add a new section, as follows:

> SEC. 547. Notwithstanding any other provision of this act, none of the funds authorized to be appropriated or continued available pursuant to this act shall be used to furnish assistance under any such provision to any nation which has formally recognized, or has established diplomatic relations with, the Chinese Communist regime, until such nation furnishes assurances satisfactory to the President that it no longer recognizes, or maintains diplomatic relations with, such regime.

Mr. McCARRAN. Mr. President, will the Senator yield for a motion?

Mr. MALONE. I would be happy to yield to the distinguished senior Senator from Nevada for that purpose.

Mr. McCARRAN. Mr. President, may I have the attention of the Senator from New Jersey [Mr. SMITH]?

Mr. President, some days ago I filed a notice of motion to reconsider with reference to an amendment which the Senator from New Jersey put into this bill.

I now ask unanimous consent that the motion for reconsideration may be withdrawn.

The PRESIDING OFFICER. Is there objection? The Chair hears none. The motion is withdrawn.

Mr. MALONE. Mr. President, the purpose of this amendment is to deny further foreign-aid funds to those governments which have formally recognized Red China.

May we have order, Mr. President?

The PRESIDING OFFICER. The Chair trusts that the Senate will be in order, so that we may proceed with the business of the Senate.

Mr. MALONE. Now, Mr. President, the non-Communist nations which have recognized Red China are the United Kingdom, Norway, Denmark, Israel, Afghanistan, Finland, Sweden, Switzerland, the Netherlands, Indonesia, Burma, India, and Pakistan.

The Communist nations which have recognized Red China are the U. S. S. R., Bulgaria, Rumania, Czechoslovakia, Poland, North Korea, Yugoslavia, Outer Mongolia, Hungary, and Albania.

FOREIGN AID TO FRIENDS OF RED CHINA INDIRECTLY AIDS AMERICA'S ENEMIES

Nations that recognize Red China are giving aid, comfort, strength, and prestige to our enemies.

When the United States gives direct aid to any of these Communist-loving nations it is, in fact, giving indirect aid to Red China itself.

For example, we gave Great Britain billions. Britain poured some of this wealth into her jet-engine industry. The industry sold jet engines to Russia. Russia gave jet planes to Red China. And the jets our dollars bought shot down Americans. That actually happened, as the junior Senator from Nevada previously reported on the Senate floor.

RED CHINA MURDER VICTIMS INCLUDE AMERICAN CHILDREN

So our aid comes back in wooden coffins with an American flag draped over them.

Mr. President, only a few days ago Red Chinese airmen murdered three American citizens riding in a British plane over the high seas off the coast of Asia.

There is reason to believe that the Communist gunmen thought that this plane was carrying a distinguished American ambassador, but in that they were mistaken.

Whatever their motive, they shot down the unarmed British aircraft, killing several Britons in addition to an American adult and two American children, one 4 and the other 2 years old.

The Communist gunmen then attacked American rescue missions, but without success.

Britain made very little fuss about it, although they did make some representations to the Red Chinese, representations which the junior Senator from Nevada considered rather mild.

They also conveyed our strong protest to Red Chinese officials, which drew Communist sneers—not at Britain but at the United States.

FOREIGN-AID DOLLARS HELP BRITAIN BUILD BIG BUSINESS WITH COMMUNISTS

Britain is in business with Red China—big business—and wants to avoid any semblance of a family tiff, even though the tiff involves killing British subjects in addition to killing Americans.

Other nations fattened on American tax dollars are in business with Red China.

American-aid dollars have helped put these nations in shape to be in business with Red China.

More American dollars to these nations as proposed in the pending foreign aid bill will put them in better shape to do business with Red China.

Perhaps these dollars will enable them to do so much business with Red China that Red China will feel able to carry on further aggressions, and will be better equipped to murder American citizens on the high seas.

Mr. President, I would not want to give a gun to an enemy who planned to shoot me, nor would I choose to give a gun to an acquaintance who, I knew, would promptly turn the gun over to an enemy.

FOREIGN NATIONS BACK RED CHINA'S U. N. BID AFTER FATTENING ON UNITED STATES FOREIGN AID

Since World War II Great Britain has received $6,838,000,000 in foreign-aid grants and credits from the United States, and approximately $1 billion more has been laid aside for her out of previous appropriations which she has not had time yet to collect.

Britain recognizes Red China and is possibly the most aggressive sponsor of Red China's application for membership in the big Manhattan club called the United Nations.

India not only recognizes Red China but has become her big Asiatic playmate. India has received slightly more than a quarter billion dollars in postwar foreign grants and credits from the United States.

Pakistan is into us for $100 million in foreign aid and expects more. She recognizes Red China.

Tiny Denmark has received $283 million in foreign aid, but she was quick to recognize the Communist Government of Red China, despite this largess from the American taxpayers.

Norway hopped on the Red Chinese recognition bandwagon, although we helped put Norway back on her feet after the war and have given her $306 million in foreign-aid grants and credits contributed by our hard-pressed taxpayers.

Sweden recognizes Red China, but Sweden recognizes and does business with everybody, and we have given Sweden only $106 million in foreign aid.

The Netherlands have received 1,077,000,000 foreign aid dollars. Like Britain, she also recognizes Red China.

So does Indonesia, the Netherlands' former southeast Asia colony, to which we have given 216 million foreign aid dollars.

These dollars exclude grants in military aid, which are not broken down by country. Military aid for Western Europe as of March 31 totaled $8,411,000,000; for Asia and the Pacific, $2,468,000,000.

NATIONS WHICH DO NOT RECOGNIZE RED CHINA GET SHORT END OF FOREIGN AID ALLOCATIONS

The American Republics, which have not recognized Red China, have received only $169 million in military grants, so apparently a foreign nation that wants to dig deep into the United States Treasury would recognize Red China.

This amendment would end indirect American aid to Red China by ending direct aid to foreign nations that have established diplomatic and friendly relations with our Communist enemies.

It would not affect foreign aid to nations which, like ourselves, refuse to deal with Red murderers and aggressors.

Those who are dedicated to giving away America's wealth to foreign governments would still have ample countries into which American dollars could be poured.

CUTOFF OF AID TO RED CHINA'S FRIENDS WOULD PERMIT MORE AID TO OUR TRUE ALLIES

We could still aid those nations that are not aiding Red China.

As a matter of fact, limiting our foreign aid—assuming that this administration-Dulles-Stassen backed bill will ultimately pass—to nations who do not give aid and comfort to our enemies would increase the aid America's true friends receive and in effect reward them for not rushing to Red China's slimy embrace.

Nations receiving foreign aid which have not teamed up with Red China include France, Germany, Greece, Ireland, Italy, Portugal, Spain, Turkey, Egypt, Iran, Iraq, Japan, the Republic of Korea, and the Philippines.

"FREE WORLD" A MISNOMER WHEN APPLIED TO NATIONS RECOGNIZING RED CHINA

That is about the extent of the "free world" today.

Mr. President, the expression "free world" has been used very loosely in recent years by our foreign trade and aid advocates.

It has been used to include the United Kingdom and other nations that by their own actions are not entitled to be considered part of the free world.

BRITAIN'S DOUBLEDEALING INCLUDES SECURITY PACT WITH RUSSIA

Mr. President, on Friday the junior Senator from Nevada read into the RECORD part of a mutual security pact that England has with Russia and that France has with Russia, mutual security pacts entirely independent of the pact that they have with us, with paragraphs reading almost exactly the same. In other words, they are signed up with both teams. Like the Giants and the Yankees, whichever one wins, they are in the money.

Mr. SMITH of New Jersey. Mr. President, will the Senator yield for a question?

Mr. MALONE. I am happy to yield for a question.

Mr. SMITH of New Jersey. Without naming all the countries, I gather that the Senator is advocating cutting off all trade with them.

Mr. MALONE. Why not? Yes, that is correct. Cut off all grants of aid and assistance.

Mr. SMITH of New Jersey. And all trade with Great Britain?

RED CHINA'S CHIEF U. N. SPONSOR—BRITAIN

Mr. MALONE. That is right, cut off all monetary and other grants as long as she recognizes Red China and is the chief sponsor of Red China in the United Nations.

Mr. SMITH of New Jersey. I just wanted to get the purpose of the Senator's amendment.

Mr. MALONE. You have it. Cut off all grants of aid as long as they are in effect arming our potential enemy.

These nations have tied themselves with Red China and, therefore, do not have diplomatic freedom to participate in free world efforts for peace and security.

They have linked themselves with Soviet Russia and all of Soviet Russia's satellites in recognition of Red China, a branded aggressor, enslaver, and murderer.

NATIONS RECOGNIZING RED CHINA LISTED

Mr. President, I ask unanimous consent that at this point in my remarks I may place in the RECORD a list of the governments which have recognized Red China's Communist regime.

I shall divide it into two groups, one comprising those nations which have formally espoused communism, and the other consisting of those which are friendly with it, or are flirting with it economically and diplomatically.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

GOVERNMENTS RECOGNIZING RED CHINA

Communist: U. S. S. R., Bulgaria, Rumania, Czechoslovakia, Poland, North Korea, Yugoslavia, Outer Mongolia, Hungary, Albania.

Non-Communist: United Kingdom, Norway, Denmark, Israel, Afghanistan, Finland, Sweden, Switzerland, Netherlands, Indonesia, Burma, India, Pakistan.

Mr. MALONE. Mr. President, my amendment, if adopted, would cut off foreign aid to the nations listed directly above.

There is not one iota of benefit a continuance of that aid can buy us.

It cannot buy us strength if the effort to resist Red China's expansion because these countries are in cahoots with the Red Chinese.

All that any expenditure of further foreign aid funds in these countries can buy is further troubles, further public debt, further humiliations, further air murders over the high seas, and increased probability of a fourth world war.

FOURTH WORLD WAR MAY FIND MOST AIDED NATIONS ON SIDELINES

Whether it is called a fourth world war or a third world war depends on whether the war in Korea was a third world war. One hundred and fifty thousand American boys took part in that war. If it is not considered a world war, it will do until one comes along.

Such a war, Mr. President, I fear would find us without the support of those countries which have been the greatest beneficiaries of our billions in foreign aid.

They have been among the first to "buddy up" with our enemies, the Communists.

England has virtually crawled in bed with them.

Mr. President, last year Britain's Chancellor of the Exchequer R. A. Butler invented a cunning slogan. The slogan was "Trade, not aid."

ONE-WORLDERS RALLY TO BRITISH SLOGANS

Most of those slogans are invented by the beneficiaries of our aid. "Dollar shortage" was a slogan which came out of London. Dollar shortage is the fixing of the price of our dollars so that nobody but a silly Congress will buy them at higher than the market price. It was promptly seized upon by all our one-worlders and professional do-gooders at taxpayers' expense to promote more British trade with Communists, Communist Russia, Communist satellites, Communists everywhere.

BRITAIN ENTHUSIASTIC OVER RED TRADE PROSPECTS

Britain is getting her trade with the Communists and expects more. I ask unanimous consent to have printed at this point in the RECORD a press dispatch from London which was published in the July 27, 1954, issue of the New York Journal of Commerce under the head "United Kingdom Sees Big Rise in Sales to Soviet Bloc," and "August 16 Cut in Controls to Free Many Goods, Trade Official States."

There being no objection, the dispatch was ordered to be printed in the RECORD, as follows:

UNITED KINGDOM SEES BIG RISE IN SALES TO SOVIET BLOC—AUGUST 16 CUT IN CONTROLS TO FREE MANY GOODS, TRADE OFFICIAL STATES

LONDON, July 26.—Britain's trade boss, Peter Thorneycroft, today predicted "a substantial increase" in trade with the Soviet bloc as a result of slashing cuts now made in strategic controls on such trade.

The cuts, agreed between Britain, the United States and other interested non-Communist nations, do not affect continuing controls on trade with Red China.

SEES SECURITY INTACT

Mr. Thorneycroft told the House of Commons the increased trade would not be at the expense of national security. He said talks still continued about controls on the export of ships. He declined to give details about goods which could now be exported more freely, but "some machine tools were included."

British and Iron Curtain country negotiators have been active for months trying to settle multimillion trade deals. Pending agreement on relaxed controls, many of these negotiations resulted only in paper agreements.

In his statement to Parliament, Mr. Thorneycroft said:

"We have reached unanimous agreement on a considerable reduction on the control lists."

EFFECTIVE AUGUST 16

"We have agreed that as from August 16 the present embargo list will be reduced by one-third from about 250 to 170 items, and the quantitative control list will be drastically cut from 90 to 20 items.

"A further 60 items will be kept on a watch list so that we can follow the trend of these exports.

"The overall result will be a substantial increase in the area of permitted trade which will at the same time be fully compatible with the needs of national security."

Mr. Thorneycroft said it had been agreed that those countries which had until now allowed goods to go freely to the Soviet bloc would now introduce controls in line with the transshipment controls Britain has operated since 1951.

A board of trade official said tonight Soviet bloc orders worth 20 million pounds ($56 million) had been held up in Britain pending the decision on relaxed controls.

Of this total, 5 million pounds ($14 million) worth would now be cleared for export. The remaining 15 million pounds ($42 million) worth come under quantitative restrictions, and no quotas have yet been set.

UNEMPLOYMENT LINES IN UNITED STATES GROW AS AID POURED OUT TO FOREIGN NATIONS

Mr. MALONE. I also note an A. P. dispatch of July 11, headed "Shutdowns Boost Jobless Claims":

SHUTDOWNS BOOST JOBLESS CLAIMS

WASHINGTON, July 11.—The Labor Department reported over the weekend initial worker claims for State unemployment compensation payments rose by 50,000 to 315,000 during the week ended July 3.

The Department's Bureau of Employment said the increase was expected as plants closed down for vacation periods and workers not eligible for vacation pay filed unemployment claims.

Half the increase, or 25,000, came in three States, New York, Michigan, and New Jersey. The increase for the corresponding week a year ago was 73,000.

The volume of State-insured unemployment dropped by 40,200 to 1,873,000 during the week ended June 26, the third successive weekly decrease. Since mid-April, the number of persons drawing benefits has declined by 227,800. The total a year ago was 807,347.

The Bureau said the decline in number of workers drawing benefits was due partly to improved employment conditions in construction and other outdoor activities and scattered industries, and partly because additional workers were exhausting their entitlement to benefits.

Mr. President, we take Mr. Butler's slogan at its face value—trade, not aid. Britain is trading with the millions of dollars which are being provided by Mr. Stassen and his crew in the Foreign Operations Administration, and also has her hands out for more American aid dollars.

DOLLARS FROM UNITED STATES TAXPAYERS FATTEN BRITAIN'S AIRCRAFT INDUSTRY

Mr. President, the Columbia Broadcasting System Monday night carried a news report from Seattle, Wash., headquarters of the Boeing Aircraft Co.

The broadcast reported the concern of that city over the fact that foreign aid funds are financing Britain's jet transport program in Britain's drive to beat America's aircraft industry to the gun in the jet air commerce race.

Boeing Aircraft Co., it was reported, has had to spend some $15 million of its own money in design and construction of its new commercial jet.

Britain, on the other hand, spends money contributed by the American taxpayers through foreign aid, to build its jets, the jets it expects to rule the skies in world trade, much of it with the Communists.

The junior Senator from Nevada stood on the floor of the Senate in 1948, when there was under discussion the first giveaway program, the first world WPA to hit the Senate. That was the big one. That was the Marshall plan.

EXPOSURE OF BRITAIN'S JET ENGINE SHIPMENTS TO RUSSIA RECALLED

The junior Senator from Nevada said on the floor of the Senate that Great Britain already had sent jet engines to Russia. Great Britain had done just that. It was denied by the War Department at first, but later was admitted.

That was where the jet engines for Russian MIG's came from. No one denies it now.

Mr. President, we have been and are financing Britain's intended dominance over our own aircraft industry, and are subsidizing Britain's aircraft builders, while our own industry must rely on money from its private stockholders.

Mr. LANGER. Mr. President, will the Senator yield for a question?

Mr. MALONE. I yield.

Mr. LANGER. Is it not true that Great Britain is building a great many airplanes, and the aid which is being used is coming through Mr. Stassen and his mutual-security program? Are not the planes being built with British labor at the expense of the American taxpayers?

UNITED STATES TAXPAYERS PAYING FOR BRITAIN'S AIR EXPANSION

Mr. MALONE. That is absolutely true. Of course, the business of Mr. Stassen is the giving away of money, so he would not understand the significance of the situation.

The bill now under consideration proposes an additional $70 million in foreign aid to British airplane builders. Supposedly this money would go to construct military aircraft by British workers in British factories.

Whether these funds go into commercial aircraft or not, there will be profits to the British aircraft industry, and Britain can put those profits into its race to rule the skies, as Britain once ruled the seas.

I want it distinctly understood, Mr. President, that I do not blame Great Britain for anything she is doing with American dollars. I blame the Congress of the United States, composed of Senators and Representatives from every precinct in the Nation. We know where this money is going. If we do not, it is time different arrangements were made.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD contracts awarded to the United Kingdom for aircraft and equipment during the fiscal years 1952 and 1953.

CONTRACTS GIVEN BRITAIN FOR AIRCRAFT AND EQUIPMENT LISTED

Mr. LANGER. Mr. President, reserving the right to object, will not the Senator give us the total amounts of those contracts?

Mr. MALONE. The totals of the contracts which I am now placing in the RECORD equal $154 million excluding 1954 contracts of more than $80 million for new made-in-Britain planes alone. That brings a total of over $237,200,000 United States taxpayers are pouring into British aircraft factories.

There being no objection, the contracts were ordered to be printed in the RECORD, as follows:

U. S. Air Force, fiscal year 1952

ENGLAND

Contract No.	Contractor	City	Item	Amount
AIRCRAFT AND EQUIPMENT				
AF 61 (514)-31	Sterling Cable Co., Ltd	Berkshire, Aldermaston	Polychloroprene cable	$12,075.00
AF 61 (514)-33	Rolls Royce, Ltd	Derby	Engine cylinder heads	115,010.00
AF 61 (514)-63	R. F. D. Co., Ltd	Godalming, Surrey	Tow targets	683,215.30
AF 61 (514)-64	Sangam C. Weston, Ltd	Middlesex, Enfield	Portable ammeter	621.60
AF 61 (514)-67	Goodyear Tire & Rubber Co	Wolverhampton	Aircraft casings and tubes	248,498.84
AF 61 (514)-72	Dunlop Rubber Co., Ltd., Aviation	Coventry	do	193,030.88
AF 61 (514)-79	British Vacuum Cleaner & Engineering Co	Leatherhead, Surrey	Vacuum cleaners	3,819.78
AF 61 (514)-85	Kodak, Ltd	London	Film readers	11,097.56
AF 61 (514)-95	Hilmor, Ltd	do	Tube benders	12,393.08
AF 61 (514)-165	Air Trainers, Ltd	Aylesbury	Link trainer and spares	819,961.00
AF 61 (514)-187	Rolls Royce, Ltd	Derby	V-1650 engine spares	1,112,999.70
AF 61 (514)-200	Marconi Wireless Telegraph Co., Ltd	London	Oscillators	54,843.75
AF 61 (514)-214	General Electric Co	do	Radio receiving equipment	647,207.50
AF 61 (514)-220	Dunlop Rubber Co., Ltd., aviation	do	Anti-G suits	351,072.00
AF 61 (514)-225	General Electric Co., Ltd	do	Rectifiers	63,251.31
AF 61 (514)-246	Casella & Co., Ltd	do	Monometers	7,822.50
Total				4,336,919.80
ELECTRONICS				
AF 61 (514)-228	Thorn Electrical Industries	London	AN/ARC-3, radio parts	2,409,381.98
ENGINEERING EQUIPMENT				
AF 61 (514)-232	Birtley Co., Ltd	Birtley	Road scrapers	852,281.50
Total, England				7,598,583.28

U. S. Air Force, fiscal year 1953

UNITED KINGDOM

Contract No.	Contractor	City	Item	Amount
AIRCRAFT AND EQUIPMENT				
AF 61(514)-217	Sangamo Weston, Ltd	Enfield/Middlesex	Portable ammeter	$164.70
AF 61(514)-330	Dunlop Rubber Co., Ltd	Coventry	Tube, aircraft, inner, high pressure	14,368.86
AF 61(514)-332	Her Majesty's Government	London	Hawker Hunter airplanes	140,074,200.00
AF 61(514)-339	Fields Aircraft Services	Surrey	Removal aircraft from storage and preparation for flight.	210,102.90
AF 61(514)-365	Her Majesty's Government	London	Westland Dragonfly HC Mark IV helicopters (less engine).	936,800.00
AF 61(514)-446	Goodyear Tire & Rubber Co. (Great Britain), Ltd.	Wolverhampton	Wheel assembly, nose, low profile	7,962.90
AF 61(514)-451	Dunlop Rubber Co	Coventry	Aerno wheel and brake assembly	396,279.12
AF 61(514)-452	Goodyear Tire & Rubber Co. (Great Britain), Ltd.	Wolverhampton	Wheel assembly, nose, extra high pressure	11,661.84
AF 61(514)-495	G. H. Burgess & Co., Ltd	Middlesex	Aerial banner tow targets and spares	327,704.79
AF 61(514)-501	Avery-Hardell, Ltd	Surbiton, Surrey	Aircraft fuel-servicing pressure-type nozzles	80,542.00
AF 61(514)-564	North British Rubber Co., Ltd., Castle Mills	Edinburgh 39, Scotland	Aircraft casings	55,861.72
AF 61(514)-566	Goodyear Tire & Rubber Co., Ltd	Wolverhampton	do	396,441.29
AF61(514)-576	Thorn Electrical Industries, Ltd	London, W. C. 1	Reverse current cutout	39,805.89
AF61(514)-584	Goodyear Tire & Rubber Co. (Great Britain), Ltd.	Wolverhampton	Wheel and brake assembly	1,930,267.16
AF61(514)-594	Kelvin & Hughes, Ltd	London, S. W. 1	Machmeters, altimeters, and spare parts	235,084.35
Total				144,717,247.52

U. S. Air Force, fiscal year 1953—Continued

UNITED KINGDOM—Continued

Contract No.	Contractor	City	Item	Amount
ELECTRONICS				
AF 61 (514)-214	General Electric Co., Ltd	London, W. C. 2	Radio receiving equipment	$748,287.00
AF 61 (514)-228	Thorn Electrical Industries, Ltd	London, W. C. 1	Radio receiver, R-77A/ARC-3; radio transmitter, T-67/ARC-3.	1,117,485.78
AF 61 (514)-562	do	Middlesex	Engineering radio sets	118,864.12
Total				1,984,636.90
ENGINEERING EQUIPMENT				
AF 61 (514)-304	T. S. Harrison & Sons, Ltd	Yorks	Lathe, bench type, geared	13,027.57
MISCELLANEOUS				
AF 61(514)-416	Her Majesty's Government	London	Inspection (aeronautical)	150,000.00
Total United Kingdom				146,864,911.99

BRITISH AIRCRAFT INDUSTRY GAINS HALF BILLION FROM UNITED STATES TAXPAYERS

Mr. MALONE. Offshore aircraft procurement contracts for the fiscal year 1954 went entirely to the United Kingdom. The total amount is $80,770,000.

Unfortunately, I do not have a breakdown of aircraft equipment procurement in Great Britain during 1954.

I do have, however, a listing of all offshore procurement in the United Kingdom for fiscal 1952 and fiscal 1953 other than those placed by the United States Air Force, which are given above.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD a listing of United States Army and United States Navy offshore procurement contracts placed with the United Kingdom during those 2 fiscal years which with the Air Force contracts, total more than $450 million. Add the $80 million that we know about in 1954, this makes more than a half billion dollars shipped over to Britain's aircraft industry at the expense of United States taxpayers and the American aircraft industry.

There being no objection, the list of the contracts were ordered to be printed in the RECORD, as follows:

U. S. Navy, fiscal year 1952

UNITED KINGDOM

Contract No.	Contractor	City	Item	Amount
AMMUNITION				
N62558S-47	Admiralty	London	Ammunition	$110,000.00
N62558S-65	do	do	do	664,000.00
N62558S-66	do	do	Torpedoes	488,400.00
N62558S-134	do	do	Ammunition	29,350.00
N62558S-135	do	do	Grenades, cartridges, projectiles	12,000.00
N62558S-136	Vickers Armstrong		Projectiles and cartridges	10,000.00
N62558S-137	Admiralty	London	Projectiles, ammunition	22,500.00
N62558S-138	Vickers Armstrong		Cartridges	117,000.00
UK-8-151	Admiralty	London	Semi-armor-piercing ammunition	60,842.00
				1,514,092.00
ARTILLERY				
N62558S-64	do	do	40 millimeter guns	350,000.00
ELECTRONICS				
N62558S-41	Decca Radar, Ltd		Radar sets	121,380.00
N62558S-52	do		do	77,940.00
N62558S-72	do		do	35,154.00
N62558S-73	do		do	97,900.00
N62558S-74	do		do	14,761.00
N62558S-75	do		do	204,254.00
N62558S-72	Murphy Radio		Receivers	132,766.00
N62558S-103	McMichael Radio		do	1,189,000.00
N62558S-116	Bush Radio		do	51,300.00
N62558S-118	Pye, Ltd		Trans/receiver	225,000.00
N62558S-147	Decca Radar Ltd		Radar sets	58,249.00
NOBFR-59498			Solenoid sets	3,848,000.00
Total				6,055,713.00
SHIPS AND EQUIPMENT				
N62558S-22 (P)	Admiralty	London	Inlet valves, cylinder heads, blocks	1,500.00
N62558S-23 (P)	do	do	Connecting rods, crankshafts	1,850.00
N62558S-29 (P)	do	do	High-pressure air bottles	3,200.00
N62558S-30 (P)	do	do	Testmeters, regulators, etc	1,210.00
N62558S-31 (P)	do	do	Inversion units	1,115.00
N62558S-32 (P)	do	do	Generators	4,660.00
N62558S-36 (P)	Lincoln Electric, Ltd		Welders, starters	1,625.00
N62558S-49	Marconi Wireless Co		Calibrators	1,935.00
N62558S-53	A. Hirst & Sons		Forklift trucks	15,747.00
N62558S-63	Admiralty	London	Minesweeping gear, cutters	26,000.00
N62558S-96	do	do	Smoke candles	6,250.00
N62558S-98	do	do	Base spares PPI	7,500.00
N62558S-100 (P)	do	do	Base spares, ship spares	1,600.00
N62558S-108	Wm. Denny Bros		Spares	5,000.00
N62558S-121	Crossley		Diesel spares	8,335.00
N62558S-126	Norris Henty & Gardner		do	13,387.00
N62558S-127	Admiralty	London	Mounts, generators, and diesel-engine oscillator, sweep	68,800.00
N62558S-129	B. Elliott		Milling machine, milling attachments, etc	5,987.00
N62558S-132	Admiralty	London	Base spares, ship spares	7,000.00
N62558S-133	do	do	Base spares	15,000.00
N62558S-140	Fairfield Shipbuilding		Diesel-engine spares	16,000.00

U. S. Navy, fiscal year 1952—Continued

UNITED KINGDOM—Continued

Contract No.	Contractor	City	Item	Amount
SHIPS AND EQUIPMENT—Continued				
N62558S-141	Admiralty	London	Cable	$38,500.00
N62558S-150	British Polar Engines		Diesel spares	8,000.00
N62558S-151(P)	Admiralty	London	Fire bricks	1,670.00
N62558S-154	British Emulsifiers		Cutters, stop wedges	92,668.00
N62558S-155(P)	Admiralty	London	Assembling machine, gages	4,100.00
UK-8-51	do	do	Drill mines	14,720.00
Total				373,359.00
ENGINEERING EQUIPMENT				
N62558S-97	David Brown Tractors		Diesel tractors	85,120.00
N62558S-104	Conveyancer Fork Trucks		Fork trucks	5,895.00
N62558S-105	do		do	9,779.00
N62558S-107	Conveyancer Fork Trucks, Ltd		Fork trucks, spare parts	242,202.00
				342,996.00
WEAPONS AND SMALL ARMS				
N62558S-58	Admiralty	London	Oerlikon mounting	7,800.00
MISCELLANEOUS				
N62558S-113	Creed & Co		Teleprinter	18,568.00
Informal purchase orders from United Kingdom.				14,579.70
Total				33,147.70
Total United Kingdom.				8,677,107.70

U. S. Navy, fiscal year 1953

UNITED KINGDOM

Contract No.	Contractor	City	Item	Amount
AMMUNITION AND EXPLOSIVES				
N62558S-66	Admiralty	London	Torpedoes "21"	$41,600.00
N62558S-134	do	do	Ammunition, 4.7-inch	29,346.80
N62558S-284	do	do	do	20,109.90
N62558S-285	do	do	do	16,474.50
N62558S-291	do	do	Smoke candles and grenades	21,606.00
N62558S-340	do	do	Depth charges	78,424.00
N62558S-341	do	do	Ammunition	28,847.00
N62558S-366	Ministry of Supply	do	do	268,223.00
N62558S-367	Admiralty	do	Starshell ammunition	12,778.00
Total				517,409.20
AIRCRAFT				
N62558S-211	Ministry of Supply	London	Aircraft	12,810,040.00
ARTILLERY				
N62558S-301	Admiralty	London	40-millimeter guns w/spares	135,613.00
ELECTRONICS				
N62558S-102	Murphy Radio, Ltd	Hertfordshire	Sonobuoy receivers	96,631.07
N62558S-118	Pye, Ltd. (addition to 1952 contract)	London	Transmitters and receivers	53,282.34
N62558S-200	Decca Radar, Ltd	do	Radar remote PPI	33,824.00
N62558S-201	do	do	Navigational radar	138,718.00
N62558S-204	do	do	Radar remote PPI	13,836.00
N62558S-205	do	do	Decca marine and radar units	108,924.20
N62558S-212	Michael Radio, Ltd	Slugh	Sonobuoy transmitters	459,893.28
N62558S-213	Decca Navigator Co	London	Decca MK 5 marine receivers	285,432.00
N62558S-300	Marconi Wireless Telegraph		Electronics test set	32,423.69
N62558S-334	Cinema Telephone, Ltd		Electronics equipment	7,560.00
N62558S-336	Marconi Wireless Telegraph		do	6,934.13
N62558S-345	Recall Engineering, Ltd		Electric receivers	227,997.00
N62558S-347	Admiralty	London	Radio receiving equipment	6,919.00
N62558S-366	do	do	Radio direction finders	10,998.00
N62558S-381	Swiss Radio Busch	do	Receivers	12,699.00
Nobs-59595	Hazeltine Electric Corp		Radar	6,756,000.00
Total				8,252,071.71
ENGINEERING EQUIPMENT				
N62558S-346	Lansing Bagnall, Ltd		Gasoline power tractor	734.86
SHIPS EQUIPMENT				
N62558S-121	Crossley Bros., Ltd	Manchester	Spares for Crossley engines	29,607.53
N62558S-150	British Polar Engines, Ltd	Glasgow	Spares for British Polar engines	26,965.60
N62558S-179	Secretary of the Admiralty	London	Submarine battery	130,000.00
N62558S-180	do	do	Apparatus for checking torpedo tails	10,000.00
N62558S-190	do	do	Fire-control system	154,000.00
N62558S-198	Norris, Henty & Gardners	Lancashire	Spares for British Gardner engines	13,636.11
N62558S-296	Perkins	Peterboro	Diesel engines	30,112.60
N62558S-299			Submarine batteries	126,765.00
N62558S-310			Squid projectors	167,329.00
N62558S-331			Squids	194,926.00

U. S. Navy, fiscal year 1953—Continued

UNITED KINGDOM—Continued

Contract No.	Contractor	City	Item	Amount
SHIPS EQUITMENT—continued				
N625588-332	Admiralty	London	Astic equipment	$214,182.00
N625588-335	do	do	Minesweeping equipment	47,554.00
N625588-344	do	do	Plotting table	83,614.00
N625588-362(LI)	do	do	Minesweeping equipment	239,700.00
N625588-377	do	do	Wire sweeps	157,920.00
Total				1,626,311.24
SHIPS (BUSHIPS)				
Nobs-4032	Secretary of the Admiralty	London	Inshore minesweepers	11,676,000.00
MISCELLANEOUS				
N-625588-302	Admiralty	do	Inspection services	4,225.50
Total, United Kingdom.				35,022,405.54

U. S. Army, fiscal year 1953

UNITED KINGDOM

Contract No.	Contractor	City	Item	Amount
AMMUNITION AND EXPLOSIVES				
DA-91-557-EUC-75	Her Majesty's Government	London	Shell, 20 pdr smoke; 20 pdr blank; 7.92-millimeter; hand grenade.	$18,161,104.88
DA-91-557-EUC-114	do	do	Shell, HE, M107, 155-millimeter	20,675,187.00
DA-91-557-EUC-130	do	do	Shell, 90-millimeter	29,021,250.00
DA-91-557-EUC-140	Imperial Chemical Industries, Ltd	Birmingham	Cartridge, Caliber .50	1,799,513.36
DA-91-557-EUC-147	Her Majesty's Government	London	Shell, 90-millimeter smoke; shell, 155-millimeter smoke	11,859,246.80
DA-91-557-EUC-178	Ministry of Supply	do	Shot, 90-millimeter, T&AT gun	12,221,000.00
DA-91-557-EUC-181	Her Majesty's Government	do	Rocket, HEAT, 3.5-inch	6,320,000.00
DA-91-557-EUC-182	do	do	Shell, 105-millimeter	1,372,500.00
Total				101,429,802.04
ELECTRONICS				
DA-91-557-EUC-88	Thorn Elec. Industries, Ltd	London	Radio set AN/GRR-5 and spares	1,438,650.00
DA-91-557-EUC-122	The British Thomson-Houston Co., Ltd	Rugby	Radar, British No. 3 MK 7 and spares	4,177,488.00
DA-91-557-EUC-165	R. A. Lister & Co., Ltd	Gloucester	do	794,358.88
DA-91-557-EUC-168	British Ministry of Supply	London	Predictor AA No. 11A, Mk3	6,880,020.00
Total				13,290,516.88
WEAPONS AND SMALL ARMS				
DA-91-557-EUC-75	Her Majesty's Government	London	Spare parts for B. E. S. A. machinegun	5,699.52
DA-91-557-EUC-160	do	do	Armament spares	900,000.00
Total				906,699.52
COMBAT VEHICLES				
DA-91-557-EUC-75	Her Majesty's Government	London	{Centurion tanks {Petrol trailers	80,029,663.74
DA-91-557-EUC-75	do	do	Spare parts for Centurion tanks	2,533,505.39
Total				82,563,169.13
TRANSPORT VEHICLES				
DA-91-557-EUC-145	J. A. Phillips & Co., Ltd	Birmingham	Bicycle, men's military	37,424.14
MISCELLANEOUS				
DA-91-557-EUC-149	Her Majesty's Government	London	Inspection of ammunition	15,000.00
DA-91-557-EUC-254	do	do	Greek aid, signal items	480,675.75
DA-91-557-EUC-203			Greek aid, ordnance and medical items	600,479.54
Total				1,096,155.29
Total, United Kingdom.				199,323,767.00

U. S. Air Force, fiscal year 1953

UNITED KINGDOM

Contract No.	Contractor	City	Item	Amount
AIRCRAFT AND EQUIPMENT				
AF 61 (514)-217	Sangamo Weston, Ltd	Enfield/Middlesex	Portable ammeter	$164.70
AF 61 (514)-330	Dunlop Rubber Co., Ltd	Coventry	Tube, aircraft, inner high pressure	14,368.86
AF 61 (514)-332	Her Majesty's Government	London	Hawker Hunter airplanes	140,074,200.00
AF 61 (514)-339	Fields Aircraft Services	Surrey	Removal aircraft from storage and preparation for flight.	210,102.90
AF 61 (514)-365	Her Majesty's Government	London	Westland Dragonfly HC, Mark IV helicopters (less engine).	936,800.00

U. S. Air Force, fiscal year 1953—Continued

UNITED KINGDOM—Continued

Contract No.	Contractor	City	Item	Amount
AIRCRAFT AND EQUIPMENT—continued				
AF 61 (514)-446	Goodyear Tire & Rubber Co. (Great Britain), Ltd.	Wolverhampton	Wheel assembly, nose, low profile	$7,962.90
AF 61 (514)-451	Dunlop Rubber Co.	Coventry	Aerno wheel and brake assembly	396,279.12
AF 61 (514)-452	Goodyear Tire & Rubber Co. (Great Britain), Ltd.	Wolverhampton	Wheel assembly, nose, extra high pressure	11,661.84
AF 61 (514)-495	G. H. Burgess & Co., Ltd	Middlesex	Aerial banner tow targets and spares	327,704.79
AF 61 (514)-501	Avery-Hardoll, Ltd	Surbiton, Surrey	Aircraft fuel servicing, pressure-type nozzles	80,542.00
AF 61 (514)-564	North British Rubber Co., Ltd., Castle Mills	Edinburgh 39, Scotland	Aircraft casings	55,861.72
AF 61 (514)-566	Goodyear Tire & Rubber Co., Ltd	Wolverhampton	do	396,441.29
AF 61 (514)-576	Thorn Electrical Industries, Ltd	London, W. C. 1	Reverse current cutout	39,805.89
AF 61 (514)-584	Goodyear Tire & Rubber Co. (Great Britain), Ltd.	Wolverhampton	Wheel and brake assembly	1,930,267.16
AF 61 (514)-594	Kelvin & Hughes, Ltd	London, S. W. 1	Machmeters, altimeters and spare parts	235,084.35
Total				144,717,247.52
ELECTRONICS				
AF 61(514)-214	General Electric Co., Ltd	London, W. C. 2	Radio receiving equipment	748,287.00
AF 61(514)-228	Thorn Electrical Industries, Ltd	London, W. C. 1	Radio receiver, R-77A/ARC-3; radio transmitter, T-67/ARC-3.	1,117,485.78
AF 61(514)-562	do	Middlesex	Engineering radio sets	118,864.12
Total				1,984,636.90
ENGINEERING EQUIPMENT				
AF 61(514)-304	T. S. Harrison & Sons, Ltd	Yorks	Lathe, bench-type, geared	13,027.57
MISCELLANEOUS				
AF 61 (514)-416	Her Majesty's Government	London	Inspection (aeronautical)	150,000.00
Total, United Kingdom				146,864,911.99

Offshore Procurement Contracts Placed by United States

U. S. Army, fiscal year 1952

UNITED KINGDOM

Contract No.	Contractor	City	Item	Amount
AMMUNITION				
DA-91-557-EUC-17	Imperial Chemical Industries, Ltd	Birmingham	Cartridges, 30-caliber, in cartons	$6,840,100.00
DA-91-557-EUC-59	Her Majesty's Government	London	Shell, 90-millimeter, HE E71	21,830,221.80
DA-91-557-EUC-60	do	do	Shell, 155-millimeter howitzer 1	8,252,731.49
DA-91-557-EUC-61	do	do	Rocket HEAT 35-inch	9,910,000.00
DA-91-557-EUC-65	do	do	Inspection of EUC 17 cartridge, 30-caliber	71,720.00
Total				46,904,773.29
ELECTRONICS				
DA-91-557-EUC-1	Murphy Radio, Ltd	Welwyn Garden City, Herfordshire.	Radio, SCR 300	819,565.63
DA-91-557-EUC-3	do	do	Inspection of above	16,373.65
DA-91-557-EUC-8	British Thompson	Rugby	Radar mark 7 and generator	4,879,959.00
				5,715,898.28
MISCELLANEOUS				
DA-91-557-EUC-40	Oliver Typewriting	Croydon	Typewriters	1,820.32
DA-91-557-EUC-41	Olivetti	Glasgow	do	990.00
				2,810.32
Total, United Kingdom				52,623,481.89

U. S. Air Force, fiscal year 1953

ENGLAND

Contract No.	Contractor	City	Item	Amount
AIRCRAFT AND EQUIPMENT				
AF 61 (514)-31	Sterling Cable Co., Ltd	Berkshire, Aldermaston	Polychloroprene cable	$12,075.00
AF 61 (514)-33	Rolls Royce, Ltd	Derby	Engine cylinder heads	115,010.00
AF 61 (514)-63	R. F. D. Co., Ltd	Godalming, Surrey	Tow targets	683,215.30
AF 61 (514)-64	Sangam C. Weston, Ltd	Middlesex, Enfield	Portable ammeter	621.60
AF 61 (514)-67	Goodyear Tire & Rubber Co.	Wolverhampton	Aircraft casings and tubes	248,498.84
AF 61 (514)-72	Dunlop Rubber Co., Ltd. Aviation	Coventry	do	193,030.88
AF 61 (514)-79	British Vacuum Cleaner & Engineering Co.	Leatherhead, Surrey	Vacuum cleaners	3,819.78
AF 61 (514)-85	Kodak, Ltd	London	Film readers	11,097.56
AF 61(514)-95	Hilmor, Ltd	do	Tube benders	12,393.08
AF 61(514)-165	Air Trainers, Ltd	Aylesbury	Link trainer and spares	819,961.00
AF 61(514)-187	Rolls Royce, Ltd	Derby	V-1650 engine spares	1,112,999.70
AF 61(514)-200	Marconi Wireless Telegraph Co., Ltd	London	Oscillators	54,843.75

U. S. Air Force, fiscal year 1952—Continued

ENGLAND—Continued

Contract No.	Contractor	City	Item	Amount
AIRCRAFT AND EQUIPMENT—continued				
AF 61(514)-214	General Electric Co.	London	Radio receiving equipment	$647,207.50
AF 61(514)-220	Dunlop Rubber Co., Ltd., aviation	do	Anti-G suits	351,072.00
AF 61(514)-225	General Electric Co., Ltd.	do	Rectifiers	63,251.31
AF 61(514)-246	Casella & Co., Ltd.	do	Monometers	7,822.50
Total				4,336,919.80
ELECTRONICS				
AF 61 (514)-228	Thorn Electrical Industries, Ltd.	London	AN/ARC-3, radio parts	2,409,381.98
ENGINEERING EQUIPMENT				
AF 61 (514)-232	Birtley Co., Ltd.	Birtley	Road scrapers	852,281.50
Total England				7,598,583.28

U. S. Navy, fiscal year 1952

UNITED KINGDOM

Contract No.	Contractor	City	Item	Amount
AMMUNITION				
N62558S-47	Admiralty	London	Ammunition	$110,000.00
N62558S-65	do	do	do	664,000.00
N62558S-66	do	do	Torpedoes	488,400.00
N62558S-134	do	do	Ammunition	29,350.00
N62558S-135	do	do	Grenades, cartridges, projectiles	12,000.00
N62558S-136	Vickers Armstrong		Projectiles and cartridges	10,000.00
N62558S-137	Admiralty	London	Projectiles, ammunition	22,500.00
N62558S-138	Vickers Armstrong		Cartridges	117,000.00
UK-8-151	Admiralty	London	Semi-armor-piercing ammunition	60,842.00
Total				1,514,092.00
ARTILLERY				
N62558S-64	Admiralty	London	40 millimeter guns	350,000.00
ELECTRONICS				
N62558S-41	Decca Radar, Ltd.		Radar sets	121,389.00
N62558S-52	do		do	77,940.00
N62558S-72	do		do	$35,154.00
N62558S-73	do		do	97,900.00
N62558S-74	do		do	14,761.00
N62558S-75	do		do	204,254.00
N62558S-102	Murphy Radio		Receivers	132,766.00
N62558S-103	McMichael Radio		do	1,189,000.00
N62558S-116	Bush Radio		do	51,300.00
N62558S-118	Pye, Ltd.		Transmitter/receiver	225,000.00
N62558S-147	Decca Radar, Ltd.		Radar sets	58,249.00
NOBFR-59498			Solenoid sets	3,848,000.00
				6,055,713.00
SHIPS AND EQUIPMENT				
N62558S-22 (P)	Admiralty	London	Inlet valves, cylinder heads, blocks	1,500.00
N62558S-23 (P)	do	do	Connecting rods, crankshafts	1,850.00
N62558S-29 (P)	do	do	High pressure air bottles	3,200.00
N62558S-30 (P)	do	do	Testmeters, regulators, etc.	1,210.00
N62558S-31 (P)	do	do	Inversion units	1,115.00
N62558S-32 (P)	do	do	Generators	4,660.00
N62558S-36(P)	Lincoln Electric, Ltd.		Welders, starters	1,625.00
N62558S-49	Marconi Wireless Co.		Calibrators	1,935.00
N62558S-53	A. Hirst & Sons		Forklift trucks	15,747.00
N62558S-63	Admiralty	London	Minesweeping gear, cutters	26,000.00
N62558S-96	do	do	Smoke candles	6,250.00
N62558S-98	do	do	Base spares PPI	7,500.00
N62558S-100(P)	do	do	Base spares, ship spares	1,600.00
N62558S-108	Wm. Denny Bros.		Spares	5,000.00
N62558S-121	Crossley		Diesel spares	8,335.00
N62558S-126	Norris Henty & Gardner		do	13,387.00
N62558S-127	Admiralty	London	Mounts, generators and diesel engine oscillator, sweep	68,800.00
N62558S-129	B. Elliott		Milling machine, milling attachments, etc.	5,987.00
N62558S-132	Admiralty	London	Base spares, ship spares	7,000.00
N62558S-133	do	do	Base spares	15,000.00
N62558S-140	Fairfield Shipbuilding		Diesel engine spares	16,000.00
N62558S-141	Admiralty	London	Cable	38,500.00
N62558S-150	British Polar Engines		Diesel spares	8,000.00
N62558S-151 (P)	Admiralty	London	Fire bricks	1,670.00
N62558S-154	British Emulsifiers		Cutters, stop wedges	92,668.00
N62558S-155 (P)	Admiralty	London	Assembling machine, gages	4,100.00
UK-8-51	do	do	Drill mines	14,720.00
				373,359.00
ENGINEERING EQUIPMENT				
N62558S-97	David Brown Tractors		Diesel tractors	85,120.00
N62558S-104	Conveyancer Fork Trucks		Fork trucks	5,895.00
N62558S-105	do		do	9,779.00
N62558S-107	Conveyancer Fork Trucks, Ltd.		Fork trucks, spare parts	242,202.00
				342,996.00

U. S. Navy, fiscal year 1952—Continued

UNITED KINGDOM—Continued

Contract No.	Contractor	City	Item	Amount
WEAPONS AND SMALL ARMS				
N62558S-58	Admiralty	London	Oerlikon mountings	$7,800.00
MISCELLANEOUS				
N62558S-113	Creed & Co		Teleprinter	18,568.00
Informal purchase orders from United Kingdom.				14,579.70
				33,147.70
Total United Kingdom.				8,677,107.70

U. S. Navy, fiscal year 1953

UNITED KINGDOM

Contract No.	Contractor	City	Item	Amount
AMMUNITION AND EXPLOSIVES				
N62558S-66	Admiralty	London	Torpedoes "21"	$41,600.00
N62558S-134	do	do	Ammunition, 4.7-inch	29,346.80
N62558S-284	do	do	do	20,109.90
N62558S-285	do	do	do	16,474.50
N62558S-291	do	do	Smoke candles and grenades	21,606.00
N62558S-340	do	do	Depth charges	78,424.00
N62558S-341	do	do	Ammunition	28,847.00
N62558S-366	Ministry of Supply	do	do	268,223.00
N62558S-367	Admiralty	do	Starshell ammunition	12,778.00
Total				517,409.20
AIRCRAFT				
N62558S-211	Ministry of Supply	London	Aircraft	12,810,040.00
ARTILLERY				
N62558S-301	Admiralty	do	40-millimeter guns w/spares	135,613.00
ELECTRONICS				
N62558S-102	Murphy Radio, Ltd	Hertfordshire	Sonobuoy receivers	96,631.07
N62558S-118	Pye, Ltd. (addition to 1952 contract)	London	Transmitters and receivers	53,282.34
N62558S-200	Decca Radar, Ltd	do	Radar remote PPI	33,824.00
N62558S-201	do	do	Navigational radar	138,718.00
N62558S-204	do	do	Radar remote PPI	13,836.00
N62558S-205	do	do	Decca marine and radar units	108,924.20
N62558S-212	Michael Radio, Ltd	Slugh	Sonobuoy transmitters	459,893.28
N62558S-213	Decca Navigator Co	London	Decca MK 5 marine receivers	285,432.00
N62558S-300	Marconi Wireless Telegraph		Electronics test set	32,423.69
N62558S-334	Cinema Telephone, Ltd		Electronics equipment	7,560.00
N62558S-336	Marconi Wireless Telegraph		do	6,934.13
N62558S-345	Recall Engineering, Ltd		Electric receivers	227,997.00
N62558S-347	Admiralty	London	Radio receiving equipment	6,919.00
N62558S-360	do	do	Radio direction finders	10,998.00
N62558S-381	Swiss Radio Busch	do	Receivers	12,699.00
Nobs-59595	Hazeltine Electric Corp		Radar	6,756,000.00
Total				8,252,071.71
ENGINEERING EQUIPMENT				
N62558S-346	Lansing Bagnall, Ltd		Gasoline power tractor	734.86
SHIPS EQUIPMENT				
N62558S-121	Crossley Bros., Ltd	Manchester	Spares for Crossley engines	29,607.53
N62558S-150	British Polar Engines, Ltd	Clasgow	Spares for British Polar engines	26,965.60
N62558S-179	Secretary of the Admiralty	London	Submarine battery	130,000.00
N62558S-180	do	do	Apparatus for checking torpedo tails	16,000.00
N62558S-190	do	do	Fire-control system	154,000.00
N62558S-198	Norris, Henty & Gardners	Lancashire	Spares for British Gardner engines	13,636.11
N62558S-296	Perkins	Peterboro	Diesel engines	30,112.00
N62558S-299			Submarine batteries	126,765.00
N62558S-310			Squid projectors	167,329.00
N62558S-331			Squids	194,926.00
N62558S-332	Admiralty	London	Astic equipment	214,182.00
N62558S-335	do	do	Minesweeping equipment	47,554.00
N62558S-344	do	do	Plotting table	83,614.00
N62558S-362(LI)	do	do	Minesweeping equipment	239,700.00
N62558S-377	do	do	Wire sweeps	157,920.00
Total				1,626,311.24
SHIPS (BUSHIPS)				
Nobs-4032	Secretary of the Admiralty	London	Inshore minesweepers	11,676,000.00
MISCELLANEOUS				
N-62558S-302	Admiralty	do	Inspection services	4,225.50
Total, United Kingdom.				35,022,405.54

OFFSHORE PROCUREMENT CONTRACTS PLACED BY UNITED STATES

U. S. Army, fiscal year 1952

UNITED KINGDOM

Contract No.	Contractor	City	Item	Amount
AMMUNITION				
DA-91-557-EUC-17	Imperial Chemical Industries, Ltd	Birmingham	Cartridge, 30-caliber, in cartons	$6,840,100.00
DA-91-557-EUC-59	Her Majesty's Government	London	Shell, 90-millimeter, EE E71	21,830,221.80
DA-91-557-EUC-60	do	do	Shell, 155-millimeter howitzer M1	8,252,731.49
DA-91-557-EUC-61	do	do	Rocket HEAT 35-inch	9,910,000.00
DA-91-557-EUC-65	do	do	Inspection of EUC 17 Cartridge, 30-caliber	71,720.00
Total				46,904,773.29
ELECTRONICS				
DA-91-557-EUC-1	Murphy Radio, Ltd	Welwyn Garden City, Herfordshire.	Radio SCR-300	819,565.63
DA-91-557-EUC-3	do	do	Inspection of above	16,373.65
DA-91-557-EUC-8	British Thompson	Rugby	Radar mark 7 and generator	4,879,959.00
Total				5,715,898.28
MISCELLANEOUS				
DA-91-557-EUC-40	Oliver Typewriting	Croydon	Typewriters	1,820.32
DA-91-557-EUC-41	Olivetti	Glasgow	do	990.00
Total				2,810.32
Total, United Kingdom				52,623,481.89

U. S. Army fiscal year 1953

UNITED KINGDOM

Contract No.	Contractor	City	Item	Amount
AMMUNITION AND EXPLOSIVES				
DA-91-557-EUC-75	Her Majesty's Government	London	Shell, 20 pounder, smoke; 20 pounder, blank; 7.92 millimeter; hand grenade.	$18,161,104.88
DA-91-557-EUC-114	do	do	Shell, HE, M107, 155 millimeter	20,675,187.00
DA-91-557-EUC-130	do	do	Shell, 90 millimeter	29,021,250.00
DA-91-557-EUC-140	Imperial Chemical Industries, Ltd	Birmingham	Cartridge, caliber .50	1,790,513.36
DA-91-557-EUC-147	Her Majesty's Government	London	Shell, 90 millimeter, smoke; shell, 155 millimeter, smoke.	11,859,246.80
DA-91-557-EUC-178	Ministry of Supply	do	Shot, 90 millimeter, T & AT gun	12,221,000.00
DA-91-557-EUC-181	Her Majesty's Government	do	Rocket, HEAT, 3.5 inch	6,320,000.00
DA-91-557-EUC-182	do	do	Shell, 105 millimeter	1,372,500.00
Total				101,429,802.04
ELECTRONICS				
DA-91-557-EUC-88	Thorn Electrical Industries, Ltd	London	Radio set, AN/GRR-5, and spares	1,438,650.00
DA-91-557-EUC-122	The British Thomson-Houston Co., Ltd	Rugby	Radar, British No. 3, mark 7 and spares	4,177,488.00
DA-91-557-EUC-165	R. A. Lister & Co., Ltd	Gloucester	do	794,358.88
DA-91-557-EUC-168	British Ministry of Supply	London	Predictor AA No. 11A, mark 3	6,880,020.00
Total				13,290,516.88
WEAPONS AND SMALL ARMS				
DA-91-557-EUC-75	Her Majesty's Government	London	Spare parts for B.E.S.A. machine gun	5,699.52
DA-91-557-EUC-75	do	do	Armament spares	900,000.00
Total				906,699.52
COMBAT VEHICLES				
DA-91-557-EUC-75	Her Majesty's Government	London	Centurion tanks, petrol trailers	80,029,663.74
DA-91-557-EUC-75	do	do	Spare parts for Centurion tanks	2,533,505.39
Total				82,563,169.13
TRANSPORT VEHICLES				
DA-91-557-EUC-145	J. A. Phillips & Co., Ltd	Birmingham	Bicycle, men's military	37,424.14
MISCELLANEOUS				
DA-91-557-EUC-149	Her Majesty's Government	London	Inspection of ammunition	15,000.00
DA-91-557-EUC-254	do	do	Greek aid, signal items	480,675.75
DA-91-557-EUC-203			Greek aid, ordnance and medical items	600,479.54
Total				1,096,155.29
Total United Kingdom				199,323,767.00

WORLDWIDE UNITED STATES FOREIGN PROCUREMENT TOTAL EXCEEDS $2,200,000,000

Mr. MALONE. Mr. President, the contracts listed above are only the contracts awarded to the United Kingdom. For Europe as a whole over $2,200,000,000 in offshore procurement contracts were placed in the fiscal years 1952 and 1953. The fiscal year 1954 offshore procurement worldwide totals over $900 million, of which about 90 percent is planned for Europe.

I ask unanimous consent to have printed in the RECORD at this point in my remarks the record of value of military assistance programs chargeable to appropriations, in millions of dollars, with the fiscal years headlined.

There being no objection, the document was ordered to be printed in the RECORD, as follows:

Department of Defense, MDAP as of Mar. 31, 1954—Europe

VALUE OF MILITARY ASSISTANCE PROGRAMS CHARGEABLE TO APPROPRIATIONS

[Millions of dollars]

	Fiscal year 1950–54	Fiscal year 1954	Proposed fiscal year 1955	Fiscal year 1950–55
Total	13,449.5	1,646.6	745.2	14,194.6
Materiel	12,327.6	1,227.6	430.9	12,758.4
Equipment and supplies	(12,007.3)	(1,217.6)	(420.9)	(12,428.1)
Other materiel charges	(320.3)	(10.0)	(10.0)	(330.3)
Training	265.2	84.9	46.2	311.4
Other (specify)				
Other P. C. H. & T.	416.5	129.0	120.4	536.9
Other (regional and special projects)	440.2	205.1	147.7	587.9

VALUE OF PROGRAMS FOR EQUIPMENT AND SUPPLIES

[Millions of dollars]

	Fiscal year 1950–54 program				Fiscal year 1954 program		Proposed fiscal year 1955 program	
	Shipped		To be shipped					
	Charged to appropriation	Excess	Chargeable to appropriation	Excess	Chargeable to appropriation	Excess	Chargeable to appropriation	Excess
Total	5,752.9	478.8	6,254.4	21.5	1,217.6	3.8	420.9	
Army	4,122.3	152.2	2,404.6	3.6	431.6		126.3	
Navy	553.6	218.0	1,044.4	13.1	250.8	3.8	72.4	
Air Force	1,077.0	108.6	2,805.4	4.8	535.3		222.2	

TRAINING PROGRAMS—UNITED STATES AND OVERSEAS

[Value in thousands of dollars]

	Fiscal year 1950–54 program					Proposed fiscal year 1955 program	
	Spaces programed	Value	Spaces completed	Value	Spaces in training	Spaces programed	Value
Total:							
Formal training	39,203	241,739.1	25,552	79,634.3	3,808	20,575	36,699.0
Other training		23,482.7		11,144.5			9,508.1
Army:							
Formal training	7,089	6,097.1	5,848	4,420.4	211	2,427	3,033.9
Other training		3,779.7		2,381.0			4,784.2
Navy:							
Formal training	13,602	46,440.5	9,219	19,624.7	2,044	1,730	8,281.6
Other training		4,706.2		1,998.1			1,425.4
Air Force:							
Formal training	18,512	189,201.5	10,485	55,589.2	1,553	16,418	25,383.5
Other training		14,996.8		6,765.4			3,298.5

NOTE.—Totals based on unrounded figures hence may vary from totals of rounded amounts.

Department of Defense, MDAP as of Mar. 31, 1954—Latin America

VALUE OF MILITARY ASSISTANCE PROGRAMS CHARGEABLE TO APPROPRIATIONS

[Millions of dollars]

	Fiscal year 1950–54	Fiscal year 1954	Proposed fiscal year 1955	Fiscal year 1950–55
Total	104.2	23.7	13.0	117.2
Materiel	93.8	16.1	5.1	98.9
Equipment and supplies	(87.2)	(14.7)	(3.8)	(91.0)
Other materiel charges	(6.6)	(1.4)	(1.3)	(7.8)
Training	5.5	3.7	2.9	8.4
Other (specify)				
Other, P. C. H. and T.	4.9	3.9	5.1	10.0

Department of Defense, MDAP as of Mar. 31, 1954—Latin America—Continued

VALUE OF PROGRAMS FOR EQUIPMENT AND SUPPLIES

[Millions of dollars]

	Fiscal years 1950–54 program				Fiscal year 1954 program		Proposed fiscal year 1955 program	
	Shipped		To be shipped					
	Charged to appropriation	Excess	Chargeable to appropriation	Excess	Chargeable to appropriation	Excess	Chargeable to appropriation	Excess
Total	30.1	62.9	57.1	6.4	14.7	2.6	3.8	3.0
Army	21.2	1.1	26.7	1.8	1.8	.2	1.0	
Navy	4.7	52.8	13.1		6.5		1.2	
Air Force	4.2	9.0	17.3	4.6	6.4	2.4	1.6	3.0

TRAINING PROGRAMS—UNITED STATES AND OVERSEAS

[Value in thousands of dollars]

	Fiscal year 1950–54 program					Proposed fiscal year 1955 program	
	Spaces programed	Value	Spaces completed	Value	Spaces in training	Spaces programed	Value
Total:							
Formal training		55.0		30.0		488	666.6
Other training		5,410.1		1,333.6			2,231.0
Army:							
Formal training						488	666.6
Other training		377.2		8.3			1,333.4
Navy:							
Formal training		55.0		30.0			
Other training		4,720.9		1,325.3			897.6
Air Force:							
Formal training							
Other training		312.0					

NOTE.—Totals based on unrounded figures hence may vary from totals of rounded amounts.

Department of Defense, MDAP as of Mar. 31, 1954—Far East and Pacific

VALUE OF MILITARY ASSISTANCE PROGRAMS CHARGEABLE TO APPROPRIATIONS

[Millions of dollars]

	Fiscal year 1950–54	Fiscal year 1954	Proposed fiscal year 1955	Fiscal year 1950–55
Total	2,469.6	838.5	583.6	3,073.2
Materiel	2,331.8	765.2	521.1	2,852.9
Equipment and supplies	(2,281.5)	(760.4)	(511.0)	(2,792.5)
Other materiel charges	(50.3)	(4.9)	(10.1)	(60.4)
Training	40.7	22.3	20.7	61.4
Other (specify)				
Other P. C. H. and T	117.1	51.0	41.8	159.0

VALUE OF PROGRAMS FOR EQUIPMENT AND SUPPLIES

[Millions of dollars]

	Fiscal year 1950–54 program				Fiscal year 1954 program		Proposed fiscal year 1955 program	
	Shipped		To be shipped					
	Charged to appropriation	Excess	Chargeable to appropriation	Excess	Chargeable to appropriation	Excess	Chargeable to appropriation	Excess
Total	1,219.3	107.6	1,062.3	26.8	760.4	24.0	511.0	9.9
Army	857.1	57.7	625.5	1.4	477.4		292.9	
Navy	157.1	15.2	118.9	14.3	70.8	15.4	87.5	9.9
Air Force	205.1	34.7	317.9	11.1	212.2	8.6	130.6	

Department of Defense, MDAP as of Mar. 31, 1954—Far East and Pacific—Continued

TRAINING PROGRAMS—UNITED STATES AND OVERSEAS

[Value in thousands of dollars]

	Fiscal year 1950–54 program					Proposed fiscal year 1955 program	
	Spaces programed	Value	Spaces completed	Value	Spaces in training	Spaces programed	Value
Total:							
Formal training	8,488	[1] 24,940.8	6,405	16,246.9	1,460	13,105	13,838.2
Other training		11,838.2		5,649.2			6,898.0
Army:							
Formal training	4,393	14,885.1	3,099	9,904.8	658	1,865	6,629.1
Other training		6,901.4		3,528.4			4,066.1
Navy:							
Formal training	2,308	2,052.7	1,821	1,201.1	629	2,070	3,291.3
Other training		2,175.8		857.7			1,074.7
Air Force:							
Formal training	1,787	8,003.0	1,485	5,141.0	173	9,170	3,917.8
Other training		2,761.0		1,263.1			1,757.2

[1] Excludes $3.9 million proposed program for 1 country.

NOTE.—Totals based on unrounded figures hence may vary from totals of rounded amounts.

TIME TO CALL ROLL ON FOREIGN-AID RECIPIENTS

Mr. MALONE. Mr. President, in the judgment of the junior Senator from Nevada, it is time that this Nation called the roll on the recipients of its taxpayers' money, and ceased once and for all financing potential foes through intermediaries that we fondly call our allies.

Mr. KNOWLAND. Vote!

Mr. MALONE. Mr. President, I ask for the yea and nays.

The yeas and nays were not ordered.

Mr. KNOWLAND. Vote!

The PRESIDING OFFICER (Mr. BEALL in the chair). The question is on agreeing to the amendment offered by the Senator from Nevada [Mr. MALONE].

The amendment was rejected.

The PRESIDING OFFICER. The committee amendment is open to further amendment.

If there be no further amendment to be proposed, the question is on agreeing to the committee amendment, as amended.

The amendment, as amended, was agreed to.

The PRESIDING OFFICER. The question now is on the engrossment of the amendment and the third reading of the bill.

The amendment was ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

Mr. KNOWLAND. Mr. President, on that question I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. KNOWLAND. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Case	Ferguson
Anderson	Chavez	Flanders
Barrett	Clements	Fulbright
Beall	Cooper	George
Bennett	Cordon	Gillette
Bowring	Crippa	Goldwater
Bricker	Daniel	Gore
Bridges	Dirksen	Green
Burke	Douglas	Hayden
Butler	Dworshak	Hendrickson
Capehart	Ellender	Hennings
Carlson	Ervin	Hickenlooper
Hill	Magnuson	Reynolds
Holland	Malone	Robertson
Humphrey	Mansfield	Russell
Ives	Martin	Saltonstall
Jackson	Maybank	Smathers
Jenner	McCarran	Smith, Maine
Johnson, Colo.	McCarthy	Smith, N. J.
Johnson, Tex.	McClellan	Sparkman
Johnston, S. C.	Millikin	Stennis
Kennedy	Monroney	Symington
Kerr	Morse	Thye
Knowland	Mundt	Upton
Kuchel	Murray	Watkins
Langer	Pastore	Welker
Lehman	Payne	Wiley
Lennon	Potter	Young
Long	Purtell	

The PRESIDING OFFICER. A quorum is present.

The question is, Shall the bill pass? On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. SALTONSTALL. I announce that the Senator from Connecticut [Mr. BUSH] and the Senator from Kansas [Mr. SCHOEPPEL] are absent by leave of the Senate. The Senator from Pennsylvania [Mr. DUFF] and the Senator from Delaware [Mr. WILLIAMS] are necessarily absent.

On this vote, the Senator from Connecticut [Mr. BUSH] is paired with the Senator from Delaware [Mr. FREAR]. If present and voting, the Senator from Connecticut [Mr. BUSH] would vote "yea," and the Senator from Delaware [Mr. FREAR] would vote "nay."

If present and voting, the Senator from Pennsylvania [Mr. DUFF] would vote "yea," and the Senator from Kansas [Mr. SCHOEPPEL] would vote "nay."

If present and voting, the Senator from Delaware [Mr. WILLIAMS] would vote "yea."

Mr. CLEMENTS. I announce that the Senator from Virginia [Mr. BYRD], the Senator from Mississippi [Mr. EASTLAND], the Senator from Delaware [Mr. FREAR], the Senator from Tennessee [Mr. KEFAUVER], and the Senators from West Virginia [Mr. KILGORE and Mr. NEELY] are absent on official business.

I announce further than on this vote the Senator from Delaware [Mr. FREAR] is paired with the Senator from Connecticut [Mr. BUSH]. If present and voting, the Senator from Delaware would vote "nay," and the Senator from Connecticut would vote "yea."

The result was announced—yeas 67, nays 19, as follows:

YEAS—67

Aiken	Green	McClellan
Anderson	Hayden	Millikin
Beall	Hendrickson	Monroney
Bowring	Hennings	Morse
Bridges	Hickenlooper	Mundt
Burke	Hill	Murray
Butler	Holland	Pastore
Carlson	Humphrey	Payne
Chavez	Ives	Potter
Clements	Jackson	Purtell
Cooper	Johnson, Tex.	Robertson
Cordon	Kennedy	Saltonstall
Crippa	Kerr	Smathers
Daniel	Knowland	Smith, Maine
Dirksen	Kuchel	Smith, N. J.
Douglas	Lehman	Sparkman
Ellender	Lennon	Stennis
Ervin	Long	Symington
Ferguson	Magnuson	Thye
Flanders	Mansfield	Upton
Fulbright	Martin	Wiley
George	Maybank	
Gore	McCarran	

NAYS—19

Barrett	Goldwater	Reynolds
Bennett	Jenner	Russell
Bricker	Johnson, Colo.	Watkins
Capehart	Johnston, S. C.	Welker
Case	Langer	Young
Dworshak	Malone	
Gillette	McCarthy	

NOT VOTING—10

Bush	Frear	Schoeppel
Byrd	Kefauver	Williams
Duff	Kilgore	
Eastland	Neely	

So the bill (H. R. 9678) was passed.

Mr. WILEY. Mr. President, I move that the vote by which the bill was passed be reconsidered.

Mr. KNOWLAND. Mr. President, I move to lay on the table the motion to reconsider.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from California to lay on the table the motion to reconsider.

The motion to reconsider was laid on the table.

Mr. WILEY. Mr. President, I move that the Senate insist upon its amendments, request a conference thereon with the House, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. WILEY, Mr. SMITH of New Jersey, Mr. HICKENLOOPER, Mr. GEORGE, and Mr. GREEN conferees on the part of the Senate.

Mr. WATKINS subsequently said: Mr. President, I had intended to make a short statement prior to the vote on the measure just passed by the Senate, but I was temporarily out of the chamber, and the vote came sooner than I anticipated, and for that reason I desire to make the statement I had prepared.

Mr. President, I regret that I could not with good conscience vote for the Mutual Security Act of 1954. In previous years, I have voted for both the military and the economic assistance acts. It is evident that nearly $10 billion of previous appropriations for assistance have not been expended and are now available for use in connection with these two programs. There is ample authority for expenditures where most needed, and this bill is not needed for the purpose of giving additional authority.

The history of the last few years demonstrates that we are not winning friends and allies with the expenditure of moneys in their behalf. The collective defense program has already failed in two important instances. In Korea our allies left us practically alone in defending that country, and when the chips were down in Indochina, there were no volunteers from our allies to aid in holding that area. There is mounting evidence that should a showdown come in Europe between the Communists and the free world, most of our important allies will remain neutral rather than take up arms against the foe.

In Indochina we will be lucky if we retrieve 10 percent of the military supplies that we have given to the forces fighting the Communists. We are simply not winning with our program of giving to our allies. At home we are carrying almost intolerable burdens to rearm ourselves and provide for the defense of the nations who are allied with us. It is about time we took stock; it is about time we should make "that agonizing reappraisal" that Secretary Dulles has spoken of.

There are many items in the present bill that I can support, but there are many others that I believe are indefensible in view of our present economic situation. I could elaborate at great length on my reasons for voting against this measure. I could describe the situation as I found it in Europe in a 3-month visit last year. The rosy promises for NATO are not being fulfilled. The trend is all the other way. In Asia we have been fighting nothing but rearguard actions ever since the infamous Yalta agreement. As a protest, Mr. President, against the utter waste of our taxpayers' money I felt compelled to vote against this bill.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, its reading clerk, announced that the House had passed, without amendment, the following bills and joint resolutions of the Senate:

S. 1244. An act relating to the renewal of star-route and screen vehicle service contracts;

S. 2027. An act authorizing the Secretary of the Interior to issue quitclaim deeds to the States for certain lands;

S. 2389. An act to amend the act of December 3, 1942;

S. 2453. An act to amend the Communications Act of 1934, as amended, with respect to implementing the International Convention for the Safety of Life at Sea relating to radio equipment and radio operators on board ship;

S. 2864. An act to approve an amendatory repayment contract negotiated with the North Unit irrigation district, to authorize construction of Haystack Reservoir on the Deschutes Federal reclamation project, and for other purposes;

S. 3464. An act to amend the Communications Act of 1934 in order to make certain provision for the carrying out of the Agreement for the Promotion of Safety on the Great Lakes by Means of Radio;

S. 3681. An act to authorize the Civil Service Commission to make available group life insurance for civilian officers and employees in the Federal service, and for other purposes;

S. 3697. An act to amend the act of April 6, 1937, as amended, to include cooperation with the Governments of Canada or Mexico or local Canadian or Mexican authorities for the control of incipient or emergency outbreaks of insect pests or plant diseases;

S. 3699. An act granting the consent of Congress to a compact entered into by the States of Louisiana and Texas and relating to the waters of the Sabine River;

S. J. Res. 67. Joint resolution to repeal certain World War II laws relating to return of fishing vessels, and for other purposes; and

S. J. Res. 149. Joint resolution designating the month of September 1955 as John Marshall Bicentennial Month, and creating a commission to supervise and direct the observance of such month.

The message also announced that the House had agreed to the amendments of the Senate to the amendments of the House numbered 1 and 3 to the bill (S. 3137) to make the provisions of the act of August 28, 1937, relating to the conservation of water resources in the arid and semiarid areas of the United States, applicable to the entire United States, and to increase and revise the limitation on aid available under the provisions of the said Act, and for other purposes.

The message further announced that the House had insisted upon its amendments to the bill (S. 3546) to provide an immediate program for the modernization and improvement of such merchant-type vessels in the reserve fleet as are necessary for national defense, disagreed to by the Senate; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. TOLLEFSON, Mr. ALLEN of California, Mr. RAY, Mr. BONNER, and Mr. SHELLEY were appointed managers on the part of the House at the conference.

The message also announced that the House had passed a bill (H. R. 6310) to amend the Civil Aeronautics Act of 1938 to exempt operations in the transportation of livestock, fish, and agricultural, floricultural, and horticultural commodities from the act and from regulation by the Civil Aeronautics Board thereunder, in which it requested the concurrence of the Senate.

ENROLLED BILLS SIGNED

The message further announced that the Speaker had affixed his signature to the enrolled bill (S. 3344) to amend the mineral leasing laws and the mining laws to provide for multiple mineral development of the same tracts of the public lands, and for other purposes, and it was signed by the Vice President.

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on today, August 3, 1954, he presented to the President of the United States the following enrolled bills:

S. 3344. An act to amend the mineral leasing laws and the mining laws to provide for multiple mineral development of the same tracts of the public lands, and for other purposes; and

S. 3683. An act to amend the District of Columbia Credit Unions Act.

HOUSE BILLS REFERRED OR PLACED ON CALENDAR

The following bills were each read twice by their titles, and referred, or placed on the calendar, as indicated:

H. R. 6310. An act to amend the Civil Aeronautics Act of 1938 to exempt operations in the transportation of livestock, fish, and agricultural, floricultural, and horticultural commodities from the act and from regulation by the Civil Aeronautics Board thereunder; to the Committee on Interstate and Foreign Commerce.

H. R. 9712. An act granting the consent of Congress to certain New England States to enter into a compact relating to higher education in the New England States and establishing the New England Board of Higher Education; placed on the calendar.

COMPENSATION OF CERTAIN PERSONS WHOSE LANDS HAVE BEEN DAMAGED BY FLUCTUATIONS IN LEVEL OF LAKE OF THE WOODS, MINN.—CONFERENCE REPORT

Mr. MARTIN. Mr. President, on behalf of the Senator from Connecticut [Mr. BUSH], I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 2098) to provide for determining the compensation of certain persons whose lands have been flooded and damaged by reason of fluctuations in the water level of the Lake of the Woods, Minn. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER. The report will be read for the information of the Senate.

The legislative clerk read the report, as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 2098) to provide for determining the compensation of certain persons whose lands have been flooded and damaged by reason of fluctuations in the water level of the Lake of the Woods, Minn., having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments and agree to the same.

PRESCOTT BUSH,
J. GLENN BEALL,
SPESSARD L. HOLLAND,
Managers on the Part of the Senate.
EDGAR A. JONAS,
USHER L. BURDICK,
THOMAS J. LANE,
Managers on the Part of the House.

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the report was considered and agreed to.

NATIONAL DEFENSE RESERVE OF TANKERS—CONFERENCE REPORT

Mr. BUTLER. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 2408) to amend the Merchant Marine Act, 1936, to provide a national defense reserve of tankers and to promote the construction of new tankers, and for other purposes. I ask unanimous consent for the present consideration of the report. It is a unanimous report. I have cleared it with both the majority and minority leaders.

The PRESIDING OFFICER. The report will be read for the information of the Senate.

The report was read, as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 2408) to amend the Merchant Marine Act, 1936, to provide a national defense reserve of tankers and to promote the construction of new tankers, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House and agree to the same with an amendment, as follows:

After the words "The Secretary of Commerce is authorized to pay the cost of national defense features incorporated in any such new tanker" strike out the words "and which are not used by the owner or operator".

And the House agree to the same.

JOHN M. BUTLER,
CHARLES E. POTTER,
FREDERICK G. PAYNE,
WARREN G. MAGNUSON,
GEORGE A. SMATHERS,
Managers on the Part of the Senate.

THOR C. TOLLEFSON,
JOHN J. ALLEN, Jr.,
HORACE SEELY-BROWN, Jr.,
HERBERT C. BONNER,
JOHN F. SHELLEY,
Managers on the Part of the House.

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the report was considered and agreed to.

PROTECTION OF THE NAME OF THE FEDERAL BUREAU OF INVESTIGATION FROM COMMERCIAL EXPLOITATION

Mr. KNOWLAND obtained the floor.

Mr. McCARRAN. Mr. President, will the Senator from California yield to me?

Mr. KNOWLAND. Mr. President, I yield to the Senator from Nevada.

Mr. McCARRAN. Mr. President, would the Senator consider taking up a very noncontroversial matter pertaining to the FBI?

Mr. KNOWLAND. I prefer not to have the bill he is interested in taken up for two reasons. First, I have given a commitment that there would be no legislation moved in between the consideration of the mutual security bill and the farm bill, with the exception of the supplemental appropriation bill, which I hope we can complete tonight.

I will say to the Senator from Nevada that we will give a priority consideration to his bill once the farm bill is disposed of, but I do not want to open the door to other proposed legislation. I think personally that the bill in which the Senator is interested is a good measure, from what I know about it. I think it will pass on the unanimous-consent calendar on Saturady. But I do not want to start now to take bills up by unanimous consent for fear of delaying the farm bill.

Mr. McCARRAN. Mr. President, this will not take over 2 minutes. If it does, I will withdraw it. It will take 2 minutes.

Mr. KNOWLAND. I would prefer if the Senator would permit us to proceed with the supplemental appropriation bill.

Mr. McCARRAN. Very well.

SUPPLEMENTAL APPROPRIATIONS, 1955

Mr. KNOWLAND. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 2055, the supplemental appropriation bill for 1955, H. R. 9936.

The motion was agreed to; and the Senate proceeded to consider the bill H. R. 9936, making supplemental appropriations for the fiscal year ending June 30, 1955, and for other purposes, which had been reported from the Committee on Appropriations with amendments.

The PRESIDING OFFICER (Mr. REYNOLDS in the chair). The clerk will state the first amendment of the Committee on Appropriations.

The first amendment of the Committee on Appropriations was, at the top of page 2, to insert:

CHAPTER I

DISTRICT OF COLUMBIA

Operating expenses

The amendment was agreed to.

Mr. DOUGLAS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. DOUGLAS. I inquire whether we are to have a statement regarding the bill, or are we merely proceeding item by item?

Mr. BRIDGES. Mr. President, I was about to ask that the amendments of the committee be agreed to en bloc, and that the bill as amended be considered as the original text for the purpose of further amendment, and that all points of order against committee amendments be reserved to any Senator having a desire to make a point of order.

Mr. DOUGLAS. Mr. President, before we proceed to the subject I should like to be recognized so that I may speak on the bill itself. Naturally, if the chairman wishes to lead off the discussion, I am perfectly willing to have him speak first.

Mr. BRIDGES. The Senator from New Hampshire has no reason to prolong the debate on the bill. Perhaps the speech of the Senator from Illinois might better come after he hears what is contained in the bill. However, if he wishes to speak first, that is agreeable to me.

The PRESIDING OFFICER. The Senator from New Hampshire has the floor.

Mr. BRIDGES. This is the last supplemental appropriation bill to come before Congress. The bill contains a substantial increase over the House figure. I shall explain why that is so.

To begin with, approximately $525 million of the increase is for the military program; $350 million is for the Air Force and the Navy. That amount is explained in this way: The House wrote into the bill a provision that the money should be taken from unobligated funds. However, there are no funds that are unobligated and unprogramed for particular programs which are essential to the defense of the country. That item amounts to approximately $350 million.

One hundred and seventy-five million dollars is for the construction of military housing. If there is any problem which is serious in our camps and on our bases, not only in this country but all over the world, it is the problem of housing for both officers and enlisted men in the armed services. Some housing is privately constructed under the provisions of the Wherry Act. Also there is some public housing. Nevertheless, this country, in order to keep men in its armed services, maintain enlistments, and retain its younger commissioned officers in the services as well as its noncommissioned officers and enlisted men, must make provision for military housing.

Therefore, a very substantial part of the increase in the Senate bill over the House bill is accounted for by the appropriation of new funds for housing and of new funds, rather than unobligated funds, for military construction.

One of the other large items is $37,500,000, for construction of tankers. That item was not considered by the House. There is also an item of $27 million for the Housing and Home Finance Agency, which was not considered by the House.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr. MAYBANK. The testimony showed that the construction of military housing would save money to the taxpayers, because a certain amount of money is paid to officers in the form of a quarters allowance. If the officers can live in Government-provided houses, they are not paid an allowance for quarters. In other words, the program will amortize itself in 10 years, and from then on the taxpayers will save money. Is that correct?

Mr. BRIDGES. The Senator is absolutely correct.

Another large item in the bill is $35 million for hospital construction, to which the Senate committee added $19,300,000. For this purpose the House provided $15,700,000.

Another large item is $25,400,000 for grants to States for unemployment compensation and employment service ad-

ministration. I have mentioned these large items, all of which I believe are essential, and with respect to which the Senate committee has added funds to the House figures.

In some instances the committee action resulted in figures lower than the House figures, while in other instances this action resulted in higher amounts than the House figures.

It is a big bill. There are hundreds of items in it. As any question arises with reference to a particular amendment, the Senator from New Hampshire will attempt to explain and justify it.

I now ask unanimous consent that the committee amendments to the bill be agreed to en bloc——

Mr. BEALL. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield to the Senator from Maryland.

Mr. BEALL. I make the point of order that on page 25, beginning at line 14, the amendment of the committee is legislation on an appropriation bill.

The PRESIDING OFFICER. The Chair requests the Senator from Maryland to withhold his point of order momentarily.

Mr. BRIDGES. Mr. President, I ask unanimous consent that the committee amendments to the bill be agreed to en bloc and that the bill as thus amended be considered as the original text for the purpose of further amendment, but that all points of order against the committee amendments be reserved.

Mr. DOUGLAS. Mr. President, reserving my right to object, this is a very extraordinary bill which the Committee on Appropriations has reported to the Senate. We have just finished consideration of all the regular appropriation bills for the fiscal year 1955. Now the Committee on Appropriations brings in a bill for an additional $2,015,000,000.

Looking over some of these items, it seems to me that they should have been included in the regular budget, and that the administration, and the officials of the Bureau of the Budget, and those in the executive offices of the President should have made up their minds about them at the time the regular budget was submitted.

I invite attention to the fact that on page 40 of the report, for example, there is a request for $380 million for strategic and critical materials. That item may be highly desirable, but why could it not have been foreseen at the time the regular budget was submitted?

We also find, on page 41 of the report, a request for $18 million for public facility loans.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. MAYBANK. I invite the Senator's attention to the fact that the authorization for the $18 million was contained in an amendment which was adopted by the Senate to the public housing bill, which the President signed only yesterday. That is why it could not have been brought up previously.

Mr. DOUGLAS. That may well be. On page 29 there is an item for $6½ million for forest roads and trails.

On page 13 there is an item for about $8 million for a census of business, manufactures, and mineral industries. Then there are large appropriations for military housing, running into hundreds of millions of dollars.

There is naturally raised the question as to whether these items were withheld when the budget was submitted in order that we might have a low figure before us, so that it could be said that economies were being effected, in comparison with past budgets and appropriations, and then, when everyone's guard was down, and the regular appropriation bills had been passed, the administration could submit a supplemental appropriation bill amounting to $2 billion.

Mr. President, I think these items should be scrutinized with some care. The administration has been guilty of very bad fiscal practice in withholding these items and then pushing them through at the end of the session. These costs could have been foreseen and the requests could have been submitted previously. Now, at the last minute, when our guard is down, the $2 billion appropriation bill comes rushing through. I think we should scrutinize these items very carefully.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. DOUGLAS. I shall be glad to yield to the Senator from Massachusetts when I have finished my statement. An administration that prides itself on its budgeting procedure should not be guilty of this type of performance.

I now yield to the Senator from Massachusetts.

Mr. SALTONSTALL. I should like to refer to two instances. One of them is the Housing and Home Finance Agency. No money was provided for this Agency in the regular Independent Offices appropriation bill—and I so stated when the bill was under debate in the Senate—because there was a bill pending in the Committee on Banking and Currency, which was a new bill——

Mr. DOUGLAS. May I ask whether the Senator is referring to the item covered on page 32 of the report?

Mr. SALTONSTALL. Page 39 of the bill.

Mr. DOUGLAS. At page 42 of the report?

Mr. SALTONSTALL. Page 42 of the report; yes.

Mr. DOUGLAS. That is chickenfeed. That is only $6½ million.

Mr. SALTONSTALL. May I add one further item—the one relating to ship construction? That is another new item which was brought into the bill. It was not provided for in the regular appropriation bill, because the entire ship-construction program was then being considered. There is quite a comprehensive merchant-marine program involved. Those are only two items about which I know.

There are also a number of items of new legislation with relation to the Department of Health, Education, and Welfare, but I would rather not go into those, because they are outside my province.

Mr. DOUGLAS. Apparently the chairman of the committee and the Senator from Massachusetts do not agree, because the chairman is defending the supplemental budget despite the criticism which his own committee advanced. I invite the attention of the Senator from Massachusetts to the following statement on page 3 of the committee report:

> The committee wishes to state emphatically that it does not look with favor upon this large number of supplemental and deficiency requests made by the departments and agencies of the Government. The committee recognizes the necessity under certain emergency conditions for supplemental appropriations, but is at a loss to understand why the establishments of the Federal Government cannot present most supplemental items during the consideration of the regular bills.
>
> The lateness of these presentations places a heavy burden on the committee in its attempt to examine carefully and fully the requests submitted. Therefore, it is the hope of the committee that the agencies involved will discourage this practice without further admonition from the Congress.

I submit that that is a slap on the wrist, and a very mild one indeed. What I really would like to point out is the gross negligence, to put it mildly, of the administrative agencies in withholding these items from the regular budget and then putting them in a supplemental budget. Everyone knows that not much attention is paid to the supplemental budget. Headlines are made on the basis of the regular budget. The administration claims economies in the regular budget, and then puts back with the left hand what it claims it was taking away with the right hand. That is a violation of every sound procedure in developing the Federal budget.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. SALTONSTALL. I point out two other items which come within my personal knowledge to a considerable extent. One is military construction. The Senator is aware that when the Defense Department appropriation bill was passed, all military construction items were distinctly left out because the military construction bill had not been passed on, and that fact was emphasized at that time. That is more than half the present bill. It amounts to about a billion dollars in a $2-billion bill.

Mr. DOUGLAS. Why could not the military budget have been submitted at the usual time? Why was that held out and pushed in at the end of the last session? It is well known that there are scandals in the construction of military housing and that costs for military housing are extremely high.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. DOUGLAS. Certainly.

Mr. SALTONSTALL. Because the authorization bill was before the House, the items were being scrutinized with care. The Senator from South Dakota [Mr. CASE] and his subcommittee—the Senator from Mississippi [Mr. STENNIS] and the Senator from Pennsylvania [Mr. DUFF]—took more than 2 months to go through the authorization bill and cut it down very substantially. I mention those items to the Senator from Illinois

because I think he will find, if he examines the bill carefully and in detail, that almost all these items are new items, new legislation. It was stated unequivocally on the floor of the Senate when the regular appropriation bills were passed that these items would be considered later.

Mr. DOUGLAS. May I ask why they were not considered at the time the regular budget was submitted? Why is it that we have this last-minute move, involving items of a billion dollars, $380 million, $175 million, and so on? Certainly the great business brains that have been drawn into the service of the Government should be able to submit their estimates on time.

Mr. SALTONSTALL. Mr. President, will the Senator yield for one more statement or question?

Mr. DOUGLAS. Certainly.

Mr. SALTONSTALL. I have just been informed that the $1,100,000,000 for housing was submitted in January.

Mr. DOUGLAS. Was it included in the regular budget?

Mr. SALTONSTALL. It was submitted as an authorization bill in January. The House spent several months going over it. The Senator from South Dakota can inform the Senator from Illinois how many months his committee took. That was the authorization bill. We could not put the appropriations in the regular bill because the authorization bill had not been passed.

Mr. DOUGLAS. It could have been included on a tentative basis in the appropriation bill.

Mr. SALTONSTALL. So far as I know, we have not done that. Actually, the authorization bill for housing is on the Senate Calendar today in the same amount as is included in the appropriation bill. I point those things out because I know the Senator wants to be fair.

Mr. DOUGLAS. Yes, I do.

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield to the Senator from South Carolina.

Mr. JOHNSTON of South Carolina. Does the Senator from Illinois know whether or not the administration, when speaking of the deficit for this year, gave consideration to this $2 billion?

Mr. DOUGLAS. When they compared their budget figures with the budget estimates of President Truman, they took the budget estimate of President Truman for 1953–54, of $77 billion, and compared their estimate for 1954–55 with the Truman budget, and then said, "We are cutting it down by this amount." Now they come in with a $2 billion supplemental appropriation which diminishes the difference by $2 billion; and there will be still more supplemental appropriations. If a supplemental appropriation bill is submitted before the regular session ends, let us see what will happen when the next Congress convenes. There will be still more supplemental appropriations.

Mr. President, I have fought for economy on the floor of this body when my party was in power, and I think I am entitled to fight for economy when the other party is in power, particularly when such an extraordinary budget as the present one is submitted.

Mr. President, in terms of expenditures, if my figures are correct, in the year 1951–52 the Federal Government spent approximately $65.2 billion. That was the last full year of the Truman administration. In the first full year of the Eisenhower administration, if my information is correct, the Government spent approximately $67.3 billion, or $2 billion more.

Some of these claims for economy are hokum, and I do not believe in hokum. I hate hypocrisy worse than anything else in the world, and I do not believe in letting the hokum pass as economy.

Mr. CASE. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield to the Senator from South Dakota.

Mr. CASE. Is the Senator aware of the fact that when the present administration took over about $80 billion of appropriations expenditures were authorized and that to a large extent the military construction program is being financed by the reapplication of prior appropriations? In large part the expenditures for military construction in the Army, Navy, and Air Force are being financed by reprograming or reapplication of old appropriations.

Mr. DOUGLAS. That always happens.

Mr. CASE. Not to the extent that it is happening now.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. DOUGLAS. I am very glad to yield.

Mr. HUMPHREY. Does not the very fact the Senator from South Dakota brings out reveal some of the discrepancies between figures? The truth is that in the early days of the Korean war the Congress, with the assistance of the Truman administration, appropriated billions and billions of dollars, and that much of that money could not be expended in that period of time, and had to be programed, as we were told here this afternoon, under the foreign-aid bill. It seems to me that the administration is very much like the son of the rich man—living off the old man's wealth. They are sort of sucking it out of the pipeline. I emphasize the point made in the question asked by the Senator from South Carolina [Mr. JOHNSTON]. Does the deficit include the $2,100,000,000?

Mr. DOUGLAS. No. The deficit which has been published is for the past fiscal year, July 1, 1953, to July 1, 1954.

What I am saying, however, is that the administration has taken credit for reducing appropriations for 1954–55 as compared to the Truman budget for 1953–54, and they showed a very respectable reduction in terms of the budget which they submitted in January. However, we now find a $2 billion "joker" suddenly appearing.

I suppose this body will pass the "joker." There are so many items in the bill which the people want that we shall have to pass the bill. But I think it ought to be exposed for what it is.

Mr. CASE. Mr. President, will the Senator from Illinois yield again?

Mr. DOUGLAS. Certainly.

Mr. CASE. My understanding is that the actual expenditures for the fiscal year ending June 30, 1954, showed a deficit of $3,025,000,000.

Mr. DOUGLAS. I think that is correct.

Mr. CASE. As compared with a prospective deficit under the Truman program of $6,890,000,000. The deficit was approximately $4 billion less than the Truman forecast.

Mr. DOUGLAS. The budget of $77 billion which President Truman submitted we all knew had a lot of water in it. We all knew it would be cut down by the Appropriations Committee.

Therefore, the comparison which is made between the budget submitted and the deficit projected and the deficit actually incurred is a very disingenuous comparison.

I point out that the budget was not balanced; there was a deficit of $3 billion. However, I am not addressing myself to the year 1953–54 at the moment. I am only saying that for the year 1954–55 it now looks as though a highly imperfect budget was submitted in January, because items were held out which should have been put in the budget, and they now reappear in the supplemental bill, when it is thought people will not notice them.

Mr. CASE. Mr. President, will the Senator from Illinois further yield?

Mr. DOUGLAS. Yes.

Mr. CASE. In view of the fact that there was so much water in the Truman budget, would not the Senator have been delighted had he been able to wring out some of it?

Mr. DOUGLAS. There is a great deal of water in this budget. The H_2O content is extremely high.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. HUMPHREY. It seems to me they threw out part of the sink, too. I think if a person were to go back over the defense budget of the previous fiscal year he would find that the administration had reversed itself, particularly in connection with airpower. We had to correct that action this year; but it is no correction at all, because the lag time in that connection cannot be reclaimed. Some of these days we shall wake up to learn that our schedule of airplane production is on the descent rather than the ascent.

Some time ago I read a report showing that our plane production position was directly opposite from that of the Soviets; and as the Soviet production goes up our production starts coming down.

Mr. DOUGLAS. It is undoubtedly true that the administration, in cutting the Air Force program last year and then restoring it this year, lost at least a year of time, and possibly, in the training of men, 2 years of time. Now they are doing the same thing, of course, with the ground forces. A large part of the alleged saving, which appeared in January in the regular budget, resulted from cutting the number of divisions and in general curtailing the physical strength of the Army.

But all that is beside the point. What I am trying to say is that there were false and fictitious claims of economy, not wholly based on fact.

Mr. HUMPHREY. Mr. President, will the Senator further yield?

Mr. DOUGLAS. Certainly.

Mr. HUMPHREY. Several days ago on this floor the Senator from South Carolina [Mr. JOHNSTON] presented some interesting statistical evidence on the budget of the Post Office Department, which I think is typical of a departmental budget as compared to an overall budget. Much of the economy which has been claimed for the Post Office Department is an economy which has been made available by clever sleight-of-hand performance by accountants in the respective agencies of Government.

In other words, the airline subsidy is no longer being paid by the Post Office Department. The franking privileges, which were frequently bookkeeping transactions before, are now being charged against various departments.

The Senator from South Carolina pointed out, if I am not mistaken—and the Senator is here and can correct me if I am—that actually there was no saving at all. Despite the increased revenue, despite the so-called efficiency, and despite all the efforts to bring into the administration the great new science of business-management principles, we were no better off than we had been before; and everyone knows that the Post Office Department was worse off. Everybody knows that the mail service is worse.

Mr. DOUGLAS. Mr. President, it is also true that in connection with the regular budgets which have been submitted, claims of economy have been made. No appropriations have been made for the purpose of paying ultimate obligations, notably in connection with the pension fund; so the obligation continues, but the financial provision for it has been omitted.

Mr. HUMPHREY. Is that not true with regard to the social-security fund?

Mr. DOUGLAS. I think that is true.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. MAGNUSON. Let me say to the Senator from Illinois, in all fairness, since I am a member of the Appropriations Committee, that many members of that committee feel exactly the same as does the Senator from Illinois on this question.

Mr. DOUGLAS. I am delighted to hear that. In other words, the Senator from Washington does not thoroughly agree with the Senator from Massachusetts in saying—

> God's in His heaven—
> All's right with the world.

Mr. MAGNUSON. No; we do not feel that way in connection with this particular fiscal policy. But we did find, regardless of how these items were presented—and I think many of them should have been presented in the regular budget—that they are items which must be taken care of.

I thought, as did the Senator from Illinois, that this was a thoroughly unbusinesslike transaction, when it was announced to the people of this country on July 1, with great fanfare, that the deficit was only three billion-so-many-million dollars when, as a matter of fact, sooner or later, there must be added to that figure the $2 billion due to bookkeeping, and when there must be added $3 billion in connection with foreign aid. Those two items total $5 billion. Also there must be added an item to cover the postponement of payments, which item does not appear in the budget.

Mr. DOUGLAS. That is correct. That is what I said.

Mr. MAGNUSON. There is almost $2 billion in the social-security program. Adding that sum, the total is $7 billion, which must be added to the $3 billion.

Actually, in the overall picture, if there is not a cutoff date of July 1, the overall deficit will be closer to $8 billion or $10 billion than $3 billion.

Mr. DOUGLAS. That is for the coming year.

Mr. MAGNUSON. For the coming year.

Mr. DOUGLAS. I thank the Senator.

Mr. MAGNUSON. I think many members of the Appropriations Committee did not like this procedure. Nevertheless, there are many items in the bill which require appropriations. They are items which should have been in the regular budget. With respect to some of them, it is true, there was no opportunity to present them.

The Senator from Massachusetts, I believe, spoke about the ship item. That item could have been presented in the regular budget. Again that was a case of government by postponement, with continual study of this, that, and the other thing.

When this results in a figure of $3 billion, it is much too low. I saw a cartoon of George Humphrey climbing up a precipice which was named "Balanced Budget," and the wording was "Keep going, George; you are about to make it." After he is through with these figures, he will be down at the bottom again.

I do not know who is at fault, but I resented, as did many other members of the Appropriations Committee, the fanfare and hullaballoo about how businesslike all this was. We hear about the "terrible spendthrift Democrats." We are told, "Look at us; we are within $3 billion of balancing the budget," when that is not true.

I think in fairness to the Appropriations Committee——

Mr. DOUGLAS. I am not blaming the Appropriations Committee. I am blaming the Bureau of the Budget and the executive office of the President.

Mr. MAGNUSON. I have only one further comment. I intended to say about the same thing the Senator from Illinois is saying. However, we were presented with a problem about which we could not do much. I think it was wrongly handled, but we had to appropriate the money.

When we start figuring it up, the deficit will be closer to $8 billion or $10 billion.

Mr. LEHMAN. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield to the Senator from New York.

Mr. LEHMAN. As was so well stated by the distinguished Senator from Illinois, in my opinion the budget as it was presented to the Congress in the first place was misleading; and in the second place, the additional items totaling more than $2 billion should have been foreseen and could have been foreseen.

If the Senator from Illinois will permit, I should like to cite one instance which I think very clearly illustrates what has happened. This is a small item, but nonetheless it is significant as showing exactly what has been done.

The 1954 appropriation for salaries and expenses of the Immigration and Naturalization Service was $42,250,000. The 1955 appropriation was $39 million, or a decrease of $3,250,000.

The Senator from Illinois [Mr. DOUGLAS], the Senator from Minnesota [Mr. HUMPHREY], and I am sure many of my other colleagues, may remember that on the floor of the Senate I pointed out what would happen because of this decrease, and I pleaded for an additional $3,250,000, which would have brought the appropriation merely up to the point where it had been the year before. I pointed out that unless we made such an appropriation, the work of apprehending and deporting "wetbacks" illegally entering the United States would be impossible of consummation. But, no; it was maintained that all they wanted was $39 million. They had examined the situation carefully, and that $39 million was sufficient to take care of the needs. Today in the supplementary appropriation bill I find that there has been included an item of $3 million, which was exactly the amount I asked for; and pointed out was the amount necessary, months ago. Those in authority should have known about that. They could have known about it, but they did not. In my opinion, they wanted to make a show of economy; and it was merely a show. No real economy was involved in this item and many other items with which we are dealing in the supplemental appropriation bill.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield to the Senator from South Carolina.

Mr. MAYBANK. I merely wish to join in what the Senator from Illinois has said. I want the RECORD to be clear that until the present bill came before the Senate, we had reduced appropriations a billion and a half dollars below the budget estimates. I am sure my good friend, the Senator from Illinois, will remember that I offered an amendment to increase the authorization for the Air Force. The Senator from Massachusetts [Mr. KENNEDY] and other Senators offered amendments to increase authorizations for the Army. I stated at that time on the floor of the Senate that we might as well be prepared for a deficit. There is a deficit of a billion dollars represented in the bill. I do not say it is right, but what else could the committee do? The program has been delayed.

The Senate had an opportunity this afternoon to decrease the authorization for foreign aid expenditures by $1 billion, but it voted against such a decrease. So we are to have a deficit as a result of the foreign aid bill. There will be a deficit of $7 billion as a result of the farm program, and surplus farm commodities will be shipped to Europe. When an authorization bill is brought to the floor of the Senate, we are urged to vote for it.

Thank God, I voted this afternoon to reduce the authorization for the foreign aid program by $1 billion. I have been a member of the Committee on Appropriations for some time. The only Senator on the other side of the aisle who has been a member of the Appropriations Committee as long as I have is the distinguished chairman [Mr. BRIDGES]. I know he does not believe in this sort of procedure. Neither do I. Authorizations were made for ships to be built, and for wetbacks to be taken back to the Mexican border. There is no use in sending wetbacks back to the border, because they will be back in Texas the next morning. Senators voted for various bills, such as authorizations for the building of merchant ships, air bases, and other activities. Then when an appropriation bill is brought before the Senate for action, the Committee on Appropriations is severely criticized. That is all I wished to say. I thank the Senator from Illinois for yielding to me.

The PRESIDING OFFICER. The Senator from Illinois prefaced his remarks by reserving the right to object. Is there objection to the unanimous-consent request of the Senator from New Hampshire?

Mr. BRIDGES. Mr. President, if objection is made, the only procedure left is to take up the amendments one by one. I should like to point out to my colleagues that the Committee on Appropriations has spent hour after hour, day after day, and week after week on the bill. The members of the committee and the staff have worked 14 or 16 hours a day. We have gone into all the items. The Senator from New Hampshire himself wrote the summary of the report which is on page 3, wherein he admonished the departments of Government that he felt it was too late to get many of these items before the committee. The Senator from New Hampshire was well aware of that. Nevertheless, the Government of the United States must function. When the construction authorization bill, which provided for the lifeline of the United States, was not acted on and was not authorized, and when the housing-construction bill for military personnel who defend this country, was not acted on, the only thing the Senator from New Hampshire and the committee could do was to hear the evidence as it was presented. That is what the committee did, and the report was written. Statements have been made which, to say the least, were not called for.

Mr. President, I call for the regular order, and call up the committee amendments, beginning with the first one.

Several Senators addressed the Chair.

Mr. BRIDGES. I yield to the Senator from New Jersey.

Mr. SMITH of New Jersey. Mr. President, I wish to state for the RECORD that I consider that the Committee on Appropriations, under the distinguished leadership of the Senator from New Hampshire, this year has done one of the most outstanding jobs in the legislative history of Congress. That statement has been made heretofore. Appropriation bills were disposed of expeditiously. There is now before the Senate a supplemental appropriation bill because certain items were not previously authorized. The Senate was not able to act until today on the foreign-aid bill. Nevertheless, the committee worked on that bill because the Senator from New Hampshire anticipated what had to be done.

As chairman of the Committee on Labor and Public Welfare, I should like to make a very brief statement regarding my attitude on certain important items which were, unfortunately, overlooked by the House. A number of items in the bill breathe life into programs which were considered and reported by the Senate Committee on Labor and Public Welfare, and which have become law during this session of Congress. Some of these items were overlooked by the House. The bill contains grants to States to hold conferences of educators and lay citizens to discuss educational problems and make recommendations for appropriate action at local, State, and Federal levels in regard to our school problems. The bill also contains a grant for administrative expenses of the White House Conference on Education, which the President urged so strongly. It also contains an appropriation for a National Advisory Committee on Education.

The bill provides $6 million to finance the beginning of the expanded vocational rehabilitation program recommended by the President, which was signed today. I had the honor to be present when the bill was signed. It is one of the most important bills in the field of health and rehabilitation of our disabled people that has ever been passed. The Senator from Connecticut [Mr. PURTELL] who had a great part in obtaining passage of the bill is present at this time.

The bill contains an additional $1,831,000 for grants for vocational rehabilitation training and traineeships, and $400,000 to finance the expansion of the Office of Vocational Rehabilitation.

The demand throughout the country for the rehabilitation program has been pressing all year. The bill has been controversial. Differences with the House of Representatives were finally resolved and the bill was signed today.

The items in the bill represent an overall total of $8,231,000 to carry forward the expanded vocational rehabilitation program recommended by the Eisenhower administration. This is the first expansion of the program undertaken in recent years, and it is planned to expand it further in the future.

The bill also contains an authorization of $35 million of additional funds for the United States Public Health Service to cover the expanded hospital construction program recommended by the President and recently authorized by the Congress. These funds will be available for the construction of diagnostic and treatment centers, chronic disease hospitals, rehabilitation facilities, and nursing homes. They are needed in the United States, and yet action on such items was withheld in the House. The Senator from New Hampshire and his committee saw the importance of such legislation and added those items to the bill.

Earmarked Federal assistance for the construction of such health facilities has not heretofore been available. The $35 million item, an additional $300,000 item to cover administrative expenses, and $2 million item for State surveys, provide one of the cornerstones in President Eisenhower's health program.

I regret to note that the bill does not appropriate funds for cooperative research in education.

The committee states, however, that funds for this aspect of the President's program in regard to education can await presentation in the next annual budget. It is my hope that such funds will be provided in the next Congress.

Mr. President, the funds provided by this bill for the items I have mentioned are necessary if we are to carry forward the President's program. In that respect, this appropriation bill is as much a part of the program of the President as is the substantive legislation which authorized the various items to which I have referred.

Again, Mr. President, I commend the action of the Appropriations Committee; and I congratulate the chairman of the committee, the distinguished senior Senator from New Hampshire [Mr. BRIDGES]. The Senate and, in fact, the entire country are greatly indebted to him for the extremely difficult work he and his committee have performed. They have worked tirelessly and most effectively, and I desire to express to him and to the other members of the committee the profound thanks of all of us.

Mr. BRIDGES. Mr. President, I thank the Senator from New Jersey for that pat on the back. All the members of the committee, Democrats and Republicans alike, have worked very hard. Few persons realize the long hours, days, weeks, and months the members of the committee devote to this work. It is a public service that is outstanding.

Mr. MAYBANK. Mr. President, will the Senator from New Hampshire yield to me?

Mr. BRIDGES. I yield.

Mr. MAYBANK. Let me say that no one appreciates more than I do what the chairman of the Appropriations Committee and the chairmen of the subcommittees of that committee have done. But I must say that the negligence on the part of the administration is what has brought about the $2 billion supplemental appropriation bill which is before us tonight.

I admire tremendously the distinguished senior Senator from New Hampshire [Mr. BRIDGES]. However, long ago I recognized what would develop. I said to the distinguished senior Senator from Michigan [Mr. FERGUSON] that it would

be necessary to have supplemental appropriation bill items for the Air Force. I said that, in fact, a way back in February, in speaking on the floor of the Senate.

However, I must point out that the bill has been reported unanimously by the committee. I appreciate the excellent work the committee has done, and the long hours the committee has spent on its task, in the performance of its duty.

On the other hand, I regret that the administration has put off this matter, even though it knew that additional appropriations would be required.

For instance, Mrs. Hobby well knew what appropriations were needed for her Department; and Secretary Talbott well knew what appropriations were needed for the Air Force; and so did other Department heads. The fault is with the administration.

I realize full well that the administration will have to run for reelection. I myself have to run for office in November. So I do not blame them for being afraid.

The truth is that the chairman of the committee and the chairmen of the subcommittees appointed by the distinguished senior Senator from New Hampshire [Mr. BRIDGES] have worked long and hard. It is equally true that every member of the committee on this side of the aisle voted in the committee for every one of these appropriation items. I say most respectfully that the members of the committee who sit on this side of the aisle appreciate full well the splendid work the chairman of the committee has done.

Mr. BRIDGES. I thank the Senator from South Carolina.

The PRESIDING OFFICER. Does the Senator from New Hampshire renew the request he previously made?

Mr. BRIDGES. Yes, Mr. President; I renew my request.

The PRESIDING OFFICER. Is there objection?

Mr. DOUGLAS. Mr. President, reserving the right to object——

Mr. HUMPHREY. Mr. President, will the Senator from Illinois defer for a moment his reservation of the right to object?

Mr. DOUGLAS. Yes.

Mr. HUMPHREY. Mr. President, I wish to associate myself with the remarks of the Senator from South Carolina [Mr. MAYBANK], particularly as regards the work done by the Appropriations Committee. We often fall into the habit of abusing one another in connection with some of these measures; but my comments were not in that vein at all. I think the record is quite clear that the chairman of the Appropriations Committee has brought out the appropriation bills on a time schedule that is really quite phenomenal. The committee has made it possible for the Senate to have opportunity to consider the bills and to debate and amend them. Certainly the facts bear out that statement.

Let me emphasize that any comment I have made in regard to the supplemental appropriation bill was not directed toward the tireless efforts of the chairman and the other members of the Appropriations Committee. I pay my respects particularly to the chairman of the committee. I recall asking him, weeks ago, "Where have you been? You must have been in the catacombs or the salt mines." I said that because I realized full well that the chairman of the Appropriations Committee is literally tied to the committee sessions day in and day out. I sympathize greatly with him.

Nevertheless, I think the Senator from South Carolina is giving us rather substantial information on a number of these appropriation items.

Let me say to the Senator from New Jersey [Mr. SMITH] that a number of the items sound very New Dealish. Of course, I rather like that. [Laughter.] I was wondering whether the spirit of the New Deal was walking through this Chamber again.

Mr. SMITH of New Jersey. Mr. President, does the Senator from Minnesota think that the only ones who have an interest in education and health are the New Dealers?

Mr. HUMPHREY. Not at all. As a matter of fact, I welcome the Senator from New Jersey into our social fraternity. It seems to me that the committee has reported some very splendid provisions dealing with items for which I myself have voted.

As a matter of fact, the proposed appropriation of $6 million for vocational rehabilitation is a beginning; and I am pleased with the small tidbits which indicate compassion and concern with human welfare.

So I congratulate the Senator from New Jersey [Mr. SMITH] for moving even farther forward in the field of human endeavor.

The PRESIDING OFFICER. Is there objection to the unanimous-consent agreement submitted by the Senator from New Hampshire?

Mr. DOUGLAS. Mr. President reserving the right to object, I think the Senator from New Hampshire has been working very hard during the session, and undoubtedly the heat has made him extremely sensitive on this point, because I did not intend my remarks as a reflection upon my good friend, the senior Senator from New Hampshire, and I do not think it was necessary to make obeisances in his direction, to indicate my esteem and affection for him. I believe we should consider these matters on their merits. When any Senator raises a question about the procedure in the Executive Office of the President, I do not believe the Senator from New Hampshire should fly into a temper and indicate that his ego has been adversely affected.

I assure the Senator from New Hampshire that I have great respect for his ability and endeavor. But in connection with this bill we happen to be dealing with appropriations totaling $2 billion; and I know that once the committee amendments are agreed to en bloc, it will be extremely difficult to delete any of them.

I regret that I have not had time to examine this bill, which my good friend, the senior Senator from New Hampshire and the other members of the committee have spent days and nights in studying. However, as I proceeded to consider the bill, I found in it a few items which I am extremely reluctant to approve.

So will the Senator from New Hampshire agree that if the committee amendments are approved en bloc, that will not foreclose any Member from moving to strike out certain of the items? Would the Senator from New Hampshire regard it as a reflection upon his ability if the Senate of the United States were to say it should have some right of decision on the question of how $2 billion should be appropriated and spent? Would that be regarded as a personal attack upon the chairman of the committee and the other members of the committee?

The PRESIDING OFFICER. It is the understanding of the Chair that, in accordance with the proposed unanimous-consent agreement, any Senator will have the right to submit an amendment at any time.

Mr. HUMPHREY. Mr. President, will the Senator from New Hampshire yield to me?

Mr. BRIDGES. I yield; certainly.

Mr. HUMPHREY. I notice that in the case of a number of items in the supplemental appropriation bill, the Senator from New Hampshire was kind enough to give us advance notice as under rule XL of the standing rules of the Senate. I refer particularly to an item relating to the Assistant Secretary of Labor. I understand we shall deal with that item on the basis of the requirement for a two-thirds vote in favor of suspension of the rule, inasmuch as that item proposes the addition of legislation to an appropriation bill.

The PRESIDING OFFICER. Is there objection to the proposed unanimous-consent agreement? The Chair hears none.

Mr. MORSE. Mr. President, reserving the right to object, I wish to propound a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Oregon will state it.

Mr. MORSE. Will the Chair restate the proposed unanimous-consent agreement?

The PRESIDING OFFICER. The Chair asks the Senator from New Hampshire to restate the proposed agreement.

Mr. BRIDGES. Mr. President, I ask that the proposed agreement be read again by the clerk.

First, let me say to the Senator from Oregon that the proposed agreement provides for exactly what the Senator from Illinois has indicated he desires. I am sure that if he had listened earlier to the proposed agreement, he would not have had to raise any question about it.

Mr. DOUGLAS. Mr. President, let me say to my good friend the Senator from New Hampshire that he read the proposed agreement with such rapidity that it was very difficult for us to tell what he was saying. I still reserve the right to object, because I made that reservation for bargaining purposes.

Mr. BRIDGES. I thought the mind of the Senator from Illinois worked so rapidly that he certainly would grasp anything I might say.

Mr. DOUGLAS. No; my mind is not particularly rapid, and it is not anywhere near so rapid as the speech of the senior Senator from New Hampshire, particularly when he is trying to put through an appropriation bill at 6 o'clock in the evening.

The PRESIDING OFFICER. Without objection, the proposed unanimous-consent agreement will be read again.

The Chief Clerk read as follows:

I ask unanimous consent that the committee amendments to the bill be agreed to en bloc and that the bill as thus amended be considered as original text for the purpose of further amendments, but that all points of order against the committee amendments be reserved.

Mr. MORSE. Mr. President, reserving the right to object, the agreement, as I understand it, is perfectly satisfactory. It affords me an opportunity to offer some amendments to the bill.

The PRESIDING OFFICER. That is correct.

Mr. MORSE. My amendments are related to the amendments reported by the committee; but with the committee amendments agreed to en bloc and being considered as the original text of the bill, my amendments, even though they affect the amendments of the committee, will be in order.

The PRESIDING OFFICER. The Senator is quite right.

Is there objection to the request of the Senator from New Hampshire [Mr. BRIDGES] as modified? The Chair hears none, and the committee amendments are agreed to en bloc.

The amendments agreed to en bloc are as follows:

On page 2, after line 3, to insert:

"REGULATORY AGENCIES

"For an additional amount for 'Regulatory agencies,' $30,000, and the amount available under this head may be used to carry out the provisions of the District of Columbia Business Corporation Act (Public Law 389, 83d Cong.), approved June 8, 1954."

On page 2, after line 9, to insert:

"SETTLEMENT OF CLAIMS AND SUITS

"For the payment of claims in excess of $250, approved by the Commissioners in accordance with the provisions of the act of February 11, 1929, as amended (45 Stat. 1160; 46 Stat. 500; 65 Stat. 131), $13,967."

On page 2, after line 14, to insert:

"JUDGMENTS

"For the payment of final judgments rendered against the District of Columbia, as set forth in Senate Document No. 145 (83d Cong.), $15,132, together with such further sums as may be necessary to pay the interest at not exceeding 4 percent on such judgments as provided by law, from the date the same became due until the date of payment."

On page 2, after line 22, to insert:

"AUDITED CLAIMS

"For an additional amount for the payment of claims, certified to be due by the accounting officers of the District of Columbia, under appropriations the balances of which have been exhausted or credited to the general fund of the District of Columbia as provided by law (D. C. Code, title 47, sec. 130a), being for the service of the fiscal year 1952 and prior fiscal years, as set forth in Senate Document No. 145 (83d Cong.), $14,624, together with such further sums as may be necessary to pay the interest on audited claims for refunds at not exceeding 4 percent per annum as provided by law (act of July 10, 1952, 66 Stat. 546, sec. 14d)."

On page 3, after line 10, to insert:

"DIVISION OF EXPENSES

"The sums appropriated in this act for the District of Columbia shall, unless otherwise specifically provided for, be paid out of the general fund of the District of Columbia, as defined in the District of Columbia Appropriation Acts for the fiscal years involved."

On page 3, line 17, in the heading, to change the chapter number from "I" to "II."

On page 3, after line 18, to insert:

"SENATE

On page 3, after line 19, to insert:

"For payment to the estate of Hugh Butler, late a Senator from the State of Nebraska, $12,500."

On page 3, after line 21, to insert:

"For payment to Clyde Roark Hoey, Jr., and Charles Aycock Hoey, sons, and Isabel Hoey Paul, daughter of Clyde R. Hoey, late a Senator from the State of North Carolina, $12,500."

At the top of page 4, to insert:

"For payment to Emily Nathelle Hunt, widow of Lester C. Hunt, late a Senator from the State of Wyoming, $12,500."

On page 4, after line 3, to insert:

"SALARIES, OFFICERS AND EMPLOYEES

"OFFICE OF THE SECRETARY

"Office of the Secretary: For an additional amount for fiscal year 1955, $11,725: *Provided*, That effective August 1, 1954, the basic annual compensation of the following positions shall be: Financial clerk $7,320 in lieu of $7,000; printing clerk $5,400 in lieu of $5,160; executive clerk $4,380 in lieu of $4,100; assistant to the majority and assistant to the minority at $8,000 each in lieu of assistant to the minority at $8,000."

On page 4, after line 13, to insert:

"OFFICE OF THE SERGEANT AT ARMS AND DOORKEEPER

"Office of the Sergeant at Arms and Doorkeeper: For an additional amount for fiscal year 1955, $21,750: *Provided*, That effective August 1, 1954, the basic annual compensation of the following positions shall be: Assistant doorkeeper $3,420 in lieu of $3,040; messenger at card door $3,420 in lieu of $3,040; messenger acting as assistant doorkeeper $2,760 and 2 messengers acting as assistant doorkeepers at $2,580 each in lieu of 3 messengers acting as assistant doorkeepers at $2,580 each; clerk, press gallery, $1,800; chief janitor, $3,540 in lieu of $3,200; assistant chief janitor $2,400 in lieu of $2,220; foreman of duplicating department $2,940 in lieu of clerk $2,280; 3 cabinetmakers at $2,520 each in lieu of 2 cabinetmakers at $2,520 each and 1 cabinetmaker at $2,460; file clerk $1,980; 3 addressograph operators at $2,220 each, 4 clerks at $2,160 each and 12 machine operators at $1,740 each in lieu of 5 clerks at $2,160 each and 13 machine operators at $1,740 each; 2 mimeograph operators at $1,800 each and 29 laborers at $1,620 each in lieu of 30 laborers at $1,620 each; repairman $2,460."

On page 5, after line 10, to insert:

"OFFICES OF THE SECRETARIES FOR THE MAJORITY AND THE MINORITY

"Offices of the secretary for the majority and the secretary for the minority: For an additional amount, $1,405: *Provided*, That effective August 1, 1954, the basic annual compensation of the clerk to the secretary for the majority and the clerk to the secretary for the minority shall be at a rate to be fixed by the respective secretaries, but not exceeding $3,480 each."

On page 5, after line 19, to insert:

"OFFICES OF THE MAJORITY AND MINORITY WHIPS

"For two clerical assistants, one for the majority whip and one for the minority whip, at $2,520 basic each, $9,140."

On page 5, after line 22, to insert:

"CONTINGENT EXPENSES OF THE SENATE

"Legislative reorganization: For an additional amount for 'Legislative reorganization', $25,000."

At the top of page 6, to insert:

"Reporting Senate proceedings: For an additional amount for 'Reporting Senate proceedings', $4,000."

On page 6, after line 2, to insert:

"Inquiries and Investigations: For an additional amount for expenses of inquiries and investigations, fiscal year 1954, $60,000."

On page 6, after line 5, to insert:

"Miscellaneous items: For an additional amount for 'Miscellaneous items', exclusive of labor, fiscal year 1954, $45,000."

Under the subhead "House of Representatives," on page 6, after line 12, to insert:

"For payment to Sarah F. Camp, widow of Albert S. Camp, late a Representative from the State of Georgia, $12,500."

On page 6, after line 15, to strike out:

"CAPITOL POLICE

"SALARIES, CAPITOL POLICE FORCE

"For salaries of the United States Capitol Police Force, as authorized by H. R. 9413, Eighty-third Congress, $175,000: *Provided*, That funds appropriated for salaries of Capitol Police, United States Senate and House of Representatives, respectively, in the Legislative Appropriation Act, 1955, shall be transferred to and merged with funds provided hereunder and administered as one fund."

At the top of page 7, to strike out:

"GENERAL EXPENSES

"For an additional amount for 'General expenses', including the purchase of one police motor vehicle, $79,785."

Under the subhead "Architect of the Capitol", on page 7, after line 4, to insert:

"Salaries: For an additional amount for 'Salaries', $320: *Provided*, That effective August 1, 1954, the following position shall be placed in the following General Schedule grade of the Classification Act of 1949, as amended, and the compensation therefor be fixed accordingly: Administrative officer, grade GS–13."

At the top of page 8, to insert:

"Senate Office Building: For an additional amount for 'Senate Office Building', $4,100: *Provided*, That, hereafter, the following positions under the Architect of the Capitol at the Senate Office Building shall be placed in the following General Schedule or Craft, Protective, and Custodial Schedule grades of the Classification Act of 1949, as amended, and the compensation therefor be fixed accordingly: Custodian, grade GS–12; assistant custodian and chief clerk, grade GS–10; principal procurement clerk and storekeeper, grade GS–8; assistant procurement clerk and storekeeper, grade GS–6; 2 desk clerks, grade GS–7; 1 desk clerk, grade GS–6; 1 desk clerk, grade GS–5; 3 attendants, grade GS–6; 1 attendant, grade CPC–7."

On page 8, after line 13, to insert:

"ADDITIONAL OFFICE BUILDING FOR THE UNITED STATES SENATE

"Construction and equipment of additional Senate Office Building: To enable the Architect of the Capitol, under the direction of the Senate Office Building Commission, to continue to provide for the construction and equipment of a fireproof office building for the use of the United States Senate, in accordance with the provisions of the Second Deficiency Appropriation Act, 1948 (62 Stat. 1029), $6 million: *Provided*, That no part of the funds herein appropriated shall be obligated or expended for construction of the rear center wing of said building, from the ground floor up, provided for under the building plans heretofore approved by such Commission."

Under the heading "The Judiciary", on page 9, after line 14, to insert:

"SUPREME COURT OF THE UNITED STATES

"Automobile for the Chief Justice: For purchase, exchange, lease, driving, maintenance, and operation of an automobile for the Chief Justice of the United States Supreme Court, $5,835."

At the top of page 10, to insert:

"SALARIES OF REFEREES

"For an additional amount for 'Salaries of referees', $18,500 to be derived from the referees' salary fund established in pursuance of the act of June 28, 1946, as amended (11 U. S. C. 68)."

On page 10, line 6, to change the chapter number from "II" to "III."

Under the heading "Department of State," on page 10, after line 10, to insert:

"INTERNATIONAL EDUCATIONAL EXCHANGE ACTIVITIES

"For an additional amount of 'International Education Exchange Activities,' $900,000."

On page 10, after line 17, to insert:

"PAYMENT TO FEDERAL REPUBLIC OF GERMANY

"For payment to the Federal Republic of Germany for the acquisition or construction of an Embassy in the District of Columbia, $300,000: *Provided,* That this appropriation shall be effective only upon enactment of legislation set forth in either H. R. 9988 or S. 1573, 83d Congress."

Under the heading "Department of Justice—Legal Activities and General Administration—Salaries and Expenses, General Legal Activities," on page 11, line 5, after the word "activities", to strike out "$275,000" and insert "$350,000."

Under the subhead "Salaries and Expenses, United States Attorneys and Marshals," on page 11, line 9, after the word "marshals," to strike out "$400,000" and insert "$525,000."

Under the heading "Department of Commerce", on page 12, after line 5, to insert:

"BUREAU OF THE CENSUS

"CENSUSES OF BUSINESS, MANUFACTURES, AND MINERAL INDUSTRIES

"For expenses necessary for taking, compiling, and publishing the census of business, manufactures, and mineral industries as authorized by law, including personal services by contract or otherwise at rates to be fixed by the Secretary of Commerce without regard to the Classification Act of 1949, as amended; and additional compensation of Federal employees temporarily detailed for fieldwork under this appropriation; $8,430,000, to remain available until December 31, 1957."

Under the subhead "Civil Aeronautics Administration", on page 12, after line 18, to insert:

"SALARIES AND EXPENSES

"For an additional amount for 'Salaries and expenses,' $860,000."

On page 14, after line 8, to insert:

"WASHINGTON NATIONAL AIRPORT

"Maintenance and operation, Washington National Airport: For expenses incident to the care, operation, maintenance, and protection of the Washington National Airport, including purchase, cleaning, and repair of uniforms; and arms and ammunition; $1,350,000."

On page 14, after line 14, to insert:

"Construction, Washington National Airport: For an additional amount for 'Construction, Washington National Airport,' including additional loading gate positions and related paving; and expansion of gasoline and baggage facilities; $635,000, to remain available until expended."

Under the subhead "Maritime Activities—Ship Construction", on page 15, line 8, after the figures "$82,600,000", to strike out the colon and "Provided", and insert "to remain available until expended: *Provided,* That transfers may be made to the appropriation for the current fiscal year for 'Salaries and expenses' for administrative expenses (not to exceed $500,000) and for reserve fleet expenses and such amounts as may be required, and any such transfers shall be without regard to the limitations under that appropriation on the amounts available for such expenses."

On page 16, after line 8, to insert:

"BUSINESS AND DEFENSE SERVICES ADMINISTRATION

"SALARIES AND EXPENSES

"For an additional amount for 'Salaries and expenses', $600,000."

Under the subhead "Bureau of Public Roads—Inter-American Highway", on page 16, line 16, after the word "Highway", to strike out "$4,750,000" and insert "$5,000,000."

On page 16, after line 17, to insert:

"REIMBURSEMENT TO DISTRICT OF COLUMBIA

"For reimbursement to the Highway Fund, District of Columbia, for part cost of construction of highway-railroad grade separation structure in the District of Columbia on New York Avenue in the vicinity of South Dakota Avenue NE, $290,000: *Provided,* That this appropriation shall become effective only upon the enactment into law of H. R. 6080, 83d Congress."

At the top of page 17, to insert:

"WEATHER BUREAU

"SALARIES AND EXPENSES

"For an additional amount for 'Salaries and expenses', $175,000."

On page 17, line 5, to change the chapter number from "III" to "IV."

Under the heading "Treasury Department," on page 17, after line 6, to insert:

"BUREAU OF ACCOUNTS

"SALARIES AND EXPENSES, DIVISION OF DISBURSEMENT

"For an additional amount for 'Salaries and expenses', $500,000: *Provided,* That this paragraph shall be effective only upon enactment into law of H. R. 9366 or similar legislation of the Eighty-third Congess."

Under the subhead "Internal Revenue Service", on page 17, at the beginning of line 15, to strike out "$8,750,000" and insert "$7,750,000."

On page 18, line 19, to change the chapter number from "IV" to "V."

Under the heading "Department of Labor", on page 18, after line 20, to insert:

"BUREAU OF LABOR STANDARDS

"SALARIES AND EXPENSES

"For an additional amount for 'Salaries and expenses', $25,000; and the amount made available under this head in the Department of Labor Appropriation Act, 1955, for the work of the President's Committee on National Employ the Physically Handicapped Week, is increased from $75,000 to $100,000: *Provided,* That this paragraph shall be effective only upon the enactment during the Eighty-third Congress of legislation increasing the authorization for appropriations for such purpose."

On page 19, after line 6, to insert:

"BUREAU OF VETERANS REEMPLOYMENT RIGHTS

"SALARIES AND EXPENSES

"For an additional amount for 'Salaries and expenses,' $100,000."

Under the subhead "Bureau of Employment Security," on page 19, after line 11, to insert:

"SALARIES AND EXPENSES

"For an additional amount for 'Salaries and expenses,' $145,000."

Under the subhead "Grants to States for Unemployment Compensation and Employment Service Administration,' on page 19, line 19, after the word "administration", to strike out "$4,600,000" and insert "$30,000,000."

Under the subhead "Unemployment Compensation for Veterans," on page 20, line 5, after the word "veterans", to strike out "$88,400,000" and insert "$70,400,000."

On page 20, after line 5, to insert:

"UNEMPLOYMENT COMPENSATION FOR FEDERAL EMPLOYEES

"For payments to unemployed Federal employees, either directly or through payments to States, as authorized by title XV of the Social Security Act, as amended, $10,000,000, to remain available until expended."

On page 20, after line 10, insert:

"UNEMPLOYMENT COMPENSATION FOR FEDERAL EMPLOYEES, NEXT SUCCEEDING FISCAL YEAR

"For making, after May 31 of the current fiscal year, payments to States, as authorized by title XV of the Social Security Act, as amended, such amounts as may be required for payment to unemployed Federal employees for the first quarter of the next succeeding fiscal year, and the obligations and expenditures thereunder shall be charged to the appropriation therefor for that fiscal year."

On page 20, after line 19, to insert: "The two immediately preceding paragraphs in this act under the head 'Bureau of Employment Security' shall be effective only upon enactment into law of H. R. 9709, 83d Congress, except that $896,000 of the appropriation for 'grants to States for Unemployment Compensation and Employment Service Administration' shall be effective only upon enactment into law of H. R. 9640 or S. 2759, 83d Congress."

On page 21, after line 2, to insert:

"SALARIES AND EXPENSES, MEXICAN FARM LABOR PROGRAM

"For an additional amount for 'Salaries and expenses, Mexican farm labor program,' $350,000."

On page 21, after line 6, to insert:

"BUREAU OF LABOR STATISTICS

"SALARIES AND EXPENSES

"For an additional amount for 'Salaries and expense,' $110,000."

Under the heading "Department of Health, Education, and Welfare," on page 21, after line 12, to insert:

"FOOD AND DRUG ADMINISTRATION

"SALARIES AND EXPENSES, CERTIFICATION AND INSPECTION SERVICES

"The paragraph under this head in the Department of Health, Education, and Welfare Appropriation Act, 1955, is amended to read as follows:

" 'Salaries and expenses, certification and inspection services: For expenses necessary for the certification or inspection of certain products in accordance with sections 406, 408, 504, 506, 507, 604, 702A, and 706 of the Federal Food, Drug, and Cosmetic Act, as amended (21 U. S. C. 346, 348, 354, 356, 357, 364, 372a, and 375), the aggregate of the advance deposits during the current fiscal year to cover payments of fees by applicants for certification or inspection of such products, to remain available until expended. The total amount herein appropriated shall be available for personal services; purchase of chemicals, apparatus, and scientific equipment; expenses of advisory committees; and the refund of advance deposits for which no service has been rendered.' "

On page 22, after line 7, to insert:

"OFFICE OF EDUCATION

"PAYMENTS TO SCHOOL DISTRICTS

"Notwithstanding the provisions of section 3 (c) (1) of Public Law 874, 81st Congress, as amended, the amount payable to a local educational agency for the fiscal year ending June 30, 1955, with respect to

the number of children determined under subsection (a) or (b) of section 3 thereof shall be computed on the same basis as was used during the fiscal year ending June 30, 1954, under subsections (a), (b), (c), and (d) of section 3 of said law."

On page 22, after line 17, to insert:

"WHITE HOUSE CONFERENCE ON EDUCATION

"Salaries, expenses, and grants: For carrying out the act of July 26, 1954 (Public Law 530), including services as authorized by section 15 of the act of August 2, 1946 (5 U. S. C. 55a), $1,250,000, of which $1 million shall be for grants to the States in accordance with section 2 of such act: *Provided*, That a Conference Director may be appointed by the Secretary at a salary of $15,000 per annum."

At the top of page 23, to insert:

"OFFICE OF VOCATIONAL REHABILITATION

"GRANTS TO STATES AND OTHER AGENCIES

"For grants to States and other agencies in accordance with the Vocational Rehabilitation Act, as amended, $6 million, of which $1,500,000 is for vocational rehabilitation services under section 2 of said act; $1,500,000 is for extension and improvement projects under section 3 of said act; and $3 million is for special projects under section 4 of said act: *Provided*, That the amounts appropriated for the Office of Vocational Rehabilitation under the heads 'Payments to States' in the Department of Health, Education, and Welfare Appropriation Act, 1955, shall be available, without regard to the limitations set forth therein, for the purposes of section 2 of the Vocational Rehabilitation Act, as amended: *Provided further*, That the paragraphs under the head 'Office of Vocational Rehabilitation' in this act shall be effective only upon enactment into law of H. R. 9640 or S. 2759, 83d Congress."

On page 23, after line 18, to insert:

"TRAINING AND TRAINEESHIPS

"For grants for training and traineeships pursuant to section 4 of the Vocational Rehabilitation Act, as amended, and for carrying out the training functions provided for in section 7 of said act, $1,831,000."

At the top of page 24, to insert:

"SALARIES AND EXPENSES

"For an additional amount for 'Salaries and expenses,' $400,000, of which $8,800 shall be transferred to the appropriation 'Salaries and expenses, Office of the General Counsel': *Provided*, That the limitation under this head in the Department of Health, Education, and Welfare Appropriation Act, 1955, on the amount available for production, purchase, and distribution of educational films, is hereby repealed."

Under the subhead "Public Health Service—Grants for Hospital Construction," on page 24, line 17, after the word "expended", to strike out "$15,700,000" and insert "$35,000,000"; in line 20, after the word "centers", to strike out "$5,225,000" and insert "$10,000,000"; in line 21, after the word "impaired", to strike out "$5,225,000" and insert "$10,000,000"; in line 22, after the word "facilities", to strike out "$2,625,000" and insert "$10,000,000"; and in line 23, after the word "homes", to strike out "$2,625,000" and insert "$5,000,000."

Under the subhead "Salaries and Expenses, Hospital Construction Services," on page 25, line 6, after the word "services", to strike out "$200,000" and insert "$300,000."

Under the subhead "Social Security Administration—Bureau of Old-Age and Survivors Insurance", on page 25, after line 8, to strike out:

"None of the funds available to the Bureau of Old-Age and Survivors Insurance shall be used to pay any costs, direct or indirect, of moving any group of employees of the Bureau from Baltimore, Md., to Washington, D. C."

On page 25, after line 13, to insert:

"SALARIES AND EXPENSES, BUREAU OF OLD-AGE AND SURVIVORS INSURANCE

"The amounts made available under this head for the fiscal year 1955 shall be available for the payment of special allowances to those employees of the Department whose headquarters are relocated from Baltimore, Md., to Washington, D. C., at $9 per day after arrival at Washington, D. C., for 6 days for employees, plus $4.50 per day additional for 6 days for each member of immediate families of employees."

At the top of page 26, to insert:

"For an additional amount for 'salaries and expenses', $6 million, to be derived by transfer from the Federal old-age and survivors insurance trust fund, of which not more than $59,300 may be transferred to 'Salaries and expenses, offices of field services' for expenses of activities relating to the old-age and survivors insurance program."

On page 26, after line 6, to insert:

"ADVANCES TO STATES, NEXT SUCCEEDING FISCAL YEAR

"For making, after May 31 of the current fiscal year, advances to States under section 221 (c) of the Social Security Act, as amended, for the first quarter of the next succeeding fiscal year, such sums as may be necessary from the above authorization may be expended from the Federal old-age and survivors insurance trust fund."

On page 26, after line 13, to insert:

"The two immediately preceding paragraphs under the head 'Bureau of Old-Age and Survivors Insurance' in this act shall be effective only upon enactment into law of H. R. 9366 or similar legislation of the 83d Congress."

On page 26, after line 18, to insert:

"CONSTRUCTION, BUREAU OF OLD-AGE AND SURVIVORS INSURANCE

"For construction of an office building and appurtenant facilities for the Bureau of Old-Age and Survivors Insurance, including equipment, acquisition of land (including donations thereof), and preparation of plans and specifications, $22,290,000, to be derived from the Federal old-age and survivors insurance trust fund and to remain available until expended."

On page 27, after line 2, to insert:

"SALARIES AND EXPENSES, CHILDREN'S BUREAU

"For an additional amount for 'Salaries and expenses, Children's Bureau,' $165,000."

On page 27, after line 5, to insert:

"OFFICE OF THE SECRETARY

"SALARIES AND EXPENSES, OFFICE OF THE SECRETARY

"For an additional amount for 'Salaries and expenses, Office of the Secretary,' $75,000, of which $52,000 shall be available only for administrative and operational studies."

On page 27, after line 10, to insert:

"NATIONAL ADVISORY COMMITTEE ON EDUCATION

"For expenses necessary for the National Advisory Committee on Education and the conduct of studies of national concern in the field of education recommended by the Committee as authorized by the act of July 26, 1954 (Public Law 532), and studies of the educational problems of the Indian population, $100,000."

On page 27, after line 17, to insert:

"CIVIL DEFENSE ACTIVITIES

"For expenses necessary to enable the Department of Health, Education, and Welfare to carry out functions delegated to it pursuant to the Federal Civil Defense Act of 1950, as amended, including expenses of attendance at meetings concerned with the purposes of this appropriation, $1,800,000."

At the top of page 28, to insert:

"GENERAL PROVISIONS

"SEC. 502. There shall be hereafter in the Department of Labor, in addition to the Assistant Secretaries now provided for by law, one additional Assistant Secretary of Labor, who shall be appointed by the President by and with the advice and consent of the Senate, and who shall be subject in all respects to the provisions of the act of April 17, 1946 (60 Stat. 91), as amended (5 U. S. C. 611b), relating to Assistant Secretaries of Labor. Section 3 of Reorganization Plan No. 6 of 1950, as amended (64 Stat. 1263; 66 Stat. 121), is hereby repealed: *Provided*, That the present incumbent of the position of Administrative Assistant Secretary may be reassigned to an appropriate position in the Department without reduction in the rate of basic compensation."

On page 28, line 16, to change the chapter number from "V" to "VI."

Under the heading "Department of Agriculture—Forest Service," on page 28, after line 18, to insert:

"SALARIES AND EXPENSES

"For an additional amount for 'Salaries and expenses,' for national forest protection and management, $375,000.

"For an additional amount for 'Salaries and expenses,' for forest research, $515,000."

On page 29, after line 3, to insert:

"SOIL CONSERVATION SERVICE

"WATERSHED PROTECTION

"For an additional amount for 'Watershed protection,' to remain available until expended, $2,425,000, of which not to exceed $50,000 shall be transferred to and made a part of the appropriation 'Office of the Solicitor,' 1955: *Provided*, That funds appropriated under this head shall be available for carrying out the purposes of the act of (Public Law , 83d Cong.): *Provided further*, That this paragraph shall be effective only upon enactment into law of H. R. 6788, 83d Congress."

On page 29, after line 14, to insert:

"FOREIGN AGRICULTURAL SERVICE

"For an additional amount for 'Foreign Agricultural Service,' including not to exceed $15,000 for representation allowances, $1,500,000, of which $1 million shall be derived from such appropriation or appropriations available to the Department of State as the Director of the Bureau of the Budget may determine: *Provided*, That transfers shall be made under this authorization in lieu of any similar transfers which may be authorized under the Agricultural Act of 1954 (H. R. 9680, 83d Cong.): *Provided further*, That this paragraph shall be effective only upon the enactment into law of H. R. 9680, 83d Congress."

On page 30, after line 2, to insert:

"COMMODITY EXCHANGE AUTHORITY

"For an additional amount for 'Commodity Exchange Authority,' $93,000: *Provided*, That $39,000 of this appropriation shall be effective only upon enactment of legislation which would add 'coffee' under the definition of the word 'commodities' as defined in section 2 (a) of the Commodity Exchange Act, as amended (7 U. S. C. 1–17a); $34,000 shall be effective only upon enactment into law of H. R. 6435, 83d Congress; and $20,000 shall be effective only upon enactment into law of S. 2313, 83d Congress."

On page 30, after line 12, to insert:

"FARMERS HOME ADMINISTRATION

"LOAN AUTHORIZATIONS

"For loans under the act of August 28, 1937, as amended, $3,500,000: *Provided*, That not to exceed the foregoing amount shall be borrowed from the Secretary of the Treasury in the manner authorized under this head in the Department of Agriculture and Farm Credit Administration Appropriation Act,

1955: *Provided further*, That this appropriation shall be effective only upon enactment into law of either H. R. 8386 or S. 3137, 83d Congress."

On page 30, after line 22, to insert:

"OFFICE OF THE SOLICITOR

"For an additional amount for 'Office of the Solicitor,' $54,000: *Provided*, That $40,000 shall be effective only upon enactment into law of either H. R. 8386 or S. 3137, 83d Congress."

On page 31, line 3, to change the chapter number from "VI" to "VII."

Under the heading "Department of the Interior—Bureau of Indian Affairs—Construction," on page 31, line 15, after the word "Construction", to strike out "$3,900,000" and insert "$6,931,000"; in line 16, after the word "expended", to strike out the comma and "and the limitation under this heading in the Interior Department Appropriation Act, 1955, on the amount available for personal services is increased by '$1,000,000'" and insert *"Provided*, That $3,000,000 of the foregoing amount shall be available to provide financial assistance to public school districts for the construction and equipment of public school facilities for Navaho Indian children from reservation areas not included in such districts; and $31,000 shall be for the payment of the excess value of land, water rights, and irrigation structures to be received by the Pyramid Lake Paiute Tribe of Indians of the Pyramid Lake Indian Reservation in exchange for tribal lands of said tribe located in the State of Nevada."

On page 32, at the beginning of line 4, to insert *"Provided*, That title to the land to be acquired for said tribe described as southeast quarter of section 22, township 21 north, range 24 east, Mount Diablo base and meridian, containing 160 acres, more or less, and structures shall be taken in the name of the United States in trust for said tribe."

On page 32, line 9, after the amendment just above stated, to insert: *"Provided, further*, That the prohibition against the use of funds appropriated under this heading in the Interior Department Appropriation Act, 1955, for the acquisition of land or water rights within the State of Nevada, either inside or outside the boundaries of existing reservations shall not apply to this transaction."

On page 32, line 14, after the amendment just above stated, to insert: *"Provided further*, That the limitation under this heading in the Interior Department Appropriation Act, 1955, on the amount available for personal services is increased by $1,000,000."

On page 32, after line 17, to insert:

"RELOCATION OF THE YANKTON SIOUX TRIBE

"For necessary expenses of relocating the Yankton Sioux Tribe, South Dakota, in accordance with section 8 of Public Law No. 478, 83d Congress, to remain available until expended, $106,500: *Provided*, That said amount shall be assessed against the costs of the Fort Randall Dam and Reservoir, Missouri River Development."

Under the subhead "Bureau of Reclamation", on page 33, after line 1, to insert:

"GENERAL INVESTIGATIONS

"For an additional amount for 'General investigations', $500,000, to be derived from the reclamation fund."

Under the subhead "Construction and Rehabilitation", on page 33, line 7, after the word "rehabilitation" to strike out "$1,707,000" and insert "$8,120,000"; in line 8, after the word "expended" to insert "of which $2,320,000 shall be derived from the reclamation fund"; in line 12, after the word "by" to strike out "$2,500,000" and insert "$4,840,968", and in line 15, after the word "executed", to insert a colon and *"Provided further*, That $375,000 of the unobligated funds heretofore appropriated for the Missouri River Basin project shall be available for additional investigations on the Garrison diversion unit, including the Sheyenne Farm and the Oakes Development tract in North Dakota, and for the White River and Willow Creek Dam in South Dakota."

Under the subhead "Bureau of Mines—Construction", on page 34, line 3, after the word "Construction", to strike out "$5,000,000" and insert "$6,000,000."

On page 34, after line 14, to strike out:

"OFFICE OF TERRITORIES

"ADMINISTRATION OF TERRITORIES

"For an additional amount for 'Administration of Territories', $47,000."

On page 34, after line 18, to insert:

"GENERAL PROVISIONS

"SEC. 702. Limitations on amounts to be expended for personal services under appropriations in the Interior Department Appropriation Act, 1955 (Public Law 465, 83d Cong.), shall not apply to lump-sum leave payments pursuant to the act of December 21, 1944 (5 U. S. C. 611b–d)."

On page 35, after line 2, to insert:

"SEC. 703. The limitation for personal services under the heading 'Construction, Bonneville Power Administration,' contained in the Interior Department Appropriation Act, 1955 (Public Law 465, 83d Cong.), is hereby increased from $6,250,000 to $7,450,000."

On page 35, after line 7, to insert:

"SEC. 704. Funds appropriated under the heading, 'Administration of Territories', in the Interior Department Appropriation Act, 1955 (Public Law No. 465, 83d Cong.) shall be available to carry out the provisions of the Revised Organic Act of the Virgin Islands (Public Law No. 517, 83d Cong.)."

On page 35, line 14, to change the chapter number from "VII" to "VIII."

Under the heading "Independent Offices—Commission on Organization of the Executive Branch of the Government—Salaries and Expenses," on page 36, at the beginning of line 5, to strike out "$497,835" and insert "$753,150", and in line 7, after the word "by", to strike out "$62,700" and insert "$137,700."

Under the subhead "General Services Administration—Additional Court Facilities", on page 36, line 15, after the word "buildings", to strike out "$2,820,600" and insert "$2,970,600", and in line 16, after the numerals "1956", to strike out the colon and *"Provided*, That none of the funds herein appropriated shall be used for providing facilities at Flint, Michigan."

On page 36, after line 18, to insert:

"PLANS AND SPECIFICATIONS, LEASE-PURCHASE CONTRACTS

"The unobligated balances of the funds made available by section 1 (a) of the act of June 14, 1946 (60 Stat. 257), the Second Supplemental Appropriation Act, 1950, and the General Appropriation Act, 1951, for the acquisition of sites and the preparation of drawings and specifications for Federal public building projects outside the District of Columbia, as authorized by title I of the act of June 16, 1949 (63 Stat. 176), as amended, and by the act of May 25, 1926 (44 Stat. 630), as amended, shall be available also for expenses of preparation of drawings and specifications, by contract or otherwise, and administrative expenses, for carrying out the purposes of the Public Buildings Purchase Contract Act of 1954 (Public Law 519, 83d Cong.), approved July 22, 1954."

Under the subhead "Expenses, General Supply Fund", on page 37, line 22, after the word "proceeds" to strike out "shall be covered into the Treasury as miscellaneous receipts" and insert "credited to the fund from which rental payments are made."

At the top of page 38, to insert:

"SURVEY OF GOVERNMENT RECORDS, RECORDS MANAGEMENT, AND DISPOSAL PRACTICES

"For necessary expenses, including not to exceed $25,000 for administrative expenses, in connection with conducting surveys of Government records, and records creation, maintenance, management and disposal practices in Federal agencies, pursuant to sections 505 and 506 of the Federal Property and Administrative Services Act of 1949, as amended, $500,000: *Provided*, That notwithstanding any other provision of said act, the Administrator shall have final authority in all matters involving the conduct of surveys and the implementation of recommendations based on such surveys: *Provided further*, That the General Services Administration is authorized to procure services in accordance with section 15 of the act of August 2, 1946 (5 U. S. C. 55a): *Provided further*, That a detailed quarterly report on the progress of each survey conducted hereunder shall be made to the Appropriations Committees of the Congress."

At the top of page 39, to insert:

"HOUSING AND HOME FINANCE AGENCY

"OFFICE OF THE ADMINISTRATOR

"Salaries and expenses

"For an additional amount for 'Salaries and expenses', $1 million; and the limitation under this head in the Independent Offices Appropriation Act, 1955, on the amount available for expenses of travel, is increased from '$169,325' to '$260,825': *Provided*, That the authority contained under this head in the Third Supplemental Appropriation Act, 1954 (Public Law 357) for transfer of funds to this appropriation is continued through December 31, 1954, but additional amounts transferred pursuant to this extension shall not exceed $250,000, including not to exceed $25,000 for expenses of travel."

On page 39, after line 14, to insert:

"REIMBURSEMENT TO FEDERAL BUREAU OF INVESTIGATION

"For reimbursing the Federal Bureau of Investigation for expenses incident to investigation of matters in connection with programs authorized by the National Housing Act, as amended (12 U. S. C. 1701), $560,000."

On page 39, after line 19, to insert:

"RESERVE OF PLANNED PUBLIC WORKS

"For advances to public agencies and for surveys to carry out the purposes of section 702 of the Housing Act of 1954, $5 million."

At the top of page 40, to insert:

"PUBLIC FACILITY LOANS

"Public facility loans, payment to revolving fund: For payment to the revolving fund pursuant to section 108 of the Reconstruction Finance Corporation Liquidation Act as amended (40 U. S. C. 459), $18 million: *Provided*, That the provisions of the first proviso under the head 'Office of the Administrator, salaries and expenses' in the Independent Offices Appropriation Act, 1955 (Public Law 428) with respect to expenses of inspections and of providing representatives at project sites shall apply to projects or facilities financed by loans from the revolving fund hereby established, and the limitation on such nonadministrative expenses in said proviso is increased from '$500,000' to '$525,000'."

On page 40, after line 13, to insert:

"URBAN PLANNING GRANTS

"For grants to State, regional and metropolitan area planning bodies in accordance with the provisions of section 701 of the Housing Act of 1954, $2,500,000."

On page 40, after line 17, to insert:

"PUBLIC HOUSING ADMINISTRATION

"ADMINISTRATIVE EXPENSES

"For an additional amount for 'Administrative expenses,' $800,000."

On page 40, after line 21, to insert:

"CORPORATIONS

"Federal National Mortgage Association: The limitation on the amount available for administrative expenses under this head in title II of the Independent Offices Appropriation Act, 1955 (Public Law 428), shall be exclusive of expenses (including expenses for fiscal agency services performed on a contract or fee basis) in connection with the issuance and servicing of obligations as authorized by title II of the Housing Act of 1954."

On page 41, after line 5, to insert:

"Office of the Administrator, public facility loans: Not to exceed $210,000 of funds in the revolving fund established pursuant to section 108 of the Reconstruction Finance Corporation Liquidation Act, as amended (40 U. S. C. 459), shall be available for administrative expenses, but this amount shall be exclusive of payment for services and facilities of the Federal Reserve banks or any member thereof, the Federal home-loan banks, and any insured bank within the meaning of the act creating the Federal Deposit Insurance Corporation (act of August 23, 1935, as amended, 12 U. S. C. 264) which has been designated by the Secretary of the Treasury as a depository of public money of the United States."

On page 41, after line 18, to insert:

"Federal Housing Administration: The amount made available under this head in title II of the Independent Offices Appropriation Act, 1955 (Public Law 428), for administrative expenses, is increased from '$5,150,000' to '$6,500,000' and the limitation on the amount available for expenses of travel is increased from '$175,000' to '$355,000': *Provided*, That the limitation under said head on the amount available for certain nonadministrative expenses of said Administration is increased from '$25,000,000' to '$28,000,000'."

On page 42, after line 5, to insert:

"Public Housing Administration: The amount made available under this head in title II of the Independent Offices Appropriation Act, 1955 (Public Law 428), for administrative expenses of the Public Housing Administration in carrying out duties imposed by law, is increased from '$6,950,000' to '$7,750,000'; and the limitation under said head on the amount available for expenses of travel is increased from '$500,000' to '$580,000'."

On page 42, after line 13, to insert:

"NATIONAL CAPITAL PLANNING COMMISSION

"LAND ACQUISITION, NATIONAL CAPITAL PARK, PARKWAY, AND PLAYGROUND SYSTEM

"For an additional amount for 'Land acquisition, National Capital park, parkway, and playground system,' $60,000, to remain available until expended, to be used for carrying out the provisions of section 1 (a) of the act of May 29, 1930 (46 Stat. 482), as amended."

Under the subhead "National Science Foundation—International Geophysical Year," on page 43, at the beginning of line 3, to strike out "$1,500,000" and insert "$2,500,000."

At the top of page 44, to insert:

"SMALL BUSINESS ADMINISTRATION

"SALARIES AND EXPENSES

"For an additional amount for 'Salaries and expenses', $350,000."

On page 45, line 1, to change the chapter number from "VIII" to "IX."

Under the heading "Military Construction—Department of Defense," on page 43, after line 13, to insert:

"FAMILY HOUSING

"For family housing authorized by the enactment into law of H. R. 9924, 83d Congress, not to exceed $175 million to be made available to the respective military departments in such amounts as may be determined by the Secretary of Defense, to remain available until expended: *Provided*, That funds appropriated under this heading shall not be used for family housing unless the Secretary of Defense certifies that (1) it is impracticable to construct family housing under the provisions of title VIII of the National Housing Act, and (2) that adequate housing at reasonable rental rates is not available in the immediate vicinity of the military installation, and (3) it is impracticable to acquire suitable housing under other existing provisions of law."

Under the subhead "Department of the Army—Alaska Communications System, Construction", on page 46, line 10, after the word "the" to strike out "act of , 1954 (Public Law , H. R. 9242" and insert "act of July 27, 1954 (Public Law 534."

On page 46, after line 15, to insert:

"ARMY NATIONAL GUARD

"The Secretary of the Army may transfer not to exceed $3 million, to the appropriation 'Army National Guard, 1955' for additional State National Guard civilian employees from any appropriation available to the Department of the Army when such transfers are determined by the Secretary of the Army to be in the national interest."

Under the subhead "Department of the Navy—Public Works, Navy," on page 47, line 6, after the word "the", to strike out "act of , 1954 (Public Law , H. R. 9242" and insert "act of July 27, 1954 (Public Law 534"; in line 8, after the word "exceed", to strike out "$2,500,000" and insert "$5,000,000"; and line line 15, after "(34 U. S. C. 556)", to strike out "$73,517,000" and insert "$114,000,000."

Under the subhead "Department of the Air Force—Acquisition and Construction of Real Property," on page 48, line 3, after the word "the", to strike out "act of , 1954 (Public Law , H. R. 9242" and insert "act of July 27, 1954 (Public Law 534"; and in line 7, after the word "vehicles", to strike out "$484,080,000" and insert "$796,000,000."

Under the subhead "General Provisions," on page 48, line 10, to change the section number from "802" to "902", in line 13, after the word "the" to strike out "act of 1954 (Public Law , H. R. 9242" and insert "act of July 27, 1954 (Public Law 534."

On page 48, line 21, to change the section number from "803" to "903."

On page 49, line 3, to change the section number from "804" to "904."

On page 49, line 11, to change the section number from "805" to "905."

On page 49, after line 18, to insert:

"SEC. 906. Subsection (b) of section 404 of the Civil Aeronautics Act of 1938 (52 Stat. 993; 49 U. S. C. 484 (b)) is hereby amended by inserting at the end thereof the following: '*Provided*, That nothing in this or any other act shall prevent the carriage, storage, or handling of property free or at reduced rates for the Department of Defense, or the transportation of persons free or at reduced rates for the Department of Defense on a space available basis on scheduled service.'"

On page 50, after line 2, to insert:

"SEC. 907. (a) The Department of Defense is authorized to acquire by purchase, or by lease or otherwise for a period not to exceed 7 years, not to exceed six vessels capable of transporting, loading and unloading railroad rolling stock, on rails by the roll-on, roll-off method, as well as wheeled and tracked military equipment to be loaded and discharged under their own power.

"(b) Any appropriation of the Department of Defense shall be available for the purposes of this act."

On page 50, after line 11, to insert:

"SEC. 908. The Secretary of the Army is authorized to convey, subject to such terms, conditions, and restrictions as are required by this act and the public interest, to the Los Angeles City High School District of Los Angeles County, Calif., all right, title, and interest of the United States to the Birmingham General Hospital tract consisting of 117 3/100 acres of land, more or less, and all improvements thereon) located at Van Nuys, Calif. In addition to other consideration required by this section for the conveyance authorized hereunder, such school district shall be required to pay to the Secretary of the Army the sum of $500,000. Upon receipt by the Secretary of the Army such sum shall be credited to the appropriation, 'Military Construction, Army,' and shall be available for (1) the construction and other costs involved in moving to a suitable Government-owned site the buildings to be reconveyed to the Secretary under the provisions of this section, and (2) the construction of additional supporting facilities at such site as may be required for authorized defense construction."

On page 51, after line 6, to insert:

"In addition to other terms, conditions, and restrictions contained in the deed whereby the Birmingham General Hospital is conveyed to such school district, the school district shall agree, as a part of the consideration for the conveyance, (1) to reconvey to the Secretary of the Army, immediately upon acceptance of the deed, and without consideration, title to the buildings which are located at the Birmingham General Hospital and which are occupied by troops on the date of enactment of this act, and (2) to permit such buildings to remain in place for continued occupancy by troops until substitute facilities are constructed by the Secretary of the Army, and such buildings are removed."

On page 51, after line 18, to insert:

"CHAPTER X

"DEPARTMENT OF DEFENSE

"DEPARTMENT OF THE ARMY

"Rivers and harbors and flood control

"Construction, General

"For an additional amount for 'Construction, general,' $8,275,000 to remain available until expended, of which $1,600,000 shall be available for advanced engineering and design by the Corps of Engineers for projects which have been authorized for development with participation by State, local government or private groups and for authorized projects which are under consideration for participation by such agencies: *Provided*, That not to exceed $2 million of unexpended funds appropriated for the current or any previous fiscal year to the Department of the Army for Construction, General, Rivers and Harbors, shall be available until expended for use on such authorized river and harbor projects as may be determined by the Secretary of Defense to be essential to the national defense program."

On page 52, after line 12, to insert:

"For contribution to the city of Muskogee, toward the construction of a water supply pipeline from the existing city water supply intake on the Grand River near its junction with the Arkansas River to Fort Gibson Dam, in settlement for all damages to the water supply of the city of Muskogee, on account of the construction and operation of Fort Gibson Reservoir, $200,000 out of funds previously appropriated."

On page 52, after line 19, to insert:

"The project for bank protection on the Missouri River from Kensiers Bend, Nebr., to Sioux City, Iowa, authorized by the act approved August 18, 1941, and modified and extended upstream to include Miners Bend

and vicinity, South Dakota and Nebraska, by the act of June 30, 1948, is hereby further modified to include dredging McCook Lake at an estimated Federal cost of not to exceed $500,000."

On page 53, after line 2, to insert:

"OPERATION AND MAINTENANCE, GENERAL

"For an additional amount for 'Operation and maintenance, general', $840,000 to remain available until expended."

On page 53, after line 6, to insert:

"FLOOD CONTROL, MISSISSIPPI RIVER AND TRIBUTARIES

"For an additional amount for 'Flood control, Mississippi River and tributaries', $1,000,000 to remain available until expended."

On page 53, line 11, to change the chapter number from "IX" to "XI."

Under the heading "Emergency Programs and Activities, Department of State—Government in Occupied Areas," on page 55, line 2, after the word "exceed", to strike out "$35,000" and insert "$50,000"; and in line 7, after (50 U. S. C. App. 1641 (b))", to strike out "$14,000,000" and insert "$14,500,000."

Under the subhead "Funds Appropriated to the President," on page 56, after line 21, to insert:

"EMERGENCY FUND FOR INTERNATIONAL AFFAIRS

"For expenses necessary to enable the President to take such measures as he deems appropriate to meet extraordinary or unusual circumstances arising in the international affairs of the Government, $5,000,000, to remain available until expended, for use in the President's discretion and without regard to such provisions of law as he may specify: *Provided*, That the President shall transmit to the Committees on Appropriations of the Senate and of the House of Representatives, not less often than quarterly, a full report of expenditures under this appropriation."

Under the subhead "Refugee Relief", on page 57, line 20, after the word "exceed", to strike out "$80,000" and insert "$174,000"; in line 23, after the word "exceed", to strike out "$600,000" and insert "$1,500,000"; in line 24, after the word "loans", to strike out "$7,000,000" and insert "$9,025,000", and on page 58, line 3, after the word "allocated", to insert a colon and *"Provided further*, That the entire amount herein appropriated may, if found necessary by the Bureau of the Budget for effective administration of the program, be apportioned for use during the first 9 months of the fiscal year."

On page 58, after line 7, to insert:

"CONSTRUCTION OF TANKERS

"For construction of tankers as authorized by the act of 1954, Public Law , $37,500,000 to remain available until expended: *Provided*, That this appropriation may be transferred to such appropriation as the President may designate."

Under the subhead "Federal Civil Defense Administration—Operations", on page 62, line 22, after the word "conclusive", to strike out "$8,525,000" and insert "$11,000,000"; and in the same line, after the amendment just above stated, to insert a colon and *"Provided*, That not to exceed $350,000 of the unobligated balance of the 1954 appropriation for this purpose shall remain available until June 30, 1955."

Under the subhead "Federal Contributions", on page 63, line 5, after the word funds", to strike out "$10,500,000" and insert "$14,750,000."

Under the subhead "Emergency Supplies and Equipment", on page 63, at the beginning of line 14, to strike out "$25,000,000" and insert "$32,100,000."

Under the subhead "Jamestown-Williamsburg-Yorktown Celebration Commission", on page 63, line 23, after the word "compensation", to strike out "$25,000" and insert "purchase of not to exceed two passenger motor vehicles; and entertainment; $170,000."

On page 66, line 4, to change the chapter number from "X" to "XII."

Under the heading "Claims for Damages, Audited Claims, and Judgments", on page 66, line 12, after the word "in", to insert "Senate Documents Nos. 144 and 146 and"; and in line 14, after the word "Congress", to strike out "$9,296,561" and insert "$11,472,202."

On page 67, line 3, to change the chapter number from "XI" to "XIII."

Under the heading "General Provisions—Departments, Agencies, and Corporations", on page 67, line 6, to change the section number from "1101" to "1301"; and in line 13, after the word "acts", to insert "except cars for Chiefs of Missions abroad."

On page 67, line 16, to change the section number from "1102" to "1302."

On page 68, line 22, to chance the section number from "1103" to "1303."

On page 69, line 12, to change the section number from "1104" to "1304."

On page 69, line 17, to change the section number from "1105" to "1305."

On page 70, line 1, to change the section number from "1106" to "1306."

On page 70, line 16, to change the section number from "1107" to "1307."

On page 70, line 23, to change the section number from "1108" to "1308."

On page 71, line 7, to change the section number from "1109" to "1309."

On page 71, line 24, to change the section number from "1110" to "1310."

On page 73, beginning on line 1, strike out the following:

"SEC. 1111. (a) After the date of enactment hereof no amount shall be recorded as an obligation of the Government of the United States unless it is supported by documentary evidence of—

"(1) a binding agreement in writing between the parties thereto, in a manner and form and for a purpose authorized by law, executed before the expiration of the period of availability for obligation of the appropriation or fund concerned for specific goods to be delivered, real property to be purchased or leased, or work or services to be performed; or

"(2) a valid loan agreement, showing the amount of the loan to be made and the terms of repayment thereof; or

"(3) an order required by law to be placed with a Government agency; or

"(4) an order issued pursuant to a law authorizing purchases without advertising when necessitated by public exigency or for perishable subsistence supplies or within specific monetary limitations; or

"(5) a grant or subsidy payable (i) from appropriations made for payment of or contributions toward, sums required to be paid in specific amounts fixed by law or in accord with formulae prescribed by law, or (ii) pursuant to agreement authorized by, or plans approved in accord with and authorized by, law; or

"(6) a liability which may result from pending litigation brought under authority of law; or

"(7) employment or services of persons or expenses of travel in accord with law, and services performed by public utilities; or

"(8) any other legal liability of the United States against an appropriation or fund legally available therefor.

"(b) Not later than September 30 of each year, the head of each Federal agency shall certify, as to each appropriation or fund under the control of such agency, the amount thereof remaining obligated but unexpended and the amount thereof remaining unobligated on June 30 of such year and copies of such certification shall be forwarded by him to the chairmen of the Committees on Appropriations of the Senate and the House of Representatives, to the Comptroller General of the United States, and to the Director of the Bureau of the Budget. Notwithstanding any other provision of law, the duty of making certifications as required by this subsection shall not be delegated: *Provided*, That such certification for the fiscal year ending June 30, 1954, shall be made not later than October 31, 1954, and shall include only such obligations as could have been recorded under the provisions of subsection (a) hereof.

"(c) Each certification made pursuant to subsection (b) shall be supported by records evidencing the amounts which are certified therein as having been obligated and such records shall be retained in the agency in such form as to facilitate audit and reconciliation for such period as may be necessary for such purposes.

"(d) No appropriation or fund which is limited for obligation purposes to a definite period of time shall be available for expenditure after the expiration of such period except for liquidation of amounts obligated in accord with subsection (a) hereof; but no such appropriation or fund shall remain available for expenditure for any period beyond that otherwise authorized by law.

"(e) Any statement of obligation of funds furnished by any agency of the Government to the Congress or any committee thereof shall include only such amounts as may be valid obligations as defined in subsection (a) hereof."

On page 75, line 20, to change the section number from "1112" to "1311."

On page 77, after line 3, to insert:

"SEC. 1312. The appropriations, authorizations, and authority with respect thereto in this act shall be available from July 1, 1954, for the purposes provided in such appropriations, authorizations, and authority. All obligations incurred during the period between June 30, 1954, and the date of enactment of this act in anticipation of such appropriations, authorizations, and authority are hereby ratified and confirmed if in accordance with the terms hereof and the terms of Public Law 475, 83d Congress."

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. FERGUSON. Mr. President, I was interested in what the Senator from South Carolina [Mr. MAYBANK] stated in relation to the appropriation for the Air Force. Is it not a fact that the appropriation in this bill is not the military appropriation for the Air Force, but merely an appropriation for construction work so far as the military is concerned?

Mr. BRIDGES. That is correct.

Mr. MAYBANK. I did not suggest otherwise.

Mr. FERGUSON. No; but I think the RECORD ought to be very clear on that matter.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. FERGUSON. Is it not a fact that other items for construction in relation to the other services are also included in this bill?

Mr. BRIDGES. Yes.

Mr. FERGUSON. Is it not a fact that the authorizations for these items were passed within the past 2 or 3 weeks?

Mr. MAYBANK. Mr. President, will the Senator from New Hampshire yield?

Mr. BRIDGES. Yes; I yield.

Mr. MAYBANK. To keep the RECORD straight, because I do not want to make an erroneous statement, my information is that the authorization has not as yet passed, but it is still in conference. I was defending the Appropriations Committee with respect to recommending appropriations on the basis of authorizations which had not even been passed.

If the Air Force wishes to expand to 137 wings, they will have to have additional appropriations. They will have to have the money. No authorization bill has been passed and sent to the President.

Mr. FERGUSON. I thought it had been passed.

Mr. MAYBANK. No, it is in conference.

Mr. BRIDGES. The housing bill has passed, but the military housing construction bill has not passed.

Mr. MAYBANK. It is in conference.

Mr. BRIDGES. Yes.

Mr. MAYBANK. That is what I meant to say. The fact is that we are considering a deficiency bill, which I do not like, and which the chairman does not like, when all the authorization bills have not passed as yet.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr. FERGUSON. Much of this bill is not in the nature of a deficiency; it is a supplemental bill covering items which were authorized during the current session.

Mr. BRIDGES. A great many of the items in this bill are made necessary entirely because of new legislation.

Mr. FERGUSON. That is correct.

Mr. BRIDGES. They are parts of the program of the administration, and this is the first appropriation bill which could provide for them.

Mr. FERGUSON. So they were not and could not be anticipated by the Bureau of the Budget in the previous appropriation bills because they had not been authorized.

Mr. BRIDGES. That is correct. The Bureau of the Budget spelled them out, and indicated that when and if they were authorized they would be recommended.

Mr. FERGUSON. Yes.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr. MAYBANK. The distinguished Senator knows that the Bureau of the Budget makes up the budget in October. If we keep talking on this bill as long as we have talked on some other bills, we will probably be here in October, and the Bureau will be making up the budget for next year. In October the Budget Bureau decides upon its recommendations for the appropriation bills for the next fiscal year. Is that not correct?

Mr. BRIDGES. That is correct.

Mr. CHAVEZ. Mr. President——

Mr. BRIDGES. I yield to the Senator from New Mexico.

Mr. CHAVEZ. Mr. President, I should like to submit an amendment.

Mr. DOUGLAS. Mr. President, a parliamentary inquiry. Was the unanimous-consent request of the Senator from New Hampshire, as modified, accepted?

The PRESIDING OFFICER. It was.

Mr. DOUGLAS. Is the bill open to amendment?

The PRESIDING OFFICER. The bill is open to amendment.

Mr. DOUGLAS. And for elimination?

The PRESIDING OFFICER. The Senator can make any motion he desires to strike out or further amend.

Mr. CASE. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield to the Senator from South Dakota. However, the Senator from New Mexico has an amendment which he is ready to offer.

Mr. CASE. Mr. President, the Senator from South Dakota would like to ask the distinguished Senator from New Hampshire with respect to a portion of the committee report accompanying this bill. The committee report embraces a table of projects for the construction by application of previously appropriated funds. In that table I do not see one of the items which was requested by the Military Department but which had not been enacted into law prior to the time the compilation was made. I have reference to the item for the Black Hills Ordnance Depot, with which the Senator is familiar.

Since that is merely a part of the committee report and requires agreement with the House committee, I am wondering if the Senator could assure me that in the conference with the House this ordnance depot item will be taken into consideration in an effort to secure concurrence in the application of previously appropriated funds consistent with the authorization which has since been approved by the House.

Mr. BRIDGES. The Senator from New Hampshire understands that item, and while this is not in the bill and is not an item mentioned in the report on page 46——

Mr. CASE. The general program is based on page 46.

Mr. BRIDGES. The Senator from New Hampshire would be glad to add in the report and present to the conference the Black Hills Ordnance Depot.

Mr. CASE. That is mentioned in the hearings at page 1005.

Mr. BRIDGES. I remember that it is. This is not new funds. This is merely putting it in the program for previously appropriated funds, in line with a series of other programs which we have outlined on page 46 of the report.

Mr. CASE. It is consistent with the request of the Army as shown at page 1005 of the hearings.

Mr. BRIDGES. The Senator from New Hampshire is aware of that and believes that we can include it in the report.

Mr. CASE. I thank the Senator.

Mr. CHAVEZ. I offer the amendment which I send to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 37, after line 9, it is proposed to insert the following:

HOSPITAL FACILITIES IN THE DISTRICT OF COLUMBIA

The appropriation item under the heading "General Services Administration, hospital facilities in the District of Columbia" contained in the act approved July 15, 1952 (66 Stat. 637), as amended, is hereby amended by inserting after the word "asylum" at the end of the first proviso, as amended, and before the colon, the phrase "and Georgetown University Hospital."

Mr. BRIDGES. Mr. President, I understand the amendment will not increase the amount. It will merely add Georgetown University Hospital, as a facility in the District of Columbia, to the list of institutions which might apply and operate under the overall act.

Mr. CHAVEZ. There are now five institutions in the District of Columbia that avail themselves of the provisions of the act. It is desired to get Georgetown University Hospital on the list. No extra money is required.

Mr. BRIDGES. As I understand it, the amendment merely puts Georgetown Hospital on the same basis as the other hospitals within the District of Columbia.

Mr. CHAVEZ. That is correct.

Mr. BRIDGES. The Senator from New Hampshire has no objection to that. He thinks the hospital institutions of the District of Columbia, certainly the outstanding ones, should be treated on a similar basis, and he has no objection to taking the amendment to conference.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from New Mexico [Mr. CHAVEZ].

The amendment was agreed to.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from New Hampshire has the floor.

Mr. BRIDGES. Mr. President, I yield to the Senator from Maryland.

Mr. BUTLER. Mr. President, I sent forward an amendment——

Mr. DOUGLAS. Mr. President, a parliamentary inquiry. Does the chairman of the committee have the power to farm out the time so that he can determine which amendment can be brought up and which cannot?

The PRESIDING OFFICER. He has no such power.

Mr. DOUGLAS. Cannot all Senators seek recognition directly from the Chair?

The PRESIDING OFFICER. The Senator is correct.

Mr. DOUGLAS. Therefore, should not the Senator from Maryland have sought recognition from the Chair, rather than having the Senator from New Hampshire yield to him?

Mr. BUTLER. The Senator from Maryland advises the Senator from Illinois that he sought recognition on four different occasions.

Mr. DOUGLAS. I say to the Senator from Maryland that he should have sought recognition from the Presiding Officer rather than to have the Senator from New Hampshire yield to him.

Mr. BUTLER. I would rather not get into the protocol of the situation.

The PRESIDING OFFICER. The Chair recognizes the Senator from Maryland. The clerk will state the amendment offered by him.

The CHIEF CLERK. On page 16, after line 8, it is proposed to insert:

DEPARTMENT OF COMMERCE MARITIME ACTIVITIES

Repair of reserve fleet vessels (liquidation of contract authorization)

For the payment of obligations incurred pursuant to authority granted under the "Emergency Ship Repair Act of 1954," $18 million to remain available until December 31, 1956: *Provided*, That advances may be made from this appropriation to "Salaries and expenses, maritime activities," for administrative expenses (not to exceed $500,000), and for reserve fleet expenses (in such amounts as may be required), and such

advances shall be in addition to amounts otherwise made available for such expenses: *Provided further,* That this paragraph shall be effective only upon enactment into law during the 83d Congress of S. 3546.

Mr. BUTLER. Mr. President, on July 8 the Senate passed an authorization bill involving $45 million for the purpose of repairing and modernizing 205 vessels in the reserve or laid-up fleet. These vessels would be designated by the Department of Commerce and the Department of Defense as being needful in the event of emergency. Some will be converted into naval auxiliaries, others which would be needed immediately in the event of an emergency will be repaired and made ready to sail within days rather than within months after the happening of that emergency.

The authorization bill then went to the House of Representatives and was reduced by the House from $45 million to $25 million. The House action was predicated upon the fact that the authorization in its entirety was not needed over the balance of this year.

After looking into the matter, the committee in conference today acceded to the House amendment, and the amount in the bill is now $25 million. The appropriation to carry out the action of the Senate on July 8 would be provided by my amendment.

Mr. President, a summary of the estimated amount of money or $25 million is as follows:

Repair of 90 of these vessels will cost an estimated $15,905,000; the repair and conversion of 15 of these vessels will cost approximately $5,600,000, or a total of $21,505,000; incidental costs will involve $2,100,000; reserve fleet expenses approximately $900,000; administrative expenses, $500,000; making a total of about $25 million.

This money is needed now if the program is to be a success. The ships must be removed from mothballs immediately and started on their way to the yards. A number of immediate short-term contracts will be necessary, and payments will be required under the contracts. I therefore ask that the chairman of the committee accept the amendment.

Mr. BRIDGES. Mr. President, this is an item on which there has been some discussion before. However, it never came to the Committee on Appropriations for hearings or examination. It arrived yesterday after the bill had been reported by the committee to the Senate. The explanation given to the Senator from New Hampshire and to the other members of the Committee on Appropriations, as to the reason for its not coming up before, was that only as of today the conferees agreed on the authorization bill.

Mr. BUTLER. That is correct.

Mr. BRIDGES. Since there had been no agreement before, the Bureau of the Budget had failed to send up an estimate, and the President had not submitted the program for the same reason.

Mr. BUTLER. I may say to the Senator from New Hampshire, when I talked to the President recently concerning this program he expressed the opinion that it was a most essential item; something which should be undertaken in the interest of national defense.

Mr. BRIDGES. I will say to the Senator from Maryland that that was in general the information conveyed to the Senator from New Hampshire. However, I think the passage of the legislation is important to the country, particularly from the standpoint of our national defense. It is also a fact that the conferees have come to agreement, even though the conference report has not yet been agreed to by either House. I assume it will be agreed to, because the conferees unanimously agreed to the report. The Senator from New Hampshire has had no opportunity to contact the members of his committee. However, on my own responsibility I would be willing to take the amendment to conference.

The Senator from New Hampshire would not feel, without testimony, and so forth, that he could accept the full amount of $25 million. However, the Senator from New Hampshire would be willing to take enough money to start operating the program, which has been enacted by Congress and recommended by the President, although he would not be willing to take the whole amount.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. BUTLER. I yield.

Mr. DOUGLAS. This is only the first supplemental appropriation bill. Undoubtedly there will be additional supplemental appropriation bills during the coming year. Why should we appropriate $25 million at the last minute when the committee has not been able to take testimony or to appraise the matter? Why cannot this item be left over until January, when there will certainly be a second supplemental appropriation bill.

Mr. BUTLER. I would say to the Senator from Illinois that the purpose of the bill stands very high in the estimation of the President of the United States, from the standpoint of national defense, and he feels that these vessels, which would be vitally needed in the event of war, should now be removed from mothballs and repaired and converted immediately. He also feels that, in addition to the usefulness of the ships themselves in the event of an emergency, we must also necessarily maintain, for our defense and protection, certain minimum skilled labor in our ship repair yards.

The Senator can point his finger all he wants, to attempt to indicate that he has now hit the jackpot, but let me tell him that he has not. These ships are essential to our national defense. Our shipbuilding and ship repair yards are likewise essential to our national defense in the event of an emergency, and must be kept in existence.

Mr. DOUGLAS. Mr. President, I believe the Senator from Maryland has pinpointed the purpose of the amendment, which is to keep the shipyards busy. Although that may be a very estimable purpose, it is obviously in the nature of a subsidy. Perhaps we should do it. It may well be that we should, but I am a little suspicious about ship construction and ship repair and ship operation subsidies, which come to Congress year after year under the guidance of big lobbies. I am a little suspicious, and therefore I believe we should scrutinize very carefully items of that kind before we grant appropriations.

Mr. BUTLER. Mr. President, I am not normally disposed to cut the Senator from Illinois off, even though I have the floor, but I should like to emphasize that this program was passed by the Senate by a very large vote. It had been previously unanimously approved by our committee because it was considered to be essential to the national defense of our country. If the Senator wants to stand astride in opposition to the program, he may do so. I ask for a vote on the amendment.

Mr. DOUGLAS. I would suggest that the matter could be held off until the next supplemental appropriation bill comes along.

Mr. BUTLER. I suggest that the Senate adopt the amendment in the interest of national defense.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Maryland [Mr. BUTLER]. Without objection——

Mr. DOUGLAS. Mr. President, I wish to register my objection.

Mr. BRIDGES. I wish to say in connection with the amendment that one of the questions in which the Senator from New Hampshire was interested was whether or not awards of contracts could be made without competitive bidding. The Senator from New Hampshire felt that competitive bidding was essential in connection with any item of this type.

Mr. BUTLER. Mr. President, I can answer that question. The conference committee has agreed to strike out the objectionable language to which the Senator is addressing himself.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. BUTLER. I am glad to yield.

Mr. MAGNUSON. I think it is a very necessary amendment. If the chairman of the committee takes the amendment to conference, the RECORD ought to be clear that the money will not be available until the authorization bill is signed by the President. It should be understood that the money will be available when the authorization bill is passed.

Mr. BUTLER. The amendment provides further that "this paragraph shall be effective only upon enactment of S. 3546, the authorization bill, into law during the 83d Congress."

Mr. MAGNUSON. I thank the Senator from Maryland.

Mr. BUTLER. Therefore we are protected in that respect.

Mr. BRIDGES. The Senator from New Hampshire will say to the Senator from Maryland that he would not be willing to assume the responsibility for his committee by accepting the full amount of the amendment without first taking testimony in connection with the item. The Senator from New Hampshire does feel that it is essential that

the work shall proceed, now that the authorization has been agreed upon in conference between the two Houses. Therefore, the Senator from New Hampshire would be willing to accept the amendment providing $18 million or $19 million, which, according to the staff, certainly should be sufficient to permit the awarding of initial contracts, so as to start construction. Then requests can be made for additional funds either in the regular appropriation bill or in a supplemental appropriation bill, when a full justification can be made. I would accept $18 million on that basis.

Mr. BUTLER. I will accede to the request of the Senator from New Hampshire, because I strongly believe this program should be put into effect immediately, for two reasons: First, we need these ships very badly; and secondly, we must keep a nucleus of skilled labor intact and keep the yards intact, all of which, in my opinion, will be closed by next January if this is not done.

Mr. MAGNUSON. I think the Senator from Maryland will agree that what the chairman has suggested will be enough to get this started.

Mr. BUTLER. I do.

Mr. MAGNUSON. We will see what we can do with that.

Mr. BUTLER. I accede to the amendment offered by the Senator from New Hampshire, and I hope the Senator from Illinois will go along with us on it.

Mr. DOUGLAS. I press my objection, but I am merely one Member of the Senate.

The PRESIDING OFFICER. Does the Senator from Maryland modify his amendment?

Mr. BUTLER. I modify my amendment in accordance with the suggestion of the Senator from New Hampshire.

The PRESIDING OFFICER. Will the Senator from New Hampshire send the modification to the desk so that the clerk may read it.

Mr. BRIDGES. I do not have it in writing. I would change the figure $25 million to $18 million.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Maryland, as modified.

The amendment was agreed to.

Mr. MORSE. Mr. President, I offer the amendment which I send to the desk and ask to have it stated.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 36, line 5, it is proposed to strike out $753,150 and insert in lieu thereof $497,835.

Mr. MORSE. Mr. President, before I speak on the merits of that amendment; I wish to address myself to some general observations on this supplemental appropriations bill, and would like to have the attention of the Senator from New Hampshire. I respectfully suggest that he rest himself by sitting down while I do so.

Mr. President, the Senate committee's recommendations for planning funds for the John Day, Green Peter, and Cougar projects are very gratifying to me, as I am sure they are to the two Senators from Washington and the two Senators from Montana who have cooperated with me, as I have cooperated with them in our attempt to obtain some planning funds for some of our Northwest projects. I have been urging such action for many months.

At the outset of this session of Congress I advocated an aggressive program of public works in the Pacific Northwest to counteract the serious economic slump and to meet the electric power needs in the area. On January 18, in a Senate speech, I urged that money be made available for John Day Dam and other projects.

In March, in a statement to the Appropriations Committee, I recommended funds for many needed projects in Oregon and stressed the special merits of the John Day, Green Peter, and Cougar projects.

In April Senators MAGNUSON, JACKSON, MURRAY, MANSFIELD, and I submitted an amendment to the civil functions appropriations bill so as to add, among other things, $700,000 in planning funds for the John Day project.

Appropriation of funds for this multipurpose dam is of particular importance because some 2 to 3 years of final planning are needed before the project can be brought to the construction stage.

The Appropriations Committee and the Senate adopted a provision for $500,000 for this purpose. Unfortunately that amount was eliminated in conference.

Senators MAGNUSON, JACKSON, and I protested that action. And we renewed our efforts for planning funds when consideration of the supplemental appropriations bill was begun. On the very first day of hearings, I urged the committee to provide $1,500,000 for John Day planning for an accelerated program. Senators MAGNUSON, JACKSON, MURRAY, MANSFIELD, and I submitted an amendment for that purpose.

The committee has recommended $700,000. While I would prefer that an accelerated program be followed, this committee action is a decided improvement over its original action and that of the Senate.

It would be undesirable and unwise to use this higher figure only for bargaining purposes in conference. I wish to stress this in my comment, particularly for the benefit of the chairman of the committee. The Army engineers have advised me—and I have made this material available to the committee and to the Senate—that $700,000 represents the funds needed to do a full year's work. This should remain the minimum amount below which the Senate will not go. I sincerely hope the Senator from New Hampshire, in whom I have great confidence, as he knows, will hold firm in conference for the $700,000 figure and will not consider it a figure on the basis of which any compromise can be made, particularly in view of the fact that earlier this year the $500,000 figure for John Day planning was stricken out in conference. It was the only figure for planning that was presented to the conference and stricken out.

I certainly hope that this time the figure will be considered an absolute essential on the part of Senate conferees, and that we will not be confronted again, when the bill returns from conference, with the striking out of this figure. There is no question about the fact that, on the basis of the merits, the $700,000 for a full year's work by the Army engineers in planning for the dam, irrespective of who finally builds the electric generating features of the dam, is a figure which is needed in the interest of the most economical use of the money by the Army engineers.

As I have made clear to the Committee on Appropriations, that is the report made by the Army engineers to me, and there is no question that this figure has the approval of the Army engineers.

It would be undesirable and unwise to use this higher figure only for bargaining purposes in conference. The Army engineers have advised me—and I have made this material available to the committee and to the Senate—that $700,000 represents the funds needed to do a full year's work. This should remain the minimum amount below which the Senate will not go.

In similar fashion, the Green Peter and Cougar projects require a considerable amount of planning and project design before they would be ready for construction. Their flood-control features are imperatively needed in the Willamette River Basin. Power-generating facilities should be added to their plans and built when the basic projects are constructed. If the omnibus rivers and harbors bill is passed this year, that needed modification will be provided.

This is what I wish to direct to the attention of the chairman of the committee:

Both the committee report and the bill include funds for these projects along with those "which have been authorized for development with participation by State, local government, or private groups and for authorized projects which are under consideration for participation by such agencies."

It should be stressed that John Day, Green Peter, and Cougar are presently authorized as wholly Federal projects. So-called partnership proposals for them are at various stages of consideration. It is quite obvious that the necessary preliminary work can be accomplished for these important multipurpose dams without modifying the existing plans for them as Federal projects on a hurry-up basis. Any such proposed modifications require careful and deliberate study.

I wish to make it very clear that irrespective of what the committee may provide by way of language in the report, the language does not make them partnership projects. Approval for the partnership project, if it is to be approved, still awaits the action of the Senate. I wish to make it very clear that it is the appropriation which is controlling, and the provision for the planning is based upon the only authorization which heretofore has been approved by Congress, namely, by way of authorization for Federal projects, and not for partnership projects.

I wish to say a word about Yaquina Bay Harbor, Oreg.

It is also gratifying that the Appropriations Committee has recommended a supplemental appropriation of $600,000 for repairs to the north jetty at Yaquina Bay Harbor, Oreg. This project is extremely important and the repair work is long overdue. For several months I have been in communication with residents of the Yaquina Bay area and they have described in detail the impediments to shipping resulting from sand and silt that is washed into the main ship channel from the deteriorated jetty. A great deal of shipping from ports on Yaquina Bay is connected with Government purchases for defense purposes. Repair of the jetty will be of tremendous benefit to the economy of the area.

I sincerely hope that not only will the amount provided pass the Senate in this bill, but that the committee will stand firm on the amount in conference.

Now a word in regard to Priest Rapids, and planning funds therefor.

The bill as reported would provide $350,000 for planning funds for this project. Within the past few weeks a modification of the Priest Rapids authorization was enacted to provide for construction of the project wholly with funds to be raised privately by the Grant County and associated PUD's or alternate public agencies. Other nonreimbursable features might be added by the Federal Government at some future time.

I opposed the Priest Rapids bill because it would, in my judgment, cause delay and disruption to the plan for comprehensive development of the Columbia River Basin. In the debate, I pointed out that there was no provision for effective power integration and public body preference. It was also noted that the possibilities for delay were manifold. It was my prediction that the PUD's would probably not succeed in making the necessary arrangements for constructing the dam and that there was a strong possibility that the vast quantities of electric power from the project would go to the benefit of private utilities, if we began to depart from the idea of having this a Federal project, built with Federal funds.

In just a few short weeks these unfortunate possibilities have increased.

When the bill was passed only the public utility district license application had been filed with the Federal Power Commission. Since, the Washington State Power Commission has filed an application.

It is interesting that under Washington State law the public utility districts must provide preference in sales to public bodies, but the State power commission is not required to do so. Public utility district contracts for power sales to private utilities are limited to 3 years. The State commission is not subject to a similar limitation.

This new filing will cause considerable delay. It will cause considerable controversy in the State of Washington and, in my judgment, considerable confusion also. The end result will be a further delay in the building of the dam.

If the State commission is successful, the private utilities will move closer to appropriating the benefits of this great power producer. I wish to make it very clear—and I want the two Senators from Washington to understand it—that I am in favor of appropriating funds for the Army engineers' planning on the project. This project should be returned to the status of a Federal multipurpose dam; and Federal efforts, such as this, to ready it for construction are all to the good. The money for planning by the engineers will be needed, no matter who builds the generating features of the dam. The planning will have to be done, even under the Priest Rapids bill that has been passed, by the Army engineers.

I am an enthusiastic supporter of the $350,000 for the purpose of planning by the Army engineers. I respectfully urge the chairman of the committee to stand firm in conference, to see to it that the $350,000 is retained in the bill when it comes from conference.

But again I issue the warning which I first issued during the debate on the Priest Rapids bill. We see already that forces are at work in the State of Washington, which I fear will succeed in not having the public utility district build the dam, but to have the State of Washington Water Power Commission build the dam or sponsor the dam, which means that behind the power commission the private utilities will get control of the dam, because that is the record of the State Commission in Washington.

The Public Works Committee has approved additional authorization of this project in the omnibus rivers and harbors bill reported last week.

This project has been described by some as a partnership project because provision is made for local expenditures on power facilities. However, it should be clear, as the House report—No. 2247 on H. R. 9859—indicates, that the Army engineers report:

(a) That the provision of hydroelectric power does not meet current criteria and should not be carried out at this time by the Federal Government.

These power facilities are not economic by Federal standards and local participation in that aspect of the project would not amount to handling over a proper Federal function.

Now a word with respect to the Coosa River project, in Alabama, which is covered in the bill. The appropriation bill, as reported, provides $100,000 for Coosa River, Ala., planning. This is another so-called partnership project which I oppose. It should be explained what reimbursement the United States will receive.

As the record of the Committee on Public Works clearly shows, I opposed the Coosa River bill when it was before the Public Works Committee. The only reason that I am not on record as opposing it on the floor of the Senate is for reasons previously stated in a speech I made on the floor of the Senate. Illness in my family made it impossible for me to be on the floor of the Senate at the time the bill was being considered in the Senate. But had I been here, my objections to it would have been the same as my objections expressed in the Public Works Committee, where I voted against the bill.

Mr. President, this Coosa River, Ala., project is another of the so-called partnership projects which I am opposed to. It should be explained what reimbursement the United States will receive under this bill.

This bill is exceptionally interesting in that the so-called partnership program is being undertaken at the very outset with Federal funds. It has yet to be demonstrated when the partners will begin to carry some—let alone a fair share—of the financial burden.

I have made these statements on the bill, Mr. President, because I do not want this RECORD ever to contain the slightest misunderstanding as to the position of the Senator from Oregon with regard to the development of the power resources of this country by the Federal Government.

In my judgment, except, as I have previously said, in those specific cases where a site is one which calls for the building of a low-head dam for generating purposes and not for multiple purposes, there should be Federal development. I think the multipurpose dam sites in this country should be developed by the Federal Government, and not on a so-called partnership basis.

However, where the site is particularly adaptable to the building of a private utility low-head dam, the private utilities can count on me for support.

I now turn to my amendment, which goes to the section of the bill on page 36, line 5, in regard to the Hoover Commission task force. It is proposed to increase the amount approved by the House from $497,835 to $753,150.

I think we should not increase the House figure. My amendment proposes to reduce the figure recommended by the Senate committee to the figure approved by the House for the reasons which I shall set out.

I regret, Mr. President, that this will be a speech of some length, but in my judgment in this innocent-looking little section of this bill we are dealing with a matter of great public concern to this country. We are dealing with a great division of opinion in the Senate as to what public policy should be in the whole field of electric power.

(At this point Mr. MORSE yielded for action on amendments, which appear at the conclusion of Mr. MORSE's speech.)

Mr. MORSE. Mr. President, I shall return to my amendment, and I shall not yield further.

The PRESIDING OFFICER. The Secretary will state the amendment offered by the Senator from Oregon.

The LEGISLATIVE CLERK. On page 36, line 5, it is proposed to strike out the figure "$753,150" and substitute in lieu thereof the figure "$497,835."

PRIVATE UTILITY BIAS OF HOOVER COMMISSION TASK FORCE

Mr. MORSE. I shall discuss this amendment under the title of "Private Utility Bias of Hoover Commission Task Force."

The supplemental appropriation bill contains provisions for substantial additional funds for the Commission on Organization of the Executive Branch of the Government—the Hoover Commission.

As the bill passed the House, there was provision for $497,835 for salaries and expenses. The Senate committee recommends that these amounts be increased to $753,150.

The committee report makes no justification for this amount beyond the statement that it is the amount requested in House Document No. 440, plus $200,000 "to provide funds for additional duties assigned to the Commission."

Certainly the Commission's most publicized operation and an area of great activity has been Federal power policy.

It has been on the road for months, ostensibly taking testimony from local citizens.

At each stop there has been the same pattern. Private utility spokesmen have testified first with generous allotments of time. Co-op, PUD, municipal system, farm, labor, and small-business groups have been hurried through in the closing hours of sessions. The task force members have not hesitated to argue with public power yardstick advocates.

In Portland, Oreg., their bias was so obvious that even the Oregonian editorialized on the obvious private-utility bias of the task force.

It is pertinent to trace the origins of the group and the background of its membership and expected policy recommendations.

The electric-power policy which the administration is following has been carefully blueprinted and publicly advocated. There should be no confusion or fog about it. It is a liquidation policy. Its author stated:

> The objective of the whole proceeding should be to get the Federal Government out of the business of generating and distributing power as soon as possible.

In the face of this flat pronouncement about the objective, there have been continuing efforts to mislead the people. As the administration surrenders power projects like Hells Canyon, Priest Rapids—the best sites—to the private interests, it generally announces that planning is going to start on a big project like giant Libby Dam—projects which are so far out in the future they cannot possibly be started during the present administration.

No one should be misled. There is no intention of adding any new power facilities. The Federal Government is to be liquidated out of the power field entirely if it can be done, and that includes the projects now existing, as well as the great hydro and atomic projects which might be built in the future.

"EISENHOOVER" POWER-GIVEAWAY POLICY

Because every citizen should be advised of the real objective of real administration's power policy—the "Eisenhoover" power policy—I shall go into it in some detail and point out how it has been carefully followed during the first 18 months of the Cadillac crusade.

The "Eisenhoover" power policy was enunciated by Ex-President Hoover almost exactly a year ago, on April 11, 1953, in an address to the diamond jubilee of the Case Institute of Technology in Cleveland, Ohio. The address was broadcast nationally and received considerable attention. But it was not then realized that Mr. Hoover was returning to power in the Federal Government. His program was then regarded as the viewpoint of the private utility interests. Only as administration policy has unfolded, and Mr. Hoover was brought into a high policymaking position in the new administration, has it become clear that his Cleveland speech was an enunciation of what the "Eisenhoover" team was planning to do in the electric-power field.

Mr. Hoover preceded his statement of policy at Cleveland with the usual private utility slogans. Mr. Hoover said:

> In the field of Federal electric power we have an example of 20 years of creeping socialism with a demonstration of its results.

The highly critical report made by the first Hoover Commission's staff of accountants and engineers amply illuminated the results of this Socialist invasion, Mr. Hoover said. He did not detail those findings. Instead, the ex-President then indulged in a little more of the sort of labeling which the electric companies' advertising program had previously recommended in a confidential report to power company executives. ECAP in 1949 advised private power companies to tie the Socialist tag on Federal power policy. Four years later, Mr. Hoover said:

> Before I go into more detail I wish to say something as to what the American way of freemen really is.
>
> The Socialists, with their ideas imported from Europe, totally misconstrue the unique structure of American life. They envisage it in terms of European societies • • •
>
> Tonight I shall appraise the aspects of creeping socialism in the electric power industry by the Federal Government only.

For the benefit of those who are interested, this was before President Eisenhower tied the "creeping socialism" label on the TVA.

After 15 or 20 minutes of putting the label on public power, Mr. Hoover came to his proposed remedy. I shall read that portion of his text in full for it constitutes the blueprint of the power policy being followed today. I now quote Mr. Hoover:

> However, I do not believe in criticism without remedies.
>
> Over 20 years ago I recommended to Congress the transformation of an ex officio commission into a full Federal Power Commission with regulations that had teeth in them.
>
> The purpose was to control the oppressive empires then growing in the private electric utilities. The transformation was made but without the teeth. My successor set up the Securities Exchange Commission to do this de-empiring. Now, however, it is the Federal Government itself that urgently needs the same de-empiring.
>
> The first steps should be:
>
> 1. The Congress should cease to make appropriations for more steam plants or hydroelectric plants solely for power. If they are justified, private enterprise will build them and pay taxes on them.
>
> 2. The Congress should follow the precedent of the Colorado (Boulder Dam) project and make no more appropriations for new multiple-purpose projects unless the electric power is first leased on terms, the standards of which I shall describe in a moment.
>
> 3. The Congress should, jointly, with the President set up a temporary Commission on reorganization of this whole Federal venture, with resources to employ technical assistance.
>
> (a) This Commission should investigate and recommend proper methods of accounting and a revision of the division of Federal investment in these projects between electric power and other purposes, and recommend proper practices for the future;
>
> (b) The Commission should report on the actual cost of, and the prospective returns from, each of these major enterprises;
>
> (c) The Commission should formulate the methods and standard terms for leasing generating plants, transmission lines, and the electrical energy to private enterprise or to the municipalities or to the States or to regional authorities that may be set up and managed by the States. These standard terms should provide for payment of interest and amortization of the Federal investment, the refunding of arrears in these items and also contributions in lieu of taxes. The latter would not need apply in the cases of private enterprise as they pay their own taxes.
>
> (d) The Commission should develop methods by which non-Federal agencies can share cooperatively in the cost of future capital outlays on the electrical part of multiple-purpose dams.
>
> Some of these projects could be disposed of so as to return these standard terms to the Federal Government. Others, due to excessive cost, may need concessions, and the Federal Government would need to cut its losses.
>
> Others of them, pending disposal, will need to continue to be operated by the Federal Government. In these cases the Commission should recommend what rates they should charge their customers so as to make standard returns. They should recommend methods to compel such payments to the Federal Treasury instead of their diversion to other purposes. Such action would test the value of these enterprises and, in some cases, indicate what losses may need to be cut.
>
> The objective of the whole proceeding should be to get the Federal Government out of the business of generating and distributing power as soon as possible.

That was the blue print. That constitutes the Eisenhower-Hoover power policy. Mr. Hoover closed his address with another of the sort of characterizations approved by the electric companies' publicity men. He said:

> Above all, we should rescue freemen from this variety of creeping socialism. The American people have fought off socialized medicine, but there is a hole in the dike of freemen that is bringing in a flood.
>
> There are those who shy away from the use of the term "socialism," or the name of Karl Marx, in connection with what is going on in the power field. But excepting for those who desire socialization, they are blind to the facts. Socialism has become the world's nightmare. It is not the American dream.

Mr. President, on previous occasions the Senate has been told how the technique of smearing public power agencies with the Socialist label was developed. The private utilities had a poll taken which showed that 2 out of 3 citizens approve of the Tennessee Valley Authority. The poll also showed that a ma-

jority of citizens oppose socialism. So ECAP, which is the electric companies' advertising program, advised the private utility managers to quit fighting the TVA and instead to call publicly owned electric services socialistic.

The only contribution Mr. Hoover made was to add the name of Karl Marx to the formula and make him appear to be the ideological father of public power.

The Hoover formula to get the Federal Government out of the business of generating and distributing power as soon as possible has been followed step by step from the beginning down through the atomic energy bill.

Hoover's step No. 1 was that there should be no more appropriations for steam plants or hydroelectric plants solely for power.

That step has been carried out with a vengeance.

Future power shortages in the Pacific Northwest and the Tennessee Valley have been brought on by the elimination of Ice Harbor Dam and TVA steam plants from construction schedules. Even the Dixon-Yates deal, the $90 million throwaway of taxpayers' money—cannot get power to TVA in time to avert shortages.

The obligations of this great Nation were dishonored in the Southwest both by the repudiation of the REA generating and transmission contracts, and by stopping work on Table Rock Dam. I know that a small sum has been appropriated to start work at Table Rock again—but there is no assurance that REA's will get the power as originally planned. It appears more likely to go to power companies for a markup before it reaches any REA co-op.

New starts were first eliminated by the Bureau of the Budget in its revision of the Truman budget requests. The eliminations were then sustained last year by this Republican Congress with a single exception in South Dakota, Oahe Dam.

The people of this Nation may be more or less immune to repudiation of campaign promises. But I do not believe that they approve such dishonorable disregard of the contracts and the stated obligations of their Government as occurred in the Southwest. But that was the manner in which the new regime started the liquidation of public power in the Southwest—by the repudiation of national obligations. The administration did whatever was necessary—just as the President has started ordering independent agencies around—to halt Federal power projects, as we saw in the Dixon-Yates matter.

Step No. 2 in the Hoover blueprint, which became the Eisenhower power policy, was to halt all multipurpose projects until the power could be peddled or given away to private interests.

This is the step that the House Appropriations Committee attempted to promulgate as a rule in its committee report on Interior funds last year when it proclaimed there would be no appropriations for dams or transmission facilities which private utilities could build. It is a step that has been followed both by the administration and the majority in this Congress in appropriations actions. It is the rule that the Budget Bureau has openly laid down to delegations seeking the Bureau's approval of projects for the electric power features of any proposed dam.

The third step in the Hoover blueprint was put into motion when this Congress approved the second Commission on Reorganization of the Government, as proposed by the administration.

Mr. Hoover said that Congress, jointly with the President, should establish a temporary commission to develop formula for leasing or otherwise disposing of existing Federal power properties. Congress authorized a general commission on reorganization. As quickly as it was approved, Mr. Eisenhower appointed Hoover to head the commission and the Eisenhower-Hoover union was formalized.

A task force on water and power has been set up in the new Hoover Commission which has obviously set about, not to evaluate power policy objectively but to plan the liquidation of Federal power projects in the A-B-C-D fashion of the Hoover blueprint.

Speaking at the Press Club recently, the ex-President was asked if his water and power task force was not completely stacked against public power advocates.

With a perfectly straight face, Mr. Hoover answered that he had set up a task force excluding representatives of the private utilities. Subsequently public power advocates had demanded some sort of representation. But, Mr. Hoover explained, inasmuch as he had excluded the private utilities from representation, he was not going to reopen the matter and put on public-power representatives.

His effort to paint his water and power task force as an objective group was exactly as preposterous as his reassurances about returning prosperity 22 and 23 years ago.

The Water and Power Task Force of the Second Hoover Commission is stacked to the crow's nest with private-power partisans. There is not a single member who would not be immediately cleared for security so far as private utilities are concerned by the Edison Electric Institute, Electric Co.'s advertising program, the National Electric Light Association, Purcell Smith or the New York investment bankers who always turn out to be principal stockholders in most of our western utility companies.

I say that it is packed to the crow's nest because the task force even has a lookout man—a press relations counsel—who turns out to be none other than Mr. Carl Byoir, who is well known as a result of congressional inquiries, court litigation and lobbying activities. He is a public relations man for the railroads. Mr. Byoir's firm was sued by the trucking interests, and it is apparently qualified for the job with Mr. Hoover's allegedly objective commission because the firm once prepared pamphlets attacking the Tennessee Valley Authority for a client in the gas appliance manufacturing industry. Attacking public-power agencies is therefore an old story to him.

I am curious about Mr. Byoir's position with the Hoover group. He is listed as attending the initial meeting of the water and power task force on November 23, 1953, which was held, not here at the seat of the Federal Government in Washington, but up in New York City. Byoir was listed as press relations counsel to the task force. I was not aware that the Congress had intended to authorize Mr. Hoover to hire publicity men to help sell the public on the policies he develops. It would be interesting to know how many such publicity men Mr. Hoover has at his Commission, and how much of Federal funds is being paid by them, or if their assistance is being contributed as a public service—it being only coincidental that Mr. Byoir happens to have had clients interested in halting public dams and water projects. This is a matter the Senate should be advised about before it appropriates further funds to the Hoover Commission. I hope the Appropriations Committee will look into it very carefully.

There are 26 members of Hoover's water and power task force. The group includes engineers, lawyers, accountants, and others well qualified to develop the formula for disposing of public-power facilities for which Mr. Hoover called in his Cleveland blueprint. They have the ability to work out Dixon-Yates on a wholesale basis.

There are 10 engineers. Let us examine their background a few moments.

Four years ago, President Truman appointed a National Water Resources Policy Commission. Concurrently, a so-called action panel of the Engineers Joint Council, a private group, was set up to develop what the engineers considered principles of a sound water policy and present them to the President's Commission.

This group filed its findings with the President's Commission. Then, after the President's Commission had acted, this Action group of engineers issued a review sharply attacking the underlying philosophy of the Presidential group. The engineers were opposed to public power. The Engineers Joint Council panel said:

> There was a unanimous finding that, while certain recommendations of the President's Commission were acceptable, nevertheless the underlying philosophy of this report was so radically different from that expressed in our June 1950, statement that the two documents are in general incompatible.

The original joint commission report was made by 9 separate panels, but the report gave assurance that the 9 separate committees are unanimously in accord with regard to all fundamentals.

Appearing before Congress, spokesmen for the engineering group subsequently made it clear, in categorical replies, that their recommendation was for private development or bus bar sale of Federal power.

All of this is significant because 9 of the 10 engineers selected by Mr. Hoover for his objective task force were members of the EJC panels. All nine of them joined in the report opposed to public power.

All nine of them are in favor of recommending bus-bar sales of public power.

I make no reflection on the personal integrity of any of these men. To the contrary, I believe they are sincere men. They believe what they advocate, but what they advocate in this matter is not in the public interest.

I object to the increased appropriations in the bill for use by a task force which is supposed to be objective, when an analysis of the objectives of the members of the task force shows that they are biased against public power.

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. JOHNSTON of South Carolina. Knowing the Senator from Oregon as I do, and his interest in seeing to it that the general public is looked after and receive rates as cheap as possible, may I ask the Senator if he has ever found that any task force of Mr. Hoover's has pointed out that the people could get electric kilowatts-hours cheaper by having all the facilities owned by private power companies?

Mr. MORSE. They do not point out what the facts are. The facts are that when a program of bus-bar sales is adopted, then the consumers are subjected to taking power from the utilities which supply the power. After the utilities have purchased the power on a bus-bar sales basis, they sell it to the public on the basis of charging what the traffic will bear.

Private utilities, in such situations, invariably charge the consumer high electric power rates. Remove the public power yardstick from any territory, and electric power consumers in that area are forced to pay tribute to the private utility monopoly, which has come to control the power generated by the people's streams in that area.

Mr. JOHNSTON of South Carolina. Is it not true that the people of the entire northeastern part of the United States today are paying higher electric rates, due to the fact that they do not have any public power yardstick by which to measure whether they are being charged the proper rates?

Mr. MORSE. The Senator is absolutely correct. In the northeast region of the country there is no public power yardstick. The result is that the people in that region pay the highest public power rates in the Nation.

Mr. JOHNSTON of South Carolina. Is it not true that in Maine it will be found that the rural cooperatives are paying 15.2 mills a kilowatt-hour?

Mr. MORSE. That is the figure.

Mr. JOHNSTON of South Carolina. In South Carolina, where there is a measuring stick, when one buys power from private corporations the cost is only 6.6 mills a kilowatt-hour.

Mr. MORSE. That is because the private companies in South Carolina are in competition with the public power yardstick.

Mr. JOHNSTON of South Carolina. In both instances the purchases are made from private power companies.

Mr. MORSE. But in the section of the country from which the Senator from South Carolina comes, the private power companies must compete with the public power yardstick.

Mr. JOHNSTON of South Carolina. That is true.

Mr. MORSE. When the private companies sell according to the public power yardstick rate, they do not lose money, as the income returns of the private utilities in South Carolina will show. They make profits at the low rates.

Mr. JOHNSTON of South Carolina. But in the Northeast, the private power companies have an absolute monopoly.

Mr. MORSE. They make an economic killing there.

Mr. President, as I was saying, I make no reflection on the personal integrity of any of these men. Their position in favor of private development and against public development is publicly known and clear. They have made no pretense of objectivity. It was Mr. Hoover who said it was objective. But Mr. Hoover's task force, I say, is stacked. There is not a public-power proponent on it. The utilities have many known partisans on it regardless of the fact that none may be officers or directors in a private power company.

The nine engineer members of the Hoover task force who have already taken their stand on the private utility side of this policy question include W. W. Horner, Julian Hinds, F. H. Newman, Jr., C. H. Brown, L. V. Murrow, R. J. Tipton, W. D. Shannon, Malcolm Prinie, and A. B. Roberts.

Several of these men have individual records which the public is entitled to know, particularly in view of Mr. Hoover's Press Club statement that he put no private power representatives on his task force.

Who's Who in Engineering for 1948 reports of Mr. A. B. Roberts, one of the task force members:

> Since 1935 have made investigations of the business, property, and prospects of various public utilities for investment bankers (including Dillon Reed & Co., Bonright & Co., Mellon Securities Corp., Harriman Ripley & Co.) in connection with issuance of securities in excess of $1 billion; the aggregate value of the properties investigated is over $4 billion.

Mr. Roberts wrote a special report for the first Hoover Commission. In that report he said:

> The Federal power policy should provide for the utilization of facilities of privately owned utilities in marketing the power from the Federal dams. The privately owned company could: (a) build the power houses and install the generating equipment at each Federal dam where feasible, paying taxes on those facilities and also paying the Government for the use of the falling water and the dam, with the Government retaining full control over each dam and operating the primary purpose of flood control, reclamation or navigation or a combination thereof; or (b) lease the powerhouses and generating facilities as is now done at Hoover Dam; or (c) purchase the power output under long term contracts entered into in advance of construction; and, in any case should (d) build the transmission facilities needed to market the power from Government Dams, and pay the taxes on such transmission facilities.

It is very interesting to note that four members of the original Hoover Commission took exception to the Roberts report, including the distinguished Senator from Vermont [Mr. AIKEN]. At the time the first Hoover Commission reports were filed, our colleague wrote:

> The recommendations of the Roberts report (Water Power Resources) and to a lesser extent the recommendations of the Haskins & Sells report (Revolving Funds and Business Enterprises) follow so closely the arguments which the private power interests present in opposition to public water resources development that the general welfare viewpoint does not seem to be properly represented. In my opinion, the usefulness of the Haskins & Sells and Roberts reports is seriously impaired by this approach.

The Senator from Vermont [Mr. AIKEN], at another point, commented:

> Two of the task force reports, the Roberts report and that of Haskins and Sells, evidence total lack of understanding of the basic reason for Federal multiple-purpose reservoir programs. For example, the Roberts report completely disregards the underlying legislation which establishes these programs, and attempts to compare Federal reservoir development with hydroelectric development by commercial power companies. They are not comparable. The power companies exploit our water resources almost solely for the production of electric energy, with profit as the basic consideration. They are not much concerned with flood control, navigation, irrigation, reclamation, water supply, pollution abatement, fish and wildlife conservation, and recreation—all, or some, of which are important features of the Federal multiple-purpose developments.

That is what the Senator from Vermont [Mr. AIKEN] said about the Roberts report. But Roberts is on the Hoover task force. Roberts is one of the so-called objective experts whom the President has put on the task force. Roberts is one of the men who, on the record, clearly is biased in favor of a private utility program. Yet the ex-President told the Press Club that he does not have private utility representatives on his Task Force. He might as well have placed the president of any private utility in America on the task force in place of Mr. Roberts, because Roberts' record shows that he sees eye to eye with the private utility attitude in regard to the uses to which the people's streams should be put.

The other three dissenting commissioners, Acheson, Pollock, and Rowe, dismissed the report as "special pleading and not impartial opinion." That is what they thought of Mr. Roberts.

Mr. Roberts is listed in a report of the House Select Committee on Lobbying as the "source of a publication critical of the TVA which was distributed by the Carolina Light & Power Co. That its the Roberts whom Hoover put on his task force, for which the committee is now asking increased funds over those which the House of Representatives has recommended—a man about whom, on the record, there can be no doubt as to his bias in favor of private utilities.

There is more material on the objectivity of Mr. Roberts in the water and power field. But perhaps I have presented sufficient to indicate that the private utilities have nothing to fear—and doubtless much to gain—from Mr. Roberts' viewpoint.

WILLIAM D. SHANNON

Now let us take a look at the qualifications of William D. Shannon, another of

the Hoover appointees, who is a Washington State neighbor of mine. Mr. Shannon served on the public utilities committees of both houses of the Washington legislature. He has specialized in arguing about taxes of private utilities and public utility districts, conducting a lengthy exchange on the subject in the letters to the editor column of a Seattle newspaper with the secretary of the Washington Public Utility Districts Association. His bias is clearly on the same side as Roberts and Hoover.

He does not possess the objectivity which the ex-President said was characteristic of the members of his task force when he spoke before the Press Club.

ROBERT W. SAWYER

Robert W. Sawyer is a former Oregon newspaper publisher, and a past president of the National Reclamation Association and of the Oregon Reclamation Association. He is still active in both. He has participated in the work of the reclamation associations which have been against public power and have had private utility contributions. There is no question about the fact that his public statements, when studied, leave no room for doubt as to his bias in favor of a private utility program.

HARRY E. POLK

Harry E. Polk, a North Dakota publisher serving on the present Hoover task force, is another past president of the National Reclamation Association, serving as its legislative chairman and as a director.

The association in 1951 established a Water Policy Committee, and subsequently approved its report, declaring that "Sales of power from Federal developments should be made to public and private customers at the bus bar where possible." Valley authorities or basin commissions were disapproved by it.

In an article entitled "The Road Back," published in September 1952, Mr. Polk advocated giving the Hells Canyon Dam site to the Idaho Power Co., basing his case on an alleged constitutional and God-given right of the States to exercise control over such resources. He said:

> When States lose that authority, they have surrendered to a socialist regime, to regimentation of the worst sort.

Mr. Polk has attacked the public-power propaganda machine and the preference clause, and at one time earned a rebuke from the Subcommittee To Study Civil Works of the House Committee on Public Works for applying the Socialist label to that subcommittee in a speech before the National Reclamation Association.

This, I believe, is sufficient to indicate that Mr. Polk is something less than an objective member of Mr. Hoover's Water and Power Task Force.

LESLIE E. MILLER

Now let us turn to Mr. Leslie E. Miller, another member of the Hoover Task Force. Another very distinguished member of Mr. Hoover's Task Force is former Gov. Leslie A. Miller, of Wyoming. Mr. Miller was chairman of the Natural Resources Task Force of the first Hoover Commission and, since that time, has aired his views on power matters in magazine articles and before congressional committees.

One of Mr. Miller's most famous articles was written for the Saturday Evening Post. In that article, Mr. Miller said:

> While there may be much to say in favor of Government construction of hydroelectric projects, it is my impression that the United States still is not a socialistic country and that the production and sale of electricity remains a matter of private enterprise.

Then he testified to his own lack of objectivity by writing:

> Of course I must plead guilty to a certain amount of bias in expressing my opinions.

That "certain amount" is voluminous.

Governor Miller's article got a big circulation. It was not only reprinted by the Readers Digest; the Edison Electric Institute also reproduced it for the private utilities to circulate. Many thousand copies were circulated in reprint form by the American Gas & Electric Service Corp., Carolina Power & Light Co., the Connecticut Power & Light Co., Detroit Edison Co., Pacific Gas & Electric Co., Pennsylvania Power & Light Co., Philadelphia Electric Co., and the Public Service Co. of Colorado.

Later, appearing before a congressional committee, Mr. Miller admitted that he "was somewhat in error" in some of his statements; that he had used "a little editorial license"; and that "it could be" that he should have been less violent about some of his charges.

This is the man whom the President has appointed to the task force. This is one of the men who, the ex-President suggested, was objective in his approach to the power problem.

Although Mr. Miller registered strong opposition to valley authorities, he confessed to the committee that he had never personally given much study to TVA, although he had much to say in criticism of TVA.

In his article Mr. Miller called former Administrator Paul Raver, of Bonneville Power Administration, a Socialist, which was categorically denied by Mr. Raver.

And now Leslie Miller is one of the Eisenhower-Hoover team making a study of water and power. He is serving as chairman, I understand, of a study group within the task force. We can only hope he will be more factual than in the past. There are no grounds whatever to hope that he will be free of a galloping bias against Federal power.

J. BRACKEN LEE

Another member of the "Eisenhoover" team is former Gov. J. Bracken Lee, of Utah. The Chattanooga Times wrote that Lee has spoken against Federal intervention in the water resources field on a number of occasions and is a leader in the fight against Hells Canyon Dam.

The PRESIDING OFFICER (Mr. BENNETT in the chair). Will the Senator yield so that the Chair, in his individual capacity as a Senator, may make a correction?

Mr. MORSE. I yield.

The PRESIDING OFFICER. Mr. Lee is still the Governor of Utah; he is not a former governor.

Mr. MORSE. Did I say former governor? He is still the Governor, but, being still Governor does not modify his bias. In my judgment, it puts him in a more strategic position to exercise his bias against the public interest.

WILLIAM B. BATES

Now let us turn to William B. Bates. Mr. William B. Bates, of the Hoover task force, is listed as a director of the East Texas Chamber of Commerce. The executive committee of that organization on September 8, 1953, adopted a resolution that the chamber should immediately launch a campaign to get the Federal Government out of competition with private business and to accomplish the sale to private owners of all Government-owned property not necessary for the legitimate functions of the Government.

Two months later the San Augustine, Tex., Chamber of Commerce protested the earlier action, pointing out it would mean sale of hydroelectric power-producing facilities.

But the resolution stood. The campaign to get the Government out of the power business, among others, is on, and Mr. Bates is on the Hoover Commission task force, theoretically determining the fate of REA, TVA, Bonneville, and other Federal power agencies, on a so-called objective basis.

DONALD R. RICHBERG

Next we come to the name of Donald R. Richberg, once a New Dealer and now a director of the American Natural Gas Co., a holding company which owns an integrated gas utility system. Mr. Richberg writes a column regularly which deplores the extent of the "Federal bureaucracy."

Once upon a time Mr. Richberg wrote a critical commentary about a Supreme Court decision in a gas rate case, noting that the Justice who delivered the opinion had prior experience representing gas utilities in valuation cases.

It will be extremely interesting to watch and see if Mr. Richberg has any comments on the report of the Hoover Task Force on Power because it included a private gas utility director, and how his present view will coincide with his earlier views on a similar situation.

He is clearly, on the record, a man who is biased in favor of the private-utility approach.

CHARLES L. ANDREWS

Charles L. Andrews, Memphis cotton merchant on the Hoover Task Force, told the Chattanooga Times that he was not a supporter of the TVA. He is quoted as saying:

> I think that the TVA is something that started out to be a flood-control project and I think they've broadened the field too much.

E. H. KRACKE

Mr. E. H. Kracke is accounting adviser in the task force—a position apparently paralleling that of Mr. Carl Byoir on press relations. He is a partner in Haskins & Sells, the accounting firm serving private utilities, whose report to the first Hoover Commission proved so biased in favor of private utilities that our associate, the Senator from Vermont [Mr. AIKEN] described it as following the private-utility line.

BEN MOREELL

Finally, Mr. President, I come to the chairman of the Hoover Task Force on Water and Power, Ben Moreell, admiral and big steel executive.

Admiral Moreell, has expressed himself about "do gooders," "master-minders," and "planners" in no uncertain terms. He told the National Association of Purchasing Agents in 1950 in Cleveland:

> For example, the person who earns the money might want to endow a college or a hospital or a summer camp for poor children; but the planner wants to take the money from him and use it to subsidize cheap electricity for the people who live in Tennessee or the Pacific Northwest.

Admiral Moreell obviously disapproves of our public-power projects. He had publicly served notice that his task force is not bound by any of the sweet words that Eisenhower has directed toward the TVA which, it must be confessed, is more candor than we get from some other quarters.

I understand that the new Hoover Commission is devoting more than 40 percent of all of its funds to this Water and Power Task Force, although there are at least seven other task-force groups. This is not only a disproportionate share of commission funds, it is a waste of money as flagrant as any Mr. Hoover and his commissions have ever uncovered.

Any reasonably intelligent high-school boy or girl, capable of reading and understanding what Mr. Hoover said at Cleveland a year ago, can tell you what policy finding the task force is going to make. And from that point on, the private electric utilities would be happy to take over the work, reappraise the Federal power projects, and develop the formula by which they will take over.

As Mr. Hoover said:

> The objective of the whole proceeding should be to get the Federal Government out of the business of generating and distributing money as soon as possible.

This task force is only frosting on the private utility cake, intended to give the great Eisenhower-Hoover giveaway of existing Federal power assets a flavor of righteousness; to make it appear, if they can, that the private utility industry is doing the Nation a great favor when it takes the great white elephants off our hands.

The few hundred thousand dollars that this task force will cost the taxpayers is, of course, small compared to the billions of additional profits that the private utilities will reap annually if they can eliminate the Federal power yardstick.

But if the giveaways by this administration continue, little economies such as paring these funds may be all that the taxpayers ultimately have left. For the benefit of my REA friends, I would like to caution that they not be misled by Mr. Hoover's speech in Cleveland. In that speech Mr. Hoover excluded the Rural Electrification Administration from his discussion "although," he said, "it receives great Government subsidies." He then explained:

> It has a worthy purpose, and that operation is so small a percent of the total power in the country that it cannot eat up the private industry.

But there are other plans for the REA's. Public Utilities Fortnightly has assured the private utility trade that it, too, is to go into liquidation. It reports:

> Administrator Nelson considers it his duty to get the job of extending electricity and telephone service to the farmer over as quickly as possible by the best and shortest means possible, with or without REA loans. That means that REA may soon be entering the simple role of liquidating agency for loans outstanding in view of the fact that the farm electrification job is in its final stage.

The farm electrification job is not, of course, in its final stage if reasonably priced electricity is to continue to be available. Power use on farms is growing. Lines will have to be heavied all over this country. Additional generating capacity and transmission systems will be needed even after all farms are on the line; and if we do not take away from these REA's, the cheap power which goes along with the public power yardstick, we shall find, as long as power is used in America, a constantly expanding REA program.

The private electric utilities have argued since before the REA started that farm electrification was in its final stage. They advised REA Administrator Cooke in 1935 that all farms had electricity which needed it. They have told congressional committees year after year ever since that year that the job was done. Senator MURRAY put all the quotations in the RECORD last week when we started a debate on the power issue.

Rural electrification is in its final stage only if the private utilities move in, take the hydro plants, take the atom, and are allowed to have their way. They will stop it, all right, if they regain their monopoly, raise rates, restore the exorbitant connection charges of the twenties and make wired power a luxury in rural America as it was before Uncle Sam moved in with the public power yardstick. It may very well be that just such a happening is what the editor of Public Utilities Fortnightly had in mind when he stated so conclusively that farm electrification is in its final stage. If the Eisenhower-Hoover power giveaway policy continues, then nearly any sort of electrical development will be in its final stage. We may even witness the decline of the great electrochemical industries which are dependent on an abundance of low-cost power for their operations.

Mr. President, there has been no major variation from the Hoover blueprint for liquidation of our Federal power program.

Last summer one of the private utility moguls got impatient about the time being taken. Mr. Ashton B. Collins told a group of utility executives at an Edison Electric Institute meeting:

> We cannot take 20 years to undo what has been done to us in the past 20 years. We must do it in 4.

That is frankness, Mr. President. That is confession. That is exactly the impression I have as to what is going on in this country. The monopolistic combines believe they have only the 4 years of this administration to do the job they want to do, and that is to make impotent the Federal power yardstick program. They believe they have only 4 years to bring under control the electric generation facilities of this country.

I am raising my voice in protest again tonight, as I have upon many occasions in the past and will many times in the future, on the floor of the Senate, to warn the American people as to what is happening to them under the giveaway program.

I will not vote, Mr. President, for a committee amendment which seeks to raise by $200,000 appropriations for a task force which obviously is biased. It is not a task force which on the basis of qualifications of its members can be expected to work in the public interest; I do not care who appointed it. I say therefore there has been an effort on the part of the private utilities to proceed with the liquidation without waiting for the Hoover Commission to develop a giveaway formula. The 20-year contracts in the Bonneville area and the attempted 20-year sales of Missouri Basin power were part of this speedup effort.

Mr. President, I shall urge a yea-and-nay vote on this issue. I want to say, very frankly for the RECORD, why I would like to have a yea-and-nay vote on this issue. I want a record of the votes in the Senate of Senators who are willing to vote an increase in appropriations for a task force which is as obviously biased against the public interest as the qualifications of these men show they are biased.

Mr. President, the differences which exist between us on this issue in the Senate represent very sincere diferences of view. They go to a great issue of public policy. I hope that my colleagues in the Senate will give me the courtesy of a record vote on this amendment because, in my judgment, a record vote on this amendment will be a significant vote to show where Senators stand on the power issue. In order to get such a vote, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MORSE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection it is so ordered.

The question is on agreeing to the amendment offered by the Senator from Oregon [Mr. MORSE].

Mr. KNOWLAND. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. FERGUSON. Mr. President, I wish to say a few words with relation to the amendment. I do so as a member of the Committee on Appropriations and also as a member of the Hoover Commission. An attack has been made upon the Hoover Commission. It is claimed that the Hoover Commission has created

a task force to investigate power and water resources. That is correct. The Commission has created such a task force, and that task force is now at work.

The Hoover Commission is an arm of Congress. Congress created the Commission. Ex-President Herbert Hoover is the Chairman of the Commission. To the Commission there have been appointed two Members of the Senate, the senior Senator from Arkansas [Mr. McCLELLAN], and the senior Senator from Michigan, as well as two Members from the House. That task force and the other task forces were created for the purpose of studying the executive branch of the Government. It was felt that the prior Hoover Commission had not completed its job. Therefore the appointment of a new commission was thought to be essential, and Congress, accordingly, passed a law to that effect. The Senate has named members to the Commission, the House has named Members to the Commission, and the President of the United States has named members to the Commission from the executive branch of the Government.

I do not know whether the junior Senator from Oregon is familiar with the reason for the request for $254,000.

The House had removed approximately $50,000, under the impression that there was a duplication of money.

Many of those who serve on the various task forces are not compensated and do not receive any per diem allowances for their services. They are paid for their transportation and living expenses in Washington and wherever else they may have to live in connection with their duties.

Of the $450,000 that is asked for, the sum of $200,000 is to be used for an investigation of the CIA. The President of the United States suggested to the Hoover Commission that it would be well to have the Commission set up a task force for the purpose of making a thorough investigation of the CIA, under the direction of Gen. Mark Clark. The sum of $200,000 for that purpose is not an unreasonable sum of money.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. MAYBANK. I voted for this amount in committee with the understanding that Gen. Mark Clark, whom I know intimately, and who is now the President of The Citadel in Charleston, S. C., was to investigate the CIA.

Mr. FERGUSON. That is correct.

Mr. MAYBANK. I did not know that he was to investigate the power business.

Mr. FERGUSON. He has nothing to do with power.

Mr. MAYBANK. Mr. President, I want the RECORD to be clear in that connection.

Mr. FERGUSON. There are quite a number of task forces in the Hoover Commission. Ben Moreell, a former admiral——

Mr. MAYBANK. I know the admiral quite well.

Mr. FERGUSON. Ben Moreell, a former admiral in the United States Navy, is the chairman of the task force on waterpower.

Mr. MAYBANK. Why was that matter involved in the appropriation, if the President of the Citadel is to investigate the CIA? How did Ben Moreell become involved in that appropriation? Why do we have a situation in which Mark Clark, who has been appointed to investigate the CIA by the Hoover Commission, is confused with the appointment of Adm. Ben Moreell, who is to investigate something else?

Mr. FERGUSON. There are various task forces in the Hoover Commission, and among the task forces created is one to investigate the CIA. We have added an appropriation of $200,000, which is for the task force being established to investigate the CIA. That is apparently the item which the Senator from Oregon desires to strike out.

Mr. MAYBANK. I wish to make it perfectly clear that the task force under Gen. Mark Clark is to investigate the CIA.

Mr. FERGUSON. That is correct. That is the $200,000 that has been added in the bill.

Mr. HENNINGS. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. HENNINGS. I have a considerable interest in the land- and water-use problems of the Missouri Valley. Some of us spent a year on a commission appointed by the President investigating that subject. We presented the results of our findings to President Eisenhower in February 1953. I was wondering whether the distinguished Senator from Michigan could tell us who is in charge of the task force studying land and water uses, which, I take it, comes under that general heading.

Mr. FERGUSON. Water resources and power?

Mr. HENNINGS. That is correct.

Mr. FERGUSON. Adm. Ben Moreell, a former admiral in the Navy——

Mr. HENNINGS. I know Ben Moreell. He went to school in my city. He used to be in charge of the Bureau of Yards and Docks, if I am not mistaken.

Mr. FERGUSON. That is correct.

Mr. HENNINGS. He is in charge of that program?

Mr. FERGUSON. That is correct.

Mr. HENNINGS. I was wondering whether that commission or task force will use the previous report made by the Hoover Commission some 6 or 7 years ago. The report is contained in a large green volume, weighing 5 or 6 pounds, I should judge. As has been said about other books, whether one reads it or not, it is almost impossible to lift the book. We made a report 2 or 3 years ago. We are spending money on various reports. Of course, I do not question the competency of the able men who comprise the Commission. I wonder if the able Senator from Michigan can tell us how the various reports, as well as the various studies that have been made, on our river valleys and our waterways, will be interrelated with relation to power, flood control, irrigation, and reclamation, as well as all the manifold ramifications which come under that general heading.

I wonder whether we are merely to make these reports, with nothing being done about them. I remember handing our report to the President, in company with the junior Senator from North Dakota [Mr. YOUNG], who was a member of that Commission. There were also three Members from the House of Representatives who served on the Commission. We have heard nothing about it since then.

Mr. FERGUSON. I would be unable to tell the Senator exactly.

Mr. HENNINGS. I thought it might be important to make some inquiry along that line.

Mr. FERGUSON. The Senator from Michigan will make such inquiry, and I shall suggest that use be made of the study made by the Senator's Commission, as well as the other studies.

Mr. HENNINGS. I do not know whether our study is worth anything. We had a rather large staff, and the Commission consisted of 6 members, appointed from the House and from the Senate, and 5 noncongressional members. We devoted almost a year to the study.

Since then we have heard nothing whatever, either favorable or unfavorable, indicating that the study was to be considered one way or another. I should appreciate it very much if the Senator could give us some idea how we may find out.

Mr. FERGUSON. We shall try to find out.

Mr. HENNINGS. I thank the Senator very much.

Mr. FERGUSON. I will read a report showing what this $553,150 is for?

Task force on overseas operations, $177,935.

Task force on real property—that is, real property of the United States Government—$75,080.

Subcommittee on Business Enterprise in the Department of Defense, $28,780.

Subcommittee on the transportation activities in the Department of Defense, $52,440.

Subcommittee on the research activities of the Department of Defense, $23,100.

Additional amount requested for the task force on water resources and power, $174,055.

Additional amount requested for the task force on legal services and procedure, $21,760.

The total amount requested in this supplemental budget is $553,150.

To that is added a new task force which was set up after the Budget Director had approved and sent up the figure of $553,150, which made $753,150, or the amount in the bill at the present time.

The Senator from Oregon [Mr. MORSE] now desires to make that figure $497,835. If we were to take out $200,000, there would be no money in the budget to enable the Hoover Commission to investigate the CIA, of which investigation the chairman would be Gen. Mark Clark. I think that is the explanation. I hope that the Senate will vote down the amendment.

Mr. MORSE. Mr. President, my rebuttal to the Senator from Michigan will be very brief, because one does not have to labor the obvious.

I am not proposing to cut off the CIA appropriation. I am all for it. I say the amount appropriated by the House is ample for the Hoover Commission to do an effective job. My speech went to the point that the water power task force has obviously a biased personnel. It obviously is a private-utility-slanted force. It is not an objective force. It receives 40 percent of the funds appropriated for the Hoover Commission. It has too much money.

Because it is obviously a biased task force and will obviously give us a report on the basis of the public statements of its members, its program will seek to carry out the blueprint of Hoover's Cleveland speech. We ought to save the American taxpayers some money and use part of the money of the Hoover Commission for the CIA investigation. Although the Bureau of the Budget subsequently made its recommendations with respect to the CIA, the House knew the situation, and the House was satisfied that the total job could be done for $497,835. That is the amount called for in my amendment.

It will be noted, Mr. President, that I have not cut the increase in travel allowance proposed by the Senate committee. I think that was justified.

Mr. President, because 40 percent of the appropriation is going to a biased task force, here is a chance to stand with the House on this item.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Oregon [Mr. MORSE].

Mr. FERGUSON. Mr. President, I merely wish to say that the House was mistaken. It thought the amount to set up the Hoover Commission task force could come from some fund outside the Hoover Commission. I do not wish at this hour tonight to debate public versus private power. That would be a continuation of the long debate which took place in connection with the atomic energy bill. I do not intend to debate that issue at the present time. The question is, Will the Senate permit the Hoover Commission to finish the work of its task force, which includes studies of water resources and power, the CIA, and other subjects which I have mentioned? If so, then it should vote down this amendment. If we want to stop the Hoover Commission in its tracks, if we do not desire it to go ahead, we should vote for it.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. MAYBANK. I desire to be fair to the Hoover Commission, and I want to help Gen. Mark Clark in every way I can in connection with the CIA, but I do not want to be put in the position of voting for a Hoover Commission task force to be investigating dams and water resources in the West. If I vote for this amendment, is it to help Mark Clark, who is president of The Citadel, to undertake the investigation of the CIA and communism? I do not want a task force to investigate water power in the Missouri Valley, in the Savannah Valley, or in Oregon.

Mr. FERGUSON. All I can say to the Senator is that a task force has been set up which has been in existence for about a year.

Mr. MAYBANK. What has the task force done?

Mr. FERGUSON. It is investigating.

Mr. MAYBANK. Investigating what?

Mr. FERGUSON. Water resources and power in the United States. It is to continue, and the $200,000 which the committee included was for an investigation of the CIA.

Mr. MAYBANK. I am for the CIA investigation. Do not misunderstand me. As I understand the Senator from Michigan, the $200,000 goes for the CIA investigation by Gen. Mark Clark.

Mr. FERGUSON. That is correct.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Oregon [Mr. MORSE].

Mr. MORSE. I must make a very brief reply. The Senator from South Carolina should understand that the adoption of my amendment would not mean the loss of the CIA investigation. It would simply mean that from the total amount of money that the Hoover Commission has it must allocate a portion to the investigations it wants to conduct. Here is an opportunity to make a great saving in connection with the 40 percent that is going to a biased task force which is conducting—really for the private utilities, in my judgment—an investigation of water resources.

Mr. MAYBANK. I do not know anything about the private utilities.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Oregon [Mr. MORSE]. On this question the yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. SALTONSTALL. I announce that the Senator from Connecticut [Mr. BUSH] and the Senator from Kansas [Mr. SCHOEPPEL] are absent by leave of the Senate.

The Senator from Indiana [Mr. CAPEHART], the Senator from Illinois [Mr. DIRKSEN], the Senator from Pennsylvania [Mr. DUFF], the Senator from Vermont [Mr. FLANDERS], the Senator from Wisconsin [Mr. MCCARTHY], the Senator from New Jersey [Mr. SMITH], the Senator from Utah [Mr. WATKINS], and the Senator from Wisconsin [Mr. WILEY] are necessarily absent.

On this vote, the Senator from Connecticut [Mr. BUSH] has a pair with the Senator from Montana [Mr. MURRAY]. If present and voting, the Senator from Connecticut [Mr. BUSH] would vote "nay," and the Senator from Montana [Mr. MURRAY] would vote "yea."

If present and voting, the Senator from Wisconsin [Mr. MCCARTHY] would vote "nay."

Mr. CLEMENTS. I announce that the Senator from Virginia [Mr. BYRD], the Senators from Mississippi [Mr. EASTLAND and Mr. STENNIS], the Senator from Delaware [Mr. FREAR], the Senator from Georgia [Mr. GEORGE], the Senator from Iowa [Mr. GILLETTE], the Senator from Colorado [Mr. JOHNSON], the Senator from Tennessee [Mr. KEFAUVER], the Senators from West Virginia [Mr. KILGORE and Mr. NEELY], the Senator from New York [Mr. LEHMAN], and the Senator from Montana [Mr. MURRAY] are necessarily absent.

I announce further that on this vote the Senator from Montana [Mr. MURRAY] is paired with the Senator from Connecticut [Mr. BUSH]. If present and voting, the Senator from Montana would vote "yea," and the Senator from Connecticut would vote "nay."

The result was announced—yeas 19, nays 55, as follows:

YEAS—19

Anderson	Humphrey	McClellan
Chavez	Jackson	Morse
Douglas	Johnston, S. C.	Russell
Fulbright	Langer	Sparkman
Hayden	Magnuson	Symington
Hennings	Mansfield	
Hill	McCarran	

NAYS—55

Aiken	Ferguson	Millikin
Barrett	Goldwater	Monroney
Beall	Gore	Mundt
Bennett	Green	Pastore
Bowring	Hendrickson	Payne
Bricker	Hickenlooper	Potter
Bridges	Holland	Purtell
Burke	Ives	Reynolds
Butler	Jenner	Robertson
Carlson	Johnson, Tex.	Saltonstall
Case	Kennedy	Smathers
Clements	Kerr	Smith, Maine
Cooper	Knowland	Thye
Cordon	Kuchel	Upton
Crippa	Lennon	Welker
Daniel	Long	Williams
Dworshak	Malone	Young
Ellender	Martin	
Ervin	Maybank	

NOT VOTING—22

Bush	George	Neely
Byrd	Gillette	Schoeppel
Capehart	Johnson, Colo.	Smith, N. J.
Dirksen	Kefauver	Stennis
Duff	Kilgore	Watkins
Eastland	Lehman	Wiley
Flanders	McCarthy	
Frear	Murray	

So Mr. MORSE's amendment was rejected.

Mr. HICKENLOOPER. Mr. President, would it be possible for the Senator from Oregon [Mr. MORSE] to yield to me for the purpose of asking for the adoption of an amendment to provide money for a commission which has already been set up by law, provided the Senator from Oregon does not lose the floor and that this item can be printed in the RECORD after the Senator has concluded his remarks?

Mr. MORSE. Under those conditions I am happy to yield.

Mr. HICKENLOOPER. I thank the Senator. I did not want to interrupt him before.

Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. Without objection, the amendment will be stated.

Mr. HICKENLOOPER. Mr. President, I suggest that this amendment should go in between lines 15 and 16 on page 35, under the heading of "Independent Offices."

The LEGISLATIVE CLERK. On page 35, after line 15, it is proposed to insert the following:

COMMISSION ON GOVERNMENTAL USE OF INTERNATIONAL TELECOMMUNICATIONS

SALARIES AND EXPENSES

For the necessary expenses of the Commission on Governmental Use of International

Telecommunications, established by Act of July 29, 1954 (Public Law 558), $150,000.

Mr. HICKENLOOPER. Mr. President, last year I introduced Senate Joint Resolution 96, which passed the Senate and was sent to the House. Senate Joint Resolution 96 was passed by the House of Representatives last week, and became law July 29 last, just 2 or 3 days ago. It had not become a law at the time the appropriation bill came from the House of Representatives, or at the time the Senate committee was acting upon the independent offices appropriation bill.

Senate Joint Resolution 96 sets up a commission, with a staff, for the purpose of studying the use of international telecommunications and international networks for the purpose of the American information program, and to assist network information all over the world. It is a study commission in a very vital field, in which I am sorry to say the United States today is lagging and other countries are forging ahead.

The joint resolution, as passed and as it has become law, authorizes an appropriation of $250,000 to carry out the provisions of the act. However, the law requires, as it is presently written, a report to be made on or before next December 31. As I say, that matter was taken up last year. Without doubt this act will have to be amended.

I am only asking, in view of the fact it is late in the session, and the fact that consideration will be necessary at a later date, that $150,000 of the $250,000 provided in the act be included in this bill. As I say, I had no opportunity to go before the Appropriations Committee, because this act did not become public law until July 29.

The PRESIDING OFFICER. The Chair reminds the Senator from Iowa that there is an amendment pending before the Senate. It will require unanimous consent to secure present consideration of the amendment suggested by the Senator from Iowa.

Mr. HICKENLOOPER. I had asked consent of the Senator from Oregon that he yield for the purpose of allowing me to present the amendment.

The PRESIDING OFFICER. The Senator asked the Senator from Oregon to yield, but in order for his amendment to be considered by the Senate as a whole, the Senate itself must give unanimous consent for its present consideration.

Mr. HICKENLOOPER. I bow to the judgment and wisdom and ruling of the Chair. I desire to do whatever is necessary to ask for unanimous consent, in order to bring this amendment before the Senate.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. HICKENLOOPER. I am submitting this amendment to the Senator from New Hampshire [Mr. BRIDGES].

Mr. BRIDGES. Mr. President, I understand that the unanimous-consent request is for consideration of the amendment.

Mr. HICKENLOOPER. Yes.

The PRESIDING OFFICER. That is the first step which must be taken.

Mr. HICKENLOOPER. In fairness, I wanted to discuss the amendment with the Senator from New Hampshire before it was acted upon.

Mr. BRIDGES. I will say to the Senator from Iowa that I know in general about the amendment he proposes and the importance of the work. However, this subject did not come before our committee. We had no opportunity to examine it.

I was notified by the Director of the Budget that this proposal was coming up here, and that it had the approval of the President.

Mr. HICKENLOOPER. Yes.

Mr. BRIDGES. There are just two questions which have been raised since we were notified this amendment was coming up. The first is, Is this a one-shot proposition? In other words, is this job to be done with a single report, or will this be one of those continuing commissions?

Mr. HICKENLOOPER. I hope that it is not a continuing commission.

We can compare it to any number of commissions, such as the Randall Commission and other study commissions. It is the same type of commission.

So far as my intention is concerned, this commission should make its survey, develop its facts, make its report, and go out of business. I say it will probably have to be continued, because when the joint resolution was originally introduced last year it provided that a report should be made on or before December 31, 1954.

I have included in my amendment only $150,000, rather than the $250,000 which is the full authorization. I feel at this moment that $150,000 will be ample, until such time as Congress can act on this question again. If I did not feel so, I should have asked for the full $250,000.

I assure the Senator that I believe this commission will operate as expeditiously and as conservatively as possible.

The Senator from South Dakota [Mr. MUNDT] is familiar with this situation.

Mr. MUNDT. Yes. I should like to add that I think it is one of the most meritorious programs.

In answer to the very logical question asked by the chairman of the committee, namely, whether we are establishing a continuing commission, I can assure him that, from my standpoint and my knowledge of it, it is not to be a continuing commission. It is to have a one-shot job. The Commission will make a specific recommendation, and then will go out of existence.

But I join with the Senator from Iowa [Mr. HICKENLOOPER] in suggesting that the date be changed from 1954 to 1955, because of the lateness in creating the Commission.

Mr. HICKENLOOPER. Mr. President, I do not know whether we can change the date in this bill.

If it is parliamentary permissible—and I understand that I must ask unanimous consent for this purpose, in view of the fact that the joint resolution was introduced last year, but did not pass the House until this year, and in view of the further fact that the date in the original joint resolution is "on or before December 31, 1954"—let me say that I fully realize the parliamentary situation, and I now ask unanimous consent that the date be changed to December 31, 1955. This will allow approximately 1 year.

The PRESIDING OFFICER (Mr. BENNETT in the chair). The Senator from Iowa may modify his own amendment, as a matter of right, without obtaining unanimous consent for that purpose.

Mr. HICKENLOOPER. But, Mr. President, I am trying to change the date in Senate Joint Resolution 96, by means of a rider in the proper form to the pending appropriation bill.

The PRESIDING OFFICER. Since the amendment is being offered to the pending bill, the Chair rules that the Senator from Iowa has a right to modify his own amendment.

Mr. HICKENLOOPER. No, Mr. President; I am referring to the original joint resolution. I hold in my hand a copy of Senate Joint Resolution 96. I now ask unanimous consent—if it is permissible—to offer to the pending bill the following amendment: At the proper place, to amendment Senate Joint Resolution 96, section 8 (a)——

Mr. MUNDT. Mr. President, will the Senator from Iowa yield to me?

Mr. HICKENLOOPER. I yield.

Mr. MUNDT. I believe we can take care of the parliamentary situation by simply adding to the appropriation item the words:

Provided, That the date of termination of Senate Joint Resolution 96 shall be extended to December 31, 1955, in lieu of December 31, 1954, as provided in that act.

Mr. HICKENLOOPER. Mr. President, I so modify my amendment.

The PRESIDING OFFICER. The Senator from Iowa has a right to modify his own amendment; and the amendment is modified accordingly.

Mr. BRIDGES. Mr. President, I have no objection to the proposed change in the date. However, inasmuch as this matter has never been before the committee, I wish to state that if the Senator from Iowa believes that half of the authorization of $250,000—that is $125,000—rather than the full amount of $250,000, will be a fair amount, and if he will also agree to allow it to come in in the regular way, I shall be glad to take to conference the amendment with that modification.

Mr. HICKENLOOPER. Mr. President, I think that is a reasonable request. So I am glad to modify my amendment by changing the amount to $125,000, although with the understanding that with the matter going over to the next year, I cannot give either the Senator from New Hampshire or the Senate as a whole any assurance that the work could be done for that amount; and thus I may have to offer a further item, next year.

The PRESIDING OFFICER. The question is on agreeing to the modified amendment of the Senator from Iowa [Mr. HICKENLOOPER].

The amendment, as modified, was agreed to, as follows:

On page 35, after line 15, insert the following:

"COMMISSION ON GOVERNMENTAL USE OF INTERNATIONAL TELECOMMUNICATIONS

"SALARIES AND EXPENSES

"For necessary expenses of the Commission on Governmental Use of International Telecommunications, established by act of July 29, 1954 (Public Law 558), $125,000: *Provided*, That the date of termination of such Commission is hereby changed from December 31, 1954, to December 31, 1955."

Mr. MORSE. Mr. President, I have received two requests to yield to other Senators, so that they may submit amendments which I understand will require 3 or 4 minutes each. Of course, in connection with the debate on an appropriation bill—or, for that matter, on any other bill of such nature—I am always glad to accommodate my fellow Senators, particularly when the amendment I am offering raises a policy question, and therefore calls for the making of a record in regard to the policy.

So I am willing to yield, first, to the Senator from New Hampshire [Mr. UPTON], and subsequently to the Senator from Massachusetts [Mr. SALTONSTALL], so as to make it possible for the Senate to consider amendments which they tell me are noncontroversial, and which they believe will not require lengthy debate. Under the circumstances, I yield to them for that purpose, subject to the following conditions: First, that I do not lose my right to the floor; second, that following action on their amendments, I shall be allowed to proceed with my amendment; third, that if debate on their amendments becomes extended, the authors of the amendments will understand that I mean no discourtesy to them if I decline to yield further for continued consideration of their amendments.

Mr. President, I wish to state that in yielding at this time I desire to have it understood that my amendment will be displaced temporarily, while these Senators offer their amendments.

With that understanding, I yield first to the Senator from New Hampshire [Mr. UPTON].

The PRESIDING OFFICER. The Chair understands the Senator from Oregon to state that if his request is agreed to, he will temporarily withdraw his amendment, if it is further understood that in doing so, he will not lose his right to the floor.

Mr. MORSE. That is what I mean.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Oregon? Without objection, it is so ordered.

The Senator from New Hampshire [Mr. UPTON] is recognized.

Mr. UPTON. Mr. President, I deeply appreciate the courtesy of the Senator from Oregon in permitting me to submit my amendments at this time.

I now offer the amendments which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendments submitted by the Senator from New Hampshire will be stated.

The LEGISLATIVE CLERK. On page 51, in line 25, it is proposed to strike out "$8,275,000" and to insert in lieu thereof "$8,415,000."

On page 52, in line 6, after the word "*Provided*", it is proposed to insert "That $140,000 of this appropriation shall be available only for the prosecution of the project for beach erosion control at Hampton Beach, N. H., as authorized by law: *Provided further*."

The PRESIDING OFFICER. The question is on agreeing to the amendments of the Senator from New Hampshire [Mr. UPTON], which, without objection will be considered en bloc.

Mr. UPTON. Mr. President, these amendments call for an appropriation of $140,000 for the prosecution of a beach-erosion project at Hampton Beach, N. H. This item was not submitted to the Appropriations Committee in the regular course, because when the committee hearing was being held on this supplemental appropriation bill, there was doubt whether the project would be authorized. The project is included in the rivers and harbors bill which has passed the House of Representatives, and is now on the Senate Calendar, and is reasonably certain of being passed by the Senate before the adjournment of this Congress.

However, the amendment provides, in effect, that the appropriation shall not be effective unless the project is authorized by law.

This is a cooperative project in connection with which the State of New Hampshire will contribute two-thirds of the cost, and the United States Government one-third of the cost. In other words, the total cost will be approximately $420,000, of which the United States, by virtue of this appropriation item, will contribute $140,000. The State of New Hampshire has appropriated the necessary funds on its part. The Department of Defense has approved the project.

All that remains to launch the project is to have the appropriation made by Congress.

I shall not go further into the matter unless that is desired; I believe the statement I have made will suffice for the purpose of action by the Senate.

Mr. BRIDGES. Mr. President, let me say to my distinguished colleague that my understanding is that the bill carrying the authorization for this item has passed the House of Representatives, has been reported favorably by our committee to the Senate, is on the Senate Calendar, and in all probability will come up when the calendar is called on Saturday. It is also my understanding that the bill probably will be in conference several days after it is passed—so I judge, from the appearance of things, and knowing some of the problems which face any conference. I further understand that the State of New Hampshire will contribute two-thirds of the cost, that the Federal Government will contribute one-third, and that the money is available.

Mr. President, as chairman of the committee, I am somewhat embarrassed, because this item relates to the State of New Hampshire, and my distinguished colleague has offered the amendment. However, I hope that if, as chairman of the committee, I accept the amendment and agree to take it to conference, there will not be an impression that I am doing so because the amendment affects my State. I wish to state that I believe the matter is worthy of consideration by the committee; and that will be the basis of my agreement to accept the amendment and take it to conference. On that basis only, as chairman of the committee, I shall accept the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from New Hampshire [Mr. UPTON].

Without objection——

Mr. MORSE. Mr. President, before the amendment is adopted, let me say, as a member of the Committee on Public Works—if a statement on my part will be of any assistance to the senior Senator from New Hampshire [Mr. BRIDGES]—that I believe the proposal of the junior Senator from New Hampshire [Mr. UPTON] is a very sound one for a project very much in the public interest, and I believe the amendment should be adopted.

Mr. UPTON. Mr. President, again I thank the Senator from Oregon for his very great courtesy.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from New Hampshire [Mr. UPTON].

The amendment was agreed to.

Mr. SALTONSTALL. Mr. President, will the Senator from Oregon yield to me at this time?

Mr. MORSE. Mr. President, I now yield to the Senator from Massachusetts, under the conditions I have previously stated.

Mr. SALTONSTALL. Mr. President, I appreciate the courtesy of the distinguished junior Senator from Oregon.

I now offer, on behalf of myself and the senior Senator from South Carolina [Mr. MAYBANK], the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment submitted by the Senator from Massachusetts [Mr. SALTONSTALL], on behalf of himself and the Senator from South Carolina [Mr. MAYBANK], will be stated.

The LEGISLATIVE CLERK. On page 46, in line 2, before the period, it is proposed to insert "*Provided further*, That the provisions of section 708 of Public Law 458, approved June 30, 1954 (68 Stat. 350), shall not apply to 250 units of family housing provided for by this act but the individual cost of such units shall in no event exceed $20,000 per unit."

Mr. SALTONSTALL. Mr. President, I have taken up this amendment with the chairman of the Appropriations Committee, the Senator from New Hampshire [Mr. BRIDGES] and with the chairman of the Military Subcommittee, the Senator from Michigan [Mr. FERGUSON].

In the bill $175 million is appropriated for military housing.

The provisions of a general law limit the price which can be paid for these

houses to certain figures. The only exception is the 250 houses for general officers which are in the authorization bill. The houses are slightly larger than the standard size.

The amount in the authorization bill, is even more; it is greater than $20,000; but by agreement with the Senator from New Hampshire [Mr. BRIDGES] and the Senator from Michigan [Mr. FERGUSON], the Senator from South Carolina [Mr. MAYBANK] I put in a top limit of $20,000. I understand the amendment is acceptable, and I hope it may be adopted.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. SALTONSTALL. I yield.

Mr. MAYBANK. In substance, as so excellently explained by the distinguished Senator from Massachusetts, the amendment provides for 250 homes for general officers under the military construction program.

Mr. SALTONSTALL. That is right.

Mr. MAYBANK. Whether an officer be an admiral or a general in command of a military post, naturally, he has to have more room than his subordinate officers in view of the large number of visitors he receives and the good will he has to create.

Mr. SALTONSTALL. That is correct.

Mr. BRIDGES. Mr. President, when the family housing for the military came up, in the amount of $175 million, there was considerable discussion in the committee, as most of the Members remember, relative to the Federal Government's participation in housing for military people to that extent. So we wrote the following provision into the bill, which will be found on page 45:

Provided, That funds appropriated under this heading shall not be used for family housing unless the Secretary of Defense certifies that (1) it is impracticable to construct family housing under the provisions of title VIII of the National Housing Act—

That is the Wherry housing, I might say—

and (2) that adequate housing at reasonable rental rates is not available in the immediate vicinity of the military installation, and (3) it is impracticable to acquire suitable housing under other existing provisions of law.

With those safeguards we approved the $175 million for housing because of its essentiality to the enlisted men and officers of the military forces.

There was a discussion as to a higher limitation for a certain number of houses. It was not acted upon by the committee. The total amount of the cost allowance for each individual unit was considerably higher than that provided in the amendment of the Senator from Massachusetts [Mr. SALTONSTALL], and there was a reasonable and, I think, normal objection to that higher unit cost. But now that the Senator comes in here and offers an amendment limiting it to $20,000 for only 250 of the 11,500 units in all, the Senator from New Hampshire thinks he is approaching it in a practical way, and is willing to accept the amendment.

Mr. SALTONSTALL. I thank the Senator.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Massachusetts.

The amendment was agreed to.

The PRESIDING OFFICER. Under the previous arrangement, the floor returns to the Senator from Oregon [Mr. MORSE] in order to make his amendment again the pending business.

Mr. SALTONSTALL. May I thank the Senator from Oregon.

Mr. MORSE. May I say that two other colleagues wish me to extend the courtesy of yielding to them. Before any Senator gets a wrong idea, may I say, Mr. President, that these are the only two, so far as I am concerned, whom I shall further accommodate, because I think I have been very reasonable, but I want to get on with my discussion of my own amendment. But, Mr. President, I will yield, if there are no objections, under the same conditions to the Senator from Utah [Mr. WATKINS]; and then, Mr. President, I will yield to the Senator from South Dakota [Mr. MUNDT] each of whom, I understand, has an amendment that the chairman of the committee [Mr. BRIDGES] is willing to take to conference.

I yield first to the Senator from Utah [Mr. WATKINS].

The PRESIDING OFFICER. Without objection, the Senator from Utah is recognized.

Mr. WATKINS. I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 31, line 13, it is proposed to change the period to a comma and to add the following:

Provided, That hereafter hearing officers appointed for Indian probate work need not be appointed pursuant to the Administrative Procedure Act (60 Stat. 237) as amended.

Mr. WATKINS. Mr. President, the bill contains an item of $100,000 to take care of some backlog of probates on Indian fractionated heirships.

We have over 2,000 of them, and we are trying to get them cleaned up so that we can make progress in solving some of the Indian problems. Many of these lands are lying idle today. The Indians cannot use them because of the multiplicity of owners whose names have never been determined. We have in some cases as many as 30 people owning a 40-acre tract, and it becomes very difficult to handle these matters.

Ordinarily, of course, we would have to give examinations for people to take care of the job, which we hope will be done in 2 years.

The committee has allowed us $100,000 in the bill for this purpose. We think we can get some young lawyers who can take the job, and because they have to comply with the probate laws of the State in which the lands are located, they will be able immediately to enter upon the work and get it done. Our hope is and our program in this respect, has been to get it done as speedily as possible so that we can go forward with this Indian program.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Utah [Mr. WATKINS].

The amendment was agreed to.

Mr. BRIDGES. Mr. President, the chairman of the committee has no objection to the language change. In fact, he approves the amendment.

Mr. MUNDT. Mr. President, I thank the Senator from Oregon [Mr. MORSE] for extending to me the courtesy of the floor. I rise to call the attention of the Senate to the fact that on July 6 we passed Senate Joint Resolution 140, to establish a commission for the celebration of the 200th anniversary of the birth of Alexander Hamilton.

Section 7 of the joint resolution provides:

There are hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this joint resolution.

However, as a member of the Appropriations Committee, I did not ask the Appropriations Committee to include any funds because the House did not act on its portion of this joint resolution until late this afternoon. In acting, I may say, they limited the amount that could be spent to $10,000 for this Commission.

Very frankly, I am skeptical about the capacity of the Commission to get the job done for $10,000, but since we must operate under that limitation, I have taken up with the chairman of the Appropriations Committee [Mr. BRIDGES] the amendment to include $10,000 in this bill for Senate Joint Resolution 140, and I believe he has agreed to take that amendment to conference.

Mr. BRIDGES. Mr. President, will the Senator please state just what he is asking again? I understand the joint resolution.

Mr. MUNDT. Yes. This amendment provides $10,000 for conducting the work of the Alexander Hamilton Bicentennial Commission. It was the feeling of some 35 or 40 of us, who joined in introducing the joint resolution that it would probably require $50,000 to really undertake the work of the Commission. But in approving our joint resolution, the House wrote into it a limitation of $10,000, and rather than retard the beginning of the Commission, I felt that it would be well for us to appropriate $10,000, get on with the work, and if next year we find out that our guess was closer than the House guess, we can come back to the committee for a supplemental appropriation, of course.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. MUNDT. I yield.

Mr. DOUGLAS. Would the Senator from South Dakota consider adding the name of Andrew Jackson to the joint resolution, so that it may provide for a joint memorial?

Mr. MUNDT. I may say to the Senator from Illinois that this is in the nature of a sequel to the one which honored Thomas Jefferson. Therefore it is in the nature of an equalizing joint resolution.

Mr. DOUGLAS. I believe the name of Andrew Jackson should be added.

The PRESIDING OFFICER. Will the Senator from South Dakota send his amendment to the desk?

Mr. MUNDT. The purpose of the amendment is to provide $10,000 for carrying out the purposes of Senate Joint Resolution 140.

The PRESIDING OFFICER. Where in the bill does the Senator from South Dakota propose to add the amendment?

Mr. MUNDT. On page 63, at the end of line 24.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. MUNDT. I yield.

Mr. DOUGLAS. Would the Senator from South Dakota consider adding the name of Aaron Burr to that of Alexander Hamilton?

Mr. MUNDT. We are on the Hamilton side of the feud at this time.

Mr. BRIDGES. Mr. President, while the Senator from New Hampshire knows nothing about the details of the proposed amendment, and does not know what the reaction of the House will be, he does recognize the part which Alexander Hamilton played in the history of the United States. It is probably wise to commemorate the 200th aniversary of the birth of Alexander Hamilton, and I shall certainly be glad to take the amendment to conference.

Mr. MUNDT. I thank the Senator from New Hampshire. I am sure the House will be very happy to have a limitation placed on the amount.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from South Dakota [Mr. MUNDT].

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. BUTLER. Mr. President, this supplemental appropriation bill provides funds to be used by the Civil Defense Administration to finance the establishment of permanent headquarters at Battle Creek, Mich. The original plans of that agency announced in 1951 provided for the establishment of its permanent headquarters at Olney, Md., the present site of its training center and where the Civil Defense Administration has already incurred a large capital investment in Government funds.

As a Senator from Maryland, let me say that the establishment of headquarters at Battle Creek would naturally be adverse to the interests of my State. However, my objections to this proposal far transcend any interest in it that I may have as a Senator from the State of Maryland. I firmly believe that if the headquarters of this most important agency are moved to Battle Creek, Mich., it will sound the death knell to our civil-defense program.

We owe our citizens the paramount obligation to see to it that our Nation has the most effective civil-defense program the intellect and resources of man are capable of providing. My studies of this proposal indicate beyond a doubt that the decision to move the civil defense headquarters to Battle Creek was based upon the most cursory of investigations, and is fatally defective so far as the administration of this agency is concerned. In a recent letter to the President concerning this proposal, I stated several of the more important factors which clearly indicate to me that Battle Creek is not the proper site for this facility. By way of clarification, I ask unanimous consent that my letter of July 22, be printed at this point in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

JULY 22, 1954.

The PRESIDENT,
The White House, Washington, D. C.

DEAR MR. PRESIDENT: The Federal Civil Defense Administration has recently announced plans to establish its permanent headquarters at Battle Creek, Mich. At the present time temporary headquarters are located in the District of Columbia and the Administration's training center is located at Olney, Md. Prior to this announcement, permanent headquarters were also to be located at Olney.

I question the merit of this proposal and believe that it is in the best interest of the Government and, more specifically, our civil-defense program, that the headquarters of the Administration be located at Olney, Md., as has been the plan since 1951 when the Civil Defense Administrator selected that site for its headquarters and training center. There are serious financial and administrative reasons why the civil defense headquarters should not be located at Battle Creek.

Preliminary studies and estimates would indicate that the cost of remodeling the premises and moving personnel to Battle Creek alone might exceed $1,500,000. In addition, substantial amounts of specialized equipment presently at Olney will have to be moved at prohibitive cost. As an example, it is my understanding that it will cost the Civil Defense Administration about $100,000 simply to disconnect and terminate existing communication facilities. As another example, the proposed move will require the abandonment of "Rescue Street," a training facility at Olney simulating bombed-out buildings, which I am advised cost almost $500,000. As these examples indicate, the Government investment at Olney to a very great extent appears to be in labor and other installation costs rather than in the intrinsic value of the equipment involved, which means that the capital loss will be substantial should the proposed move take place.

Loss of investment, however, is but one aspect of this problem. More important is the functioning of the agency itself. The Civil Defense Administration is not a self-sustaining, all-inclusive organization. On the contrary, it is essentially a coordinating agency which relies upon the staffs of the other agencies and departments of the Federal Government. It has made delegations of responsibilities fixing areas of research and development in some 20 other Federal agencies. As an example, only last week you announced the delegation of extensive civil defense responsibilities to the Department of Health, Education, and Welfare. Furthermore, each Federal agency relies upon such liaison in the establishment of its own civil defense program for continued operations in the event of enemy attack.

Thus, should the headquarters be moved to Battle Creek, which would make this liaison extremely difficult and costly, if not impossible, not only would the nationwide civil defense program be severely compromised, but also, the essential program relating to the emergency operation of the various agencies and departments of the Federal Government.

While I understand that these new plans call for a small liaison staff in Washington, it is questionable whether a handful of employees could even hope to maintain the necessary contact with the other agencies of the Government.

I have also been advised that the Civil Defense Administration proposes to have its high officials available in Washington for consultation during emergencies. Yet, in time of emergency fate can play cruel tricks on man's endeavors. Would chance or circumstance find the proper officials in the vicinity of Washington at the time of an enemy attack? If not, could subordinates stationed almost 1,000 miles away take their places on a moment's notice?

For such reasons as these I believe that Battle Creek is manifestly an unfortunate choice for the site of the headquarters of this most important agency. On the other hand, Olney, Md., appears to be a most effective location both for the headquarters and the training center. While it is not located in any target area, nevertheless it is in the heart of the industrial East where most of the target areas are found. Most States and cities can thus send their key civil defense personnel the short distance to Olney at comparatively low cost. In addition, it is my understanding that the accessibility of Olney and present facilities and accommodations allow for a most intense training program there than would be possible at Battle Creek where distances are great and accommodations are poor.

There is the question as to Olney being too close to Washington, which admittedly would be a priority target area in case of war. It should be pointed out, however, that Olney is outside the area of major damage from blast and fire effects.

The advent of the hydrogen bomb leads me to believe that an entirely new concept of civil defense must be developed. The hydrogen bomb, together with germ or bacteriological warfare and other hideous weapons, in my opinion requires that Civil Defense be considered in terms other than the mass evacuation of our cities. The entire question of relocation of civilian, industrial, and Government facilities must be reexamined in view of the fact that it is now obvious that all essential facilities cannot be placed beyond the reach of these new weapons. It would seem to me that the first step in this reappraisal might well be the construction of a model headquarters building at Olney designed in accordance with the latest knowledge and technical information available relating to the design of buildings capable of withstanding blast, radiation, and fire of thermonuclear weapons.

Accordingly, I most respectfully urge that this plan to move the civil defense headquarters and training center to Battle Creek, Mich., be reconsidered. It is essential, in my opinion, that the headquarters be located within commuting distance of Washington so it can effectively carry out its functions in time of emergency. No place on earth is now entirely safe from the ravages of these new weapons, and compromises must be made in weighing safety as against effectiveness. Furthermore, to a great extent the work of this organization will have to be performed prior to the time of emergency, as probably its greatest task lies in the training of local and regional civil defense officials and workers. This training program can be more effectively carried out in the middle Atlantic region of our country, with Olney, Md., as the most obvious site. To pass up Olney or some other site in this section in favor of a converted Army hospital in Michigan, a facility which itself would be sorely needed in time of emergency, would be, in my opinion, a most drastic mistake and constitute an incalculable setback to the essential preparations our country must make to protect itself and thus to survive during this age of thermonuclear weapons.

Sincerely yours,

JOHN MARSHALL BUTLER,
United States Senator.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. BUTLER. I yield.

Mr. FERGUSON. I understand that the Senator from Maryland is objecting and intends to raise the point of order that this would be an appropriation of prior funds, and therefore would require a suspension of the rule and a two-thirds vote. Is that correct?

Mr. BUTLER. That is correct.

Mr. FERGUSON. I suggest to the chairman of the committee, the distinguished Senator from New Hampshire [Mr. BRIDGES], that this amount be stricken out as an appropriation of prior funds, and that the chairman then move to add $350,000 on page 62, line 22.

Mr. BUTLER. The Senator from Maryland will not yield for that purpose.

Mr. FERGUSON. I desired to shorten the argument being made by the Senator.

Mr. BUTLER. I would rather prolong it.

It is my belief that the factors discussed in this letter clearly demonstrate the need for the postponement of this move or transfer. In addition, contacts with my office indicate that housing conditions at Battle Creek are abominably poor; that the vast majority of Civil Defense employees will not move to Battle Creek, and that if Battle Creek is a proper location for this headquarters, a thorough investigation will substantiate that conclusion. On the other hand, if the proposal is unsound and would jeopardize the entire civil-defense program, as I clearly foresee, it is our duty, in the highest sense of the word, to see that this fact is established prior to the time the present headquarters staff is disbanded and the agency is demoralized and disorganized by this unfortunate transfer.

Mr. BEALL. Mr. President, will the Senator yield?

Mr. BUTLER. I yield to my colleague.

Mr. BEALL. Is it not a fact that if the headquarters should be moved to Battle Creek, Mich., it would be housed in what were formerly hospital buildings?

Mr. BUTLER. That is true.

Mr. BEALL. Is it not a fact that the Army has reserved the right to take back the buildings in the event of another war?

Mr. BUTLER. I will say to my dear colleague from Maryland that in the event of an emergency the Civil Defense headquarters would last 5 minutes in the location to which it is now proposed to move it. In addition to that, $1½ million will have to be spent to make the facilities there available to the agency.

I wish to point out to my colleagues that in 1953 the agency entered into a contract with respect to communications, which contract was for a period of 10 years, at a monthly rental of $3,000. If the agency does not live up to its contract, it will cost the Government about $80,000, less one-one hundred and twentieth for each month of occupation, which will make the penalty approximately $72,000. In addition to that, there has been expended a half million dollars for what is known at Olney, Md., as Rescue Street, which represents a large capital investment.

Mr. BEALL. Mr. President, will the Senator yield further?

Mr. BUTLER. I yield for a question.

Mr. BEALL. Considerably more than a half a million dollars has been spent. As a matter of fact, Olney was picked by the last two administrations as an ideal location, and was established by Mr. Flemming as being beyond the danger zone.

Mr. BUTLER. I may say to my colleague that his point is absolutely correct. I do not know of anyone who has stated that Olney, Md., was not an ideal location for the civil-defense headquarters. The location is 20 miles from the Capital City. I would think that is an ample distance away. I can see no reason for moving that fine facility, which has been established at great expense to the taxpayers.

Mr. GORE. Mr. President, will the Senator yield?

Mr. BUTLER. I yield for a question.

Mr. GORE. The junior Senator from Tennessee came into the Chamber late. May I ask to where it is proposed to move the facility?

Mr. BUTLER. It is being proposed that the facility be moved to Battle Creek, Mich., into buildings which were formerly occupied by a hospital, which buildings, in the event of an emergency, would be absolutely essential for use by the Department of the Army or the Department of the Navy.

Mr. GORE. Will the Senator yield further?

Mr. BUTLER. I yield.

Mr. GORE. Why is it proposed to move the agency from the vicinity of the United States Capital to Michigan?

Mr. BUTLER. I should like to know the answer to that question. I can find no sound reason for moving the fine facility from the State of Maryland. I may also inform my colleagues that from the headquarters at Olney, Md., there are microwave communications to one of the larger cities on the eastern seaboard, which system could not be replaced for thousands and thousands of dollars. It would be utterly ridiculous to move the agency from that fine facility.

Mr. GORE. Does the amendment of the Senator from Maryland provide that the agency shall not be moved?

Mr. BUTLER. In due time the senior Senator from Maryland is going to make a point of order on the basis that this is an appropriation of unexpended funds.

Mr. HUMPHREY. Mr. President, will the Senator yield for a question?

Mr. BUTLER. I yield to the Senator from Minnesota.

Mr. HUMPHREY. As I understand, the Civil Defense Headquarters at Olney is now located in rental property, and the rental has been adjusted in such a way that it will prove to be an economy to the Government. Is that correct?

Mr. BUTLER. It is my understanding that the rental has been adjusted downward. The headquarters could not have a better landlord or facility for that type of operation.

Mr. HUMPHREY. Is it not also true that the Government, when it first entered into the contract, agreed with the landlord or with the owner of the property to use it for a rather extended period of time?

Mr. BUTLER. That is correct, and the Government has expended a very large amount of money on the basis of such commitment.

Mr. HUMPHREY. It is also true, is it not, that the Federal Government has invested in the installation an amount of money running into the hundreds of thousands of dollars, for the purpose of renovation and redesigning in order properly to adjust the facility for the purposes of civil-defense training?

Mr. BUTLER. That is true.

Mr. HUMPHREY. Would not all that money be lost if the move were to be made?

Mr. BUTLER. All of that money would be lost. The initial investment in the project would be lost. The Government would be required to pay a large penalty for disconnecting its communication systems, and these would be abandoned at great expense.

Mr. HUMPHREY. I wish to state that I have discussed the matter with the Senator from Maryland, and I am familiar with some of the details involved. I assure him that he shall have my support for his proposal.

Mr. POTTER. Mr. President, will the Senator yield?

Mr. BUTLER. I yield to the Senator from Michigan.

Mr. POTTER. I know the distinguished Senator from Maryland wishes to be fair. He knows, does he not, that the anticipated move to Battle Creek will result in housing the entire Civil Defense headquarters? The Olney program is a training program in a demonstration area. The administration headquarters is here in Washington. There have been no shenanigans on the part of any members of the Michigan delegation in trying to get the Civil Defense headquarters to move to Battle Creek. I am sure the Senator from Maryland is aware of the fact that the program of the President has been to utilize as much of the property that belongs to the Federal Government as possible, in order to avoid paying rent.

Mr. BUTLER. Mr. President, I yielded for a question. I should like to answer the statement of the distinguished Senator from Michigan by saying that simply because it is desired to carry out the directive of the President, it does not follow that the Government should abandon a perfectly fine and useful location and facility, in which the Government already has a large investment.

Mr. POTTER. The Senator from Maryland is also aware of the fact, is he not, that the Government will save from $200,000 to $225,000 a year if the transfer is made?

Mr. BUTLER. I do not see how any money can be saved by the transfer, when there is taken into consideration the fact that there will have to be spent approximately $1½ million in putting the Battle Creek property into proper condition. The Government will lose a

half a million dollars in capital investment. Also, about $72,000 will be lost as a result of termination of the contract at Olney. In addition, there will be the cost of moving the agency. I remain firmly convinced that the civil defense of the country cannot be effectively operated that far from the Capital. The personnel of the agency will probably be traveling back and forth on airplanes and trains incessantly. I think such an agency must be within easy reach of the Capital of the United States. I am sure it could not be said that it would be desirable to have the Pentagon move to an area in Michigan. The Pentagon must be close to Washington. The Civil Defense headquarters is the agency that will develop and maintain the protection and preservation of our people in case of attack. The agency should properly be near Washington, close to the seat of Government. The agency does not belong in Michigan.

Mr. CASE. Mr. President, will the Senator yield?

Mr. BUTLER. I yield to the Senator from South Dakota.

Mr. CASE. The Senator from South Dakota was interested in the remark which the Senator from Maryland made a few minutes ago with regard to the fact that the rent had been adjusted downward. It intrigues me because the Subcommittee on Real Estate and Military Construction of the Committee on Armed Services, for a period of more than a year, has frequently been confronted with the problem of the adjustment of rents. Originally the facility in Olney, Md., was authorized by the predecessor committee at a rental of about $36,000 a year, as I understand. In any event, when it was time to extend the lease, the subcommittee was asked to clear the rental at $48,000 a year. We suggested that appraisals be obtained, and the appaisers fixed the fair rental value at from $32,000 to $55,000 a year. In any event, it was the opinion of the committee that the lease should be settled at $36,000 a year, which was the originally authorized amount. I think the matter was taken into court, and the suggestion was that it could not be settled for less than $48,000.

Does the Senator from Maryland mean to say it is agreeable now to settle the lease at $36,000?

Mr. BUTLER. I think that is correct, although I do not wish to be bound by it.

Mr. BEALL. Mr. President, I should like to state to the Senator from South Dakota that it is a matter of record that the Federal court authorized the payment of $48,000 a year.

Mr. CASE. When?

Mr. BEALL. In 1952, as I recall. I believe that was the figure which was authorized.

Mr. CASE. That does not wholly conform to the understanding I had, I may say.

I may add that what has disturbed the subcommittee on real estate and military construction is that the landlord was attempting to collect rent for property consisting of 50 acres, but at the same amount that the appraisers——

Mr. BUTLER. Mr. President, I ask unanimous consent that, for the purpose of clarifying this matter, my colleague be allowed to answer the Senator from South Dakota [Mr. CASE] without causing me to lose the floor.

The PRESIDING OFFICER (Mr. GOLDWATER in the chair). Without objection, it is so ordered.

Mr. CASE. I shall be glad to have that done, but first I should like to finish stating my point.

Mr. BUTLER. Very well.

Mr. CASE. Some appraisers were brought in. The appraiser upon whom the landlord seemed to rely most said the property should bring as much if rented with merely 50 acres as if it were rented with approximately 250 acres; in other words, that no decrease should be made in the rent because of the deletion of approximately 200 acres of good Maryland land from the property rented.

The committee was confronted with that proposal, but did not give its approval to the larger figure.

Of course, if the matter has gone to court and has been decided by the court, that is different.

But I was intrigued by the statement of the senior Senator from Maryland [Mr. BUTLER] that the settlement had been accomplished downward, because that would bear upon this problem.

Mr. BUTLER. It was my understanding that an offer was made in that connection.

Mr. BEALL. The Senator from South Dakota may not remember it, but the original contract was for 543 acres. The reason for the inclusion of only 50 acres is that the buildings were on the 50 acres of land. The buildings which originally were taken over were on the 50-acre tract. The remainder of the 543 acres—or approximately 493 acres, as I recall—would bring the $48,000 rental.

Furthermore, I wish to call the attention of the Senator from South Dakota, because he was on the subcommittee, to the fact that an agreement was actually made with the landlord to buy this land.

The senior Senator from Tennessee knows that. The Government entered into an agreement in 1951 or 1952 to buy that land. So the school was abandoned.

Because of the fact that the property rights of the owners are affected in this manner, there is the element that they are entitled to remuneration. The Government could not simply walk in and take over the property without making payment. However, as a matter of fact, the Government has paid them nothing.

Mr. BUTLER. Mr. President, I think we have discussed the point sufficiently.

Mr. CASE. Mr. President, I merely wished to establish the fact, if it is one, that the landlord is now willing to accept rent of $36,000 a year.

Mr. BUTLER. I do not know that to be so.

Mr. MAYBANK. Mr. President——

Mr. BUTLER. I yield to the Senator from South Carolina.

Mr. MAYBANK. Mr. President, I have heard of complaints from the employees who are stationed in Maryland. I do not know about the merits of the transfer, or what its effect will be, or whether the project will be as effective and as efficient in Michigan as in Maryland.

However, I understand that many of the employees will not be transferred to Michigan, because, instead, they will quit their jobs.

Mr. BUTLER. That is true; the trained personnel will not go to Battle Creek, Mich.

Mr. MAYBANK. That is what I have been told.

Mr. BUTLER. If this move is made, I say to the Senator from South Carolina, the civil defense organization will be broken up, and that will occur at a time when it should not be broken up.

Mr. WELKER. Mr. President, will the Senator from Maryland yield to me, to permit me to ask a question of the distinguished chairman of the subcommittee who is handling this matter?

Mr. BUTLER. I yield.

Mr. WELKER. What is his observation with respect to the statements made by the two distinguished Senators from Maryland, to the effect that this important installation is being moved to Battle Creek, Mich.; and that in the event of an emergency, there will be no place for it to go, because it will have to evacuate the hospital buildings, and furthermore, we shall lose the benefit of the giant cable lines about which I have heard, and also we shall lose the benefit of the installations which have been made. I should like to hear from the chairman of the subcommittee on that point.

Mr. BUTLER. First, Mr. President, I should like to complete my statement.

On page 62 of the bill, in lines 22 through 25, the text of the amendment proposed by the Appropriations Committee, provides "That not to exceed $350,000 of the unobligated balance of the 1954 appropriation for this purpose shall remain available until June 30, 1955."

The committee report reveals that the purpose of the amendment was to make these funds available "in order to provide funds for moving the major portion of the operations to Battle Creek, Mich."

The Legislative Reorganization Act of 1946 provides, in part, that—

> No general appropriation bill or amendment thereto shall be received or considered in either House if it contains a provision reappropriating unexpended balances of appropriations.

Accordingly, Mr. President, on the basis of that rule, it is my purpose to raise a point of order against the inclusion of the aforesaid provision in this appropriation bill.

Mr. PAYNE rose.

Mr. BUTLER. Mr. President, if the Senator from Maine wishes me to yield to him at this time, I gladly do so.

Mr. PAYNE. Mr. President, I appreciate the willingness of the distinguished Senator from Maryland to yield to me. I should like to ask whether he is aware of the fact that in addition to the training facilities and the school available at Olney, to which reference has been made, in which the training of Civil Defense personnel from over the country takes place, there has been maintained in the District of Columbia a very extensive and

very costly executive set of offices for all the rest of the personnel.

Mr. BUTLER. That is perfectly true; yes.

Mr. PAYNE. If the Senator from Maryland will permit me to speak further on this matter for a moment——

Mr. BUTLER. Certainly.

Mr. PAYNE. I wish to call attention to the fact that I happened to have the privilege of serving as 1 of the 3 governors of this Nation who served on a 9-member board of the National Advisory Council of Civil Defense, named by the President, during the period from 1950 up to 1953, and in that period of time I had an opportunity to visit Olney and observe the operations of the training school.

On the other hand, I also had an opportunity to observe the operations of the headquarters which is located in the District of Columbia, and I knew of the fact that it was located in a very congested area and one where the rent was very costly.

I wish to ask a question: Is the Senator from Maryland aware of the statement appearing on page 464 of the hearings before the Committee on Appropriations of the United States Senate? At the bottom of that page we find the following statement which was made by Mr. Val Peterson, formerly Governor of Nebraska and now the Civil Defense Administrator:

> Consistent with the need for dispersal and continuity of Government, FCDA, as you may know, is now in the process of moving our national office from Washington to Battle Creek, Mich., in order to get our agency and our people out of the critical target area of Washington. I am convinced that this Nation's Capital will be one of the very first targets on an aggressor's list and, unless we take this step to protect ourselves, we simply are not going to be around to do our jobs after the attack comes.

Is the Senator aware of that statement?

Mr. BUTLER. Yes, I am.

Mr. PAYNE. May I further ask whether or not the Senator is aware of the fact that as early as 1951, on the briefing by the best authority available at the Federal level at that time, and under the direction of the then former Governor Caldwell, of Florida, who was then the Civil Defense Director for this Nation, the same argument was put forth by him and by the agencies in Washington, that it was essential for the needs of our national defense and to create an effective civil defense organization that would be able to act regardless of where the target area happened to be, that it should be removed from the area of Washington and placed outside of the vale of that which was then considered a most vital target area?

Mr. BUTLER. He may have had that idea. But if the Senator is going to do that, we might as well take the Pentagon out, and all the other vital agencies of the Government.

Mr. PAYNE. Mr. President, if the Senator will yield further——

Mr. WELKER. Mr. President, will the Senator yield?

Mr. PAYNE. Mr. President, will the Senator yield for one question?

Mr. BUTLER. I yield.

Mr. PAYNE. Is it not true that we are at present and have been for some period of time discussing very seriously the proposition of endeavoring to disperse, insofar as practical, those essential agencies of the Government so as not to have all of our eggs in one basket?

Mr. BUTLER. Let me answer the Senator by saying that it has always been the rule in dispersal that a safe distance is 20 miles, and that is exactly what this is. So we come within all the specifications. I can see no reason for moving this agency.

Mr. WELKER. Mr. President, will the Senator yield?

Mr. BUTLER. I am very happy to yield.

Mr. WELKER. I should like to ask my distinguished friend and colleague, the senior Senator from Maryland, whether if the argument of the junior Senator from Maine [Mr. PAYNE] is correct, based upon Mr. Val Peterson's knowledge as to where the first attack may strike, it would not be advisable to move the Capitol, the White House——

Mr. BUTLER. Everything.

Mr. WELKER. That is right—and move everything else out from under the canopy of the Capital of the United States?

Mr. BUTLER. Take it all out of Washington. It just does not make any sense. We have always lived up to the rule that a dispersal of 20 miles is sufficient.

Two or three years ago on the floor of the Senate the very eminent Senator from Florida had a dispersal bill which carried out that principle.

Mr. President, I will proceed with my statement. The denial of these funds should result in the postponement of plans to establish Civil Defense headquarters at Battle Creek until the next session of the Congress. During the interim period a comprehensive investigation should be made as to the proper location of all these important facilities.

During the era of savage thermonuclear weapons capable of destroying entire cities with one blast, members of the executive branch of the Government who are responsible for the management of our Civil Defense Administration cannot, in good conscience, do otherwise.

So I say, Mr. President, I make the point of order that this is a reappropriation of unexpended balances in last year's appropriation bill.

Mr. FERGUSON. Mr. President——

The PRESIDING OFFICER. A point of order has been made. The Chair is prepared to rule on the point of order.

Mr. FERGUSON. Does the Chair wish to be advised on the point of order?

The PRESIDING OFFICER. The Chair recognizes the Senator from Michigan.

Mr. FERGUSON. Mr. President, I tried to persuade the Senator from Maryland at the beginning of his argument that the Senator from Michigan saw no reason why this point of order should not be sustained, and that the Senator from Michigan would have an amendment to offer, so that a point of order would not lie. I have no objection to the point of order, and believe that it would be well at this particular time to sustain the point of order.

The PRESIDING OFFICER. The Reorganization Act of 1946, section 139, paragraph (c), states:

> No general appropriation bill or amendment thereto shall be received or considered in either House if it contains a provision reappropriating unexpended balances of appropriations.

Under that provision, the Chair sustains the point of order.

Mr. FERGUSON. Mr. President——

The PRESIDING OFFICER. The Senator from Michigan is recognized.

Mr. FERGUSON. I send to the desk an amendment on page 62, line 22, to strike out "$11,000,000" and insert "$11,350,000."

The PRESIDING OFFICER. The clerk will state the amendment.

The LEGISLATIVE CLERK. On page 62, in line 22, it is proposed to strike out "$11,000,000" and insert "$11,350,000."

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Michigan [Mr. FERGUSON].

Mr. FERGUSON. Mr. President, I wish to make a few remarks on this particular amendment. The purpose of this amendment is to add $350,000 to the civil defense appropriation for the purpose of the Civil Defense moving its headquarters from an apartment house in the city of Washington, where it is paying high rent, to a Federal facility owned by the United States Government in Battle Creek, Mich.

Mr. President, the Senators from Maryland will probably object to this on the ground that part of their facility is located at Olney, Md.

The Civil Defense Administration will be able to save $217,000 a year by virtue of rents that will be saved when they are using a building owned by the United States Government.

Mr. President, it was not just decided to move this establishment to the State of Michigan. In fact, the United States Government went up to Indiantown Gap, Pa., and looked over a Federal facility there. They were determined to move out of the Washington area. So I am not here arguing for the State of Michigan, and that only the State of Michigan should receive this facility. It was the desire of the Civil Defense Administration to move away from the present location.

This is what the record of the hearings before the subcommittee of the Committee on Appropriations shows:

> We are presently located in an apartment house building at 1930 Columbia Road in Washington, and that building should be returned to its owners.

That is in a high-rent district.

> We are going to have to move. Personally, I think that we should get out of it. I think that it should be returned to the people who built it. The rent is high.
>
> There are a number of considerations involved in moving. First, the Office of Defense Mobilization has said that as a security agency of the Government we should move 20 miles beyond a 10-mile circle drawn around the target area of Washington with the Capitol as the center. This would be 30 miles from the Capitol.

That is what the Office of Defense Mobilization says.

Mr. BUTLER. Mr. President, will the Senator yield?

Mr. FERGUSON. Just a moment. The Senator from Maryland was inclined to yield to the Senator from Michigan.

Mr. BUTLER. For a particular purpose.

Mr. FERGUSON. I read from the record in the testimony of Mr. Peterson:

We have at Olney, Md., at present a staff school, a rescue street, some other buildings, and a communications center.

Mr. TABER. How far out is that?

Mr. PETERSON. Nineteen air miles from the Capitol.

It should be 20 miles instead of 19.

Mr. President, Mr. Peterson testified in the Senate committee hearings. What did he say there was here at Olney, Md.?—

We have at Olney, Md., a staff college and a rescue-training school, patterned after the English, who are the leaders in this field. We have trained many thousands of people from all over the United States.

As a matter of fact this training will take place out in the respective States instead of at Olney, or anywhere else—not even in Michigan—but these people are to be trained in the various States.

He continued:

Our first hope was that we could go out to Olney, erect a building, and locate our national headquarters there. However, Olney is 19 miles-plus from the Capitol, which we assume is the aiming point in Washington.

ODM, which has the responsibility for continuity of Government, has said that any industry which is building and expects to get tax benefits, must locate 10 miles beyond a perimeter drawn around an aiming point; in other words, 20 miles out in the country. They have said Government agencies should be at least 30 miles out. We ran into two problems in connection with Olney. ODM said it is not far enough. We cannot quarrel with them because we recognize these weapons are getting bigger and we want things dispersed.

POLICY ON NEW CONSTRUCTION

Secondly, the President said that so far as the executive branch was concerned, he did not want us or any other agency going in for new construction until and unless the agency had exhausted every possibility of moving into an existing Federal establishment standing idle. So we started to search all around this country for quarters into which we might go. That search has extended all over the area. The closest facility standing idle we could find which was adequate, is at Battle Creek, Mich. It is the Percy Jones General Hospital, formerly operated by the Kellogg people, and later taken over by the Army during the last war.

There is a million square feet of space standing idle there. It is the closest place to Washington we could find. We hope to move into that space. Those are the present plans.

Mr. WELKER. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield to the Senator from Idaho.

Mr. WELKER. I am not familiar with the State of Michigan, but I am wondering if Battle Creek is not a highly strategic area, in the event of an enemy attack, since I am informed giant industries are located either in or near Battle Creek, Mich.

Mr. FERGUSON. The city of Battle Creek is a town 125 miles from Detroit on the Michigan Central Railroad. Its industry is principally food, cereals. Therefore it is not a strategic area at all.

Mr. WELKER. It has no manufacturing, such as tanks and guns?

Mr. FERGUSON. No.

Mr. WELKER. No heavy equipment, such as automobiles or anything of that nature?

Mr. FERGUSON. I do not know of any automobiles.

Mr. WELKER. Or parts for automobiles?

Mr. FERGUSON. There may be a few machine shops. It is not a strategic area at all.

Mr. WELKER. I still think somewhere in Idaho, or Denver, Colo., would be better.

Mr. FERGUSON. The communications center is at Denver, Colo.

Mr. WELKER. That is fine.

I have one further question, Mr. President. What does the distinguished senior Senator from Michigan have to say with respect to the allegation made by the senior Senator from Maryland [Mr. BUTLER] to the effect that in the event of an all-out emergency we would have to evacuate the Percy Jones Hospital? Where would they go? That is an important question in my mind.

Mr. FERGUSON. There is a very large building there, and the attack would have to be very serious before they would leave the Percy Jones Hospital. The Army has released the facility at Battle Creek and is agreeable to having the agency moved to Battle Creek, so they have given it up.

Mr. BUTLER. For how long?

Mr. POTTER. Mr. President, will my distinguished colleague yield?

Mr. FERGUSON. I am glad to yield to my colleague.

Mr. POTTER. I believe I can answer the question of my colleague from Idaho.

The Percy Jones building was not constructed as a hospital. It served as a hospital in World War II. It served very well as a hospital.

The Army has released it as a hospital. It is a beautiful, well-built structure, which is ideally suited for an office building. In case of another emergency there are many other buildings which would be suitable for a hospital.

This building was used as a hospital during the war, but it was not built as a hospital. Certainly we would not leave a building like that empty, waiting for another war to come along so that we could use it as a hospital. The Army has released it.

Mr. WELKER. Mr. President, will the Senator yield?

Mr. FERGUSON. I am glad to yield to the Senator from Idaho.

Mr. WELKER. Obviously, there must have been some reason why this office building, or whatever it is, was used as a hospital in World War II. We are told that if another emergency arises conditions will be much more severe, and casualties will be exceedingly high. I am wondering why we cannot go out to some of the abandoned Air Force bases which dot the Nation, which are now used entirely as bowling alleys for rats and skunks, where they could well do everything we can do at this so-called hospital there in Battle Creek.

Mr. POTTER. Does the Senator propose that we stockpile all the hospitals we had in World War II, awaiting another emergency?

Mr. WELKER. I think the situation is serious, since we are so alerted and must be so meticulous with respect to inches, feet, or miles away from the Nation's Capital, that we had better be alerted to this great danger we have all heard so much about. I say that the first thing we need is hospitals.

Mr. BUTLER. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield to the Senator from Maryland.

Mr. BUTLER. Does the Senator not know that Val Peterson, the Administrator of this agency, has certified that Olney, Md., meets the minimum standard as to distance requirement?

Mr. FERGUSON. His testimony is just the opposite. I have read it to the Senator.

Mr. BUTLER. I have a letter here which is not the opposite, and it is dated July 30. I received it August 2. I shall quote it:

While Olney meets the minimum distance standard—

So I do not know what he means.

Mr. FERGUSON. Let me read his testimony.

Mr. BUTLER. I have just read from a letter.

Mr. FERGUSON. I shall read his testimony:

Consistent with the need for dispersal and continuity of Government, FCDA, as you may know, is now in the process of moving our national office from Washington to Battle Creek, Mich., in order to get our agency and our people out of the critical target area of Washington. I am convinced that this Nation's Capital will be among the very first targets on an aggressor's list and unless we take this step to protect ourselves, we simply are not going to be around to do our jobs after the attack comes.

Mr. BUTLER. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. BUTLER. Does the Senator not know that this agency is an agency which must keep in close liaison with other departments of Government? We cannot run the civil defense of the United States in time of emergency from some building out in Battle Creek, one thousand miles away from this Capital. If we can do that, then let us move the Pentagon and all these other agencies away from Washington.

It sounds silly to me to select this one agency which is comfortably located in the lovely State of Maryland, and require it be moved to Michigan.

Mr. FERGUSON. I understand that it is beyond the imagination of the distinguished Senator that anything could possibly be moved from the great State of Maryland to the great State of Michigan.

Mr. BUTLER. The Senator is certainly correct.

Mr. FERGUSON. I appreciate the feelings of the distinguished Senator. I have been in both States.

Mr. BUTLER. I will not even go so far as to limit it to Michigan. I say it is impossible for me to conceive of anything moving out of the great State of Maryland.

Mr. FERGUSON. That is right; I understand that.

If war should come, I suppose the Senator understands that the people would be moved out of the Pentagon Building. I do not know whether the Senator is familiar with the plans or not.

Mr. BUTLER. I suppose we would move out of the Capitol, too. Is there any distinction as between a United States Senator and the man who is operating the civilian defense agency? We would probably all move.

Mr. POTTER. Mr. President, will my distinguished colleague yield?

Mr. FERGUSON. I now yield to my distinguished colleague from Michigan.

Mr. POTTER. Is it not a fact that the argument put forward by the distinguished Senator from Maryland relates to only a portion of the program?

Mr. FERGUSON. That is correct.

Mr. POTTER. For several years there has been an effort to find a suitable and adequate location to house the entire headquarters for the civil defense agencies. The Senator from Maryland is complaining because the training program which is located in Olney would be moved. The distinguished Senator from Michigan, and I, and the executive branch of the Government, which has recommended this change, are concerned about the entire civilian defense program. We are concerned about the headquarters being here where we are paying terrific rent. The object is to have a coordinated program in a rent-free facility, which will save the taxpayers of this country more than $200,000 a year.

Mr. BUTLER. Mr. President, will the Senator yield?

Mr. POTTER. It is like the tail wagging the dog.

Mr. FERGUSON. I yield.

Mr. BUTLER. Does not the Senator from Michigan know that within the past 2 months, not within the past 2 years, active negotiations have been in progress for the lease and purchase of the property at Olney? How could it have been within their contemplation for the last 2 or 3 years to move? If it has been, they have been fooling somebody in Maryland.

Mr. BEALL. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield to the junior Senator from Maryland.

Mr. BEALL. There are not merely 50 acres available in this tract. There are 243 acres. It is also possible to move the headquarters from Washington out to Olney, where the facility would be all on the same piece of land.

Mr. POTTER. Then it would be necessary to construct a new building.

Mr. BEALL. Yes; but it could be built under the lease-purchase arrangement, which would be cheaper than remodeling the buildings in Battle Creek for this use. Under the law which Congress recently passed for lease-purchase agreements, under which the landlord will build, it actually would cost less to retain the facility at Olney. It is proposed to move the facility to Battle Creek and recondition a group of lovely old buildings and convert them for office use. They will have to be converted. By the time we were through remodeling them for these purposes, it would be much cheaper to buy an entire new building.

Mr. POTTER. Mr. President, will the distinguished senior Senator from Michigan yield?

Mr. FERGUSON. I yield.

Mr. POTTER. I have great love and affection for the Senator from Maryland, but it is possible to cite figures and statistics to support any argument. The facility at Battle Creek would not require any appreciable amount of money for remodeling for this program. It certainly would require much less than to build a new facility. Think of the waste. At Battle Creek we have a facility already built. We can utilize that facility rather than build a new one.

Mr. BEALL. That is what I am talking about at Olney. Mr. President, will the Senator yield for a question?

Mr. FERGUSON. I yield for a question.

Mr. BEALL. I should like to ask the distinguished Senator another question. Is it not provided in the agreements with the Army or the Veterans Hospital that, under instructions of the President, they will abandon Battle Creek for hospital purposes any time he says so? Is that not written into the agreement?

Mr. FERGUSON. I do not so understand it. I am sure that the President of the United States——

Mr. BEALL. He can tell them to vacate it for hospital purposes.

Mr. FERGUSON. He can vacate any building, for that matter.

Mr. BEALL. The Battle Creek medical resources at Mayo's, and everything else, I suppose.

Mr. FERGUSON. No; that is not correct. Mayo's is up at Rochester, Minn.

Let me make one further answer to the letter which the Senator claims he has from Mr. Peterson.

Mr. BUTLER. Has the Senator any doubt about it?

Mr. FERGUSON. I have no doubt about it.

Mr. BUTLER. The Senator said that I claim to have it. I do have it.

Mr. FERGUSON. Mr. Peterson stated to the committee:

> We ran into two problems in connection with Olney. ODM said it is not far enough. We cannot quarrel with them because we recognize these weapons are getting bigger and we want things dispersed.

Mr. BUTLER. If ODM were asked if its own agency were far enough out, what would it say? Manifestly, it would say "No," because it is right in the heart of Washington. Why does it not move out?

Mr. FERGUSON. I hope we can get a vote favorable to the adding of $350,000 to this item.

Mr. BUTLER. I ask for the yeas and nays, Mr. President.

The yeas and nays were not ordered.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Michigan.

Mr. HUMPHREY. Mr. President, a point of order. Is this a matter of legislation on an appropriation?

The PRESIDING OFFICER. This amendment is for an increase in the amount of the appropriation.

Mr. BUTLER. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. BUTLER. Has the Chair ruled that the demand for the yeas and nays was sufficiently seconded?

The PRESIDING OFFICER. The yeas and nays were not ordered.

Mr. BUTLER. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Goldwater	McCarran
Anderson	Gore	McClellan
Barrett	Green	Millikin
Beall	Hayden	Monroney
Bennett	Hendrickson	Morse
Bowring	Hennings	Mundt
Bricker	Hickenlooper	Pastore
Bridges	Holland	Payne
Burke	Humphrey	Potter
Butler	Ives	Purtell
Capehart	Jackson	Reynolds
Carlson	Jenner	Robertson
Case	Johnson, Tex.	Russell
Chavez	Johnston, S. C.	Saltonstall
Clements	Kennedy	Smathers
Cooper	Kerr	Smith, Maine
Cordon	Knowland	Sparkman
Crippa	Kuchel	Stennis
Daniel	Lennon	Symington
Douglas	Long	Thye
Dworshak	Magnuson	Upton
Ellender	Malone	Welker
Ervin	Mansfield	Young
Ferguson	Martin	
Fulbright	Maybank	

The PRESIDING OFFICER. A quorum is present.

The question is on agreeing to the amendment offered by the Senator from Michigan [Mr. FERGUSON].

Mr. BUTLER. I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. FERGUSON. Mr. President, I merely wish to speak a few sentences. These funds will enable the Civil Defense Administration to do that which it has started to do and has desired to do, namely, to move into a Federal building at Battle Creek, Mich., save $270,000 a year on rental, and move an agency out of a critical area in Washington, where it is at present occupying a large apartment house on Columbia Road. Therefore, I hope the amendment will be agreed to.

Mr. KUCHEL. Mr. President, I have been told that a number of years ago the late great publisher, William Randolph Hearst, became rather vitriolic during a campaign in which he was a candidate for public office in the State of New York. Finally the publisher issued an announcement in which he said, "If my opponent will stop telling lies about me, I promise to stop telling the truth about him."

Over the years, Mr. President, the State represented in part by the distinguished Presiding Officer, the Senator from Arizona [Mr. GOLDWATER], and my own State of California have had a great many disputes. But I am happy to say that the same logic which appealed to the late publisher in New York also appealed to the people of California. Therefore, having applied that logic to the lawsuits which arose between Arizona and California, the Senators from those States are now in the happy situation of offering bills together on the floor of the Senate.

I wish that same philosophy might lend itself to an unfortunate cannibalistic situation, in which some of us now find ourselves torn by equal affection for those who live in Michigan, on the one hand, and those who live in Maryland, on the other hand.

Senators are in somewhat of a quandary about what to do. I hope that in the last analysis we can vote in the public interest.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. KUCHEL. I yield.

Mr. CHAVEZ. I am most happy that eventually California and Arizona are getting together. Now that they intend to introduce legislation pertaining to Arizona and California, I hope that they do not plan to take all of New Mexico's water, because every time we shed a tear or produce some kind of water in New Mexico, the States of California and Arizona seem to find some way to take it.

Mr. THYE. That is exactly why the two States have got together.

Mrs. SMITH of Maine. Mr. President, will the Chair advise the Senate as to what the Senate is being asked to vote upon?

The PRESIDING OFFICER. The clerk will state the amendment of the Senator from Michigan [Mr. FERGUSON].

The LEGISLATIVE CLERK. On page 62, line 22, it is proposed to strike out "$11,000,000" and to insert in lieu thereof "$11,350,000."

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Michigan [Mr. FERGUSON]. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The Chief Clerk proceeded to call the roll, and Mr. MANSFIELD, when his name was called, voted "present."

Mr. CORDON. Mr. President, I make the point of order that the junior Senator from Montana is out of order, he not having voted when his name was called.

The PRESIDING OFFICER. The Chair rules that the Senator will have to withhold his point of order until the call of the roll is completed.

The rollcall was concluded.

Mr. MANSFIELD. Mr. President, rule XII, paragraph 2, provides as follows:

> When a Senator declines to vote on call of his name, he shall be required to assign his reasons therefor, and having assigned them, the Presiding Officer shall submit the question to the Senate: "Shall the Senator, for the reasons assigned by him, be excused from voting?" which shall be decided without debate; and these proceedings shall be had after the rollcall and before the result is announced; and any further proceedings in reference thereto shall be after such announcement.

Mr. President, my reason for voting "present" is that it looks to me as if the vote on the amendment is a matter purely between Republican Senators from two States. So, I think in the interest of harmony and in the interest of bipartisanship, the best thing I can do is vote "present."

The PRESIDING OFFICER. Does the Senator from Oregon insist that the Senator from Montana vote?

Mr. CORDON. The Senator from Oregon states that the Senator from Montana must either be excused from voting or must vote after he assigns his reasons.

The PRESIDING OFFICER. The question is, Shall the Senator from Montana, for the reasons assigned by him, be excused from voting? [Putting the question.]

Several Senators asked for the yeas and nays.

The PRESIDING OFFICER. The Chair is in doubt. The Chair will call for a division.

All those in favor, raise their hands.

SEVERAL SENATORS In favor of what?

The PRESIDING OFFICER. In favor of excusing the Senator from Montana from voting.

Senators will please hold their hands up until they are counted.

The Chair will ask Senators in favor of excusing the Senator from Montana from voting to rise.

Mr. MORSE. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. MORSE. In favor of excusing the Senator from Montana from voting?

The PRESIDING OFFICER. In favor of excusing the Senator from Montana from voting. All those opposed, stand.

The "nays" have it, and the Chair rules that the Senator from Montana is required to vote.

The CHIEF CLERK. Mr. MANSFIELD.

Mr. MANSFIELD. In the interest of economy, I vote "nay." [Laughter.]

Mr. SALTONSTALL. I announce that the Senator from Connecticut [Mr. BUSH] and the Senator from Kansas [Mr. SCHOEPPEL] are absent by leave of the Senate.

The Senator from Illinois [Mr. DIRKSEN], the Senator from Pennsylvania [Mr. DUFF], the Senator from Vermont [Mr. FLANDERS], the Senator from North Dakota [Mr. LANGER], the Senator from Wisconsin [Mr. MCCARTHY], the Senator from New Jersey [Mr. SMITH], the Senator from Utah [Mr. WATKINS], the Senator from Wisconsin [Mr. WILEY], and the Senator from Delaware [Mr. WILLIAMS] are necessarily absent.

Mr. CLEMENTS. I announce that the Senator from Virginia [Mr. BYRD], the Senator from Mississippi [Mr. EASTLAND], the Senator from Delaware [Mr. FREAR], the Senator from Georgia [Mr. GEORGE], the Senator from Iowa [Mr. GILLETTE], the Senator from Alabama [Mr. HILL], the Senator from Colorado [Mr. JOHNSON], the Senator from Tennessee [Mr. KEFAUVER], the Senators from West Virginia [Mr. KILGORE and Mr. NEELY], the Senator from New York [Mr. LEHMAN], and the Senator from Montana [Mr. MURRAY] are necessarily absent.

The result was announced—yeas 29, nays 44, as follows:

YEAS—29

Aiken	Fulbright	Potter
Bowring	Hayden	Purtell
Bricker	Hendrickson	Reynolds
Bridges	Hickenlooper	Saltonstall
Burke	Ives	Smith, Maine
Carlson	Jackson	Stennis
Case	Knowland	Thye
Cordon	Kuchel	Upton
Dworshak	Mundt	Young
Ferguson	Payne	

NAYS—44

Anderson	Gore	Martin
Barrett	Green	Maybank
Beall	Hennings	McCarran
Bennett	Holland	McClellan
Butler	Humphrey	Millikin
Capehart	Jenner	Monroney
Chavez	Johnson, Tex.	Morse
Clements	Johnston, S. C.	Pastore
Cooper	Kennedy	Robertson
Crippa	Kerr	Russell
Daniel	Lennon	Smathers
Douglas	Long	Sparkman
Ellender	Magnuson	Symington
Ervin	Malone	Welker
Goldwater	Mansfield	

NOT VOTING—23

Bush	Gillette	Murray
Byrd	Hill	Neely
Dirksen	Johnson, Colo.	Schoeppel
Duff	Kefauver	Smith, N. J.
Eastland	Kilgore	Watkins
Flanders	Langer	Wiley
Frear	Lehman	Williams
George	McCarthy	

So Mr. FERGUSON's amendment was rejected.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. BUTLER. Mr. President, I move that the vote by which the Ferguson amendment was rejected be reconsidered.

Mr. BEALL. Mr. President, I move that the motion of the senior Senator from Maryland be laid on the table.

The PRESIDING OFFICER. The question is on agreeing to the motion of the junior Senator from Maryland to lay on the table the motion of the senior Senator from Maryland.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. BUTLER. Mr. President, I address an inquiry to the distinguished chairman of the Committee on Appropriations, and ask him how he interprets the action of the Senate in this instance. Does not the chairman of the committee believe that the agency is now deterred from leaving the vicinity of the Capital?

Mr. BRIDGES. I do not know that I can interpret the action of the Senate any better than the Senate itself has interpreted its action when a moment ago it voted to deny funds for the moving of the agency. Apparently the sense of the Senate was very obvious.

Mr. BUTLER. Mr. President, I direct the attention of the Senate to the committee amendment on page 25 of the bill, and I wish to propound a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. BUTLER. Inasmuch as the House of Representatives incorporated general legislation in the appropriation bill, the Senate would have the right, would it not, to amend that legislation if the amendment were germane?

The PRESIDING OFFICER. The Chair is informed that the statement of the Senator from Maryland is correct.

Mr. BUTLER. So that the parliamentary situation may be entirely clear, I understand that the distinguished Senator from New Hampshire intends to protect the committee, and that in doing so he intends to resist a point of order which I may raise on the very question I have just propounded to the Chair. Is that correct?

Mr. BRIDGES. I will say to the distinguished Senator from Maryland that the chairman of the committee could do nothing else, in representing the committee, than to call attention to the germaneness of the question if the point of order is raised.

Mr. BUTLER. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. BUTLER. Is the Senator from Maryland correct in believing that if a point of order is now made, it will cut off debate?

The PRESIDING OFFICER. When a point of order is raised, the Chair will rule, unless the question of germaneness is raised, in which case the Chair will submit the question to the Senate.

Mr. BUTLER. It is not my desire to detain the Senate, and I shall make a very brief explanation of my reasons for making the point of order.

Mr. President, the appropriation bill, as amended by the Senate Appropriations Committee, authorizes and appropriates supplemental funds for the Department of Health, Education, and Welfare, to be used, in part, to meet the cost of transferring some 450 employees of the Bureau of Old Age and Survivors Insurance from Baltimore to Washington.

After a careful study of the proposal, it is my considered opinion that the transfer of those employees would be completely antagonistic to every policy of economy and efficiency and to the best interests of both the Government and the employees involved.

The Department of Health, Education, and Welfare recently announced plans for the erection of a new building in Baltimore to house the Bureau of Old Age and Survivors Insurance. The employees subject to this transfer to Washington are those making up the headquarters staff of this Bureau, which, as the name "headquarters staff" implies, is composed of the technicians and professional personnel which supervise the day-by-day functions of the Bureau.

Although the plans originally envisioned that the headquarters staff would remain in Baltimore with the rest of the Bureau employees, and the members involved were so advised on numerous occasions, it was announced on May 11 of this year that the headquarters staff would be transferred to Washington.

Mr. McCLELLAN. Mr. President, will the Senator yield?

Mr. BUTLER. I yield to the Senator from Arkansas.

Mr. McCLELLAN. To what part of the bill is the Senator now addressing himself?

Mr. BUTLER. I refer to page 25, line 9 to 23.

In a recent letter to the President with reference to this proposed transfer, I stated several of the more substantial reasons why these employees should remain in Baltimore, which are as follows:

First, efficiency and economy of operation: As previously emphasized, the members of the headquarters staff obviously must work closely with the other members of the Bureau and to execute their function from Washington would be extremely difficult, more costly, and inefficient. Furthermore, no persuasive reason, from an administrative or executive standpoint, seems to exist for having the headquarters staff in Washington.

Second, extreme hardship to the 450 employees involved: These employees are settled residents of Balitmore and the surrounding area.

Many have bought homes on the strength of prior announcements by officials of the Social Security Administration that "all Bureau employees" would be covered "under one roof in the Baltimore area." The proposed move to Washington would result in the forced sale of their homes and, in many instances, the splitting of families, inasmuch as many wives or husbands of employees work in other divisions of the Bureau or in private industry in Baltimore.

The move would thus demoralize the personnel of this Bureau. It is estimated that at least one-third of the trained staff would resign, if forced to transfer. Furthermore, a sizable portion of the stenographic personnel would refuse to move to Washington; and it would be difficult to replace this personnel in the latter city under present employment conditions, and at rates paid stenographic help in Baltimore.

Third. Space problems would result both in Baltimore and in Washington. At the present time the headquarters staff is located in the Equitable Building, in Baltimore, and requires approximately 55,000 square feet of space.

At the present time the Government has a lease on this space at the rate of $2.30 per foot per annum, with the lease on this space expiring as follows: one-third on May 31, 1955; one-third on November 30, 1955; and one-third on May 31, 1956. I am told that the present liability under the lease amounts to approximately $160,000, which the Government would probably lose if the move should take place in August, as scheduled.

Regarding space in Washington, it is assumed that the personnel would be moved into the main headquarters building of the Department, on Independence Avenue. However, it is my understanding that only 20,000 square feet of space is available in that building, which would mean that the Department would have to acquire additional space in Washington, at extra cost.

Fourth. The move would be contrary to the theory of decentralization of Government operation. For economic and defense purposes, it has been the policy and constant effort of the executive branch of the Government to decentralize Government operation to the greatest extent possible. The move of this personnel to Washington would be contrary to this theory in the most extreme sense.

Fifth. Last, in no event is it now the time for such a move. House bill 9366, the social-security expansion bill, will undoubtedly be approved in the very near future by Congress. The headquarters staff, the personnel subject to this move, will have the task of working out new administrative procedures for the entire country resulting from this implementation of the social-security program. It is essential that the efficiency and the morale of this personnel be retained under all circumstances.

Several weeks ago I advised the Department of Health, Education, and Welfare of the basis upon which I objected to the proposed transfer, and I set forth the reasons I have just stated. Inasmuch as I have not received a detailed rebuttal of the objections, it must be assumed that the Department has no answer to them. In any event, I firmly believe that the factors I have stated, in themselves, manifest the impropriety of the proposal and are not subject to serious challenge.

This appropriation bill as passed by the House of Representatives provided that—

> None of the funds available to the Bureau of Old-Age and Survivors Insurance shall be used to pay any costs, direct or indirect, of moving any group of employees of the Bureau from Baltimore, Md., to Washington, D. C.

The Senate Appropriations Committee has recommended that the above provision be amended so as to read as follows:

> SALARIES AND EXPENSES, BUREAU OF OLD-AGE AND SURVIVORS INSURANCE
>
> The amounts made available under this head for the fiscal year 1955 shall be available for the payment of special allowances to those employees of the Department whose headquarters are relocated from Baltimore, Md., to Washington, D. C., at $9 per day after arrival at Washington, D. C., for 6 days for employees, plus $4.50 per day additional for 6 days for each member of immediate families of employees.

No prior authorization of the per diem allowances referred to in the Senate amendment has been made by Congress. The Senate committee amendment to the bill therefore constitutes substantive legislation on an appropriation bill, and is subject to a point of order insofar as it is not germane to the subject matter.

Mr. President, for the reasons just stated, I therefore raise the point of order with respect to the amendment reported by the committee.

Mr. BRIDGES. Mr. President, in order to carry out the recommendations of

the committee, I must insist that the committee amendment is germane.

Mr. THYE. Mr. President, I should like to make a brief clarifying statement in connection with this question.

This division consists of approximately 450 employees. They were what might be termed the headquarters staff. The staff was moved to Baltimore in 1941, at the outbreak of the war, when space in Washington, D. C., was at a premium. In view of that move, the plan has always been to have the group return to Washington as soon as conditions returned to normal, following the end of the war.

The facts are that buildings were erected in Washington to house the OASI; and those buildings are now occupied by the Department of Health, Education, and Welfare. There is no reason or justification for denying to the employees involved proper compensation for the expense of disposing of their homes in Baltimore and coming to Washington, D. C., and acquiring homes in Washington, D. C.

That is all that is involved in the committee amendment that is objected to by the Senator from Maryland. The objection is made simply on the basis that the committee amendment states that the employees are to receive $9 a day for 6 days, and each dependent in the member of the family of such employee is to receive $4.50 a day for 6 days. The fact is that many of the employees have already disposed of their homes in Baltimore.

So the Senator from Maryland cannot stop the transfer. If he objects to the amendment, an injustice will be committed against the employees involved, because they will not be allowed the $9 a day for the number of days involved, and thus will not be allowed to receive reimbursement for the cost of making the move or transfer.

Mr. BUTLER. Mr. President, will the Senator from Minnesota yield to me?

Mr. THYE. Not at the moment, Mr. President.

The PRESIDING OFFICER (Mr. GOLDWATER in the chair). The Chair must remind the Senator from Minnesota that, under rule XX, a point of order is not debatable.

The Chair was willing to indulge the Senator from Minnesota for a few moments. If the Senator from Minnesota can complete his remarks in a few moments more, the Chair will indulge him to that extent, after which there will be no further remarks.

Mr. THYE. I thank the Presiding Officer.

I merely wish to say that certain of the employees have acquired new homes in Washington, after having disposed of their old homes in Baltimore. Nothing that the Senator from Maryland [Mr. BUTLER] can do can prevent the transfer of this division, because it is in the process of making the transfer.

If the Senator from Maryland objects, he will make it impossible for the employees to receive the compensation the committee has seen fit to vote to have them allowed.

Mr. BUTLER. Mr. President, I ask unanimous consent that I may be allowed to proceed for half a minute, to answer the statement just made by the Senator from Minnesota.

The PRESIDING OFFICER. Inasmuch as the Chair has indulged the Senator from Minnesota, the Chair is willing to indulge the Senator from Maryland, if he will confine his remarks to a few moments.

Mr. BUTLER. I thank the Chair.

Mr. President, I have no information similar to that just recited by the Senator from Minnesota [Mr. THYE]. In all the extensive hearings, there is not one word about why the move is to be made, or to show that any employee has sold a house or has bought a house. I defy any Senator to find in the hearings one word which would justify the move.

The PRESIDING OFFICER. The Chair must insist——

Mr. BUTLER. Mr. President——

Mr. THYE. Mr. President——

The PRESIDING OFFICER. The Chair must insist on the application of rule XVI, which provides, in effect, that when a question of the germaneness or relevancy of an amendment is raised, it is the duty of the Presiding Officer, under rule XVI, paragraph 4, to submit the matter to the Senate for its determination; and the submission of the question to the Senate takes priority over a point of order that the amendment is general legislation.

Under rule XVI, if a question of germaneness is raised, the Chair is required to submit the question to the Senate.

The question is: Is it the sense of the Senate that the committee amendment, on page 25, in lines 14 to 23, inclusive, is germane to the language of the bill, as passed by the House, which would be stricken out by the committee amendment? [Putting the question.]

The "noes" have it.

The Senate having voted that the amendment is not germane, the amendment is not in order.

Mr. THYE. Mr. President, Mr. President, Mr. President——

The PRESIDING OFFICER. The Chair has not completed his ruling.

Mr. FERGUSON. Then I request a division.

Mr. BUTLER. Mr. President, a parliamentary inquiry.

Mr. THYE. Mr. President, if the Chair has not announced his ruling——

Mr. BUTLER. He has announced it.

Mr. THYE. Then the question is open. If he has, then I wish to be recognized.

Mr. BUTLER. Has not the Chair announced the decision?

The PRESIDING OFFICER. The Chair announces that the Chair has already announced the result of the vote.

Mr. BUTLER. That is correct.

Mr. THYE. Then, Mr. President——

The PRESIDING OFFICER. The Senator from Minnesota is recognized.

Mr. THYE. I must invite the attention of the Senator from Maryland [Mr. BUTLER] to the fact that he waved this committee hearing record about, and said there was not a line in it about this transfer. Therefore, I must respectfully call to the Senator's attention the language on page 380. Will he please read it?

Mr. BUTLER. I did not make such a statement. The Senator said there was not one word in these hearings in the way of a reason for making this move, or that anyone had sold a house or had bought another house in Washington. I defy the Senator to find it.

Mr. WELKER. Mr. President, I insist upon the regular order.

The PRESIDING OFFICER. The regular order is demanded.

The bill is open to further amendment.

Mr. MUNDT. I send to the desk an amendment.

Mr. THYE. Mr. President, I thought I was recognized. I had a reply to make to the Senator from Maryland.

The PRESIDING OFFICER. The floor was yielded, and the Chair recognized——

Mr. THYE. No, Mr. President; the Senator from Minnesota was still on his feet, and was asking to be recognized.

The PRESIDING OFFICER. The Senator from Idaho [Mr. WELKER] had called for the regular order, and the Chair stated that there was a demand for the regular order, and announced the regular order. The bill is open to further amendment. A further amendment has been offered.

Mr. THYE. Mr. President, I was still on my feet trying to be recognized, and we are still on the bill. Therefore, I think that I have the right——

The PRESIDING OFFICER. Does the Senator from South Dakota [Mr. MUNDT] yield to the Senator from Minnesota?

Mr. MUNDT. I yield, with the understanding that I will be recognized thereafter.

Mr. THYE. Mr. President, I read from the hearings on page 380:

Senator THYE. In other words, you have an item here to include $9 a day for 6 days for the employees after they arrive in Washington. And the $4.50 for each member of the immediate family.

What is that for?

Mr. TRAMBURG. That is to ease the burden of the transfer cost that the family has.

Senator THYE. From Baltimore to Washington?

Mr. TRAMBURG. From Baltimore to Washington.

Senator THYE. You mean they are moving down here and it is going to be 6 days before they settle themselves in their own respective homes?

Mr. TRAMBURG. I wouldn't say it would be, Mr. Chairman. It is an attempt to assist the employee when you are uprooting him from his present living quarters and moving to another city.

Senator THYE. You have never done this before?

Mr. TRAMBURG. Sir, I can't answer that.

Senator THYE. The statement here says not.

Mr. TRAMBURG. I have just been informed when these people moved out due to the war space situation here that this is the same situation that prevailed then. The movement was then from Washington to Baltimore during the war years. This involves only the headquarters staff, 450 of the approximately 14,000 employees in the Bureau of Old-Age and Survivors Insurance.

Senator HAYDEN. They were compensated when they were moved from Washington to Baltimore?

Mr. President, that is all I wanted to call to the attention of the Senate. I did not wish to be informed by the Senator from Maryland [Mr. BUTLER] that there was nothing in this record on the subject, because there was something in it. That is all I was trying to obtain recognition for. I merely want the record to be clear.

Mr. MUNDT. Mr. President——

The PRESIDING OFFICER. The Senator from South Dakota is recognized.

Mr. MUNDT. I sent my amendment to the desk.

The PRESIDING OFFICER. The clerk will state the amendment.

The LEGISLATIVE CLERK. On page 33, line 21, after the word "and", it is proposed to insert the words "for emergency rehabilitation of the."

Mr. MUNDT. Mr. President, I have discussed this amendment with the Senator from South Dakota [Mr. CASE].

Mr. BRIDGES. I will say to the Senator from South Dakota that the Senator from New Hampshire will take that amendment to conference.

Mr. MUNDT. I thank the Senator from New Hampshire.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from South Dakota [Mr. MUNDT].

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. FULBRIGHT. Mr. President, I offer the amendment, which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The clerk will state the amendment.

The LEGISLATIVE CLERK. On page 30, line 16, after the word "amended", it is proposed to strike out "$3,500,000" and insert "$5 million."

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Arkansas [Mr. FULBRIGHT].

Mr. FULBRIGHT. I merely wish to remind the Senate that only a short while ago we passed a bill extending the Water Facilities Act to all the 31 States in what is called the western and Pacific coast area.

It seems to me that the sum of $5 million would enable this program to get properly under way. In the 31 States, they must have this $5 million, which is a loan program, and the interest rates will be increased to 4 percent. If the money is not loaned, it will not be used, of course. It is not a giveaway or a grant program at all. Everyone is now particularly conscious of the evil effects of the drought in all the States of this area, including my own State and all of the Midwest.

The House today passed a special emergency relief bill authorizing further aid. We appropriated and made available as much as $100 million last year for the relief of States suffering from the drought. This program is designed for the long pull and to prevent the disastrous effect of the drought in many places where water is available. I think it is a very sound business proposition, and I hope the committee will accept the amendment. I hope the House and Senate will pass it. If the committee feels that it needs some support in this matter——

Mr. BRIDGES. Mr. President, this particular amendment relates to new legislation which has just been enacted, as the distinguished Senator has said. The committee, after hearing the evidence presented, and deliberating on it, felt that $3,500,000 was an adequate sum to initiate this program, and all that could be used properly at this time.

This is a matter of judgment, let me say to the Senator from Arkansas. Perhaps $5 million is the correct amount; perhaps it should be $4 million, perhaps $3 million. The committee arrived at the figure of $3,500,000 as a proper figure. But it is just a question of judgment, as to how soon this program will be in operation, and how it will be used. That is not a hard and fast figure, but the committee felt that it was a reasonable determination.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. BRIDGES. Of course.

Mr. FULBRIGHT. Does not the Senator think that, under the extremely serious conditions now existing in regard to the drought, in addition to the actual use of this money it would be of benefit psychologically to the people in all these 31 States to know that until there is a possibility of doing something about the water supply, and especially in view of the fact that this is a loan program—and the Senator, I believe, will agree that these loans have worked out very well economically and the program has been very successful in the past in this restricted area of 17 Western States—it would be well to get this program under way? I hope the Senator from New Hampshire will let this program get under way. Once it is going, I think we would gain more experience; but $5 million is not very much for 31 States.

Mr. BRIDGES. The Senator from New Hampshire, acting on his own initiative, after talking briefly with other members of the committee, will take the amendment to conference.

Mr. FULBRIGHT. I thank the Senator from New Hampshire.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Arkansas [Mr. FULBRIGHT].

The amendment was agreed to.

Mr. BRIDGES. Mr. President, I offer the amendment which I send to the desk.

The VICE PRESIDENT. The Secretary will state the amendment.

The LEGISLATIVE CLERK. On page 36, line 8, it is proposed to insert the following:

FOREIGN CLAIMS SETTLEMENT COMMISSION OF THE UNITED STATES

Administrative expenses (Korean claims)

For expenses necessary to enable the Foreign Claims Settlement Commission to carry out the provisions of the amendments of 1954 to the War Claims Act of 1948, as amended (50 U. S. C., App. 2004), including services as authorized by section 15 of the act of August 2, 1946 (5 U. S. C. 55a), and expenses of attendance at metings concerned with the purposes of this appropriation, $100,000: *Provided*, That this paragraph shall be effective only upon the enactment into law of H. R. 9390, 83d Congress.

Mr. BRIDGES. Mr. President, I will take just about 1 minute to explain the amendment. This matter came to the committee's attention after we closed our hearings on the bill. A bill recently passed by Congress set up a War Claims Commission for Korean veterans who were held prisoner of war by either the Chinese Communists or the North Korean Communists. Such a prisoner of war does not come under the definition established by the Geneva Convention. Therefore, such prisoners of war do not come under the provisions of the regular War Claims Act. It was, therefore, necessary to set up a special War Claims Commission so that American prisoners of war who were held by either the Chinese Communists or the North Korean Communists and who suffered as a result of such imprisonment, and in some cases suffered atrocities, may have the right to submit war claims.

Mr. HENDRICKSON. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr. HENDRICKSON. Does this matter have any relation to the Trading With the Enemy Act?

Mr. BRIDGES. So far as the Senator from New Hampshire knows, it has not, except that some money eventually coming from the claims may come under the provisions of that act. That is the only connection, namely, that after the commission is set up and the claims are judged to be fair claims, the money with which to pay the claims would come from that source. However, this matter is not directly concerned with the Trading With the Enemy Act.

Mr. HENDRICKSON. It is not related at all to the Dirksen bill or to the Hendrickson-Smith-Ives bill?

Mr. BRIDGES. I want to be entirely fair with the Senator from New Jersey, because the Senator from New Hampshire has not heard any testimony on this matter. It is one of those last minute matters that were submitted to the committee. It seemed to us to be very laudable, because the Korean war veterans should have the same means and methods of adjusting their claims as other war veterans. Certainly there is no group of people in America who deserve more attention from our country than the group of American war veterans who suffered atrocities or cruelties or other injury at the hands of the Communists in the Korean prisoner of war camps. Aside from that the Senator from New Hampshire cannot furnish more information.

Mr. HENDRICKSON. May we have the amendment read again?

The VICE PRESIDENT. The Secretary will again read the amendment for the information of the Senate.

The LEGISLATIVE CLERK. On page 36, line 8, it is proposed to insert the following:

FOREIGN CLAIMS SETTLEMENT COMMISSION OF THE UNITED STATES

Administrative expenses (Korean claims)

For expenses necessary to enable the Foreign Claims Settlement Commission to carry out the provisions of the amendments of

1954 to the War Claims Act of 1948, as amended (50 U. S. C. App. 2004), including services as authorized by section 15 of the act of August 2, 1946 (5 U. S. C. 55a), and expenses of attendance at meetings concerned with the purposes of this appropriation, $100,000: *Provided*, That this paragraph shall be effective only upon the enactment into law of H. R. 9390, 83d Congress.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from New Hampshire.

The amendment was agreed to.

Mr. BRICKER. Mr. President, I wish at this time to call to the attention of the Chairman of the Committee on Appropriations and the Senate the provisions of section 906, subsection (b) of section 404 of the Civil Aeronautics Act of 1938, and the amendment thereto.

The chairman of the committee has served notice, according to the rules of the Senate, this being legislation on an appropriation bill, that he will submit the question to a vote of the Senate. I merely wish to call to the attention of the chairman of the committee the fact that this committee amendment is entirely inconsistent with the report of the committee itself, and that the Committee on Interstate and Foreign Commerce now has before it 4 or 5 bills, one of which has been passed by the Senate, which are entirely contrary to the spirit of that section of the appropriation bill.

The section was included in the last appropriation bill, and the Senator from Ohio objected to it at that time, and assured the Senator from New Hampshire that the Committee on Interstate and Foreign Commerce had the subject under consideration, which it had at that time.

There are two or three other bills before the committee. If the purposes of the amendment are carried out, it will be in opposition to the position taken by most of the departments of Government which have reported to our committee and testified against that principle.

As the report of the committee states, the transportation facilities of the country require that there be a stabilization of rates, not only for Government services, but for all other services, as well. Because of the inconsistency in this amendment with the report of the committee and the other provisions of the bill, and because it cuts across the terms of the bills reported by the Committee on Interstate and Foreign Commerce, one of which has been passed by the Senate and sent to the House for action, and because the Committee on Interstate and Foreign Commerce is further considering similar bills in regard to all forms of transportation, not only by air but by water and all means of transportation, I wonder whether the chairman would not be willing to take out that provision at this time.

Mr. McCARRAN. Mr. President, will the Senator from Ohio state at what page of the bill the item occurs?

Mr. BRICKER. At page 49. The item reads as follows:

SEC. 906. Subsection (b) of section 404 of the Civil Aeronautics Act of 1938 (52 Stat. 993; 49 U. S. C. 484 (b)) is hereby amended by inserting at the end thereof the following: "*Provided*, That nothing in this or any other act shall prevent the carriage, storage, or handling of property free or at reduced rates for the Department of Defense, or the transportation of persons free or at reduced rates for the Department of Defense on a space available basis on scheduled service."

That includes all kinds of service. The Committee on Interstate and Foreign Commerce has already reported to the floor several bills, or at least two bills. I shall be glad to give the numbers of the bills to the Senate. They are Senate bill 904, Senate bill 3049, and House bill 8029. We have had reports from the departments of Government on all of the bills, and the departments are opposed to the principle set out in the provision I have read. I should like to read, for the information of the Senate from the report on this bill itself, at page 40 of the report:

It has long been recognized that transportation charges may be unreasonable because of being too low, and any policy of bargaining for rates or playing one carrier off against another with the primary objective of getting the lowest possible transportation rate without regard to the consequences for the carrier is promotive of destructive competitive practices and fosters unsound economic conditions in transportation contrary to the national transportation policy.

Accordingly, all Government agencies and executive departments are admonished to pay full heed to the national transportation policy in their dealings with carriers.

Consistent with that pronouncement on the part of the Committee on Appropriations, the Committee on Interstate and Foreign Commerce has already reported to the floor of the Senate one bill, and is considering 2 or 3 other bills.

The VICE PRESIDENT. Does the Senator from Ohio desire to make a point of order against that provision in the bill?

Mr. BRICKER. Yes; I wish to make a point of order against it. However, the chairman of the Committee on Appropriations has already notified the Senate that he would submit the legislative question to the Senate.

Mr. BRIDGES. Mr. President, I recognize that this is legislation and it would be subject to a point of order. Members of the committee who favored the insertion of the amendment believed it would allow the Department of Defense to take advantage of free space on return trips and would result in the saving of money. I recognize that it is legislation. So long as the point is raised by the distinguished Senator from Ohio [Mr. BRICKER], the Senator from New Hampshire will not press it.

Mr. BRICKER. I thank the Senator from New Hampshire, and assure him the committee will continue its consideration of these bills.

Mr. BRIDGES. I send to the desk another amendment, and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 7, after line 25, it is proposed to insert the following:

All functions, duties, and authority of the Architect of the Capitol with respect to the legislative garage, together with any funds, contracts, authorizations, appropriations, and records of the Architect of the Capitol which are primarily related to and necessary for, the exercise of such functions, duties, and authority, are transferred to the Sergeant at Arms of the Senate and shall be performed, exercised, and administered by him in accordance with the provisions of law relating to the control, supervision, and care of the legislative garage. The employees engaged in the care and maintenance of such garage are transferred to the jurisdiction of the Sergeant at Arms of the Senate without any reduction in compensation as a result of such transfer.

Mr. BRIDGES. Mr. President, the Senate Appropriations Committee authorized and directed the Senator from New Hampshire to offer this amendment for the consideration of the Senate. Now it is for the Senate to decide whether or not it wants it. It will require only a minute to explain the amendment.

The Senate garage is used some by House Members, but primarily by the Senate. It is under the control of the Architect of the Capitol.

There have been various complaints coming to legislative bodies by many Senators on both sides of the aisle relative to the operation of the Senate garage. There are Senators whose cars have been damaged. They have not been able to find the person responsible for such damage. In recent days or weeks, 3 cars have been stolen from the Senate garage. One of them happens to be the car belonging to the Clerk of the House, one of them is the car of the President pro tempore of the Senate, and the other belongs to the staff of the Senator from Michigan [Mr. POTTER].

I do not know how the House will feel concerning an amendment of this kind, because it has at least an interest in the so-called Senate garage, but the committee felt the amendment should be offered for the consideration of the Senate and at least it should be taken to the conference and discussed.

The PRESIDING OFFICER. The question is on agreeing to the amendment proposed by the Senator from New Hampshire [Mr. BRIDGES].

The amendment was agreed to.

Mr. FERGUSON. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The clerk will state the amendment.

The LEGISLATIVE CLERK. On page 36, between lines 7 and 8, it is proposed to insert the following:

FEDERAL POWER COMMISSION

Salaries and expenses

For an additional amount for "Salaries and expenses," $300,000; and the limitation under this head in the Independent Offices Appropriations Act, 1955, on the amount available for expenses of travel is increased from "$220,000" to "$265,000."

Mr. FERGUSON. Mr. President, the amendment I have offered will provide an additional sum of $300,000 to the appropriation for the Federal Power Commission in accordance with the recommendations of the Bureau of the Budget and the President.

On June 7, 1954, the Supreme Court of the United States held that producers of natural gas who transport natural gas in interstate commerce or who sell natural gas in interstate commerce for

resale, are subject to the jurisdiction of the Federal Power Commission under the Natural Gas Act. The case is Phillips Petroleum Co., petitioner, against State of Wisconsin, et al., known as the Phillips case.

Prior to June 7 the Commission had considered producers and gatherers of natural gas as not within the purview of the Natural Gas Act, and the Commission had confined its regulation of the natural gas industry pretty largely to the pipeline companies. In its original budget estimate for the year ended June 30, 1955, the Commission estimated that only 120 natural gas companies were subject to its jurisdiction under the Natural Gas Act. These 120 companies were, on the whole, pipeline companies.

It is now estimated that about 4,000 additional natural gas companies, as defined in the Natural Gas Act, are subject to the Commission's regulatory authority. The Commission has asked for a very modest sum, $300,000, for the current fiscal year to permit it to discharge its minimum responsibilities and duties with respect to these additional companies.

The sum of $300,000 which the Commission requests is not for the purpose of engaging in wholesale investigations of producers and gatherers. Quite obviously this is so because the sum is too small to finance a large investigation. As I understand it, the Commission does not contemplate initiating in the current fiscal year investigations of producers and gatherers which are subject to the provisions of the Natural Gas Act except in special or unusual situations.

Mr. JOHNSON of Texas. Mr. President, will the Senator yield?

Mr. FERGUSON. Yes.

Mr. JOHNSON of Texas. If the Commission does not contemplate making an investigation, then why is the Senator asking for $300,000 additional before the court actually acts on the motion for rehearing?

Mr. FERGUSON. I will tell the Senator in the next paragraph.

Mr. JOHNSON of Texas. Was this $300,000 proposal considered by the committee?

Mr. FERGUSON. Yes.

Mr. JOHNSON of Texas. What action was taken by the committee?

Mr. FERGUSON. The action of the committee was to not put it in.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. MAYBANK. How many members of the committee voted for it? Does the Senator recall?

Mr. FERGUSON. I was not at the first hearing. I moved for reconsideration, and lost.

Mr. MAYBANK. It would be fair to say that, as I recall—I stand to be corrected if I am wrong—there was only one vote for it.

Mr. FERGUSON. The vote of the Senator from Michigan.

Mr. MAYBANK. No. At the first hearing.

Mr. FERGUSON. I am not familiar with the vote.

Mr. MAYBANK. On reconsideration, unless I am mistaken——

Mr. FERGUSON. On the reconsideration, I know.

Mr. MAYBANK. The Senator from Michigan—I speak most respectfully because I understand his trouble—was the only one who voted for it.

Mr. FERGUSON. That is correct. I said the Senator from Michigan.

Mr. ELLENDER. It was 15 to 1, as I understand.

Mr. FERGUSON. Can the Senator from New Hampshire inform us as to the vote?

Mr. BRIDGES. I think it was 15 to 1.

Mr. FERGUSON. Mr. President, the Commission needs the money requested to process rate schedules and applications for certificates of public convenience and necessity which must be filed with the Commission by this large number of producers and gatherers transporting or selling gas at wholesale in interstate commerce. So it will need the money for a staff of 60 employees, plus an average of 45 others, as is indicated in the testimony.

Mr. President, it is true that a motion for a rehearing has been filed and, as this decision came at the close of the June term, June 7, there was no time for the granting or denial of the motion for rehearing, but when an application was made for a stay, it was denied. Therefore, the law today is as the decision was rendered in the case.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. CHAVEZ. We understand that the law is as announced by the Senator from Michigan. The justifications for this item were presented before the Committee on Appropriations.

Mr. FERGUSON. That is correct.

Mr. CHAVEZ. After the justifications were presented to the committee, only one Senator stood for the justifications. Is that not correct?

Mr. FERGUSON. Yes. That is the way the record now stands.

Mr. CHAVEZ. The record now stands that the Committee on Appropriations turned it down completely, and that only 1 man out of the entire 21 voted for the justification.

Mr. FERGUSON. The Senator from Michigan also recalls that the item in relation to the moving of the civilian defense agency was decided by the committee unanimously, and yet the Senate of the United States decided otherwise.

Mr. CHAVEZ. We are merely trying to explain the situation for the benefit of the Senators who are not members of the committee.

Mr. FERGUSON. Mr. President, I think this matter is important. The explanation will take the Senator from Michigan only a few minutes, if the Senate will bear with him. I think the RECORD ought to be clear.

Mr. BURKE. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield to the Senator from Ohio.

Mr. BURKE. I ask the Senator from Michigan if it is not true that the Supreme Court of the United States in its decision in the Phillips Petroleum case laid down the law of the land, which is the law today?

Mr. FERGUSON. That is correct.

Mr. BURKE. And if the Senate of the United States should deny this appropriation it would in effect nullify the decision of the Supreme Court, solely because a motion for rehearing is now pending?

Mr. FERGUSON. That would be correct. It is the law. Whether we like it or not, it is the law, because no stay was granted.

The Commission has very little control over the additional workload which will result from the recent interpretation of the Natural Gas Act.

If the Commission does not have the staff required to process the rate schedules and other matters which will come to it as a result of the Phillips decision, confusion in a wide scale will most certainly result. This is so because rates for the sale of natural gas in interstate commerce for resale are not lawful unless filed with the Commission, and because of the requirement that an additional 4,000 companies obtain certificates of public convenience and necessity.

Mr. President, this Commission will be able to raise rates as well as lower rates, because that is within its power.

Mr. President, on the 7th day of June, or shortly thereafter, a stay was granted, so that no rates can be raised unless the Commission can look into them; and we are asking for this money to be used for that purpose.

Mr. BURKE. Mr. President, will the Senator from Michigan further yield?

Mr. FERGUSON. I yield to the Senator from Ohio.

Mr. BURKE. As a result, if the Senate denies this item it will prevent the Commission from either raising or lowering rates?

Mr. FERGUSON. That is correct.

It is estimated that more than 5,000 rate schedules or contracts must be filed with the Commission in order to establish their legality. Moreover, no change in jurisdictional rates can be achieved without the filing of the change with the Commission. These changes must be reviewed by the Commission for the purpose of determining their reasonableness. The Commission can suspend rate changes if it deems such action to be in the public interest. Obviously, if the Commission does not have the staff to analyze the rate changes it will have no recourse but to suspension.

Thus if the Commission cannot proceed in an orderly manner with respect to rate schedules and contracts, it must be obvious that great confusion will prevail and that untold litigation concerning the lawfulness of charges will ensue.

Mr. President, our cities and people who are consumers are concerned over this matter, and many lawsuits may result unless they can proceed and get their certificates, as is required by law.

Altogether, it would represent a very unwholesome situation. In short, the failure of the Commission to have an adequate staff to process rate filings would lead to great confusion to the detriment of all concerned—the producer, the pipeline company, and the consumer.

I would like to reiterate that the Commission does not intend, as they tell me, to launch a wide-scale investigation of those persons who, as a result of the Phillips decision, are now known to be subject to its jurisdiction. Rather, the Commission plans to proceed slowly in this matter by confining its activities in the current year largely to the processing of those rate schedules, applications, and documents which must be filed with it.

The Commission, in line with this plan, has issued order No. 174, which requires the producers and gatherers subject to its jurisdiction to file the rate schedules which were in effect on June 7, 1954, the date of the Phillips decision. The acceptance of such rate schedules or contracts would, of course, establish the lawfulness thereof.

The foregoing order further provides the mechanics of filing changes in rates after that date which, under the law, must be filed with the Commission.

Thus the Commission, taking a very practical view, has considered June 7, 1954, as the cutting-off date. The rates prevailing on June 7, 1954, will be maintained in status quo at least until interested parties seek a change. The new natural-gas companies may seek changes in the rates by filing appropriate notices with the Commission. The Commission, as previously stated, will analyze such changes and sanction them where appropriate and suspend them where they are not justified. If the Commission does not have a staff to make a study for the justification of the changes, it will have no recourse but to suspend them.

It is of vital importance to all of those affected by the Natural Gas Act, those who produce, transport, and sell in interstate commerce as well as the many millions of consumers, that the Natural Gas Act be administered in an orderly and competent manner and that chaos and confusion be avoided. If the Commission fails to take any action whatsoever in this matter, to administer the Natural Gas Act in accordance with the interpretation of the Supreme Court, certainly confusion cannot fail but be the result. This confusion would permeate the entire industry.

Any suggestion that producers and gatherers would gain by the failure of the Commission to administer the law, as interpreted by the Court, is completely in error, in my opinion. This is so because if producers and gatherers do not comply with the law or if the Commission does not have the means of processing filings made by producers and gatherers in compliance with the law, the legality of the transportation and sale in interstate commerce by such producers and gatherers would, to say the least, be in a grave state of legal and practical uncertainty.

The sum of $300,000 is a most modest sum for the duties involved. Clearly it is the bare bones amount needed to process those matters which will come to the Commission as a result of the Phillips case. It is a small cost to avoid the chaos in the natural-gas industry which will result if the Commission does not have the minimum staff needed to discharge its enlarged responsibilities.

As I said, the Bureau of the Budget has recommended that this appropriation of $300,000 be granted, and I hope the Senate will agree to this amendment in order to permit the Federal Power Commission to carry out its duties in the public interest.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. FERGUSON. I am glad to yield to the Senator.

Mr. HUMPHREY. As I understand the amendment, it is directed toward the one purpose of fulfilling the legal doctrine or the court order which was handed down, so that equity will be had for both those who are producers and sellers of natural gas, at the producer and wholesale level, and also that consumers of such gas.

Mr. FERGUSON. That is correct.

Mr. HUMPHREY. Without this money the Federal Power Commission will be literally hamstrung or be in a straitjacket of inability to hold hearings, and to make proper findings of fact, for the purpose of establishing rates, both for the consumer and for the producer?

Mr. FERGUSON. That is correct. They will be unable to issue certificates because they would not have the manpower to do it, without this sum of money.

Mr. HUMPHREY. So no matter how we look at it, even from the producers' viewpoint, in view of the June 7 cutoff date, if there is to be any adjustment in rates, either up or down, this appropriation is necessary.

Mr. FERGUSON. That is correct.

Mr. HUMPHREY. If the consumers are to have any possibility of knowing what their natural-gas rates will be for a period of time, rather than on an interim basis, we must make this appropriation.

Mr. FERGUSON. I believe that is correct.

SEVERAL SENATORS. Vote! Vote! Vote!

Mr. BRIDGES. Mr. President, just 1 minute.

The Committee on Appropriations heard the evidence and took the position that because a final decision had not been made on this matter, because a rehearing before the court had not been had and would not be had until late fall, there was no need at this time for granting the appropriation. For that reason the committee voted overwhelmingly against recommending the $300,000 appropriation.

As chairman of the committee, I must oppose the amendment.

Mr. BURKE. Mr. President, will the Senator yield?

Mr. BRIDGES. I am glad to yield.

Mr. BURKE. May I ask the Senator from New Hampshire whether the Supreme Court has issued a stay in the Phillips Petroleum case?

Mr. BRIDGES. No; it has not.

SEVERAL SENATORS. Vote! Vote! Vote!

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Michigan [Mr. FERGUSON].

The amendment was rejected.

The VICE PRESIDENT. The bill is open to further amendment.

Mr. KENNEDY. Mr. President, I have an amendment which I offer on behalf of myself, the senior Senator from Massachusetts [Mr. SALTONSTALL], the Senator from West Virginia [Mr. KILGORE], the senior Senator from New Jersey [Mr. SMITH], the junior Senator from New Jersey [Mr. HENDRICKSON], and the Senator from Kansas [Mr. CARLSON].

The VICE PRESIDENT. The clerk will state the amendment.

The LEGISLATIVE CLERK. At the proper place in the bill it is proposed to insert the following section:

SEC. —. There are authorized to be appropriated for expenditure during the fiscal year ending June 30, 1955, for the purpose of completing inventories, surveys, and plans authorized under the provisions of title I of Public Law 815, 81st Congress, such sums as may be necessary for such purpose and are not in excess of the amount which was covered into the Treasury under the provisions of the Department of Health, Education, and Welfare Appropriation Act, 1954, as the balance of the amount previously appropriated for the purposes of such title I.

Mr. KENNEDY. Mr. President, under title I of Public Law 815 of 1950, all States were given certain funds in order to survey school construction needs. Five States have not completed the survey, namely, Kansas, Massachusetts, New Jersey, West Virginia, and North Carolina. All other States have completed their surveys. For various reasons the five States I named were unable to do so.

The amendment which I have offered would give the five States I have named until June 1955 to complete their surveys.

As there is about to be reported a $150 million emergency construction bill for fiscal years 1955 and 1956, it seems to me most important that the five States be allowed to complete inventories of their construction needs. It is for that reason that I offer the amendment.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. KENNEDY. I yield to the Senator from Minnesota.

Mr. HUMPHREY. Does the amendment refer to Public Law 815 of the 81st Congress, which set up a $5 million fund for a nationwide survey?

Mr. KENNEDY. Yes. The States I have named would required the following amounts in order to complete their surveys:

Kansas, $22,865.
Massachusetts, $30,554.
New Jersey, $57,000.
West Virginia, $16,031.
North Carolina, $23,904.

All other States have completed their surveys. The amendment would give the five States I have named until June 1955 to complete their surveys.

The proposal would not require any additional funds. The States would have received the money, except that they were not able to complete their surveys.

Mr. HUMPHREY. The 81st Congress, by virtue of Public Law 815, did set up a fund of $5 million for the original survey, but those States did not expend

the money to which they were entitled. Is that correct?

Mr. KENNEDY. That is correct.

Mr. HUMPHREY. However, the date for the completion of the surveys has expired. Is that correct?

Mr. KENNEDY. That is right. The date expired in June of this year.

Mr. HUMPHREY. And the Senator from Massachusetts is merely asking that the funds which were unexpended be made available in order that those States which did not complete their surveys may do so. Is that correct?

Mr. KENNEDY. Yes.

Mr. HUMPHREY. I am very much interested in the proposal, because it was my privilege to be the sponsor of Public Law 815. I think the survey revealed interesting facts regarding school construction needs. I think the Senator from Massachusetts is correct. If we are to legislate in that field, we ought to have the most competent basis for a study of school needs. That cannot be done if five States have not had an opportunity to complete their surveys.

Mr. KENNEDY. The Committee on Labor and Public Welfare is about to report a bill providing for an expenditure of $150 million in that field. So a survey is a preliminary requisite.

Mr. HENDRICKSON. Mr. President, I commend the Senator from Massachusetts for offering the amendment. I wish to associate myself with the remarks he has made. I think the amendment is a very worthy one, and I hope the Senate will agree to it.

Mr. BRIDGES. Mr. President, much as I should like to agree with the distinguished Senator from Massachusetts——

Mr. KENNEDY. The senior Senator from Massachusetts has joined me

Mr. BRIDGES. The amendment involves legislation on an appropriation bill. It could not be any more so. Although the objective of the amendment is worthy, and although there may be some excellent reason for the failure of the named States to complete their surveys within the specified date, the only thing I can do, because of the prior action of the committee, and because the amendment involves legislation on an appropriation bill, is to make a point of order.

Mr. HUMPHREY. Mr. President, will the Senator yield at that point?

The VICE PRESIDENT. Does the Senator from New Hampshire withhold his point of order?

Mr. HUMPHREY. Will the Senator yield for a question?

Mr. BRIDGES. I withhold my point of order so that the Senator from Minnesota may ask a question.

Mr. HUMPHREY. Has the chairman of the Committee on Appropriations been in the position of having to resist all legislative items in the appropriation bill, or has he on occasion accepted them?

Mr. BRIDGES. Certainly I have not resisted all such requests, but the amendment proposes legislation. I do not wish to become involved in this particular field, but, in fairness, I would have to be opposed to the amendment. I think the easiest way to do it is to make a point of order. I commend the distinguished Senator from Massachusetts and his colleagues for offering the amendment. I do not at all blame them for doing so. I might say that all other matters involving legislation which were considered were first considered by the committee.

The committee then directed the chairman to authorize them and notice was given. I do not wish to be critical of what the Senator from Massachusetts is doing. Representing his great State, as he does, I do not blame him or the Senator from New Jersey for taking the position they have taken, but it is legislation they seek and it should be enacted in another manner.

Mr. HENDRICKSON. Because the amendment involves legislation, that fact would not bar the distinguished Senator from New Hampshire from taking it to conference, would it?

Mr. BRIDGES. I suggest the point of order.

The VICE PRESIDENT. The Chair must sustain the point of order.

The bill is open to further amendment.

Mr. DOUGLAS. Mr. President, I wonder if we may have an explanation of the item appearing on page 8 of the bill, beginning on line 14, and extending to line 2 on page 9?

Mr. BRIDGES. The chairman of the Senate Office Building Commission is present in the Chamber, the distinguished Senator from Connecticut [Mr. PURTELL]. I think perhaps he can explain the item better than can the Senator from New Hampshire.

Mr. PURTELL. Mr. President, this question of a new Senate Office Building is not new to the Senate. It has been discussed for many years. In 1948 there was an authorization for the expenditure of $20,600,000 by the Senate. I believe at that time the vote to proceed with the building was 42 to 35. Three Senators indicated a desire to see the building constructed, and would have voted for it except for the Korean situation at that time.

The Commission has made a very complete study of the need for a new Senate Office Building. I should like to read some figures revealed in the report.

When the plans for the New Senate Office Building were approved in 1949, the total number of employees on Senators' office staffs was 866, and the total number of committee employees was 212. I call attention to the fact that that was a year after the authorization to proceed with the erection of a building at a cost of $20,600,000.

Today, Senators' office staffs have increased from 866 to 1,092 employees, and committee staffs have increased from 212 to 413 employees—a total increase of 427 employees, or nearly a 50-percent increase in such personnel since the New Senate Office Building was authorized in 1949.

When it is considered that the national population has increased from 131 million in 1940 to 150 million in 1950 and to 162 million in 1954, the resultant effect upon the workload of the Congress is obvious. Another very important factor affecting the workload of senatorial offices stems from the fact that today the activities of Congress are brought home to the people directly and more fully through the combined mediums of the press, radio, and television, resulting in an increased awareness and consciousness on the part of the general public in the affairs of government and a more active expression of their views to their representatives in Congress with respect to legislative matters.

I should like to call attention to page 40 of the report. There is on the desk of each Senator a copy of the report of the Senate Office Building Commission. The only addition to the Senate Office Building since 1909 was made in 1933. When it is considered that the number of Senate employees totaled only 575 in 1909, and today they total 1,948, it is evident that the increase provided in office and committee accommodations falls far short of the proportionate increase in personnel.

Mr. DOUGLAS. Mr. President, will the Senator from Connecticut yield for a question?

Mr. PURTELL. I am very happy to yield for a question.

Mr. DOUGLAS. The Senator from Connecticut has given a very great deal of valuable statistical information, but I notice that he omitted—either by accident or design—stating the cost of the building.

Mr. PURTELL. Then I apologize. I thought the Senator from Illinois asked about the reason for the new building.

Mr. DOUGLAS. Will the Senator from Connecticut state the cost of the building?

Mr. PURTELL. It will be within the 1948 appropriation of $20,600,000. In order to do that, we have had to make some changes in the structure proposed in 1948—by eliminating the center wing, and we also have eliminated such parts as the physiotherapy portion of the building and the swimming pool. We shall be within the 1948 authorization. Does that answer the question of the Senator from Illinois?

Mr. DOUGLAS. I thank the Senator from Connecticut for the information. Does he think that at a time when apparently we do not have enough money to justify appropriations for an adequate number of hospitals, or enough money to put through a program adequate to protect the farmers, and when we have to reduce the size of the Army by three divisions, according to the administration, this is a time to spend in excess of $20 million for an additional office building?

Mr. PURTELL. If the Senator from Illinois wishes me to reply, let me say that no time would be better than today. The last time this matter was before the Senate, it would have been possible to construct the building for substantially less than it will cost today. Today this building will cost us 23 percent more than it would have cost in 1948.

I am sure the Senator from Illinois agrees with me that there is no reason to expect that labor will be cheaper in the future, or that it should be cheaper. I cannot foresee a time in the future when this very necessary structure can be erected for less cost.

Mr. LONG. Mr. President, will the Senator from Connecticut yield to me?

Mr. PURTELL. I yield.

Mr. LONG. Has the Senator from Connecticut heard our very able friend, the Senator from Illinois, argue that something should be done about the growing unemployment problem in the Nation today?

Mr. PURTELL. I have; and I am sure the Senator from Illinois would not object very much to the expenditure at this time of $6 million, because I believe he referred to the sum of $6,900,000 as chickenfeed. In that case, that would make this item just chick feed. [Laughter.]

The VICE PRESIDENT. The bill is open to further amendment.

Mr. HUMPHREY. Mr. President, is there pending an amendment in regard to the item referred to by the Senator from Illinois?

The VICE PRESIDENT. The Senator from Illinois did not submit an amendment.

Mr. DOUGLAS. Mr. President, in order to permit the Senate to vote on the item, I now move to strike out the committee amendment beginning on page 8, in line 14, and ending in line 2, on page 9.

The VICE PRESIDENT. The question is on agreeing to the amendment of the Senator from Illinois. [Putting the question.]

The amendment was rejected.

Mr. HUMPHREY. Mr. President, after that outburst, I almost forgot why I rose and addressed the Chair.

On page 28 of the bill, we find the following committee amendment:

GENERAL PROVISIONS

SEC. 502. There shall be hereafter in the Department of Labor, in addition to the Assistant Secretaries now provided for by law, one additional Assistant Secretary of Labor, who shall be appointed by the President by and with the advice and consent of the Senate, and who shall be subject in all respects to the provisions of the act of April 17, 1946 (60 Stat. 91), as amended (5 U. S. C. 611b), relating to Assistant Secretaries of Labor. Section 3 of Reorganization Plan No. 6 of 1950, as amended (64 Stat. 1263; 66 Stat. 121), is hereby repealed: *Provided*, That the present incumbent of the position of Administrative Assistant Secretary may be reassigned to an appropriate position in the Department without reduction in the rate of basic compensation.

Mr. President, I raise a point of order against that committee amendment because I consider it to be legislation on an appropriation bill.

Furthermore, I consider the provision to be a violation of the recommendations of the Hoover Commission and also of section 3 of Reorganization Plan No. 6, which calls for the establishment of an administrative Assistant Secretary who shall be on a permanent civil-service, merit-system basis, and who shall be in charge of accounts and records, as an Assistant Secretary who will not be in the policymaking area of the Department, but, rather, will be in what might be called the housekeeping branch of the Department.

The VICE PRESIDENT. The point of order is sustained.

The bill is open to further amendment.

If there be no further amendment, the question is on the engrossment of the amendments, and the third reading of the bill.

Mr. THYE. Mr. President, I move to strike out the language on page 25 of the bill, from lines 9 to 13, inclusive.

This is language which the Senator from Maryland [Mr. BUTLER] and I were discussing a short time ago. I have endeavored to get in touch with the Senator from Maryland, but I have not been able to do so. I regret that.

However, I now move that the language in lines 9 to 13, inclusive, on page 25 of the bill, be stricken out. If my motion is agreed to, this language will be in conference. I must explain why I believe it important to take it to conference. The Secretary of Health, Education, and Welfare has initiated a move of the headquarters personnel of the Old Age Insurance Division, and quite a number of the staff have acquired homes in the District of Columbia. They have canceled their rentals of property in Baltimore.

In the event that lines 9 to 13 remain in the bill, a great deal of hardship will be created in the case of the employees, because they will then be denied reimbursement for their expenses in making the transfer.

So if the Senate votes to strike this language from the bill, the item will go to conference, and then there will be an opportunity to produce not only information from the Department headed by Secretary Hobby, but also information from all others concerned, and it will be possible to ascertain how many employees have acquired new property in the District of Columbia or how many employees are involved in this matter, as a result of giving up their homes in Baltimore.

Therefore, I say in all frankness that I have tried to get in touch with the Senator from Maryland [Mr. BUTLER] to explain what has happened in this case; but he has left Washington, by train.

If my motion is agreed to, no irreparable damage will be done, because the item will be taken to conference. We shall merely be striking from the bill certain language voted by the House of Representatives; and, as a result, the controversy can be settled in a manner which will not result in doing hardship to the employees involved.

Therefore, Mr. President, I so move. I apologize that I am required to make the motion in the absence of the Senator from Maryland [Mr. BUTLER]. However, if my motion is agreed to, no irreparable damage will be done.

The VICE PRESIDENT. The question is on agreeing to the amendment of the Senator from Minnesota [Mr. THYE], which will be stated.

The LEGISLATIVE CLERK. On page 25, it is proposed to strike out lines 9 to 13, inclusive.

Mr. BRIDGES. Mr. President, this amendment is in line with the recommendation of the committee, although it is now approached in a different manner. For that reason I would have to support the motion of the Senator from Minnesota.

The only question in my mind—I wish to state this very clearly—is that the matter was previously passed on, at a time when both the distinguished senior Senator from Maryland [Mr. BUTLER] and the distinguished junior Senator from Maryland [Mr. BEALL] were in the chamber. They are interested in this item, and now they have left for their homes, thinking the matter has been settled. I do not like to take advantage of any Senator at this hour of the night, after he has left the Chamber.

Therefore, I raise this point, inasmuch as the motion or amendment is submitted after the issue had supposedly been settled.

There is no question in my mind but that the distinguished Senator from Minnesota [Mr. THYE] has correctly outlined the parliamentary situation, and also that his motion or amendment is in line with the intention of the committee, when it passed on this item.

Mr. THYE. Mr. President, in the Appropriations Committee there was no objection to what I now propose. The Senator from South Carolina [Mr. MAYBANK], who now stands at my left, said that, to his knowledge, there was no objection.

Mr. MAYBANK. Mr. President, I do not wish to become involved in a controversy between the distinguished Senators from Maryland and the distinguished Senator from Minnesota; but I will say there was no objection.

Mr. CASE. Mr. President, will the Senator from Minnesota yield, to permit me to propound a parliamentary inquiry?

Mr. THYE. I am delighted to yield for that purpose, Mr. President.

Mr. CASE. Mr. President, I wish to inquire about the parliamentary status of the language on page 25, in lines 9 to 13. I had understood that a point of order raised on the question of germaneness had resulted in eliminating the language which the committee had proposed to insert in lines 14 to 23, inclusive; but I did not understand that the point of order ran to striking out certain language on page 25.

Certainly a point of order could not be raised to striking certain language from the bill. A motion or amendment would always be in order to strike from the bill the portion of the committee amendment on page 25 striking out lines 9 to 13, inclusive. Such an amendment could not be ruled out on a point of order.

The VICE PRESIDENT. The committee amendment acted on by the Senate proposed to strike out, on page 25, lines 9 to 13, inclusive, and to insert, on the same page, lines 14 to 23, inclusive.

Mr. CASE. Mr. President, a further parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. CASE. At the time when the point of order was made, would it have been in order to have divided the amendment as between striking and inserting?

Is not such an amendment always divisible?

The VICE PRESIDENT. Under rule XVIII, an amendment to strike and insert is not divisible. It is now in order, however, to move to strike the House provision.

Mr. THYE. Mr. President, I have tried to make it clear to the Members of this body that this is not an attempt in any sense to try to do something contrary to what the Senator from Maryland [Mr. BUTLER] was hoping for, but I do think we have created a problem which may be most embarrassing and difficult to Secretary Hobby of the Department of Health, Education, and Welfare. In order that the provision may be in conference so that we may see how much harm and damage have been done to employees who have been asked to be prepared to transfer from Baltimore to Washington, and in order to have that question open, Mr. President, I move to strike the language found on page 25, lines 9 through 13. It can then go to conference and be taken care of in a manner that will not work a hardship on the employees.

Mr. BRIDGES. Mr. President——

The VICE PRESIDENT. The Senator from New Hampshire is recognized.

Mr. BRIDGES. I think the Senator from Minnesota has stated the problem very properly, and I think that he has correctly stated the original intention of the committee.

The only thing I wish to make clear is that, in fairness to its Members, the Senate must act in good faith.

Mr. SPARKMAN. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr. SPARKMAN. It seems to me that the Senator from Minnesota has stated a good case, except for the fact that the distinguished Senators from Maryland were not present at the time. I wonder if the chairman of the committee could not take the matter to conference with the understanding that if the Senators from Maryland object to the action taken here then he will repair the damage.

The Senator from Minnesota has pointed out that the damage certainly could be repaired in conference if this provision were not accepted.

Mr. MORSE. Mr. President, I certainly appreciate the objective which the Senator from Minnesota has in mind. I do not think the Senate can escape the fact that the Senator from Minnesota has in mind action which would produce a result opposite to the result that the Senate previously voted when it agreed with the two Senators from Maryland. We not only agreed with them, Mr. President, but after we voted in support of their position, a motion was then made to reconsider, and a motion to lay that motion on the table was agreed to. By that action I think we made doubly sure that the objectives of the senior Senator from Maryland [Mr. BUTLER], and the other Senator from Maryland [Mr. BEALL] were carried out.

I raise a point of inquiry. Were there some things we did not move to lay on the table?

Mr. JOHNSON of Texas. I think that was in connection with the Senator's amendment.

Mr. MORSE. I ask for information on that point.

Mr. JOHNSON of Texas. That question arose in connection with the civil defense item.

The VICE PRESIDENT. The Chair is informed that the amendment went out on a vote by the Senate that the provision was not germane, and, therefore, was not in order.

Mr. MORSE. It was not a yea-and-nay vote, was it?

Mr. President, it seems to me that this is a case in which the suggestion made by the Senator from Alabama is the one we ought to follow, because I think we very definitely have some obligation to the two Senators from Maryland not to leave them in a position in which we give them some reason to believe that we have accepted their position, and subsequently reverse ourselves. It should go to conference with the understanding that the chairman will take it up with the two Senators from Maryland, and if they feel that the position which the Senate has sustained ought to be maintained, I think we ought to follow that course.

Mr. HAYDEN rose.

The VICE PRESIDENT. Does the Senator from Arizona desire recognition?

Mr. HAYDEN. Mr. President, there is just one fact which we must take into consideration, and that is that certain people who were residents of Baltimore have moved to Washington and have acquired property here, on the understanding that the office was to be moved to Washington.

The question will be whether under those circumstances the Senators from Maryland, would want to see those who have already left Baltimore compensated in some way.

I think with that understanding, if they insist that nothing be done, that is all there is to it. But if they are willing to take into consideration the needs of the people who have actually moved, then something might be done in conference. I think the chairman is able to give us that assurance.

Mr. KERR. Mr. President, I did not understand the chairman to take a position on this question prior to making his statement. If he desired to make a statement, I would like to know what his position is.

Mr. BRIDGES. I did not know that I expressed it. I said that the Senator from Minnesota [Mr. THYE] was correct in his parliamentary procedure; and he was correct, second, in the thought that the position he took was in accord with the wish and the will of the Appropriations Committee.

Then I raised the question that if the Senate is to continue to do business as a body, Senators must keep faith with what has been done, and faith with each other. The two Senators from Maryland left the Chamber feeling that they had accomplished their purpose. The Senator from New Hampshire desired that the Senate itself realize this fact before it took action. I do not know that I expressed myself fully, except to explain the position.

Mr. HAYDEN. The chairman and I, as conferees, and the other conferees, will assure the Senate that if the Senator from Maryland [Mr. BUTLER] insists that this language be stricken from the bill, we, as conferees, will see that that is done.

But, on the other hand, if they are willing to consider the plight of the people who have moved to Washington, and to let them obtain some relief, that may be attended to in conference. We can do it in that way. I am perfectly willing to give the Senate assurance that as a conferee, if the two Senators from Maryland say to me, "We insist that this language go out," I will vote to recede.

Mr. ANDERSON rose.

Mr. BRIDGES. I yield to the Senator from New Mexico.

Mr. ANDERSON. I do not see how there can be any question about the attitude of the Senators from Maryland. They are the ones who insist that this provision be put back into the legislation. Certainly when they left the Chamber there was nothing in controversy on this point. They had heard the explanation about people buying property, they had heard the explanation of people moving, and they still insisted. I do not see how we can do otherwise than to leave the language as it was then.

Mr. THYE. Mr. President, the Senator from New Mexico is entirely correct. The only reason I raise the question is that I do not believe we were permitted sufficient discussion earlier in the evening to bring out all the facts.

Secretary Hobby, of the Department of Health, Education, and Welfare, has ordered this division. She has ordered the so-called headquarters personnel to be moved back to Washington from where they were moved at the outset of World War II.

Many innocent people are involved, who have acquired property, and I raise the question only for the purpose of trying to lay before the Senate the fact that we have created a hardship. If the provision is taken to conference, we have the assurance of the chairman and of the ranking Democratic member of the committee that if the Senate can see justification for some consideration of the employees, the amendment will stand as previously agreed to on the Senate floor.

Mr. KNOWLAND. Mr. President, in view of the unfortunate circumstances, wherein the Senators from Maryland necessarily had to leave the Chamber, they having left under the impression that certain action had been taken on the bill. While I have been doing everything possible to fulfill my commitment that we proceed to consider the farm bill tomorrow morning, and since this, I hope, is the last amendment to the appropriation bill, I shall suggest, if the Senate will agree, that the Senate stand in recess until 12 o'clock noon tomorrow.

The Senators from Maryland will be here tomorrow and will have an opportunity at least to discuss the matter. Perhaps it will be possible to find a basis of agreement with respect to it.

I hope the Senate will be able to complete consideration of the appropriation bill shortly after it meets at noon tomorrow, so that we may be able to proceed with the consideration of the farm bill early tomorrow afternoon.

PROTECTING THE NAME OF THE FEDERAL BUREAU OF INVESTIGATION FROM COMMERCIAL EXPLOITATION

Mr. McCARRAN. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of S. 3769.

The VICE PRESIDENT. The Secretary will state the bill by title for the information of the Senate.

The CHIEF CLERK. A bill (S. 3679) to amend section 709 of title 18, United States Code, so as to protect the name of the Federal Bureau of Investigation from commercial exploitation.

Mr. McCARRAN. Mr. President, this is certainly a noncontroversial matter if there ever was one. Congress has passed similar legislation to protect the name and insignia of various veterans' organizations. We have done it for the Red Cross. We have even done it for Smokey the Bear. I am confident my colleagues will be willing to grant this protection to the Federal Bureau of Investigation.

The bill merely provides that no one may use the name "Federal Bureau of Investigation" or the initials "F. B. I." without the permission of the Bureau.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the bill was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 709 of title 18, United States Code, is amended by inserting immediately after the eighth paragraph thereof a new paragraph, as follows:

"Whoever, except with the written permission of the Director of the Federal Bureau of Investigation, knowingly uses the words 'Federal Bureau of Investigation' or the initials 'F. B. I.', or any colorable imitation of such words or initials, in connection with any advertisement, circular, book, pamphlet, or other publication, play, motion picture, broadcast, telecast, or other production, in a manner reasonably calculated to convey the impression that such advertisement, circular, book, pamphlet, or other publication, play, motion picture, broadcast, telecast, or other production, is approved, endorsed, or authorized by the Federal Bureau of Investigation; or".

SMALL BUSINESS—THE PILLAR OF FREE ENTERPRISE

Mr. HUMPHREY. Mr. President, on February 16, 1954, I joined my colleague the distinguished senior Senator from Minnesota and every member of the Senate Select Committee on Small Business in introducing Senate Resolution 213 aimed at creating a permanent Senate Committee on Small Business. To date, in spite of the fact that a total of 49 Senators, a majority of this body are sponsoring the resolution, it still rests quietly in the Senate Committee on Rules and Administration and has not been advanced either by the committee or by the leadership of the Senate. This is not democracy in action.

There are more than 4 million small-business establishments in the United States. This is about 95 percent of all of our Nation's commercial, industrial, and service-type business concerns.

The Senate in 1950 established a Select Committee on Small Business because of an understanding that the welfare of the American small-business man was directly related to the preservation of our free-enterprise system. It has been my privilege to serve as a member of that committee ever since its creation. I know the important role it has to fulfill. I also know, Mr. President, that American small business is in danger and needs encouragement and protection from our Government. The signs in our economy all point to the tendency toward greater mergers and big business. This threat must be stopped if small business is to be protected. The creation of a permanent Senate Committee on Small Business would go far toward protecting the small-business man and a free enterprise economy.

I urge the leadership in the Senate to help bring Senate Resolution 213 for consideration by the Senate as a whole before the session adjourns. Small business has every right to be represented in the Senate by a committee equal in stature and responsibility to the other standing committees in the Senate.

The Senate Select Committee on Small Business has made many notable contributions through hearings, investigations, recommendations, and advice. But, it has been denied the opportunity to undertake the most vital of all jobs, the real work of the Congress, legislation. It seems almost ironic that America's small business establishments, beset as they are with so many difficult problems, should be represented in the Congress by any committee less than a standing committee. It is my fervent hope that small independent business will always be a vital part of the American scene. We must remove all doubt as to the permanency and ultimate necessity of a thriving small business community. Such a community deserves a permanent, legislative committee to speak for it.

Mr. President, my interest for the problems of small business is not sudden nor is it a matter of only recent concern. Indeed, my youth was spent working along with my father and brother in what we think is the best drug store to be found on main street of Huron, S. Dak. I still maintain my interest in that business and in the problems faced by that drug store and the many hundreds of thousands of small businesses like it in our economy.

When I first came to the Senate almost 6 years ago, I carried in my mind the vivid memories of the terrible days of the depression when I worked behind the counter of our store and saw and felt the effect on our community when large price cutting organizations moved in on the independent businessman struggling to keep his head above water. I know the bitter miseries of predatory price competition. It is these experiences that have made me the consistent advocate and spokesman for one of the mainstays of our whole economy and way of life—the American independent small businessman.

SMALL BUSINESS COMMITTEE

When I cosponsored and voted for the creation of the Senate Select Committee on Small Business, I felt that this was a step in the right direction toward giving small business a needed voice in the Congress. I have been glad to serve on that committee since its inception. Naturally I was distressed when, early in the 83d Congress, a move was reported afoot to abolish the committee. In an effort to stop this I addressed a letter to the then majority leader, Robert A. Taft, in which I said:

> I am writing to you to urge continuation of this vitally important committee. I voice my own deep convictions in this matter, as well as the concern of many Minnesota businessmen who have wired or written me, urging that the Select Committee on Small Business continue.

In its own and unfortunately too limited sphere, the Small Business Committee has done much toward helping the small-business man. The small-business clinics which were held by the committee in scores of cities including Minneapolis, did a fine job in taking Washington to Main Street, giving both legislators and businessmen a clearer understanding of the problems that were presented. In a similar vein I originated a series of small business-Government conferences which were held throughout the United States.

As a member of the Small Business Committee's Tax Subcommittee I came to recognize the fact that Congress should place a high priority on tax cuts which will strengthen independent business. I joined the committee in recommending:

First. An excess profits tax exemption for corporations earning under $100,000 which would bring the $25,000 figure to a more realistic level so far as small businesses are concerned. I voted for an amendment to the excess profits tax extension bill before the Senate in 1953 which provided an exemption for small corporations earning $100,000 or less before paying excess profits taxes. Unfortunately, the amendment failed.

Second. More reasonable policies on depreciation allowances for small business.

Third. The exemption from surtax rates on corporations should be raised from $25,000 to $50,000 or $100,000.

The higher limit would allow a successful growing business in the small- or medium-size bracket to become an effective competitor of his larger rivals.

Another activity of the committee with which I was intimately involved was our investigation on the growing shortage of newsprint. The matter first

came to my attention when, on a tour of Minnesota, I received many complaints from the editors of small-town weeklies that they were unable to get an adequate supply of newsprint. I suggested to the chairman the Senator from Alabama [Mr. SPARKMAN] that an investigation might be in order and soon after a newsprint subcommittee was appointed with myself as chairman. After extensive hearings, we made several recommendations as to how domestic production of newsprint might be increased so that thousands of small-business men publishers would not be wiped out by any future newsprint shortage.

AGENCIES FOR SMALL BUSINESS

Despite all this worthwhile activity by the committee, I felt that still more could be done to promote the welfare of small business by the establishment of administrative agencies devoted exclusively to this goal. As far back as 1949 I proposed an amendment which was adopted for the establishment of a special small-business office in the Department of Defense with a special assistant on small business to the Secretary. My amendment became law. I ask that an editorial appearing in the August 4, 1949, issue of the East Minneapolis Argus, concerning the proposal, be included at this point in my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

SENATOR HUMPHREY HAS A SOUND PLAN FOR HELPING SMALL FACTORIES

Senator HUBERT H. HUMPHREY made a commendable move when he started action to set up a special small-business section in the military procurement office.

It is literally impossible at the present time for a small-business man, who cannot afford to have a personal representative constantly in Washington, to cut through the smiling, back-slapping, but ironbound resistance to small contractors that exists in the Pentagon and the Navy procurement offices.

As Senator HUMPHREY says, the currently much criticized "5-percenter" is a product of the present system. The small-plant operator is literally at the mercy of "brokers" if he wants a chance at Government contracts.

Locally it is important that manufacturers get a rightful share of contracts of the War and Navy Departments and manufacturing items allied with the European recovery program. At the present time they are not getting their share of either direct or negotiated contracts.

Time after time small local plant owners have told of trips to Washington in search of work to keep plants going and local people employed, but all in vain. They report a pleasant social swing around the Pentagon and Navy offices, where there are always pleasant smiles and ready handshakes—but that doesn't butter upper Midwest bread.

We are sure that Senator HUMPHREY's idea of creating a small-business section in the Military Procurement Office will meet with ready approval of most local manufacturers, and we feel that Senator THYE and Congressmen WIER, JUDD, and MCCARTHY will or should be ready to back HUMPHREY's plan.

In this community we have many top-grade small manufacturing plants. A large percentage of them are barely keeping their doors swinging both ways at the present time, while, at the same time, there are constant reports that hundreds of larger establishments in the East and West have large backlogs of Army and Navy orders.

Senator HUMPHREY's idea, if worked out, and quickly, may provide the needed impetus to stop the current wave of increasing local unemployment. Let's hope so—and quick.

Mr. HUMPHREY. Later, in 1951, I cosponsored the creation of a Small Defense Plants Administration with similar functions. I voted for this measure in 1951, and again in 1952 to extend the life of the SDPA.

The successor agency to the Small Defense Plants Administration, the Small Business Administration, also received my warm support and my vote. However, I insisted that the Administrator not be controlled by either the Secretary of Commerce or Treasury but be independent so as to serve independent business. This was a stand that was heartily endorsed by the National Federation of Small Business, and I ask that their letter to me on this subject be inserted at this point in my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

NATIONAL FEDERATION OF INDEPENDENT BUSINESS,
July 3, 1953.

Hon. HUBERT HUMPHREY,
Senate Office Building,
Washington, D. C.

MY DEAR SENATOR HUMPHREY: Of course we are concerned and disappointed, solely in the interest of small business of this Nation for whom we believe we have the authority to speak and act, that the conferees of the Banking and Currency Committees failed to report out the Small Business Administration Act with the proposed changes, all beneficial to small business, which we recommended to all Members of the Senate in our wire to them of June 19, in which we urged the conferees to correct that section of the act pertaining to the authority of the Advisory Board, consisting of the Secretary of the Treasury, the Secretary of Commerce, and the Administrator of the new agency, and our recommendation was that such authority should be vested entirely within the confines of the new administration, subject at all times to the control of Congress.

We stated our objection to that section of the bill at public hearings before the Senate Banking and Currency Committee May 27, and before the House Banking and Currency Committee May 15.

We were pleased to note that you gave serious consideration to our recommendation of June 19 and voted "no" to the establishment of the Small Business Administration as reported out by the conferees, which report included the provision to which we objected.

It is our hope and trust, in the sole interest of small business of this Nation, that you will urge the Senate Committee on Banking and Currency to report out the amended Small Business Administration Act with the desired correction, and it is our further hope that that legislation, as amended, will be voted by the Congress prior to adjournment.

Sincerely yours,

GEORGE J. BURGER,
Vice President.

Mr. HUMPHREY. Mr. President, at this point I ask unanimous consent to have printed in the RECORD a letter I received from my distinguished colleague who has been one of the foremost champions of small, independent business, the Senator from Alabama [Mr. SPARKMAN], former chairman of the Senate Small Business Committee.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

UNITED STATES SENATE,
July 3, 1953.

Hon. HUBERT H. HUMPHREY,
United States Senate,
Washington, D. C.

DEAR HUBERT: I want to express my appreciation to you for your vote in behalf of small business when the conference report on the controls bill was before us several days ago.

As was well pointed out in the discussion on the Senate floor, the proposal that has come from the House of Representatives, if enacted into law, would scuttle efforts made to give small business a fair chance in the American economy.

The Small Defense Plants Administration, as you know, has been operating only a short time. It started from scratch. However, it has done a remarkable job in helping small business in this country due to the fact that it has been an independent agency responsive to the President and reporting to him without intervention of any department head or the necessity of going through any other office. The proposal that came from the House would have destroyed that independent status and would have crippled severely the effort of any man trying to administer the agency in behalf of small business.

This fact was well recognized in the statement that was sent to all Senators by one of the best small-business associations of the country. I refer specifically to the Small Business Association of New England.

You may recall also that George J. Burger, Washington representative and executive manager of the National Federation of Independent Business, one of the biggest small-business organizations in the United States, took a similar attitude.

Other small-business organizations from all over the country expressed themselves in the same manner because they all knew that destroying the independent status of the small-business agency would destroy the ability of that agency to do anything helpful to small business.

As chairman of the Small Business Committee for 3 years, I have found you always on the side of the small-business man. You have been a fine and faithful member of the Small Business Committee. Your upholding small business in this latest instance is simply a continuation on your part of the interest and effort you have always exerted for small business.

The fight is not yet won. I know that you can be counted upon to stay on the side of small business.

Sincerely,

JOHN
John Sparkman.

LEGISLATION FOR SMALL BUSINESS

Mr. HUMPHREY. Mr. President, while small business needs agencies and committees to protect its interests, it must at the same time have men in Congress with votes to turn worthwhile recommendations into law and to successfully oppose unfavorable legislation. As I have stated earlier, one of the requirements of small business that has impressed me most strongly is the need for effective legislation to protect and expand small business. I, therefore, worked and voted for the strengthening of the Robinson-Patman Act, the Magna Carta of the American independent small-business man. I believe that the Robinson-Patman Act can justifiably be

called the "economic bill of rights" for free competitive enterprise.

When, in the 81st Congress, it was unsuccessfully proposed that we weaken the Robinson-Patman Act by making good faith a complete defense against charges of discrimination, I cooperated with all the major independent business organizations, voted against the measure, and succeeded in helping to defeat the proposal.

The Robinson-Patman Act must be guarded and defended. It is a shield of strength for free enterprise.

One of my most honored possessions is a letter that I received from one of the authors of that historic legislation, the distinguished Member of the House of Representatives, Mr. WRIGHT PATMAN. Mr. President, I ask unanimous consent that Representative PATMAN'S letter to me be included at this point in my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D. C., July 8, 1953.

Hon. HUBERT H. HUMPHREY,
United States Senate,
Washington, D. C.

DEAR HUBERT: I am very sorry about the unjustified and wholly unwarranted attack upon you because of your vote in favor of small business when you voted to recommit the bill providing for an extension of the Defense Production Act which did not provide sufficiently for a small business agency to take the place of the Reconstruction Finance Corporation which is now being liquidated and is slated by the Republicans to go out of existence next June 30.

The fact is there is not a Member out of the 531 Members of the House and Senate who has worked harder, more consistently, and more effectively in behalf of the little man and small business than you have worked since you have been a Member of the United States Senate. During the time that you have been here we have been compelled to fight against passage of proposals that were intended to give big business every advantage and little business no opportunity to exist; particularly, I refer to special bills under high-sounding names to clarify the Robinson-Patman Act. Every one of these bills carried hidden provisions that only an alert, sincere, able Member like yourself would have detected that were intended to absolutely destroy equality of opportunity for the little man.

Only a few days ago, I heard one of the most important leaders in the United States Senate say, "HUBERT HUMPHREY is not only a sincere, conscientious person, but he is one of the ablest and best debaters in the United States Senate."

Independent business is fortunate to have a person such as yourself on the right side, and I sincerely trust that the unwarranted attack from greedy groups will receive no more attention than such attacks are entitled to receive. It is just another case of people who have a selfish ax to grind trying to cripple, harm, or retard a fine Member of Congress who is constantly working for the people and never fooled by the slick, deceitful propaganda of the clever lobbyist groups.

I want you to know, Hubert, that I am glad to be on your side and glad to be associated with you in the many fights that we have carried on shoulder to shoulder. If your record is bad, my record is bad, but the truth is you have a wonderful record in behalf of the little man, and I do not expect to have a better one.

Small business needs help now more than any time since I have been a Member of Congress during the past 25 years; the little man is in the greatest danger that he has ever been. Please do not let unfair attacks dampen your zeal because we need you now and will need you in the foreseeable future as never before.

With kindest personal regards and very best wishes, I am,

Sincerely yours,

WRIGHT PATMAN.

FAIR TRADE

Mr. HUMPHREY. Mr. President, fair trade for American small business is one of the most important pieces of legislation to affect the business community that has come up in the Congress since I first became a Member of the Senate in 1949. It is one of the best insurance policies that the American people can take out for the protection of the American small-business man. I am proud of my successful efforts to enact a fair-trade law. We must maintain constant vigilance against the advocates of cut-rate competition and the forces of monopoly which seek to destroy independent small business enterprise.

Mr. President, I believe that my views on fair trade were best summarized in a speech I made before the National Association of Retail Druggists in 1949. I ask unanimous consent that certain portions of that speech be inserted at this point in my remarks.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

EXCERPT FROM SPEECH BY SENATOR HUBERT H. HUMPHREY TO NATIONAL ASSOCIATION OF RETAIL DRUGGISTS, SEPTEMBER 27, 1949

I support a policy of government that believes in fair trade for all parts of the American economy. To me, fair trade means a fair body of rules and regulations that preserves the competitive enterprise system but removes competition from the realm of unprincipled and vicious practices either by government or by business enterprise.

The principle of fair trade is much more broad in its meaning than just in the retail field. The basic purpose of American democratic government has been the guaranty of equality of opportunity and the preservation of individual liberty. In simpler terms, this is, in the language of the businessman, fair trade—a guaranty of the opportunity to do business with, to associate with other persons on a basis of fairness and equality, but at all times preserving the differences that come with individual initiative and the development of individual capacity. * * *

It is my observation that the sure path to statism, the sure road to collectivism, is the failure to recognize the basic needs of our people and the failure to protect and guard the free flow of commerce in an economic system that is based not only upon free enterprise, but upon individual enterprise.

I repeat—the heart and core of the American economic system is individual enterprise—the small independent businessman. The threat to the economic system is the ever-growing concentration of economic power, and that threat is a real one.

Mr. HUMPHREY. Mr. President, after the passage of the fair trade law there remained some doubt as to whether the President would approve the bill. Newspaper columnists at the time pointed out that, in view of my interest in the bill and my conviction that the welfare of our whole economy demanded a fair trade law, I made a personal visit to the White House and urged the President to sign the bill. Naturally I was very pleased that the President finally did approve it. At the same time, I submitted a series of resolutions in the Senate which provided the basis for the creation of a special subcommittee on trade practices, the Senate Select Committee on Small Business, of which I was a member.

MONOPOLY

One of the greatest threats to competitive free enterprise and the American small-business man is the continued growth of monopoly in this country. I have, therefore, worked and voted for the strengthening of the Antitrust Division of the Department of Justice and also of the Federal Trade Commission so that it might more effectively enforce the provisions of the Clayton Act. I was also one of the active participants in the fight against the basing-point bill which would have legalized discriminatory pricing so detrimental to small business, particularly in the Midwest.

FINANCING FOR SMALL BUSINESS

Fully aware of the difficulties often involved in small-business financing, I cosponsored a section of the Defense Production Act which made available extra loan funds for small-business defense plants and for taconite development in Minnesota and elsewhere. The junior Senator from Minnesota has consistently supported the small-business loan activities of the RFC and urged more liberal Government lending policies by the Small Business Administration. I fought against the administration's so-called hard money, high interest rate policy of the present administration, which has made it more difficult and costly for the independent businessman to obtain credit.

CASE WORK

I am glad to say that my office has given priority attention to the problems of small business and defense contracts for Minnesota firms. I think that I can say without exaggeration that we have helped hundreds of Minnesota enterprises in their relationship with the Federal Government. This has been particularly true when it has come to guiding them through the mystic maze of regulations that covers Federal procurement practices.

Most recently, in an effort to forestall abrupt Senate action on a bill designed to make extensive changes in the Atomic Energy Act and which might have serious effects on American small business and rural electrification cooperatives, I addressed a letter to the chairman of the Senate Select Committee on Small Business urging him to hold prompt hearings on the measure.

This is merely a part of my record in favor of small business. I have not discussed measures like the Humphrey-Durham Act to protect the professional standards of pharmacy and medicine and other measures which vitally affect a particular segment of small business. Nor have I cataloged the scores of parliamentary motions and votes, the hours of debate, that go into the passage of

successful small business legislation. However, I believe that the foregoing will serve at least as an indication of my position on small business. I am four-square for the preservation of a healthy, dynamic, small business community that will preserve the best elements of our American system of competitive free enterprise.

AGRICULTURAL ACT OF 1954

Mr. ANDERSON. Mr. President, in connection with the farm bill, I have submitted an amendment, "7-20-54-A," dealing with the National Forest Administration. I should like to have printed in the RECORD at this point a letter written by Hugh B. Woodward, regional director of the National Wildlife Federation, and various other items dealing with the subject.

There being no objection, the letters, articles, and resolution were ordered to be printed in the RECORD, as follows:

NATIONAL WILDLIFE FEDERATION,
Albuquerque, N. Mex., July 17, 1954.

JAMES B. CRAIG, Esq.,
Editor, American Forests Magazine,
Washington, D. C.

DEAR MR. CRAIG: Your timely editorial in the July issue concerning the amended version of S. 2548 is most helpful.

The "foot in the door" objection which has been picked up, iterated and reiterated by many uninformed persons has absolutely no validity.

As a matter of fact, the grazing use of the national forest not only has its foot in the door under the Granger-Thye Act but the door is wide open.

The sections of this act giving special recognition to the grazing use, providing for national forest grazing advisory boards, requiring the Secretary to appoint such boards as the official representatives of the grazing use to which must be referred upon request any matter pertaining to "(1) the modification of the terms, or the denial of a renewal of, or a reduction in, the grazing permit, or (2) the establishment or modification of an individual or community allotment," and further requiring the Secretary, prior to the issuance of any regulation affecting the grazing use upon national forests to refer such proposed regulation to the local advisory board of each area that will be affected, and providing that if any recommendation of the advisory board is overruled, disregarded, or modified, the Secretary or his representative shall furnish in writing to such board his reasons for such action, certainly give preferment to the grazing use over all other uses, which do not enjoy any such rights.[1]

It would probably be far easier for the national livestock organizations to further strengthen their grip upon the national forests by amendment of the Granger-Thye Act than to amend S. 2548 as passed by the Senate.

I had received and very carefully analyzed the statement by the Forest Conservation Society of America which you published in the July issue long before I had fully made up my mind upon the bill.

I find nothing in their statement which, in my opinion, has any foundation as an argument in opposition to the bill.

Since the bill deletes from the appeal provisions any appeal from an order by the Secretary made for the protection of the forest range for the purpose of "preventing injury to such lands or to change the use of such lands," this provision will automatically eliminate from the appeal section nearly all of the conflicts between grazing permittees and Forest Service administrators.

An examination of the record will disclose that these appeals in nearly every instance are from orders curtailing grazing use or changing grazing use.

In my opinion, the appeal provisions are wholly innocuous. I am extremely doubtful that such provisions will be invoked except in rare instances.

Even the right to place improvements upon the national forest by grazing permittees is limited by the provision of section 2 that such improvements can be made only under written agreement to be entered into between the Forest Service and the permittee.

Apparently, quite a number of organizations took a firm position against the bill when it was introduced and, despite the fact that the bill has been rewritten to meet their objections, they are unwilling or unable at this time to change their position.

In my opinion, unreasonable opposition to the enactment of fair and just legislation concerning the national forests by conservation organizations upon untenable grounds stultifies the influence of the conservation movement and its supporters.

I am hopeful that the Congress will not be influenced by imaginary defects in the proposed legislation.

It is very easy to conjure up "bugaboos" in the bushes which do not exist.

With kind regards, I am,

Sincerely yours,

HUGH B. WOODWARD,
Director.

NOTE.—Section 12 of the Granger-Thye Act, which is section 580h of title 16, U. S. C. A., provides: "Of the moneys received from grazing fees by the Treasury from each national forest during each fiscal year there shall be available at the end thereof when appropriated by Congress an amount equivalent to 2 cents per animal-month for sheep and goats and 10 cents per animal-month for other kinds of livestock under permit on such national forest during the calendar year in which the fiscal year begins, which appropriated amount shall be available until expended on such national forest, under such regulations as the Secretary of Agriculture may prescribe, for (1) artificial revegetation, including the collection or purchase of necessary seed; (2) construction and maintenance of drift or division fences and stock-watering places, bridges, corrals, driveways, or other necessary range improvements; (3) control of range-destroying rodents; or (4) eradication of poisonous plants and noxious weeds, in order to protect or improve the future productivity of the range."

H. B. W.

NATIONAL WILDLIFE FEDERATION,
Washington, D. C., August 2, 1954.

Hon. CLIFFORD HOPE,
Chairman, House Committee on Agriculture, House Office Building,
Washington, D. C.

DEAR MR. HOPE: The Aiken bill, S. 2548, which passed the Senate in amended form on March 8, 1954, is now incorporated as title VIII—National Forest Administration—in the amendment proposed to the farm bill, S. 3052, proposed by Senators AIKEN, HICKENLOOPER, SCHOEPPEL, HOLLAND, and ANDERSON on July 29. We therefore thought it appropriate, as suggested by you, to restate our position with regard to this legislation.

The National Wildlife Federation, the Western Association of State Game and Fish Commissioners, and the Association of Midwestern Fish, Game and Conservation Commissioners, after careful and full consideration have by separate and appropriate resolutions endorsed this measure as it was passed by the Senate and sent to the House. Two minor amendments have been suggested, both of which are clarifying. Senator AIKEN has said that they would be acceptable to such proposal.

The National Wildlife Federation is a nonprofit organization of sportsmen-conservationists constituted of affiliated federations in 47 of the 48 States, having a combined membership of more than 3 million individuals. It is interested in sound management programs relating to soil, water, forests, and wildlife.

The Western Association of State Game and Fish Commissioners is made up of the commissioners and directors of the fish and game departments of the 11 western public land States. These men live continuously and intimately with the problems of hunting and fishing, grazing of livestock, the cutting of timber, watershed management, and the recreational uses of the public lands. Their considered opinion on these matters should, therefore, be valuable to the Congress in evaluating the merit of a law relating to national forest lands, the major portions of which are located in these Western States.

These three groups are now on record in support of this important measure. The Association of Midwestern Fish, Game, and Conservation Commissioners is composed of the commissioners and directors of those States in the Mississippi watershed except those south of Missouri and Kentucky and have similar objectives as those in the western association.

We deem it fitting and proper to state the reasons which impel us to support this measure.

The amendments and revisions of the original bill (now title VIII of substitute S. 3052) have completely changed its import and effect. It is not longer a measure relating to one use only of the national forests; viz, grazing.

Now for the first time the bill as written contains full congressional recognition of the multiple use doctrine.

It directs administration in accordance with such pronouncement.

It implements such mandate by authorizing multiple use councils, including but not limited to representatives of grazing, mining, recreation, timber production, watershed conservation, wildlife, and the general public, to advise the Secretary of Agriculture on their own initiative or at his request "with respect to any question of policy affecting the multiple use of such lands."

The revised version has deleted therefrom those provisions of the original bill affording to grazing permittees privileges not afforded to others users of forest lands.

The bill now contains the essential provisions for which conservation forces have long contended.

As passed by the Senate (and as it now appears in title VIII of proposed substitute S. 3052) it is a fair and just bill giving congressional approval to all uses of the national forests and providing for protection of each use against any use becoming dominant to the detriment of other uses.

The National Wildlife Federation, as a policy, desires to maintain a fair and constructive attitude toward all legislation, recognizing economic necessities while defending natural resources in behalf of the general public, instead of a consistently negative attitude.

We hope that our policy is one of helpfulness to the Congress rather than of unreasonable opposition.

Respectfully submitted.

NATIONAL WILDLIFE FEDERATION.
By CHARLES H. CALLISON,
Conservation Director.
By CARL D. SHOEMAKER,
Conservation Consultant.

[1] See secs. 580k, 580l, U. S. C. A., title 16, act of Apr. 24, 1950, c. 97, 64 Stat. 87.

IN SUPPORT OF THE AIKEN GRAZING BILL

(By Hugh B. Woodward, regional director, National Wildlife Federation)

We attempt a sane and dispassionate evaluation of S. 2548 as passed by the United States Senate on March 8, 1954.

Such an approach must be divorced from unreasoning prejudice.

Prior legislation, sponsored and strongly supported by the national livestock organizations, has, in the minds of millions of American citizens, placed a "curse" upon any bill dubbed a "stockman's bill."

S. 2548, because of its background, suffers great distrust.

We must forget the ill-starred Barrett-D'Ewart bill.

We must disregard the circumstances preceding the introduction of the present bill and the language of the act as introduced. Whatever S. 2548 may have been at the time of its introduction, the amendments and revisions of such bill have completely changed its import and effect.

It is no longer, as termed in the title of the original version, a bill to stabilize the livestock industry, dependent upon the national forests.

As revised and passed by the Senate, it is now a broad declaration of congressional policy for the administration of all national forest lands.

A magazine article, recently published, severely critical of the original bill, strongly urged all conservationists to oppose its enactment.

Based on this article and other publications, widespread opposition persists because of lack of knowledge and understanding of the bill as passed by the Senate.

By the act of June 4, 1897, Congress declared the purposes of the forest reserves to be water and timber protection. (June 4, 1897; sec. 1, ch. 2, 30 Stat. 34; U. S. C. A., title 16, sec. 475.)

Other than these, Congress recognized no other values or uses of the forests until the Granger-Thye Act of April 24, 1950. (April 24, 1950; ch. 97, 64 Stat. 87, U. S. C. A., title 16, sec. 580k.)

This act dealt extensively with the grazing use of national forest lands. By it the grazing use became a congressionally recognized and approved use.

Conservation organizations and the general public have, for years, urged that Congress affirmatively approve and spell out the multiple-use doctrine.

Today, when the Senate has done exactly that, too many of our citizens fail to recognize the tremendous importance of such declaration.

Senator AIKEN'S committee held extensive hearings upon S. 2548 in the Western States.

Weeks before the scheduled hearings, representatives of water users, wildlife associations, and conservation organizations were invited to attend such hearings and present their views.

After these hearings, the bill was completely rewritten. Throughout the text of the bill, the language pertaining to grazing as a single use was stricken out in favor of the language "occupancy and use."

BENEFITS OF THE BILL

Section 12 of the bill, as passed, provides:

"It is hereby declared to be the policy of the Congress that the Secretary, in carrying out the provisions of this act, shall give full consideration to the safeguarding of all resources and uses made of these lands, including grazing, mining, recreation, timber production, watershed conservation, and wildlife."

An entirely new section (11) was added. This section provides for appointment of multiple use advisory councils at various levels.

These advisory boards may be constituted of representatives representing all uses of the forests, "including, but not limited to, grazing, mining, recreation, timber production, watershed conservation, wildlife, and the general public."

Such councils may submit recommendations on their own initiative or in response to requests by the Secretary "with respect to any question of policy affecting the multiple use of such lands."

These sections establish a basic congressional policy for the administration of the National Forests for the benefit of the entire American citizenship. They implement the decision of the United States Supreme Court in which Justice Lamar, speaking for the Court, in 1911, stated:

"All the public lands of the Nation are held in trust for the people of the whole country." (*Light* v. *United States* (220 U. S. 537, 55 Law. Ed. p. 574).)

Section 10 of the amended bill clearly provides that the power of the Secretary of Agriculture in the administration of the National Forests to fully protect United States forest lands is neither abated nor curtailed.

The bill authorizes a review of administrative decisions, except those made for the protection of forest ranges.

The amended bill establishes a right of ultimate appeal to a Federal court upon the record of the pleadings, evidence produced and proceedings before the Secretary.

Before the committee, Senator WELKER, of Idaho, strongly contended that such court review should be upon a trial de novo and should extend to appeals from cuts in grazing privileges made for the protection of the range or to bring about a change in the use of the range. (Report of the committee upon S. 2548, p. 4.)

This contention was rejected by the committee. Such rejection and passage of the bill with the broad exception of any review of a decision for the protection of the range greatly strengthens the position of the Secretary.

The power of the court to modify a decision of the Secretary is limited to a case in which the court finds that the decision of the Secretary * * * is arbitrary, capricious, an abuse of discretion, or otherwise not in accordance with law.

Under the common law and the Constitution of the United States, such right presently exists. The legal staff of the United States Forest Service has so advised the Chief Forrester. (1953 Report of the Chief of the U. S. Forest Service, p. 13.)

Arguments advanced against the original bill are not germane to the amended bill as passed by the Senate.

OBJECTIONS TO THE AMENDED BILL

Objections voiced to the amended bill, eliminating nonfactual objections, are as follows:

First. The bill is unnecessary; the present system of administrative control, without express congressional sanction, is preferable.

This argument, in our opinion, has no merit.

Congress has already fully recognized and protected the grazing use (Granger-Thye Act).

Administration by the Secretary of Agriculture fortified by congressional recognition and mandate for multiple use strengthens protection of public rights under administrative policy.

Without such legislation, an administrative policy may be changed by the Secretary of Agriculture. A reactionary Secretary could seriously impair the "service uses" of the national forests in favor of the "profit uses."

Such power under S. 2548 is limited by the congressional mandate established by section 12 of the amended act.

Second. The bill is an opening wedge which would permit amendment in favor of grazing permittees.

Such argument is fallacious and untenable.

There are less than 18,000 grazing permittees upon the national forests of the Western States. (Figures from data compiled by U. S. Forest Service in 11 western public-land States.)

Thirty-three million people are now using the national forests for recreation (1953 report of the Chief of the U. S. Forest Service, p. 1).

The fate of the Barrett-D'Ewart bill demonstrated the influence of 33 million people with the Congress of the United States as against the "profit interest" of a small number of grazing permittees.

Once passed, the bill can be maintained. Why shudder and shiver at the possibility of a remote contingency and lose the tremendous benefits which the public will obtain under the amended bill?

SUPPORT FROM CONSERVATION ORGANIZATIONS

Two strong conservation organizations have announced support for the amended version. They are:

1. The National Wildlife Federation, after a series of conferences of representatives of Western States and careful consideration by its conservation committee, at its last convention in March 1954, unanimously recommended endorsement.

2. In May 1954, the Western Association of State Game and Fish Commissioners, after hours of consideration and debate in the resolutions committee, conditioned upon two minor amendments, unanimously endorsed the bill.

We have received word that the amendments to recommend are acceptable to Senator AIKEN, chairman of the Senate Committee, and to Congressman HOPE, chairman of the House committee.

Both are clarifying amendments suggested by Elliott S. Barker, formerly a Forest Service employee and for nearly 25 years director of the New Mexico Department of Game and Fish. He has, for many years, been a student of legislation affecting public lands.

His prestige, coupled with his careful analysis of the benefits under the bill, had great weight with the Western Association.

The proposed amendments stated in the Western Association's resolution are clarifying amendments, which had not been suggested prior to the passage of the bill by the Senate.

The resolution by the Western Association, unanimously approved, should carry very great weight with all conservationists and Forest Service supporters.

The fish and game directors of the Western States are the men on the firing line most intimately acquainted with the problems which develop by conflicts between the grazing use and the wildlife and recreational uses of the forests.

CONCLUSION

After a complete review of all congressional legislation affecting national forests; after many months of careful and conscientious study of S. 2548 from the time of its introduction through the committee hearings, careful analysis of the Aiken committee report to the Senate, and the debate and colloquy at the time the bill was passed by the Senate, as printed in the CONGRESSIONAL RECORD, we have an abiding conviction that the merits of the amended bill justify and should command the support of every thoughtful citizen of the United States interested in the protection of the public values of our national forests.

Resolution 5

(Aiken bill, S. 2548, the use of national forests)

Whereas S. 2548 as amended and passed by the United States Senate on March 8, 1954, provides for establishment of multiple-use advisory councils to advise the Secretary of Agriculture with respect to any questions of policy affecting the multiple use of national forests and lands administered by him under

title III of the Bankhead-Jones Farm Tenant Act; and

Whereas S. 2548 as amended and passed by the United States Senate on March 8, 1954, contains the following long-needed declaration of congressional policy, to wit: "SEC. 12. It is hereby declared to be the policy of the Congress that the Secretary, in carrying out the provisions of this act, shall give full consideration to the safeguarding of all resources and uses made of these lands, including grazing, mining, recreation, timber, watershed conservation, and wildlife", which provision—

1. Is in the interest of the public generally and all users of such lands;

2. For the first time recognizes wildlife indigenous to such lands, and recreational resources which are becoming increasingly important to the public; and

3. Includes a clear-cut congressional recognition of the multiple-use principles for which this association has long contended; and

Whereas the title to said bill has been changed to read as follows, to wit: "A bill to facilitate the administration of the national forests and other lands under the jurisdiction of the Secretary of Agriculture; to provide for the orderly use, improvement, and development thereof; and for other purposes," and undesirable features of the original bill have been deleted: Now, therefore, be it

Resolved by the Western Association of State Game and Fish Commissioners, That the enactment into law of S. 2548 as amended and passed by the Senate on March 8, 1954, be hereby approved: *Provided,* That as a matter of equity and in order to conform said bill to the legislative intent of the Senate, two additional amendments are made, viz:

1. Amend section 2 to provide for compensation to all other use and occupancy privilege holders for loss of improvements placed upon such lands in the same manner and upon the same basis as provided for reimbursement to grazing privilege holders. The entire objective of this amendment may be simply accomplished as follows: In section 2, lines 7 and 9, after the words "grazing", place a comma and insert the words "use and occupancy", and in line 16, strike out the words "such range."

2. In section 4, line 6, delete the words "or range." This is necessary because it is obvious that range improvements on lands owned by the Federal Government should not, under any condition, be recognized as base property to qualify any person to obtain privileges on lands to which this bill applies; and be it further

Resolved, That for the reasons above stated, and conditioned upon inclusion of the two above listed amendments, which we recommend to the House Committee on Agriculture, the Western Association of State Game and Fish Commissioners approve the passage of S. 2548 as amended and passed by the Senate on March 8, 1954; and be it further

Resolved, That our endorsement of this amended bill as passed by the Senate is without prejudice. We will vigorously oppose any amendments which would weaken the amended bill in favor of any profit use of such public lands to the detriment of the public uses thereof.

AMENDMENT OF SECTION 345 OF REVENUE ACT OF 1951—AMENDMENT

Mr. FERGUSON submitted an amendment intended to be proposed by him to the bill (H. R. 6440) to amend section 345 of the Revenue Act of 1951, and for other purposes, which was ordered to lie on the table and to be printed.

RECESS

Mr. KNOWLAND. Mr. President, I move that the Senate stand in recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 11 o'clock and 35 minutes p. m.) the Senate took a recess until tomorrow, Wednesday, August 4, 1954, at 12 o'clock meridian.

CONFIRMATIONS

Executive nominations confirmed by the Senate August 3 (legislative day of July 2), 1954:

FEDERAL RESERVE SYSTEM

Paul Emmert Miller, of Minnesota, to be a member of the Board of Governors of the Federal Reserve System for the remainder of the term of 14 years from February 1, 1954.

COMMODITY CREDIT CORPORATION

Earl L. Butz, of Indiana, to be a member of the Board of Directors of the Commodity Credit Corporation.

UNITED STATES CIRCUIT JUDGE

Elbert Parr Tuttle, of Georgia, to be United States circuit judge for the fifth circuit.

UNITED STATES ATTORNEY

Paul W. Cress, of Oklahoma, to be United States attorney for the western district of Oklahoma.

UNITED STATES MARSHAL

Charles Swann Prescott to be United States marshal for the middle district of Alabama.

HOUSE OF REPRESENTATIVES

TUESDAY, AUGUST 3, 1954

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

Eternal and ever-blessed God, we rejoice that Thy divine love and strength will never fail or forsake us as we face difficult tasks.

We humbly confess that we are daily holding counsel together to consider what is best for our beloved country but our efforts still seem so futile and fruitless.

Grant that we may place our faith and hope in Thee for Thou art the God of all wisdom and in the doing of Thy will is our peace.

Give us a clear vision of that which is important and vital and may we find the secret of living contentedly, happily, and victoriously.

Hear us in the name of the Christ, who is the way, the truth, and the life. Amen.

The Journal of the proceedings of Friday, July 30, 1954, was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Ast, one of its clerks, announced that the Senate disagrees to the amendments of the House to the bill (S. 3546) entitled "An act to provide an immediate program for the modernization and improvement of such merchant-type vessels in the reserve fleet as are necessary for national defense"; requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. BUTLER, Mr. PAYNE, and Mr. MAGNUSON to be the conferees on the part of the Senate.

CERTIFICATIONS TO UNITED STATES ATTORNEY, EASTERN DISTRICT OF MICHIGAN

The SPEAKER. The Chair desires to announce that pursuant to sundry resolutions of the House he did, on Friday, July 30, 1954, make certifications to the United States attorney, eastern district of Michigan, as follows:

H. Res. 693. The refusal of Paul Dorfman to answer questions before the Committee on Education and Labor.

H. Res. 694. The refusal of Allen Dorfman to answer questions before the Committee on Education and Labor.

KLYCE MOTORS, INC.—VETO MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 484)

The SPEAKER laid before the House the following communication from the Clerk of the House:

AUGUST 3, 1954.

The Honorable the SPEAKER,
House of Representatives.

SIR: I have the honor to transmit herewith a sealed envelope addressed to the Speaker of the House of Representatives from the President of the United States, received in the Clerk's office on August 2, 1954, and said to contain veto message on the following:

H. R. 5185. An act for the relief of Klyce Motors, Inc.

Respectfully yours,

LYLE O. SNADER,
Clerk of the House of Representatives.

The SPEAKER. The Clerk will read the veto message.

The Clerk read as follows:

To the House of Representatives:

I return herewith, without my approval, H. R. 5185, for the relief of Klyce Motors, Inc.

The bill proposes to pay Klyce Motors, Inc., of Memphis, Tenn., the sum of $91,000 for alleged losses sustained in connection with the purchase, on May 25, 1946, of 109 surplus trucks from the War Assets Administration. The evidence discloses that these trucks were represented to be new, disassembled, and boxed for export. When the trucks were uncrated for assembly, it was discovered that certain parts were rusted and otherwise damaged in a manner necessitating repair or replacement. Government inspection personnel confirmed that the condition of these trucks did not conform to the warranty made to the purchaser by the disposal agency. A settlement agreement for breach of warranty was entered into in the amount of $20,710, and the Government was released from further liability.

There must come a time in all negotiations leading to settlement between parties when final commitments can be made and thereafter relied upon by both parties. In this case, however, equitable considerations indicate that the Government should not insist upon strict adherence to its legal rights.

The records show that when the company, on April 17, 1947, accepted the settlement of its claim in the amount of $20,710 (5 percent of the purchase price), they had already incurred a loss of over $30,000 exclusive of assembly costs. On the other hand, the tabulation of loss elements which was inserted in the committee's hearings appears to include losses for which the Government is not responsible and for which it should not pay. The figures presented clearly do not justify the $91,000 payment authorized by the bill.

Under the circumstances, I am compelled to withhold my approval from this bill. I believe, nevertheless, that a compromise adjustment is warranted. I suggest that the claim be reconsidered by the Congress. I would approve a measure which appears to be more realistic and which makes a more equitable adjustment and apportionment of the rights of both the Government and the company.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *August 2, 1954.*

The SPEAKER. The objections of the President will be spread at large upon the Journal and, without objection, the bill and message will be referred to the Committee on the Judiciary and ordered to be printed.

There was no objection.

SPECIAL ORDERS GRANTED

Mr. KERSTEN of Wisconsin asked and was given permission to address the House for 1 hour on Thursday next and on Monday of next week, following the legislative program and any special orders heretofore entered.

Mr. PATMAN asked and was given permission to address the House for 15 minutes today and tomorrow, following the legislative business and the conclusion of special orders heretofore granted, and also to revise and extend his remarks and include certain extraneous matter.

TRIBUTE TO HARRY NASH, RETIRED DEAN OF THE CAPITOL GUIDES

Mr. MACK of Illinois. Mr. Speaker, I ask unanimous consent to extend my remarks at this point.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. MACK of Illinois. Mr. Speaker, administrations under the Capitol Dome have come and gone but Harry Nash, recently retired dean of the United States Capitol guides, remained for 40 years. Mr. Nash has been a part of the Capitol since 1914. He has witnessed the administrations of 7 Presidents and has served through 20 Congresses, from the 63d to the 83d.

Mr. Nash has been devoted to his job. He has carried with it a dignity and warmth. Hundreds of thousands of citizens of the United States and those from foreign lands, who have visited the Capitol, have carried away with them a lasting impression of the Congress. A former Senate Sergeant at Arms once said that the Capitol guides "have the feet to tramp the marble halls all day long, the gift of gab to hold squirming high-school kids, the knowledge to make it stick, and the dignity to match the scenery." Mr. Nash has more than fulfilled these requirements.

Harry Nash has explained the wonders of the Capitol rotunda, the whisper over the echoing stone in Statuary Hall—the old House Chamber where John Quincy Adams was stricken by a fatal stroke, and Abraham Lincoln sat as a Representative from Illinois—has pointed out the great and near-great in the two Chambers, tramped many miles a day, and answered hundreds of questions. Often tourists have returned to Washington and reminded Mr. Nash that his graphic words have "stuck" through the years and that they have remembered.

It has been said that Mr. Nash has regarded the "Order of the Guides" as several steps ahead of a Yale honor society. Under his watchful eyes new applicants for guide positions have been carefully screened. He has believed a critical mastery of classical art, knowledge and understanding of American history and the proper degree of dramatic interpretation, are essentials in bringing to life the traditions of our great Capitol.

Harry Nash, whose profile and manner of speaking are much like John Barrymore, was offered the curatorship of a theatrical museum several years ago. Most of the theatrical folk who come to Washington look him up. Harold Lloyd told him a few years ago, "You've got a longer hit record than I have. When I first went through the Capitol with you, I was climbing up the side of buildings. You're even better now." Mr. Nash tells of the time Senator Ashurst recited Hamlet's soliloquy for him and remembers it as "Beautiful—beautiful."

One of Mr. Nash's favorite tales is about the Solomon Islands potentate, Chief Kata Ragosa. While the chief's bare feet padded on the marble floors of the Halls of Congress, Harry Nash was trying to figure out what kind of pidgin English to use when the chief addressed him. But that problem was soon solved. In a faultless Oxford accent, the chief said, "I say, I should like to see Brumidi's frescoed canopy I have read so much about."

On another occasion Mr. Nash was a little perplexed as to how to approach the famous Brumidi mural of a stern George Washington demanding surrender from Cornwallis at Yorktown, as Winston Churchill was in his group. But Sir Winston spied it and with enthusiasm said, "Let's look at it. It's Yorktown, isn't it?" He then turned to Nash and remarked proudly, "You know I have some interest in the Capitol. My mother was an American."

It is not only the Oxford-educated chiefs or royalty or the world's great statesmen that Mr. Nash remembers. He remembers numerous experiences with hundreds of thousands of American schoolchildren and adult citizens. It is with genuine pride that we extend to Harry Nash our deepest thanks for the vivid and lasting interpretation of these sacred halls he has left with the multitudes. He knows, as do we, that these multitudes have helped, and will continue to help, make this Capitol an everlasting monument to American democracy.

WHAT'S GOOD FOR GENERAL MOTORS

Mr. EBERHARTER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. EBERHARTER. Mr. Speaker, I call to the attention of the Members two headlines which appeared in the New York Times a few days ago, the first is: "Westinghouse Volume Up 4 Percent, Net Jumps 27 percent to New Peaks."

The other headline is: "General Motors Net Earnings Soar to $425,250,383 in Half."

The Times article further states that a year earlier the profit was $312,854,787, which shows an increase in profits over the same period a year ago of $112,395,596.

But most important of all the article goes on to explain that the increase in net profits was due in great measure to a reduction in Federal taxes of $306,498,000. The question naturally arises, "Is what is good for General Motors, good for the country?"

FREE FOOD FOR JOBLESS IN PITTSBURGH

Within the past few weeks we have witnessed thousands upon thousands of unemployed being reduced to standing in line in order to apply for food for themselves and their families. In area after area in the greatest industrial State of the Union, Pennsylvania, in order to supplement the food basket and allay the hunger of literally many thousands, the Federal Government is doling out free food.

General Motors is doing good but do the increasingly large lines of relief supplicants indicate that, "What's good for General Motors is good for the country"?

CONSENT CALENDAR

The SPEAKER. This is Consent Calendar day. The Clerk will call the first bill on the Consent Calendar.

AUTHORIZING TAX REFUNDS ON CIGARETTES LOST IN FLOODS OF 1951

The Clerk called the bill (H. R. 4319) to authorize tax refunds on cigarettes lost in the floods of 1951.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. BYRNES of Wisconsin. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

AMENDING VETERANS' REGULATIONS

The Clerk called the bill (H. R. 7712) to amend the veterans regulations to provide an increased statutory rate of compensation for veterans suffering the loss or loss of use of an eye in combination with the loss or loss of use of a limb.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. BYRNES of Wisconsin. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

AMENDING VETERANS' REGULATIONS TO PROVIDE ADDITIONAL COMPENSATION FOR LOSS OR USE OF BOTH BUTTOCKS

The Clerk called the bill (H. R. 7851) to amend the veterans' regulations to provide additional compensation for veterans having the service-incurred disability of loss or loss of use of both buttocks.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. FORD. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

INCREASED PENSIONS FOR MEDAL OF HONOR HOLDERS

The Clerk called the bill (H. R. 8900) to increase the rate of special pension payable to certain persons awarded the Medal of Honor.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. FORD. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

EXTENSION OF TIME FOR INITIATING TRAINING UNDER PUBLIC LAW 550—KOREAN GI BILL OF RIGHTS

The Clerk called the bill (H. R. 9395) to amend the laws granting education and training benefits to certain veterans to extend the period during which such benefits may be offered.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. FORD. Reserving the right to object, Mr. Speaker, is that not the bill that was approved under suspension, or a bill similar to it?

Mrs. ROGERS of Massachusetts. It was approved.

Mr. FORD. I am informed by the gentlewoman from Massachusetts that a substitute was approved last week, and I therefore ask unanimous consent that this bill be stricken from the calendar and laid on the table.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

PROVIDING FOR MORE EFFECTIVE EXTENSION WORK AMONG INDIAN TRIBES AND MEMBERS THEREOF

The Clerk called the bill (S. 3385) to provide for more effective extension work among Indian tribes and members thereof, and for other purposes.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. MILLER of Nebraska. Mr. Speaker, this bill will be called up under suspension of the rules today.

The SPEAKER. Well, it may be possible to pass it now.

Is there objection?

Mr. MARSHALL. Mr. Speaker, I object.

AUTHORIZING SECRETARY OF INTERIOR TO INVESTIGATE REPORT TO CONGRESS ON CONSERVATION, DEVELOPMENT, AND UTILIZATION OF WATER RESOURCES OF HAWAII

The Clerk called the bill (H. R. 2843) to authorize the Secretary of the Interior to investigate and report to the Congress on the conservation, development, and utilization of the water resources of Hawaii.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purpose of encouraging and promoting the development of Hawaii, the Secretary of the Interior (hereinafter referred to as the "Secretary") is authorized to make continuing investigations relating to the conservation, development, and utilization of the water resources of Hawaii and to report thereon with appropriate recommendations, from time to time, to the President and the Congress.

SEC. 2. Prior to the transmission of any such report on a project to the Congress, the Secretary shall transmit copies thereof for information and comment to the Governor of Hawaii, or to such representative as may be named by him, and to the heads of interested Federal departments and agencies. The written views and recommendations of the aforementioned officials may be submitted to the Secretary within 90 days from the day of receipt of said proposed report. The Secretary may thereafter transmit to the Congress, with such comments and recommendations as he deems appropriate, his report, together with copies of the views and recommendations received from the aforementioned officials. The letter of transmittal and its attachments shall be printed as a House or Senate document.

SEC. 3. There are hereby authorized to be appropriated, out of any moneys in the Treasury not otherwise appropriated, such sums as may be necessary to carry out the provisions of this act.

With the following committee amendments:

On page 1, strike out all of line 3, down through and including all of line 9, and insert "That, for the purpose of encouraging and promoting the development of the Waimanalo, Oahu; Waimea, Island of Hawaii; and Molokai projects, Territory of Hawaii, the Secretary of the Interior (hereinafter referred to as the 'Secretary') is authorized to make an investigation relating to the conservation, development, and utilization of the irrigation and reclamation resources of the Waimanalo, Oahu; Waimea, Island of Hawaii; and Molokai projects, Territory of Hawaii, and to report thereon, with appropriate recommendations to the President and the Congress."

Page 2, line 25, strike out section 3.

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended so as to read: "A bill to authorize the Secretary of the Interior to investigate and report to the Congress on the conservation, development, and utilization of the irrigation and reclamation resources of the Waimanalo, Oahu; Waimea, Island of Hawaii; and Molokai projects, Territory of Hawaii."

A motion to reconsider was laid on the table.

SAFEGUARDING THE RIGHTS OF CERTAIN LANDOWNERS IN WISCONSIN

The Clerk called the bill (H. R. 8006) to safeguard the rights of certain landowners in Wisconsin whose title to property has been brought into question by reason of errors in the original survey and grant.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. FORD. Reserving the right to object, Mr. Speaker, I would like to inquire of some member of the Committee on Interior and Insular Affairs who will pay for this survey. Will it be the requirement of the Federal Government to pay for the survey or the people who are seeking the relief?

Mr. MILLER of Nebraska. I believe the Federal Government will pay.

Mr. BYRNES of Wisconsin. Mr. Speaker, will the gentleman yield?

Mr. FORD. I yield.

Mr. BYRNES of Wisconsin. Where this problem really arises is where the Government does come in and make a survey which shows the lakes and the land to be different than the original survey that was made probably a hundred years ago. Thus there are questions as to the title of the land involved in the differences between the two Government surveys. This is to correct that situation in which some of these landowners find themselves. Going on the basis of the original Government survey, which was made at a time when most of this area was grown up with timber, it was difficult to make accurate surveys. They were made hastily. They were made primarily for the purpose of selling the timber, and the surveys were not completely accurate. Yet on the basis of those surveys the land was sold and patents issued. It might appear for instance, as it has in many cases, where an owner has property abutting a lake, according to an old survey.

It now appears under the new survey that he does not own that property at

all. According to the present description he owns property now a hundred yards from the lake.

Who owns the property in between? Basically the Government does.

This bill is to assure that those persons can have an opportunity to come in, pay a fair value, and get the property they originally thought they were purchasing. So it really arises out of two Government surveys, both being different, and we accept the latter survey as being the accurate one.

Mr. FORD. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That any person who claims ownership of real property abutting on a lake located within the State of Wisconsin, where the original grant of such property by the United States showed that title was conveyed to the actual shoreline, shall be held and considered for all purposes to own such property to such shoreline, notwithstanding any errors which may have been made in the original survey and grant; and no officer or agency of the United States shall have authority to take such property (or any part thereof) as public lands, or to make any survey or resurvey of such property for the purpose of declaring any part of such property to be public lands, unless actual fraud or gross error amounting to fraud in the original survey shall have been first established by a court of competent jurisdiction in an action brought by the United States for the express purpose of voiding the original survey, but all such claims or surveys or resurveys of any real property in Wisconsin shall be made by officers or agencies of the United States within 3 years from the date of the passage of this act and after the expiration of said 3-year period no actions for the recovery of any land in Wisconsin pursuant to the authority granted in this act shall be maintained by any officer or agency of the United States or the United States Government.

SEC. 2. (a) In any case where a person claimed ownership of real property abutting on a lake located within the State of Wisconsin, but where, prior to the date of the enactment of this act, such property (or any part thereof) was taken by the United States as public lands and sold pursuant to the act of February 27, 1925 (43 U. S. C., sec. 994), the Secretary of the Interior shall pay to such person (or, if he has since died, to his heirs) in a lump sum, upon satisfactory application made within 1 year after the date of the enactment of this act, an amount equal to (1) the price paid for such property by such person if he exercised his preference right to purchase under such act of February 27, 1925, or (2) the price paid for such property by the purchaser thereof if such person did not exercise such right.

(b) In the event that such property (or any part thereof) was taken by the United States as public lands prior to the date of the enactment of this act but has not been sold on such date, the Secretary of the Interior shall, within 3 months after such date, reconvey such property to the former owner thereof (or, if he has since died, to his heirs) without cost.

With the following committee amendments:

Strike out all after the enacting clause and insert "That, whenever it shall be shown to the satisfaction of the Secretary of the Interior that a tract of public land, lying between the meander line of an inland lake or river in Wisconsin as originally surveyed and the meander line of that lake or river as subsequently resurveyed, has been held in good faith and in peaceful, adverse possession by a person, or his predecessors in interest, who had been issued a patent, prior to January 21, 1953, for lands lying along the meander line as originally determined, the Secretary of the Interior shall cause a patent to be issued to such person for such land upon the payment of the same price per acre as that at which the land included in the original patent was purchased and upon the same terms and conditions. All persons seeking to purchase lands under this act shall make application to the Secretary within 1 year from the date of the enactment of this act, or from the date of the official filing of the plat or resurvey, whichever is later, and the Secretary of the Interior shall cause no patents to be issued for land lying between the original meander line and the resurveyed meander line until the conclusion of such periods.

"SEC. 2. Upon the filing of a plat of resurvey under section 1 of this act, the Secretary shall give such notice as he finds appropriate by newspaper publication or otherwise of the opening of the lands to purchase under this act.

"SEC. 3. Nothing in this act shall affect valid existing rights."

Mr. McCORMACK. Mr. Speaker, I move to strike out the last word in order to ask a question of the gentleman from Wisconsin. I know what the purpose of the bill is, and the very fact that I did not reserve an objection shows that I am for the bill, but I want the record to clearly show what the gentleman mentioned briefly, that the people who bought the land originally thought they were buying to the water's edge.

Mr. BYRNES of Wisconsin. That is right.

Mr. McCORMACK. I think that is a very strong point of equity in their favor, and I think the record should pointedly show that fact.

Mr. BYRNES of Wisconsin. If the gentleman will yield further——

Mr. McCORMACK. I yield.

Mr. BYRNES of Wisconsin. Not only did they think they were buying property up to the edge of the lake but according to the original Government survey, the original Government map, it shows that that is what they bought, because the land as described under and on the basis of the original survey of metes and bounds did show that property as abutting the lake.

Mr. McCORMACK. That is it exactly.

Mr. BYRNES of Wisconsin. So they not only thought they were buying such property but the record shows the Government was selling lake shore property to these people.

Mr. McCORMACK. I simply wanted the point stressed in the record, because in reading the bill and report it impressed me very much as the most important point of justice in connection with the passage of this bill.

Mr. CUNNINGHAM. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield.

Mr. CUNNINGHAM. I wish to ask the gentleman from Wisconsin if it is not true that the present owners or their predecessors have been in continuous, uninterrupted possession under color of title and claim of right.

Mr. BYRNES of Wisconsin. Yes, indeed.

The SPEAKER. The question is on the committee amendments.

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended so as to read: "A bill to authorize the Secretary of the Interior to issue patents for certain lands in Wisconsin bordering upon inland lakes or rivers."

A motion to reconsider was laid on the table.

AUTHORIZATION FOR CERTAIN USES OF PUBLIC LANDS

The Clerk called the bill (H. R. 1254) to provide authorization for certain uses of public lands.

Mr. GAVIN. Mr. Speaker, reserving the right to object, will the gentleman from California explain the purpose of this legislation to us?

Mr. ENGLE. Mr. Speaker, the purpose of this bill is to authorize the issuance by Federal agencies of permits, leases, or easements through State or local governmental bodies for a period of not to exceed 30 years within their respective jurisdictions. This legislation is urgently needed to permit cities and their local subdivisions to secure a tenure of use of sufficient duration to justify the expenditure of funds by State and local bodies for improvements of a permanent nature.

What we are really driving at here is situations in which a city like the city of Oakland wants to go into a national forest area and set up a youth camp, a place for young people to go for a mountain vacation, such as the summer camps sponsored by the Washington Star here in Washington.

Under present law they cannot get permits of long-enough duration to justify their making the amount of expenditure necessary in permanent improvements for those purposes.

This bill applies exclusively to public agencies—none for any private groups—only public agencies, allowing them up to a 30-year lease so they can build the kind of improvements necessary to carry out those types of activities of a public interest in the national forest and on public-domain lands.

We have the same problem around the lake which is to be created on the American River back of the Folsom Dam. The State park commission wants to go in there and develop public recreational facilities, but they have to have a little more time to justify the very substantial investment which is necessary.

Because this legislation requires a lease or a permit the Government agency involved can attach the conditions necessary to protect the public interest.

Mr. GAVIN. I want to thank the gentleman. We have the same conditions existing in the Allegheny National Forest in Pennsylvania.

I withdraw my reservation of objection.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the head of any department or agency of the Government of the United States having jurisdiction over public lands, national forests, and reservations of the United States is hereby authorized to grant permits, leases, or easements for a period of not to exceed 50 years from the date of any such permit, lease, or easement to States, counties, cities, towns, townships, municipal corporations, or other public agencies for the purpose of constructing and maintaining on such lands public buildings or other public works. In the event such lands cease to be used for the purpose for which such permit, lease, or easement was granted, the same shall thereupon terminate.

With the following committee amendments:

Page 1, line 5, strike the words "United States" and insert in lieu thereof the words "United States, excepting national parks and monuments."

Page 1, line 7, strike the word "fifty" and insert in lieu thereof the word "thirty."

Page 2, following line 3, add a new section 2, as follows:

"SEC. 2. The authority conferred by this act shall be in addition to, and not in derogation of any authority heretofore conferred upon the head of any department or agency of the Government of the United States to grant permits, leases, easements, or rights-of-way."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

VALIDATING CERTAIN LEAVE PAYMENTS

The Clerk called the bill (S. 22) to validate certain payments for accrued leave made to members of the Armed Forces who accepted discharges for the purpose of immediate reenlistment for an indefinite period.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That (a), notwithstanding the provisions of section 4 (c) of the Armed Forces Leave Act of 1946, as amended (37 U. S. C. 33 (c)), any payments for accrued leave heretofore erroneously made to any member of the Armed Forces who was discharged after August 31, 1946, for the purpose of immediate reenlistment for an indefinite period are hereby validated.

(b) In any case in which any member or former member of the Armed Forces of the United States has received any erroneous payment which is validated by subsection (a) of this section and has been required to repay to the United States all or a portion of such erroneous payment, the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to such member or former member, or in the event he is deceased, to the person entitled to receive his arrears of pay in accordance with the act of June 30, 1906, as amended (10 U. S. C. 868), a sum equal to any amount so repaid which has not been refunded to him.

(c) The Comptroller General of the United States is hereby authorized and directed to allow credit in the accounts of disbursing officers for any payment validated by this act.

Mr. HARDY. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HARDY: Page 1, strike out all of line 10 and on page 2 strike out lines 1 through 11, and on page 2, line 12, change the "(c)" to "(b)."

Mr. BYRNES of Wisconsin. Mr. Speaker, I move to strike out the last word. Would the gentleman please explain what change this makes in the bill as reported by the committee?

Mr. HARDY. I will be glad to do that. The bill as reported from the committee was based on some misinformation presented to the committee. The bill refers to a total of 51 members of the armed services that were erroneously paid. Without my amendment there would be a duplication of payment to 11 men. With the amendment everybody will come out even.

The SPEAKER. The question is on the amendment offered by the gentleman from Virginia [Mr. HARDY].

The amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PROVIDING EMERGENCY CREDIT

The Clerk called the bill (S. 3245) to provide emergency credit.

Mr. FORD. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

CONTROL OF INCIPIENT OR EMERGENCY OUTBREAKS OF INSECT PESTS OR PLANT DISEASES

The Clerk called the bill (S. 3697) to amend the act of April 6, 1937, as amended, to include cooperation with the Government of Canada or Mexico or local Canadian or Mexican authorities for the control of incipient or emergency outbreaks of insect pests or plant diseases.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 1 of the act of April 6, 1937, as amended (7 U. S. C. 148), is further amended by adding at the end thereof the following: "The Secretary of Agriculture is further authorized to cooperate with the Government of Canada or Mexico or local Canadian or Mexican authorities in carrying out in such countries necessary operations or measures to control incipient or emergency outbreaks of insect pests or plant diseases, when such operations or measures are necessary to protect the agriculture of the United States. In performing the operations or measures authorized under this act, the cooperating foreign country, State, or local agency shall be responsible for the authority necessary to carry out the operations or measures on all lands and properties within the foreign country or State other than those owned or controlled by the Federal Government and for such other facilities and means as in the discretion of the Secretary of Agriculture are necessary."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AUTHORIZING CERTAIN PROPERTY TRANSACTIONS IN COCOLI, C. Z.

The Clerk called the bill (H. R. 7334) to authorize certain property transactions in Cocoli, C. Z., and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Canal Zone Government and the Panama Canal Company, respectively, are authorized to transfer to the Department of the Navy, without exchange of funds, all or so much of the facilities, buildings, structures, and improvements of the respective transferor agencies situated at or within the town of Cocoli, C. Z., as may be mutually acceptable for transfer. Such facilities, buildings, structures, and improvements may be used, among other things, for occupancy by civilian personnel in accordance with the provisions of the act of March 5, 1928 (ch. 126, 45 Stat. 193), and by personnel of the Army, Navy, Air Force, Marine Corps, Coast Guard, Coast and Geodetic Survey, and the Public Health Service and their dependents on a rental basis without forfeiture of any rental allowances, including occupancy in accordance with the provisions of the act of July 2, 1945 (ch. 227, 59 Stat. 316): *Provided,* That upon any transfer by the Canal Zone Government under this act, the capital investment in the transferred facilities, buildings, structures, and improvements shall be eliminated from the investment of the United States in the Canal Zone Government, but shall not be included in the costs of operation of that agency: *And provided further,* That transfers made by the Panama Canal Company under this act shall be subject to the provisions of section 246 of title 2 of the Canal Zone Code, as added by the act of June 29, 1948 (ch. 706, sec. 2, 62 Stat. 1076).

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

TRANSFER OF 40 ACRES OF LAND IN NORTHERN CHEYENNE INDIAN RESERVATION, MONT.

The Clerk called the bill (H. R. 8897) to authorize and direct the Secretary of the Interior to transfer 40 acres of land in the Northern Cheyenne Indian Reservation, Mont., to School District No. 6, Rosebud County, Mont.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior is authorized and directed to transfer by patent to School District No. 6, Rosebud County, Mont., all right, title, and interest of the United States and the Northern Cheyenne Tribe, reserving however to the said Northern Cheyenne Tribe all mineral rights, including gas and oil, as provided by the act of June 3, 1926 (44 Stat. 690), in and to a tract of 40 acres of land within the Northern Cheyenne Indian Reservation, described as the northeast quarter of the southeast quarter, section 33, township 2 south, range 41 east, Montana principal meridian, subject to such existing easement, right-of-way or other interest as may now be held by the State of Montana for the routing of State Highway No. 8.

With the following committee amendments:

Page 1, line 3, strike out all of line 3 and insert "That notwithstanding any contrary provision of law the Secretary of the Interior, or his authorized representative, is hereby authorized and directed."

Page 1, line 7, after "Montana", insert "or to any other appropriate governmental agency or local school authority in Montana empowered to take title to land for construction of a public school, in accordance with the resolution of January 29, 1954, by the Northern Cheyenne Tribal Council."

Page 2, line 6, strike out "3, 1926 (44 Stat. 690), in and to a tract of 40 acres of" and insert "3, 1926 (ch. 450, 44 Stat. 690), in and to a tract of approximately 40 acres of."

Page 2, line 12, strike out "principal" and insert "prime."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

REGULATING PARKING AT POST OFFICE BUILDINGS

The Clerk called the bill (H. R. 9825) to authorize the Postmaster General to prohibit or regulate the use of Government property under his custody and control for the parking or storage of vehicles.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Postmaster General is authorized to prescribe such regulations as he may deem necessary to prohibit or regulate the use, for the parking or storage of vehicles of any kind, of any property under his custody and control which is owned by the United States for postal purposes and over which the United States has exclusive or concurrent jurisdiction.

SEC. 2. Whoever violates any regulation prescribed by the Postmaster General under authority of this act shall be punished by a fine of not more than $25; but no individual shall be liable for violating any such regulation unless at the time of such violation there was posted in a conspicuous place on the property with respect to which such violation occurred a notice calling attention to this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ADJUSTMENT OR CANCELLATION OF CERTAIN CHARGES ON THE MILK RIVER PROJECT

The Clerk called the bill (H. R. 7813) authorizing the Secretary of the Interior to adjust or cancel certain charges on the Milk River project.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. GAVIN. Mr. Speaker, reserving the right to object, may I ask the gentleman from Montana to explain what this bill is about?

Mr. D'EWART. Mr. Speaker, a year ago we passed a law providing for certain adjustments in repayment charges on the Milk River irrigation project in Montana. We thought we had taken care of all of the provisions necessary, but under an interpretation by the attorneys downtown, we found that the law as passed did not apply to some 2,000 acres that it should have applied to. This bill simply carries out the intent of the law passed a year ago in connection with these 2,000 acres.

Mr. GAVIN. What is the amount of money involved?

Mr. D'EWART. The amount of money involved is $37,429.

Mr. GAVIN. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

Mr. D'EWART. I object, Mr. Speaker.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior may, in his discretion and notwithstanding the provision of any other law, adjust or cancel any charges which have accrued, or which will hereafter accrue, under Public Notice No. 5, Milk River project, Montana.

With the following committee amendment:

Page 1, line 5, strike out "charges" and insert "charges, including penalties."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMEND THE CIVIL AERONAUTICS ACT OF 1938

The Clerk called the bill (H. R. 6310) to amend the Civil Aeronautics Act of 1938 to exempt operations in the transportation of livestock, fish, and agricultural, floricultural, and horticultural commodities from the act and from regulation by the Civil Aeronautics Board thereunder.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. ASPINALL. Mr. Speaker, reserving the right to object, will the sponsor of the bill or some member of the committee explain the departmental position on this legislation?

Mr. YOUNGER. I will be very glad to do that. The Secretary of Commerce filed a report with the committee stating that the Civil Aeronautics Board was holding a general hearing on freight-forwarder regulations, and he thought consideration of the bill ought to be delayed for that reason. But the committee, after the hearing, felt it was necessary, in order for the shippers to get relief now, that this bill should pass. The Secretary of Agriculture thought that we ought to regulate the vehicle as we do under the Motor Vehicle Act, but that cannot be done now.

Mr. ASPINALL. As I understand, there was no fundamental opposition from the Department.

Mr. YOUNGER. That is correct.

Mr. ASPINALL. I withdraw my reservation of objection, Mr. Speaker.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 416 (b) of the Civil Aeronautics Act of 1938 is amended by adding at the end thereof the following new paragraph:

"(3) Neither this title, nor any rule, regulation, term, condition, or limitation prescribed under this title, shall apply to any person who engages indirectly in air transportation of property consisting of livestock, fish (including shellfish), or agricultural, floricultural, or horticultural commodities (not including manufactured products thereof), and who, in the ordinary and usual course of his undertaking, (1) assembles and consolidates or provides for assembling and consolidating shipments of such property, and performs or provides for the performance of break-bulk and distributing operations with respect to such consolidated shipments, and (2) assumes responsibility for the transportation of such property from point of receipt to point of destination, and (3) utilizes for the whole or any part of the transportation of such shipments, the services of a direct air carrier, if such person does not otherwise engage in air transportation."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

INCORPORATING THE SONS OF UNION VETERANS OF THE CIVIL WAR

The Clerk called the bill (H. R. 8034) for the incorporation of the Sons of Union Veterans of the Civil War.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the following named persons to wit: General of the Army Douglas MacArthur, New York; Maj. Gen. Amos A. Fries, and Maj. Gen. Ulysses S. Grant, 3d, retired, Washington, D. C.; Department of California, Charles Boynton, Frank Worner, and Wilbur Coursey; Department of Colorado and Wyoming, Roy A. Davis; Department of Iowa, Roy J. Bennett, Homer L. Young, and Dr. L. L. Shoppe; Department of Indiana, Angus Ogburn, Thomas M. Horn, and Alonzo R. Stanfield; Department of Kansas, E. S. Spangler, A. P. Phillips, and William Dix; Department of Massachusets, Brig. Gen. Otis M. Whitney, Charles H. E. Moran, Col. Frederic Gilbert Bauer, and Gov. Alvan Tufts Fuller; Department of Michigan, Charles R. Cowdin, Birt Hammong, Charles F. Dexter, and Donald F. Peacock; Department of Minnesota, Donald C. Bennyhof and William A. Anderson; Department of New Hampshire, Wallace L. Mason, Cleon E. Heald, and Col. Edward Black, retired; Department of New Jersey, Albert C. Lambert, Charles A. Otto, C. Wesley Armstrong, and Dr. Karl Rothschild; Departments of Oregon and Washington, Frederick K. Davis, Dr. W. E. Buchanan, Edgar L. Gale, Austin D. McReynolds, and Glenn L. Adams; Department of Pennsylvania, C. Leroy Stoudt and Walter C. Mabie; Department of Wisconsin, Edward T. Fairchild, Roland J. Steinle, Lyall T. Beggs, and Dr. William Martin Lamers; Department of Ohio, William M. Coffin, Homer A. Ramey, Miles S. Kuhn, and S. Anselm Skelton; and their associates and successors, are hereby created a body corporate by the name of "The Sons of Union Veterans of the Civil War", by which name it shall be a person in law, capable of suing and being sued and of having and exercising all incidental powers, as a litigant or otherwise, as if it were a natural person, with power to acquire by purchase, gift, devise or bequest, absolutely or in trust for the purposes for which it is incorporated, and to hold, convey or otherwise dispose of such property, real or personal, as may be necessary or calculated to carry into effect the patriotic, fraternal, educational, and charitable purposes of the corporation.

SEC. 2. Eligibility for full membership in the corporation, and the rights and privileges of members shall be determined according to the constitution and by-laws of the cor-

poration, but shall be limited to male blood relatives of persons who served as soldiers or sailors of the United States Army, Navy, or Marine Corps or Revenue Cutter Service between April 12, 1861, and April 9, 1865, and of such State regiments as were called into active service and subject to the orders of the United States general officers between the dates above mentioned and were honorably discharged therefrom at the close of such service or who died in such service.

SEC. 3. The object and purpose of this organization shall be: To perpetuate the memory of the Grand Army of the Republic and of the men who saved the Union in 1861 to 1865; to assist in every practicable way in the preservation and making available for research of documents and records pertaining to the Grand Army of the Republic and its members; to cooperate in doing honor to all those who have patriotically served our country in any war; to teach patriotism and the duties of citizenship; the true history of our country, and the love and honor of our flag; to oppose every tendency or movement that would weaken loyalty or make for the destruction of impairment of our constitutional Union; and to inculcate and broadly sustain the American principles of representative government, of equal rights, and of impartial justice for all.

SEC. 4. The supreme governing and controlling authority in said organization shall be the national encampment thereof, composed of such officers and representatives from the several State and other local subdivisions as may now or hereafter be authorized by the said encampment: *Provided*, That the present form of government of said organization shall never be so changed as not to be representative of the membership at large or to permit the concentration of the control thereof in the hands of a limited number or in a self-perpetuating body not so representative.

The meetings of the national encampment may be held in any State or Territory or in the District of Columbia, but it shall always maintain in the District of Columbia an official upon whom process and other legal notices may be served, and it may hold property in any State or Territory of the United States or in the District of Columbia consistent with the local laws pertaining thereto.

SEC. 5. The corporate existence of said organization shall continue until it shall be dissolved in any manner provided by law, and it shall each year submit to the Congress a report of the proceedings of its national encampment.

With the following committee amendment:

Strike out all after the enacting clause, and insert "That the following-named persons to wit: General of the Army Douglas MacArthur, New York; Maj. Gen. Amos A. Fries, retired, and Maj. Gen. Ulysses S. Grant, 3d, retired, Washington, D. C.; Charles Boynton, Long Beach, Calif.; Frank Worner, Inglewood, Calif.; Wilbur Coursey, Fresno, Calif.; Roy A. Davis, Colorado Springs, Colo.; Angus Ogborn, Richmond, Ind.; Thomas M. Horn, Lafayette, Ind.; Alonzo R. Stanfield, Indianapolis, Ind.; Roy J. Bennett, Des Moines, Iowa; Homer L. Young, Waterloo, Iowa; Dr. L. L. Shoppe, Des Moines, Iowa; E. S. Spangler, Newton, Kans.; A. P. Phillips, Newton, Kans.; William Dix, Newton, Kans.; F. Harold Dubord, Waterville, Maine; Hon. Burleigh Martin, Augusta, Maine; Gen. William E. Southard, Bangor, Maine; George W. Kimball, Chelsea, Mass.; Brig. Gen. Otis M. Whitney, Concord, Mass.; Charles H. E. Moran, Holyoke, Mass.; Gov. Alvan Tufts Fuller, Boston, Mass.; Charles R. Cowdin, Detroit, Mich.; Birt Hammong, Jackson, Mich.; Charles F. Dexter, Detroit, Mich.; Donald F. Peacock, Detroit, Mich.; Dewey B. Mead, Minneapolis, Minn.; Donald C. Bennyhof, Hennepin County, Minn.; William A. Anderson, Minneapolis, Minn.; Laurence J. Parker, Bennington, N. H.; Wallace L. Mason, Keene, N. H.; Cleon E. Heald, Keene, N. H.; Col. Edward Black, retired, Bennington, N. H.; Albert C. Lambert, Trenton, N. J.; Col. Frederic G. Bauer, Ridgewood, N. J.; Charles A. Otto, Elizabeth, N. J.; C. Wesley Armstrong, Trenton, N. J.; Dr. Karl Rothschild, New Brunswick, N. J.; Rev. Hermon L. Brockway, Ithaca, N. Y.; William M. Coffin, Cincinnati, Ohio; Homer A. Ramey, Toledo, Ohio; Miles S. Kuhn, Dayton, Ohio; S. Anselm Skelton, Portsmouth, Ohio; Frederick K. Davis, Eugene, Oreg.; Dr. W. E. Buchanan, Eugene, Oreg.; Austin D. McReynolds, Eugene, Oreg.; Glenn L. Adams, Salem, Oreg.; John H. Runkle, Harrisburg, Pa.; C. Leroy Stoudt, Reading, Pa.; Walter C. Mabie, Philadelphia, Pa.; Edgar L. Gale, Seattle, Wash.; Edward T. Fairchild, Madison, Wis.; Roland J. Steinle, Milwaukee, Wis.; Lyall T. Beggs, Madison, Wis.; and Dr. William Martin Lamers, Wauwatosa, Wis.; and their successors, are hereby created and declared to be a body corporate of the District of Columbia, where its legal domicile shall be, by the name of the Sons of Union Veterans of the Civil War (hereinafter referred to as the corporation), and by such name shall be known and have perpetual succession and the powers, limitations, and restrictions herein contained.

"SEC. 2. A majority of the persons named in the first section of this act, acting in person or by written proxy, are authorized to complete the organization of the corporation by the selection of officers and employees, the adoption of a constitution and bylaws not inconsistent with this act, and the doing of such other acts as may be necessary for such purpose.

"SEC. 3. The purposes of the corporation shall be: To perpetuate the memory of the Grand Army of the Republic and of the men who saved the Union in 1861 to 1865; to assist in every practicable way in the preservation and making available for research of documents and records pertaining to the Grand Army of the Republic and its members; to cooperate in doing honor to all those who have patriotically served our country in any war; to teach patriotism and the duties of citizenship, the true history of our country, and the love and honor of our flag; to oppose every tendency or movement that would weaken loyalty to, or make for the destruction or impairment of, our constitutional Union; and to inculcate and broadly sustain the American principles of representative government, of equal rights, and of impartial justice for all.

"SEC. 4. The corporation shall have power—

"(1) to have succession by its corporate name;

"(2) to sue and be sued, complain and defend in any court of competent jurisdiction;

"(3) to adopt, use, and alter a corporate seal;

"(4) to choose such officers, managers, agents, and employees as the activities of the corporation may require;

"(5) to adopt, amend, and alter a constitution and bylaws; not inconsistent with the laws of the United States or any State in which the corporation is to operate, for the management of its property and the regulation of its affairs;

"(6) to contract and be contracted with;

"(7) to take by lease, gift, purchase, grant, devise, or bequest from any public body or agency or any private corporation, association, partnership, firm, or individual and to hold absolutely or in trust for any of the purposes of the corporation any property, real, personal, or mixed, necessary or convenient for attaining the objects and carrying into effect the purposes of the corporation, subject, however, to applicable provisions of law of any State (A) governing the amount or kind of property which may be held by, or (B) otherwise limiting or controlling the ownership of property by, a corporation operating in such State;

"(8) to transfer, convey, lease, sublease, encumber and otherwise alienate real, personal or mixed property; and

"(9) to borrow money for the purposes of the corporation, issue bonds therefor, and secure the same by mortgage, deed of trust, pledge or otherwise, subject in every case to all applicable provisions of Federal and State laws; and

"(10) to do any and all acts and things necessary and proper to carry out the objects and purposes of the corporation.

"SEC. 5. Eligibility for membership in the corporation and the rights, privileges, and designation of classes of members shall, except as provided in this act, be determined as the constitution and bylaws of the corporation may provide. Eligibility for membership in the corporation shall be limited to male blood relatives of persons who served between April 12, 1861, and April 9, 1865, as soldiers or sailors of the United States Army, Navy, Marine Corps or Revenue-Cutter Service, and of such State regiments as were called into active service and were subject to orders of United States general officers between the dates above mentioned and were honorably discharged therefrom at the close of such service or who died in such service.

"SEC. 6. The supreme governing authority of the corporation shall be the national encampment thereof, composed of such officers and elected representatives from the several State and other local subdivisions of the corporate organization as shall be provided by the constitution and bylaws: *Provided*, That the form of the government of the corporation shall always be representative of the membership at large and shall not permit the concentration of the control thereof in the hands of a limited number of members or in a self-perpetuating group not so representative. The meetings of the national encampment may be held in any State or Territory or in the District of Columbia.

"SEC. 7. (a) During the intervals between the national encampments, the council of administration shall be the governing board of the corporation and shall be responsible for the general policies, program, and activities of the corporation.

"(b) Upon the enactment of this act the membership of the initial council of administration of the corporation shall consist of the present members of the council of administration of the Sons of Union Veterans of the Civil War, the corporation described in section 18 of this act, or such of them as may then be living and are qualified members of said council of administration, to wit: Maj. Gen. Ulysses S. Grant, 3d, retired; Dewey B. Mead; Rev. Hermon L. Brockway; Laurence J. Parker; George W. Kimball; Frederick K. Davis; and Albert C. Lambert.

"(c) Thereafter, the council of administration of the corporation shall consist of not less than 7 members elected in the manner and for the term prescribed in the constitution and bylaws of the corporation.

"SEC. 8. The officers of the corporation shall be a commander in chief, a senior vice commander in chief, a junior vice commander in chief, a secretary and a treasurer (which latter two offices may be held by one person), and such other officers as may be prescribed in the constitution and bylaws. The officers of the corporation shall be selected in such manner and for such terms and with such duties and titles as may be prescribed in the constitution and bylaws of the corporation.

"SEC. 9. (a) The principal office of the corporation shall be located in Trenton, N. J., or in such other place as may be determined by the council of administration; but the activities of the corporation shall not be confined to that place, but may be conducted throughout the various States, the District of Columbia, and Territories and possessions of the United States.

"(b) The corporation shall have in the District of Columbia at all times a designated agent authorized to accept service of process for the corporation; and notice to or service upon such agent, or mailed to the business address of such agent, shall be deemed notice to or service upon the corporation.

"SEC. 10. (a) No part of the income or assets of the corporation shall inure to any of its members or officers as such, or be distributable to any of them during the life of the corporation or upon its dissolution or final liquidation. Nothing in this subsection, however, shall be construed to prevent the payment of compensation to officers of the corporation or reimbursement for actual necessary expenses in amounts approved by the council of administration of the corporation.

"(b) The corporation shall not make loans to its officers or employees. Any member of the council of administration who votes for or assents to the making of a loan or advance to an officer or employee of the corporation, and any officer who participates in the making of such a loan or advance, shall be jointly and severally liable to the corporation for the amount of such loan until the repayment thereof.

"SEC. 11. The corporation and its officers and agents as such shall not contribute to or otherwise support or assist any political party or candidate for public office.

"SEC. 12. The corporation shall be liable for the acts of its officers and agents when acting within the scope of their authority.

"SEC. 13. The corporation shall have no power to issue any shares of stock or to declare or pay any dividends.

"SEC. 14. The corporation shall keep correct and complete books and records of account and shall keep minutes of the proceedings of its national encampments and council of administration. All books and records of the corporation may be inspected by any member, or his agent or attorney, for any proper purpose, at any reasonable time.

"SEC. 15. (a) The financial transactions of the corporation shall be audited annually by an independent certified public accountant in accordance with the principles and procedures applicable to commercial corporate transactions. The audit shall be conducted at the place or places where the accounts of the corporation are normally kept. All books, accounts, financial records, reports, files, and all other papers, things, or property belonging to or in use by the corporation and necessary to facilitate the audit shall be made available to the person or persons conducting the audit; and full facilities for verifying transactions with the balances or securities held by depositories, fiscal agents, and custodians shall be afforded to such person or persons.

"(b) A report of such audit shall be made by the corporation to the Congress not later than March 1 of each year. The report shall set forth the scope of the audit and shall include a verification by the person or persons conducting the audit of statements of (1) assets and liabilities, (2) capital and surplus or deficit, (3) surplus or deficit analysis, (4) income and expense, and (5) sources and application of funds. Such report shall not be printed as a public document.

"SEC. 16. On or before March 1 of each year the corporation shall report to the Congress on its activities during the preceding fiscal year. Such report may consist of a report on the proceedings of the national encampment covering such fiscal year. Such report shall not be printed as a public document.

"SEC. 17. The corporation and its subordinate divisions shall have the sole and exclusive right to use the name, the Sons of Union Veterans of the Civil War. The corporation shall have the exclusive and sole right to use, or to allow or refuse the use of, such emblems, seals, and badges as it may legally adopt, and such emblems, seals, and badges as have heretofore been used by the Illinois corporation described in section 18 and the right to which may be lawfully transferred to the corporation.

"SEC. 18. The corporation may acquire the assets of the Sons of Union Veterans of the Civil War, a corporation organized under the laws of the State of Illinois, upon discharging or satisfactorily providing for the payment and discharge of all of the liability of such corporation and upon complying with all laws of the State of Illinois applicable thereto.

"SEC. 19. Upon dissolution or final liquidation of the corporation, after discharge or satisfaction of all outstanding obligations and liabilities, the remaining assets, if any, of the corporation shall be distributed in accordance with the determination of the council of administration and in compliance with the constitution and bylaws of the corporation and all Federal and State laws applicable thereto.

"SEC. 20. The right to alter, amend, or repeal this act is expressly reserved."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SAFETY ON THE GREAT LAKES BY MEANS OF RADIO

The Clerk called the bill (S. 3464) to amend the Communications Act of 1934 in order to make certain provisions for the carrying out of the agreement for the promotion of safety on the Great Lakes by means of radio.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 3 of the Communications Act of 1934, as amended, is amended by inserting after paragraph (dd) the following:

"(ee) 'Great Lakes Agreement' means the agreement for the promotion of safety on the Great Lakes by means of radio in force and the regulations referred to therein."

SEC. 2. (a) The first sentence of section 4 (f) (3) of such act is amended to read as follows: "The Commission shall fix a reasonable rate of extra compensation for overtime services of engineers in charge and radio engineers of the Field Engineering and Monitoring Bureau of the Federal Communications Commission, who may be required to remain on duty between the hours of 5 o'clock postmeridian and 8 o'clock antemeridian or on Sundays or holidays to perform services in connection with the inspection of ship radio equipment and apparatus for the purposes of part II of title III of this act or the Great Lakes agreement, on the basis of one-half day's additional pay for each 2 hours or fraction thereof of at least 1 hour that the overtime exceeds beyond 5 o'clock postmeridian (but not to exceed 2½ days' pay for the full period from 5 o'clock postmeridian to 8 o'clock antemeridian) and 2 additional days' pay for Sunday or holiday duty."

(b) The last proviso of such section 4 (f) (3) is amended by striking out "inspectors" wherever it appears therein and inserting in lieu thereof "engineers."

SEC. 3. Title V of such act is amended by inserting after section 506 a new section reading as follows:

"VIOLATION OF GREAT LAKES AGREEMENT

"SEC. 507. (a) Any vessel of the United States that is navigated in violation of the provisions of the Great Lakes agreement or the rules and regulations of the Commission made in pursuance thereof and any vessel of a foreign country that is so navigated on waters under the jurisdiction of the United States shall forfeit to the United States the sum of $500 recoverable by way of suit or libel. Each day during which such navigation occurs shall constitute a separate offense.

"(b) Every willful failure on the part of the master of a vessel of the United States to enforce or to comply with the provisions of the Great Lakes agreement or the rules and regulations of the Commission made in pursuance thereof shall cause him to forfeit to the United States the sum of $100."

SEC. 4. Section 504 (b) of such act is amended by deleting "title III, part II" and inserting a lieu thereof "part II of title III and section 507."

SEC. 5. Section 602 (e) of such act is amended to read as follows:

"(e) The act entitled 'An act to require apparatus and operators for radio communication on certain ocean steamers,' approved June 24, 1910, as amended, is hereby repealed."

SEC. 6. This act shall take effect on November 13, 1954.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SAFETY OF LIFE AT SEA

The Clerk called the bill (S. 2453) to amend the Communications Act of 1934, as amended, with respect to implementing the International Convention for the Safety of Life at Sea relating to radio equipment and radio operators on board ship.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That (a) paragraphs (1) and (2) of section 351 (a) of the Communications Act of 1934, as amended, are amended to read as follows:

"(1) For any ship of the United States, other than a cargo ship of less than 500 gross tons, to be navigated in the open sea outside of a harbor or port, or for any ship of the United States or any foreign country, other than a cargo ship of less than 500 gross tons, to leave or attempt to leave any harbor or port of the United States for a voyage in the open sea, unless such ship is equipped with an efficient radio installation in operating condition in charge of and operated by a qualified operator or operators, adequately installed and protected so as to insure proper operation, and so as not to endanger the ship and radio installation, as hereinafter provided, and in the case of a ship of the United States, unless there is on board a valid station license issued in accordance with this act: *Provided*, That the Commission may defer the application of the provisions of this section for a period not beyond January 1, 1955, with respect to cargo ships of less than 1,600 gross tons not subject to the radio requirements of the Safety Convention when it is found impracticable to obtain or install equipment necessary for compliance therewith.

"(2) For any ship of the United States of 1,600 gross tons, or over, to be navigated outside of a harbor or port, in the open sea, or for any such ship of the United States or any foreign country to leave or attempt to leave any harbor or port of the United States for a voyage in the open sea, unless such ship is equipped with an efficient radio direction finding apparatus (radio compass) properly adjusted in operating condition as hereinafter provided, which apparatus is approved by the Commission: *Provided*, That the Commission may defer the application of the provisions of this section with respect to radio direction finding apparatus to a ship or ships between 1,600 and 5,000 gross

tons for a period not beyond November 19, 1954, if it is found impracticable to obtain or install such direction finding apparatus."

(b) Paragraph (3) of section 352 (a) of such act is amended to read as follows:

"(3) A foreign ship belonging to a country which is a party to any Safety Convention in force between the United States and that country which ship carries a valid certificate exempting said ship from the radio provisions of that Convention, or which ship conforms to the radio requirements of such convention or regulations and has on board a valid certificate to that effect, or which ship is not subject to the radio provisions of any such convention;"

(c) Section 352 of such act is amended by adding at the end thereof a new subsection as follows:

"(c) If, because of unforeseeable failure of equipment, a ship is unable to comply with the equipment requirements of this part without undue delay of the ship, the mileage limitations set forth in paragraphs (1) and (2) of subsection (b) shall not apply: *Provided*, That exemption of the ship is found to be reasonable or necessary in accordance with subsection (b) to permit the ship to proceed to a port where the equipment deficiency may be remedied."

(d) Section 353 of such act is amended to read as follows:

"OPERATORS, WATCHES, AUTO-ALARM—RADIOTELEGRAPH EQUIPPED SHIPS

"SEC. 353. (a) Each cargo ship required by this part to be fitted with a radiotelegraph installation and which is not fitted with an auto-alarm, and each passenger ship required by this part to be fitted with a radiotelegraph installation, shall, for safety purposes, carry at least two qualified operators.

"(b) A cargo ship, required by this part to be fitted with a radiotelegraph installation, which is fitted with an auto-alarm in accordance with this title, shall, for safety purposes, carry at least one qualified operator who shall have had at least 6 months' previous service in the aggregate as a qualified operator in a station on board a ship or ships of the United States.

"(c) Each ship of the United States required by this part to be fitted with a radiotelegraph installation shall, while being navigated outside a harbor or port, keep a continuous watch by means of qualified operators: *Provided*, That in lieu thereof, on a cargo ship fitted with an auto-alarm in proper operating condition, a watch of at least 8 hours per day, in the aggregate, shall be maintained by means of a qualified operator.

"(d) The Commission shall, when it finds it necessary for safety purposes, have authority to prescribe the particular hours of watch on a ship of the United States which is required by this part to be fitted with a radiotelegraph installation.

"(e) On all ships of the United States fitted with an auto-alarm, said apparatus shall be in operation at all times while the ship is being navigated outside of a harbor or port when the operator is not on watch."

SEC. 2. Such act is amended by—

(1) redesignating sections 354, 355, 356, 357, 358, 359, 360, 361, and 362 thereof as sections 355, 357, 358, 359, 360, 361, 362, 363, and 364 thereof, respectively; and

(2) amending each such section number wherever it appears therein to conform to the redesignation prescribed by paragraph (1) of this subsection.

(b) Such act is amended by inserting immediately after section 353 thereof, the following new section:

"OPERATORS, WATCHES—RADIOTELEPHONE EQUIPPED SHIPS

"SEC. 354. (a) Each cargo ship fitted with a radiotelephone installation in accordance with section 356 shall, for safety purposes, carry at least one qualified operator who may be a member of the crew holding only a certificate for radio telephony.

"(b) Each cargo ship of the United States fitted with a radiotelephone installation in accordance with section 356 shall, while being navigable outside a harbor or port, keep a listening watch in such manner and during such periods as determined by the Commission."

(c) That portion of section 355 of such act, as redesignated hereby, which precedes subsection (b) thereof is amended to read as follows:

"TECHNICAL REQUIREMENTS—RADIOTELEGRAPH EQUIPPED SHIPS

"SEC. 355. The radio installation and the radio direction finding apparatus required by section 351 of this part shall comply with the following requirements:

"(a) The radio installation shall comprise a main and an emergency or reserve radiotelegraph installation: *Provided*, That, in the case of an existing installation on a cargo ship and a new installation on a cargo ship of 500 gross tons and upward but less than 1,600 gross tons, if the main installation compiles with all requirements of an emergency or reserve installation, the emergency or reserve installation may be omitted, except that a separate emergency receiver must, in all cases, be provided."

(d) Such act is amended by inserting, immediately after section 355 thereof, as redesignated hereby, the following new section:

"TECHNICAL REQUIREMENTS—RADIOTELEPHONE EQUIPPED SHIPS

"SEC. 356. Cargo ships of less than 1,600 gross tons may, in lieu of the radiotelegraph installation prescribed by section 355, carry a radiotelephone installation meeting the following requirements:

"(a) The ship's radiotelephone installation shall be in the upper part of the ship and, unless situated on the bridge, there shall be efficient communication with the bridge.

"(b) The radiotelephone installation shall be capable of transmitting and receiving on the frequencies and with types of emissions designated by the Commission pursuant to law for the purpose of distress and safety of navigation.

"(c) The transmitter shall be capable of transmitting clearly perceptible signals from ship to ship during daytime, under normal conditions and circumstances, over a minimum normal range of 150 nautical miles.

"(d) There shall be available at all times a source of energy sufficient to operate the installation over the normal range required by paragraph (c). If batteries are provided they shall have sufficient capacity to operate the transmitter and receiver for at least 6 hours continuously under normal working conditions. In new installations an emergency source of energy shall be provided in the upper part of the ship unless the main source of energy is so situated."

(e) The text of section 357 of such act, as redesignated hereby, is amended to read as follows:

"SEC. 357. Every ship required to be provided with lifeboat radio by treaty to which the United States is a party, by statute, or by regulation made in conformity with a treaty, convention, or statute, shall be fitted with efficient radio equipment appropriate to such requirement under such rules and regulations as the Commission may find necessary for safety of life. For purposes of this section, 'radio equipment' shall include portable as well as nonportable apparatus."

(f) Subsection 361 (b) of such act, as redesignated hereby, is amended to read as follows:

"(b) Appropriate certificates concerning the radio particulars provided for in said Convention shall be issued upon proper request to any vessel which is subject to the radio provisions of the Safety Convention and is found by the Commission to comply therewith. Safety radiotelegraphy certificates and safety radiotelephony certificates, as prescribed by the said Convention, and exemption certificates issued in lieu of such certificates, shall be issued by the Commission. Other certificates concerning the radio particulars provided for in the said Convention shall be issued by the Commandant of the Coast Guard or whatever other agency is authorized by law to do so upon request of the Commission made after proper inspection or determination of the facts. If the holder of a certificate violates the radio provisions of the Safety Convention or the provisions of this act, or the rules, regulations or conditions prescribed by the Commission, and if the effective administration of the Safety Convention or of this part so requires, the Commission, after hearing in accordance with law, is authorized to modify or cancel a certificate which it has issued, or to request the modification or cancellation of a certificate which has been issued by another agency upon the Commission's request. Upon receipt of such request for modification or cancellation, the Commandant of the Coast Guard, or whatever agency is authorized by law to do so, shall modify or cancel the certificate in accordance therewith."

SEC. 3. Section 3 of such act is amended by inserting at the end thereof the following new subsections:

"(ee) 'Existing installation,' as used in section 355 of this act, means an installation installed on a ship prior to November 19, 1952, in the case of a United States ship subject to the radio provisions of the Safety Convention, or one installed on a ship prior to a date 1 year after the effective date of this subsection in the case of other ships subject to part II of title III of this act.

"(ff) 'New installation,' as used in sections 355 and 356 of this act, means an installation which replaces an existing installation or, in the case of a United States ship subject to the radio provisions of the Safety Convention, one installation a ship subsequent to November 19, 1952, and, in the case of other ships subject to part II of title III of this act, one which is installed subsequent to a date 1 year after the effective date of this subsection."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

STATE OF NORTH CAROLINA

The Clerk called the bill (H. R. 6427) for the relief of the State of North Carolina.

Mr. BYRNES of Wisconsin. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

RELIEF OF CERTAIN ARMY AND AIR FORCE NURSES

The Clerk called the bill (H. R. 9740) to provide for the relief of certain Army and Air Force nurses, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That all payments of longevity pay hertofore made to Army and Air Force nurses for service after April 15, 1947, and before October 1, 1949, are validated to the extent that those payments were based upon service performed by the persons concerned as nurses or as commissioned

officers of the Army Nurse Corps, Navy Nurse Corps, or Public Health Service. Any Army or Air Force nurse who has made a repayment to the United States of the amount so paid to her as longevity pay is entitled to be paid the amount involved, if otherwise proper.

SEC. 2. The Comptroller General of the United States, or his designee, shall relieve disbursing officers, including special disbursing agents, of the Army and the Air Force from accountability or responsibility for any payments described in section 1 of this act, and shall allow credits in the settlement of the accounts of those officers or agents for payments which appear to be free from fraud and collusion.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ISSUE QUITCLAIM DEEDS TO STATES FOR CERTAIN LANDS

The Clerk called the bill (S. 2027) authorizing the Secretary of the Interior to issue quitclaim deeds to States for certain lands.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior shall issue quitclaim deeds to the public-land States for all lands patented to such States under section 4 of the Carey Act of August 18, 1894 (43 U. S. C., sec 641). He shall also issue a patent for all unpatented public lands within each State now segregated under that act for which the State issued final certificates or other evidence of right prior to June 1, 1953, or as to which equitable claims to the lands accrued prior to that date (by reason of cultivation or improvement of the lands for agricultural development purposes) for conveyance to the holders of such rights or claims, or to their heirs, successors, or assigns.

SEC. 2. The Secretary shall not issue such quitclaim deeds or patents to any State, however, unless that State files a proper application for the transfer of these lands within 3 years after the date of the enactment of this act.

SEC. 3. The application must include a list of all the lands which the State certifies should be transferred under the terms of section 1 of this act, the basis for the certification of each tract included, and a quitclaim or relinquishment of all right, title, and interest in the State to any and all other lands under the Carey Act. Such quitclaim or relinquishment by the State shall not affect any private rights obtained from the State prior to the enactment of this act.

SEC. 4. The quitclaim or relinquishment of all right, title, and interest by the State to any lands under this act shall not be effective until the Secretary has transferred the lands applied for under section 1 of this act. The Secretary shall provide for the administration and disposition under the public-land laws of the lands quitclaimed or relinquished by the States pursuant to this act.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GRANT PUBLIC LANDS TO LAS VEGAS VALLEY WATER DISTRICT

The Clerk called the bill (S. 3302) granting to the Las Vegas Valley Water District, a public corporation organized under the laws of the State of Nevada, certain public lands of the United States in the State of Nevada.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That there is hereby granted to the Las Vegas Valley Water District, a public corporation organized under the laws of the State of Nevada, all lands belonging to the United States situated in Clark County, State of Nevada, which may be necessary, as found by the Secretary of the Interior, for the construction, operation, and maintenance of facilities for the development, production, storage, transmission, and distribution of water, including any or all of the following purposes:

Rights-of-way; buildings and structures; construction and maintenance camps; dumping grounds, flowage, diverting, or storage dams; pumping plants; canals; ditches; pipes, pipelines, flumes, tunnels, and conduits for conveying water for domestic, irrigation, household, stock, municipal, mining, milling, industrial, and other useful purposes; poles, towers, underground conduits, lines, and equipment for the conveyance and distribution of electrical energy; poles, underground conduits, and lines for telephone and telegraph purposes; roads, trails, bridges, tramways, railroads, and other means of locomotion, transmission, or communication; for obtaining stone, earth, gravel, and other materials of like character; or any other necessary purposes of said grantee, together with the right to take for its own use, from any public lands, within such limits as the Secretary of the Interior may determine, stone, earth, gravel, sand, and other materials of like character necessary or useful in the construction, operation, and maintenance of aqueducts, reservoirs, dams, pumping plants, electric transmission, telephone, and telegraph lines, roads, trails, bridges, tramways, railroads, and other means of locomotion, transmission, and communication, or any other necessary purposes of said grantee.

That there is hereby excepted and reserved unto the United States, from said grants, minerals, other than sand, stone, earth, gravel, and other materials of like character: *Provided, however*, That such minerals so excepted and reserved shall be prospected for, mined, and removed only in accordance with regulations to be prescribed by the Secretary of the Interior.

This grant shall be effective upon (1) the filing by said grantee at any time after the passage of this act, with the manager of the United States local land office in the district where said lands are situated, of a map or maps showing the boundaries, locations, and extent of said lands and of said rights-of-way for the purposes hereinabove set forth; (2) the approval of such map or maps by the Secretary of the Interior with such reservations or modifications as he may deem appropriate; (3) the payment of a price representing the fair market value for said rights-of-way and other lands, and also for stone, earth, sand, gravel and other materials of like character, to be fixed by the Secretary of the Interior through appraisal, exclusive of any increased value resulting from the development or improvement of the lands by the grantee or its predecessors, or a reasonable rental, as the case may be: *Provided*, That said lands for rights-of-way shall be along such location and of such width, not to exceed 250 feet, as in the judgment of the Secretary of the Interior may be required for the purposes of this act.

SEC. 2. Said grants are to be made subject to rights-of-way, easements, and permits heretofore granted or allowed to any person or corporation in accordance with any act or acts of Congress and subject to the rights of all claimants or persons who shall have filed or made valid claims, locations, or entries on or to said lands, or any part thereof prior to the effective date of any conflicting grant hereunder, unless prior to such effective date proper relinquishments or quitclaims have been procured and caused to be filed in the proper land office.

SEC. 3. That, whenever the land granted herein shall cease to be used for the purposes for which it is granted, the estate of the grantee or of its assigns shall terminate and revest in the United States.

With the following committee amendment:

Page 2, line 2, strike out "purposes" and insert "purposes only to the extent required for such development, production, storage, transmission, and distribution of water."

The committee amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

COMPACT BY LOUISIANA AND TEXAS RELATING TO SABINE RIVER

The Clerk called the bill (S. 3699) granting the consent of Congress to a compact entered into by the States of Louisiana and Texas and relating to the waters of the Sabine River.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. GROSS. Mr. Speaker, reserving the right to object, may we have a brief explanation of what this bill proposes?

Mr. MILLER of Nebraska. There are two bills, one a House bill and the other a Senate bill, I might say to the gentleman from Iowa. This is a compact between the States of Louisiana and Texas regarding the Sabine River. A report has been submitted to the Congress by the Army Engineers. There is no expenditure of public funds involved.

Mr. GROSS. I withdraw my reservation of objection, Mr. Speaker.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the consent of the Congress is hereby given to the interstate compact relating to the waters of the Sabine River and its tributaries authorized by the act of November 1, 1951 (Public Law No. 252, 82d Cong., 1st sess.), which was signed by the representatives for the States of Louisiana and Texas and approved by the representative of the United States, at Logansport, La., on January 26, 1953, and thereafter ratified and approved by the Legislatures of the States of Louisiana and Texas, which compact reads as follows:

SABINE RIVER COMPACT

The State of Texas and the State of Louisiana, parties signatory to this compact (hereinafter referred to as "Texas" and "Louisiana," respectively, or individually as a "State," or collectively as the "States"), having resolved to conclude a compact with respect to the waters of the Sabine River, and having appointed representatives as follows:

For Texas: Henry L. Woodworth, interstate compact commissioner for Texas; and John W. Simmons, president of the Sabine River Authority of Texas;

For Louisiana: Roy T. Sessums, director of the Department of Public Works of the State of Louisiana;

and consent to negotiate and enter into the said compact having been granted by

act of Congress of the United States approved November 1, 1951 (Public Law No. 252; 82d Cong., 1st sess.), and pursuant thereto the President having designated Louis W. Prentiss as the representative of the United States, the said representatives for Texas and Louisiana, after negotiations participated in by the representative of the United States, have for such compact agreed upon articles as hereinafter set forth. The major purposes of this compact are to provide for an equitable apportionment between the States of Louisiana and Texas of the waters of the Sabine River and its tributaries, thereby removing the causes of present and future controversy between the States over the conservation and utilization of said waters; to encourage the development, conservation and utilization of the water resources of the Sabine River and its tributaries; and to establish a basis for cooperative planning and action by the States for the construction, operation and maintenance of projects for water conservation and utilization purposes on that reach of the Sabine River touching both States, and for apportionment of the benefits therefrom.

It is recognized that pollution abatement and salt water intrusion are problems which are of concern to the States of Louisiana and Texas, but inasmuch as this compact is limited to the equitable apportionment of the waters of the Sabine River and its tributaries between the States of Louisiana and Texas, this compact does not undertake the solution of those problems.

ARTICLE I

As used in this compact:

(a) The word "stateline" means the point of the Sabine River where its waters in downstream flow first touch the States of both Louisiana and Texas.

(b) The term "waters of the Sabine River" means the waters either originating in the natural drainage basin of the Sabine River, or appearing as streamflow in said river and its tributaries, from its headwater source down to the mouth of the river where it enters into Sabine Lake.

(c) The term "stateline flow" means the flow of waters of the Sabine River as determined by the Logansport gage located on the U. S. Highway 84, approximately 4 river miles downstream from the stateline. This flow, or the flow as determined by such substitute gaging station as may be established by the administration, as hereinafter defined, pursuant to the provisions of article VII of this compact, shall be deemed the actual stateline flow.

(d) The term "stateline reach" means that portion of the Sabine River lying between the stateline and Sabine Lake.

(e) The term "the administration" means the Sabine River Compact Administration established under article VII.

(f) The term "domestic use" means the use of water by an individual, or by a family unit or household for drinking, cooking, laundering, sanitation, and other personal comforts and necessities; and for the irrigation of an area not to exceed 1 acre, obtained directly from the Sabine River or its tributaries by an individual or family unit, not supplied by a water company, water district or municipality.

(g) The term "stock water use" means the use of water for any and all livestock and poultry.

(h) The term "consumptive use" means use of water resulting in its permanent removal from the stream.

(i) The terms "'domestic' and 'stock water' reservoir" mean any reservoir for either or both of such uses having a storage capacity of 50 acre-feet or less.

(j) "Stored water" means water stored in reservoirs (exclusive of domestic or stock water reservoirs) or water withdrawn or released from reservoirs for specific uses and the identifiable return flow from such uses.

(k) The term "free water" means all waters other than "stored waters" in the stateline reach including, but not limited to, that appearing as natural streamflow and not withdrawn or released from a reservoir for specific uses. Waters released from reservoirs for the purpose of maintaining streamflows as provided in article V, shall be "free water." All reservoir spills or releases of stored waters made in anticipation of spills, shall be free water.

(l) Where the name of the State or the term "State" is used in this compact, it shall be construed to include any person or entity of any nature whatsoever of the States of Louisiana or Texas using, claiming, or in any manner asserting any right to the use of the waters of the Sabine River under the authority of that State.

(m) Wherever any State or Federal official or agency is referred to in this compact, such reference shall apply equally to the comparable official or agency succeeding to their duties and functions.

ARTICLE II

Subject to the provisions of article X, nothing in this compact shall be construed as applying to, or interfering with, the right or power of either signatory State to regulate within its boundaries the appropriation, use and control of water, not inconsistent with its obligations under this compact.

ARTICLE III

Subject to the provisions of article X, all rights to any of the waters of the Sabine River which have been obtained in accordance with the laws of the States are hereby recognized and affirmed; provided, however, that withdrawals, from time to time, for the satisfaction of such rights, shall be subject to the availability of supply in accordance with the apportionment of water provided under the terms of this compact.

ARTICLE IV

Texas shall have free and unrestricted use of all waters of the Sabine River and its tributaries above the State line subject, however, to the provisions of articles V and X.

ARTICLE V

Texas and Louisiana hereby agree upon the following apportionment of the waters of the Sabine River:

(a) All free water in the State line reach shall be divided equally between the two States, this division to be made without reference to the origin.

(b) The necessity of maintaining a minimum flow at the State line for the benefit of water users below the State line in both States is recognized, and to this end it is hereby agreed that:

(1) Reservoirs and permits above the State line existing as of January 1, 1953, shall not be liable for maintenance of the flow at the State line.

(2) After January 1, 1953, neither State shall permit or authorize any additional users which would have the effect of reducing the flow at the State line to less than 36 cubic feet per second.

(3) Reservoirs on which construction is commenced after January 1, 1953, above the State line shall be liable for their share of water necessary to provide a minimum flow at the State line of 36 cubic feet per second; provided, that no reservoir shall be liable for a greater percentage of this minimum flow than the percentage of the drainage area above the State line contributing to that reservoir, exclusive of the watershed of any reservoir on which construction was started prior to January 1, 1953. Water released from Texas' reservoirs to establish the minimum flow of 36 cubic feet per second, shall be classed as free water at the State line and divided equally between the two States.

(c) The right of each State to construct impoundment reservoirs and other works of improvement on the Sabine River or its tributaries located wholly within its boundaries is hereby recognized.

(d) In the event that either State constructs reservoir storage on the tributaries below State line after January 1, 1953, there shall be deducted from that State's share of the flow in the Sabine River all reductions in flow resulting from the operation of the tributary storage and conversely such State shall be entitled to the increased flow resulting from the regulation provided by such storage.

(e) Each State shall have the right to use the main channel of the Sabine River to convey water stored on the Sabine River or its tributaries located wholly within its boundaries, downstream to a desired point of removal without loss of ownership of such stored waters. In the event that such water is released by a State through the natural channel of a tributary and the channel of the Sabine River to a downstream point of removal, a reduction shall be made in the amount of water which can be withdrawn at the point of removal equal to the transmission losses.

(f) Each State shall have the right to withdraw its share of the water from the channel of the Sabine River in the State line reach in accordance with article VII. Neither State shall withdraw at any point more than its share of the flow at that point except, that pursuant to findings and determination of the Administration as provided under article VII of this compact, either State may withdraw more or less of its share of the water at any point providing that its aggregate withdrawal shall not exceed its total share. Withdrawals made pursuant to this paragraph shall not prejudice or impair the existing rights of users of Sabine River waters.

(g) Waters stored in reservoirs constructed by the States in the State line reach shall be shared by each State in proportion to its contribution to the cost of storage. Neither State shall have the right to construct a dam on the State line reach without the consent of the other State.

(h) Each State may vary the rate and manner of withdrawal of its share of such jointly stored waters on the State line reach, subject to meeting the obligations for amortization of the cost of the joint storage. In any event, neither State shall withdraw more than its pro rata share in any one year (a year meaning a water year, October 1 to September 30) except by authority of the Administration. All jointly stored water remaining at the end of a water year shall be reapportioned between the States in the same proportion as their contribution to the cost of the storage.

(i) Except for jointly stored water, as provided in (h) above, each State must use its apportionment of the natural stream flows as they occur and there shall be no allowance of accumulation of credits or debits for or against either State. The failure of either State to use the streamflow or any part thereof, the use of which is apportioned to it under the terms of this compact, shall not constitute a relinquishment of the right to such use in the future; conversely, the failure of either State to use the water at the time it is available does not give it the right to the flow in excess of its share of the flow at any other time.

(j) From the apportionment of waters of the Sabine River as defined in this article, there shall be excluded from such apportionment all waters consumed in either State for domestic and stock water uses. Domestic and stock water reservoirs shall be so excluded.

(k) Each State may use its share of the water apportioned to it in any manner that may be deemed beneficial by that State.

ARTICLE VI

(a) The States through their respective appropriate agencies of subdivisions may construct jointly, or cooperate with any agency or instrumentality of the United States in the construction of works on the State line reach for the development, conservation and utilization for all beneficial purposes of the waters of the Sabine River.

(b) All monetary revenues growing out of any joint State ownership, title and interest in works constructed under Section (a) above, and accruing to the States in respect thereof, shall be divided between the States in proportion to their respective contributions to the cost of construction; provided, however, that each State shall retain undivided all its revenues from recreational facilities within its boundaries incidental to the use of the waters of the Sabine River, and from its severally State-owned recreational facilities constructed appurtenant thereto.

(c) All operation and maintenance costs chargeable against any joint State ownership, title and interest in works constructed under section (a) above, shall be assessed in proportion to the contribution of each State to the original cost of construction.

ARTICLE VII

(a) There is hereby created an interstate administrative agency to be designated as the "Sabine River Compact Administration" herein referred to as "the Administration".

(b) The Administration shall consist of 2 members from each State and of 1 member as representative of the United States, chosen by the President of the United States, who is hereby requested to appoint such a representative. The United States member shall be ex-officio chairman of the Administration without vote and shall not be a domiciliary of or reside in either State. The appointed members for Texas and Louisiana shall be designated within 30 days after the effective date of this compact.

(c) The Texas members shall be appointed by the Governor for a term of 2 years; provided, that 1 of the original Texas members shall be appointed for a term to establish a half-term interval between the expiration dates of the terms of such members, and thereafter one such member shall be appointed annually for the regular term. One of the Louisiana members shall be ex-officio the Director of the Louisiana Department of Public Works; the other Louisiana member shall be a resident of the Sabine Watershed and shall be appointed by the Governor of Louisiana for a term of 4 years; provided, that the first member so appointed shall serve until June 30, 1958. Each State member shall hold office subject to the laws of his State or until his successor has been duly appointed and qualified.

(d) Interim vacancy, for whatever cause, in the office of any member of the Administration shall be filled for the unexpired term in the same manner as hereinabove provided for regular appointment.

(e) Within 60 days after the effective date of this compact, the Administration shall meet and organize. A quorum for any meeting shall consist of 3 voting members of the Administration. Each State member shall have 1 vote, and every decision, authorization, determination, order or other action shall require the concurring votes of at least 3 members.

(f) The Administration shall have power to:

(1) Adopt, amend and revoke bylaws, rules and regulations, and prescribe procedures for administration of and consistent with the provisions of this compact.

(2) Fix and determine from time to time the location of the Administration's principal office;

(3) Employ such engineering, legal, clerical and other personnel, without regard to the civil service laws of either State, as the Administration may determine necessary or proper to supplement State-furnished assistance as hereinafter provided, for the performance of its functions under this compact; provided, that such employee shall be paid by and be responsible to the Administration and shall not be considered to be employees of either State;

(4) Procure such equipment, supplies and technical assistance as the Administration may determine to be necessary or proper to supplement State-furnished assistance as herein after provided, for the performance of its functions under this compact;

(5) Adopt a seal which shall be judicially recognized.

(g) In cooperation with the chief official administering water rights in each State and with appropriate Federal agencies, the Administration shall have and perform powers and duties as follows:

(1) To collect, analyze, correlate, compile and report on data as to water supplies, stream flows, storage, diversions, salvage and use of the waters of the Sabine River and its tributaries, and as to all factual data necessary or proper for the administration of this compact;

(2) To designate as official stations for the administration of this compact such existing water gaging stations (and to operate, maintain, repair and abandon the same), and to locate, establish, construct, operate, maintain, repair and abandon additional such stations, as the Administration may from time to time find and determine necessary or appropriate;

(3) To make findings as to the deliveries of water at State line, as hereinabove provided, from the streamflow records of the State line gage which shall be operated and maintained by the administration or in cooperation with the appropriate Federal agency, for determination of the actual State line flow unless the administration shall find and determine that, because of changed physical conditions or for any other reason, reliable records are not obtainable thereat: in which case such existing State line station may with the approval of the administration be abandoned and, with such approval, a substitute State line station established in lieu thereof;

(4) To make findings as to the quantities of reservoir storage (including joint storage) and releases therefrom, diversions, transmission losses, and as to incident streamflow changes, and as to the share of such quantities chargeable against or allocable to the respective States;

(5) To record and approve all points of diversion at which water is to be removed from the Sabine River or its tributaries below the State line; provided that, in any case, the State agency charged with the administration of the water laws for the State in which such point of diversion is located shall first have approved such point for removal or diversion; provided further that any such point of removal or diversion once jointly approved by the appropriate State agency and the administration, shall not thereafter be changed without the joint amendatory approval of such State agency and the administration;

(6) To require water users at their expense to install and maintain measuring devices of approved type in any ditch, pumping station or other water diversion works on the Sabine River or its tributaries below the State line, as the administration may determine necessary or proper for the purposes of this compact; provided that the chief official of each State charged with the administration of water rights therein shall supervise the execution and enforcement of the administration's requirements for such measuring devices;

(7) To investigate any violations of this compact and to report findings and recommendations thereon to the chief official of the affected State charged with the administration of water rights, or to the Governor of such State as the administration may deem proper;

(8) To acquire, hold, occupy, and utilize such personal and real property as may be necessary or proper for the performance of its duties and functions under this compact;

(9) To perform all functions required of the administration by this compact, and to do all things necessary, proper, or convenient in the performance of its duties hereunder.

(h) Each State shall provide such available facilities, supplies, equipment, technical information, and other assistance as the administration may require to carry out its duties and function, and the execution and enforcement of the administration's orders shall be the responsibility of the agents and officials of the respective States charged with the administration of water rights therein. State officials shall furnish pertinent factual and technical data to the administration upon request.

(i) Findings of fact made by the administration shall not be conclusive in any court or before any agency or tribunal but shall constitute prima facie evidence of such facts.

(j) In the case of a tie vote on any of the administration's determinations, orders, or other actions subject to arbitration, then arbitration shall be a condition precedent to any right of legal action. Either side of a tie vote may, upon request, submit the question to arbitration. If there shall be arbitration, there shall be three arbitrators: 1 named in writing by each side, and the third chosen by the 2 arbitrators so elected. If the arbitrators fail to select a third within 10 days, then he shall be chosen by the representative of the United States.

(k) The salaries, if any, and the personal expenses of each member of the administration, shall be paid by the government which he represents. All other expenses incident to the administration of this compact and which are not paid by the United States shall be borne equally by the States. Ninety days prior to the regular session of the legislature of either State, the administration shall adopt and transmit to the Governor of such State for his approval, its budget covering anticipated expenses for the forthcoming biennium and the amount thereof payable by such State. Upon approval by its Governor, each State shall appropriate and pay the amount due by it to the administration. The administration shall keep an accurate account of all receipts and disbursements and shall include a statement thereof, together with a certificate of audit by a certified public accountant, in its annual report. Each State shall have the right to make an examination and audit of the accounts of the administration at any time.

(l) The administration shall, whenever requested, provide access to its records by the Governor of either State or by the chief official of either State charged therein with the administration of water rights. The administration shall annually on or before January 15 of each year make and transmit to the Governors of the signatory States, and to the President of the United States, a report of the administration's activities and deliberations for the preceding year.

ARTICLE VIII

(a) This compact shall become effective when ratified by the legislature and approved by the Governors of both States and when approved by the Congress of the United States.

(b) The provisions of this compact shall remain in full force and effect until modified, altered, or amended in the same manner as hereinabove required for ratification thereof. The right so to modify, alter, or amend this compact is expressly reserved. This compact

may be terminated at any time by mutual consent of the signatory States. In the event this compact is terminated as herein provided, all rights then vested hereunder shall continue unimpaired.

(c) Should a court of competent jurisdiction hold any part of this compact to be contrary to the constitution of any signatory State or of the United States of America, all other severable provisions of this compact shall continue in full force and effect.

ARTICLE IX

This compact is made and entered into for the sole purpose of effecting an equitable apportionment and providing beneficial uses of the waters of the Sabine River, its tributaries and its watershed, without regard to the boundary between Louisiana and Texas, and nothing herein contained shall be construed as an admission on the part of either State or any agency, commission, department, or subdivision thereof, respecting the location of said boundary; and neither this compact nor any data compiled for the preparation or administration thereof shall be offered, admitted, or considered in evidence, in any dispute, controversy, or litigation bearing upon the matter of the location of said boundary.

The term "State line" as defined in this compact shall not be construed to define the actual boundary between the State of Texas and the State of Louisiana.

ARTICLE X

Nothing in this compact shall be construed as affecting, in any manner, any present or future rights or powers of the United States, its agencies, or instrumentalities in, to, and over the waters of the Sabine River Basin.

In witness whereof, the representatives have executed this compact in three counterparts hereof, each of which shall be and constitute an original, one of which shall be forwarded to the Administrator, General Services Administration of the United States of America and one of which shall be forwarded to the Governor of each State.

Done in the city of Logansport, in the State of Louisiana, this 26th day of January 1953.

Henry L. Woodworth
HENRY L. WOODWORTH,
Representative for the State of Texas.

John W. Simmons
JOHN W. SIMMONS,
Representative for the State of Texas.

Roy T. Sessums
ROY T. SESSUMS,
Representative for the State of Texas.

Approved:
Louis W. Prentiss
LOUIS W. PRENTISS,
Representative of the United States.

SEC. 2. The right to alter, amend, or repeal this act is expressly reserved. This reservation shall not be construed to prevent the vesting of rights to the use of water pursuant to applicable law, and no alteration, amendment, or repeal of this act shall be held to affect rights so vested.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. BROOKS of Texas. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD at this point.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. BROOKS of Texas. Mr. Speaker, S. 3699, granting consent of Congress to a compact between Texas and Louisiana, is a bill introduced by Texas Senators LYNDON B. JOHNSON and PRICE DANIEL and is identical to H. R. 9679, which I introduced earlier and which was passed out of the Committee on Interior and Insular Affairs on July 20, 1954.

This compact, providing a basis for the joint development and improvement of the great Sabine River watershed, was agreed upon by representatives from both Texas, Louisiana, and the United States Government. This fair-minded appropriation of waters and benefits from such development was recognized and the compact approved by the Legislature of the State of Texas and the Legislature of the State of Louisiana. Several days thereafter, H. R. 9679 was introduced.

The ultimate development of the Sabine River will encourage orderly progress and prosperity of the Sabine River watershed in both Louisiana and Texas. With adequate fresh water, there is no limit to the industrial growth of this great area, with its vast resources of natural gas, oil, timber, year-around weather conditions, and fine American citizens. This compact is a major step toward the development of that adequate fresh water supply for east Texas and will point the way to a comprehensive cooperative effort between Texas and Louisiana in improving and developing their tremendous fresh water assets.

Since the Senate has already passed Senate 3699, identical to H. R. 9679, I am going to request the Senate bill having passed the Senate and now having been adopted by the House, that H. R. 9679 be laid on the table.

The Sabine River Authority, its directors, officers, and sponsors, as well as the county officials and leaders in those counties lying within the watershed of the Sabine River, have all worked tirelessly and long in behalf of the project and I would like, at this time, to congratulate the House on its affirmative action encouraging the people of east Texas to continue their efforts to help themselves and thereby make their maximum contribution to the economy, prosperity, and well-being of these great United States.

Mr. BROOKS of Texas. Mr. Speaker, I ask unanimous consent to lay on the table H. R. 9679, which is a corresponding House bill.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. BROOKS of Louisiana. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD at this point.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. BROOKS of Louisiana. Mr. Speaker, on January 26, 1953, at Logansport, in De Soto Parish, La.—which is in my district—representatives from the States of Louisiana and Texas entered into an agreement or compact between these two States for the development of the Sabine River. This river arises in Texas and, coursing its way southeastward, meets the Louisiana-Texas boundary line at Logansport, Louisiana, thence courses its way to the Gulf of Mexico, forming the western boundary line of the State of Louisiana and the eastern boundary line of the State of Texas. It empties into the Gulf of Mexico through the Sabine Lake. For this reason, both States are vitally concerned with the development of this river.

Shortly after the compact was signed, the legislature of the State of Texas ratified the agreement. The State of Louisiana on the other hand failed to ratify the compact until three weeks ago when the legislature of Louisiana approved the agreement. The matter, therefore, comes before this committee for action under the Constitution of the United States, which authorizes Congress to approve interstate compacts.

On July 21, 1953, I introduced H. R. 6439, a bill to approve this compact. At that time, the State of Louisiana had not voted upon the agreement. The State of Texas had, however, already ratified it, and I introduced this bill for the purpose of presenting the matter to Congress and letting the people in both States have the opportunity of knowing what was occurring before the agreement was formally ratified. The legislature of Louisiana has just approved the agreement and it is now ready for ratification.

The Sabine River is one of the large rivers of the Southwest. At one time, it was navigable to what is now Logansport, and was an important artery of commerce. In recent years, there has been no use of this stream for navigation purposes up this far. Logansport, however, is in the congressional district which it is my privilege to represent in Congress, and I hope that by virtue of this compact ways will be found ultimately to make the river navigable again and restore waterborne commerce to the Sabine Valley in both Texas and Louisiana.

President Eisenhower made a strong statement recently at the National Rivers and Harbors Congress of which I am president, emphasizing the extreme importance of the proper use of our water resources. The water of the Sabine River will be made available by virtue of this compact for irrigation purposes. In both States at times the need of irrigation is extremely great. In north Louisiana during dry crop years, water is badly needed to prevent crop failures. In south Louisiana rice farmers are in need of water for irrigating rice. This crop, grown extensively in southwest Louisiana, needs a complete inundation of water to the extent of 3 or 4 inches for a number of weeks during each crop season. During this period, water must be taken from neighboring streams and used to cover the young rice plants completely. Reasonable use of water from the Sabine River will make possible for more extensive cultivation of rice and other crops, and will add greatly to the development of this section.

A year and one month after I had introduced my bill, H. R. 6439, my colleague from the State of Texas introduced the identical bill for the same purpose. This bill was identical to mine with three exceptions, all of which changes were made for the purpose of showing that the State of Louisiana had formally approved the Sabine compact agreement and that it was then ready

for submission to the United States Congress.

Both of these bills were presented to the Interior and Insular Affairs Committee of the House of Representatives. In the meantime, a Senate bill by Senator LYNDON JOHNSON, of Texas, has been introduced, and following the approval by the State of Louisiana of the compact agreement, this bill has passed the Senate.

In Louisiana, especially this portion of the State is a part which has been neglected in the course of its normal development. Properly laid plans supported by the two States, looking toward long-range improvements, may do much toward giving value to the lands, development to its industry, and make available a prosperous condition to the extent not heretofore seen in this section of the Southwest. I hope that the States of Texas and Louisiana will seize upon the opportunities presented by this compact. With proper planning and proper development the western part of Louisiana and the eastern part of Texas can be made to bloom like a rose. Fields now discarded as not tillable will be made to produce prolifically with proper handling of water from the Sabine watershed. Cotton, corn, oats, and cane can all use more abundant water supply at appropriate times in their cultivation. The cattle industry will get a boon from use of Sabine water. This new industry recently brought into Louisiana from Western States provides a variety for our agricultural program and an abundant supply of water for use by cattle is imperative. The area along the western side of the State will really profit by proper handling of this major problem.

Mr. Speaker, for this reason I, a Representative from the State of Louisiana, earnestly urge that this Congress pass this bill unanimously and that it go to the President for his signature within the next few days.

TEMPORARY RETIREMENT INCREASE MADE PERMANENT

The Clerk called the bill (H. R. 7785) to amend the Civil Service Retirement Act of May 29, 1930, to make permanent the increases in regular annuities provided by the act of July 16, 1952, and to extend such increases to additional annuities purchased by voluntary contributions.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. CUNNINGHAM. Mr. Speaker, reserving the right to object, I do not intend to object, but I would like to inquire of someone from the committee what the purpose of this bill is.

Mr. COLE of Missouri. Mr. Speaker, this bill is to make permanent the increase in civil-service retirement annuities provided by Public Law 555, 82d Congress, which was enacted July 16, 1952. This public law granted a temporary increase that has been extended from year to year and will expire June 30, 1955, unless this bill is passed. The increase provided applies to all annuities of $2,160 or less which are increased by 25 percent, or $324, whichever is the lesser. Under Public Law 555 the $2,160 ceiling included annuity purchased by voluntary contributions. This bill bases the $2,160 ceiling on the regular annuity only. However, the increase is computed on both the regular annuity and the annuity purchased by voluntary contributions. All increases provided by this bill are to be paid from the civil-service retirement and disability fund.

Section 3 of the bill is to bring the widow of a former longtime legislative employee under the provisions of Public Law 303, 83d Congress. This widow is the only person that will be benefited. Public Law 303 became effective on April 1, 1954. The legislative employee that I refer to died on March 7, 1954, after the bill that later became Public Law 303 had been passed by both the House and Senate, but before it went into effect. Section 3 of H. R. 7785 advances the effective date of Public Law 303 to March 6, 1954.

Mr. CUNNINGHAM. Mr. Speaker, I thank the gentleman, and I withdraw my reservation of objection.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 8 (c) (1) of the Civil Service Retirement Act of May 29, 1930, as amended, is amended by inserting the first proviso therein the following: "*Provided further*, That in any case where a retired employee is receiving an annuity computed as provided in section 4 and an annuity purchased by voluntary contributions under the second paragraph of section 10, the increase granted by this subsection shall be computed separately with respect to each such annuity, except that the aggregate increase in such present annuities shall not exceed the lesser of $324 or 25 percent of the total of such present annuities:"

SEC. 2. Section 8 (c) (2) of the Civil Service Retirement Act of May 29, 1930, as amended, is amended to read as follows:

"(2) The increases in annuity provided by this subsection shall be paid from the civil-service retirement and disability fund."

SEC. 3. The amendments made by this act shall take effect on the first day of the second calendar month following the date of enactment of this act.

With the following committee amendments:

(1) Page 1, line 3, strike out beginning with the word "That" down through the period in line 3 on page 2 and insert in lieu thereof the following:

"That section 8 (c) (1) of the Civil Service Retirement Act of May 29, 1930, as amended, is amended by striking out the first and second provisos therein and inserting in lieu thereof the following: "*Provided*, That such increase in annuity shall not exceed the smallest of the following amounts: (1) $324, (2) 25 percent of the annuity, including annuity purchased by voluntary contributions under the second paragraph of section 10 of this act, as of August 31, 1952, or (3) the sum necessary to increase such annuity, exclusive of annuity purchased by voluntary contributions under the second paragraph of section 10 of this act, to $2,160."

(2) Page 2, line 10 strike out beginning with "SEC. 3." down through the period in line 12 and insert in lieu thereof the following:

"SEC. 3. The amendment to section 12 (c) (1) of the Civil Service Retirement Act of May 29, 1930, as amended, made by the act of March 6, 1954, shall take effect as of March 6, 1954.

"SEC. 4. Except as provided in section 3 hereof, the amendments made by this act shall take effect on the first day of the second calendar month following the date of enactment of this act."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PATENTS IN FEE TO MISSION INDIANS

The Clerk called the bill (H. R. 8365) to confirm the authority of the Secretary of the Interior to issue patents in fee to allotments of lands of the Mission Indians in the State of California prior to the expiration of the trust period specified in the act of January 12, 1891, as amended.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That (a) the provisions of the act approved February 8, 1887 (24 Stat. 388), entitled "An act to provide for the allotment of lands in severalty to Indians on the various reservations, and to extend the protection of the laws of the United States and the Territories over the Indians, and for other purposes," and all acts amendatory thereof or supplemental thereto, insofar as they have not hitherto been applicable, shall apply to patents in fee simple heretofore issued or hereafter to be issued under the act for the relief of the Mission Indians in the State of California, approved January 12, 1891 (26 Stat. 712), as amended or supplemented.

(b) All patents in fee simple heretofore issued covering lands allotted under said act approved January 12, 1891, as amended or supplemented, are hereby ratified, confirmed and declared valid from the respective dates of such issuance, even though such patents might have been issued prior to the expiration of the trust period existing with respect to a trust patent.

(c) All conveyances heretofore made by patentees of lands included in fee simple patents heretofore issued covering lands allotted under said act approved January 12, 1891, as amended or supplemented, are hereby ratified, confirmed, approved, and declared valid, to the same extent as though this act had been in full force and effect at the time of the issuance of such patents.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXCHANGE OF LANDS FOR CATOCTIN RECREATIONAL DEMONSTRATION AREA

The Clerk called the bill (H. R. 8821) to authorize the exchange of lands acquired by the United States for the Catoctin recreational demonstration area, Frederick County, Md., for the purposes of consolidating Federal holdings therein.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior, for the purpose of consolidating Federal holdings of land acquired for the Catoctin recreational demonstration area, Frederick County, Md., is hereby empowered, in his discretion, to obtain for the United States land and interests in lands held in private ownership within the established watersheds and boundaries of said recreational demonstration area by accepting from the owners of such privately owned land

complete relinquishment thereof, and the Secretary may grant to such owners in exchange therefor, in each instance, federally owned lands of approximately equal value now a part of the Catoctin recreational demonstration area, that he considers are not essential for the administration, control, and operation of the aforesaid recreational demonstration area. Any land acquired by the United States pursuant to this authorization shall become a part of the Catoctin recreational demonstration area upon the vesting of title in the United States, and shall be subject to the laws applicable thereto.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMENDING TITLES 18 AND 28 OF THE UNITED STATES CODE

The Clerk called the bill (H. R. 9821) to amend titles 18 and 28 of the United States Code.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the purpose of this act is to provide for orderly termination of Federal supervision over the property and members of the Menominee Indian Tribe of Wisconsin.

SEC. 2. Section 1162, title 18, United States Code, is amended by striking therefrom the words "except the Menominee Reservation" and the comma preceding those words.

SEC. 3. Section 1360, title 28, United States Code, is amended by striking therefrom the words "except the Menominee Reservation" and the comma preceding those words.

With the following committee amendment:

Strike all after the enacting clause and insert in lieu thereof the following:

"That section 1162, title 18, United States Code, is amended by striking therefrom the words 'except the Menominee Reservation' and the comma preceding those words."

"SEC. 2. Section 1360, title 28, United States Code, is amended by striking therefrom the words 'except the Menominee Reservation' and the comma preceding those words."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RENEWAL OF STAR ROUTE AND SCREEN VEHICLE SERVICE CONTRACTS

The Clerk called the bill (S. 1244) relating to the renewal of star route and screen vehicle service contracts.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. ASPINALL. Mr. Speaker, reserving the right to object, will the lady from New York or someone from the committee explain the purpose of the bill and its necessity?

Mrs. ST. GEORGE. Mr. Speaker, this bill was introduced at the instance of the star route carriers. Under the present law, the Government may, in its discretion and in the interest of the postal service, in all cases of regular contracts, continue in force beyond its express terms for a period not exceeding 6 months. Where the contractor dies during the last 6 months of the contract, the 6 months' extension will not meet the present 1-year qualification.

This measure will give the same protection to subcontractors, who are in very many cases widows of deceased contractors, in cases where the contractor dies during the last 6 months of his contract.

This bill is also approved by the Post Office Department, and we have a letter to that effect. It is also approved by the Bureau of the Budget, and it will not increase expenses. The interest of our committee was particularly attracted toward it in that it would be of particular assistance and help to the widows of some contractors.

Mr. ASPINALL. Your committee reported it unanimously?

Mrs. ST. GEORGE. Unanimously, yes.

Mr. ASPINALL. I withdraw my reservation of objection, Mr. Speaker.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the first sentence of the next to last paragraph of section 3951 of the revised statutes, as amended (39 U. S. C. 434) is amended by striking out the words "one year" and inserting in lieu thereof the words "6 months."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

TRANSPORTATION OF WATERBORNE CARGOES IN UNITED STATES-FLAG VESSELS

The Clerk called the bill (S. 3233) to amend the Merchant Marine Act, 1936, to provide permanent legislation for the transportation of a substantial portion of waterborne cargoes in United States-flag vessels.

Mr. CUNNINGHAM. Mr. Speaker, the Commerce Department does not recommend enactment of this bill and requests that a study of the bill be made. The Budget concurs in the views of the Commerce Department. Therefore, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

COMPENSATION RECEIVED IN VIOLATION OF THE DUAL COMPENSATION LAWS

The Clerk called the bill (H. R. 5718) to limit the period for collection by the United States of compensation received by officers and employees in violation of the dual compensation laws.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the United States hereby waives all claims against any person arising out of the receipt by such person of compensation from the United States including Government owned or controlled corporations or from the government of the District of Columbia in violation of any provision of law prohibiting or restricting the receipt of dual compensation, which has not been reported to the General Accounting Office for collection within 6 years from the last date of any period of dual compensation.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CONVEYANCE OF CERTAIN LAND TO VICKSBURG, MISS.

The Clerk called the bill (H. R. 9194) to provide for the conveyance of certain land owned by the Federal Government near Vicksburg, Miss., to Vicksburg, Miss.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior is hereby authorized and directed to convey, for and in consideration of $3,500 to the city of Vicksburg, Miss., all right, title, and interest of the United States in and to certain land, comprising approximately one and nine hundred fourteen one-thousandths acres (including accretions thereto, and any riparian rights appurtenant to such land) near the city of Vicksburg, Miss., more particularly described as parcels 1 and 2 as shown on an official map of the United States Department of the Interior, identified as "Drawing No. NMP–VIC, 2028–A," dated August 15, 1951, and consisting of four sheets carrying such identification.

SEC. 2. Funds obtained by the Secretary of the Interior from the conveyance of the land described in the first section of this act shall be retained in a special fund and may be used by him, without further authority, for the procurement by purchase only of additional property for the Vicksburg National Military Park within the limits of the park as authorized by the act of October 9, 1940 (54 Stat. 1061).

With the following committee amendment:

Page 1, line 4, strike out "$3,500" and insert "an amount equal to the reasonable appraised value thereof as determined by the Secretary."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BLACK CANYON IRRIGATION DISTRICT, IDAHO

The Clerk called the bill (H. R. 9630) to authorize the Secretary of the Interior to execute an amendatory contract with the Black Canyon Irrigation District, Idaho, and for other purposes.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. CUNNINGHAM. Reserving the right to object, Mr. Speaker, may I inquire of the gentleman from Nebraska [Mr. MILLER] or some member of his committee about this bill? I notice the Department of the Interior recommends enactment. The Bureau of the Budget has no objection to the enactment. However, the question of the practicability of extending irrigation payments over an 86-year period has arisen. This bill extends payments over an 86-year period. Does not the gentleman think that is too long, and that it is too controversial a bill to be passed by unanimous consent?

Mr. BUDGE. In answer to the inquiry, the situation is simply this: The

Reclamation Act has been on the books now for some 50 years. There are a number of projects throughout the United States where for one reason or another the repayment has not been able to progress as rapidly as it was originally believed by the Bureau of Reclamation it would be. This does not happen to be in my congressional district but in the congressional district of my colleague from Idaho, but I am somewhat familiar with it. It simply is entering into a new contract, which is all the Federal Government is going to collect back from the people on the project. Unless a new contract is entered into the Federal investment, which has already been made and which is the debt which is owed the Federal Government, will have to be written off the books. This is the only way the Federal Government can get its money back.

Mr. CUNNINGHAM. May I ask the gentleman this question: Is an 86-year period for the repayment unusual, or is it customary?

Mr. BUDGE. It is unusual. This relates only to the districts where for some reason or other there was difficulty in repayment. In many instances the Bureau of Reclamation made mistakes in the cost of the project and made mistakes in the amount of the water that would be available for the project. These things were built years ago. It just boils down to the fact that the Federal Government either collects its money over a longer period of years or else writes it off. That is what it amounts to.

Mr. CUNNINGHAM. I withdraw my reservation of objection, Mr. Speaker.

Mrs. PFOST. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentlewoman from Idaho?

There was no objection.

Mrs. PFOST. Mr. Speaker, I am particularly anxious that this bill pass, because it is of vital importance to my friends and neighbors in my home county of Canyon in Idaho. I have just talked with my distinguished colleague, the gentleman from Pennsylvania [Mr. GAVIN] and he has agreed to withdraw his objection made earlier. He now realizes that many farmers of the Black Canyon Irrigation District stand to lose their farms and their life's possessions if they are not given relief from the present heavy water assessment charges.

The Black Canyon Irrigation District is an old, well-established one. The original contract of October 1927 provided for the repayment of all irrigation costs by the water users. Since that time new requirements for power, flood control and irrigation have made necessary the reallocation of the project costs. Costs to water users have risen accordingly. This bill authorizes the Secretary of the Interior to execute an amendatory contract which provides an economically sound adjustment.

The lands represented by the Black Canyon Irrigation District are in two divisions. The first contains 6,880 acres, and the second 53,000 acres. The proposed amendatory contract leaves unchanged the remaining construction obligations payable by the water users in the First Division, and calls for the repayment of the remaining sum due the Government in 8 to 9 years. The construction obligation of the second unit is established by the contract at $7,346,-815, with annual payments of $85,120. This will pay back the total cost of the second unit in 86 years.

These amounts are within the water users' ability to pay and at the same time are about as much as can be recovered under a fair and equitable contract. So as you can see the bill has the double objective of keeping the Government from losing money, and a number of farmers from losing their farms and homes. I am glad that it will now pass the House today.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. GAVIN. I object, Mr. Speaker.

PANAMA CANAL COMPANY

The Clerk called the bill (H. R. 9397) to authorize the Secretary of the Treasury to transfer certain property to the Panama Canal Company, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized to transfer to the Panama Canal Company, without exchange of funds, all or so much of the facilities, buildings, structures, improvements, and equipment comprising aids to navigation maintained by the Coast Guard at or on Roncador Cay, Serrana Banks, Quita Sueno Banks, Cristobal Mole, Cape Mala, Jicarita Island, and Morro Puercos Island, as may be mutually acceptable for transfer.

SEC. 2. Upon completion of any transfer authorized by this act, the functions of the Treasury Department concerning the pertinent aid to navigation and its jurisdiction over the side upon which the aid is located or transferred to the Panama Canal Company.

SEC. 3. Transfers made under this act shall be subject to the provisions of section 246 (b) of title 2 of the Canal Zone Code, as added by the act of June 29, 1948 (ch. 706, sec. 2, 62 Stat. 1076).

With the following committee amendments:

Page 2, line 4, strike out "side" and insert "site."

At the end of the bill, strike out the period and insert a comma and the following: "except so far as said section would require payment to be made for the transferred property and assets."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

VINELAND SCHOOL DISTRICT, KERN COUNTY, CALIF.

The Clerk called the joint resolution (H. J. Res. 550) to permit the United States of America to release reversionary rights in a thirty-six and seven hundred and fifty-nine one thousandths acre tract to the Vineland School District of the county of Kern, State of California.

There being no objection, the Clerk read the joint resolutions, as follows:

Whereas by quitclaim deed dated November 28, 1947, and recorded on December 10, 1947, in book 1341 of official records, page 424, in the office of the county recorder, Kern County, Calif., the United States of America granted to the Vineland School District, Bakersfield, county of Kern, State of California, a tract of land containing thirty-six and seven hundred and fifty-nine one-thousandths acres, more or less, together with the improvements and appurtenances, for use in maintaining and operating said property for public use as a public school; and

Whereas said quitclaim deed dated November 28, 1947, contains a provision for reversion of said property to the United States of America if the property ceases to be used for the purposes for which it was granted; and

Whereas the Vineland School District is making application to the State of California for a loan to construct further improvements and additions to the school buildings now located on said tract and it is necessary for the Vineland School District to secure a release of the aforementioned reversionary rights in order to obtain the loan; and

Whereas the United States of America holds an undivided interest in said reversionary rights and the director of the California State Department of Agriculture, as successor to the assets of the California Rural Rehabilitation Corporation, acting pursuant to the provisions of chapter 414, Laws of California, 1949, as amended by chapter 1179, Laws of California, 1951, and chapter 141, Laws of California, 1953, holds an undivided beneficial interest in said reversionary rights; and

Whereas the Secretary of Agriculture of the United States is presently administering and holds title, as trustee, to the assets of the California Rural Rehabilitation Corporation under an agreement dated April 19, 1953, entered into between the United States of America and the director of the California State Department of Agriculture pursuant to the Rural Rehabilitation Corporation Trust Liquidation Act (Public Law 499, 81st Cong.; 40 U. S. C. 440): Now, therefore, be it

Resolved, etc., That, upon the written consent of the director of the California State Department of Agriculture, the Secretary of Agriculture of the United States is authorized and directed to convey, for a consideration of $1, by quitclaim deed to the Vineland School District, Bakersfield, county of Kern, State of California, and its successors and assigns, all of the right, title, and interest reserved or retained by the quitclaim deed from the United States of America to the aforesaid Vineland School District dated November 28, 1947, covering thirty-six and seven hundred and fifty-nine one-thousandths acres, more or less, and recorded on December 10, 1947, in book 1341 of official records, page 424, in the office of the county recorder, Kern County, Calif.

With the following committee amendment:

Page 1, strike out all after the title down to the resolving clause on page 2.

The committee amendment was agreed to.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MERCHANT MARINE CHAPEL

The Clerk called the bill (H. R. 9115) to provide that contributions received

under Public Law 485, 80th Congress, for the construction of a merchant marine chapel shall be invested in Government obligations pending their use for such construction.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That funds accepted under Public Law 485, 80th Congress, as contributions to assist in defraying the cost of construction of the chapel provided for in that act shall be invested by the Secretary of the Treasury in bonds or other obligations of, or in bonds or other obligations guaranteed as to principal and interest by, the United States, until such funds are needed for the purpose for which they were contributed. The yield obtained from such investments shall be considered to be a part of such funds.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

TERRITORY OF ALASKA

The Clerk called the bill (H. R. 8666) to authorize the Territory of Alaska to incur indebtedness, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Territory of Alaska is authorized and empowered, notwithstanding any provision of the Organic Act of Alaska or any other act of Congress to the contrary, to borrow on the credit of the Territory from time to time such sums as may be necessary for public improvements including, without limitation, constructing, altering, and equipping schools, hospitals, colleges, offices, prisons, and other public buildings, and roads, water and sewer systems, wharves, docks, bridges, and other public facilities, and to issue therefor at such rates of interest as may be prescribed by Territorial law, negotiable bonds, the face amount thereof not to exceed $10,000,000 outstanding at any one time. The faith of the Territory shall be solemnly pledged to the payment of all such debts.

SEC. 2. No such debt shall be contracted unless it shall be authorized by Territorial law for each public improvement to be distinctly specified therein. No such debt shall be contracted for a period longer than the probable life of the work or purpose for which the debt is to be contracted. A determination of such probable life provided by either a special or general law of the Territory in effect at the time the debt is contracted shall be conclusive.

SEC. 3. The bonds shall be serial bonds payable in annual installments, the first of any issue of which shall be payable not more than three years, and the last of which shall be payable before or upon the expiration of said probable life of the work or purpose but in no case more than thirty years, from the date of issue. Such bonds shall be sold at not less than their face amount, plus accrued interest. The privilege of paying all or any part of such obligations prior to the date on which the same shall be due shall be reserved to the Territory in such manner as may be prescribed by the laws authorizing the same. The Territorial Legislature may provide means and authority whereby any such debt may be refunded, in accordance with the privilege reserved to pay the same prior to the date payable, any such refunded debt to be payable in installments not less in amount than the installments provided in the debt so refunded.

SEC. 4. The obligations herein authorized shall be in such form or forms and denomination or denominations and subject to such terms and conditions of issue, conversion, redemption, maturities, and payment as may be prescribed by the laws authorizing the same, and shall be offered for sale on a competitive basis.

SEC. 5. The Territorial Legislature shall provide in the law authorizing any such debt or the issuance of any such obligations, and thereafter, for the payment of interest upon and installments of principal as the same shall fall due, by the levy of a tax sufficient therefor or otherwise, and appropriation therefor. If at any time the appropriation for payment of any such debt shall be insufficient, the Treasurer shall set apart from the first revenues thereafter received, applicable to the general funds of the Territory, such sum as may be sufficient for any such payment and make such payment on such debt.

SEC. 6. The Territory of Alaska is authorized and empowered, notwithstanding any provision of the organic act or any other act of Congress to the contrary, to borrow, in accordance with Territorial law providing therefor, such sums as may be necessary for emergencies, not to exceed a total at any time of $200,000 and within the limitation hereinabove provided, when the legislature is not in session and when Territorial funds are not appropriated or available therefor, and to issue therefor at not less than par and at not more than the commercial interest rate, certificates of indebtedness, which shall be payable at such time, not later than one month subsequent to the date of convening of the succeeding regular session of the legislature, as the Territorial treasurer or other officer designated by such law may prescribe, subject to redemption prior to maturity. The term "emergencies" as used herein shall be defined by Territorial law and the Governor shall be empowered to apply, and shall determine the application of, such definition. The faith of the Territory shall be solemnly pledged to the payment of such certificates.

With the following committee amendments:

Strike all of sections 1, 2, 3, 4, and 5.

Page 3, line 22, strike the words "SEC. 6. The" and insert in lieu thereof the words "That the."

Page 4, lines 2 and 3, strike the words "at any time of $200,000 and within the limitation herein above provided," and insert in lieu thereof the words "sum of $200,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HAWAIIAN EVANGELICAL ASSOCIATION

The Clerk called the bill (H. R. 7569) to authorize the removal of a restrictive covenant on land patent No. 9628, issued to the board of the Hawaiian Evangelical Association on January 18, 1929, and covering lots 5 and 6 of Waimea town lots, situated in the county of Kauai, Territory of Hawaii.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Commissioner of Public Lands of the Territory of Hawaii, with the consent of the Governor of said Territory of Hawaii, be authorized to remove the following restriction contained in land patent No. 9628, so that the lands will be free of any such encumbrance:

"The land herein conveyed is sold subject to the condition that same is to be used for church and/or school purposes only, and in the event of its being used for other than church and/or school purposes, this patent will immediately become void and the title to the whole of said land together with the improvements thereon shall without warrant or other legal process, immediately revert to and revest in the Territory of Hawaii."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

KLAMATH INDIAN RESERVATION AT CHILOQUIN, OREG.

The Clerk called the bill (H. R. 7290) to authorize an appropriation for the construction of certain public-school facilities on the Klamath Indian Reservation at Chiloquin, Oreg.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. BYRNES of Wisconsin. Mr. Speaker, reserving the right to object, I do so to inquire what the policy is with respect to participating in the construction of schools insofar as these places near Indian reservations are concerned. It is my understanding, for instance, in Wisconsin if they are near a school district, the Government pays the school district a tuition fee for their students, but the Government does not construct the schools; or in other cases, they build the school for the Indians on the reservation. It seems to me to be rather peculiar policy to go in and build a public school building.

Mr. BERRY. Mr. Speaker, if the gentleman will yield, this is a little bit different. Ordinarily, the Federal Government constructs the schools themselves. However, in the case where the public school district constructs them, we generally are able to get help under Public Law 815. But in this instance, we cannot do that, because this district happens to be a frugal district. They have always been on a pay-as-you-go basis, and in order to be eligible for assistance under Public Law 815, the district must be in distressed financial circumstances. Consequently, this district cannot qualify for aid under Public Law 815. In this case, 60 percent of the children who attend this public school are Indian children. So the Federal Government is paying a proportionate amount of the cost of that school in replacing the old school built in 1923 in order that the Government will not have to have a segregated school.

Mr. BYRNES of Wisconsin. I was wondering whether there was any retriction in this policy of passing a special bill to create a liability upon the Federal Government to participate in the construction of a school, which also will be used by the general public in that area. Have we done this in the past?

Mr. BERRY. We never have because in all instances before, either the school district was in bad shape and could qualify under Public Law 815 or else they constructed their own building and then we paid tuition or contracted for the payment of the tuition.

Mr. BYRNES of Wisconsin. I wonder whether you are opening up an area here where you are going to have a number

of more or less private bills introduced for the purpose of having the Federal Government participate in the construction of a school for general purposes where they do not conform with a general building program, where we have agreed to go in and give aid for educational purposes in distressed areas, for instance.

Mr. BERRY. This is a special instance, because we hope to pass within the next 5 or 6 bills, a bill which provides termination for these Klamath Falls Indians.

Mr. BYRNES of Wisconsin. That is another thing I was going to say. There is another bill on the calendar, No. 530, where we terminate Federal supervision over these Indians. If we are going to terminate supervision over them so they are going to no longer be wards of the Government, then why do we at the same time enter into a contract to pay 60 percent of the cost of construction of the school in the area where these Indians will reside?

Mr. BERRY. It was thought it was a very good investment to pay this, because we are helping those people to build this school so that these Indian children can attend school. Sixty percent of the children enrolled are Indian children.

Mr. BYRNES of Wisconsin. I have great confidence in the committee and in the gentleman, but it concerns me whether or not you are setting a policy that is going to be pretty hard to control, because wherever you have Indian reservations also generally in those areas the school districts have problems because of the fact that the tax base is generally not nearly as broad as in other areas, and they have difficulty in financing their schools, and they will be in here saying, "You did it for the Klamath Indians. Why don't you do it for us?"

Mr. BERRY. But here is 1 of 5 or 6 cases where we provide terminal legislation.

Mr. BYRNES of Wisconsin. Well, you do not make this dependent upon the fact that the Indians are going to be removed from supervision?

Mr. BERRY. Not entirely, but that is one of the controlling features.

Mr. MILLER of Nebraska. If the gentleman will yield, we have had no other legislation before the committee like this, so that this does not set a policy. If these people are liberated, then it seems the Federal Government should give the local government some assistance so that these people can handle their problems and so that these children will have a place to go to school. It is not a policy that is being fixed by the committee.

Mr. BERRY. I might add that in these terminal legislation cases it is our thought that if we are going to do the kind of job that we want to do, we have to do everything we can to alleviate the impact on those local governments when we pass these terminal legislation bills.

Mr. BYRNES of Wisconsin. I am not questioning that this is the desirable thing to do. If the gentleman says from his study that it is desirable, I will accept his word. But I was just wondering how far we were going to go in this direction of taking care of cases on this basis.

I withdraw my reservation of objection, Mr. Speaker.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That there is hereby authorized to be appropriated the sum of $206,880 to be used by the Secretary of the Interior for assisting the Klamath County School District in constructing and equipping new public-school facilities, which shall include an elementary school site, school building, and necessary equipment, on the Klamath Indian Reservation at Chiloquin, Klamath County, Oreg.

SEC. 2. The expenditure of any money appropriated pursuant to the first section of this act shall be subject to the express conditions that (1) 40 percent of the cost of such facilities shall be paid by the Klamath County School District; (2) such facilities shall be available to all Indian children of the district on the same terms, except as to payment of tuition from Federal funds, as other children of the district; (3) the cost of preparing the plans and specifications for such facilities, to be furnished by the local or State authorities, shall be paid out of the appropriation authorized in this act in the same proportion as the building costs; (4) upon the approval of such plans and specifications by the Secretary of the Interior, the actual work shall proceed under the supervision of such local authority; and (5) payment for the work completed shall be made monthly on vouchers properly certified by the local officials of the Bureau of Indian Affairs.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PROVIDING FOR TAXATION BY STATE OF WYOMING OF CERTAIN PROPERTY IN GRAND TETON NATIONAL PARK

The Clerk called the bill (H. R. 4770) to provide for taxation by the State of Wyoming of certain property located within the confines of Grand Teton National Park, and for other purposes.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. PILLION. Mr. Speaker, I object.

CONSTRUCTION OF DISTRIBUTION SYSTEMS ON AUTHORIZED FEDERAL RECLAMATION PROJECTS BY IRRIGATION DISTRICTS AND OTHER PUBLIC AGENCIES

The Clerk called the bill (H. R. 9981) to provide for the construction of distribution systems on authorized Federal reclamation projects by irrigation districts and other public agencies.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. FORD. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

JOHN MARSHALL BICENTENNIAL MONTH

The Clerk called the resolution (H. J. Res. 340) designating the month of September 1955 as John Marshall Bicentennial Month, and creating a commission to supervise and direct the observance of such month.

The SPEAKER. Is there objection to the present consideration of the joint resolution?

Mr. FORD. Mr. Speaker, I notice in this particular proposal there is no limitation on the amount of money that will be made available, whereas in the several other bills that follow of the same category there is such a limitation. Could the gentleman from Ohio explain why there is such a limitation in two and not in this particular bill?

Mr. McCULLOCH. The limitation on the authorization inadvertently was not carried in House Joint Resolution 340. I say "inadvertently" because that is the fact. The sponsor of the resolution and the Judiciary Committee would like the RECORD to show at this time that it is the understanding, the unanimous understanding that there will be no more than $10,000 used under this authorization, and it is hoped as a matter of fact that no money will be used whatsoever, because the various bar associations of the country are interested in this celebration and it is felt that they will contribute all the money necessary for the plans. I would like to say that if there is any request by anyone to the Appropriations Committee for more than $10,000, I hope it will not be granted.

Mr. FORD. Mr. Speaker, in the light of the explanation of the gentleman from Ohio I withdraw my reservation of objection.

The SPEAKER. Is there objection to the present consideration of the resolution?

There was no objection.

Mr. McCULLOCH. Mr. Speaker, I ask unanimous consent to substitute an identical Senate resolution, Senate Joint Resolution 149, designating the month of September 1955 as John Marshall Bicentennial Month, and creating a commission to supervise and direct the observance of such month, for House Joint Resolution 340.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There being no objection, the Clerk read the Senate resolution, as follows:

Whereas September 24, 1955, will mark the 200th anniversary of the birth of John Marshall, who has been rightly called "the Great Chief Justice"; and

Whereas the work of John Marshall in expounding constitutional principles has been one of the most important factors in developing and maintaining the liberties of the people of the United States; and

Whereas a wider public knowledge and appreciation of the achievements of the great Chief Justice, John Marshall, is highly desirable in order to strengthen the moral, social, and political structure of our Nation, and as a means of helping to preserve and protect the lives, liberties, and property of all our people: Therefore be it

Resolved, etc., That the month of September 1955 is hereby set aside and designed as "John Marshall Bicentennial Month," in

commemoration of the 200th anniversary of the birth of John Marshall, and in recognition of the vital part which he played in the development of our Nation. The President is requested to issue a proclamation calling upon appropriate agencies and organizations throughout the United States to unite in observing such bicentennial month with suitable activities and ceremonies, and inviting all the people of the United States to join therein.

SEC. 2. There is hereby established a commission to be known as the United States Commission for the Celebration of the 200th Anniversary of the Birth of John Marshall (hereinafter referred to as the "Commission"), and to be composed of 19 members as follows:

(1) The President of the United States, the President pro tempore of the Senate, and the Speaker of the House of Representatives, ex officio;

(2) Eight persons to be appointed by the President of the United States;

(3) Four Members of the Senate to be appointed by the President pro tempore of the Senate; and

(4) Four Members of the House of Representatives to be appointed by the Speaker of the House of Representatives.

SEC. 3. The Commission shall have the duty of supervising and directing the observance of John Marshall Bicentennial Month, and shall prepare appropriate plans and programs for the celebration of such month, giving due consideration to any proposed plans and programs which may be submitted to it. The Commission shall receive and coordinate any plans which may be prepared by State and local agencies, and by representative civic bodies, in connection with the celebration of such month. The Commission shall submit to the Congress at the earliest practicable time a full report of its activities together with a detailed statement of the plans and programs to be used in such celebration.

SEC. 4. (a) The Commission shall select a chairman and a vice chairman from among its members. Members of the Commission shall receive no compensation for their services as such, but shall be reimbursed for expenses necessarsily incurred in the discharge of their duties under this joint resolution.

(b) The Commission may employ such administrative personnel, advisers, and clerical and other assistants as may be necessary to carry out its duties under this joint resolution.

SEC. 5. The Commission shall expire on December 31, 1955.

SEC. 6. There are hereby authorized to be appropriated such sums as may be necessary to carry out this joint resolution.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMEND ACT OF DECEMBER 3, 1942

The Clerk called the bill (S. 2389) to amend the act of December 3, 1942.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 2 of the act of December 3, 1942 (56 Stat. 1038; 33 U. S. C. 855a), is amended to read as follows:

"Commissioned officers of the Coast and Geodetic Survey who, in time of war or national emergency declared by the President, are assigned to duty on projects for the military departments in areas determined by the Secretary of Defense to be of immediate military hazard, shall, while on such duty, be entitled to the rights and benefits provided by law for officers of the Coast and Geodetic Survey who are actually transferred to the service of the military departments: *Provided*, That the benefits of this section shall be applicable also to commissioned officers of the Coast and Geodetic Survey serving in the Philippine Islands on December 7, 1941."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

TERMINATE SUPERVISION OVER KLAMATH TRIBE OF INDIANS

The Clerk called the bill (S. 2745) to provide for the termination of Federal supervision over the property of the Klamath Tribe of Indians located in the State of Oregon and the individual members thereof, and for other purposes.

Mr. METCALF. Mr. Speaker, reserving the right to object, I would like to ask a few questions about this bill of some member of the committee.

I notice this bill provides for the creation of management specialists who are given control of the property of the tribe and of the disposition of that property. I want to know if that section has the approval and consent of the Klamath Indian Tribes and representatives of the tribe.

Mr. BERRY. I may say in answer to the gentleman's inquiry that each section of this bill has been gone over very carefully and approved by both groups of the tribe. The Indians of this reservation have been divided into two equal groups, for a number of years, now they have finally gotten together, worked out each section of this bill, and at the time of the hearings both came before the subcommittee and before the full committee and both groups were asked by the chairman if there was any objection to any of the provisions of this bill and if everything met with their full approval. Both groups were represented not only by their own representatives but also by their attorneys, before both the subcommittee and the full committee. So it does have the full approval of the Indians in every respect.

Mr. METCALF. In other words, this provision for management specialists which takes away from the tribe the power ordinarily given it to dispose of property and determine what property is to be sold, and so forth, is made with the full consent and approval of representatives of the tribe.

Mr. BERRY. That is right.

Mr. METCALF. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the purpose of this act is to provide for the termination of Federal supervision over the trust and restricted property of the Klamath Tribe of Indians consisting of the Klamath and Modoc Tribes and the Yahooskin Band of Snake Indians, and of the individual members thereof, for the disposition of federally owned property acquired or withdrawn for the administration of the affairs of said Indians, and for a termination of Federal services furnished such Indians because of their status as Indians.

SEC. 2. For the purposes of this act:

(a) "Tribe" means the Klamath Tribe of Indians consisting of the Klamath and Modoc Tribes and Yahooskin Band of Snake Indians.

(b) "Secretary" means the Secretary of the Interior.

(c) "Lands" means real property, interests therein, or improvements thereon, and include water rights.

(d) "Tribal property" means any real or personal property, including water rights, or any interest in real or personal property, that belongs to the tribe and either is held by the United States in trust for the tribe or is subject to a restriction against alienation imposed by the United States.

(e) "Adult" means a member of the tribe who has attained the age of 21 years.

SEC. 3. At midnight of the date of enactment of this act the roll of the tribe shall be closed and no child born thereafter shall be eligible for enrollment: *Provided*, That the tribe shall have a period of 6 months from the date of this act in which to prepare and submit to the Secretary a proposed roll of the members of the tribe living on the date of this act, which shall be published in the Federal Register. If the tribe fails to submit such roll within the time specified in this section, the Secretary shall prepare a proposed roll for the tribe, which shall be published in the Federal Register. Any person claiming membership rights in the tribe or an interest in its assets, or a representative of the Secretary on behalf of any such person, may, within 90 days from the date of publication of the proposed roll, file an appeal with the Secretary contesting the inclusion or omission of the name of any person on or from such roll. The Secretary shall review such appeals and his decisions thereon shall be final and conclusive. After disposition of all such appeals, the roll of the tribe shall be published in the Federal Register, and such roll shall be final for the purposes of this act.

SEC. 4. Upon publication in the Federal Register of the final roll as provided in section 3 of this act, the rights or beneficial interests in tribal property of each person whose name appears on the roll shall constitute personal property which may be inherited or bequeathed, but shall not otherwise be subject to alienation or encumbrance before the transfer of title to such tribal property as provided in section 7 of this act without the approval of the Secretary. Any contract made in violation of this section shall be null and void.

SEC. 5. (a) The tribe is authorized to select and retain the services of qualified management specialists, including tax consultants, for the purpose of studying reservation resources on the Klamath Reservation and making such reports or recommendations, including appraisals of Klamath tribal property, as may be desired by the tribe, and to make other studies and reports as may be deemed necessary and desirable by the tribe in connection with the termination of Federal supervision as provided for hereafter. Such reports should include, but not limited to, the feasibility of a continuation of the practice of sustained yield management of the Klamath Indian Forest, and shall be completed not later than 2 years from the date of enactment of this act. Such specialists are to be retained under contracts entered into between them and authorized representatives of the tribe, subject to approval of the Secretary. Such amounts of Klamath tribal funds as may be required for this purpose shall be made available by the Secretary.

(b) The tribe shall have a period not to exceed 3 years from the date of this act to prepare and submit to the Secretary a plan for future control of the tribal property when title is transferred as provided in section 7 of this act. The Secretary is authorized to provide such assistance as may be available and as may be requested by officials of the tribe in the formulation of such plan or plans, including necessary consultations

with representatives of Federal departments and agencies, officials of the State of Oregon and political subdivisions thereof, and members of the tribe.

SEC. 6. The Secretary is authorized and directed, as soon as practicable after the passage of this act, to pay from such funds as are deposited to the credit of the tribe in the Treasury of the United States $250 to each member of the tribe on the rolls of the tribe on the date of this act. Any other person whose application for enrollment on the rolls of the tribe is subsequently approved, pursuant to the terms of section 3 hereof, shall, after enrollment, be paid a like sum of $250: *Provided*, That such payments shall be made first from the capital reserve fund created by the act of August 28, 1937 (25 U. S. C., sec. 530).

SEC. 7. (a) Upon request of the tribe, approved by a majority of the adult members thereof voting in a referendum called by the Secretary, the Secretary is authorized to transfer within 4 years from the date of this act to a corporation or other legal entity organized by the tribe in a form satisfactory to the Secretary title to all or any part of the tribal property, real and personal, or to transfer to one or more trustees designated by the tribe and approved by the Secretary title to all or any part of such property to be held in trust for management or liquidation purposes under such terms and conditions as may be specified by the tribe and approved by the Secretary.

(b) Title to any tribal property that is not transferred in accordance with the provisions of subsection (a) of this section shall be transferred by the Secretary to one or more trustees designated by him for the liquidation and distribution of assets among the members of the tribe under such terms and conditions as the Secretary may prescribe: *Provided*, That the trust agreement shall provide for the termination of the trust not more than 3 years from the date of such transfer unless the term of the trust is extended by order of a judge of a court of record designated in the trust agreement: *Provided further*, That the trust agreement shall provide that at any time before the sale of tribal property by the trustees the tribe may notify the trustees that it elects to retain such property and to transfer title thereto to a corporation, other legal entity, or trustee in accordance with the provisions of subsection (a) of this section, and that the trustees shall transfer title to such property in accordance with the notice from the tribe if it is approved by the Secretary.

(c) The Secretary shall not approve any form of organization pursuant to subsection (a) of this section that provides for the transfer of stock or an undivided share in corporate assets as compensation for the services of agents or attorneys unless such transfer is based upon an appraisal of tribal assets that is satisfactory to the Secretary.

(d) When approving or disapproving the selection of trustees in accordance with the provisions of subsection (a) of this section, and when designating trustees pursuant to subsection (b) of this section, the Secretary shall give due regard to the laws of the State of Oregon that relate to the selection of trustees, and shall require such trustees to provide a performance bond.

(e) Notwithstanding any other provision of this section, the Secretary is directed to reserve subsurface rights in tribal property, from any sale or division of such property, and to require any corporation trustee or trustees to whom title to tribal property is transferred to retain title to the subsurface rights in such property for not less than 10 years.

SEC. 8. (a) The Secretary is authorized and directed to transfer within 4 years from the date of this act to each member of the tribe unrestricted control of funds or other personal property held in trust for such member by the United States.

(b) All restrictions on the sale or encumbrance of trust or restricted land owned by members of the tribe (including allottees, heirs, and devisees, either adult or minor) are hereby removed 4 years after the date of this act, and the patents or deeds under which titles are then held shall pass the titles in fee simple, subject to any valid encumbrances: *Provided*, That the provisions of this subsection shall not apply to subsurface rights in such lands, and the Secretary is directed to transfer such subsurface rights to one or more trustees designated by him for management for a period not less than 10 years. The titles to all interests in trust or restricted land acquired by members of the tribe by devise or inheritance 4 years or more after the date of act shall vest in such members in fee simple, subject to any valid encumbrance.

(c) Prior to the time provided in subsection (b) of this section for the removal of restrictions on land owned by more than one member of a tribe, the Secretary may—

(1) upon request of any of the owners, petition the land and issue to each owner a patent or deed for his individual share that shall become unrestricted 4 years from the date of this act;

(2) upon request of any of the owners, and a finding by the Secretary that partition of all or any part of the land is not practicable, cause all or any part of the land to be sold at not less than the appraised value thereof and distribute the proceeds of sale to the owners: *Provided*, That any one or more of the owners may elect before a sale to purchase the other interests in the land at not less than the appraised value thereof, and the purchaser shall receive an unrestricted patent or deed to the land; and

(3) if the whereabouts of none of the owners can be ascertained, cause such lands to be sold and deposit the proceeds of sale in the Treasury of the United States for safekeeping.

(d) The Secretary is hereby authorized to approve—

(1) the exchange of trust or restricted land between the tribe and any of its members;

(2) the sale by the tribe of tribal property to individual members of the tribe; and

(3) the exchange of tribal property for real property in fee status. Title to all real property included in any sale or exchange as provided in this subsection shall be conveyed in fee simple.

SEC. 9. (a) The act of June 25, 1910 (36 Stat. 855), the act of February 14, 1913 (37 Stat. 678), and other acts amendatory thereto shall not apply to the probate of the trust and restricted property of the members of the tribe who die 6 months or more after the date of this act.

(b) The laws of the several States, Territories, possessions, and the District of Columbia with respect to the probate of wills, the determination of heirs, and the administration of decedents' estates shall apply to the individual property of members of the tribe who die 6 months or more after the date of this act.

(c) Section 5 of the act of June 1, 1938 (52 Stat. 605), is hereby repealed.

SEC. 10. The Secretary is authorized, in his discretion, to transfer to the tribe or any member or group of members thereof any federally owned property acquired, withdrawn, or used for the administration of the affairs of the tribe which he deems necessary for Indian use, or to transfer to a public or nonprofit body any such property which he deems necessary for public use and from which members of the tribe will derive benefit.

SEC. 11. No property distributed under the provisions of this act shall at the time of distribution be subject to Federal or State income tax. Following any distribution of property made under the provisions of this act, such property and any income derived therefrom by the individual, corporation, or other legal entity shall be subject to the same taxes, State and Federal, as in the case of non-Indians: *Provided*, That, for the purpose of capital gains or losses the base value of the property shall be the value of the property when distributed to the individual, corporation, or other legal entity.

SEC. 12. Sections 2, 3, 4, 5, and 6 of the act of August 28, 1937 (50 Stat. 872, 873), and section 2 (a) of the act of August 7, 1939 (53 Stat. 1253), are repealed effective on the date of this act. All loans made from the reimbursable loan fund established by section 2 of the act of August 28, 1937 (50 Stat. 872), and all other loans made from Klamath tribal funds, including loans of livestock made by the tribes repayable in kind, are hereby transferred to the tribe for collection in accordance with the terms thereof.

SEC. 13. (a) That part of section 5 of the act of August 13, 1914 (38 Stat. 687; 43 U. S. C. 499), which relates to the transfer of the care, operation, and maintenance of reclamation works to water users associations or irrigation districts shall be applicable to the irrigation works on the Klamath Reservation.

(b) Effective on the first day of the calendar year beginning after the date of the proclamation provided for in section 18 of this act, the deferment of the assessment and collection of construction costs provided for in the first proviso of the act of July 1, 1932 (47 Stat. 564; 25 U. S. C. 386a), shall terminate with respect to any lands within irrigation projects on the Klamath Reservation. The Secretary shall cause the first lien against such lands created by the act of March 7, 1928 (45 Stat. 200, 210), to be filed of record in the appropriate county office.

(c) There is hereby authorized to be appropriated out of any funds in the Treasury not otherwise appropriated the sum of $89,212 for payment to the Klamath Tribe with interest at 4 percent annually as reimbursement for tribal funds used for irrigation construction operation and maintenance benefiting nontribal lands on the Klamath Reservation, such interest being computed from the dates of disbursement of such funds from the United States Treasury.

(d) The Secretary is authorized to adjust, eliminate, or cancel all or any part of reimbursable irrigation operation and maintenance costs and reimbursable irrigation construction costs chargeable against Indian owned lands that are subject to the provisions of this act, and all or any part of assessments heretofore or hereafter imposed on account of such costs, when he determines that the collection thereof would be inequitable or would result in undue hardship on the Indian owner of the land, or that the administrative costs of collection would probably equal or exceed the amount collected.

(e) Nothing contained in any other section of this act shall affect in any way the laws applicable to irrigation projects on the Klamath Reservation.

SEC. 14. (a) Nothing in this act shall abrogate any water rights of the tribe and its members, and the laws of the State of Oregon with respect to the abandonment of water rights by nonuse shall not apply to the tribe and its members until 10 years after the date of the proclamation issued pursuant to section 18 of this act.

(b) Nothing in this act shall abrogate any fishing rights or privileges of the tribe or the members thereof enjoyed under Federal treaty.

SEC. 15. Prior to the transfer of title to, or the removal of restrictions from, property in accordance with the provisions of this act, the Secretary shall protect the rights of members of the tribe who are minors, non compos mentis, or in the opinion of the Secretary in need of assistance in con-

ducting their affairs, by causing the appointment of guardians for such members in courts of competent jurisdiction, or by such other means as he may deem adequate.

SEC. 16. Pending the completion of the property dispositions provided for in this act, the funds now on deposit, or hereafter deposited, in the United States Treasury to the credit of the tribe shall be available for advance to the tribe, or for expenditure, for such purposes as may be designated by the governing body of the tribe and approved by the Secretary.

SEC. 17. The Secretary shall have authority to execute such patents, deeds, assignments, releases, certificates, contracts, and other instruments as may be necessary or appropriate to carry out the provisions of this act, or to establish a marketable and recordable title to any property disposed of pursuant to this act.

SEC. 18. (a) Upon removal of Federal restrictions on the property of the tribe and individual members thereof, the Secretary shall publish in the Federal Register a proclamation declaring that the Federal trust relationship to the affairs of the tribe and its members has terminated. Thereafter individual members of the tribe shall not be entitled to any of the services performed by the United States for Indians because of their status as Indians and, except as otherwise provided in this act, all statutes of the United States which affect Indians because of their status as Indians shall no longer be applicable to the members of the tribe, and the laws of the several States shall apply to the tribe and its members in the same manner as they apply to other citizens or persons within their jurisdiction.

(b) Nothing in this act shall affect the status of the members of the tribe as citizens of the United States.

SEC. 19. Effective on the date of the proclamation provided for in section 18 of the act, all powers of the Secretary or other officer of the United States to take, review, or approve any action under the constitution and bylaws of the tribe are hereby terminated. Any powers conferred upon the tribe by such constitution which are inconsistent with the provisions of this act are hereby terminated. Such termination shall not affect the power of the tribe to take any action under its constitution and bylaws that is consistent with this act without the participation of the Secretary or other officer of the United States.

SEC. 20. The Secretary is authorized to set off against any indebtedness payable to the tribe or to the United States by an individual member of the tribe or payable to the United States by the tribe, any funds payable to such individual or tribe, under this act and to deposit the amounts set off to the credit of the tribe or the United States as the case may be.

SEC. 21. Nothing in this act shall affect any claim heretofore filed against the United States by the tribe.

SEC. 22. Nothing in this act shall abrogate any valid lease, permit, license, right-of-way, lien, or other contract heretofore approved. Whenever any such instrument places in or reserves to the Secretary any powers, duties, or other functions with respect to the property subject thereto, the Secretary may transfer such functions, in whole or in part, to any Federal agency with the consent of such agency and may transfer such functions, in whole or in part to a State agency with the consent of such agency and the other party or parties to such instrument.

SEC. 23. The Secretary is authorized to issue rules or regulations necessary to effectuate the purposes of this act, and may in his discretion provide for tribal referenda on matters pertaining to management or disposition of tribal assets.

SEC. 24. All acts or parts of acts inconsistent with this act are hereby repealed insofar as they affect the tribe or its members. Effective on the first day of the fiscal year beginning after the date of the proclamation provided for in section 18 of this act, section 2 of the act of August 19, 1949 (63 Stat. 621, ch. 468) shall become inapplicable to the unrecouped balance of funds expended in cooperation with the school board of Klamath County, Oreg., pursuant to said act.

SEC. 25. If any provision of this act, or the application thereof to any person or circumstance, is held invalid, the remainder of the act and the application of such provision to other persons or circumstances shall not be affected thereby.

SEC. 26. Prior to the issuance of a proclamation in accordance with the provisions of section 18 of this act, the Secretary is authorized to undertake, within the limits of available appropriations, a special program of education and training designed to help the members of the tribe to earn a livelihood, to conduct their own affairs, and to assume their responsibilities as citizens without special services because of their status as Indians. Such program may include language training, orientation in non-Indian community customs and living standards, vocational training and related subjects, transportation to the place of training or instruction, and subsistence during the course of training or instruction. For the purposes of such program the Secretary is authorized to enter into contracts or agreements with any Federal, State, or local governmental agency, corporation, association, or person. Nothing in this section shall preclude any Federal agency from undertaking any other program for the education and training of Indians with funds appropriated to it.

With the following committee amendments:

Amendment 1: on page 3, beginning on line 23, strike all of section 5 and insert the following new language:

"SEC. 5. (a) The Secretary is authorized and directed to select and retain by contract, at the earliest practicable time after the enactment of this act and after consultation with the tribe at a general meeting called for that purpose, the services of qualified management specialists who shall—

"(1) cause an appraisal to be made, within not more than 12 months after their employment, or as soon thereafter as practicable, of all tribal property showing its fair market value by practicable logging or other appropriate economic units;

"(2) give each adult member of the tribe, immediately after the appraisal of the tribal property, an opportunity to elect for himself, and, in the case of a head of a family, for the members of the family who are minors, to withdraw from the tribe and have his interest in tribal property converted into money and paid to him, or to remain in the tribe and participate in the tribal management plan to be prepared pursuant to paragraph (5) of this subsection;

"(3) determine and select the portion of the tribal property which if sold at the appraised value would provide sufficient funds to pay the members who elect to have their interests converted into money, arrange for the sale of such property, and distribute the proceeds of sale among the members entitled thereto: *Provided*, That whenever funds have accumulated in the amount of $200,000 or more, such funds shall be distributed pro rata to the members who elected to take distribution of their individual shares, and thereafter similar pro rata distribution shall be made whenever funds have accumulated in the amount of $200,000 or more until all of the property set aside for sale shall have been sold and the proceeds distributed: *Provided further*, That any such member shall have the right to purchase any part of such property for not less than the highest offer received by competitive bid, and to apply toward the purchase price all or any part of the sum due him from the conversion of his interest in tribal property: *Provided further*, That when determining and selecting the portion of the tribal property to be sold, due consideration shall be given to the use of such property for grazing purposes by the members of both groups of the tribe;

"(4) cause such studies and reports to be made as may be deemed necessary or desirable by the tribe or by the Secretary in connection with the termination of Federal supervision as provided for in this act; and

"(5) cause a plan to be prepared in form and content satisfactory to the tribe and to the Secretary for the management of tribal property through a trustee, corporation, or other legal entity.

"(b) Such amounts of Klamath tribal funds as may be required for the purposes of this section shall be available for expenditure by the Secretary: *Provided*, That the expenses incident to the sale of property and the distribution of proceeds of sale pursuant to paragraph (3) of this subsection shall be charged exclusively to the interests of the members who withdraw from the tribe, and the expenses incurred under paragraphs (4) and (5) of this subsection shall be charged exclusively to the interests of the members who remain in the tribe, and all other expenses under this section shall be charged to the interests of both groups of members."

Amendment 2: On page 5, preceding line 1, insert the following new language:

"SEC. 6. (a) The Secretary is authorized and directed to execute any conveyancing instrument that is necessary or appropriate to convey title to tribal property to be sold in accordance with the provisions of paragraph (3) of subsection (a) of section 5 of this act, and to transfer title to all other tribal property to a trustee, corporation, or other legal entity in accordance with the plan prepared pursuant to paragraph (5) of subsection (a) of section 5 of this act.

"(b) It is the intention of the Congress that all of the actions required by sections 5 and 6 of this act shall be completed at the earliest practicable time and in no event later than 4 years from the date of this act.

"(c) Members of the tribe who receive the money value of their interests in tribal property shall thereupon cease to be members of the tribe: *Provided*, That nothing shall prevent them from sharing in the proceeds of tribal claims against the United States."

Amendment 3: On page 5, line 1, strike the words "SEC. 6." and insert in lieu thereof "SEC. 7."

Amendment 4: Strike all of section 7 beginning on page 5, line 12, and strike everything through page 7, line 11.

Amendment 5: On page 8, line 4, at the end of the line, following the word "of" add the word "this."

Amendment 6: On page 10, beginning on line 20, strike all of section 12 and add the following new language:

"SEC. 12. Sections 2, 3, 4, 5, and 6 of the act of August 28, 1937 (50 Stat. 872, 873), and section 2 (a) of the act of August 7, 1939 (53 Stat. 1253), are repealed effective on the date of the transfer of title to tribal property to a trustee, corporation, or other legal entity pursuant to section 6 of this act. All loans made from the reimbursable loan fund established by section 2 of the act of August 28, 1937 (50 Stat. 872), and all other loans made from Klamath tribal funds, including loans of livestock made by the tribe repayable in kind, shall be transferred to the tribe for collection in accordance with the terms thereof."

Amendment 7: On page 12, line 21, strike the word "ten" and insert in lieu thereof the word "fifteen."

Amendment 8: On page 15, line 3, strike the comma between the words "tribe" and "under."

Amendment 9: On page 15, line 6, strike all of section 21 and insert the following new language:

"SEC. 21. Nothing contained in this act shall deprive the tribe or its constituent parts of any right, privilege, or benefit granted by the act of August 13, 1946 (60 Stat. 1049)."

The committee amendments were agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CONVEYANCE OF LAND TO THE STATE OF CALIFORNIA FOR AN INSPECTION STATION

The Clerk called the bill (S. 3239) to authorize conveyance of land to the State of California for an inspection station.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior be, and he is hereby, authorized to sell at not less than the appraised value thereof to the State of California, and to convey by appropriate instrument, the following-described land;

Beginning at a three-fourths inch iron pipe on the westerly right-of-way line of California State Highway No. 395, said point of beginning more particularly described as being north forty-six degrees forty-six minutes fifty-three seconds east, four thousand two hundred ten and twenty-eight one-hundredths feet from the corner common to sections 32 and 33, township 43 north, range 13 east, and sections 4 and 5, township 42 north, range 13 east, Mount Diablo base and meridian, and north fifty-five degrees forty-two minutes west, fifty feet from station 214 on the center line of California State Highway No. 395, as shown on the accompanying map of the above-mentioned highway; thence, from said point of beginning north fifty-five degrees forty-two minutes west, one hundred thirty and fifteen one-hundredths feet to a three-fourths inch iron pipe on the easterly right-of-way line of the Southern Pacific Railroad; thence, north forty degrees four minutes east, along said right-of-way line seven hundred three and fifty-six one-hundredths feet to a three-fourths inch iron pipe; thence, south fifty-five degrees forty-two minutes east, fifty-nine and forty-eight one-hundredths feet to a three-fourths inch iron pipe in the westerly right-of-way line of California State Highway No. 395; thence south thirty-four degrees eighteen minutes west, seven hundred feet to the point of beginning.

SEC. 2. The proceeds of the sale of the land shall be deposited in the Treasury of the United States to the credit of the Pitt River Indians under the act of May 17, 1926 (44 Stat. 560).

With the following committee amendment:

Page 2, line 6, strike out the comma and the following: "as shown on the accompanying map of the above-mentioned highway."

The committee amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

TERMINATION OF FEDERAL SUPERVISION OVER THE PROPERTY OF THE ALABAMA AND COUSHATTA TRIBES OF INDIANS (TEXAS)

The Clerk called the bill (S. 2744) to provide for the termination of Federal supervision over the property of the Alabama and Coushatta Tribes of Indians of Texas, and the individual members thereof, and for other purposes.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. METCALF. Mr. Speaker, reserving that right to object, I wish to ask the committee if in this case there have been consultations and consent of the Indian tribes involved?

Mr. BERRY. There has been consultation and consent, and the State Legislature of the State of Texas passed a law to permit the passage of this sort of legislation so that the State, the Indians, and the local county organizations have all agreed.

Mr. METCALF. I thank the gentleman. I want to compliment the committee for providing what I believe is the proper kind of legislation in treating with this property and the bill having some recognition of the needs of the Indians.

Mr. BERRY. The gentleman will find on pages 8 and 9 of the report the resolution by the various organizations to carry out the effect of this bill.

Mr. METCALF. I thank the gentleman.

Mr. DOWDY. Mr. Speaker, I wonder if this bill might be placed at the end of the calendar? There are a few words I am interested in trying to work out. I ask unanimous consent that this bill be placed at the foot of the calendar.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

TERMINATION OF FEDERAL SUPERVISION OF THE PROPERTY OF CERTAIN TRIBES AND BANDS OF INDIANS LOCATED IN WESTERN OREGON

The Clerk called the bill (S. 2746) to provide for the termination of Federal supervision over the property of certain tribes and bands of Indians located in western Oregon and the individual members thereof, and for other purposes.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. METCALF. Mr. Speaker, reserving the right to object, may I ask the same question if there has been consent and consultation with these tribes before this bill was reported out of the committee?

Mr. BERRY. Consent, consultation and request by the Indians has been given and made for this specific legislation. These Indian people have been very anxious for several years that this sort of legislation be passed.

Mr. McCORMACK. Mr. Speaker, reserving the right to object, my curiosity has been aroused from the questions that have been asked. There is a bill coming up under suspension later. I wonder if consultation and consent have been provided in that bill?

Mr. METCALF. For the information of the gentleman, the bill that is coming up later is a bill providing for extension work among Indians and transfer of that extension work from the Department of Interior to the Department of Agriculture. There has not been consent and consultation with a good many tribes of Indians in reference to that transfer. Many Indians, including Indians in the State of Montana, have objected to such a transfer. The point I am trying to make in this colloquy with the gentleman from South Dakota is that these bills that are being considered are passed because they have the consent and consultation has been worked out with the representatives of the Indian tribes.

Mr. BERRY. That is correct. The only reason these bills are on the Consent Calendar is because they do have the complete consent and cooperation of the Indian tribes.

Mr. McCORMACK. Why would that not be true in connection with the other bill that is coming up later, the bill that will come up under suspension of the rules later today?

Mr. METCALF. The other day in reference to the Utah termination bill I told the committee I would be constrained to object to any bill that did not have the consent of the Indian tribes involved and did not have full protection of their interests.

Mr. McCORMACK. If there is an amendment put in the bill that will come up under suspension that is protective, as you say, of the Indians' rights or the rights of the Indians, the gentleman would have no objection to the bill?

Mr. METCALF. If I could offer an amendment to that effect I would be completely satisfied.

Mr. McCORMACK. Why does not the gentleman confer with the gentlemen on the other side? They might agree to an amendment, and then the move to suspend the rules and pass the bill could be done with the amendment. It all comes up under suspension. I suggest that the gentleman confer with those interested and you may agree on an amendment.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the purpose of this act is to provide for the termination of Federal supervision over the trust and restricted property of certain tribes and bands of Indians located in western Oregon and the individual members thereof, for the disposition of federally owned property acquired or withdrawn for the administration of the affairs of such Indians, and for a termination of Federal services furnished such Indians because of their status as Indians.

SEC. 2. For the purposes of this act:

(a) "Tribe" means any of the tribes, bands, groups, or communities of Indians located west of the Cascade Mountains in Oregon, including the following: Confederated Tribes of the Grand Ronde Community, Confederated Tribes of Siletz Indians, Alsea, Applegate Creek, Calapooya, Chaftan, Chempho, Chetco, Chetlessington, Chinook, Clackamas, Clatskanie, Clatsop, Clowwewalla, Coos, Cow Creek, Euchees, Galic, Creek, Grave, Joshua, Karok, Kathlamet, Kusotony, Kwatami or Sixes, Lakmiut, Long Tom Creek, Lower Coquille, Lower Umpqua, Maddy, Mackanotin, Mary's River, Multnomah, Munsel Creek, Naltunnetunne, Nehalem, Nestucca, Northern Molalla, Port Orford, Pudding River, Rogue River, Salmon River, Santiam, Scoton, Shasta, Shasta Costa, Siletz, Siuslaw, Skiloot, Southern Molalla, Takelma,

Tillamook, Tolowa, Tualatin, Tutuni, Upper Coquille, Upper Umpqua, Willamette Tumwater, Yamhill, Yaquina, and Yoncalla;

(b) "Secretary" means the Secretary of the Interior.

(c) "Lands" means real property, interest therein, or improvements thereon, and includes water rights.

(d) "Tribal property" means any real or personal property, including water rights, or any interest in real or personal property, that belongs to the tribe and either is held by the United States in trust for the tribe or is subject to a restriction against alienation imposed by the United States.

SEC. 3. Within 90 days after the date of this act, the Secretary shall publish in the Federal Register (1) a list of those tribes for which membership rolls will be required for the purposes of this act, and (2) a list of those tribes for which no membership rolls will be required for the purposes of this act. Each tribe on each list shall have a period of 6 months from the date of publication of the notice in which to prepare and submit to the Secretary a proposed roll of the members of the tribe living on the date of this act, which shall be published in the Federal Register. In the absence of applicable law, or eligibility requirements in an approved constitution, bylaws, or membership ordinance, eligibility for enrollment shall be determined under such rules and regulations as the Secretary may prescribe. No person shall be enrolled on more than one tribal roll prepared pursuant to this act. If a tribe on list one fails to submit such roll within the time specified in this section, the Secretary shall prepare a proposed roll for the tribe, which shall be published in the Federal Register. Any person claiming membership rights in the tribe or an interest in its assets, or a representative of the Secretary on behalf of any such person, may, within 90 days from the date of publication of the proposed roll, file an appeal with the Secretary contesting the inclusion or omission of the name of any person on or from such roll. The Secretary shall review such appeals and his decisions thereon shall be final and conclusive. After disposition of all such appeals the roll of the tribe shall be published in the Federal Register and such roll shall be final for the purposes of this act.

SEC. 4. Upon publication in the Federal Register of the final roll as provided in section 3 of this act, the rights or beneficial interests in tribal property of each person whose name appears on the roll shall constitute personal property which may be inherited or bequeathed, but shall not otherwise be subject to alienation or encumbrance before the transfer of title to such tribal property as provided in section 5 of this act without the approval of the Secretary. Any contract made in violation of this section shall be null and void.

SEC. 5. (a) Upon request of a tribe, the Secretary is authorized within 2 years from the date of this act to transfer to a corporation or other legal entity organized by the tribe in a form satisfactory to the Secretary title to all or any part of the tribal property, real and personal, or to transfer to one or more trustees designated by the tribe and approved by the Secretary, title to all or any part of such property to be held in trust for management or liquidation purposes under such terms and conditions as may be specified by the tribe and approved by the Secretary, or to sell all or any part of such property and make a pro rata distribution of the proceeds of sale among the members of the tribe after deducting, in his discretion, reasonable costs of sale and distribution.

(b) Title to any tribal property that is not transferred in accordance with the provisions of subsection (a) of this section shall be transferred by the Secretary to one or more trustees designated by him for the liquidation and distribution of assets among the members of the tribe under such terms and conditions as the Secretary may prescribe: *Provided*, That the trust agreement shall provide for the termination of the trust not more than 3 years from the date of such transfer unless the term of the trust is extended by order of a judge of a court of record designated in the trust agreement; *Provided further*, That the trust agreement shall provide that at any time before the sale of tribal property by the trustees the tribe may notify the trustees that it elects to retain such property and to transfer title thereto to a corporation, other legal entity, or trustee in accordance with the provisions of subsection (a) of this section, and that the trustees shall transfer title to such property in accordance with the notice from the tribe if it is approved by the Secretary.

(c) The Secretary shall not approve any form of organization pursuant to subsection (a) of this section that provides for the transfer of stock or an undivided share in corporate assets as compensation for the services of agents or attorneys unless such transfer is based upon an appraisal of tribal assets that is satisfactory to the Secretary.

(d) When approving or disapproving the selection of trustees in accordance with the provisions of subsection (a) of this section, and when designating trustees pursuant to subsection (b) of this section, the Secretary shall give due regard to the laws of the State of Oregon that relate to the selection of trustees.

SEC. 6. (a) The Secretary is authorized and directed to transfer within 2 years after the date of this act to each member of each tribe unrestricted control of funds or other personal property held in trust for such member by the United States.

(b) All restrictions on the sale or encumbrance of trust or restricted land owned by members of the tribes (including allottees, purchasers, heirs, and devisees, either adult or minor) are hereby removed 2 years after the date of this act and the patents or deeds under which titles are then held shall pass the titles in fee simple, subject to any valid encumbrance. The titles to all interests in trust or restricted land acquired by members of the tribes by devise or inheritance 2 years or more after the date of this act shall vest in such members in fee simple, subject to any valid encumbrance.

(c) Prior to the time provided in subsection (d) of this section for the removal of restrictions on land owned by more than one member of a tribe, the Secretary may—

(1) upon request of any of the owners, partition the land and issue to each owner a patent or deed for his individual share that shall become unrestricted 2 years from the date of this act;

(2) upon request of any of the owners and a finding by the Secretary that partition of all or any part of the land is not practicable, cause all or any part of the land to be sold at not less than the appraised value thereof and distribute the proceeds of sale to the owners: *Provided*, That any one or more of the owners may elect before a sale to purchase the other interests in the land at not less than the appraised value thereof, and the purchaser shall receive an unrestricted patent or deed to the land; and

(3) if the whereabouts of none of the owners can be ascertained, cause such lands to be sold and deposit the proceeds of sale in the Treasury of the United States for safekeeping.

SEC. 7. (a) The act of June 25, 1910 (36 Stat. 855), the act of February 14, 1913 (37 Stat. 678), and other acts amendatory thereto shall not apply to the probate of the trust and restricted property of the members of the tribes who die 6 months or more after the date of this act.

(b) The laws of the several States, Territories, possessions, and the District of Columbia with respect to the probate of wills, the determination of heirs, and the administration of decedents' estates shall apply to the individual property of members of the tribes who die 6 months or more after the date of this act.

SEC. 8. The Secretary is authorized, in his discretion, to transfer to any tribe or any member or group of members thereof any federally owned property acquired, withdrawn, or used for the administration of the affairs of the tribes subject to this act which he deems necessary for Indian use, or to transfer to a public or nonprofit body any such property which he deems necessary for public use and from which members of the tribes will derive benefits.

SEC. 9. No property distributed under the provisions of this act shall at the time of distribution be subject to Federal or State income tax. Following any distribution of property made under the provisions of this act, such property and any income derived therefrom by the individual, corporation, or other legal entity shall be subject to the same taxes, State and Federal, as in the case of non-Indians: *Provided*, That for the purpose of capital gains or losses the base value of the property shall be the value of the property when distributed to the individual, corporation, or other legal entity.

SEC. 10. Prior to the transfer of title to, or the removal of restrictions from, property in accordance with the provisions of this act, the Secretary shall protect the rights of members of the tribes who are minors, non compos mentis, or in the opinion of the Secretary in need of assistance in conducting their affairs by causing the appointment of guardians for such members in courts of competent jurisdiction, or by such other means as he may deem adequate.

SEC. 11. Pending the completion of the property dispositions provided for in this act, the funds now on deposit, or hereafter deposited in the Treasury of the United States to the credit of a tribe shall be available for advance to the tribe, or for expenditure, for such purposes as may be designated by the governing body of the tribe and approved by the Secretary.

SEC. 12. The Secretary shall have authority to execute such patents, deeds, assignments, releases, certificates, contracts, and other instruments as may be necessary or appropriate to carry out the provisions of this act, or to establish a marketable and recordable title to any property disposed of pursuant to this act.

SEC. 13. (a) Upon removal of Federal restrictions on the property of each tribe and individual members thereof, the Secretary shall publish in the Federal Register a proclamation declaring that the Federal trust relationship to the affairs of the tribe and its members has terminated. Thereafter individual members of the tribe shall not be entitled to any of the services performed by the United States for Indians because of their status as Indians, all statutes of the United States which affect Indians because of their status as Indians, excluding statutes that specifically refer to the tribe and its members, shall no longer be applicable to the members of the tribe, and the laws of the several States shall apply to the tribe and its members in the same manner as they apply to other citizens or persons within their jurisdiction.

(b) Nothing in this act shall affect the status of the members of a tribe as citizens of the United States, or shall affect their rights, privileges, immunities, and obligations as such citizens.

(c) Prior to the issuance of a proclamation in accordance with the provisions of this section, the Secretary is authorized to undertake, within the limits of available appropriations, a special program of education and training designed to help the members of the tribe to earn a livelihood, to conduct their own affairs, and to assume their responsibilities as citizens without special

services because of their status as Indians. Such program may include language training, orientation in non-Indian community customs and living standards, vocational training and related subjects, transportation to the place of training or instruction, and subsistence during the course of training or instruction. For the purposes of such program the Secretary is authorized to enter into contracts or agreements with any Federal, State, or local governmental agency, corporation, association, or person. Nothing in this section shall preclude any Federal agency from undertaking any other program for the education and training of Indians with funds appropriated to it.

SEC. 14. (a) Effective on the date of the proclamation provided for in section 13 of this act, the corporate charter of the Confederated Tribes of the Grand Ronde Community, Oreg., issued pursuant to the act of June 18, 1934 (48 Stat. 984), as amended, and ratified by the Community on August 22, 1936, is hereby revoked.

(b) Effective on the date of the proclamation provided for in section 13 of this act, all powers of the Secretary or other officer of the United States to take, review, or approve any action under the constitution and bylaws of the tribe are hereby terminated. Any powers conferred upon the tribe by such constitution which are inconsistent with the provisions of the act are hereby terminated. Such termination shall not affect the power of the tribe to take any action under its constitution and bylaws that is consistent with this act without the participation of the Secretary or other officer of the United States.

SEC. 15. The Secretary is authorized to set off against any indebtedness payable to the tribe or to the United States by an individual member of the tribe, or payable to the United States by the tribe any funds payable to such individual or tribe under this act and to deposit the amount set off to the credit of the tribe or to the United States as the case may be.

SEC. 16. Nothing in this act shall affect any claim heretofore filed against the United States by any tribe.

SEC. 17. Nothing in this act shall abrogate any valid lease, permit, license, right-of-way, lien, or other contract heretofore approved. Whenever any such instrument places in or reserves to the Secretary any powers, duties, or other functions with respect to the property subject thereto, the Secretary may transfer such functions, in whole or in part, to any Federal agency with the consent of such agency.

SEC. 18. The Secretary is authorized to issue rules and regulations necessary to effectuate the purposes of this act, and may in his discretion provide for tribal referenda on matters pertaining to management or disposition of tribal assets.

SEC. 19. All acts or parts of acts inconsistent with this act are hereby repealed insofar as they affect a tribe or its members. The act of June 18, 1934 (48 Stat. 948), as amended by the act of June 15, 1935 (49 Stat. 378), shall not apply to a tribe and its members after the date of the proclamation provided for in section 13 of this act.

SEC. 20. If any provision of this act, or the application thereof to any person or circumstance, is held invalid, the remainder of the act and the application of such provision to other persons or circumstances shall not be affected thereby.

With the following committee amendment:

Page 10, strike out all of subsection 13 (b), lines 15 to 18 inclusive, and insert in lieu thereof the words:

"(b) Nothing in this act shall affect the status of the members of a tribe as citizens of the United States."

The committee amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

UTE INDIAN TRIBE OF THE UINTAH AND OURAY RESERVATION

The Clerk called the bill (S. 3532) to provide for the partition and distribution of the assets of the Ute Indian Tribe of the Uintah and Ouray Reservation in Utah between the mixed-blood and full-blood members thereof; and for the termination of Federal supervision over the property of the mixed-blood members of said tribe; to provide a development program for the full-blood members of said tribe; and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the purpose of this act is to provide for the partition and distribution of the assets of the Ute Indian Tribe of the Utah and Ouray Reservation in Utah between the mixed-blood and full-blood members thereof; for the termination of Federal supervision over the trust, and restricted property, of the mixed-blood members of said tribe; and for a development program for the full-blood members thereof, to assist them in preparing for termination of Federal supervision over their property.

SEC. 2. For the purposes of this act—

(a) "Tribe" means the Ute Indian Tribe of the Uintah and Ouray Reservation, Utah.

(b) "Full-blood" means a member of the tribe who possesses more than one-half degree of Ute Indian blood, excepting those who become mixed-bloods by choice under the provisions of section 4 hereof.

(c) "Mixed-blood" means a member of the tribe who possesses one-half degree or less of Ute Indian blood, and those who become mixed-bloods by choice under the provisions of section 4 hereof.

(d) "Secretary" means Secretary of the Interior.

(e) "Superintendent" means the Superintendent of the Uintah and Ouray Reservation, Utah.

(f) "Asset" means any property of the tribe, real, personal or mixed, whether held by the tribe or by the United States in trust for the tribe, or subject to a restriction against alienation imposed by the United States.

(g) "Adult" means a member of the tribe who has attained the age of 21 years.

SEC. 3. For the purposes of this act Ute Indian blood shall be determined in accordance with the constitution and bylaws of the tribe and all tribal ordinances in force and effect on the effective date of this act.

SEC. 4. Any member of the tribe whose name appears on the proposed roll of full-blood members as provided in section 8 hereof and any person whose name is added to such proposed roll as the result of an appeal to the Secretary may apply to the Superintendent to become identified with and a part of the mixed-blood group: *Provided*, That such application is made within 30 days subsequent to the publication of such proposed roll or in the event of an appeal within 30 days subsequent to notification of the decision on said appeal: *And provided further*, That before such transfer is made upon the official rolls the Secretary shall first certify that, in his opinion, such change in status is not detrimental to the best interest of the person seeking such change.

SEC. 5. Effective on the date of publication of the final rolls as provided in section 8 hereof the tribe shall thereafter consist exclusively of full-blood members. Mixed-blood members shall have no interest therein except as otherwise provided in this act.

SEC. 6. The mixed-blood members of the tribe, including those residing on and off the reservation, shall have the right to organize for their common welfare, and may adopt an appropriate constitution and bylaws which shall become effective when ratified by a majority vote of the adult mixed-blood members of the tribe at a special election authorized and called by the Secretary under such rules and regulations as he may prescribe. Such constitution may provide for the selection of authorized representatives who shall have power to take any action that is required by this act to be taken by the mixed-blood members as a group: *Provided*, That nothing herein contained shall be construed as requiring said mixed-blood Indians to so organize if such organization is by them deemed unnecessary. In the event no such approved organization is effected, any action taken by the adult mixed-blood members, by majority vote, whether in public meeting or by referendum, but in either event, after such notice as may be prescribed by the Secretary, shall be binding upon said mixed-blood members of the tribe for the purposes of this act.

SEC. 7. The mixed-blood members of the tribe as a group may employ legal counsel to accomplish the legal work required on behalf of said group under the terms of this act, and for any other purpose by them deemed necessary or desirable; the choice of counsel and fixing of fees to be subject to the approval of the Secretary until Federal supervision over all of the members of said group and their property is terminated in the manner provided in section 16 of this act.

SEC. 8. The tribe shall have a period of 30 days from the date of enactment of this act in which to prepare and submit to the Secretary a proposed roll of the full-blood members of the tribe, and a proposed roll of the mixed-blood members of the tribe, living on the date of enactment of this act. If the tribe fails to submit such proposed rolls within the time specified in this act, the Secretary shall prepare such proposed rolls for the tribe. Said proposed rolls shall be published in the Federal Register, and in a newspaper of general circulation in each of the counties of Uintah and Duchesne in the State of Utah. Any person claiming membership rights in the tribe, or an interest in its assets, or a representative of the Secretary on behalf of any such person, within 60 days from the date of publication in the Federal Register, or in either of the papers of general circulation, as hereinbefore provided, whichever publication date is last, may file an appeal with the Secretary contesting the inclusion or omission of the name of any person on or from either of such proposed rolls. The Secretary shall review such appeals and his decisions thereon shall be final and conclusive. After disposition of all such appeals to the Secretary, and after all transfers have been made pursuant to section 4 hereof the roll of the full-blood members of the tribe, and the roll of the mixed-blood members of the tribe, shall be published in the Federal Register, and such rolls shall be final for the purposes of this act.

SEC. 9. The business committee of the tribe for and on behalf of the full-blood members of said tribe, and the duly authorized representatives for the mixed-blood members of said tribe, acting jointly, are hereby authorized, subject to the approval of the Secretary, to sell, exchange, dispose of, and convey to any purchaser deemed satisfactory to said committee and representatives, any or all of the lands of said tribe described as follows, to wit:

Description	Section	Acres
Township 1 North, Range 1 East:		
NW/4 SW/4	35	40.00
Township 1 North, Range 1 West:		
W/2 NE/4	20	80.00
SE/4 SW/4	21	40.00
NE/4 NW/4; N/2 SW/4	28	120.00
Total		240.00
Township 2 North, Range 1 West:		
E/2 SW/4 NE/4	35	20.00
Township 1 South, Range 1 West:		
NW/4 SE/4	6	40.00
Lot 3	7	40.51
S/2 NE/4; NE/4 SE/4; W/2 SW/4 NW/4; W/2 NW/4 SW/4	16	160.00
E/2 SE/4	17	80.00
E/2 NE/4	20	80.00
SE/4 SE/4	29	40.00
Lot 2	30	40.26
SW/4 NW/4; SW/4 SE/4	35	80.00
SW/4 NE/4	36	40.00
Total		600.77
Township 1 South, Range 2 West:		
NW/4 SW/4	12	40.00
S/2 NE/4; N/2 SE/4	14	160.00
Total		200.00
Township 1 South, Range 3 West:		
SW/4 SE/4	8	40.00
NW/4 NW/4	16	40.00
Total		80.00
Township 1 South, Range 8 West:		
W/2 SW/4	3	80.00
NE/4 SE/4	4	40.00
All	5	721.00
All	6	695.40
NE/4 NW/4	10	40.00
NE/4 SW/4	12	40.00
SW/4 NW/4	14	40.00
Total		1,656.40
Township 2 South, Range 1 West:		
S/2 SW/4; SE/4 SE/4	1	120.00
Lot 3; SE/4 NW/4	4	81.28
Lots 1 & 2; E/2 NW/4; W/2 NE/4	7	237.78
NW/4 NW/4	12	40.00
SE/4 NE/4	13	40.00
Total		519.06
Township 2 South, Range 1 East:		
Lot 2; SE/4 NW/4	18	79.71
Township 2 South, Range 2 West:		
S/2 S/2	2	160.00
N/2	12	320.00
Total		480.00
Township 2 South, Range 3 West:		
E/2 NE/4	17	80.00
NE/4 SW/4; S/2 SE/4	19	120.00
NW/4 SW/4	29	40.00
Lots 1 & 2; E/2 NW/4; NE/4	30	316.36
Lot 2; SE/4 NW/4	31	78.40
Total		634.76
Township 2 South Range 4 West:		
SW/4 SW/4	1	40.00
SE/4 SW/4; SW/4 SE/4	9	80.00
W/2 NE/4	16	80.00
NE/4	28	160.00
N/2 SE/4	32	80.00
Lots 3 & 4; N/2 SW/4	33	167.31
NE/4 SW/4; N/2 SE/4; Lots 1 & 2	36	200.46
Total		807.77
Township 2 South Range 5 West:		
NW/4	10	160.00
NE/4 NE/4	29	40.00
N/2 NE/4; SE/4 NE/4	33	120.00
W/2 NW/4; SE/4 NW/4; N/2 SW/4; SE/4 SW/4; S/2 SE/4	34	320.00
NW/4 SE/4	36	40.00
Total		680.00
Township 2 South Range 7 West:		
NE/4 SE/4; SW/4 SW/4	13	80.00
NE/4 NE/4; SW/4 NW/4; N/2 SW/4; SE/4 SW/4; W/2 SE/4; SE/4 SE/4	14	320.00
W/2 NE/4; SE/4 NE/4	15	120.00
N/2 NE/4	23	80.00
N/2 N/2; SE/4 NE/4	24	200.00
Total		800.00
Township 2 South Range 8 West:		
SE/4 SW/4	31	40.00

Description	Section	Acres
Township 3 South Range 1 East:		
Lot 2; SE/4 NW/4; S/2 NE/4	7	158.12
N/2 SW/4; SW/4 NE/4; NW/4 SE/4	16	160.00
Lots 1, 2 & 3; NE/4 SW/4	18	155.35
E/2 NE/4	30	80.00
Total		553.47
Township 3 South Range 2 East:		
Lot 8	6	35.49
SW/4 SW/4	25	40.00
SE/4 NW/4; E/2 SW/4	36	120.00
Total		195.49
Township 3 South Range 1 West:		
N/2 SE/4	3	80.00
Lots 1-8, Incl	22	331.46
Lots 1-4, Incl; S/2 N/2	23	338.28
Lots 1-4, Incl; S/2 N/2	24	341.20
W/2 SE/4	25	80.00
Total		1,170.94
Township 3 South Range 2 West:		
S/2 S/2	9	160.00
S/2 SE/4	7	80.00
SW/4 SW/4	8	40.00
W/2 SW/4	15	80.00
NE/4 SW/4; NW/4; SE/4	16	360.00
SW/4 SW/4	17	40.00
NE/4 NE/4	18	40.00
N/2 NE/4	21	80.00
N/2 NW/4	24	80.00
W/2 SW/4	33	80.00
Total		1,040.00
Township 3 South Range 3 West:		
S/2 NW/4; NE/4 SW/4; N/2 SE/4	2	200.00
NW/4 SE/4; N/2 SW/4	17	120.00
All (Lots 1-4, Incl., E/2 W/2; E/2)	19	633.87
SW/4 SW/4	20	40.00
E/2 SW/4	21	80.00
N/2 NW/4; S/2 NE/4; NE/4 SE/4	29	200.00
W/2 NE/4; NE/4 NW/4; Lot 1	30	158.66
Total		1,432.53
Township 3 South Range 4 West:		
SW/4 NW/4	11	40.00
S/2 SE/4; SE/4 SW/4; N/2 S/2	13	280.00
NE/4; NE/4; NW/4	24	200.00
SE/4 NE/4; W/2 NE/4; E/2 NW/4	26	200.00
E/2 NE/4	30	80.00
Total		800.00
Township 3 South Range 5 West:		
Lots 1 & 2; SE/4 NE/4	3	118.86
Lot 4; SW/4 NW/4; W/2 SW/4; SE/4 SW/4	2	199.58
S/2 NE/4; N/2 SE/4	5	160.00
NW/4; W/2 NE/4; SW/4; NW/4 SE/4	11	320.00
W/2 E/2	12	160.00
W/2 E/2	13	160.00
SW/4 NW/4; N/2 SW/4; SW/4 SW/4	21	160.00
E/2 NE/4	34	80.00
Total		1,358.44
Township 3 South Range 7 West:		
Lots 3 & 4	7	66.55
S/2	13	320.00
NW/4 SW/4	16	40.00
E/2 SE/4; SW/4 SE/4; W/2 NW/4	17	200.00
E/2 NE/4; Lots 1 & 2	18	147.16
Total		773.71
Township 3 South Range 8 West:		
E/2; NW/4; E/2 SW/4	35	560.00
S/2 S/2	1	160.00
SW/4	2	160.00
W/2 SE/4	3	80.00
Lot 3; SE/4 NW/4; NE/4 SW/4	6	120.04
SE/4	9	160.00
NE/4	10	160.00
S/2 NW/4	11	80.00
NW/4; SE/4	12	320.00
N/2 NE/4; SE/4 NE/4; SE/4; NE/4 NW/4	13	320.00
NE/4; S/2	14	480.00
S/2	15	320.00
W/2 NE/4; S/2 NW/4	27	160.00
Total		3,080.04
Township 3 South Range 9 West:		
SW/4 NW/4; NW/4 SW/4	27	80.00
Township 4 South Range 2 West:		
Lot 3; NE/4 SW/4; N/2 SE/4	7	159.70
E/2 NE/4; SW/4 NE/4	12	120.00
E/2 NW/4; SW/4 NW/4	16	120.00
SE/4 NE/4; NW/4; NW/4 SW/4; N/2 SE/4	17	320.00
Lot 1	18	39.91
SE/4; S/2 NE/4; S/2 SW/4	21	320.00
S/2	22	320.00
W/2 SW/4	23	80.00
Lot 4	26	6.89

Description	Section	Acres
Township 4 South, Range 2 West—Continued		
Lots 1–4, Incl.	27	26.59
Lots 1–4, Incl.	28	126.64
Lots 1–6, Incl.; NE/4; E/2 NW/4	30	475.16
Total		2,114.89
Township 4 South, Range 3 West:		
Lot 10	2	40.90
E/2 NE/4; NE/4 SE/4	13	120.00
Lots 1 & 2; N/2 SE/4; SW/4; N/2	25	622.29
All	26	640.00
Lots 1–6, Incl.; NW/4 NW/4	35	237.96
Lot 1	36	25.75
Total		1,686.90
Township 4 South, Range 4 West:		
S/2	25	320.00
Township 4 South, Range 8 West:		
N/2	29	320.00
Township 4 South, Range 9 West:		
S/2	9	320.00
All	10	640.00
All	11	640.00
S/2	12	320.00
N/2; N/2 S/2; SE/4 SE/4	13	520.00
N/2	14	320.00
N/2	15	320.00
N/2	16	320.00
Township 4 South, Range 9 West—Continued		
N/2	17	320.00
Lots 3 & 4; E/2 SW/4; SE/4	18	319.09
Lots 1 & 2; E/2 NW/4; NE/4	19	319.37
Total		4,358.46
Township 4 South Range 10 West:		
S/2	13	320.00
SE/4 NW/4; E/2 SW/4	17	120.00
NE/4 NW/4	20	40.00
Total		480.00
Township 5 South Range 7 West:		
S/2 SW/4	35	80.00
Township 5 South Range 9 West:		
SE/4 NW/4; S/2 NE/4	34	120.00
SW/4 NW/4	35	40.00
Total		160.00
Township 6 South Range 9 West:		
SW/4 SE/4	5	40.00
W/2 NE/4; NW/4 SE/4	8	120.00
Total		160.00
Grand total		27,043.34

All such sales, exchanges, or other dispositions shall be made upon such terms as said committee and said authorized representatives shall deem satisfactory and may be made pursuant to bids or at private sale, and all funds or other property derived from such sales, exchanges, or other dispositions shall be subject to the terms of this act. Consent by the tribal business committee and said authorized representatives to the sale, exchange, or other disposal of the lands herein described shall relieve the United States of any liability resulting from such sale, exchange, or other disposition. The tribal business committee and said authorized representatives are further authorized to sell or dispose of tribal assigned lands to the assignees thereof under such terms and conditions as may be agreed upon by the said tribal business committee and said authorized representatives with the assignees, subject, however, to the approval of the Secretary.

SEC. 10. The tribal business committee representing the full-blood group, and the authorized representatives of the mixed-blood group, within 60 days after the publication of the final membership roll, as provided in section 8 hereof, shall commence a division of the assets of the tribe that are then susceptible to equitable and practicable distribution. Such division shall be by agreement between them subject to the approval of the Secretary. Said division shall be based upon the relative number of persons comprising the final membership roll of each group. After such division the rights or beneficial interests in tribal property of each mixed-blood person whose name appears on the roll shall constitute an undivided interest in and to such property which may be inherited or bequeathed, but shall be subject to alienation or encumbrance before the transfer of title to such tribal property only as provided herein. Any contract made in violation of this section shall be null and void. If said groups are unable to agree upon said division within a period of 12 months from the date of such commencement, or any authorized extension of said period granted within the discretion of the Secretary, the Secretary is authorized to partition the assets of the tribe in such manner as in his opinion will be equitable and fair to both groups. Such partition shall give rise to no cause of action against the United States and the costs of such partition shall be paid by the tribe. The Secretary is authorized to provide such reasonable assistance as may be requested by both groups, or by either group, in formulation and execution of a plan for the division of said assets, including necessary technical services of Government employees at Fort Duchesne, Utah, and arranging for necessary consultations with representatives of Federal departments and agencies, officials of the State of Utah, and political subdivisions thereof, and members of the tribe. All unadjudicated or unliquidated claims against the United States, all gas, oil, and mineral rights of every kind, and all other assets not susceptible to equitable and practicable distribution shall be managed jointly by the Tribal Business Committee and the authorized representatives of the mixed-blood group, subject to such supervision by the Secretary as is otherwise required by law, and the net proceeds therefrom after deducting the costs chargeable to such management shall first be divided between the full-blood and mixed-blood groups in direct proportion to the number of persons comprising the final membership roll of each group and without regard to the number of persons comprising each group at the time of the division of such proceeds.

SEC. 11. Notwithstanding any other provision of existing law, the tribal funds now on deposit or hereafter deposited in the United States Treasury to the credit of the tribe or either group thereof, shall be available for advance to the tribe or the respective groups, or for expenditure, for such purposes, including per capita payments, as may be designated by the Tribal Business Committee for the full-blood members, and by the authorized agents of the mixed-blood members, and in either event subject to the approval of the Secretary: *Provided*, That the aggregate amount of the expenditures and advances authorized by this section for the mixed-blood group shall not exceed 50 percent of the total funds of said mixed-blood group after such division, until said mixed-blood group has adopted a plan approved by the Secretary for termination of Federal supervision of said mixed-blood group, as required under section 13 hereof. After such termination of Federal supervision, per capita payments to the mixed-blood group shall not be subject to approval of the Secretary.

SEC. 12. Fifty percent of all per capita payments to any individual mixed-blood member made pursuant to any divison or distribution hereunder shall have deducted therefrom any sum or sums of money owed by such member to the tribe, whether due or to become due, unless in the opinion of the Secretary said debts are not adequately secured in which event the entire per capita payment shall be subject to such offset. Any other division, partition, or distribution of property to any individual mixed-blood member made pursuant to this act shall be subject to a mortgage to be made in favor of the tribe securing the payment of all sums of money owed by him to the tribe on the date of such division, partition, or distribution to such individual mixed-blood member. The Secretary shall require the execution of any mortgage required hereunder as a condition to any such division, partition, or distribution.

SEC. 13. After the adoption of a plan for the division of the assets between the two groups, a plan for distribution of the assets of the mixed-blood group to the individual members thereof shall be prepared and ratified by a majority of said group, within the period of 6 months from such adoption and presented to the Secretary for approval. The Secretary is authorized to provide such reasonable assistance, including necessary technical service of Government employees at Fort Duchesne, Utah, and arranging for necessary consultations with representatives of Federal departments and agencies, officials of the State of Utah and political subdivisions thereof, as may be required by the mixed-blood group in the preparation of such plan.

The plan for division of the assets among the members of the mixed-blood group may include:

(1) Complete disposition of all cash assets of said group, reserving, however, sufficient funds to cover—

(i) the proportionate share of said mixed-blood group in and to all expenses incurred in effecting the purposes of this act, including, but not limited to, the necessary expense incurred under sections 13 and 14 of this act;

(ii) the just and proportionate share of the mixed-bloods in the expense incurred in the prosecution of the claims of the tribe, or the bands thereof, against the United States; and

(iii) the determinable and estimated administrative costs and expenses of any mixed-blood organization authorized by this act, including lawful and reasonable salaries and fees of authorized agents, officers, and employees of said mixed-blood group.

(2) Partition of the lands of the mixed-blood group, excepting all gas, oil, and mineral rights, to corporations, partnerships, or other legal entities, and to trustees, and the individual members of said groups, quality and quantity relatively considered, according to the respective rights and interests of the parties, located so as to embrace, as far as practicable, any improve-

ments lawfully made by the person or persons receiving such land. The value of the improvements made, under a valid lease or assignment from the tribe, shall be excluded from the valuation in making allotments to the lessee or assignee, and the land must be valued without regard to such improvements unless the lease or assignment, under which said improvements were made, provided that such improvements should become the property of the tribe. In the making of any partition due consideration shall be given to all of the rights and interests of the person or persons receiving the property, and all of the rights and interests of the other members of the tribe. Two or more of the members of said mixed-blood group may obtain their share of property as tenants in common, as joint tenants, or in any other lawful manner when such members agree among themselves as to the manner in which they desire to receive such title. When it appears that an equitable partition cannot be made among the members of said mixed-blood group without prejudice to the rights and interests of some of them, and yet a partition is directed by the group, the members of said group may voluntarily determine compensation to be made by one party to another on account of the inequity. In all cases where equity is agreed upon by the members of said mixed-blood group, such compensatory adjustment among the parties, according to the principles of equity, must be approved by the Secretary. In the event of a failure to agree upon an equitable compensatory adjustment among the parties the Secretary shall make such adjustment and his decision shall be final.

(3) Organization of corporations for the grazing of livestock, handling of water and water rights, and the shares therein may be issued to the members of said group in proportion to their interests in the assets of such corporations. When, in the opinion of said mixed-blood group, it is to the best interest of said group to transfer a portion of the assets of said group to a corporation or other legal entity for any purpose, the Secretary is authorized to make such transfer.

(4) A transfer of assets to one or more trustees designated by said group who shall hold title to all or any part of the property of said group for management or liquidation purposes under terms and conditions prescribed by said mixed-blood groups. The Secretary is authorized to make such transfer, and approve the trustees, and the terms and conditions of the trust.

(5) Sale of any portion of the assets of said group subject to the approval of the Secretary. In addition to the sales herein otherwise authorized, authority is granted to the authorized representatives of said group to sell any property of said group when, in the opinion of the majority of said mixed-blood group, a practicable partition cannot be made, or for any other reason it is deemed to the best interests of the group, and the proceeds of such sales shall be distributed equitably among the members of said mixed-blood group; after deducting reasonable cost of sale and distribution.

SEC. 14. In the event all the tribal assets, susceptible to equitable and practicable distribution, distributed to the mixed-blood group under the provisions of section 10 hereof, are not, within 7 years from the effective date of this act, distributed to the individual mixed-blood members as contemplated in the plan to be adopted in accordance with the provisions of section 13 hereof, so as to effectively terminate Federal supervision over said assets, then the Secretary shall proceed to make such distribution in a manner, in his discretion, deemed fair and equitable to all members of said group, or convey such assets to a trustee for liquidation and distribution of the net proceeds, or convey such assets to the persons entitled thereto as tenants in common.

SEC. 15. Any member of the mixed-blood group may dispose of his interest in the tribal assets prior to termination of Federal supervision, subject to the approval of the Secretary. In the event a member of the mixed-blood group determines to dispose of his interest in any of said real property at any time within 10 years from the date of enactment of this act, he shall first offer it to the members of the tribe, and no sale of any interest, prior to termination of Federal supervision, shall be authorized without such offer to said members of the tribe in such form as may be approved by the Secretary. After termination of Federal supervision the requirement of such offer, in form to be approved by the Secretary, shall be a covenant to run with the land for said 10-year period, and shall be expressly provided in any patent or deed issued prior to the expiration of said period.

SEC. 16. (a) When any mixed-blood member of the tribe has received his distributive share of the tribal assets distributed to the mixed-blood group under the provisions of section 10 hereof, whether such distribution is made in part or in whole to a corporation, partnership, or trusteeship in which he is interested, or otherwise, the Secretary is authorized and directed to immediately transfer to him unrestricted control of all other property held in trust for such mixed-blood member by the United States, and shall further remove all restrictions on the sale or encumbrance of trust or restricted property owned by such member of the tribe, and Federal supervision of such member and his property shall thereby be terminated, except as to his remaining interest in tribal property in the form of any unadjudicated or unliquidated claims against the United States, all gas, oil, and mineral rights of every kind, and all other tribal assets not susceptible to equitable and practicable distribution, all of which shall remain subject to the terms of this act, notwithstanding anything herein contained to the contrary.

(b) Prior to the removal of restrictions in accordance with the provisions of subsection (a) hereof on land owned by more than one person, the Secretary may—

(1) upon request of any of the owners, partition the land and issue to each owner an unrestricted patent or deed for his individual share, unless such owner is a full-blood member of the tribe or other Indian who owns trust or restricted property, in which event a trust patent or restricted deed shall be issued and such trust may be terminated or such restrictions may be removed when the Secretary determines that the need therefor no longer exists;

(2) upon request of any of the owners and a finding by the Secretary that partition of all or any part of the land is not practicable, cause all or any part of the land to be sold at not less than the appraised value thereof and distribute the proceeds of sale to the owners: *Provided*, That before a sale any one or more of the owners may elect to purchase the other interests in the land, or the tribe may elect to purchase the entire interest in the land, at not less than the appraised value thereof.

SEC. 17. No distribution of the assets made under the provisions of this act shall be subject to any Federal or State income tax: *Provided*, That so much of any cash distribution made hereunder as consists of a share of any interest earned on funds deposited in the Treasury of the United States shall not by virtue of this act be exempt from individual income tax in the hands of the recipients for the years in which paid. Property distributed to the mixed-blood group pursuant to the terms of this act shall be exempt from property taxes for a period of 7 years from the date of enactment of this act, unless the original distributee parts with title thereto, either by deed, descent, succession, foreclosure of mortgage, sheriff's sale or other conveyance: *Provided*, That the mortgaging, hypothecation, granting of a right-of-way, or other similar encumbrance of said property shall not be construed as a conveyance subjecting said property to taxation under the provisions of this section. After 7 years from the date of enactment of this act, all property distributed to the mixed-blood members of the tribe under the provisions of this act and all income derived therefrom by the individual, corporation, or other legal entity, shall be subject to the same taxes, State and Federal, as in the case of non-Indians; except that any valuation for purposes of Federal income tax on gains or losses shall take as the basis of the particular taxpayer the value of the property on the date title is transferred by the United States pursuant to this act.

SEC. 18. The laws of the United States with respect to probate of wills, determination of heirship, and the administration of estates shall apply to the individual trust property of mixed-blood members of the tribe until Federal supervision is terminated. Thereafter, the laws of the several States, Territories, possessions and the District of Columbia within which such mixed-blood members reside at the time of their death shall apply.

SEC. 19. Nothing in this act shall affect any claim heretofore filed against the United States by the tribe, or the individual bands comprising the tribe.

SEC. 20. Nothing in this act shall abrogate any valid lease, permit, license, right-of-way, lien, or other contract heretofore approved.

SEC. 21. Nothing in this act shall abrogate any water rights of the tribe or its members.

SEC. 22. For the purposes of this act, the Secretary shall protect the rights of members of the tribe who are minors, non compos mentis, or, in the opinion of the Secretary, in need of assistance in conducting their affairs, by such means as he may deem adequate, but appointment of guardians pursuant to State laws, in any case, shall not be required until Federal supervision has terminated.

SEC. 23. Upon removal of Federal restrictions on the property of each individual mixed-blood member of the tribe, the Secretary shall publish in the Federal Register a proclamation declaring that the Federal trust relationship to such individual is terminated. Thereafter, such individual shall not be entitled to any of the services performed for Indians because of his status as an Indian. All statutes of the United States which affect Indians because of their status as Indians shall no longer be applicable to such member over which supervision has been terminated, and the laws of the several States shall apply to such member in the same manner as they apply to other citizens within their jurisdiction.

SEC. 24. Within 3 months after the date of enactment of this act, the business committee of the tribe representing the full-blood group thereof shall present to the Secretary a development program calculated to assist in making the tribe and the members thereof self-supporting, without any special Government assistance, with a view of eventually terminating all Federal supervision of the tribe and its members. The tribal business committee, representing the full-blood group shall, through the Secretary of the Interior, make a full and complete annual progress report to the Congress of its activities, and of the expenditures authorized under this act.

SEC. 25. Nothing in this act shall affect the status of the members of the tribe as citizens of the United States, or shall affect their rights, privileges, immunities, and obligations as such citizens.

SEC. 26. The Secretary shall have authority to execute such patents, deeds assignments, releases, certificates, contracts, and other instruments, as may be necessary or appropriate to carry out the provisions of this act, or to establish a marketable and recordable title to any property disposed of pursuant to this act.

SEC. 27. The Secretary is authorized to issue rules and regulations necessary to effectuate the purposes of this act, and may, in his discretion, provide for tribal or group referenda on matters pertaining to management or disposition of tribal or group assets.

SEC. 28. Whenever any action pursuant to the provisions of this act requires the agreement of the mixed-blood and full-blood groups and such agreement cannot be reached, the Secretary is authorized to proceed in any manner deemed by him to be in the best interests of both groups.

SEC. 29. All acts, or parts of acts, inconsistent with this act are hereby repealed insofar as they affect the tribe or its members.

SEC. 30. If any provision of this act, or the application thereof to any person or circumstance, is held invalid, the remainder of the act and the application of such provision to other persons or circumstances shall not be affected thereby.

With the following committee amendments:

Page 2, lines 8 through 11, strike all of subsection (b) and insert the following new language:

"(b) 'Full-blood' means a member of the tribe who possesses one-half degree of Ute Indian blood and a total of Indian blood in excess of one-half, excepting those who become mixed-bloods by choice under the provisions of section 4 hereof."

Page 2, lines 12 through 15, strike all of subsection (c) and insert the following new language:

"(c) 'Mixed-blood' means a member of the tribe who does not possess sufficient Indian or Ute Indian blood to fall within the full-blood class as herein defined, and those who become mixed-bloods by choice under the provisions of section 4 hereof."

Page 18, line 21, strike the words "effective date of" and insert in lieu thereof: "date of enactment of."

Page 24, strike all of section 25 and insert in lieu thereof:

"SEC. 25. Nothing in this act shall affect the status of the members of the tribe as citizens of the United States."

The committee amendments were agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DISPOSITION OF SURPLUS FEDERAL PROPERTY TO ALASKA

The Clerk called the bill (H. R. 9582) to provide for the transfer of excess property to the Territorial Government of Alaska.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That notwithstanding any provision of the Federal Property and Administrative Services Act of 1949, as amended, or any other provision of law, transfers of property excess to the needs of Federal agencies may be made to the Territorial Government of Alaska at the request of the Governor of Alaska without reimbursement or transfer of funds when such excess property is found by the Governor to be for operations or activities of the Territorial Government.

SEC. 2. The terms "property" and "excess property," as used in section 1 hereof, shall have the meaning now or hereafter ascribed to them in the Federal Property and Administrative Services Act of 1949, as amended.

With the following committee amendment:

Strike out all after the enacting clause, and insert "That notwithstanding any provision of the Federal Property and Administrative Services Act of 1949, as amended, or any other provision of law, surplus personal property may be disposed of until December 31, 1956, to the Territorial government of Alaska at the request of the Governor of Alaska without reimbursement or transfer of funds when such surplus personal property is found by the Governor to be essential for the operations or activities of the Territorial government.

"SEC. 2. The terms 'property' and 'surplus property', as used in section 1 hereof, shall have the meaning now or hereafter ascribed to them in the Federal Property and Administrative Services Act of 1949, as amended."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended so as to read: "A bill to provide for the disposition of surplus personal property to the Territorial government of Alaska."

A motion to reconsider was laid on the table.

FEDERAL REPUBLIC OF GERMANY

The Clerk called the bill (H. R. 9988) for the relief of the Federal Republic of Germany.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in order to enable the Federal Republic of Germany to acquire and maintain a German Embassy in the District of Columbia, there is hereby authorized to be appropriated not to exceed $300,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BOARD OF COUNTY COMMISSIONERS OF SEDGWICK COUNTY, KANS.

The Clerk called the bill (H. R. 5183) to confer jurisdiction on the Court of Claims to hear, determine, and render judgment upon a certain claim of the Board of County Commissioners of Sedgwick County, Kans.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That jurisdiction be, and the same is hereby, conferred upon the Court of Claims of the United States, notwithstanding any law, prior determination, statute of limitations, release, or prior acceptance of judgment of partial allowance, to hear, determine, and render judgment upon the claim of the Board of County Commissioners of Sedgwick County, Kans., against the United States on account of delinquent real-estate taxes for the tax years of 1944, 1945, 1946, and 1947 assessed and levied against three tracts of land in sections 11 and 14 of township 28 south, range 1 east, of the sixth principal meridian, in Sedgwick County, Kans., constituting the aircraft factory and grounds, owned of record in such years by the Defense Plant Corporation and the Reconstruction Finance Corporation and leased to the Boeing Airplane Co. and deeded on or about February 25, 1948, by the Reconstruction Finance Corporation to the United States subject to unpaid taxes for said 4 years. Such court shall determine the amount of said taxes and interest thereon at the rate prescribed by the laws of Kansas for delinquent taxes, during the period to the 15th day of February 1948, and shall render judgment in favor of said Board of County Commissioners of Sedgwick County, Kans., and against the United States for that portion of the amount so determined which is in excess of the judgment in the amount of $249,355.62 heretofore rendered by said court on July 15, 1952, in case No. 50117. The court shall have such jurisdiction if suit is instituted within 60 days after the date of enactment of this act.

With the following committee amendment:

Strike out all after the enacting clause and insert "Notwithstanding any law, prior determination, statute of limitations, or prior acceptance of judgment of partial allowance, the United States of America hereby accepts as a binding obligation and agrees to pay to the Board of County Commissioners of Sedgwick County, Kans., from such funds as shall hereafter be appropriated for that purpose, the sum of $259,925.09 as the unpaid balance of the base taxes assessed and levied for the tax years 1944, 1945, 1946, and 1947, against three tracts of land in sections 11 and 14, of township 28 south, range 1 east of the sixth principal meridian in Sedgwick County, Kans., constituting the aircraft factory and grounds owned of record in such years by the Reconstruction Finance Corporation and leased to the Boeing Airplane Co. and deeded on or about February 25, 1948, by the Reconstruction Finance Corporation to the United States, subject to unpaid taxes for the years 1944, 1945, 1946, and 1947.

"Payment of said sum shall be contingent upon and subsequent to the enactment by the Legislature of the State of Kansas of a law authorizing and directing the Board of County Commissioners of Sedgwick County, Kans., to accept said amount as full payment of the unpaid balance of the base tax assessed and levied for the years aforesaid and as a release and forgiveness of all interests, penalties, liens, and charges on or in connection with said taxes."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended so as to read: "A bill for the relief of the Board of County Commissioners of Sedgwick County, Kans."

A motion to reconsider was laid on the table.

PAN AMERICAN INSTITUTE OF GEOGRAPHY AND HISTORY

The Clerk called the resolution (H. J. Res. 565) to amend the joint resolution providing for the membership of the United States in the Pan American Institute of Geography and History and authorize appropriations therefor.

There being no objection, the Clerk read the resolution, as follows:

Resolved, etc., That Public Resolution 42, 74th Congress, approved August 2, 1935, is amended to read as follows: "That in order to meet the obligations of the United States as a member of the Pan American Institute of Geography and History, there are hereby authorized to be appropriated to the Department of State—

"(a) the sum of $98,775 for payment by the United States of its assessed annual contri-

butions for the period beginning July 1, 1951, and extending through the fiscal year expiring June 30, 1954; and

"(b) such sums, not to exceed $50,000 annually, as may be required thereafter for the payment by the United States of its share of the expenses of the Institute, as apportioned in accordance with the statutes of the Institute."

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

TWO HUNDREDTH ANNIVERSARY OF THE BIRTH OF ALEXANDER HAMILTON

The Clerk called the resolution (H. J. Res. 472) to establish a commission for the celebration of the 200th anniversary of the birth of Alexander Hamilton.

The SPEAKER. Is there objection to the present consideration of the resolution?

There was no objection.

Mr. McCULLOCH. Mr. Speaker, I ask unanimous consent that a similar Senate resolution, Senate Joint Resolution 140, be considered in lieu of the House resolution.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There being no objection, the Clerk read the Senate resolution, as follows:

Resolved, etc., That there is hereby established a commission to be known as the "Alexander Hamilton Bicentennial Commission" (hereinafter referred to as the "Commission") which shall be composed of 19 Commissioners as follows: The President of the United States, the President of the Senate, and the Speaker of the House of Representatives, all ex officio; and 8 persons to be appointed by the President of the United States, 4 Senators to be appointed by the President of the Senate, and 4 Representatives to be appointed by the Speaker of the House of Representatives.

SEC. 2. It shall be the duty of the Commission to prepare plans and a program for signalizing the 200th anniversary of the birth of Alexander Hamilton. In preparing such plans and program the Commission shall give due consideration to any plan or plans which may be submitted to it, and to take such steps as may be necessary to coordinate and correlate its plans with those prepared by State or civic bodies. If the participation of other nations in the commemoration is deemed advisable, the Commission may communicate to that end with the governments of such nations through the State Department.

SEC. 3. The Commission shall select a Chairman and a Vice Chairman from among its members, and may employ, without regard to the civil-service laws or the Classification Act of 1949, such employees as may be necessary in carrying out its functions.

SEC. 4. The Commissioners shall serve without compensation, but may be reimbursed for expenses incurred by them in carrying out the duties of the Commission.

SEC. 5. When the Commission has approved a plan of celebration, it shall submit it, insofar as it relates to the fine arts, to the Commission of Fine Arts for its approval.

SEC. 6. The Commission shall, on or before March 1, 1955, make a report to the Congress in order that further enabling legislation may be enacted.

SEC. 7. There are hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this joint resolution.

SEC. 8. The Commission shall expire upon the completion of its duties, but in no event later than January 11, 1958.

Mr. McCULLOCH. Mr. Speaker, I ask that Senate Joint Resolution 140 be amended in accordance with the action of the Committee on the Judiciary of the House as indicated by the report accompanying House Joint Resolution 472.

The Clerk read as follows:

Committee amendments:

On page 2, line 13, after the words "nations," insert the words "through the State Department."

On page 3, line 5, substitute a comma for the period and insert the words "but in no event shall the sums hereby authorized to be appropriated exceed a total of $10,000."

On page 3, line 9, substitute "1958" for "1959."

The committee amendments were agreed to.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

House Joint Resolution 472 was laid on the table.

AMEND THE BANKRUPTCY ACT AS TO NOTICES

The Clerk called the bill (H. R. 8210) to amend subdivision (b) of section 14 of the Bankruptcy Act, as amended, relating to discharges, and subdivision (b) of section 58 of the Bankruptcy Act, as amended, relating to notices.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That subdivision (b) of section 14 of the Bankruptcy Act, as amended, is hereby amended to read as follows:

"(b) After the filing fees required to be paid by this act have been paid in full the court shall make an order fixing a time for the filing of objections to the bankrupt's discharge which shall be not less than 30 days after the first date set for the first meeting of creditors. Notice of such order shall be given to all parties in interest as provided in section 58b of this act. If the examination of the bankrupt concerning his acts, conduct, and property has not or will not be completed within the time fixed for the filing of objections to the discharge the court may, upon its own motion or upon motion of the receiver, trustee, a creditor, or any other party in interest or for other cause shown, extend the time for filing such objections. Upon the expiration of the time fixed in such order or of any extension of such time granted by the court, the court shall discharge the bankrupt if no objection has been filed; otherwise, the court shall hear such proofs and pleas as may be made in opposition to the discharge, by the trustee, creditors, the United States attorney, or such other attorney as the Attorney General may designate, at such time as will give the bankrupt and the objecting parties a reasonable opportunity to be fully heard."

SEC. 2. Subdivision (b) of section 58 of the Bankruptcy Act as amended, is hereby amended to read as follows:

"(b) The court shall give at least 30 days' notice by mail of the last day fixed by its order for the filing of objections to a bankrupt's discharge (1) to the creditors, in the manner prescribed in subdivision (a) of this section; (2) to the trustee if any and his attorney, if any, at their respective addresses as filed by them with the court; and (3) to the United States attorney of the judicial district wherein the proceeding is pending. The court shall also give at least 30 days' notice by mail of the time and place of a hearing upon objections to a bankrupt's discharge (1) to the bankrupt, at his last known address as appears in his petition, schedules, list of creditors, or statement of affairs, or, if no address so appears, to his last known address as furnished by the trustee or other party after inquiry; (2) to the bankrupt's attorney, if any, at his address as filed by him with the court; and (3) to the objecting parties and their attorneys, at their respective addresses as filed by them with the court."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

WOODROW WILSON CENTENNIAL CELEBRATION

The Clerk called the resolution (H. J. Res. 509) to establish the Woodrow Wilson Centennial Celebration Commission, and for other purposes.

The SPEAKER. Is there objection to the present consideration of the resolution?

There was no objection.

Mr. McCULLOCH. Mr. Speaker, I ask unanimous consent that a similar Senate resolution, Senate Joint Resolution 147, be considered in lieu of the House resolution.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There being no objection, the Clerk read the Senate joint resolution, as follows:

Resolved, etc., That (a) there is hereby established a Commission to be known as the "Woodrow Wilson Centennial Celebration Commission" (hereinafter referred to as the "Commission") which shall be composed of 11 members as follows:

(1) two members who shall be Members of the Senate, to be appointed by the President of the Senate;

(2) one member who shall be a Member of the House of Representatives, to be appointed by the Speaker of the House of Representatives;

(3) one member from the Department of the Interior who shall be the Director of the National Park Service, or his representative, and who shall serve as executive officer of the Commission; and

(4) 7 members to be appointed by the President, of whom 3 members shall be appointed upon the recommendation of the Governor of Virginia, 2 members shall be appointed upon the recommendation of the Woodrow Wilson Birthplace Foundation, Inc., and 2 members shall be appointed upon the recommendation of the Woodrow Wilson Foundation.

(b) The President shall, at the time of appointment, designate one of the members appointed by him to serve as chairman. The members of the Commission shall receive no salary but shall be reimbursed for their actual and necessary traveling and subsistence expenses incurred in the discharge of their duties.

SEC. 2. The functions of the Commission shall be to develop and to execute suitable plans for the celebration in 1956, of the 100th anniversary of the birth of Woodrow Wilson in Staunton, Va. In carrying out these functions the Commission is authorized to cooperate with and to assist the commission established by the State of Virginia to plan a centennial celebration, in 1956, of the birth of Woodrow Wilson, and to invite all the people of the United States to join therein.

SEC. 3. The Commission may employ, without regard to civil-service laws or the Classification Act of 1949, such employees as may be necessary in carrying out its functions.

SEC. 4. (a) The Commission is authorized to accept donations of money, property, or personal services; to cooperate with patriotic and historical societies and with institutions of learning; and to call upon other Federal departments or agencies for their advice and assistance in carrying out the purposes of this resolution. The Commission, to such extent as it finds to be necessary, may procure supplies, services, and property, and make contracts and may exercise those powers that are necessary to enable it to carry out efficiently and in the public interest the purposes of this resolution.

(b) Expenditures of the Commission shall be paid by the executive officer of the Commission, who shall keep complete records of such expenditures and who shall account also for all funds received by the Commission. A report of the activities of the Commission, including an accounting of funds received and expended, shall be furnished by the Commission to the Congress within 1 year following the celebration as prescribed by this resolution. The Commission shall terminate upon submission of its report to the Congress.

(c) Any property acquired by the Commission remaining upon termination of the celebration may be used by the Secretary of the Interior for purposes of the National Park System or may be disposed of as surplus property. The net revenues, after payment of Commission expenses, derived from Commission activities, shall be deposited in the Treasury of the United States.

SEC. 5. There is hereby authorized to be appropriated not to exceed $10,000 for travel expenses of the members of the Commission and for other expenses that may be incurred in developing suitable plans provided for herein, and there are authorized to be appropriated such sums as may be necessary to carry out the purposes of this resolution in accordance with such plans.

SEC. 6. The Commission shall expire on June 30, 1957.

Mr. McCULLOCH. Mr. Speaker, I ask that Senate Joint Resolution 147 be amended in accordance with the action of the Committee on the Judiciary report of the House as indicated by the report to accompany House Joint Resolution 509.

The Clerk read as follows:

Committee amendments:

On page 1, line 6, strike out the word "nine" and insert in lieu thereof the word "twelve."

On page 1, line 9, strike out the words "One member who shall be a Member" and insert in lieu thereof the words "Two members who shall be Members."

On page 2, strike out all of lines 5 to 9, inclusive, and insert in lieu thereof, the following:

"(4) Seven members to be appointed by the President after consideration of such recommendations as may be made, upon the request of the President, by the Governor of Virginia as to three of such members, by the Woodrow Wilson Birthplace Foundation, Inc., as to two of such members, and by the Woodrow Wilson Foundation as to two of such members."

On page 2, line 23, after the name "Woodrow Wilson" insert a comma and the words "and to invite all the people of the United States to join therein."

On page 4, strike out all of lines 11, 12, and 13 and insert in lieu thereof the following: "no appropriation shall be deemed to be authorized herein to carry out the purposes of this resolution in accordance with such plans unless an additional appropriation to carry out such purposes is expressly authorized by further legislation."

The committee amendments were agreed to.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

House Joint Resolution 509 was laid on the table.

SALE OR PLEDGE OF POSTAGE STAMPS

The Clerk called the bill (H. R. 7326) to amend section 1721, title 18, United States Code, relating to the sale or pledge of postage stamps.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 1721, title 18, United States Code, is hereby amended to read as follows:

"§ 1721. Sale or pledge of stamps

"Whoever, being a postmaster or postal service employee—

"(1) uses or disposes of postage stamps, stamped envelopes, or postal cards entrusted to his care or custody in the payment of debts or in the purchase of merchandise or other salable articles, or pledges or hypothecates the same, or sells or disposes of them except for cash;

"(2) sells or disposes of postage stamps or postal cards for any larger or less sum than the values indicated on their faces;

"(3) sells or disposes of stamped envelopes for a larger or less sum than is charged therefor by the Post Office Department for like quantities;

"(4) sells or disposes of postage stamps, stamped envelopes, or postal cards at any point or place outside of the delivery of the office where such postmaster or other person is employed;

"(5) sells or disposes of postage stamps, stamped envelopes, or postal cards, otherwise than as provided by law or the regulations of the Post Office Department; or

"(6) inflates or induces the inflation of the receipts of any post office or any station or branch thereof for the purpose of increasing the emoluments or compensation of the postmaster or any employee of any post office or any station or branch thereof,

Shall be fined not more than $500 or imprisoned not more than 1 year, or both."

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following:

"That section 1721, title 18, United States Code, is hereby amended as follows:

"In lines 2 and 3, strike out the words 'entrusted with the sale or custody of postage stamps, stamped envelopes, or postal cards,' and insert in lieu thereof, 'knowingly and willfully:'.

"In line 4, strike out the word 'then' and insert in lieu thereof 'postage stamps, stamped envelopes, or postal cards entrusted to his care or custody'.

"In line 18, after the word 'station' insert the words 'or branch'.

"In lines 18, 19, and 20, strike out 'or the allowances or facilities provided therefor, induces or attempts to induce any person to purchase at such' and insert in lieu thereof 'inflates or induces the inflation of the receipts of any'.

"In line 21, after the word 'station' insert the words 'or branch', and substitute a semicolon for the comma after the word 'thereof'.

"In lines 21, 22, and 23, strike out the words 'or from any employee of such post office, postage stamps, stamped envelopes, or postal cards'.

"In line 26, substitute a semicolon for the comma after the word 'Department'."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FLIGHT TO AVOID PROSECUTION FOR ARSON

The Clerk called the bill (H. R. 7740) to amend title 18 of the United States Code, so as to make it a criminal offense to move or travel in interstate commerce with intent to avoid prosecution, or custody or confinement after conviction, for arson.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 1073 of title 18 of the United States Code, is amended by inserting "arson," after "weapon,".

SEC. 2. The amendment made by the first section of this act shall take effect on the 30th day after the date of enactment of this act.

With the following committee amendment:

On line 4, after the word "arson", insert the following: "punishable as a felony."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

INCORPORATING NATIONAL FUND FOR MEDICAL EDUCATION

The Clerk called the bill (H. R. 7914) to incorporate the National Fund for Medical Education.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

Mr. POFF. Mr. Speaker, reserving the right to object, there is on the Speaker's dask S. 1748, introduced by the late Senator Taft, similar in purport and effect to H. R. 7914.

I ask unanimous consent that S. 1748 be taken from the speaker's desk, that all after the enacting clause be stricken and that there be substituted in lieu thereof the language of the committee amendment to H. R. 7914.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There being no objection, the Clerk read the Senate bill, as follows:

Be it enacted, etc., That the following persons: Donald C. Balfour, Rochester, Minn.; Margaret Culkin Banning, Duluth, Minn.; E. N. Beesley, Indianapolis, Ind.; James F. Bell, Minneapolis, Minn.; Mary McLeod Bethune, Daytona Beach, Fla.; Elmer H. Bobst, New York, N. Y.; Henry C. Brunie, New York, N. Y.; Earl Bunting, Washington, D. C.; Carl Byoir, New York, N. Y.; Colby M. Chester, New York, N. Y.; Champ Carry, Chicago, Ill.; Paul F. Clark, Boston, Mass.; Lucius D. Clay, New York, N. Y.; S. Sloan Colt, Westhampton Beach, N. Y.; William E. Cotter, Scarsdale, N. Y.; C. R. Cox, New York, N. Y.; Howard S. Cullman, New York, N. Y.; Walter J. Cummings, Chicago, Ill.

Raoul E. Desvernine, Washington, D. C.; Michael Francis Doyle, Philadelphia, Pa.; Victor Emanuel, New York, N. Y.; Theodore R. Gamble, New York, N. Y.; Bernard F. Gimbel, Greenwich, Conn.; William B. Given, Jr., New York, N. Y.; David M. Heyman, New York, N. Y.; Oveta Culp Hobby, Houston, Tex.; Herbert Hoover, New York, N. Y.; B. Brewster Jennings, Glen Head, N. Y.; Eric A. Johnston, Washington, D. C.; Devereux C. Josephs, New York, N. Y.; Meyer Kestnbaum, Chicago, Ill.; Allan B. Kline, Chicago, Ill.; Edgar Kobak, New York, N. Y.

Frank H. Lahey, Boston, Mass.; Robert Lehman, New York, N. Y.; Samuel D. Leidesdorf, New York, N. Y.; Leroy A. Lincoln, New York, N. Y.; Ralph Lowell, Boston, Mass.; Benjamin E. Mays, Atlanta, Ga.; Neil McElroy, Cincinnati, Ohio.; George W. Merck, West Orange, N. J.; George G. Montgomery, San Francisco, Calif.; Seeley G. Mudd, Los Angeles, Calif.; Charles S. Munson, New York, N. Y.

Herschel D. Newsom, Washington, D. C.; Edward J. Noble, New York, N. Y.; William S. Paley, New York, N. Y.; Thomas I. Parkinson, New York, N. Y.; F. D. Patterson, Tuskegee, Ala.; Joseph M. Proskauer, New York, N. Y.; B. Earl Puckett, New York, N. Y.; Victor F. Ridder, New York, N. Y.; Owen J. Roberts, Philadelphia, Pa.; Winthrop Rockefeller, New York, N. Y.; Anna M. Rosenberg, New York, N. Y.; T. J. Ross, New York, N. Y.; Howard A. Rusk, New York, N. Y.;

Lester N. Selig, Chicago, Ill.; Eustace Seligman, New York, N. Y.; Spyros P. Skouras, New York, N. Y.; Alfred P. Sloan, Jr., New York, N. Y.; Harold E. Stassen, Washington, D. C.; J. P. Stevens, Jr., New York, N. Y.; W. C. Stolk, New York, N. Y.; Juan T. Trippe, Greenwich, Conn.; Thomas J. Watson, New York, N. Y.; Ernest T. Weir, Pittsburgh, Pa.; George Whitney, New York, N. Y.; Robert E. Wilson, Chicago, Ill.; Robert W. Woodruff, Atlanta, Ga.; John S. Zinsser, Philadelphia, Pa.; and their successors, are hereby created and declared to be a body corporate by the name of the National Fund for Medical Education (hereinafter referred to as the corporation) and by such name shall be known and have perpetual succession of the powers, limitations, and restrictions herein contained.

PURPOSES OF CORPORATION

SEC. 2. The purposes of the corporation shall be to promote and foster the following objectives:

(1) The interpretation of the needs of medical education to the American public;

(2) The encouragement of the growth, development, and advancement of constantly improving standards and methods in the education and training of all medical manpower in the Nation;

(3) The preservation of academic freedom in the institutions of medical education and the aiding of these institutions in offering the equality of educational opportunity to all those who are qualified to seek to enter the medical profession.

USE OF INCOME AND ASSETS

SEC. 3. No part of the income or assets of the corporation shall inure to any of its members, directors, or officers, or to any individual, or be distributable to any of them during the life of the corporation or upon its dissolution or final liquidation. Nothing in this subsection, however, shall be construed to prevent the payment of compensation to officers of the corporation in amounts approved by the executive committee of the corporation.

NONPOLITICAL NATURE OF CORPORATION

SEC. 4. The corporation, and its officers and directors as such, shall not contribute to or otherwise support or assist any political party or candidate for elected public office.

TRUSTEES

SEC. 5. The directors of the corporation shall be termed trustees, and the first board of trustees shall consist of the 13 persons whose names and addresses are as follows: Earl Bunting, Washington, D. C.; Colby M. Chester, New York, N. Y.; S. Sloan Colt, Westhampton Beach, N. Y.; William E. Cotter, Scarsdale, N. Y.; Victor Emanuel, New York, N. Y.; William B. Given, Jr., New York, N. Y.; Herbert Hoover, New York, N. Y.; Devereux C. Josephs, New York, N. Y.; Samuel D. Leidesdorf, New York, N. Y.; Leroy A. Lincoln, New York, N. Y.; Eustace Seligman, New York, N. Y.; Juan T. Trippe, Greenwich, Conn.; John S. Zinsser, Philadelphia, Pa.

PRINCIPAL OFFICE

SEC. 6. The principal office of the corporation shall be located in New York City, N. Y., but the activities of the corporation shall not be confined to this place, but may be conducted throughout the various States, Territories, and possessions of the United States.

VOTING RIGHTS

SEC. 7. Each member of the corporation shall have the right to one vote at all meetings of the members of the corporation.

DISTRIBUTION OF ASSETS ON DISSOLUTION OR LIQUIDATION

SEC. 8. Upon dissolution or final liquidation of the corporation, after the discharge of all outstanding obligations, the remaining assets, if any, of the corporation, shall be distributed in such manner as the board of trustees shall determine, subject to the provisions of section 3 above.

CORPORATE POWERS

SEC. 9. The corporation shall have power—

(1) to have succession by its corporate name;

(2) to sue and be sued, complain and defend in any court of competent jurisdiction;

(3) to adopt, use, and alter a corporate seal;

(4) to choose such officers, managers, and agents as the business of the corporation may require;

(5) to ordain and establish, by action of the board of trustees, bylaws and regulations, not inconsistent with the laws of the United States of America or any State in which such corporation is to operate, for the management of its property and the regulation of its affairs;

(6) to contract and be contracted with;

(7) to take and hold by lease, gift, purchase, grant, devise, or bequest any property, real or personal, necessary for attaining the objects and carrying into effect the purposes of the corporation, subject, however, to applicable provisions of law of any State (A) governing the amount or kind of real and personal property which may be held by, or (B) otherwise limiting or controlling the ownership of real and personal property by, a corporation operating in such State;

(8) to transfer and convey real or personal property; and

(9) to borrow money for the purposes of the corporation, and issue bonds therefor, and secure same by mortgage subject in every case to all applicable provisions of Federal or State law.

LIABILITY FOR ACTS OF OFFICERS AND AGENTS

SEC. 10. The corporation shall be liable for the acts of its officers and agents when acting within the scope of their authority.

DISTRICT OF COLUMBIA AGENT

SEC. 11. The corporation shall have in the District of Columbia at all times a designated agent authorized to accept service of process for the corporation; and notice to or service upon such agent, or mailed to the business address of such agent, shall be deemed notice to or service upon the corporation.

AUDIT OF FINANCIAL TRANSACTIONS

SEC. 12 (a) The financial transactions shall be audited annually by an independent certified public accountant in accordance with the principles and procedures applicable to commercial corporate transactions. The audit shall be conducted at the place or places where the accounts of the corporation are normally kept. All books, accounts, financial records, reports, files, and all other papers, things, or property belonging to or in use by the corporation and necessary to facilitate the audit shall be made available to the person or persons conducting the audit; and full facilities for verifying transactions with the balances or securities held by depositories, fiscal agents, and custodians shall be afforded to such person or persons.

(b) A report of such audit shall be made by the corporation to the Congress not later than January 15 of each year. The report shall set forth the scope of the audit and shall include a verification by the person or persons conducting the audit of statements of (1) assets and liabilities, (2) capital and surplus or deficit, (3) surplus or deficit analysis, (4) income and expense, and (5) sources and application of funds. Such reports shall not be printed as public documents.

OFFICERS

SEC. 13. The officers of the corporation shall consist of a chairman of the board of trustees, a president, one or more vice presidents, a secretary and one or more assistant secretaries, and a treasurer and one or more assistant treasurers, and such other officers as shall be provided in the bylaws. The bylaws shall provide for the election of trustees annually at a meeting of the members of the corporation and for the election of the officers by the trustees.

BOOKS AND RECORDS

SEC. 14. The corporation shall keep correct and complete books and records of accounts and shall also keep minutes of the proceedings of its members, board of trustees, and committees having any authority under the board of trustees; and it shall also keep at its principal office a record of the names and addresses of its members entitled to vote. All books and records of the corporation may be inspected by any member entitled to vote or his agent or attorney for any proper purpose at any reasonable time.

PROHIBITION AGAINST ISSUANCE OF STOCK OR PAYMENT OF DIVIDENDS

SEC. 15. The corporation shall have no power to issue any shares of stock, nor to declare or pay any dividends.

LOANS TO OFFICERS OR TRUSTEES

SEC. 16. The corporation shall not make loans to its officers or trustees. Any trustee who votes for or assents to the making of a loan or advance to an officer or trustee of the corporation, and any officer who participates in the making of such a loan or advance, shall be jointly and severally liable to the corporation for the amount of such loan until the repayment thereof.

RESERVATION OF RIGHT TO AMEND OR REPEAL CHARTER

SEC. 17. The right to alter, amend, or repeal this act is expressly reserved.

Mr. POFF. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Strike out all after the enacting clause and insert in lieu thereof the following: "That the following persons: Donald C. Balfour, M. D., Rochester, Minn.; Louis H. Bauer, M. D., Hempstead, N. Y.; Margaret Culkin Banning, Duluth, Minn.; E. N. Beesley, Indianapolis, Ind.; James F. Bell, Minneapolis, Minn.; Elmer H. Bobst, New York, N. Y.; Earl Bunting, Washington, D. C.; Carl Byoir, New York, N. Y.; James L. Camp, Jr., Franklin, Va.; Champ Carry, Chicago, Ill.; Robert S. Cheek, Nashville, Tenn.; Colby M. Chester, New York, N. Y.; Frank A. Christensen, New York, N. Y.; Paul F. Clark, Boston, Mass.;

Lucius D. Clay, New York, N. Y.; S. Sloan Colt, Westhampton Beach, N. Y.; George H. Coppers, New York, N. Y.; William E. Cotter, Scarsdale, N. Y.; C. R. Cox, New York, N. Y.; Howard S. Cullman, New York, N. Y.; Walter J. Cummings, Chicago, Ill.; Willard K. Denton, New York, N. Y.; Raoul E. Desvernine, Washington, D. C.; Michael Francis Doyle, Philadelphia, Pa.;

"Victor Emanuel, New York, N. Y.; Peter M. Fraser, Hartford, Conn.; Bernard F. Gimbel, Greenwich, Conn.; William B. Given, Jr., New York, N. Y.; Robert M. Hanes, Winston-Salem, N. C.; David M. Heyman, New York, N. Y.; Oveta Culp Hobby, Houston, Tex.; Herbert Hoover, New York, N. Y.; B. Brewster Jennings, Glen Head, N. Y.; Eric A. Johnston, Washington, D. C.; Devereaux C. Josephs, New York, N. Y.; Meyer Kestnbaum, Chicago, Ill.; Edgar Kobak, New York, N. Y.; Allan B. Kline, Chicago, Ill.; Robert Lehman, New York, N. Y.; Samuel D. Leidesdorf, New York, N. Y.; Leroy A. Lincoln, New York, N. Y.; Ralph Lowell, Boston, Mass.; Benjamin E. Mays, Atlanta, Ga.; Neil McElroy, Cincinnati, Ohio; George W. Merck, West Orange, N. J.; Don G. Mitchell, New York, N. Y.; George G. Montgomery, San Francisco, Calif.; Seeley G. Mudd, M. D., Los Angeles, Calif.;

"Charles S. Munson, New York, N. Y.; Herschel D. Newsom, Washington, D. C.; Edward J. Noble, New York, N. Y.; William S. Paley, New York, N. Y.; Thomas I. Parkinson, New York, N. Y.; F. D. Patterson, Tuskegee, Alabama; Joseph M. Proskauer, New York, N. Y.; B. Earl Puckett, New York, N. Y.; Victor F. Ridder, New York, N. Y.; Owen J. Roberts, Philadelphia, Pa.; Winthrop Rockefeller, Little Rock, Ark.; Anna M. Rosenberg, New York, N. Y.; T. J. Ross, New York, N. Y.; Howard A. Rusk, M. D., New York, N. Y.; Frank P. Samford, Birmingham, Ala.; Lester N. Selig, Chicago, Ill.; Eustace Seligman, New York, N. Y.; Spyros P. Skouras, New York, N. Y.; Alfred P. Sloan, Jr., New York, N. Y.; George F. Smith, New Brunswick, N. J.; Harold V. Smith, New York, N. Y.; Harold E. Stassen, Washington, D. C.; John P. Stevens, Jr., New York, N. Y.; William C. Stolk, New York, N. Y.; Harvey B. Stone, M. D., Baltimore, Md.;

"Reese H. Taylor, Los Angeles, Calif.; Juan T. Trippe, Greenwich, Conn.; Thomas J. Watson, New York, N. Y.; Ernest T. Weir, Pittsburgh, Pa.; George Whitney, New York, N. Y.; Robert E. Wilson, Chicago, Ill.; R. W. Woodruff, Atlanta, Ga.; Wilson W. Wyatt, Louisville, Ky.; J. D. Zellerbach, San Francisco, Calif.; and John S. Zinsser, Philadelphia, Pa.; and their successors, are hereby created and declared to be a body corporate of the District of Columbia, where its legal domicile shall be, by the name of the National Fund for Medical Education (hereinafter referred to as the corporation) and by such name shall be known and have perpetual succession and the powers, limitations, and restrictions herein contained."

The amendment was agreed to.

Mr. POFF. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD at this point.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. POFF. Mr. Speaker, the bill before the House for debate, S. 1748, as amended by the language of H. R. 7914, as amended, would grant to the National Fund for Medical Education, to which, for the sake of brevity, I will hereinafter refer as the "fund," a Federal charter of incorporation.

The fund was first organized as a New York corporation on May 9, 1949, and President Eisenhower, then president of Columbia University, was instrumental in its birth and growth. The sole purpose of the organization is to solicit, entirely from private sources, charitable contributions to promote the cause of medical education in America. The fund has during its short life worked closely in cooperation with the American Medical Education Foundation of the American Medical Association. The moneys collected are allocated among the 79 accredited medical schools of the Nation upon recommendations made by a grants review board. The membership of this board includes representatives, first, from the fund's advisory council; second, from the American Medical Association; and, third, from the Association of American Medical Colleges. As of July 1953, the fund had contributed among the 79 medical schools a total of $4,764,152. In passing, it is most commendable to note that only 10 percent of the funds collected were used for administrative expenses.

Testifying in support of the measure were Mr. Chase Mellen, Jr., executive vice president of the fund; Dr. Louis H. Bauer, past president of the American Medical Association and now president of the American Medical Education Foundation; and Dr. Stanley E. Dorst, dean of the University of Cincinnati College of Medicine and president of the Association of American Medical Colleges. Quite extensive hearings were held and no witnesses appeared in opposition to the bill.

It was the consensus of opinion of these witnesses that, in order to provide the minimum financial assistance necessary to promote the cause of medical education in America, approximately $10 million a year will be required. This figure constitutes the goal established by the fund. Without a Federal charter, it is feared that this goal may be unattainable.

In granting Federal charters, the Congress is careful to select only those organizations which are truly national in scope and purpose. The 79 accredited medical schools are no longer detached, isolated, provincial community institutions. Rather, they are an integrated, interdependent, national team. All of them have voluntarily bound themselves together under the joint supervision and control of the Association of American Medicial Colleges and the Council on Medical Education and Hospitals of the American Medical Association. As such, they are dedicated, not merely to the local but to the national health.

Obviously, a Federal charter will expand the volume of national contributions. As long as the fund has only the charter of a particular State, contributors in other States will be reluctant to make a national contribution. Rather, local contributors feel bound to contribute only to local schools or to their alma maters. Moreover, industrial corporations which are domiciled in more than one State, are reluctant to make several small contributions to several medical schools in several States. In order not to prefer one school over another, many such corporations simply make no donations at all; whereas, they would be pleased to make a substantial donation to a national organization, operating under a charter granted by the Congress of the United States.

Then, too, a benevolent organization with a national charter can attract more nationally known names as officers, directors, trustees, and so forth, drawn from every industrial and professional field, all of which helps to universalize the solicitation appeal.

I have in my file, a multitude of editorials and press clippings from newspapers all over the United States, endorsing the work of this organization. One of the incorporators, Hon. Herbert Hoover, former President of the United States, has made a personal appeal for the enactment of this legislation. This is one bill which will not cost the United States one thin dime. More significantly, the bill grants Congressional sanction to the principle of self-help, encouraging a voluntary, nonprofit, federation of dedicated men and women to solicit money from private sources to advance the cause of medical education and thus, the national health of America.

I trust that it will be the will of the House to approve this measure.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill (H. R. 7914) was laid on the table.

REPEAL OF CERTAIN WORLD WAR II LAWS RELATING TO RETURN OF FISHING VESSELS

The Clerk called the joint resolution (S. J. Res. 67) to repeal certain World War II laws relating to return of fishing vessels, and for other purposes.

There being no objection, the Clerk read the joint resolution, as follows:

Resolved, etc., That, effective upon the enactment of this joint resolution, the following statutory provisions are repealed:

(a) The act of April 29, 1943, entitled "An act to authorize the return to private ownership of certain vessels formerly used or suitable for use in the fisheries or industries related thereto", as amended (Public Law 44, 78th Cong., 57 Stat. 69; Public Law 305, 78th Cong., 58 Stat. 223; Public Law 716, 79th Cong., 60 Stat. 976; 50 War App. U. S. C. 1301–1305).

(b) The act of August 10, 1946, entitled "An act relating to the sale by the United States of surplus vessels suitable for fishing" (Public Law 717, 79th Cong., 60 Stat. 977; 50 War App. U. S. C. 1306–1308). Notwithstanding the enactment of this joint resolution, the aforesaid statutory provisions shall apply to any vessels which prior to such enactment have been declared available for return to former owners by notice to the Department of Commerce under the act of April 29, 1943, as amended, or determined to be surplus for sale to former owners of fishing vessels in accordance with the act of August 10, 1946 (Public Law 717, 79th Cong.). Any other vessels which, but for the enactment of this joint resolution, would be disposed of in accordance with any of the aforesaid statutory provisions, shall be disposed of in accordance with the provisions of other existing laws.

The joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

INCREASES IN ANNUITIES OF CERTAIN EMPLOYEES

The Clerk called the bill (H. R. 3660) granting increases in the annuities of certain former civilian officials and employees engaged in and about the construction of the Panama Canal, and for other purposes.

Mr. FORD. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

LIMITATION ON OUTPATIENT DENTAL CARE

The Clerk called the bill (H. R. 9866) to prescribe certain limitations with respect to outpatient dental care for veterans.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. LONG. Mr. Speaker, reserving the right to object, I should like to offer an amendment.

Mr. FORD. Mr. Speaker, reserving the right to object, it is my understanding that the gentleman from Louisiana [Mr. LONG] has an amendment which would extend the time limitation from 1 year to 2 years. It is my further understanding that the Committee on Veterans' Affairs approved a 1-year period unanimously. It seems to me that the 1-year period is adequate. Rather than have the 1-year period extended to 2 years, as I understand the gentleman from Louisiana wishes, I shall have to ask that the bill be passed over.

The independent offices appropriation bill for the fiscal year 1955 has a 1-year limitation. It takes care of the situation properly, in my judgment, although there are some improvements in the bill as set forth here. I should like to ask the gentleman from Louisiana [Mr. LONG] if that is his intention; and if it is I intend to object to the consideration of the bill.

Mr. LONG. Mr. Speaker, my objection to it is the same as I have been arguing ever since I have been a Member of Congress. It does not give the veterans time to get their dental work done. I have contended for a 5-year period, but I would agree to go along with 2 years. However, I will not agree to anything less.

I attended the American Dental Association meeting when this matter was discussed and the conclusion was reached that a "reasonable" time should be granted. I gathered from the members to whom I talked that by a reasonable time, they meant a period of not less than 3 years, with 5 years being preferred. However, there is a group of dentists that insists on a 1-year period. I cannot go along with their way of thinking.

Many reasons could be cited why this does not give the veteran enough time to get his dental work done, thereby denying many of them the rights they are granted under the veterans' benefit laws already in force.

The law referred to by my colleague [Mr. FORD] was an amendment to the appropriation bill in the Senate. As you no doubt remember, the House defeated that same amendment. Next year, when the appropriation bill comes before the Congress, we will defeat it again, and I hope the Senate will do likewise.

I cannot, in good conscience, go along with a program that I know is not in the best interests of the men who have fought our wars.

Mr. FRELINGHUYSEN. Mr. Speaker, will the gentleman yield?

Mr. LONG. I yield to the gentleman from New Jersey.

Mr. FRELINGHUYSEN. Mr. Speaker, I ask unanimous consent to revise and extend my remarks in the RECORD at this point and to include extraneous material.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. FRELINGHUYSEN. Mr. Speaker, the bill we are considering today, H. R. 9866, represents permanent legislation to replace what has been controlled largely by riders in the independent offices appropriation bills for the past 2 years.

This measure, which I introduced, was reported unanimously by the Committee on Veterans' Affairs after full hearings. We heard testimony from the Veterans' Administration, from the American Dental Association and from all the national veterans' organizations. No objections of any substance were raised by any witnesses. This bill is recommended by the Veterans' Administration, and carries the recommendation of the Bureau of the Budget.

This bill limits out-patient dental treatment to veterans with disabilities which are, first, service-connected and compensable in degree; or second, service-connected and shown to have been in existence at time of discharge, and where application for treatment is made within 1 year after discharge, or December 31, 1954, whichever is the later; or third, is associated with and aggravating a disability for some other service-connected injury or disease.

The bill also provides, in accordance with a practice which now prevails in the Veterans' Administration, that treatment is on a one-time-completion basis only, except in those cases where the standard of work performed does not meet the professional requirements of good dental treatment. The one-time treatment requirement would not apply to dental disabilities of former prisoners of war or to those suffering from combat wounds.

In accordance with the Public Law 494 which I also sponsored, and which was signed by President Eisenhower last July 15, this bill does not limit treatment given to Spanish-American War veterans. The veterans of the Spanish-American war are given special consideration with respect to out-patient care. Neither does this bill restrict dental care given to veterans undergoing education or training under Public Law 16, the law which provides such education for service-connected veterans of World War II and Korea.

Mr. Speaker, I would like to include as part of my remarks the language of Public Law 494, dealing with free dental care for our Spanish-American War veterans:

[Public Law 494, 83d Cong., ch. 506, 2d sess.]

H. R. 6412

An act to preserve the eligibility of certain veterans to dental out-patient care and dental appliances

Be it enacted, etc., That veterans of the Spanish-American War, including the Philippine Insurrection and the Boxer Rebellion, and veterans in training under Public Law 16, 78th Congress, as amended and extended, shall not be subject to the limitation on out-patient dental care contained in the first proviso of the provision under the heading "Out-patient care" appearing under the heading "Veterans' Administration" in the Second Independent Offices Appropriation Act, 1954, or in the first proviso under the same heading in the Independent Offices Appropriation Act, 1955 (Public Law 428, 83d Cong., 2d sess.).

Approved July 15, 1954.

In addition, I should like to indicate the effect which the passage of this bill, H. R. 9866, would have on Veterans Regulation No. 7 (a), and on the Independent offices appropriations acts:

[Committee print]

While not required under the Ramseyer rule, for the convenience of the Members of the House the effect of enactment of this bill is set forth below (new matter in italics; matter to be repealed in black brackets):

"VETERANS REGULATION NO. 7 (A)

"ELIGIBILITY FOR MEDICAL CARE

"1. The Administrator of Veterans' Affairs, within the limits of Veterans' Administration facilities, is authorized in his discretion to furnish to honorably discharged veterans of any war, including the Boxer Rebellion and the Philippine Insurrection, and to men honorably discharged from the United States Army, Navy, Marine Corps, or Coast Guard for disabilities incurred in line of duty, such medical, surgical and dental services as may be found to be reasonably necessary for diseases or injuries incurred or aggravated in the line of duty in the active military or naval service. Such persons may also be furnished with such supplies including dental appliances, wheel chairs, artificial limbs, trusses, and similar appliances, including special clothing made necessary by the wearing of prosthetic appliances, as the Administrator of Veterans' Affairs may determine to be useful and reasonably necessary, which dental appliances, wheel chairs, artificial limbs, trusses, special clothing, and similar appliances may be procured by the Veterans' Administration in such manner, either by purchase or manufacture, as the Administrator of Veterans' Affairs may determine to be advantageous and reasonably necessary.

"No outpatient dental services and treatment, or related dental appliances, shall be furnished by authority of the provisions of this Veterans Regulation No. 7 (a), or the provisions of section 6, Public Act No. 2, 73d Congress, as amended, unless the dental condition or disability (1) is service connected and of compensable degree; or (2) is service connected, shown to have been in existence at time of discharge and application for treatment is made within 1 year after discharge or by December 31, 1954, whichever is the later; or (3) is associated with and held to be aggravating disability from some other disease or injury which was incurred in, or aggravated by, service: Provided, That the

foregoing limitations shall not apply to veterans of the Spanish-American War, including the Philippine Insurrection and the Boxer Rebellion, nor shall they be construed to restrict the authority provided by Public Law 16, 78th Congress, as amended and extended, to furnish dental services to veteran trainees thereunder: Provided further, That benefits (except for a dental condition or disability due to combat wounds or other service trauma or of a former prisoner of war) afforded under clause (2) shall be on a one-time completion basis only, unless the services rendered on a one-time basis are found unacceptable within the limitations of good professional standards, in which event such additional limited services may be afforded as are required to complete professionally acceptable treatment."

Outpatient care section (Veterans' Administration) of Public Law 149, 83d Congress:

"Outpatient care: For expenses necessary for furnishing outpatient care to beneficiaries of the Veterans' Administration, as authorized by law, including not to exceed $196,000 for expenses of travel of employees; $92,667,900, of which not exceeding $23 million shall be available for outpatient fee basis dental care[: *Provided*, That no part of this appropriation shall be available for outpatient dental services and treatment, or related dental appliances with respect to a service-connected dental disability which is not compensable in degree unless such condition or disability is shown to have been in existence at time of discharge and application for treatment is made within 1 year after enactment of this act: *Provided*, That this limitation shall not apply to adjunct outpatient dental services or appliances for any dental condition associated with and held to be aggravating disability from some other service incurred or service aggravated injury or disease]."

Outpatient care section (Veterans' Administration) of Public Law 428, 83d Congress:

"Outpatient care: For expenses necessary for furnishing outpatient care to beneficiaries of the Veterans' Administration, as authorized by law, including not to exceed $178,000 for expenses of travel of employees; $82,134,000, of which not exceeding $11,200,000 shall be available for outpatient fee basis dental care[: *Provided*, That no part of this appropriation shall be available for outpatient dental services and treatment, or related dental appliances with respect to a service-connected dental disability which is not compensable in degree unless such condition or disability is shown to have been in existence at time of discharge and application for treatment is made within 1 year after discharge or by December 31, 1954, whichever is later: *Provided further*, That this limitation shall not apply to adjunct outpatient dental services or appliances for any dental condition associated with and held to be aggravating disability from such other service-incurred or service-aggravated injury or disease]."

The only objection raised to this bill is that represented by the amendment which the gentleman from Louisiana [Mr. LONG] now seeks to offer. The gentleman from Louisiana desires to extend the proposed 1-year period, within which an application for free dental care must be filed, to 2 years. Previously he has opposed any time limitation, or one of not less than 5 years.

First of all I should like to point out that this extension of time is in conflict with the unanimous decision of the Veterans' Affairs Committee, of which the gentleman from Louisiana is a distinguished member. It seems apparent that 1 year is a reasonable length of time in which to seek free dental treatment. The Members will note that it is only necessary to file an application within 1 year, not to have received treatment.

Secondly, it has been made plain that this bill cannot pass today if this amendment is offered. If permanent legislation is not enacted, as now seems likely, the provisions of the Independent Offices Appropriation Act will apply. The result will be that the 1 year time limit will be in effect, but not as the result of the considered recommendation of the Veterans' Affairs Committee. Because of disagreement on a less than vital point, needed legislation will not be passed. Inclusive consideration has been given to this problem of outpatient dental care, and I should be reluctant to see this bill passed over.

This measure would not lead to any additional cost on the part of the Veterans' Administration. In fact, it will continue to save considerable money over the procedure in effect prior to the enactment of the appropriation riders.

Mr. Speaker, may I ask the gentleman from Louisiana if we did not, in the Committee on Veterans' Affairs, have a full discussion about the reasonableness of the 1-year period? When the bill was reported favorably by a unanimous vote of the committee, I regret that the gentleman from Louisiana was not there.

I, too, would be reluctant to accept the 2-year limitation, because it seems to me that the 1-year limitation is a reasonable time. It is sufficient warning that unless eligible veterans apply they will not have free dental care. I am reluctant to see the bill passed over because one Member now proposes that an amendment be adopted to extend it to 2 years. I do not suggest, however, that such a period might not also be considered reasonable.

I would suggest to the gentleman that perhaps permanent legislation on this subject is important. In any event the appropriation rider will be in effect unless this legislation passes, so this proposed 2-year limitation will not apply if the bill is passed over.

Mr. FORD. Further reserving the right to object, Mr. Speaker, I am in favor of the legislation as unanimously recommended by the Committee on Veterans' Affairs. I will insist on having the bill passed over unless it is agreed beforehand that such an amendment will not be offered. I respectfully ask the gentleman from Louisiana if that is his intention.

Mr. LONG. I do not understand what the gentleman is driving at.

The SPEAKER. As the Chair understands it, the gentleman from Michigan is requesting the gentleman from Louisiana not to offer his amendment to extend it to 2 years. Is that the subject of the gentleman's inquiry?

Mr. FORD. The Chair is correct. If the gentleman from Louisiana is going to offer his amendment, I will then ask that the bill be passed over without prejudice.

Mr. LONG. I offer the amendment, Mr. Speaker, and I object to the bill being passed over without prejudice.

The SPEAKER. The gentleman cannot offer his amendment until permission is granted for the bill to be considered, which has not been given.

Mr. FORD. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

Mr. LONG. I object, Mr. Speaker.

The SPEAKER. The gentleman from Louisiana objects.

Is there objection to the present consideration of the bill?

Mr. FORD. I object to the present consideration of the bill, Mr. Speaker.

PANAMA CANAL

The Clerk called the bill (H. R. 2305) to extend to certain naturalized citizens of the United States the benefits of the act of May 29, 1944, entitled "An act to provide for the recognition of the services of the civilian officials and employees, citizens of the United States, engaged in and about the construction of the Panama Canal."

Mr. BYRNES of Wisconsin. Mr. Speaker, I move that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

CHARTER OF PASSENGER SHIPS IN DOMESTIC TRADE

The Clerk called the bill (H. R. 9868) to amend the Merchant Ship Sales Act of 1946 to provide for the charter of passenger ships in the domestic trade.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 5 (e) (1) of the Merchant Ship Sales Act of 1946 (60 Stat. 41), as amended, is amended by inserting after the words "may be chartered pursuant to the act for bareboat use in any service" the following: "including the domestic trade in the case of passenger ships."

With the following committee amendments:

Strike out all after the enacting clause and insert the following: "That section 5 (f) (1) of the Merchant Ship Sales Act, as amended, is amended by inserting before the period at the end thereof a comma and the following: 'and may charter any war-built passenger vessel owned by the United States for use in the domestic trade of the United States, under the conditions prescribed for the charter of war-built cargo vessels in subsection (e) of this section.'"

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DENIAL OF FEDERAL ANNUITIES TO GOVERNMENT OFFICERS AND EMPLOYEES CONVICTED OF CERTAIN CRIMES

The Clerk called the bill (H. R. 9909) to prohibit payment of annuities to officers and employees of the United States convicted of certain offenses, and for other purposes.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. DOWDY. Mr. Speaker, this bill provides exemptions from its provisions with respect to convicted criminals and traitors who are presently drawing retirement annuities. It had been my intention to offer amendments to the bill striking out the exemption of those people, because I do not believe convicted criminals should draw any retired pay from the United States. We do not owe them anything. However, the other provisions of the bill I think should be enacted anyway. I understand if I offered the amendments at this time the bill would probably not get through at this session. I make this statement because it had been announced that I would offer those amendments.

I withdraw my reservation of objection, Mr. Speaker.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That there shall not be paid to any person convicted prior to, on, or after the date of enactment of this act of any of the following offenses described in this section, or to the survivor or beneficiary of such person so convicted, for any period subsequent to the date of such conviction or the date of enactment of this act, whichever is later, any annuity or retired pay on the basis of the service of such person as an officer or employee of the Government:

(1) Any offense defined in section 201, 202, 203, 204, 205, 206, 207, 208, 209, 210, 211, 212, 213, 216, 217, 218, 219, 220, 221, 222, or 223 of chapter 11 (relating to bribery and graft), section 281, 282, 283, 284, 285, 286, or 287 of chapter 15 (relating to claims and services in matters affecting government), section 434, 435, 436, 441, 442, or 443 of chapter 23 (relating to contracts), chapter 37 (relating to espionage and censorship), section 1700, 1702, 1703, 1704, 1705, 1706, 1707, 1708, 1709, 1711, or 1712 of chapter 83 (relating to offenses involving the postal service), chapter 105 (relating to sabotage), or chapter 115 (relating to treason, sedition, and subversive activities) of title 18 of the United States Code or in section 10 or 16 of the Atomic Energy Act of 1946 (42 U. S. C., secs. 1810 and 1816);

(2) Any offense (not including any offense within the purview of section 13 of title 18 of the United States Code) which is a felony under the laws of the United States or of the District of Columbia (A) committed in the exercise of his authority, influence, power, or privileges as an officer or employee of the Government, or (B) committed after the termination of his service as an officer or employee of the Government but directly involving, directly resulting from, or directly relating to, the improper exercise of his authority, influence, power, or privileges during any period of his service as such an officer or employee;

(3) Perjury committed under the laws of the United States or of the District of Columbia (A) in falsely denying the commission of an act which constitutes any of the offenses described in paragraph (1) or (2) of this section, (B) in falsely testifying before any Federal grand jury or court of the United States with respect to his service as an officer or employee of the Government, or (C) in falsely testifying before any congressional committee in connection with any matter under inquiry before such congressional committee; or subornation of perjury committed in connection with the false denial or false testimony of another person as specified in this paragraph.

(4) Any offense defined in section 833, 861, or 862 of an act entitled "An act to establish a code of law for the District of Columbia" approved March 3, 1901 (31 Stat. 1330, D. C. Code, 1954 edition, secs. 22–1201, 122–701, 22–703); or in the second paragraph under the subheading "for executive office" under the caption "general expenses" in the first section of the act entitled "An act making appropriations to provide for the expenses of the government of the District of Columbia for the fiscal year ending June 30, 1903, and for other purposes," approved July 1, 1902 (32 Stat. 591, D. C. Code, 1901 edition, sec. 22–702).

SEC. 2. (a) There shall not be paid to any person who has failed or refused, or fails or refuses, prior to, on, or after the date of enactment of this act, upon the ground of self-incrimination, to appear, testify, or produce any book, paper, record, or other document, with respect to his service as an officer or employee of the Government or with respect to any relationship which he has had or has with a foreign government, in any proceeding before a Federal grand jury, court of the United States, or congressional committee, or to the survivor or beneficiary of such person, for any period subsequent to the date of such failure or refusal of such person on the date of enactment of this act, whichever is later, any annuity or retired pay on the basis of the service of such person as an officer or employee of the Government. There shall not be paid to any such person, or to his survivor or beneficiary, for any period subsequent to the date of such failure or refusal or the date of enactment of this act, whichever is later, any salary, pay, or compensation for service as an officer or employee of the Government; and any such person who occupies an office or position in the service of the Government of the United States or the government of the District of Columbia shall be removed therefrom and thereafter prohibited from holding any office or position in or under the Government of the United States or the government of the District of Columbia.

(b) There shall not be paid to any person who, prior to, on, or after the date of enactment of this act, has made or makes any false, fictitious, or fraudulent statement or representation, or who, prior to, on, or after such date, has concealed or conceals any material fact, with respect to his—

(1) past or present membership in, affiliation or association with, or support of the Communist Party, or any chapter, branch, or subdivision thereof, in or outside the United States, or any other organization, party, or group, or any individual, advocating (A) the overthrow, by force, violence, or other unconstitutional means, of the Government of the United States, (B) the establishment in the United States of a Communist totalitarian dictatorship, or (C) the right to strike against the Government of the United States;

(2) conviction of any offense described in the first section of this act; or

(3) failure or refusal to appear, testify, or produce any book, paper, record, or other document as specified in subsection (a) of this section,

for any period subsequent to the date of enactment of this act or the date on which such statements are made, whichever is later, in connection with his application for an office or position in or under the executive, legislative, or judicial branch of the Government of the United States or the government of the District of Columbia, or to the survivor or beneficiary of such person, any annuity or retired pay on the basis of the service of such person as an officer or employee of the Government.

SEC. 3. In the case of any such person, any amounts contributed by him toward the annuity the benefits of which are denied under this act, less any sums previously refunded or paid as annuity benefits, shall be returned, upon appropriate application therefor, to such person, with interest to date of conviction or the date of enactment of this act, whichever is later, at such rates as may be provided in the case of refunds under the law, regulation, or agreement under which the annuity is payable, or if no such rates are so provided at the rate of 4 percent per annum to December 31, 1947, and 3 percent per annum thereafter, compounded on December 31 of each year. In the event a person entitled to a refund under this section dies prior to the making of such refund, the refund shall be made to such person or persons as may be provided in the case of refunds under the law, regulation, or agreement under which the annuity the benefits of which are denied under this act is payable or, if no such provision is made, in the order of preference prescribed in section 12 (e) of the Civil Service Retirement Act of 1930, as amended.

SEC. 4. No accountable officer of the Government of the United States or of the government of the District of Columbia shall be held responsible for payments made in violation of the first section and section 2 of this act when made in due course and without negligence.

SEC. 5. As used in this act—

(1) The term "officer or employee of the Government" includes an officer or employee in or under the legislative, executive, or judicial branch of the Government of the United States, a Member of or Delegate to Congress, a Resident Commissioner, an officer or employee of the government of the District of Columbia, and a member or former member of the Armed Forces of the United States, including the Regular and Reserve components thereof, the Fleet Reserve, the Fleet Marine Corps Reserve, the Coast and Geodetic Survey, and the Public Health Service.

(2) The term "annuity" means any retirement benefit (other than any benefit provided under laws administered by the Veterans' Administration) payable by any department or agency of the Government of the United States or the government of the District of Columbia upon the basis of service as a civilian officer or employee, except that such term does not include salary or compensation which may not be diminished under section 1 of article III of the Constitution or, in the case of a benefit payable under the Social Security Act, as amended, any portion of such benefit not based upon service as an officer or employee of the Government of the United States or the government of the District of Columbia. The term "annuity" does not include any retirement benefit of any person to whom such benefit has been awarded or granted prior to the date of enactment of this act insofar as concerns the conviction of such person, prior to such date, of any offense specified in the first section of this act or the failure or refusal of such person, prior to such date, to appear, testify, or produce any book, paper, record, or other document as specified in section 2 (a) of this act.

(3) The term "retired pay" means retired pay, retirement pay, retainer pay, or equivalent pay (other than any benefit provided under laws administered by the Veterans' Administration), payable under any law of the United States to members or former members of the Armed Forces of the United States, including the Regular and Reserve components thereof and the Fleet Reserve and the Fleet Marine Corps Reserve, the Coast and Geodetic Survey, and the Public Health Service. The term "retired pay" does not include the retired pay, retirement pay, retainer pay, or equivalent pay of any person to whom any such pay has been awarded or granted prior to the date of enactment of this act insofar as concerns the conviction

of such person, prior to such date, of any offense specified in the first section of this act, or the failure or refusal of such person, prior to such date, to appear, testify, or produce any book, paper, record, or other document as specified in section 2 (a) of this act.

SEC. 6. This act shall not be construed as restricting authority under any other provision of law to deny or withhold benefits authorized by law.

SEC. 7. The President may drop from the rolls any member of the Armed Forces, including the Regular and Reserve components thereof, the Fleet Reserve, and the Fleet Marine Corps Reserve, and any member of the Coast and Geodetic Survey or of the Public Health Service, who is deprived of retired pay under the provisions of this act.

SEC. 8. If any provision of this act, or the application of such provision to any person or circumstance, shall be held invalid, the remainder of this act, or the application of such provision to persons or circumstances other than those as to which it is held invalid, shall not be affected thereby.

With the following committee amendments:

Page 3, line 14, strike out "paragraph." and insert in lieu thereof "paragraph;".

Page 3, strike out line 15 and all that follows down to the semicolon in line 19 and insert in lieu thereof the following:

"Any offense defined in section 833, 861, or 862 of the act entitled 'An act to establish a code of law for the District of Columbia', approved March 3, 1901 (31 Stat. 1325, 1330; D. C. Code, 1951 edition, secs. 22–1201, 22–701, 22–703)."

Page 4, lines 1 and 2, strike out "(32 Stat. 591, D. C. Code, 1901 edition, sec. 22–702)." and insert in lieu thereof "(32 Stat. 591; D. C. Code, 1951 edition, sec. 22–702)."

Page 4, line 14, strike out "on" and insert in lieu thereof "or."

Page 4, strike out line 17 and all that follows down through the period on page 5, line 2.

Page 5, line 4, insert "knowingly and willfully" after "act."

Page 5, line 12, strike out ", or any individual."

Page 5, line 24, strike out "on which such statements are made" and insert in lieu thereof "on which any such statement, representation, or concealment of fact is made or occurs."

Page 6, strike out line 8 and all that follows down through the word "later" in line 14 and insert in lieu thereof the following:

"SEC. 3. Any amounts contributed by any such person toward the annuity the benefits of which are denied under this act, less any sums previously refunded or paid as annuity benefits, shall be returned to such person, upon appropriate application therefor, with interest to the date of his conviction of any offense described in the first section of this act or of the commission by him of any violation of section 2 of this act, as the case may be, or the date of enactment of this act, whichever is later."

Page 6, line 20, after "year." insert the following: "Such person shall not be required to repay any annuity properly received by him which is in excess of the amount of his own contributions with interest."

Page 7, after line 3, insert the following:

"SEC. 4. The right to receive an annuity or retired pay shall be deemed restored to any person convicted, prior to, on, or after the date of enactment of this act, of an offense which is specified in the first section of this act or which constitutes a violation of section 2 of this act, for which he is denied an annuity or retired pay, to whom a pardon of such offense is granted by the President of the United States, prior to, on, or after the date of enactment of this act, and to the survivor or beneficiary of such person. Such restoration of the right to receive an annuity or retired pay shall be effective as of the date on which such pardon is granted. Any amounts refunded to such person under section 3 of this act shall be redeposited before credit is allowed for the period or periods of service covered by the refund. No payment of annuity or retired pay shall be made for any period prior to the date on which such pardon is granted."

Page 7, line 4, strike out "SEC. 4." and insert in lieu thereof "SEC. 5."

Page 7, line 7, strike out "and" and insert in lieu thereof "or."

Page 7, line 7, after the word "when", insert "such payments are."

Page 7, line 9, strike out "SEC. 5." and insert in lieu thereof "SEC. 6."

Page 8, strike out all of line 12 after the word "act" and all that follows down through the period in line 15 and insert in lieu thereof ", or the commission by such person, prior to such date, of any violation of section 2 of this act."

Page 9, strike out all of line 5 after "act," and all that follows down through the period in line 8 and insert in lieu thereof "or the commission by such person, prior to such date, of any violation of section 2 of this act."

Page 9, line 9, strike out "SEC. 6." and insert in lieu thereof "SEC. 7."

Page 9, line 12, strike out "SEC. 7." and insert in lieu thereof "SEC. 8."

Page 9, line 18, strike out "SEC. 8." and insert in lieu thereof "SEC. 9."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The SPEAKER. This completes the call of bills eligible for consideration on the Consent Calendar at this time.

ALABAMA AND COUSHATTA TRIBES OF INDIANS OF TEXAS

Mr. MILLER of Nebraska. Mr. Speaker, the bill (S. 2744) to provide for the termination of Federal supervision over the property of the Alabama and Coushatta Tribes of Indians of Texas, and the individual members thereof, and for other purposes, was placed at the foot of the calendar and I believe we are now ready to take up that bill.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior is authorized to convey to the State of Texas the lands held in trust by the United States for the tribe of Indians organized and known as the Alabama and Coushatta Tribes of Texas, located in Polk County, Tex.; and such tribe is authorized to convey to the State of Texas the lands purchased for and deeded to the Alabama Indians in accordance with an act of the legislature of the State of Texas approved February 3, 1854, located in Polk County, Tex. All of the lands so conveyed shall be held by the State of Texas in trust for the benefit of the Indians of the Alabama and Coushatta Tribes of Texas, subject to such conditions regarding management and use as the State of Texas may prescribe and the disposition of such lands shall be subject to approval of a majority of the adult members of the Alabama and Coushatta Tribes of Texas.

SEC. 2. Upon the conveyance to the State of Texas of the lands held in trust by the United States for the Alabama and Coushatta Tribes of Texas, the Secretary of the Interior shall publish in the Federal Register a proclamation declaring that the Federal trust relationship to such tribe and its members has terminated. Thereafter such tribe and its members shall not be entitled to any of the services performed by the United States for Indians because of their status as Indians: *Provided*, That after the date of this act such Indians shall be eligible for admission, on the same terms that apply to other Indians, to hospitals and schools maintained by the United States in the State of Oklahoma.

SEC. 3. Effective on the date of the proclamation provided for in section 2 of this act, all powers of the Secretary of the Interior or any other officer of the United States to take, review, or approve any action under the constitution and bylaws of the Alabama and Coushatta Tribes of Texas approved on August 19, 1938, pursuant to the act of June 18, 1934 (48 Stat. 984), are terminated. Any powers conferred upon the tribe by its constitution and bylaws that are inconsistent with the provisions of this act are terminated. Such termination shall not affect the power of the tribe to take any action under its constitution and bylaws that is consistent with this act without the participation of the Secretary or other officer of the United States in such action.

SEC. 4. The indebtedness of the Alabama and Coushatta Tribes of Texas to the United States, incurred under the provisions of the act of May 29, 1928 (45 Stat. 883, 900), is canceled, effective on the date of the proclamation to be issued in accordance with the provisions of section 2 of this act.

SEC. 5. The corporate charter of the Alabama and Coushatta Tribes of Texas issued pursuant to the act of June 18, 1934 (48 Stat. 984), ratified on October 17, 1934, is revoked, effective on the date of the proclamation to be issued in accordance with the provisions of section 2 of this Act.

SEC. 6. On and after the date of the proclamation to be issued in accordance with the provisions of section 2 of this act, all statutes of the United States which affect Indians because of their status as Indians shall no longer be applicable to the Alabama and Coushatta Tribes of Texas or the members thereof, except as provided in section 2 of this act, and the laws of the several States shall apply to the tribe and its members in the same manner as they apply to other citizens or persons within their jurisdiction.

SEC. 7. Nothing in this act shall affect the status of the members of the Alabama and Coushatta Tribes of Texas as citizens of the United States, or shall affect their rights, privileges, immunities, and obligations as such citizens.

SEC. 8. The act of June 18, 1934 (48 Stat. 984), as amended by the act of June 15, 1935 (49 Stat. 387), shall not apply to the tribe and its members after the date of the proclamation to be issued in accordance with the provisions of section 2 of this act.

With the following committee amendment:

Page 4, strike all of section 7, and insert in lieu thereof the words:

"SEC. 7. Nothing in this act shall affect the status of the members of the tribes as citizens of the United States."

The committee amendment was agreed to.

Mr. DOWDY. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DOWDY: On page 2, line 21, after "United States", insert a period and strike out the remainder of line 21.

Mr. DOWDY. Mr. Speaker, I understand that this amendment has been agreed to.

Mr. MILLER of Nebraska. Mr. Speaker, we have no objection to the amendment.

The SPEAKER. The question is on the amendment offered by the gentleman from Texas [Mr. DOWDY].

The amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BLACK CANYON IRRIGATION DISTRICT

Mr. BUDGE. Mr. Speaker, I ask unanimous consent to return to Consent Calendar No. 514, the bill (H. R. 9630) to authorize the Secretary of the Interior to execute an amendatory contract with the Black Canyon Irrigation District, Idaho, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Idaho?

Mr. GAVIN. Mr. Speaker, reserving the right to object, I want to call the attention of the Members of the House to these bills that have been going through with great regularity after the Government has made contracts on these reclamation and irrigation projects. If the contract is for a period of 50 years, legislation is later introduced to extend the contracts to 75 years. Now it would appear as if eventually these contracts may be extended in perpetuity. If these contracts are not valid when they are entered into, we certainly should not be compelled to grant an extension of time. These projects ought to be amortized on a sound basis when the contract is entered into. In the future any of these authorizations to extend the time of payments another 25 years is going to be passed over my objection. Under the circumstances, Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Idaho [Mr. BUDGE]?

There was no objection.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior is authorized to execute on behalf of the United States the amendatory repayment contract with the Black Canyon Irrigation District, Idaho, negotiated pursuant to section 7 of the Reclamation Project Act of 1939 (53 Stat. 1187, 1192; 43 U. S. C., 1946 edition, sec. 485f) and approved by the District's electors on April 20, 1954.

SEC. 2. The Secretary is further authorized, on the basis of the principles set forth in the revised allocation and repayment report for the Boise Federal reclamation project, Idaho, dated September 21, 1953 (which report is in part the basis upon which the above-described amendatory repayment contract was negotiated), and subject to then existing contractual obligations of the United States in relation to the Boise project (1) to coordinate his operation of the facilities of the project with that of other Federal installations on the Boise and Payette Rivers, (2) to allocate an appropriation portion of the construction cost and of the operation and maintenance costs of the project to each of the functions (primarily irrigation, including irrigation power, commercial power, and flood control) served by it, and (3) to account for the return of the reimbursable allocations in accordance with the Federal reclamation laws.

SEC. 3. The last 3 provisos to the portion of the act of June 5, 1924 (43 Stat. 390, 416), relating to the Boise project, and the proviso to the portion of the act of March 4, 1929 (45 Stat. 1562, 1590), also relating thereto, are hereby repealed.

SEC. 4. As used in this act, the term "Federal reclamation laws" means the act of June 17, 1902 (32 Stat. 388), and acts amendatory thereof or supplementary thereto.

SEC. 5. This act is declared to be a supplement of the Federal reclamation laws.

With the following committee amendment:

On page 2, line 10, strike out "appropriation" and insert "appropriate."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DEVELOPMENT OF WATER STORAGE FACILITIES

Mr. HOPE. Mr. Speaker, I ask unanimous consent to take from the Speaker's table, the bill (S. 3137) to make the provisions of the act of August 27, 1937, relating to the conservation of water resources in the arid and semi-arid areas of the United States, applicable to the entire United States, and to increase and revise the limitation on aid available under the provisions of the said act, and for other purposes, with amendments of the Senate to amendments of House thereto, and concur in the Senate amendments to the House amendments.

The Clerk read the title of the bill and Senate amendments, as follows:

After the word "farming", insert a comma.
In line 6 strike out the word "improvement" and insert "improved."

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

Mr. McCORMACK. Mr. Speaker, reserving the right to object, and I shall not, I would like to ask the gentleman from Kansas a few questions, not related to the bill, and about which I am anxious to get some information. I would have asked them if another bill on the calendar had not been passed over.

There is a bill that has passed the Senate that would put coffee under the Commodity Exchange Act. Also another bill that passed the House to include onions which has a Senate amendment to include coffee which is now on the Speaker's desk.

Can the gentleman enlighten me if it is the intention of the gentleman or his committee to take any action on including coffee at this session of the Congress?

Mr. HOPE. I am glad to say to the gentleman that the committee has been studying the recent report of the Federal Trade Commission on that subject, with the thought of determining whether or not legislation that is pending would in any way meet with the recommendations that are made by the Federal Trade Commission. We have discussed the matter in the committee no later than this forenoon. While the committee has not arrived at any specific decision thereon, it appears that the recommendations of the Federal Trade Commission would call for considerably broader legislative enactment than is contained in the legislation now pending before the Congress. The feeling of the gentleman from Kansas is that the committee should give further study to this entire question before taking any action on the matter.

Mr. McCORMACK. That would mean there would be no action taken at this session of the Congress to put coffee under the Commodity Exchange Act?

Mr. HOPE. I think it would be impossible, owing to the fact that the session is nearing the end, to take action which would enable us to study or carry out the recommendations made by the Federal Trade Commission.

Mr. McCORMACK. But does the gentleman think that this particular matter should be held up so that proper study of the Federal Trade Commission's report and recommendation, which enables control of gambling and speculating to be regulated to some extent? It seems to me that it is very evident there has been tremendous speculation in coffee, and it is a simple question whether or not coffee should be put under the Commodity Exchange Act.

Mr. HOPE. On the contrary, may I say to the gentleman the committee held extensive hearings a number of weeks back on this question. Frankly, the proponents of legislation to put trading in coffee under the regulation of the Commodity Agency in the Department of Agriculture, in the opinion of members of the committee with whom I have talked failed to make out a case in that respect. I do not say that is necessarily the conclusion the committee might come to after further study. But certainly a very weak case was made out for the legislation at that time.

Mr. McCORMACK. Is there any doubt in the gentleman's mind but what there has been tremendous speculation in coffee in the past year or so?

Mr. HOPE. Yes. The evidence before the committee indicated that there was very little speculation in coffee on the futures market, and all of the trading took place and all of the speculation, if you call it that, was on the spot market. I might call the gentleman's attention to the fact that during this entire period when the price of coffee was going up the futures market on coffee was considerably below the spot market, which would indicate that the manipulation and speculation, or whatever it was that was going on, was in the spot market and not in the futures market. These are all matters the committee has given consideration to. Of course, we all realize that some things have been taking place entirely outside of this country that have more to do with the increase in the price

of coffee than anything that could possibly have happened in this country.

Mr. McCORMACK. I am somewhat amazed at the gentleman's statement that there is very little speculation taking place in coffee in the last year, because certainly the impression I had was distinctly to the contrary, and I thought the evidence was to the contrary.

Mr. HOPE. If the gentleman will permit, I would like to have the gentleman read the hearings before our committee. I believe he will agree that they support the statement I have made that a very weak case was made out for placing trading in coffee under the regulation of the authority of the Department of Agriculture.

Mr. McCORMACK. I take it from the gentleman's remarks that there is no hope of the Senate amendment being brought up unless it would be by unanimous consent or under a rule from the Committee on Rules enabling the House to vote on the question of whether or not coffee should be covered by the Commodity Exchange Act.

Mr. HOPE. I want to say that the committee intends to pursue this matter further. We intend to go to the very bottom of it, but I am not at all certain that it can be done during the remainder of this session. I do not think we have an opportunity to get at the real question which is involved here.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield.

Mr. GROSS. I want to commend the gentleman from Massachusetts for raising the question. It seems to me that the Federal Trade Commission report indicated that something ought to be done. Unless however the chairman of the Committee on Agriculture agrees to take the bill from the Speaker's desk with the amendment, I do not see how it can be done during the present session.

Mr. McCORMACK. I thoroughly agree with the gentleman.

Mr. GROSS. The housewives of the country are being fleeced every day.

Mr. JACKSON. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield.

Mr. JACKSON. I would like to say with respect to the amendment on coffee which was added in the Senate, that if an attempt is made to take it from the Speaker's table and pass it by unanimous consent, I, as chairman of the Subcommittee on Inter-American Affairs, would feel constrained to object.

I say that the matter of any possible manipulations of the coffee market in this country should be gone into further at this time, especially a matter with such implications for our relationships between the 5 or 6 coffee-growing countries and our own.

Any action in this House with respect to a commodity which is not an actual commodity of this country is going to be taken as an affront by the coffee-growing countries. Actually, the only countries of South and Central America today which are in a substantial position are those countries which are growing coffee.

It boils down to this, in my opinion, with reference to this matter: Either we must permit these countries to maintain their economies charging whatever prices are necessary in their opinion, or we revert to a process of grants-in-aid, as we have done elsewhere throughout the world to bolster unsound economies.

I do feel, however, that the whole matter of coffee both from the very inception from the planting to the harvesting of the coffee, taking into consideration all of the natural difficulties which we know have been experienced in some of the countries, on through the export processes and into the market place should be made a matter of a far more intensive study than has already been accomplished.

Simply to take this one foreign product and say we are going to govern how that is handled in the market place, I believe, has some inherent implications that are very bad.

Mr. McCORMACK. The gentleman realizes, of course, that the amendment to which I referred in no way tells other countries what they shall do; we are not dictating to other countries. It only affects speculation within the United States, and certainly I do not see where that is an affront to any other country. No other nation is involved. We are not trying to project ourselves into other countries and dictate to them. We are trying to regulate and control speculation within the United States; and, certainly, with all due respect to my distinguished friend, his argument is a very fine one which in some aspects I agree with. But in this particular case I do not see its applicability.

Mr. JACKSON. I was simply suggesting that I think the entire matter should be made the subject of a far more detailed study than has been made up to the present time because of the implications which exist. I have been through the countries on a number of occasions and I know every time this subject is mentioned it causes a sort of alarm throughout the hemisphere.

Mr. McCORMACK. A bill passed this House putting onions under this act. Does the gentleman think coffee is as important as onions?

Mr. JACKSON. There are very few countries in the hemisphere which have any particular concern about onions.

Mr. McCORMACK. We are not concerned with other countries. This bill if put into operation covers only speculation in the United States and certainly the coffee producing countries should be pleased to have speculation controlled in the United States because they are incorrectly blamed for it.

Mr. JACKSON. Let us determine to what extent the speculation has taken place. If it has taken place in fact then is the time to move in on it.

The SPEAKER. Is there objection to the request of the gentleman from Kansas [Mr. HOPE]?

There was no objection.

The Senate amendments to the House amendments Nos. 1 and 3 were concurred in.

A motion to reconsider was laid on the table.

MODERNIZATION AND IMPROVEMENTS OF CERTAIN MERCHANT-TYPE VESSELS

Mr. TOLLEFSON. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (S. 3546) to provide an immediate program for the modernization and improvement of such merchant-type vessels in the reserve fleet as are necessary for national defense, with House amendments thereto, insist on the House amendments and request a conference with the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Washington? [After a pause.] The Chair hears none and appoints the following conferees: Messrs. TOLLEFSON, ALLEN of California, RAY, BONNER, and SHELLEY.

AMENDING SECTION 413 (B) OF THE FOREIGN SERVICE ACT OF 1946

Mr. VORYS. Mr. Speaker, I move to suspend the rules and pass the bill (H. R. 9910) to amend section 413 (b) of the Foreign Service Act of 1946.

The Clerk reads as follows:

Be it enacted, etc., That section 413 (b) of the Foreign Service Act of 1946, as amended, is amended to read as follows:

"(b) A person appointed as a Foreign Service officer of classes 1 through 5, inclusive, shall receive salary at the minimum rate provided for the class to which he has been appointed, except that until March 31, 1955, not more than 500 persons may be appointed at other than the minimumn rate."

The SPEAKER. Is a second demanded?

Mr. HAYS of Arkansas. Mr. Speaker, I demand a second.

Mr. VORYS. Mr. Speaker, I ask unanimous consent that a second be considered as ordered.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. GROSS. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. GROSS. Mr. Speaker, when a second is demanded, is that Member supposed to be opposed to the bill or can a second be demanded by someone for the bill?

The SPEAKER. The Chair has no idea of what the position of the gentleman from Arkansas is concerning this bill. Opposition to the bill would naturally get preference.

Mr. VORYS. Mr. Speaker, I yield myself 7 minutes.

Mr. Speaker, this bill adjusts salary rates so that a person entering the Foreign Service from the State Department will not have to take a loss in salary. A similar provision, but without the limits placed in this bill, passed the Senate as a rider on an appropriation bill. Our conferees objected, saying, I think properly, that it was a legislative matter. It came to our committee in the middle of July, and this little bill is the result.

If you glance through the report, you will realize that we need to improve and

strengthen our Foreign Service. It has dwindled from 1,427 in 1953 to 1,283 last March.

There are two ways to get into our Foreign Service. One is at the bottom of the 6 classes and the other is through what we call lateral entry or entry into one of the upper 5 classes. Each class has up to eight different pay rates within the class. Each way, whether you go in at the bottom or come in through lateral entry, requires an examination and requires appointment by the President and confirmation by the Senate.

Mr. ROONEY. Mr. Speaker, will the gentleman yield?

Mr. VORYS. I yield to the gentleman from New York.

Mr. ROONEY. The gentleman has referred to this as a little bill. Will the gentleman tell the House how much this bill will cost the taxpayers and who it was that reduced the Foreign Service from the figure that he mentioned?

Mr. VORYS. This bill is estimated to cost $65,000. The reduction in the Foreign Service came from a number of causes. One of them may have been the reduction in appropriations. This bill is the result of the Wriston Committee Report which was released in June. They recommended 1,300 from the civil service and the State Department and 1,300 from the Foreign Service reserve and staff be taken in as Foreign Service officers through lateral entry. Due to the fact that our committee got this report late and have not studied all its phases, we have limited the application of this bill until March 30, 1955, and we provide that not more than 500 lateral entries may be made under this amendment. The estimated cost would be $65,000. Remember, under this amendment no new people are going on the Government payroll. They are simply transferring from one payroll to another. The present law requires each lateral entrant to go in at the pay rate for the bottom of the class to which he is appointed. There are about eight different pay rates in a class. A survey has shown that if a man from civil service would want to go in laterally, he might have to take a salary loss up to $1,670 under the present law, with an average loss of $627, and therefore he will not transfer. This little 21-word amendment would permit the Secretary of State to adjust the salaries so that the loss would not take place. The average of adjustments and additions to make the salaries come out even with civil-service rates would, based on the survey in one section of the State Department, amount to $130 each, and at that rate the bill would cost $65,000.

The Wriston report, which is referred to in our report, made a number of recommendations for improvement in the Foreign Service. Many of them can be done administratively; others will require legislation that we expect to take up next year. It is very important, however, to get new blood started going into the Foreign Service soon through lateral entry.

Now, as I say, these lateral entries all have to pass examinations; they must have 4 years' previous service if they are under 31; 3 years if they are over 31. It is simply this requirement for entering at the bottom pay of the class that is preventing a number of good men from going in. Only 51 have gone in since 1946, and in the past 2 years since 1952 no applicants have been taken into the lowest class. One of the reasons is that from 1946 on the Board of Examiners has probably been too strict. The appointment of the examiners is for the Secretary of State, but this will provide the means for having these people, when they are qualified, not to have to take a loss in salary when they go in.

Mr. ROONEY. I am wondering whether or not this little bill would be the means of the camel getting his nose under the tent, because Assistant Secretary of State Saltzman testified before the Committee on Appropriations some few weeks ago that if we were to follow out the terms of the Wriston report that it would cost the taxpayers in the neighborhood of $7 million.

Mr. VORYS. The cost of putting into effect all of the provisions of the Wriston report would be about $7 million. That is all listed in the report on this bill. The only way we can get any estimate of the cost of this particular provision is to estimate it at $65,000. I do not think the estimated retirement costs can properly be allocated to this bill, because no deduction of the savings in civil-service retirement costs is made.

As to the matter of retirement, some persons have brought up the question that this might be a scheme simply for getting people to go into the foreign service, and then retire. On this point I want to quote from a letter from the Secretary of State, which I received this morning:

The Honorable JOHN M. VORYS,
House of Representatives.

DEAR MR. VORYS: In my letter to Mr. Chiperfield of July 1, 1954, I pointed out the desirability of an amendment to the Foreign Service Act of 1946 which would permit the transfer of officers from the Department, Foreign Service Reserve, and the Foreign Service Staff to the Foreign Service officer corps at any of the salary rates of the Foreign Service officer class to which they are appointed. As you know, I am very anxious to obtain congressional action on this amendment to the Foreign Service Act, designated H. R. 9910, during the present session of Congress so that we may proceed with my program.

Officers appointed under this authority become entitled to the benefits of the Foreign Service retirement and disability system, which in some respects provides more liberal benefits than the civil-service system. In administering this program, the Department will not permit persons to enter the Foreign Service officer corps unless they are young enough to assure that they will spend at least 5 years overseas before retirement.

The Foreign Service Act of 1946 under section 636 provides that an officer who has at least 20 years of service and has reached the age of 50 may on his own application and with the consent of the Secretary be retired. In order to assure that persons transferring into the corps do not obtain unwarranted retirement benefits, applications for voluntary retirement will not be approved unless an officer has completed at least 5 years of service abroad.

The retirement advantages are by no means all on the side of the Foreign Service system. The civil-service retirement system contains certain advantageous features which officers would lose on transfer to the Foreign Service system. Survivorship annuities, credit for service in the Armed Forces, and maximum service credit for computing annuities are all more favorable under the civil-service system.

It should also be pointed out that persons transferring do not receive credit for prior service upon entering the Foreign Service retirement system unless they make the necessary contributions to the retirement fund, which, in most instances, will involve paying sums in addition to the amount received as a refund from the civil-service retirement fund.

I wish to assure you that the Department is alert to the necessity of taking every precaution providing for equitable administration of the Foreign Service retirement system and preventing its abuse under the program which I have approved.

Sincerely yours,

JOHN FOSTER DULLES.

I think we can trust our Secretary of State, Mr. Dulles, and his able deputy, Under Secretary for Administration, Mr. Saltzman, to do a good job of administering this program to build up the Foreign Service.

Mr. HAYS of Arkansas. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, little need be added to what the gentleman from Ohio [Mr. VORYS] has said.

Mr. TABER. Mr. Speaker, will the gentleman yield?

Mr. HAYS of Arkansas. I yield to the gentleman from New York.

Mr. TABER. I am wondering whether the Committee on Foreign Affairs went into the question of this retirement system, under which people who are in the Foreign Service may retire and come under their retirement system by paying only 5 percent of their salary whereas civil-service employees pay 6 percent; also, they are permitted the privilege of voluntary retirement, subject to approval at the age of 50, when the others may not retire before 60 and need 30 years of service to get out.

Mr. HAYS of Arkansas. The letter of the Secretary of State refers to that, if I may call the gentleman's attention to it.

Mr. VORYS. Mr. Speaker, will the gentleman yield to me?

Mr. HAYS of Arkansas. I yield to the gentleman from Ohio.

Mr. VORYS. The letter of the Secretary of State from which I have just read throws some light on that. In the first place, he said this:

In order to assure that persons transferring into the corps do not obtain unwarranted retirements, applications for voluntary retirement will not be approved unless an officer has completed at least 5 years of service abroad.

The retirement advantages are by no means all on the side of the Foreign Service System. The civil-service retirement system contains certain advantageous features which officers would lose on transfer to the Foreign Service System. Supervisorship annuities, credit for service in the Armed Forces, and maximum service credit for computing annuities are all more favorable under the Civil Service System.

It should also be pointed out that persons transferring do not receive credit for prior service upon entering the foreign-service retirement system unless they make the necessary contributions to the retirement fund which, in most instances, will involve paying

sums in addition to the amount received as a refund from the civil-service retirement fund.

We made the best estimate we could of it, and we came to the conclusion that there were sufficient benefits on both sides; that in many cases it would be "even Stephen." We came to the conclusion that they cannot get these people to come over if they have got to take an initial substantial cut in salary. That is why we approved this trial heat, from now until next March, for not to exceed 500, toward a program of 2,600, which is recommended. We believe this is a sound and conservative approach.

Mr. HAYS of Arkansas. Mr. Speaker, the gentleman from South Carolina [Mr. RICHARDS], the ranking minority member of the committee, called me yesterday to say that he favored this legislation and would be glad for it to be discussed as fully as time permitted. He is absent from the city today. As the gentleman from Ohio indicates, there are some objections to retirement features, but they are balanced by some of the considerations to which the gentleman has just alluded in discussing Secretary Dulles' letter.

Mr. Speaker, this bill was thoroughly and carefully considered by the Subcommittee on State Department Organization and subsequently was approved unanimously by the full committee. This measure is a start in the necessary direction to improve, strengthen, and expand the Foreign Service of the United States to meet the enlarged responsibilities which have been placed on the shoulders of the Service during this postwar period. While the bill deals with only one small phase of the overall problem of the improvement of the Foreign Service, it is nonetheless a very important feature.

The Foreign Service Act of 1946 requires lateral entry for all except class 6, the lowest class, at the minimum rate of salary for any one of the classes from 1 through 5 to which appointment was made, resulting in many cases in a loss in salary for persons transferring into the Foreign Service. The pending bill would remove this inequity by authorizing the Secretary of State for a limited time, namely, until March 31, 1955, and for a limited number of applicants, specifically 500, to make appointments at other than the minimum rate in classes 1 through 5. This will give the recommendation of the Wriston Committee in this regard a trial; if it proves to be workable, which I believe it will, then the time limit can be extended and the number increased.

Mr. Speaker, we have learned through experience in our foreign relations that morale is one of the keys to the success of our efforts. If our allies do not have the morale, then we certainly know that the whole collective security effort stands on a precipice. I believe the same thing can be said about the Foreign Service. The pressures are greater now than ever before. The responsibilities of the Foreign Service are heavier and more complicated than ever before in its history. Surely now, the Congress should do everything which reasonably can be done to bolster the morale of the Foreign Service of the United States. The bill is a step in that direction.

Mr. Speaker, I yield 4 minutes to the gentleman from Iowa [Mr. GROSS].

Mr. GROSS. Mr. Speaker, I have asked for this time to address a few questions to the gentleman from Ohio [Mr. VORYS]. The 500 persons designated in this bill are the start toward increasing the number of officers in the Foreign Service to a total of how many, and from what base?

Mr. VORYS. The Wriston committee recommends 3,900. In March it was 1,285. I think they have gotten a few since then. About a year ago it was over 1,400.

Mr. GROSS. So this is a move to more than double the number of officers in the Foreign Service. Is that correct?

Mr. VORYS. Yes. I might say that the Wriston report points out what we all know, that we have a dwindling force for a growing job. Of course, the control of the size of the Foreign Service is going to be through the Appropriations Committee, because they will have to decide whether they can get the money.

Mr. GROSS. I assume that under the program of building more, bigger, and better embassies all over the world it will be necessary to send more people to inhabit them. Most of these people, as I understand it, and the gentleman can correct me if I am wrong, would go from what amounts to grade 14 in the classified service, $9,610 to $10,600, to what amounts to grade 15 in the classified service, $10,800 to $11,800 a year. Is that correct?

Mr. VORYS. No; that is incorrect. We have charts in the hearings that show the classes into which they would go. For instance, as we point out in our report, it is expected that 420 would transfer into class 6, the lowest class. The largest group I think would go into class 5. There are few expected to go into the upper classes, and only 30 into FSO class 1. On page 7 of our report we give some comparisons between civil service and FSO salaries.

Mr. GROSS. From what grades of the Foreign Service would most of these officers come? Is it not true they come from between 3 and 4?

Mr. VORYS. Some might. They might come from 3 and 4, on up through all the other civil-service grades, but largely from GS–7 on up.

Mr. GROSS. Let us take that argument, then. They could go from 5, which is the lowest grade, up into grade 15 or 16 or in the classified service. Do you provide in this bill that these people who are thus advanced in salary shall be sent into the overseas service? Is there any compulsion on the part of the Department of State after you advance these people in salary that they be sent overseas?

Mr. VORYS. The compulsion is that they have to go if they enter the Service and are ordered to go. There is nothing that would require the State Department to send them. But what is needed by the State Department is to send these people overseas so that we can have more than 119 Foreign Service officers serving in the State Department, which is the case at present, in order to carry out our re-Americanization program of our Foreign Service officers. If the gentleman will permit me, I will yield him an additional minute because I am trespassing on his time. On one matter that the gentleman brought up, under existing law under the Foreign Service Act of 1946, it is theoretically possible, and it would be legal for the Secretary of State to take a GS class 3 and put him into a Foreign Service class 1 right at the top. That is theoretically possible, but it has never been done.

Mr. GROSS. It is legally possible, is it not?

Mr. VORYS. It is legally possible, but it has never been done during the whole 8 years of experience under this law. On the other hand, they have been fussy about putting a man just into the class opposite him. They have graded them so very closely. In many instances where, if they put a man at the bottom of the next higher class, you would think that that would be all right, yet they insist upon literally lateral entry, considering his qualifications. This has been the experience for 8 years, and I suspect that it is the experience that will continue, although there is the legal possibility the gentleman has mentioned.

Mr. ROONEY. Mr. Speaker, will the gentleman yield?

Mr. GROSS. I yield.

Mr. ROONEY. In connection with my statement a minute ago that adoption of this bill would be a step which would permit the camel to get its nose under the tent, I want to accentuate that this would be a broad step toward the adoption of the Wriston report. Among other expensive things in that report, there is one statement as follows:

> The committee strongly recommends that an allowance should be instituted to assist the Foreign Service personnel on duty in countries where educational facilities are inappropriate by American standards in meeting the abnormal costs of securing a proper education for their minor children. Such an allowance should cover expenses of transporting such children to and from schools in the United States or a country where the educational system matches American criteria.

If we are going to pay for transporting children to Switzerland and the United States back and forth, I think this is something to which plenty of time and consideration should be given. I might be in favor of it, but not without hearing more about it. This kind of legislation should not be brought up in this manner in the closing days of a session. It might turn out to be too expensive.

Mr. GROSS. I am glad to have the observation of the gentleman from New York [Mr. ROONEY] and I agree with him.

Mr. VORYS. Mr. Speaker, I yield myself 2 minutes.

Mr. Speaker, there are a number of recommendations in the Wriston report which were not unanimously received and which are somewhat controversial. For instance, there is a proposal for the Foreign Service scholarship training program. There is the one which the

gentleman just mentioned about the children's educational allowance, which will require additional legislation. Although the other body passed this without any restrictions, we put limitations on it in time and in numbers so as to insure that this program is going to be brought before the House Committee on Foreign Affairs early next year. The present provision is, however, a very small one and it is very simple and easy to understand. It is utterly necessary to have the lateral entry program get a trial heat, or test run, this fall. Therefore, I urge the passage of this bill.

Mr. HAYS of Arkansas. Mr. Speaker, I yield to the gentleman from New York [Mr. ROONEY].

Mr. ROONEY. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include an article by John Cramer in today's Washington Daily News entitled "Here's How To Get a Government Job (With GOP Help)."

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. ROONEY. Mr. Speaker, Mr. Cramer's highly interesting article reads as follows:

HERE'S HOW TO GET A GOVERNMENT JOB (WITH GOP HELP)

(By John Cramer)

Here is documentary proof of how politics is being played with Government jobs—admittedly on orders of the Eisenhower administration, and obviously with the cooperation of its Civil Service Commission and its agency heads.

The proof is a copy of a mimeographed form letter from the New York State Republican Committee, telling county and local GOP chairmen about Government job vacancies, and inviting their cooperation in filling these vacancies with Republican faithful.

The letter says that the list of job vacancies has been furnished by the Republican National Committee.

It is made up with blanks to be filled in for the particular vacancies and the particular cities where they exist.

It instructs county and local GOP chairmen how to go about getting New York State Republican recommendation for their candidates for these vacancies.

And it closes with this revealing sentence:

"As the above procedure has been set up by the present administration to secure more patronage for Republican endorsees, your prompt attention to this matter is requested."

A photographic copy of the New York State committee's letter accompanies this column.

Here are the questions you will want answered:

1. Where and how do the Eisenhower administration's agency heads fit into this attempt to fill Government jobs with Republicans only?

The answer is twofold: First—by reason of the letter's statement that the "procedure has been set up by the present administration." Second—because the one obvious way for the Republican National Committee to obtain lists of job vacancies, and transmit them to the New York State GOP committee, and other State GOP committees, is through administration agency heads.

2. Where does the Civil Service Commission fit in?

The answer is a long and somewhat strange story.

When Civil Service Commission is unable to conduct civil nonpartisan, nonpolitical exams for Government jobs, it grants agencies what it calls "303 recruiting authority"—which is authority to fill the jobs without requiring civil service exams.

This authority ordinarily is widely granted only during emergencies—the Korean emergency, for example. It is mostly used when Government is expanding rapidly, and when the Commission obviously can't conduct exams for all the employees Federal agencies must hire.

Recently, the Commission did a curious thing with its "303 recruiting authority." Without publicity, it notified all its regional offices that whenever such authority was granted, they must immediately notify agency heads in Washington in detail about the particular job vacancies to be filled.

The Commission insists this action had no political purpose. Others disagree. They say it was done so that agency heads could know all jobs being filled without civil service exam, and could then notify the GOP National Committee.

The Commission's official explanation of its action says:

"A few months ago the Commission made a sample check of recruiting authorities issued in several areas. The number of these authorities was so large that it raised questions as to the effectiveness of the Commission's examining program in the field. The Commission decided the matter should have more study on a national basis. Also the Commission wished to bring to the attention of the heads of agencies in Washington the hiring practices of their installations in the field. Agency heads are in a position to give added impetus to the overall examining program through boards of examiners in their agencies. Therefore, the Commission instructed its regional offices several weeks ago that one copy of each recruiting authority issued by a regional office or by a board of examiners in a field installation should be sent to the head of the appropriate agency in Washington."

It should be noted here that the Commission's explanation points out that agency heads have the power to give "added impetus" to civil service exam programs conducted by agency boards of examiners.

What the Commission did not say is that these same agency heads also have power to slow down and delay the boards of examiners programs thereby making still more jobs available to political faithfuls.

The Commission points out that Army Department, a major Government employer, recently issued orders for the strengthening of its boards of examiners program.

There are well-founded reports, however, that other agencies have issued slow-down orders.

You will form your own opinion as to whether the Commission's order, directing that all agency heads be notified of "303" job vacancies, was political or nonpolitical.

This much, however, is clear.

Political use is being made of the order.

The New York State Republican Committee's letter is proof.

[Dean P. Taylor, chairman; Jane Todd, vice chairman; Alger B. Chapman, treasurer; Walter E. Bligh, secretary—Mrs. Charles W. Weis, Jr., Dean P. Taylor, members, Republican National Committee]

NEW YORK
REPUBLICAN STATE COMMITTEE.
New York, N. Y.

DEAR CHAIRMAN: The Republican National Committee has advised this office that the following vacancy exists within the_____ in the city of_____ for a_____.

Your candidate for this position should apply to the personnel officer at the Bureau of _____, with a completed Form 57, which may be picked up at any post office. Your committee should, in turn, forward to this office an additional Form 57, so that I may submit same to national committee with the State committee's recommendation.

The authority to fill the above listed position is granted to the above agency by the Civil Service Commission, and no civil service status is required of the applicant. This temporary authority expires _____.

_____ Requirements attached.

_____ Requirements will be forwarded.

_____ Requirements for this position will be given by the bureau personnel officer.

As the above procedure has been set up by the present administration in an attempt to secure more patronage for Republican endorsees, your prompt attention to this matter is requested.

Sincerely yours,

JOHN R. MACKENZIE,
Assistant to the Chairman.

The SPEAKER. The question is on suspending the rules and passing the bill.

The question was taken; and on a division there were—ayes 54, noes 20.

Mr. ROONEY. Mr. Speaker, in view of the agreement between the leadership on both sides, I wonder whether instead of objecting to the vote at this time on the ground that a quorum is not present we could not postpone proceedings in connection with this matter until tomorrow. I ask unanimous consent that that be done.

The SPEAKER. Without objection, the vote on this measure will be suspended until tomorrow.

There was no objection.

Mr. VORYS. Mr. Speaker, I ask unanimous consent that Members may extend their remarks during the consideration under suspension of H. R. 9910.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. BROWNSON. Mr. Speaker, I would like to speak briefly concerning H. R. 9910, a bill to amend section 413 (b) of the Foreign Service Act of 1946. For some time I have been extremely interested in the many studies and surveys which have been made of the organization of the Foreign Service, particularly in those studies and surveys which have grappled with the tremendous problems involved in improving the personnel system of the Foreign Service and in bringing about a closer integration between that Service and the civil service employees of the Department of State and other principal governmental agencies with foreign affairs' responsibilities.

I have a strong interest in this subject and also some responsibility in this area as chairman of the Subcommittee on International Operations of the Committee on Government Operations. Our subcommittee, I might note, held hearings in the first session of the 83d Congress on certain aspects of the Department of State's administration of the Foreign Service Act of 1946, with particular regard for economy and efficiency. During this session we received testimony concerning the comprehensive survey of overseas policies and practices being conducted under the direction of Mr. Philip Young in his capacity as personnel adviser to the President. In addition, the subcommittee has reviewed the many reports dealing with this subject

submitted by various commissions and other study groups over the years, including the current report prepared by the Public Committee on Personnel headed by Dr. Henry M. Wriston, which reported to the Secretary of State in May of this year on measures to increase the effectiveness of the Foreign Service.

I want to make it clear, however, that while the Subcommittee on International Operations expects to continue its work in this field my remarks today are personal ones and do not necessarily reflect the thinking of the other members of the subcommittee.

In general, I am definitely in favor of this bill. I am prepared to vote for it and wish to go on record as supporting this move. In considering its merits, however, I would like, in the interest of caution, to make a few qualifying remarks.

One of the purposes of this bill, as you all know, is to encourage the lateral entry into the Foreign Service Officer Corps of personnel who have served not less than 3 years in the Department of State as civil-service employees or have served as Foreign Service reserve or Foreign Service staff employees. I understand that the latter two categories would include qualified overseas personnel from other agencies, such as the Foreign Operations Administration and the United States Information Agency.

The employees of these agencies employed in the United States, however, are not eligible for entry into the Foreign Service under the new liberalized entrance policy. This is a matter on which I believe the International Operations Subcommittee will make recommendations on at a later date. It should be noted also that a number of employees now in these agencies were formerly in the Department of State. Their eligibility for transfer into the Foreign Service was terminated in effect by Reorganization Plans 7 and 8, setting up the FOA and the USIA.

This bill would offer in effect a greater financial inducement to prospective employees qualified to enter the Foreign Service Officer Corps on a lateral entry basis. The Foreign Service Act of 1946, as amended, in section 413 (b) provides that a person appointed as a Foreign Service officer of classes 1 through 5 inclusive shall receive a salary at the minimum rate for the class to which he has been appointed. H. R. 9910 would amend section 413 (b) to permit the Secretary of State until March 31, 1955, to appoint not more than 500 persons at higher than the minimum rate. In brief, the Secretary, having decided what class a successful lateral entry candidate is suited for would have the authority to authorize a salary at one of the ingrade rates within that class.

We cannot entirely ignore the possibility, however, that unfortunate situations might arise if the discretion of the Secretary to select the class is abused. In reading the report of the Committee on Foreign Affairs on this bill I note on page 7 where illustrative cases are set out, that almost invariably persons applying for lateral entry would be considered for FSO classes carrying base salaries considerably below their present salaries. While the purpose of this bill would remedy the financial aspect of the problem, I hope that the Secretary of State will not be governed entirely in making appointments by comparative salaries but will also give due consideration to insuring that the employee receives a Foreign Service officer class grade compatible with his experience and ability. The Foreign Service Officer Corps is an elite career service, and I think properly so. A man's class in the Officer Corps is a matter of distinction and pride, and I hope that if this bill is passed precaution will be taken to insure that successful lateral entries are given appropriate class designations, if deserved, rather than high ingrade positions in a lower class.

The second matter which I feel is of the utmost importance in considering this bill is that it must be viewed against the whole background of the work that is being done to reorganize and improve the Foreign Service. While to my knowledge this is the only piece of legislation which has been suggested for passage by the Department of State as a result of the findings of the Wriston committee, it should not be regarded as an adequate legislative response to the problems which beset the Foreign Service as presently organized and operated. The passage of this bill may assist in providing new blood for the Foreign Service Officer Corps. However, it is only one part of what must be done to insure that the Foreign Service will be able to operate effectively here and abroad in the best interests of the United States. I feel that the Congress has a great responsibility to bring about needed changes in the present system of organization, and I hope that much can be accomplished during the first session of the 84th Congress. The Subcommittee on International Operations is looking into the problems of organization involved and I expect that it will make practical and useful recommendations to the House.

Making note of these limited observations, I again indicate my support for H. R. 9910 and urge its adoption.

Mr. CHIPERFIELD. Mr. Speaker, my interest in the Foreign Service and its problems has been of long standing. Ever since my membership in the House I have given close attention to the Foreign Service. But I also have a personal interest in its success. My brother was an officer in that body for 12 years.

I can well recall the intensive consideration given the Service by our committee and the Congress in 1946. All of us were impressed by the demands made upon it in the postwar period and all of us were anxious to assure that it attracted and retained the services of only the most qualified individuals. We hoped, by the 1946 act, to strengthen and expand the officer corps by providing sufficient incentives to those who were selected for it.

Unfortunately the high hopes we had have not been achieved. Successive analyses over the past 8 years indicate no expansion commensurate with the needs of the Service. Within the past 2 years there has been an actual decline in numbers. Administrative deficiencies by the Department as well as limitations in the law explain in large measure the shortfall in accomplishments. The Department is addressing itself to improved administration. In this bill the Congress is doing its part to improve the law.

One of the features written into the 1946 act permitted individuals to enter the Foreign Service at other than the lowest class. The reason was that we needed men of some maturity and experience to handle the pressing problems with which our missions abroad had to deal. This method of entrance is referred to as lateral entry. As the gentleman from Ohio [Mr. VORYS] has stated, it has not worked. And one reason it has not worked is that the law requires that these lateral entries enter a class, not at one of the in-grade salary steps, but at the bottom salary step. For some individuals this would mean a sizable salary reduction.

This bill has only one purpose—to allow a man to come in at a salary grade approximating that that he now holds. We have written into the bill a limitation of 500 such entries by the end of next March. This will give the committee and the Congress a chance to review the whole situation more thoroughly when the new Congress assembles next year.

I have every reason to feel that this bill will improve the quality of the Foreign Service. I want to do nothing to injure this Service which I believe is vital to our national defense. The Secretary of State is anxious to improve the operation of his Department. It is his opinion that this bill will go a long way to accomplish that purpose. Because I share his view I am supporting this bill.

Mr. RICHARDS. Mr. Speaker, I have a particular interest in this bill. Along with the gentleman from Ohio [Mr. VORYS] and the late Judge Kee, I helped draft the Foreign Service Act of 1946. I was—and am—proud of that act. It included a number of provisions that we felt would strengthen and expand the Foreign Service.

When we passed that act, we thought the Department of State would use all the provisions to discharge its heavy responsibilities. We were particularly anxious that the Department be permitted to increase its Foreign Service officer numbers in the middle and upper classes of the Service because our posts abroad needed men with experience. One feature of the law of which I am particularly proud is the one popularly referred to as the re-Americanization section. We did not want to set up a service where long tours of duty abroad would remove our officers from the changing currents in American thinking. We hoped that there would be more frequent assignment of Foreign Service officers to the United States.

The recent testimony before our committee surprised a number of us. More than half of our Foreign Service men have had less than 1 year of duty in the United States and about three-quarters have had less than 3 years. The explanation given was that the Service was so shorthanded abroad that the law could not be carried out.

If the Congress passes this bill, one result will be that more positions in the Department will be available to the Foreign Service. And I want to make clear at this point that this bill does not increase the number of jobs in the Government. It merely transfers some from the civil service system to the Foreign Service system.

The gentleman from Ohio [Mr. VORYS] has discussed other features of this bill. I agree with his statements. All we want to do is make it possible for the Secretary of State to use the personnel under his jurisdiction to the maximum advantage. He thinks this bill will help him in that purpose and I agree with him. For that reason I am supporting this bill.

Mr. ZABLOCKI. Mr. Speaker, during my experience as a member of the Foreign Affairs Committee I have had the opportunity to come in contact with many officials of our State Department, and with members of our Foreign Service. Being deeply interested in an effective and efficient execution of our foreign policy, I could not help becoming concerned about the personnel problems of the Department of State.

Many authorities have testified as to the need for some overall changes in the personnel system of the Department. Under current conditions, there is poor utilization of manpower resources, and poor morale within the Department and within the Foreign Service. These factors hamper and detract from the proper execution of our foreign policy.

The bill which is before us is intended to alleviate this deplorable situation to a small extent. It would adjust salary rates so that persons entering the Foreign Service from the State Department will not have to take a loss in salary. I believe that this proposal, based on the recommendations of the Wriston committee, is meritorious and constructive. It ought to receive our full support.

It is my earnest hope that the passage of this bill will be but the initial step in the new series of constructive improvements which will give our Nation and our Government the best possible representation abroad. The Wriston committee has made a number of other recommendations which may require, and ought to receive, congressional approval. Early progress in this respect will benefit our entire Nation.

I should like to mention at this point that while I support the bill before us and favor many of the other recommendations of the Wriston committee, I feel that they fall short of the objectives which we should strive to attain. It has been my conviction that a Foreign Service Academy ought to be established by Congress in order to provide our Government with an adequate reservoir of able, especially trained, young men and women for overseas assignments. I had introduced bills in the 82d and 83d Congresses which provide for the establishment of such an academy, and I hope that this legislation will eventually receive favorable consideration from this body.

The execution of our foreign policy will always depend to a great extent on the caliber and morale of our Foreign Service personnel. We should strive, therefore, to assure that our Nation have the best possible representation abroad.

The approval of the bill before us will be a step in the right direction.

Mrs. KELLY of New York. Mr. Speaker, I support H. R. 9910 and urge its passage. The increased responsibilities thrust upon the United States in world affairs make it imperative that constant attention be given to our Foreign Service. We cannot expect our Government to discharge its obligations abroad if that body of Government servants is not operating at maximum efficiency.

In the last 30 years Congress has been concerned about the defects in the Foreign Service. As recently as 1946 the Committee on Foreign Affairs reported out a measure for the complete reorganization of the Foreign Service. That bill was enacted into law and is the cornerstone of the service today. As the committee noted in its report, the bill—and now the law—is based upon a few fundamental principles.

First. The concept of a professional service should remain paramount.

Second. A disciplined and mobile corps of trained men should be maintained through entry at the bottom on the basis of competitive examination and advancement by merit to positions of command.

Third. Political influence should be excluded, while loyalty and esprit de corps should be sustained at a high level as essential elements in the efficient operation of the service.

Fourth. Compensation should be sufficient to attract able men regardless of the possession of private means.

In 1940 the Foreign Service had 826 officers. When the 1946 act was passed, the Service had 820—a reduction at the very time that we needed more people in the Foreign Service. Recruiting had been suspended during the war, thus interrupting the orderly entrance of individuals who could work their way to the higher positions. The only way to meet the need for additional strength in the middle and upper classes and still retain the principles of a career service not susceptible to political influence was to encourage the transfer of individuals from the State Department to the Foreign Service.

The 1946 act contains a provision for so-called lateral entry that permits their transfer to the Foreign Service from the State Department. Under this provision a State Department officer in the higher civil service classes could enter the Foreign Service at other than the lowest class after passing written, oral, physical and other examinations that would determine his fitness and aptitude for the Foreign Service. His age, qualifications and experience would determine the Foreign Service class he would enter. In any case he would receive the lowest salary for that particular class.

Contrary to the fears of many that there would be an unprecedented rush to join the Foreign Service through lateral entry, between 1946 and the spring of 1954—this past spring—only 51 entered. The Under Secretary for Administration, Charles E. Saltzman, told our committee that one obstacle was the requirement of entry only at the lowest salary level. For many individuals this would mean a salary cut—in some cases as much as $1,620.

The bill now before the House does only one thing—it permits lateral entry at a salary other than the lowest of the class. All the other requirements that are presently in the law remain. The Department is still engaged in analyzing what this amendment may mean to individuals in various civil-service classes. In response to the committee's request, it ran a sample of one bureau and told us that the estimated additional cost of the Government in salary would be about $130 for each person transferred.

Mr. Speaker, I have no doubt that if this amendment is adopted, it will help strengthen the Foreign Service. But I am under no illusion that this amendment is all that is needed. Many of the problems of the Foreign Service stem from poor administration of the law. Until the Department itself undertakes to improve its administration there is little need for congressional action.

I think my colleagues on the Foreign Affairs Committee recognize that poor administration lies at the root of the problems both of the Foreign Service and of the Department. One way that we can find out how matters are going is to require the Department to come back early next year to explain the operations of the law.

That is the reason we have put in a limitation as to the number that can be admitted—500—by the end of next March. And let me emphasize here that this is not an increase of 500 on the government payroll. This amendment permits as many as that number to transfer from the civil-service system to the Foreign Service System. By rotating more people between the field and Washington it will enlarge the experience of more individuals and place at the disposal of the Secretary of State a larger reservoir of trained personnel.

By next spring we will know whether the Department's explanation is vaild that the salary differential has been a real barrier to lateral entry. Then the Foreign Affairs Committee can examine more carefully the whole range of problems confronting our Foreign Service.

I have always favored as strong a Foreign Service as our Government can obtain. It is not a matter of party or of politics—it is just plain commonsense.

GROUP LIFE INSURANCE FOR FEDERAL EMPLOYEES

Mr. CORBETT. Mr. Speaker, I move to suspend the rules and pass the bill (S. 3681) to authorize the Civil Service Commission to make available group life insurance for civilian officers and employees in the Federal service, and for other purposes.

The Clerk read the bill, as follows:

Be it enacted, etc., That this act may be cited as the "Federal Employees' Group Life Insurance Act of 1954."

SEC. 2. (a) Except as provided in (b) of this section, each appointive or elective officer or employee (hereinafter called employee) in or under the executive, judicial

or legislative branch of the United States Government, including a Government-owned or controlled corporation (but not including any corporation under the supervision of the Farm Credit Administration, of which corporation any member of the board of directors is elected or appointed by private interests), and of the municipal government of the District of Columbia shall, at such time and under such conditions of eligibility as the Civil Service Commission (hereinafter called the Commission) may by regulation prescribe, come within the purview of this act. Such regulations may provide for the exclusion of employees on the basis of the nature and type of employment or conditions pertaining thereto such as, but not limited to, short-term appointments, seasonal or intermittent employment, part-time employment, and employment of like nature, and shall be issued only after consultation with the head of the department, establishment, agency, or other employing authority concerned: *Provided*, That no employee or group of employees shall be excluded solely on the basis of the hazardous nature of employment.

(b) This act shall not apply to noncitizen employees whose permanent-duty station is located outside a State of the United States or the District of Columbia, nor shall it apply to commissioned officers and enlisted personnel on active duty in or with the Army, Navy, Air Force, Marine Corps, or Coast Guard of the United States, who have indemnity coverage under the Servicemen's Indemnity Act of 1951 (65 Stat. 33).

SEC. 3. (a) Each employee to whom this act applies shall be eligible to be insured for an amount of group life insurance approximating his annual compensation not exceeding $20,000 plus an equal amount of group accidental death and dismemberment insurance, in accordance with the following schedule:

If annual compensation is—		The amount of group life insurance shall be—	The amount of group accidental death and dismemberment insurance shall be—
Greater than	But not greater than		
0	$1,000	$1,000	$1,000
$1,000	2,000	2,000	2,000
2,000	3,000	3,000	3,000
3,000	4,000	4,000	4,000
4,000	5,000	5,000	5,000
5,000	6,000	6,000	6,000
6,000	7,000	7,000	7,000
7,000	8,000	8,000	8,000
8,000	9,000	9,000	9,000
9,000	10,000	10,000	10,000
10,000	11,000	11,000	11,000
11,000	12,000	12,000	12,000
12,000	13,000	13,000	13,000
13,000	14,000	14,000	14,000
14,000	15,000	15,000	15,000
15,000	16,000	16,000	16,000
16,000	17,000	17,000	17,000
17,000	18,000	18,000	18,000
18,000	19,000	19,000	19,000
19,000	------	20,000	20,000

(b) Subject to the conditions and limitations of the policy or policies purchased by the Commission under this act, as may be approved by the Commission, the group accidental death and dismemberment insurance shall provide payments as follows:

Loss	Amount payable
For loss of life.	Full amount shown in the schedule in (a) of this section.
Loss of one hand or one foot or loss of sight of one eye.	One-half the amount shown in the schedule in (a) of this section.
Loss of two or more such members.	Full amount shown in the schedule in (a) of this section.

For any one accident the aggregate amount of group accidental death and dismemberment insurance that may be paid shall not exceed the amount shown in the schedule in (a) of this section.

(c) The Commission shall by regulation provide for the conversion of other than annual rates of compensation to an annual basis, and shall further specify the types of compensation to be included in annual compensation.

(d) Each of such amounts of insurance shall be reduced by 2 percent thereof at the end of each full calendar month following the date the employee attains age 65, subject to minimum amounts prescribed by the Commission, but not less than 25 percent of the insurance in force immediately preceding the first reduction provided herein: *Provided*, That the amounts of insurance in force from time to time on an employee who becomes insured under this act after having attained the age of 65 shall be the same as would be in force had he been insured at age 65, and shall be based on the lesser of his annual compensation (1) at the time he becomes so insured, or (2) at age 65, provided he was eligible at that time to be insured under this act.

SEC. 4. Any amount of group life insurance and group accidental death insurance in force on any employee at the date of his death shall be paid, upon the establishment of a valid claim therefor, to the person or persons surviving at the date of his death, in the following order of precedence:

First, to the beneficiary or beneficiaries as the employee may have designated by a writing received in the employing office prior to death;

Second, if there be no such beneficiary, to the widow or widower of such employee;

Third, if none of the above, to the child or children of such employee and descendants of deceased children by representation;

Fourth, if none of the above, to the parents of such employee or the survivor of them;

Fifth, if none of the above, to the duly appointed executor or administrator of the estate of such employee;

Sixth, if none of the above, to other next of kin of such employee entitled under the laws of domicile of such employee at the time of his death.

If any person otherwise entitled to payment under this section does not make claim therefor within 1 year after the death of the employee, or if payment to such person within that period is prohibited by Federal statute or regulation, payment may be made in the order of precedence as if such person had predeceased the employee, and any such payment shall be a bar to recovery by any other person.

SEC. 5. (a) During any period in which an employee under age 65 is insured under a policy of insurance purchased by the Commission as authorized in section 7 of this act, there shall be withheld from each salary payment of such employee, as his share of the cost of his group life and accidental death and dismemberment insurance, an amount determined by the Commission, but not to exceed the rate of 25 cents biweekly for each $1,000 of his group life insurance: *Provided*, That an employee who is paid on other than a biweekly basis shall have an amount so withheld, determined at a proportionate rate, which rate shall be adjusted to the nearest cent.

Any policy of insurance purchased by the Commission as authorized in section 7 of this act shall provide that all employees eligible under the terms of this act will be automatically insured thereunder commencing on the date they first become so eligible: *Provided*, That any employee desiring not to be so insured shall, on an appropriate form to be prescribed by the Commission, give written notice to his employing office that he desires not to be insured. If such notice is received before the employee shall have become insured under such policy, he shall not be so insured; if it is received after he shall have become insured, his insurance under the policy will cease, effective with the end of the pay period during which the notice is received by the employing office.

(b) For each period in which an employee is insured under a policy of insurance purchased by the Commission as authorized in section 7 of this act, there shall be contributed from the respective appropriation or fund which is used for payment of his salary, wage, or other compensation (or, in the case of an elected official, from such appropriation or fund as may be available for payment of other salaries of the same office or establishment) a sum computed at a rate determined by the Commission, but not to exceed one-half the amount withheld from the employee under this section.

(c) The sums withheld from employees under subsection (a) and the sums contributed from appropriations and funds under subsection (b) shall be deposited in the Treasury of the United States to the credit of a fund which is hereby created. Said fund is hereby made available without fiscal year limitation for premium payments under any insurance policy or policies purchased as authorized in sections 7 and 10 of this act, and for any expenses incurred by the Commission in the administration of this act within such limitations as may be specified annually in appropration acts: *Provided*, That appropriations available to the Commission for salaries and expenses for the fiscal year 1955 shall be available on a reimbursable basis for necessary administrative expenses of carrying out the purposes of this act until said fund shall be sufficient to provide therefor. The income derived from any dividends or premium rate adjustments received from insurers shall constitute a part of said fund.

SEC. 6. Each policy purchased under this act shall contain a provision, in terms approved by the Commission, to the effect that any insurance thereunder on any employee shall cease upon his separation from the service or 12 months after discontinuance of his salary payments, whichever first occurs, subject to a provision which shall be contained in the policy for temporary extension of coverage and for conversion to an individual policy of life insurance under conditions approved by the Commission, except that if upon such date as the insurance would otherwise cease the employee (a) retires on an immediate annuity, and (b) unless retired for disability, has had 15 years of creditable civilian service, as determined by the Commission, his life insurance only may, under conditions determined by the Commission, be continued without cost to him in the amounts for which he would have been insured from time to time had his salary payments continued at the same rate as on the date of cessation.

SEC. 7. (a) The Commission is authorized, without regard to section 3709 of the Revised Statutes as amended, to purchase from one or more life insurance companies, as determined by it, a policy or policies of group life and accidental death and dismemberment insurance to provide the benefits specified in this act: *Provided*, That any such company must meet the following requirements: (1) Be licensed under the laws of 48 of the States of the United States and the District of Columbia to transact life and accidental death and dismemberment insurance, and (2) the amount of its employee group life insurance on the most recent December 31 for which information is available to the Commission shall on the date equal at least 1 percent of the total amount of employee group life insurance in the United States in all life insurance companies.

(b) The life insurance company or companies issuing such policy or policies shall establish an administrative office under a name to be approved by the Commission.

(c) The Commission shall arrange with the life insurance company or companies is-

suing any policy or policies purchased under this act to reinsure, under conditions approved by it, portions of the total amount of insurance under the policy or policies, determined as provided in subsection (d) of this section, with such other life insurance companies as may elect to participate in such reinsurance.

(d) The Commission shall determine a formula so that the amount of insurance in force to be retained by each issuing company after ceding reinsurance and the total amount of reinsurance ceded to each reinsuring company shall be in proportion to the total amount of each such company's group life insurance in force in the United States on December 31, 1953: *Provided*, That in determining such proportions, that portion of any company's group life insurance in force on December 31, 1953, which is in excess of $100,000,000 shall be reduced by 25 percent of the first $100,000,000 of such excess, 50 percent of the second $100,000,000 of such excess, 75 percent of the third $100,000,000 of such excess, and 95 percent of any excess thereafter: *Provided further*, That the amount retained by or ceded to any company shall not exceed 25 percent of the amount of that company's total life insurance in force in the United States on December 31, 1953: *Provided further*, That if, at the end of 1 year following the date of enactment of this act, in the case of any issuing company or reinsurer which insured employees of the Federal Government on December 31, 1953, under policies issued to an association of Federal employees, the amount which results from the application of this formula is less than the decrease, if any, in the amount of such company's insurance under such policies, the amount allocated to such company shall, upon the first reallocation as provided in subsection (e) of this section, be increased to the amount of such decrease: *And provided further*, That any fraternal benefit association which is licensed under the laws of a State of the United States or the District of Columbia to transact life insurance and is engaged in issuing insurance certificates on the lives of employees of the Federal Government exclusively shall be eligible to act as a reinsuring company and may be allocated an amount of reinsurance equal to 25 percent of its total life insurance in force on employees of the Federal Government on December 31, 1953.

(e) The companies eligible to participate as reinsurers, and the amount of insurance under the policy or policies to be allocated to each issuing company or reinsurer may be redetermined by the Commission for and in advance of any policy year after the first, on a basis consistent with subsections (c) and (d) of this section, with any modifications thereof it deems appropriate to carry out the intent of such subsections, and based on each participating company's group life insurance in force, excluding that under any policy or policies purchased under this act except in the case of companies covered in the third proviso of subsection (d), in the United States on the most recent December 31 for which information is available to it, and shall be so redetermined in a similar manner not less often than every 3 years or at any time that any participating company withdraws from participation.

(f) The Commission may at any time discontinue any policy or policies it has purchased from any insurance company.

SEC. 8. (a) Each policy or policies purchased under this act shall include, for the first policy year, basic tables of premium rates as follows:

(1) For group life insurance, a schedule of basic premium rates by age which the Commission shall have determined on a basis consistent with the lowest schedule of basic premium rates generally charged for new group life insurance policies issued to large employers, this schedule of basic premium rates by age to be applied, except as otherwise provided in this section, to the distribution by age of the amounts of group life insurance under the policy at its date of issue to determine an average basic premium rate per $1,000 of life insurance, and

(2) For group accidental death and dismemberment insurance, a basic premium rate which the Commission shall have determined on a basis consistent with the lowest rate generally charged for new group accidental death and dismemberment insurance policies issued to large employers.

Each policy so purchased shall also include provisions whereby the basic rates of premium determined for the first policy year shall be continued for subsequent policy years, except that they may be readjusted for any subsequent year, based on the experience under the policy, such readjustment to be made by the insurance company or companies issuing the policy on a basis determined by the Commission in advance of such year to be consistent with the general practice of life insurance companies under policies of group life and group accidental death and dismemberment issuance issued to large employers.

(b) Each policy so purchased shall include a provision that, in the event the Commission determines that ascertaining the actual age distribution of the amounts of group life insurance in force at the date of issue of the policy or at the end of the first or any subsequent year of insurance thereunder would not be possible except at a disproportionately high expense, it may approve the determination of a tentative average group life premium rate, for the first or any subsequent policy year, in lieu of using the actual age distribution. Such tentative average premium rate shall be redetermined by the Commission during any policy year upon request by the insurance company or companies issuing the policy, if experience indicates that the assumptions made in determining the tentative average premium rate for that policy year were incorrect.

(c) Each policy so purchased shall contain a provision stipulating the maximum expense and risk charges for the first policy year, which charges shall have been determined by the Commission on a basis consistent with the general level of such charges made by life insurance companies under policies of group life and accidental death and dismemberment insurance issued to large employers. Such maximum charges shall be continued from year to year, except that the Commission may redetermine such maximum charges for any year either by agreement with the insurance company or companies issuing the policy or upon written notice given by it to such companies at least 1 year in advance of the beginning of the year for which such redetermined maximum charges will be effective.

(d) Each such policy shall provide for an accounting to the Commission not later than 90 days after the end of each policy year, which shall set forth, in a form approved by the Commission, (1) the amounts of premiums actually accrued under the policy from its date of issue to the end of such policy year, (2) the total of all mortality and other claim charges incurred for that period, and (3) the amounts of the insurers' expense and risk charges for that period. Any excess of the total of item (1) over the sum of items (2) and (3) shall be held by the insurance company or companies issuing the policy as a special contingency reserve to be used by such insurance company or companies for charges under such policy only, such reserve to bear interest at a rate to be determined in advance of each policy year by the insurance company or companies issuing the policy, which rate shall be approved by the Commission as being consistent with the rates generally used by such company or companies for similar funds held under other group life insurance policies: *Provided*, That, if and when the Commission determines that such special contingency reserve has attained an amount estimated by it to make satisfactory provision for adverse fluctuations in future charges under the policy, any further such excess shall be deposited in the Treasury of the United States to the credit of the fund. If and when such policy is discontinued, and if after all charges have been made, there is any positive balance remaining in such special contingency reserve, such balance shall be deposited in the Treasury of the United States to the credit of the fund, subject to the right of the insurance company or companies issuing the policy to make such deposit in equal monthly installments over a period of not more than 2 years.

SEC. 9. The Commission shall arrange to have each employee insured under such policy receive a certificate setting forth the benefits to which the employee is entitled thereunder, to whom such benefits shall be payable, to whom claims should be submitted, and summarizing the provisions of the policy principally affecting the employee. Such certificate shall be in lieu of the certificate which the insurance company or companies would otherwise be required to issue.

SEC. 10. (a) The Commission is authorized to arrange with any nonprofit association of Federal employees for the assumption by the fund of any existing life insurance agreements of such association with its members retired or otherwise separated from the Federal service and to insure the obligations assumed with any company or companies meeting the requirements of section 7 (a).

(b) Any such arrangement shall provide that payments by such insured members for life insurance only shall thereafter be made at the same rates to the fund, under such conditions as the Commission may prescribe.

(c) Any such arrangement shall further provide that there be transferred to and deposited in the fund the lesser of the following amounts:

(1) The total assets of the life insurance fund of such association; or

(2) The amount required to meet the liabilities under life insurance agreements assumed, taking into account the payments as provided in paragraph (b). The determination of this amount shall be based on an actuarial valuation satisfactory to the Commission, procured by the association without expense to the Commission.

(d) The arrangements authorized by this section shall be made only with those associations which terminate life-insurance agreements with all of their members within 1 year after the date of enactment of this act, and such arrangements shall apply only to life insurance granted to any member by any such association before January 1, 1954.

(e) In any case in which the fund assumes a liability for life insurance as provided in this section in respect to a person who (1) subsequently becomes eligible to be insured as an employee under this act, and (2) does not give notice, as provided in section 5 (a), of his desire not to be so insured, the life insurance provided under this section shall terminate as of the date such person becomes insured as an employee.

SEC. 11. Except as otherwise provided herein, the Commission is hereby authorized to promulgate such regulations as may be necessary and proper to give effect to the intent, purposes, and provisions of this act.

SEC. 12. (a) There is hereby established an Advisory Council on Group Insurance consisting of the Secretary of the Treasury as Chairman, the Secretary of Labor, and the Director of the Bureau of the Budget, who shall serve without additional compensation. The Council shall meet once a year, or oftener at the call of the Commission, and shall review the operations of this act and

advise the Commission on matters of policy relating to its activities thereunder.

(b) The Chairman of the Commission shall appoint a committee composed of five employees insured under this act, who shall serve without compensation, to advise the Commission regarding matters of concern to employees under this act.

SEC. 13. The Commission shall report annually to Congress upon the operation of this act.

SEC. 14. The district courts of the United States shall have original jurisdiction, concurrent with the Court of Claims, of any civil action or claim against the United States founded upon this act.

SEC. 15. The insurance provided by this act and the withholdings and contributions for that purpose shall become effective when directed by the Commission.

The SPEAKER. Is a second demanded?

Mr. BYRNES of Wisconsin. I demand a second, Mr. Speaker.

The SPEAKER. Does any Member on the minority demand a second?

Mr. RAYBURN. I do not know anything about the bill, but I will demand a second to facilitate matters.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. RAYBURN. I am not.

The SPEAKER. Is the gentleman from Wisconsin opposed to the bill?

Mr. BYRNES of Wisconsin. I am not, Mr. Speaker.

Mr. CORBETT. Mr. Speaker, I ask unanimous consent that a second be considered as ordered.

The SPEAKER. Without objection, a second is ordered.

The gentleman from Pennsylvania will be recognized for 20 minutes, and the gentleman from Texas [Mr. RAYBURN] will be recognized for 20 minutes.

Mr. CORBETT. Mr. Speaker, this bill, S. 3681, which was passed out of a Senate committee unanimously and by the Senate unanimously, came to this body and has been reported from the House Committee on Post Office and Civil Service with only 2 or 3 minor objections.

The bill is a matter of vital importance to 2,300,000 employees of the Federal Government. It was the subject of nearly 2 years study by a group of Federal executives including Hon. Marion B. Folsom, Under Secretary of the Treasury, and the Civil Service Commission, headed by Hon. Philip Young, Chairman.

This legislation will provide low-cost group life insurance to Federal employees in sums approximately their annual salary.

It authorizes a group-insurance program covering nearly all the civilian employees of the executive, legislative, and judicial branches of the United States Government and the municipal government of the District of Columbia.

The Civil Service Commission may, by regulations and after consultation with agency heads, exclude persons whose coverage would be administratively impracticable, such as seasonal employees in the Department of Agriculture and the Department of the Interior, as well as employees hired for a special job, such as employees in the postal service during the Christmas rush. Each eligible employee would be automatically covered unless he elects to the contrary.

Our committee in its report has emphasized that department and agency heads should point out to all present employees and new employees that this is term insurance as distinguished from ordinary life insurance.

Each covered employee would be insured for a sum equal to his annual compensation raised to the next higher multiple of $1,000, with a maximum of $20,000 in any case. Double indemnity and dismemberment insurance also attaches. The amount of insurance would be reduced by 2 percent a month after the individual attains age 65, subject to a maximum reduction of 75 percent.

As his share of premium cost for all three types of insurance, there will be withheld from the employee's salary an amount not exceeding 25 cents biweekly for each $1,000 of life insurance. The Government will contribute an amount not exceeding one-half the sum withheld from the employee. Payment of premiums would end at age 65, or earlier if the employee retires for disability or retires for other reason after at least 15 years' civilian service. Otherwise, separation from service would terminate the insurance, subject to a right of the employee to convert the insurance to an individual policy of life insurance under conditions approved by the Commission.

This is one of the important new proposals which provide necessary elements of a well-rounded personnel program for the Federal service, and that it carries out the plan outlined by the President in his message to the Congress of May 19, 1954.

Recognizing the special problems which exist because of the nature of the Federal service, the bill would adapt to the use of Government an administrative practice which has proved its value in progressive private business. Business has found that group insurance evidences the desire of management to help the employee in increasing his morale and work productivity. Government will derive the same advantages from the plan that are so widely acknowledged in the business world.

It is estimated that the total cost of this program will approximate $70 million a year, and that the Government's one-third share will be about $22,750,000. This will be the entire Government expenditure, with no additional appropriation for administrative expenses being necessary. The committee is assured and believes that total administrative cost will not exceed 2 percent of the total premium collected from the Government and from the employees.

This group-insurance program was originally proposed by the President in a special message to Congress. I repeat, it has the unanimous endorsement of the Senate committee and of the Senate, and there were only three votes against it in our committee and that was only because they wanted more opportunity to study it.

We should pass this bill now because of the tremendous interest in this program, because it has been approved by the Senate, because it has the favorable endorsement of the administration, and because of this startling fact, which should be of vital interest to the Members, namely: That upward of 1,000 Federal employees die every month. Their families and dependents are being deprived of this protection which they would get in private employment. That is not just.

I believe also that it goes without saying that this will be a beneficial program for the Government as well as the employees. It would be one more item tending to keep our employees satisfied and thereby reduce the cost of recruitment and training programs. Likewise the following items should be stressed:

First. Group life insurance is an essential part of a well-rounded personnel program, designed to give the Federal service the employee appeal it must have to attract and hold highly qualified workers.

Second. Provision of this benefit will increase the employee's sense of family security and thereby contribute to better morale and increased productivity.

Third. It will be a deterrent to wasteful turnover, because it provides the inducement of continued participation in the plan with continued service.

Fourth. It will supplement the present benefits of the Employee Compensation Act and the various Government retirement systems.

Fifth. It will provide a means whereby disabled veterans and other physically handicapped persons now working for the Government, or entering Government service in the future, can obtain insurance they might otherwise not be able to get.

Mr. KEATING. Mr. Speaker, will the gentleman yield?

Mr. CORBETT. I yield.

Mr. KEATING. Mr. Speaker, I support this measure and am very pleased to see it before us. I don't believe anyone can disagree with the proposition that the men and women who are making their careers in the service of the Federal Government should be on an equal footing with people in private industry when it comes to employment benefits, such as retirement, health protection, and insurance advantages. In almost all of these areas, we have seen to it that there is no discrimination against the Federal worker. But this bill pertains to something that has so far been neglected. Group life insurance plans, available only to numerous persons such as an office or factory or industry group, have never been available to Federal employees.

My confidence and assurance regarding this bill is enhanced by the fact that it is very largely the work of a distinguished citizen of the city of Rochester in my district, now in Washington on leave from the Eastman Kodak Co., to serve as Under Secretary of the Treasury. The Honorable Marion B. Folsom has been studying this problem, and talking about it and recommending action by us for quite some time. It is he who has worked out the problems raised by such a proposal. And I am proud to make this acknowledgment to him as we consider the bill.

Mr. ADAIR. Mr. Speaker, will the gentleman yield?

Mr. CORBETT. I yield to the gentleman from Indiana.

Mr. ADAIR. Could the gentleman inform us if this coverage is by private insurance companies?

Mr. CORBETT. Without exception. A formula is set up by which companies can qualify, and as to how the purchases will be prorated among companies so that none will have too large a risk or too great a share of the business. That is all included in the bill. In other words, this is not an insurance program which will be underwritten by the Federal Government but is one which will be underwritten by recognized private insurance companies.

Mr. ADAIR. And will work through a number of privately owned and established insurance companies.

Mr. CORBETT. That is entirely correct.

Mr. BATES. Mr. Speaker, will the gentleman yield?

Mr. CORBETT. I yield.

Mr. BATES. The gentleman has mentioned the fact that upon retirement this insurance may be converted. I wonder if the gentleman would tell the House what the situation would be in the case of an employee who has had this insurance for 15 years and then for one reason or other leaves the Government service?

Mr. CORBETT. When an employee is separated from the service he loses the advantage of belonging to the group; hence is no longer covered. But he can convert it to ordinary regular life insurance and without a physical examination but at regular rates for an individual.

Mr. BATES. We understand, then, that an employee after 15 years service who has been under this plan can convert to ordinary insurance?

Mr. CORBETT. The gentleman is correct. I might make the general statement that anyone who has once been blanketed under the provisions of this act would be deprived of no proper benefits which were owing to him.

Mr. BATES. I am glad the gentleman said that, because people would be pretty well advanced in years and their premium rate would be pretty high. It would be pretty hard on them after having had this type of insurance for a great many years.

Mr. CORBETT. Here is where the employee does get a real marked advantage. There are many of them in advanced years who could not pass the physical examination required for an ordinary life insurance policy. This conversion privilege for separated employees will allow them to purchase regular insurance which they otherwise could not buy because of disabilities.

Mr. GOLDEN. Mr. Speaker, will the gentleman yield?

Mr. CORBETT. I yield to the gentleman from Kentucky.

Mr. GOLDEN. Will the gentleman tell us what the estimated cost to the Federal Government is?

Mr. CORBETT. The estimated cost during the first year of operation would be $22 million. If the number of covered employees remains constant, the cost in succeeding years cannot be more than the $22 million under the terms of the bill. It was believed by the experts who testified before our committee and the Senate committee that the cost would actually be reduced based upon favorable experience with the insurance plan. May I emphasize again, however, that it cannot be more under the terms of the bill than the initial cost planned for the first year.

Mr. GOLDEN. How do these premiums paid by the Federal employees under this bill compare with the premiums when you buy insurance from private companies?

Mr. CORBETT. I am happy that the gentleman asked that question because every bit of testimony and evidence that we can find indicates this will result in the finest term insurance that can be purchased anywhere in the world comparing costs and benefits.

Mr. PELLY. Mr. Speaker, will the gentleman yield?

Mr. CORBETT. I yield to the gentleman from Washington.

Mr. PELLY. Do I understand this insurance is voluntary on the part of Federal employees?

Mr. CORBETT. Any Federal employee who does not care to participate can be excluded from the fund by a simple written notice.

Mr. PELLY. Is there any assurance or reasonable expectation that the rates will not go up?

Mr. CORBETT. As I answered the gentleman from Kentucky the reasonable assurance is they will go down. Under the terms of the bill employees cannot be charged more than $6.50 per thousand per year and the Government no more than $3.25 per thousand per year.

Mr. PELLY. It certainly is a very low rate compared with any group insurance which I have ever heard of in private industry. It seems to me it is a marvelous thing for Federal employees.

Mr. CORBETT. The gentleman is right and it is only because of the great number involved that these low rates become possible.

Mr. RAYBURN. Mr. Speaker, I yield 10 minutes to the gentleman from Virginia [Mr. HARDY].

Mr. HARDY. Mr. Speaker, I would like to ask the gentleman from Pennsylvania [Mr. CORBETT] to answer a few questions for me. I notice there is a formula in the bill to provide for selecting the insurance companies. Can the gentleman tell me whether or not that formula is restrictive and how many companies now writing group insurance would be eligible for this business?

Mr. CORBETT. There are approximately 75 companies that can qualify.

Mr. HARDY. Seventy-five that would qualify under this formula?

Mr. CORBETT. That is right and the formula goes on further, as will be noted, to set up provisions that no one company can get any more than a fair proportion of the total volume. That formula is extremely involved.

Mr. HARDY. I cannot understand it. I thought it might be limited to 3 or 4 different companies.

Mr. CORBETT. No; it is just the reverse. The whole formula is designed to make any company that can handle the load on this eligible; in fact, it was designed in such a way that some of the present associations of Federal employees that have insurance programs would be eligible to sell this type of insurance. Well over 75 companies meet the test, and nationwide representation in the program would thus be possible.

Mr. HARDY. I cannot be sure of my information, but I was informed about a week ago that the terms of this bill were so restrictive that actually there would not be more than 4 or 5 companies that would get any appreciable business from it.

Mr. CORBETT. The experts and Mr Folsom assured us that that was absolutely in error, and we accept their word as to that.

Mr. HARDY. I certainly hope that is the case. Now, as to some details: There is a provision in the bill that calls for a reduction in the amount of insurance by 2 percent a month after an individual reaches the age of 65.

Mr. CORBETT. Yes. That is strictly to make it actuarily sound, so that as time goes on and the demands, possibly, from the man's family, or the employee's family, are tending to reduce, the liability of the insuring company is reduced, and I think the gentleman will find that that is in exact accord with these group-insurance programs.

Mr. HARDY. That relates to the employee who is still employed at the age of 65?

Mr. CORBETT. That is correct.

Mr. HARDY. So, if he is employed at the age of 65, for each full year of employment after 65 his policy is reduced by what percent?

Mr. CORBETT. By 2 percent a month for each month he is over 65, down to a minimum of 25 percent.

Mr. HARDY. So that if he reaches the age of 68 he has only 25 percent as much coverage as he had at 65?

Mr. CORBETT. That is approximately correct.

Mr. OLIVER P. BOLTON. Mr. Speaker, if the gentleman will yield, I think he pays no premiums after the age of 65.

Mr. HARDY. I am talking about terms of recovery. Let us pursue that a bit further. If you can clear this up, I will be delighted.

Mr. CORBETT. Of course, we expect that most of these employees are going to take advantage of their retirement situation at the age of 65, and the gentleman must recognize that this plan has got to be kept actuarily sound.

Mr. HARDY. Of course, I agree that the plan must be actuarily sound. As a matter of fact, it is based on average age, anyhow; is that not correct?

Mr. CORBETT. That is correct.

Mr. HARDY. So, so far as actuarial soundness is concerned, if we wanted to extend it to 70, all you would have to do would be to increase the premium a little.

Mr. CORBETT. That is possible, but remember over 65 he pays no premium at all. This is term insurance, and most term insurance ceases entirely at that age. Here we are starting on a new program. It has been worked over in the light of experience of other large groups, and I would certainly expect that as the years went on and experience has been

gathered with this program that we will find ways to improve it.

Mr. HARDY. Let me inquire further. What provision is made for reducing the amount of deduction? I notice it is provided that as much as $6.50 a thousand may be deducted from the individual's pay, and that may be increased by half as much more by contributions on the part of Uncle Sam.

Mr. CORBETT. What is the gentleman's question?

Mr. HARDY. I want to know what provision there is for reducing that premium payment.

Mr. CORBETT. There is no provision for reducing it. The express hope and prediction was that because of the large expected participation that advantages would accrue that would permit reducing the premiums or increasing the benefits.

Mr. HARDY. Now, speaking in terms of expected participation, can the gentleman tell us what is the average age of Federal employees at the present time?

Mr. CORBETT. The average age of employees at the present time? I cannot answer that, sir.

Mr. HARDY. Of course, the gentleman knows that the rates for group insurance are based on average age, is that not correct?

Mr. CORBETT. I certainly know that is correct, and I think the gentleman aiso knows that this plan was worked out by insurance experts, not by the committee, and obviously we have to follow the advice of experts in matters of this kind.

Mr. HARDY. I might point out this one aspect of it. I have not had the opportunity to get a great deal of information on it, but I have been told that the average age of Federal employees is about 40. Does the gentleman know whether that is fairly accurate?

Mr. CORBETT. I could not answer that. I think it would require some little research to dig out that information. It seems to me that the average age might be even higher than that.

Mr. HARDY. It might be. I do not know. I have been told that the average age was about 40, and that the experience of the Veterans' Administration with its insurance is that at age 40 pure insurance costs runs a little under $4 per thousand.

Mr. CORBETT. Let us accept the gentleman's figure. What would be the point?

Mr. HARDY. The point that I was raising is this: Six dollars and fifty cents per thousand sounds to me like a pretty expensive rate, based on the average age of Federal employees, and it seems that the total premium will be $9.75 when the Government's participation is added.

Mr. CORBETT. I would have to repeat to the gentleman the statement that this is probably the lowest cost term insurance that is purchasable anywhere in the world.

Mr. HARDY. That may or may not be. The only comparison we could have in governmental experience would be United States Government life insurance and national service life insurance, which, I believe, at the age of 40, would show a pure insurance cost of less than $4 a thousand, if you are taking average age. There is no administrative expense involved in that figure; I do not want to be misunderstood. But I think the gentleman should also bear in mind that there would be no selling expense entailed in this program.

Mr. CORBETT. There would be absolutely no selling expense and no commissions paid.

Mr. HARDY. It seems to me that we do not yet have all of the answers that we ought to have. I should like to ask one other question, if the gentleman would be good enough to yield further. At age 65 suppose an employee retires; his insurance, at the time he separates from the service lapses unless he undertakes to continue it; is that correct?

Mr. CORBETT. At retirement, the insurance continues in force without further payment of premiums. It does not lapse and the employee is not required to make any additional payments. If the employee, as you state, however, is 65 years of age, the face value of the policy of course is reduced by 2 percent a month, but the employee will receive at least 25 percent of the face value. At this point I might say that in other cases of regular retirement, where the employee goes from employment to retirement, his policy will continue in force at the full face value until he reaches 65. Where the employee is retired before age 65 for disability, or on immediate annuity if he has at least 15 years' service, it will continue at face value until he reaches the age of 65 at which time, in both cases of course, it will become subject to the 2 percent per month reduction factor.

Mr. HARDY. Does he have the option of maintaining 100 percent of his coverage by paying additional premiums?

Mr. CORBETT. Presently, no.

Mr. HARDY. So that, regardless of what happens, when he retires after he reaches age 68, he has only 25 percent coverage; is that correct?

Mr. CORBETT. That is approximately correct. It is reduced by 24 percent a year, and at 68 he would have 28 percent remaining.

Mr. HARDY. I thank the gentleman.

Mr. H. CARL ANDERSEN. Mr. Speaker, will the gentleman yield?

Mr. CORBETT. I yield to the gentleman from Minnesota.

Mr. H. CARL ANDERSEN. I note on page 2 that the cost to the taxpayers under this particular bill would be $22,750,000 a year; that is correct?

Mr. CORBETT. That is the cost the first year. It is assumed that the cost the first year would be higher than in any subsequent year.

Mr. H. CARL ANDERSEN. Are we justified in giving a special privilege to a group of people, these Federal workers, including ourselves, by voting out a bill of this nature? Does not this go along the line of socialized insurance? I have always objected to socialized medicine.

Mr. CORBETT. I should like to say to the gentleman that I cannot see how anyone can call this socialized insurance. The business is done through private companies. If this is socialized insurance, then the United States Steel Corp., the Westinghouse Corp., the Gulf Oil Co., and all the rest of these large companies are guilty of having socialized insurance for their employees. I think I ought to say this further to the gentleman——

Mr. H. CARL ANDERSEN. Will the gentleman further explain that cost item of $22,750,000?

Mr. CORBETT. If the gentleman will allow me to finish the thought I had started to express, I would say to the gentleman that this is a right, a protection, which is given to practically every workingman in America who is engaged in an industry that employs large enough groups to have this sort of plan.

Mr. H. CARL ANDERSEN. I have no objection to the plan in itself, but I do question it from the viewpoint of the contribution by our taxpayers to it.

Mr. CORBETT. This figure I think is very significant. A total of 85,000 American firms and organizations are sponsoring this type of insurance for their members. As of December 31, 1952, 37 million persons were covered by group life-insurance policies, aggregating a face value of $70 billions. In fact, I think it has been a very lamentable fact that we have not had the wisdom to grant this type of insurance to our employees long ago.

So far as allowing all the members of the legislative, judicial, and executive branches to participate is concerned, the more who do participate the greater the benefits can be, and the cheaper the cost to each individual.

Mr. H. CARL ANDERSEN. I have no objection to the members of the legislative and judicial branches and others joining in if the bill is to be adopted. My objection is basically as to whether or not we are justified in voting ourselves what appears to me to be a little bonus through the back door of this bill. It is cheap insurance.

Mr. CORBETT. That is a matter for the gentleman's own individual judgment. Some of us here feel that we have been highly unfair to our employees in not giving them the opportunity to purchase this type of insurance. Therefore we think that by any delay in passing this bill we are doing an injustice to the families of the thousand persons in the Federal employ who are dying each month.

Mr. H. CARL ANDERSEN. May I ask the gentleman a further question?

Mr. CORBETT. Mr. Speaker, how much time have I remaining?

The SPEAKER. The gentleman from Pennsylvania has 8 minutes remaining and the gentleman from Texas [Mr. RAYBURN] has 10 minutes remaining.

Mr. CORBETT. The gentleman from Pennsylvania will be very happy to yield further to the gentleman from Minnesota.

Mr. H. CARL ANDERSEN. As I have asked the gentleman, will he go a little further into this insurance cost to the taxpayers of $22,750,000 a year? Are we justified in throwing that load onto the taxpayers for the insuring of Federal employees?

Mr. CORBETT. I want to answer the gentleman's question in the same words that I answered it a moment ago, namely, that we are not justified in withholding this type of insurance from the Fed-

eral employees. Here we have a definite competition with all private industries. I repeat, 37 million American employees have this opportunity. They are participating in group life insurance totaling $70 billion.

I may say to the gentleman that it is inconceivable to me that we should not with our own employees give them an opportunity to protect their families. There must be literally tens of thousands of our employees who cannot qualify for any kind of insurance. It is entirely just that the Government expend this very modest amount, far less than we put into certain projects that may never yield a dime, $22 million that will do so much for 2,300,000 of our employees and their families. And we certainly ought to more than make up the money in reduced recruitment and training operations.

I wish the gentleman would search his mind. I think he could vote for this.

Mr. BROWNSON. Mr. Speaker, will the gentleman yield?

Mr. CORBETT. I yield to the gentleman from Indiana.

Mr. BROWNSON. Mr. Speaker, I am surprised at the violent reaction with which this discussion of group insurance placed with private companies for the protection of Federal workers has brought forth today.

In my own small business employing about 15 people we have offered group life insurance to all employees since way back in 1936 and in other small business organizations with which I have been associated, this protection was extended many years before social security was thought of. All of the plans in private industry provide for contributions by the employee and employer and most of them have placed the insurance with private insurance companies. Since this is essentially the program we are discussing here today for Federal employees, it would seem to me that this is another example where our Government might well profit by the experience of business and industry in personnel relations.

Mr. CORBETT. Is the gentleman telling me that this is certainly modern personnel management practice?

Mr. BROWNSON. This is simply the type of fringe benefit that private industry has used for the last 30 years, to my knowledge, in its personnel practices.

Mr. CORBETT. I think the gentleman has made a fine contribution to this discussion.

Mr. RAYBURN. Mr. Speaker, I yield 2 minutes to the gentleman from New York [Mr. KLEIN].

Mr. KLEIN. Mr. Speaker, may I say to the gentleman from Pennsylvania that I commend him and the committee on bringing this type of legislation out. As a former Federal employee, I have been somewhat alarmed at what has been going on in the civil service. We have cut down on the annual leave of our Federal employees and many other benefits they have had. This type of benefit is something that has been long overdue. As the gentleman pointed out, almost every large industry in this country has a plan similar to this for its employees. The Federal Government is losing its employees because, for one thing, they are not paid as well as in private industry. They have no unemployment insurance and they have few other benefits that employees in private industry have. This is the least we can do for them. I think we ought to do more. May I bring out one more point to the gentleman from Minnesota? He seems to be alarmed over the fact that we are including ourselves—I think he called it a bonus—in this legislation. What is wrong with that? I think we need it. I would like to have the gentleman tell me what his position would be if we had a pay raise bill here, as I think we should have. I think more of us ought to be able to stand up and have the courage to do for ourselves what we think should be done, and not be so fearful of the results. I am certain our constituents would approve.

Mr. H. CARL ANDERSEN. Mr. Speaker, will the gentleman yield?

Mr. KLEIN. I yield to give the gentleman an opportunity to say how he would vote, if we had a pay raise bill before us.

Mr. H. CARL ANDERSEN. Thank you, sir. As the Representative of one of the greatest agricultural congressional districts in America, I would feel that this year, as long as the Congress has cut down price-support protection to the farmers of the United States, I certainly could not vote myself any possible increase either in salary or in insurance benefits as in this particular legislation.

Mr. KLEIN. I am glad the gentleman has made his position clear. I would like to remind him, however, that there is no compulsion about it. Neither he nor any other Member is compelled to take the increase. If they do not want it, they can leave it in the Treasury, but I am certain the gentleman, just as every other Member should, would avail himself of whatever benefits were to be had.

Mr. BROYHILL. Mr. Speaker, I sincerely urge that the House act favorably on this legislation providing for group life insurance for Federal employees.

This measure is recommended and supported by the President and the Bureau of the Budget and is a vital part of an overall plan to improve working conditions and job benefits for Uncle Sam's workers. This program is essential if we are going to adequately compete with private industry in obtaining and retaining the highest quality of personnel. We all know and realize, in order to have the highest efficiency and the greatest economy in our Federal operations, we must have a high level of morale and security for our employees.

It would be most difficult to measure the cost of this insurance program by mere dollars and cents outlay. On the contrary, it must be considered in connection with an effort to increase the efficiency and morale of the Federal service. This insurance program is no more liberal than what is now provided for the employees of thousands of private industries. The Federal Government is just late in recognizing their responsibilities toward their employees. This program has been thoroughly studied and worked out by the administration as well as the House Post Office and Civil Service Committee. There should be no objection to it and I hope that the House of Representatives will pass it by an overwhelming margin.

The SPEAKER. The question is on the suspending of the rules and passing the bill.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

Mr. CORBETT. Mr. Speaker, I ask unanimous consent that all Members may extend their remarks on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. MOSS. Mr. Speaker, I favor very strongly the action approving S. 3681 to establish an insurance program for Federal employees. I think such a program is excellent, but I have one reservation about the action. This most important legislation was accorded a hearing lasting only one-half hour by the House Post Office and Civil Service Committee. I fear most of the committee members have not even had the opportunity to read the legislation carefully. Such a hasty hearing denies possible consideration of improvements in the proposal and denies a full opportunity for a public hearing on the plan. In spite of the short hearing, the insurance proposal has my full support, for I believe it puts into effect one of the better practices adopted by many private employees. The excellent work done by civilian employees in the Government is too seldom given full recognition. This insurance program will add to the benefits accorded Federal employees.

I trust the House will, during the 84th Congress, make a careful review of the program to be absolutely certain all provisions are equitable and that it provides the best possible plan for Federal employees.

NORTH UNIT IRRIGATION DISTRICT HAYSTACK RESERVOIR ON THE DESCHUTES FEDERAL RECLAMATION PROJECT

Mr. MILLER of Nebraska. Mr. Speaker, I move to suspend the rules and pass the bill (S. 2864) to approve an amendatory repayment contract negotiated with the North Unit irrigation district, to authorize construction of Haystack Reservoir on the Deschutes Federal reclamation project, and for other purposes.

The Clerk read the bill, as follows:

Be it enacted, etc., That the contract with the North Unit irrigation district in form substantially similar to that approved by the district directors on July 31, 1953, which has been negotiated by the Secretary of the Interior pursuant to section 7, subsection (a), of the Reclamation Project Act of 1939 (53 Stat. 1187, 1192; 43 U. S. C., 1946 edition, sec. 485), is approved and the Secretary of the Interior is authorized to execute it on behalf of the United States.

SEC. 2. The Secretary is authorized to construct the Haystack Dam and equalizing reservoir and related works as a feature of the Deschutes Federal reclamation project at

a cost not in excess of an amount which, together with other project costs reimbursable and returnable to the United States pursuant to the terms and provisions of the contract approved by section 1 of this act, does not exceed the maximum construction charge obligation of the North Unit irrigation district.

The SPEAKER. Is a second demanded?

Mr. GAVIN. Mr. Speaker, I demand a second.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. GAVIN. I am definitely opposed to the bill, Mr. Speaker.

The SPEAKER. Is any Member on the minority side opposed to the bill? [After a pause.] If not, without objection a second is considered as ordered.

There was no objection.

Mr. GAVIN. Mr. Speaker, I yield myself such time as I may require.

Mr. Speaker, this bill, S. 2854, has to do with a project known as the Haystack Reservoir. This is a bill to authorize the construction of a reservoir on a Federal reclamation project and for other purposes. I might call the attention of the House to the fact that this great Government of ours has been trying to effect economies and reduce expenditures and balance the budget; and just the other day, the gentleman from Oregon had a $22 million reclamation and irrigation project before us. That is the Talent project, and now again they are back here today with another $12 million reclamation and irrigation project. I presume that the gentleman from Oregon has many other projects in mind, but it would appear not to be good judgment to bring them out more than one at a time. But nobody seems to pay much attention to these programs. I just became a little interested in these many projects.

You will notice the report is in very small print. When a Member comes to the floor he secures a copy of the bill and report, but the small print is usually so difficult to read that he usually pays little attention to it. Therefore, I have selected from the report what I thought would be the significant parts so that I could call them to the attention of the House. Action is entirely up to the House on projects of this kind.

However if you want to spend the American taxpayers' money in this manner, it is $12 million worth. In fact, according to the report, 174 people are involved in the area. Only 174 people are involved in the $12 million project. However, it is my opinion that while we have this great overproduction of foodstuffs and hundreds of thousands of acres have been taken out of production, it does not make sense to develop more programs, spend more of the taxpayers' money to put more acreage back into production, whether it is for irrigation or land reclamation, or whatnot.

I think these programs should be held in abeyance until such time as the demands are evident of the need for more land producing more foodstuffs.

This is a project where only 174 people are concerned. It is going to cost $12 million. This bill before you would authorize the Secretary of the Interior to execute an amendatory repayment contract with the North Unit Irrigation District, an organization formed under Oregon laws, and represents water users on an irrigated area of 50,000 acres. That is what is involved for $12 million—174 people and 50,000 acres.

The organization to which they refer, as I stated, represents, according to the report, 174 people. The Federal Government would be laying out cash on the barrel head, $12 million to irrigate and improve the land of 174 people. That seems to me to be a very high cost. I wonder if any other 174 people any place in the United States would get any consideration for this kind of a project, involving only that number of people. Originally it was proposed that this $12 million would be paid back in a 50-year period, but I note from the report that it is now to be paid back in 78 years. In fact, there were 4 or 5 bills here today on the Consent Calendar on these same kinds of projects, all of which with a period of 50 years were requested to be extended—amortized for 75 years or more. If they go up to 78 years they may go up to 100 years. Why not make it in perpetuity, take a little here and a little there when the Government may get it. Nobody seems to pay any attention to these contracts.

This one, along with the $12 million to improve the land, they want the time limit raised from 50 years to 78 years. Why not make it 100?

I ask my friends, while Secretary Benson is restricting farm acreage, why should it be necessary at this time for the Congress to authorize a project that would cost in the neighborhood of $12 million for 174 people who now request that the loan be extended for 78 years; it would not be paid back for the next several generations. Certainly we have sufficient land in production, and we are flooding out land in many projects, a lot of good land that could be utilized.

I just want to say to the membership that no banker in his right mind would entertain such a loan on a 78-year basis. But apparently my friends from Oregon—and they are my friends and have been for many years—believe it is all right for Uncle Sam to handle a loan for $12 million on a 78-year basis. I wonder if many of the bankers out in Oregon would entertain a loan on a reclamation or irrigation project on a 2½-percent amortization basis for 78 years? Certainly not. And that is the trouble and the reason why this country of ours is in the condition that it is today. It is just a multiple number of projects of a similar nature of this kind that is breaking the back of the American taxpayer and placing a terrific burden on our people.

Mr. ENGLE. Mr. Speaker, will the gentleman yield?

Mr. GAVIN. After a bit. For once I have 20 minutes at my disposal.

Mr. ENGLE. The gentleman ought to be willing to yield 20 seconds.

Mr. GAVIN. Certainly there is not any Member of this House who would even consider asking any banking group to entertain a proposal such as is presented to us here—78 years, $12 million loan. That is along the line of the 5 bills here today, to 1 of which I objected. They were 50-year programs and they asked that they be extended to 75 years. This sounds unreasonable.

Mr. MILLER of Nebraska. Mr. Speaker, will the gentleman yield for a question?

Mr. GAVIN. I will be glad to a little later. In looking over the report I find a letter under date of June 17, 1954, from Donald R. Belcher, Assistant Director of the Bureau of the Budget, addressed to the chairman of the Senate Committee on Interior and Insular Affairs. It states in part:

The proposed amendatory contract which would be approved by enactment of S. 2864 would relieve financial difficulties of the North Unit Irrigation District by extending the present irrigation repayment contract period from 40 years to a base period of 78 years, with provision for variable annual repayments to reflect land capabilities and economic conditions.

Sounds good. But in any event the average taxpayer pays the bill. But let us not be fooled by these words, because you are going to put up $12 million here today for 174 people to irrigate some 50,000 acres.

Mr. MILLER of Nebraska. Mr. Speaker, will the gentleman yield?

Mr. GAVIN. Not at this time.

Mr. MILLER of Nebraska. The gentleman is in error.

Mr. GAVIN. I am taking this from the report.

Mr. MILLER of Nebraska. The gentleman is in error.

Mr. GAVIN. Mr. Speaker, I decline to yield at this time. The print is so small and I do not want it to be trying for the Members to read it, so I am bringing it to your attention. This is from the report.

There is another letter under date of June 4 of this year to the Secretary of the Interior, from which I quote in part:

The proposed new repayment contract which would be approved under S. 2864 would remedy the present financial difficulties of the district by extending the present repayment period from 40 years to a base period of 78 years, with an added provision for variable annual payments to reflect land capabilities and economic conditions.

The annual cost, including operation and maintenance and replacements, is estimated to average $60,000, based on amortizing construction costs in 50 years at 2½ percent.

The Department further recommends that such a study be undertaken subsequent to the authorization of the project.

Under the proposed amendatory contract, the maximum obligation of the district would be $12,130,000, consisting of $10,530,000 for the irrigation facilities constructed during the period from about 1938 to 1949, and $1,600,000 for the proposed Haystack equalizing reservoir and its appurtenant works.

It states further:

Under adverse economic conditions, it is possible that the repayment period would be extended many years beyond the 78-year base period.

Why extend it? Why not write it off, take our loss and call it a day, without further extension?

It is further stated in this letter:

Conversely, with favorable economic conditions, the repayment period could be less than 78 years.

But if you had a bad economic situation it might be up to 100 years. Continuing the letter:

While the Bureau of the Budget, in general, does not approve of extending irrigation repayment contracts over unrealistically long periods of time, in consideration of the financial difficulties and special circumstances connected with the Deschutes, north unit project, and on the basis that a precedent is not established, there would be no objection to amending the existing contract to provide for the longer repayment period.

However, let me point out at this time that in my opinion a precedent is being established:

In addition the Bureau of the Budget believes that under present conditions a reasonable repayment period for Federal irrigation projects should be the useful economic life but not longer than 50 years following completion of construction exclusive, where applicable, of a development period not exceeding 10 years.

But that is not what they want to do here. They want 78 years. They might have made it 88 or 98 years.

That is what they think it ought to be, and if they want to borrow $10 million on a 10-year basis, that is all right; but when you get into more than 50 years and it is questionable whether or not it can be repaid, I think the Government ought to stay out of that kind of loan business.

The letter states further:

We also believe that, in view of the decision by local interests to construct a system for supplying water for domestic, livestock, and municipal purposes at a cost of about $3½ million, without Federal assistance, careful consideration should be given to having local interests construct the Haystack equalizing reservoir financed partly with revenues collected by a conservancy district on the basis of the public and secondary benefits and the balance by the water users.

Now, that makes sense to me, that the people out in the area themselves develop a program by which they can finance their own operation, and if there is so much profit in this irrigation business out there as they say and they assure us it is going to be paid back in 78 years, let them finance it themselves and not ask the American taxpayers to finance it.

In another letter under date of June 15 from Fred G. Aandahl, Acting Secretary of the Interior, to the chairman of the Senate Committee on Interior and Insular Affairs, part of which I quote, it is stated:

Under the contract the maximum repayment obligation of the district will be $12,130,000.

The proposed plan for repayment of this obligation is basically the normal and percentage variable plan provided by the Reclamation Project Act of 1939, using as the base annual installment the sum of $136,500 until the 50th year following the year, as announced by the Secretary, in which the project is served by an adequate domestic water system. Thereafter, the base annual installment will be $193,800.

The water users of the North Unit Irrigation District have approved execution of the enclosed contract by a vote of 155 to 19.

In a letter dated June 4, the Bureau of the Budget has recommended that consideration be given to the formation of a conservancy district in connection with the North Unit lands and that provision be made for amortizing the cost of Haystack Reservoir over a period of 50 years or less. The Bureau of the Budget has also advised that no commitment can be made as to when funds will be available for construction of Haystack. A copy of the Bureau of the Budget's letter is attached. We recommend that your committee give consideration to its suggestions and that the bill, with such amendments as are called for in the circumstances, be enacted.

Now, I could continue this discussion, but let me say that I think the time has come in this Congress that we look these matters over carefully. In the past usually these bills have been brought in here about 4:30 in the afternoon; there is only a handful of Members on the floor, or under unanimous consent or suspension of the rules they are passed quickly. But, from now on I think we should be watching all of them, because I think the Members of the Congress representing the American people should see that we protect their interests and that we get value received for every dollar that the Government is requested to invest.

Mr. EBERHARTER. Mr. Speaker, will the gentleman yield?

Mr. GAVIN. I yield to the gentleman from Pennsylvania.

Mr. EBERHARTER. Then the gentleman thinks that this is a matter important enough that the opposition to it should have more than 20 minutes in order to present the true picture to the Congress who have to vote on the subject.

Mr. GAVIN. I would be glad if the gentleman would ask unanimous consent that the time be increased to discuss this matter.

Mr. EBERHARTER. In answer to the gentleman I might say that unanimous consent would not lie because it is under suspension of the rules. In other words, we are cut down to 20 minutes if we are opposed to the proposition.

Mr. GAVIN. I might say to my good friend from Allegheny County, in summing up what I have to say in 20 minutes allocated to me is this: I think it is an unwise, unsound investment of $12 million of American taxpayers' money to irrigate 50,000 acres of land involving 174 people. I think it is too costly a proposition and I think the bill should be voted down, as well as all of the rest of projects of a similar nature. Let me ask my friends from the Northwest, would you consider going to a group of bankers in the Northwest and ask them to finance a $12 million project on a 2½ percent basis for 78 years, because in 78 years is a long time?

Mr. MILLER of Nebraska. Mr. Speaker, will the gentleman yield?

Mr. GAVIN. I yield to the gentleman from Nebraska.

Mr. MILLER of Nebraska. The gentleman has been in error so many times, at which time I tried to get him to yield and correct him. $10,530,000 has been already allocated by the Congress years ago, and this bill only carries $1,600,000 for a new reservoir, for new water for this irrigation project, so that the gentleman has been in error.

Mr. GAVIN. No; I am not in error.

Mr. MILLER of Nebraska. It is not $12 million of new money.

Mr. GAVIN. The whole project will cost $12,130,000, whether you got the money in 1939 or you get it in 1954. That is what is involved.

Mr. Speaker, I ask that this legislation be voted down.

Mr. MILLER of Nebraska. Mr. Speaker, I yield myself 3 minutes.

I have said all along in connection with these flood control projects, of which Pennsylvania is now getting a tremendous sum, that they pay nothing back, not a penny of the cost, neither principal nor interest. These irrigation projects do pay back the principal.

The gentleman from Pennsylvania [Mr. GAVIN] has been in error so many times, that I should like to make this effort to correct him. He refused to yield for the correction. He refers to this $12 million bill; there is only $1,600,000 of new money with which to build a reservoir. The rest of the money was appropriated a long time ago.

The gentleman spoke of 174 people who would benefit. The vote of the people was 155 to 19. But the number of acres involved here is 50,000. Under the 160-acre limitation, that takes care of a great many more people, perhaps a thousand to fifteen hundred people in this area who would be affected by this irrigation project.

It is true that they have been in some financial trouble and this bill is brought here in order to correct or to help some of their problems and the conditions with which they are faced. The committee gave consideration to this bill and I think it ought to be passed by the House. The bill provides additional water for 50,000 acres of crops.

At this time I should like to yield to a gentleman of the committee who has been a very valuable member of the committee and has done very much work on these irrigation projects, the gentleman from California [Mr. ENGLE].

Mr. ENGLE. Mr. Speaker, the case boils down to this. Those people owe a certain amount of money. They cannot pay it in 40 years. The bill extends the pay-out period to, I believe, 78 years. If they cannot pay out in 40 years, isn't it better for them to pay back in 78 years than for the Government to get nothing at all? There is involved here the question whether or not we want to write off this money as a loss or extend the period within which they can pay back, and permit these people who are willing to assume the continued burden to do so. That is all that this bill amounts to.

Mr. MILLER of Nebraska. If the gentleman will yield to me, this acreage is not new acreage. It is the old acreage of 50,000 acres. But it permits them to have more water on the 50,000 acres for the crops which they put into production. So my colleagues should understand it is not $12 million. The House and the Appropriations Committee have already taken care of $10,530,000. This calls for $1,600,000. The principal will be paid back in 78 years. It will not be like the project of the gentleman from Pennsylvania, where they get $150 million for a flood-control project and do not pay back 1 penny, not 1 penny of interest or principal. There has been over $10 billion earmarked for flood control. While I am for flood-control projects, remember they do not pay back interest, they

do not pay back principal. That is about 4½ or 5 times more than ever has been allocated for reclamation projects, where they do pay back the principal on these projects.

Mr. Speaker, I urge that the bill be adopted, and ask my colleagues to so vote.

Mr. Speaker, I yield 3 minutes to the gentleman from Oregon [Mr. COON].

Mr. COON. Mr. Speaker, I am glad my friend from Pennsylvania is willing to have that figure corrected from $12 million to $1,600,000, which is the total amount this bill calls for of new money at this time. The $10,530,000 was spent over a decade ago and that is already in the project now. There is only $1,600,000 of new money.

Mr. GAVIN. The whole job was $12,130,000, including the $1,600,000 which is new money. At the same time you are asking to bring up the 50-year repayment to 78 years. All told it involves $12,130,000, even though the money was appropriated back in 1938 and 1939.

Mr. COON. But the gentleman will agree that this bill just calls for $1,600,000?

Mr. GAVIN. It is evident, yes; but the overall project is $12,130,000.

Mr. COON. Mr. Speaker, I would like to read a letter from Orme Lewis, Assistant Secretary of the Interior, which reads:

MY DEAR MR. COON: We understand that in recent discussions, in which you have participated, in considering H. R. 7647, a bill to approve an amandatory repayment contract negotiated with the North Unit irrigation district, to authorize construction of Haystack Reservoir on the Deschutes Federal reclamation project, and for other purposes, that questions have been raised concerning the useful life of the proposed Haystack Reservoir.

Haystack Reservoir is to be constructed in an offstream site with little or no siltation hazard, and can reasonably be expected to have a useful life well in excess of 78 years.

I think this bill is a meritorious one and should be approved, as it has the full committee support.

Mr. MILLER of Nebraska. Mr. Speaker, I have no further requests for time. I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on suspending the rules and passing the bill.

The question was taken; and on a division (demanded by Mr. GAVIN) there were—ayes 61, noes 7.

So (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

Mr. HESELTON. Mr. Speaker, I ask unanimous consent that the Committee on Interstate and Foreign Commerce may have until midnight tonight to file a report on the bill, S. 3379.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

OAHE DAM, MISSOURI RIVER, AND REHABILITATION OF CHEYENNE RIVER SIOUX RESERVATION INDIANS

Mr. MILLER of Nebraska. Mr. Speaker, I move to suspend the rules and pass the bill (H. R. 2233) to provide for the acquisition of lands by the United States required for the reservoir created by the construction of Oahe Dam on the Missouri River and for rehabilitation of the Indians of the Cheyenne River Sioux Reservation, S. Dak., and for other purposes, as amended.

The Clerk read the bill, as follows:

Be it enacted, etc., That this agreement between the United States of America and the Sioux Indians of Cheyenne River Reservation in South Dakota, Witnesseth, That this agreement when enacted by Congress and when confirmed and accepted in writing by three-quarters of the adult Indians of the Cheyenne River Reservation in South Dakota, as shown by the tribal rolls of the said reservation, does hereby convey to the United States all tribal, allotted, assigned, and inherited lands or interests within said Cheyenne River Reservation belonging to the Indians of said reservation, which lands are required by the United States for the reservoir to be created by the construction of the dam across the Missouri River in South Dakota, now known as Oahe Dam, including such lands along the margin of said proposed reservoir as may be required by the Chief of Engineers, United States Army, for the construction, protection, development, and use of said reservoir all as described in part II of this agreement, subject, however, to the conditions of this agreement hereinafter set forth: *Provided*, That the effective date of this act shall be the date when the Secretary of the Interior shall by proclamation declare that this agreement has been ratified and approved in writing by three-quarters of the adult members of said Indians as above defined.

SEC. II. The United States agrees to pay for all said tribal, allotted, assigned, and inherited lands or interest in land, together with all improvements thereon (except the Agency Hospital); and for the stumpage value of standing timber and for severance damages to individual owners within the taking area; and for the bed of the Missouri River so far as it is the eastern boundary of said Cheyenne River Reservation, the sum of $2,614,778.95. And the United States further agrees to pay for overall tribal severance damages outside the taking area for Oahe Reservoir and for the loss of the annual supply of timber and for the loss of wildlife and wild fruits, the sum of $3,973,076, in all, $6,587,854.95, which sum shall be in final and complete settlement of all claims, rights, and demands of said tribe or allottees or heirs thereof arising out of the construction of the Oahe project, and shall be deposited to the credit of said tribe in the Treasury of the United States, to draw interest on the principal thereof at the rate of 4 percent per annum until expended: *Provided*, That the said tribal council shall submit to the Secretary of the Interior for his approval a copy of the schedules on which the sum of $2,614,778.95 is based, as itemized in this section, and when such schedule is approved by the Secretary of the Interior it shall be the final schedule on which the said sum shall be distributed to or credited to the owners of said lands.

SEC. III. The United States further agrees to appropriate, and the Secretary of the Army is authorized and directed to make available from sums so appropriated to be charged against the cost of construction of the Oahe project, further additional appropriations for the special purposes of relocating and reestablishing the Indian cemeteries, tribal monuments and shrines within the taking area for said reservoir described in part II of this agreement as the tribal council of said Indian tribe shall select and designate, which sums shall be expended on the recommendation of the tribal council with the approval of the Secretary of the Interior.

SEC. IV. The United States further agrees to appropriate, and the Secretary of the Army is authorized and directed to make available from sums so appropriated to be charged against the cost of construction of the Oahe project, further additional appropriations which shall be expended upon the request of the tribal council of said Indian tribe with the approval of the Secretary of the Interior for the following purposes:

Relocation and reconstruction of Cheyenne River Agency, relocation and reconstruction of all schools, hospitals, all service buildings, agents and employees quarters, all roads, bridges, and all incidental matters or facilities in connection therewith, at points to be determined by the tribal council of said tribe with the approval of the Secretary of the Interior: *Provided*, That all the said reconstruction shall provide all said facilities of whatsoever nature in quantity and quality of not less than those now existing on said Cheyenne River Reservation. The relocation of the agency, schools, hospitals, and the replacement and construction of roads and facilities shall be the duty and the obligations of the United States at its own expense, to best serve the Indians of Cheyenne River Reservation and the requests of said tribal council in respect to all matters set out in this section shall be complied with except when compliance is impossible.

SEC. V. In addition to the sum set out in section II hereof, the United States further agrees that it will appropriate and make available a further sum in the total amount of $6,044,500 which shall likewise be deposited in the Treasury of the United States to the credit of said Indian tribe to draw interest on the principal thereof at the rate of 4 percent per annum until expended for the purpose of complete rehabilitation for all members of said tribe who are residents of the Cheyenne River Sioux Reservation at the time of the passage of this act, whether or not residing within the taking area of the Oahe project, and for relocating and reestablishing members of said tribe who reside upon such lands conveyed to the United States to the extent that the economic, social, religious, and community life of all said Indians shall be restored to a condition not less advantageous to said Indians than the condition that the said Indians now are in: *Provided*, That said fund provided for in this section shall be expended upon the order and direction of the tribal council of said tribe, with the approval of the Secretary of the Interior, for the purposes set forth in this section.

SEC. VI. The United States agrees that all mineral rights of whatsoever nature at or below the surface within the taking area as described in part II hereof shall be and hereby are reserved to said Indian tribe or individual owners or holders of lands or interests in lands as their interests may appear under section I hereof, subject to future extraction and use by said tribe or said members thereof or their heirs, successors, or assigns, but also subject to all reasonable regulations which may be imposed by the Chief of Engineers, United States Army, for the protection and use by the United States of the taking area for the purposes of the Oahe Dam and Reservoir project.

SEC. VII. The members of the said Indian tribe shall have the right without charge to cut and remove all timber and to salvage any portion of the improvements within said taking area either by demolition or removal, and the owners of the land

whereon said improvements stand shall have a prior right to such salvage but if said right is waived or not exercised before the date of the notice provided for in section IX hereof, the tribal council shall have the right to designate others to demolish or remove said timber and improvements or in the discretion of the tribal council, said demolition or removal may be undertaken and carried out by said tribal council: *Provided*, That the salvage permitted by this section shall not be construed as "double compensation" as set out in section 2 (b) (2) of Public Law 870, 81st Congress.

SEC. VIII. The United States and the Indian parties to this agreement recognize that a hazard to livestock is created by the rise and fall of the waters to be impounded in Oahe Reservoir. They also recognize that said hazard is not subject to exact determination at this time, therefore the parties to this agreement agree that all hazards which may develop when the annual rise and fall of Oahe Reservoir can reasonably be determined shall be met by the United States by such protective measures as may be necessary to minimize losses to the Indian parties hereto as to livestock only.

SEC. IX. Members of said Indian tribe now residing within the taking area of the project shall have the right without charge to remain on and use the lands hereby conveyed as said lands are now being used from and after the effective date of this act to the point in time where the gates of Oahe Dam are to be closed for the impoundment of the water of the Missouri River. The Chief of Engineers shall give public notice 1 year in advance of the prospective date of the closing of said gates for said purpose and all improvements of whatever nature, all timber of whatever kind or class shall be salvaged or removed or else shall be considered as abandoned by the tribe or by the individual owners at a date 6 months subsequent to the date of the notice given by the Chief of Engineers. All individuals and personal property shall remove or be removed from the taking area before the expiration of the 1-year's notice given by the Chief of Engineers as aforesaid. And the United States shall not be liable for any loss of life or property not so removed from the taking area from and after the expiration of said notice.

SEC. X. After the Oahe Dam gates are closed and the waters of the Missouri River impounded, the said Indian tribe and the members thereof shall have the right to graze stock on the land between the level of the reservoir and the taking line described in part II hereof. The said tribal council and the members of said Indian tribe shall have, without cost the right of free access to the shoreline of the reservoir including the right to hunt and fish in and on the aforesaid shoreline and reservoir, subject, however, to regulations governing the corresponding use by other citizens of the United States.

SEC. XI. The United States through the Department of the Interior shall render all aid and assistance to individual members of said tribe whose lands are within the said taking area for the purposes of purchasing land in the name of the United States for said individuals and the United States shall reconvey said lands under trust patent to the individual owners upon the selection by said owners of the land which they decide to have purchased for them. The said trust patents shall be in form and effect the same as corresponding trust patents heretofore issued to said individuals. The holders of exchange assignments within the said taking area shall be regarded as holders of trust patents and shall be accorded the same privileges and procedures as holders of land held in trust as in this section provided.

The funds for the purchase of such substitute land in all cases shall be provided by the individual applying for such purchase and reconveyance as is herein described, out of moneys placed to his credit for the transfer of his lands, improvements, and timber under the authority of this agreement and the subsequent act of Congress herein provided for but no service charge shall be made by the United States in addition to the cost of the substitute allotment. The lands so selected and purchased as substitute allotments may be either within the boundaries of the Cheyenne River Reservation as diminished by this agreement or outside said reservation as may meet the desires of the individuals involved in the several transactions: *Provided*, That no purchase of lands outside the Cheyenne River Reservation shall affect the existing status of such lands, interests, or rights therein, or improvements thereon, with respect to taxation. No prior act of Congress or departmental regulation shall be held to be a bar to the full operation of this section, nor shall the tribal constitution, ordinance, or resolution thereunder be held to be a bar to the full operation of this section, No. XI.

SEC. XII. No part of any expenditure made by the United States under any or all of the provisions of this agreement and the subsequent acts of ratification shall be charged as an offset or counterclaim against any tribal claim which has arisen under any treaty, law, or Executive order of the United States prior to the effective date of taking of said land as provided for in section I hereof and the payment of Sioux benefits as provided for in section 17 of the said act of March 2, 1889 (25 Stat. 888), as amended, shall be continued under the provision of section 14 of the Indian Reorganization Act of June 18, 1934 (48 Stat. 984), on the basis now in operation without regard to the loss of tribal land within the taking area under the provisions of this agreement.

SEC. XIII. The United States agrees to reimburse the said tribal council for expenses incurred by it and caused by, or incident to, the negotiations which have led up to the making and ratification of this agreement: *Provided*, That such reimbursable expenses do not exceed in the aggregate $100,000, of which not more than $50,000 shall be payable as attorney fees. The tribal council shall send a statement to the Secretary of the Army setting out said expenses up to the date of the proclamation to be issued by the Secretary of the Interior declaring that the act of Congress approving this agreement is in full force and effect. The Secretary of the Army shall forward said statement to the Congress for appropriation together with his recommendations.

SEC. XIV. Holders of inherited lands or interests in lands may consolidate their interests by and between themselves and the total proceeds in the hands of any individual held by such consolidation of interests may be used by any individual holder of the same for purchase of substitute lands as in section XI provided.

SEC. XV. The right of any individual member of said Indian tribe to reject the final appraisal made on his land and improvements shall be preserved and, if any individual does reject such final appraisal, he shall file notice of such rejection by notice in writing to the Chief of Engineers, United States Army, who shall thereupon file a proceeding in the United States District Court of the District of South Dakota as in a condemnation proceeding and jurisdiction is hereby conferred upon said court to determine, by procedure corresponding to a condemnation proceeding, the value of said land and improvements and the said tribal council shall deposit with the clerk of said court the full amount set out in the final appraisal which was previously offered to said individual, which fund shall be used in payment in full or in part of the final judgment of said United States district court. Cost of such proceedings shall be borne by the United States and the individual involved shall be entitled to counsel at his own expense. In the event the amount of the appraisal so deposited in said court is not enough to cover the final judgment in said proceeding, the United States shall pay such difference from the fund of $6,587,854.95 established under section II hereof into the hands of the clerk of said court and thereupon title shall vest in the United States.

SEC. XVI. There is hereby authorized to be appropriated not to exceed $12,732,354.95, as provided by sections II, V, and XIII, exclusive of the sums to be charged against the cost of construction of the Oahe project as provided in sections III and IV hereof.

PART II

The lands conveyed by this agreement are the following tracts of land, all in the State of South Dakota:

Township 5 north, range 30 east, Black Hills meridian

Section 5: Northwest quarter northwest quarter northeast quarter; north half northwest quarter; north half southeast quarter northwest quarter; northwest quarter southwest quarter northwest quarter.

Section 6: Northeast quarter northeast quarter; northeast quarter southeast quarter northeast quarter; north half northwest quarter northeast quarter; east half northeast quarter northwest quarter.

Township 6 north, range 29 east, Black Hills meridian

Section 1: Lots 1, 2, 5, and 6.

Township 6 north, range 30 east, Black Hills meridian

Section 28: Southwest quarter southeast quarter.

Section 33: Northeast quarter northwest quarter northeast quarter; southeast quarter northwest quarter.

Township 7 north, range 29 east, Black Hills meridian

Section 21: All.

Section 34: Southeast quarter.

Township 7 north, range 30 east, Black Hills meridian

Section 19: Lots 1, 2, and 3.

Section 20: Lot 1.

Section 29: Lots 1, 2, and 3.

Section 30: Northeast quarter northeast quarter; east half southeast quarter northeast quarter; north half northwest quarter northeast quarter; north half northeast quarter northwest quarter.

Section 31: West half northeast quarter; lots 6, 7, and 8.

Section 32: Lot 1.

Township 8 north, range 23 east, Black Hills meridian

Section 1: Lots 5 and 6.

Township 9 north, range 23 east, Black Hills meridian

Section 36: South half southwest quarter and lots 2, 3, and 4.

Township 9 north, range 24 east, Black Hills meridian

Section 12: South half; south half northeast quarter; northwest quarter southeast quarter; southeast quarter northeast quarter southwest quarter; east half southwest quarter southwest quarter; lots 2, 3, 4, and 5.

Section 13: West half northwest quarter; northwest quarter southwest quarter; lots 6, 7, 8, and 9.

Section 14: South half; south half northwest quarter; west half southwest quarter northeast quarter; east half southeast quarter northeast quarter.

Section 15: Southeast quarter northeast quarter; south half southeast quarter southeast quarter.

Section 22: North half northeast quarter northeast quarter; northeast quarter southeast quarter; southeast quarter northwest quarter southeast quarter; lots 2 and 3; lot 1 except 10 acres in the form of a square situated in the northwest corner thereof.

Section 23: Northwest quarter; northwest quarter northeast quarter; lots 6, 7, 8, and 9.

Section 27: Lots 5, 6, 8, 9, and 10; lot 7, except 10 acres in the form of a square, situated in the northwest corner thereof.

Section 28: South half southeast quarter; south half north half southeast quarter.

Section 31: Southeast quarter northeast quarter: lots 6, 7, 8, and 9.

Section 32: South half south half northwest quarter; lots 8 and 9.

Section 33: Lots 5 and 6.

Section 34: Northwest quarter southeast quarter northwest quarter; lots 1, 2, and 3.

Township 9 north, range 25 east, Black Hills meridian

Section 1: East half southeast quarter; southwest quarter southeast quarter; south half northwest quarter southeast quarter; northeast quarter southwest quarter; north half southeast quarter southwest quarter; southeast quarter southeast quarter southwest quarter; southeast quarter northwest quarter southwest quarter; north half southwest quarter southwest quarter.

Section 2: Southeast quarter southeast quarter.

Section 7: South half southwest quarter northeast quarter; southwest quarter southeast quarter northeast quarter; south half of lot 5, lots 3, 4, 11, and 12.

Section 9: West half southwest quarter; south half southeast quarter southwest quarter; southwest quarter southwest quarter southeast quarter.

Section 10: Southeast quarter southeast quarter; southwest quarter northeast quarter southeast quarter; southeast quarter northwest quarter southeast quarter; east half southwest quarter southeast quarter; southwest quarter southwest quarter southeast quarter; south half southeast quarter southwest quarter; southeast quarter southwest quarter southwest quarter.

Section 11: South half southwest quarter southwest quarter; northwest quarter southwest quarter southwest quarter.

Section 12: North half northeast quarter northeast quarter; northeast quarter northwest quarter northeast quarter.

Section 13: South half southwest quarter; south half northwest quarter southwest quarter.

Section 14: Lots 5, 6, and 7.

Section 15: North half; lots 5, 6, 7, 8, and 9.

Section 16: Northwest quarter; north half northeast quarter; lots 5, 6, 7, and 8.

Section 17: Lots 1 and 10.

Section 18: East half northwest quarter; west half northeast quarter; southeast quarter northeast quarter; lots 1, 2, and 3.

Section 23: Lot. 3.

Section 24: Lots 6, 7, and 8.

Township 9 north, range 26 east, Black Hills meridian

Section 1: Lot 8 (formerly known as lot 7).

Section 3: Northwest quarter northwest quarter; north half northeast quarter northwest quarter; lot 5.

Section 4: Northwest quarter; north half northeast quarter; north half southeast quarter northeast quarter; north half southwest quarter; southwest quarter southwest quarter; lots 2, 3, and 4.

Section 5: East half; southwest quarter; northeast quarter northwest quarter; east half northwest quarter northwest quarter; north half southeast quarter northwest quarter; southeast quarter southeast quarter northwest quarter.

Section 6: Southeast quarter; southwest quarter northeast quarter; southwest quarter southeast quarter northeast quarter; southwest quarter northwest quarter northeast quarter; southeast quarter southwest quarter; south half northeast quarter southwest quarter; south half of lot 3; lot 4.

Section 7: North half north half northeast quarter; southeast quarter southeast quarter; southeast quarter southwest quarter southeast quarter.

Section 8: Southwest quarter; northeast quarter; north half northwest quarter northwest quarter; east half southeast quarter northwest quarter; southwest quarter southeast quarter northwest quarter; southwest quarter southeast quarter; lot 1.

Section 9: West half northwest quarter; lots 7, 8, 9, and 10.

Section 10: Lot 5.

Section 17: West half west half; northeast quarter northwest quarter; west half southeast quarter northwest quarter; lots 5, 6, 8, 9, and 10.

Section 18: Southeast quarter; east half southwest quarter; south half northeast quarter; northeast quarter northeast quarter; east half northwest quarter northeast quarter; east half southeast quarter northwest quarter; south half of lot 4.

Section 19: Lots 7, 8, and 9.

Section 20: Lots 4 and 5.

Township 9 north, range 27 east, Black Hills meridian

Section 1: Lots 8 and 11.

Section 2: Lots 9 and 12.

Section 3: Lot 5.

Section 5: Lot 5.

Section 6: Northeast quarter northwest quarter; lots 8, 9, and 10.

Section 10: North half northeast quarter northeast quarter; north half south half northeast quarter northeast quarter.

Section 11: North half northwest quarter northwest quarter.

Section 12: Lot 2.

Township 9 north, range 28 east, Black Hills meridian

Section 4: Lots 5 and 6.

Section 5: North half northeast quarter; southeast quarter northeast quarter; lots 6, 7, 8, 10, and 11.

Section 6: Lots 7, 8 and 11.

Section 7: Lots 14 and 15.

Township 9 north, range 29 east, Black Hills meridian

Section 1: All.

Section 2: North half.

Section 3: North half north half.

Section 4: Southeast quarter northeast quarter; lot 4.

Township 9 north, range 30 east, Black Hills meridian

All.

Township 10 north, range 26 east, Black Hills meridian

Section 10: Southwest quarter southwest quarter; west half southeast quarter southwest quarter; southeast quarter northwest quarter southwest quarter; southwest quarter northeast quarter southwest quarter.

Section 14: South half southwest quarter southeast quarter.

Section 15: West half west half; west half east half west half; east half southeast quarter southwest quarter; west half southwest quarter southeast quarter.

Section 16: Northeast quarter southeast quarter southeast quarter; south half northeast quarter southeast quarter.

Section 19: East half southeast quarter southeast quarter.

Section 20: West half southwest quarter; south half southwest quarter northwest quarter; southwest quarter southeast quarter southwest quarter.

Section 22: Southeast quarter; east half west half; east half west half northwest quarter; east half northwest quarter southwest quarter; southwest quarter northeast quarter; west half southeast quarter northeast quarter; southeast quarter southeast quarter northeast quarter.

Section 23: Southeast quarter; east half southwest quarter; southwest quarter southwest quarter; south half northwest quarter southwest quarter; south half southeast quarter northwest quarter; west half northeast quarter; southeast quarter northeast quarter; southwest quarter northeast quarter northeast quarter; south half northeast quarter northeast quarter; northwest quarter northeast quarter northeast quarter.

Section 24: North half southwest quarter; southwest quarter southwest quarter; west half southeast quarter southwest quarter; northeast quarter southeast quarter southwest quarter; southwest quarter northwest quarter; west half southeast quarter northwest quarter; southeast quarter northwest quarter northwest quarter; northeast quarter northwest quarter; west half northwest quarter northeast quarter.

Section 25: Southwest quarter; south half southeast quarter; northwest quarter southeast quarter; south half northeast quarter southeast quarter; southwest quarter northeast quarter; south half northwest quarter; northwest quarter northwest quarter; southwest quarter northeast quarter northwest quarter.

Section 26: North half; north half south half; south half southeast quarter; southeast quarter southwest quarter; east half southwest quarter southwest quarter.

Section 27: North half northeast quarter northwest quarter; north half northeast quarter; southeast quarter northeast quarter; east half northeast quarter southeast quarter; south half southwest quarter; south half northwest quarter southwest quarter; southwest quarter northeast quarter southwest quarter.

Section 28: Southeast quarter; east half southwest quarter; east half southwest quarter southwest quarter; northwest quarter southwest quarter; west half northwest quarter; west half southeast quarter northwest quarter; southeast quarter southeast quarter northwest quarter.

Section 29: Northeast quarter southeast quarter; east half northeast quarter; northwest quarter northeast quarter; north half southwest quarter northeast quarter; northeast quarter northwest quarter; northeast quarter southeast quarter northwest quarter.

Section 32: South half southeast quarter; south half northeast quarter southeast quarter; east half southeast quarter southwest quarter.

Section 33: South half south half; southwest quarter northwest quarter southwest quarter; northeast quarter southeast quarter; east half northeast quarter; northwest quarter northeast quarter; east half northeast quarter northwest quarter; northwest quarter northeast quarter northwest quarter; northeast quarter northwest quarter northwest quarter.

Section 34: All.

Section 35: North half; west half southwest quarter southeast quarter; lot 5.

Section 36: Northeast quarter; north half northwest quarter; lots 6 and 7.

Township 10 north, range 27 east, Black Hills meridian

Section 15: Southwest quarter southwest quarter.

Section 16: Southeast quarter; northeast quarter southwest quarter; east half northwest quarter southwest quarter; north half southeast quarter southwest quarter; northeast quarter southwest quarter southwest quarter; southwest quarter northeast quarter; southwest quarter northwest quarter northeast quarter; southeast quarter northeast quarter northwest quarter; west half northeast quarter northwest quarter; east half west half northwest quarter; southeast quarter northwest quarter.

Section 21: North half northeast quarter; southeast quarter northeast quarter; east half northeast quarter southeast quarter; northeast quarter southeast quarter southeast quarter.

Section 22: South half southeast quarter; south half northwest quarter southeast

quarter; northwest quarter northwest quarter southeast quarter; north half southwest quarter; southeast quarter southwest quarter; east half southwest quarter southwest quarter; northwest quarter southwest quarter southwest quarter; southwest quarter southwest quarter northeast quarter; southeast quarter southeast quarter northwest quarter; west half southeast quarter northwest quarter; west half northwest quarter.

Section 23: Southwest quarter southwest quarter; northwest quarter southeast quarter southwest quarter.

Section 24: Southeast quarter northeast quarter; west half northeast quarter northeast quarter; southeast quarter northeast quarter northeast quarter; east half southwest quarter northeast quarter; northwest quarter southwest quarter northeast quarter; northeast quarter southeast quarter; east half southeast quarter southeast quarter; northwest quarter southeast quarter southeast quarter.

Section 25: Southeast quarter northeast quarter; east half northeast quarter southeast quarter; west half southwest quarter southeast quarter; south half southwest quarter; northwest quarter southwest quarter; southwest quarter northeast quarter southwest quarter.

Section 26: South half; south half north half; south half northeast quarter northeast quarter; southeast quarter northwest quarter northeast quarter; southwest quarter northeast quarter northwest quarter; northwest quarter northwest quarter.

Section 27: Northeast quarter; north half northeast quarter northwest quarter; northeast quarter northwest quarter northwest quarter; northeast quarter southeast quarter; northeast quarter northwest quarter southeast quarter; northeast quarter southeast quarter southeast quarter; south half south half southeast quarter; southeast quarter southeast quarter southwest quarter.

Section 28: Southwest quarter; southwest quarter northwest quarter; west half southeast quarter northwest quarter.

Section 29: East half southeast quarter; northwest quarter southeast quarter; southeast quarter southwest quarter southeast quarter; south half northeast quarter; northeast quarter southeast quarter northwest quarter; southeast quarter northeast quarter northwest quarter; southwest quarter southeast quarter southwest quarter; south half southwest quarter southwest quarter; northwest quarter southwest quarter southwest quarter.

Section 30: South half southeast quarter; east half southeast quarter southwest quarter; southwest quarter southeast quarter southwest quarter; south half of lot 4.

Section 31: Northeast quarter; east half northwest quarter; east half southwest quarter; north half north half southeast quarter; lots 1 and 2.

Section 32: North half; west half southwest quarter; northeast quarter southwest quarter; lots 3, 4, and 5.

Section 33: Northwest quarter; south half northeast quarter; south half north half northeast quarter; northwest quarter northeast quarter; northwest quarter southwest quarter; lots 4, 5, 6, 7, and 8.

Section 34: Northeast quarter; north half northeast quarter southeast quarter; southeast quarter northwest quarter; south half north half northwest quarter; northeast quarter northeast quarter northwest quarter; lots 3, 4, and 5.

Section 35: Northwest quarter; north half northeast quarter; southwest quarter northeast quarter; northeast quarter southwest quarter; north half northwest quarter southwest quarter; north half southeast quarter southwest quarter; northwest quarter southeast quarter; north half southwest quarter southeast quarter.

Section 36: Northwest quarter; southeast quarter; south half northeast quarter; northwest quarter northeast quarter; south half northeast quarter northeast quarter.

Township 10 north, range 28 east, Black Hills meridian

Section 1: North half southwest quarter southwest quarter; south half northwest quarter southwest quarter.

Section 2: South half; south half north half; lots 3 and 4; the south twenty acres of lot 2.

Section 3: Southeast quarter; south half northeast quarter; south half southeast quarter southwest quarter; west half southwest quarter; southwest quarter northwest quarter; lots 1 and 2.

Section 4: South half; south half north half; lot 4; the south 20 acres of lot 2; the south twenty acres of lot 3.

Section 5: All.

Section 6: South half northeast quarter; northeast quarter southeast quarter; north half southeast quarter southeast quarter; lots 1 and 2.

Section 8: North half northeast quarter; north half south half northeast quarter; southeast quarter southeast quarter northeast quarter; east half northeast quarter northwest quarter; northeast quarter southeast quarter northwest quarter; east half east half southeast quarter.

Section 9: All.

Section 10: All.

Section 11: All.

Section 12: South half; south half north half; south half north half north half.

Section 13: East half northeast quarter southwest quarter; west half northwest quarter southeast quarter.

Section 14: Lots 2, 3, and 4.

Section 15: All.

Section 16: All.

Section 17: East half east half northeast quarter; east half northeast quarter southeast quarter; southwest quarter northeast quarter southeast quarter; southeast quarter southeast quarter; southeast quarter northwest quarter southeast quarter; east half southwest quarter southeast quarter; southwest quarter southwest quarter southeast quarter; southeast quarter southeast quarter southwest quarter.

Section 19: East half southwest quarter; west half southeast quarter; west half east half southeast quarter; southwest quarter southwest quarter northeast quarter; east half southeast quarter northwest quarter; south half northeast quarter northwest quarter; northwest quarter northeast quarter northwest quarter; lots 3 and 4; lot 2 except the east twenty acres thereof.

Section 20: Northeast quarter; west half southeast quarter; east half northeast quarter northwest quarter; lots 1 and 2.

Section 21: All.

Section 24: Lots 1, 2, and 3.

Section 29: West half east half; east half east half northwest quarter; east half northeast quarter southwest quarter; south half southwest quarter; southwest quarter northwest quarter southwest quarter; lots 1, 2, 3, and 4.

Section 30: West half east half; east half west half; west half east half northeast quarter; east half southeast quarter; lots 1, 2, 3, and 4.

Section 31: East half.

Section 32: All.

Section 33: All.

Township 10 north, range 29 east, Black Hills meridian

Section 1: East half southeast quarter; east half northwest quarter southeast quarter; southeast quarter northeast quarter; east half southwest quarter northeast quarter; northwest quarter southwest quarter northeast quarter; lots 1 and 2; east half of lot 3.

Section 4: Southwest quarter southwest quarter; south half northwest quarter southwest quarter.

Section 5: East half southwest quarter northeast quarter; west half southeast quarter northeast quarter; east half northwest quarter southeast quarter; west half northeast quarter southeast quarter; southeast quarter northeast quarter southeast quarter; southeast quarter southeast quarter; west half southwest quarter; west half southeast quarter; southwest quarter southwest quarter southwest quarter northwest quarter.

Section 6: Southeast quarter northwest quarter; northeast quarter southwest quarter; north half southeast quarter southwest quarter; southeast quarter southeast quarter southwest quarter; lots 4 and 5; north half of lot 6.

Section 7: Northeast quarter northeast quarter northwest quarter; south half southeast quarter northwest quarter; lot 2; south half of lot 1.

Section 8: East half; northwest quarter; northeast quarter southwest quarter.

Section 9: West half west half; west half east half southwest quarter; northeast quarter northeast quarter southwest quarter; north half northwest quarter southeast quarter; southeast quarter northwest quarter; south half northeast quarter northwest quarter; southwest quarter southwest quarter northeast quarter.

Section 12: East half southeast quarter; northwest quarter southeast quarter; northeast quarter southwest quarter southeast quarter; northeast quarter northeast quarter southwest quarter; south half southwest quarter northeast quarter; north half northeast quarter northeast quarter; southeast quarter northeast quarter northeast quarter; southeast quarter northwest quarter.

Section 13: Northeast quarter northeast quarter.

Section 16: North half northwest quarter northwest quarter; northwest quarter northeast quarter northwest quarter.

Section 17: West half; west half east half; northeast quarter northeast quarter; west half southeast quarter northeast quarter; west half northeast quarter southeast quarter.

Section 18: North half southeast quarter; southwest quarter southeast quarter; east half southeast quarter southeast quarter; east half southwest quarter; lots 3 and 4.

Section 19: West half northeast quarter northwest quarter; lots 1 and 3.

Section 20: East half west half; west half east half; east half southeast quarter; southeast quarter northeast quarter; south half northeast quarter northeast quarter; northwest quarter northeast quarter northeast quarter.

Section 21: South half; south half northwest quarter; south half north half northwest quarter; west half southwest quarter northeast quarter; southeast quarter southwest quarter northeast quarter; southwest quarter southeast quarter northeast quarter.

Section 22: Northwest quarter southwest quarter.

Section 24: South half southeast quarter; northwest quarter southeast quarter; west half northeast quarter southeast quarter; southeast quarter northeast quarter southeast quarter; northeast quarter southeast quarter southwest quarter; east half northeast quarter southwest quarter; southeast quarter southeast quarter northwest quarter; southwest quarter southwest quarter northeast quarter.

Section 25: East half east half; east half west half southeast quarter; southwest quarter northeast quarter.

Section 27: Southwest quarter northwest quarter northwest quarter.

Section 28: West half; north half northeast quarter; southwest quarter northeast quarter; west half northwest quarter southeast quarter; south half southeast quarter.

Section 29: Southeast quarter; east half northeast quarter; southwest quarter northeast quarter; east half northwest quarter

northeast quarter; east half west half northwest quarter northeast quarter; southeast quarter southwest quarter.

Section 30: Lots 2 and 5.

Section 32: Lot 3.

Section 33: North half northwest quarter; northeast quarter; east half southeast quarter; east half northwest quarter southeast quarter.

Section 34: South half; south half northwest quarter; south half north half northwest quarter; west half southwest quarter northeast quarter.

Section 35: South half.

Section 36: South half south half; northeast quarter southeast quarter; east half northwest quarter southeast quarter; southeast quarter southwest quarter northeast quarter; south half southeast quarter northeast quarter; northeast quarter southeast quarter northeast quarter; north half northeast quarter northeast quarter.

Township 10 north, range 30 east, Black Hills meridian

Section 1: South half northwest quarter; southwest quarter northeast quarter; lots 1, 2, 3, 4, and 5.

Section 2: South half northeast quarter; west half southeast quarter; west half west half east half southeast quarter; south half southwest quarter; south half northeast quarter southwest quarter; lots 1 and 2.

Section 3: East half southeast quarter southeast quarter; southwest quarter southeast quarter southeast quarter.

Section 4: Southwest quarter; south half northwest quarter; southwest quarter southeast quarter; south half northwest quarter southeast quarter; northwest quarter northwest quarter southeast quarter; east half southwest quarter northeast quarter; lot 4, except ten acres, in the form of a square, situated in the northeast corner of said lot 4.

Section 5: East half southeast quarter; south half southwest quarter southeast quarter; southeast quarter northeast quarter; northeast quarter southwest quarter northeast quarter; lot 1; east half of lot 2.

Section 6: West half southeast quarter; east half southwest quarter; west half southwest quarter northeast quarter; southeast quarter northwest quarter; lots 4, 5, 6, and 7; ten acres, in the form of a square, situated in the southwest corner of lot 3.

Section 7: All.

Section 8: East half east half; north half northwest quarter northeast quarter; southeast quarter northwest quarter northeast quarter; east half southwest quarter northeast quarter; east half northwest quarter southeast quarter; southwest quarter northwest quarter southeast quarter; southwest quarter southeast quarter; southeast quarter southwest quarter; west half southwest quarter; west half northeast quarter southwest quarter; southeast quarter northeast quarter southwest quarter; southwest quarter northwest quarter; west half southeast quarter northwest quarter; west half northwest quarter northwest quarter; southeast quarter northwest quarter northwest quarter.

Section 9: West half; southeast quarter; south half south half northeast quarter.

Section 10: South half southeast quarter; southwest quarter; south half southwest quarter northwest quarter; southeast quarter northwest quarter; southeast quarter northeast quarter northwest quarter; east half northeast quarter; southwest quarter northeast quarter; east half northwest quarter northeast quarter; southwest quarter northwest quarter northeast quarter.

Section 11: North half north half; southwest quarter northeast quarter; north half southwest quarter; lots 1, 2, 3, and 4.

Section 14: All.

Section 15: All.

Section 16: All.

Section 17: All.

Section 18: East half; east half west half; lot 1.

Section 19: Northeast quarter; east half northeast quarter northwest quarter; northwest quarter northeast quarter northwest quarter; northeast quarter southeast quarter northwest quarter; east half southeast quarter; east half northwest quarter southeast quarter; west half southeast quarter southwest quarter; lot 4.

Section 20: All.

Section 29: All.

Section 30: All.

Section 31: All.

Township 10 north, range 31 east, Black Hills meridian

All.

Township 11 north, range 28 east, Black Hills meridian

Section 27: Southwest quarter; south half southeast quarter; south half north half southeast quarter; southeast quarter northwest quarter; east half southwest quarter northwest quarter; south half northeast quarter northwest quarter; southeast quarter northwest quarter northwest quarter.

Section 28: East half southeast quarter; northeast quarter northwest quarter southeast quarter; east half southwest quarter northeast quarter; west half southeast quarter northeast quarter; southeast quarter southeast quarter northeast quarter.

Section 29: Southwest quarter; west half west half southeast quarter; southwest quarter northwest quarter; southwest quarter southeast quarter northwest quarter; southwest quarter northwest quarter northwest quarter.

Section 30: East half east half northeast quarter; northeast quarter northeast quarter southeast quarter.

Section 31: West half southeast quarter; south half southeast quarter southeast quarter; northwest quarter southeast quarter southeast quarter; northeast quarter southwest quarter; north half southeast quarter southwest quarter; southeast quarter southeast quarter southwest quarter; lots 2 and 3; north half of lot 4; ten acres, in the form of a square, situated in the southwest corner of lot 1.

Section 32: Southeast quarter; south half northeast quarter; south half northwest quarter northeast quarter; northwest quarter northwest quarter northeast quarter; east half west half; northwest quarter northwest quarter; east half southwest quarter northwest quarter; east half west half southwest quarter; southwest quarter southwest quarter southwest quarter.

Section 33: Southwest quarter southwest quarter; northeast quarter northeast quarter northeast quarter.

Section 34: East half; east half west half; north half northwest quarter northwest quarter.

Section 35: West half southwest quarter; west half east half southwest quarter; southeast quarter southeast quarter southwest quarter; west half southwest quarter northwest quarter; southeast quarter southwest quarter northwest quarter.

Section 36: East half northeast quarter northeast quarter; southwest quarter northeast quarter northeast quarter; southeast quarter northeast quarter; northwest quarter northeast quarter southeast quarter; east half east half southeast quarter.

Township 11 north, range 29 east, Black Hills meridian

Section 23: Southeast quarter southeast quarter southeast quarter.

Section 24: Southwest quarter southwest quarter southwest quarter; east half southwest quarter southeast quarter; southwest quarter southeast quarter southeast quarter.

Section 25: Southwest quarter; south half northwest quarter; northwest quarter northwest quarter; south half northeast quarter northwest quarter; northwest quarter northwest quarter southeast quarter; southwest quarter southeast quarter southeast quarter; west half southeast quarter southeast quarter southeast quarter; southeast quarter southeast quarter southeast quarter southeast quarter.

Section 26: North half northeast quarter southeast quarter; east half east half northeast quarter; southwest quarter southeast quarter northeast quarter.

Section 31: West half southwest quarter southeast quarter; southwest quarter northwest quarter southeast quarter; ten acres, in the form of a square, situated in the southwest corner of lot 1; lot 2 except ten acres, in the form of a square, situated in the northeast corner of said lot 2.

Section 36: East half; east half east half southwest quarter; east half southeast quarter northwest quarter; northeast quarter northwest quarter; north half northwest quarter northwest quarter.

Township 11 north, range 30 east, Black Hills meridian

Section 1: All.

Section 2: South half; southwest quarter northeast quarter; southeast quarter northwest quarter; east half southwest quarter northwest quarter; lots 1, 2, and 5; east half of lot 3.

Section 11: East half east half; east half west half east half; west half southwest quarter northeast quarter; southwest quarter southwest quarter southeast quarter.

Section 12: All.

Section 13: All.

Section 14: East half northeast quarter; northwest quarter northeast quarter; east half southwest quarter northeast quarter; east half northeast quarter northwest quarter; northeast quarter southeast quarter; east half northwest quarter southeast quarter.

Section 23: East half southeast quarter northeast quarter.

Section 24: Northwest quarter; east half southwest quarter; west half southeast quarter; lots 1, 2, 3, and 4.

Section 25: East half southeast quarter; southeast quarter northeast quarter; northwest quarter northeast quarter; north half southwest quarter northeast quarter; southeast quarter southwest quarter northeast quarter; lot 1.

Section 26: Southeast quarter southwest quarter; east half southwest quarter southwest quarter.

Section 29: West half southeast quarter southeast quarter.

Section 31: Lots 2, 3, and 4; lot 1 except 10 acres, in the form of a square, situated in the northeast corner of said lot 1.

Section 32: East half northeast quarter; east half southwest quarter northeast quarter; west half east half southeast quarter; east half west half southeast quarter.

Section 35: Southeast quarter; west half northeast quarter; west half southeast quarter northeast quarter; east half northeast quarter southwest quarter; east half southeast quarter northwest quarter; northeast quarter northwest quarter.

Section 36: Southeast quarter; east half east half northeast quarter; west half southwest quarter; south half southeast quarter southwest quarter.

Township 11 north, range 31 east, Black Hills meridian

All.

Township 12 north, range 30 east, Black Hills meridian

Section 1: Northeast quarter southeast quarter; east half southwest quarter southeast quarter; lot 5.

Section 2: Southwest quarter; southwest quarter southeast quarter; west half southeast quarter southeast quarter; southwest quarter northwest quarter southeast quarter; west half southwest quarter northwest quarter; lot 4.

Section 3: All.

Section 4: East half southwest quarter northwest quarter; northwest quarter southeast quarter northwest quarter; lots 1, 2, and 3; east half of lot 4.

Section 10: East half; northeast quarter northeast quarter northwest quarter; southeast quarter southeast quarter northwest quarter.

Section 11: All.

Section 12: All.

Section 13: All.

Section 14: North half; northeast quarter southwest quarter; northeast quarter northwest quarter southwest quarter; west half southeast quarter; lots 1 and 2.

Section 22: South half southwest quarter; southwest quarter southwest quarter southeast quarter.

Section 23: Northwest quarter; northeast quarter southwest quarter; west half east half; southeast quarter southeast quarter, lots 1, 2, and 3.

Section 24: All.

Section 25: All.

Section 26: Southwest quarter; south half northwest quarter; south half northwest quarter northwest quarter; northwest quarter northwest quarter northwest quarter; northeast quarter; west half southeast quarter; lots 1 and 2.

Section 27: East half; east half west half; northwest quarter southwest quarter.

Section 34: Northeast quarter northwest quarter; northwest quarter northwest quarter northeast quarter; northeast quarter northeast quarter northeast quarter.

Section 35: Northwest quarter; west half east half; east half east half southwest quarter; lots 1, 2, 3, and 4.

Section 36: All.

Township 12 north, range 31 east, Black Hills meridian

Section 1: Southwest quarter; west half southeast quarter; southwest quarter northeast quarter; southwest quarter southwest quarter northwest quarter; lots 1, 2, 3, 5, 6, and 7.

Section 2: South half southeast quarter; northeast quarter southeast quarter; south half north half; south half south half southwest quarter; northeast quarter southeast quarter southwest quarter; northwest quarter southwest quarter southwest quarter; southwest quarter northwest quarter southwest quarter; north half northwest quarter southwest quarter; lots 3, 4, 5, and 6.

Section 3: All.

Section 4: All.

Section 5: All.

Section 6: Southeast quarter northeast quarter; northwest quarter southeast quarter; southeast quarter southwest quarter; southwest quarter northwest quarter; lots 2, 3, 5, 6, 7, 8, 9, 10, 11, 12, 13, and 14.

Section 7: All.

Section 10: All.

Section 11: All.

Section 12: Northwest quarter northeast quarter; northeast quarter northwest quarter; lots 1, 2, 3, 4, and 5.

Township 13 north, range 30 east, Black Hills meridian

Section 1: Lot 1.

Section 31: Southeast quarter northwest quarter northeast quarter; northeast quarter southwest quarter northeast quarter; northwest quarter southeast quarter northeast quarter; south half southeast quarter northeast quarter; north half northeast quarter southeast quarter; southeast quarter northeast quarter southeast quarter.

Section 32: South half; south half south half northwest quarter.

Section 33: West half southeast quarter; southeast quarter southeast quarter; southwest quarter northeast quarter southeast quarter; west half southwest quarter northeast quarter, southwest quarter southwest quarter.

Section 34: Southwest quarter southwest quarter.

Section 36: Southeast quarter; east half southwest quarter; east half west half southwest quarter; southwest quarter northeast quarter; west half southeast quarter northeast quarter.

Township 13 north, range 31 east, Black Hills meridian

Section 3: Southwest quarter northwest quarter; lots 3, 4, and 5.

Section 4: All.

Section 5: South half northeast quarter; east half northeast quarter southeast quarter; lots 1 and 2.

Section 6: North half southeast quarter; north half south half southeast quarter; northeast quarter southeast quarter southwest quarter; southeast quarter northeast quarter southwest quarter; north half south half northwest quarter; lots 3 and 4.

Section 8: Southeast quarter southeast quarter; east half northeast quarter southeast quarter; southeast quarter southwest quarter southeast quarter.

Section 9: Southwest quarter; east half northwest quarter; west half northeast quarter; lot 4.

Section 16: All.

Section 17: Southeast quarter southeast quarter; east half northeast quarter southeast quarter; east half southeast quarter northeast quarter; northeast quarter northeast quarter; east half northwest quarter northeast quarter.

Section 20: East half east half northeast quarter.

Section 21: Northwest quarter; east half southwest quarter; west half west half southeast quarter; lots 2, 4, 6, and 7.

Section 27: All.

Section 28: West half northeast quarter; east half northeast quarter northwest quarter; east half northwest quarter southeast quarter; northeast quarter southeast quarter; north half southeast quarter southeast quarter; southeast quarter southeast quarter southeast quarter; lots 1 and 2.

Section 30: South half southeast quarter southeast quarter.

Section 31: South half; northeast quarter northeast quarter.

Section 32: Southwest quarter; south half northwest quarter; south half northwest quarter northwest quarter; northwest quarter northwest quarter northwest quarter; southwest quarter northeast quarter; northwest quarter southeast quarter; south half southeast quarter; west half northeast quarter southeast quarter; southeast quarter northeast quarter southeast quarter.

Section 33: West half southwest quarter southwest quarter; southeast quarter southwest quarter southwest quarter; southeast quarter; southwest quarter southeast quarter northeast quarter; south half southwest quarter northeast quarter; northwest quarter southwest quarter northeast quarter.

Section 34: Southwest quarter southwest quarter; southwest quarter northwest quarter southwest quarter; north half southeast quarter southeast quarter; southeast quarter southeast quarter southeast quarter; north half northwest quarter southeast quarter; south half northwest quarter southeast quarter; northeast quarter northwest quarter; north half southeast quarter northwest quarter; southeast quarter southeast quarter northwest quarter; northeast quarter southwest quarter northwest quarter; north half northwest quarter northwest quarter; southeast quarter northwest quarter northwest quarter; lots 1, 2, and 3.

Section 35: All.

Township 14 north, range 30 east, Black Hills meridian

Section 36: East half southeast quarter; south half southeast quarter northeast quarter; south half northwest quarter southeast quarter; north half southwest quarter southeast quarter; southeast quarter southwest quarter southeast quarter; south half northwest quarter southwest quarter; north half southeast quarter southwest quarter southwest quarter southeast quarter; southeast quarter southwest quarter southwest quarter; northeast quarter southwest quarter southwest quarter.

Township 14 north, range 31 east, Black Hills meridian

Section 1: All.

Section 2: South half northeast quarter; east half southeast quarter northwest quarter; southwest quarter southeast quarter northwest quarter; south half southwest quarter northwest quarter; north half south half; southwest quarter southwest quarter; west half southeast quarter southwest quarter; northeast quarter southeast quarter southwest quarter; north half southeast quarter southeast quarter southwest quarter; southwest quarter southeast quarter southeast quarter southwest quarter; southwest quarter southeast quarter southeast quarter southwest quarter; southwest quarter southwest quarter; lots 1, 2, 5, and 6.

Section 3: South half; south half south half northwest quarter; south half southwest quarter northeast quarter; southeast quarter northeast quarter.

Section 4: South half south half northeast quarter; south half northwest quarter; lots 3 and 4.

Section 5: Lot 1 except the south 20 acres thereof.

Section 10: Northwest quarter; northeast quarter southwest quarter; east half northwest quarter southwest quarter; north half north half southeast quarter.

Section 11: Northwest quarter; east half southwest quarter; north half northwest quarter southwest quarter; southeast quarter northwest quarter southwest quarter; west half southwest quarter northeast quarter; northwest quarter northeast quarter; lots 1, 3, 4, 5, and 6.

Section 14: East half northwest quarter; southwest quarter northwest quarter; west half southwest quarter; lots 1, 2, 3, and 4.

Section 15: East half southeast quarter; east half southwest quarter southeast quarter; southwest quarter southwest quarter southeast quarter; south half southeast quarter southwest quarter.

Section 22: North half northeast quarter; north half northeast quarter northwest quarter.

Section 23: All.

Section 26: All.

Section 27: East half; southeast quarter northwest quarter; south half northeast quarter northwest quarter; east half east half southwest quarter; east half west half east half southwest quarter; southwest quarter southwest quarter southwest quarter.

Section 28: South half southeast quarter.

Section 31: South half southwest quarter; northwest quarter southwest quarter; south half southwest quarter northwest quarter; east half northeast quarter southeast quarter; southeast quarter southeast quarter northeast quarter.

Section 32: North half southwest quarter; south half southwest quarter northwest quarter; west half southeast quarter; southeast quarter southeast quarter.

Section 33: Northeast quarter; east half northwest quarter; north half northwest quarter northwest quarter; south half southeast quarter; southeast quarter southwest quarter; south half southwest quarter southwest quarter.

Section 34: All.

Section 35: All.

Township 15 north, range 30 east, Black Hills meridian

Section 1: Lot 1 except the south 20 acres thereof.

Township 15 north, range 31 east, Black Hills meridian

Section 3: Southwest quarter northwest quarter; northwest quarter southwest quarter; southeast quarter southwest quarter; north half southwest quarter southwest quarter; east half southeast quarter southwest quarter southwest quarter; lots 1, 2, 3, 4, and 5.

Section 4: East half southeast quarter northeast quarter; east half west half southeast quarter northeast quarter; east half northeast quarter southeast quarter; northeast quarter northwest quarter northeast quarter southeast quarter; lot 1; lot 2 except the south twenty acres thereof.

Section 6: Lot 1 except the south twenty acres thereof; lot 2 except the south twenty acres thereof; lot 3 except the south twenty acres thereof; lot 4 except the south twenty acres thereof.

Section 10: Northeast quarter northwest quarter; east half east half northwest quarter northwest quarter; east half southwest quarter northeast quarter; northeast quarter northeast quarter southeast quarter; lots 1 and 2.

Section 11: Lots 1, 2, 3, and 4.

Section 13: West half southwest quarter; west half southeast quarter southwest quarter; west half east half southeast quarter southwest quarter; lot 2.

Section 14: Southeast quarter southeast quarter; northwest quarter southwest quarter; north half southwest quarter southwest quarter.

Section 15: North half southeast quarter; north half south half southeast quarter; southeast quarter northeast quarter southwest quarter; northeast quarter southeast quarter southwest quarter.

Section 24: South half southwest quarter.

Section 25: All.

Section 26: North half; east half southeast quarter; northeast quarter southwest quarter southeast quarter; east half northwest quarter southeast quarter; northwest quarter northwest quarter southeast quarter; north half northeast quarter southwest quarter; southwest quarter northeast quarter southwest quarter.

Section 27: South half northeast quarter northeast quarter; north half southeast quarter northeast quarter.

Section 32: South half southeast quarter southeast quarter.

Section 33: South half southwest quarter southwest quarter.

Section 35: East half northeast quarter; southeast quarter; east half southwest quarter; east half southwest quarter southwest quarter; southeast quarter northwest quarter southwest quarter.

Section 36: Northwest quarter; northwest quarter southwest quarter; lots 1, 2, and 3.

Township 16 north, range 28 east, Black Hills meridian

Section 13: South half southwest quarter southeast quarter.

Section 23: Northeast quarter southeast quarter; east half northwest quarter southeast quarter; southeast quarter northeast quarter; north half southeast quarter southeast quarter; south half northeast quarter northeast quarter; northeast quarter southwest quarter northeast quarter.

Section 24: North half northwest quarter; northeast quarter; north half southeast quarter; north half south half southeast quarter; north half southeast quarter southwest quarter; northeast quarter southwest quarter southwest quarter.

Township 16 north, range 29 east, Black Hills meridian

Section 1: Southeast quarter; south half southwest quarter; southwest quarter northwest quarter southwest quarter.

Section 2: South half; south half southwest quarter northeast quarter; south half southeast quarter northwest quarter; southwest quarter northwest quarter; lot 4.

Section 3: South half southeast quarter; south half north half southeast quarter; northeast quarter northeast quarter southeast quarter; east half southeast quarter northeast quarter; east half of lot 1.

Section 7: South half southeast quarter southeast quarter.

Section 8: South half south half southwest quarter.

Section 9: Northeast quarter southeast quarter; northeast quarter northwest quarter southeast quarter.

Section 10: East half.

Section 11: North half; north half south half; southwest quarter southwest quarter.

Section 12: North half; southwest quarter; west half southeast quarter; west half east half southeast quarter; northeast quarter northeast quarter southeast quarter.

Section 13: Northwest quarter northeast quarter; north half southwest quarter northeast quarter; northeast quarter northwest quarter; north half southeast quarter northwest quarter; west half northwest quarter; west half west half southwest quarter; southeast quarter southwest quarter southwest quarter.

Section 14: East half northeast quarter; west half northwest quarter.

Section 15: East half northeast quarter; southwest quarter northeast quarter; southeast quarter northwest quarter; southwest quarter; west half southeast quarter; west half east half southeast quarter.

Section 16: South half north half; west half northwest quarter northwest quarter; southeast quarter northwest quarter northwest quarter; northeast quarter northeast quarter; southeast quarter northwest quarter northeast quarter; north half southwest quarter; east half southwest quarter southwest quarter; east half southeast quarter southwest quarter; southeast quarter.

Section 17: East half northwest quarter; northwest quarter northeast quarter; north half southwest quarter northeast quarter; south half south half northeast quarter; north half northeast quarter southeast quarter; northwest quarter southeast quarter; north half southwest quarter southeast quarter; west half southwest quarter; northeast quarter southwest quarter; north half southeast quarter southwest quarter.

Section 18: East half east half; east half southwest quarter southeast quarter; south half northeast quarter southwest quarter; lot 4.

Section 19: North half northeast quarter; southeast quarter northeast quarter; north half northeast quarter southeast quarter; southeast quarter northeast quarter southeast quarter; northeast quarter southeast quarter southeast quarter; east half northwest quarter; northwest quarter northeast quarter southwest quarter; lots 1, 2, and 3.

Section 20: Northwest quarter; north half northeast quarter; southeast quarter northeast quarter; west half southwest quarter northeast quarter; northwest quarter northwest quarter southeast quarter; north half southwest quarter; north half southwest quarter southwest quarter; southeast quarter southwest quarter southwest quarter.

Section 21: Northeast quarter; northwest quarter southeast quarter; west half northeast quarter southeast quarter.

Section 22: Northwest quarter northwest quarter; northwest quarter northeast quarter northwest quarter; northwest quarter southwest quarter northwest quarter.

Section 24: West half northwest quarter.

Township 16 north, range 30 east, Black Hills meridian

Section 1: Southwest quarter; south half northwest quarter; south half southeast quarter; northwest quarter southeast quarter; southwest quarter northeast quarter southeast quarter; lots 3 and 4; west half of lot 2.

Section 2: All.

Section 3: All.

Section 4: Southeast quarter; south half northeast quarter; south half southwest quarter; south half north half southwest quarter.

Section 5: South half; south half northwest quarter; south half south half northeast quarter; northwest quarter southwest quarter northeast quarter; lot 4; the south twenty acres of lot 3.

Section 6: Southeast quarter; east half southwest quarter; south half northeast quarter; south half southeast quarter northwest quarter; northeast quarter southeast quarter northwest quarter; lots 1, 2, 6 and 7; east half of lot 3; south half of lot 5.

Section 7: Northeast quarter; east half northwest quarter; east half southeast quarter; northwest quarter southeast quarter; east half southwest quarter southeast quarter; northeast quarter southwest quarter; lots 1 and 2; the east twenty acres of lot 3; ten acres, in the form of a square, situated in the northeast corner of lot 4.

Section 8: North half; north half south half; southeast quarter southeast quarter; north half southwest quarter southeast quarter; west half southwest quarter southwest quarter; southeast quarter southwest quarter southwest quarter.

Section 9: All.

Section 10: North half; northeast quarter southeast quarter; northwest quarter southwest quarter; west half northeast quarter southwest quarter.

Section 11: Northeast quarter; northwest quarter southeast quarter; west half northeast quarter southeast quarter; northeast quarter northeast quarter southeast quarter; north half southwest quarter; east half southeast quarter southwest quarter, northwest quarter southeast quarter southwest quarter; west half northwest quarter northwest quarter; northeast quarter northwest quarter northwest quarter; north half southeast quarter northwest quarter northwest quarter; southwest quarter southeast quarter northwest quarter northwest quarter; north half southeast quarter southeast quarter northwest quarter northwest quarter; southwest quarter southeast quarter southeast quarter northwest quarter northwest quarter; east half northeast quarter northwest quarter; northwest quarter northeast quarter northwest quarter; east half southwest quarter northeast quarter northwest quarter; northwest quarter southwest quarter northeast quarter northwest quarter; east half southwest quarter southwest quarter northeast quarter northwest quarter; northwest quarter southwest quarter southwest quarter northeast quarter northwest quarter; east half southeast quarter northwest quarter northwest quarter; southwest quarter southeast quarter northwest quarter; east half northwest quarter southeast quarter northwest quarter; southwest quarter northwest quarter southeast quarter northwest quarter; east half northwest quarter northwest quarter southeast quarter northwest quarter; southwest quarter northwest quarter northwest quarter southeast quarter northwest quarter; south half southwest quarter northwest quarter.

Section 12: North half; east half southeast quarter; northwest quarter southeast quarter; east half southwest quarter southeast quarter; north half northwest quarter southwest quarter southeast quarter.

Section 13: South half northeast quarter; northeast quarter northeast quarter; east half northwest quarter northeast quarter; south half southeast quarter northwest quarter northeast quarter; southeast quarter southwest quarter northwest quarter; south half.

Section 16: North half northwest quarter; northwest quarter northeast quarter; north half southwest quarter northeast quarter.

Section 17: Northeast quarter northeast quarter; northwest quarter northwest quarter.

Section 18: North half northeast quarter northeast quarter.

Section 24: Northeast quarter northeast quarter northeast quarter.

Township 16 north, range 31 east, Black Hills meridian

Section 1: All.

Section 2: East half southeast quarter; southeast quarter northeast quarter; east half southwest quarter southeast quarter;

southeast quarter northwest quarter southeast quarter; lot 1.

Section 6: South half southwest quarter; west half southwest quarter southeast quarter.

Section 7: West half; southeast quarter; south half northeast quarter; northwest quarter northeast quarter; south half northeast quarter northeast quarter.

Section 8: West half southwest quarter southwest quarter.

Section 10: West half southeast quarter; west half east half southeast quarter; southeast quarter southwest quarter; east half southwest quarter southwest quarter; southeast quarter southwest quarter northeast quarter; southwest quarter southeast quarter northeast quarter.

Section 11: Southwest quarter northeast quarter; east half northwest quarter northeast quarter; southeast quarter southeast quarter northwest quarter; east half northeast quarter southwest quarter; southwest quarter northeast quarter southwest quarter; southeast quarter southwest quarter; east half southwest quarter southwest quarter; southwest quarter southwest quarter southwest quarter; lots 1, 2, 3, and 4.

Section 14: All.

Section 15: Northeast quarter; east half east half northwest quarter; north half southeast quarter; southwest quarter southeast quarter; east half southwest quarter; southwest quarter southwest quarter; south half northwest quarter southwest quarter; lot 1.

Section 16: Southwest quarter; west half northwest quarter; southeast quarter northwest quarter; southeast quarter southeast quarter; southwest quarter northeast quarter southeast quarter; southeast quarter southwest quarter southeast quarter.

Section 17: West half southeast quarter; northeast quarter southeast quarter; west half west half; northeast quarter northwest quarter; north half southeast quarter northwest quarter.

Section 18: All.

Section 19: North half; east half southeast quarter; east half west half southeast quarter.

Section 20: West half; northeast quarter; north half southeast quarter; southwest quarter southeast quarter; west half south east quarter southeast quarter.

Section 21: Northwest quarter; east half east half; east half west half southeast quarter; east half northwest quarter northeast quarter.

Section 22: All.

Section 27: All.

Section 28: All.

Section 29: All.

Section 30: East half east half.

Section 31: Southeast quarter; south half southwest quarter; northeast quarter southwest quarter; south half northwest quarter southwest quarter; northeast quarter northwest quarter southwest quarter; southeast quarter southeast quarter northwest quarter; south half northeast quarter; northeast quarter northeast quarter; east half northwest quarter northeast quarter.

Section 32: North half; north half southwest quarter; southeast quarter southwest quarter; northwest quarter southeast quarter; west half northeast quarter southeast quarter; west half southwest quarter southeast quarter.

Section 33: Southeast quarter; south half northeast quarter; north half northwest quarter; east half southeast quarter northwest quarter; northwest quarter northeast quarter; lot 1.

Section 34: All.

Township 17 north, range 30 east, Black Hills meridian

Section 28: Southeast quarter southwest quarter; east half southwest quarter southwest quarter; southeast quarter northwest quarter southwest quarter; southwest quarter southwest quarter; southwest quarter northeast quarter southwest quarter.

Section 31: Ten acres, in the form of a square, situated in the southwest corner of lot 4.

Section 33: East half west half; southwest quarter southwest quarter; east half northwest quarter southwest quarter; east half west half northwest quarter; west half southeast quarter; southeast quarter southeast quarter; south half northeast quarter southeast quarter; northwest quarter northeast quarter southeast quarter; southwest quarter northeast quarter; southwest quarter northwest quarter northeast quarter; southwest quarter southeast quarter northeast quarter.

Section 34: Southwest quarter southwest quarter; southwest quarter northwest quarter southwest quarter; south half southeast quarter southwest quarter; south half southwest quarter southeast quarter; northeast quarter southwest quarter southeast quarter; west half southeast quarter southeast quarter.

Township 17 north, range 31 east, Black Hills meridian

Section 6: North half southwest quarter; southeast quarter northwest quarter; southwest quarter northeast quarter; lot 7.

Section 7: Southeast quarter; southeast quarter northeast quarter; east half southwest quarter northeast quarter; northeast quarter southwest quarter; northeast quarter southeast quarter southwest quarter.

Section 8: Lots 2, 3 and 4.

Section 17: Southwest quarter northwest quarter; north half southwest quarter; north half southeast quarter southwest quarter; northeast quarter southwest quarter southwest quarter; north half southwest quarter southeast quarter; southeast quarter southwest quarter southeast quarter; lots 1, 2, 3 and 4.

Section 18: North half northeast quarter; northeast quarter southeast quarter northeast quarter; northwest quarter southwest quarter northeast quarter; east half northeast quarter northwest quarter; northeast quarter southeast quarter northwest quarter.

Section 20: North half northeast quarter northeast quarter; southeast quarter northeast quarter northeast quarter.

Section 21: Southeast quarter southwest quarter; southwest quarter northwest quarter; north half northwest quarter southwest quarter; lots 1, 2, 3 and 4.

Section 27: All.

Section 28: East half southeast quarter; east half northwest quarter southeast quarter; northwest quarter northeast quarter; north half southwest quarter northeast quarter; southeast quarter southwest quarter northeast quarter; northeast quarter northwest quarter; northeast quarter northwest quarter northwest quarter; northeast quarter southeast quarter northwest quarter; lots 1 and 2.

Section 33: Northeast quarter northeast quarter; southeast quarter northwest quarter northeast quarter; southeast quarter northwest quarter; east half southwest quarter northwest quarter; northeast quarter southwest quarter; northeast quarter northwest quarter southwest quarter; northeast quarter southeast quarter southwest quarter.

Township 119 north, range 78 west, fifth principal meridian

Section 5: Lot 6.

Township 120 north, range 78 west, fifth principal meridian

Section 29: Lots 5, 6, and 7.

Section 32: Lots 5 and 6.

Township 123 north, range 78 west, fifth principal meridian

Section 30: Lots 5 and 6.

Township 123 north, range 79 west, fifth principal meridian

Section 24: Lot 4.

Section 25: Lot 1.

An unsurveyed island in the Missouri River situated opposite sections 3 and 4 of township 9 north, range 29 east, Black Hills meridian.

An unsurveyed island in the Missouri River, situated opposite sections 2, 3, and 4 of township 9 north, range 29 each of the Black Hills meridian, also sections 21, 22, and 23 of township 115 north, range 81 west of the fifth principal meridian.

An unsurveyed island in the Missouri River, situated opposite sections 1 and 2 of township 9 north, range 29 east, Black Hills meridian.

An unsurveyed island in the Missouri River, situated opposite sections 1 and 2 of township 9 north, range 29 east of the Black Hills meridian, also sections 23 and 24 of township 115 north, range 81 west and section 19 of township 115 north, range 80 west of the fifth principal meridian.

An unsurveyed island in the Missouri River, situated opposite sections 14, 15, 16, and 21 of township 10 north, range 28 east of the Black Hills meridian, also sections 33, 34, and 35 of township 116 north, range 82 west of the fifth principal meridian.

An unsurveyed island in the Missouri River, situated opposite sections 19, 29, 30, and 32 of township 10 north, range 29 east of the Black Hills meridian, also section 1 of township 115 north, range 82 west of the fifth principal meridian.

An unsurveyed island in the Missouri River, situated within section 12, township 12 north, range 30 east, Black Hills meridian, between Lafferty Island, a surveyed island, and the right bank of said Missouri River.

An unsurveyed island in the Missouri River, situated opposite sections 12, 13, 14, and 23 of township 12 north, range 30 east of the Black Hills meridian, also sections 29, 30, and 31 of township 118 north, range 79 west of the fifth principal meridian.

An unsurveyed island in the Missouri River, situated opposite sections 22, 27, 28, and 33 of township 16 north, range 31 east of the Black Hills meridian, also sections 5, 6, and 7 of township 121 north, range 78 west of the fifth principal meridian.

An unsurveyed island in the Missouri River, situated opposite sections 14, 15, and 22 of township 16 north, range 31 east of the Black Hills meridian, also section 5 of township 121 north, range 78 west and sections 28, 32, and 33 of township 122 north, range 78 west of the fifth principal meridian.

The following described land is described lr the foregoing reservation description, but is owned by Indian fee patents to individual Indians:

Township 9 north, range 24 east, Black Hills meridian

Section 13: West half northwest quarter; northwest quarter southwest quarter; lots 6, 7, and 9.

Section 14: East half southeast quarter.

Township 10 north, range 28 east, Black Hills meridian

Section 10: South half southwest quarter.

Section 15: Lots 2 and 3.

Township 12, north, range 30 east, Black Hills meridian

Section 11: South half south half.

Section 12: South half south half southwest quarter southwest quarter; lots 3, 5, and 6.

Section 13: Lots 1 and 2.

Section 14: North half; east half northwest quarter southeast quarter; northeast quarter southwest quarter southeast quarter; lot 1; the north six hundred and sixty feet of lot 2.

Township 14 north, range 31 east, Black Hills meridian

Section 11: lot 4.

Township 15 north, range 31 east, Black Hills meridian

Section 3: Southwest quarter northwest quarter; lots 1, 2, and 3.

Section 13: West half east half southeast quarter southwest quarter.

Township 16 north, range 29 east, Black Hills meridian

Section 17: North half northeast quarter southeast quarter; east half northwest quarter; north half northeast quarter southwest quarter; northwest quarter northeast quarter; north half southwest quarter northeast quarter; southwest quarter southwest quarter northeast quarter; northwest quarter northwest quarter southeast quarter.

Section 18: East half southwest quarter southeast quarter.

Section 19: Northeast quarter northeast quarter.

Section 20: North half southwest quarter; north half southwest quarter southwest quarter; southeast quarter southwest quarter southwest quarter.

Township 16 north, range 30 east, Black Hills meridian

Section 7: East half east half.

Section 8: North half south half northwest quarter.

Section 11: East half east half northeast quarter; northeast quarter northeast quarter southeast quarter; east half southeast quarter southwest quarter.

Section 12: West half northwest quarter.

Township 16 north, range 31 east, Black Hills meridian

Section 28: Northwest quarter; west half northeast quarter; lots 1 and 2.

The SPEAKER. Is a second demanded? [After a pause.] If not, the Chair will put the question.

The question is on suspending the rules and passing the bill, as amended.

The question was taken; and two-thirds having voted in favor thereof, the rules were suspended and the bill, as amended, was passed.

Mr. BERRY. Mr. Speaker, I ask unanimous consent to extend my remarks at this point.

The SPEAKER. Is there objection to the request of the gentleman from South Dakota?

There was no objection.

Mr. BERRY. Mr. Speaker, while this does not involve too great a sum of money, it is, in my judgment, one of the most important bills to come before this Congress at this session, because it demonstrates a trend in the program of this administration to put more business in Government and get the Government out of as much business as possible.

The Indian Affairs Subcommittee of the great Committee on Interior and Insular Affairs, have spent more than 123 hours in holding hearings and studying the problems of the various Indians and tribes of Indians in the United States. In addition to that, we have visited a dozen reservations with a view of getting a first-hand knowledge of the conditions and needs and desires of these tribes.

This Congress has already passed legislation which will terminate the Federal supervision over six groups of Indians, and I stress the point that in every instance the Indians themselves have either asked for this terminal legislation and have helped to work out the terminal program, or have given their assent to it.

The first bill we passed authorized withdrawal of Federal supervision over the Indians of Wisconsin involving more than 3,300 Indians. The next withdrew supervision over 4 tribes of Indians in Utah involving 360 Indians. Today we have passed withdrawal bills over tribes in western Oregon involving 2,100 Indians. Another bill authorized withdrawal over the Alabama and Coushatta tribes of Texas involving 600 Indians, as well as part of the Uintah and Ouray Reservations in Utah involving 439 Indians, and the Klamath in Oregon involving 2,000 Indians.

The bill before us now is a bill which authorizes settlement for land damages on the Cheyenne Indian Reservation of the Sioux Tribe of South Dakota and authorizes a rehabilitation program for these people, to put them in shape to where in a period of 10 or 15 years they, too, will be ready to throw off the shackles of Federal supervision.

As I stated, this legislation provides settlement with the Indians for 104,420 acres of the best bottomland on this reservation consisting of 1,614,682,000 acres of Indian-owned land. The Government is taking this land for a reservoir back of the Oahe Dam on the Missouri River. The Oahe Dam is 1 of 4 large earthen dams to be constructed on the main stem of the Missouri River in North and South Dakota, to provide flood control for the basin States below Yankton and Sioux City. With Fort Peck, these dams are intended to store flood waters, to generate power for the area, and to furnish some irrigation and some navigation below Sioux City, Iowa.

The Missouri River development program is a tremendous program involving a basin which embraces one-sixth of the entire continental United States, but more than that, it involves the lives and future of many hundreds of Indians, 2,540 of whom live on this particular reservation. There are 4,360 Indians enrolled here, 2,540 living here, constituting 575 families of which 200 families must be removed from the taking area.

When these 200 families are moved back and crowded into the remaining area, it will disrupt the present living of the entire group. In order to make it possible for those who are presently living on lands not being covered, to be able to assimilate the 200 families removed from the taking area and make it possible for them to get their feet on the ground and become assimilated into the balance of the reservation, the subcommittee worked out a program of rehabilitation. This program is intended to assist part of them to go into the livestock business; build up their homes and ranch units; some of them to go into farming; some of them to be trained through vocational training and higher education which will be financed out of this rehabilitation program. Some can go into business enterprises either for themselves or be employed by someone else, which will help them get off the reservation where they cannot presently earn a living; and to become trained and located in a community where they can make a living, where they can raise their families and where they can become assimilated so that in 10 or 15 years this reservation will be in a position to come before the Congress and ask for termination of Federal supervision the same as the reservations that this Congress has already acted upon.

The subcommittee took into account the fact that there are many Indians on this reservation who are beyond the age of effective rehabilitation; it took into consideration the fact that there are many who cannot profitably be reestablished, and provided for those families a program of assistance. A program of welfare has been estabished from the interest on a $2 million perpetual investment.

I refer you to the Committee report wherein the Indian program of rehabilitation for these people has been set out in detail. As an illustration of the good intention and desire of these Indian people to work out this program and to get the greatest results from it, they have asked that these funds be earmarked for these various purposes and be used for those purposes as nearly as possible. The Tribal Council of the reservation has spent many, many hours in working and planning and studying to bring before this Congress the most efficient program possible. I hope that this Congress will see fit to go along with them and to help get them in shape, financially, and economically, and intellectually, so that they, too, may be able to get out from under the yoke of the Indian Department before too long.

Actually, the reservation itself receives no benefit whatever from the Missouri River Development Program. Actually, it takes from the reservation the best land, the winter protection for the livestock—the natural habitat of the Indian families—a great source of their revenue; it destroys their roads; their agency headquarters will be under 40 feet of water; it disrupts their homes, their schools, their churches, their hospitals; it disrupts their entire mode of living. Unless this program is approved, these people stand to suffer irreparable damage.

The Indians will be moved back up on to the open prairie without protection from the elements. Dams and cisterns will have to provide their water supply. Their way of life will be completely changed. If, however, this settlement program works out as the Indians and the subcommittee have set it up, these people will become established, part of them will be relocated off of the reservation and all of them will be placed in shape to handle their own affairs without supervision from the Indian Department in a period of possibly 10 or 15 years.

AMEND AND SUPPLEMENT THE RECLAMATION LAWS TO PROVIDE FOR FEDERAL COOPERATION IN NON-FEDERAL PROJECTS, AND FOR OTHER PURPOSES

Mr. MILLER of Nebraska. Mr. Speaker, I move to suspend the rules and pass the bill (H. R. 5301) to amend and supplement the reclamation laws to provide for Federal cooperation in non-

Federal projects, and for other purposes, as amended.

The Clerk read the bill, as follows:

Be it enacted, etc., That the purpose of this act is to encourage State and local participation in the development of projects under the Federal reclamation laws and to provide for Federal assistance in the development of similar projects in the 17 western reclamation States by non-Federal organizations.

SEC. 2. As used in this act—

(a) The term "construction" shall include rehabilitation and betterment.

(b) The term "Federal reclamation laws" shall mean the act of June 17, 1902 (32 Stat. 388), and acts amendatory thereof or supplementary thereto.

(c) The term "organization" shall mean a State or a department, agency, or political subdivision thereof or a conservancy district, irrigation district, water users' association, an agency created by interstate compact, or similar organization which has capacity to contract with the United States under the Federal reclamation laws.

(d) The term "project" shall mean (i) any reclamation or irrigation undertaking or feature or unit of an undertaking, including incidental features thereof, having an estimated cost of not to exceed $5 million, authorized by the Federal reclamation laws, or constructed by the United States pursuant to said laws, or in connection with which there is a repayment contract executed by the United States, pursuant to said laws, or any undertaking or feature or unit of an undertaking constructed or operated and maintained by the Secretary through the Bureau of Reclamation for the reclamation of arid lands or other purposes, and (ii) any similar undertaking or feature or unit of an undertaking having an estimated cost of not to exceed $5 million proposed to be constructed by an organization.

(e) The term "Secretary" shall mean the Secretary of the Interior.

SEC. 3. Any organization desiring to avail itself of the benefits provided in this act shall submit a proposal therefor to the Secretary in such form and manner as he shall prescribe. Each such proposal shall be accompanied by a payment of $1,000 to defray, in part, the cost of examining the proposal.

SEC. 4. (a) Any proposal with respect to the construction of a project which has not theretofore been authorized for construction under the Federal reclamation laws shall set forth, among other things, a plan and estimated cost in detail comparable to those included in preauthorization reports required for a Federal reclamation project; shall have been submitted for review by the State or States in which the project is located in like manner as provided in subsection (c), section 1 of the act of December 22, 1944 (58 Stat. 887), except that the review may be limited to the State or States in which the project is located; and shall include a proposed allocation of capital costs to functions such that costs for facilities used for a single purpose shall be allocated to that purpose and costs for facilities used for more than one purpose shall be so allocated among the purposes served that each purpose will share equitably in the costs of such joint facilities.

(b) Every such proposal shall include a showing that the organization already holds or can acquire all lands and interests in land (except public and other lands and interests in land owned by the United States which are within the administrative jurisdiction of the Secretary and subject to disposition by him) and rights to the use of water necessary for the successful construction, operation, and maintenance of the project and that it is ready, able, and willing to finance otherwise than by loan and grant under this act such portion of the cost of construction (which portion shall include all costs of acquiring lands, interests in land, and rights to the use of water) as the Secretary shall have advised is proper in the circumstances: *Provided*, That the contribution required of any applicant organization shall not be in excess of 25 percent of the costs of the project which, if it were being constructed as a Federal reclamation project, would be properly allocable to reimbursable functions under general provisions of law applicable to such projects and, in the case of rehabilitation and betterment projects, any existing irrigation facilities owned by the applicant organization may be pledged as all or part of any contribution so required.

(c) If the project is found by the Secretary and the Governor of the State in which it is located (or an appropriate State agency, designated by him) to be financially feasible and upon determination by the Secretary that the requested project constitutes a reasonable risk under the provisions of this act, the Secretary is hereby authorized to negotiate a contract with the applicant organization as provided in section 5: *Provided*, That such contract shall not be executed until the expiration of 60 legislative days after the project proposal shall have been submitted to the Committees on Interior and Insular Affairs of the House of Representatives and Senate, or, when Congress is not in session, until the expiration of 60 days after submission thereof to the chairman and ranking minority member of each such committee. The Secretary at the time of submitting the project proposal to Congress or at the time of his determination that the requested project constitutes a reasonable risk under the provisions of this act, may reserve from use or disposition inimical to the project any lands and interests in land owned by the United States which are within his administrative jurisdiction and subject to disposition by him and which are required for use by the project. Any such reservation shall expire at the end of 2 years unless the repayment contract provided for in section 5 of this act shall have been executed.

(d) The Secretary shall give due consideration to financial feasibility, emergency or urgent need for the project, whether the proposal involves furnishing supplemental irrigation water for an existing irrigation project, whether the proposal involves rehabilitation of existing irrigation project works, and whether the proposed project is primarily for irrigation or drainage. All project works and facilities constructed under this act, except such portions that are dedicated to flood control or other functions which would in the case of a Federal reclamation project be considered nonreimbursable, shall remain under the jurisdiction and control of the local contracting organization subject to the terms of the repayment contract.

SEC. 5. Any contract authorized to be negotiated under the provisions of subsection (c) of section 4 of this act shall set out, among other things—

(a) the maximum amount of any loan to be made to the organization and the time and method of making the same available to the organization. Said loan shall not exceed the estimated cost of constructing the project which, if it were being constructed as a Federal reclamation project, would be properly allocable to reimbursable functions under general provisions of law applicable to such projects;

(b) the maximum amount of any grant to be accorded the organization and the time and method of paying the same to the organization. Said grant shall not exceed that portion of the estimated cost of constructing the project which, if it were being constructed as a Federal reclamation project, would be properly allocable to nonreimbursable functions under general provisions of law applicable to such projects;

(c) a plan of repayment by the organization of the sums lent to it in not more than 50 years from the date when the principal benefits of the project first become available and, in the case of any project involving an allocation to domestic, industrial, or municipal water supply, or power produced as an element of the project and incidental to its full development, of interest on the unamortized balance of an appropriate portion of the loan at the average rate of interest, as determined by the Secretary of the Treasury, paid on the long-term interest-bearing marketable securities of the United States outstanding at the beginning of the fiscal year preceding the date on which the contract is executed;

(d) provision for operation of the project, if a grant predicated upon its performance of nonreimbursable functions is made, in accordance with regulations with respect thereto prescribed by the head of the Federal department or agency primarily concerned with those functions and, in the event of noncompliance with such regulations, for operation by the United States or for repayment to the United States of the amount of any such grant; and

(e) such provisions as the Secretary shall deem necessary or proper to provide assurance of and security for prompt repayment of the loan and interest as aforesaid. The liability of the United States under any contract entered into pursuant to this act shall be contingent upon the availability of appropriations to carry out the same, and every such contract shall so recite.

SEC. 6. Any proposal with respect to the construction of a project which has heretofore been authorized for construction under the Federal reclamation laws shall be made in like manner as a proposal under section 4 of this act, but the Secretary may waive such requirements of subsections (a) and (b) of that section as he finds to be duplicative of, or rendered unnecessary or impossible by, action already taken by the United States. Upon approval of any such proposal by the Secretary he may negotiate and execute a contract which conforms, as nearly as may be, to the provisions of section 5 of this act.

SEC. 7. Upon request of an organization which has made or intends to make a proposal under this act, the head of any Federal department or agency may make available to the organization any existent engineering, economic, or hydrologic information and printed material that it may have and that will be useful in connection with the planning, design, construction, or operation and maintenance of the project concerned. The cost of any plans, specifications, and other unpublished material furnished by the Secretary pursuant to this section and the cost of making and administering any loan under this act shall, to the extent that they would not be nonreimbursable in the case of a project constructed under the Federal reclamation laws, be treated as a loan and covered in the provisions of the contract entered into under section 5 of this act unless they are otherwise paid for by the organization.

SEC. 8. The Secretary is authorized to perform any and all acts and to make such rules and regulations as may be necessary or proper in carrying out the provisions of this act.

SEC. 9. There are hereby authorized to be appropriated, such sums as may be necessary, but not to exceed $100,000,000 to carry out the provisions of this act. All such appropriations shall remain available until expended and shall, insofar as they are used to finance loans made under this act, be reimbursable in the manner hereinabove provided.

SEC. 10. This act shall be a supplement to the Federal reclamation laws.

Amend the title so as to read: "A bill to supplement the Federal reclamation laws by providing for Federal cooperation in non-Federal projects and for participation by non-Federal agencies in Federal projects."

The SPEAKER. Is a second demanded?

Mr. ROGERS of Texas. Mr. Speaker, I demand a second.

Mr. MILLER of Nebraska. Mr. Speaker, I ask unanimous consent that a second be considered as ordered.

The SPEAKER. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

Mr. ROGERS of Texas. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, I am not opposed to this bill. As a matter of fact, I support it, but I had hoped it would not come up under suspension of the rules. When the matter was before the committee, I offered an amendment which I think is very necessary to carry out the intent of this program and the purpose which is behind this particular legislation. That amendment had to do with providing a Federal grant of nonreimbursable funds to projects that had congressional authorization and were privately financed. To give you just a brief history of it, there are certain funds which are reimbursable when the Federal Government builds these projects, and there are certain funds which are nonreimbursable. Nonreimbursable funds include flood control and other items such as fish and wildlife. The amendment which I wanted to put into the bill, and which I think should be in the bill, is an amendment to provide that the Federal Government can make the grant of what would be nonreimbursable funds under Federal construction, provided the project could be privately financed. This would simply mean that the Federal Government could get out of the lending business on these particular projects, but such projects would not be penalized to the extent of nonreimbursable funds just because it was privately financed.

This bill provides a fund for small projects. I felt somewhat that it was discriminatory against Texas, because we do not have small projects down there.

If we want to get these projects financed by private funds, this bill could be made a step in the right direction with my amendment.

I had hoped to have the opportunity of offering the amendment so that there would be an opportunity to finance a number of projects much larger than the $5 million projects already authorized but for which no Federal funds are presently available. I think it would be good for the economy, and I think it would be good for many sections of this country. Because it would permit people in these localities to finance their own projects.

There are several defects in this bill that I hope will be straightened out in the Senate. I had hoped, that the bill would be considered under an open rule so that these defects could be amended and so that proper amendments could be offered. I deeply regret the absence of an opportunity to open the door for early commencement of construction on many authorized projects, especially the Canadian River Dam in the Panhandle of Texas.

Mr. MILLER of Kansas. Mr. Speaker, will the gentleman yield?

Mr. ROGERS of Texas. I am glad to yield to my distinguished colleague from Kansas.

Mr. MILLER of Kansas. I was wondering whether under all the conditions it is exactly fair to expect the Senate to straighten out matters that we send over there.

Mr. ROGERS of Texas. I think that is a very good point, and if these bills could be considered under the regular rules of the House instead of suspensions we could straighten out the defects here.

Mr. ROGERS of Colorado. Mr. Speaker, will the gentleman yield?

Mr. ROGERS of Texas. I yield to the gentleman from Colorado.

Mr. ROGERS of Colorado. Directing attention to page 12, subsection 12 (c) I read the following:

(c) a plan of repayment by the organization of the sums lent to it in not more than 50 years from the date when the principal benefits of the project first become available and, in the case of any project involving an allocation to domestic, industrial, or municipal water supply, or power produced as an element of the project and incidental to its full development, of interest on the unamortized balance of an appropriate portion of the loan at the average rate of interest, as determined by the Secretary of the Treasury.

The thing to which I direct attention particularly is the clause "when the principal benefits of the project first become available." That is the time that the Secretary determines when repayment should start. Is that the gentleman's interpretation?

Mr. ROGERS of Texas. That is my understanding.

Mr. ROGERS of Colorado. And that as the funds may be advanced when the Secretary determines that the benefit has come to the people who are interested in this project, that at that time they would start repaying interest on the amount that was advanced.

Mr. ROGERS of Texas. That is my understanding. Remember, this is not my bill. As a matter of fact, as I said before, I would have enlarged upon it and changed several of its provisions. I am sure the chairman of the committee, the gentleman from Nebraska [Mr. MILLER] will be glad to answer the question and I yield to him for that purpose.

Mr. MILLER of Nebraska. It is full repayment in 50 years with interest.

Mr. ROGERS of Colorado. Yes; but the point is that in subsection (c) on page 12 there is the statement that "when the principal benefits of the project first becomes available." My question is: Is interest first charged on the money from the time it is put into the project or from the time the Secretary determines that the project first receives the principal benefits?

Mr. MILLER of Nebraska. The experts on the staff tell me it is from the time it goes into the project.

Mr. ROGERS of Colorado. From the time it goes into the project and not from the time the Secretary determines that the principal benefits of the project have first become available?

Mr. MILLER of Nebraska. I think that is right.

Mr. ROGERS of Colorado. In that case, the question of repayment or the plan for repayment is postponed until the Secretary determines the extent or the length of time in which the repayment should be made and the rate of interest?

Mr. MILLER of Nebraska. No. Subsection (c) of section 5 states "a plan of repayment by the organization of the sums lent to it in not more than 50 years from the date when the principal benefits of the project first become available."

Mr. ROGERS of Colorado. Well, from the date when the principal benefits of the project first become available. The gentleman and I recognize that when any project starts you do not usually finish it within 1 year.

Mr. MILLER of Nebraska. Here you probably will because they are small projects, some of them only involving $50,000, and they might be completed within a very short time.

Mr. ROGERS of Colorado. The gentleman does not want to leave the impression that the plan for repayment is determined and the interest starts running at the time the contract is entered into?

Mr. MILLER of Nebraska. I think that is correct. They start paying because they are short-term projects. These are small projects and the Secretary would very well find when the contractor started the interest would start. There is some detail that might have to be worked out in the Secretary's office. But they are small loan projects and that could very well be covered at that time.

Mr. ROGERS of Texas. I want to make a correction. I think what the gentleman from Colorado [Mr. ROGERS] has in mind is whether the interest starts when the contract is entered into. The repayment, of course, does not start until the benefits begin to be derived from the project itself. In other words, you have a construction period there and the money is being used during that time, but you cannot begin repayment of it until you derive some benefits from it. But the interest runs from the time the contract is entered into.

Mr. ROGERS of Colorado. I was wondering under the wording of this, as appears in subsection (c) which states "a plan of repayment by the organization of the sums lent to it in not more than 50 years from the date when the principal benefits of the project first become available."

As pointed out a moment ago, we know that these projects may take 1 year or 2 years to complete. When the plan for repayment is made, would the interest then start running? And if it took more than 1 year, would the people who have entered into the contract be required to pay the interest during that period of time or will they be permitted not to pay any part of the principal until they begin to get the benefits of it?

Mr. ASPINALL. In considering this part of the bill, we must keep in mind that there will be very few multi-purpose projects under this legislation. This legislation has most to do with the construction of irrigation facilities. In those projects there will be no interest-bearing money whatsoever. As I understand the bill, and as I understood it when we studied the matter, any place where there is interest-bearing money that fund will bear interest from the time it is loaned by the Bureau of Reclamation, Department of the Interior, and their payments will start in accordance with the accepted plan that we use in all of these projects, when the benefits become available. I think that is all there is to it. It is a very minor point as far as this legislation is concerned.

Mr. ROGERS of Texas. I thank the gentleman. It is important only as to features of a project other than irrigation features, that is, features that bear interest. The truth about it is when you are limited to $5 million there is not much you can build other than an irrigation project, the moneys for which do not bear interest

Mr. MILLER of Nebraska. Mr. Speaker, I appreciate the position the gentleman from Texas [Mr. ROGERS] finds himself in in relation to larger loaning power under this bill. The original bill called for $1 million instead of $5 million. He did offer an amendment to raise the limit to $10 million. I am in sympathy with what he wants to do, but I think it might destroy the small project feature of the legislation. I believe he is in favor of this bill, although he would like to have included a much larger sum for loaning purposes.

Mr. ASPINALL. Mr. Speaker, will the gentleman yield?

Mr. MILLER of Nebraska. I yield to the gentleman from Colorado.

Mr. ASPINALL. I think we should advise our colleagues that we do have a definite authorization for funds in this bill and that it will be necessary to bring this matter back to Congress and its committees for a restudy in a certain length of time to see whether or not this program, which we believe to be so desirable, is working as it should work.

Mr. MILLER of Nebraska. That is right. The bill has had some study for 2 years; this and similar legislation, and it is part of the President's program. The National Reclamation Association has worked hard to protect certain features, and we believe it is legislation in the right direction.

Mr. Speaker, I yield such time as he may desire to the gentleman from Montana [Mr. D'EWART].

Mr. D'EWART. Mr. Speaker, this legislation represents a milestone in reclamation history. This kind of a bill has been introduced year after year. I introduced a similar bill 4 years ago, but we did not think in the committee that we had the understanding of the problem to bring those bills to the floor. A small project bill has been recommended by the National Reclamation Association, and I think this kind of legislation has been recommended by every State association over the years. It makes available money for small projects that have been impossible under the big programs that are carried on by the Bureau of Reclamation. In my State we have a water conservation board, and I believe, by use of this legislation, my State can go forward much faster than it has before in providing small projects. Our State has done better in that aspect, I think, than any other State in the Union. This is a great advance. It will mean a great deal to the people who want to build small projects and need minimum financing in order to help them to carry out their program. It is certainly good legislation, legislation that has been studied for years and finally brought here to the floor. I certainly hope that this bill will have the unanimous approval of this House, because it is the kind of legislation that will build small projects and cooperates with local and State interests in building these small projects.

Mr. ROGERS of Texas. Mr. Speaker, I yield 2 minutes to the gentleman from California [Mr. HAGEN].

Mr. HAGEN of California. Mr. Speaker, I would like to ask the gentleman from California [Mr. ENGLE] about three questions.

This proposal can be used for purely local projects; it has no necessary connection with any Federal project; is that correct?

Mr. ENGLE. That is right.

Mr. HAGEN of California. This $5 million ceiling applies to all features of the project, including the nonreimbursable? In other words, the $5 million is an absolute ceiling on the total cost of the projects?

Mr. ENGLE. That is as I understand it.

Mr. HAGEN of California. It is not just the reimbursable feature that has the ceiling?

Mr. ENGLE. No. I understand the $5 million is the absolute ceiling, and if I am wrong, I would ask my friends on the other side to correct me.

Mr. D'EWART. Mr. Speaker, if the gentleman will yield, the $5 million is all that can be loaned on one project for all the purposes for which it can be constructed.

Mr. HAGEN of California. Another question. In the definition of "contracting organization," you refer to water associations or similar associations having a capacity to contract with the United States. Now, I want to be sure that we are not creating a windfall here for some private stock mutual water company which is outside the definition of a public district. There has been some question whether or not a mutual water company, for example, can contract with the Bureau of Reclamation. Inasmuch as they are a purely profitmaking stock company, they should not be given authority to participate in this kind of program. But it is not clear under the definition, in my opinion.

Mr. ENGLE. My belief is that it would have to be a water users association which is in the nature of a public body, because only those have the capacity to contract the United States under the Federal reclamation law.

Mr. HAGEN of California. The gentleman would say definitely, then, that this legislation does not authorize loans to a mutual water company that is a stock company?

Mr. MILLER of Nebraska. Mr. Speaker, will the gentleman yield?

Mr. HAGEN of California. I yield.

Mr. MILLER of Nebraska. It has to be a public agency organized under State laws in order to qualify.

Mr. HAGEN of California. Another question, if I may. Is there any language in this bill which would discourage local agencies themselves from engaging in power development, if it would relieve the burden of the cost of the project?

Mr. ENGLE. As I understand it, the gentleman has asked whether or not there was anything which would discourage a local agency from going into a power development if it would aid in the cost?

Mr. HAGEN of California. There is a statement in this report that power will be permitted only if it is incidental to the other features of the project. Here you are handing a plum to the local people, you are giving them low-cost capital; they might, for example, be contemplating a project to be built entirely with their own funds, a project involving a few generators, to reduce the cost. Now they come to the Federal Government because they get the money cheaper. But are we saying to them that if they come to the Federal Government they cannot build these generators?

Mr. ENGLE. We are not. If the gentleman can visualize a power project of any consequence that could be built for less than $5 million, he knows something that I do not.

Mr. HAGEN of California. I know of no such projects.

Mr. ENGLE. Our idea is, if it is a power development, it would ordinarily cost more, and the funds available under this bill would then be available exclusively for the irrigation purposes.

The SPEAKER. The time of the gentleman has expired.

The question is, Shall the rules be suspended and the House pass H. R. 5301?

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

CONSTRUCTION OF DISTRIBUTION SYSTEMS ON AUTHORIZED FEDERAL RECLAMATION PROJECTS

Mr. MILLER of Nebraska. Mr. Speaker, I move to suspend the rules and pass the bill (H. R. 9981) to provide for the construction of distribution systems on authorized Federal reclamation projects by irrigation districts and other public agencies.

The Clerk read the bill, as follows:

Be it enacted, etc., That irrigation distribution systems authorized to be constructed under the general provisions of the Federal reclamation laws may, in lieu of construction by the Secretary, be constructed by irrigation districts and other public agencies according to plans and specifications approved by the Secretary of the Interior.

SEC. 2. To assist financially in the construction of the aforesaid local irrigation distribution systems by irrigation districts and other public agencies the Secretary of the Interior is authorized to make funds available on a loan basis from moneys appropriated for the construction of such distribution systems to any irrigation district or similar public agency in an amount equal to the estimated construction cost of such systems, contingent upon a finding by the Secretary that the loan can be returned to the United States in accordance with the general repayment provisions of sections 2 (d) and 9 (d) of the Reclamation Project Act of August 4, 1939 (ch. 418, 54 Stat. 1187; 43 U. S. C. 485).

SEC. 3. Except as herein otherwise provided, the provisions of the Federal reclamation laws, and acts amendatory thereto, are continued in full force and effect.

The SPEAKER. Is a second demanded on the bill?

If not, the Chair will put the question.

The question is on suspending the rules and passing the bill.

The question was taken; and (two-thirds having voted in favor thereof), the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

MICHAUD FLATS IRRIGATION PROJECT, IDAHO

Mr. MILLER of Nebraska. Mr. Speaker, I move to suspend the rules and pass the bill (H. R. 5499) to provide for the construction, maintenance, and operation of the Michaud Flats project for irrigation in the State of Idaho.

The Clerk read as follows:

Be it enacted, That the Secretary of the Interior is authorized to construct, maintain, and operate the Michaud Flats project for irrigation in the State of Idaho substantially in accordance with the plans set forth in the report of the Bureau of Reclamation regional director of region 1, dated October 22, 1953, with such modifications as the Commissioner of Reclamation, with the approval of the Secretary, may find proper in order to provide for the most efficient accomplishment of all the purposes of such plans. Such construction, maintenance, and operation shall be in accordance with the Federal reclamation laws (act of June 17, 1902, 32 Stat. 388, and acts amendatory thereof or supplementary thereto) as far as such laws are not inconsistent with the provisions of section 2 of this act.

SEC. 2. The project's water users shall be required to assume an obligation to repay out of that part of the total construction cost of the project which the Secretary determines to be properly allocable to irrigation, so much as the Secretary finds to be within their ability to repay prior to the time when, account being taken of the application of power revenues as provided in part (b) of this section, full return of the irrigation allocation is accomplished. Such repayment shall be in accordance with the provisions of the Federal reclamation laws as modified with respect to the Michaud Flats project by the following:

(a) Payments by the contracting organization shall be scheduled, under a contract conforming to the provisions of this act, on the basis of uniform charges for like classes of land in each unit of such project which will result in the establishment of annual installments which are, as nearly as practicable, of an amount equal to the ability of such water users to pay in each year having regard to the volume of production of such water users, prices they receive for their farm products, and their production and living costs.

(b) Net power revenues received from the Palisades project, Idaho, and any developments combined therewith for payout purposes under the provisions of the second sentence of section 2 of the act of September 30, 1950 (64 Stat. 1083), shall, after payout of said projects is accomplished pursuant to law, be applied (concurrently with continued payments by the water users) to payment of the irrigation allocation of the Michaud Flats project until full repayment of said allocation is accomplished.

(c) The Secretary of the Interior shall require that a replacement reserve of an amount sufficient to meet replacement costs likely to be incurred before the end of the repayment period established under the provisions of part (a) above, shall be established and maintained in connection with such Michaud Flats project.

SEC. 3. (a) To aid in the development of not more than 21,000 acres of irrigable land in the Michaud division of the Fort Hall Indian Reservation, as heretofore authorized by the act of February 4, 1931 (46 State 1061), and hereby reauthorized for construction, operation, and maintenance without regard to the provisions of said act, the Secretary is authorized—

(1) to reserve for the benefit of those lands when needed, but without prejudice to the interim use thereof for other purposes proper under reclamation laws, 83,900 acre-feet of storage capacity in Palisades Reservoir and 47,700 acre-feet of that portion of the storage capacity in American Falls Reservoir which was set aside for lands in the Michaud area generally by section 3 of the act of September 30, 1950 (64 Stat. 1083); and

(2) to account for the return of so much of the cost of said development (including the cost of the aforesaid storage space in Palisades and American Falls Reservoirs) as the Secretary finds cannot be repaid by the water users on terms substantially similar to those provided in section 2 of this act, except for the application of the provisions of the act of July 1, 1932 (47 Stat. 564), and the act of March 1, 1907 (34 Stat. 1015, 1024), which are specifically made applicable to the project authorized by this section and Indian lands susceptible of irrigation under said project, by application of net power revenues of the Palisades project and any developments combined therewith for payout purposes under the provisions of the second sentence of section 2 of the act of September 30, 1950, after payout thereof is accomplished pursuant to law.

(b) Construction of works to serve the Michaud division lands shall be undertaken only if, in consideration thereof and of the additional benefits authorized in the preceding sentence of this section, such appropriate arrangements as may be required in the circumstances are first made, by contract or otherwise, with respect to a water supply for said lands which, among other things—

(1) limit that supply to the yield of the space in Palisades and American Falls Reservoirs as hereinbefore set forth and to that obtained by the pumping of ground water in an average annual amount of not more than twenty-two thousand and four hundred acre-feet; and

(2) consent to a priority in time and right in such beneficial consumptive uses of the waters of the Snake River, and its tributaries, as are established under the laws of the State of Idaho prior to the date of this act as against any use of the waters arising on or flowing through the Fort Hall Bottoms within the Fort Hall Indian Reservation, including, but not limited to, the intercepted flow of Ross Fork Creek, the Portneuf River below Pocatello, Big Jimmy Creek, Big Spring Creek, and Clear Creek, for the irrigation of the lands of the Michaud division of the Fort Hall Indian Reservation.

The United States consents to the making of the arrangements aforesaid, and its construction, operation, and maintenance of said works shall constitute a waiver of any of its rights to the use of waters arising on or flowing through the Fort Hall Bottoms, within the Fort Hall Indian Reservation, including, but not limited to, the intercepted flow of Ross Fork Creek, the Portneuf River below Pocatello, Big Jimmy Creek, Big Spring Creek, and Clear Creek, for the irrigation of the lands in the Michaud division of the Fort Hall Indian Reservation.

SEC. 4. The act of February 4, 1931 (46 Stat. 1061), authorizing the development of the Michaud division of the Fort Hall irrigation project is hereby repealed.

SEC. 5. In crediting the net power revenues from the Palisades project to the projects authorized in section 2 and 3 of this act, after payout of the Palisades project pursuant to law, said revenues shall be applied ratably to the two projects in proportion to the total construction costs thereof.

SEC. 6. (a) Except as provided in section 3 (b), nothing in this act shall affect any rights in and to the waters of the Fort Hall Indian Reservation or the Snake River and its tributaries.

(b) Nothing in this Act shall affect the land tenure, allotment, or ownership on the Fort Hall Indian Reservation.

SEC. 7. There are hereby authorized to be appropriated, out of any moneys in the Treasury not otherwise appropriated, $5,500,000 for construction of the works authorized in section 1 of this act, and $5,500,000 for construction of the works authorized in section 3 of this act, plus such additional amount, if any, as may be required by reason of changes in the costs of construction of the types involved in these projects, as shown by engineering indices. There are also authorized to be appropriated such sums as may be required for the operation and maintenance of said works.

The SPEAKER. Is a second demanded?

If not, the Chair will put the question.

The question is on suspending the rules and passing the bill.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

Mr. BUDGE. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Idaho?

There was no objection.

Mr. BUDGE. Mr. Speaker, in the passage of the Michaud Flats project for irrigation in the State of Idaho, the House is fulfilling an obligation of the Government of the United States that has been pending for nearly 50 years. More than a half century ago the United States Government promised the Indians in Idaho that certain of their lands would be developed for irrigation. This project provides for that development.

Included also in this project is a provision to irrigate 11,035 acres of so-called white-owned lands adjacent to the Indian lands mentioned. When the American Falls Dam was built—some 27 years ago—the Michaud Flats was considered one of the best potential tracts of land in the State to irrigate and one of the most valuable after it was irrigated. Soil experts have stated that it is among the best and most fertile land

in the State. Subsequently an irrigation district was formed but due to the lack of water the land was never brought under cultivation. The settlers of this area have waited patiently upon the Government to provide for an allocation of water. This has now been done and there is no reason why this project should not be approved so that the development can go forward. It is an important project for Idaho and the United States. It is a good project and all cost to the Treasury under the law will be repaid. It is a pleasure to recommend this type of project to the House.

SALES OF COMMODITY CREDIT CORPORATION FEED GRAINS

Mr. HOPE. Mr. Speaker, I move to suspend the rules and pass the joint resolution (H. J. Res. 563) relating to sales of Commodity Credit Corporation corn.

The Clerk read as follows:

Resolved, etc., That, notwithstanding the provisions of section 407 of the Agricultural Act of 1949, as amended, or of any other law, the Commodity Credit Corporation is authorized until March 1, 1955, to sell at the point of storage any feed grain owned by the Corporation at 10 percent above the current support price for the commodity.

Amend the title so as to read: "Relating to sales of Commodity Credit Corporation feed grains."

The SPEAKER. Is a second demanded?

If not, the Chair will put the question.

The question is on suspending the rules and passing the joint resolution.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the joint resolution was passed.

A motion to reconsider was laid on the table.

ATOMIC ENERGY BILL, CONFERENCE REPORT

Mr. HALLECK. Mr. Speaker, I ask unanimous consent that the conferees on H. R. 9757, the atomic energy bill, may have until midnight tonight to file a conference report.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

CALL OF THE HOUSE

Mr. EBERHARTER. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. The Chair will count. [After counting.] One hundred and ten Members are present, not a quorum.

Mr. HALLECK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 133]

Albert	Bentley	Bramblett
Angell	Bentsen	Buckley
Bailey	Boggs	Byrd
Barden	Boiling	Byrne, Pa.
Barrett	Bolton, Frances P.	Byrnes, Wis.
Battle	Bosch	Canfield
Becker	Bow	Carnahan
Bennett, Mich.	Chatham	Chenoweth
Chudoff	Clardy	Cooley
Cooper	Cotton	Coudert
Curtis, Mo.	Curtis, Nebr.	Dague
Davis, Ga.	Davis, Tenn.	Deane
Delaney	Dempsey	Derounian
Dies	Dingell	Dodd
Dolliver	Donohue	Donovan
Edmondson	Evins	Fallon
Fenton	Fino	Fogarty
Frazier	Friedel	Fulton
Gamble	Garmatz	Gary
Granahan	Green	Gubser
Hale	Haley	Hand
Harrison, Wyo.	Hart	Hays, Ohio
Hébert	Hess	Hillelson
Hillings	Hoffman, Ill.	Holtzman
Horan	Howell	James
Javits	Jones, Mo.	Kearney
Kee	Kelly, N. Y.	Kilburn
King, Pa.	Kluczynski	Landrum
Lantaff	Latham	Lesinski
Lucas	Lyle	McConnell
McGregor	McIntire	McMillan
Machrowicz	Mailliard	Martin
Mason	Miller, Calif.	Miller, N. Y.
Mollohan	Morano	Morgan
Moss	Moulder	Mumma
Murray	Neal	Nelson
O'Brien, Mich.	O'Brien, N. Y.	O'Neill
Osmers	Patten	Perkins
Philbin	Pillion	Powell
Priest	Prouty	Radwan
Reed, N. Y.	Rees, Kans.	Regan
Rhodes, Pa.	Richards	Riehlman
Roosevelt	Sadlak	Saylor
Scherer	Scrivner	Secrest
Seely-Brown	Shafer	Sheehan
Short	Sieminski	Staggers
Stauffer	Sutton	Taylor
Thomas	Thompson, La.	Tuck
Van Pelt	Vinson	Vorys
Wainwright	Weichel	Westland
Wheeler	Wigglesworth	Williams, N. J.
Wilson, Tex.	Withrow	Wolcott
Yates	Young	

The SPEAKER. On this rollcall 271 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

COMMITTEE ON THE JUDICIARY

Mr. HALLECK. Mr. Speaker, I ask unanimous consent that it may be in order tomorrow for the Speaker to recognize a member of the Committee on the Judiciary for a motion to suspend the rules and pass the bill S. 16 with an amendment.

Mr. EBERHARTER. Reserving the right to object, Mr. Speaker, for the information of the Members I would like to inquire whether at that time we will have a printed bill and a printed report so that Members can study the report.

The SPEAKER. The report has been filed and will be printed tonight. The gentleman can have that tomorrow.

Mr. CELLER. Reserving the right to object, Mr. Speaker, and I shall not object, in view of what was said, does that include the minority report also? The Chair spoke of the report.

Mr. GRAHAM. Yes, it does.

The SPEAKER. If the gentleman filed a minority report.

Mr. CELLER. It has been filed.

Mr. GRAHAM. It is included.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. HALLECK. There is a companion bill, H. R. 4975, with respect to which I understand the gentleman from New York [Mr. KEATING] has talked with the minority members on the Committee on the Judiciary and has learned from them that there would be no objection to a motion to suspend the rules and pass that bill also tomorrow.

The minority leader is temporarily out of the room, and of course if he should have objection later that would supersede anything that might be done.

Mr. Speaker, in view of that arrangement as I understand it, I ask unanimous consent that it be in order on tomorrow for the Speaker to recognize a member of the Committee on the Judiciary to move to suspend the rules and pass the bill H. R. 4975.

Mr. PATMAN. Reserving the right to object, Mr. Speaker, what is the bill?

Mr. WALTER. If the gentleman will yield, in a word the bill is designed to obviate the necessity of having contempt citations approved in the House and subsequent indictments in the United States courts. It has as its purpose the taking of a recalcitrant witness to a United States court on a contempt proceeding.

Mr. CELLER. Do I understand correctly that if consent is granted that bill will be taken up tomorrow under a motion to suspend the rules?

Mr. HALLECK. Yes.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. KEATING. Mr. Speaker, I ask unanimous consent that the Committee on the Judiciary may have until midnight tonight to file a report on the bill H. R. 4975.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

THE LATE HON. HAROLD KNUTSON

The SPEAKER. The Chair recognizes the gentleman from Minnesota [Mr. AUGUST H. ANDRESEN].

Mr. AUGUST H. ANDRESEN. Mr. Speaker, I have taken this time to pay a tribute to a very good friend and a former colleague of the House of Representatives, the late Hon. Harold Knutson, from the Sixth Congressional District of Minnesota. I want the RECORD to show that our former colleague passed away on the 21st of August 1953 in his home community of Wadena, Minn. He was 72 years old at the time of his death.

Representative Knutson served in Congress for 32 consecutive years as a Representative from Minnesota's Sixth Congressional District. His outstanding record of service as chairman of the Ways and Means Committee and as a fellow Member gained for him the respect of all of his colleagues. He was a sturdy American of the Viking type. His record of service and legislation approved under his leadership are accomplishments that have been indelibly written into the legislative history of our country.

Born in Skien, Norway, October 20, 1880, Mr. Knutson came to this country in 1886 with his parents, Mr. and Mrs. Christian Knutson. A rapid learner, the 6-year-old was able to speak English by the time the ship docked in the New York Harbor.

The family settled in Chicago, later moving to a farm near Clear Lake in

Sherburne County, Minn. Harold attended the elementary schools at Clear Lake and became a printing apprentice on the weekly Clear Lake Times.

The offer of a 50-cent weekly salary induced him to move on to the Royalton (Minn.) Banner. There Knutson slept in a small room over the shop and since the Banner owner was too poor to replace a broken window in the room, Knutson had to stuff a towel into the hole to keep the snow from blowing onto his bed.

Despite his humble beginning and meager salary, Knutson remained with the Banner until he ultimately became its owner. He later disposed of it to buy the Foley (Minn.) Independent. He published that paper until 1925 when he purchased the Wadena (Minn.) Pioneer-Journal, of which he continued as publisher until his death. In 1910 and 1911, while on a brief stint as associate editor of the St. Cloud Daily Journal-Press, Knutson served as president of the Northern Minnesota Editorial Association.

Mr. Knutson considered a reforestation bill, which he sponsored in 1928 with Senator Vandenberg, as his most lasting congressional accomplishment. He believed its provision for systematic tree planting in cut-over and burned-out forest areas would benefit the country for generations to come. He also worked for years for reduction of Government expenditures and lowering of taxes.

It is most appropriate to record the fact that during the last several months of his life, the late Congresman busied himself with plans to make available to the Evangelical Lutheran Church his summer estate at Manhattan Beach, Minn., to be used as a retreat for neglected, deprived, and handicapped children. This beautiful point, approximating 40 acres, stems out between two lakes and has the promise of becoming a tremendous project. This he asked to be dedicated as a memorial to his mother, Jeannette Holm Knutson.

Plans were made for a formal deeding service and a public reception of these properties on Sunday, August 23, 1953. But on the 12th of August, Knutson suffered a heart attack and, despite several rallies, he passed away on the 21st of August. It was his wish that the community would proceed with the deeding service even though he would not be numbered amongst the living.

The following is the prayer of Dr. M. A. Dahlen, executive secretary of the board of charities of the Evangelical Lutheran Church on the occasion of the deeding service:

Blessed God and Father in Heaven, we thank Thee that Thy Spirit has let and directed us unto this retreat in this hour.

We thank Thee that we can have a part in this pilgrimage, and be given the opportunity to be counted amongst the pioneers for the program and the project which Thou in Thy all wisdom can foresee in this place.

And then we would also want to thank Thee for that spirit and mind of Harold Knutson, who would want to evidence gratitude unto Thee for the blessings of a sainted mother, for the one who went into the very valley of the shadows, if need be, to give him birth, at whose knees he prayed and learned to know of Thee and Thy Son, our Savior.

And even though for the moment we might be prone to ask why this beloved friend and benefactor could not be with us in this hour, may we look upon it all for the fact that, as the heavens are higher than the earth, so are your ways higher than our ways, and your thoughts than our thoughts.

Give unto us great visions and hopes for the Jeannette Holm Knutson Camp. Grant that our visions and hopes for this place may be in keeping with Thy will and way, and that these may soon unfold into reality, to Thy glory.

May we as members of Thy church be ever cognizant and mindful of the trust that we accept this day. Let this be a place of dedication, a place of thanksgiving, a place of rededication, where we receive high motives, and a charge and a challenge that shall go with us upon our pilgrim way.

Yea, let this be truly a Bethesda by the sea, that here as we look out upon the refreshing waters may also be dispensed the waters of life—a place of healing both to body and soul.

Hear us, O God, before Thy throne, in the blessed name of Jesus. Amen.

Mr. Sterling Knutson, of Wadena, Minn., a nephew of the Congressman, made the presentation address:

I wish Harold Knutson could be here to see this gathering who will carry on this work for him. This is the presentation of his own personal tribute to his beloved mother, Jeannette Holm Knutson.

It was his wish to grant the beautiful piece of property to the care and custody of the Lutheran Church, it to be used for the purposes of guidance and recreation of children who have been neglected.

During the childhood of Harold Knutson the family realized only the barest of life's necessities. There were few opportunities for recreation. The broken health of the father made hard work and long hours the daily routine for all of the family. It was during these days that the family longed for the opportunities that this development will make possible for underprivileged children.

Harold Knutson was a man of firm resolution. For many years it had been his desire to establish a tribute to his mother, whom he loved so much. The founding of this camp for these children is so typical of the things his mother taught him; to be generous and kind to those who needed help.

To those of us who were fortunate enough to know her, we could feel her love for little children. We saw how unselfish she was with her few possessions. Her smile was ready for everyone and her concern was for the comfort and well-being of her fellowmen. She was always generous with her sympathy and her well-worn Bible guided her in her many hours of grief. Her gentle philosophy put a song into the lives of all of those who knew her.

And now it is as it should be, her gentleness will be remembered with this memorial from her loving son. The children who have not been blessed with the opportunity to enjoy natures scenic beauty can now do so here in one of the most beautiful spots in Minnesota. May God bless this memorial and the love that has made it possible.

It is with the deepest sincerity that I, as a direct descendant of Jeannette Holm Knutson, present this deed to the board of charities of the Evangelical Lutheran Church. We in the family hope that it will be enjoyed in the manner for which it has been set aside by Harold Knutson.

Mr. Magnus I. Ronning, chairman of the board of charities of the Evangelical Lutheran Church, accepted the deed to the properties with the following remarks:

Dr. Dahlen, members and friends of the Knutson family, we are assembled here this afternoon on this beautiful country site and summer estate of the late Honorable Harold Knutson to carry out a program arranged by him just 2 weeks before his death. Little did any of us realize at that time that he himself would not be present to publicly greet you and to declare this parcel of ground to the Evangelical Lutheran Church for the purpose of erecting thereon a retreat for neglected, unfortunate, deprived, and handicapped children to be known as the Jeannette Holm Knutson Camp, named after his sainted mother who left this abode in May 1925.

It was Mr. Knutson's desire to perpetuate the family name in this place, which he loved so well, and to memoralize his mother who, together with her husband and children, pioneered in this area at the beginning of this century. Also that the benefactors of this camp should be the children and especially those who, because of circumstances in their lives, would be unable on their own resources to benefit from a camp of this kind.

In this very act Mr. Knutson joins the ranks of other kind-minded individuals who have gone to their eternal reward, leaving to his fellowmen a portion of his earthly possessions for a high and noble purpose. To carry out his plans he chose to use the facilities of his church, which he loved, to carry out a service to the generations to come.

On behalf of the Evangelical Lutheran Church, through its department of charities, I hereby accept in humble gratitude this property from the late and Honorable Harold Knutson under the terms of the agreement, transferring title of this property to the church for the purposes contained therein.

I desire to assure the Knutson family that we shall as a department of the church, begin to organize and lay plans for future development of this camp as a service to children. We shall ask the members of our church to support this project through gifts, in memoriams, legacies, and so forth and to place this project on the annual budget for financial support in order that the necessary expenses incidental to the operation of the camp may be met, also that the capital expenditures for improvements, new buildings, and the like may be carefully planned as the demands for this service become known.

To this end we pray that the Lord of the church will add His blessings in order that this service may grow and develop in His name and that the children who receive the benefits from this service may have a renewed faith in the glorious message of salvation through Jesus Christ our Lord. Amen.

It is most appropriate that in connection with these remarks to the late Congressman that we weave in an echo from the memorial services at Wadena, Minn., as they were given by the Reverend M. A. Dahlen, who was so closely associated with him during the last several months of his earthly pilgrimage:

Friends of Harold Knutson, all: I speak for myself, and for the board of charities of the Evangelical Lutheran Church as we all join the host of bereaved and mourn the loss of a devoted friend.

There is told of the incident from the time that the Brooklyn Bridge was built. During the building of it, the engineer was injured. For many long months, he was shut up in his room. His gifted wife shared his toils and carried his plans to the workmen. At last the bridge was completed.

The invalid architect was asked to see it. They put him upon a cot and carried him to the bridge. They placed him where he could see the magnificent structure in all its beauty. It was sad to see the one whose mind had conceived that wonderful structure lay there a cripple in such a manner. He asked to be carried here and there so he could see it all—the beams, the heavy cables, every strand. And when he had looked upon it all, he lay back, smiling, and said, "Just according to plans."

And so, we too are the product of the Eternal Creator. There is a plan and a purpose for our lives.

St. Augustine speaks of man as "but a particle of God's creation" and then he also brings out man's greatness in that he speaks of the fact that "God madest us for Thyself." And in speaking of man again, he says, "Our heart is restless until it repose in Thee."

The CONGRESSIONAL RECORD, during the course of 32 years (1917–49), carries pages and pages of the acts and words of the Honorable Harold Knutson.

The June 18, 1941, issue carries a memorial address delivered by him a few days before and in it he quotes the words of the Master, "I am the resurrection and the life: he that believeth in me, though he were dead, yet shall he live: and whosoever liveth and believeth in me shall never die."

In that address he makes mention of a famous agnostic who years ago had said that life is a narrow vale, between the cold and barren peaks of two eternities. In other words, stated Knutson, the agnostic goes on to say that he saw life as a futile meandering through a desolate desert wilderness, surrounded on all sides by cold and bitter despair.

Knutson goes on to refute these words and says, "What a description to give to a triumphant adventure. What a mocking play on words. What a tragic lack of faith in the sublime promise of our Savior, Teacher, and Master."

Knutson further states, "The Christian religion has been assailed times without number, but none have been able to offer anything substantial or tangible in its place. It has been, is, and ever shall be the greatest known balm and source of comfort to mankind. It greets us at the cradle, sustains us throughout a troublous life, and its gentle and merciful ministrations enable us to face the end with hope, with courage, and with fortitude.

"To the sorrowing mother who grieves over the loss of her child, to the abandoned Magdalen who walks the streets, to the man who has lost his faith, to the wayward son who roams the earth, to the cynic who scoffs and doubts—to these and to all mankind the promises of the Saviour come as a solace in their hour of darkest despair. It is then one and all turn to Him for hope, peace, and comfort. There is, there can be no other outlet for our heart's desire. In Him rests the hope of mankind. Without that hope life would be a black void."

It was only last Saturday, when hundreds of people made a pilgrimage to the place of summer retreat and refreshment for Harold during the years, known as Dunworkin. The occasion—a public reception, a formal presentation and acceptance, that these properties had now been deeded to the Evangelical Lutheran Church to be used by its board of charities for a high purpose, and particularly mentioning, "a summer retreat for neglected, unfortunate, deprived, and handicapped children."

Mr. Knutson had for several months been planning for this project and looking forward to this day. This retreat is to be a memorial to his sainted mother, who went into he very valley of the shadows, if need be, to give him birth, at whose knees he prayed and where he learned to know of God and His Son, our Saviour, and to be known as the Jeannette Holm Knutson Camp.

To use his own words as he spoke to Mrs. Henry Aslakson, wife of the summer caretaker, "Ja, vi maa bede meget for dette." Translated, "Yes, we must pray much for this." And we shall do that.

And we would also want to believe that this act with which he busied himself so much during the last months of his life "is just according to plan" and altogether pleasing to Him who can say, "Every beast of the forest is mine and the cattle upon a thousand hills." "Call upon me in the day of trouble, I will deliver thee, and thou shalt glorify me."

And we would want to believe that with the other attainments and contributions in life—it was also for this, "that He came into the Kingdom."

If Harold Knutson had passed away while a Member of Congress, there would be printed and engraved for the annals of the Nation the details and the words of an occasion such as this, and bound and distributed widely.

It shall be my purpose as a citizen of the Commonwealth of Minnesota to ask one of the Minnesota delegation to Congress, when Congress reconvenes, to introduce remarks of this service and the acts of last Sunday, which had been planned by Harold Knutson and which was carried out to the letter with the exception that his nephew, Sterling Knutson of Wadena, made the presentation of the properties and accepted a flagpole from friends of the departed.

The wire recording of Sunday's services we hope to place in the archives of the Library of Congress as an inspiration and challege to us all and to those who come after us. That act, which we witnessed last Sunday, we would want to believe has the blessing and the benediction of Him who hath said, "Verily, I say unto you, inasmuch as ye have done it unto one of the least of these, my brethren, ye have done it unto me."

Jeannette Holm Knutson, who was so deservingly memorialized by her son, was born September 23, 1848, in Skien, Norway. She was baptized and confirmed by Bishop Skor. August 28, 1878, she was united in marriage to Christian Knutson of Oslo, Norway. In the year 1885, they emigrated to America with their four children, the youngest a baby in arms. They came to Chicago, where they remained 3 years, moving thence to the Twin Cities and later to a farm near St. Cloud, Minn. Here, in a pioneer farm community, they shared the common lot of struggle and privation. They were ill prepared for such conditions. Their main resource were the intangible riches of industry and frugality, and the faith that God is the rewarder of those who diligently seek Him. She often thanked God for America. Here, alone, her family saga could have unfolded. There are only a few real satisfactions in life. Here in America, the Christian Knutson family found and won them all. After the death of her husband in 1913, she made her home with Congressman Harold Knutson, in Washington. When Congress was not in session, she made her home with her daughter, Mrs. Alfred Bredesen, and her son, Elmer Knutson. She died in Bricelyn, Minn., May 1925.

She is survived by the following children: Harold Knutson of Wadena, Minn., and Venice, Fla; Mrs. Alfred Bredesen of Venice; and George Knutson of San Diego, Calif. A child, James, died in infancy. Her older son, Elmer, died in 1948. Mrs. Knutson is buried in St. Cloud, Minn.

The deep undertone of the life of Jeannette Holm Knutson, was her simple childlike faith in her Saviour. The worn Bible was never far away. Part of the song of her life was written in the minor key of want and privation, but all jarring discords gradually blended into the beautiful symphony of joy and gratitude to Him who justified her faith and fulfilled her dearest hopes.

It is very appropriate that the Jeannette Holm Knutson Camp for underprivileged children should be her memorial. She believed in the association of all who loved; in the service of all who suffer. May God bless her memorial and the love that made it possible.

Mr. MARSHALL. Mr. Speaker, will the gentleman yield?

Mr. AUGUST H. ANDRESEN. I yield to my colleague from Minnesota.

Mr. MARSHALL. Mr. Speaker, almost a year ago on August 21, 1953, the Honorable Harold Knutson passed away in Wadena, Minn. Mr. Knutson represented the Sixth District in Minnesota for 32 years.

During those years his name became almost a household word throughout the district because of his diligent service to the people. No task he was asked to perform was left unattended. The chores and errands of his district received his constant attention and he became a personal confidante to many people of the district during his years of service.

Upon taking office as his successor, he turned over to me many of the files and accumulated material he felt I would need to carry on the tradition of service he had begun.

He visited me in Washington to give me his personal good wishes and he thanked me for the fair and respectful campaign we had waged. This gracious act I regarded as an example of what is best in American politics. It is what Abraham Lincoln meant when he said, "With malice toward none, with charity for all."

This quality of forthrightness was known by many who respected him as a worthy opponent in the Halls of Congress and in the political debates of other years. Many Members of the opposition party, of which I became a Member, remember his friendship.

The story of Harold Knutson is another of the great American stories repeated a thousand times in our national history and yet always a refreshing symbol of the opportunity our country offers.

An immigrant boy born at Skein, Norway, came to this country at the age of 6, rose to prominence in our Government and for a third of a century is part of the exciting history of our country. He shared in the deliberations of a time when the United States grew rapidly and the world changed almost faster than men could fully realize.

But active as he was in the legislature of these times, he is best remembered for individual acts of kindness and service. He devoted his career to the worthy cause of his constituents—a service increasingly important at a time

when a growing Nation and an expanding Government became more distant to the citizen himself.

Members of Congress have always stood between the citizen and his government. Harold Knutson's record of personal service represents the best of this admirable tradition.

It is fitting that these remarks of mine be closed with the famous words of Longfellow:

Lives of great men oft remind us
We can make our lives sublime,
And, departing, leave behind us
Footprints on the sands of time.

Mr. O'HARA of Minnesota. Mr. Speaker, will the gentleman yield?

Mr. AUGUST H. ANDRESEN. I yield.

Mr. O'HARA of Minnesota. Mr. Speaker, I join with my colleagues in paying tribute to the Honorable Harold Knutson, who for 32 years so ably represented the Sixth District of Minnesota in the House of Representatives.

I counted Harold Knutson as my friend. He was a unique personality. He was indeed a courageous defender of the principles in which he believed. He had built for himself a place of great influence and distinction in the Nation. He was grateful for the opportunities which America had afforded to him, and he made the most of them. As a poor boy, he demonstrated what America offers a man, of whatever origin, who practices industry and frugality and is determined to win against any and all adversities. He never forgot the struggles of his youth and was at all times ready to help those whose way was difficult. He was uncompromisingly patriotic and loyal to the institutions of freedom and democracy of his country and never deviated in the slightest from that deep love and affection which he had for America.

Harold Knutson was a newspaperman. At the age of 14 years he was apprenticed as a printer on the Clear Lake Times. Subsequently, during his lifetime, he became the owner of several newspapers and at the time of his death was the publisher of the Wadena Pioneer Journal, of Wadena, Minn.

A short time before his death he was interviewed by Dick Robertson and the article which Mr. Robertson wrote was printed in the Wadena Pioneer Journal under the caption "A Study in Conflicts—End of a Noble Tradition," which so well sets out many of the virtues and qualities of Harold Knutson. The article follows:

A STUDY IN CONFLICTS—END OF A NOBLE TRADITION

(By Dick Robertson)

About 6 weeks ago I remarked to Harold Knutson that I had begun a detailed study of his political career. We discussed it at some length and quibbled over interpretations. Before I left he had become enthused, almost eager to hear what conclusions I had drawn. I promised to set down a few observations for him when I had finished the research and requested that he comment on them. He agreed.

"Will you be critical?" he asked.

"You're a controversial man," I said.

"Will you be critical?" he repeated.

"Somewhat," I answered.

"Good," he said. "If there's anything I hate, it's unwarranted praise."

Five weeks later Harold Knutson was dead.

What follow are some of the conclusions he might have liked to have seen.

In evaluating the life of Harold Knutson, it is well to establish from the start that this eccentric and outstanding man was a product of the American system, just as soybeans and corn are products of the American soil. And his critics, who in later years exceeded his supporters (vocally if not numerically) would do well to remember one elementary axiom: If they are to argue that democracy was badly served during his 32-year congressional reign, they are arguing essentially that democracy served itself badly, that the system is not self-sufficient, that it needs better leadership than it is able to provide, that the popular vote is a questionable device.

For his ascension to such phenomenal political strength as he enjoyed during the forties was a byproduct of an archiac seniority system (which he himself deplored) and a political magic which his enemies failed 16 consecutive times to conquer. His power at the ballot box, coupled with a Republican majority in the House, catapulted what Elmer Davis called a bush-league reactionary to national prominence.

It is significant that almost every one of the frontal attacks upon the Congressman over the years was cloaked in a substantial portion of secret, respectful affection. This was so because most of his adversaries saw in his powerful character many manifestations of themselves—those qualities they revered and those they abhorred. For the mental image of Harold Knutson took many forms, depending upon the internal composition of the viewer. But the picture was to each of them clear. He was in this respect, if in no other, like Harry S. Truman.

He has been variously portrayed as a villain and a saint—as a heartless manservant of privilege, a hard-boiled fighter for the common man, an arrogant exponent of outmoded isolationism, a vigorous spokesman in the good fight against foreign "isms," a mischievous guardian of oppressive wealth, a courageous champion of honest-to-Betsy Americanism. He once reflected on the fact that about the only label not pinned on him at one time or another was "militarist."

Actually, of course, both those who looked upon his portly frame as a shrine of unrestrained free enterprise and as an edifice to the underdog were wrong. Much of his political career was marked by a kind of zigzag operation in which he veered back and forth between extremes, so that he was sighted more often near the center than anywhere else. While his voting was characteristically ultraconservative, his nonlegislative self reflected an amazingly progressive sense of values. His dedication to the down and outer was as real as any liberal's. But his way of dealing with him was far, far away. The Congressman from Minnesota came up the hard way himself, and he was in no hurry to reform society; he belonged from the beginning to the haste makes waste political school, and few men ever have been prouder of a membership. As a general rule, he did not moderate or mediate conflict; he incorporated it within his own person, where opposing principles either struggled for mastery with one another or dwelled together harmoniously, each unaware of the other's opposition.

For Harold Knutson was not so much the average man as he was the national character in office. The national character always has been full of contradictions and conflicts. Mr. Knutson had most of them. He had both broad and narrow vision. He dreamed the dreams of Wendell Wilkie and also those of HOMER CAPEHART—dreams of a world united and dreams of a ward united. Here was a man who could one day call the supporters of Eisenhower for the Presidency, America Lasters, and on another, praise their sagacity and patriotism. Here was a a man who complacently allowed Thomas E. Dewey the Presidency in two successive campaigns, only to conclude that he was, when all is said and done, "a contemptible little shrimp." He reminded us of ourselves. And what was in his heart at the moment was what invariably found expression.

This sort of ambivalence was the source of his early strength in office and in the party. It was also the source of his subsequent weakness and his loss of prestige. For he was never a plodding partisan. He could please all factions at first because there was something of the philosophy of each in his own makeup. As the years passed by, he pleased fewer and fewer of them, since each had discovered that while he carried its banner in one hand, he clasped the enemy's in the other.

He was a kind of human battlefield. And in the vanguard of the beleaguring armies were the factions which had once pushed him to an authority he was reluctant to accept, and which had exploited his high position for their personal gain. Few of these retained the Knutson friendship, for mutiny, to him, was a cardinal crime, deserving of sustained scorn. And, like the Grand Old Party's elephant, he never forgot. As Harold Knutson booed deceit and disloyalty, he applauded their antonyms. In his immovable scheme of things, there were but two categories of humanity—good and bad. To say that some might have stood on a vast middle ground was to cloud reality.

He was somehow able to mold the diverse elements of the sixth district into something almost unparalleled in modern politics—an entity which held firm in its allegiance to a major officeholder for a third of a century. It all started when he opposed our entry into World War I ("I cannot vote to put my country into war," said he, and the Main Street isolationists loved it.) For 32 tumultuous years, Harold Knutson's rigid finger rested steadily on the collective pulse of his constituents. On that fateful fall day in 1948 when the opposition garnered more support than Knutson had friends it was conceded that his finger had slipped. In his defeat he had realized more votes than he had at any previous election, but the opposition had a 3,000 majority in more than 123,000 votes cast. The patient switched doctors.

Public men are judged largely by their public words. The extraordinary rhetorical talents of Harold Knutson elevated him to a status he undoubtedly would not have attained without them. This newspaper, which served as the principal vehicle for their dissemination, was accorded a prominence normally reserved for papers hundreds of times larger. As its forthright editorialist became more and more obsessed with his role as a combination Cassandra and Nostradamus, the soul and the character of his medium grew as well. Most weekly newspapers are singularly lacking in punch, either high or low. Harold Knutson's paper, or at least his editorial page, never was burdened with that defect.

His editorial prose could hardly be described as elevating. Pungent, I would say, is the word. A man whose personality becomes more cantankerous with age is not likely to write more sweetly, and while "H. K.'s" style became more emotionally charged with passing years, it also became less and less redolent of orchids in the moonlight, for he was a dealer in published epithets and his trade-mark was black-on-white ridicule. He relished the distinction that resulted, for he knew that he was moving politicians and voters, if not mountains. Virtually every public figure of consequence in both parties felt the bite at least once.

But he saved his best shots for the New Dealers.

Harold Knutson liked to play it rough. When informed that Gov. G. Mennen Williams had dubbed him "the foremost remaining advocate of stone age financing," he shot back: "That young pinko doesn't know a balance sheet from a laundry ticket." And so it went. Every wham had its attendant bam.

For all his roster of acquaintances, Harold Knutson was basically a lonely man. He never married (he said he, like Mr. Dooley, knew about marriage the way an astronomer knows about the stars) and his circle of intimate friends was small. Those who knew him best are inclined to feel that this very loneliness was responsible for the self-centered intensity with which he tackled his job, the fervent passion with which he lived his life, for he drew the seething world within himself, where the unsuppressed turmoil raged and the victor determined the outward act.

Perhaps symbolic of the controversy which stormed within him was the choice of Matthew Arnold's Dover Beach as his favorite single literary work, for he often was depressed enough to share its dismal, prophetic picture:

"The world, which seems
To lie before us like a land of dreams,
So various, so beautiful, so new,
Hath really neither joy, nor love, nor light,
Nor certitude, nor peace, nor help for pain;
And we are here as on a darking plain,
Swept with confused alarm of struggle and
of flight,
Where ignorant armies clash by night."

If we hear the times correctly, they call for strength of character and stoutness of spirit, for toughness of mind, for ringing and affirmative words, for dedication and consecration—for all those exalted and exalting things with which, traditionally, the great leaders have fortified the lead. The times call, in truth, for more political figures of the basically superior stature of Harold Knutson.

Some will say that our government deserves more humility and less dogmatism than men like Harold Knutson could provide. Some will say that to place the public confidence in such a provincial and stubborn man again would be to repeat a multiple error, the tragedy of which would mount as he stood still and the world rushed by. But no one acquainted with the life and times of Harold Knutson will minimize the desperate need for more of his massive devotion to duty, his unbridled courage, and his fierce, winning integrity.

Three weeks before Mr. Knutson died, he paid final editorial tribute to the man he admired most, the late Senator Robert A. Taft—"a man who was faithful and diligent in all things." The Sixth District and the Nation paused last week to honor another esteemed public servant of whom the same could be justly said—a man who crowded a rich and rewarding life to the end, a man who found more than casual comfort in the knowledge that he will not be forgotten so long as politics remains the most vital business in America.

In closing, I desire to pay final tribute to Harold Knutson as my friend—to a great American and a great legislator.

Mr. HAGEN of Minnesota. Mr. Speaker, will the gentleman yield?

Mr. AUGUST H. ANDRESEN. I yield.

Mr. HAGEN of Minnesota. Mr. Speaker, I want to join my colleague, the gentleman from Minnesota [Mr. AUGUST H. ANDRESEN] in this tribute to our departed friend and former colleague, Harold Knutson, of Minnesota. I had the privilege of attending his funeral at Wadena, Minn., and I extended to his family and relatives our sincere sympathy at that time. Minnesota lost a great leader when Harold Knutson passed away.

This fact was emphasized in an editorial published in the Evening Tribune, at Albert Lea, Minn., September 29, 1953. It follows:

STATE LOSES ABLE EDITOR

Minnesota lost one of its leading citizens and weekly newspaper publishers in the death of Harold Knutson, 72, of Wadena. He was always active in State and local politics and civic affairs.

Born in Norway, he came to this country as a small boy. After attending elementary schools at Clear Lake, Minn., he became a printing apprentice on the weekly Clear Lake Times. Then came the offer of a salary of 50 cents a week and he moved to the Royalton (Minn.) Banner

He slept over the printing shop. Despite this humble beginning and meager salary Knutson remained with the Banner until he ultimately became its owner. He sold it later to buy the Foley (Minn.) Independent. He published this paper until 1925 when he purchased the Wadena Pioneer Journal of which he continued as publisher until his death.

Knutson, a Republican, was elected to Congress in 1917 and held that seat until 1949, when he was defeated by the present incumbent from the Sixth District, FRED MARSHALL. For a time in Congress he headed the House Ways and Means Committee.

Leaving behind him active politics, Knutson returned to Wadena and resumed the publishing business. He remained active until August 12, when he suffered the first of a series of heart attacks that resulted in his death.

Knutson, a bachelor, at one time was president of the Northern Minnesota Editorial Association. R. V.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. AUGUST H. ANDRESEN. I yield to the distinguished minority whip, the gentleman from Massachusetts [Mr. McCORMACK].

Mr. McCORMACK. Mr. Speaker, it was with deep regret that I read of the death on August 21, 1953 of our former colleague, and my late valued friend, Harold Knutson of Minnesota.

For over 30 years Harold Knutson served with distinction in this body, a period that included the beginning and end of hostilities in both World Wars.

Harold Knutson was first elected to the Congress in 1916, and served continuously until 1948. At the end of his career in this body he was chairman of the all-important and powerful Ways and Means Committee, of which committee he had been a member for a number of years.

Harold Knutson was a man of strong convictions. His whole career evidenced this fact. He was also a strong party man, loyal to the Republican Party, of which he was a lifetime member, and of its policies and principles.

He was honest and forthright in his views, and was highly respected by those who did not always agree with him, whether Democrat or Republican, because they knew that Harold Knutson was not only honorable and trustworthy, but he was intellectually honest, voting as his judgment and conscience dictated.

In 1930, I was elected by my Democratic colleagues as a member of the Ways and Means Committee, I served on that committee until 1940 when I was elected to and became majority leader of the House in Congress.

Although we were of opposite political parties, and our views on public questions differed frequently, a very close friendship developed between us and lasted until my friend's death.

I admired Harold Knutson for the fine qualities he possessed. Under what to some was sometimes a direct if not a brusque exterior, Harold Knutson had a sweet and lovable heart, and an understanding mind. Born abroad, as he was, he came to our shores with an intense love of America and its institutions and ideals, and gave of his ability, his time, his energy, and his courage in the strengthening of our beloved country.

For years Harold Knutson was a leader in the Republican Party. For years he was a leader in the national House of Representatives.

To him, friendship was a matter of paramount importance.

Harold Knutson was a man who could disagree without being disagreeable.

In life I valued greatly his friendship. In death I shall miss him very much.

The SPEAKER. Without objection all Members may have 5 legislative days to extend their remarks on the life and character of our late colleague, Hon. Harold Knutson.

There was no objection.

AMENDING TITLE 17, UNITED STATES CODE, ENTITLED "COPYRIGHTS"

Mr. CRUMPACKER. Mr. Speaker, I move to suspend the rules and pass the bill (H. R. 6616) to amend title 17, United States Code, entitled "Copyrights," as amended.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 9 of title 17, United States Code, is amended to read as follows:

"§ 9. Authors or proprietors, entitled: aliens

"The author or proprietor of any work made the subject of copyright by this title, or his executors, administrators, or assigns, shall have copyright for such work under the conditions and for the terms specified in this title: *Provided, however*, That the copyright secured by this title shall extend to the work of an author or proprietor who is a citizen or subject of a foreign state or nation only under the conditions described in subsections (a), (b), or (c) below:

"(a) When an alien author or proprietor shall be domiciled within the United States at the time of the first publication of his work; or

"(b) When the foreign state or nation of which such author or proprietor is a citizen or subject grants, either by treaty, convention, agreement, or law, to citizens of the United States the benefit of copyright on substantially the same basis as to its own citizens, or copyright protection, substantially equal to the protection secured to such foreign author under this title or by treaty; or when such foreign state or nation is a party to an international agreement which provides for reciprocity in the granting of copyright, by the terms of which agreement the United States may, at its pleasure, become a party thereto.

"The existence of the reciprocal conditions aforesaid shall be determined by the President of the United States, by proclamation

made from time to time, as the purposes of this title may require: *Provided*, That whenever the President shall find that the authors, copyright owners, or proprietors of works first produced or published abroad and subject to copyright or to renewal of copyright under the laws of the United States, including works subject to ad interim copyright, are or may have been temporarily unable to comply with the conditions and formalities prescribed with respect to such works by the copyright laws of the United States, because of the disruption or suspension of facilities essential for such compliance, he may by proclamation grant such extension of time as he may deem appropriate for the fulfillment of such conditions or formalities by authors, copyright owners, or proprietors who are citizens of the United States or who are nationals of countries which accord substantially equal treatment in this respect to authors, copyright owners, or proprietors who are citizens of the United States: *Provided further*, That no liability shall attach under this title for lawful uses made or acts done prior to the effective date of such proclamation in connection with such works, or in respect to the continuance for 1 year subsequent to such date of any business undertaking or enterprise lawfully undertaken prior to such date involving expenditure or contractual obligation in connection with the exploitation, production, reproduction, circulation, or performance of any such work.

"The President may at any time terminate any proclamation authorized herein or any part thereof or suspend or extend its operation for such period or periods of time as in his judgment the interests of the United States may require.

"(c) When the Universal Copyright Convention, signed at Geneva on September 6, 1952, shall be in force between the United States of America and the foreign state or nation of which such author is a citizen or subject, or in which the work was first published. Any work to which copyright is extended pursuant to this subsection shall be exempt from the following provisions of this title: (1) The requirement in section 1 (e) that a foreign state or nation must grant to United States citizens mechanical reproduction rights similar to those specified therein; (2) the obligatory deposit requirements of the first sentence of section 13; (3) the provisions of sections 14, 16, 17, and 18; (4) the import prohibitions of section 107, to the extent that they are related to the manufacturing requirements of section 16; and (5) the requirements of sections 19 and 20: *Provided, however*, That such exemptions shall apply only if from the time of first publication all the copies of the work published with the authority of the author or other copyright proprietor shall bear the symbol © accompanied by the name of the copyright proprietor and the year of first publication placed in such manner and location as to give reasonable notice of claim of copyright.

"Upon the coming into force of the Universal Copyright Convention in a foreign state or nation as hereinbefore provided, every book or periodical of a citizen or subject thereof in which ad interim copyright was subsisting on the effective date of said coming into force shall have copyright for 28 years from the date of first publication abroad without the necessity of complying with the further formalities specified in section 23 of this title.

"The provisions of this subsection shall not be extended to works of an author who is a citizen of, or domiciled in the United States of America, regardless of place of first publication, or to works first published in the United States."

SEC. 2. Section 16 of title 17, United States Code, is amended to read as follows:

"§ 16. Mechanical work to be done in United States.

"Of the printed book or periodical specified in section 5, subsections (a) and (b), of this title, except the original text of a book or periodical of foreign origin in a language or languages other than English, the text of all copies accorded protection under this title, except as below provided, shall be printed from type set within the limits of the United States, either by hand or by the aid of any kind of typesetting machine, or from plates made within the limits of the United States from type set therein, or, if the text be produced by lithographic process, or photoengraving process, then by a process wholly performed within the limits of the United States, and the printing of the text and binding of the said book shall be performed within the limits of the United States; which requirements shall extend also to the illustrations within a book consisting of printed text and illustrations produced by lithographic process, or photoengraving process, and also to separate lithographs or photoengravings, except where in either case the subjects represented are located in a foreign country and illustrate a scientific work or reproduce a work of art: *Provided, however*, That said requirements shall not apply to works in raised characters for the use of the blind, or to books or periodicals of foreign origin in a language or languages other than English, or to works printed or produced in the United States by any other process than those above specified in this section, or to copies of books or periodicals, first published abroad in the English language, imported into the United States within 5 years after first publication in a foreign state or nation up to the number of 1,500 copies of each such book or periodical if said copies shall contain notice of copyright in accordance with sections 10, 19, and 20 of this title and if ad interim copyright in said work shall have been obtained pursuant to section 22 of this title prior to the importation into the United States of any copy except those permitted by the provisions of section 107 of this title: *Provided further*, That the provisions of this section shall not affect the right of importation under the provisions of section 107 of this title."

SEC. 3. Section 19 of title 17, United States Code, is amended to read as follows:

"§ 19. Notice; form

"The notice of copyright required by section 10 of this title shall consist either of the word 'Copyright', the abbreviation 'Copy', or the symbol ©, accompanied by the name of the copyright proprietor, and if the work be a printed literary, musical, or dramatic work, the notice shall include also the year in which the copyright was secured by publication. In the case, however, of copies of works specified in subsections (f) to (k), inclusive, of section 5 of this title, the notice may consist of the letter C enclosed within a circle, thus ©, accompanied by the initials, monogram, mark, or symbol of the copyright proprietor: *Provided*, That on some accessible portion of such copies or of the margin, back, permanent base, or pedestal, or of the substance on which such copies shall be mounted, his name shall appear. But in the case of works in which copyright was subsisting on July 1, 1909, the notice of copyright may be either in one of the forms prescribed herein or may consist of the following words: 'Entered according to act of Congress, in the year ____, by A. B., in the office of the Librarian of Congress, at Washington, D. C., or, at his option, the word "Copyright," together with the year the copyright was entered and the name of the party by whom it was taken out; thus, "Copyright, 19—, by A. B."'"

SEC. 4. This act shall take effect upon the coming into force of the Universal Copyright Convention in the United States of America.

Mr. CRUMPACKER (interrupting the reading). Mr. Speaker, I ask unanimous consent that the further reading of the bill be dispensed with.

Mr. CELLER. Mr. Speaker, reserving the right to object, is this not the same bill which bore my name in the last Congress?

Mr. CRUMPACKER. It is substantially the same, but there are differences.

Mr. CELLER. And the bill was reported out of the Committee on the Judiciary in the previous Congress?

Mr. CRUMPACKER. It was reported out of the subcommittee but not out of the full committee.

The SPEAKER. Is there objection to the request of the gentleman from Indiana [Mr. CRUMPACKER]?

There was no objection.

The SPEAKER. Is a second demanded?

Mr. McCORMACK. Mr. Speaker, I demand a second.

By unanimous consent, a second was considered as ordered.

Mr. CRUMPACKER. Mr. Speaker, I yield myself 8 minutes.

Mr. Speaker, this bill would amend the copyright laws in all respects necessary for United States compliance with the International Copyright Convention.

The International Copyright Convention, which was negotiated in 1952 and ratified by the Senate a month or so ago, would enable American authors and composers to obtain better copyright protection around the world. Our copyright protection in foreign countries has been very seriously threatened in recent years. We have been obtaining it in the past through the back door approach of simultaneously publishing in Canada which gives us a protection of sorts with other members of the Berne Union to which Canada belongs.

Compliance with the International Copyright Convention cannot be effected until our copyright laws are amended to conform with the requirements of the convention. The amendments required relate to three requirements of the present law. The first has to do with the present requirement for the deposit of two copies of each book on which copyright protection is sought with the Library of Congress. This was a requirement put in the law many years ago to enable the Library of Congress to build up its catalog of books. I understand that insofar as works of foreign authors is concerned they not only do not desire this any longer but would prefer to have it removed because of shortage of space. Their problem now is more one of weeding out unnecessary books from their collection, rather than adding to it.

The second has to do with certain formalities of registration and notice which the copyright office likewise would be glad to have removed, insofar as foreign works are concerned.

The third and more controversial change has to do with the modification of the so-called manufacturing clause in the copyright law with respect to

works in the English language first published abroad in other countries adhering to this convention.

Mr. ROGERS of Colorado. Mr. Speaker, will the gentleman yield?

Mr. CRUMPACKER. I yield.

Mr. ROGERS of Colorado. After this legislation is passed is it not possible for English language books to be printed in England and be sent into this country without duty and at the expense of the American workmen engaged in the printing trades?

Mr. CRUMPACKER. I may say first with respect to payment of duty, that that is not exactly the fact, for I understand there is a tariff on books, although it is a rather low one. This bill would not have any effect upon that.

As far as being at the expense of the American workmen engaged in the printing trades is concerned, I cannot agree with that. Testimony before the subcommittee was quite conclusive, in my opinion, in that regard. The American printing industry, because of the large-scale mechanization and mass-production methods used in this country and used only in this country, because of the fact that this is the world's largest market for printed matter, books are turned out in large runs in a way that is not possible in any other country. That is because of the mechanization that has taken place in this country. American book manufacturers and binders can produce large runs of 5,000 copies or over at considerably lower unit cost than can be done in England or any other foreign country. So far as runs of less than 5,000 copies are concerned, it is not economical to produce them in this country and they ordinarily do not. An ordinary run in this country will be a minimum of from 10,000 to 15,000 copies, and for such runs—in spite of the higher prevailing wage rate in this country—it is possible for American printers to produce them at a lower unit cost. As proof of that I would like to cite the Bible, which year in and year out is the largest selling book in this country. Except for a few special translations, it enjoys no copyright protection. It is not affected by the manufacturing clause at the present time. Notwithstanding that fact, 95 percent of all Bibles sold in this country are printed in this country. If it were possible to have them produced cheaper in England or anywhere else, it would be done. But it is not done; and that to me is the best indication necessary to show that the removal of this restriction, the limited removal involved in this bill, would not in any way jeopardize any jobs of American workmen.

Mr. ROGERS of Colorado. Did you have any testimony from the labor organizations concerning their thought as to whether or not it would interfere with American workmen?

Mr. CRUMPACKER. Yes. We had testimony and I will say that the CIO favored enactment of this bill but the AFL printing trades unions opposed it. I may say that the Book Manufacturers Institute, which is a trade association for the book manufacturers of this country, favored enactment of the bill. If they do not feel there is any danger of their suffering from foreign competition it seems odd that these employees should. I might say that a great deal of evidence on the subject was presented. A detailed economic analysis was presented by the Book Publishers Council indicating there was no reason to fear this competition from abroad. It seems to me that the position of the printers trades union was wholly unsupported by any substantial evidence and should not be persuasive.

Mr. CELLER. Mr. Speaker, will the gentleman yield?

Mr. CRUMPACKER. I yield to the gentleman from New York.

Mr. CELLER. If we do not pass this legislation, does the gentleman not think there may be reprisals by the publishers of other countries which would react disastrously to our own book publishers who want to copyright the works of authors abroad under advantageous conditions?

Mr. CRUMPACKER. Yes; that is true. The Philippines is the largest single export market for American printed matter and they are considering such legislation. If we lose the Philippines market as a result of enactment of any such legislation it could have a serious effect on our own industry, and could result in the loss of a considerable number of jobs.

Mr. WALTER. Mr. Speaker, will the gentleman yield?

Mr. CRUMPACKER. I yield to the gentleman from Pennsylvania.

Mr. WALTER. Is it not a fact that the United States has by treaty agreed to this whole program and that this legislation is merely to implement the terms and provisions of the treaty heretofore entered into?

Mr. CRUMPACKER. That is true. The treaty cannot become effective without the legislation and the legislation cannot become effective without the treaty.

Mr. ROONEY. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. ROONEY. Mr. Speaker, I am in receipt of the following letter addressed to all the Members of the House from the city of New York by the Allied Printing Trades Council of Greater New York:

ALLIED PRINTING TRADES COUNCIL
OF GREATER NEW YORK,
New York, N. Y., July 27, 1954.

To the Representatives in Congress From City of New York.

GREETINGS: The printing trades workers of New York City, represented by the Allied Printing Trades Council, are very much concerned regarding S. 2559, H. R. 6616, and H. R. 6670, which deal with a change in the present copyright law.

We are of the honest opinion that this convention, and the legislation designed to implement it, discriminates against the American authors, publishers, and printing-trades workers, and we sincerely urge you to oppose these bills when they come before you.

We are sure that you are aware the proposals to eliminate the manufacturing clause have been condemned consistently by conventions of the American Federation of Labor, and the Allied Printing Trades Councils.

Since ratification of this discriminatory copyright convention would affect the job opportunities of the American workers, our only hope for a fair deal is that you and other Members of Congress will defeat the bills proposing repeal of the manufacturing clause.

We earnestly solicit your cooperation in this very important and vital matter.

Very truly yours,

LOUIS F. DONATO,
Secretary.

Mr. McCORMACK. Mr. Speaker, I have no further requests for time.

The SPEAKER. The question is on suspending the rules and passing the bill.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

GENERAL MOTORS

Mr. EBERHARTER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. EBERHARTER. Mr. Speaker, it might be interesting for me to say this afternoon that a few days ago a report appeared in the newspapers of the country which showed that the General Motors Corp. had a net profit over and above taxes and every other cost of over $400 million in a half year and that this $400 million profit in 6 months was $100 million more profit than they made in the same period last year.

Interesting also is the fact that the Federal taxes of the General Motors Corp. has been reduced in the same period—that is, for a like period—$300 million. If we will just contrast that, Mr. Speaker, we will see what is good for General Motors is good for the country, because in the great State of Pennsylvania there are thousands upon thousands of persons lined up to get food in order to sustain their families and their unemployed breadwinners.

Mr. Speaker, it may be good for General Motors, but I say it is not good for thousands upon thousands in many areas of the country who are lined up and getting free food in order to help sustain their families. I think the Members of Congress ought to know that.

Mr. MARSHALL. Mr. Speaker, will the gentleman yield?

Mr. EBERHARTER. I yield to the gentleman from Minnesota.

Mr. MARSHALL. I noticed in the morning paper that farm income has been steadily dropping and that the price of food to the consumers is still going up or retaining its position. Maybe that is part of the reason for the enormous profits to which the gentleman refers.

Mr. EBERHARTER. That is not good for the country. The farmer gets less money for what he produces and the city folks are paying just as much as they were. That is not good for the country, either.

VOTE ON ELECTION DAY

Mr. DOYLE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. DOYLE. Mr. Speaker and my colleagues, on this November 2, 1954, every Member of this great legislative body will be the subject of a yea or nay vote. Each American citizen who casts his or her vote by the use of the proverbial American secret ballot will have the choice of saying "yea" in approval of our records; or "nay" in disapproval thereof. This is as it should be. This is as it must always be in our beloved Nation.

I ask the time of this busy House this day because I feel it is imperative that you and I, as presently and duly elected representatives of the great American electorate, use our best and immediate endeavors in each of our respective congressional districts to have the largest possible number of American citizens do two things: First, to register in accordance with their respective State laws if they are not already registered and qualified to vote November 2; and, second, to go to the polls and vote on November 2. It appears crystal clear to me that you and I, as Members of the House of Representatives, should do everything within our power to emphasize and magnify the privilege of voting on November 2, and also the duty of voting.

For, certainly the right to vote is an American birthright. The 15th amendment to the United States Constitution, sections 1 and 2, provides as follows:

SECTION 1. The right of citizens of the United States to vote shall not be denied or abridged by the United States or by any State on account of race, color, or previous condition of servitude.

SEC. 2. The Congress shall have power to enforce this article by appropriate legislation.

Our forefathers then set the standard of both the duty and privilege of every American citizen, and as clear as crystal they declared that no American citizen was to be eliminated from exercising the right to vote, and thus being denied the honor and privilege of voting "on account of race, color, or previous condition of servitude." Therefore, my distinguished colleagues, it behooves you and me as we return to the respective congressional district, which we have the honor and responsibility of now representing, to actively urge, and urge in practical terms and firm convincing voices, the proposition that each of our respective congressional districts shall clearly increase the percentage of voters who shall cast their ballots on November 2. Doing anything less than this, in my humble judgment, will not be doing our fullest duty by our individual selves and toward the strengthening of the citizenship participation in shaping the destiny of our great Nation.

Yes; the electorate at the polls materially helps shape the destiny of our Nation. They do so by electing you or me, or defeating you or me. They literally do so by exercising their birthright. For, when a lad or lassie is born in these great United States he instantly has the birthright to exercise his or her elective franchise in accordance with article XV of our Constitution so soon as that infant becomes of voting age according to the law of the State wherein that child is born.

The cooperation which our great Library of Congress has furnished me in connection with my reading on this subject, properly to make these few remarks, shows that the voting percentage at the 1952 presidential election only exceeded the 1944 presidential voting average by 2.8 percent. As compared with the 1948 very low average of 52.1 percent, the percentage increase average was more than 10 percent. The Congressional Library factual report to me also tables the presidential election vote of November 4, 1952, for the United States as only 62.5 percent of the qualified electorate of 98,377,000 voters by only 61,551,919 casting their voets, while in Argentina, South America, at their election in November 1951 the percentage was 74.2; Australia in the election of September 1951 showed 95.6; Austria at its national election of February 1953, 96; Denmark in its national election September 1953, 80.3; France in its June 1951 elections with a qualified electorate of 24,973,143, 18,982,009 cast their votes, or 76; West Berlin in its December 1950 election made a percentage of electorate votes of 90.4; Great Britain in October 1951 elections, a percentage of 82.6; India in October 1951 and February 1952 elections, with qualified electorate of 174,470,000 cast over 107,000,000, or 61.6 percent; Mexico in the July 6, 1952, elections cast a percentage of 87.3; Spain in November 1951 a percentage of 85; Sweden in the election of September 1952 a percentage of 77. Compared with foreign countries then, the voters of the United States of America in the 1952 presidential elections rated 21st in percentages of the electorate that voted.

Of course, it is well known that the election laws in all these countries are not nearly uniform so that as a consequence the comparability of the voting averages of some foreign countries with those of the United States is open to question. And, of course, it may not be at all valid to make a strict comparison of voting percentages between that of any particular foreign country with that of any separate State of the United States. However, the accompanying figures should make us realize that, according to their own election laws, the voters in 24 foreign nations register and vote percentages far greater than we voters of the United States do.

When asking about the age group of Americans between 18 and 20 years of age, the Congressional Library informed me that there are no records available for any years of American citizens as to vote, excepting only as to the decennial census.

Let me quote for your most accurate information and guidance three paragraphs from the recent report to me on this subject from the Congressional Library:

That the increase-decrease span in voting participation shows little relationship to regions is apparent from the data presented in table 2. Changes in voting percentages for the years 1940–44 ranged from a plus 15.2 percent increase in Maine to a decrease of minus 5.7 in Oregon. While the overall decrease in voting from 1944 to 1948 Presidential election was a minus 7.6 percent, the State of Nebraska showed a decrease of minus 17 percent. North Carolina, 1 of 8 States to show increased voting for 1948 had a plus 4.9 percent average. In 1952 every State showed an increased vote over that of 1948. Oregon, which had the greatest decrease in 1944, also had the greatest increase (plus 20.2 percent) in 1952. Colorado with plus 0.2 percent had the smallest increase in 1952 over 1948. Of the many important reasons for the 1952 upsurge in voting are the population increases and the concerted drives by numerous organizations to "get out the vote."

Congressional election voting changes show that Kentucky had the highest increase from 1942 to 1946, or plus 15.2 percent, and fell to the bottom with a minus 9.2 percent in the period 1946 to 1950. North Dakota was lowest in the period 1942–46 with a minus 7.9 percent and Oregon was highest in the period 1946–50 with plus 16.5 percent.

In all the elections, it is interesting to note that States of the South—Arkansas, Florida, Georgia, Louisiana, Mississippi, and South Carolina—have shown steady increases in voter participation despite the fact that none of these States have had more than 50 percent voter participation since 1940.

Why is it that so many millions of Americans are said to be indifferent or in a state of apathy toward exercising their constitutional privilege and American birthright? I do not claim to have the answer but I do declare that you and I, as honored and responsible political leaders in our respective congressional districts, should put on the armor of our respective official obligations and private citizenship duty in this regard and vigorously encourage our congressional constituents regardless of race, color, or previous condition of servitude to be sure to register before the legal registration date runs out—and then to be sure to vote November 2.

Manifestly, the records speak that the average American voter turns out for State and national elections in greater percentages than he does for local or municipal elections. And, this is truly an increasingly dangerous situation. For, it appears probable that the percentage of participants in local or municipal elections which participate at the ballot box is growing less and less. And, while you and I, as American Representatives in Congress, are only the subject of the ballot-box decision once every 2 years when so-called national elections are held, I submit to you that very likely the reason fewer and fewer American citizens do not even qualify to vote—let alone that they do not use their ballot box franchise—is because a smaller and smaller percentage exercise their ballot-box franchise in their own local and State elections.

My purpose in these several minutes is not to undertake to make a thorough analysis of the figures and percentages, but to merely call to your attention what I hope may be a helpful and constructive outline showing the general trend. But

in addition to that, my distinguished colleagues, I definitely urge to your immediate attention and your actual worries, the proposition that it is in the interest of our national security, and our national welfare, and the solidarity of purpose for our beloved Nation that the percentage of American voters actually going to the ballot box should sharply increase instead of dangerously decrease.

I am convinced that one definite contribution toward the reasonable probability of materially increasing the percentage of voters in our respective congressional districts who actually both register in time and then actually vote their ballot in increasing numbers, is that you and I as the duly elected representatives of all the people in our districts furnish frequent, positive positions of community leadership within our districts in all programs to get out the voters. We still have time to do it in practically every State. In California, for instance, the time for registration ends September 8, and several of you with whom I have spoken have told me that the period to register in your respective States does not end until September. So, my colleagues, let's spend some time and money too, to make the people in our congressional districts aware of their privilege and duty of registering to vote in time, and then simultaneously let us, you and I, spend time and money to perceptibly increase the percentage of voters who actually go to the polls and vote. No matter if some of the increased percentage does vote against us—that is not the most important thing. Rather, the most important thing is increasing the percentages of American adults having the consciousness of the fact that they and each of them in our respective congressional districts have a vote which actually has a tangible effect on the destiny of our Nation. This is what we need. This is one fact we need to get across to the people in our districts. I am not urging you to spend some of your own time and money in this regard until I first have spent some of my own time and my own money doing it myself. Therefore, I am not ashamed to urge you to practice what I am preaching and what I have already put into practice myself.

Before my last few words on this important subject, let me give you the figures for the United States every 2 years since 1940:

	Potential voters	Votes cast	Percentage voting
United States:			
1940	83,989,000	49,820,312	59.3
1942	83,606,000	28,074,364	33.6
1944	80,298,000	47,976,263	59.7
1946	90,245,000	34,412,224	38.1
1948	93,704,000	48,833,680	52.1
1950	97,416,365	40,429,556	41.5
1952	98,377,000	61,551,919	62.5

Can an American citizen possess anything more valuable than his inherent birthright to register and vote in accordance with his own informed, conscious convictions? Is there any more magnificent badge of freedom than his right to vote? What clearer way is there for every American citizen to have a voice in his Government? If you and I want our fellow-citizens to increase in their loyalty and fealty to the American way of life as counterdistinct from false ideology, is there any better way for us to do it than to preach and practice in our own congressional districts that it is imperative to exercise their voting privileges? You and I both know that in our great Nation every man is actually equal to every other American citizen in the booth where he casts his ballot. Certainly each man's vote is counted exactly alike. Is it not true that in our own country the folks who elect us get the sort of Government which they deserve? Where is it in the processes of our beloved Nation that the people of the Nation control its destiny if it is not at the ballot box? Is it not at the ballot box where we as American people demonstrate our ability or lack of ability to govern ourselves? Is there any closer place to preserve our ballot box freedoms than in our congressional districts? While it has been truly said that eternal vigilance is the price of liberty, is it not equally true that voting intelligently and eternally is also the price of liberty? I remember reading that Edmund Burke once said "The only thing necessary for the triumph of evil is that good men do nothing." So, it is that I desire to apply this pronouncement of this distinguished Britisher to this matter of voting and add to that the only thing necessary for losing our freedom, and to have it no longer true that ours is a Government of the people, by the people, and for the people, is that the people in our respective congressional districts who call themselves good citizens shall increasingly stay away from the ballot box.

So, my colleagues, let us go home. Let us each go home to our respective congressional districts vigilant and vigorous and determined to spend some of our own time and money and strength and intelligence and patriotism in our own respective congressional districts by actually seeing to it that the folks in our respective congressional districts do two things:

First. Register to vote before the legal time for them to do so expires.

Second. In every practical way promote the largest possible participation at the polls of the largest possible number of voters.

This is the American way for you and I as Representatives of the people of our respective congressional district to contribute strength, security and patriotic devotion to our beloved Nation. This is one way that you and I can help sink the false and crude and dishonest atheistic Communist philosophy. This is the way we can justly and proudly magnify the privileges of being Americans.

Mr. EBERHARTER. Mr. Speaker, will the gentleman yield ?

Mr. DOYLE. I yield to the gentleman from Pennsylvania.

Mr. EBERHARTER. The gentleman has suggested that everybody who is qualified should vote. Has the gentleman any suggestions as to how they should vote?

Mr. DOYLE. No; I have not.

HOUSE MILITARY OPERATIONS SUBCOMMITTEE

The SPEAKER. Under previous order of the House, the gentleman from Texas [Mr. IKARD] is recognized for 60 minutes.

Mr. IKARD. Mr. Speaker, since the beginning of World War II in 1941, the largest single share of the Federal tax dollar has been spent for our military defenses and military aid to our allies in the free world.

Since 1946, between 33 percent and 72 percent of the total Federal expenditures have been for our national defense and for military aid to our allies.

Currently, military expenditures are running at a level of approximately 70 percent of our total expenditures.

Therefore, it is obvious that if any drastic cuts in overall Federal expenditures are to be made, most of these cuts will have to be made in military expenditures. Just as obvious, however, is the vital necessity that such cuts in military expenditures eliminate only excessive waste, extravagance, and inefficiency, and that such cuts do not impair the present or future strength of our Armed Forces.

During the 83d Congress I served as a member of the House Committee on Government Operations, the House committee which is charged with the duty of studying the operation of government at all levels with a view to determining its economy and efficiency.

During the 83d Congress, it has been my privilege to serve as a member of the Military Operations Subcommittee of the House Committee on Government Operations, under the able chairmanship of the gentleman from New York, Hon. R. WALTER RIEHLMAN.

The particular duty and responsibility of our Military Operations Subcommittee is to study the expenditure of Federal funds for military purposes, and to make recommendations to the Congress concerning measures which could be adopted to achieve more economy and efficiency in the field of military expenditures. Our subcommittee does not have specific legislative responsibility, but we have been granted extensive investigative authority, and our reports to the Congress have, I believe in all sincerity and modesty, been most helpful in remedying many situations where excessive and unnecessary military expenditures were formerly found.

I would like to take this opportunity, as the 83d Congress draws to a close, to present for the further information of the Members, a summary of the major activities of the Military Operations Subcommittee during this Congress.

The subcommittee has issued 11 intermediate reports to the Congress. These reports covered subcommittee activities ranging from investigations of specific programs, which pointed up irregularities in the business operations of the Government, to surveys of broad military programs.

In addition, the subcommittee has conducted several hearings in executive session concerning classified projects of the Department of Defense.

The subcommittee has been able to produce this great amount of work with, at most times, only 4 full-time professional staff members and 2 clerk-stenographers.

Some of the major accomplishments of the Military Operations Subcommittee are as follows:

SECOND INTERMEDIATE REPORT (H. REPT. NO. 169)—RETENTION OF RHOADS GENERAL HOSPITAL AS A STANDBY ARMY FACILITY

The report on the retention of Rhoads General Hospital, Utica, N. Y., as a standby Army facility recommended that this hospital be retained. The subcommittee supported the Army's position in spite of some pressure to the contrary.

This hospital, which cost about $5 million to build in World War II, could not be replaced for less than $10 million in today's market. The subcommittee is convinced that had this facility been allowed to be demolished, it would not have been long before the Congress would have a request for the construction of a new hospital.

THIRD INTERMEDIATE REPORT (H. REPT. NO. 857)—MILITARY SUPPLY MANAGEMENT

The subcommittee's report on military supply management served to assist the Secretary of Defense to promote several programs for better logistic and financial management.

While the subcommittee is reluctant to place a dollar value on the amount of savings resulting from its hearings and report, the Department of the Army announced this year that billions of dollars would eventually be saved as a result of new financial property accounting practices and inventory controls which are being instituted. The Army program which was strongly recommended by the subcommittee, is being designed to provide accounting tools by which modern businesslike fiscal controls can be applied to Army worldwide inventories. Early in 1954, the Under Secretary of the Army expressed his appreciation to the subcommittee for having assisted the Army in this connection, and added that "without it"—the subcommittee's assistance—"the benefits of these improved accounting methods could not have been accomplished."

The Assistant Secretary of Defense for Supply and Logistics recently recounted the progress made in supply management, and generously credited the subcommittee for its support of his programs.

FIFTH INTERMEDIATE REPORT (H. REPT. NO. 1051)—STUDY OF BUSINESS OPERATIONS IN THE DEFENSE ESTABLISHMENTS (PROCUREMENT)

The study of business operations in the Defense Establishment was a hard-hitting document containing case studies of ill-advised procurements.

The subcommittee discovered that the Department of the Army had procured $45 million worth of poorly designed field-type Army overcoats with leggings attached. They were bought at a time when there were enough overcoats to outfit an army 3 or 4 times the existing strength. This exposure has contributed to pointing up the need for instituting better inventory controls and for extending stock funds to posts, camps, and stations.

This same report reveals a military purchase in 1951 and 1952 of more than 800 forklift trucks which today are, except for an extremely small number, not usable. Nearly all are reported to be in storage because no one wants them. This procurement cost the Government about $3 million. The military departments involved have admitted to the subcommittee that this was a most unfortunate procurement. Steps are being taken to correct procurement procedures, particularly those with respect to preaward surveys. In addition, this report pointed up a basic weakness in procurement by single-service assignment.

Another part of this same report revealed that the Air Force purchased 142 miles of 9-foot expensive chain-link fence. Much is still unused. Some was even sent to bases which were not in existence. At a hearing subsequent to the subcommittee's issuance of its report, Brig. Gen. Fred J. Dau, Deputy Director of Supply and Services, Headquarters Air Materiel Command, Wright Field, United States Air Force, acknowledged publicly that this subcommittee's exposure revealed a loophole in Air Force inventory controls and accounting methods, and that corrective measures have been taken as a result of the subcommittee's hearings.

SIXTH INTERMEDIATE REPORT (HOUSE REPT. NO. 1196)—SURPLUS MILITARY PROPERTY, PART I

The report on surplus military property describes for the first time since the War Assets Administration days, the immediate and impending problem of huge stockpiles of surplus property. It has been estimated that there is as much as $10 billion worth of surplus property in Government warehouses in the United States and overseas.

Last fall the subcommittee visited 10 military installations throughout the United States, making a first-hand observation of the character of this property, the type of personnel administering the sales, and the selling methods which were being used.

The subcommittee found that during fiscal year 1953, the Department of Defense had disposed of excess, surplus, and replacement property which originally cost the Government substantially more than $1¼ billion. A subcommittee study revealed that overall recovery on all sales of this property—excluding sales of scrap and waste materials—averaged 6.3 percent of the original acquisition cost.

This subcommittee has criticized this low return to the Government from the sales, which in the Air Force amounted to 2.19 percent.

Since it is estimated that more than $2 billion worth of property will be sold during the next fiscal year, it is apparent that the Government gains $20 million for each 1-percent increase in rate of return which can be brought about by congressional "watchdog" activities.

The subcommittee does know that as a result of its investigations in the surplus property field, the Secretary of Defense and the Administrator of the General Services Administration have undertaken intensive reviews of their programs to determine how they might be improved.

EIGHTH INTERMEDIATE REPORT (H. REPT. 1216)—THE FEDERAL CATALOG PROGRAM

The subcommittee made a survey of the status, progress, and future plans for the completion of the Federal catalog program.

At present there are 14 major military supply systems, such as the Army Quartermaster Corps, the Navy's Ships Parts System, the Army engineers, the Air Force Supply System, and so forth. Each supply system names, describes, and numbers its items of supply independently of the other systems, although several systems stock identical items.

The objective of a single catalog system, therefore, is to provide a uniform language for the identification of items of supply within the Department of Defense—in order that one supply system will not be buying new material while another military supply system has large quantities of the same material rotting in warehouses or being sold as surplus, and so forth.

The subcommittee found that the Federal catalog program is sound in its objectives and that progress is being made in completing the cataloging, but that this progress had been painfully slow and that top officials in the military departments had given insufficient attention and priority to this most important program.

The subcommittee recommended that target dates for completion of various parts of the cataloging program be advanced considerably, inasmuch as many other long-needed changes in military supply management hinge upon completion of the cataloging project.

Only last week the subcommittee was most pleased to receive a report from the Assistant Secretary of Defense for Supply and Logistics stating that the target dates for completion of various parts of the cataloging program have now been so advanced.

TWELFTH INTERMEDIATE REPORT (H. REPT. NO. 1459)—ARMY BUDGET JUSTIFICATIONS FOR PROCUREMENT OF OVERCOATS

Further investigation of the Army's hasty and needless $45 million procurement of an ill-considered new-type overcoat with leggings in 1946 revealed that in the 4 succeeding years the Army came before Congress requesting an additional approximate $103 million for overcoats which it did not need and did not buy.

Apparently the money appropriated was spent for other items of "clothing and equipage," but the subcommittee hopes that monetary controls now being instituted by the Army will make possible a more accurate accounting for such funds spent in the future.

SEVENTEENTH INTERMEDIATE REPORT (H. REPT. NO. 1674)—MILITARY PROCUREMENT OF BLOOD SHIPPING CONTAINERS

The Armed Services Medical Procurement Agency, Brooklyn, N. Y., a joint agency which purchases medical supplies for all of the military departments, in June 1952 awarded contracts for the production of 33,750 insulated blood shipping containers at a total cost of over $1 million to a small company in New Jersey—Bailey Engineering Co., Ramsey, N. J.—which had no previous

experience in the production of this particular type of container.

Thirty thousand of these containers were to have been procured for the Federal Civil Defense Agency to be stockpiled for use in the event of atomic attack.

The company went into bankruptcy after having produced only 18,000 of the containers.

Tests conducted by the National Bureau of Standards at the request of the subcommittee revealed that the containers would not hold the temperature of bottled blood at the required cool temperature for the required time.

The subcommittee has recommended that the Agency institute more effective means for analyzing the financial and production facilities of potential contractors prior to the award of contracts, and the case has been referred to the Department of Justice for further investigation of possible fraud aspects.

EIGHTEENTH INTERMEDIATE REPORT (H. REPT. NO. 1881)—NAVY PROCUREMENT OF WIPING CLOTHS

The subcommittee discovered that the Navy had been accepting shipments of subspecification wiping cloths from unscrupulous contractors for many years.

The Navy purchases approximately $3 million worth of wiping cloths annually—for wiping down machinery and gun parts, for scrubbing, for soaking up oil, and so forth—and in samples inspected by the subcommittee, rejectionable materials furnished by contractors ranged as high as 88 percent in particular shipments.

As the result of the subcommittee's recommendations, Navy inspection procedures have been changed, and the Department of Justice has been requested to take appropriate action against the contractors involved.

TWENTY-SECOND INTERMEDIATE REPORT (H. REPT. NO. 2573)—AIR FORCE DEVELOPMENT AND PROCUREMENT OF AN/ARC–21 AIRBORNE RADIO TRANSCEIVERS

Last month the subcommittee held hearings and issued its report concerning the Air Force's development and procurement of an advanced design, long-range, airborne, radio transmitting and receiving set.

Since 1948, the Air Force has awarded contracts approximating $100 million for these sets, and have incurred costs of approximately $49 million under these contracts to date.

Between 700 and 800 of the 5,743 sets ordered have been delivered, and these have been found to be so unreliable as to be of no practical use in their present state. Presently, the Air Force is using substitute equipment.

The subcommittee has recommended that appropriate Defense Department officials review this particular development and production program in the Air Force, and decide what action should be taken to prevent further possible waste of funds.

ORGANIZATION AND ADMINISTRATION OF THE MILITARY RESEARCH AND DEVELOPMENT PROGRAM

Last week the subcommittee issued its report on the organization and administration of the military's research and development programs.

This report was based upon 12 days of hearings during which the subcommittee received 1,500 pages of testimony from 20 principal witnesses, including top Defense and Military Department officials, military and civilian scientists working at military research and development installations, and distinguished representatives of the national scientific community such as Dr. Killian of MIT and Dr. Vannevar Bush of the Carnegie Institute of Washington.

The subcommittee's report noted several shortcomings in both the organization and administration of the military research and development program, and evidence of a deepening rift between the military officials and our vital civilian scientists.

The subcommittee hopes to see improvement in this most important program in the near future.

FOLLOWUP HEARINGS

Recently, the Military Operations Subcommittee conducted a hearing rather novel in congressional experience.

It is a commonly voiced criticism that congressional committees conduct investigations, issue reports, and then fail to follow up their reports to see that remedial action is taken.

Last week the subcommittee called in representatives from the Department of Defense and the three military departments, and reviewed all of the reports issued by the subcommittee during the 83d Congress to determine what action had been taken by military officials subsequent to the receipt of the reports, and to determine what further action will be necessary to correct the underlying faults in the future.

I think this is a most valuable and effective innovation.

FAMILY-TYPE FARM

The SPEAKER. Under previous order of the House, the gentleman from Texas [Mr. PATMAN] is recognized for 15 minutes.

Mr. PATMAN. Mr. Speaker, one of the most gratifying experiences I have had during the present session of the Congress has been the response to my address of June 23 in regard to the preservation of family-type agriculture.

The response has come from farmers, small-business men who have a growing realization of their dependence on the maintenance of family-type farming, and from agricultural economists in colleges and universities.

BENEFITS TO BE LIMITED

I urged in my address to the House that we adopt a limitation which will confine the benefits of farm price support programs and other farm aid to a reasonable family income, requiring those who exceed a family level of production to market their excess without Government support or subsidy.

Prof. John L. Fulmer, of Emory University's School of Business Administration, has written me:

I want you to know that I heartily endorse every word (of your address on Farm Programs and Family Farms). * * * You are perfectly correct in your assertion that recent trends toward the large commercial farms hold serious dangers to farmers and to the country as a whole which depends on the conservation of farm population to preserve a balance in politics.

Professor Fulmer enclosed a paper which he delivered at the 20th annual meeting of the Southern Economic Association in New Orleans in 1950, discussing the effect of farm programs on southern agriculture, in which he found that "much public assistance in agriculture is designed and has the effect of giving to 'him that hath'."

Professor Fulmer quotes with approval from a study of Dr. Charles M. Hardin which found:

Thus, in the AAA (PMA) program, some 20 percent of the farmers get 60 percent of the payments. The Farm Credit Administration operates to provide favorable credit terms to commercial farmers. Marketing programs obviously favor the commercial farmers, especially those who, constituting a third of all farmers, supply some 80 percent of the commercial agricultural product.

Generally speaking, agricultural research and extension have most benefited those farmers already in better financial position than their neighbors.

E. E. Agger of the Department of Economics at Rutgers University writes that—

I read the speech with the greatest interest and complete sympathy.

He added:

For years I have contended that our American enterprise system grew up in an era of small business, and that unless we can maintain a large area within the economy for small business the system is doomed. And agriculture presents an even broader problem of far-reaching sociological significance. With that problem you have dealt in a most convincing manner in your speech.

FAVORABLE RESPONSE

I have been particularly pleased that farm people themselves across the Nation have responded, without exception, very favorably. I believe that a sampling of these letters is well worth the attention of Members of the House. They strongly support, in the moving language and experience of farm people themselves, the arguments which are advanced for fostering family-type agriculture.

Here is a letter from Moss, Mich., from Paul Siren:

It is heartening to know that someone is speaking for an old American way of life—to have a home, a few acres one can call one's own; a garden, a few fruit trees, and a few cows, chickens, pigs, etc., and in the evening sit on the porch and watch them grazing in the fields.

The trend is for Mr. Big to swallow Mr. Little Little and finally Mr. Little. I believe the trend should be reversed. That in order to be a farmer one need not be a millionaire.

There is the threat of communism if the land-hungry multitudes are to be serfs and peons. Let a man have a chance to have a home, a few acres, and a chance to make a living and he will not in despair embrace communism.

Again I thank you.

Mr. Albert N. Hume, of Brookings, S. Dak., has written me as follows:

I have read your address of June 23 in the House of Representatives about farm programs and the family farm. I am in agreement with your proposition in detail.

Am especially grateful for your statesmanlike attitude in considering a vital issue in our national life. Frankly, it is encouraging to note that yourself and some others have courage and evident ability to render that standard of public service in this issue and others.

If it seems well to do so, please extend this appreciation to the honorable Congressmen from Illinois and Kansas who agreed with you. In these times of stress "keep the faith."

Alfred Gunderson, of Sturgeon Lake, Minn., writes:

I wish to render a hearty thanks for your address on the farm programs and the family farm. We appreciate your stand.

State Senator David F. James, from out in Montana, writes:

I have just read your address relative to the family-type farm. I think your thoughts are entirely correct and to the point. It is regrettable that legislation toward this end cannot be enacted, or can it?

Many of us out here are alarmed with the attitude of the Department of Agriculture acting in the role of trying to destroy our farm programs. I feel they will get a setback this fall when the votes are counted.

WONDERFUL LETTER FROM HOUSEWIFE

Finally, I want to read a splendid letter from Mrs. Roy Oeder, of Garfield, Minn., which deals in direct, human, and eloquent language with the problems of family-type farmers, their hopes and aspirations, their disappointments and their burdens.

Let me say that I appreciate such letters as Mrs. Oeder has written me immeasurably; that I have read and reread it, and several others of a similar nature, for they tell the story of the successes and failures of our democracy, of the bravery and fortitude of our citizens, in an individual, human frame of reference. Here in the Capital we deal in statistics and theories. A farm recession that dashes the hopes of a million farm families for a little comfort and a little surcease from bill collectors is translated into a curve on a piece of graph paper before it reaches us.

Mrs. Oeder's letter reverses that process and reveals simply and directly what the curve means to an individual American family struggling to raise a family in the wholesome, happy but character-building surroundings of a family farm:

I read your address, Farm Programs and the Family Farm, over once, and today I read it again. I want you to know that my morale was helped a great deal to know that there are people who understand the farm situation and are doing things to help us family farmers. We farmers aren't taken in by the talk that we are a burden on the taxpayers. I was born and raised in Minneapolis; my husband was raised in North Dakota on a farm. We understand the fact that what happens to small farmers has a great deal of bearing on what happens to cities and towns. Those people who are trying to get us so-called inefficient farmers off the land will send us into a farm depression, and in turn affect our economy, until we pull the cities down with us. I sometimes wonder what type of men they are. Has money become their god?

You were so right about corporation farming. If they want that type of farm, let them take their chances in the free market.

I listened to Billy Graham Sunday afternoon tell about juvenile delinquency. He's been told it is almost out of hand. I have a little girl, age 5, and one of the reasons we have for sticking this thing out is the fact that it is such a good life for her. The kids here have fun, but they work, too. They are more satisfied and obey better.

We started farming in 1946 after my husband got out of the Army. Had the usual luck of a beginning farmer starting on a small capital. Bangs in our herd, well trouble, sickness, etc. We were beginning to see a little light on the horizon, when we were told there was too much surplus, etc. This farm had been rented for years, and my husband has taken the wornout land, and put it in good productive state. We have done what we could to the buildings, and had hoped to do more. Being without furnace in the cold climate, running water, bathroom, etc., we took it because we hoped for better things, but now it seems so hard to be without. It doesn't seem possible that here in these United States that a hard-working person can't have these things.

I wish you could see how the women around here work. You have no idea. They do their housework, plus a man's job, most of them. I have been ill, and being from the city, milking cows to me is something I just can't do. The women usually do that, when the men are in the field, but some do it all the time. They have chicken chores, big gardens, usually do all the decorating in the house, even carpenter work, because the men are usually too busy. Then they have their church work, take turns being leaders for 4–H, etc. Even with all this work, they seem ever so much more satisfied, than my city friends.

I'm going to ask you to do me a favor, please.

I would like to have you send your address to the people I will list on another sheet of paper. They will be in different occupations; both city and farm people.

I think your address was the best I've read, and I hope to read Mr. Shinner's paper too.

Written in all sincerity, that the future will be brighter than it looks to us right now.

Mrs. ROY OEDER.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the RECORD, or to revise and extend remarks, was granted to:

Mr. MACK of Washington in three instances and to include extraneous matter.

Mr. KERSTEN of Wisconsin.

Mr. PATTERSON.

Mr. BONIN

Mr. BURDICK.

Mr. WALTER.

Mr. PRICE and to include additional matter.

Mr. MOULDER (at the request of Mr. DOYLE) in two instances and to include additional material.

Mr. MCCORMACK and to include additional matter.

Mr. SMITH of Mississippi and to include additional matter.

Mr. HAGEN of Minnesota in three instances and to include additional matter.

Mr. SMITH of Wisconsin in two instances and to include additional matter.

Mr. BUSBEY and to include extraneous matter.

Mr. WITHROW (at the request of Mr. O'KONSKI) and to include extraneous matter.

Mr. BENDER in four instances and to include additional matter.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. BENNETT of Michigan (at the request of Mr. O'HARA of Minnesota), on account of illness in family, from July 29 to August 5, 1954.

Mr. WIGGLESWORTH (at the request of Mr. HESELTON) for 2 days, on account of death in family.

ENROLLED BILLS SIGNED

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 3344. An act to amend the mineral leasing laws and the mining laws to provide for multiple mineral development of the same tracks of the public lands, and for other purposes; and

S. 3683. An act to amend the District of Columbia Credit Unions Act.

BILLS PRESENTED TO THE PRESIDENT

Mr. LECOMPTE, from the Committee on House Administration, reported that that committee did on August 2, 1954, present to the President, for his approval, a bill of the House of the following title:

H. R. 7839. An act to aid in the provision and improvement of housing, the elimination and prevention of slums, and the conservation and development of urban communities.

ADJOURNMENT

Mr. HALLECK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 26 minutes p. m.) the House adjourned until tomorrow, Wednesday, August 4, 1954, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1792. A letter from the Assistant Secretary of the Interior, transmitting a report on the Michaud Flats project, Idaho, pursuant to section 9 (a) of the Reclamation Project Act of 1939 (53 Stat. 1187) (H. Doc. No. 485); to the Committee on Interior and Insular Affairs and ordered to be printed, with illustrations.

1793. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated June 29, 1954, submitting a report, together with accompanying papers and an illustration, on a review of reports on Ashtabula Harbor, Ohio, requested by a resolution of the Committee on Public Works of the House of Representatives adopted on June 24, 1953 (H. Doc. 486); to the Committee on Public Works and ordered to be printed, with one illustration.

1794. A letter from the Secretary of the Army, transmitting a letter from the Chief on Engineers, Department of the Army, dated May 24, 1954, submitting an interim report, together with accompanying papers and illustrations, on a review of reports on Port Aransas-Corpus Christi Waterway, Tex., requested by a resolution of the Committee on Public Works, House of Representatives,

adopted on September 27, 1951. The report is limited to consideration of the immediate need of modification of the entrance channel to Corpus Christi turning basin. A final report under this authority will be submitted at a later date (H. Doc. No. 487); to the Committee on Public Works and ordered to be printed, with 2 illustrations.

1795. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated March 15, 1954, submitting a report, together with accompanying papers and illustrations, on a review of reports on, and preliminary examinations and surveys of the Red River and tributaries, Texas, Oklahoma, Arkansas, and Louisiana, made pursuant to several congressional authorizations listed in the report (H. Doc. No. 488); to the Committee on Public Works and ordered to be printed, with 13 illustrations.

1796. A letter from the Secretary, Panama Canal Company, relative to a draft of a joint resolution entitled "Joint Resolution authorizing and directing the performance of an agreement with the Republic of Panama regarding the relocation of the terminal facilities of the Panama Railroad in the city of Panama"; to the Committee on Foreign Affairs.

1797. A letter from the Assistant Secretary of the Interior, transmitting a draft of a proposed bill entitled "A bill to provide for the transfer of title to certain land and the improvements thereon to the Pueblo of San Lorenzo (Pueblo of Picuris), in New Mexico, and for other purposes"; to the Committee on Interior and Insular Affairs.

1798. A letter from the Secretary of Commerce, transmitting a report of the activities relating to war-risk insurance and certain marine and liability insurance for the American public as of June 30, 1954, pursuant to Public Law 763, 81st Congress; to the Committee on Merchant Marine and Fisheries.

1799. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting copies of orders suspending deportation as well as a list of the persons involved, pursuant to section 244 (a) (5) of the Immigration and Nationality Act of 1952 (8 U. S. C. 1254 (a) (5)); to the Committee on the Judiciary.

1800. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting copies of orders suspending deportation as well as a list of the persons involved, pursuant to the act approved July 1, 1948 (Public Law 863), amending subsection (c) of section 19 of the Immigration Act of February 5, 1917, as amended (8 U. S. C. 155 (c)); to the Committee on the Judiciary.

1801. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting copies of orders granting the applications for permanent residence filed by the subjects, pursuant to section 4 of the Displaced Persons Act of 1948, as amended; to the Committee on the Judiciary.

1802. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting copies of orders suspending deportation as well as a list of the persons involved, pursuant to section 244 (a) (1) of the Immigration and Nationality Act of 1952 (8 U. S. C. 1254 (a) (1); to the Committee on the Judiciary.

1803. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting copies of orders granting the applications for permanent residence filed by the subjects, pursuant to section 6 of the Refugee Relief Act of 1953; to the Committee on the Judiciary.

1804. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting new and additional evidence in the case of Yam Lau, O300-390192, involving the provisions of section 4 of the Displaced Persons Act of 1948, as amended, and requesting that it be withdrawn from those now before the Congress and returned to the jurisdiction of this service; to the Committee on the Judiciary.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. BISHOP: Joint Committee on the Disposition of Executive Papers. House Report No. 2605. Report on the disposition of certain papers of sundry executive departments. Ordered to be printed.

Mr. GRAHAM: Committee on the Judiciary. S. 16. An act to amend the immunity provision relating to testimony given by witnesses before either House of Congress or their committees; with amendment (Rept. No. 2606). Referred to the House Calendar.

Mr. GROSS: Committee on Post Office and Civil Service. S. 361. An act to provide for renewal of and adjustment of compensation under contracts for carrying mail on water routes; with amendment (Rept. No. 2607). Referred to the Committee of the Whole House on the State of the Union.

Mr. CRUMPACKER: Committee on the Judiciary. H. R. 6616. A bill to amend title 17, United States Code, entitled "Copyrights"; with amendment (Rept. No. 2608). Referred to the Committee of the Whole House on the State of the Union.

Mr. HOPE: Committee on Agriculture. House Joint Resolution 563. Joint resolution relating to sales of Commodity Credit Corporation corn; with amendment (Rept. No. 2609). Referred to the Committee of the Whole House on the State of the Union.

Mr. MILLER of Nebraska: Committee on Interior and Insular Affairs. H. R. 8859. A bill to convey the reversionary interest of the United States in certain lands to the city of Pawnee, Okla.; without amendment (Rept. No. 2610). Referred to the Committee of the Whole House on the State of the Union.

Mr. MILLER of Nebraska: Committee on Interior and Insular Affairs. H. R. 9790. A bill to amend the act of June 30, 1948, so as to extend for 5 additional years the authority of the Secretary of the Interior to issue patents for certain public lands in Monroe County, Mich., held under color of title; with amendment (Rept. No. 2611). Referred to the Committee of the Whole House on the State of the Union.

Mr. HYDE: Committee on the Judiciary. H. R. 4975. A bill to prescribe a method by which the Houses of Congress and their committees may invoke the aid of the courts in compelling the testimony of witnesses; with amendment (Rept. No. 2612). Referred to the Committee of the Whole House on the State of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. JONAS of Illinois: Committee on the Judiciary. S. 45. An act for the relief of Mrs. Merle Cappeller Weyel; with amendment (Rept. No. 2589). Referred to the Committee of the Whole House.

Mr. GRAHAM: Committee on the Judiciary. S. 1308. An act for the relief of Leonard Hungerford; without amendment (Rept. No. 2590). Referred to the Committee of the Whole House.

Mr. GRAHAM: Committee on the Judiciary. S. 1845. An act for the relief of Dr. Ian Yung-cheng Hu; without amendment (Rept. No. 2591). Referred to the Committee of the Whole House.

Mr. GRAHAM: Committee on the Judiciary. S. 1904. An act for the relief of Ottilie Theresa Workmann; without amendment (Rept. No. 2592). Referred to the Committee of the Whole House.

Mr. GRAHAM: Committee on the Judiciary. S. 1959. An act for the relief of Mrs. Annemarie Namias; without amendment (Rept. No. 2593). Referred to the Committee of the Whole House.

Mr. GRAHAM: Committee on the Judiciary. S. 2156. An act for the relief of John Enepekides, his wife, Anna, and his son, George; without amendment (Rept. No. 2594). Referred to the Committee of the Whole House.

Mr. GRAHAM: Committee on the Judiciary. S. 2461. An act for the relief of Berta Hellmich; without amendment (Rept. No. 2595). Referred to the Committee of the Whole House.

Mr. GRAHAM: Committee on the Judiciary. S. 2618. An act for the relief of Ertogroul Osman; without amendment (Rept. No. 2596). Referred to the Committee of the Whole House.

Mr. GRAHAM: Committee on the Judiciary. S. 2798. An act for the relief of Azizollah Azordegan; without amendment (Rept. No. 2597). Referred to the Committee of the Whole House.

Mr. GRAHAM: Committee on the Judiciary. S. 2958. An act for the relief of Ida Reissmuller and Johnny Damon Eugene Reissmuller; without amendment (Rept. No. 2598). Referred to the Committee of the Whole House.

Mr. GRAHAM: Committee on the Judiciary. H. R. 1190. A bill for the relief of Rene Rachell Luyse Kubicek; with amendment (Rept. No. 2599). Referred to the Committee of the Whole House.

Mr. JONAS of Illinois: Committee on the Judiciary. H. R. 2030. A bill for the relief of Dr. Reuben Rapaport; without amendment (Rept. No. 2600). Referred to the Committee of the Whole House.

Mr. MILLER of New York: Committee on the Judiciary. H. R. 7362. A bill for the relief of Frederick F. Gaskin; without amendment (Rept. No. 2601). Referred to the Committee of the Whole House.

Mr. MILLER of New York: Committee on the Judiciary. H. R. 7717. A bill for the relief of Joseph H. Washburn; with amendment (Rept. No. 2602). Referred to the Committee of the Whole House.

Mr. GRAHAM: Committee on the Judiciary. H. R. 8261. A bill for the relief of Fay Jeannette Lee; with amendment (Rept. No. 2603). Referred to the Committee of the Whole House.

Mr. MILLER of New York: Committee on the Judiciary. H. R. 8294. A bill for the relief of Harold C. Nelson and Dewey L. Young; without amendment (Rept. No. 2604). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. FRELINGHUYSEN:

H. R. 10149. A bill to provide for emergency Federal financial assistance to the States and Territories in the construction of public elementary and secondary school facilities urgently needed because of overcrowding, and to encourage full and efficient use of State and local resources in meeting school construction needs, and for other purposes; to the Committee on Education and Labor.

By Mr. BARTLETT:

H. R. 10150. A bill to authorize the sale of certain land in Alaska to the city of Anchorage, Alaska, for recreational and other municipal purposes; to the Committee on Armed Services.

By Mr. BURLESON:

H. R. 10151. A bill to authorize purchase of a portion of the bonds issued by the Brazos River Authority, an agency of the State of Texas, to finance the early development by it of the water resources of the Brazos River Basin, Tex.; to the Committee on Public Works.

By Mr. CARLYLE:

H. R. 10152. A bill relating to the Lumbee Indians of North Carolina; to the Committee on Interior and Insular Affairs.

By Mr. KELLEY of Pennsylvania:

H. R. 10153. A bill to amend the Fair Labor Standards Act of 1938 to establish a $1.25 minimum hourly wage, and for other purposes; to the Committee on Education and Labor.

By Mr. LANE:

H. R. 10154. A bill to amend the Fair Labor Standards Act of 1938 to establish a $1.25 minimum hourly wage, and for other purposes; to the Committee on Education and Labor.

By Mr. LUCAS:

H. R. 10155. A bill to provide for the reconveyance of certain lands in the Benbrook Dam and Reservoir project, Texas, to former owners of such lands; to the Committee on Public Works.

By Mr. MATTHEWS:

H. R. 10156. A bill to provide for an ad valorem duty on the importation of shrimp; to the Committee on Ways and Means.

By Mr. SIKES:

H. R. 10157. A bill to provide for an ad valorem duty on the importation of shrimp; to the Committee on Ways and Means.

By Mr. CELLER:

H. R. 10158. A bill to provide for the payment of fees to counsel assigned to represent indigent defendants in felony cases; to the Committee of the Judiciary.

By Mr. RODINO:

H. R. 10159. A bill to amend the Fair Labor Standards Act of 1938 to establish a $1.25 minimum hourly wage, and for other purposes; to the Committee on Education and Labor.

By Mr. WIER:

H. R. 10160. A bill to provide the highest degree of safety in the protection of the public interest and in accordance with proven operational experience and tested reliability; and to promote adequate, economical, and efficient air service by carriers, without unjust discriminations, undue preferences or advantages, or unfair or destructive competitive practices; to the Committee on Interstate and Foreign Commerce.

By Mr. STRINGFELLOW:

H. J. Res. 580. Joint resolution proposing an amendment to the Constitution of the United States relating to the procedure for amending the Constitution; to the Committee on the Judiciary.

By Mr. HINSHAW:

H. Con. Res. 267. Concurrent resolution authorizing the printing of additional copies of the hearings held by the Joint Committee on Atomic Energy relative to the contribution of atomic energy to medicine; to the Committee on House Administration.

By Mr. DONDERO:

H. Res. 695. Resolution authorizing the printing of additional copies of the report of the Committee on Public Works on the St. Lawrence seaway; to the Committee on House Administration.

By Mr. SIKES:

H. Res. 696. Resolution that it is the sense of the House of Representatives that the President grant sovereignty to the Federal Republic of Germany; to the Committee on Foreign Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BLATNIK:

H. R. 10161. A bill for the relief of Harry Ling; to the Committee on the Judiciary.

By Mr. HYDE:

H. R. 10162. A bill for the relief of Dr. Klaus Shawarz; to the Committee on the Judiciary.

By Mr. JACKSON:

H. R. 10163. A bill for the relief of Miquel Ulloa Reynoso; to the Committee on the Judiciary.

By Mr. KING of California:

H. R. 10164. A bill for the relief of Clare F. Young; to the Committee on the Judiciary.

By Mr. LIPSCOMB:

H. R. 10165. A bill for the relief of Jose Domingo Quintanar; to the Committee on the Judiciary.

By Mr. PATTERSON:

H. R. 10166. A bill for the relief of Andrew Christopher Smith; to the Committee on the Judiciary.

By Mr. PRESTON:

H. R. 10167. A bill for the relief of Elpis Eleptheria Morelell; to the Committee on the Judiciary.

By Mr. SPENCE:

H. R. 10168. A bill for the relief of Auguste Cuccoluto; to the Committee on the Judiciary.

By Mr. WALTER:

H. R. 10169. A bill for the relief of Christian Andresen; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1127. By Mr. JONES of Alabama: Petition of Mrs. Travis A. Clark and others in support of the Bryson bill, H. R. 1227; to the Committee on Interstate and Foreign Commerce.

1128. By Mr. PHILBIN: Petition of Mary E. Luscombe of Fitchburg, Mass., and others in favor of legislation to prohibit alcoholic beverage advertising over the radio and television and in magazines and newspapers; to the Committee on Interstate and Foreign Commerce.

1129. Also, petition of Miss May O. Peterson of Fitchburg, Mass., and others, in favor of the Bryson bill; to the Committee on Interstate and Foreign Commerce.

1130. Also, petition of Minnie E. Macdonald, of Leominster, Mass., and others, in favor of legislation to prohibit alcoholic beverage advertising over the radio and television and in magazines and newspapers; to the Committee on Interstate and Foreign Commerce.

1131. By the SPEAKER: Petition of Norman Baker, Miami, Fla, relative to petition of impeachment of Thomas C. Trimble, justice of the District Court of the United States for the Eastern District of Arkansas at Little Rock with accompanying documents; to the Committee on the Judiciary.

COMMITTEE EMPLOYEES

COMMITTEE ON AGRICULTURE

JULY 12, 1954.

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134 (b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 1, 1954, to June 30, 1954, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
George L. Reid, Jr.	Clerk	$5,823.00
John J. Heimburger	Counsel	5,823.00
Francis M. LeMay	Staff consultant	5,823.00
Mabel C. Downey	Assistant clerk	5,659.74
Lydia Vacin	Staff assistant	3,424.08
Alice Klotz	do	3,089.40
Betty Prezioso	do	2,631.42
Arlow Hill	Clerical aid	2,213.22

Funds authorized or appropriated for committee expenditures	$50,000.00
Amount of expenditures previously reported	29,458.51
Amount expended from Jan. 1, 1954, to June 30, 1954	12,022.10
Total amount expended from June 11, 1953 to June 30, 1954	41,480.61
Balance unexpended as of June 30, 1954	8,519.39

CLIFFORD R. HOPE,
Chairman.

COMMITTEE ON APPROPRIATIONS

JULY — 1954.

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134 (b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 1, 1954, to June 30, 1954, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
George Y. Harvey	The clerk	$5,823.00
Kenneth Sprankle	The assistant clerk	5,823.00
William A. Duvall	Second assistant clerk.	3,882.00
Corhal D. Orescan	Assistant clerk	5,823.00
Robert E. Lambert	do	5,823.00
Paul M. Wilson	do	5,823.00
Ross P. Pope	do	5,823.00
Jay B. Howe	do	5,823.00
Samuel W. Crosby	do	5,642.52
Robert P. Williams	do	5,158.68
Carson W. Culp	do	5,054.97
Robert M. Moyer	do	4,951.29
Frank Sanders	do	4,813.02
Robert L. Michaels	do	3,941.88
G. Homer Skarin	do	3,941.88
Lawrence C. Miller	Junior assistant clerk.	3,145.26
Earl C. Silsby	do	3,065.58
Francis G. Merrill	do	2,667.30
Samuel R. Preston	Clerk-stenographer	2,428.32
Donald R. Bridges	do	1,616.30
Robert M. Lewis	Messenger	1,854.78
Willie Tarrant	Janitor-messenger	1,517.52
John C. Pugh	Consultant	1,216.14
Ralph W. Horton	Clerk to the majority.	4,951.26
E. L. Eckloff	Clerk to the minority.	4,951.26
Lawrence A. DiCenzo	Clerk-stenographer to the chairman.	2,189.34
Delores Cropper	Clerk-stenographer to the ranking minority member.	1,870.68
Donald G. Adams	Clerk-stenographer to subcommittee.	1,824.45
Nella L. Adams	do	2,189.34
Charles C. Andersen	do	2,189.34
Helen F. Baden	do	2,189.34
Robert S. Bourbon	do	364.89
Helen C. Chapin	do	364.89
John G. Clevenger	do	2,189.34
Robbieburr W. Courtney.	do	1,230.63
Audrey-Jo Dolan	do	845.82
James W. Dudley	do	2,189.34
Julia M. Elliott	do	2,189.34
Mary S. Francis	do	729.78
Theodora M. Grant	do	2,189.34

Name of employee	Profession	Total gross salary during 6-month period
William Albert Jackson.	Clerk-stenographer to subcommittee.	$1,094.67
Margaret D. Lane	do	364.89
Jane T. Lumkin	do	1,824.45
William J. Neary	do	2,189.34
Esther N. Schweigert	do	364.89
Margie H. Trew	do	1,459.56
Phyllis N. Troy	do	1,976.88
Mary A. Vaughan	do	2,189.34
Dorothy Vitale	do	2,189.34
Hilda C. Yeatman	do	1,824.45

Funds authorized or appropriated for committee expenditures	$330,000.00
Amount of expenditures previously reported	143,365.05
Amount expended from Jan. 1, 1954, to June 30, 1954	145,784.63
Total amount expended from July 1, 1953, to June 30, 1954	289,149.68
Balance unexpended as of June 30, 1954	40,850.32

JOHN TABER,
Chairman.

COMMITTEE ON APPROPRIATIONS

JULY 1954.

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134 (b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 1, 1954, to June 30, 1954, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Harris H. Huston	Director of surveys and investigations.	$5,823.00
George S. Green	Investigator	5,448.96
Rose Marie Wahler	Stenographer	2,253.06
Ethel P. Powers	do	2,010.06
Dorothy Lillian Krueger.	do	790.96
Robert A. Collier	Consultant	659.75
Wilbur M. Cotton	do	4,450.00
E. Z. Deadrich	do	3,600.00
Harold J. DeVeau	do	1,720.00
T. Howard Dolan	do	4,122.05
Gerhard J. Drechsler	do	3,204.10
Charles R. Fay	do	800.00
Joseph B. Gromel	do	4,350.00
Merrill M. Hammond	do	4,586.20
George A. Horch	do	3,200.00
John P. Kotteamp	do	5,000.00
John F. Mahaney	do	4,000.00
W. J. McWilliams	do	3,350.00
William E. Morris	do	2,820.77
George M. Norris	do	2,250.00
Francis T. O'Donnell	do	5,239.92
Arthur Olsen	do	3,600.00
Thomas J. Quinn	do	3,300.00
Walter C. Reich	do	3,600.00
John W. Robinson	do	3,720.44
Walter Schaefer	do	5,850.00
James F. Tierney	do	2,986.61
Charles H. Towns	do	1,550.00
Alvin H. Weiss	do	4,400.00
Robert W. Zehring	do	5,592.45

REIMBURSEMENTS TO GOVERNMENT AGENCIES

Department of Agriculture: David A. Curry.	Editorial assistant	$622.52
Federal Power Commission: Roger W. Harman.	Investigator	278.64
Department of the Navy: Otho W. Helm.	Clerk-stenographer.	$828.25
U. S. Information Agency: William A. Robey.	Editorial assistant	726.15

Funds authorized or appropriated for committee expenditures	$450,000.00
Amount of expenditures previously reported	27,552.50
Amount expended from Jan. 1, 1954, to June 30, 1954	113,857.27
Total amount expended from July 1, 1953, to June 30, 1954	141,409.77
Balance unexpended as of June 30, 1954	308,590.23

JOHN TABER,
Chairman.

COMMITTEE ON ARMED SERVICES

JULY 2, 1954.

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134 (b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 1, 1954, to June 30, 1954, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Robert W. Smart	Chief counsel	$5,823.00
John R. Blandford	Counsel	5,823.00
Charles F. Ducander	do	5,823.00
Philip W. Kelleher	do	5,823.00
Janice G. Angell	Clerical staff	2,810.70
L. Louise Ellis	do	2,810.70
Elizabeth Gilmore	do	1,139.89
Agnes H. Johnston	do	3,065.58
Berniece Kalinowski	do	2,810.70
H. Bailey Yeager	do	40.53
John J. Courtney	Special counsel	5,823.00
James W. Birthright	Assistant special counsel.	5,020.38
Edward T. Fogo	Investigator	4,467.42
Lloyd R. Kuhn	do	3,734.76
Dorothy Britton	Secretary	2,348.64
Dorothea Clore	do	2,268.96
Romer Kiess	Clerk	729.78
Adeline Tolerton	do (Office of the special counsel operating under H. Res. 125 and H. R. 156, 83d Cong.)	936.55

Funds authorized or appropriated for committee expenditures	$150,000.00
Amount of expenditures previously reported	53,187.95
Amount expended from Jan. 1, 1954, to June 30, 1954	29,814.44
Total amount expended from Mar. 1, 1953, to June 30, 1954	83,002.39
Balance unexpended as of June 30, 1954	66,997.61

DEWEY SHORT,
Chairman.

COMMITTEE ON BANKING AND CURRENCY

JULY 14, 1954.

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134 (b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 1, 1954, to June 30, 1954, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Orman S. Fink	Technical staff director.	$5,823.00
John E. Barriere	Technical staff	5,823.00
William J. Hallahan	Clerk	5,823.00
Elsie L. Gould	Deputy clerk	4,322.04
Helen E. Long	Assistant clerk	3,145.26
Mary W. Layton	Stenographer	3,145.26

Funds authorized or appropriated for committee expenditures: None.

JESSE P. WOLCOTT,
Chairman.

COMMITTEE ON THE DISTRICT OF COLUMBIA

JULY 6, 1954.

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134 (b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 1, 1954, to June 30, 1954, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
William N. McLeod, Jr.	Clerk	$5,822.28
Wendell E. Cable	Assistant clerk	5,822.28
Ruth Butterworth	do	3,607.29
Marie E. Herda	Assistant clerk (Jan. 1 to Apr. 30).	1,778.23
Wallace Schubert	Special employee (Jan. 1 to Feb. 28).	1,673.56
Margaret S. Rogers	Assistant clerk (appointed Apr. 12).	1,009.80
George R. Stewart	Professional staff	5,642.52

Funds authorized or appropriated for committee expenditures	$2,000.00
Amount of expenditures previously reported	56.22
Amount expended from Jan. 1, 1954, to June 30, 1954	199.86
Total amount expended from July 1, 1953, to June 30, 1954	256.08
Balance unexpended as of June 30, 1954	1,743.92

SID SIMPSON,
Chairman.

COMMITTEE ON EDUCATION AND LABOR

JULY 19, 1954.

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134 (b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 1, 1954, to June 30, 1954, inclusive,

together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
John C. Graham	Staff director	$5,823.00
Fred G. Hussey	Minority staff director.	5,823.00
Edward A. McCabe	General counsel	5,823.00
Russell C. Derrickson.	Chief investigator	5,823.00
John S. Hoghland 2d	Assistant general counsel (to Apr. 30).	3,882.00
Ben H. Johnson	Investigator	3,762.54
Jeanne E. Thomson	Assistant to the staff director.	3,001.86
Kathryn Kivett	Assistant to the minority staff director.	3,001.86
Helen M. McCarthy	Stenographer	2,985.96
Marion E. Sittler	do	2,985.96

EMPLOYEES PURSUANT TO H. RES. 116 AND H. RES. 543 (H. RES. 115)

L. M. Weltmer	Special counsel (began June 1, 1954).	$627.10
Myrtle S. Locher	Clerical assistant	1,791.00

Funds authorized or appropriated for committee expenditures	$125,000.00
Amount of expenditures previously reported	12,697.10
Amount expended from Jan. 1, 1954, to June 30, 1954	7,553.87
Total amount expended from Jan. 3, 1953, to June 30, 1954	20,250.97
Balance unexpended as of June 30, 1954	104,749.03

SAMUEL K. MCCONNELL, Jr.,
Chairman.

COMMITTEE ON FOREIGN AFFAIRS

JULY 1, 1954.

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134 (b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 1, 1954, to June 30, 1954, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Boyd Crawford	Staff administrator and committee clerk.	$5,823.00
Sheldon Z. Kaplan	Staff consultant	5,823.00
Roy J. Bullock	do	5,823.00
Albert C. F. Westphal	do	5,823.00
June Nigh	Staff assistant	3,145.25
Winifred G. Osborne	do	3,381.23
Helen C. Mattas	do	3,145.25
Myrtle M. Melvin	do	3,145.25
Helen L. Hashagen	do	3,145.25

Funds authorized or appropriated for committee expenditures	$75,000.00
Amount of expenditures previously reported	18,885.22
Amount expended from Jan. 1, 1954, to June 30, 1954	3,188.86
Total amount expended from Jan. 1, 1953, to June 30, 1954	22,074.08
Balance unexpended as of June 30, 1954	52,925.92

ROBERT B. CHIPERFIELD,
Chairman.

HOUSE COMMITTEE ON GOVERNMENT OPERATIONS

JULY 8, 1954.

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134 (b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 1, 1954, to June 30, 1954, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Helen M. Boyer	Staff director	$5,734.73
J. Robert Brown	Research analyst	4,720.86
Elizabeth A. Buell	Clerk-stenographer	2,683.20
Patricia J. Burtner	do	2,335.36
Christine Ray Davis	Minority professional staff.	5,400.58
Reuben S. Heppes	Clerk for research and coordination.	2,643.40
Annabelle G. Moore	Clerk-stenographer	2,683.20
Martha C. Roland	Minority clerk	4,115.67
Clyde W. Smith	General counsel	5,823.00
Annabell Zue	Chief clerk	5,504.28

Funds authorized or appropriated for full committee and Subcommittee on Executive and Legislative Reorganization expenditures	$100,000.00
Amount of expenditures previously reported	48,860.73
Amount expended from Jan. 1 to June 30, 1954, inclusive	10,338.06
Total amount expended from Jan. 3, 1953, to June 30, 1954	59,198.79
Balance unexpended as of July 1, 1954	40,801.21

CLARE E. HOFFMAN,
Chairman.

MILITARY OPERATIONS SUBCOMMITTEE (COMMITTEE ON GOVERNMENT OPERATIONS)

JULY 13, 1954.

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134 (b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 1, 1954, to June 30, 1954, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Michael P. Balwan	Staff director	$5,400.60
Paul J. Cotter	Chief counsel	5,823.00
Robert T. Morris	Legal assistant—investigator.	3,264.73
James F. Eckhart	Investigator	3,001.86
Walter R. Whitver, Jr.	Investigator (effective May 1).	1,141.36
Sylvia L. Swartzel	Clerk-stenographer	2,786.80
Mary L. Vaughan	do	2,468.11
REIMBURSABLE DETAILS		
Stanley T. Fisher	Reimbursement to SEC for period Nov. 30, 1953 to Feb. 28, 1954.	$1,735.12
Carey Brewer	Reimbursement to Legislative Reference Service, Library of Congress June 1, 1954, to June 30, 1954.	502.70

Funds authorized or appropriated for committee expenditures	$115,425.00
Amount of expenditures previously reported	48,040.00
Amount expended from Jan. 1, 1954, to June 30, 1954	30,979.95
Total amount expended from Jan. 1, 1953, to Jan. 30, 1954	79,019.95
Balance unexpended as of June 30, 1954	36,405.04

R. WALTER RIEHLMAN,
Chairman.

INTERNATIONAL OPERATIONS SUBCOMMITTEE OF THE HOUSE COMMITTEE ON GOVERNMENT OPERATIONS

JULY 8, 1954.

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134 (b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 1, 1954, to June 30, 1954, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Maurice J. Mountain	Staff director	$5,823.00
Edward C. Kennelly	Counsel	5,366.04
Walton Woods	Investigator	4,276.44
Arthur Perlman	do	4,276.44
Wallace Parks	do	3,611.28
Athena Glanakos	Clerk-stenographer	1,104.61
Chesley Prioleau	do	2,348.64
Lois M. Knudson	do	1,812.69

Funds authorized or appropriated for committee expenditures	$118,000.00
Amount of expenditures previously reported	46,223.22
Amount expended from Jan. 1, 1954, to June 30, 1954	32,946.29
Total amount expended from Jan. 4, 1953, to June 30, 1954	79,169.51
Balance unexpended as of June 30, 1954	38,830.19

CHARLES B. BROWNSON,
Chairman.

INTERGOVERNMENTAL RELATIONS SUBCOMMITTEE OF THE COMMITTEE ON GOVERNMENT OPERATIONS

JULY 1, 1954.

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134 (b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 1, 1954, to June 30, 1954, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Jane E. Morgan	Clerk	$2,746.98
John A. Stacy	Investigator (Jan. 1 to Feb. 22).	1,358.46
Ray Ward	Staff director	5,823.00

Funds authorized or appropriated for committee expenditures	$59,625.00
Amount of expenditures previously reported	20,888.39
Amount expended from Jan. 1, 1954, to June 30, 1954	11,076.01
Total amount expended from Jan. 1, 1953, to June 30, 1954	31,964.40
Balance unexpended as of July 1, 1954	27,660.60

CECIL M. HARDEN,
Chairman.

PUBLIC ACCOUNTS SUBCOMMITTEE OF THE COMMITTEE ON GOVERNMENT OPERATIONS

JULY 24, 1954.

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134 (b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profes-

sion, and total salary of each person employed by it during the 6-month period from January 1, 1954, to June 30, 1954, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Jack H. Bishop, Sr.	Investigator	$3,118.90
Geraldean Colevas	Clerk-stenographer	2,428.35
Stanley T. Fisher	Investigator	2,453.24
Elizabeth Frazer	Clerk	2,946.12
C. Niles Garrick	Investigator	4,246.02
Curtis E. Johnson	do	3,001.86
George H. Martin	do	3,051.34
Francis X. Plant	Assistant counsel	3,559.65
Nina M. Reed	Clerk-stenographer	975.18
Downey Rice	Special counsel	3,882.00
Arthur Toll	Investigator	4,246.02

Funds authorized or appropriated for committee expenditures	$117,000.00
Amount of expenditures previously reported	37,818.18
Amount expended from Jan. 1, 1954, to June 30, 1954	46,417.63
Total amount expended from Jan. 4, 1953 to June 30, 1954	84,235.81
Balance unexpended as of June 30, 1954	32,764.19

GEORGE H. BENDER,
Chairman.

COMMITTEE ON HOUSE ADMINISTRATION

JULY 1, 1954.

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134 (b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 1, 1954, to June 30, 1954, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Marjorie Savage	Clerk	$5,735.32
Jack W. Watson	Assistant clerk	4,951.26
Lura Cannon	Assistant clerk	3,463.92
Loretta Livingston	Assistant clerk	1,998.12

Funds authorized or appropriated for committee expenditures: None.

K. M. LECOMPTE,
Chairman.

COMMITTEE ON INTERIOR AND INSULAR AFFAIRS

JULY 7, 1954.

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134 (b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 1, 1954, to June 30, 1954, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
R. S. Butler	Minerals consultant	$4,951.26
Sidney L. McFarland	Engineering consultant (employed Jan. 4, 1954).	4,868.73
George W. Abbott	Counsel	$4,951.26
John L. Taylor	Territories consultant.	4,951.26
Orland T. Huyck	Chief clerk	4,605.66
Nancy J. Arnold	Assistant chief clerk	4,093.92
Laura Ann Moran	Minority clerk	2,985.96
Patricia Ann Murray	Clerk	2,985.96
Eve Fatzinick	do	2,667.30
Beryl L. Schaum	Clerk (employed Feb. 1, 1954).	2,222.75

Funds authorized or appropriated for committee expenditures	$50,000.00
Amount of expenditures previously reported	7,597.08
Amount expended from Jan. 1, 1954, to June 30, 1954	8,187.44
Total amount expended from Jan. 3, 1953, to June 30, 1954	15,784.52
Balance unexpended as of June 30, 1954	34,215.48

A. L. MILLER,
Chairman.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

JULY 1, 1954.

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134 (b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 1, 1954, to June 30, 1954, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Elton J. Layton	Clerk	$5,823.00
Kenneth J. Painter	1st assistant clerk	3,264.72
Herman C. Beasley	Assistant clerk-stenographer (from Jan. 3).	2,795.19
Georgia G. Gasmann	Assistant clerk-stenographer.	2,826.60
Helen A. Grickis	do	2,826.60
Roy P. Wilkinson	Assistant clerk	2,189.34
Jessemine A. Falls	Assistant clerk-stenographer (from May 24 to June 19).	316.22
Andrew Stevenson	Expert	5,823.00
Arlin E. Stockburger	Aviation and engineering consultant.	5,823.00
Kurt Borchardt	Legal counsel	5,823.00
Sam G. Spal	Research specialist	5,823.00

Funds authorized or appropriated for committee expenditures	$60,000.00
Amount of expenditures previously reported	6,547.00
Amount expended from Jan. 1, 1954, to June 30, 1954	4,170.00
Total amount expended from Mar. 1, 1953, to June 30, 1954	10,717.00
Balance unexpended as of	49,283.00

CHAS. A. WOLVERTON,
Chairman.

COMMITTEE ON THE JUDICIARY

JULY 15, 1954.

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134 (b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 1, 1954, to June 30, 1954, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Bessie M. Orcutt	Chief clerk	$5,823.00
Walter M. Besterman	Legislative assistant	5,823.00
William R. Foley	Committee counsel	5,823.00
Walter R. Lee	Legislative assistant	5,823.00
Malcolm Mccartney	Committee counsel	5,823.00
Velma Smedley	Assistant chief clerk	5,823.00
Mary A. Ahern	Clerical staff (Jan. 1 to 15).	222.27
Violet T. Benn	Clerical staff	3,702.90
Anne J. Berger	do	3,702.90
Rebecca D. Bergesen	do	3,065.58
Lucille E. Brooks	do	3,702.90
Frances Christy	do	3,702.90
Mary DeMatteis	Clerical staff (employed Jan. 16).	2,445.02
Helen Goldsmith	Clerical staff	3,702.90

1. Funds for preparation of United States Code, District of Columbia Code, and Revision of the Laws:	
A. Preparation of new edition of United State Code (no year):	
Unexpended balance Dec. 31, 1953	$121,616.01
Expended Jan. 1-June 30, 1954	61,791.45
Balance, June 30, 1954	59,824.56
B. Revision of the Laws, 1954:	
Unexpended balance Dec. 31, 1953	7,877.00
Expended Jan. 1-June 30, 1954	7,650.21
Balance, June 30, 1954	226.79
C. Preparation of new edition of District of Columbia Code (no year):	
Unexpended balance Dec. 31, 1953	13,504.69
Expended Jan. 1-June 30, 1954	0.00
Balance, June 30, 1954	13,504.69
2. Funds pursuant to H. Res. 50 (H. Res. 66):	
Unexpended balance Dec. 31, 1953	27,372.52
Expended Jan. 1-June 30, 1954	7,624.42
Balance, June 30, 1954	19,748.10
Employees pursuant to H. Res. 50 (H. Res. 66):	
Orville R. Stewart, messenger	1,257.66
Janet Romney, clerk (Jan. 11 to June 30)	2,142.90
Mary De Matteis, clerk (to Jan. 15)	222.27
Total	3,622.83

CHAUNCEY W. REED,
Chairman.

COMMITTEE ON MERCHANT MARINE AND FISHERIES

JULY 6, 1954.

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134 (b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 1, 1954, to June 30, 1954, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Leonard P. Pliska	Chief clerk	$5,124.06
Bernard J. Zincke	Counsel	5,823.00
John M. Drewry	Counsel (from Mar. 16).	3,396.74
Ruth M. Brookshire	Clerk	3,782.52
Vera A. Barker	Secretary (from Mar. 22).	1,467.01
Shirley Schwartz	Secretary (from May 1).	1,260.84
Frances P. Still	Minority clerk	3,782.52

Funds authorized or appropriated for committee expenditures	$50,000.00
Amount of expenditures previously reported	18.45
Amount expended from Jan. 1 to June 30, 1954	1,960.68
Total amount expended from Aug. 3, 1953, to June 30, 1954	1,979.13
Balance unexpended as of June 30, 1954	48,020.87

THOR C. TOLLEFSON,
Acting Chairman.

COMMITTEE ON POST OFFICE AND CIVIL SERVICE

JULY 13, 1954.

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134 (b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 1, 1954, to June 30, 1954, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Frederick C. Belen	Chief counsel	$5,823.00
Charles E. Johnson	Counsel	5,435.16
Thomas C. Raum	Chief clerk	5,020.38
John B. Price	Staff assistant	3,463.92
Lucy K. Daley	Assistant clerk	3,224.94
Lillian Hopkins	Secretary	2,826.60
Ann Gould	Stenographer	2,667.30
Evelyn K. Carson	do	2,348.64

Funds authorized or appropriated for committee expenditures	$50,000.00
Amount of expenditures previously reported	17,447.05
Amount expended from Jan. 1, 1954, to June 30, 1954	15,247.97
Total amount expended from Feb. 18, 1953, to June 30, 1954	32,695.02
Balance unexpended as of June 30, 1954	17,304.98

EDWARD H. REES,
Chairman.

COMMITTEE ON PUBLIC WORKS

JULY 12, 1954.

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134 (b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from December 31, 1953, to June 30, 1954, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Robert F. McConnell	Chief clerk and counsel.	$5,823.00
Charles G. Tierney	Counsel	5,823.00
Joseph H. McGann, Sr.	Assistant clerk	5,823.00
Margaret R. Beiter	Staff assistant	4,246.00
Violet Schumacher	do	4,246.00
Mildred Ames	do	2,587.62
Rosalie Stevens	Clerk-stenographer (Feb. 1 to Mar. 31).	782.88
Dale Wade Blanton	Clerk-stenographer (Apr. 1 to June 30).	1,174.32

Funds authorized or appropriated for committee expenditures	$30,000.00
Amount of expenditures previously reported	17,560.03
Amount expended from Dec. 31, 1953, to June 30, 1954	2,315.13
Total amount expended from July 1, 1953, to June 30, 1954	19,875.16
Balance unexpended as of June 30, 1954	10,124.84

GEO. A. DONDERO,
Chairman.

COMMITTEE ON RULES

JULY 1, 1954.

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134 (b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 1, 1954, to June 30, 1954, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Jane W. Snader	Assistant clerk	$4,216.02
Agnes R. Hanford	do	2,731.02
C. O. Haley	Minority clerk	3,463.92

LEO E. ALLEN,
Chairman.

COMMITTEE ON UN-AMERICAN ACTIVITIES

JULY 12, 1954.

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134 (b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 1, 1954, to June 30, 1954, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Dolores B. Anderson	Reporter	$4,271.34
Donald T. Appell	Investigator	5,711.67
Thomas W. Beale, Sr.	Chief clerk	5,823.00
Juliette P. Joray	Secretary to chief clerk.	4,284.02
Robert L. Kunzig	Counsel	5,823.00
Rosella A. Purdy	Secretary to counsel	4,157.32
Raphael I. Nixon	Director of research (appointed to standing committee Mar. 1).	3,882.00
Louis J. Russell	Chief investigator (terminated Feb. 28).	1,941.00
Thelma I. Scearce	Secretary to investigators.	4,144.65
Frank S. Tavenner, Jr.	Counsel	5,823.00
Anne D. Turner	Chief of reference section.	4,605.66
James A. Andrews	Investigator	4,525.02
Frank Bonora	do	3,264.72
John W. Carrington	Assistant to the clerk.	3,463.92
George E. Cooper	Investigator	3,985.32
Aniiel Cunningham	Information analyst	2,720.38
Barbara H. Edelschein.	Switchboard operator (appointed June 1).	351.61
Earl Fuoss	Investigator	5,158.68
Dorothea Keil Hall	Clerk-typist (appointed June 14).	214.29
Jennie R. Hayes	Clerk-typist	2,375.20
Lillian E. Howard	Research analyst	3,304.56
W. Jackson Jones	Investigator	4,467.42
Larry Kerley	Special Investigator	1,870.68
Helen I. Mattson	Research analyst	3,463.92
C. E. McKillips	Investigator	4,458.06
Isabel B. Nagel	Clerk-stenographer	2,826.60
Lorraine Nichols	do	2,866.44
Raphael I. Nixon	Director of research (appointed to standing committee Mar. 1).	1,941.00
Courtney E. Owens	Acting chief investigator.	5,296.92
Asselia S. Poore	Editor	3,410.80
Carolyn G. Roberts	Assistant chief of reference section.	3,517.00
Rose M. Sanko	Clerk-stenographer	2,959.38
Leslie C. Scott	Research analyst	3,463.92
Josephine Sheetz	Clerk-typist	2,215.86
Majorie Sirlouis	Secretary to counsel (appointed May 17).	$729.90
Gladys Slack	Information analyst	2,746.94
Riley D. Smith, Jr.	Stock clerk	2,348.66
Alvin W. Stokes	Investigator	3,463.92
Ruth K. Tansill	Information analyst	2,853.18
Margaret Thomas	Clerk-typist (terminated Apr. 1).	935.34
Billie Wheeler	Clerk-stenographer (Apr. 1 to 30; June 1 to 30).	942.20
William A. Wheeler	Investigator	5,573.40
George C. Williams	do	4,460.17
Kathryn E. Zimmerman.	Clerk-stenographer	2,853.18

Funds authorized or appropriated for committee expenditures	$575,000.00
Amount of expenditures previously reported	267,932.76
Amount expended from Jan. 1, 1954, to June 30, 1954	142,126.82
Total amount expended from Jan. 4, 1953, to June 30, 1954	410,059.58
Balance unexpended as of July 1, 1954	164,940.42

HAROLD H. VELDE,
Chairman.

COMMITTEE ON VETERANS' AFFAIRS

JULY 6, 1954.

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134 (b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 1, 1954, to June 30, 1954, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Karl Standish	Chief clerk	$5,823.00
Casey M. Jones	Professional aid	5,823.00
Harold A. L. Lawrence.	do	5,823.00
Oliver E. Meadows	do	5,823.00
Edwin B. Patterson	Counsel	5,823.00
Paul K. Jones	Assistant clerk	4,951.26
Alice V. Matthews	Clerk-stenographer	3,048.65
Frances Montanye	do	3,048.65
Ida Rowan	Administrative assistant.	5,823.00
George J. Turner	Assistant clerk	3,185.07
Helen Wright[1]	Clerk-stenographer	2,826.60

[1] Paid from special funds authorized to the committee for an inspection of the Veterans' Administration (H. Res. 34, approved Mar. 4, 1953).

Funds authorized or appropriated for committee expenditures	$50,000.00
Amount of expenditures previously reported	10,547.27
Amount expended from Jan. 1, 1954, to June 30, 1954	6,077.02
Total amount expended from Mar. 5, 1953, to June 30, 1954	16,624.29
Balance unexpended as of June 30, 1954	33,375.71

EDITH NOURSE ROGERS,
Chairman.

COMMITTEE ON WAYS AND MEANS

JUNE 30, 1954.

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134 (b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profes-

sion, and total salary of each person employed by it during the 6-month period from January 1, 1954, to June 30, 1954, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Russell E. Train	Clerk (C)	$5,823.00
Thomas A. Martin	Professional assistant (P).	5,158.68
Richard M. Furlaud	do	5,538.87
Karl T. Schlotterbeck	do	5,823.00
Leo H. Irwin	Minority adviser (P).	5,823.00
Susan Alice Taylor	Staff assistant	3,671.01
Frances C. Russell	do	3,623.22
June A. Kendall	do	3,029.76
Anne Gorden	do	3,005.85
Virginia M. Butler	do	3,005.85
Grace Good	Staff assistant (from June 1).	517.57
Irene Wade	do	463.13
Hughlon Greene	Messenger	1,934.40
Walter B. Little	do	1,934.40

DANIEL A. REED,
Chairman.

SELECT COMMITTEE ON SMALL BUSINESS

JULY 3, 1954.

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134 (b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 1, 1954, to June 30, 1954, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Carl E. Davis	Staff director	$4,423.84
David E. White	Chief investigator	3,862.20
L. V. Monzel	Research analyst	3,782.55
Melvin M. Miller	Counsel	2,746.95
Richard L. Griffith	Investigator	1,558.90
Jane M. Deem	Clerk	3,065.58
Elizabeth H. Feltman	Clerical assistant	2,826.60
Elva W. Bell	do	2,667.30
Virginia Hell	do	2,519.11
Funds authorized or appropriated for committee expenditures		$135,000.00
Amount of expenditures previously reported		61,357.84
Amount expended from Jan. 1, 1954, to June 30, 1954		31,285.05
Total amount expended from Jan. 4, 1953, to June 30, 1954		92,642.89
Balance unexpended as of June 30, 1954		42,357.11

WILLIAM S. HILL,
Chairman.

SPECIAL COMMITTEE TO INVESTIGATE TAX-EXEMPT FOUNDATIONS

JULY 15, 1954.

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134 (b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 1, 1954, to June 30, 1954, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Casey, Kathryn	Legal analyst	$3,611.28
De Huszar, George B.	Special expert	2,008.95
Dodd, Norman	Research director	5,573.40
Ettinger, Karl E.	Research assistant	2,100.18
Koch, Arnold T.	Associate counsel	5,037.66
Kuhns, William C.	Research assistant	2,051.33
Lake, Ellyn	do	2,268.99
Lauren, Lee D.	do	4,151.82
Lonergan, Lucy W.	do	2,826.60
McNiece, Thomas M.	Assistant research director.	4,501.98
Marshall, John, Jr.	Chief clerk	3,017.82
Miller, Carolyn A.	Assistant clerk	2,472.56
Pickett, Virginia	do	2,356.62
Wormser, Rene A.	General counsel	5,823.00
Cox, Mildred	Assistant clerk	2,089.98
Van Wyck, Kathleen	Research assistant	230.87
Deakins, Mabel R.	Secretary	1,353.43
Corbin, Mary	Typist	628.44
Wesson, Jane	Assistant clerk	654.72
Kent, Elizabeth	do	348.96
Funds authorized or appropriated for committee expenditures		$115,000.00
Amount of expenditures previously reported		25,587.55
Amount expended from Jan. 1, 1954, to June 30, 1954		63,506.33
Total amount expended from Sept. 15, 1953, to June 30, 1954		89,093.89
Balance unexpended as of June 30, 1954		25,906.11

B. CARROLL REECE,
Chairman.

EXTENSIONS OF REMARKS

An Amendment to Article V of the Constitution of the United States

EXTENSION OF REMARKS

OF

HON. FRANCIS E. WALTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 3, 1954

Mr. WALTER. Mr. Speaker, on July 26 the highly respected gentleman from Illinois [Mr. REED], chairman of the House Judiciary Committee, and I introduced House Joint Resolutions 568 and 569, respectively.

The resolutions are identical. They propose an amendment to the Constitution of the United States to provide procedure for proposing amendments to the Constitution by the States and to make secure in the States their power to amend the Constitution.

The remarks of the gentleman from Illinois [Mr. REED] made in connection with the introduction of House Joint Resolution 568, appear in the RECORD of that date on page 11484, and include an explanation of the new procedure for the proposal of amendments by the States and the text of the amendment. Under leave to extend my remarks, I desire to add brief observations.

As was pointed out by the gentleman from Illinois [Mr. REED], it was not intended that these resolutions be acted upon by this Congress as they will again be introduced in the early part of the 1st session of the 84th Congress. Meanwhile, the proposed amendment may be studied by the Members, as also by the members of the State legislatures and the attorneys general of the several States, by State and national bar associations and citizens organizations, and by the people generally.

It is the desire of the gentleman from Illinois [Mr. REED] and myself, that the resolutions be regarded as a joint introduction as, if House rules had permitted, we would have joined in the introduction of a single resolution. The purpose of having the introduction so regarded is to establish for the legislative course of this amendment its fundamental nonpartisan character, and to recognize and preserve its nonpartisan origin later mentioned in my remarks.

Research during recent years appears to disclose that the practical operation of the power of the States to propose amendments may have been rendered uncertain as an indirect result of judicial decisions in other areas and changes in legal aspects occurring over the years since the adoption of the Constitution. This development has been gradual and generally unobserved. It is not the time in the closing days of the Congress to enlarge into a discussion of this, which can better be done during the 84th Congress when the resolutions are being considered.

The proposed amendment is designed to overcome such adverse effect by providing clear procedure for the proposal of amendments by the States.

The development mentioned has been brought to attention by the Committee for the Preservation of State and Local Government, a nonpartisan, nonprofit, citizens' educational organization incorporated under the laws of Illinois, with offices at 332 South Michigan Avenue, Chicago 4, Ill.

Author of the proposed amendment is John B. Ebinger, Esq., of Klamath Falls, Oreg., a member of the Oregon bar and a former member of its board of governors, whose original research was made some years ago and who, in January 1953, formed the above-named organization and is its executive director. He is referred to by the Honorable Herbert Hoover, former President of the United States, as "an Oregon attorney of substance, who has developed an amendment to the Constitution which seems to me to have real value."

It is appropriate to note that in their 1953 sessions the legislatures of three States have already considered and adopted resolutions looking toward this amendment, namely, South Dakota, Illinois, and Alabama, in the order named.

It is hoped that throughout the process of the proposal and ratification of this amendment it may be kept free from partisan politics so that all who will may

support this basic amendment, irrespective of political affiliation and regardless of party lines, to the end that State position may be reestablished in line with the intention of the founders, so that the States may, by constitutional amendment, if necessary, protect the reservation of power under the 10th article of the Bill of Rights, by which, and, I believe, only by which, the union of sovereign States may survive, and the local controls of government that are traditional to the American people can be made to endure.

As it may serve the convenience of the Members, as well as the public who may be interested in these resolutions, I include as part of my remarks the text of House Joint Resolution 569:

Joint resolution proposing an amendment to the Constitution of the United States relating to the procedure for amending the Constitution

Resolved by the Senate and House of Representatives in Congress assembled (two-thirds of each House concurring therein), That in lieu of article V of the Constitution of the United States, the following article is proposed as an amendment to the Constitution of the United States, which, when ratified by the legislatures of three-fourths of the several States, shall be valid, to all intents and purposes, as part of the Constitution:

"ARTICLE —

"SECTION 1. The Congress, whenever two-thirds of both Houses shall deem it necessary, shall propose amendments to this Constitution, or on the application of the legislatures of two-thirds of the several States shall call a convention for proposing amendments; or the legislature of any State, whenever two-thirds of each house shall deem it necessary, may propose amendments to this Constitution by transmitting to the Secretary of State of the United States and to the secretary of state of each of the several States a certified copy of the resolution proposing the amendment, which shall be deemed submitted to the several States for ratification when certified copies of resolutions of the legislatures of any 12 of the several States by two-thirds of each house shall have been so transmitted concurring in the proposal of such amendment; which, in any case, shall be valid to all intents and purposes as part of this Constitution when ratified by the legislatures of three-fourths of the several States: *Provided*, That no State, without its consent, shall be deprived of its equal suffrage in the Senate.

"SEC. 2. The act of proposal, concurrence in a proposal, or ratification of an amendment, shall not be revocable.

"SEC. 3. A proposal of an amendment by a State shall be inoperative unless it shall have been so concurred in within 7 years from the date of the proposal. A proposed amendment shall be inoperative unless it shall have been so ratified within 15 years from the date of its submission, or shorter period as may be prescribed in the resolution proposing the amendment.

"SEC. 4. Controversies respecting the validity of an amendment shall be justiciable and shall be determined by the exercise of the judicial power of the United States."

SEC. 2. This article shall be inoperative unless it shall have been ratified as an amendment to the Constitution by the legislatures of three-fourths of the several States within 7 years from the date of its submission.

Need for Mental Hospital at Newington, Conn.

EXTENSION OF REMARKS
OF
HON. JAMES T. PATTERSON
OF CONNECTICUT
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 3, 1954

Mr. PATTERSON. Mr. Speaker, in recent weeks an increasing number of complaints has come to my attention concerning the lack of neuropsychiatric facilities for the treatment of veterans, not only in my district, but throughout the whole State of Connecticut. Not a weekend passes that pleas are not made to me for assistance to mentally ill veterans. I am greatly concerned as the number of these requests increases and there is no concrete evidence that conditions will be alleviated in the near future.

The need for more facilities to care for the mentally ill in the area is not in dispute. With little cost, existing facilities of a veterans' hospital can be made available. To fail to do so is an economic waste, and in the presence of the human hardship and suffering involved, would shock the conscience of our people.

I am bringing this to the attention of the House membership, and especially to the House Committee on Veterans' Affairs, because the situation that exists in Connecticut is opposed to ordinary commonsense. This hospital, located at Newington, Conn., is in danger of being declared surplus and, as a result, would lose its identity as a veterans' hospital, in spite of the obvious need for additional facilities to care for mentally ill veterans within the State.

At this session of Congress, I introduced a joint resolution—House Joint Resolution 299—directing the Veterans' Administration to survey and study the 300-bed veterans' hospital at Newington to find if it is possible to convert this establishment for use as a neuropsychiatric facility. At the present time, 40 of the 300 beds are in use for the treatment of mentally ill veterans. I am reliably informed that only about half of the remaining beds are in use for medical and surgical cases.

During the first half of this year, there were 640 mentally ill veterans from my State being treated in veterans' hospitals outside of Connecticut. In addition, 773 veterans were being treated in State hospitals and 8 in private institutions. This is a total of 1,421 Connecticut veterans unable to be placed in veterans' facilities within the State where they reside. That the problem is growing is shown by the fact that last year, at this time, the total was 1,008. Medical authorities confirm what our own good sense tells us—that treatment of a mentally ill patient is helped and accelerated if he is located in an institution close to his home and is visited frequently by members of his family.

The new veterans' hospital at West Haven, Conn., opened last year, is equipped only to handle emergency mental cases and then only on a temporary basis. The cost of converting the Newington Hospital would be far less than that of erecting a new building, or even adding to the West Haven facility. Furthermore, a new hospital erected in New York or Rhode Island would likewise cost more and would do nothing to alleviate the hardships being endured by the parents and wives in Waterbury, Torrington, Ansonia, and in other cities and towns in my district and the State of Connecticut who are obliged to travel many hundreds of unnecessary miles to visit their loved ones.

If my recommendation called for a completely new building, other New England States would have legitimate reasons for demanding such construction in their respective areas. The question of whether those areas do need additional facilities is not the issue in this case; and if their situation is similar to the one which faces my district, and I suspect it is, I certainly will support any movement which would tend to bring relief to those areas. But here in Connecticut we already have a suitable building—not in full use—which could be readied in short order and with little expense for occupancy as a hospital solely for mentally ill veterans.

The shocking fact is that many of our boys are not receiving mental treatment of any kind at the present because of the long distances between their homes and veterans' hospitals outside of the State and the difficulty they encounter in securing admittance there because of the overcrowded conditions. The delay is tragic because time is all-important in the treatment of any mental case.

For example, last week I learned of a case where a veteran's wife and parents hesitated placing him in a hospital so far from their home in Waterbury. The parents are aging and the extensive travel would work a hardship on them. The wife and children would indeed be fortunate if they could see their husband and father several times a month. This is not an isolated case, and I could not help but wonder if this young man and others in similar circumstances had to travel the same distance to present themselves before selective-service boards not so many months previously.

There have been suggestions and recommendations made by various Veterans' Administration officials which add up to nothing but delay and more delay. Meanwhile, life moves on for those people and the hardships continue. I have yet to hear what I consider a valid reason why a mental hospital in the center of Connecticut is not established and operating to rehabilitate our veterans. I have been told that recruitment of sufficient psychiatrists for Newington is difficult, but that general medical and surgical personnel can be obtained from nearby Hartford. I do not think I need to point out to the Veterans' Administration that Yale, Harvard, and Columbia, as well as many other famous educational institutions in New England, have noted and extremely accomplished psychiatrists on their staffs, as well as those on the staffs of the State hospitals in Connecticut itself. Moreover, there is a long list of eminent

neurosurgeons in and about the State, some of whom are now available as consultants to veterans' hospitals. Surely this is a situation where good will and a bit of thinking and accommodation would combine to bring about a remedy.

The conversion of Newington has the support of all veterans' organizations in my district and, to my knowledge, there is no opposition from any organized or individual veterans to this project.

A humane regard for the veterans who desperately need mental care demands that the Government take effective action in their behalf. True economy forbids us to let facilities stand idle when veterans require care. I shall exert every effort to bring about the use of the Newington facilities for men whose care is one of the first responsibilities of the Government of the United States.

Increased Benefits Under the New Social-Security Program

EXTENSION OF REMARKS
OF
HON. GARDNER R. WITHROW
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 3, 1954

Mr. WITHROW. Mr. Speaker, during the 83d Congress which is now coming to a close, I have worked for and supported legislation to increase the benefits under the social-security program.

I believe every person in the United States should come under social-security protection. The benefit age should be reduced from 65 years to 62 years.

Social security should be so improved that it will take the place of our present outdated and shameful old-age pension system.

Social-security payments at the age of 62 should not be denied on account of any other retirement or income benefits a person may be getting.

Although all the benefits I have worked for have not been enacted into law, I do believe this Congress has made a step in the right direction.

For the benefit of the citizens of my district, I would like to outline the benefits under the social-security program enacted by this Congress which I have supported and worked for during the past years:

INCREASED BENEFITS UNDER THE NEW SOCIAL-SECURITY PROGRAM

First. Average monthly wage: Your average monthly wage determines the amount of your benefits. The following chart will apply only if you worked at least 1½ years under the program since January 1, 1951.

(a) List by years all your earnings covered by social security, plus an estimate of your covered earnings up to the time you retire at age 65 or later. To realize the largest possible average monthly wage you may use either 1937 or 1951 as the starting date in your computation. Maximum covered annual earnings are as follows: 1937 through 1950, $3,000; 1951 through 1954, $3,600; after 1954, $4,200.

(b) In computing your average wage, you may cross out four of the lowest income years listed. You can cross off an additional year if you have more than 5 years of covered employment at any time. You can also cross off years in which you were under an extended total disability.

(c) Next, add the total wages earned in the years not crossed off. Divide by the number of months involved in the remaining years. This will give you your average monthly wage. Now locate this amount on the chart below under the heading "Average Monthly Wage."

Second. Monthly retirement pay: You and your wife, if both 65, will receive benefits as shown on the chart below. If your wife is under 65 when you retire, you will receive the benefit of a single person until she reaches 65. Your widow, at 65, will receive payments indicated whether or not you retire before your death. A woman with a wage record receives benefits in her own right if a higher amount will be realized.

INCREASE FAMILY SECURITY (SURVIVOR'S MONTHLY BENEFITS)

Third. Surviving widow: Your widow, if you leave children under age 18, is entitled to benefits shown on the chart below, regardless of her age as long as any child is under the age of 18 years.

Fourth. Surviving parents or orphans: Your mother or father who are dependent on you are eligible for benefits only if there is no surviving widow or child. Benefits for a parent, age 65, and also for one orphan under 18 years, are shown on the chart. Two parents, or two or more orphans receive correspondingly larger amounts.

Fifth. Lump sum at death: Lump-sum payments are in addition to benefits to eligible survivors. In the event there is no widow or widower surviving, the payment is made to the person paying burial expenses.

Now find the amount payable in your case in the columns opposite the amount you have determined to be your average wage:

Estimated average monthly earnings to age 65	Monthly retirement payments at age 65			Monthly payments to surviving widow with—			Monthly payments to dependent parents or orphan	Lump-sum payment at death
	Husband and wife	Single	Widow	3 children	2 children	1 child		
$54	$45	$30	$30	$50	$50	$45	$30	$90
$80	66	44	33	66	66	66	33	132
$100	82	55	41	82	82	82	41	165
$120	93	62	46	96	96	93	46	187
$140	99	66	49	112	112	99	49	199
$150	102	68	51	120	120	102	51	205
$160	105	70	52	128	128	105	52	211
$170	108	72	54	136	136	108	54	217
$180	111	74	55	144	144	111	55	223
$190	114	76	57	152	152	114	57	229
$200	117	78	58	160	157	117	58	235
$210	120	80	60	168	161	120	60	241
$220	123	82	61	176	165	123	61	247
$230	126	84	63	184	169	126	63	253
$240	129	86	64	192	173	129	64	255
$250	132	88	66	200	177	132	66	255
$260	135	90	67	200	181	135	67	255
$270	138	92	69	200	185	138	69	255
$280	141	94	70	200	189	141	70	255
$290	144	96	72	200	193	144	72	255
$300	147	98	73	200	197	147	73	255
$310	150	100	75	200	200	150	75	255
$320	153	102	76	200	200	153	76	255
$330	156	104	78	200	200	156	78	255
$340	159	106	79	200	200	159	79	255
$350	162	108	81	200	200	162	81	255

O'Fallon, Ill., Observes 100th Anniversary

EXTENSION OF REMARKS
OF
HON. MELVIN PRICE
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 3, 1954

Mr. PRICE. Mr. Speaker, on August 25, 26, and 27 of this year, the city of O'Fallon, in St. Clair County, Ill., will conduct a celebration and pageant commemorating its 100th anniversary.

O'Fallon is a community of more than 3,000 population. Its history, the man for whom it was named, and its changing economy typify the story of the growth of the United States.

The town was named for Col. John O'Fallon, a soldier, businessman, real-estate owner, and principal developer of the railroads in the area. He first came to St. Louis after fighting in the War of 1812, to become an assistant Indian agent.

O'Fallon was established as a railroad town, along what was then known as the Ohio & Mississippi Railroad. It is now a part of the Baltimore & Ohio system. Later coal fields were discovered and O'Fallon was a leading coal producing center. The coal mining activity has diminished, and O'Fallon is now principally a residential area. It is noted for having one of the most extensive of small town parks.

The centennial will open with an old-timers parade, and the coronation of the queen. A 2-day pageant will be presented, depicting the history of the town, with a completely local talent cast.

As the people of O'Fallon observe the city's 100th anniversary, I am certain they will not forget the sons of O'Fallon sent into military service in four wars. Fond tribute should be paid to the men of the community who served in the Armed Forces during the great wars which threatened our national existence. Particularly the people of O'Fallon should remember with pride and affection those who died in uniform.

O'Fallon has done its part in every national emergency. We know that it will always continue to do so. Much has happened to the world since O'Fallon was established, but let us hope that through these 100 years, nothing has happened to disturb the real strength of America. People who settled O'Fallon in 1854 had a lot to do with giving this nation its strength. Even with atomic weapons, America would be weak without the spirit and the faith of the men and women who founded her villages, her cities, and her towns. To carry the burdens of world leadership that now rest upon America, we need this strength of spirit in great measure.

I congratulate the village of O'Fallon and all its citizens as its 100th anniversary is observed.

UNESCO: A State Department Agency Created To Put the United States Into a World Government

EXTENSION OF REMARKS
OF

HON. USHER L. BURDICK

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 3, 1954

Mr. BURDICK. Mr. Speaker, the State Department during the tenure of office of Dean Acheson was and still is the propaganda mouthpiece of UNESCO in this country. The bill creating the United States National Commission for UNESCO was passed by the 79th Congress and was designed by the State Department to be the propaganda agency to sell UNESCO to the people of the United States. Being controlled by the State Department nothing was done by it except to carry out the instructions of the State Department. That condition still prevails and the State Department is in the process now of selling this system to the people.

UNESCO means the United Nations Educational, Scientific, and Cultural Organization, and its purpose is to unite all people under one government, a world government. It makes no difference how wide apart the purposes of governments are, all are to be brought under one parent authority. Our theory of government is that our Government exists for the people, but in Russia the people exist for the Government. This is true, not only in Russia, but in the majority of the countries of the world. To amalgamate these two divergent theories into one is not only impossible, but it is assinine to try.

We here in the United States believe in capitalism as our theory of business operation, while Russia denounces capitalism and supplants it by communism. These two theories are as wide apart as the poles, and they cannot be brought together in one single purpose any more than water and oil will stay mixed. Yet UNESCO is out to build a world government that will accomplish this impossible thing.

We here in the United States believe in the Christian religion as the very basis of all our strength in government, opportunities of the individual, our educational and cultural systems, while the Russians reject the story of Jesus Christ and scoff at the Christian religion. Yet UNESCO undertakes to harmonize these religious views, and present to the world one harmonious group of people under a one-world government. To attempt such a thing is, on the face of it, about as sane as was the notion that Canute, because of the power from on High possessed by him as King of England, could command the tide to stand back.

Of course the fact that Russia has joined UNESCO makes news. Luther Evans, former librarian of Congress now representing UNESCO, is credited with getting Russia and some of her satellites into the one-world frameup. If anyone in the United States could convince Russia that she should come in, Evans could do it. He has always been held in high esteem in Russia, and while librarian here had the Library of Congress stacked high with Russia propaganda. Much of this propaganda was sold by the Library to the public. I personally purchased an armful of it and delivered it to the proper committee investigating un-American activities.

Russia is smart enough to know that she will occupy the most powerful position under this new world government. The lower house of the world government is to be elected on the basis of population, hence Russia and China and their slave satellites will control that congress. We can have a world government all right if we will let Russia run it.

To bring this country into line to accept world government many things must be done by the United Nations and her agencies, such as UNESCO. First of all, love of country on the part of the people of the United States is found by these conspirators to be very deep and hard to destroy. Here UNESCO comes into play, and out it goes among the school children of the United States with specially trained teachers from Columbia University who teach those children that love of country—like that we have in the United States—interferes with a loyalty to a world organization; that they must be fitted, educationally, and temperamentally, to forget love of their own country and transfer their loyalty to the world organization. Washington's birthday ceremonies, Lincoln's birthday ceremonies and veneration of all our great men are to be abandoned, and are abandoned by those teachers trained at Columbia. If this succeeds, the next event that will be outmoded will be Christmas. In fact, propaganda is actually now going the rounds that Christmas is a myth.

Of course this world organization cannot afford to leave in the hands of the people the rights of free speech, a free press, and free religion, because the exercise of these precious rights will have the power to prevent what these conspirators want. That has all been taken care of in the Convention of Human Rights, in which free speech, a free press, and free religion as expressed and defined in the Constitution of the United States is redefined and limited to suit the designs of the enemies of our Republic.

It will not suit these enemies if persons who are charged with crime by the world organization are to be tried in our courts, in our own country and under our own laws and Constitution. To overcome this they are to have courts of their own, they have a charter of their own; and if a citizen of the United States is charged with the violation of a United Nations law he can be tried in any foreign country by a court foreign to the nationality of the prisoner and under such rules as their court shall make. And UNESCO was granted by the United Nations Charter "legal capacity," "privileges and immunities" above and beyond our laws to carry out its program of world government throughout our Nation.

The State Department is right now supporting UNESCO through its United States National Commission for UNESCO, and its propaganda is designed to hide the truth from the people. Is the President aware of this situation? It is perfectly useless for us to spend our money, our resources, and the lives of our American boys, to stop the spread of communism eight or nine thousand miles from here while we permit the same intent and purpose to prosper here in the United States through this intellectual tool of communism. Those teachers, and the people sponsoring such teachers in their purpose to destroy love of country among our children here in United States are enemies of this Republic. The least I can do for this country is to use the free speech guaranteed by the Constitution while it lasts to warn the people of these United States that dangerous forces are at work here and now to destroy our constitutional Government.

Due to facts brought out before the McCarran committee in June of 1952, Public Law 495 was passed by the 82d Congress. Section 112 of the law provides:

> None of the funds appropriated in this title shall be used (1) to pay the United States contribution to any international organization which engages in the direct or indirect promotion of the principle of one world government or one world citizenship; (2) for the promotion, direct or indirect, of the principle or doctrine of one world government or one world citizenship.

Why do we not use this law? By enforcing it we could cut off the funds which keep UNESCO going, and summarily put a stop to its vicious propaganda which is designed to pervert the minds of our children, to deny our freedoms and to destroy our national sovereignty and constitutional form of government by forcing us into a world government where we would be only a subservient unit, subject to the will of the Communist-controlled majority.

Nation Soon To Enjoy Roadbuilding Boom

REMARKS
OF
HON. RUSSELL V. MACK
OF WASHINGTON
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 3, 1954

Mr. MACK of Washington. Mr. Speaker, motorists soon will get better, wider, and safer highways.

They will get these better roads because of legislation enacted by the present Republican Congress.

The Federal Government has been collecting about $875 million a year from its Federal 2-cents-a-gallon gasoline tax. The Federal Government, however, has not been spending all of this gas tax money on building roads. The fact is that in recent years Congress has appropriated only about $575 million a year for highway building. Congress has been diverting about $300 million of its 2-cents-a-gallon gas tax revenues to other purposes than road building—such purposes as foreign aid.

Substantial sums of this diverted gas tax money actually has gone into building highways in foreign countries rather than in our own.

The House Public Works Committee, of which I am a member, this year, reported and Congress enacted a bill which provides that during the next 2 years $875 million a year shall be given by the Federal Government to the States for highway building purposes.

In effect this bill assured that all of the Federal 2-cents-a-gallon gasoline tax revenues will go into road building and not be diverted to other purposes such as foreign aid.

HELPS COAST STATES

This bill grants to the States, from Federal gasoline taxes, $300 million a year more money for road building purposes than the Federal Government ever has given the States heretofore for highway building.

These additional $300 million which will be spent each year on highway construction means better and safer roads for motorists, more jobs and steadier employment for construction workers and a general increase in the Nation's prosperity due to the business and employment this additional huge construction program will generate.

The three Pacific Coast States as their share of larger highway appropriation will receive more than $25 million a year in Federal highway funds than these States ever have received in any previous year.

Under this new law, California has been allocated $47,108,037 of Federal funds for the coming year compared to $30,269,269 last year or an increase of $16,838,768.

Washington has been allocated $14,061,986 for the coming year compared to $9,240,247 for last year or an increase of $4,821,739.

Oregon has been allocated $12,889,469 for the coming year compared to $8,661,811 or an increase of $4,227,658.

States now can plan a big step-up in their road-building programs. The Nation, thanks to the highway legislation of this Congress, is about to enter upon the biggest road-construction program in its history.

This highway bill which came from my committee with the approval of President Eisenhower is a good bill.

All gasoline tax money, in my opinion, should go into building better and safer roads. The motorists and the motorists alone pay these gasoline taxes. The gas-tax money should be used for their benefit by employing it to provide better and safer highways. The Washington State Grange supports this idea.

The people of our Nation will pay for better and safer highways whether these roads are built or not. If better and safer roads are built these will cost money and the taxpayers will pay it.

However, if the roads are not built the taxpayers will pay for them just the same. They will pay for them in increased medical and hospital bills, in increased auto-repair bills, in increased consumption of gasoline and in greater wear and tear on tires and equipment. They will pay for them in the higher automobile insurance rates they will have to pay.

Building better and safer roads and the using of all gasoline tax revenues to do so is good sense and good economics.

Communists Lead Strike in Detroit

EXTENSION OF REMARKS
OF
HON. CHARLES J. KERSTEN
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 3, 1954

Mr. KERSTEN of Wisconsin. Mr. Speaker, the danger to the security of the United States of Communist dominated labor unions is demonstrated by a strike now going on in Detroit, Mich. Since June 15th more than 1,200 production workers in the main plant of the Square D Co., in Detroit, Mich., have been idle because of a strike called by the Communist-dominated United Electrical Workers Union.

The Detroit plant of the Square D Co., manufactures switches, circuit breakers, and electrical control panels for industrial and commercial applications. It also produces electrical components for military aircraft, supplies products to the Atomic Energy Commission and manufactures elements used in the Nation's guided missiles program.

In time of war the Detroit plant becomes 100 percent defense production. But in both war and peace, the company's products are vital to every basic industry in the United States.

PUSH-BUTTON STRIKE

The UE contends that the present strike at the Detroit plant is a result of the failure to reach an agreement on a new labor contract. The UE contends it must have a contract which will "improve working conditions."

But there is ample evidence to indicate that this strike in Detroit was not called because of any bonafide complaint about pay or working conditions in the Detroit plant, but rather was push-buttoned into action by the Communist dominated UE national headquarters in New York.

Square D Co. has 6 other United States plants, including 1 in my home city of Milwaukee, and also 1 in Canada and 1 in Mexico. In the 51 years that the Square D Co. has been in business, it has never had a strike at any of its other 8 plants. The UE does not represent the workingmen in any of the other plants of Square D Co. except a smaller factory at Peru, Ind.

OUTSTANDING RECORD

Yet, despite this outstanding record of the Square D Co. in its 8 other plants, they have had 3 strikes called by the UE in Detroit in less than a year. Altogether there has been almost 100 wildcat strikes and production interruptions in the Detroit plant since the last contract was signed with the UE 2 years ago.

The UE itself admits that the pay and working conditions at the Detroit plant of Square D are excellent. Before the last representation election at the Square D Co., on May 19, 1954—which unfortunately UE won—the UE's local at the Detroit plant—local 957—boasted of the fact that the plantwide straight-time average pay rate was $2.25 per hour. Here is what a UE handout stated:

> UE Local 957 is mighty proud of its achievement in collective bargaining. UE has built the best standards of wages, seniority, and other benefits here at our plant as well as in the other UE plants of Square D Co.

And the national UE News had this to state about the situation:

> But employees of Square D weighed their union's performance against phony propaganda. The average straight-time hourly earnings here are $2.25 an hour. This includes incentive and nonincentive workers.
>
> Average wages of Square D are higher than those in the auto industry. Besides, the UE members have a contract which they did not want to be tampered with. It includes such things as a clause which gives retired workers a company-paid health plan for themselves and their wives.

Yet, less than a month later the UE was out on strike.

STRIKE'S REAL CAUSE

It would appear that the real cause of the strike at Detroit is the fact that in March 1954, Square D filed suit in Federal court against the UE, asking $210,000 damages for losses the company suffered as the result of the two illegal strikes called by the local during the preceding 6 months. The company contends that these strikes were in violation of the no-strike clause in the labor contract.

Shortly after the filing of this suit, the company began withholding check-off dues from UE to offset the damages claimed in the Federal suit. Cutting off the flow of funds to the UE was regarded

as an unprecedented step in the company's determination to have the UE legally and financially responsible for its actions. UE national headquarters, acutely aware of delicate situations in other UE plants around the Nation, no doubt viewed the Square D Co.'s decision with considerable alarm.

Because of these illegal strikes, the company insisted when contract renewal time arrived that a stronger no-strike clause be inserted in its contract with the UE. UE, however, refused to approve of a stronger no-strike clause in the contract. It would thus appear that the no-strike issue in the company suit against local No. 957 of the UE is more of a factor in the present strike than the desire for "improved working conditions."

The Square D Co. is the last major outpost of the UE in Detroit. Not long ago the UE lost its position at Vickers, Inc., in Detroit.

Entirely apart from the almost unbelievable series of strikes and other production interruptions that have hit the Detroit plant while the most recent contract was in effect, is the UE's resistance to a strong no-strike clause in setting the course for future operations. Is flexibility to shut down strategic electrical plants, without legal recourse, during wartime or buildup for war, a key factor? Only the UE or the Communist Party, or both, has the answer to this and other puzzling questions involving the strike now on against the Square D Co.

COMMUNISTS IN CHARGE

One of the key figures in the present strike is Philip Saba, a prominent Communist functionary from Philadelphia. Saba, a UE International representative, has been imported from Philadelphia to take charge of the picket lines at Square D. It is reported to me that Saba's record is as follows:

August 1941: Saba was subpenaed in Philadelphia in connection with frauds in Communist Party election petitions. He was unable to produce a draft registration card when picked up. Under oath he admitted being a Communist Party member since the mid 1930's. Saba's wife, Velma, is also registered as a Communist Party member.

December 1943: Saba named labor secretary of the 33d ward branch of the Communist Party's section 5 in Philadelphia.

April 1944: Saba was active as member of Northeast Club of the Communist Political Association. Remained through March 1945 while then employed as a UE organizer.

1946: Saba assigned to Club 155, Philadelphia, comprised of Reds who were members of local 155.

May 1947: Saba named membership director of the Tom Paine Club on the United States Attorney General's list as a subversive organization.

September 1948: Saba participated in the Philadelphia County Communist Party Convention.

ARRESTED FOR VIOLENCE

April 1949: Saba arrested in Pennsauken Township, N. J., as leader of strike violence at which 1 man was beaten and car containing 6 workers overturned.

May 1949: Saba jailed in Camden County Prison, N. J., for criminal contempt. Earlier the same court convicted Saba for violating an injunction against rioting and for using vile and obscene language.

October 1952: Saba identified as Communist Party member in sworn testimony before the House Committee on Un-American Activities—while serving as a UE organizer and also as the organizer for the metal trades section of the Communist Party in Philadelphia.

August 1953: Saba produced cash funds to bail out Dave Davis, UE organizer and national Communist Party leader, picked up in FBI roundup of Reds.

June 1954: Saba drove to Detroit to help on picket lines of Square D strike, carrying a supply of Communist literature in the trunk of his Chevrolet.

Immediately above Saba in the UE chain of command is Dave Mates.

DAVE MATES' RECORD

Dave Mates is the man to whom Saba currently reports. Mates, a UE international representative, is sitting in on the negotiations with the company. The Daily Worker records the long-time identity of Mates with Communist activities in this country. He was labeled a suspect Red in sworn testimony before the House Un-American Activities in Detroit in 1952.

Next above Mates in the UE chain of command are the well-known Communist promoters, James Matles and Julius Emspak. Matles, the UE organizational director, and Emspak, the secretary-treasurer of UE, run the national UE which has infiltrated its Red tentacles into more than 100 defense plants in the United States.

MATLES' TESTIMONY

I include herewith excerpts from hearings before a special subcommittee of the Committee on Education and Labor of the House of Representatives of the 80th Congress in 1948, of which subcommittee I was chairman:

EXCERPTS FROM HEARINGS BEFORE A SPECIAL SUBCOMMITTEE OF THE COMMITTEE ON EDUCATION AND LABOR OF THE HOUSE OF REPRESENTATIVES, 80TH CONGRESS

(Tuesday, September 28, 1948, Washington, D. C.)

Hon. CHARLES J. KERSTEN (chairman of subcommittee). Will you state your full name?

Mr. MATLES. James J. Matles.

* * * * * *

Mr. KERSTEN. And your position.

Mr. MATLES. Director of organization of the UE (p. 94 of hearings).

* * * * * *

Mr. KERSTEN. Will you state, Mr. Matles, whether you are now or ever were a member of the Communist Party?

Mr. MATLES. I will answer that question to you, Mr. Chairman, as an officer of this union and as a citizen, as officer sworn to uphold the constitution of my union and a citizen who swore to uphold the Constitution of the United States. And today your committee has blacklisted and fired men in Evansville, Ind., because they refused to divulge their political or religious beliefs.

You have fired them. You have blacklisted them, and I object to that question on constitutional grounds. I object to that question. And I will not permit you, Mr. Chairman, to get me, as an officer of this union, to do less than what my members are doing in the defense of the constitution of this union or the Constitution of the United States.

I am glad that the various provisions of that Constitution of the United States permit me to have my politics and my religion to be my own business, and not to permit you to try to frame me in any way (p. 112).

* * * * * *

Mr. KERSTEN. Now, on April 23, 1949, Thomas O'Shea testified before a House committee that he had attended meetings of the Communist Party with you. Is that correct?

Mr. MATLES. Are you asking my associations?

Mr. KERSTEN. I am asking you whether or not O'Shea's testimony that he attended meetings of the Communist Party with you are correct?

Mr. MATLES. I have answered that question before. I have said to you that I am not going to give you the opportunity to dig into my politics, my religion, my associations, on constitutional grounds.

Mr. KERSTEN. In other words, you refuse to answer that on constitutional grounds?

Mr. MATLES. I refuse to answer under the first and fifth amendments (p. 114).

* * * * * *

Mr. FISHER. You are not willing to testify publicly here whether you do or do not know William Z. Foster, the chairman of the Communist Party of the United States?

Mr. MATLES. I am not willing to testify on my associations with anybody.

Mr. FISHER. What is your objection to testifying to that?

Mr. MATLES. I believe that my associations are my own business, sir, and I believe that you are invading my rights under the Constitution.

Mr. FISHER. Which particular rights are you talking about?

Mr. MATLES. The first and fifth amendments to the Constitution.

* * * * * *

Mr. FISHER. You refuse to say whether you know William Z. Foster or not. Do you know Eugene Dennis, the secretary of the Communist Party?

Mr. MATLES. I have answered the question that I do not care to discuss my associations, whether with the employers, with people in the country at large, or with Members of Congress.

Mr. FISHER. You have told us a number of people you know. You said you knew Mr. Murray and Mr. Conroy and quite a number of others.

Mr. MATLES. People in our union.

Mr. FISHER. When I ask you about these Communists you do not want to tell me.

Mr. MATLES. When you ask me about anybody outside of my union, those are associations—those are private associations.

EXCERPTS FROM TESTIMONY BEFORE A SPECIAL SUBCOMMITTEE OF THE COMMITTEE ON EDUCATION AND LABOR OF THE HOUSE OF REPRESENTATIVES, 80TH CONGRESS

EMSPAK TESTIMONY

(September 28 and 29, 1948, Washington, D. C.)

Mr. KERSTEN. Your full name.

Mr. EMSPAK. Julius Emspak.

Mr. KERSTEN. You are secretary-treasurer of the UE; are you?

Mr. EMSPAK. That is correct (p. 157).

* * * * * *

Mr. KERSTEN. Do you know William Z. Foster? (Chairman, Communist Party, United States of America.)

Mr. EMSPAK. Well, chairman, I feel that you are approaching again the question of

whether or not a person has certain rights insofar as his personal rights are concerned on a social-political belief, and so on, and under those circumstances, I am afraid I will refuse to answer you (pp. 137–138).

* * * * *

Mr. KERSTEN. Are you a member of the Communist Party?

Mr. EMSPAK. I refuse to answer that without the advice of my counsel (p. 138).

* * * * *

Mr. KERSTEN. Is it not a fact, Mr. Emspak, that you were present at the trial of Earl Browder by the executive committee or by one of the committees of the Communist Party?

(Consultation between the witness and his counsel.)

Mr. EMSPAK. Mr. Chairman, because of the character of the question involving the question of my association with whomever I may choose to associate, I feel that I cannot answer your question. I feel that it is an intrusion on my personal life, my activities, an unwarranted attempt to impose a certain kind of censorship, you please; and under the circumstances, I reserve my rights not to answer the question (p. 154).

* * * * *

Mr. KERSTEN. I will ask you once again: Are you now or have you ever been a member of the Communist Party?

Mr. EMSPAK. Mr. Chairman, that is the question we broke off on last night, if you recall, yesterday afternoon.

Mr. KERSTEN. That is right.

Mr. EMSPAK. And I suggested that I wished to discuss this matter with counsel, and, of course, I did.

Mr. KERSTEN. Yes.

Mr. EMSPAK. And I have come prepared to answer that question.

Mr. KERSTEN. All right, what is your answer?

Mr. EMSPAK. My answer to that question is—and I would like to quote, I think, as good an authority as there is on the——

Mr. FISHER. I object to his quotation.

Mr. KERSTEN. The question is simple. Just a minute——

Mr. EMSPAK. My answer to that question is that I reserve my rights as an American citizen, under the first and fifth amendments, to refuse to answer that question because——

Mr. KERSTEN. All right, you do not have to give us the reasons (pp. 157–158).

* * * * *

New York City, N. Y., October 6, 1948.

* * * * *

Mr. KERSTEN. Have you ever been to a Communist Party headquarters here in New York City?

Mr. EMSPAK. That, Mr. Chairman, I refuse to answer, because I believe you are invading certain basic rights and privileges of individuals.

* * * * *

Mr. KERSTEN. Is it not true, Mr. Emspak, that you attended the sessions of the Communist Party at the Communist Party headquarters here in New York, during the hearing on the status of Earl Browder in June 1945?

Mr. EMSPAK. I think I answered that, didn't I, last week?

Mr. KERSTEN. What is your answer today?

Mr. EMSPAK. The same as I had last week.

Mr. KERSTEN. What was that?

Mr. EMSPAK. I don't believe that the committee should go into the question of association for the purpose of trying to impute certain beliefs to individuals, and I think that our Constitution protects us against that kind of an intrusion.

Mr. KERSTEN. Do you recall that on this occasion, during the secret trial of Earl Browder by the Communist Party, in June of 1945, that Mr. Krumbein presided?

Mr. EMSPAK. I refuse to answer that question, on the same grounds.

SQUARE-D STRIKE: "DRY RUN"

Mr. Speaker, perhaps one of the reasons the UE has called the strike at Square D, is to have a dry run on their ability to close plants vital to American defense efforts. By thus keeping their lines of power in good working order, they know they can cripple the entire American defense industry in time of crisis. For the UE is the bargaining representative throughout much of the American electrical industry which is indispensable to all American production.

HOOVER TESTIMONY

On December 9, 1953, Mr. J. Edgar Hoover, head of the FBI, testified before a House Subcommittee on Appropriations and asserted that the Communist Party operation in the maritime, mining, electrical, and communications, constituted a major and dangerous threat to our national security. I include herewith an excerpt from the testimony of the Honorable J. Edgar Hoover before this subcommittee:

EXTRACTS FROM TESTIMONY OF HON. J. EDGAR HOOVER BEFORE THE SUBCOMMITTEE OF THE COMMITTEE ON APPROPRIATIONS

In regard to the infiltration of labor, the Communists regard labor unions as instruments to be controlled and used to develop the Communist revolution.

A national conference held in August of this year of the Communist Party reaffirmed the time-honored premise that control of the labor union is of primary importance to the development of the Communist revolution in this country.

They designed, particularly, the automobile industry as being the prime target because it is well known that it is one of the most vital industries to our national defense production.

In New York, the party has set a goal for 65 percent of its membership to become employed in the basic industries of the country. Instructions were issued for the reorganization of the Communist Party in Los Angeles recently to organize on an industrial basis and party members were requested to secure work in the basic industries in that area, thus showing the trend of placing as many members as they can in the key industries of the country—the basic industries which if disrupted would materially affect our national defense.

Currently, some trade unions operating in the maritime, mining, electrical, and the communications fields are chief strongholds of the Communist Party. The Communist Party still maintains its strongest bases in those unions, which were expelled from the CIO during 1949 and 1950. All of this poses a major and dangerous threat to our national security, because it involves these various unions that were expelled by the CIO. One of those unions represents a large portion of all employees in the electrical industry of the United States. Another union that was expelled exercises life-and-death control over our Pacific coast commerce; another union has members employed in the production of copper and zinc which are essential to the national defense efforts.

BILL TO CURB REDS

On February 17, 1954, I introduced into the House H. R. 7950. This legislation which I proposed would prohibit the Federal Government from placing war contracts with companies where the Communist UE or other Communist unions prevail.

This bill would also amend the Taft-Hartley Act by redefining the term "labor organization" to exclude organizations which are Communist-dominated. Any Communist-dominated union would thereby cease to have any right to act as a bona fide union or representative of employees. This bill specifically empowers the Subversive Activities Control Board to investigate and determine if a labor union is a Communist-action or Communist-front organization as defined in the Subversives Control Act of 1950.

The bill also expands the Taft-Hartley non-Communist oath by requiring both labor officials and employers to execute such an oath annually and extends the oath to cover not only the Communist Party but also any other organizations determined to be Communist organizations by the Subversives Activities Control Board.

Tenth Anniversary of the Warsaw Uprising

EXTENSION OF REMARKS
OF
HON. EDWARD J. BONIN
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 3, 1954

Mr. BONIN. Mr. Speaker, under leave to extend my remarks, I wish to commend the gentleman from Illinois [Mr. KLUCZYNSKI] for having set aside this hour to commemorate the 10th anniversary of the Warsaw uprising. Ten years ago, on August 1, the underground army of Warsaw fought the Nazi Army. For 63 days these brave people fought and sacrificed their lives that the Allies of World War II might be victorious. In the end, 300,000 Polish patriots sacrificed their lives with the hope and expectation that Poland would once again be free. This is but one of many battles in which Polish warriors sacrificed their lives for freedom and independence.

As a member of a select committee of the House of Representatives to investigate Communist aggression throughout the world, I had the honor and privilege to hear the direct testimony of General Bor-Komorowski and General Anders. Their testimony was taken in London, England. We also heard other Polish patriots, now living in exile in England, Germany, and Italy, vividly describe the pain, suffering, and death occasioned by the infamous betrayal by the Soviet Army that promised to aid them in their uprising. Their testimony revealed the perseverance of the Polish people to defeat the war machine of Adolf Hitler.

Even today, we discovered that the fight against communism and bolshevism continues at this moment. The success of the Kremlin is based on fear, torture, massacre, and murder of their enslaved people. Our committee heard that there are 20 million innocent people in concentration camps in northern and

eastern Russia. People of Poland, Lithuania, Czechoslovakia, Rumania, Hungary, Bulgaria, and even citizens of Russia are confined in these slave labor prisons contrary to the most elementary concept of human dignity.

The policy of the United States during and after World War II bears a part of the responsibility for the plight of the Polish nation. The Yalta and Teheran agreements deprived eastern European nations of their rightful place in the family of free nations. The nations of eastern Europe were not consulted about these agreements and did not participate in these conferences. The secrecy of these agreements did not become public until the U. N. conference assembled in San Francisco. For the first time, the American public discovered the great betrayal of the Polish people. The United States has a duty and an obligation to redeem itself from this great betrayal. I have said before, and I repeat now, that the United States should repudiate these agreements and do everything in its power to restore freedom to these enslaved nations.

The people of Poland will revolt again. They will fight their oppressors just as they fought 10 years ago. When that time comes, the United States must show her determination to help these millions of oppressed people to eradicate the tyrants of Moscow. This blow must be a final one. Then, and only then, will the world be in peace.

Poland will once again be free and independent. When a desire for freedom burns in the hearts of men, no dictator can extinguish that desire even with fear, torture, massacre, or slave labor camps. The present oppressors of Poland will never destroy the desire of freedom of the Polish people.

Dorchester Day, 1630–1954

EXTENSION OF REMARKS
OF
HON. JOHN W. McCORMACK
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 3, 1954

Mr. McCORMACK. Mr. Speaker, under permission to extend my remarks, I include an article written by me entitled "Dorchester Day, 1630–1954," together with an excellent poem entitled "Mother Dorchester Towne," written by John Meade.

The town of Dorchester, Mass., now a part of Boston, Mass., is one of the most historic communities in North America.

The above-mentioned follows:

DORCHESTER DAY, 1630–1954

(By Hon. JOHN W. McCORMACK, of Massachusetts)

One reason I like so much to write this article is because in Congress most of us are caught up in the stream of current and crisis history. Our grasp of the essentials has a tendency to become blurred unless we return to our origins, our roots, so to speak, and replenish our understanding of the United States of America by going back to its sources. Dorchester Day brings to the surface of our time an abundant and a very special kind of typical American history. If you were with me in Washington from day to day and hour to hour—and I wish you could be—you would be, I am sure, amazed to recognize how closely knit are the decisions of this moment with the principles and the traditions of our country, as they developed from the days in 1630 when Dorchester was founded.

Like the sound and solid guidance for life we learn at our mother's knee and in the home, so in the halls of government, where sometimes grave decisions have to be taken, we get our sense of direction, our insistence on integrity, our strength of conscience, from familiarity with the circumstances of America's beginning and America's growth. That is why I am so happy to prepare this article because it affords the opportunity to steep again in the historical folklore of our country. One reason I believe that the American people have been so wise in their judgments through the decades is because they have maintained their reverence for history and the past, as exemplified by this ceremony today. Their judgments have been imbedded deep in their knowledge of what went before and their respect for it—and by the past I mean not only our past in relation to 1630, but also, their past, in relation to the story of American justice, and to the Old and New Testament to which they were so profoundly devoted.

We are a religous people, and what we celebrate on this anniversary of the establishment of Dorchester seems to me to be a part of the design of an infinite will. Surely the long, often peaceful, sometimes violent, story of Dorchester is not just a happenstance that occurred as one might turn a street corner either to the west or to the east; an event in time and space unrelated to anything else and alone. No; as we examine the pattern, we must find the finger of God tracing the story: We see how intimately the story of Dorchester is interwoven, and how subtly, with the rest of the early history of our country. We see how it is practically one with the landing of the Pilgrims in 1620. We cannot miss its remarkable involvement with the events of the American Revolution, with the adoption of the Constitution of the United States and its Bill of Rights, and with the expansion to the West and the building of our country. We must see how robust and adamant the Colonies were in the conquest of nature itself on this rockbound coast, and how forbearingly they contended with the Indians.

All of this gives us this day evidence of the patient and paternal touch of the divine will.

But there is also testimony even more concrete. It was, after all, religious men and women who played what, I must believe, is the chief role in the organization of the founders of Dorchester even before they left England for the American shore. It was a Rev. John Warham and a Rev. John Maverick who were the ministers and leaders of the little group that met in Plymouth, England, and constituted themselves a church community. In reaching out for this historical material I am in great part indebted—and very much so—to the Dorchester, Mass., tercentenary committee of 1930, and to the subcommittee on the historical booklet, of which Patrick J. Connelly, former postmaster of Boston, Mass., was chairman, and Richard P. Bonney was editor, and which included Mary B. Corr, Edward A. Huebener, and Carrie M. W. Weis. The research they did, the information they compiled, the story they organized and presented is for me an excellent piece of workmanship, fashioned with an affectionate objectivity, and I am proud to employ a good deal of it in writing this article. I think we would do well—if this has not already been done—to put out a reissue of this booklet so that every home in Dorchester, perhaps every home in Boston, might have a copy.

For our world is caught—as if suspended—in a dreadful impasse of history, a unique state of tension, which has been described as a "cold war" and which is marked by "hot war" interludes—Korea and Indochina. The struggle that is now clearly defined between a free and a slave world depends for its success, for either side, on the winning of the support of mankind. The historical product we have, so to put it, to sell to the human race, is well told by our contemporaries as it was magnificently lived by our forbears. It is this we need to propagandize first among ourselves, by the distribution among us, of material like this splendid booklet, and then among the peoples of the world by acquainting them with the history of freedom as we struggled for it and won it on these shores. If the masters of the Kremlin knew this history only half at well as we know it, they would recognize the folly of presuming that a people in possession of so sacred a treasure as the American credo would ever permit its betrayal, or would ever submit to a tyranny that strikes to the very heart of the edifice our people created on this soil.

Let us, therefore, no matter how well we may know it or how often we have heard it repeated, review again in brief this mite of history, as we would repeat a sacred and familiar prayer, not because it is new but because it is loved. And we can thank our enemies, actual or potential, for reminding us that this liberty, this democratic government, this Bill of Rights, this dignity of the individual, this system of free schools, this election freely by secret ballot, this equal justice under law, this right of petition, this "We, the people," this "Nation, under God," cannot be taken for granted except at our peril. We can thank the enemy for reminding us that as it was won by endless effort and endless combat, so it can be lost by shameful neglect and slothful indifference.

A people intensely devoted to Dorchester's patriotic past, as we who celebrate Dorchester Day, can be expected to follow in the footsteps of those whose deeds we honor. I do not believe we will let ourselves forget that Dorchester is derived from Dorsetshire in England, afterward called Dorchester, and that the early settlers largely came from there, founding the Dorchester which is now a historical community on this continent. There was in England's Dorchester a Rev. John White, rector of St. Peter's Church in that city, who well before the sailing of the *Mayflower* dreamed and planned a settlement in the New World that would be guided by the precepts of religion. As you see, the religious influence was invariably predominant, even as it was with the great Jesuit Fathers whose explorations opened up to civilization and to Christianity other great territories on this continent, and as it was, of course, predominant in the life of Columbus himself, the first and the greatest explorer of them all.

The religious and political persecutions of James I and his son, Charles, hastened the plan. The Reverend Mr. White associated himself with other leading Puritans. The Massachusetts Bay Company was organized and John Endicott was sent here to found Salem in 1628. With the help of a Lord Dorchester, a courtier of King Charles I, a liberal charter was secured by the Massachusetts Bay Company. This permitted them to settle and govern the area on these shores between the Charles and the Merrimac Rivers, and that, it may be said, from a real-estate standpoint, is the practical beginning of the great project. It will be noted that many historic communities were included in the original grant, including what is now the South Boston section of Boston. Like Moses, who also dreamed and planned and admin-

istered much but never, himself, got to the Holy Land, so the Reverend Mr. White never left the Church of England, though sympathetic to the Puritans, and in fact never left England. His achievement, in the practical sense, consisted in seeing to it that one of the ships in the fleet sent out by the Bay Company carried a considerable group of his own parishioners to the new land. This ship was called the *Mary and John* and the two churchmen I mentioned before, the Reverend Mr. Warham and the Reverend Mr. Maverick, headed the expedition. I am told that visitors from New England to Dorchester, England, make it a point to visit the grave of the Reverend Mr. White in the porch of St. Peter's as one visits a shrine. The two ministers I mentioned whom he had selected to head the mission were permeated with his views on religion and education and the spirit of self-government.

The voyage in this 400-ton vessel began on March 20, 1630, and ended 70 days later. Actually they landed at what is now Hull. With the help of settlers who had been here before them, they moved their goods and cattle to better ground, pending the findings of exploring parties sent out in quest of a permanent settlement. One exploring company followed the Charles River to what is now the arsenal at Watertown. The second company was delighted with a spot the Indians called Mattapannock. They especially liked its salt marshes for pasturage and its rocky hill for defense. The Mattapannock of the Indians was, of course, South Boston, and the marsh, as you know, is called the cow pasture to this day. That rocky eminence is today Savin Hill. It has been a rather reliable guess that they set foot at first at what is now the junction of Pleasant and East Cottage Streets in the area that came to be identified as Allen's Plain.

This was Dorchester as of 1631.

Under conditions that we today would consider rude and inhospitable beyond endurance, they built their thatch-roofed cabins and their meeting house in a close community as a common protection against possibly hostile Indians. With the Indian threat later eliminated the area of occupation widened.

I quote an interesting bit of this history from the tercentenary document. It says:

"The first houses were built along a road stretching from the first meeting house to the Rock Hill of the settlers, the Savin Hill of today, where a fort was located. It followed the line of Pleasant Street and Savin Hill Avenue. Another early road covered the route of Pond Street and Crescent Avenue to the cow pasture. From the five corners at the end of Pond Street, a lane ran toward the neck (Boston Street). Jones Hill was circled by a road following the lines of Stoughton, Hancock, and Pleasant Streets to Savin Hill Avenue. Access to Roxbury and Boston was over a road running from the meeting house along Cottage, Humphrey, and Dudley Streets to the center of old Roxbury at Eliot Square. When Israel Stoughton set up his grist mill at the falls of the Neponset in 1633, it was necessary to build a road across the great lots. This left Hancock Street at the foot of Meeting House Hill, and followed Winter and Adams Streets to the lower mills. It became an important route from Boston to the Plymouth colony, and was known as the Lower Road."

For me these data hold an intriguing quaintness because, like all of you, I know these names and these places so well, and what I am relating goes back more than 300 years.

These names and these places, down through the centuries, are a part of the fabric of the Nation's history. The first church, at Cottage and Pleasant Streets, was not only a house of worship but a civic center, a school, a storage place for valuables, and a powder magazine. From time to time it was enlarged and improved and finally moved to a better site, the east side of Winter Street, at what has as a result become Meeting House Hill. The church was the heart of the community, the source of its leadership. In fact, church membership was an indispensable qualification for citizenship. There are many examples of church decisions enforced by the secular arm.

It has been recorded by our tercentenary historians that Dorchester was first to organize local government by the town meeting, and that it was first to establish a free school supported by public taxation. No contradicton of these claims has come to my attention. No doubt other communities in New England would have adopted these ideas for education and self-government, even if there had never been a Dorchester settlement. But I am proud to shout from the hilltops Dorchester's claims in this respect. Again in refreshing one's Americanism at the fountain source of American tradition, in determining questions on public aid to education, in seeking out the nature of free government, and official decision democratically arrived at, one must feed one's thinking in just such history as that of Dorchester. For the very heartbeat of American life goes back directly to what our forebears did in Dorchester when they established—for the first time on this soil—the town meeting and tax-supported education.

The memorable date of the first town meeting was October 8, 1633.

The founding fathers then stipulated that "the men of the colony should meet on every Monday evening, at the meeting house, there to settle and set down such orders as may tend to the general good, and every man to be bound thereby without gainsaying or resistance."

It might be helpful, in the light of the appropriation facts of our own time, to recall that the town's appropriation proved inadequate to run the first free school in Dorchester, so that perhaps it is not correct to say that it was wholly free, for a small tuition fee was charged to make up the difference. On the other hand, I do not believe it can be said that education was in any way frustrated because of this fee, for our founding fathers were wise and liberal enough to make it payable, if necessary, in firewood. And it would seem to me that just about the most abundant product in the whole wide world at that time was firewood from the vast wilderness that enveloped the early settlers. What the taxation failed to provide in the way of education for the young, came from the sweat of the brow that produced the necessary amount of firewood. Thinking of this hour and looking back, as one called upon to help decide appropriations in the Congress of the United States, I must say I can find precious little fault with that arrangement.

The process may not be suitable to our time but the principle, it seems to me, is ideal.

Dorchester deserves another singular preeminence in history, which I do not believe has been properly noted, probably because of the greater scope of an achievement along kindred lines by William Penn, the founder of Pennsylvania. The people who founded Dorchester dealt fairly with the Indians, and both settlers and Indians profited accordingly. When the two groups first met, the Indians held up a fish to show their peaceful intentions and the pioneers held up a biscuit. Back in 1657 some 6,000 acres of land were given over to the Indians as a reservation at a place then called Ponkapoag and now known as the town of Canton. We can only guess how many American scalps and Indian lives were saved as a result of the intelligent and Christlike relationship the Dorchester settlers maintained with the Massachusetts Indians. When the citizens of Dorchester girded their loins to fight the Indians, it was against the Pequots of Connecticut in 1636, and the Narragansett tribesmen of King Philip in 1675. Their participation was rather as the result of an alliance, and not as the consequence of direct relationship of the citizens of Dorchester with the Indians who had become hostile.

In our relationships with less advanced portions of the earth today I believe we can take a page from the book of the early Dorchester settlers.

American character, independence, and just plain raw courage, run through the whole story of Dorchester participation in the American Revolution. They did not like the Stamp Act, and they said so. They instructed their representative, one John Robinson, to do all he could to secure the act's repeal. In 1770 they went so far as to pass resolutions pledging themselves to boycott goods of British origin. The Dorchester Committee of Correspondence met with other committees in Faneuil Hall in 1773 to discuss what should be done about British ships loaded with tea in Boston Harbor. Dorchester, through its representative, defied the British Parliament, when the British destroyed the independence of the Massachusetts General Court. Dorchester's voice was strong in the Suffolk Resolves which carried in their temper and meaning some of the thinking that later emerged in the more historic Declaration of Independence. An important group of Dorchester citizens risked their lives in adopting the Suffolk Resolves at the home of a Daniel Vose, which was across the Neponset River in Milton Lower Mills.

Dorchester both before and during the revolution was in the midst of its danger and its fury.

There were 350 Dorchester men who fought under Washington. They participated in the brilliant series of maneuvers by which General Washington drove the British from Boston, and in the course of which Dorchester Heights played so prominent a role. Support from Dorchester to the revolution was loyal and constant. On May 23, 1776, the town passed a resolution pledging the Continental Congress its support should the decision be made to declare the Thirteen Colonies independent.

There is a vast history that cannot be touched in this brief pointing up of the highlights. There was the role for example that Dorchester citizens played in the Civil War contributing 1,342 men out of a population of 10,000 and losing 97. There was the incredible growth of trade and industry, and the concurrent increase of population to more than 200,000 in our own time. It was in Dorchester that for the first time in New England corn was ground by power. Dorchester gave the Nation its first playing cards. It furnished great names to the Nation: Edward Everett, United States Senator, Ambassador to England, writer and orator; the industrialists James Baker and Rossweil Gleason; Joseph Lord, who founded Dorchester, South Carolina; John Lothrop Motley, the historian; Samuel J. Barrows, editor; Maria Cummins and William T. Adams, poets; Josephine Preston Peabody, the poetess; Lucy Stone; the Reverend Hugh Blunt, poet. Dorchester gave us Henry L. Pierce and George Hibbard, notable in the field of public service, and John F. Fitzgerald, a Dorchester resident, all three having been mayors of Boston. Marshall P. Wilder, merchant, philanthropist, and statesman, the founder of the Massachusetts Horticultural Society, was a citizen of Dorchester. And there were other great preachers, writers, and publicists. In passing I might say the late John F. Fitzgerald was grandfather of United States Senator JOHN F. KENNEDY.

Dorchester diminished in territorial size from time to time, and this in itself is a sign of the thirst for self-government and independence; for it was the very desire for independence in New England that led to the breaking up of the large towns for smaller self-governed units.

In line with this spirit, Dorchester at first fought annexation to Boston. But as community life became more complex, as communication media developed, and as transportation provided greater concentration without any real loss of autonomy, sentiment changed, and in 1869 the people of Dorchester voted for annexation to Boston, by a vote that nevertheless showed a strong remaining sentiment for separation. By January 4, 1870, Dorchester's existence as a town ended.

Time and again I have thought of the significance of Dorchester as a precious fragment of my country. The vast industries it now supports; its teeming and active population. Its cultural life, its religious life—Catholic, Protestant, and Jewish—its schools and its theaters. Its alert publications. Its extraordinary aliveness; its throbbing Americanism.

Yes, it gave us our first town meeting and it gave us our first tax-supported school. It fought in ever war and it dealt fairly with its neighbors.

What, you may ask, is its significance? What does it add up to? It adds up to this: It makes for the greatest comfort that can come to the American soul in the hours of long and bitter tension the world is experiencing today. For what is true of Dorchester is true, in essence, of the thousands of other American communities, and it is true of the whole of the United States. Philadelphia has its Constitution Day, and Texas remembers the Alamo. Just as Dorchester dealt fairly with the people the settlers found here in 1630, so the United States dealt fairly with Cuba and Puerto Rico and the Philippines; so the United States needs no fortified frontiers either at the Mexican or the Canadian borders.

The United States as a nation has a character that gets its strength from faith in God and from the education and the enlightenment of its people.

Today, we are confronted with a menace that is without parallel in all of human history. The story of Dorchester explains why an almighty providence has put us—this great Nation—in position, through a divine plan, for leadership of the free world. The story of Dorchester explains why—thank God—the cleavage between the free and the slave world today is so clear, is so undisputable, that we can accurately and truthfully identify the two great contenders, one as free, the other as slave.

Never has the line been more clearly and plainly drawn.

What our forbears have done for us is to help us with their example to see the path we must follow. They wanted freedom enough to dare and suffer anything. They have given us that heritage.

There is in Dorchester a sample of the strength and the character of this Nation. This gives hope not only to us, but to the whole free world. We have tremendous strength in being: economic strength, military strength, the strength of leadership in statecraft, in science, in just sheer energy and initiative. It has been built in us through the centuries and it is now in full growth. But we have above all the vigor that comes from the faith that gave such power to the heart and the sinews of the early settlers, and that is the source of our great inner might today. These are the forces that guarantee our security. With might resting on these foundations, the enemy cannot destroy us—and I believe that the Kremlin knows it.

We have a sublime faith to live by, and I hope to see and participate in many Dorchester Days yet to come, in a strong and peaceful and a happy America and in a peaceful world.

MOTHER DORCHESTER TOWNE

Proudly we gather to celebrate here;
The birth of a town that we love and revere;
Dorchester, where highlights of history were made;
Deserves every tribute that now can be paid.

Here stands the site of the first public school;
Where "Free to the Rich and the Poor" was the rule;
Here where the Pilgrims assembled and planned;
Dorchester's town meetings the first in this land.

Her sons helped to fortify Dorchester Heights.
They helped too to draw up our famed Bill of Rights;
They also made plans to throw into the sea;
A cargo of Britain's much overtaxed tea.

By giving this Nation great men of renown;
They earned the name "Mother Dorchester Towne,"
Where the good neighbor spirit is still to be found;
God bless every inch of her dear hallowed ground.

—*By John Meade.*

Old-Age Assistance

EXTENSION OF REMARKS
OF
HON. MORGAN M. MOULDER
OF MISSOURI
IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 3, 1954

Mr. MOULDER. Mr. Speaker, I think that all Members of the 83d Congress should be proud, as am I, of our action in regard to the extension of the Federal social-security program. The House of Representatives passed the social-security bill almost unanimously. The Senate Finance Committee has reported favorably upon the bill which will extend social-security protection to several million additional persons not now entitled to benefits under the program, and which will increase benefits to all persons now receiving old-age and survivors insurance.

As I review the accomplishments of the 83d Congress, I am particularly proud of our progress in this humane field. However, I have sought in vain to find any action which this Congress has taken to increase benefit payments to those persons who receive Federal-State old-age assistance under title I of the Federal Security Act. There are in the United States today, almost 2½ million persons who receive old-age assistance benefits. The maximum amount of payment in which the Federal Government will participate is a grant of $55 per month per individual. Under the present matching formula, the Federal Government contributes $35 per month and the State $20 per month on a maximum payment of $55.

Since 1946 every Congress has increased the Federal share of assistance payments by $5 per case, which has enabled the States to pass on this $5 additional monthly benefit to those persons who can qualify for old-age assistance. The 83d Congress, 2d session, has not taken recognition of the inadequacy of the present payments to the old-age assistance recipients, although we all recognize the fact that living costs are soaring, and that any person attempting to live on $55 a month is hard pressed indeed. In my own State of Missouri, 133,732 received old-age assistance grants in the month of June. The majority of these persons received the maximum payment of $55 a month. In my own congressional district, the 11th District of Missouri, there are 14,981 persons who receive old-age assistance under the State-Federal program. Unless some action is taken by the Congress in the closing days of this session to revise the Federal formula and provide additional money to the States, the 2½ million persons in our country over 65 years of age now on old-age assistance will have nothing to look forward to in the next 2 years as far as increased assistance checks are concerned. These fine old citizens of the United States have paid taxes, have reared and educated their children, and have made our Nation strong.

It is my earnest belief that the Congress should move at once to rectify this situation and to provide legislation and appropriations to substantially increase the old-age assistance checks for all of the 2½ million persons who now receive monthly assistance grants, so that they will be better able to provide themselves with the necessities of life and will have a brighter, happier old age as they go down the sunset slope of life.

The following table shows information by counties in my congressional district:

11th congressional district

County	Number of old-age assistance recipients June 1954	Number of old-age insurance recipients Jan. 1, 1954
Total (17 counties)	14,961	5,573
Benton	597	154
Boone	1,328	821
Camden	543	175
Carroll	659	255
Chariton	921	179
Cole	677	579
Cooper	783	276
Dallas	779	156
Hickory	419	55
Howard	706	164
Laclede	1,130	314
Miller	810	182
Moniteau	754	208
Morgan	506	210
Pettis	1,682	740
Randolph	1,433	598
Saline	1,254	507

Conmar Plant in Mississippi

EXTENSION OF REMARKS
OF
HON. FRANK E. SMITH
OF MISSISSIPPI
IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 3, 1954

Mr. SMITH of Mississippi. Mr. Speaker, it is with great pride that I point to Greenwood, Miss., my own home town and the home of many of my con-

stituents, as a prototype of the remarkable industrialization that today is taking place in the South.

Historically an agricultural community, 6 months from now Greenwood will also be an important center of the rapidly growing southern apparel industry.

This great development in the economic nature of Greenwood will be the result of an all-out effort by the up-to-date civic leaders and citizenry of the community and of the foresight of one of the Nation's leading manufacturers of slide fasteners.

It is my pleasure to report that ground has been broken in Greenwood for the largest zipper manufacturing facility below Mason and Dixon's line by Conmar Products Corp., of Newark, N. J.

An ultramodern $750,000 building will house $500,000 worth of Conmar-designed and built production equipment, will eventually employ about 300 Greenwood people, and will bring an annual payroll of about $1 million to the area. This major industrial enterprise will produce 50 million zippers annually for the fast growing southern work clothes, textile, and women's wear industry.

We of Greenwood have great confidence that this is only the beginning of an era of prosperity for our community, because the company we have chosen—and which has chosen us—has an outstanding record of achievement and is headed by an outstanding American of unusual abilities and accomplishments.

The founder and president of Conmar Products Corp. is Alexander Konoff, a man who in the best American tradition came to this country a penniless immigrant boy with no formal education, and who today holds a doctorate in mechanical engineering and has built two multimillion-dollar manufacturing companies.

Mr. Konoff founded Conmar 21 years ago in 1933, in the midst of the depression, and in 5 years had established his company as second ranking in the slide fastener industry. Conmar's Greenwood plant, which will be completed next spring, will be its third factory. Conmar's new nonjamming slider, called Conmatic, which is so engineered that it will not snag or become stuck, is making zipper history.

Both my constituents and the management of Conmar have great plans for Greenwood's new factory. It is an ultramodern plant, which was designed to facilitate expansion as the fortunes of Conmar and Greenwood continue to grow hand in hand. Conmar's southern branch will provide the quickest possible seryice to the expanding southern apparel industry.

Mr. Konoff is a man of great sincerity. Before he would consider bringing his company's new plant to Greenwood, he invited leaders of the community 1,305 miles to Conmar's Newark, N. J., headquarters because he felt it only fair that they should see what kind of company they were inviting to their community.

He is a compassionate man who has never forgotten his early days of hunger and poverty and whose deep sense of responsibility for the welfare of his fellow men has resulted in the design of many features for the comfort of his Greenwood employees in the new building.

I would like to read into the RECORD the address Mr. Konoff made to Gov. Hugh White, of Mississippi, Mayor Allen Saffold, and the citizens of Greenwood during the recent ceremonies connected with the ground breaking, because they symbolize the whole philosophy of this great, philanthropic, humanitarian American. His remarks follow:

I would like to take a moment to express my appreciation for the welcome you have given my associates—and myself.

When our customers moved to the South, we knew that we would soon follow them. Our search for a suitable location took us to many towns and cities but—from the time I first saw Greenwood I knew that Conmar belonged here. The friendly spirit of your community as reflected by your mayor—the members of the chamber of commerce—and all your citizens—appealed to me. You made us feel at home from the start and today's ceremonies are only a symbol. We have long since become a part of Greenwood, a town in which we want to live—and work—and build.

I am sure that Conmar will flourish in your southern soil as it has elsewhere. I am equally sure that Greenwood will continue to grow with us and that our association will be a long, happy, and prosperous one.

This is not the first time that I have participated in the creation of a new and successful enterprise. About 40 years ago I founded an industry that was entirely new in the United States—the manufacturing of moving eyes for dolls. Today our associate company, the Margon Corp., is the largest of its kind in the world, employing nearly 1,000 people in Bayonne, N. J.

About 20 years ago I established Conmar Products Corp. I recognized the need for developing the zipper which, at that time, was regarded as a mere novelty.

Today the zipper is a staple necessity. Billions of slide fasteners are used annually for clothing, leather goods, and a wide variety of other civilian and military articles. New uses for the zipper and improvements in the mechanism are constantly being introduced. As a result, the demand for zippers increases year after year. The technical know-how of our company is contributing to the continuing growth of the industry.

Our insistence on precision workmanship has made the name "Conmar" synonymous with the highest quality standards. These are some of the reasons why we are one of the leading producers in the country today.

Mayor Saffold and some members of the chamber of commerce have visited us in Newark and have seen—firsthand—our modern plant and its technically advanced equipment, which we designed and built. You will be pleased to know that our new plant here will be even more modern and will be equipped with our latest machinery.

My recent participation in the industrialization of the State of Israel is another example of my interest in new undertakings. I had the privilege of helping to organize two new companies, a textile concern and a plastics firm. Both organizations are already thriving and giving employment to many Israeli citizens. In the same manner, I trust we shall be pioneers in the industrialization of Greenwood.

Many people ask me why I continue to open new enterprises and why I don't take life easy instead. All my life I have worked hard and I pray that I will have the strength and the courage to continue to do so. I can find no better explanation of my feeling and no better answer to the questions of my friends—than the words of the great English philosopher, John Ruskin, who said: "When we build—let us think that we build forever. Let it not be for present use alone. Let it be such work as our descendants will thank us for, and let us think, as we lay stone on stone, that a time is to come when those stones will be held sacred because our hands have touched them, and that men will say, as they look upon the labor and the wrought substances of them: See, this our fathers did for us."

This is why it is a thrill for me to be here today and why I look forward with confidence to the growth of Conmar in Greenwood.

Thank you.

Average Man Benefits by Elimination of Waste From Government

EXTENSION OF REMARKS

OF

HON. RUSSELL V. MACK

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 3, 1954

Mr. MACK of Washington. Mr. Speaker, the national deficit for President Truman's last year in office was $9,400,000,000. The national deficit for President Eisenhower's first year in office was $3,029,000,000. In a brief 12 months President Eisenhower and an Eisenhower Congress brought the national budget over $6 billion closer into balance. The apostles of doom and gloom said it could not be done, but it has been done.

How did President Eisenhower and his Congress accomplish this improved national financial condition? Did they do it by lessening or eliminating needed and desirable services to the people? No.

Needed and desirable public services to the people have not been decreased. Instead, desirable services to the people have been expanded.

For example, 50 million motorists want better and safer roads. This Congress has authorized the expenditure of $300 million a year more money on Federal highway construction than ever was authorized by any previous Congress in any previous year.

Before Congress adjourns, social-security pensions will have been increased and more citizens given the protection of this wise law, thereby making life a little more enjoyable for the elder citizens.

Pensions and compensation have been increased by $109 million to service-connected disabled war veterans and to the widows or the parents who lost their husband or son in any war due to death on the battlefield or from war-inflicted disease or wounds. The increase may not be as large as some wanted or expected, but it is $109 million a year more than ever was granted heretofore.

Congress also has provided funds for the operation of 114,000 veterans' hospital beds, which is the largest number of VA hospital beds operated anytime in the history of the Nation.

The Congress has made available, during the coming year, an additional $100

million of loan funds to help veterans acquire homes of their own.

The money for financing the rehabilitation of disabled citizens, veteran and nonveteran alike, to equip them to become employable and again self-supporting has been increased by 50 percent.

These better services to the people have cost additional hundreds of millions. Despite these added expenditures to provide this better service, the budget is nearing a balanced condition.

How did President Eisenhower and the Congress achieve this great record? They achieved it by keeping their election promise that they would eliminate waste and extravagance anywhere and everywhere they found it and thereby provide the taxpayer with better Government services at less cost.

President Eisenhower and this Congress have provided the Nation with more efficient and effective Government than our country has known in a long time. This Congress has demonstrated that the people can have better service from Government and lower taxes too.

The Betrayed Farmer

EXTENSION OF REMARKS
OF
HON. MORGAN M. MOULDER
OF MISSOURI
IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 3, 1954

Mr. MOULDER. Mr. Speaker, I was nominated without opposition as the Democratic candidate for election to Congress from the 11th District of Missouri, for which I am honored and deeply grateful. The 11th Congressional District is generally regarded as a close district, and it would naturally be my desire to return to the district as soon as possible to conduct my campaign.

On the 2d day of next November the voters in our respective congressional districts will have their first opportunity to express their opinion of the Republican administration now in power and to also vote for or against their representation in Congress.

Mr. Speaker, although like every other Member in Congress, I am concerned with thoughts of my opponents now campaigning against me, it seems of far greater importance that every Member of Congress should remain here until the full discharge of our duties to the people we represent here in Congress. This is our solemn obligation and duty to the people back home and is of vastly greater importance than the early return home to engage in a campaign.

Mr. Speaker, I am taking this time and opportunity of serving notice that I shall vote against any resolution for adjournment until Congress has had an opportunity to consider and vote on many important bills now pending, bottled up, and undisposed of. I sincerely hope the Republican majority leadership will provide such opportunity.

Mr. Speaker, I particularly refer to my bill, H. R. 10058, to provide emergency assistance and relief in the drought-stricken areas of the United States, and for other purposes. This bill reads as follows:

Be it enacted, etc., That, in order to provide emergency relief for the victims of the widespread drought presently existing in the United States, there is hereby authorized to be appropriated the sum of $1 billion, to be used in the discretion and under the direction of the President in—

(1) establishing a program for the purchase of beef and cattle in drought-stricken areas for distribution to schools, hospitals, and the Armed Forces with adequate provision to asure the farmers at least $10 per 100 pounds for utility grade cattle;

(2) purchasing grains and feeds from the Commodity Credit Corporation for distribution in drought-stricken areas;

(3) establishing a program of 30-year loans to assist in drilling wells in areas where the water supply is exhausted; and

(4) providing such other forms of assistance as he may deem appropriate to combat the effects of the drought.

Mr. Speaker, if we are financially able to appropriate billions of dollars, as is now being done, for relief and assistance to the economy of foreign countries, then for the sake of America, why cannot we afford one of such billions as provided in my bill for our own taxpaying American citizens who so sorely need and deserve such assistance as never before, in the drought-stricken areas.

Mr. Speaker, in the August 1954 publication of the Missouri Farmer, there is an article entitled "Will Congress Legislate Nation Into a General Depression?" This article was written by Fred V. Heinkel, president of the Missouri Farmers Association. Mr. Heinkel is closely associated with and among the best informed on the problems and needs of the farmers. He has a national reputation as a great leader of the farmers of America, and no person is more admired and highly respected for his integrity and ability than Fred V. Heinkel. This is what he says in the article published in the Missouri Farmer:

WILL CONGRESS LEGISLATE NATION INTO A GENERAL DEPRESSION?

(By Fred V. Heinkel, president, the Missouri Farmers Association)

The bitterest fight seen in Washington for a long time is that which has been occurring lately over the farm bill which passed the House a few days ago. And well might it be a bitter fight, for involved along with the political skins of numerous Representatives and Senators is the future standard of living for millions of rural people.

The big fight was begun at a time when net farm income was sharply declining. Farm prices had plunged downward 4 percent in June, dropping the parity ratio to 88 percent. Net farm income has declined 13 percent in the last 2 years, at the same time that other parts of the economy have been chalking up new income record highs. Income for farmers will suffer another cut of about 5 percent on 1954 crops, while as a result of cross-compliance, 1955 farm income is expected to drop as much as 15 percent overall. Some individual crops are likely to show even greater declines.

This is being written before the farm bill has been dealt with by the Senate. Because of disagreement between House and Senate, the chances are the final bill will be written by a conference committee of the House and Senate. It is too much to expect that a real good farm bill will be enacted into law, in view of the House action and the weakness of farm sentiment in the Senate.

The House bill was weak enough when it started out. It was practically destroyed by the Harrison amendment, which was a compromise calculated to please the administration and make the bill acceptable to the President.

That this was accomplished was proven by the statement of President Eisenhower in which he hailed the House vote as a great victory for the administration. The victory was also hailed by the United States Chamber of Commerce and the American Farm Bureau Federation.

When the bill came on the House floor, the Farm Bureau deluged Congressmen with letters and telegrams urging them to establish flexible supports at from 75 to 90 percent of parity.

The administration, with the President himself taking part, really put the heat on Republican Members of the House to defeat the bill or at least modify it, as was done with the adoption of the Harrison amendment. As one writer in Washington stated it:

"A little band of only 23 Republicans, led by Representative CLIFFORD HOPE, chairman of the Agriculture Committee, stood fast against bone-crushing pressure exerted by the administration and its lobbying allies. Many other GOP Congressmen who had voted for 90 percent of parity in every previous test deserted in the July 2 rollcall.

One thing that happened was that some Republican Members from dairy States like Wisconsin were unable to agree upon a strong dairy provision, which left them with nothing to fight for at the showdown. In confusion, they finally voted largely with the low-price crowd. Most Midwest Republicans, including COLE, of St. Joseph; SHORT, of the 7th District; and HILLELSON, of the 4th District of Missouri, deserted the cause of parity under strong party pressure.

(Incidentally, the way party pressure is exerted is that if you don't stand hitched the party won't help you get reelected.)

The Democrats gave about the same backing to 90 percent of parity as they did in 1952.

Secretary Benson's campaign to turn city Congressmen against price supports was successful in many cases. Of 88 Democrats from city districts, 34 voted for the cut in supports. Every one of the 98 Republican Congressmen from city districts, including CURTIS, of St. Louis, voted for the cut in supports. Every one of the Missouri Democrats, including the city members, voted against the Harrison amendment and for 90 percent of parity.

If the Harrison amendment, which fixes supports at between 82½ to 90 percent of parity, is sustained by the Senate, and the bill is signed by the President, farm income will be cut another $3 billion below the $13 billion realized in 1952. Had the administration-Farm Bureau-chamber of commerce 75 percent of parity provision been sustained farm income would have suffered a slash down to $7½ billion.

The United States Chamber of Commerce, while deploring the fact that 75 percent of parity was displaced by a low of 82½ percent in the House, termed the bill a "heartening victory"; and President Ike called it a "sweeping victory." Allen Kline, president of the American Farm Bureau, said, "The action of the House in voting to terminate the rigid 90 percent of parity price supports * * * was a good one."

Thus, as your farm income continues to decline, aside from the ravages of drought and grasshoppers, you will know whom to blame. I am proud that your MFA has fought every step of the way for higher farm income. Your officers would certainly have been derelict in their duty had they not done so. You will never see your Missouri Farmers Association advocating lower income for

farmers, or suggesting that any gains made by farmers be given away.

The farmers of America have been feeding the American people better and more cheaply than any other people on this earth have ever been fed at any time. I, for one, cannot see how we can keep on doing this much longer without receiving our just share of the national income. Unless the American people are willing that farmers receive a just return for their sweat and toil, then surely the time will come when they will be haunted by food shortages. Then they will look back on these times as the golden days of abundance when our biggest worry was huge surpluses of good things to eat.

There will be another Congress next year. Another farm bill can be passed at that time if Congress so wills. But Congress won't listen next year unless farmers and their wives register their sentiments at the polls in November. I suggest that the ballot box is the only recourse farmers have now. I think that on election day it will behoove farm people to remember their friends, as well as their enemies—and this regardless of political party.

Unless there is a radical change, totally unexpected by all observers on the Washington scene, the farm bill that comes out of this Congress will practically legislate a general depression. For general depressions are always preceded by a farm depression, and no one knows better than the farmer and his wife that a farm depression is here now.

It seems to be a favorite indoor sport of economists and certain politicians to sit in swivel chairs in air-conditioned offices and tell about how prosperous our country is at the present time. But farmers and their wives have been hit in their pocketbooks and hard; and the words of the ivory tower prognosticators are falling upon deaf ears throughout rural America.

Mr. Speaker, I was one of the Missouri Democrats referred to in this article by Mr. Heinkel as voting against the Harrison amendment and for 90 percent of parity. I am proud of my consistent stand and fight for the farmers of America; they are the backbone and foundation of our great Nation. Without their prosperity, production, and purchasing power, grass would grow in the streets of the cities.

All Taxpayers Benefit Under New Republican Tax Law

EXTENSION OF REMARKS

OF

HON. LAWRENCE H. SMITH

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 3, 1954

Mr. SMITH of Wisconsin. Mr. Speaker, without attempting to give a technical interpretation of the provisions of the tax-revision bill, I am setting forth hereafter the salient features so that my constituents may know what this important legislation does for them personally. This is the first tax bill in more than 50 years, and the Republican 83d Congress has given the taxpayers of this country more tax relief than at any time in the history of our country.

DEPENDENTS

First. A parent can claim a deduction of $600 for each child regardless of the child's earnings if the child is under 19 and the parent continues to furnish more than half the child's support.

Second. A parent can also claim the $600 dependency deduction for a child over 18 regardless of the child's earnings if the child is attending school or college, or receiving on-the-farm training, and the parent continues to furnish more than half the child's support.

Third. An aged parent or other dependent cared for by several members of a family can be claimed as a deduction by one of the members of the family.

Fourth. A taxpayer can claim a $600 dependency deduction for a foster child.

Fifth. A taxpayer can claim a $600 dependency deduction for a child awaiting adoption.

Sixth. A taxpayer can claim a $600 dependency deduction for any other person, regardless of relationship, if the taxpayer supports that person in his home.

Seventh. A taxpayer can claim a $600 dependency deduction for a cousin who is institutionalized because of physical or mental disability.

Savings to taxpayers, $85 million.

CHILD-CARE EXPENSES

First. Single working parents, such as a widow, are allowed a deduction up to $600 for the expense of child care for children up to 12 years of age.

Second. The same deduction is allowed for a married woman who must work because her husband is incapacitated.

Third. The same deduction is allowed with respect to any dependent, regardless of age, who is mentally or physically incapable of caring for himself.

Fourth. A similar deduction is allowed a married woman if the combined income of her husband and herself does not exceed $5,100.

Savings to taxpayers, $130 million.

MEDICAL EXPENSES

First. Medical expenses can be deducted when they exceed 3 percent of income, instead of 5 percent as under present law.

Second. Example: A family with $3,000 gross income and medical expenses of $150 will be able to deduct $60. The same family can deduct nothing today.

Third. The bill doubles the present maximum limit on the amount that can be deducted.

Savings to taxpayers, $80 million.

HEAD OF FAMILY

First. A single taxpayer who has a dependent son or daughter will be entitled during the first 2 years after the death of his spouse to the same income-splitting privilege as is accorded married coupies.

Second. A single individual can receive half the benefits of income splitting if he has a dependent parent and if the taxpayer maintains a household for the father or mother.

Savings to the taxpayers, $11 million.

RETIREMENT INCOME CREDIT

First. All retired people 65 and over, including schoolteachers, firemen, policemen, and civil servants, will in effect be exempt on all retirement income up to $1,200. This will mean a tax reduction for these retired people of up to $240 a year.

Second. Example: A retired single individual over 65 who has a total retirement income of $3,000 today pays about $300 in income tax. Under the bill, his tax is reduced to $60—a saving of $240.

Third. The same exemption will extend to individuals under 65 if they receive a pension from a public-retirement system, such as do teachers.

Savings to taxpayers, $141 million.

CREDIT PURCHASES

This bill allows a deduction for interest up to 6 percent on installment purchases.

Total saving to taxpayers, $10 million.

CHARITABLE CONTRIBUTIONS

This bill increases from 20 to 30 percent the allowable deduction for charitable contributions to churches, hospitals, and educational institutions.

Total saving to taxpayers, $25 million.

AID TO FARMERS

First. Deductions up to 25 percent of farm income are allowed for soil and water conservation.

Second. The bill permits more rapid writeoff of the expense of farm machinery, equipment, and construction.

Third. Removes tax on the proceeds of the sale of cattle when the sale is necessitated by disease.

Savings to taxpayers, $10 million.

SICKNESS AND ACCIDENT PLANS

First. Premiums paid by employers to health and accident plans will not be taxable to their employees.

Second. All accident and health benefits paid as reimbursement for actual medical expenses to employees, their wives, or children, are completely exempted from tax.

Third. Payments to employees for loss of wages due to injury or illness are exempted up to $100 a week.

Savings to taxpayers: No estimate possible.

DEATH BENEFITS

The bill exempts all death benefits up to $5,000 paid by an employer to the widow or other beneficiary of an employee.

Savings to taxpayers: No estimate possible.

PENSIONS AND ANNUITIES

In addition to the $1,200 exemption extended to retirement income, the bill also provides a simpler method for taxation of pensions and annuities, ends annual 3-percent tax paid on annuities, and provides instead a method of computing tax on basis of cost divided by years of life expectancy.

Savings to taxpayers, $10 million.

DIVIDEND CREDIT

First. Excludes first $50 in dividends from taxation and provides a credit against tax equal to 4 percent of the balance.

Second. Example: An individual with $50 or less in dividends from his savings will be entirely exempt from tax on that amount.

Third. Example: An individual with $250 in dividends from his savings will exclude the first $50 entirely, and then

reduce his total tax by $8—4 percent of the balance of $200.

Savings to taxpayers, $204 million.

DEPRECIATION

The bill will permit the more liberal writeoff of the cost of new equipment. For example, in the first year of life of new equipment, the taxpayer will be able to write off twice the amount now allowed.

Savings to taxpayers, $375 million, of which $75 million represents savings to individuals such as farmers, shopkeepers, and salesmen.

DECLARATIONS OF ESTIMATED TAX

The requirements are eased for filing declarations of estimated tax. Upward of a million taxpayers be relieved of the present requirement for filing.

FILING TAX RETURNS

Tax returns will be due April 15 instead of March 15, giving taxpayers 1 additional month in which to prepare their final tax returns and make their final tax payments.

RESEARCH AND EXPERIMENTATION

The bill grants taxpayers an option to either deduct as an expense or to amortize research and experimental expenditures.

No revenue estimate possible. The provision is designed to encourage business research with the objective of creating new products, new processes, and new jobs.

METHODS OF ACCOUNTING

The bill brings tax accounting rules into harmony with business accounting, thereby eliminating to a great extent two sets of books. It provides realistic computation of net income for tax purposes in conformity with sound business practices.

Savings to taxpayers, $47 million.

DEPLETION

The bill increases the rate of percentage depletion on a variety of critical and strategic minerals in order to encourage the development of domestic sources of supply.

Savings to taxpayers, $34 million.

PARTNERSHIPS

First. The bill adopts comprehensive provisions concerning the tax treatment of partners and partnerships in order to remove confusion of existing law. Principal objectives are simplicity, flexibility, and equity between partners.

Second. Certain proprietorships and partnerships are given the option to be taxed as corporations.

Savings to taxpayers, $20 million.

INVENTIONS

The bill extends capital-gains treatment to proceeds realized by an inventor on the sale or exchange of a patent.

No revenue estimate possible. The new provision is designed to encourage invention and thereby promote a healthy economy and an improving standard of living.

NET OPERATING LOSS

The bill extends the net operating loss carryback to 2 years and makes certain other adjustments.

Savings to taxpayers, $120 million.

LIFE INSURANCE

The bill lessens the estate tax on the proceeds of certain life-insurance policies.

Savings to individual taxpayers, $25 million.

CONSOLIDATED RETURNS

The bill removes the 2-percent penalty tax with respect to consolidated returns filed by regulated public utilities.

Savings to taxpayers, $35 million.

IMPROPER ACCUMULATIONS

The bill eases the penalty tax on certain accumulated earnings in order that business, especially small businesses, may have greater freedom in retaining their funds for legitimate business purposes.

Savings to taxpayers, $10 million.

CORPORATION INCOME TAX

The bill extends for 1 year the present 52 percent corporation income tax.

Total increase in revenue, $1.2 billion.

REPUBLICAN ACTION FOR TAXPAYERS

The 10 percent reduction in Federal income taxes which went into effect last January 1 saves individual taxpayers a total of $3 billion annually. This tax cut would not have been possible if the Congress and the administration had not cut the Truman budget for fiscal 1954 by $12 billion.

Nor would the $2 billion tax saving by elimination of the excess-profits tax have been possible without this budget cutting.

The Republican excise tax reduction law saves taxpayers an additional $1 billion.

The Tax Revision Act will save taxpayers $1,400,000,000.

A total of $827 million of this tax saving is for individuals. The remainder, $536 million, is tax relief for business.

The overall tax-cut program will save $7,400,000,000. Of this amount, individuals receive an overall total tax saving of $4,700,000,000. The tax savings so far surpass any previous total in the history of Congress.

Public Always Paid for Rackets

EXTENSION OF REMARKS
OF
HON. GEORGE H. BENDER
OF OHIO
IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 3, 1954

Mr. BENDER. Mr. Speaker, one of the most shocking aspects of the recent investigations launched into FHA building negotiations and labor racketeering is the degree to which those who participated in these shenanigans accepted them as ordinary. Some of those questioned have become highly indignant at being examined. They have repeatedly insisted that these payoff deals, or substantial markups in land valuations and estimated costs of construction were taken for granted. To insure delivery of materials or to prevent work stoppages for any one of hundreds of possible reasons, business people from the docks of New York across the Nation have paid off to so-called labor-business agents in routine fashion. In the FHA scandals, Government representatives quite obviously knew—perhaps even suggested—methods of enrichment for builders.

These practices invariably lead to one inevitable result. The public, the consumer, the taxpayers at large get stuck with the bill. FHA loans made to labor racketeers mean that the producer increases the costs of his product to cover his costs of operation. These things are morally wrong. They must not be permitted to go unchallenged, year after year, because they make dishonesty into a virtue and breed cynical disrespect for decency in our society.

United States Representative Harold C. Hagen Will Have Office in County Seat Towns

EXTENSION OF REMARKS
OF
HON. HAROLD C. HAGEN
OF MINNESOTA
IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 3, 1954

Mr. HAGEN of Minnesota. Mr. Speaker, in line with a policy I established some years ago, it is my plan this year to set up temporary congressional offices in each of the 15 counties of the Ninth Congressional District of Minnesota.

This will be done shortly after my return to Minnesota to reopen my official congressional office at Crookston, which is centrally located geographically in the district. My office there will be on the second floor of the post office building in Crookston, room 205.

My office staff, including my executive secretary, Earl McArthur, will be there daily to meet constituents and friends who may come into the office for a personal call or on some problem of an official nature. We are always ready and willing to be of every possible service and assistance to citizens of the district who may have matters to take up with the Federal Government. My Washington, D. C., office also remains open and the address there is 1405 New House Office Building. Office hours at both places are from 9 a. m. to 5 p. m.

I will be at the office at Crookston part of the time, but for the most part until November 2, election day, I will be traveling throughout the district campaigning for reelection to Congress.

We will establish a temporary office in the various counties and local citizens from throughout the area will have an opportunity to confer informally with their own Representative to the United States Congress, namely, myself, Representative HAROLD C. HAGEN. One or two members of my office staff will accompany me and assist me at these conferences and during the office hours which will be from 9 a. m. to 12 noon and 1:30 p. m. to 5 p. m. at each county seat. In other words, the office of the Ninth

District Congressman will be moved to each county seat in the Ninth District for 1 day.

At most of the county seats, my congressional office for the day designated for the county will be at the courthouse. In a few instances, at the city hall, or perhaps at the community building.

The schedule for each county follows:

Roseau County: Tuesday, September 28, 9 a. m. to noon; 1 p. m. to 5 p. m., county courthouse, Roseau.

Lake of the Woods County, September 29, 9 a. m. to noon; 1 p. m. to 5 p. m., courthouse, Baudette.

Beltrami County: Thursday, September 30, 9 a. m. to noon; 1 p. m. to 5 p. m., city hall, Bemidji.

Clearwater County: Friday, October 1, 9 a. m. to noon; 1 p. m. to 5 p. m., courthouse, Bagley.

Mahnomen County: Monday, October 4, 9 a. m. to noon; 1 p. m. to 5 p. m., county welfare office building, Mahnomen.

Norman County: Tuesday, October 5, 9 a. m. to noon; 1 p. m. to 5 p. m., courthouse, Ada.

Red Lake County: Wednesday, October 6, 9 a. m. to noon; 1 p. m. to 5 p. m., courthouse, Red Lake Falls.

Pennington County: Thursday, October 7, 9 a. m. to noon; 1 p. m. to 5 p. m., VFW Hall, 123 Horace Ave. North, Thief River Falls.

Kittson County: Tuesday, October 12, 9 a. m. to noon; 1 p. m. to 5 p. m., courthouse, Hallock.

Marshall County: Wednesday, October 13, 9 a. m. to noon; 1 p. m. to 5 p. m., courthouse, Warren.

Becker County: Friday, October 15, 9 a. m. to noon; 1 p. m. to 5 p. m., courthouse, Detroit Lakes.

Clay County: Tuesday, October 19, 9 a. m. to noon; 1 p. m. to 5 p. m., courthouse, Moorhead.

Otter Tail County: Wednesday and Thursday, October 20 and 21, 9 a. m. to noon; 1 p. m. to 5 p. m., courthouse, Fergus Falls.

Wilkin County: Friday, October 22, 9 a. m. to noon; 1 p. m. to 5 p. m., courthouse, Breckenridge.

Any changes in the location of the meeting place and office will be announced in the local newspapers and over the radio.

Everyone is welcome to come in to these temporary congressional offices in each county seat. No appointments are necessary for these conferences. You are invited to come in anytime to see me. Any or all of my constituents are urged to meet with me on the date and place convenient to them to discuss any problems on which my office staff and I may be of assistance and service, or you may want to come in to discuss some of the issues or perhaps stop in for just a social call.

I have long fought for and spoken loudly and strongly for 90 percent to 100 percent of parity on farm crops from the average small farm. I voted for 90 percent at all times. I wish you would come in and discuss the farm problem with me whether you agree with me or not.

We will serve coffee, milk, cookies, and doughnuts all day. I will be seeing you.

War Is Self-Defeating and Suicidal—American Defense Commitments Now Circle the World

EXTENSION OF REMARKS
OF
HON. LAWRENCE H. SMITH
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 3, 1954

Mr. SMITH of Wisconsin. Mr. Speaker, the world is still in a posture of paralyzed tension. Aggressive Soviet communism is proceeding on schedule. It is not satisfied with half a victory in southeast Asia and it is only a matter of months when it will control Laos, Cambodia, and possibly Thailand. The exit of the white man from Asia is written in large letters so all the world may see.

In our own country, Mr. Speaker, there is a demand by some people that we should seize the initiative and beat the Communists to the the draw. This appeal is a seductive one but it is charged with a great responsibility and a considerable gamble.

What have three major wars in the last 35 years gained the free world—World War I, World War II, and Korea? Mr. George F. Kennan, a foreign affairs expert, said recently that "two world wars stand out today as tragic, colossal follies, from which no one has gained." "War," he says, "became self-defeating and suicidal." I agree with Mr. Kennan.

Today, Mr. Speaker, if another shooting war starts the United States will be in it without question. Our commitments circle the world.

I doubt that the American people fully realize that they are fully committed in writing to defend 694 million people and 21.5 million square miles of land in 39 nations on 6 continents and across 3 oceans. Yet there are only 161 million of us. As the U. S. News & World Report points out the United States is the military guardian of 29 percent of the world's population and 41 percent of its land area.

In addition to the above obligations, Mr. Speaker, we have mutual security and mutual defense assistance agreements with 25 other nations. These agreements do not bind us to go to war, it is true, but they imply a strong moral obligation to do so.

Thus, in effect, Mr. Speaker, the United States has undertaken to defend a total of 64 nations, of 28.3 million square miles, and with 1.5 billion people, or a total of 54 percent of the world's land area and 61 percent of its population. No mention is made here of the unknown obligations under the charter of the United Nations.

To summarize, Mr. Speaker, the United States with a population of about 161 million people and 3½ million square miles has obligated itself in writing to defend 694 million people over an area comprising 21½ million square miles. This is a gigantic task, and the American people must be fully informed about it.

Therein, Mr. Speaker, is the very great possibility that somehow in some way, a self-defeating and suicidal war might again engulf us.

Also contained therein is the possibility for economic collapse of the United States. Neither the human nor economic resources of this country are endless. There is a limit beyond which we cannot go. The time has come for that appraisal which was promised some months ago.

My Report to the Railway and Other Workers in the Ninth District

EXTENSION OF REMARKS
OF
HON. HAROLD C. HAGEN
OF MINNESOTA
IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 3, 1954

Mr. HAGEN of Minnesota. Mr. Speaker, in the 15 counties of northwestern Minnesota, comprising the Ninth Congressional District, there are many fine men and women engaged in railroad work. We have division points at places like Dilworth, Thief River Falls, Breckenridge, East Grand Forks, and other places in the district.

I am proud to say that, in past elections, I have been endorsed by most of the railroad organizations upon my record in their behalf.

I can recall that in 1947 the so-called Jennings bill was before the House. This bill was strictly a railroad law and provided that if a railroad employee was injured or a passenger was injured, or there was a freight claim, that the lawsuit must be brought in the county or Federal district where the accident occurred. I do not need to go into detail on this except to say that every labor organization of railroad men bitterly opposed this railroad-sponsored bill and I was able to line up many votes against it.

I always have supported liberalization of the railroad retirement law, and just a few months ago we passed a law raising average payments by $24 a month.

We also brought 10 million more persons under social security and liberalized that law so that it will benefit every person when they reach the age of 65 and raised their benefits materially. In 1947, when the Taft-Hartley labor law was passed, I was one of 113 Members out of 435 who voted to recommit that law to committee. I felt then, and I feel now, that the law needed many amendments in order to make it more fair to the workers, employers, and the public.

However, I voted for final passage of the Taft-Hartley law because it had the following good points:

In the first place, it required that officials of the unions should file with the Government sworn statements that they were not Communists. This has done a great deal to check and stop the rule of a few unions by men and women who would destroy America. The Taft-Hartley law also provides that the huge amounts of money collected in dues and

initiation fees should be accounted for to the members of the unions. Previously, some of the officials of some unions made a racket and also made themselves hundreds of thousands of dollars because they did not have to account for funds.

The Taft-Hartley law also provided that union officials should be elected with a secret ballot. Previously, a few labor bosses perpetuated themselves into office through tricky phrases in their constitutions. The Taft-Hartley law also provided that when a strike threatens the Nation the President could declare an emergency and delay a strike for 80 days. Previously, John L. Lewis, or labor leaders of that type, could paralyze the Nation with a suddenly called strike.

The Taft-Hartley law permits unions to sue bosses who break their contracts and permits companies to sue unions which break their contracts.

The Taft-Hartley law outlaws the closed shop. That means that a worker could not get a job unless he belonged to the union, which meant that a few labor bosses were doing hiring for companies which had their money invested in business. Under the Taft-Hartley law the union shop is legalized, which means that a worker, not a union member, can be hired, but must join the union within 30 days after going to work if that union is the bargaining agent.

Previously, unions forced employers to check off union dues, but under the Taft-Hartley law, this now could be done only with the consent of the jobholder.

Previously, some labor bosses took millions of dollars of union dues and put it into political campaign funds to elect radicals, and in some cases Communists, to office.

All corporations are forbidden by law to make political campaign contributions and the Taft-Hartley law prevents unions from taking their union dues and using it for political purposes.

However, any individual worker may make a voluntary contribution to campaigns.

I wanted this law amended to make it more fair but because of its good features, I supported it on final passage.

My thought that it should be amended has long since been approved because Senator Taft himself piloted through the Senate 27 amendments to the law, which were stalled by House Democrats who wanted to make it an issue. And President Eisenhower also recommended certain changes, but the Democrats of the Senate killed the bill for the 1954 session.

Question of the Week

EXTENSION OF REMARKS
OF
HON. GEORGE H. BENDER
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 3, 1954

Mr. BENDER. Mr. Speaker, with the depression theme played out, what will the Dems sing in November?

A Report to the People on the 83d Congress

EXTENSION OF REMARKS
OF
HON. RUSSELL V. MACK
OF WASHINGTON
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 3, 1954

Mr. MACK of Washington. Mr. Speaker, for the past 8 years, I have had the honor of representing the people of the nine counties of southwest Washington in the Congress of the United States. I am grateful to those who, by their votes, have enabled me to have the interesting experience of being Congressman.

This is my report to these people, whose employee I am, on what Congress did and did not do in the 2 years since my last election.

Some politicians for selfish reasons are apt to call the present Republican Congress "a do-nothing Congress." For the same selfish reasons other politicians are likely to describe the present Congress "the best Congress ever." Put down both statements as being biased and prejudiced. The Congress has been neither totally bad nor 100 percent perfect. It has left undone some things it should have done. On the other hand, this Congress has enacted many progressive, forwardlooking, constructive and wise laws that will be of benefit to the citizens of the Nation.

The people of my district are my employers. I, the Congressman, am their employee. What these people, my employers, want from me, their employee, I think, is a factual account of what the Congress did or did not do during the past 2 years. In short, they want the facts. Once the people have the facts, they will make up their own minds as to the Congress and also as to whether I, their Congressman, have done a good job or a poor one.

Here are some of the important things this Congress did and what it left undone:

Congress enacted the St. Lawrence Seaway bill, which every President from Coolidge to Eisenhower has recommended but which, heretofore, always has failed of passage. Congress did not, however, vote to grant statehood to Alaska or Hawaii, although recent Presidents of both parties have recommended statehood for both. I, always, since coming to Congress, have supported the St. Lawrence project and statehood for both Alaska and Hawaii.

Because of my active support of the St. Lawrence Seaway bill, I was one of about 20 Senators and Representatives invited by President Eisenhower to be present at the White House when he signed the St. Lawrence bill into law.

THE GREATEST ACHIEVEMENTS

The greatest achievements of the first 18 months of the Eisenhower administration, of course, was the ending of the Korean war and the keeping of our Nation's young men out of bloody involvement in the Indochina mess. This resulted from actions by President Eisenhower. He, and he alone, is entitled to all the credit for stopping the Korean war and preventing our involvement in Indochina.

When General Eisenhower went to Korea to make a personal inspection of the situation there, his opposition called his Korean trip "politics." They charged his motive was to make votes, not to make peace. They, loudly, predicted the Eisenhower Korean trip would accomplish nothing and would end in failure.

The opposition turned out to be false prophets. Despite their predictions that he would do nothing, President Eisenhower promptly ended the Korean war. The weekly casualty lists bearing the names of 500 to 1,000 American boys who had been killed or wounded in action stopped. American mothers, fathers, wives, and sweethearts breathed prayers of praise and gratitude to President Ike.

Some of the opposition breathed no such prayers. They said the Korean peace meant nothing, that it would not last. The answer to that is that it has lasted now for more than a year.

Lately, some of Eisenhower's opposition have been claiming that the President and Congress would get involved in war in Indochina. They have not and they are not going to get involved.

Perhaps, someone else in the White House might have done just as well as President Eisenhower in getting our Nation out of one war and keeping it from involvement in another. On the other hand, someone else in the White House might have done worse. Certain it is, however, that no President could have done better than Ike in keeping the Nation at peace, for we are at peace

EISENHOWER DEPRESSION BUG-A-BOO

When Eisenhower ended the Korean war, while his opponents still were shouting it could not be done, this opposition had to take up a new line of attack on the President and upon Congress.

There had been a slight decline in business and employment after the ending of the Korean war. The Eisenhower opposition hailed this decline as a sure sign that the Nation was going into a great Eisenhower depression. Had the American people been less well educated than they are, they might have been scared into panic by the dire predictions of these apostles of gloom and doom. The American people knew, however, that every modern war has been followed by a slowdown as industry switched over from wartime to peacetime production. Some layoffs during the postwar period of adjustment were inevitable.

The people with calmness and courage took the changeover period from war to peace production after Korea in stride. Soon business and employment were on the upgrade again. The so-called Eisenhower recession just did not materialize as Ike's opponents said it would. Today, the Nation looks forward on brighter and better prospects for a long period of prosperity—a prosperity based upon peace not upon war and killing.

Ike's opposition gloom peddlers who 6 months ago were shouting "depression," "depression," from the housetops, over every radio set and from the halls of Congress are silent on this subject now.

They want the people to forget they ever made such false prophet predictions.

WASTEFUL SPENDING SLASHED

President Eisenhower and the Congress from the very start of the new administration began eliminating wasteful and extravagant Federal Government spending wherever it was found. President Eisenhower, himself, set the example for eliminating extravagance by ordering the presidential yacht *Williamsburg*, laid up.

The *Williamsburg*, for many years, has been kept in instant readiness for any weekend cruise on the Potomac that a President might want to take. Cost to the taxpayers of operating this only occasionally used palatial presidential yacht was $600,000 a year. Ike said, "lay it up." Then he advised his Cabinet members to go and likewise wipe out extravagance wherever found.

Car pools were instituted to lessen the overly large and careless use of the 260,000 automobiles bought and owned by the Government for the use of Federal employees. Under the old wasteful system, every tenth Government worker had a car assigned to him for his own special use. Under the car-pool system much of the waste will be eliminated. The Government will save, it is estimated, $180 million that formerly went for the purchase, depreciation, operation, and maintenance of this needlessly and excessively large number of cars.

Better methods were put into effect throughout the Government. Red tape and duplication were lessened and in many instances eliminated. Where two persons held political jobs to do the work one should do, the payrolls were trimmed.

Enormous sums were saved for the taxpayers. The total savings accomplished by President Eisenhower and the Congress are enormous.

In a brief period of 17 months President Eisenhower and Congress cut $14 billion from the Truman rate of spending.

Whereas President Truman, just before leaving office, had predicted a $10 billion deficit for the coming year, President Eisenhower cut this deficit to $3,029,000,000, or by about $7 billion under what President Truman had predicted that deficit would be.

This, however, was not all. Eisenhower and Congress at the same time also reduced taxes by more than $7 billion, including the removal of $1 billion in excise taxes on theater tickets; bicycles; sporting goods; toilet articles; bus, train, and airplane tickets; jewelry; films; light bulbs, and many other things all consumers buy.

Other tax benefits granted included greater deductions from income taxes for money paid on doctors, medical, and dental bills. Also, allowed by this Congress was an extra $1,200 exemption from taxation of money received in pensions. This exemption of pension receipts benefits retired teachers, policemen, city firemen, and all who draw pensions of any kind from either public or private sources.

MANY SERVICES EXPANDED

When the Congress began cutting spending by the elimination of waste and extravagance, the opposition said necessary Government services to the people would be eliminated or reduced.

Has the cutting of Federal wasteful spending reduced worthwhile Federal services? No. On the contrary, Congress during the past year enacted many laws increasing beneficial services to the people.

For example, Congress this year authorized the spending of $300 million a year more on highway construction than was ever spent in any year during any previous administration. As a result of this expanded highway building program, 15 to 20 million more dollars will be spent during the next 2 years on Washington State highways than was expended on them during the past 2 years. This means better and safer highways for the motorist. It means, also, more jobs for construction workers and thereby a stimulation of general business and employment.

The wages and salaries of Federal workers, including postal employees, have not been lowered by increased efficiency and elimination of waste. On the contrary, Congress increased the wages and salaries of Federal workers.

The benefits to millions drawing social security will be increased this fall due to laws passed by this Congress. Even the opposition admits the new social-security law is the best pension law the Nation ever has had.

Retired railroad workers and the widows and orphan children of railroad workers had their pensions increased and liberalized.

The pensions and compensation paid disabled veterans and the widows and orphans of war veterans also were increased by 5 percent.

Federal Government loans available to war veterans for buying or building homes were increased to $150 million. Heretofore, such loans have been limited to $100 million a year. This loan liberalization not only will aid veterans to acquire homes, it will, also, stimulate increased home building while in turn will aid the forest product industries and their workers.

Appropriations granted by this Congress are sufficient to operate 103,000 beds in veterans' hospitals, the greatest number ever operated.

Funds for the rehabilitation of disabled persons whether veterans or civilians were increased by 50 percent.

These increases in wages, salaries, and in pension payments to those drawing social security, railroad retirement, or veterans' benefits will cost more than a billion dollars a year. This billion dollars spent for increased benefits to the people plus the $7 billion tax reduction could not have been given if greater efficiency and economy through the elimination of waste and extravagance had not been attained.

Could anyone have imagined 18 months ago that the first 18 months of the Eisenhower administration would bring this billion dollars increase in services, a tax reduction of seven billions and the budget, at the same time, $7 billion closer to being in balance? Certainly, these were colossal achievements.

MORE HOME BUILDING

This Congress enacted a law that makes credit for home buying easier. This law lowers down payments for those wishing to buy or build a home. It gives buyers longer time to repay loans. It makes the monthly purchase payments smaller. All of these benefits, granted by the present Congress, have made home building and home ownership easier.

These easier loans benefit the family that wants a home. Also, the easier payments will stimulate more building of homes. That, in turn, means more buying of lumber, plywood, shingles, and other building materials, and should insure high production and full employment in the industries producing those materials for several years to come.

During the first year of the Eisenhower administration there were more homes built in the United States than in any year in the Nation's history. Records already made in the present year indicate that the present year will see as many or even more home building starts as in the first year of Eisenhower's administration which was the Nation's best year ever for new housing starts.

With loans now liberalized by the present Congress, several good years of home building lie ahead. A good home building year, normally, is a good year for all forest product industries and their employees.

MORE DAM BUILDING

The Flood Control Committee of which I am chairman approved an authorization of $180 million for power dam building on the Columbia River during the coming 2 years. This huge sum insures, the United States Army engineers testified before my committee, that the Columbia River dams now building can be kept on schedule.

The $180 million includes $3.6 million for surveys and $3 million for a start on a new Columbia power dam. The engineers would not say what new dam will be started but they indicated that the new dam start would be either Libby or John Day. These dams, both, are huge undertakings and the building of either would add tremendously to Columbia River power production.

We need a new dam start to insure electric energy expansion after 1960 and the $3.6 million for surveys and $3 million which I, as flood control chairman, got into this bill for new constructions, will help get that new start.

The Congress has passed this bill which came out of my committee. As chairman of the subcommittee which handles many of the items in the bill, I played an important part in getting it adopted by the House.

This same bill includes an item for deepening the entrance channel to the Columbia River to 45 feet, a project which will cost $8.5 million and be of great help to the seaports of Longview and Vancouver as well as providing much work for residents of the towns of Chinook, Ilwaco, Ocean Park, Long Beach, Seaview, Nahcotta, and Oysterville near where the $8 million construction job will be undertaken.

The bill further includes some river and harbor improvement work on Grays Harbor and Willapa Harbor.

MONEY FOR TIMBER ROADS

I was fortunate in being able to obtain from Congress increased funds that will be available for processing timber sales and building access roads into timbered areas where Federal timber is being damaged by disease or bugs.

These added appropriations should prove most helpful in Eastern Lewis, Cowlitz, Clark, and Skamania Counties where bugs are doing enormous damage to timber in the Gifford Pinchot National Forest. The problem is to get this timber out quickly before it is all lost through rot.

While these are troublesome times, mainly due to the attitude of Russian leaders, the present outlook for the United States is the best it has been in many years.

Our Nation is not at war. We have a strong leader in the White House whose abilities the Russian dictators know and respect. The Russians, knowing President Eisenhower's capacities, are loath to mix with America while such an able and experienced leader is President. This has improved our prospects for peace.

Also, the policies adopted by this Congress are, in the main, sound and reassuring, as is indicated by the fact that the switch over from a war to a peace economy after Korea was accomplished with a minimum of slowdown dislocation of the economy. Also, that dislocation was the shortest lived in history.

I expect to spend about 100 days in the district, staying there until about Christmas. During my stay at home, I hope to meet just as many of my constituents as possible and to be as helpful as I can to each in helping him solve any government problem he may have.

My office in Washington, D. C., will remain open, in competent hands, for the use of those having problems in the Capital. Also, I shall have an office in the Aberdeen First Federal Saving & Loan Building where I can be reached by those wishing to see me on any matter.

Highways and Skyways Ahead

EXTENSION OF REMARKS
OF
HON. GEORGE H. BENDER
OF OHIO
IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 3, 1954

Mr. BENDER. Mr. Speaker, some comedians are semiseriously suggesting that by the time we complete the road-building program, we should have to meet our automobile needs, highways may be obsolete and our people will be using skyways instead. This view may be prompted by the slowness with which our highway needs are being met in many parts of the country today. Two-lane roads which were constructed more than 30 years ago are still in use, sometimes as main traffic arteries between large communities. Turnpike construction, speeded up in many parts of the country, is still available in only relatively few areas by contrast with increasing traffic demands.

President Eisenhower's proposal that the Nation ought to plan on a $50 billion highway development in the next 10 years is realistic approach with everything to commend it. From the viewpoint of civilian traffic, every motorist understands the personal satisfaction of traveling safely and reasonably rapidly over six-lane highways, and the frustration of crawling home at peak hours over incredibly slow-moving clotted roads. This factor is only one element of the total picture. Military needs, preparation for any eventuality, certainly dictate prompt action and the expansion of cities into suburban areas which has been proceeding at an amazing rate everywhere makes the job mandatory. Americans like to do what has to be done quickly and efficiently. Now is the time for highways. Skyways will take care of themselves a little later.

Fight for Full Parity Must Continue—Hagen Speaks Up for 90 to 100 Percent Parity

EXTENSION OF REMARKS
OF
HON. HAROLD C. HAGEN
OF MINNESOTA
IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 3, 1954

Mr. HAGEN of Minnesota. Mr. Speaker, some of my Democratic Farmer-Labor opponents in this 1954 congressional race are misrepresenting to the men and women of the Ninth District the position of HAROLD C. HAGEN on various issues and problems—and particularly with regard to the farm program.

They are falsely telling them that I was not for 90 percent parity for farm products. They complain and criticize. They are just now talking 90 percent.

But United States Representative HAROLD C. HAGEN has been advocating, fighting for, and speaking up for full parity for 20 years. He has made dozens of talks to business groups, Rotary Clubs, Lions' Clubs, civic and commerce groups, women's clubs, as well as farm groups explaining why full parity is justified and necessary. None of my now critical DFL opponents have a record of this kind. In fact, they are only newcomers in this fight for parity of any kind. Furthermore, Adlai Stevenson, the Democratic Party leader, gives them no support on 90 to 100 percent parity.

I think virtually every voter in the Ninth District received my campaign newspaper for 1952, the Ninth District Congressional Gazette. On the front page in large type, three columns wide, is this headline: "HAGEN Asks 100 Percent Farm Price Parity."

Further down under this headline are these words:

HAGEN is fully aware of the fact that a healthy and prosperous agriculture means a prosperous economy and is in the best interests of all our citizens.

Bankrupt farmers and prosperity simply do not go together. What the farmers need and want is 100-percent parity for farm production and less bureaucratic meddling.

I have been in the House of Representatives, representing you, since the election of 1942. In each campaign I have issued a newspaper, sent to all the homes in my district, and in every instance, I have advocated full parity of 100 percent for the farmers of my district, my State, and the whole Nation. And, of course, we must accept some less and reduced acreage if and when the crop production is high, but this reduction should be greater for the big farmers and less for the small family-size farmer. In other words let us give the small farmer a chance to make a decent living.

During the campaign you will receive another campaign newspaper, issued by my volunteer committee, with photographs and proof of the headlines from my previous campaign papers, and with facts and references exposing any opponent who deliberately may present falsehoods to you when they try to misrepresent my stand on agriculture. Furthermore, contrary to political gossip or newspaper stories, I have never missed a rollcall in the House on a farm-parity vote or issue.

The Ninth Congressional District is composed of 15 counties in the northwestern portion of Minnesota and is mostly a farming region, called many years ago the breadbasket of the world.

Every druggist, gas-station operator, storekeeper, tailor, doctor, lawyer, worker, newspaperman—in fact almost every person in these 15 counties is absolutely and directly dependent upon the farmer and on agriculture for his or her living. There can be no argument or question about this. Every one of you realize that if all the land in the 15 counties of the Ninth Minnesota Congressional District tomorrow turned to dry white sand, and so could not produce forestry products, food, fiber, meat, and other agricultural products, that every village and city in those 15 counties would be a hollow shell. The district would be full of ghost towns within a few months.

My record on all legislation and laws pertaining to agriculture is an open book, of which I am proud.

Not only have I always voted for 90 percent and even higher supports and spoke up for any law, bill, or proposal which would help agriculture, thus benefiting everybody in the Ninth District, but I have been a leader in writing many of these laws and pressing for their passage in my 12 years as your United States Representative in Congress. I have introduced several important farm legislative proposals and many have been approved.

ALWAYS SUPPORTED REA

This also is true in the case of the programs for rural electrification of farms and telephones for rural areas. When I was a comparative youngster on my grandfather's farm in Pennington County and on my Uncle Jacob Brovold's farm in Johnson Township in Polk

County, only 2 or 3 percent of the farms in northwestern Minnesota were electrified. Today, due to the REA, which I have enthusiastically supported in all my public life, the wives of most farmers do much of their work with electricity and the men of the farms are able to produce far more food with far less help than in the olden days of hand labor.

I am proud of my record on REA, and for the rural telephone program, and I will never be satisfied until every farm in these 15 northwest Minnesota counties have electricity and telephone service, provided the farmer and his wife want those services. I have always voted for and spoken up for these programs which should be expanded.

As the farm and REA leaders well know, I have always supported the preference clause in the Federal power policy and program. I have fought for and often spoke for the appropriations necessary to build high transmission lines into Minnesota from Missouri River dams so Minnesota people can get more low-cost electricity and power.

When my opponents attack our record in this Congress, let them explain how we reduced taxes by $7,400,000,000 this year, the largest tax cut the American people ever enjoyed in a single year.

Your individual income taxes were reduced by about 10 percent beginning January 1, 1954, the first tax cut since the Republican 80th Congress of 1947–48. I voted to slash Government spending by billions of dollars, and the present administration's budget was $10 billion—ten thousand million dollars—under the Truman budget.

I am very proud that, in this new tax reform bill, I was a coauthor of some of the provisions and amendments which greatly benefited every farmer in my district.

Under this new tax law farmers can claim the $600 dependency deduction for a child, regardless of the child's earnings, if such dependent is receiving on-the-farm training and the farmer continues to furnish more than one-half of his support.

This new tax law also allows farmers deductions up to 25 percent of farm income for soil and water conservation and flood-control expenses, even though it may be an assessment payable to a conservancy district or some other civil unit, agency, or association. I was the author of this provision, and I fought it through the Congress to adoption.

More rapid writeoff of the cost of new depreciable assets is given on farm machinery, equipment, and so forth. Under the declining-balance method of depreciation now permitted, the farmer can write off in the first year twice the amount allowed under the straight-line method. Another benefit is the removal of the tax on proceeds from sale of cattle, when the sale is necessitated by disease, provided the proceeds are reinvested in cattle within 1 year after the closing of the taxable year.

Previously, where a farmer did not file a declaration of estimated tax by January 15, he had to file his final income-tax return by January 31. This deadline is now extended to February 15 and his final return is now not due until April 15.

Farmers' accounting requirements have been eased to permit the use of the farmer-preferred hybrid bookkeeping system.

Another law I voted for provided for rapid amortization of farm grain-storage facilities, whereas before, such facilities could be amortized only over their useful life. This now can be done over a 5-year period.

OPPOSED DAIRY-SUPPORT CUT

I have disagreed very strongly with Secretary of Agriculture Benson over his slash to 75 percent of parity for the dairy products of my district.

It is my firm belief that while the price of what the farmer buys, especially machinery, fertilizer, repairs and other products containing steel, continues to rise, and the price of what the farmer sells continues to drop, that we are going to have lots of trouble in the farm belt. This trend must be reversed, and something will have to be done in the next Congress.

I did everything in my power to stop this drastic slash to the farmers, but many of the city-machine Democrats of the North and some other Democrats and Republicans who believed wrongfully that the farmer gets a major portion of what the consumer pays for food, were largely responsible for sliding through Congress the 82½- to 90-percent parity amendment.

But, in justice to the present Republican administration, it should be remembered that from February 1951, to January 1953, the farm price average dropped 17 percent. Since January 1953, when Eisenhower took office, the drop has been less than 8 percent. The drop was more than twice as much during the Democratic administration.

WOOL PARITY 90 PERCENT

There are a number of wool producers in the Ninth Congressional District and I am happy to say that I supported, and it now is law, 90-percent parity on wool.

Congress decided to vote this support for woolgrowers because of the reciprocal trade treaty laws, strongly supported by Democrats over the years. These laws have often harmed Minnesota agriculture.

This law first was passed in 1934 and provided that the Secretary of State can make treaties with other nations cutting our tariffs as much as 50 percent—later 75 percent—without any protection to the farmer, and little to the industries of America.

Because of treaties signed under this Democratic law—wool shipments from Australia, New Zealand, Argentina, and other nations—paralyzed the wool market for domestic producers. Canadians still ship barley, wheat, oats, and other grains into Minnesota and this lowers our markets.

In the Orient, the workers are paid from 30 to 80 cents a day in American values, and shiploads of coconut, palm, and cottonseed oils have come into these United States produced by that cheap labor.

Also butter, cheese, meat, and other farm products have come from nations where the scale of wages for workers is about one-third of what Americans receive.

I could mention many instances where American agriculture and American industry have been hard hit by the cheap labor products of various nations. For example, in Japan the average wage for a worker who produces cotton cloth is 13 cents an hour, and in India it is 9 cents an hour. This is only one striking illustration of the DFL ideas of reciprocal trade. It was not until 1947, when the Republicans had control of Congress, that amendments were made to the reciprocal trade treaty law, which provided that, when American industries were being destroyed, the Tariff Commission could recommend to the President that these low tariff rates be suspended. Generally, the Democrats opposed this so-called peril-point amendment.

If anyone desires further information on any problem not mentioned in this message, just drop me a card or a letter. My address is: United States Representative HAROLD C. HAGEN, 205 Post Office Building, Crookston, Minn.

My office there is open daily when Congress is not in session and you are invited to come in to see me at any time.

Pledge of Allegiance to the Flag

EXTENSION OF REMARKS

OF

HON. FRED E. BUSBEY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 3, 1954

Mr. BUSBEY. Mr. Speaker, on June 14, 1954, the President approved House Joint Resolution 243, to amend the pledge of allegiance to the flag of the United States of America, by inserting the words "under God" after the word "Nation." This resolution had been unanimously adopted by both the House and the Senate and became Public Law 396 of the 83d Congress. The law now reads as follows:

SEC. 7. The following is designated as the pledge of allegiance to the flag: "I pledge allegiance to the flag of the United States of America and to the Republic for which it stands, one Nation under God, indivisible, with liberty and justice for all." Such pledge should be rendered by standing with the right hand over the heart. However, civilians will always show full respect to the flag when the pledge is given by merely standing at attention, men removing the headdress. Persons in uniform shall render the military salute.

Throughout the ages, the greatest blessings of life have come to mankind "under God." The inclusion of these words in our oath of allegiance has added a sacredness which makes our pledge even more inspiring. Our success as a Nation is due to our recognition of

God, our faith in that divine source of strength, and our dependence upon Him for guidance.

As we pledge our allegiance to the flag "under God," we proclaim the dedication of our Nation and its people to the Almighty. Let us always remember that devotion to God by this and all other nations of the free world will ultimately mean victory and security against the forces of evil which deny God.

Mr. Speaker, because I have received may inquiries from my district regarding the present wording of the pledge of allegiance, I am inserting it in the RECORD at this point, so that I may have reprints made at my own expense and make it available to residents of my congressional district.

Red China's Formosa Line and Ours

EXTENSION OF REMARKS
OF
HON. GEORGE H. BENDER
OF OHIO
IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 3, 1954

Mr. BENDER. Mr. Speaker, the United States under Democratic foreign policy suggested that it did not regard the western reaches of the Pacific as part of our concern. Historians will some day determine whether or not this attitude gave rise to the Korean war, but it will not be necessary to wait for history to realize that this position did not deter the North Koreans or the Red Chinese from invading South Korea.

We are about to witness a demonstration of the effect of our new State Department pronouncements on Formosa on the same aggressor. Secretary of State Dulles and President Eisenhower have left nothing unspoken in their determined stand on Formosa. We are prepared to prevent this island from falling into the hands of the Reds, if it means active military intervention. The Red Chinese have said nothing further about their announced intention to seize Formosa since Uncle Sam stated his position. We mean business, and if the Chinese of Chou En-lai think that we are bluffing, they are as wrong in their estimate of our position as Acheson was in his estimate of theirs in 1949.

SENATE

WEDNESDAY, AUGUST 4, 1954

(Legislative day of Friday, July 2, 1954)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

Rev. Russell Cartwright Stroup, D. D., minister of the Georgetown Presbyterian Church, Washington, D. C., offered the following prayer:

Our Heavenly Father, bless, we beseech Thee, the Senate of the United States in the closing days of this session. After long months of labor, bodies are worn and minds are weary, and still there remains so much for tired men to do. So grant to all Members a special measure of Thy mercy that they may have calm and tranquil spirits in the midst of tension and turmoil. Let quietness and confidence be their strength to the end that their work may move speedily to a successful conclusion with honor to this body and blessings to our country.

Finally, our Father, may all who have fought a good fight find for their reward the abiding satisfaction of those who labor well for what is worthy in Thy sight. Amen.

THE JOURNAL

On request of Mr. KNOWLAND, and by unanimous consent, the reading of the Journal of the proceedings of Tuesday, August 3, 1954, was dispensed with.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that the President had approved and signed the following acts and joint resolutions:

On August 2, 1954:

S. 587. An act for the relief of Carlos Fortich, Jr.; and

S. 2381. An act to amend section 27 of the Mineral Leasing Act of February 25, 1920, as amended, in order to promote the development of oil and gas on the public domain.

On August 3, 1954:

S. 2759. An act to amend the Vocational Rehabilitation Act so as to promote and assist in the extension and improvement of vocational rehabilitation services, provide for a more effective use of available Federal funds, and otherwise improve the provisions of that act, and for other purposes;

S. 3466. An act to provide for two additional Assistant Secretaries of the Army, Navy, and Air Force, respectively; and

S. 3518. An act to amend the laws relating to fees charged for services rendered by the office of the Recorder of Deeds for the District of Columbia and the laws relating to appointment of personnel in such office, and for other purposes.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its clerks, announced that the House had passed the following bills and joint resolutions of the Senate, severally with an amendment, in which it requested the concurrence of the Senate:

S. 1748. An act to incorporate the National Fund for Medical Education;

S. 2746. An act to provide for the termination of Federal supervision over the property of certain tribes and bands of Indians located in western Oregon and the individual members thereof, and for other purposes;

S. 3239. An act to authorize conveyance of land to the State of California for an inspection station;

S. 3302. An act granting to the Las Vegas Valley water district, a public corporation organized under the laws of the State of Nevada, certain public lands of the United States in the State of Nevada;

S. J. Res. 140. Joint resolution to establish a commission for the celebration of the 200th anniversary of the birth of Alexander Hamilton; and

S. J. Res. 147. Joint resolution to establish the Woodrow Wilson Centennial Celebration Commission, and for other purposes.

The message also announced that the House had passed the following bills of the Senate, severally with amendments, in which it requested the concurrence of the Senate:

S. 22. An act to validate certain payments for accrued leave made to members of the Armed Forces who accepted discharges for the purpose of immediate reenlistment for an indefinite period;

S. 3532. An act to provide for the partition and distribution of the assets of the Ute Indian Tribe of the Uintah and Ouray Reservation in Utah between the mixed-blood and full-blood members thereof; and for the termination of Federal supervision over the property of the mixed-blood members of said tribe; to provide a development program for the full-blood members of said tribe; and for other purposes;

S. 2744. An act to provide for the termination of Federal supervision over the property of the Alabama and Coushatta Tribes of Indians of Texas, and the individual members thereof; and for other purposes; and

S. 2745. An act to provide for the termination of Federal supervision over the property of the Klamath Tribe of Indians located in the State of Oregon and the individual members thereof, and for other purposes.

The message further announced that the House had passed the following bills and joint resolutions, in which it requested the concurrence of the Senate:

H. R. 1254. An act to provide authorization for certain uses of public lands;

H. R. 2233. An act to provide for the acquisition of lands by the United States required for the reservoir created by the construction of Oahe Dam on the Missouri River and for rehabilitation of the Indians of the Cheyenne River Sioux Reservation, S. Dak., and for other purposes;

H. R. 2843. An act to authorize the Secretary of the Interior to investigate and report to the Congress on the conservation, development, and utilization of the irrigation and reclamation resources of the Waimanalo, Oahu, Waimea, Island of Hawaii; and Molokai projects, Territory of Hawaii;

H. R. 5183. An act for the relief of the Board of County Commissioners of Sedgwick, County, Kans.;

H. R. 5301. An act to supplement the Federal reclamation laws by providing for Federal cooperation in non-Federal projects and for participation by non-Federal agencies in Federal projects;

H. R. 5499. An act to provide for the construction, maintenance, and operation of the Michaud Flats project for irrigation in the State of Idaho;

H. R. 5718. An act to limit the period for collection by the United States of compensation received by officers and employees in violation of the dual compensation laws;

H. R. 6616. An act to amend title 17, United States Code, entitled "Copyrights";

H. R. 7290. An act to authorize an appropriation for the construction of certain public-school facilities on the Klamath Indian Reservation at Chiloquin, Oreg.;

H. R. 7326. An act to amend section 1721, title 18, United States Code, relating to the sale or pledge of postage stamps;

H. R. 7334. An act to authorize certain property transactions in Cocoli, C. Z., and for other purposes;

H. R. 7569. An act to authorize the removal of a restrictive covenant on land patent No. 9628, issued to the board of the Hawaiian Evangelical Association on January 18, 1929, and covering lots 5 and 6 of Waimea town lots, situated in the county of Kauai, T. H.;

H. R. 7740. An act to amend title 18 of the United States Code, so as to make it a criminal offense to move or travel in interstate commerce with intent to avoid prosecution, or custody or confinement after conviction, for arson;

H. R. 7785. An act to amend the Civil Service Retirement Act of May 29, 1930, to make permanent the increases in regular annuities provided by the act of July 16, 1952, and to extend such increases to additional annuities purchased by voluntary contributions;

H. R. 7813. An act authorizing the Secretary of the Interior to adjust or cancel certain charges on the Milk River project;

H. R. 8006. An act to authorize the Secretary of the Interior to issue patents for certain lands in Wisconsin bordering upon inland lakes or rivers;

H. R. 8034. An act for the incorporation of the Sons of Union Veterans of the Civil War;

H. R. 8210. An act to amend subdivision (b) of section 14 of the Bankruptcy Act, as amended, relating to discharges, and subdivision (b) of section 58 of the Bankruptcy Act, as amended, relating to notices;

H. R. 8365. An act to confirm the authority of the Secretary of the Interior to issue patents in fee to allotments of lands of the Mission Indians in the State of California prior to the expiration of the trust period specified in the act of January 12, 1891, as amended;

H. R. 8666. An act to authorize the Territory of Alaska to incur indebtedness, and for other purposes;

H. R. 8821. An act to authorize the exchange of lands acquired by the United States for the Catoctin recreational demonstration area, Frederick County, Md., for the purpose of consolidating Federal holdings therein;

H. R. 8897. An act to authorize and direct the Secretary of the Interior to transfer 40 acres of land in the Northern Cheyenne Indian Reservation, Mont., to School District No. 6, Rosebud County, Mont.;

H. R. 9115. An act to provide that contributions received under Public Law 485, 80th Congress, for the construction of a merchant marine chapel shall be invested in Government obligations pending their use for such construction;

H. R. 9194. An act to provide for the conveyance of certain land owned by the Federal Government near Vicksburg, Miss., to Vicksburg, Miss.;

H. R. 9397. An act to authorize the Secretary of the Treasury to transfer certain property to the Panama Canal Company, and for other purposes;

H. R. 9582. An act to provide for the disposition of surplus personal property to the Territorial government of Alaska;

H. R. 9630. An act to authorize the Secretary of the Interior to execute an amendatory contract with the Black Canyon Irrigation District, Idaho, and for other purposes;

H. R. 9740. An act to provide for the relief of certain Army and Air Force nurses, and for other purposes;

H. R. 9821. An act to amend titles 18 and 28 of the United States Code;

H. R. 9825. An act to authorize the Postmaster General to prohibit or regulate the use of Government property under his custody and control for the parking or storage of vehicles;

H. R. 9868. An act to amend the Merchant Ship Sales Act of 1946 to provide for the charter of passenger ships in the domestic trade;

H. R. 9909. An act to prohibit payment of annuities to officers and employees of the United States convicted of certain offenses, and for other purposes;

H. R. 9981. An act to provide for the construction of distribution systems on authorized Federal reclamation projects by irrigation districts and other public agencies;

H. R. 9988. An act for the relief of the Federal Republic of Germany;

H. J. Res. 550. Joint resolution to permit the United States of America to release reversionary rights in a thirty-six and seven hundred and fifty-nine one-thousandths acre tract to the Vineland School District of the county of Kern, State of California;

H. J. Res. 563. Joint resolution relating to sales of Commodity Credit Corporation feed grains; and

H. J. Res. 565. Joint resolution to amend the joint resolution providing for the membership of the United States in the Pan American Institute of Geography and History and authorize appropriations therefor.

ORDER FOR TRANSACTION OF ROUTINE BUSINESS

Mr. KNOWLAND. Mr. President, I ask unanimous consent that, immediately following a brief executive session and the quorum call, there may be the customary morning hour for the transaction of routine business under the usual 2-minute limitation on speeches.

The VICE PRESIDENT. Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. KNOWLAND. Mr. President, I move that the Senate proceed to the consideration of executive business for action on the nomination for the postmastership at Lecompte, La., appearing under the heading "Nominations Passed Over," holding over the other two nominations for postmasters.

The motion was agreed to, and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The VICE PRESIDENT laid before the Senate messages from the President of the United States submitting sundry nominations, and withdrawing the nomination of Robert S. McKean, to be postmaster at Mondamin, Iowa, which nominating messages were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF A COMMITTEE

The following favorable reports of nominations were submitted:

By Mr. CARLSON, from the Committee on Post Office and Civil Service:

Sixty-nine postmasters.

NOTICE OF CONSIDERATION OF NOMINATION OF MARTIN W. OETTERSHAGEN TO BE DEPUTY ADMINISTRATOR OF THE ST. LAWRENCE SEAWAY DEVELOPMENT CORFORATION

Mr. WILEY. Mr. President, the Senate received today from the White House the nomination of Martin W. Oettershagen, of Illinois, to be Deputy Administrator of the St. Lawrence Seaway Development Corporation. I give notice that this nomination will be considered by the Committee on Foreign Relations at the expiration of 6 days, in accordance with the committee rule.

The VICE PRESIDENT. If there be no further reports of committees, the clerk will state the nomination for the postmastership at Lecompte, La., under the heading "Nominations Passed Over."

POSTMASTER

The Chief Clerk read the nomination of Thomas W. Robison to be postmaster of Lecompte, La.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

Mr. KNOWLAND. Mr. President, I ask that the President be immediately notified of the confirmation of the nomination of Thomas W. Robison to be postmaster at Lecompte, La.

The VICE PRESIDENT. Without objection, the President will be immediately notified.

LEGISLATIVE SESSION

Mr. KNOWLAND. I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

Mr. KNOWLAND. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	George	McCarthy
Anderson	Gillette	McClellan
Barrett	Goldwater	Millikin
Beall	Gore	Monroney
Bennett	Green	Morse
Bowring	Hayden	Mundt
Bricker	Hendrickson	Murray
Bridges	Hennings	Neely
Burke	Hickenlooper	Pastore
Bush	Hill	Payne
Butler	Holland	Potter
Byrd	Humphrey	Purtell
Capehart	Ives	Reynolds
Carlson	Jackson	Robertson
Case	Jenner	Russell
Chavez	Johnson, Colo.	Saltonstall
Clements	Johnson, Tex.	Schoeppel
Cooper	Johnston, S. C.	Smathers
Cordon	Kerr	Smith, Maine
Crippa	Knowland	Smith, N. J.
Daniel	Kuchel	Sparkman
Dirksen	Langer	Stennis
Douglas	Lehman	Symington
Duff	Lennon	Thye
Dworshak	Long	Upton
Eastland	Magnuson	Watkins
Ellender	Malone	Welker
Ervin	Mansfield	Wiley
Ferguson	Martin	Williams
Flanders	Maybank	Young
Fulbright	McCarran	

Mr. CLEMENTS. I announce that the Senator from Delaware [Mr. FREAR], the Senator from Tennessee [Mr. KEFAUVER], the Senator from Massachusetts [Mr. KENNEDY], and the Senator from West Virginia [Mr. KILGORE], are absent on official business.

The VICE PRESIDENT. A quorum is present.

Morning business is in order.

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred as indicated:

REPORT OF ADMINISTRATOR OF THE REFUGEE RELIEF ACT OF 1953

A letter from the Secretary of State, transmitting, pursuant to law, the second semiannual report of the Administrator of the Refugee Act of 1953 (with an accompanying report); to the Committee on the Judiciary.

REPORT ON COOPERATION WITH MEXICO IN CONTROL AND ERADICATION OF FOOT-AND-MOUTH DISEASE

A letter from the Acting Secretary of Agriculture, transmitting, pursuant to law, a confidential report on cooperation of the United States with Mexico in the control and eradication of foot-and-mouth disease, for the month of June 1954 (with an accompanying report); to the Committee on Agriculture and Forestry.

PROHIBITION OF LIQUOR ADVERTISING IN INTERSTATE COMMERCE—PETITION

Mr. MURRAY. Mr. President, I present a petition signed by many citizens of my State of Montana, calling for the enactment of the so-called Langer bill, S. 3294, relating to the prohibition of liquor advertising in interstate commerce, and requesting that the petition be printed in the CONGRESSIONAL RECORD. Therefore, as requested, I ask unanimous consent that the petition be printed in the RECORD, together with the signatures attached thereto.

There being no objection, the petition was ordered to be printed in the RECORD together with the signatures attached thereto:

KALISPELL, MONT.

Senator JAMES E. MURRAY,
Senate Office Building,
Washington, D. C.

DEAR SENATOR: We, the undersigned, feel the need of the passage of the Langer bill, S. 3294.

We are asking you to ask for a favorable report on this bill and to vote for its passage (S. 3294).

We ask that this petition become a part of the CONGRESSIONAL RECORD.

Harry J. Dale, Anna E. Dale, Mrs. Jennie Montgomery, Selma M. Leaf, Ragna Burns, Esther Norden, Mrs. Jennie Walter, Mrs. Harriet Jeffries, Mrs. Flora B. Jensen, Mrs. Lucille Bird, Mrs. Harold Haven, Harold Haven, Lois Magar, W. Don Adams, Mrs. W. Don Adams, Theresa M. Slagle, Tom Wagner, Maude D. Shew, Mrs. Marie Laurence, J. O. Laurence, J. D. Slagle, J. O. Shew.

Mrs. E. B. Noble, Mrs. Howard H. Tracht, Mrs. Ann Perry Howard, Mrs. Mary F. White, Mrs. Andrew Poier, Amy Brill, Mrs. S. J. Tracht, A. D. McNeil, Cora B. McNeil, S. J. Tracht, E. B. Noble, Mrs. Art Beekman, George Wagner.

Elizabeth Proctor, Lena Proctor, Raymond Riffo, Kathleen T. Hanson, James T. Smith, Mrs. James T. Smith, Annie M. Brewer, Ella Rich, Irma Fitch, Mrs. Dorothy Hartley, Mrs. Anna Marie Briss, E. W. Swinehart, Mrs. C. V. Ertz, Mrs. C. S. Howard, C. S. Howard, Mrs. Nathan Kammerdiener, Mr. Nathan Kammerdiener, Dorothy L. Truman, Wilma Elliott, Charles V. Ertz, L. E. Lautaret, Maxine Lautaret, Alma P. Ross, Jennie L. Truman, Irene E. Ross, William C. Ross, Mrs. Fred Kammerdiener, Mr. Fred Kammerdiener, Mrs. Chas. Phillips, M. R. Jeffrey, Mrs. J. H. Roll, Mrs. H. Horntvedt, Lloyd Hendrickson, George Hendrickson, Mrs. D. C. McCahan, Florence C. Noble, Georgia Meenker, Agnes Ritchie.

Mrs. Leland Tansel, Wilbur Sevesind, Mrs. Margaret Dayton, Mrs. Carl Boline, Carl Boline, Mrs. Vernon Walker, G. A. Anderson, G. A. Carlson, G. C. Robertson, Mrs. G. A. Anderson, Neva Storm, Mrs. Claire Beckett, Mrs. Mary Rasmussen, Mr. and Mrs. M. N. Dunham, Mrs. Arly C. Jackson, Cloutha Adamson, Ragnhild Sherman, Deane Beller, Alice M. Carlson, Mrs. L. S. Gray, Mrs. W. A. Stuart, Rev. O. W. Klingsheim, Mr. and Mrs. B. C. Volire, Mrs. Thomas Winter, Mrs. Laura Mellick, Julia Holmquist, Mrs. Aart Beekman, Mrs. Dean E. Beller.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. BARRETT, from the Committee on Interior and Insular Affairs:

H. R. 8520. A bill to provide for the inclusion of the Ainsworth, Lavaca Flats, Mirage Flats Extension, and O'Neill irrigation developments in the Missouri River Basin project; without amendment (Rept. No. 2212).

By Mr. MCCARTHY, from the Committee on Government Operations; with an amendment:

S. 3773. A bill to authorize reciprocal fire-protection agreements between departments and agencies of the United States and public or private organizations engaged in fire-fighting activities, and for other purposes (Rept. No. 2211).

By Mr. DUFF, from the Committee on Interstate and Foreign Commerce, without amendment:

H. R. 9584. A bill to protect the rights of vessels of the United States on the high seas and in territorial waters of foreign countries (Rept. No. 2214).

By Mr. BRICKER, from the Committee on Interstate and Foreign Commerce; without amendment:

H. R. 1843. A bill to increase the retired pay of certain members of the former Lighthouse Service (Rept. No. 2215); and

S. Res. 292. Resolution to express the sense of the Senate for development of private aviation.

By Mr. WATKINS, from the Committee on Interior and Insular Affairs; without amendment:

H. R. 1797. A bill to provide for the conveyance of certain land to the State of Oklahoma for the use and benefit of the Eastern Oklahoma Agricultural and Mechanical College at Wilburton, Okla., and for other purposes (Rept. No. 2216).

REPORT ON INVESTIGATION OF THE PREPAREDNESS PROGRAM (S. DOC. NO. 152)

Mr. SALTONSTALL. Mr. President, I submit a report which I believe will be of interest to the Members of the Senate. It is a report of the activities of the Preparedness Subcommittee as well as the preparedness investigating staff, during the 83d Congress.

I feel confident that the Members of this body are generally acquainted with the major undertakings of the seven duly constituted Preparedness Subcommittees, inasmuch as their reports and hearings have been widely disseminated. These committees and their respective members have rendered an invaluable service. They have carried on in an efficient and diligent manner their watchdog duties regarding the military departments.

Notwithstanding these major investigations, almost 1,000 other investigations have been pursued, although they have not been published, nor have they received widespread recognition. They involve procurement matters, morale, cost consciousness, and allegations of favoritism, waste, and inefficiency. This report sets forth only a selected cross-section which it is believed is representative of the total number of cases handled.

In accomplishing our objectives, we have oftentimes been critical of the Department of Defense and the three services. Undoubtedly as the work of the committee proceeds in the future, we shall continue to be critical whenever the situation so warrants. It is only through the medium of constructive criticisms that there can evolve recommendations which will assist in eradicating some of the errors of omission and commission which result in waste and inefficiency.

The Secretaries and their associates have always accepted our criticisms and recommendations in a spirit of cooperation, and every attempt has been made to correct the faults ascertained and subsequently brought to their attention. It is only by wholehearted cooperation between the Congress and the executive agencies that the maximum defense effort can be obtained for the minimum tax dollar expenditures.

One of the strong arms upon which we have leaned has been the General Accounting Office. This office of the Congress has been exceedingly helpful to the committee and its staff, and has performed tasks which our limited staff could not, by itself, perform. All too frequently we fail to recognize the splendid work which this fine organization does.

It is my earnest hope that the work of the Preparedness Investigating Subcommittees can be carried on in the future. The watchdog activity over our huge defense effort and expenditures must be maintained.

This report is a report of the Preparedness Investigating Subcommittee of the Committee on Armed Services, and is submitted under authority of Senate Resolution 86 and Senate Resolution 185.

I ask unanimous consent that the report be printed as a Senate document.

The PRESIDING OFFICER (Mr. CRIPPA in the chair). The report will be received, and, without objection, will be printed as a Senate document, as requested by the Senator from Massachusetts.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. BARRETT:

S. 3834. A bill to provide for granting to the several States the minerals and the mineral rights in public lands belonging to the United States on the condition that the income from such minerals and mineral rights be used for public-school purposes, and for

other purposes; to the Committee on Interior and Insular Affairs.

By Mr. MUNDT:

S. 3835. A bill for the relief of Nadeem M. Muna; and

S. 3836. A bill for the relief of Iwan Nosenko; to the Committee on the Judiciary.

By Mr. CARLSON:

S. 3837. A bill relating to the transportation of mail by highway post-office service; to the Committee on Post Office and Civil Service.

By Mr. POTTER:

S. 3838. A bill for the relief of Lily Elsie White; to the Committee on the Judiciary.

By Mr. GOLDWATER:

S. 3839. A bill for the relief of George K. Jue; to the Committee on the Judiciary.

By Mr. DIRKSEN:

S. J. Res. 180. Joint resolution relating to sales of Commodity Credit Corporation feed grains; to the Committee on Agriculture and Forestry.

PRINTING OF ADDITIONAL COPIES OF PART 4 OF HEARINGS RELATING TO STOCKPILE AND ACCESSIBILITY OF STRATEGIC AND CRITICAL MATERIALS IN TIME OF WAR

Mr. MALONE submitted the following concurrent resolution (S. Con. Res. 104), which was referred to the Committee on Rules and Administration:

Resolved by the Senate (the House of Representatives concurring), That there be printed 1,000 additional copies of part 4 of the hearings conducted before a subcommittee of the Senate Committee on Interior and Insular Affairs pursuant to Senate Resolution 143, 83d Congress, relative to stockpile and accessibility of strategic and critical materials to the United States in time of war. Such additional copies shall be for the use of the Senate Committee on Interior and Insular Affairs.

READJUSTMENT OF COMPENSATION OF HOLDERS OF CONTRACTS FOR PERFORMANCE OF MAIL-MESSENGER SERVICE—AMENDMENT

Mr. CARLSON submitted an amendment intended to be proposed by him to the bill (H. R. 2263) to authorize the Postmaster General to readjust the compensation of holders of contracts for the performance of mail-messenger service, which was ordered to lie on the table and to be printed.

UNIFORM SYSTEM FOR GRANTING INCENTIVE AWARDS TO OFFICERS AND EMPLOYEES—AMENDMENT

Mr. CARLSON submitted an amendment, intended to be proposed by him to the bill (H. R. 7774) to establish a uniform system for the granting of incentive awards to officers and employees of the United States, and for other purposes, which was ordered to lie on the table and to be printed.

AMENDMENT OF TRADING WITH THE ENEMY ACT—AMENDMENT

Mr. CLEMENTS submitted an amendment in the nature of a substitute intended to be proposed by him to the bill (S. 3423) to amend the Trading With the Enemy Act, which was ordered to lie on the table and to be printed.

AMENDMENT OF SECTION 345 OF REVENUE ACT OF 1951—AMENDMENT

Mr. MARTIN submitted an amendment intended to be proposed by him to the bill (H. R. 6440) to amend section 345 of the Revenue Act of 1951, which was referred to the Committee on Finance, and ordered to be printed.

INCREASED MONTHLY RATES OF COMPENSATION TO CERTAIN VETERANS AND THEIR DEPENDENTS—AMENDMENTS

Mr. MARTIN. Mr. President, I submit amendments intended to be proposed by me to the bill (H. R. 9020) to provide increases in the monthly rates of compensation payable to certain veterans and their dependents, and I ask that they be printed.

I should like to state at this time that my amendments propose to rectify what I believe is an unfair treatment of the widows of Spanish-American War veterans receiving small amounts of pension due to the non-service-connected death of the veteran.

The amendments would increase from $64.50 to $69.50 per month the present pension for widows who were married to the veterans during their service. They would also increase the pension for widows married to veterans after their service, but prior to 1937, from $51.60 to $56.60 per month. This is a small $5 monthly increase to these widows, who now are elderly and in many instances are dependent upon their small pensions for subsistence.

I feel this is the least we can do for this group of veterans' widows, and that such action is especially meritorious, in that it was very difficult after the Spanish-American War for the veteran to establish a subsequent disability as being service-connected. The records were poorly kept, and many veterans of the Spanish-American War were unable to establish service connection for disabilities for which they were entitled to receive benefits.

The PRESIDING OFFICER. The amendments will be received and printed, and will lie on the table.

HOUSE BILLS AND JOINT RESOLUTIONS REFERRED OR PLACED ON THE CALENDAR

The following bills and joint resolutions were severally read twice by their titles, and referred, or placed on the calendar, as indicated:

H. R. 1254. An act to provide authorization for certain uses of public lands;

H. R. 6616. An act to amend title 17, United States Code, entitled "Copyrights";

H. R. 7290. An act to authorize an appropriation for the construction of certain public-school facilities on the Klamath Indian Reservation at Chiloquin, Oreg.;

H. R. 7334. An act to authorize certain property transactions in Cocoli, C. Z., and for other purposes; and

H. R. 8821. An act to authorize the exchange of lands acquired by the United States for the Catoctin recreational demonstration area, Frederick County, Md., for the purpose of consolidating Federal holdings therein; placed on the calendar.

H. R. 2233. An act to provide for the acquisition of lands by the United States required for the reservoir created by the construction of Oahe Dam on the Missouri River and for rehabilitation of the Indians of the Cheyenne River Sioux Reservation, S. Dak., and for other purposes;

H. R. 2843. An act to authorize the Secretary of the Interior to investigate and report to the Congress on the conservation, development, and utilization of the irrigation and reclamation resources of the Waimanalo, Oahu, Waimea, Island of Hawaii; and Molokai projects, Territory of Hawaii;

H. R. 5301. An act to supplement the Federal reclamation laws by providing for Federal cooperation in non-Federal projects and for participation by non-Federal agencies in Federal projects;

H. R. 5499. An act to provide for the construction, maintenance, and operation of the Michaud Flats project for irrigation in the State of Idaho;

H. R. 7569. An act to authorize the removal of a restrictive covenant on land patent No. 9628, issued to the board of the Hawaiian Evangelical Association on January 18, 1929, and covering lots 5 and 6 of Waimea town lots, situated in the county of Kauai, Territory of Hawaii;

H. R. 7813. An act authorizing the Secretary of the Interior to adjust or cancel certain charges on the Milk River project;

H. R. 8006. An act to authorize the Secretary of the Interior to issue patents for certain lands in Wisconsin bordering upon inland lakes or rivers;

H. R. 8365. An act to confirm the authority of the Secretary of the Interior to issue patents in fee to allotments of lands of the Mission Indians in the State of California prior to the expiration of the trust period specified in the act of January 12, 1891, as amended;

H. R. 8666. An act to authorize the Territory of Alaska to incur indebtedness, and for other purposes;

H. R. 8897. An act to authorize and direct the Secretary of the Interior to transfer forty acres of land in the Northern Cheyenne Indian Reservation, Mont., to School District No. 6, Rosebud County, Mont.;

H. R. 9194. An act to provide for the conveyance of certain land owned by the Federal Government near Vicksburg, Miss., to Vicksburg, Miss.;

H. R. 9582. An act to provide for the disposition of surplus personal property to the Territorial government of Alaska;

H. R. 9630. An act to authorize the Secretary of the Interior to execute an amendatory contract with the Black Canyon Irrigation District, Idaho, and for other purposes; and

H. R. 9821. An act to amend titles 18 and 28 of the United States Code; and

H. R. 9981. An act to provide for the construction of distribution systems on authorized Federal reclamation projects by irrigation districts and other public agencies; to the Committee on Interior and Insular Affairs.

H. R. 5183. An act for the relief of the Board of County Commissioners of Sedgwick County, Kans.;

H. R. 7326. An act to amend section 1721, title 18, United States Code, relating to the sale or pledge of postage stamps;

H. R. 7740. An act to amend title 18 of the United States Code, so as to make it a criminal offense to move or travel in interstate commerce with intent to avoid prosecution, or custody or confinement after conviction, for arson;

H. R. 8034. An act for the incorporation of the Sons of Union Veterans of the Civil War.

H. R. 8210. An act to amend subdivision (b) of section 14 of the Bankruptcy Act, as amended, relating to discharges, and subdivision (b) of section 58 of the Bankruptcy Act, as amended, relating to notices; and

H. R. 9740. An act to provide for the relief of certain Army and Air Force nurses, and

for other purposes; to the Committee on the Judiciary.

H. R. 5718. An act to limit the period for collection by the United States of compensation received by officers and employees in violation of the dual compensation laws;

H. R. 7785. An act to amend the Civil Service Retirement Act of May 29, 1930, to make permanent the increases in regular annuities provided by the act of July 16, 1952, and to extend such increases to additional annuities purchased by voluntary contributions;

H. R. 9825. An act to authorize the Postmaster General to prohibit or regulate the use of Government property under his custody and control for the parking or storage of vehicles; and

H. R. 9909. An act to prohibit payment of annuities to officers and employees of the United States convicted of certain offenses, and for other purposes; to the Committee on Post Office and Civil Service.

H. R. 9115. An act to provide that contributions received under Public Law 495, 80th Congress, for the construction of a merchane marine chapel shall be invested in Government obligations pending their use for such construction;

H. R. 9397. An act to authorize the Secretary of the Treasury to transfer certain property to the Panama Canal Company, and for other purposes; and

H. R. 9868. An act to amend the Merchant Ship Sales Act of 1946 to provide for the charter of passenger ships in the domestic trade; to the Committee on Interstate and Foreign Commerce.

H. J. Res. 550. Joint resolution to permit the United States of America to release reversionary rights in a thirty-six and seven hundred and fifty-nine one-thousandths acre tract to the Vineland School District of the county of Kern, State of California; and

H. J. Res. 563. Joint resolution relating to sales of Commodity Credit Corporation feed grains; to the Committee on Agriculture and Forestry.

H. J. Res. 565. Joint resolution to amend the joint resolution providing for the membership of the United States in the Pan American Institute of Geography and History and authorize appropriations therefor; to the Committee on Foreign Relations.

CHARTER OF PASSENGER SHIPS IN DOMESTIC TRADE—ADDITIONAL REPORT OF A COMMITTEE

Mr. BUTLER. Mr. President, from the Committee on Interstate and Foreign Commerce, I report favorably without amendment the bill (H. R. 9868) to amend the Merchant Ship Sales Act of 1946 to provide for the charter of passenger ships in the domestic trade, and I submit a report (No. 2213) thereon. It is a companion bill to Senate bill 3732.

The PRESIDING OFFICER. The report will be received, and the bill will be placed on the calendar.

OPPOSITION TO PROPOSED SUBSTITUTE FOR FARM PARITY BILL

Mr. WILEY. Mr. President, I was pleased to receive a telegram today from the Wisconsin Creameries Association expressing opposition to a substitute bill which has been offered to the Senate Agriculture Committee's version of the farm parity bill.

I may say that the provisions for surplus disposal, as provided in the original committee version, are exceedingly important to the dairy industry, as are other provisions of S. 3052, as reported.

I send to the desk the text of the telegram from Mr. Oscar Christianson and ask unanimous consent that it be printed at this point in the body of the CONGRESSIONAL RECORD.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

MADISON, WIS., *August 3, 1954.*

Senator ALEXANDER WILEY,
Senate Office Building:

Senators AIKEN, SCHOEPPEL, HICKENLOOPER, HOLLAND, ANDERSON have proposed amendment, to be substitute for S. 3052, reported by Senate Agriculture Committee July 15. Proposed amendment utterly unsatisfactory. Does not provide disposal program. Proposed substitute unsatisfactory to producers of manufacturing milk and urge enactment dairy provisions in S. 3052 reported by committee July 15.

OSCAR CHRISTIANSON,
Wisconsin Creameries Association, Madison, Wis.

RESOLUTIONS OF UNITED STATES JUNIOR CHAMBER OF COMMERCE

Mr. WILEY. Mr. President, I send to the desk three resolutions which were adopted at the recent annual convention of the United States Junior Chamber of Commerce, held in Colorado Springs, Colo.

There, 7,500 delegates representing 200,000 members of the United States Junior Chamber of Commerce in 2,750 communities, expressed their judgment on several important issues. One relates to congressional hearings, a matter now under study by the Senate Rules Committee, of which I am not a member.

The second and third do bear, however, on committees in which I personally participate. One resolution relates to strengthening efforts against the narcotics evil and the other relates to the future of the Antarctic.

I may say, with respect to the former, that I believe that the Senate Foreign Relations Committee will shortly report a new International Opium Protocol which was the subject of a hearing held in New York by a subcommittee of which I was chairman.

The 93-page printed transcript of the hearing has just been printed by the GPO.

Finally, I may say that it is extremely important that the United States not lose sight of the great Antarctic frontier which may one day play so crucial a role in the future of the world.

I ask unanimous consent that the three resolutions, as forwarded to me by Mr. E. LaMar Buckner, the new president of the junior chamber, be printed at this point in the body of the CONGRESSIONAL RECORD.

There being no objection, the resolutions were ordered to be printed in the RECORD, as follows:

RESOLUTION ON CONGRESSIONAL HEARINGS

Whereas congressional hearings have and will serve as an instrument to protect the public welfare; and

Whereas such hearings, when conducted without proper procedural safeguards, can and have adversely affected the prestige of the Nation in the eyes of the world; and

Whereas the conduct of such hearings without proper procedural rules, can and has caused irreparable damage and harm to the character and reputation of certain individuals without just cause; and

Whereas certain congressional investigations have infringed unduly upon the prerogatives of the executive branch of the Government: Now, therefore, be it

Resolved by the United States Junior Chamber of Commerce in convention duly assembled at Colorado Springs, Colo., on this 18th day of June 1954, That the Senate and the House of Representatives be separately memorialized to forthwith adopt rules governing investigations by committees of their respective bodies, to effectuate the following objectives:

1. To establish a uniform quorum rule for all committee investigations, and expressly prohibit one-man committee or subcommittee hearings.

2. To perpetuate the principles of just treatment and fair play, rules governing the examination and cross-examination of witnesses.

3. To assure the public full access to information without abuse of the use of the public information facilities, by the adoption of uniform rules governing radio and television broadcasting of such hearings.

4. To adopt adequate rules to preserve and perpetuate the principle of the division of governmental powers; be it further

Resolved, That copies of this resolution be forthwith transmitted to the President and Vice President of the United States, every Member of Congress, and every member of the President's Cabinet.

RESOLUTION ON NARCOTICS

Whereas the postwar period has witnessed a substantial and alarming increase in the illicit supply and demand for narcotic drugs in the United States, notwithstanding strenuous efforts on the part of Federal and State authorities; and

Whereas illicit traffic in narcotic drugs for profit are the primary and sustaining sources of addiction and are of material danger to public morals, health, safety, and welfare; and

Whereas narcotic drug addiction on the part of minors is particularly undesirable, is observed similarly to have increased in the postwar period, and is known historically to occur during periods of increased juvenile delinquency such as appears today; and

Whereas strongly deterrent penal laws, with alert enforcement, are acknowledged to be the most effective method of terminating illicit traffic and supply of narcotic drugs for profit; and

Whereas the need continues and grows for reduction of the demand for such drugs through proper treatment, cure, and rehabilitation of persons already addicted to the use of narcotics: Now, therefore, be it

Resolved by the United States Junior Chamber of Commerce in convention assembled this 18th day of June 1954, in Colorado Springs, Colo., That this corporation go on record as favoring and urging the following program by the appropriate State and Federal authorities:

1. A reexamination of the effectiveness of existing Federal laws directed to cope with illicit narcotic drug activities.

2. The creation of a scale of punishment for profiteering traffickers and suppliers of narcotic drugs, separate and more severe than that provided for those found guilty of other violations of the Federal narcotic drugs law, to wit: for the first offense, imprisonment not less than 5 years; for the second offense, not less than 10 years; and for a third or subsequent offense, not less than 20 years to life.

3. The amendment of the penal provision of the Federal narcotic drugs law to provide especially severe punishment for the trafficker and supplier of narcotic drugs to minors.

4. The amendment of the Federal and State narcotic drugs laws to provide for the confinement in a suitable Federal or State institution for purposes of cure and rehabilitation until released by the institution for return to society to persons who are convicted of offenses which they have committed solely because of their addiction to a habit-forming narcotic drug.

5. The enactment of State legislation providing compulsory treatment of the addict after court hearing similar to the law passed by the 83d Congress and now in operation in the District of Columbia; be it further

Resolved, That the president of the United States Junior Chamber of Commerce shall transmit copies of this resolution to the President of the United States and Members of Congress urging immediate Federal action and to all State organization members urging their support of appropriate State legislation.

Submitted by Chicago Jaycees.

RESOLUTION ON ANNEXATION OF ANTARCTIC REGIONS AND ECONOMY AND SECURITY

Whereas there exist in the Antarctic region some 6 million square miles of land with natural resources of strategic materials invaluable to the interests, economy, and security of the United States of America, yet unpossessed; and

Whereas while there is an international race to claim this area, no claim has been officially adjudicated by decision of an international tribunal; and

Whereas the United States has explored more territory in this region than all the other nations of the world combined, and hundreds of thousands of square miles having been charted and explored by Admiral Byrd; and

Whereas Adm. Richard E. Byrd has stated that it is not too late for the United States to press her rightful claim, but as of now we are doing nothing at all about same, and we cannot afford to underestimate Antarctica; and

Whereas the strategic values of this area would prove a greater asset to America should the Panama Canal be destroyed, thereby sending American ships the long voyage around the southern tip of South America; and

Whereas to deny immediate action would let our claims for the South Pole go by default: Now, therefore, be it

Resolved by the United States Junior Chamber of Commerce in convention assembled this 18th day of June 1954, in Colorado Springs, Colo., That this body does hereby recommended that the United States Government take immediate and necessary steps to continue charting the Antarctic regions, and establish its rightful and just claims to all areas explored by the United States of America; and be it further

Resolved, That copies of this resolution be mailed by the president of the United States Junior Chamber of Commerce to the President of the United States, the Vice President of the United States and all Members of the entire Congress of the United States.

Submitted by Maryland Jaycees.

SAVINGS MADE BY THE FIRST ARMY

Mr. MARTIN. Mr. President, I ask unanimous consent to have printed in the body of the RECORD an editorial entitled "No Scorn of Small Savings," which was published in the Wall Street Journal. The editorial relates that the First Army has made savings of $1,200,000 in the first 9 months of this year, and has not done away with any of its activities. Mr. President, I feel that the commanding general of the First Army, Lt. Gen. Withers Burress, deserves the commendation of all Americans. This accomplishment on the part of the First Army shows what can be done in making savings in the armed services.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

NO SCORN OF SMALL SAVINGS

One of the stock arguments against anyone who wants to reduce the Government's military budget is that this can only be done by sacrificing defense. Now the Army itself has just come up with the best answer to the argument; it has shown that sometimes at least the same things can be done for less money.

The savings that have just been reported by the First Army, which covers New England, New York, and New Jersey, may seem relatively small in a multi-billion-dollar defense budget. But the fact that it has reduced its expenditures $1,200,000 in the first 9 months without reducing any of its programs shows what be done.

The method was unspectacular; it consisted of tighter manpower control, more economical maintenance and more efficient handling of its inventories. For instance, the largest single saving—$106,720—came from greater use of accounting machines in making up payrolls. At Fort Devens, Mass., $3,686 was cut from maintenance costs by salvaging unserviceable electronic tubes. Improved stock control in the New York district reduced inventories from $110,000 to $10,000 in 6 months. Camp Kilmer saved $15,000 by shutting down buildings only partly in use and consolidating activities.

Commenting on these and other savings, Lt. Gen. Withers Burress, First Army commander, said that they indicate "definite progress in control over expenditures of funds, with particular emphasis on supply economy and better utilization of manpower."

And they also indicate what can be done in any organization, business or Government, when people get over their scorn of small savings. A million dollars, multiplied in enough places, can add up to quite a lot.

The PRESIDING OFFICER. Is there further morning business? If not, morning business is concluded.

SUPPLEMENTAL APPROPRIATIONS, 1955

The Senate resumed the consideration of the bill (H. R. 9936) making supplemental appropriations for the fiscal year 1955, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Minnesota [Mr. THYE].

Mr. KNOWLAND. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Carlson	Ellender
Anderson	Case	Ervin
Barrett	Chavez	Ferguson
Beall	Clements	Flanders
Bennett	Cooper	Fulbright
Bowring	Cordon	George
Bricker	Crippa	Gillette
Bridges	Daniel	Goldwater
Burke	Dirksen	Gore
Bush	Douglas	Green
Butler	Duff	Hayden
Byrd	Dworshak	Hendrickson
Capehart	Eastland	Hennings
Hickenlooper	Malone	Robertson
Hill	Mansfield	Russell
Holland	Martin	Saltonstall
Humphrey	Maybank	Schoeppel
Ives	McCarran	Smathers
Jackson	McCarthy	Smith, Maine
Jenner	McClellan	Smith, N. J.
Johnson, Colo.	Millikin	Sparkman
Johnson, Tex.	Monroney	Stennis
Johnston, S. C.	Morse	Symington
Kerr	Mundt	Thye
Knowland	Murray	Upton
Kuchel	Neely	Watkins
Langer	Pastore	Welker
Lehman	Payne	Wiley
Lennon	Potter	Williams
Long	Purtell	Young
Magnuson	Reynolds	

The PRESIDING OFFICER. A quorum is present.

The question is on agreeing to the amendment of the Senator from Minnesota [Mr. THYE].

Mr. THYE. Mr. President, I should like to make a brief explanation in connection with the amendment which I have offered.

Last evening there seemed to be some confusion on the part of the Senator from Maryland [Mr. BUTLER] in stating that there was nothing in the record of the hearings that would indicate why the Secretary of the Department of Health, Education, and Welfare, Mrs. Hobby, was requesting that this headquarters unit be moved from Baltimore to the District of Columbia.

Therefore, I must call to the attention of the Senate that on page 1153 of the Senate committee hearings, there is the statement of Secretary Hobby concerning this transfer, and it carries over to page 1154. I shall not take the time to read this part of the record of the hearing, because all Senators have such record on their desks, and can refer to the pages I have called to their attention.

Mr. President, I have moved to strike lines 9 through 13 on page 25. My amendment would eliminate the House provision, which would prevent the Bureau of Old-Age and Survivors' Insurance from paying the moving expenses of the headquarters employees of the Bureau who are now being transferred from Baltimore to Washington. The House provision is designed to prevent this move.

The decision to make this move was announced by the Department of Health, Education, and Welfare on May 11, and since that time, until the House action, the Bureau staff members had been confidently planning for this move. We are now only 4 weeks from the announced date of the move, September 1. Any action, therefore, of the Congress, to interfere with this move would be seriously disruptive of the work of the Bureau and to the personal plans of the employees involved.

Mr. President, I agree wholeheartedly with the statement in the report of the committee on this point which says:

> The committee recommends striking out the limitation adopted by the House and the allowance of the estimate as presented to the Congress. It feels that the decision to move or not to move employees is an administrative one, and that if the move is made it should not be an undue burden upon the employees.

Last evening in the discussion upon this question the Senator from Maryland [Mr. BUTLER] indicated that there had

been no testimony in the hearings on House bill 9936 concerning this move.

I have already called attention to the hearings and the point in the printed hearings where reference is made to the statement of Mrs. Hobby. Mrs. Hobby addressed a letter to each member of the Committee on Appropriations, in which she expanded on the reasons for her conviction that it was important to move members of the headquarters staff to Washington. I should like to read that letter to the Senate because I believe it summarizes very well the position of the Department. I shall proceed with the reading of Mrs. Hobby's letter.

Mr. BUTLER. Mr. President, will the Senator yield at that point?

Mr. THYE. I am happy to yield for a question.

Mr. BUTLER. Did the Senator have that letter before him at the time the committee considered this question?

Mr. THYE. Oh yes; the letter was addressed to all members of the Committee on Appropriations.

Mr. BUTLER. Why was it not inserted in the record? Why was not something said about it at the time of the hearings?

Mr. THYE. The Senator will find Mrs. Hobby's statement at page 1153 of the hearings. I have already called the Senator's attention to it. I can read it, but I do not believe it is necessary to take the time to do so.

I will correct my statement to the Senator from Maryland, Mr. President. The letter from Mrs. Hobby was a supplement to her testimony before the committee, and was mailed to the members of the committee following the close of the hearings. That was the reason it was not placed in the record of the committee hearings. Mrs. Hobby had testified specifically on the question in the hearings, and she gave the members of the committee the additional benefit of her views by mailing this letter to them.

Mr. BUTLER. Mr. President, will the Senator yield for another question?

Mr. THYE. I am delighted to yield.

Mr. BUTLER. Did Mrs. Hobby tell the members of the committee at the time she testified that I had consistently resisted this move and had told her I would continue to resist it?

Mr. THYE. I do not recall that Mrs. Hobby made mention of that point. I do not know whether it would be necessary for Mrs. Hobby to tell us about the objection of one member of the Senate.

Mr. BUTLER. Mr. President, will the Senator yield for a further question?

Mr. THYE. I am happy to yield.

Mr. BUTLER. I notice that at page 382 of the committee report there is included a copy of my letter to the President of the United States setting forth my objections to the removal.

Mr. THYE. I cannot answer the distinguished Senator from Maryland on that point. We tried to extend every courtesy to the Senator. In fact, we requested that his letter be printed in the record of the hearings, so that everyone would have an opportunity to read the Senator's objection.

Mr. BUTLER. Mr. President, will the Senator further yield?

Mr. THYE. I am delighted to yield.

Mr. BUTLER. Apparently there was no opposition to the letter because no one controverted the points made in it.

Mr. THYE. It seems to me it would not be necessary to make an objection. We receive many communications in committee and we request that they be printed in the hearings. That is the way in which we handle objections. It is not necessary on the part of any member of the committee or anyone else to do anything about it. It is a matter of record and the record is now open before us.

Mr. BUTLER. Did the committee feel that the objections raised by the Senator from Maryland were not worthy of consideration or worthy of answer by the interested department? Is that the impression the Senator from Maryland is to get from this colloquy?

Mr. THYE. I can only say to my friend from Maryland that the committee had the letter of objection to the proposed transfer which the Senator from Maryland had written, and therefore the committee had the letter before it when it approved the amendment and the language in the bill. That is the best answer I can give the Senator.

Mr. WELKER. Mr. President, will the Senator yield?

Mr. THYE. I am delighted to yield for a question.

Mr. WELKER. I believe the Senator will agree with me that we have been working unusually long hours. Perhaps many of us do not understand the legislation as well as we should. I wonder whether the Senator would not agree that there was a good deal of confusion in the mind of the junior Senator from Idaho with respect to the bill immediately preceding the one on which the Senator from Minnesota worked so diligently. We had the argument made to us that we had to move one headquarters out of Washington because of danger; then the next bill involved bringing another headquarters into Washington. It was quite confusing. I hope my distinguished friend from Minnesota will understand that if I did wrong it was because of the confusion.

Mr. THYE. The Senator from Idaho did not do anything wrong. We endeavored to follow an orderly parliamentary procedure. The Senator from Idaho thought he was properly raising an objection to the language in the bill, and he thought it had the effect of legislation. I did not object. I should like to have had an opportunity to completely explain what we were considering. However, the point of order being raised, my explanation was shut off. I assure the Senator from Idaho there was no ill feeling last night, and there is none today. All I want to do is to assure the two distinguished Senators from Maryland that Mrs. Hobby is not endeavoring to deprive the city of Baltimore of people in her Department who are residing there and who are assigned to the headquarters unit involved. All she is endeavoring to do is to bring the policymaking executives back to her family here in Washington, so that when she wants to talk to some of the executives who are engaged in administrative and policymaking duties, she will not have to communicate with them by long-distance telephone or ask them to spend an hour or more traveling from Baltimore to Washington.

Under new legislation we have enacted this year there will be an increase in the staff in Baltimore. I assure the Senators from Maryland that there will be additional personnel assigned to the Baltimore office. I question whether sufficient space will be available to accommodate all of them. However, additional personnel will be employed in Baltimore by Mrs. Hobby's Department in the administration of this welfare program. As a result, there will be more people in the Baltimore office than there are now. That is the assurance I can give to the Senators from Maryland.

Mr. BEALL. Mr. President, will the Senator yield?

Mr. THYE. I am delighted to yield.

Mr. BEALL. Is it not a fact that the work of these people is primarily connected with work in the Baltimore office? Are not most of them legal officers, whose duties are connected with the office of administrator in the Baltimore office?

Mr. THYE. The best answer I can give to the question raised by the distinguished Senator from Maryland is Mrs. Hobby's own letter. When I am permitted to do so, I shall read the letter, and that will be the best answer I can give. Before I read the letter I wish to call to the attention of the senior Senator from Maryland—because I do not want to have any misunderstanding—the fact that all members of the committee had the objection of the Senator from Maryland before them, and his letter was inserted in the sideslips.

In our consideration of appropriation bills we must always refer to the sideslips. The importance of the Senator's letter was recognized by its being printed in the sideslips. We did everything except to announce from time to time on the floor that the Senator from Maryland was objecting to the transfer.

Mr. BUTLER. Mr. President, will the Senator yield?

Mr. THYE. I yield.

Mr. BUTLER. The Senator did everything but what I wanted him to do.

Mr. THYE. I am trying now to undo what the Senator successfully tied us up on last night.

Mr. BEALL. Mr. President, will the Senator yield for another question?

Mr. THYE. I yield.

Mr. BEALL. Is it not a fact that the Senate acted on this legislation last night?

Mr. THYE. The fact is that we acted on one phase. I have offered an amendment in the identical manner that the junior Senator from Maryland offered an amendment last evening. I am submitting my amendment and hoping to get action on it.

I shall now read the letter that Mrs. Hobby addressed to all the members of the Appropriations Committee:

HON. STYLES BRIDGES,
Chairman, Senate Appropriations Committee, United States Senate, Washington, D. C.

DEAR SENATOR BRIDGES: After months of consideration of the most effective grouping of the functions of the Social Security

Administration it was announced on May 11, that the headquarters staff of the Bureau of Old-Age and Survivors Insurance would be returned to Washington. A final decision on the matter had been pending ever since the staff, because of the wartime space shortage, was moved to Baltimore in 1942.

On July 22 the House adopted a floor amendment to H. R. 9936 which, if enacted, will upset that decision. I feel obliged to bring to your individual attention the serious consequences that the House action entails and to point out the compelling reasons for the decision to bring the headquarters staff of the Bureau to the same location as the other top staff of the Department and the Social Security Administration. The House action, coming as it does only 5 weeks before the scheduled move on September 1, is seriously disruptive of the work of the Bureau and of the personal plans of the employees involved. Most seriously, the House action would prevent the Department from achieving the on-the-spot leadership of this program that we feel is of major importance in carrying out our statutory responsibilities.

The date of September 1 had been chosen for the move to give the people involved as much time as possible to arrange their personal affairs and still be at the new location in time for the opening of school. Since May 11 and until the House action of last Thursday the Bureau staff members have been confidently arranging their affairs for this move. Many have sold their homes or terminated their leases in Baltimore and have already purchased or rented quarters in the Washington area.

The House has passed and the Senate is now considering a social security bill that greatly increases the scope and effectiveness of the old-age and survivors insurance program. Hand in hand with the increased effectiveness of the program goes greatly increased administrative responsibility. Old-age and survivors insurance is already one of the most important functions of government and by far the largest single program in this Department, employing a total of about 14,000 people. Under present law we have responsibility for certifying eligibility to benefits each month for about six and a half million people. About 70 million persons are insured under the program and each year wage records must be posted to the individual accounts of over 60 million workers. Given the size and complexity of this governmental function, the fact that its proper administration is so importantly concerned with the well-being of the aged, the widows and the orphans of the country and the fact that the amendments to the law now under consideration will greatly increase our administrative tasks have all led me to the conclusion that it would be unwise for the Commissioner of Social Security and myself to continue to exercise our responsibility for administration of this program entirely by remote control.

There is, of course, no intention to bring to Washington any employees other than the approximately 450 who are in the headquarters staff of the Bureau. Some 4,500 employees in the Division of Accounting Operations will remain in Baltimore and the other Bureau employees will remain in locations throughout the country. The administration of the Bureau of Old-Age and Survivors Insurance has always been on a decentralized basis with the service of the Bureau being brought as close to the people as possible. For example, the Bureau now maintains 512 field offices throughout the country and its claims review and certification work is performed in six different major cities. The Department believes strongly in keeping the operations of the Bureau close to the grassroots, but the very policy of decentralization in operation, in my judgment, requires personal leadership of the immediate top staff. With all of the top departmental officials and the officials of the Social Security Administration located in Washington, it seems to me of great importance that the top staff of the Bureau be located here also.

There is nothing new in the proposal to move the headquarters staff of the Bureau back to Washington. As I indicated above, this staff was once located in Washington and was transferred to Baltimore only in order to relieve the space shortage during the war. Since the close of the war the location of the headquarters staff has been periodically considered. We hope now to end the long uncertainty concerning the permanent location of this administrative group.

I believe the decision to locate the headquarters staff of the Bureau in Washington to be a wise and proper exercise of administrative discretion directed to the end of achieving the best and most effective and economical operation. I, therefore, urge that the Senate eliminate the provision from H. R. 9936 which would prevent the achievement of this objective.

Sincerely yours,

——— ———, *Secretary.*

All the other members of the Appropriations Committee received a copy of the letter.

Mr. President, I believe there can be no question that Mrs. Hobby endeavored to acquaint all Members of Congress with her problems and what she endeavored to accomplish by transferring the headquarters unit back to Washington so that it would again become a part of her administrative family. It was disturbing to me to think that we might have passed this bill including language denying her the right to transfer the headquarters staff of the Bureau to Washington, because if the Senate denies the Secretary of the Department of Health, Education, and Welfare the right to spend a penny for the transfer of the headquarters unit, she will be faced with the problem that approximately 30 families have already moved to Washington and acquired living space, and others have canceled their contracts for their apartments and homes in Baltimore. So the entire unit of 450 people would be left in chaotic confusion. It was for that reason that I endeavored to make this question understandable to Senators who do not serve on the Appropriations Committee and who have not had contact with the question.

Mr. BUTLER. Mr. President, what is the pending business?

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Minnesota [Mr. THYE].

Mr. BUTLER. May we have the amendment stated?

The PRESIDING OFFICER. The clerk will state the amendment.

The LEGISLATIVE CLERK. On page 25, it is proposed to strike out lines 9 through line 13.

Mr. BUTLER. Mr. President, for many years the Bureau of Old-Age and Survivors Insurance has effectively operated as a unit in the city of Baltimore. So effective has been its operations that on several occasions Congress has commended the unit for its very efficient work.

If not all, substantially all, of the persons whom it is now proposed by the Secretary of Health, Education, and Welfare to bring to Washington have been residents of Maryland since 1941. They have been told by the Department that they were to remain as permanent residents of Maryland. They were told to buy their homes there and to settle in that State.

Until May 11, 1954, there was no intimation whatsoever that they would be disturbed. Meantime, the wives and children of some of the employees of the Bureau have sought employment in the city of Baltimore, and are there engaged in work. To now bring them to Washington would break up or seriously disrupt their families.

As I have said, there has never been any intimation that such a move would occur. At this time, when Congress has appropriated money to construct a $22 million building in or near the city of Baltimore for the purpose of housing in one place the Bureau of Old-Age and Survivors Insurance, it is now proposed to transfer the 450 persons back to Washington. I can see no reason for that, and I do not think it should happen.

Mr. REYNOLDS. Mr. President, will the Senator yield?

Mr. BUTLER. I am glad to yield.

Mr. REYNOLDS. Do I correctly understand that an order has been issued to move these persons to Washington?

Mr. BUTLER. I cannot believe, I may say to my dear friend from Nebraska, that such an order has been issued. We all know the appropriation must be approved by Congress, and no one in the Department, including Secretary Hobby herself, has the right to issue an order to move anyone until that has occurred. If such an order has been issued, it is no fault of mine, because I have told Mrs. Hobby over the months that I would strenuously oppose the move, and I have repeatedly asked her for reasons why such a move is necessary. I have never received a satisfactory reason for the intended move.

The hearings have been held, and the question is now on the floor of the Senate. The Senate has expressed itself, and has said that these persons shall not be moved. Now, for the first time, we have a letter from Mrs. Hobby, introduced into the proceedings, giving reasons why the move should occur.

I say that that is no way to treat a representative of the people involved.

Mr. REYNOLDS. Mr. President, will the Senator further yield?

Mr. BUTLER. I yield.

Mr. REYNOLDS. My next question is, if an order has been issued—and apparently it has been, because we have been told that some persons already are moving—does such a move require an appropriation?

My next question would be, is it proper Government procedure to issue an order which requires an appropriation, before the issuer of the order comes to Congress and gets the appropriation?

Mr. BUTLER. As I have said, I do not believe any order has been issued. Certainly no order should be issued until an appropriation has been made.

Mr. MALONE. Mr. President, will the Senator yield?

Mr. BUTLER. I yield.

Mr. MALONE. For a period of more than 20 years, has there been any foundation laid to lead an administration official to believe that Congress would seriously oppose any order which the executive branch issued?

Mr. BUTLER. Will the Senator restate his question?

Mr. MALONE. For more than 20 years Congress has gone along with the orders issued by the executive branch. Has there been any real evidence that Congress has ever seriously opposed any order of the administration or any bill submitted by the administration?

Mr. BUTLER. I shall not address myself to that problem. I know there has been much talk to the effect that Congress has not assumed its full responsibility in these matters. But this is a matter in which Congress should assert its full responsibility. I think the Secretary of Health, Education, and Welfare should come before the committee and tell us why the move is necessary. I think the reasons should be made known to the persons who are interested.

Mr. MALONE. Would there be any sort of prima facie case in favor of the Secretary, as a basis for assuming that any wish she might express would be granted by Congress? Should we not take a little time before we revert to the use of the authority of Congress, and give the Department some time to realign its procedure?

Mr. BUTLER. I do not think so. I think Congress should assert its authority now. We have already done it in this case, and I hope that the Senate will back up its action by rejecting the amendment.

Mr. MALONE. I appreciate all that the Senator has said. I believe there are many requests and orders that come from the administration which Congress should seriously consider from now on. I hope that Congress will begin such a procedure next January.

Mr. BUTLER. I now wish to address myself briefly to the persons who are said to have purchased homes in the District or who are making commitments in Washington. Four hundred and fifty families are involved. With respect to those 450 families, my information, gathered only this morning—I did not have it last night—is that 24 have made some type of commitment within the District of Columbia. In my opinion, Secretary Hobby had no right to lead those persons to believe that the Bureau of Old Age and Survivors Insurance would be moved to Washington until such time as Congress had acted. If she did mislead them then I say that Congress must afford them redress.

Mr. THYE. Mr. President, will the Senator yield?

Mr. BUTLER. I yield.

Mr. THYE. Does not the executive department have the right to make an executive decision?

Mr. BUTLER. It certainly does.

Mr. THYE. Was not Secretary Hobby exercising a right which was within her legal responsibility?

Mr. BUTLER. She has a right to exercise her executive responsibility; but when, to implement that responsibility, it is necessary to have an appropriation from Congress, she has no right to act until the appropriation has been made.

Mr. PURTELL. Mr. President, will the Senator yield?

Mr. BUTLER. I yield.

Mr. PURTELL. Is my understanding correct, that 24 persons were notified that they were to move to Washington?

Mr. BUTLER. So far as I can learn, all 450 of them had some sort of notice that they would be required to move to Washington. They came to see the Senators from Maryland, pointing out to us the hardships which would be entailed. We wrote to Secretary Hobby.

In my letters to Mrs. Hobby, I told her consistently that I would fight the move. I wanted some good reason why it was necessary to make the move; otherwise, I intended to fight. I have never received a satisfactory answer to my inquiry.

Mr. PURTELL. Can the Senator from Maryland inform me whether the 450 persons were officially notified that they were to be moved to Washington?

Mr. BUTLER. I cannot answer the question as to whether the notification was official or not. I do not believe it was.

Mr. THYE. Mr. President, will the Senator yield?

Mr. BUTLER. I yield.

Mr. THYE. I think I can shed a little light on the question raised by my friend, the distinguished Senator from Connecticut.

The transfer of the headquarters staff will result in only about 250 persons either moving from Baltimore or commuting to Washington from Baltimore. Some 450 positions will be moved, but 39 persons in these positions are now commuting from Washington to Baltimore, and it is estimated that about 160 have either already left the bureau or will be transferred to other OASI positions in Baltimore.

The Senator from Connecticut will understand that this division was in Washington prior to 1942, but was moved because of wartime congestion. Now it is being brought back to the parent center.

There is one more sentence in explanation of the number of persons involved. With the indulgence of the Senator from Maryland, I should like to state it.

The amendments to the act which have passed the House, and which have been reported by the Senate Committee on Finance, will result in the establishment of from 800 to 1,100 new positions in Baltimore. Thus the net gain in jobs for Baltimore is from 550 to 850.

The moving of this headquarters unit will facilitate the use of office space by the new personnel for whom Congress has enacted legislation creating new positions.

Mr. BUTLER. In the first place, those persons are permanently rooted in Baltimore. They have been there for 13 years. They have been consistently told that Baltimore was to be their home. That is where they want to live. They have been told that the headquarters staff would be kept in Baltimore permanently. Just after $22 million is appropriated to construct a building in or near Baltimore to house the whole unit intact, it is proposed to bring this small part to Washington to be housed in 22,000 square feet, when it requires 55,000 square feet.

Mr. THYE. Mr. President, if the Senator from Maryland will yield, I should like to remind him that 39 persons of that unit have been commuting all these years between the District of Columbia and Baltimore, because they either love the District of Columbia and did not desire to move to Baltimore, or they were hopeful and praying for the day when the unit would return to Washington.

Mr. BUTLER. I may say to my friend, the Senator from Minnesota, that many of the persons employed by the unit have deep roots in Maryland. They regret the fact that they will have to break ties and move. Even if 39 of those persons have been commuting, and 24 have made some kind of commitment to move to Washington, it must be remembered that 450 persons are involved in the move. I have received over a hundred requests from employees requesting that the move not be made.

Mr. PURTELL. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. UPTON in the chair). Does the Senator from Maryland yield to the Senator from Connecticut?

Mr. BUTLER. I yield to the Senator from Connecticut.

Mr. PURTELL. Is the Senator from Connecticut correct in his understanding that not the whole division, but only certain members of the division, are to be moved from Baltimore?

Mr. BUTLER. Only the headquarters staff is to be moved, and the rest of the division will remain in Baltimore, where it has been for 13 years.

Mr. PURTELL. Are we to understand that the contemplated move would not require all the employees in the division to move out of Baltimore, but it is desired that some of the management group be located in Washington?

Mr. BUTLER. Only the headquarters staff. If the headquarters staff were to move to Washington, it would be found that there is not sufficient space to house it.

Mr. PURTELL. Am I correct in my understanding, in the first place, that many persons in that division will remain in Baltimore? From the letter which was read by the Senator from Minnesota, I think we can understand that many more employees will make arrangements to move to Washington. So the question of employment in Baltimore is not a compelling force in this argument. The question is whether persons in the management group should be brought to Washington, near headquarters, where they rightfully belong.

Mr. BUTLER. I do not agree that they rightfully belong in Washington. They can operate more efficiently and effectively in Maryland, according to the information I have. If the Senator from Connecticut had been present earlier, he would have heard that the Congress has commended the unit for its effective and efficient work. After the staff has gained its experience over a past number of

years, it is proposed to pick up a portion of the unit and bring it back to Washington.

Mr. PURTELL. The reason why the Senator from Connecticut was not present in the Senate early today is that he was present in the Senate late yesterday. I wonder if the Senator from Maryland will yield further for another question?

Mr. BUTLER. I yield to the Senator from Connecticut.

Mr. PURTELL. Will the Senator from Maryland not agree that the head of the department has the authority to bring heads of her department to Washington so that they may be accessible, in the interest of better operation of the Department, and so that those employees will no be forced to make frequent trips and incur traveling expenses?

Mr. BUTLER. The headquarters staff employees are supervisors. They are not policymaking persons. They are the supervisors. They supervise the whole operation which is now in Baltimore, and which will continue to remain in or near Baltimore.

Mr. President, I am willing to have the Senator from Connecticut speak on the subject on his own time. I yield the floor. Apparently the Senator from Connecticut has no further questions.

Mr. BEALL. Mr. President——

The PRESIDING OFFICER. The junior Senator from Maryland is recognized.

Mr. BEALL. Mr. President, to avoid repetition, I wish to concur in what my senior colleague has stated. I also wish to state that I have protested several times to Mrs. Hobby in regard to the contemplated move of the employees. It seems to me it has not been contradicted that the employees involved could operate much more efficiently in Baltimore than in Washington. Their work has been performed in Baltimore for many years. I cannot understand why, in the interest of efficiency of operations, it is desired that they be moved to Washington. I certainly hope the amendment of the Senator from Minnesota will be defeated. I do not wish to say anything further, because I think my colleague, the senior Senator from Maryland [Mr. BUTLER] has very ably covered the whole subject. I simply wish to concur in what he has stated.

Mr. PURTELL. Mr. President, I hope the Senate will accept the amendment. In acting upon the amendment I think we all ought to bear in mind that no one knows better than the head of a department how that department could best operate. I think we should give weight to the opinion of the head of a department who desires to move a certain group of her employees to Washington.

Mr. BUTLER. Is the Senator from Connecticut stating that the head of a department can never make a mistake?

Mr. BEALL. Mr. President, will the Senator yield?

Mr. PURTELL. I yield to the junior Senator from Maryland.

Mr. BEALL. Is the Senator inferring that the agency in question has not been operating efficiently since 1941?

Mr. PURTELL. I certainly was not inferring that.

Mr. BEALL. Does the Senator from Connecticut not know that the agency has been commended many times by Members of Congress for its efficient operation in Baltimore?

Mr. PURTELL. There is no question about that, but the amendment does not involve the question of moving the entire operation to Washington. The proposal is merely to move to Washington those employees who can assist the head of the department in managing the affairs of the department. I certainly hope the Congress will not say to the head of a department, whoever he or she may be, that even though the head of a department thinks the operation would become more efficient if certain employees were to move to Washington, the employees will not be moved to Washington.

I hope the amendment of the Senator from Minnesota is favorably acted on.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Minnesota [Mr. THYE], on page 25, to strike out lines 9 to 13.

The amendment was agreed to.

Mr. BUTLER. Mr. President, I think the Chair acted a little too quickly. I should like to have the opportunity of suggesting the absence of a quorum.

The PRESIDING OFFICER. The Senator from Maryland may move to reconsider the vote by which the amendment was agreed to.

Mr. THYE. Mr. President, in order that every Senator may be satisfied, I suggest that the yeas and nays be ordered.

Mr. BUTLER. I do not wish to go that far. It is apparent the vote will go against me, but I think the Chair acted too quickly. I could not tell and was trying to determine whether the amendment was agreed to or not when the Chair ruled.

The PRESIDING OFFICER. A motion to reconsider the vote by which the amendment was agreed to is in order.

If the motion is not to be made, the bill is open to further amendment.

Mr. KNOWLAND. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the order for the call of the roll be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill is open to further amendment.

Mr. BRICKER. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The clerk will state the amendment.

The LEGISLATIVE CLERK. On page 39, line 5, it is proposed to strike out "$1,000,000" and insert in lieu thereof "$1,350,000."

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Ohio.

Mr. BRIDGES. Mr. President, that particular proposal was submitted to the Committee on Appropriations and was discussed. I think the majority of the members of the committee felt that this program could be accomplished within the $1-million figure. I believe the report so indicates.

In view of the new information which has come to us from the Banking and Currency Committee, as well as from the distinguished Senator from Ohio, if there is a strong feeling that this amendment should be further considered in conference, I shall be glad to take it to conference so that the subject may be explored further. In so doing, I do not desire to commit myself.

Mr. BRICKER. I appreciate that. This amendment was requested by Mr. Cole, the Housing and Home Finance Administrator. It involves a provision which was approved by the committee and enacted into legislation in the new housing bill. Frankly, it concerns the Voluntary Home Mortgage Credit Program, which will ultimately, we hope, take the place of the secondary mortgage market in which the Government is now investing so much money. We have all fought for a long time to get private capital into that field. This procedure is an avenue by which it can be done.

The $350,000 is, in the judgment of Mr. Cole, the Administrator of the HHFA, the amount which will be necessary to start an effective operation.

I appreciate the chairman's willingness to take this item to conference. I ask that the complete statement which I have prepared here be inserted in the RECORD at this point as a part of my remarks.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Mr. President, I send to the desk an amendment to be read by the clerk and ask for its immediate consideration.

This amendment will make available $350,000 to operate the voluntary home mortgage credit program included as title VI of the Housing Act of 1954. Justification for this appropriation was submitted to the Committee on Appropriations and appears on page 1277 of the hearings on H. R. 9936 before the Senate Committee on Appropriations.

This is a very important part of the new housing program intended to encourage private enterprise to take over the secondary mortgage market, thus decreasing the need for a Government financed FNMA. Moreover, this voluntary credit program is designed to channel mortgage money into areas of the country needing it most. While the members of the National Committee and the Regional Subcommittees all serve on a voluntary basis, it is anticipated that a staff of some 70 members will be necessary by the end of the fiscal year. Section 609 of Title VI of the Housing Act of 1954 directs the Housing and Home Finance Administrator, upon request of the National Committee, to provide it with suitable office space and staff assistance. The $350,000, which would be supplied by this amendment, would be available for expenses necessary in carrying out the provisions of this Title VI, including costs of the staff and expenses of committee and subcommittee members for communications, transportation and not exceeding $25 per diem in lieu of subsistence when away from homes or places of business in connection with the business of the committee or subcommittees.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Ohio.

The amendment was agreed to.

Mr. BRICKER. Mr. President, there is one further matter which I should like to discuss with the chairman of the Committee on Appropriations [Mr. BRIDGES], if it is within his knowledge, with regard to Senate Joint Resolution 96, the appropriation for which was considered last night at the instance of the Senator from Iowa [Mr. HICKENLOOPER].

Last year when this question arose, the Senator from Colorado [Mr. JOHNSON] discussed it on the floor. The purpose of this commission is to investigate the Voice of America and our international information program in other lands. The resolution had been restricted and limited to that field.

This Commission is to be appointed by the President, with 2 Members from the House and 2 Members from the Senate. However, the report of the House Foreign Affairs Committee indicated an intention that it would go into facilities for the transmission of news. The House report mentions NARCOM—North Atlantic Relay Communications System—I believe.

Such procedure would be in direct contrast with the intent of the Senate at the time the original motion was presented, at the instance of the chairman of the Interstate and Foreign Commerce Committee.

If the Commission is going to consider facilities, and if it is going into subjects outside the field of international information, the Voice of America, and similar programs, it would be operating in a field which is wholly within the jurisdiction of the Interstate and Foreign Commerce Committee.

I should appreciate an expression of the judgment of the Senator from New Hampshire [Mr. BRIDGES] as to whether or not this program is to be limited to the field of information, or whether in his judgment an effort is being made to expand the jurisdiction of this Commission into the field of news facilities and the transmission of news.

Mr. BRIDGES. I will say to the distinguished Senator from Ohio that this is one of the "blind spots" which are still in the bill.

That subject did not come before the committee. The legislation was passed, and was called to our attention later. Because the Congress had passed this legislation when the amendment was presented to the Senator from New Hampshire, he agreed to take it, but he only agreed to take to conference $125,000 of the $250,000 authorized.

The Senator from New Hampshire took this amendment largely on faith in the Senator from Iowa [Mr. HICKENLOOPER] and the statements in the Senate last night. I do not claim to be an expert on the subject. I think certainly the intent should be clarified.

So far as the Senator from New Hampshire is concerned, he does not believe that this Commission or anyone else should invade the field of the Interstate and Foreign Commerce Committee.

Mr. BRICKER. We thought the situation was protected at the time the original resolution was passed. Had it not been for the report of the House committee, which mentioned a new facility for the transmission of news, not in the field of the Voice of America or the international information program abroad, there would have been no question in the mind of the Senator from Ohio.

If that is the understanding of the chairman of the committee, I ask unanimous consent to have printed in the RECORD at this point my statement of the existing situation, and my protest against the Commission going into any other field except the original field intended to be investigated.

Mr. BRIDGES. I wish to say to the Senator from Ohio that the Senator from New Hampshire does not pretend to be an authority on the subject.

Mr. BRICKER. I appreciate that.

Mr. BRIDGES. As to the form of the resolution——

Mr. BRICKER. So far as the Senator from New Hampshire is concerned—and I think the other Members were on the floor at that time and I was not—it involved only the extension of the date and the appropriation of $125,000.

Mr. BRIDGES. That is correct.

Mr. BRICKER. With that understanding, I shall ask unanimous consent that this memorandum be printed in the RECORD at this point.

There being no objection, the memorandum regarding Senate Joint Resolution 96 was ordered to be printed in the RECORD, as follows:

MEMO REGARDING SENATE JOINT RESOLUTION 96, PUBLIC LAW 558

Mr. President, at the time Senate Joint Resolution 96 was reported by the Senate Foreign Relations Committee, the scope of the resolution was so broad that it called for the creation of an International Telecommunications Commission which would study the present status and potentialities of the international use of all forms of telecommunications. Under the Legislative Reorganization Act, the Committee on Interstate and Foreign Commerce is designated as the committee to which shall be referred all legislation and matters relating to communications by telephone, telegraph, radio, and television.

When Senate Joint Resolution 96 was considered by the Senate, Senator EDWIN C. JOHNSON, former chairman of the Senate Commerce Committee, referred to the broad scope of Senate Joint Resolution 96 and the conflict of jurisdiction between the Foreign Relations Committee and the Senate Commerce Committee and introduced a number of amendments to remove the conflict and clarify the scope of the resolution. Senator JOHNSON stated at the time (CONGRESSIONAL RECORD, vol. 99, pt. 7, pp. 9616–9617) that "the object and effect of the amendments which have been offered, and which are being considered en bloc, are to remove from the joint resolution all matters which come under the jurisdiction of the Interstate and Foreign Commerce Committee of the Senate."

Senator HICKENLOOPER who was managing the resolution for the Senate Foreign Relations Committee stated, "Mr. President, the Senator from Colorado very properly raised the question upon which his amendment is based. I submitted it to the various authors of the joint resolution. We agree that he has a good point, and that these amendments may properly be incorporated in the joint resolution. Therefore, I am perfectly willing to accept them."

The amended bill was passed by the House without further amendments. However, the report (H. Rept. No. 1049) adopted by the House Foreign Affairs Committee stated:

"The United States is already linked to the other regions of the world by shortwave and cable. It is now believed feasible from an engineering standpoint to link the United States with the other parts of the world by communications which could be used for television as well as other types of instantaneous communications and that would supplement existing facilities. Technicians are presently considering a plan for transatlantic television called NARCOM—North Atlantic Relay Communications System.

"The growth of television abroad is no less phenomenal than it is in the United States. More than 50 nations are now developing television networks. It is estimated that about 3 million television sets were in use in 1952.

"Television can become an important medium in the overseas information program of the United States. Its impact upon other people could be greater than that of the Voice of America. It can serve as an effective instrument of education and supplement the work of our technical assistance experts. Television could become a great stimulus for the growth of international understanding, international trade, and international peace.

"The United States has been a leader in the development of television. It is important that it play a similar role in the evolution of international television. Such a position will permit the rational and orderly development of the industry and insure a place for United States information telecasts on the networks of other countries as they come more fully into operation.

"The first step is a complete study of the developments in international telecommunications and for an exploration of the problem and prospects for establishing international cooperation in this field."

In order to avoid any possible misunderstanding, as chairman of the Senate Interstate and Foreign Commerce Committee, I want it clearly understood that insofar as the International Communications Commission that is created by Senate Joint Resolution 96 is concerned, it should proceed to study and deal only with all the matters concerning our information, program, and other matters properly under the jurisdiction of the Foreign Relations Committee.

If the amendments introduced by Senator JOHNSON and accepted by Senator HICKENLOOPER are to have any meaning, matters concerning the facilities used to transmit communications including television are outside the scope of the authority of the proposed Commission created by Senate Joint Resolution 96. Otherwise, it is my responsibility to object to the use of these funds because the Senate Interstate and Foreign Commerce Committee does contemplate looking into the international communications field in the near future.

Mr. THYE. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr. THYE. Mr. President, I ask unanimous consent that I be permitted to have printed in the body of the RECORD a very brief statement relating to this appropriation bill.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

I have been gratified with the action taken by the Senate Committee on Appropriations in connection with the supplemental appropriations bill in meeting the request of President Eisenhower for additional funds to permit participation by the United States in international fairs and expositions during the coming year.

The President advised the committee that there will be approximately 75 such international trade fairs and that the administration feels that participation in at least 30 of them would be useful in drawing atten-

tion to American products and the benefits of the free-enterprise system.

The committee has proposed $5 million for this and related purposes.

I am convinced that American participation in these international trade fairs is of great importance to this country in its international affairs and I am very much pleased at the action taken by the Senate Committee on Appropriations of which I am a member.

It will enable our Government to help in coordinating American exhibits and make possible a better rounded and more impressive picture of what America has done not only in the field of machine development, but also in the field of culture, art, and human relations.

When I returned from my trip to the Orient last winter one of the first things I did was to bring to the attention of President Eisenhower my impression of a visit to a trade fair being conducted at Bangkok in Thailand where I saw the extensive and well-displayed exhibits of the Soviet Union in a building which dominated the fairgrounds.

The automobiles and farm machinery displayed did not in any manner compare with machines and equipment of American manufacturers, and I question whether some would be serviceable in actual field operations.

But they did capture the imagination of the people and thousands saw this exhibit and passed through the Soviet building.

It was this impact on the imagination of the people who could not help feel the power of a nation presenting such a display, which on the surface, at least, was the best coordinated and the most impressive that aroused my concern.

I know that the totalitarian government of Russia can simply commandeer the material for such exhibits and is willing to spend thousands to set them up, but I am certain also that American industry and business under the encouragement of our Government could far exceed anything the Soviet Union can do in this field.

It seems to me the Secretary of Commerce is to be commended for recommending to the President and the Congress that the United States should assume reasonable participation in international fairs both in our fight for markets in the international field and in showing to the people of the world what has been achieved in the United States under our free enterprise system and our democratic principles of government.

I am sure that much good will flow from this effort and I strongly endorse it on the basis of my own observations in the areas where it is so important that America be understood and appreciated by the people.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr. FERGUSON. The Senator from Michigan would like to put into the RECORD a letter which he received from the executive assistant to the Hoover Commission, in answer to a question asked by the senior Senator from Missouri [Mr. HENNINGS]. I think it explains that the two surveys, and the basic material therefor about which he was speaking, have been and are being used by the present Task Force on Land and Water Resources. I have sent a copy of this letter to the distinguished Senator from Missouri [Mr. HENNINGS].

I ask unanimous consent that this letter be printed in the RECORD as a part of my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

AUGUST 4, 1954.

Hon. HOMER FERGUSON,
Senate Office Building,
Washington, D. C.

DEAR SENATOR FERGUSON: In compliance with your request, I have determined from Mr. Charles Curran, Task Force Administrator of the Hoover Commission's Task Force on Water Resources and Power, that the report of the Missouri Basin Survey Commission entitled "Land and Water" has been secured for study.

I am further informed that copies of the report have been transmitted to members of the Commission's Task Force and that the result of that study will be considered before recommendations by this Commission are finally evolved.

At the commencement of the work program for this task force, basic reference documents were secured and transmitted to task force members, including the following: Pertinent reports of the first Hoover Commission; reports and summary of the President's Water Resources Policy Commission (established by President Truman); reports of the President's Materials Policy Commission (the Paley Commission); the Special Subcommittee to Study Civil Works of the House Public Works Committee (the Jones subcommittee).

Therefore, five reports of study groups established during the prior administration are being considered by this task force.

Yours very truly,

LAWRENCE B. LINDEMER.

Mr. BRIDGES. Mr. President, on page 4, lines 14 through 25, and running over to page 5, lines 1 to 10, there is an adjustment of some of the salaries of Members of the Senate staff based upon the recommendations of a special committee headed by the distinguished Senator from Maine [Mrs. SMITH]. The item was inserted in the bill by the Appropriations Committee. Subsequent to its general approval, there have come to the attention of the committee headed by the Senator from Maine, and, in turn, the Appropriations Committee, 1 or 2 minor changes involving, I am told, only $1,725 in total, so it is a very minor item. I ask that the amendment which I send to the desk be incorporated in the bill rather than the language which is found in those lines.

The amendment was agreed to, as follows:

On page 4, strike out lines 14 through 25 and on page 5, lines 1 to 10, and insert in lieu thereof the following:

OFFICE OF THE SERGEANT AT ARMS AND DOORKEEPER

Office of the Sergeant at Arms and Doorkeeper: For an additional amount for fiscal year 1955, $21,925: *Provided*, That effective August 1, 1954, the basic annual compensation of the following positions shall be: Assistant doorkeeper $3,420 in lieu of $3,040; messenger at card door $3,420 in lieu of $3,040; messenger acting as assistant doorkeeper $2,760; and 2 messengers acting as assistant doorkeepers at $2,580 each, in lieu of 3 messengers acting as assistant doorkeepers at $2,580 each; clerk, Press Gallery, $1,800; chief janitor, $3,540 in lieu of $3,200; assistant chief janitor $2,400 in lieu of $2,220; foreman of duplicating department $2,520 in lieu of clerk, $2,280; 3 cabinetmakers at $2,520 each in lieu of 2 cabinetmakers at $2,520 each and 1 cabinetmaker at $2,460; file clerk, $1,980; 3 offset press operators at $2,220 each; 4 clerks at $2,160 each and 12 machine operators at $1,740 each in lieu of 5 clerks at $2,160 each and 13 machine operators at $1,740 each; 2 mimeograph operators at $1,800 each and 29 laborers at $1,620 each in lieu of 30 laborers at $1,620 each; repairman, $2,460; chief machine operator, $2,700 in lieu of chief machine operator at $2,460; assistant superintendent, service department, $2,760 in lieu of assistant superintendent, service department, $2,460; foreman of warehouse, service department, $2,580 in lieu of clerk, $2,580.

The PRESIDING OFFICER. The bill is open to further amendment.

If there be no further amendment, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

The bill (H. R. 9936) was passed.

Mr. BRIDGES. Mr. President, I move that the Senate insist upon its amendments, request a conference thereon with the House, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. BRIDGES, Mr. FERGUSON, Mr. CORDON, Mr. SALTONSTALL, Mr. HAYDEN, Mr. RUSSELL, and Mr. MCCARRAN conferees on the part of the Senate.

Mr. MAYBANK. Mr. President, I wish to say a word about the distinguished chairman of the committee [Mr. BRIDGES]. In the 2 short years I have been with the committee, this has been one of the most difficult bills I have ever seen.

As a Member on the other side of the aisle, I commend and congratulate the Senator from New Hampshire for the excellent manner in which he has handled the bill. I hope the Senate conferees will hold out for the Senate version, because much of the bill was inserted in the Senate version because the authorizations had been passed and they were not available to the House. While it may seem that we have greatly increased the appropriations, we were up against an unfortunate situation. For example the military construction program had to be studied day in and day out with the Army engineers and other branches. That was a difficult task.

I am delighted to pay my respects to the chairman of the committee.

Mr. BRIDGES. I thank the Senator from South Carolina for his very generous remarks.

Mr. KNOWLAND. Mr. President, I wish to join other Senators in thanking the distinguished chairman of the Appropriations Committee and the President pro tempore of the Senate for bearing such heavy responsibilities, and for the very excellent manner in which he has carried on his work with the cooperation of the committee, in setting what is, I believe, a record for any Appropriations Committee under any chairmanship, in bringing bills promptly before the Senate and through conference prior to the end of the fiscal year, including all the regular appropriation bills.

The Senate owes him a debt of gratitude because of the excellent work he has performed.

Mr. GORE. Mr. President, I wish to associate myself wholeheartedly with the remarks made by the distinguished majority leader.

Mr. BRIDGES. I sincerely thank the Senator from Tennessee.

Mr. YOUNG. Mr. President, I cannot let this opportunity pass without saying how much I have enjoyed serving with the distinguished chairman of the Senate Appropriations Committee. I know of no more popular or able man in the Senate. I know of no one who has a better knowledge of appropriations than he does.

Mr. BRIDGES. I thank the Senator very much.

Mr. DIRKSEN. Mr. President, in all my years on the Appropriations Committee of the House and my service on the Senate Appropriations Committee, I have never encountered a bill that presented so much difficulty and so many items as the bill upon which we have just concluded action.

As I recall, there were probably 100 items in the bill, both with respect to language and money, that had never been the subject of legislative action by a regular subcommittee of the House or Senate. The Senator from New Hampshire has labored so patiently and for so long a period of time that he deserves the gratitude of his fellow Senators and a salute from the country for the fine, patient, and constructive job he did on this monumental supplemental appropriation bill.

Mr. JOHNSTON of South Carolina. Mr. President, I join with other Senators and say that I am very much pleased with the way the chairman of the Appropriations Committee has handled this bill. He has been affable and friendly, and he has also been fair in every way in handling the bill on the floor and giving Senators an opportunity to express themselves. At the same time, he has not used his chairmanship to run roughshod over anyone.

Mr. FERGUSON. Mr. President, the Senator from Michigan wishes to say a few words about the handling of this bill by the distinguished chairman of the Appropriations Committee.

The work of the Appropriations Committee is, of course, appreciated by the other Members of the Senate. Sometimes our constituents and the general public do not appreciate the great amount of detail work involved, and the necessity for the chairman and other members of the committee understanding the workings of all phases of government.

This is known as a supplemental bill—not in exact words a deficiency bill, because it was not designed to cover items which were not covered by the original bill. It was a supplemental bill which took care of many items of legislation which were passed in the current term of the legislature.

I understand that the bill contains about 175 different items and amendments, so it has entailed an enormous amount of work. The handling of the bill has been remarkable. In reality, it has required only a day for the handling of the bill on the floor. It required many days in committee. The chairman is familiar with all the various items.

He was able to advise the Senate accurately as to what the record showed.

I know that the Senator from New Hampshire would not wish me to fail to mention the work of the staff of this particular committee, who are highly trained and skilled—each one of them—those who helped on the floor as well as those who helped in the committee—should receive praise for his work. They have worked in close cooperation with the chairman and other members of the committee.

Mr. THYE. Mr. President, I would feel that I had not performed my duty were I not to express my appreciation for the able leadership and chairmanship of the Appropriations Committee by the distinguished Senator from New Hampshire [Mr. BRIDGES]. No one can fully understand and appreciate, except a Senator who serves on the Appropriations Committee, how heavy the duties of the chairman of that committee are. Not only must the chairman preside at day and night sessions and give consideration to specific items, but he must consult with the subcommittee chairmen on their reports to the full committee.

I therefore wish to express my sincere appreciation for the service the chairman has rendered.

Mr. ELLENDER. Mr. President, I wish to say "amen" to all that has been said about my good friend from New Hampshire. I particularly wish to note the fact that he gave all witnesses an opportunity to be heard. He was very courteous to all who had anything to do with the committee. I particularly wanted to make reference to that fact.

Mr. BRIDGES. Mr. President, I should like to say to my distinguished colleagues in the Senate who have paid me such high tribute and have paid tribute also to the other members of the committee and the staff for the manner in which the appropriation bills were handled, that of course I personally could not have done anything without the wholehearted cooperation of all members of the committee, from both political parties, who cooperated fully in every way, without any suggestion of partisanship.

I also wish to pay tribute to the staff of our committee, who so very ably assisted us. I thank everyone from the bottom of my heart.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Maurer, its reading clerk, announced that the House had passed, without amendment, the following bills of the Senate:

S. 53. An act for the relief of Lewis Roland Edwards;

S. 65. An act for the relief of Joseph Flury Paley;

S. 120. An act for the relief of Gerasimos Giannatos;

S. 231. An act for the relief of Otmar Sprah;

S. 233. An act for the relief of Jeno Cseplo;

S. 354. An act for the relief of Inger Larsson;

S. 384. An act for the relief of Robert H. Webster;

S. 431. An act for the relief of Joseph Di Pasquale;

S. 447. An act for the relief of Vasiliki Tountas (nee Vasiliki Georgion Karoumbali);

S. 670. An act for the relief of John Doyle Moclair;

S. 771. An act for the relief of Anni Wolf and her minor son;

S. 810. An act for the relief of Jan E. Tomczycki;

S. 914. An act for the relief of Mark Vainer;

S. 946. An act for the relief of Mona Lisbet Kofoed Nicolaisen, Leif Martin Borglum Nicolaisen, and Ian Alan Kofoed Nicolaisen;

S. 974. An act for the relief of certain Chinese children;

S. 992. An act for the relief of Apostolos Savvas Vassiliadis;

S. 997. An act for the relief of Chuan Lowe and his wife;

S. 1158. An act for the relief of Stayka Petrovich (Stajka Petrovic);

S. 1165. An act for the relief of Paul E. Rocke;

S. 1212. An act for the relief of Alice Masaryk;

S. 1216. An act for the relief of Karl L. von Schlieder;

S. 1321. An act for the relief of Michajlo Dzieczko;

S. 1434. An act for the relief of William B. Baker and Don P. Fankhauser;

S. 1520. An act for the relief of Andre Styka;

S. 1600. An act for the relief of Esther Saporta;

S. 1609. An act for the relief of Mrs. Robert Lee Slaughter, nee Elisa Ortiz Orat;

S. 1615. An act for the relief of Lt. Col. George P. Price;

S. 1634. An act for the relief of Alton Bramer;

S. 1757. An act for the relief of Clair F. Bowman;

S. 1795. An act for the relief of Fred and Bernice Ehlers;

S. 1798. An act for the relief of Charles Peroulas;

S. 1858. An act for the relief of Sister Antonella Marie Gutterres (Thereza Maria Gutterres);

S. 1883. An act for the relief of Dr. Takeo Takano;

S. 1889. An act for the relief of Margot Goldschmidt;

S. 1902. An act for the relief of Theresa Elizabeth Leventer;

S. 1925. An act for the relief of Lt. Col. Carl E. Welchner, United States Air Force;

S. 1940. An act for the relief of Michela Aurucci;

S. 2067. An act for the relief of Anthony Benito Estella, Natividad Estella, Antonio Juan Estella, and Virginia Araceli Estella;

S. 2135. An act for the relief of Fernando A. Rubio, Jr.;

S. 2176. An act for the relief of Maly Braunstein and Aurelia Rappaport;

S. 2204. An act to provide that United States commissioners who are required to devote full time to the duties of the office may be allowed their necessary office expenses;

S. 2210. An act for the relief of Frank (Franz) Homolka, Olga Homolka (nee Mandel), Adolf Homolka, Helga Maria Homolka, and Frieda Homolka;

S. 2214. An act for the relief of Peter James Copses, Beatrice Copses, Victoria Copses, and James Peter Copses;

S. 2222. An act for the relief of Lucia Mezilgoglou;

S. 2240. An act for the relief of Mrs. Carl Dobratz;

S. 2257. An act for the relief of Luigi Cicchinelli;

S. 2287. An act for the relief of George Scheer, Magda Scheer, Marie Scheer, Thomas Scheer, and Judith Scheer;

S. 2295. An act for the relief of Irma Mueller Koehler Cobban;

S. 2340. An act for the relief of Alphonsus Devlin;

S. 2363. An act for the relief of Dr. Mien Fa Tchou and his wife, Li Hoei Ming Tchou;

S. 2411. An act for the relief of Ruth Berndt;

S. 2448. An act for the relief of Frantisek Vyborny;

S. 2455. An act for the relief of Mrs. S. Eugene Lamb;

S. 2469. An act for the relief of Francisco Vasquez-Dopazo (Frank Vasquez);

S. 2493. An act for the relief of Ingeborg Bogner Johnson;

S. 2504. An act for the relief of Elisa Albertina Cioccio Rigazzi or Eliza Cioccio;

S. 2510. An act for the relief of Paul Lewerenz and Margareta Ehrhard Lewerenz;

S. 2512. An act for the relief of Jeannette Kalker and Abraham Benjamin Kalker;

S. 2542. An act for the relief of Glicerio M. Ebuna;

S. 2594. An act for the relief of Paolino Berchielli, his wife Leda, and daughter Alba;

S. 2607. An act for the relief of Faustino Achaval Aldecoa and his wife, Carmen Achaval (nee Cortabitarte);

S. 2635. An act for the relief of Nadeem Tannous and Mrs. Jamile Tannous;

S. 2823. An act for the relief of Joseph H. Hedmark, Jr.;

S. 3062. An act for the relief of the American Surety Co. of New York and certain other surety companies;

S. 3126. An act for the relief of Waltraut Claassen;

S. 3306. An act for the relief of Kang Chay Won;

S. 3433. An act for the relief of Andreja Glusic; and

S. 3514. An act for the relief of Mrs. Oveida Mohrke and her son, Gerard Mohrke.

The message also announced that the House had agreed to the amendments of the Senate to the bill (H. R. 2763) to amend the Tariff Act of 1930, so as to modify the duty on the importation of wood dowels, and for other purposes.

The message further announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 2098) to provide for the compensation of certain persons whose lands have been flooded and damaged by reason of fluctuations in the water level of the Lake of the Woods.

The message also announced that the House had disagreed to the amendment of the Senate to the bill (H. R. 9678) to promote the security and foreign policy of the United States by furnishing assistance to friendly nations, and for other purposes; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. CHIPERFIELD, Mr. VORYS, Mr. JUDD, Mr. GORDON, and Mr. BATTLE were appointed managers on the part of the House at the conference.

The message further announced that the House had agreed to the following concurrent resolutions of the Senate:

S. Con. Res. 83. Concurrent resolution favoring the suspension of deportation in the case of certain aliens;

S. Con. Res. 97. Concurrent resolution to print additional copies of part 6 of the hearings held before a subcommittee of the Committee on Interior and Insular Affairs relative to stockpile and accessibility of strategic and critical materials to the United States in time of war;

S. Con. Res. 98. Concurrent resolution to print additional copies of an interim report entitled "Activities of United States Citizens Employed by the United Nations"; and

S. Con. Res. 99. Concurrent resolution to print additional copies of hearings entitled "Strategy and Tactics of World Communism."

The message also announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 8557. An act for the relief of Ezio Bertoni;

H. R. 9357. An act for the relief of S. H. Prather, Mrs. Florence Prather Penman, S. H. Prather, Jr.; and

H. R. 9769. An act to amend the Federal Trade Commission Act with respect to certain contracts, agreements, or franchises to enable manufacturers of automobiles and trucks, and their franchise dealers, to protect their good will in the business of manufacturing and distributing automobiles and trucks, made or sold by them, by restricting franchise dealers from reselling to certain unauthorized persons.

ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills and joint resolutions, and they were signed by the Vice President:

S. 1244. An act relating to the renewal of star-route and screen vehicle service contracts;

S. 2027. An act authorizing the Secretary of the Interior to issue quitclaim deeds to the States for certain lands;

S. 2389. An act to amend the act of December 3, 1942;

S. 2408. An act to amend the Merchant Marine Act, 1936, to provide a national defense reserve of tankers and to promote the construction of new tankers, and for other purposes;

S. 2453. An act to amend the Communications Act of 1934, as amended, with respect to implementing the International Convention for the Safety of Life at Sea relating to radio equipment and radio operators on board ship;

S. 2864. An act to approve an amendatory repayment contract negotiated with the North Unit irrigation district, to authorize construction of Haystack Reservoir on the Deschutes Federal reclamation project, and for other purposes;

S. 3137. An act to amend the provisions of the act of August 28, 1937, relating to the conservation of water resources in the arid and semiarid areas of the United States, applicable to the entire United States, and to increase and revise the limitation on aid available under the provisions of the said act, and for other purposes;

S. 3464. An act to amend the Communications Act of 1934 in order to make certain provision for the carrying out of the agreement for the promotion of safety on the Great Lakes by means of radio;

S. 3681. An act to authorize the Civil Service Commission to make available group life insurance for civilian officers and employees in the Federal service, and for other purposes;

S. 3697. An act to amend the act of April 6, 1937, as amended, to include cooperation with the Governments of Canada or Mexico or local Canadian or Mexican authorities for the control of incipient or emergency outbreaks of insect pests or plant diseases;

S. 3699. An act granting the consent of Congress to a compact entered into by the States of Louisiana and Texas and relating to the waters of the Sabine River;

H. R. 2098. An act to provide for the compensation of certain persons whose lands have been flooded and damaged by reason of fluctuations in the water level of the Lake of the Woods;

S. J. Res. 67. Joint resolution to repeal certain World War II laws relating to return of fishing vessels, and for other purposes; and

S. J. Res. 149. Joint resolution designating the month of September 1955 as John Marshall Bicentennial Month, and creating a commission to supervise and direct the observance of such month.

HOUSE BILLS REFERRED

The following bills were each read twice by their titles and referred as indicated:

H. R. 8557. An act for the relief of Ezio Bertoni; and

H. R. 9357. An act for the relief of S. H. Prather, Mrs. Florence Prather Penman, S. H. Prather, Jr.; to the Committee on the Judiciary.

H. R. 9769. An act to amend the Federal Trade Commission Act with respect to certain contracts, agreements, or franchises to enable manufacturers of automobiles and trucks, and their franchise dealers, to protect their good will in the business of manufacturing and distributing automobiles and trucks, made or sold by them, by restricting franchise dealers from reselling to certain unauthorized persons; to the Committee on Interstate and Foreign Commerce.

AGRICULTURAL ACT OF 1954

Mr. KNOWLAND. Mr. President, I move that the Senate proceed to the consideration of Calendar 1825, S. 3052, the agricultural bill.

The PRESIDING OFFICER. The Clerk will state the bill by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 3052) to encourage a stable, prosperous, and free agriculture, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from California.

The motion was agreed to; and the Senate proceeded to consider the bill, which had been reported from the Committee on Agriculture and Forestry with an amendment, to strike out all after the enacting clause and insert:

That this act may be cited as the "Agricultural Act of 1954."

TITLE I—SET-ASIDE OF AGRICULTURAL COMMODITIES

SEC. 101. The Commodity Credit Corporation shall set aside within its inventories not more than the following maximum quantities and not less than the following minimum quantities of agricultural commodities or products thereof heretofore or hereafter acquired by it from 1954 and prior years' crops and production in connection with its price-support operations:

Commodity	Maximum quantity	Minimum quantity
Wheat (bushels)	500,000,000	400,000,000
Upland cotton (bales)	4,000,000	3,000,000
Cottonseed oil (pounds)	500,000,000	0
Butter (pounds)	200,000,000	0
Nonfat dry milk solids (pounds)	300,000,000	0
Cheese (pounds)	150,000,000	0

Such quantities shall be known as the "commodity set-aside."

SEC. 102. Quantities of commodities shall not be included in the commodity set-aside which have an aggregate value in excess of $2,500,000,000. The value of the commodities placed in the commodity set-aside, for the purpose of this section, shall be the Corporation's investment in such commodities as of the date they are included in the commodity set-aside, as determined by the Secretary.

SEC. 103. (a) Such commodity set-aside shall be reduced by disposals made in accordance with the directions of the President as follows:

(1) Transfer for foreign-aid purposes, including disaster and other relief purposes outside the United States, to the extent not inconsistent with other legislation;

(2) Sale or barter (including barter for strategic materials) to develop new or expanded markets for American agricultural commodities;

(3) Donation to school-lunch programs;

(4) Transfer to the national stockpile established pursuant to the act of June 7, 1939, as amended (50 U. S. C. 98–98h), without reimbursement from funds appropriated for the purposes of that act;

(5) Donation, sale, or other disposition for research, experimental, or educational purposes;

(6) Donation, sale, or other disposition for disaster relief purposes in the United States or to meet any national emergency declared by the President; and

(7) Sale for unrestricted use to meet a need for increased supplies at not less than 105 percent of the parity price in the case of agricultural commodities and a price reflecting 105 percent of the parity price of the agricultural commodity in the case of products of agricultural commodities.

The President shall prescribe such terms and conditions for the disposal of commodities in the commodity set-aside as he determines will provide adequate safeguards against interference with normal marketings of the supplies of such commodities outside the commodity set-aside.

(b) The quantity of any commodity in the commodity set-aside shall be reduced to the extent that the Commodity Credit Corporation inventory of such commodity is reduced, by natural or other cause beyond the control of the Corporation, below the quantity then charged to the commodity set-aside.

SEC. 104. (a) The Corporation shall have authority to sell, without regard to section 103 (a) (7) hereof, any commodity covered by the commodity set-aside for the purpose of rotating stocks or consolidating inventories, any such sale to be offset by purchase of the same commodity in a substantially equivalent quantity or of a substantially equivalent value.

(b) Dispositions pursuant to this title shall not be subject to the pricing limitations of section 407 of the Agricultural Act of 1949, as amended.

SEC. 105. The quantity of any commodity in the commodity set-aside or in the national stockpile established pursuant to the act of June 7, 1939, as amended (50 U. S. C. 98–98h), shall be excluded from the computation of "carryover" for the purpose of determining the price support level for such commodity under the Agricultural Act of 1949, as amended, and related legislation. Until such time as the commodity set-aside has been completed, such quantity of the commodity as the Secretary shall determine, between the maximum and minimum quantities specified in section 101 of this act, shall be excluded from the computations of "carryover" for the purpose of determining the price-support level for the 1955 crop of the commodity, notwithstanding that the quantity so excluded may not have been acquired by the Corporation and included in the commodity set-aside.

SEC. 106. The Commodity Credit Corporation shall keep such records and accounts as may be necessary to show, for each commodity set-aside, the initial and current composition, value (in accordance with section 102), current investment, quantity disposed of, method of disposition, and amounts received on disposition.

SEC. 107. In order to make payment to the Commodity Credit Corporation for any commodities transferred to the national stockpile pursuant to section 103 (a) (4) of this act, the Secretary of the Treasury is authorized and directed to cancel notes issued by the Commodity Credit Corporation to the Secretary of the Treasury in amounts equal to the value of any commodities so transferred. The value of any commodity so transferred, for the purpose of this section, shall be the lower of the domestic market price or the Commodity Credit Corporation's investment therein as of the date of transfer to the stockpile, as determined by the Secretary of Agriculture.

TITLE II—AMENDMENTS TO AGRICULTURAL ACT OF 1949, AS AMENDED, AND RELATED LEGISLATION

SEC. 201. Section 101 (d) (6) of the Agricultural Act of 1949 is amended to read as follows:

"(6) the level of support to cooperators shall be 90 percent of the parity price for the 1955 crop of any basic agricultural commodity with respect to which producers have not disapproved marketing quotas."

SEC. 202. Section 101 (f) of the Agricultural Act of 1949, as amended, is amended by deleting in the first sentence thereof everything following the word "except" and inserting in lieu thereof the following: "that, notwithstanding any of the foregoing provisions of section 101 of this act, the level of support to cooperators for the 1955 and each subsequent crop of extra long staple cotton, if producers have not disapproved marketing quotas therefor, shall be the minimum level specified in section 101 (b) of this act for the supply percentage for extra long staple cotton as of the beginning of the marketing year for the crop."

SEC. 203. Section 201 of the Agricultural Act of 1949 (7 U. S. C. 1446), as amended, is amended (1) by deleting "Irish potatoes," from the first sentence thereof, and (2) by deleting from subsection (b) thereof "tung nuts, honey, and early, intermediate and late Irish potatoes" and inserting in lieu thereof "tung nuts and honey," and (3) by amending subsection (c) thereof to read as follows:

"(c) The price of whole milk, butterfat, and the products of such commodities, respectively, shall be supported at such level not in excess of 90 percent nor less than 75 percent of the parity price therefor as the Secretary determines necessary in order to assure an adequate supply. Such price support shall be provided through loans on, or purchases of, or for the period ending August 31, 1956, payments to the producers or processors of, milk, butterfat, and the products of milk and butterfat, except that, beginning September 1, 1954, and ending June 30, 1956, not to exceed $50 million annually of funds of the Commodity Credit Corporation shall be used to increase the consumption of fluid milk by children in nonprofit schools of high school grade and under. In determining the level at which such price support for the marketing years beginning September 1, 1955, and September 1, 1956, respectively, shall be provided the Secretary shall take into consideration: (1) the declared policy of this act, (2) the estimated supply of milk and dairy products for the marketing year, (3) the estimated demand for milk and dairy products for the marketing year, (4) the price level for feed crops which affect the cost of milk production, (5) the estimated costs of producing, processing, and marketing milk and dairy products, (6) estimated returns to farmers from alternative crops and commodities, and (7) other economic conditions which affect the market supply and demand for milk and dairy products. For the purpose of determining the level of price supports, the parity equivalent of manufacturing milk shall continue to be computed on the 30-month base July 1, 1946, to December 31, 1948, at 88½ percent of parity for all milk sold wholesale by farmers until 10 full years shall have elapsed since July 1, 1946; thereafter the parity equivalent for manufacturing milk for any marketing year shall be computed on the basis of the average ratio which the prices received by farmers for manufacturing milk bears to the prices received by farmers for all milk sold wholesale during the most recent 10-year period ending July 1 of the previous year. Effective on milk and butterfat and the products thereof produced on and after September 1, 1954, the level of support for milk and butterfat for the marketing year ending August 31, 1955, shall be not less than 85 percent of the parity price therefor."

SEC. 204. Title III of the Agricultural Act of 1949, as amended (7 U. S. C. 1447–1449), is amended by adding at the end thereof a new section as follows:

"SEC. 304. Notwithstanding the foregoing provisions of this title price support shall be made available to producers for the 1955 and 1956 crops of oats, rye, barley, and grain sorghums at not less than the level the Secretary shall determine is the feed-value equivalent ratio to the support level for corn."

SEC. 205. Section 401 (c) of the Agricultural Act of 1949, as amended (7 U. S. C. 1421), is amended by adding, at the end thereof, the following: "Whenever the Secretary determines that conditions are such that limitations on the use of diverted acres are necessary to prevent the production of excessive supplies, the Secretary shall, to the extent he determines practicable, require, as a condition of eligibility for price support for any commodity, that the producer may not produce, for direct or indirect sale, on acres diverted from crops receiving price support, or may so produce only within limitations prescribed by the Secretary, such commodities as the Secretary may specify on an appropriate geographical basis. The foregoing provision shall be administered in semiarid or other areas where good husbandry requires maintenance of a prudent feed reserve in such manner as to permit, to the extent so required by good husbandry, the production of forage crops for storage and subsequent use either on the farm or in feeding operations of the farm operator."

TITLE III—AMENDMENTS TO AGRICULTURAL ADJUSTMENT ACT OF 1938, AND RELATED LEGISLATION

SEC. 301. Section 301 (a) (1) (E) of the Agricultural Adjustment Act of 1938, as amended (7 U. S. C. 1301 (a) (1) (E)), is further amended by changing the period at the end of item (ii) to a comma and adding the following: "in the case of nonbasic agricultural commodities, and after January 1, 1955, in the case of the basic agricultural commodities."

SEC. 302. Section 301 (b) of the Agricultural Adjustment Act of 1938, as amended (7 U. S. C. 1301 (b)), is amended:

(a) By striking out in paragraph 10 (A) the language "10 percent in the case of corn" and "15 percent in the case of wheat" and inserting in lieu thereof "15 percent in the case of corn" and "20 percent in the case of wheat", respectively;

(b) By amending paragraph (13) (A) to read as follows:

"(A) 'Normal yield' for any county, in the case of corn or wheat, shall be the average yield per acre of corn or wheat for the county

during the 10 calendar years in the case of wheat, or the 5 calendar years in the case of corn, immediately preceding the year in which such normal yield is determined, adjusted for abnormal weather conditions and, in the case of wheat, for trends in yields. Such normal yield per acre for any county need be redetermined only when the actual average yield for the 10 calendar years in the case of wheat, or the 5 calendar years in the case of corn, immediately preceding the calendar year in which such yield is being reconsidered differs by at least 5 percent from the actual average yield for the 10 years in the case of wheat, or the 5 years in the case of corn, upon which the existing normal yield per acre for the county was based."; and

(c) By amending the first sentence of paragraph (13) (E) to read as follows: "'Normal yield' for any farm, in the case of corn, wheat, cotton, or peanuts, shall be the average yield per acre of corn, wheat, cotton, or peanuts, as the case may be, for the farm, adjusted for abnormal weather conditions and, in the case of wheat, but not in the case of corn, cotton, or peanuts, for trends in yields, during the 10 cadendar years in the case of wheat, and five calendar years in the case of corn, cotton, or peanuts, immediately preceding the year in which such normal yield is determined."

SEC. 303. Part II of subtitle B of title III of the Agricultural Adjustment Act of 1938, as amended (7 U. S. C., ch. 35, subch. II, subtitle B, pt. II), is amended by striking out the designation "marketing quotas—corn" and inserting in lieu thereof the words "acreage allotments—corn."

SEC. 304. Sections 322 to 325, inclusive (7 U. S. C. 1322 to 1325), and section 326 (7 U. S. C. 1326), insofar as it is applicable to corn, of the Agricultural Adjustment Act of 1938, as amended, are hereby repealed, and section 327 thereof (7 U. S. C. 1327), is hereby amended to read as follows:

"Proclamation of commercial corn-producing area

"SEC. 327. Not later than February 1 of each calendar year, the Secretary shall ascertain and proclaim the commercial corn-producing area."

SEC. 305. The first sentence of section 328 of the Agricultural Adjustment Act of 1938, as amended (7 U. S. C. 1328), is amended by striking out the word "ten" and inserting in lieu thereof "five", by striking out the language "and trends in yield", and by striking out the word "or" and inserting in lieu thereof "and corn."

SEC. 306. Section 329 (a) of the Agricultural Adjustment Act of 1938, as amended (7 U. S. C. 1329), is amended by striking out the word "ten" and inserting in lieu thereof "five."

SEC. 307. Section 371 of the Agricultural Adjustment Act of 1938, as amended (7 U. S. C. 1371), is hereby amended:

(a) By amending subsection (b) to read as follows:

"(b) If the Secretary has reason to believe that, because of a national emergency or because of a material increase in export demand, any national acreage allotment for corn or any national marketing quota or acreage allotment for wheat, cotton, rice, peanuts, or tobacco should be increased or terminated, he shall cause an immediate investigation to be made to determine whether the increase or termination is necessary in order to effect the declared policy of this act or to meet such emergency or increase in export demand. If, on the basis of such investigation, the Secretary finds that such increase or termination is necessary, he shall immediately proclaim such finding (and if he finds an increase is necessary, the amount of the increase found by him to be necessary) and thereupon such quota or allotment shall be increased, or shall terminate, as the case may be."

(b) By adding in subsection (c) after the words "marketing quota," wherever they appear therein, the words "or acreage allotment," and

(c) By deleting subsection (d) therefrom.

SEC. 308. Public Law 74, 77th Congress (7 U. S. C. 1330, 1340), as amended, shall not be applicable to corn.

SEC. 309. Notwithstanding any other provision of law, in areas where a summer fallow crop rotation of wheat is a common practice the 1955 wheat acreage allotment for any farm on which such rotation was practiced with respect to the 1952 and 1953 crops of wheat and on which not more than 640 acres were planted to each of those crops shall not be less than 50 percent of (1) the average acreage planted for the production of wheat for the calendar years 1952 and 1953 plus (2) the average of the acreage summer fallowed during the calendar year 1951 for the seeding of wheat for 1952 and the acreage summer fallowed during the calendar year of 1952 for the seeding of wheat for 1953, adjusted in the same ratio as the national average seedings for the production of wheat during the calendar years 1952 and 1953 bears to the national acreage allotment for wheat for the 1955 crop, taking into consideration the adjustments made for crop rotation practices pursuant to the regulations pertaining to farm acreage allotments for the 1955 crop of wheat issued by the Secretary: *Provided*, That, except for farms on which at least 90 percent of the acreage seeded for the production of wheat for the calendar years 1952 and 1953 was seeded on land which was summer fallowed during the years 1951 and 1952, respectively, and for which a definite and regular alternate wheat and summer fallow crop rotation practice has been determined under the aforesaid regulations, the acreage determined under this section to which the national adjustment factor is applied shall not exceed 50 percent of the cropland on the farm well suited for the production of wheat: *Provided further*, That no acreage shall be included under (1) or (2) which the Secretary, by appropriate regulations, determines will become an undue erosion hazard under continued farming. To the extent that the allotment to any county is insufficient to provide for such minimum farm allotments, the Secretary shall allot such county such additional acreage (which shall be in addition to the county, State, and national acreage allotments otherwise provided for under the Agricultural Adjustment Act of 1938, as amended) as may be necessary in order to provide for such minimum farm allotments.

TITLE IV—AMENDMENTS TO AGRICULTURAL MARKETING AGREEMENT ACT OF 1937

SEC. 401. The Agricultural Adjustment Act (of 1933), as amended, and as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, as amended, is further amended as follows:

(a) Section 2, as amended (7 U. S. C. 602), is amended by adding the following new subsection:

"(4) Through the exercise of the powers conferred upon the Secretary of Agriculture under this title, to establish and maintain such orderly marketing conditions for any agricultural commodity enumerated in section 8c (2) as will provide, in the interests of producers and consumers, an orderly flow of the supply thereof to market throughout its normal marketing season to avoid unreasonable fluctuations in supplies and prices."

(b) Section 8c (2), as amended (7 U. S. C. 608c (2)), is amended to read as follows:

"(2) Orders issued pursuant to this section shall be applicable only to the following agricultural commodities and the products thereof (except canned or frozen grapefruit, the products of naval stores, and the products of honeybees), or to any regional, or market classification of any such commodity or product: Milk, fruits (including filberts, almonds, pecans and walnuts but not including apples, other than apples produced in the States of Washington, Oregon, and Idaho, and not including fruits, other than olives and grapefruit, for canning or freezing), tobacco, vegetables (not including vegetables, other than asparagus, for canning or freezing), soybeans, hops, honeybees and naval stores as included in the Naval Stores Act and standards established thereunder (including refined or partially refined oleoresin): *Provided*, That no order issued pursuant to this section shall be effective as to any grapefruit for canning or freezing unless the Secretary of Agriculture determines, in addition to other findings and determinations required by this act, that the issuance of such order is approved or favored by a majority of the processors who, during a representative period determined by the Secretary, have been engaged in canning or freezing such commodity for market and have canned or frozen for market more than 50 percent of the total volume of such commodity canned or frozen for market during such representative period."

(c) Section 8c (6), as amended (7 U. S. C. 608c (6), is amended:

(1) by deleting the provisions immediately preceding paragraph (A) thereof and inserting in lieu thereof the following:

"(6) In the case of the agricultural commodities and the products thereof, other than milk and its products, specified in subsection (2) orders issued pursuant to this section shall contain one or more of the following terms and conditions, and (except as provided in subsection (7)), no others:"

(2) By adding the following new paragraphs at the end thereof:

"(H) fixing or providing a method for fixing the size, capacity, weight, dimensions, or pack of the container, or containers, which may be used in the packaging, transportation, sale, shipment, or handling of any fresh or dried fruits, vegetables, or tree nuts: *Provided, however*, That no action taken hereunder shall conflict with the Standard Containers Act of 1916 (15 U. S. C. 251–256) and the Standard Containers Act of 1928 (15 U. S. C. 257–257i):

"(I) establishing or providing for the establishment of marketing research and development projects designed to assist, improve, or promote the marketing, distribution, and consumption of any such commodity or product, the expense of such projects to be paid from funds collected pursuant to the marketing order."

(d) Section 8c (7) (C), is amended by adding at the end thereof: "There shall be included in the membership of any agency selected to administer a marketing order applicable to grapefruit for canning or freezing one or more representatives of processors of the commodity specified in such order."

(e) Section 8 is amended, is further amended by adding a new section 8e reading as follows:

"8e. Notwithstanding any other provision of law, whenever a marketing order issued by the Secretary of Agriculture pursuant to section 8c of this act contains any terms or conditions regulating the grade, size, quality, or maturity of tomatoes, avocadoes, limes, or grapefruit produced in the United States the importation into the United States of any such commodity during the period of time such order is in effect shall be prohibited unless it complies with the grade, size, quality, and maturity provisions of such order. Such prohibition shall not become effective until after the giving of such notice as the Secretary of Agriculture determines reasonable, which shall not be less than 3 days. The Secretary of Agriculture may promulgate such rules and regulations as he deems necessary, to carry out the provisions of this

section. Any person who violates any provision of this section or of any rule, regulation, or order promulgated hereunder shall be subject to a forfeiture in the amount prescribed in section 8a (5) or, upon conviction, a penalty in the amount prescribed in section 8c (14) of the act, or to both such forfeiture and penalty."

TITLE V—AMENDMENTS TO SOIL CONSERVATION AND DOMESTIC ALLOTMENT ACT

SEC. 501. Section 8 of the Soil Conservation and Domestic Allotment Act, as amended (16 U. S. C. 590h), is amended:

(a) By striking out of subsection (a) "January 1, 1955" and "December 31, 1954," wherever they appear therein, and inserting in lieu thereof "January 1, 1957" and "December 31, 1956," respectively;

(b) By adding at the end of subsection (a) the following:

"During the period prior to January 1, 1957, the Secretary shall carry out the purposes specified in section 7 (a) through State action as rapidly as adequate State laws are enacted and satisfactory State plans are submitted. Notwithstanding the foregoing provisions of this section and section 7, the provisions of this section with respect to the State, county, and local committees of farmers shall continue in full force and effect for purposes other than the administration of State plans.";

(c) By striking out of the second paragraph of subsection (b) the language "at not to exceed a fair price fixed in accordance with regulations to be prescribed by the Secretary" and by adding at the end of such paragraph the following new sentence: "The price at which purchase orders for any conservation materials or services are filled may be limited to a fair price fixed in accordance with regulations prescribed by the Secretary."

SEC. 502. Section 15 of the Soil Conservation and Domestic Allotment Act, as amended (16 U. S. C. 590o), is amended by adding at the end thereof the following:

"Notwithstanding the foregoing provisions of this section and the provisions of section 7 (g), programs of soil building practices and soil- and water-conserving practices shall be based on a distribution of the funds available for payments and grants among the several States in accordance with their conservation needs, as determined by the Secretary, except that the proportion allocated to any State shall not be reduced by more than 15 percent from the distribution of such funds for the next preceding program year. In carrying out such programs, the Secretary shall give particular consideration to conservation problems on farmlands diverted from crops under acreage allotment programs."

TITLE VI—AGRICULTURAL ATTACHÉS

SEC. 601. (a) In order to enable the Secretary of Agriculture to carry out those activities which he is authorized to conduct abroad, the Secretary of Agriculture is authorized to appoint such personnel as he determines to be necessary for service abroad, to prescribe their duties, pay schedules, leave and retirement rights; and to provide the necessary office space, equipment, and facilities for their activities.

TITLE VII—NATIONAL WOOL ACT OF 1954

SEC. 701. This title may be cited as the "National Wool Act of 1954."

SEC. 702. It is hereby recognized that wool is an essential and strategic commodity which is not produced in quantities and grades in the United States to meet the domestic needs and that the desired domestic production of wool is impaired by the depressing effects of wide fluctuations in the price of wool in the world markets. It is hereby declared to be the policy of Congress, as a measure of national security and in promotion of the general economic welfare, to encourage the annual domestic production of approximately 300 million pounds of shorn wool, grease basis, at prices fair to both producers and consumers in a manner which will have the least adverse effects upon foreign trade.

SEC. 703. The Secretary of Agriculture shall, through the Commodity Credit Corporation, support the prices of wool and mohair, respectively, to the producers thereof by means of loans, purchases, payments, or other operations. The support price for shorn wool shall be at such incentive level as the Secretary, after consultation with producer representatives, and after taking into consideration prices paid and other cost conditions affecting sheep production, determines to be necessary in order to encourage an annual production consistent with the declared policy of this title. If the support price so determined does not exceed 90 percent of the parity price for shorn wool, the support price for shorn wool shall be at such level, not in excess of 90 percent nor less than 60 percent of the parity price therefor, as the Secretary determines necessary in order to encourage an annual production of approximately 360 million pounds of shorn wool. The support prices for pulled wool and for mohair shall be established at such levels, in relationship to the support price for shorn wool, as the Secretary determines will maintain normal marketing practices and desired levels of production. Notwithstanding the foregoing, no price support shall be made available, other than through payments, at a level in excess of 90 percent of the parity price for the commodity. The Secretary shall, to the extent practicable, announce the support price levels for wool and mohair sufficiently in advance of each marketing year as will permit producers to plan their production for such marketing year.

SEC. 704. If payments are utilized as a means of price support, the payments shall be such as the Secretary of Agriculture determines to be sufficient, when added to the national average price received by producers, to give producers a national average return for the commodity equal to the support price level therefor: *Provided*, That the total of all such payments made under this act shall not at any time exceed an amount equal to 70 percent of the accumulated totals, as of the same date, of the gross receipts from specific duties (whether or not such specific duties are parts of compound rates) collected on and after January 1, 1953, on all articles subject to duty under schedule 11 of the Tariff Act of 1930, as amended. The payments shall be made upon wool and mohair marketed by the producers thereof, but any wool or mohair placed under loan pursuant to a price support loan operation shall not be the subject of payments unless such wool or mohair was placed under loan subsequent to April 30, 1954, and redeemed by the borrower. The payments shall be at such rates for the marketing year or periods thereof as the Secretary determines will give producers the support price level as herein provided. Payments to any producer need not be made if the Secretary determines that the amount of the payment to the producer or all producers is too small to justify the cost of making such payments. The Secretary may make the payment to producers through the marketing agency to or through whom the producer marketed his wool or mohair: *Provided*, That such marketing agency agrees to receive and promptly distribute the payments on behalf of such producers. In case any person who is entitled to any such payment dies, becomes incompetent, or disappears before receiving such payment, or is succeeded by another who renders or completes the required performance, the payment shall, without regard to any other provisions of law, be made as the Secretary may determine to be fair and reasonable in all the circumstances and provided by regulation.

SEC. 705. For the purpose of reimbursing the Commodity Credit Corporation for any expenditures made by it in connection with payments to producers under this title, there is hereby authorized to be appropriated for each fiscal year beginning with the fiscal year ending June 30, 1956, an amount equal to the total of expenditures made by the Corporation during the preceding fiscal year and to any amounts expended in prior fiscal years not previously reimbursed: *Provided, however*, That such amounts so authorized to be appropriated for any fiscal year shall not exceed 70 percent of the gross receipts from specific duties (whether or not such specific duties are parts of compound rates) collected during the period January 1 to December 31, both inclusive, preceding the beginning of each such fiscal year on all articles subject to duty under schedule 11 of the Tariff Act of 1930, as amended. For the purposes of the appraisal under the act of March 8, 1938, as amended (15 U. S. C. 713a-1), the Commodity Credit Corporation shall establish on its books an account receivable in an amount equal to any amount expended by Commodity Credit Corporation in connection with payments pursuant to this title which has not been reimbursed from appropriations made hereunder.

SEC. 706. Except as otherwise provided in this title, the amounts, terms, and conditions of the price-support operations and the extent to which such operations are carried out shall be determined or approved by the Secretary of Agriculture. The Secretary may, in determining support prices and rates of payment, make adjustments in such prices or rates for differences in grade, quality, type, location, and other factors to the extent he deems practicable and desirable. Determinations by the Secretary under this title shall be final and conclusive. The facts constituting the basis for any operation, payment, or amount thereof when officially determined in conformity with applicable regulations prescribed by the Secretary shall be final and conclusive and shall not be reviewable by any other officer or agency of the Government.

SEC. 707. The term "marketing year" as used in this title means the 12-month period beginning April 1 of each calendar year or, for either wool or mohair, such other period, or periods for prescribed areas, as the Secretary may determine to be desirable to effectuate the purposes of this title.

SEC. 708. The Secretary of Agriculture is authorized to enter into agreements with, or to approve agreements entered into between, marketing cooperatives, trade associations, or others engaged or whose members are engaged in the handling of wool, mohair, sheep or goats or the products thereof for the purpose of developing and conducting on a National, State, or regional basis advertising and sales promotion programs for wool, mohair, sheep or goats or the products thereof. Provision may be made in such agreement to obtain the funds necessary to defray the expenses incurred thereunder through pro rata deductions from the payments made under section 704 of this title to producers within the production area he determines will be benefited by the agreement and for the assignment and transfer of the amounts so deducted to the person or agency designated in the agreement to receive such amounts for expenditure in accordance with the terms and conditions of the agreement. No agreement containing such a provision for defraying expenses through deductions shall become effective until the Secretary determines that at least two-thirds of the producers who, during a representative period determined by the Secretary, have been engaged, within the production area he determines will be benefited by the agreement, in the production for market of the com-

modity specified therein approve or favor such agreement or that producers who, during such representative period have produced at least two-thirds of the volume of such commodity produced within the area which will be benefited by such agreement, approve or favor such agreement. Approval or disapproval by cooperative associations shall be considered as approval or disapproval by the producers who are members of, stockholders in, or under contract with such cooperative association of producers. The Secretary may conduct a referendum among producers to ascertain their approval or favor. The requirements of approval or favor shall be held to be complied with if two-thirds of the total number of producers, or two-thirds of the total volume of production, as the case may be, represented in such referendum, indicate their approval or favor.

SEC. 709. Section 201 of the Agricultural Act of 1949 (7 U. S. C., sec. 1446) is amended (i) by deleting from the first sentence thereof the phrase "wool (including mohair)," and (ii) by deleting subsection (a) thereof relating to the support of wool and mohair.

Mr. ANDERSON. Mr. President, I previously submitted an amendment numbered 7–20–54–A to Senate bill 3052. I would like to ask permission to have printed in the RECORD at this time a suggestion which has been made for the revision of sections 802, 803, and 804. I ask that it be printed in the RECORD so that in the event it will be referred to later it will be available.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

SEC. 802. (a) The Secretary is authorized to promote and encourage the construction and maintenance of fences, range water facilities, the undertaking of range reseeding and noxious plant control projects, and other improvements, upon the Federal lands concerned to the maximum practicable extent by the holders of all privileges. As an incentive to make such improvements, the Secretary is authorized to enter into agreements with the holders of privileges providing for the construction and maintenance of improvements, and when made by grazing-privilege holders the terms under which the increased grazing capacity resulting from so much of such improvements as are undertaken at the expense of any grazing-privilege holder will be made available to such holder.

(b) To further promote and encourage the construction and maintenance of improvements the Secretary shall provide by rules and regulations for compensation to all privilege holders or their estates for the loss of the value of improvements, where such improvements shall have been authorized by the proper governmental agency and where such loss is caused by subsequent governmental action not occasioned either by abandonment or unlawful acts of the privilege holders or by fire, flood, drought, or other disaster which causes injury to the lands or improvements covered by the permit: *Provided*, That in the event such loss is the result of the action of a Federal agency other than the Department of Agriculture or because the Federal lands are needed for or transferred or assigned to another governmental agency for administration such compensation shall be paid by such other agency.

(c) No permit shall be issued which shall entitle a permittee to the use of improvements constructed and owned by a prior permittee until either such prior permittee or his estate has received compensation from the Government in accordance with the provisions of section 802 (b) or the applicant has paid to the prior permittee or his estate the reasonable value of such improvements to be determined under rules and regulations of the Secretary; but no prior permittee who shall have abandoned his permit shall be required to be compensated.

(d) The value of any improvement as determined under subsection (b) or (c) shall not exceed its replacement cost, less a percentage thereof commensurate with the expired portion of its normal life. The normal life of any improvement shall be determined under rules and regulations of the Secretary and shall not exceed 20 years.

SEC. 803. The Secretary shall provide by rules and regulations for the terms and conditions under which transfers of any privileges may be made. The secretary, at the time of transfer of a grazing privilege, shall not make any reduction in the number of permitted livestock solely on the basis that the permit is being transferred.

SEC. 804. Based upon the customary practices of the grazing privilege holders of each locality concerned, the Secretary shall maintain standards as to the kind and extent of lands, waters, or ranch improvements or any combination thereof, commonly known as base properties, required as a qualification for grazing privileges on the lands to which this title applies.

THE CIVIL-SERVICE MERIT SYSTEM

Mr. JOHNSTON of South Carolina. I was neither stunned nor surprised while reading yesterday's Washington Daily News and the article by John Cramer titled "Here's How To Get a Government Job."

This very able and proven champion of a Government civil-service merit system has produced the proof of what many of us have suspected for a long time.

I ask unanimous consent to insert in the body of the RECORD at this point in my remarks an article by John Cramer. I shall make a few brief remarks on this subject at this time, and I serve notice that I shall have much more to say in detail at a later date.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

HERE'S HOW TO GET A GOVERNMENT JOB
(WITH GOP HELP)
(By John Cramer)

Here is documentary proof of how politics is being played with Government jobs—admittedly on orders of the Eisenhower administration and obviously with the cooperation of its Civil Service Commission and its agency heads.

The proof is a copy of a mimeographed form letter from the New York State Republican Committee telling county and local GOP chairmen about Government job vacancies and inviting their cooperation in filling these vacancies with Republican faithfuls.

The letter says that the list of job vacancies has been furnished by the Republican National Committee.

It is made up with blanks, to be filled in for the particular vacancies and the particular cities where they exist.

It instructs county and local GOP chairmen how to go about getting New York State Republican "recommendation" for their candidates for these vacancies.

And it closes with this revealing sentence: "As the above procedure has been set up by the present administration to secure more patronage for Republican endorsees, your prompt attention to this matter is requested."

A copy of the New York State committee's letter accomplishes this column.

Here are the questions you will want answered:

1. Where and how do the Eisenhower administration's agency heads fit into this attempt to fill Government jobs with Republicans only?

The answer is twofold. First, by reason of the letter's statement that the procedure has been set up by the present administration. Second, because the one obvious way for the Republican National Committee to obtain lists of job vacancies, and transmit them to the New York State GOP Committee, and other State GOP committees, is through administration agency heads.

2. Where does the Civil Service Commission fit in?

The answer is a long, and somewhat strange, story.

When Civil Service Commission is unable to conduct nonpartisan, nonpolitical exams for Government jobs, it grants agencies what it calls 303 recruiting authority—which is authority to fill the job without requiring civil service exams.

This authority ordinarily is widely granted only during emergencies—the Korean emergency, for example. It is most used when Government is expanding rapidly, and when the Commission obviously can't conduct exams for all the employees Federal agencies must hire.

Recently, the Commission did a curious thing with its 303 recruiting authority. Without publicity, it notified all its regional offices that whenever such authority was granted, they must immediately notify agency heads in Washington in detail about the particular job vacancies to be filled.

The Commission insists this action had no political purpose. Others disagree. They say it was done so that agency heads could know all jobs being filled without civil service exam, and could then notify the GOP National Committee.

The Commission's official explanation of its action says:

"A few months ago the Commission made a sample check of recruiting authorities issued in several areas. The number of these authorities was so large that it raised questions as to the effectiveness of the Commission's examining program in the field. The Commission decided the matter should have more study on a national basis. Also the Commission wished to bring to the attention of the heads of agencies in Washington the hiring practices of their installations in the field. Agency heads are in a position to give added impetus to the overall examining program through boards of examiners in their agencies. Therefore, the Commission instructed its regional offices several weeks ago that one copy of each recruiting authority issued by a regional office or by a board of examiners in a field installation should be sent to the head of the appropriate agency in Washington."

It should be noted here that the Commission's explanation points out that agency heads have the power to give added impetus to civil service exam programs conducted by agency boards of examiners.

What the Commission did not say is that these same agency heads also have power to slow down and delay the boards of examiners programs, thereby making still more jobs available to political faithfuls.

The Commission points out that Army Department, a major Government employer, recently issued orders for the strengthening of its boards of examiners program.

There are well-founded reports, however, that other agencies have issued slow-down orders.

You will form your own opinion as to whether the Commission's order, directing that all agency heads be notified of "303" job vacancies, was political or nonpolitical.

This much, however, is clear.

Political use is being made of the order.

The New York State Republican Committee's letter is proof.

Here's the copy of the form letter from the New York State GOP Committee:

NEW YORK
REPUBLICAN STATE COMMITTEE,
New York, N. Y.

DEAR CHAIRMAN: The Republican National Committee has advised this office that the following vacancy exists within the _____
_____
in the city of _____
_____
_____
for a _____

Your candidate for this position should apply to the personnel officer at the Bureau of _____
with a completed form 57, which may be picked up at any post office. Your committee should, in turn, forward to this office an additional form 57, so that I may submit same to national committee with the State committee's recommendation.

The authority to fill the above listed position is granted to the above agency by the Civil Service Commission, and no civil-service status is required of the applicant. This temporary authority expires _____

____ Requirements attached.
____ Requirements will be forwarded.
____ Requirements for this position will be given by the Bureau Personnel Officer.

As the above procedure has been set up by the present administration in an attempt to secure more patronage for Republican endorsees, your prompt attention to this matter is requested.

Sincerely yours,

JOHN B. MACKENZIE,
Assistant to the Chairman.

ORDER RESCINDED

The White House has rescinded an order of 2 months ago requiring Republican political clearance for appointment or promotion to upper-bracket Government jobs above grade GS–13.

A new and revised order, issued several days ago, said the GOP clearance will not be required for jobs under the Civil Service System, or in cases involving the promotion of Government career workers.

The revised order in no way affects political clearance for jobs filled under so-called 303 authority, as described in today's 9 to 4:30 column.

Mr. JOHNSTON of South Carolina. Mr. President, on many occasions during the past 18 months I have stood on the Senate floor and called attention to the methods being employed and the manner in which the new Republican administration has made a complete mockery of the civil service system.

To all intents and purposes, not only has the civil service merit system been completely destroyed, but so has the Veterans' Preference Act as it pertains to Government employment. Running rampant in our Government today, and condoned completely by the Civil Service Commission, is the old spoils system which many people have labored so long and so hard to abolish.

Mr. President, I am deeply depressed. I sometimes wonder whether the advantages of a civil service system outweigh the disadvantages, for I have seen much evidence in the past 18 months of the destruction of the character of innocent people because they worked for the previous administration. There have been instances in which investigators have unnecessarily and needlessly gone into the neighborhood of a Government employee, and in the course of their investigation purposely left the impression that there was some grave question about the man's moral character or his association with some alleged Communist-front organization. This, Mr. President, has been done merely because it was believed that the man belonged to the wrong political faith and that it was necessary to develop some reason for firing him so that he could be replaced by a deserving Republican.

The letter reproduced by the Washington Daily News proves beyond doubt the direct tie-in with the Civil Service Commission.

The jobs referred to in the Cramer article are civil service jobs, and do not refer to the many schedule A-B-C and X-Y-Z jobs that have been made political by the new administration.

Let me read the last paragraph of the letter reproduced in the article:

As the above procedure has been set up by the present administration in an attempt to secure more patronage for Republican endorsees, your prompt attention to this matter is requested.

The Chairman of the Civil Service Commission, Philip Young, on assuming office early in 1953, took an oath of office. When he assumed the duties of the job he now holds, he assumed the responsibility of maintaining in this Government a civil-service merit system. Mr. President, either by design and premeditated action, or by pure blunder and ignorance of the effect of orders issued by him, he has not fulfilled the responsibility of that office. I realize that there are three members of the Civil Service Commission and that a majority vote is required for approval of much of this action. I am therefore convinced that Mr. Young is not the only guilty one involved, and I do not see how the Commissioners can continue to serve in their present positions and condone this sort of activity.

I call on every Member of the United States Senate to join with me in calling for a full and complete investigation of the Civil Service Commission and its political activity. I am firmly convinced that there are only two courses left open—first, to reorganize the Civil Service Commission from top to bottom with completely new personnel, in an attempt to restore the civil-service merit system in Government employment, or second, to abolish this fake Commission completely, thereby saving the taxpayers of this country some $21 million annually, which apparently is now being used for nothing more than to develop vacancies for the political faithfuls.

LEGISLATIVE PROGRAM

Mr. KNOWLAND. Mr. President, before I suggest the absence of a quorum, I should like again to call attention to the program, so far as it is possible to look ahead at this time.

The unfinished business, of course, is S. 3052, the agricultural bill.

If we dispose of the agricultural bill we shall have a full call of the calendar on Saturday. If we have not disposed of the agricultural bill by then, we shall probably have the calendar call on Monday of next week, again depending on the progress we make on the agricultural bill.

After the agricultural bill has been disposed of and we have had the call of the calendar, the Senate will take up three anti-Communist bills. They are the following bills:

Calendar 1720, S. 3706, a bill to amend the Subversive Activities Control Act of 1950 to provide for the determination of the identity of certain Communist-infiltrated organizations, and for other purposes.

Calendar 1833, H. R. 9580, to revise and extend the laws relating to espionage and sabotage, and for other purposes.

Calendar 1834, S. 3428, to authorize the Federal Government to guard strategic defense facilities against individuals believed to be disposed to commit acts of sabotage, espionage, or other subversion.

On the disposition of the anti-Communist bills, I expect to have the Senate proceed to the consideration of Calendar No. 2004, H. R. 9366, a bill to amend the Social Security Act and the Internal Revenue Code, and for other purposes.

That bill will be followed by consideration of the following measures:

Calendar No. 644, H. R. 6287, a bill to extend and amend the Renegotiation Act of 1951.

Calendar No. 1808, H. R. 9709, a bill to extend and improve the unemployment compensation program.

Calendar No. 1797, S. 2601, a bill to provide for Federal financial assistance to the States and Territories in the construction of public elementary and secondary school facilities.

By that time I expect to be able to make an announcement to the Senate concerning additional legislation which we expect to take up on motion. That may depend to a considerable extent on the amount of legislation we are able to dispose of on the calendar call which, as I have previously pointed out, will be preferably Saturday if we finish the agriculture bill, but otherwise likely on Monday.

Mr. HOLLAND. Mr. President——

Mr. KNOWLAND. I yield to the Senator from Florida. I was about to suggest the absence of a quorum.

Mr. HOLLAND. Mr. President, I send forward to be printed in the RECORD at this time, and also to be printed and lie upon the table, seven amendments intended to be proposed by me to the pending measure, which is Senate bill 3052, the agriculture bill. As to each of these proposed amendments I have prepared a brief statement, generally of one sentence, and I ask that the statements be printed in the RECORD as a part of my remarks immediately prior to the printing of the proposed amendments in each case.

The PRESIDING OFFICER. The amendments will be received and printed, and will lie on the table; and, without objection, the statements and amendments will be printed in the RECORD as requested by the Senator from Florida.

The statements and amendments are as follows:

STATEMENT BY SENATOR HOLLAND

BALANCE BETWEEN SOIL CONSERVING AND DEPLETING CROPS

This amendment would require the Secretary of Agriculture in carrying out agricultureal conservation programs to give particular consideration to the maintenance of proper balance between soil conserving and soil depleting crops on the farm.

AMENDMENT BY SENATOR HOLLAND TO S. 3052

On page 36, line 14, before the period, insert the following: "and to the maintenance of a proper balance between soil conserving and soil depleting crops on the farm."

STATEMENT BY SENATOR HOLLAND

NINETY PERCENT SUPPORT FOR FIRST YEAR UNDER QUOTA

This amendment fixes the support level at 90 percent of parity whenever marketing quotas are made applicable to a basic agricultural commodity following a year in which quotas were not applicable.

AMENDMENT BY SENATOR HOLLAND TO S. 3052

On page 21, between lines 13 and 14, insert the following:

"SEC. 201. Section 101 (d) (1) of the Agricultural Act of 1949 is amended to read as follows:

"'(1) the level of price support to cooperators for any crop of any basic agricultural commodity for which marketing quotas are in effect immediately following a crop for which marketing quotas were not in effect shall be 90 percent of the parity price therefor.'"

Renumber succeeding sections accordingly.

STATEMENT BY SENATOR HOLLAND

INELIGIBILITY FOR AGRICULTURAL CONSERVATION PAYMENTS OF FARMERS WHO EXCEED ALLOTMENTS

Under existing law farmers who knowingly exceed their cotton acreage allotment are ineligible for agricultural conservation payments. This amendment would extend this provision to farmers who exceed their allotment for any of the basic agricultural commodities.

AMENDMENT BY SENATOR HOLLAND TO S. 3052

On page 28, between lines 3 and 4, insert the following:

"SEC. 307. Section 348 of the Agricultural Adjustment Act of 1938, as amended, is amended to read as follows:

"'SEC. 348. (a) Any person who knowingly plants any basic agricultural commodity on his farm in any year in excess of the farm acreage allotment for such commodity for the farm for such year under this title shall not be eligible for any payment for such year under the Soil Conservation and Domestic Allotment Act, as amended.

"'(b) Persons applying for any payment of money under the Soil Conservation and Domestic Allotment Act, as amended, with respect to any farm located in a county in which any basic agricultural commodity has been planted during the year for which such payment is offered, shall file with the application a statement that the applicant has not knowingly planted, during the current year any basic agricultural commodity on land on his farm in excess of the acreage allotted to the farm under this title for such year.'"

Renumber succeeding sections accordingly.

STATEMENT BY SENATOR HOLLAND

DETERMINATION OF THE EXTENT TO WHICH DIVERTED ACREAGE RESTRICTIONS ARE PRACTICABLE

Section 205 of the committee amendment directs the Secretary of Agriculture to impose restrictions on the use of diverted acreage "to the extent he determines practicable." This amendment would direct the Secretary to impose such restrictions "to the fullest extent practicable," thereby emphasizing the obligation of the Secretary to impose these restrictions.

AMENDMENT BY SENATOR HOLLAND TO S. 3052

On page 24, lines 18 and 19, strike out "to the extent he determines practicable" and insert "to the fullest extent practicable."

STATEMENT BY SENATOR HOLLAND

TO SUBJECT IMPORTED COMMODITIES TO RESTRICTIONS "COMPARABLE" TO THOSE APPLICABLE TO DOMESTIC COMMODITIES

Section 401 (e) of the committee amendment prohibits the importation of tomatoes, avacados, limes, or grapefruit which do not comply as to grade, size, quality, and maturity with marketing orders covering domestically produced commodities. Frequently marketing orders regulate the handling of commodities by varieties or types. Variations frequently exist between the characteristics of domestic and foreign commodities which would make it impracticable to apply to the imported commodity the restrictions applicable to the domestic commodity. This amendment would require the Secretary of Agriculture in any such case to establish restrictions for the imported commodity comparable to those applicable to the domestic commodity.

AMENDMENT BY SENATOR HOLLAND TO S. 3052

On page 34, line 9, before the period insert the following: "or comparable restrictions promulgated hereunder."

On page 34, line 12, after the period, insert the following: "Whenever the Secretary of Agriculture finds that the application of the restrictions under a marketing order to an imported commodity is not practicable because of variations in characteristics between the domestic and imported commodity he shall establish with respect to the imported commodity such grade, size, quality, and maturity restrictions by varieties, types, or other classifications as he finds will be equivalent or comparable to those imposed upon the domestic commodity under such order."

STATEMENT BY SENATOR HOLLAND

FIXING OF CONTAINER SIZES AND DIMENSIONS

Section 401 (c) of the committee amendment would add to the list of provisions that may be included in marketing orders applicable to commodities other than milk a provision "fixing or providing a method for fixing" the size, capacity, weight, dimensions or pack of containers for fresh or dried fruits, vegetables, or tree nuts. This amendment would limit this provision to one "providing a method for fixing" rather than "fixing" these matters. It is the purpose of this amendment that the administering committees or agencies, rather than the Secretary of Agriculture, would fix these matters.

AMENDMENT BY SENATOR HOLLAND TO S. 3052

On page 33, line 1, strike out "fixing or."

STATEMENT BY SENATOR HOLLAND

PROCESSOR APPROVAL (50 PERCENT BY VOLUME)

Section 401 (b) of the committee amendment would require approval by more than 50 percent of the processors in both number and volume before a marketing order applicable to grapefruit for canning or freezing could be issued. This amendment would remove the requirement that the order be approved by more than 50 percent in number of the processors. It would still be required to be approved by processors of more than 50 percent of the volume, which is considered an adequate and more reasonable requirement.

AMENDMENT BY SENATOR HOLLAND TO S. 3052

On page 32, lines 6 and 7, strike out "a majority of."

Mr. KNOWLAND. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The absence of a quorum has been suggested. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the order for the call of the roll be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. YOUNG. Mr. President, I shall speak at some length in support of the position taken by the majority of the Senate Agriculture Committee to continue price supports for basic commodities at 90 percent of parity; to place mandatory supports on dairy products at 85 percent of parity; to provide mandatory supports for feed grains; and other important provisions contained in S. 3052. Today I shall stress just these five points, which I shall bring out in my speech tomorrow.

First. The lowering of price supports for basic farm commodities will result in drastically reduced prices received by farmers for these and other commodities. This lowering of price supports for farmers will not be reflected in lower prices to consumers. Indeed, I think I can prove by official Government records that while farm prices declined drastically since the 1947–48 period, the prices consumers pay for farm commodities are now within a fraction of 1 percent of an all-time high.

Second. I shall stress the fact that the history of the production of basic farm commodities indicates that farmers have tended to increase their acreage rather than decrease it when the prices of these commodities decline.

Third. I shall stress that there is every justification for increasing price supports for dairy commodities from 75 to 85 percent of parity.

Fourth. Support prices for basic farm commodities have a strong and healthy influence in stabilizing the prices of many other farm commodities.

I intend in my speech tomorrow to deal rather harshly with the statement distributed to Members of the Senate today prepared by Secretary of Agriculture Ezra Taft Benson in which he attempts to point out that price supports for basic farm commodities help only a small segment of our agriculture economy. I think that is a completely erroneous statement, one with which most agricultural authorities would not agree.

Ninety percent price supports have had a healthy influence in providing stabilized prices for these commodities. Our present larger than normal carryover of corn in the face of widespread and severe drought over the United States is a godsend to the livestock industry.

A normal carryover of corn, under present drought conditions, would have

greatly and unnecessarily accelerated the liquidation of cattle herds and greatly decreased cattle feeding operations.

Fifth. The cost of farm price support operations over the past 20 years has been infinitesimal as compared to the great benefits it has brought to producers and consumers alike.

Mr. President, I ask unanimous consent to have printed as a part of my remarks the supplemental views of the majority of the Senate Agriculture Committee as contained in the report accompanying S. 3052.

There being no objection, the views of the majority were ordered to be printed in the RECORD, as follows:

SUPPLEMENTAL VIEWS OF THE MAJORITY

I. BASIC COMMODITIES

The chief and basic recommendation in this report is that for 1 year through 1955, support prices for the basic commodities be continued at a minimum of 90 percent.

Reasons for this recommendation are set forth below:

A moral obligation

1. As recently as 1952, only 2 years ago, farmers were urged to increase their overall production by 6 percent in order to meet the critical food and fiber needs here and abroad, arising from warfare in Korea.

Specifically the United States 1952 production goals announced by the Secretary of Agriculture, with comparisons, are shown in the following table:

TABLE 1.—*United States 1952 production goals with comparisons*

Crop	Unit	Production			Percent 1952 goal is of 1951
		1950 [1]	1951 [1]	1952 goals	
Intertilled:					
Corn	Million bushels	3,058	2,941	3,375	115
Sorghum, grain	do	233	159	205	129
Soybeans, beans	do	299	281	276	98
Cotton	Million running bales	9.9	15.2	16.0	105
Potatoes	Million bushels	430	326	350	107
Sweetpotatoes	do	50	28	46	164
Dry edible beans (cleaned)	Million 100-pound bags	15	16	16	100
Truck crops:					
Fresh market (25)	Thousand tons	9,073	8,572	[2] 8,800	103
Processing (11)	do	5,303	7,506	[2] 6,383	85
Close-sown:					
Oats	Million bushels	1,410	1,316	1,307	99
Barley	do	304	255	290	114
Wheat, all	do	1,019	987	1,165	118
Rye	do	21	21	22	105
Flaxseed	do	40	34	38	112
Rice, rough	Million 100-pound bags	39	44	42	95
Hay:					
All	Million tons	102	108	105	97
Tame	do	90	96	93	97

[1] BAE Annual Summary, December 1951.
[2] Includes an assumed production for some vegetables for which no goals will be set. Separate announcements have been made of vegetable goals by types.

On July 1, 1952, the United States carryover of wheat was 256 million bushels; on August 1, 1952, the cotton carryover was 2,789,000 bales; on October 1, 1952, the carryover of corn was 487 million bushels, while the carryover of food fats and oils, on October 1, 1952, was 857 million pounds.

These carryovers were not excessive. They appeared under the conditions that existed at that time, with hostilities underway in Korea, to have fully justified the production goals shown in the table above, which indicates that a substantial expansion in the acreage of corn, wheat, cotton, and many other crops was requested of farmers by the Government of the United States.

A program to curtail production while we were engaged in war would have been totally unacceptable to all Americans.

Suppliers of military goods were provided with cost-plus contracts to protect their financial position, and certificates of necessity authorizing accelerated depreciation were issued by our Government in order to stimulate production of war goods, electric power, railroad equipment, and other lines of business and industry.

These devices were not made available to farmers. Nevertheless, they increased their production expenses, often went into debt, and expanded their output, responding patriotically to the requests of their Government for all-out production of needed food and fibers. Farmers assumed, in good faith, a moral obligation on the part of their Government based on the precedent of World War II legislation when wartime support levels were continued under the Steagall amendment for 2 years after the end of the emergency.

Fighting has ceased in Korea after a truce was signed in 1953. A peace treaty has not been signed, and less than 2 years have passed since we were engaged in warfare and the expansion of production by farmers was regarded as a patriotic duty.

Since that time our exports have fallen sharply as nations which had depended on the United States for supplies have cut back their emergency inventory of food and fiber. They have expanded their own production, often with assistance from this country. The result is that substantial surpluses have accumulated in several major lines of farm production. For the crops which normally rely most upon export outlets, this chance came quickly.

To continue for at least 1 more year supports at the 90-percent level, employed by authority of Congress during and after World War II and during the Korean warfare, will honor the Nation's moral obligation to farmers. To reduce support prices for these commodities now would, in effect, abrogate an obligation, and just as significantly, demonstrate a lack of reasonable, confident patience. It is simply impossible for farmers to adjust production patterns quickly or precisely.

Congress has insisted upon treating suppliers of other classes of war materials in a fair manner. Now, it must make certain that it is not placed in a position of treating one class of citizens—farmers—less fairly and less generously than other groups.

SCHEDULE 8.—*Commodity Stabilization Service, Commodity Credit Corporation—Analysis of program results from Oct. 17, 1933, through May 31, 1954* [1]

[Realized gains and losses (−)]

Program and commodity	Oct. 17, 1933, through June 30, 1941	July 1, 1941, through June 30, 1946	July 1, 1946, through June 30, 1950	Fiscal year ended June 30—			Fiscal year 1954 through May 31, 1954	Oct. 17, 1933, through May 31, 1954
				1951	1952	1953		
Price-support program: [1]								
Basic commodities:								
Corn	−$20,078,488	−$14,336,569	−$17,003,844	−$748,839	$1,783,916	−$20,526,523	−$58,827,234	−$129,737,581
Cotton	−27,401,798	218,328,306	48,587,399	28,938,218	148,924	−381,572	−908,895	267,310,582
Cotton, Puerto Rican		−126,011	−4,187					−130,198
Cotton, export differential [2]		−27,651,360	−13,709,858					−41,361,218
Cotton-rubber barter		11,055,451						11,055,451
Peanuts			−66,417,360	−14,584,837	−8,670,873	−2,975,881	−21,048,453	−113,697,404
Rice			−1,291,994	53,071	57,271	−277,861	407,676	−1,051,837
Tobacco	−2,107,589	7,074,300	378,256	71,450	−1,014,923	−2,759,676	242,747	1,884,565
Wheat	−6,199,460	−11,775,173	−31,530,327	−19,013,932	−7,722,262	−18,886,296	−29,884,411	−125,011,861
Total	−55,787,335	182,568,944	−80,991,915	−5,284,869	−15,417,947	−45,807,809	−110,018,570	−130,739,501
Designated nonbasic commodities:								
Milk and butterfat:								
Butter			−4,111,861	−44,216,443	41,571	−456,492	−22,330,484	−71,073,709
Cheese			−1,031,078	−24,040,464	31,405	14,708	−8,408,190	−33,433,619
Milk, dried			−14,066,310	−42,707,738	−1,183,459	−4,798,735	−35,832,537	−98,588,779
Honey			−874,470	−1,499	107	4,924	16,158	−854,780
Potatoes, Irish [3]		−25,197,222	−389,303,437	−63,437,281	−85,459	−73,658	−37,132	−478,134,189
Tung oil			−311,561	233,811	−1,154	−451	−1,784	−81,139
Wool	−176	−15,834,163	−76,449,116	142,596	−86,610	−15,290	86,227	−92,156,532
Total	−176	−41,031,385	−486,147,833	−174,027,018	−1,283,599	−5,324,994	−66,507,742	−774,322,747

See footnotes at end of table.

SCHEDULE 8.—*Commodity Stabilization Service, Commodity Credit Corporation—Analysis of program results from Oct. 17, 1933, through May 31, 1954* [1]—Continued

[Realized gains and losses (−)]

Program and commodity	Oct. 17, 1933, through June 30, 1941	July 1, 1941, through June 30, 1946	July 1, 1946, through June 30, 1950	Fiscal year ended June 30— 1951	1952	1953	Fiscal year 1954 through May 31, 1954	Oct. 17, 1933, through May 31, 1954
Price-support program—Continued								
Other nonbasic commodities:								
Barley		−$40,019	−$3,230,613	−$1,790,903	−$2,807,078	−$2,195,112	−$1,074,826	−$11,138,551
Beans, dry edible		−179,753	−876,176	−11,746,232	−15,429,183	−6,777,410	−6,199,547	−41,208,301
Castor beans		−171,224	31					−171,193
Cotton, American-Egyptian		−538,573	43,598	14,358	175,206	294,665	38,303	27,557
Cottonseed and products			−597,728	5,506,631	2,686,642	7,701,799	−14,557,193	740,121
Eggs [4]		−224,002	−79,808,061	−76,055,947	−29,368,028	−4,256,139	90,951	−189,621,226
Flax fiber			−397,058	−55				−397,113
Flaxseed and linseed oil		−22,209	−2,558,121	−57,520,995	−4,683,190	−1,422,997	−43,508,812	−109,716,324
Fruit, dried		−109,489	−14,818,291	46,315	−855			−14,882,320
Grain sorghum		437,456	−14,094,985	−22,644,554	31,638	874,126	−752,364	−36,148,683
Grapefruit juice			−1,732,374					−1,732,374
Hemp and hemp fiber		−20,201,375	−1,256,023	21	−1,778			−21,459,155
Hops	−162,036	−792,164						−954,200
Naval stores	−4,435,579	5,997,861	−977,885	−1,974,111	3,876	30,253	8,693	−1,346,892
Oats			−455,666	15,238	−738,889	−194,938	−3,716,444	−5,090,699
Olive oil						−170	−168,672	−168,842
Peas, dry edible		−3,012	−658,012	−227,726	−655	−31		−889,436
Pecans		−3,751						−3,751
Rye	−4,575	60,751	−210,464	−34,759	18,599	7,947	−39,868	−202,369
Seeds		−148,193	−433,434	295,452	−537,879	−4,050,655	−17,629,137	−22,503,846
Soybeans			4,526,337	−139,442	1,574	−24,893	−653,086	3,710,490
Sugar, Puerto Rican and Virgin Island			23,830					23,830
Sugar beets			−16,517,269					−16,517,269
Sweetpotatoes			−134,648	−773				−135,421
Turkeys			40,255	−29,185				11,070
Vegetables, canned		−6,888	18,830					11,942
Total	−4,602,190	−15,944,584	−134,103,927	−166,286,667	−50,650,030	−10,013,555	−88,162,002	−469,762,955
Total price support	−60,389,701	125,592,975	−701,243,675	−345,598,554	−67,351,576	−61,146,358	−264,688,314	−1,374,825,203
Supply program: [5] [6]								
Cotton and linters		1,592,551	283,648					1,876,199
Grains and seeds		23,969,000	50,416,902	722,558	437,204	405,837	−235,710	75,715,791
Oils (bulk)		29,937	830,050	42,136	6,020	9,194	−26	917,311
Tobacco		4,179,335	588,749					4,768,084
General commodities purchase [6]			186,240,037	−1,551,484	−195,564	1,314,667	1,682,295	187,489,951
Processed and packaged commodities [7]			38,800,398	118,459	162,193	23,559	324,926	39,429,535
Sugar, Puerto Rican raw			37,157	−567		9,439	13,702	59,731
Other [8]		−3,120,517	−296,718	3,185				−3,414,050
Total supply program		26,650,306	276,900,223	−665,713	409,853	1,762,696	1,785,187	306,842,552
Foreign purchase program: [5] [8]								
Cotton		5,439,464	456,271	2,617	−2,617			5,895,735
Fats and oils		22,543,441	16,412,134	−37,417	−2,550			38,915,608
Foodstuffs		4,620,232	1,035,731	17,755	9,770	−2,616	15,867	5,696,739
Other		−274,627	21,191	24,318	53,378			−175,740
Total foreign purchase		32,328,510	17,925,327	7,273	57,981	−2,616	15,867	50,332,342
Emergency feed program:								
Corn							−11,699,229	−11,699,229
Cottonseed meal							−17,304,459	−17,304,459
Oats							−3,562,042	−3,562,042
Wheat							−1,689,397	−1,689,397
Total emergency feed program							−34,255,127	−34,255,127
Commodity export program:								
Cotton [9]		−7,098,694	−5,436,235	−3,729	1,494			−12,537,164
Wheat		−1,209,445	−618				−11,002,431	−12,212,494
Total commodity export		−8,308,139	−5,436,853	−3,729	1,494		−11,002,431	−24,749,658
Storage facilities program		−$10,087,438	$57,441	−$498,980	−$1,628,947	$121,488	$231,937	−$11,804,499
Accounts and notes receivable (chargeoffs)		11,134	−888,164	−454,137	−196,247	−253,682	−420,497	−2,201,593
Total (excluding wartime consumer subsidy costs) [10]	−$60,389,701	166,187,348	−412,685,701	−347,213,840	−68,707,442	−59,518,472	−308,333,378	−1,090,661,186
Wartime consumer subsidy program [11]		−2,130,581,589	28,511,719	−258,372	266,423	74,623	−97,891	−2,102,085,087
Grand total	−60,389,701	−1,964,394,241	−384,173,982	−347,472,212	−68,441,019	−59,443,849	−308,431,269	−3,192,746,273

[1] Allocation of losses and gains as between "Price support program" and "Supply program" for the period prior to the fiscal year 1947 was made on the basis of an analysis completed in April 1949. Since accounting records maintained prior to July 1, 1946, did not provide for this segregation, it was necessary to analyze program results in detail and in some cases make an estimate of the distribution between "Price support" and "Supply" of the total operating result as shown by the accounting records. This analysis was based on all known factors concerning the operations with respect to each commodity.

[2] Includes export differential on owned or pooled cotton only. Differential on exporters' cotton included under "Commodity export program."

[3] Includes price support loss of $2,829,639 on the 1943 and 1944 potato programs, which was formerly included under the general commodities purchase programs.

[4] Includes price support loss of $11,956,386 on the 1944 egg program, which was formerly included under the general commodities purchase program.

[5] Portion of overall supply and foreign purchase program effective July 1, 1952.

[6] Includes gain of $178,697,602 carried as "Special reserve—General commodities purchase program" as of June 30, 1946, and transferred to income in May 1947. Also see footnotes 3 and 4.

[7] During the period July 1, 1946, through June 30, 1949, activity under this program was reported as general supply program.

[8] Insofar as possible, operating results have been retroactively classified to correspond with current budgetary programs. In some instances, the accounts maintained prior to July 1, 1946, did not make possible a precise segregation of the results of foreign procurement operations.

[9] Includes export differential on exporters' cotton only.

[10] Includes losses totaling $56,239,432 on price-support commodities disposed of in accordance with Public Laws 389 and 393, 80th Cong.; i. e., transferred to foreign assistance outlets at a price equal to price of a quantity of wheat having equivalent caloric value. The Corporation was reimbursed for these losses by the Secretary of the Treasury.

[11] Subsidy losses on corn for alcohol, wheat for alcohol, and wheat for feed are included on an estimated basis. For detail of subsidy costs by commodities by fiscal years, see report of financial condition and operations as of June 30, 1949.

Lower supports will stimulate production

2. Lowering price supports at this time, when farmers are beginning to make real progress in adjusting their production downward in cooperation with governmental programs, would be unwise. It would serve to defeat the very programs which this Congress has authorized, by which agriculture can adjust its production in an orderly fashion in line with effective demand.

A common characteristic of farm depressions, when surpluses develop and market prices weaken, is that farmers, unless provided a program by which they can cooperate effectively, feel forced to offset lower unit

prices by increasing production. This is, to be sure, the course of desperation, and it tends to weaken their economic position, as well as to damage the national economy as a whole.

It marks the chief difference between the response of business and industry, which are relatively well organized, to lowered demand and a weakening price structure as compared with agriculture. The difference largely arises out of the fact that business and industry are for the most part substantial employers, and they reduce payrolls, while agriculture is still predominantly family-type enterprise where the labor of the farmer and his family is not treated as payroll-cost items. It is expendable.

Programs enabling farmers to adjust their production in line with reduced demand, reflecting particularly foreign demand for the big export crops such as wheat, cotton, and tobacco, require not only patience but understanding and an appreciation of the long history of agrarian struggle which led to their establishment.

Time after time in the past, we have had farm depressions and no means of dealing with them except to permit prices to decline, leading ultimately to bankruptcy, foreclosure, and squeezing from among the farmers on the land a substantial group, forcing them into other lines of activity in search of a livelihood. These forced marches need not be revived.

For many years agriculture has sought equality with other groups in our economy. One of the basic demands throughout these years of education and agitation has been recognition of the need for a partnership between the Government on the one hand and the millions of individual farmers on the other, to execute needed production-adjustment programs beyond the ability of farmers to undertake.

We now have the fundamentals of such a program, often referred to as controls but, instead, actually the means whereby these millions of individual farmers may proceed together in an organized, orderly program of production curtailment so as to bring their production in line with effective demand.

Cooperation in these programs by tobacco, wheat, cotton, and other producers is proving to be of a high order this year, the first year it has been tried on any substantial scale, except for tobacco, since the more rudimentary approaches prior to World War II.

These programs will doubtless be needed in 1955 and in some subsequent years. The aggregate farm productive capacity of the United States is great, one of our mightiest assets in wartime, but, in effect, a machine which must be adjusted to the requirements for its productivity in times such as these.

These programs, the byproduct of many years of earnest search by farmers, their organizations, Members of Congress, and devoted servants of agriculture in the Federal Government and the States, are still relatively crude compared with the instrumentalities available for adjustment of supply to demand which characterize many other segments of our economic life.

These adjustment programs require not only wise and sympathetic administration but also a high degree of patience on the part of the Members of Congress who must authorize their very establishment and continued support.

It may prove to be a fact that they cannot succeed. But a reasonable trial must be provided. In that connection, it is axiomatic that these programs of production curtailment will succeed far better if unit prices are maintained by price supports than if supports that really determine the unit prices are lowered at the very same time that production is curtailed. Lower supports will stimulate production.

Thus, support prices at 90 percent of parity will serve as a tool, a major tool, to assist farmers in an orderly retreat from overproduction once critical war or other needs are met. They will help farm families to stay on the farm, assist in maintaining take-home pay for farmers, and provide a degree of stability which all too often has been denied to the agricultural segment of our economy.

CCC gains and losses

3. Support prices at 90 percent of parity will help farmers weather the present and perhaps temporary crisis of surpluses and reduced exports. To cut, and thus to weaken further, the farm-commodity price structure represents unwarranted defeatism.

In the past, farm depressions while severe for many farmers, communities, areas, and regions, were frequently the product of relatively small surpluses. These surpluses, often representing an excess of only 3 to 10 percent of demand, were permitted to destroy the stability of the farm-price structure, to reduce tragically farm income without conferring commensurate advantages to other groups of our population. Consumers gained no lasting advantages from these situations.

The present surpluses, while substantial, do not justify the birth and nuture of great and alarmist fears. One bad crop year, after a long cycle of unusually favorable weather taking the Nation as a whole, could place us in a deficit position. Then there would be genuine cause for alarm.

While the costs to the Government in connection with these surpluses are important, they represent no burden of overwhelming proportions. The cost is small compared with our military budget or foreign aid or compared with the potentialities of this as a great and growing Nation, its population on the increase, its economy confidently expanding in hopes of meeting the requirements of the future.

Since its creation, the Commodity Credit Corporation, the chief instrumentality through which the price-support programs have been administered, has been authorized by Congress to borrow $8.5 billion. This represents the total financial authority granted over a period of approximately 21 years.

Realized losses of the Corporation from October 17, 1933, through May 31, 1954, exclusive of wartime consumer-subsidy programs, are shown in the most recent report of its financial conditions and operations as of May 31, 1954, to be $1,090,661,186.

Because there has been widespread misunderstanding and confusion with respect to gains and losses of this Corporation, there is contained in this report, marked as "Table 2," an analysis of program results from October 17, 1933, through May 31, 1954. This table, which is listed as schedule 8 on page 23 of the Corporation's most recent official report, shows results of operations from the inception of the Corporation in 1933 to the date of the statement, May 31, 1954, classified by program.

Program results have been summarized into time periods in this table as follows: (1) From inception of Corporation in October 1933 to June 30, 1941; (2) the period from July 1, 1941, through June 30, 1946; (3) the period from July 1, 1946, through June 30, 1950; and (4) for each fiscal year thereafter.

While the total authority to borrow by CCC is frequently referred to in terms which connote a dead and permanent loss to our Nation, the facts are that, of the total borrowing authority of the Commodity Credit Corporation, most of the funds are invested in an inventory of commodities. These may increase in value. In the past, full inventory value has been frequently realized, and in some instances substantial profits have been obtained.

These inventories are, in effect, a stockpile for peace or war, and the President has wisely recommended legislation for a "set-aside" program which this bill authorizes and which we urge be enacted. This set-aside will recognize the principle of stockpiling food along with many items we may require in an emergency for the Nation's protection.

The rate of loss by the Commodity Credit Corporation can best be reduced by encouraging farmers to utilize fully the programs now being made available to them for production adjustment and not by cutting the level of price supports. Reducing price-support levels will have the immediate effect of reducing substantially the value of CCC inventories without any assurance that the rate of future acquisition of inventory by CCC will be curtailed as greatly as will prove to be the case if 90-percent support prices are continued.

Should a new world crisis arise tomorrow or within a year or two, the CCC inventories would be counted a national asset, a sinew of war for us and our allies, a cherished possession. Similarly, should drought or other disaster in the wake of adverse weather come to plague us, the reserves on hand would greatly benefit consumers.

The full cost of these reserves, while they have provided valued assistance for agriculture, should not be charged to agriculture alone because they have served to provide security for all consumers both here and abroad. They have been, in effect, insurance of supply of the elemental requirements for millions of people at a very low premium cost.

Ceiling prices

Account should be taken of the fact that in times of scarcity such as occurred during World War II, in the postwar period, and for a time during the warfare in Korea, ceiling prices were placed on many commodities produced by farmers in the interest of consumers. Thus the advantages which might have occurred as the byproduct of a temporary scarcity were curbed so far as realization by farmers was concerned. Exports were limited by license so that demand was restrained.

Now with surpluses arising, temporarily at least, the patience and forbearance of producers of these scarce commodities at times of crisis when prices threatened to go beyond the reach of consumers should not be forgotten.

We are dealing, therefore, with a situation which represents one of the extreme swings between scarcity on the one hand and surpluses or abundance on the other. Extreme action should be avoided not only in terms of simple justice and equity, so far as farmers are concerned, but in the interest of consumers and the public as a whole. Stability should be the goal emphasized.

Effect on national economy

4. The contribution which price supports have made to stability in our national economy is substantial and deserves far more detailed treatment than is possible here.

Earlier this year, the report of the Joint Committee on the Economic Report on the January 1954 Economic Report of the President took account of the unfavorable trends in real farm income and pointed to these as "a serious threat to an expanding and stable economy."

Significantly, this thoughtful report went on to say in words which all who have the good of the Nation at heart might well heed:

"In spite of the fact that agricultural income has fallen, there is reason to believe that the proposals contained in the economic report may actually place the farm family in a worse position in the short run. Whatever the merits of flexible supports and modern parity may or may not be as a long-run program it is questionable whether their contribution at this time will act to sustain farm income in the months immediately ahead when the threat to our economic stability is so generally recognized. On the contrary, it

seems more likely that the proposed shift to 'modernized parity' at this particular time would be an unnecessary disrupting factor."

Decline in farm income

In the past 2 years, net farm income has declined 13 percent. Many other sectors of our economy have meantime reached new heights of prosperity. The loss of farm income, already felt by some segments of business and industry, will ultimately be reflected throughout our economy. Except for price supports and other programs, including surplus removal and the important marketing-agreement programs, farm income in 1953 would have been approximately $3 billion lower. Thus, price supports assisted farmers to maintain a far stronger position than would have been the case in the absence of price supports, and thereby to contribute more to a healthy national economy.

A study by the House Committee on Agriculture indicates that the program of price supports, surplus removal, and marketing agreements covered 70 percent of all crops produced and livestock and livestock products in 1953. It concluded that about 90 to 95 percent of all farmers producing crops and livestock for market were directly or indirectly benefited by existing price stabilization and marketing agreement programs that prevented further impairment of agricultural income.

Realized net income of farmers in 1952 was $13,499 million and in 1953 was $12,802 million. This represents a considerable decline since 1949 when the flexible-support program was enacted into law and its effective date then postponed. In 1947, farmers realized net income of $16,774 million, and in 1949, $15,605 million.

The 1949 act contemplated a sliding scale of supports ranging from 75 to 90 percent of parity for the basic commodities and, to that extent, represented an improvement over the 1948 act which contemplated a sliding scale varying from 60 to 90 percent.

But however much the support level is lowered, it represents a reduction in farm prices and income. The result: Net realized income in 1955 or 1956 may decline below $10 billion. That result, which would deserve to be called a farm depression, is preventable if 90-percent supports are continued.

Unless action is taken at this session of Congress, the 1949 Agricultural Act will become effective in 1955, replacing the 90 percent of parity price supports for the basic crops by a system of flexible supports permitting support levels to drop to 75 percent of parity.

TABLE 3.—*Farm food products: Retail cost and farm value, January–March 1954, October–December 1953, January–March 1953, and 1947–49 average* [1]

Product	Retail unit	Retail cost						Net farm value [2]					
		January–March 1954 [3]	October–December, 1953	January–March, 1953	1947–49 average	Percentage change January–March, 1954, from—		January–March, 1954 [3]	October–December, 1953	January–March, 1953	1947–49 average	Percentage change January–March, 1954, from—	
						October–December, 1953	January–March, 1953					October–December, 1953	January–March, 1953
						Percent	*Percent*					*Percent*	*Percent*
Market basket	Average quantities purchased per urban wage earner and clerical-worker family in 1952.	$996.89	$997.71	$999.19	$954.76	(4)	(4)	$445.66	[5] $445.45	$453.44	$467.91	(4)	−2
Meat products		269.26	260.73	259.98	261.20	+3	+4	174.18	[5] 161.76	159.84	176.11	+8	+9
Dairy products		186.64	188.69	189.57	168.37	−1	−2	88.65	[5] 91.93	95.35	90.88	−4	−8
Poultry and eggs		107.59	118.09	113.20	116.87	−9	−5	71.45	80.69	77.49	80.53	−11	−8
Bakery and cereal products:													
All ingredients		146.47	145.42	142.16	121.94	+1	+3	32.82	[5] 32.40	32.03	33.16	+1	+2
Grain								24.46	24.09	24.56	24.40	+2	(4)
All fruits and vegetables		201.47	199.95	212.08	195.26	+1	−5	56.66	[5] 56.49	67.55	61.28	(4)	−16
Fresh fruits and vegetables		112.65	110.06	123.55	103.57	+2	−9	38.90	38.55	49.93	41.85	+1	−22
Fresh vegetables		57.66	55.41	68.34	53.14	+4	−16	18.39	18.42	28.96	23.77	(4)	−36
Processed fruits and vegetables		88.82	89.89	88.54	91.69	−1	(4)	17.76	[5] 17.94	71.62	19.43	−1	+1
Fats and oils		43.92	43.36	40.64	52.25	+1	+8	15.07	14.79	13.71	18.92	+2	+10
Miscellaneous products		41.54	41.47	41.56	38.87	(4)	(4)	7.43	7.39	7.47	7.03	+1	−1
		Cents	*Cents*	*Cents*	*Cents*			*Cents*	*Cents*	*Cents*	*Cents*		
Beef (choice grade)	Pound	68.2	69.3	73.3	68.5	−2	−7	43.4	[5] 45.7	45.5	48.5	−5	−5
Pork (excluding lard)	do	57.7	53.7	49.2	52.8	+7	+17	40.8	34.7	32.2	35.2	+18	+27
Butter	do	79.0	79.5	79.7	79.4	−1	−1	51.9	53.5	54.5	57.4	−3	−5
Cheese, American processed	do	59.4	59.5	60.3	52.7	(4)	−1	29.5	[5] 30.6	32.3	32.0	−4	−9
Evaporated milk	14½ ounce can	14.3	14.3	15.0	13.7	0	−5	6.3	6.6	7.1	7.1	−5	−11
Fluid milk	Quart	22.8	23.2	23.1	19.9	−2	−1	10.7	11.2	11.6	10.6	−4	−8
Chickens, frying	Pound	49.1	52.1	54.2		−6	−9	29.0	31.4	34.6		−8	−16
Eggs	Dozen	62.0	69.9	62.7	66.7	−11	−1	44.9	52.0	45.5	48.0	−14	−1
Bread, white	Pound	17.0	16.8	16.2	13.5	+1	+5	2.7	2.6	2.6	2.6	+4	+4
Crackers, soda	do	27.2	27.2	25.8		0	+5	4.1	4.0	4.0		+2	+2
Cornflakes	12 ounces	21.9	21.8	21.7	17.0	(4)	+1	3.2	3.1	3.7	3.2	+3	−14
Corn meal	Pound	12.5	12.5	12.6	11.8	0	−1	3.3	3.2	4.0	3.6	+3	−18
Flour, white	5 pounds	53.5	52.5	52.3	48.4	+2	+2	20.4	20.1	20.2	20.5	+1	+1
Rice	Pound	19.7	19.7	19.1	19.2	0	+3	7.7	7.7	9.6	7.8	0	−20
Rolled oats	20 ounces	18.5	18.4	18.3	16.1	+1	+1	5.2	5.0	5.0	5.4	+4	+4
Apples	Pound	14.7	13.5	14.9	11.3	+9	−1	7.2	6.7	7.3	5.2	+7	−1
Grapefruit	Each	9.8	10.0	10.0	8.7	−2	−2	1.5	2.0	1.8	1.6	−25	−17
Lemons	Pound	18.7	19.6	20.5	17.7	−5	−9	5.4	5.7	5.6	5.7	−5	−4
Oranges	Dozen	46.9	49.3	44.9	46.6	−5	+4	11.8	11.8	11.9	12.6	0	−1
Beans, green	Pound	26.3	21.3	28.0	21.0	+23	−6	11.2	8.9	13.4	9.2	+26	−16
Cabbage	do	7.1	6.8	7.2	6.9	+4	−1	1.4	1.5	1.3	1.9	−7	+8
Carrots	do	12.6	14.0	11.3	11.1	−10	+12	3.0	4.4	3.5	4.2	−32	−14
Lettuce	Head	15.0	15.6	14.7	14.5	−4	+2	6.1	5.6	5.1	6.4	+9	+20
Onions	Pound	6.1	6.2	12.2	8.4	−2	−50	1.1	1.3	6.2	3.7	−15	−82
Potatoes [6]	15 pounds	66.6	68.5	97.1	78.8	−3	−31	16.3	20.3	42.8	38.5	−20	−62
Sweetpotatoes	Pound	13.0	12.1	17.9	11.2	+7	−27	5.2	4.8	8.0	4.7	+8	−35
Tomatoes	do	30.9	25.6	30.6		+21	+1	12.1	8.7	12.2		+39	−1
Peaches, canned	No. 2½ can	33.0	33.2	33.9	31.5	−1	−3	5.2	5.2	6.1	5.3	0	−15
Orange juice, canned	46-ounce can	34.3	35.5	32.1		−3	+7	9.1	9.4	8.3		−3	+10
Corn, canned	No. 303 can	18.8	18.9	19.1	16.7	−1	−2	2.9	2.9	3.0	2.7	0	−3
Peas, canned	do	21.3	21.2	21.4	21.4	(4)	(4)	3.2	3.1	3.1	3.0	+3	+3
Tomatoes, canned	No. 2 can	17.3	17.3	18.3	17.0	0	−5	3.1	3.0	3.3	3.2	+3	−6
Beans with pork, canned	16-ounce can	14.4	14.3	14.3		+1	+1	2.8	2.7	2.7		+4	+4
Orange juice concentrate, frozen	6-ounce can	18.4	21.3	18.4		−14	0	5.5	[5] 6.1	4.7		−10	+17
Strawberries, frozen	12 ounces	37.1	37.2	38.1		(4)	−3	10.0	10.3	9.6		−3	+4
Beans, green, frozen	10 ounces	24.5	24.2	24.3		+1	+1	4.9	4.9	4.8		0	+2
Peas, frozen	do	19.3	[5] 19.2	[5] 19.2		+1	+1	3.3	[5] 3.2	[5] 3.2		+3	+3
Dried prunes	Pound	29.7	29.3	28.6	23.1	+1	+4	10.2	10.3	10.9	8.8	−1	−6
Navy beans	do	17.2	17.2	16.5	19.9	0	+4	8.0	7.5	7.7	9.7	+7	+4
Margarine, colored	do	30.0	29.6	29.6	39.7	+1	+1	9.2	8.8	9.3	12.4	+5	−1
Peanut butter	do	49.2	49.1	49.0		(4)	(4)	19.7	19.4	19.5		+2	+1
Salad dressing	Pint	35.8	34.9	34.2	37.8	+3	+5	8.7	8.8	8.4	10.0	−1	+4
Vegetable shortening	Pound	34.6	34.2	33.3	41.1	+1	+4	11.4	11.6	12.0	15.4	−2	−5
Corn sirup	24 ounces	23.6	23.5	23.5		(4)	(4)	3.7	3.6	3.7		+3	0
Sugar	5 pounds	52.6	52.9	52.6	48.4	−1	0	20.5	20.6	20.2	19.4	(4)	+1

[1] Information concerning the sources of price data and calculations of net farm values are given in the supplement to the July to September 1953 issue of this situation. Product groups include more items than those listed in this table. For example, the meat products group includes lamb, veal, and lower grades of beef in addition to pork and carcass beef of Choice grade.

[2] Gross farm value adjusted to exclude imputed values of byproducts obtained in processing.

[3] Preliminary estimates.

[4] Less than 0.5 percent.

[5] Revised.

[6] See table 14, p. 35, for revised data.

Until every other avenue of assistance has been tried and found wanting, we are not justified in proceeding with a program which is calculated not simply to reduce support levels but to lower farm prices. A reduction in prices to farmers of 10 to 20 percent can be brought about through lowering support levels. This, taken together with a smaller volume to market because of reduced production, may well move net farm income well below $10 billion to even more disastrous levels.

Supports bolster national prosperity

Such a decline in farm income will be a severe blow to the Nation's economy. The recent decline in farm prices and in net income is symptomatic of the agricultural dislocation that touched off the great industrial-agricultural depressions of 1920–21 and 1929–32.

Farmers find themselves caught in a typical cost-price squeeze. Rising distribution costs have cut down the farmer's share of the consumer's dollar, and inflexible or rising prices of goods farmers buy have cut down farm prices and income.

Except for the price-support programs which, step by step, have been built into our agricultural policies over the past 20 years, particularly during the last decade, several incipient recessions would have gone deeply and pulled downward segments of the prevailing industrial prosperity.

A reduction of price supports would mean lowering the income level of cotton and grain producers which, in turn, would pull down the level of income from livestock and livestock products. Since a generally lower level of farm prices does not produce an increase in consumption, the net result of drifting to a lower support level would be to jeopardize a substantial portion of: (a) Farm cash income in proportion to reduction in supports; (b) the value of agricultural assets; (c) the level of rural and urban business depending on the farm market; and (d) substantial segments of industrial employment.

Since the end of World War II we have lived in fear of a repetition of the deflation that followed World War I. We have sought to avoid the kind of deflation that first struck livestock producers and then wheat and cotton producers and the rest of agriculture as the 1919–20 postwar inflation was permitted to turn into deflation and unemployment.

For that reason, most thoughtful students of our national economy have emphasized the significance of price supports in agriculture in terms of its contribution to the national economic policy. No segment of our society gains from a depression in agriculture. Instead, it is frequently said that depressions are "farmbread and farmled," that prompt action on the farm economic front will prevent the contagion of depression.

Will consumers benefit?

Careful estimates indicate that a reduction of 10 to 20 percent in prices to farmers would reduce prices to consumers for farm production less than 3 percent, perhaps even less than that.

This is because most of the processing and marketing costs involved in converting the farmer's product into goods ready for sale to consumers are highly inflexible, with the proportion of the consumer's dollar realized by farmers having moved down steadily for several years. It is now approximately 45 percent with considerable variation by commodities, with the percentage of the consumer's dollar realized by wheat, cotton, and tobacco farmers being especially low.

The Marketing and Transportation Situation, issued May 13, 1954, by the Agricultural Marketing Service of the United States Department of Agriculture, states on its cover page that—

"The bill for marketing farm-produced food products in 1953 was more than three times that of 1932. This increase resulted from an expansion in the quantity of food marketed, an extension in marketing services per unit of product handled, and advances in costs per unit of labor, plant, equipment, mechanical power, supplies, etc. Profits, too, were larger.

"Direct labor costs, the largest single item, were more than four times larger in 1953 than in 1932. The number of workers increased nearly three-fifths and hourly earnings more than tripled. Labor costs accounted for about 53 percent of the marketing bill in 1952 and 1953 compared with an average of 47 percent in 1935–39."

The same publication states on page 3, in reviewing recent developments, that—

"Prices received by farmers for food products averaged slightly lower in January-March than a year earlier. Most of this decrease was offset by a small increase in marketing charges. Consequently, the retail cost of the 'market basket' of food products produced on farms in the United States was about the same as in the first quarter of 1953.

"The small changes in marketing charges and prices received by farmers were not enough to affect significantly the farmer's share of the consumer's food dollar. In January–March the share was 45 cents, the same as in each quarter of 1953. This was smaller than in any other quarter of the postwar period but larger than the annual average share received in any of the years between World War I and World War II."

It is frequently and erroneously asserted that the costs of food and fiber to consumers are substantially higher than they would otherwise be because of price supports.

The truth can be established by examining closely two tables, which are reproduced as table 3 and table 4 and which were obtained from the same publication, on pages 32 and 33. They make clear that the farmer's share of the consumer's dollar is declining.

These tables refer to the market basket. This market basket contains quantities of farm-produced food products equal to the average quantities purchased for consumption at home by urban wage-earner and clerical-worker families in 1952. The retail cost of all foods bought per family is more than the retail cost of the market basket of farm foods, which does not include imported foods, fishery products, or other foods of nonfarm origin, and does not include costs of meals purchased in eating places.

The first of these two tables (table 3) shows the retail cost and farm value for specified periods for all of the principal food products produced on United States farms.

TABLE 4.—*Farm food products: Marketing margin and farmer's share of the retail cost, January–March 1954, October–December 1953 January–March 1953, and 1947–49 average* [1]

Product	Retail unit	Marketing margin [2]						Farmer's share			
		January–March 1954 [3]	October–December 1953	January–March 1953	1947–49 average	Percentage change January–March 1954 from—		January–March 1954 [3]	October–December 1953	January–March 1953	1947–49 average
						October–December 1953	January–March 1953				
						Percent	*Percent*	*Percent*	*Percent*	*Percent*	*Percent*
Market basket	Average quantities purchased per urban wage earner and clerical-worker family in 1952.	$551.23	[4] $552.26	$545.75	$486.85	[5]	+1	45	45	45	49
Meat products		95.08	[4] 98.97	100.14	85.09	−4	−5	65	62	61	67
Dairy products		98.59	[4] 96.76	94.22	77.49	+2	+5	47	49	50	54
Poultry and eggs		36.14	37.40	35.71	36.34	−3	+1	66	68	68	69
Bakery and cereal products:											
All ingredients		113.65	[4] 113.02	110.13	88.78	+1	+3	22	22	23	27
Grain								17	17	17	
All fruit and vegetables		144.81	[4] 143.46	144.53	133.98	+1	[5]	28	28	32	31
Fresh fruits and vegetables		73.75	71.54	73.62	61.72	+3	[5]	35	35	40	40
Fresh vegetables		39.27	36.99	39.38	29.37	+6	[5]	32	33	42	45
Processed fruits and vegetables		71.06	[4] 71.95	70.92	72.26	−1	[5]	20	20	20	21
Fats and oils		28.85	28.57	26.93	33.33	+1	+7	34	34	34	36
Miscellaneous products		34.11	34.08	34.09	31.84	[5]	[5]	18	18	18	18
		Cents	*Cents*	*Cents*	*Cents*						
Beef (choice grade)	Pound	24.8	[4] 23.6	27.8	20.0	+5	−11	64	66	62	71
Pork (excluding lard)	do	16.9	19.0	17.0	17.6	−11	−1	71	65	65	67
Butter	do	27.1	26.0	25.2	22.0	+4	+8	66	6.	68	72
Cheese, American processed	do	29.9	[4] 28.9	28.0	20.7	+3	+7	50	51	54	61
Evaporated milk	14½-ounce can	8.0	7.7	7.9	6.6	+4	+1	44	46	47	52
Fluid milk	Quart	12.1	12.0	11.5	9.3	+1	+5	47	48	50	53
Chickens, frying	Pound	20.1	20.7	19.6		−3	+3	59	60	64	
Eggs	Dozen	17.1	17.9	17.2	18.7	−4	−1	72	74	73	72
Bread, white	Pound	14.3	4.2	13.6	10.9	+1	+5	16	15	16	19
Crackers, soda	do	23.1	23.2	21.8		[5]	+6	15	15	16	
Corn flakes	12 ounces	18.7	18.7	18.0	13.8	0	+4	15	14	17	19
Cornmeal	Pound	9.2	9.3	8.6	8.2	−1	+7	26	26	32	31

[1] Information concerning the calculation of the marketing margin and farmer's share are given in the supplement to the July–September 1953 issue of this situation. Product groups include more items than those listed in this table. For example, the meat products group includes lamb, veal, and lower grades of beef in addition to pork and carcass beef of Choice grade.

[2] The marketing margin is the difference between the retail cost and the net farm value, table 11.

[3] Preliminary estimates.

[4] Revised.

[5] Less than 0.5 percent.

TABLE 4.—*Farm food products: Marketing margin and farmer's share of the retail cost, January–March 1954, October–December 1953, January–March 1953, and 1947–49 average* —Continued

Product	Retail unit	Marketing margin						Farmer's share			
		January–March 1954	October–December 1953	January–March 1953	1947–49 average	Percentage change January–March 1954 from—		January–March 1954	October–December 1953	January–March 1953	1947–49 average
						October–December 1953	January–March 1953				
		Cents	*Cents*	*Cents*	*Cents*	*Percent*	*Percent*	*Percent*	*Percent*	*Percent*	*Percent*
Flour, white	5 pounds	33.1	32.4	32.1	27.9	+2	+3	38	38	39	42
Rice	Pound	12.0	12.0	9.5	11.4	0	+26	39	39	50	41
Rolled oats	20 ounces	13.3	13.4	[1] 13.3	10.7	−1	0	28	27	27	34
Apples	Pound	7.5	6.8	7.6	6.1	+10	−1	49	50	49	46
Grapefruit	Each	8.3	8.0	8.2	7.1	+4	+1	15	20	18	18
Lemons	Pound	13.3	13.9	14.9	12.0	−4	−11	29	29	27	32
Oranges	Dozen	35.1	37.5	33.0	34.0	−6	+6	25	24	27	27
Beans, green	Pound	15.1	12.4	14.6	11.8	+22	+3	43	42	48	44
Cabbage	do	5.7	5.3	5.9	5.0	+8	−3	20	22	18	28
Carrots	do	9.6	9.6	7.8	6.9	0	+23	24	31	31	38
Lettuce	Head	8.9	10.0	9.6	8.1	−11	−7	41	36	35	44
Onions	Pound	5.0	4.9	6.0	4.7	+2	−17	18	21	51	44
Potatoes [6]	15 pounds	50.3	48.2	54.3	40.3	+4	−7	24	30	44	49
Sweetpotatoes	Pound	7.8	7.3	9.9	6.5	+7	−21	40	40	45	42
Tomatoes	do	18.8	16.9	18.4		+11	+2	39	34	40	
Peaches, canned	No. 2½ can	27.8	28.0	27.8	26.2	−1	0	16	16	18	17
Orange juice, canned	46-ounce can	25.2	26.1	23.8		−3	+6	27	26	26	
Corn, canned	No. 303 can	15.9	16.0	16.1	14.0	−1	−1	15	15	16	16
Peas, canned	do	18.1	18.1	18.3	18.4	0	−1	15	15	14	14
Tomatoes, canned	No. 2 can	14.2	14.3	15.0	13.8	−1	−5	18	17	18	19
Beans with pork, canned	16-ounce can	11.6	11.6	11.6		0	0	19	19	19	
Orange juice concentrate, frozen	6-ounce can	12.9	[1] 15.2	13.7		−15	−6	30	[1] 29	26	
Strawberries, frozen	12 ounces	27.1	26.9	28.5		+1	−5	27	28	25	
Beans, green, frozen	10 ounces	19.6	19.3	19.5		+2	+1	20	20	20	
Peas, frozen	do	16.0	[1] 16.0	[1] 16.0		0	0	17	17	17	
Dried prunes	Pound	19.5	19.0	17.7	14.3	+3	+10	34	35	38	38
Navy beans	do	9.2	9.7	8.8	10.2	−5	+5	47	44	47	49
Margarine, colored	do	20.8	20.8	20.3	27.3	0	+2	31	30	31	31
Peanut butter	do	29.5	29.7	29.5		−1	0	40	40	40	
Salad dressing	Pint	27.1	26.1	25.8	27.8	+4	+5	24	25	25	26
Vegetable shortening	Pound	23.2	22.6	21.3	25.7	+3	+9	33	34	36	37
Corn sirup	24 ounces	19.9	19.9	19.8		0	+1	16	15	16	
Sugar	5 pounds	32.1	32.3	32.4	29.0	−1	−1	39	39	38	40

[1] Revised.

[6] See table 14, p. 35, for revised data.

The second table (table 4) deals with the marketing margins and the farmer's share of the retail costs for specified periods, the marketing margin being the difference between the retail price paid by the consumer and the payment to the farmer for equivalent products.

These estimates by the Department of Agriculture of charges made by marketing agencies for assembling, processing, handling, and distributing farm products, indicate that the farmer's share of the consumer's food dollar varies widely as between commodities.

United States consumers get more and better food today with an expenditure of a smaller percentage of their total income than in any other period in history. Other data prepared by economists for the Department of Agriculture show that in 1914, the average factory employee could buy 3½ pounds of bread with 1 hour's earnings; in 1929, he could buy 6.4 pounds with 1 hour's earnings; in 1953, he could buy 10.7 pounds. A table prepared by these economists for other major foods, showing what 1 hour's average factory pay bought in 1914, 1929, and in 1953, is given below as table 5.

TABLE 5

	1914	1929	1953
Round steak—pounds	0.9	1.2	1.9
Pork chops—do	1.0	1.5	2.1
Butter—do	.6	1.0	2.2
Milk—quarts	2.5	3.9	7.5
Eggs—dozen	.6	1.1	2.5
Potatoes—pounds	12.4	17.7	32.6
Oranges—dozen	------	1.3	3.6
Bacon—pounds	.8	1.3	2.2
Tomatoes (No. 2 cans)	------	4.4	10.0
Cheese—pounds	1.0	1.4	2.9

The fact is that the largest reduction in the price of food in comparison with wages has occurred during the years of the development of the present farm programs which have had as their aim parity of income for agriculture and fair play for consumers. It is evident that consumers have gotten their greatest concessions in prices of food and fiber in the time of the growth of farm-income stability.

A 16-ounce loaf of bread sells at an average of 16 cents. The farmer gets 2¼ cents for the total wheat in the loaf. The price a farmer gets for wheat would have to be cut at least 75 cents a bushel to reflect a 1-cent reduction in the cost of a loaf of bread.

A cotton shirt selling for $3.95 contains about 30 cents worth of cotton. Cutting back the price of cotton would mean very little advantage to the buyer of a shirt, but it would be tough indeed for the cotton farmer.

A matter of principle

5. There is an issue of principle, major principle, between those who urge 90-percent price supports and those who favor supports at lower levels, whether such levels are set at 50 percent, 60 percent, 75 percent, or 82½ percent of parity.

The low-support advocates embrace, knowingly or unknowingly, blind faith in a principle that farmers must suffer low prices before they will curtail output of a commodity which is even temporarily in surplus. These advocates of either low or sliding-scale supports assume a far greater flexibility in the ability of most farmers to shift from one commodity or group of commodities to another commodity or group. They assume too readily that the commodity shifted to will be profitable. They fail to realize the tremendous investment that farmers now must have, to perform efficiently their function.

It is unreasonable to expect farmers to capitalize their operations with equipment enabling them to glide gracefully from one major type of farming to another. It would stimulate overcapitalization. They have been encouraged to become specialists, to devote their resources of energy, intelligence, and capital to the specialized fields of agriculture for which their land or ability is best suited. They have not been frozen into a rigid pattern of production, but the degree of flexibility which was characteristic of agriculture 30 and 40 years ago has substantially declined, while efficiency has increased.

Parity is flexible

The advocates of low or flexible support prices also ignore a fundamental principle of the parity concept, which is that parity prices for farmers rise or fall as prices vary up or down for the things farmers must buy. This concept of flexibility, as reflected in the parity index, is often little understood or overlooked.

It is true that the prices farmers pay for the goods they require in their business and for their living are relatively inflexible and, over a long period of time, have tended upward with declines rarely recorded.

The low-support advocates have become obsessed all too frequently with a concept which has gained the outward garment of truth only through frequent repetition that 90-percent supports are "high" and "rigid."

There are no segments in our society whose economic fortunes are dependent upon action which we may take who would be willing to accept 90 percent of what has been held to be a fair and reasonable return to farmers. The fact is that 90-percent supports do not guarantee prices at that level; they are often below the support level.

Thus, any careful analysis of the facts and the points of view expressed lead reluctantly to the conclusion that the advocates of lower support prices depend in the final analysis on the rationale of the small but determined group who oppose price supports entirely. This rationale presupposes that farmers forced to leave the land can readily be absorbed into industrial and other employment, that far fewer and far larger farms are in the Nation's long-range interest. We cannot concur with this conclusion.

It is true that support prices have assisted chiefly family-type farmers. Most of these produce a variety of crops, some of which are supported directly, some indirectly. The benefits of support prices have assisted these family-type farmers because they have provided some fixed points of reference, some relatively stable yardsticks of value for many of the components of their family-farming enterprises, much as minimum wage laws have been of value to workers whether they were in general or specialized lines of work at scales substantially above the minimum.

The importance of price-supported commodities to farmers on a State-by-State basis is well illustrated on a map presented by the House Committee on Agriculture and found after page 4 in the committee's report of June 26, 1954, House Report 1927.

It shows for the Nation as a whole that in 1953, 70 percent of the total value of crops produced and livestock marketed were protected by price supports, surplus-removal purchases, and marketing agreements.

"Without these price-stabilization activities farm income would have been $3 billion lower," the committee states. "This is equal to almost 25 percent of farmers' net realized income in 1953."

The level of support prices determined by this Congress will not only determine the prices received for the six basic commodities through 1955 but will affect directly and indirectly the prices of many other commodities. A temporary decline in feed prices may provide good fortune of very short duration to a feeder of poultry, hogs, dairy cows, or beef cattle. There is still enough flexibility in the production pattern of American agriculture to assure the existence of widespread appreciation of such an opportunity, should it prove to be more than short-lived, by others in near or even distant producing areas.

Feed consumers, including manufacturers of grain, know as a historic fact that times of low feed prices are not prosperous times, that overly cheap feed tends to drag down the Nation's farm economy, with nearly every segment of our population sharing in the distress which depressions create.

Will flexible support prices cure surpluses?

Because an erroneous assumption through frequent reiteration has come to win some acceptance as a truism, it is necessary to dwell again on the mistaken assumption of advocates of the flexible price-support program that of itself it will discourage production and help to remove surpluses.

Historical evidence, based upon past farm depressions and upon observation of the current, relatively inflexible production patterns of most farmers, indicates that lower supports and consequently lower prices will result in equal or high production by individual farmers.

Viewed in terms of the individual farmers, the answer is rather easy to find—it forces a response to circumstances where their need for funds to meet their minimum obligations becomes their primary motivation.

Had flexible support prices been in effect since 1952, there is no good reason to believe that our current surpluses would have been any less. Indeed, they may well have been larger because farm income is price times volume, and when prices decline the classic response of farmers is to increase output so as to earn enough to meet their obligations, farm expenses, family living costs, taxes, support of churches and schools.

Agricultural history is rampant with instances of farmers offsetting lower prices by increasing output. During the great depression, as prices declined acreages devoted to the principal crops tended to increase. Even when corn, wheat, cotton, tobacco, and other commodities hit sensationally low unit-price levels, farmers exercised the single alternative available to them under those trying circumstances, to attempt to offset the price decline by producing more.

We feel, too, that there is error in the argument of some who urge flexible supports, or even 82½ percent supports, on the theory that these will result in fewer governmental controls. They really seek to embrace ruthless price competition among farmers as the chosen instrument for adjusting production downward. This is neither fair nor justified without a fair trial of control programs that are administered largely by farmers themselves.

Because lower support prices of themselves have little effect—or even the opposite effect—in achieving the objective of reduced production to put supply in line with effective demand, it is evident that about the same controls will have to be employed, whether supports are firm or flexible, whether they are cast at 60, 75, 80, 82½, or 90 percent of parity.

There is no magic in these figures so as to set aright quickly and easily the problem which has come in the wake of a tremendous expansion of our farm production to meet World War II and postwar and Korean needs. The task before us is to facilitate with the least tragedy, the least uprooting of families who have chosen farming as their way of life, the realistic adjustment of supply to current and prospective effective demand.

Because of this, we are not proposing any significant change in the adjustment programs in connection with 90-percent supports for the basic crops. They are about those called for under the 1949 law. That law, unless affirmative action on this bill is taken by Congress at this session, would automatically usher into effect in 1955 flexible 75 to 90 percent support prices with all of their unproved claims of efficiently adjusting supply to demand.

Subsidy or investment?

The price-support program, whether at 90 percent or a lower figure, will involve some governmental expense. The difference in costs between supports at 82½ and 90 percent would lapse into insignificance compared with the difference in farm prices and income should the lower support rate be enacted.

Opponents of supports of any kind are fond of referring to the programs of the Commodity Credit Corporation as subsidizing agriculture.

Actually, by placing emphasis on balancing production to need, the costs of a farm program will be chiefly reduced, irrespective of the support level. Yet, while we seek to reduce these costs, we need offer no apology for the principle of employing a subsidy to achieve desirable results through governmental activity relating to this farflung industry involving about 5 million farms and many millions of farm people.

Congress in 1789 employed the subsidy principle to encourage the development of a merchant fleet. The catalog of subsidies directed to business and industry over the years is very long. Since World War II, Congress has been faced repeatedly with the necessity of providing subsidies for business and industry, much of it for business reconversion. Most of these can be justified for significant national objectives, and this is no less so in the case of agriculture.

A continuation of price supports, enabling agriculture to adjust its production to current requirements, may be called a subsidy, but it is actually an investment which benefits not only agriculture but our economy as a whole. A depressed agriculture is no asset in an economy seeking to grow and prosper.

Farm price supports and surplus removal operations in the last 20 years have cost less than 1 percent of the value of the crops and livestock marketed. Many obvious advantages resulted, not the least of which has been our relative abundance of food at reasonable prices and our freedom from scarcity. In partial recompense for our investment in price supports, this country and its allies during and after World War II and Korea were protected with respect to their supply of food and fiber beyond any performance recorded in human history. It has been insurance at very low premium cost, and to cancel this policy now is neither necessary nor wise.

The fact is that the cost of these programs over a period of years is small when compared with expenditures for foreign aid or our military budget.

Attitude of farmers

Farmers responsible for production of major crops have repeatedly indicated their willingness to cooperate with the Government in programs to adjust production in an orderly manner. Patience is now the chief need because a vast and complicated agriculture cannot respond quickly or surely to any program.

Cotton producers, by a vote of 458,382 to 29071, voted to abide by quotas and reduced their acreage from 27 million acres in 1953 to 21,379,000 acres in 1954. The Department of Agriculture recently reported that, based on July 1 estimates, the acreage in cotton this year is 19,961,000 acres, or about 93 percent of the 1954 allotment. This is an impressive performance.

In the case of wheat, farmers voted 390,221 to 57,536 to reduce their 1954 wheat acreage to 62 million acres against 78 million acres in 1953. Their performance in relationship to the Government's request is well below the national allotment. The Department of Agriculture estimated as of July 1 that all wheat acreage for harvest would total 53,726,000 acres, or 79.5 percent of the 1953 acreage. The weather contributed to this result, but it is nevertheless an impressive display of cooperation.

Other producers, given an opportunity to vote on marketing quotas to make acreage allotments effective, have repeatedly indicated their willingness to cooperate with the Government in adjusting production to estimated demand rather than to follow the ruinous course of enthroning unbridled competition as the only sure method of relating supply and demand.

This development demonstrates, on the part of farmers, very deep thought over the causes and effects of farm depressions. It is a very serious matter for farmers whose alternatives are few and who are constantly subject to weather and other forces beyond their control.

It is neither wise nor necessary that American agriculture be sacrificed either whole or piecemeal to doctrines doubting the capacity of farmers to associate themselves in a great effort to meet the challenge of what may be temporary overproduction.

Surpluses may prove temporary

There are reasons to believe that in the course of a relatively few years farm surpluses may become a matter chiefly of historical interest. With the Nation's population increasing at a rate of about 2½ million persons per year and with some prospects of improved demand for our surplus products abroad as the populations and requirements of other nations increase, we can look forward with a degree of confidence that neither surpluses nor overproduction of farm commodities presents a chronic problem of permanent character.

The forecasters of doom in 1946, 1948, and 1949 proved wrong; if this Congress had listened then to those who foresaw immediate and costly surpluses, this country would have failed to meet the challenge of hunger that marked the years until midsummer of 1952.

During the period needed for patient adjustment, the farm segment of our population need not be sacrified to a lower order of prosperity than is available to other groups of our population. For nonfarming groups there are laws and devices of one kind or another which have come to win wide support in Congress, including accelerated depreciation for industry, minimum wages and maximum hours for labor, parity payments for maintaining our merchant marine and other subsidies, and assistance too numerous to recount. The costs incident to a failure to employ our authority wisely and courageously in the case of price supports could prove both large and unnecessary.

Production adjustments

The very substantial cuts in production which the Secretary of Agriculture has requested for next year in themselves will substantially reduce farm income by cutting back the volume which the farmer will market.

This reduction may to a large extent be necessary but should not be accompanied by a reduction in support prices which means reduced farm price levels and reduced market volume at one and the same time.

Indeed, the conviction grows that the proposals to reduce support prices starting with the next crop, in 1955, could not be more ill-timed. Prices would be cut when supports are needed most to sustain prices and farm income and to give farmers an adequate opportunity to contribute to national income and prosperity.

It requires no courage to support prices at 90 percent in wartime, when shortages abound and prices hover at parity. They proved useful then, the cost was small, the benefits very substantial. On some commodities, especially cotton, CCC realized a large windfall profit.

The test of courage is now, when farm production cannot taper off easily from war-created needs, when market prices are weak.

A retreat from 90-percent supports now when they are most needed will signal not alone weakness but the lack of resolute courage that waits not for depression to strike but, instead, attacks it boldly before it can win a single firm beachhead.

II. DAIRY PRODUCTS

Summary of provisions

Increase in the support level from the present 75 percent of parity to 85 percent on milk, butterfat, and the products of such commodities produced on and after September 1, 1954, and ending August 31, 1955. For the marketing years beginning September 1, 1955, and September 1, 1956, the Secretary of Agriculture is required to take into consideration new criteria in determining the level of price support. Price supports shall be provided through loans on, or purchases of, or for the period ending August 31, 1956, through payments to producers or processors of milk, butterfat, and the products of milk and butterfat. For the purpose of determining the level of price supports, provision is made for the continued use of the present computation of the parity equivalent of manufacturing milk.

Need for dairy supports

In proposing a level of price supports for dairy products at 85 percent for a new marketing year from September 1, 1954, to August 31, 1955, and establishing factors to be considered by the Secretary of Agriculture in determining the level for the subsequent 2 marketing years, the following vital considerations have been given weight:

1. To avoid drastic reduction of the price-support level, such as the drop from 90 percent to the minimum of 75 percent put into effect on April 1, with the resulting grave danger to the economic stability of this major segment of the agricultural economy.

2. To give the Secretary of Agriculture, in determiing the price-support level for future years, appropriate bases for discretionary consideration of various factors not provided in the present law.

3. To prevent drastic fluctuations in support levels that fail to consider the fact that production of adequate future supplies of dairy products depend upon long-range planning of herd development and cannot be adjusted in the space of a few months without resulting in economic disaster to the dairy farmer or unloading of dairy cattle on the market with resultant dislocation of the beef cattle market.

The dairy industry is such an important part of the agricultural economy that to fail to give consideration to its special needs would be shortsighted, if not worse.

The primary consideration in this legislation is not the convenience of the Government, but the needs of the dairy producers, who were encouraged to build up their production during the Korean crisis and the defense buildup and are today caught in a price squeeze of high costs and declining returns which threatens the security of many individual dairy farmers and the stability of what in many areas is the backbone of American agriculture.

Dairy farming is the basis of the family-type farm unit. If the dairy farmer cannot make an income commensurate with his great investment of money and of time in a producing herd, and if he is forced to take losses which are wholly unwarranted in the present high level of the general economy and which would not be reflected in any reduced prices of food to the consumer, we have become bankrupt in this country in dealing with the problems of Government as they relate to agriculture.

Moreover, milk and butter and cheese and all the byproducts of the dairy industry are vital to the well-being of our people. It is inconceivable that we should not take every possible step to keep this industry which produces these necessities of our diet and which contributes so much to the American standard of living, upon the highest level of productive capacity and of adequate take-home pay for those engaged in it.

The committee is cognizant of the many problems besetting the dairy industry and the commendable efforts made by the industry in working toward the solutions of these problems. The recommendations of the committee are designed to give encouragement to the dairy industry and provide a program that will assure a plentiful and healthful supply of dairy products for the American people and stabilize the economy for dairy farmers at a level which will provide a fair return for their labor and investment, taking into consideration the cost of items that farmers must buy.

It is important to note that the proposed change in the dairy price-support provisions of the Agricultural Act of 1949, which are proposed in this section, does not change the basic provisions of the flexible price-support provisions of 75 to 90 percent now in the law. It does, specifically, arrest the decline for the first year in accordance with the philosophy of the President as expressed in his message to Congress on the farm program that the changes and adjustments should not be abrupt and drastic but should be gradual in order to maintain stability in agriculture.

The committee has considered several meritorious suggestions which would contribute to the improvement of the present dairy situation. The absence of additional recommendations does not imply disapproval. As a matter of fact the committee supports the objectives of the various provisions of H. R. 9680 as passed the House of Representatives relating to domestic disposal programs, donations of surplus dairy products to military services and veterans' hospitals, an accelerated brucellosis eradication program, expansion of export trade, and a study and report to the Congress by the Secretary of Agriculture on methods of production controls and price supports, including programs to be operated and financed by dairy farmers. The committee recommends that these objectives be considered in conference.

Analysis of section 203

Section 203 contains the following provisions:

Support level: The level of price support for whole milk, butterfat, and its products produced on and after September 1, 1954, and ending August 31, 1955, shall be not less than 85 percent of parity. Establishing the price-support level at 85 percent will conform to the principle of orderly transition or gradualism so as to prevent undue economic hardship.

For the marketing years beginning September 1, 1955, and September 1, 1956, the Secretary of Agriculture shall take into consideration new criteria in determining the level of price support between 75 and 90 percent of parity. In establishing the 75-percent level for the marketing year beginning April 1, 1954, the Secretary indicated he had no other alternative under the terms of existing law which provide that the price-support level shall be established at such level as the Secretary determines necessary in order to assure an adequate supply. The new set of factors will provide more flexibility in making the determination of the price-support level.

Additional method of support: Under present price-support operations the proposed 85 percent price-support level might result in slightly higher prices of dairy products to consumers, although the drastic drop to 75 percent did not benefit the consumer very much nor substantially increase consumption. In order that the increased support level need not increase consumer prices, the committee, in addition to the present loans and purchases operations, authorizes price supports to be provided through payments to producers or processors of milk, butterfat, and the products of milk and butterfat. It is the intent of the committee that the term "producers" includes cooperatives where dairy farmers are cooperatively organized.

New marketing year: The committee has modified the present marketing year so as to start on September 1 instead of April 1, as heretofore. Whereas April 1 historically is the approximate period of in-storage movement of butter or the low-storage point, September 1 is the period of out-of-storage movement and, therefore, is logically the date to consider in establishing the support level based on stocks on hand. It seems wise to put any price support change into effect in September, rather than April, for the production is on a much lower level then and a more stable market relationship would result. At the same time, difficulties encountered by the Department of Agriculture in past years when the marketing year conformed to the calendar year would be avoided.

School milk: As a supplemental means of supporting dairy prices, the committee provides for increased consumption of fluid milk by children in nonprofit schools of high-school grade and under. The Commodity Credit Corporation is authorized to use out of its funds not to exceed $50 million annually for the next 2 years for such purpose.

III. FEED GRAINS

Preserving feed value relationships

Section 204 specifies that price supports shall be made available to 1955–56 crops of oats, rye, barley, and grain sorghum at not less than the level the Secretary of Agriculture shall determine is the feed-value ratio equivalent to corn.

Our purpose is to maintain a balance between price-support levels of the feed grains

so that economic pressures will not be built up that will endanger the programs for these and other crops that compete for land, capital, and labor resources and for the market.

Producers of feed grains, who have seen their selling prices drop so much the past few years, deserve and need the assurance of mandatory support programs.

Drop in prices

Average prices received by farmers for feed grains, comparing the average of January 1947 to December 1949, with prices on June 15, 1953, and June 15, 1954, were:

Commodity	January 1947 to December 1949 average	June 15, 1953	June 15, 1954
Corn, per bushel	1.64	1.46	1.49
Barley, per bushel	1.37	1.16	1.05
Oats, per bushel	.852	.705	.735
Rye, per bushel	1.82	1.28	.990
Grain sorghum	2.53	2.39	2.27

Without specific support programs for the secondary feeds, the entire job of supporting the feed-grain market falls on the corn program.

In years prior to 1953, this was prevented under discretionary legislation by administrative order setting the level of supports for secondary feed grains at the feed equivalent ratio to corn. However, we do not approve of the way in which price supports on the feed grains have been varied for the 1954 programs. We feel that these manipulations will have the effect of setting commodity group against commodity group, with the ultimate result of splitting asunder those in the Congress who have traditionally supported farm legislation.

We have included section 204 in the bill just to be sure that orderly markets will be restored, and will be maintained in the next 2 years. Doing so actually will reduce costs of price supports and cut down on the amount of surpluses that might otherwise be accumulated under the corn program.

Actual comparative feed values

The experts in animal nutrition at our Federal experiment stations and at our State land-grant college experiment stations have worked for years to develop the actual pound-for-pound comparative feed value of all of these supplemental and competitive feeds. This ratio in terms of price is called the feed-value equivalent. Following is the accepted feed-value equivalent of each of these secondary feeds compared to corn, with the feed-value equivalent prices to corn at 90 percent of old parity—the effective parity for corn:

Commodity	Feed-value equivalent	Feed-value prices equivalent to corn supported at 90 percent
	Percent	
Corn	100	$1.62
Barley	94	1.30
Oats	88	.81
Rye	85	1.38
Grain sorghum, per hundredweight	99.67	2.88

Distortion in relationships between the secondary feeds and corn has occurred due to the support of corn under old parity, and the support of the other feed grains under the transitional or new parity.

For example, barley, oats, and grain sorghums were all supported at 85 percent of parity in 1953. Under the administrative discretion of the Secretary, support prices announced for 1954 on barley, oats, and grain sorghums are at the same percentage, but of a lower parity price because these three feed crops have been on transitional parity. In terms of pricing, as a result, oats support is down 5 cents per bushel in 1954 over 1953, barley is down 9 cents per bushel, and grain sorghums are down 15 cents per hundredweight. No substantial change was shown in rye because it had already reached the bottom of the transitional slide downward in 1953.

Differences in parity prices

Following are parity prices on feed grains comparing the old and new parity formula, calculated as of February 15, 1954, data:

Commodity	Old parity	New parity
Corn	1.80	1.61
Barley	1.73	1.36
Oats	1.12	.877
Rye	2.02	1.71
Grain sorghum	3.39	2.54

How the price relationships between secondary feed and corn have been distorted is shown by the following table:

1954 support price compared with feed-value equivalent price

Commodity	1954 support price	Equivalent price
Corn	1.62	1.62
Barley	1.15	1.30
Oats	.75	.81
Rye	1.43	1.38
Grain sorghum	2.28	2.88

Obviously, the "feed-value equivalent" in terms of price relationships, among these competitive and supplemental feeds, and between all of them and corn supports at 90 percent of parity, has been weakened.

Normally, when oats, barley, grain sorghums, or rye are priced too low in relation to corn, either corn comes down or the others come up to the "feed-value equivalent" price. Oats, barley, and rye don't in fact come up in price by reason of our substantially "open door" for imports of those crops, principally in recent years from Canada.

The end result of this rather involved disjointing of the pricing situation is that the lower priced feed grains, competitive with corn, will move in greater volume into the market areas of normal corn consumption, which in turn will leave constantly greater supplies of corn in the Commodity Credit Corporation's inventory.

Assures keeping balance

Section 204 will not increase the cost of the price-support program nor add to the quantity of the so-called surpluses. In fact, section 204, if enacted, will reduce both the cost and the supply accumulation under the corn-support program, by assuring that other feed grains are kept in balance.

Following are the estimated support prices under section 204, figured in dollars and cents and percent of old parity on the basis of the feed-value equivalent to corn supported at 90 percent of parity:

Commodity	Dollars and cents	Percent of old parity
Corn	1.62	90
Barley	1.30	75
Oats	.81	72
Rye	1.38	68
Grain sorghum	2.88	84

Without section 204 the entire operation of holding up the market prices of the feed grains will fall upon the corn program. With section 204, all their grains will accept the full share and an orderly market structure will be restored.

Even without section 204, effective administration would call for setting the support levels for the secondary feed grains at the relationships specified by the section. We wrote this section into the bill to be sure that the principles of good administration were put into effect.

Conforms to President's aim

We believe this provision is completely in accord with the views of President Eisenhower, as expressed at Kasson, Minn., on September 6, 1952, when he said:

"As provided in the Republican platform, the nonperishable crops so important to the diversified farmer—crops such as oats, barley, rye, and soybeans—should be given the same protection as available to the major cash crops."

Mr. YOUNG.
Mr. THYE.
Mr. MUNDT.
Mr. ELLENDER.
Mr. JOHNSTON of South Carolina.
Mr. EASTLAND.
Mr. CLEMENTS.
Mr. HUMPHREY.

Mr. AIKEN. Mr. President, I am certain that all of us are very happy that at last the farm bill is before the Senate for action. I am certain we all hope that within the next 2 or 3 days we may send from the Senate a bill which will insure permanent stable prosperity, and freedom of action for American farmers.

I understand that the pending business is the committee amendment, which is offered in the form of a substitute for S. 3052.

The PRESIDING OFFICER. The Senator is correct.

Mr. AIKEN. Believing that we might as well face the main issue immediately, and ascertain where we stand, I call up my amendment 7-19-54-C, which I offer for myself and on behalf of the Senator from Iowa [Mr. HICKENLOOPER], the Senator from Delaware [Mr. WILLIAMS], the Senator from Kansas [Mr. SCHOEPPEL], the Senator from Idaho [Mr. WELKER], the Senator from Florida [Mr. HOLLAND], and the Senator from New Mexico [Mr. ANDERSON].

I call attention to one error in the introductory language of the amendment. The reference to the amendment as being on "page 2" should be a reference to "page 21," for that is where the amendment applies.

I ask that the amendment be stated, and that it be made the pending business.

The PRESIDING OFFICER. The clerk will state the amendment.

The CHIEF CLERK. On page 21, in the committee amendment, it is proposed to strike out lines 14 through 19, inclusive, and insert the following:

SEC. 201. Section 101 (d) (6) of the Agricultural Act of 1949 is amended to read as follows:

"(6) Except as provided in subsection (c) and section 402, the level of support to cooperators shall be not more than 90 percent and not less than 80 percent of the parity price for the 1955 crop of any basic agricultural commodity with respect to which producers have not disapproved marketing quotas; within such limits, the minimum level of supports shall be fixed as provided in subsections (a) and (b) of this section."

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Vermont, for himself and on behalf of other Senators, to the committee amendment.

Mr. AIKEN. Before I discuss the amendment, I shall discuss briefly the features of the committee amendment to the bill which was reported by the Committee on Agriculture and Forestry, and which is the pending business, to which I have offered an amendment on behalf of seven members of the committee.

The bill itself contains many provisions on which we could all agree. I shall go through the bill, provision by provision, without going into detail to any extent.

There is included in the bill a provision for setting aside certain amounts of agricultural commodities which are now owned by the United States Government. These commodities are wheat, cotton, cottonseed oil, butter, powdered milk, and cheese. This is in accordance with the recommendation of President Eisenhower, and the effect of setting these commodities aside would be to take them out of consideration in fixing minimum levels of support for such commodities in the future, or until they are disposed of.

The majority of the committee approved not only the continuation of 90 percent price supports for basic commodities for another year, but also approved the setting aside of these commodities. The minority of the committee does not approve of the setting aside of these huge amounts of surplus commodities if 90 percent rigid supports are continued after this year.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. HOLLAND. In order that there may be no misunderstanding of the Senator's earlier remark, is it not true that the President's recommendation for the set-aside is based upon the clear condition that flexible price supports shall be adopted for five of the basic commodities?

Mr. AIKEN. That is exactly true. The President made it perfectly plain that he does not approve of the set-aside unless flexible supports take effect after the year 1954.

Mr. CASE. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. CASE. I am a bit confused by the page number printed in the text of the amendment.

Mr. AIKEN. The amendment is on page 21. There is a misprint in the text.

Mr. CASE. Should it be page 21 instead of page 2?

Mr. AIKEN. That is correct.

As I have said, the majority of the committee—that is, eight members of the committee—approved the continuation of the 90 percent rigid supports for basic commodities for the year 1955. Seven members of the committee disapproved it, and an amendment will be submitted to carry out our point of view.

The next provision to which I wish to call attention is one which affects long-staple cotton. Section 202 would set the price support for long-staple cotton at the minimum determined in accordance with the schedule set out in section 101 (b) of the Agricultural Act of 1949.

The reason for that is that producers of long-staple cotton came before our committee and asked us to adopt a provision which would not freeze their long-staple cotton at a higher price. They said they would rather have the market price than the maximum support price; and the committee accommodated them in that respect.

Mr. EASTLAND. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. EASTLAND. Under the Senator's amendment, what should be the support price for wheat?

Mr. AIKEN. I shall come to that before long, if the Senator will remain in the Chamber.

Mr. EASTLAND. I shall.

Mr. AIKEN. I shall come to that subject within 10 minutes. I wish to make that clear, because it is important to a great many people.

Mr. EASTLAND. While the Senator is on the subject of cotton, has he any figures to show how much the consumption of cotton would be increased, if at all, by a reduction in the level of price supports?

Mr. AIKEN. Frankly, under the flexible support provisions which a minority of the committee proposed, the consumption of cotton probably would not be increased or decreased at all, because the level of support would be exactly the same for the next 2 years as it is under rigid supports.

Mr. EASTLAND. Does the Senator mean 90-percent supports?

Mr. AIKEN. Ninety percent. So there would be no effect whatsoever.

Mr. EASTLAND. Why not leave it at 90 percent? Why write it into the law?

Mr. AIKEN. Why not change it when the transition can be made without having any disrupting effects whatsoever on the production of cotton?

Mr. EASTLAND. What is the transition to which the Senator refers?

Mr. AIKEN. The price support of cotton under the old formula and that under the new formula are so close that probably the producers would never notice that particular transition when it takes effect.

Mr. EASTLAND. The Senator means the transition from one parity formula to another, does he not?

Mr. AIKEN. No; I mean the transition from high, rigid, fixed supports to flexible supports in connection with our previous remarks.

Mr. EASTLAND. To lower supports?

Mr. AIKEN. To flexible supports. I shall make that clear before I get through. Every producer of basic commodities can get 90-percent supports for his crops under the flexible program if he will only keep his production in line.

Mr. EASTLAND. Keeping production in line depends largely on the weather, does it not?

Mr. AIKEN. The Senator from Mississippi has raised a great amount of cotton. I raised only one plant at one time, and it did not materialize, so I am no authority on cotton.

Mr. EASTLAND. I am not talking about cotton; I am talking about basic crops generally. The production of which depends mainly on weather. What the Senator's amendment proposes to do is to affect supports on crops which depend largely on weather for their production.

Mr. AIKEN. I think the Senator from Mississippi is completely in error. The Senator has made no claim that the proposal would be affected by the weather in any way.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. AIKEN. I yield to the Senator from North Dakota.

Mr. LANGER. Will the Senator inform us whether there are other amendments to be proposed, so we can study them in the meantime?

Mr. AIKEN. Yes; they are on the desks of Senators.

Mr. LANGER. There are amendments in addition to the one proposed by the Senator from Vermont?

Mr. AIKEN. There are 2 other amendments offered by 7 members of the Committee on Agriculture and Forestry. One of those 2 amendments would eliminate mandatory supports for small grains, which provision was inserted in the bill by a majority of 8 members of the committee. The other amendment would change the method of dairy supports to an entirely different one from that proposed by the majority of the committee.

Mr. LANGER. Has the distinguished Senator from Vermont any individual amendments to offer?

Mr. AIKEN. I shall offer three amendments. There are about a dozen amendments to be offered by individual Members.

Mr. LANGER. Does the Senator from Vermont intend to offer any other amendments?

Mr. AIKEN. I have no amendments in mind at this time other than the 3 I shall offer for the 7 members of the Committee on Agriculture and Forestry.

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator from Vermont yield?

Mr. AIKEN. I yield to the Senator from South Carolina.

Mr. JOHNSTON of South Carolina. In the proposed amendment the lowest price support for basic commodities would be 80 percent; would it not?

Mr. AIKEN. That is correct; and the highest would be 90 percent.

Mr. JOHNSTON of South Carolina. At the present time basic commodities are supported at 90 percent of parity; are they not?

Mr. AIKEN. They are fixed at 90 percent.

Mr. JOHNSTON of South Carolina. So the amendment would permit a reduction of supports. If the amendment were agreed to, it would allow the Secretary to slip the supports down to 80 percent. Is that not a fact? There is no use dodging the issue.

Mr. AIKEN. The Secretary of Agriculture would be required to fix the level of supports somewhere between the minimum level permitted by the law and 90 percent.

Mr. JOHNSTON of South Carolina. The amendment would permit the Secretary to lower supports below 90 percent. Is not that correct?

Mr. AIKEN. The Secretary would not have any right to lower the supports below the level fixed in the act.

Mr. JOHNSTON of South Carolina. Yes, but the amendment of the Senator from Vermont would give the Secretary the right to reduce supports on basic commodities below 90 percent; is that not a fact?

Mr. AIKEN. I shall cover that subject completely.

Mr. JOHNSTON of South Carolina. I wish the Senator from Vermont would answer the question "yes" or "no." Would the amendment of the Senator permit the Secretary to reduce supports on basic commodities below 90 percent?

Mr. AIKEN. The bill would give the Secretary no right to deviate from the formula fixed by law. The Secretary would have the right to fix supports for 5 of the 6 basic commodities somewhere between the minimum provided by the formula in the law and 90 percent. If the Senator from South Carolina is, as usual, thinking in terms of cotton, the Secretary would be given no right to lower cotton price supports below 90 percent of parity for the next 2 years. If the producers keep their crops in line, they will receive 90-percent supports indefinitely.

Mr. JOHNSTON of South Carolina. But the Senator from Vermont is proposing a sliding scale, so to speak; is he not?

Mr. AIKEN. If the Senator from South Carolina desires to paraphrase an expression of former Secretary of Agriculture Brannan—and I know the Senator from South Carolina does like to do so—he could probably call it a sliding scale.

Mr. JOHNSTON of South Carolina. The supports could vary from time to time. Is that correct?

Mr. AIKEN. The supports could slide either way.

Mr. JOHNSTON of South Carolina. Up or down, but when the support reached 90 percent of parity, it would stop?

Mr. AIKEN. Not necessarily. If the commodity is in short supply, the Secretary does not have to stop at 90 percent of parity.

Mr. JOHNSTON of South Carolina. The proposal of the Senator from Vermont would do that, would it not?

Mr. AIKEN. It is not proposed to change the law which permits the fixing of support prices at as high above 90 percent as necessary in order to get production for strategic purposes or in the national interest.

Mr. JOHNSTON of South Carolina. The formula proposed by the Senator would permit the supports to slip below 90 percent. The basic commodities are now supported at 90 percent.

Mr. AIKEN. If the Senator from South Carolina will desist long enough so that I may reach the point, I shall inform him just what the minimum support for the basic commodities could be in the year or two ahead, provided that the recommendations of the minority members of the committee are approved by the Senate and the House of Representatives.

Mr. JOHNSTON of South Carolina. I believe I am correct in my understanding that the Senator from Vermont is speaking as chairman of the committee on a bill reported by a majority of the committee. Is that correct?

Mr. AIKEN. Yes.

Mr. JOHNSTON of South Carolina. The chairman of the committee is handling a bill which he does not favor. Is that correct? I should like to have the record clear on that point.

Mr. AIKEN. If the Senator from South Carolina had been present in the Chamber, he would have heard the Senator from North Dakota [Mr. YOUNG] discuss the bill.

Mr. JOHNSTON of South Carolina. Very well.

Mr. AIKEN. Representatives of the long-staple-cotton industry requested that the bill be amended so that price supports for their cotton would be kept at the minimum permitted by law, because they preferred markets to high price levels and to seeing other countries take away the long-staple-cotton market because domestic producers are tied to higher price levels.

It was not proposed to change the law with respect to potatoes. As the law now stands, producers of potatoes are eligible for assistance with section 32 funds.

I remind my colleagues of the little program put into effect last spring by Secretary of Agriculture Benson, when he spent 2 or 3 million dollars to take surplus potatoes off the market. That action shot the price of potatoes up from 20 percent of parity to 100 percent of parity in a few weeks. On the 15th of July potatoes were selling, on a nationwide basis, at 99 percent of parity, without supports.

With regard to dairy products, it will be found that clause (3) of section 203 makes changes with respect to price supports for milk and butterfat. The provisions were put into the bill by a majority of eight members of the committee. They include some provisions which are completely unworkable, and which the minority members of the committee will ask to have removed. For example, the marketing year would begin on September 1, instead of April 1. That is a ridiculous change to make, when everybody in the dairy business in this country knows that the proper date on which to begin the marketing year is April 1, and not September 1.

Mr. THYE. Mr. President, will the Senator from Vermont yield for a question?

The PRESIDING OFFICER. Does the Senator from Vermont yield to the Senator from Minnesota?

Mr. AIKEN. I yield to the Senator from Minnesota, the Senator who insisted on changing the beginning of the marketing year from April 1 to September 1. I suppose he has heard from every creamery operator in his State since then. I have heard from plenty of them.

Mr. THYE. I have heard from quite a number of creamery operators, but some of them did not correctly understand the matter. When it was explained to them, they felt otherwise. For instance, Mr. Frank Stone, the president of Land-O'-Lakes, said the amendment I proposed seemed to be a sound and reasonable one—and there is no larger organization than Land-O'-Lakes. I have a letter to that effect from Mr. Frank Stone.

I would say to my distinguished friend that it is not of great importance to me whether the date is April 1 or September 1. But when the Secretary dropped the supports, following his statement of February 15, the processors' price dropped on February 16, but the processors went on shoving their production into the Commodity Credit Corporation at the rate of 90-percent price supports, and obtained the 90 percent, but the producers obtained only 75-percent supports during all that time. I did not want any such windfall to come to the processors and the centralizers, and that is why I offered the amendment changing the date from April 1 to September 1.

Mr. AIKEN. Mr. President, I shall not discuss the matter further at this time, because later we shall offer an amendment to strike out the dairy-products support provisions voted by a majority of the committee and insert a provision which in the minds of the minority members of the committee will be more workable.

However, I was interested in the reference made by the Senator from Minnesota to the Land-O'-Lakes organization. It seems to me it must have greatly expanded its market since the support level for dairy products was lowered from 90 percent to 75 percent, in accordance with the law, because for the months of April, May, and June of last year Land-O'-Lakes turned over to the Commodity Credit Corporation 11,981,197 pounds of butter. In 1954, for the corresponding period, Land-O'-Lakes found it necessary to sell to the Government only 8,561,759 pounds of butter, or 3,419,438 pounds of butter less than they sold to the Government in the corresponding 3 months of last year. That indicates they sold the rest of the butter to go on the consumers' tables, instead of putting it into Government refrigerators.

Now, let us consider cheese. Land-O'-Lakes also deals in cheese, and was guaranteed a support price for cheese last year and is guaranteed one for this year. This year the support price is lower. Last year, for the 3 months of April, May, and June, Land-O'-Lakes turned over to the Government 4,753,019 pounds of cheese. This year they turned over to the Government only 2,587,930 pounds of cheese, or a reduction of 2,165,089 pounds. So Land-O'-Lakes sold that much less cheese to the Government this year than it did last year. Land-O'-

Lakes sold 3½ million pounds of butter and over 2 million pounds of cheese to the market, instead of selling it to the Government, to be placed in Government refrigerators.

Mr. ELLENDER. Mr. President, will the Senator from Vermont yield?

Mr. AIKEN. I yield.

Mr. ELLENDER. The Senator from Vermont stated a moment ago that he would support an amendment to change the date from September 1 back to April 1?

Mr. AIKEN. We propose an amendment to let the date alone. The amendment will simply authorize the Secretary to support the price of fluid milk as well as the price of butter, cheese, and powdered milk.

Mr. ELLENDER. The Senator from Vermont stated he had heard from quite a few creameries who are opposed to the new date.

Mr. AIKEN. That is correct.

Mr. ELLENDER. Did the Senator from Vermont hear from any farmers about that?

Mr. AIKEN. I think I have heard from some farm cooperatives.

Mr. ELLENDER. As I recall, this change was being suggested by the distinguished Senator from Minnesota in order to give the farmers a better "break."

Mr. AIKEN. So far as that is concerned, I may say that most of the communications I have received, requesting high levels of support for dairy products, have come from creamery operators, rather than from dairy farmers; and today the condition of the dairy farmers of the Nation has improved enough since April 1, so that they are receiving 76 percent of parity for butterfat and 84 percent for fluid milk on a nationwide basis as of today. That means they will undoubtedly be receiving over 90 percent of parity for their fluid milk and over 80 percent of parity for butter within the next 2 months.

Mr. ELLENDER. To what does the Senator from Vermont attribute that difference in price? Does he attribute it to the fact that the support level is 75 percent?

Mr. AIKEN. I was going to save this, to tell it to the Senate later. The fact is that from April 1 up to this time there has been a very large culling of the dairy herds. In fact, the dairy farmers have culled their herds so heavily that the price of the lowest grade beef has been brought down again; and in the last 6 months there has been no increase whatsoever in the number of dairy cows in the United States. In the last 12 months there has been an increase of only 1.4 percent. There has been a 4-percent increase in the per capita consumption of dairy products up to this time. That has occurred since April 1.

Mr. ELLENDER. Does the Senator from Vermont mean the consumption of fluid milk?

Mr. AIKEN. I refer to the consumption of all dairy products. There has been a 4-percent increase in the per capita consumption since April 1.

In the case of butter, the increase is estimated anywhere from 5 percent up.

Mr. YOUNG. Mr. President, will the Senator from Vermont yield to me at this point?

Mr. AIKEN. I yield.

Mr. YOUNG. I wonder whether the Senator from Vermont will agree with an article which appeared in the Wall Street Journal under date of July 20, 1954. The article relates to the reduction in the production of butter. I now read part of the article:

> Butter's cost remains restrained by huge stocks. But in the week ended July 8, creameries churned out 5 percent less butter than the week before, in the fourth straight weekly drop. Production was 2 percent under a year ago; it was the first year-to-year dip since last September, reflecting heat's blow at pastures.

The article attributes most of the reduction in dairy production to the heat wave and the drought.

Mr. AIKEN. I think probably the percentages the Senator from North Dakota has stated are approximately correct, namely, there is approximately 3 percent less production of dairy products in the United States this year, and there is an increase of 4 percent in the overall consumption. That is bringing the supply and the demand closer together. I do not agree that it is due altogether to the heat wave. The heat wave would affect the production of dairy products in the States where the heat wave is acute. However, the heat wave has not struck the largest dairy States, with 1 or 2 exceptions, to any extent.

In New England and New York, one of the great dairy-products producing areas of the country, there has been cold, foul, wet weather this year, and pastures have been exceptionally good; and, for that reason, there has been increased production of milk, as compared with production last year.

In the case of Kansas, Missouri, and particularly Iowa, we find not only that the weather has been a little dryer and the pastures not so good, but there has actually been a reduction in the number of cows being milked, because the dairy farmers have been sending the poorer grade cows to slaughter.

Mr. HUMPHREY. Mr. President, will the Senator from Vermont yield to me?

Mr. AIKEN. I yield.

Mr. HUMPHREY. Does the Senator from Vermont recall that at the time when the Secretary of Agriculture made his announcement in regard to reducing price supports, he attributed much of the surplus production—and I recall quite specifically the release of February 16—to two factors: first, the unusually good pastures over the period of 2 years; second, the failure of the farmers to cull their herds, because of the low price of beef?

Mr. AIKEN. That is correct.

Mr. HUMPHREY. With that as a background, the Senator from Vermont points out that there is now more culling going on. That is true. One of the reasons for it is that the price of dairy products has come down, and it did not pay to keep the poorer animals in the herds. A second reason is the bad weather conditions.

As the Senator from Vermont well knows, the milk-marketing orders fundamentally affect the distribution and sale of milk products. In Minnesota, milk production is up. It is up because of good pastures and because of the availability of feed, and yet we are a surplus dairy-product producing area. What are we going to do with our dairy products, except put them into manufactured products?

Drought now exists in 14 States, whereas last year there was drought in 6 States. But this year there is drought in 14 States, and the drought area is still spreading. The pastures are poor, and the price of feed grains is high, and in some instances there is a shortage of feed grains at anywhere near a good price, as the Senator from Vermont knows. It is difficult for dairy farmers to remain in production, so there has been a drop in production.

I point out that the so-called sharp decrease in dairy production and the increase in consumption have little or no relationship to the dairy products price-support program.

Mr. AIKEN. I may say to the Senator from Minnesota that the latest release I have from the Department, relating to feed grains, indicates an unprecedented supply on hand. I may also say that one reason for overproduction in Minnesota at this time may be the fact that Minnesota is one of the States which has increased the number of milk cows within the last few months, whereas a good many of the States have decreased their number of milk cows. That is a very logical and proper thing for the dairy farmers in Minnesota to do, because Minnesota is a great dairy State.

Mr. HUMPHREY. One of the reasons they have increased them is that the effective price support in Minnesota on dairy products for whole milk last month—and I have the official figures—is $2.85 a hundred, with an effective price support of 61 or 62 percent of parity, and the only thing our farmers have been able to do, as the press reports indicate, with field surveys being made, is to expand production in order to be able to pay their bills. So we have increased production.

Mr. AIKEN. I cannot quite accept the the statement of the Senator from Minnesota that the increased production of milk in Minnesota is due to the lower support level, because I believe the official figures, based on the saving of increased numbers of heifer calves over the last 3 years, show that the State of Minnesota has been saving more heifer calves.

Mr. HUMPHREY. Yes.

Mr. AIKEN. The number of milk cows in Minnesota has gone up, according to the figures. There has been an increase of 2 percent over last year.

Mr. HUMPHREY. That is correct.

Mr. AIKEN. Dairy farmers do not raise milk cows between April 1 and August 1.

Mr. HUMPHREY. No; but they can be sold if there is a good market, and

the market is not good because of the depressed prices. In other places they are not being bought. Our people kept their milch cows. One does not start milking a calf the first day or the first week; he must wait until it is time; and those calves will become available for increased production. Instead of being sold off, they must be used for the production of milk in order to pay the bills. A newspaper in our State which has supported the administration's program historically, in a recent survey covering the entire State of Minnesota, showed specifically by an on-the-spot county-by-county study that what I have pointed out has been happening, namely, that production has been increasing in order to pay the cost of operation. I refer to the Minneapolis Tribune and Star report.

Mr. AIKEN. I do not know where the Senator's figures come from, but let me read this:

> The stimulus of past high prices continues. Since dairying is a biological enterprise, adjustments cannot come rapidly. Nevertheless, there are indications that downward adjustments in production are being made. Even during a lush pasture season, United States milk production in June, historically the month of peak production, was down 3 percent from May. In the important midwestern States of Wisconsin, Minnesota, and Iowa, June production was down 4 percent, 3 percent, and 2 percent, respectively, from the levels of the preceding months.

If the Senator from Minnesota [Mr. HUMPHREY] is correct in saying there is increased production of milk in his State, then he is differing with the Agricultural Marketing Service.

Mr. HUMPHREY. Wait a minute. The Senator is taking June and May. Let us talk about April and July, too. There are more than the months of June and May in the year, and there are all kinds of seasonal factors involved in this industry.

Mr. AIKEN. Production has fallen in July.

Mr. HUMPHREY. All the figures of the Department of Agriculture on the overall national drop in milk production are much more closely related to the weather than to Mr. Benson. Mr. Benson did not have a thing to say about the weather, and for that we can be thankful. Let us not fool ourselves. Pasture conditions, even in the States of Virginia and Maryland, where a great deal of butter products and milk products are produced, are the worst they have been for years. The newspapers of 2 days ago reported that the pastures had literally been saved by the week-end rains. It was common knowledge.

Mr. AIKEN. Let me say to the Senator from Minnesota, and all other Senators that if the figures of the United States Department of Agriculture are correct, there has been a greatly increased consumption of dairy products during the past month or two.

Mr. HUMPHREY. Of course.

Mr. AIKEN. I base those figures on the amount of dairy products which the Commodity Credit Corporation had to purchase from those who could find no market in July 1953, and the amount it had to purchase this year.

In July 1953 the Commodity Credit Corporation purchased 50,200,000 pounds of butter. In July of 1954 the Commodity Credit Corporation purchased 35,300,000 pounds of butter.

Mr. HUMPHREY. Will the Senator relate that to the total production figures?

Mr. THYE. Mr. President, will the Senator yield?

Mr. AIKEN. I have not yielded; I have not finished with the purchase figures on cheese. When I finish with them I will yield, Mr. President.

In July 1953 the Commodity Credit Corporation purchased 42,500,000 pounds of cheese. In July 1954 the Commodity Credit Corporation purchased 22,900,000 pounds of cheese, or only about half as much. What became of that cheese and butter?

Mr. THYE. Mr. President, will the Senator yield so that I may ask a question?

Mr. AIKEN. I yield.

Mr. THYE. The Senator does not suppose the producers were hopeful and optimistic that this Congress might raise the supports?

Mr. AIKEN. I am sorry to hear the Senator from Minnesota talk that way. The Senator certainly would not be a party to permitting the creamery operators of Minnesota to make a killing that would mean millions of dollars coming out of the pockets of the taxpayers and the public, would he?

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. AIKEN. Does the Senator mean they are holding back their cheese or that they are going to hold it back, until after the first of September? Are they holding back their butter, keeping it off the public market, waiting for the Senator to get the price up so that they can make 10 cents a pound for absolutely nothing at all? The Senator would not do that.

Mr. THYE. Mr. President, I can answer my distinguished friend from Vermont in this way: All the Senator has to do is to look back and see what they did between February 15 and the 1st of April; that is all I have to say on that subject.

Mr. HUMPHREY. I think that is correct.

Mr. AIKEN. I am certainly amazed that either Senator from Minnesota would be a party to any game like that.

Mr. WILLIAMS rose.

Mr. HUMPHREY. Mr. President, will the Senator yield, before his amazement wears off?

The PRESIDING OFFICER. The Senator from Vermont has the floor.

Mr. AIKEN. I yield to the Senator from Delaware.

Mr. WILLIAMS. Mr. President, I ask the Senator from Vermont if it is not a fact that the 90-percent theory of parity on basic products was invented during the war, with the thought that it would stimulate production on the farms? Is it not a further fact that it did stimulate production by holding the price at 90 percent during the war?

Mr. AIKEN. That was the aim of all price supports then. Now they have come to be regarded as relief measures, rather than for the purpose of increasing production.

Mr. WILLIAMS. I should like to ask the Senator also, if it is not a fact that since Secretary Benson has reduced the price supports on dairy products, production has gone down and consumption has increased in proportion?

Mr. AIKEN. The production of dairy products has gone down lately, as compared with the corresponding period of last year, and consumption has gone up 4 percent, and that is rapidly putting dairy production and dairy consumption into balance. If we will not go off on some crack-brained scheme of offering the farmer-voters more money, we shall find in a few months' time that the dairy farmers of this country will be in a sound, as well as an independent, position so that they will be selling their products to the consumers of the United States, and they will not be putting more billions of pounds into Government refrigerators, when we do not know whether we shall ever use them or not.

Mr. YOUNG rose.

Mr. WILLIAMS. Mr. President, will the Senator yield at this point?

Mr. AIKEN. I yield first to the Senator from Delaware, and then to the Senator from North Dakota.

Mr. WILLIAMS. Are not the conditions described by the Senator exactly the conditions which are in the best interest of the dairy farmers, and the conditions which Secretary Benson predicted would prevail if we put this program into effect?

Mr. AIKEN. Certainly. The dairy farmers are averaging 84 percent for the Nation as a whole in prices for their milk today. If we leave the dairy farmers alone and leave the market alone, simply giving the Secretary of Agriculture authority to step in and buy milk for the school-lunch program and other purposes when necessary, we shall find that by the end of this marketing year the average price for the whole United States for dairy products will be between 90 and 100 percent.

Mr. YOUNG. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. YOUNG. Does the Senator from Vermont believe there is a surplus of dairy commodities now?

Mr. AIKEN. There still is. We have a surplus in our Government refrigerators.

Mr. YOUNG. Was there a surplus of such commodities a year ago?

Mr. AIKEN. There was.

Mr. YOUNG. Would the Senator from Vermont agree with this statement, which was made in September 1953:

> Dairying again looks more attractive as compared with beef cattle. More farmers will apparently be seeking the stability and security of income which milk cows produce under good management. New farmers and those who have not established a financial position should be encouraged to consider dairying. It is an enterprise especially adapted to family operated farms.

That statement was made by Under Secretary of Agriculture True D. Morse at the 1953 convention of the Grain & Feed Dealers National Association, Galveston, Tex., on September 22 of last year.

Does the Senator from Vermont agree with Under Secretary Morse the farmers should have been increasing dairy production last year?

Mr. AIKEN. I think we are soon going to bring production in line with consumption of dairy products in this country, and then there is going to be no better course for our agricultural industry than to continue to expand our dairy and livestock industry to keep pace with the growing population.

The dairy industry is one of the safest businesses a young man can get into today, but he has to sweat it out for 3 months or possibly 6 months more, because we have more than 1 billion pounds of powdered milk, cheese, and butter in Government refrigerators today.

Mr. YOUNG. Would the Senator from Vermont agree with this statement by Under Secretary Morse:

> New farmers and those who have not established a financial position should be encouraged to consider dairying?

Why did the Under Secretary of Agriculture make such a statement less than a year ago?

Mr. AIKEN. Because a person cannot go into dairying overnight. Secretary Morse apparently looked forward to the time when the production and consumption of dairy products in this country would come into balance. A person must get into the business a year or 2 ahead of time, and it does require money.

Mr. YOUNG. I cannot understand that conclusion.

Mr. HUMPHREY. Mr. President, will the Senator yield for a simple question?

Mr. AIKEN. I yield for a question.

Mr. HUMPHREY. This will be a simple arithmetical question.

Will the Senator from Vermont tell me all about the sharp decline in the price of fluid milk, bottled milk, which has taken place in the case of milk delivered on the doorsteps for the little babies and boys and girls? Will the Senator tell me all about the drop in the price of fluid milk? Will the Senator tell me, for example, about the price drop in Washington, D. C.?

Mr. AIKEN. I have not heard of any great drop in the price of fluid milk.

Mr. HUMPHREY. Why has the price of fluid milk not dropped? Do the people not drink more milk and eat more butter and cheese?

Mr. AIKEN. The price of fluid milk dropped 2 or 3 cents.

Mr. HUMPHREY. When?

Mr. AIKEN. During the spring.

Mr. HUMPHREY. During the spring?

Mr. AIKEN. Yes.

Mr. HUMPHREY. Let us talk about the period after April 1. Does the Senator from Vermont see any trend? Can the Senator produce any conclusive evidence covering a period of 3 or 4 months? Can the Senator show me any evidence that the price of fluid milk has dropped?

Mr. AIKEN. The price of fluid milk in most of the metropolitan areas drops from about January 1 until the end of June. Then the price gradually rises from July 1 until January 1.

Mr. HUMPHREY. Is there any difference in the trend now?

Mr. AIKEN. It does that year after year.

Mr. HUMPHREY. Is there any difference in the trend now? I read in the paper the other day that the price of fluid milk had gone up in New York City; that the price of fluid milk had gone up in San Francisco, Calif.; and that the price of fluid milk had gone up in Washington, D. C.

The Senator from Vermont talks about all the dairy products we have in storage. What is the economic effect upon the consumer of the prices established for fluid milk under the reduction made by Secretary Benson? More people drink milk than eat cheese.

Mr. AIKEN. The price of milk in various metropolitan areas is regulated by the States and not by the Federal Government. We would have to change the Constitution of the United States before the Federal Government could step in and alter that situation.

Mr. HUMPHREY. Is the price of milk not also regulated by marketing orders?

Mr. AIKEN. I beg the Senator's pardon.

Mr. HUMPHREY. Is not the price of milk pretty much regulated by marketing orders?

Mr. AIKEN. It is not.

Mr. HUMPHREY. Does the Senator deny that marketing orders have an effect upon the price of milk?

Mr. AIKEN. If the Senator from Minnesota means State marketing orders, they do have an effect. If the Senator means the minimum price fixed by the State, that would be so.

Mr. HUMPHREY. I refer to the Federal marketing orders also.

Mr. AIKEN. No. Marketing orders cannot be restricted as to area. Any dairyman in Minnesota or in North Dakota or Montana can ship milk into the Boston market at any time, so far as the marketing order is concerned.

Mr. HUMPHREY. Provided he can meet the specific regulations.

Mr. AIKEN. The health specifications of the cities; yes.

Mr. HUMPHREY. Such as the health regulations in the District of Columbia?

Mr. AIKEN. That is correct. That is why I say the local health regulations, instead of the marketing orders, make it possible.

Mr. HUMPHREY. We shall go into that subject later.

Mr. AIKEN. Also, railroad rates have a very great effect, because it would cost $2 a hundred to ship milk from Minnesota to New York City.

Mr. HUMPHREY. I wish to ask one final question. Has the consumption of fluid milk increased?

Mr. AIKEN. Over the country, yes. It has not increased in the New York area, as I understand.

Mr. HUMPHREY. Over the Nation as a whole it has increased?

Mr. AIKEN. It has increased.

Mr. HUMPHREY. Over the Nation as a whole since July 1 the price of milk has gone up, has it not?

Mr. AIKEN. I presume so.

Mr. HUMPHREY. All right. Then can the Senator explain his argument that lower prices result in increased consumption?

Mr. AIKEN. Consumption has increased partly because of the increased population and partly because the dairy industry is putting on a multi-million-dollar campaign in an effort to get its share of the market away from the beer producers, the coffee sellers, and the tea sellers.

Mr. HUMPHREY. All right.

Mr. AIKEN. They are trying to get their share of the market. For years, while they have been guaranteed a 90-percent support for their processed products, they have simply laid down on the job and have not made any effort to get any other market than the United States Treasury or the Commodity Credit Corporation.

Mr. HUMPHREY. Did not the American Dairy Association start its advertising campaign long before the reduction in price supports took place?

Mr. AIKEN. It is my understanding that the main campaign began the first week in June of this year, and that it will probably reach its height in September or October, this fall.

Mr. HUMPHREY. I was invited to a meeting with regard to this problem at Chicago, I believe in March of this year.

Mr. AIKEN. There have been preliminary meetings. Preliminary plans have been made. Planning has been going on ever since February 1953, when Secretary Benson said he would take a chance on extending the dairy supports at 90 percent for 1 year more, if in return the dairy interests of the country would undertake to put on a great campaign to put their house in order.

It requires a year to get a campaign like that under way, and advertising men tell me it takes 2 or 3 years to get the maximum results.

Mr. HUMPHREY. I think the Senator from Vermont is correct. I ask the Senator to face up to the economics of the problem. The advertising has been wonderful and we have all supported that program. However, milk is no longer obtained, as it was 25 years ago, in buckets. Today, for human consumption, milk is delivered in bottles. The truth of the matter is that with regard to fluid milk in bottles, or in dispensers for human consumption, while prices have gone up consumption has likewise increased; and while the overall amount of dairy products sold to the Government in processed products has decreased, as the Senator pointed out, so has the overall production of dairy products decreased.

Mr. AIKEN. That is right.

Mr. HUMPHREY. I believe any objective analysis would reveal that the lowered price supports have had but one effect—lower income.

Mr. AIKEN. The prices of dairy products today are not very far from what they were a year ago today. I cannot say exactly about that. In 2 months from

now I am sure they will be at approximately the same level they were a year ago.

Mr. President, I am meeting the usual fate when I begin to make a specific talk on any subject. I have never yet prepared a speech and finished delivering it.

I should like to mention a few other things which are in the bill. We have had a little discussion on the dairy situation which I had not intended to take up at this time.

The majority of the committee has inserted in the bill what the minority of the committee believes is a completely unworkable provision requiring mandatory supports for the so-called feed grains, rye, barley, oats, and grain sorghums. I shall not go into that subject in detail at this time. We shall offer an amendment to strike that out at the proper time, and then we shall give the Senate good and sufficient reasons why it should be stricken out.

Section 205 of the bill deals with diverted acreage. I believe our committee was virtually unanimous with respect to the provisions relating to diverted acreage which were put in the bill, but the afternoon we reported the bill the new crop reports came out, showing how we were going to produce enough other crops on the diverted acres so we would wind up with 600 million bushels more of grain overall than we had last year. So the minority members of the committee are proposing 2 or 3 small provisions which would strengthen control over the diverted acres when necessary to do so.

In the matter of transitional parity, making the changeover from the old parity formula to the new parity formula easier for wheat, corn, and peanuts, there was no difference of opinion. This follows the recommendations of the President.

The bill has a provision increasing the normal carryover in the supply of corn by about 160 million bushels, and the normal supply of wheat, 45 million bushels. We were not in disagreement on that.

Sections 302 (b) and (c), 305, and 306 provide for computing county and farm normal yields, the commercial-area allotment, and the county-acreage allotments for corn on a 5-year basis instead of a 10-year basis.

In this bill we repeal the authority to impose quotas on corn production.

Agreeably to all of us, I think, we have inserted provisions which would make the controls on the wheat grower a little easier in those areas where they can raise nothing but wheat and must fallow their land.

We have offered a few minor amendments to the Marketing Agreement Act. We have a provision which would extend the ACP program for 2 years more.

We have perfected the provision of the House bill which would transfer agricultural attachés from the State Department to the Department of Agriculture. That is being offered as an amendment to the bill by the Senator from Iowa [Mr. HICKENLOOPER].

We included in the bill the National Wool Act of 1954, which passed the Senate last April but was never acted upon by the House.

Mr. President, it is unfortunate that all the members of the Committee on Agriculture and Forestry were unable to agree upon a complete farm program.

It would be very gratifying to me if I could report unanimously for the committee.

I am happy to say that the field of agreement among the members of our committee is vastly wider than the field of disagreement.

While the bill now under consideration was reported by an almost unanimous vote of the committee, 13 to 2, as I recall it, the fact remains that certain basic features which I have mentioned of the bill were agreed to by a vote of 8 to 7.

Early in this session, President Eisenhower submitted to the Congress his proposals for a sound agricultural program.

This program was developed on the sound thesis that farmers could be prosperous and relatively free from Government controls and domination at the same time.

It was developed after months of study not only by the ablest farm experts of the country but was participated in by hundreds of thousands of farmers themselves, by those who process and distribute farm products, and by land-grant colleges.

It is obvious, Mr. President, that the satisfaction gained through being a successful farmer is largely dissipated if the degree of success is measured by the size of the checks received from the Federal Government for nonmarketed commodities.

It is my hope that this session of the 83d Congress working with the executive branch of Government may develop a farm program which will result in a maximum of farm prosperity with a minimum of dependency upon government.

It is my fear that unless we do develop such a program that the trend toward complete dependency upon government and complete subservience to government cannot be stemmed.

I note that the report of the majority members of this committee, after referring to the agrarian struggle which has been going on through the years, states:

> One of the basic demands throughout these years of education and agitation has been the recognition of the need for a partnership between the Government on the one hand and millions of individual farmers on the other, to execute needed production adjustment programs beyond the ability of farmers to undertake.

Then they say:

> We now have the fundamentals of such a program, often referred to as "controls" but, instead, actually the means whereby these millions of individual farmers may proceed together in an organized, orderly program of production curtailment so as to bring their production in line with effective demand.

They say further:

> These programs, the byproduct of many years of earnest search by farmers, their organizations, Members of Congress, and devoted servants of agriculture and the Federal Government and the States—

Note this—

> are still relatively crude compared with the instrumentalities available for adjustment of supply to demand which characterize many other segments of our economic life.

Mr. President, if the controls we have today are relatively crude, just the beginning, and only the fundamentals of a good control farm program, if what we have today is simply the beginning, what in the world is the ultimate objective?

Speaking for the minority members of the Senate Committee on Agriculture and Forestry, I wish to state briefly the objectives of the legislation which we will submit to this Senate and with which we earnestly hope the majority of the Members of this Senate will agree.

The program which we will submit, Mr. President, embodies these objectives:

First. It would abandon at the end of this year the system of high rigid supports for five so-called basic commodities: Wheat, corn, cotton, rice, and peanuts.

Tobacco will not be affected in any way. There is no reference to tobacco in this legislation so far as I know.

We would substitute——

Mr. COOPER. Mr. President, will the Senator yield?

Mr. AIKEN. I yield to the Senator from Kentucky.

Mr. COOPER. There seems to be a discrepancy between the bill and the report. Title II of the bill, in section 201, refers to section 101 (d) (6), and in that section provides that—

> The level of support to cooperators shall be 90 percent of the parity price for the 1955 crop of any basic agricultural commodity with respect to which producers have not disapproved marketing quotas.

In the report on page 2 under Title II—Support Prices, I find this statement:

> BASIC COMMODITIES
>
> Section 201 of the committee substitute would continue price support on the 6 basic commodities—corn, cotton, peanuts, rice, tobacco, and wheat—at 90 percent of parity for 1 additional year, 1955.

I see in that a conflict. I know the provision in the bill refers only to 5 basic crops—corn, cotton, peanuts, rice, and wheat—yet in the report it is indicated that it was intended that the 90 percent support price for tobacco would be only for an additional year.

Mr. AIKEN. There was a difference of opinion in the committee, but I do not think any of us intended that tobacco should be affected in any way by any of this legislation.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. AIKEN. I see the Senator from Louisiana [Mr. ELLENDER] in the Chamber. I think he will agree that none of us intended to change the support level as regards tobacco, either in time or percentage.

Mr. COOPER. May I ask one more question to see if I can clarify the situation? On page 3 of the report there is a sentence which reads as follows:

> Tobacco producers generally would be entitled to support at 90 percent of parity in

any event under section 101 (c) of the Agricultural Act of 1949.

In the opinion of the distinguished Senator from Vermont, who is the chairman of the committee, and in the opinion of the other members of the committee, is there any conflict at all between those two statements?

Mr. AIKEN. Not intentional, no.

Mr. COOPER. Do I understand correctly that section 101 (c) of the Agricultural Act of 1949 will continue in effect, and that the 90 percent support price for tobacco will be continued without regard to any provisions of the present bill?

Mr. AIKEN. That is correct.

Mr. ELLENDER. That is in the law now.

Mr. AIKEN. That is the law. No change whatsoever is contemplated in the law with regard to tobacco.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. HOLLAND. If I may have the attention of the Senator from Kentucky [Mr. COOPER], when the fight was made on the floor of the Senate in 1948, in which the Senator from Kentucky, with his then colleague, participated so ably—and I believe he will recall that both of the then Senators from Florida spoke and assisted in the same fight—it was decided that tobacco was in a class different from any other commodity, for reasons which will later appear in the RECORD, and there has never been any serious question raised as to the soundness of that decision.

When the 1949 law, known as the Anderson Act, was pending, there was no suggestion for a change.

In all the measures proposed this year, including the so-called administration bill, the bill reported by the majority of the Senate committee, the House bill, and the American Farm Bureau Federation bill, there has never been any suggestion from any source that the program with reference to tobacco should be changed in any particular.

I am glad that the Senator has brought up the question, because it is fundamental to the whole debate and to the whole consideration of the bill.

Mr. COOPER. I thank the Senator from Florida.

Mr. CLEMENTS. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. CLEMENTS. I wish to join the distinguished senior Senator from Florida in advising my colleague from Kentucky that what the Senator from Florida has said is the viewpoint of every member of the Committee on Agriculture and Forestry, and it has been expressed in the committee on more occasions than one.

I wish to say to the Senator from Florida that the two Senators from Kentucky in 1948—the former Vice President Barkley and my present colleague—were joint authors of the legislation which made the tobacco program permanent legislation, as we find it today.

Mr. AIKEN. I well remember that action.

Mr. GORE. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. GORE. Are not the facts as they have been related an attestation of the fact that the tobacco program has been perhaps the most successful part of the entire agricultural program?

Mr. AIKEN. I think so. Tobacco has been the outstanding example of reasonable success in the field of controlling and supporting a specific crop.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. ELLENDER. I desire to place in the RECORD at this point some figures I have obtained with respect to dairy price supports. The figures relate to the amounts of butter, cheese, and nonfat, dry-milk solids which were taken in by the Commodity Credit Corporation in 1953 and 1954 during the months of April, May, June, and July.

Mr. AIKEN. It would be very helpful to have that information. It would be even more helpful if the Senator from Louisiana would place in the RECORD the amounts held back in anticipation of the windfalls which have been referred to this afternoon.

Mr. ELLENDER. I would cheerfully do so if I had the figures.

The table indicates that during the months of April, May, June, and July, 1954, the total amount of butter acquired by the Commodity Credit Corporation was 159,863,000 pounds. In 1953 the total amount was 184,406,000 pounds. That is a difference of about 24 million pounds.

The amount of cheese taken in during the same period of 1954 was 88,009,000 pounds, whereas in 1953 it was 144,557,000 pounds, a difference of 56 million pounds.

The amount of nonfat dry milk solids acquired by the Commodity Credit Corporation during April, May, June, and July, 1954, was 279,186,000 pounds. In 1953, during a comparable period, the amount was 252,300,000 pounds. In other words, CCC's acquisition of nonfat dry milk solids increased by 26,886,000 pounds during 1954.

Mr. AIKEN. That is correct. The figures are very helpful.

Mr. ELLENDER. Mr. President, I ask unanimous consent to have the table printed at this point in the RECORD.

Mr. AIKEN. I have no objection.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Purchases of dairy products for price support

[Thousand pounds]

	April	May	June	July	Total
Butter:					
1954	14,826	44,136	65,577	35,324	159,863
1953	25,156	42,256	66,805	50,189	184,406
Cheese:					
1954	9,818	21,852	33,421	22,918	88,009
1953	27,123	35,105	40,828	42,501	144,557
Nonfat dry milk solids:					
1954	41,554	75,555	97,879	64,198	279,185
1953	46,214	74,272	84,440	47,374	252,300

Mr. AIKEN. The figures just placed in the RECORD by the Senator from Louisiana indicate that butter and cheese are going onto the market. If those products were being held back for a windfall—I do not believe they are to any extent—then powdered milk also would be held back; and powdered milk is not being held back.

There is every indication that more butter is being made than was made last year, but more of it is finding its way into the market.

Mr. ELLENDER. Where did the Senator from Vermont get his figures to show the greater consumption to which he referred a moment ago?

Mr. AIKEN. I think they were published this morning.

Mr. ELLENDER. I thought the Senator referred to a table indicating a smaller amount in poundage of various commodities consumed, and that he used those figures as a basis to indicate a greater consumption of butter and cheese.

Mr. AIKEN. I have that information on my desk. It came from the Department only this morning. I thought I had it here, but now I do not know whether I have it or not.

It is a release from the Department within the last day or two, and it is under date of August 2. It is one of the monthly bulletins which show that the per capita consumption of meat is 103 percent of last year; of poultry and eggs, 105 percent; and of dairy products, 104 percent.

On another sheet there is a separation of dairy products.

I believe the Department estimates a 5-percent increase in the consumption of butter over last year. Strange to say, there is some increase in the consumption of margarine, too.

Mr. ELLENDER. Are those the actual figures submitted by the Department of Agriculture?

Mr. AIKEN. They are official figures of the Agricultural Marketing Service.

Mr. ELLENDER. Are they not taken from 10 or 12 cities scattered throughout the United States?

Mr. AIKEN. I suppose so; I am not familiar with exactly how the figures are obtained.

Mr. ELLENDER. The basis of the figures is not merely the amount taken in by the Commodity Credit Corporation, is it?

Mr. AIKEN. No; this is the per capita consumption, which I think is important.

Mr. President, I had started to tell what the program submitted by the minority members of the committee would be. It embodies these objectives:

First. It would abandon at the end of this year the system of high rigid supports for five so-called basic commodities—wheat, corn, cotton, rice, and peanuts—and substitute a system of flexible supports which, while not necessarily reducing the overall level of support to any extent, would nevertheless encourage a proper balance between the production of each commodity and our national and international requirements.

Second. It would give to the farmer a greater freedom of choice and the right to produce than he could ever hope for under a rigid high support program.

It would tend to encourage the production of each commodity in the areas properly suited to such production.

Third. It would aim at the elimination or reduction of acreage and production controls at an early date.

Fourth. It would afford greater protection to nonbasic or nonsupported farm commodities which this year are threatened with lower prices because of enormous production on land which has been diverted by law from the production of high supported basic commodities.

Fifth. It would encourage good and proper land use practices.

Sixth. It would lay the groundwork for a vastly improved foreign market for agricultural commodities through the transfer of our agricultural attachés from the State Department to the Agriculture Department.

Seventh. It looks to a greatly expanded market for dairy products. We are already recovering part of the market for butter which has been lost in recent years. We are already making much progress toward bringing the supply of dairy products in line with demand. We believe that the proposals reported by the committee would undo much of the progress which has been made during recent months and preclude further progress in the direction of an expanded dairy production for an expanded market.

Eighth. It would encourage a greater domestic production of wool not only to assure our country of greater safety in times of crises, but to make good use of our idle or diverted acres as well.

Ninth. It looks to the improvement of our national forest lands for grazing purposes and to the dedication of our national forests to the use of all people.

Lastly, Mr. President, we believe that if this Congress will approve the program which we are submitting that the American farmer can look forward to less dependency upon the Federal Government for his living, to the greater exercise of his own initiative and to a more satisfying life.

I know that every producer of basic commodities is vitally interested in knowing what the minimum support will be in the event the program recommended by the minority Members of the committee should be approved by the Congress and signed by the President.

Should our major recommendations be accepted, the minimum level of price support for the various basic commodities would be as follows: Tobacco, 90 percent; cotton, 90 percent; rice, 89 percent; corn, 85 percent; peanuts, 86 percent; wheat, 80 percent.

The Secretary would be required to fix the level of support somewhere between these minimum figures and 90 percent of parity.

It will be seen that, under the 80 percent minimum which we propose for the year 1955, of all the basic commodities only wheat would be affected.

Should the proposed 80 percent minimum not be accepted, and the 1949 act take effect, the minimum support for wheat would be 75 percent. Eighty percent support for wheat under the parity formula applicable to that commodity would be almost exactly $2 a bushel. This price would be well above the world market price.

The world market price today is $1.72, and I think it is about the same at Chicago.

That price would be the equivalent of 96 percent support, figured on the modern parity formula which is applicable to all nonbasic crops. It would be well above the average cost of producing wheat in the highest cost commercial areas for the year 1953.

I present these figures to show that there will never be a time when the transition from rigid supports to flexible supports can be effected with less disruption to the economy of the commodities involved. In fact, the change will be hardly noticeable.

I shall not go into further detail on the points I have brought out this afternoon. I wish to make reference to the pamphlet that is on the desk of each Senator, dated June 8, 1954, which originated with the United States Department of Agriculture. The Senator from North Dakota [Mr. YOUNG] stated that tomorrow he would speak rather harshly of the Secretary of Agriculture for doing this. He does not have to wait for that, because I obtained the pamphlets and put them on the desks of Senators. I hope Senators will scrutinize the pamphlet, and learn how little their own States depend upon high, rigidly supported commodities for the income of their farmers.

Mr. YOUNG. Mr. President, will the Senator yield?

Mr. AIKEN. I yield to the Senator from North Dakota.

Mr. YOUNG. My statement about dealing harshly with the Secretary of Agriculture went more to the contents of the pamphlet than to the placing of the pamphlets on the desks of Senators. I think the opinions stated therein are completely contrary to the opinions of most agricultural authorities of the country. The Secretary has tried to pit one farmer against another. That is the purpose of the pamphlet.

Mr. AIKEN. The pamphlet shows that only 23 percent of cash farm receipts come from basic commodities, while 77 percent comes from other commodities. I do not think it is proper to assess all of the farmers of this country in the form of taxes for the purpose of paying bonuses to those few who derive their income primarily from basic commodities. I agree with the Secretary that that is not right.

Mr. YOUNG. I think I can prove my point by many speeches delivered by Secretary of Agriculture Benson and Under Secretary Morse. Many of their statements contended that prices of basic commodities were related to prices of other commodities, and I shall quote from their speeches tomorrow.

Mr. AIKEN. I hope the Senator from North Dakota gives me the privilege of quoting from some of his past speeches.

Mr. YOUNG. I am very happy to do so.

Mr. REYNOLDS. Mr. President, will the Senator from Vermont yield for a question?

Mr. AIKEN. I yield to the Senator from Nebraska.

Mr. REYNOLDS. Getting back to the dairy features of the bill, some segments of the industry are concerned over the fact that the bill does not provide for a disposal authority. Will the Senator from Vermont be good enough to explain for the RECORD why such a provision was eliminated?

Mr. AIKEN. Because no one has yet been able to develop any method for disposing of the great surplus of dairy products without raising a storm from one direction or another.

Mr. THYE. Mr. President, will the Senator from Vermont yield?

Mr. AIKEN. I yield to the Senator from Minnesota.

Mr. THYE. I believe the Senator from Nebraska has reference to the substitute bill. The bill which was reported from the committee by the majority has a provision in it respecting that feature. I have in my hand a telegram from the Minnesota Creameries Association, signed by Mr. Herman Olson, executive secretary, in line with what the Senator from Nebraska has stated. It reads as follows:

> Dairy farmers are much concerned and seriously object to AIKEN, SCHOEPPEL, ANDERSON, and others amending S. 3052, which does not provide for a disposal program of dairy products. Our association represents more than 70,000 Minnesota producers, who request the disposal program included in the original bill.

Mr. AIKEN. The organization means that the farmers desire guaranteed high prices. The bill reported by the majority provides for payments which would permit creamery producers to put their products on the market at whatever price the products would bring, whether the price be 5, 10, or 15 cents a pound, and then have the Government make up the difference between the price received on the market and the support price. It would be easy money for plant operators. It would be sure money for them, and it would discourage any tendency they might have to put their plants under good management, because they never would have to look to the market; they would only have to look to the Government.

Mr. WILLIAMS. Mr. President, will the Senator from Vermont yield?

Mr. AIKEN. I yield to the Senator from Delaware.

Mr. WILLIAMS. Is it not a fact that what the creamery associations are advocating is putting into effect the so-called Brannan plan?

Mr. AIKEN. Although I call the plan by another name, I have heard it referred to as the Brannan plan.

Mr. THYE. Mr. President, if the Senator will yield, I should like to say that responsible officials thought it was all right to provide high supports for wool.

Mr. AIKEN. In the case of wool, we are dealing with a commodity which is in great scarcity, a commodity which we produce only to the extent of one-

third of our needs. In the case of butter and cheese, we produce hundreds of millions of pounds more than we can consume under the present system. I agree with the junior Senator from Minnesota that the way to handle the problem is by providing for the utilization of milk. I think the senior Senator from Minnesota will agree to that.

Mr. THYE. If the Senator from Vermont will yield at that point, I should like to say that the most disappointing thing that happened this summer in that field was the fact that the producer's price of milk was knocked down from 40 cents to $1 a hundred pounds, while at the same time the price of milk to the consumer went up a half cent, 1 cent, and in some instances 2 cents a quart. While the housewife who was buying the milk to feed her babies had to pay the increased price, the farmer's price was knocked down anywhere from 40 cents to $1 a hundredweight.

I am stating facts. I am not arguing about the basic philosophy of whether the price supports should be 75 or 90 percent. I am referring to the fact that the farmers have been denounced and taken over the so-called political coals because they wanted a fair and reasonable share of the consumer's food dollar. Instead of obtaining that, the farmer lost almost 9 cents out of the consumer's food dollar. Who got it? It was not the producer or the consumer. The consumer was paying more for food in many of the markets. I was in St. Paul a month ago and I heard the radio announcer during the news broadcast at 8:30 p. m., over WCCO, state that the distributors would have to raise the price of milk 1 cent a quart because wholesale costs were up. The Twin Cities Milk Producers Association furnishes 90 percent of the fluid milk market in that area.

The PRESIDING OFFICER. The Chair must advise the Senator from Minnesota that the Senator from Vermont yielded only for a question.

Mr. THYE. Mr. President, the Senator from Vermont was not asked to yield for a question. I respectfully have to inform the Chair of that. If the Chair will bear with me, I should like to finish this sentence.

Mr. AIKEN. Mr. President, I ask unanimous consent that the Senator from Minnesota may complete his brief sentence.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. THYE. The price of milk, as stated in the Twin Cities Milk Producers' Bulletin for December 31, 1953, was $4.30. In the Twin Cities Milk Producers Bulletin dated July 1954, the price is $3.20; for May 1954 it is $3.32.

Yet the distributors are going to raise the price of milk to the housewife by about 1 cent a quart. That is the basis of my argument. I base my entire contention on the fact that the producer has lost and the consumer has lost, and I am trying to get to the bottom of that situation.

The House committee did an excellent job in its investigation and report. Last week I saw a most timely and effective article showing conclusively that it was entirely the distributors' prices, not the farmers' price support program, that was causing the high cost of living to the consumers.

Mr. HUMPHREY. Mr. President, will my colleague yield to me?

Mr. THYE. I do not have the floor. I have been trespassing on the time of other Senators.

Mr. HUMPHREY. Mr. President, will the Senator who has the floor yield to me?

Mr. AIKEN. I yield.

Mr. HUMPHREY. I wish to ask a question, in view of my colleague's comment on the report of the House Committee on Agriculture in regard to the consumers' food dollar. In January, I directed an inquiry to the House committee, regarding the price spread between producers and consumers. In the last 2 weeks I reissued the letter to the chairman of the House committee, asking what had been done about it, because I notice that the Department of Agriculture, as well as our own Senate Committee on Agriculture and Forestry, does not provide us with too many facts about what happens between the producers' price and the consumers' price. We have gotten some information, but not much; and it has come from the staff of the House committee.

Mr. AIKEN. I had intended to conclude at this time, Mr. President.

Mr. MUNDT. Mr. President, before the Senator from Vermont concludes, will he yield to me?

Mr. AIKEN. Not now. I wish to make a brief statement.

I had intended to yield; but the references made by the two Senators from Minnesota to the House committee report on farm prices and the cost of food certainly intrigues me. Of course, the coincidence of its being released to the press on Monday of this week could be intriguing, although it is not the most intriguing part of it.

The report which has been referred to by the two Senators from Minnesota, which was released on last Monday by the House Committee, presents certain facts, but it does not present all the facts. If Senators will examine figure 1, on page 2, they will see that it compares retail food prices with prices received by farmers. It shows that for the period since 1951, the farm series turns downward, while the retail series stays up. The impression conveyed is that margins have widened sharply in the past 3 years. Incidentally, there is no effort in the report to distinguish between marketing margins and profits, although they are, in fact, greatly different.

The two series in figure 1 are not wholly comparable. The retail food series includes coffee. Incidentally, the Senate has twice, this year, passed a bill which would effectively reduce the price of coffee by probably from 15 to 25 cents a pound, if the House would permit the bill to be acted upon. The retail food series presented in the report includes coffee which has risen sharply in price, and is not a United States farm product. It also includes bananas and cocoa, and imported foods, the retail prices of which are not comparable with United States farm prices. The farm series includes cotton, tobacco, wool, and a number of other farm products which do not appear in the retail index. For instance, what consumer eats a bale of cotton or a fleece of wool? Yet these commodities appear in the farm series. When comparable commodities are included in the farm and the retail series, it is clear that both, not just one, have declined since 1951.

Last fall the Department of Agriculture made a study of marketing margins for beef. That study—an exhaustive one—revealed that retail prices of beef had generally reflected the 1953 decline in the farm price of cattle. The House committee report omits reference to that study on beef.

The report states that—

> Further declines in farm prices are expected as more livestock and livestock products come to market and price support levels are lowered. Consumers can expect little benefit from these lower farm prices, unless recent tendencies to increase marketing and processing charges are curbed.

That is a dire prediction.

This omits consideration of facts which led to the following statement in the August National Food Situation, published by USDA:

> Retail prices are likely to decline a little more than seasonally during the remaining months of 1954.

The report does not analyze causes. It leaves, by inference, the impression that widening margins are a result of exorbitant profits taken by the food trade.

While margins have widened less than appears from the report, they have, nevertheless, widened. There are several sound reasons for this. One reason is added services demanded by consumers. There has been a steady upward trend in the amount of marketing service provided to the housewife. She now buys cut-up poultry, instead of live chickens. She buys frozen food, instead of canned food. She buys ready-to-bake biscuits, instead of flour. From 1929 to 1953, the number of workers in the marketing of farm food products increased from 3.4 to 4.9 million. During the same years, the number of farmer operators declined from 6.5 to 5.5 million. It should not surprise anyone that the providing of these extra services is a costly undertaking.

Second, marketing costs are relatively stable. Major marketing costs are labor, transportation, rent, interest, taxes, depreciation, and insurance. The costs of most of these items are subject to long-term contracts, are fixed by public utilities, or, in the case of labor, are negotiated by representatives of labor and employees. These costs thus have a substantial amount of administrative rigidity, both in times of rising farm prices and in times of falling farm prices. When farm prices were rising, from 1939 to 1945, the farmer's share of the consumer's food dollar increased from 38 to 53 percent. Now that farm prices have moved down from their wartime

inflationary peak, the farmer's share is back to 44 percent. It is one of the economic facts of life that the farmer's share of the consumer's dollar increases when farm prices rise and decreases when they decline. This is the result of economic forces, not the result of collusion or exploitation.

It is clear that such widening of margins as has occurred had not been prevented by farm price supports. The commodities named in the report, for which margins have widened, are all receiving price support, most of them at 90 percent of parity.

The continuation of price supports at 90 percent of parity can hardly be expected to cure a situation which developed despite the presence of these supports. Obviously, on the basis of experience during the past several years, continued high-level price supports are an inappropriate solution to the widening of marketing margins.

What are the solutions? The committee report does not say.

The Congress has already given the answers to this important question in its agricultural appropriations. It increased by 26 percent its program of research and education in the field of marketing. Through this program, undramatic but effective, the efficiency of marketing will gradually be improved. Marketing costs will be reduced, to the benefit of farmers, consumers, and the food trade alike. This is the program upon which the Congress has expressed its view. It is a constructive program which is already being implemented by the Department of Agriculture.

Mr. MUNDT. Mr. President, will the Senator from Vermont yield to me?

Mr. AIKEN. I yield.

Mr. MUNDT. In reference to the argument of the Senator from Vermont, as presented by him a few minutes ago, about the wool situation, at which time I understood him to say we had a good wool bill incorporated in the overall bill, let me say I quite agree, and I have supported it. The Senator from Vermont also mentioned the fact that there was a support price for wool and a price-support program for crops in excess supply. Of course, I agree there is a difference, but I think the Senator from Vermont must agree that that difference is an argument in favor of having a farm program which is workable and effective to protect the income of those who produce the products which are in surplus supply, and consequently are much less able to protect themselves than those who are producing wool, which is in limited and inadequate supply.

Mr. AIKEN. That is what all of us are seeking—a long-term, high level of prices for farmers, not just a short-term or short-period price.

Mr. MUNDT. Of course we could take care of the wool producers by increasing the tariff; and thus we could prevent foreign wool from entering the country and taking away the American wool producers' market. But for reasons of diplomacy or high policy or reasons of state, or because of mistaken notions regarding the proper arrangements, or whatever the reason may be, Congress has elected not to do that, but to try the other venture.

However, it seems to me that increases the need and desirability of continuing the price-support program for those who are raising cotton, wheat, or corn, who find themselves in a surplus condition. Unless they are protected, the prices of the commodities they produce will fall to 82 percent, 78 percent, or 75 percent of parity. Will not the Senator from Vermont agree?

Mr. AIKEN. I am sorry to say that I was not paying a great deal of attention at the moment, for I was so engrossed with a statement made by one of our great agricultural authorities, which so closely coincides with my own thinking in the matter. At this time I should like to quote from the statement:

> I believe every farmer would rather have long-range assurance of at least $1.82 for wheat, than $2.21 for 1 year and no assurance for the future.

Mr. MUNDT. Let me say that no Member among the majority who supported the bill we now have before us, proposes to have the price of wheat drop to $1.82.

Mr. YOUNG. To whom does that newspaper refer?

Mr. AIKEN. I quoted that as coming from one of our great agricultural statesmen.

Mr. YOUNG. To whom does the Senator refer?

Mr. AIKEN. Does the Senator want to know?

Mr. YOUNG. Yes, I want to know.

Mr. AIKEN. Let me read the whole of it:

> The Senator from North Dakota would like to have a supported price of $5 for wheat. No doubt the Senator from Illinois would like to have a support of $3 or $4 for corn. But that is not possible. I believe that the farm organizations are taking a constructive view. They want, as every farmer wants, a long-range program, rather than 1 year of high support followed by a great deal of trouble, and then no support at all. Some time we shall have to get back to peacetime supports at a fair level. And this bill does just that. I believe every farmer would rather have long-range assurance of at least $1.82 for wheat than $2.21 for 1 year, and no assurance for the future.
>
> I recall that approximately 2 years ago an amendment to include the cost of labor in the parity formula was offered on the floor of the Senate. At that time I voted for it. Naturally, it would have boosted the parity-price levels existing at that time. But I voted for it, against the advice of the farm organizations which had made a very intensive study of the farm program.
>
> I admit now that I made a mistake in doing that and it would be a mistake now to raise the formula by means of such provision, for we would only hurt the farmers later when the cost of labor declines.

That will be found in the CONGRESSIONAL RECORD of June 16 and 17, 1948, and the eminent Senator from North Dakota [Mr. YOUNG] is the author.

Mr. YOUNG. Will the Senator extend to me the courtesy of an opportunity to make a proper answer, and adequate time to do so.

Mr. AIKEN. Yes. That is absolutely true; the Senator would not change it, would he?

Mr. YOUNG. Would the Senator let me answer that?

Mr. AIKEN. Yes.

Mr. YOUNG. Back in 1948—and I am very happy that the Senator raised this point, because the Secretary of Agriculture, Ezra Taft Benson, mentioned it in his speech in Denver—we were all hoping to get back to a peacetime economy. We did not see the Korean war ahead. It was right after World War II. Farmers—myself included—believed that we were getting back to peacetime economy and prices. We hoped we would be buying farm machinery for the same price that we had bought it before World War II. The wages of labor, we believed, would come down, and we hoped that operating costs would come down. But what happened?

In the meantime, operating costs reached an all-time high, and they are still increasing. Now the Senator from Vermont wants me to believe that I advocated, and that I now would advocate, lower prices for farm commodities. Certainly nothing could be further from the truth.

At that time we could have gotten along on $1.80 wheat. We could if we could have purchased our farm machinery at prewar prices, and if our operating costs had got back to peacetime levels?

I think the Senator from Vermont will agree with me that operating costs did not go back to peacetime levels. If they had, $1.80 a bushel would have been a good price for wheat, and that is exactly what I was advocating.

Mr. AIKEN. I think the Senator from North Dakota showed excellent judgment in his remarks at that time, and I hope he has not lost his hope for the return of a peacetime economy.

Mr. YOUNG. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. YOUNG. If the Senator has any more quotations like that, I shall be very happy to answer them, because that is the kind of thing I would like to get straightened out. I think it makes the case for 90-percent supports stronger, when operating costs have not gone down. We have not gone back to a peacetime economy, to the kind of an economy we had before the war, and so that is all the more reason why, in that kind of situation, we must have 90-percent price support protection.

Mr. AIKEN. As I recall, we were somewhere near an all-time high price for wheat at that time, and, Mr. President——

Mr. YOUNG. Mr. President, will the Senator yield?

Mr. AIKEN. I yield. I have many more quotations. I use them only so that the Senator may see that they are applicable.

Mr. YOUNG. I hope the Senator will use them and give me an opportunity to answer them. I shall be very happy to answer them.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. ELLENDER. I believe the distinguished Senator from Vermont earlier this afternoon complained about the unfairness of having the American people foot the bills for price supports which have been made available to farmers producing the basic crops. I do not want to let the statement go unchallenged.

Mr. AIKEN. Is the Senator reading from a report?

Mr. ELLENDER. Yes; a report which the Senator was about to present to us. I understood the Senator was about to discuss this report.

Mr. AIKEN. Yes, indeed, I think that report is an excellent presentation of the situation.

Mr. ELLENDER. I wonder if the distinguished Senator from Vermont will tell the Senate what he understands to be the losses on the price-support program for the six basic commodities. I have in my hand the report on the bill that is before us. I refer to a table on page 23, showing Commodity Credit Corporation realized gains and losses. These figures were taken from Commodity Credit Corporation records, and they show that, in the case of cotton, from October 17, 1933, through May 31, 1954, the American people made a profit of $267,310,582. The cotton price-support program is far from being costly; it does not reflect losses, as the Senator would indicate. On all 6 of the basic commodities, during the period October 17, 1933, through May 31, 1954, a period of over 20 years, the entire loss to the Government on price-support operations for these commodities has been $130,739,501—slightly more than $6 million a year. That is not exorbitant.

In discussing the table which the Senator has before him showing who got what, I should like to have the Senator discuss it in line with the table to which I have just referred, which appears on page 25 of the report.

Mr. AIKEN. Page 25 of the report?

Mr. ELLENDER. The majority report.

Mr. AIKEN. I have it before me now.

Mr. ELLENDER. The Senator has it. Does the Senator remember the subject we were discussing?

Mr. AIKEN. Yes.

Mr. ELLENDER. The subject is the amendment now before the Senate.

Mr. AIKEN. Yes.

Mr. ELLENDER. As I understand, it is to strike from the bill the provision which extends for 1 year the 90-percent of parity price-support program for the basic commodities.

Mr. AIKEN. I know the Senator from Louisiana recalls that in the prewar days we had price supports for the basic commodities which technically ranged from 52 to 75 percent of parity, but actually never rose above 57 percent of parity.

During the late 1930's the Commodity Credit Corporation or its predecessor—I have forgotten which agency it was that got it at the time—found itself in possession of some 10 million bales of cotton which it had taken over at the 52-percent support level. Then the war came on.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. AIKEN. I will not yield until I finish what I am about to say, and then I will yield to the Senator.

Then the war came on, Mr. President, and the Congress raised the support price from 52 to 92½ percent, and the price of cotton went up, naturally, from 52 to 92½ percent. I could make money doing business that way if the Government would automatically double the price of my holdings.

The Commodity Credit Corporation did make money on cotton. It was not price supports that enabled it to make money on cotton. It was the war that made possible the profit on cotton. It was the war that made possible profits on hogs, wheat, milk, and everything else. We have had wars twice in the past 15 years, and each time they have saved a declining agricultural economy. As to the total cost of the support programs during the past 20 years, anyone can take figures and arrive at whatever result he desires.

I am not so much concerned about the cost of a program as I am with the results. If we get good results, I do not care whether a program costs $50 million a year or $500 million a year, so long as we get back in good results a little bit more than it costs.

Over the past 20 years of the Commodity Credit Corporation's operations the loss amounts to only about $130 million. If we include all the farm programs we have had in the last 20 years—payments for not raising something, payments for this, and payments for that—the figure is as high as $7 billion. If we were to add the $2 billion in consumer subsidies which have been charged to consumers, that amount would increase the total cost still further.

However, as I say, I am not concerned so much with the cost. The important consideration is whether we get a dollar's value for every dollar spent.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. ELLENDER. What we are discussing today is a program with respect to the six basic commodities. The Senator has stated that rigid price supports have caused losses to the taxpayers and since we are discussing the basics he evidently refers to losses on the basic commodities. As a matter of fact, they have not caused losses.

Mr. AIKEN. Oh, I think they have.

Mr. ELLENDER. If we add soil conservation and everything else——

Mr. AIKEN. Oh, no.

Mr. ELLENDER. That is what Secretary Benson has done. If we add all the other costs, of course we can reach a figure of $16 billion, but those costs cover a lot more than the price-support operations of our Government. That is what Secretary Benson did. He threw in everything but the kitchen sink. His figures included soil conservation, REA, and similar programs. The Senator well knows that all price-support operations since 1933 have cost about $3.2 billion. That includes a loss of $478,134,189 on Irish potatoes—a program which no longer exists. As a matter of fact, losses on nonbasic commodities total over a billion dollars. The support operations on the six basics have accounted for losses of only 130 or 131 millions over the last 20 years. I know the Senator wants to be fair, and I think the American people deserve an accurate picture of this important program. As a matter of fact, the cotton program shows a profit of some $267 million.

Mr. AIKEN. If we were to pay the farmers for killing little pigs, as we did in the thirties, we would get one set of figures. If we use only the operations of the Commodity Credit Corporation, we get a very modest figure.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. AIKEN. The Commodity Credit Corporation probably will lose more money this year than in several previous years.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. AIKEN. I yield further to the Senator from Louisiana.

Mr. ELLENDER. The figures I have before me were furnished by the Commodity Credit Corporation, the agency of Government which finances the price-support program. Those figures show that during the last 21 years the loss on the 6 basic commodities has been only $130 million. That is less than $7 million a year.

Mr. AIKEN. That is correct. However, if we were to add approximately $2 billion in wartime consumer-subsidy costs, we would get a different figure. The Senator does not include those costs.

Mr. ELLENDER. How much would food have cost consumers during the war except for that program? The Senator well knows that the program to which he refers was essentially a consumer-benefiting program. It has been dead for a long time. It was only an emergency program. The pending bill has nothing to do with it. Is it not true, however, that the program to which the Senator refers saved our consumers great amounts of money? Was it not an anti-inflation wartime program?

Mr. AIKEN. I do not know. However, regardless of the cost, I believe it had to be done, and the costs are secondary to the results obtained.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. AIKEN. I yield to the Senator from South Carolina.

Mr. MAYBANK. I merely wish to add that we have also supported the Maritime Commission with much more money than we have used in the support of the farmer. In the European-aid bill, particularly the buy American provision—which I support—we will support the automobile interests and other interests of this country, insofar as foreign aid is concerned, with more money than we have spent in supporting the farmers.

I invite the Senator's attention to one fact. I know something about cotton. The cotton the Senator is talking about,

which the Government took over, was not fit to be called cotton. There are 24 grades and about 17 different staples of cotton. There had been accumulated a great deal of trash, so to speak. It was cotton that the American mills could not spin. No one could use it at 52 percent of parity. The distinguished acting majority leader, the Senator from Arizona [Mr. GOLDWATER] knows something about cotton. There is a great deal of difference between buzz fuzz, as we call it, and a good staple cotton. The 52-percent cotton was cotton which we could not use. I call it trash. It was the lowest-type of cotton, and it could not be sold to anyone in the United States. It could be sold only to mills in Japan, which have used mostly Indian cotton, which is also a low-grade cotton. The mills in Japan spun the cotton. I do not want the RECORD to show that the 52-percent cotton was top cotton. It was not. The American mills or the German mills could not use it. The only mills that could spin it were the Japanese mills, because they had been accustomed to using Indian cotton. Therefore 52-percent cotton does not represent the type of cotton we have in mind. It was impossible to sell one bale of that cotton to American mills.

Mr. AIKEN. I know there was a good deal of trouble with the cotton support program in those early days. We had trouble with our crop-insurance program in those days, too, and trouble of all kinds.

I think I have about used up the few minutes I had intended to speak on the bill. I yield the floor.

Mr. KERR. Mr. President, before the Senator yields the floor, will he yield for a question?

Mr. AIKEN. I yield

Mr. KERR. The distinguished Senator from Vermont has referred to the tabulation of information which has been placed on each Senator's desk. I assume the Senator is familiar with it.

Mr. AIKEN. I looked it over when it was issued in June. I thought it was a very carefully prepared piece of work, which shows at a glance the extent to which a Senator's own State depends upon the basic commodities for its farm income.

Mr. KERR. Would the Senator from Vermont say that the primary purpose of it was to divide and conquer?

Mr. AIKEN. I think the primary purpose of it was to let the public know the facts. It is easy to understand, from listening to some of the talk that has been going on that if a few people say anything loud enough and often enough other people will believe it. This information was produced to show the people of the United States the small extent to which most of them depend upon basic commodities for their agricultural income within their State.

Mr. KERR. Does the Senator believe it is honest?

Mr. AIKEN. It is absolutely honest. I do not think it was honest to go around the country telling some of the other things that have been told. I thought some of those statements had to be counteracted.

Mr. KERR. I believe the Senator will acknowledge that these figures are based on the cash receipts of 1952.

Mr. AIKEN. That was the last year available. That is correct.

Mr. KERR. The figures are based on the year 1952. Is that correct?

Mr. AIKEN. I think probably that is correct.

Mr. KERR. Is it probable or actual? The Senator said he was familiar with it.

Mr. AIKEN. Yes; that is correct.

Mr. KERR. The information is based on the cash receipts of 1952, it is not?

Mr. AIKEN. That is corect.

Mr. KERR. Is the Senator from Vermont aware of the fact that there has been an overall decrease of more than 20 percent in farm income since then?

Mr. AIKEN. I do not know the exact amount. There has been a decrease. Probably it is a decrease of 20 percent.

Mr. KERR. Is not the Senator from Vermont also aware of the fact that there has been a decrease of nearly 50 percent in the income of the average cattle producer?

Mr. AIKEN. I believe there was a decrease from the high points of the war peaks, down to a lower point. I believe it was probably 50 percent. Cattle in 1950 and 1951 were over 150 percent of parity.

Mr. KERR. In 1952 also?

Mr. AIKEN. I do not recall the percentage in 1952.

Mr. KERR. Was it not above 130 percent?

Mr. AIKEN. Yes; it was over 100 percent. It was too high to last.

Mr. KERR. That being the case, I invite the attention of the Senator to the chart showing cash receipts from nonsupported commodities, with the footnote "includes meat animals, poultry and eggs, fruits, nuts, and miscellaneous crops." I ask the Senator from Vermont whether the situation would not be radically different today?

Mr. AIKEN. Oh, yes. Oranges, apples, soybeans, hogs, and so forth, would be much higher.

Mr. KERR. Then I repeat my question to the distinguished Senator from Vermont. I ask him if he thinks this tabulation, calculated to influence Senators with reference to their opinion, and purporting to be information, is fully honest, when in reality it refers to a situation vastly different from the situation today?

Mr. AIKEN. I think it is quite honest. If I were to prepare a chart like this I would feel that I had to use the last year for which complete figures were available.

Mr. KERR. Does the Senator not know the difference between what poultry and eggs are selling for today and what they were selling for in 1952?

Mr. AIKEN. Poultry and eggs are selling for less than they were in 1952.

Mr. KERR. Would the Senator tell us how much less he thinks eggs are selling for today?

Mr. AIKEN. All supported commodities are selling for much less than they were in 1952.

Mr. KERR. Can the Senator tell us how much difference there is in the price of poultry and eggs today as compared to 1952?

Mr. AIKEN. I could look it up; the tables are available.

Mr. KERR. Does the Senator have that difference in his mind?

Mr. AIKEN. I certainly do not carry the price of every one of 150 commodities in my mind.

Mr. KERR. Is the Senator not aware of the fact that poultry and eggs are selling today for less than half of what they were selling for in 1952?

Mr. AIKEN. I do not know what the level is compared to 1952. I do not think that is so.

Mr. KERR. Would the Senator be surprised to find that that is true?

Mr. AIKEN. No, I would not be surprised at anything the Senator from Oklahoma might say.

Mr. KERR. The Senator from Oklahoma is only trying to show that the chart which is before Senators does not represent the situation as it is today, and the Senator from Oklahoma is of the opinion that unless Senators were made aware of the vast difference in what the facts are today as contrasted to what they were when these charts were formulated, they would be likely to be grossly misled.

Mr. AIKEN. I was trying to look up the information the Senator asked for. I do not believe I have it here. I note that the per capita consumption of beef in 1952 was 61 pounds, and in 1954 it is estimated to be 78. The consumption of veal in 1952 was 7 pounds, and in 1954 it is estimated to be 10.2 pounds. The average per capita consumption of lamb and mutton was 4.1 pounds in 1952, and it is 4.3 for 1954. The prices of pork have been high, and consumption has dropped from 71 pounds to 62 pounds per capita. We find poultry products have gone up considerably in per capita consumption.

Mr. KERR. Is the Senator aware of the fact that we were talking about the price of poultry and eggs?

Mr. AIKEN. The per capita consumption of eggs is 412, estimated for 1954, compared with 380 in the pre-Korean days. If what the Senator says about prices is true, consumption has gone up as prices have dropped. I am sorry I do not have the price chart here. I thought this one was interesting.

Mr. KERR. The Senator said a while ago he would not be surprised at anything the Senator from Oklahoma said. Does that mean he would not even be surprised if what he said were true?

Mr. AIKEN. No. Everyone is entitled to some inconsistencies.

Mr. KERR. I am glad the Senator has made that statement. I must say that it explains some of his actions better than I had been able to understand them before.

Mr. AIKEN. Mr. President, I ask that that last remark be taken out of the RECORD.

Mr. KERR. Mr. President, if the Senator wants to withdraw his remark, it is all right. If it is left in there, I would like the RECORD to show that I was smiling fully as much in my answer as the Senator from Vermont [Mr. AIKEN] was in his statement.

Mr. AIKEN. I agree that the Senator from Oklahoma is smiling. I think I was smiling. I know that the Senator from Oklahoma is a master of repartee. I know he can take as well as give.

Mr. KERR. I thank the Senator from Vermont very much.

Mr. HUMPHREY. Mr. President, will the Senator yield for a question on this chart?

Mr. AIKEN. I yield to the junior Senator from Minnesota.

Mr. HUMPHREY. Earlier this year, I think around 20th of June, I placed a statement in the RECORD concerning the chart which now has been made available to every Member of the Senate. I invite the Senator's attention to the fact that the first chart shows that 7 percent of the farm income of the State of Minnesota comes from cash receipts from basic commodities. I think the Senator will agree that that is what the chart shows.

Mr. AIKEN. I suspect that is wheat and corn.

Mr. HUMPHREY. The next chart shows cash receipts from basic commodities, excluding tobacco, 7 percent. Of course, there is no tobacco production in Minnesota, of any consequence, at least.

Now we come to chart No. 3, cash receipts from nonsupported commodities. For the State of Minnesota it shows 59 percent. Would it not be interesting to the Senator to have a chart in this series of charts which would indicate that 41 percent of Minnesota's agricultural income, which is widely divided by the nature of its diversified agriculture, comes from basic commodities which are supported? Is it not somewhat inconsistent that in chart No. 1, dairy products, which are under mandatory price supports, were not included in the part of the income of Minnesota agriculture which was price-suported?

Mr. AIKEN. I think the series of charts shows dairy products.

Mr. HUMPHREY. Will the Senator show me where it shows dairy products? I do not see any chart showing that information.

Mr. AIKEN. It is the fourth chart, cash receipts from meat animals and dairy and poultry products in which price-supported feeds are an element of cost; and 73 percent of the income of Minnesota is shown as being received from meat animals and dairy and poultry products.

Mr. HUMPHREY. Does it not seem fair to point out, since the mandatory price supports for basic commodities have been selected for a special chart, that a chart would be desirable in this series to show the other basic supported commodities?

Mr. AIKEN. The same result is achived if we make the black States white, and vice versa.

Mr. HUMPHREY. If one knows his arithmetic and beginning algebra, he will be able to dissect these charts, but I notice the Department of Agriculture has made it perfectly plain on Chart No. 1, as I want my Southern colleagues to notice, that they are telling every Member in Northern United States that practically the only beneficiaries from the price-support program on basic commodities are the Southern States, except for Montana, North Dakota, and Kansas. The same Department of Agriculture had Mr. True D. Morse go down to North Carolino, the sister State to my friend from South Carolina, and give a vague speech announcing what a wonderful program the cotton price support program was. "We love that," said Mr. Morse. Then in a sort of villain's whisper he said, "Of course, you know that practically all the dairy products that are purchased come from Minnesota and Wisconsin, and the Government's storage problem is in Minnesota and Wisconsin." But when they come to Minnesota——

The PRESIDING OFFICER. The Chair asks the Senator from Vermont if he has yielded the floor.

Mr. AIKEN. I ask unanimous consent that the Senator from Minnesota may have 2 minutes more.

Mr. HUMPHREY. One minute.

When Mr. John Davis came to Minnesota a year ago, he made an excellent speech, one that I wish had been translated by Secretary Benson into the policy of the Government, but that was only a speech, I am afraid. When they come to Minnesota they tell us how magnificent it is that we have such a wonderful diversified agricultural economy. So Minnesota is bad in North Carolina, and North Carolina is bad in Minnesota, under this double-dealing kind of hypocritical agricultural policy, which is exactly what these charts reveal, setting section against section, group against group, and then backing it up with speeches in one part of the country. I refer specifically to a recent speech by the Under Secretary of Agriculture in North Carolina in which he assailed the Midwest because of the problems of dairy price supports, while he pats his southern friends on the back; and then they come to Minnesota and assail the Southern friends and pat us northern boys on the back. It works.

Mr. AIKEN. I cannot yield for a tirade any longer.

Mr. HOLLAND. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Vermont yield to the Senator from Florida?

Mr. AIKEN. These charts are a splendid piece of work. They put the truth before the people, and they raise consternation among those who have been misleading the people.

I yield to the Senator from Florida for a question. I had not previously yielded the floor.

Mr. RUSSELL. Mr. President——

The PRESIDING OFFICER. The Senator from Vermont has not yielded the floor, and the Chair has not yet recognized any other Senator.

Mr. HOLLAND. Mr. President, I ask unanimous consent that the Senator from Vermont may be permitted to yield 1 minute in order that I may make a brief statement.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. RUSSELL. A point of order, Mr. President.

The PRESIDING OFFICER. The Senator will state it.

Mr. RUSSELL. I desire to know why it is necessary for the Senator from Vermont to yield to the Senator from Florida 1 minute. No Senator made any point of order from the floor as to these matters not being questions. There was no charge of a filibuster.

The PRESIDING OFFICER. The Chair will advise the Senator that the Senator from Vermont had asked unanimous consent to yield to the Senator from Florida for 1 minute. The Chair inquired whether or not there was objection. There was no objection. The Chair recognizes the Senator from Florida.

Mr. RUSSELL. If the Chair will indulge me, if objections are to be made from the floor as to the method of carrying on orderly debate on the first day a bill comes before the Senate, I shall object in the future. There is no reason why a Senator cannot yield for the purpose of debate when we are considering a matter of this kind on the first day it is before the Senate.

Mr. AIKEN. Mr. President, I had assumed that in the colloquy which had taken place between the Senator from Minnesota [Mr. HUMPHREY] and myself, something was said which the Senator from Florida [Mr. HOLLAND] deemed he should explain or reply to here and now. That is why I asked that the Senator from Florida be given 2 minutes in which to make the statement. Then I will yield the floor.

Mr. HOLLAND. Mr. President, 1 minute will suffice. I appreciate the fact that the Senate has given me unanimous consent.

The distinguished Senator from Minnesota [Mr. HUMPHREY] stated in a good deal longer period of time than 1 minute something about the fact that the Under Secretary of Agriculture was saying different things in different parts of the country.

If Senators will look at the map which the Senator from Minnesota [Mr. HUMPHREY] referred to, they will discover that the State of Florida is in exactly the same situation as the State of Minnesota, insofar as the percentage of agricultural products which are basic is concerned. That percentage is exactly 7 percent.

The Secretary of Agriculture has been to see us. We are in the South. The Secretary has talked cordially to us. He has talked the same way to us as he talks everywhere else. We have welcomed him. We think he is proceeding in the right direction, and we are trying to support him in his effort to put our

price support program on the basis of sanity and common sense.

Mr. THYE obtained the floor.

Mr. YOUNG. Mr. President, will the Senator yield to me for the purpose of suggesting the absence of a quorum?

Mr. THYE. I yield, if I do not lose my position on the floor.

The PRESIDING OFFICER. Does the Senator from Minnesota yield for the purpose of the Senator from North Dakota [Mr. YOUNG] suggesting the absence of a quorum, with the understanding that he does not lose his right to the floor?

Mr. THYE. I yield under those conditions, Mr. President.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. YOUNG. I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. YOUNG. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. POTTER in the chair). Is there objection? The Chair hears none, and it is so ordered.

Mr. THYE. Mr. President, before we proceed may we have the yeas and nays ordered on the pending amendment?

The yeas and nays were ordered.

Mr. ROBERTSON. Mr. President, will the distinguished Senator from Minnesota yield to me to ask one question of the distinguished Senator from Vermont [Mr. AIKEN], the chairman of the Committee on Agriculture and Forestry?

Mr. THYE. Mr. President, I ask unanimous consent that I may yield for the purpose of allowing the Senator from Virginia to ask the Senator from Vermont one question relative to the pending amendment.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Minnesota? The Chair hears none.

Mr. ROBERTSON. The distinguished Senator from Vermont stated earlier today, when he outlined the proposed support program for the coming year, that peanuts would be supported at 86 percent. May I ask the Senator what the program will be for peanuts in the following year?

Mr. AIKEN. In stating the minimum supports which would be in effect in the event that the program supported by the minority members of the Committee on Agriculture and Forestry should be approved by Congress and eventually become law, I stated that the support price for peanuts for 1955 would be 86 percent. I was authorized by the Secretary of Agriculture this morning to say that. That support price could be raised somewhat after the crop was planted, but it would be about 86 percent for 1955. For the following year it is not anticipated that any of the minimum supports would be lower than they were for the crop year 1955. The Department does not undertake to look ahead more than two years, but it goes without saying that under the flexible support program, if production were kept in line with requirements, 90 percent of parity price supports would prevail.

Mr. THYE. Mr. President, there has been a great deal of discussion about the report, dated June 8, 1954, which Senators found on their desks, originating from the United States Department of Agriculture. I do not know whether Secretary Benson personally directed the circulation of the report or not.

On the first page of the pamphlet which contains a map of the United States, one will see the figure "7" appearing within the borders of the State of Minnesota. I do not care whether the Department of Agriculture publicizes the figures or not, but they are misleading.

I shall try to prove that the figures are misleading. Even if the total cash farm receipts from basic commodities are only 7 percent in Minnesota, they are the very backbone of the agricultural economy in that State. Why do I say that? If corn had been a non-supported commodity in Minnesota last year, the year before, and the year before that, there would have been such an overproduction of pork, milk products, and beef that prices would have been depressed, and we would have had a great problem on our hands. The mandatory supports on the basic commodities act as a governor in our agricultural economy. The supports keep the feed grains from being used in such a manner as to contribute to over-production of livestock and dairy products. Those products are perishable. If too many of those products are produced, there will be waste; whereas corn, wheat, cotton, and the rest of the so-called basic products can be sealed for an indefinite number of years, if the crops are rotated. Therefore, I say again that the price support program for the basic commodities is the very backbone of the agricultural economy.

Mr. YOUNG. Mr. President, will the Senator yield?

Mr. THYE. I yield to the Senator from North Dakota.

Mr. YOUNG. What would happen to livestock prices if there were an abundance of 25-cent corn over a 5-year period?

Mr. THYE. There would be an overproduction of livestock products and the agricultural economy would be so depressed that the country would be faced with a greater problem in that field than it has ever encountered. That is why I contend that a bin of wheat or a crib of corn sealed up is keeping that commodity from being used to overproduce livestock. We now have a surplus of commodity products. We have a surplus of eggs. Two weeks ago in Minnesota hens were selling for 11 cents a pound. Housewives were receiving 22 cents a dozen for eggs. If it is desired that poultry and eggs sell for lower prices than those prices, I do not know what kind of economy the rest of the Nation is asking for.

Mr. YOUNG. Mr. President, will the Senator yield further?

Mr. THYE. I yield, but I desire to go into the chart prepared by the Department of Agriculture, because there are a couple of other factors in that chart to which I should like to direct attention.

Mr. YOUNG. I shall deal with the chart, myself, tomorrow. I am going to prove that Under Secretary of Agriculture Morse, in his own speeches, blamed the high price of hogs on the price-support program. He said that the price of corn had a strong influence on the price of hogs.

Mr. THYE. The Secretary of Agriculture is a man with a profound understanding of the subject of agriculture. I ask my colleagues, who I am sure are capable of analyzing charts, to stop and look at the chart. On one of its pages we see a map of the United States, with some States outlined in black and some in white. The map has a heading at the top entitled "Cash Receipts From Basic Commodities." Within the borders of the State of Minnesota appears the figure 7. I know that is 7 percent, because it is explained in the chart.

If one turns to the next chart, one will see a map at the top of which is the heading, "Cash receipts from basic commodities, excluding tobacco." Within the borders of the State of Minnesota appears the figure 7 percent.

The next chart has a heading, "Cash receipts from nonsupported commodities." Within the borders of the State of Minnesota appears the figure 59. That is the percentage of cash farm receipts from nonsupported commodities.

The top of the next chart is headed, "Cash Receipts From Meat Animals, and Dairy and Poultry Products for Which Price-Supported Feeds are an Element of Cost." Why was that heading put on the chart if it was not with the idea of exciting some of its readers?

I read the heading again: "Cash Receipts From Meat Animals, and Dairy and Poultry Products for Which Price-Supported Feeds Are an Element of Cost."

The farmers of the State of Minnesota received 73 percent of their total cash receipts from such products.

What is the message I am supposed to receive from that statement and that chart?

The next chart is headed, "Cash Receipts From Nonsupported Commodities and Dairy Products."

How in the world can nonsupported products and dairy products be put together to convey a message that is not confusing?

Farmers of Minnesota are supposed to derive 79 percent of their total cash farm receipts in 1952 from such products.

So far as I am concerned, the Secretary of Agriculture would have been better off if he had not distributed that chart. However, he has done so, and it makes no difference to me. Even if the farmers of Minnesota derive only 7 percent of their cash receipts from sales of the basic commodities, such as wheat and corn, that 7 percent is just as important as is the starch in a person's white shirt. That 7 percent is the starch that stiffens the whole agricultural econ-

omy of the State, and it is the factor that prevents surplus feed from being used to produce pork and beef to such an extent that the economy of our Nation would be destroyed.

Mr. YOUNG. Mr. President, will the Senator yield?

Mr. THYE. I yield to the Senator from North Dakota.

Mr. YOUNG. Would it not have been far more accurate for the Secretary of Agriculture to have said that most of the commodities produced in Minnesota have price supports? Minnesota is a large producer of flax. Minnesota also produces rye, oats, corn, soybeans, and other products that are supported. Minnesota also produces a great deal of wheat.

Mr. THYE. Last fall, when beef prices were in distress because of the extreme drought conditions in the Southwest, the Government stepped in and spent almost $100 million out of the so-called section 32 funds in order to buy some of the cheaper or poorer grades of beef in order to keep the market from going to pieces.

Mr. President, this is about as unpleasant an undertaking as I have experienced in my service in the Senate. That is not because I find it unpleasant to stand here. The fact is that for years and years in Minnesota I have been more or less the spokesman of the Farm Bureau. I took my own little county Farm Bureau, when we had hardly a baker's dozen in the membership, and assumed responsibility for becoming its president. At that time there were only 4 or 5 members in attendance at its annual meetings. I worked with the State Farm Bureau, not only as a voting delegate, but as a member of the resolutions committee, working on farm legislation and farm problems, and I helped build up the organization. I have been proud of it all these years. But since I have opposed the so-called flexible price support philosophy in connection with the farm program I have been subject to attacks by a farm organization that I have defended both in congressional committees, on the floor of the Senate, and in my own State legislature, including, in 1937, when there was before the State legislature a bill endeavoring to divorce the Farm Bureau from the county agents or the extension service.

Recently I had the unpleasant experience of finding that the National Farm Bureau had criticized an editor who had published in his magazine an article quoting my views on the question of dealing with agricultural surpluses.

This question has become so very heated. It is most unfortunate, because it is driving a wedge between the different groups of agriculture in the Nation, and there seems to be an attempt to drive a wedge between the North and the South. During the years before I came to the Senate I would read with great interest about the debates in which Senator Capper participated, and the great debates on the McNary-Haugen bill, and the debates in which Senator McNary participated. I found that in all instances the South and the North stood shoulder to shoulder and worked out those problems, when they concerned the basic question of trying to save agriculture.

My only concern is with the great controversial question regarding farm prices; I am concerned lest we find ourselves dividing the agricultural groups to such an extent that we shall be forever trying to bring them together again, so as to have them stand as one unit in endeavoring to protect the little group that is engaged in agriculture. Only about 15 percent of the Nation's population is engaged in the production of the feed and fiber needed by the people of the United States and also by the nations of the world that are suffering from a lack of them. We cannot afford to be divided, because if that occurs, perhaps only 7½ percent of the people will be trying to stand against 90 percent or more of our people, in the effort to obtain fair prices for agricultural products.

Mr. YOUNG. Mr. President, will the Senator from Minnesota yield to me at this point?

Mr. THYE. I yield.

Mr. YOUNG. I dislike to interrupt the excellent speech the Senator from Minnesota is making, but I wish to call his attention to a new publication. It is entitled "The Low-down on Farm Affairs from Washington." The editor is Glenn Martz, who has been an editor of American Farm Bureau publications for about 3 years. This publication I have reason to believe is sponsored by Roger Flemming, of the Farm Bureau, itself.

To show how low some persons will stoop, let me point out that this publication associates the Senator from Minnesota [Mr. THYE], the Senator from South Dakota [Mr. MUNDT], the junior Senator from North Dakota, and other Members of Congress with the Communist movement, just because we are in favor of 90 percent price supports. I think that is about the lowest that any one could possibly stoop.

Mr. THYE. It is that type of attack that has made this matter so unpleasant.

Mr. YOUNG. Mr. President, I ask unanimous consent to have the entire publication printed at this point in the RECORD.

There being no objection, the pamphlet was ordered to be printed in the RECORD, as follows:

THE LOWDOWN ON FARM AFFAIRS FROM WASHINGTON

(By Glenn Martz)

JUNE 28, 1954.—The Communist Party in the United States, recognizing the futility of trying to get anywhere politically within the framework of its own discredited organizations, has dusted off an old technique used so effectively overseas in expanding the Soviet orbit * * * working with the extreme leftwing groups whose political philosophy most nearly coincides with that of the Kremlin.

This strategy is disclosed in a 21-page pamphlet ironically entitled 'The American Way" now being widely circulated by mail throughout the Nation.

The surprisingly candid brochure was published by the New Century Publishers, 832 Broadway, New York City, cited by the House Committee on Un-American Activities as the largest Communist publishing house in the United States.

It is currently being distributed under a covering letter signed by William Z. Foster, now under a Federal grand jury indictment on a charge of plotting violent overthrow of the United States Government.

In it the Communists have a lot of nice things to say about the New Deal and the Fair Deal and sum up their objective by saying "what is needed is a new administration which starts to build again where the New Deal left off."

The immediate aim of the party, as stated in the pamphlet, is to turn the present administration out of power first by changing the composition of Congress in 1954, and then by electing a new administration in 1956.

The booklet goes on to say that the Eisenhower administration can be defeated by the simple device of regrouping and realignment within the Democratic Party nationally and the Republican Party in local areas.

It is significant to note that the Communists are relying on New Deal Democrats, and renegade Republicans who fall into the New Deal category, to carry them closer to their coveted goal.

However, the pamphlet makes it clear that a political marriage with the Democrats and leftwing Republicans would be only a temporary program—that the ultimate objective is a new party to be called the Farmer-Labor Party.

No one should be so naive as to discount the possibility that this move on the part of the Communists will have some measure of success.

Especially in "changing the composition of Congress" this fall.

Such a program is already underway in at least one State.

Out in North Dakota, a newcomer in the political field—ambitious, youthful Gorman King of Valley City—is leading a group of insurgent Democrats in the fight to dethrone old stalwart party leaders in that State for the purpose of teaming up politically with extreme leftwing leaders of the North Dakota Farmers Union and the left of center element of the Nonpartisan League.

What this triumvirate hopes to establish is an "unbeatable" political combination in the fall election.

It is inconceivable that Mr. Foster and his workers will pass up the opportunity to help "realine" North Dakota politically.

The National Farmers Union has for years used politically turbulent North Dakota to "incubate" national programs.

The State, steeped with socialistic enterprise, is well adapted to the birth and promotion of new ideologies.

Currently it is being used as the experimental ground by the Farmers Union for the reorganization of rural school systems which National President James G. Patton has said is so essential to eliminate the present educational system which is, in his words, "all too often controlled and operated to develop the point of view of the profit system."

In a recent issue of the National Union Farmer, official NFU publication, a 2-page spread on the organization's successful effort to "reorganize" the schools in Williams County, North Dakota, held it up as a model for rural America.

Mr. Patton has recommended the establishment of what he calls "Peoples Schools" which would teach the concept of a nonprofit system.

Certainly it is to such organizations—and the starry-eyed politicians who profess to believe that a little socialism here and there will lead America to the land of lemonade springs—that Mr. Foster will fasten segments

of his group, barnaclelike, in an effort to nudge American democracy step by step down the road of no return.

In fact, Mr. Foster, in his brochure, urges workers, farmers, Negroes, small-business and professional people "to join hands in a common fight" and "support the antidepression demands of the National Farmers Union."

It is significant that Mr. Foster's "program against depression" includes "a government guaranty of 100 percent price parity and crop insurance for the small and middle-sized farmers." (P. 11, the American Way.)

To you Senators MUNDT, ELLENDER, THYE, YOUNG, HUMPHREY, and Congressmen COOLEY, HOPE, POAGE, H. CARL ANDERSEN, and LOVRE who have so bitterly assailed the administration's flexible farm price support program and been loud in your praise of high rigid farm price props: Doesn't this give you pause for thought?

Anyone familiar with the Communist goal knows that Mr. Foster would hardly support such legislation if he were not convinced it moves America closer to the master plan laid down in the Kremlin.

To you gentlemen it should also be significant that Mr. Foster has picked up and is parroting your dire predictions of impending depression.

On page 4, the American Way, Mr. Foster states:

"There is indeed cause for alarm. Signs of an economic crisis are increasing. Production is falling. Unemployment is growing. Weekly earnings are declining as overtime pay disappears."

Like you, he's peddling fear to attain his end.

Mr. Foster goes on to say (p. 21, the American Way) that because of these fears "the American people will move along the path to socialism as inevitably as other peoples and nations have done because ultimately there is no other solution to their problems."

Mr. Foster is not alone in his conviction that the expeditious way to socialize America lies largely in fanning the flames of social and economic reform burning in the Democratic Party.

Maynard C. Krueger, former chairman of the Socialist Party, more than 2 years ago said "electorial action" to further the cause of socialism "lies in or just outside the Democratic Party."

Krueger, in an article entitled "Is Socialism Dead in America?" published in the August 1952 issue of the Progressive Magazine, recommended a coalition of ADA, PAC, LLPB, "and many smaller groupings and millions of voters." He pointed out that these groups, which have a political "affinity," had never been effectively organized into a close working unit.

Incidentally, three prominent leaders of the National Farmers Union—President Patton, former Secretary of Agriculture Charles Brannan, and former Presidential Economic Adviser Leon Keyserling—are members of ADA's executive board of directors.

Inasmuch as the National Farmers Union has for years been trying to work out a political alliance with labor and left-wing Democrats it's safe to assume that efforts in this direction will be stepped up in the months to come.

This is the crowd which has been gunning Agriculture Secretary Benson's efforts to free farmers from Government control and put agriculture back on a sound economic footing.

Mr. Foster must be rubbing his hands gleefully. He has a fertile field for operation.

THE EVIDENCE

"We urge support for the antidepression demands of the A. F. of L. and CIO, for the farm demands of the National Farmers' Union, for the democratic demands of the National Association for the Advancement of Colored People, for every proposal, every action, which can help save our people from threatening economic ruin, fascism, and war. * * *

"The program outlined here cannot do away with planlessness and recurring economic crises of capitalism. Only socialism can do that. * * *

"No one group in America can achieve these things. * * * If democratic unity is to be welded, and in time, a major responsibility rests upon the organized labor movement, it must become the propelling force of a popular coalition movement which unites labor, the working farmers, the Negro people, small and middle-sized business, and those groups of capital opposed to the McCarthy program of fascism and war. Such an alliance must also include the Nation's professionals and intellectuals; its women, youth, and nationality groups. This alliance, if it is to become fully effective, must include the leftists and the Communists who have a vital and indispensable contribution to make. * * *

"Only the prospect of such a new administration can inspire and rally the millions of independent voters in the ranks of labor, the Negro, the farmers, and the city middle classes, who, when acting together, constitute a new political majority." (Excerpts from the American Way, current blueprint for Communist political action in the United States.)

Mr. GILLETTE. Mr. President, will the Senator from Minnesota yield to me?

Mr. THYE. I am delighted to yield to the Senator from Iowa.

Mr. GILLETTE. The able Senator from Minnesota has been referring to a chart which has been placed before us. It was my opinion that the purpose of the chart was to illuminate the question, rather than to obscure it. Is not the purpose supposed to be to illuminate the question?

Mr. THYE. Does the Senator from Iowa refer to my purpose or to the purpose of the chart?

Mr. GILLETTE. I refer to the purpose of the chart.

Mr. THYE. The purpose of the chart is unquestionably to illuminate, so that everyone will have a complete understanding of what is involved in basic supports, as they affect crops in the various States throughout the Nation. That was the entire purpose; at least, I hope it was.

Mr. GILLETTE. If the intention was to illuminate, rather than to obscure, would not the Senator from Minnesota agree that it was somewhat befuddling to read from the chart that the State of Iowa, which produces more corn than does any other State in the Union, had only 8 percent of its farm income from supported commodities; and the accompanying list shows Iowa has 86 percent of its income from nonsupported commodities?

In view of the fact that anyone who knows the farming industry, as compared with any other industry, knows that in Iowa we market our corn as feed—85 percent of it is marketed by means of what we call on the hoof—such a chart as the one which has been placed on the desks of Senators evidently was intended by its perpetrators—and I use advisedly the word "perpetrators"—to deceive, rather than to illuminate in connection with this question.

Mr. THYE. Mr. President, I have tried to study the chart and I have tried to learn its intent, as it relates to the Nation's economy. The chart is entitled "Cash Receipts From Basic Commodities—Percentage of Total Cash Farm Receipts, 1952." The figure given for the State of Iowa is 8 percent.

The accompanying list or table is entitled "Cash Receipts From Specified Farm Commodities as Percent of Cash Farm Receipts, by States, 1952."

The fifth column is headed "Percent of Cash Farm Receipts From Livestock, Dairy Products, and Poultry for Which Supported Feeds Are an Element of Cost." The figure given for Iowa is 84 percent.

If that figure makes sense, I cannot grasp its meaning.

Mr. ANDERSON. Mr. President, will the Senator from Minnesota yield to me?

Mr. THYE. I am glad to yield to the Senator from New Mexico.

Mr. ANDERSON. Did not the Senator from Iowa almost answer his own question? He said corn is a very large product in Iowa, but is not marketed as such. Instead, it is marketed as livestock. Livestock is not supported. That is what the chart shows. It does not show a support price for corn, in the case of Iowa. After all, for Iowa, if a support price is to be useful, it will have to be applied to livestock. That is why it is correct to say that 86 percent of the farm commodities of Iowa are not supported.

Mr. THYE. Apparently the Senator from New Mexico was not present when I read from the chart. If he wishes to examine all the charts, including the first one, he will find, when he finishes, that they are really a badly scrambled mess.

Mr. ANDERSON. Perhaps. However, I think this is an official publication of the Department of Agriculture. I hate to see the term "perpetrators" used in regard to the disseminators of the information. Whoever issued it thought he was doing an honest job, I believe.

Whatever else may be said of the Secretary of Agriculture, I regard him as an extremely honorable man.

Mr. THYE. Mr. President, in order that there may be no question, let me say I was about to state my high regard and my high opinion of the Secretary of Agriculture. That is one of the reasons why I find this task so unpleasant.

I was about to say that one other reason why the assignment I have given myself this afternoon is so very unpleasant is that I find myself taking specific issue with the views expressed by the Secretary of Agriculture. As an individual, I have great respect and admiration for Ezra Taft Benson, the Secretary of Agriculture. I hope he is correct in his philosophy, particularly in the event that the philosophy he advocates happens to prevail in the Congress. It matters not whether I am wrong, because that affects only my own conscience and ego. But if he is wrong, the entire economy of the

Nation will be affected. The Secretary of Agriculture has projected himself into this fight, when he lays a document such as this one before the Senate of the United States, on the very day when we are debating the agricultural bill. That is my comment on the chart.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. THYE. I am delighted to yield.

Mr. AIKEN. The Secretary of Agriculture released this report on June 8. I laid it on the desks of Senators today.

Mr. THYE. It makes no difference. June 8 we were discussing the farm bill in committee. The purpose of this chart was to make my farmers who look at it say, "Why is Senator THYE causing such a furor when we are only affected to the extent of 7 percent?"

But if anyone reads the chart, he will see that he will have to get a threshing machine or a cream separator to help him separate the elements before he can see the full intent and meaning in this type of chart, because it brings up some rather misleading and confusing phrases as it describes the basic commodities and the nonbasic commodities and what relationship they have to the economy in that State.

I have not yet started with my prepared statement, but before I start on that let me say that I respect Secretary Benson. He is an honest and an honorable man. He is undoubtedly an intelligent man.

Basically he has had enough experience in agriculture so that no one can say he comes without experience. Therefore, it is all the more difficult for me to understand him. I am not an economist, but I have gone to the economists within the Department of Agriculture to obtain figures from the statistical department. That is the basis upon which I have prepared this statement.

I now proceed with my prepared statement.

Mr. ANDERSON. Mr. President, will the Senator yield?

Mr. THYE. I am delighted to yield to the distinguished Senator from New Mexico.

Mr. ANDERSON. Before we begin, let me say this: There will be many differences of opinion in connection with this farm bill. I was hoping that we would not start applying terms to each other.

The very able Senator from North Dakota [Mr. YOUNG] has a different philosophy from the one I may have with reference to these supports, as does the very fine Senator from Minnesota [Mr. THYE]. I have many times, publicly and privately, said that these two Senators are as devoted to the cause of the farmers of the United States as any people I have ever seen in my life.

I have seen them under all sorts of circumstances. I have never seen either one of them consciously do a single thing that he thought was hostile to the best interests of the American farmer.

We will vote differently. We frequently vote differently. But I hope there will be no questioning of motives, because that is not necessary in this discussion in view of the type of men who are taking part in it.

Mr. YOUNG. Mr. President, will the Senator yield?

Mr. THYE. I will yield to the Senator from North Dakota, but I want to recognize my distinguished friend from New Mexico, a former Secretary of Agriculture. He was a good Secretary of Agriculture. I sat across the table from the Senator in committee hearings, and I never rose with the feeling that I violently disagreed with him, and I never had a feeling of displeasure with the Senator.

However, the Senator was Secretary of Agriculture in an entirely different era from the one we have now during the administration of Secretary Benson.

I said at the time the Secretary accepted the appointment, when I was visiting with him in St. Paul, shortly after his speech to the Central Livestock Shippers' Association:

> You are assuming the Secretaryship of Agriculture at a time when you cannot possibly do anything that will not result in your being criticized, because you are taking over at the very peak of an inflation, a war-born and Korean inflation. Whatever happens, the prices are going to go down, and they are going to criticize you for it. If you do not let the prices down, the consumer is going to criticize you. The angels will have to be with you, sir, because you will find a very difficult administrative responsibility and job to perform.

Therefore, I say to my distinguished colleague, the former Secretary, that he was fortunate. The Senator was Secretary of Agriculture during an era when there was a shortage of supplies and commodities most of the time.

Poor Secretary Benson—and I use the term "poor" with all the sympathy at my command, because he has a difficult task—has a difficult task. I have differed with him. I differed with him last January. Man to man we got together and discussed the problem, and when I left him I knew I had not convinced him.

I wrote him a letter on January 21 in which I outlined specifically what I thought we must do, principally to get rid of the surpluses before we start tampering with the price supports, because if we lower the price supports with the existing tremendous quantity of surplus, the price will go down, and if the price goes down, we shall not get rid of the surplus in the commodity warehouses, because we shall have to sell the surplus at a sacrifice.

That is due to the fact that when the economic level goes down, the values of commodities in storage go down in the same fashion, and faster than commodity prices in the market. Therefore, I said, "Mr. Secretary, you must reduce surpluses through a reduced acreage before lowering price supports. Otherwise this Nation will be in a terrific squeeze so far as its farm economy is concerned."

Mr. YOUNG. Mr. President, will the Senator yield?

Mr. THYE. Mr. President, before I start my statement, and in order that everyone may know that I did not hide in the weeds waiting for the Secretary to come by and then jump on him, let me say that I went to his office early last January and tried to place before him some practical knowledge of farming and of farm problems. I pointed out the fact that today a farmer pays almost $3,000 for a tractor on the basis of declining price. When hogs were selling for 28 cents a pound, and milk at $4.80 a hundred, we were able to buy the same sized plow tractor for $1,700 or $1,800.

With high taxes, both on real estate and personal property, the agricultural economy is faced with serious problems.

My taxes are $2 an acre higher than they were 7 or 8 years ago. My personal property tax is twice as high. That is partly due to the fact that we must pay a higher school tax in order to provide school buses, and we must build good roads in townships in order to accommodate all-winter travel by the school buses.

The Senator from Iowa [Mr. GILLETTE] knows the problem in northern Iowa in providing township roads out of the ditches and the weeds so that school buses can travel all winter. There is no one in the world except a little property owner out in the township who will pay that tax, because it is not gas tax revenue that pays for such facilities. It is not any other revenue except the tax levied on real estate that pays for township road improvements.

We had better think twice before we start using our little hatchets to knock price supports down 10 or 12 percent. We are getting to the point where we are figuring fractions on price supports. I never was any good at fractions, and I will have no part of them.

Mr. YOUNG. Mr. President, will the Senator yield?

Mr. THYE. I yield to the distinguished Senator from North Dakota.

Mr. YOUNG. I should like to make reference to a very good statement by the distinguished Senator from New Mexico [Mr. ANDERSON].

I think we ought to keep this debate on a high plane. I do not think we ought to accuse other Senators of insincerity or anything of that kind. I do not think there was a single case, ever since I first opposed the appointment of Secretary Benson, in which I referred to him in a disrespectful manner. I have said I thought some of his statements were inaccurate. I have tried to point out, and I do so again tomorrow, that there have been many inconsistencies, but I do not think I have ever spoken disrespectfully of any Member of the Senate. I think Senators on both sides of this question are most sincere.

I did resent one speech—I will not mention anyone's name—in which one proponent of flexible price supports program referred to those of us who were in favor of 90 percent price supports as being hypocritical when we said that President Eisenhower during the last campaign was in favor of 90 percent price supports.

I have said no more about that since the President recently said he was in favor of 90 percent support prices.

During the Presidential campaign two years ago I was requested to go to the

State of California. I spent 4 days in the rich agricultural areas of that State. The Republican National Committee knew I was in favor of 90 percent price supports, when they sent me out there and they knew what I was saying. They knew I had said that the Republican Party was in favor of 90 percent price supports. The Republican National Committee paid my expenses out there. Because I said that during the last campaign, I do not like to have anyone say that we are hyprocrites now.

Mr. THYE. Mr. President, I ask unanimous consent to have my letter to Secretary Benson, of January 21, 1954, printed in the RECORD at this point as a part of my remarks. I make the request because I do not want any question to be raised as to what I wrote to the Secretary of Agriculture.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

UNITED STATES SENATE,
COMMITTEE ON AGRICULTURE
AND FORESTRY,
Washington, D. C., January 21, 1954.

Hon. EZRA TAFT BENSON,
Secretary of Agriculture,
Washington, D. C.

DEAR MR. SECRETARY: I am writing you to outline my views on some phases of our agricultural problem. These views, you will recall, I had indicated to you in our conference prior to the presentation of the proposed program to Congress.

One of the major problems we must recognize is that, in the main, the farmer has suffered too great a drop in his income. The prices that he receives have dropped drastically in many of the commodities and products, while his operating expenses are still on the level to which the Korean war inflation carried them, to say nothing of the higher school taxes levied on real estate and personal property, or township and county taxes. They are all up.

The machines the farmer must purchase in his normal operations are still at those inflationary price levels, likewise the repairs on his old machinery if he be so unfortunate he cannot afford to buy the new machines. Then there is the high cost of mill feeds, commonly known as high-protein feeds, which he must purchase to supplement his home-grown feeds for his dairy operations, poultry production, or any general livestock feeding operations. How the farmer can further suffer a loss in price and still continue to pay these inflationary costs is a question that we must consider.

I am in support of certain phases of the President's recommendations, such as isolating some of the surplus, placing it in reserve in a stockpile as an assurance against some national or international catastrophe, such as a major drought could bring about.

The first step that we must take here in Congress and administratively is to demonstrate our ability to handle this surplus, whether we isolate, stockpile, or barter it off in the international field. We must show that we can do it, or it will be like a black shadow threatening or weakening our own domestic markets as well as the international market. Our number one problem is to manage this surplus.

Secondly, the farmer last fall voted and agreed to reduce his acreage of wheat planted, in order to manage the surplus in wheat. He has willingly accepted reduction in the number of acres planted to cotton and I know that the producer of corn will likewise agree to a reduction in the number of acres planted to corn. Farmers will agree to put these acres into clover, alfalfa, or some type of legume crop that will be soil-building, bringing a higher fertility in the land that will give greater assurance of production in the future if the need arises. With the use of such soil-building practices, farmers would be prepared to take such surplus acres out of production entirely.

These are two essential steps—take care of present surpluses and plan to manage and govern future surpluses. When we have proved our ability in this respect we can take the necessary steps toward the question of price supports and what our price supports should be. If we are successful in the first two steps, it makes no difference what your price supports are, because you will have full parity for agriculture at the market place, but you do not have it today. If you take 90 percent support off the basics, with the exception of pork the prices would drop to the very level you reestablish. If you desire a change in production by adjustment in the price supports, what type of crop or livestock enterprise would you advocate that the producers divert to? I know we have a surplus in every category of grain or products with the exception of the pork. I believe that we don't need to encourage that by price, because pork production will be up in the coming year.

The effect of our agricultural economy is so important—it has its reflected effect not only in the smaller communities of our Nation but in industrial centers. The farmers provide a great outlet for heavy industry such as farm machinery, trucks, etc. I saw too many implement yards full of new machines last fall not to know what was happening to the farmer's purchasing power.

Mr. Secretary, I have just frankly set forth some of my thoughts as I believe I have some understanding in the field of agriculture. I am confident that we will work out an excellent, sound, administratively possible farm program, but we certainly cannot do so unless we are prepared to consider all these phases of the agricultural problem.

Sincerely yours,

EDWARD J. THYE,
United States Senator.

Mr. THYE. Mr. President, I now proceed with my prepared remarks.

I wish to address the Senate on the subject of the farm legislation now before us, and on the whole matter of a farm and food program for the Nation.

In considering the larger aspects of the subject, I am reminded of the words of Winston Churchill, when he described the deeds of the Royal Air Force in defending Britain against the air blitzes of 1940–41: "Never before have so many owed so much to so few."

Certainly those words best describe the situation when a handful of RAF fighter pilots stood off the hordes of enemy bombers.

I believe they apply equally here in our own country when we weigh without political bias the accomplishments of the 15 percent of our population who live upon our land and produce the food, feed, and fiber for themselves and the 85 percent who live away from the land.

Never before in all the history of mankind have so few produced so much for so many.

Never before have all the people who live upon one of earth's great land bodies, a whole continent, been fed so well with such quantity and variety of food and so cheaply.

The average American family spends less of its disposable income for food than does that of any other nation, and receives in return a higher standard of diet.

This did not just happen.

It has been made to happen over a period of years, and today we are considering legislation that may profoundly affect the continuation of this happy situation.

To begin with we have been endowed by nature with more productive acres per capita than has been granted to any other people.

In addition, the men and women who man these acres—a comparative handful when contrasted to the remainder of our population—have done an outstanding job of production from these acres.

It is a matter of record that they produce more food per man hour of labor expended than has ever been produced anywhere in all time.

This means that the cost of production is at a minimum, that the productive unit is at a maximum of efficiency, and that we who buy this production receive the benefit through the lowest possible prices.

All of this is most praiseworthy, and I am sure that my colleagues join me in expressing appreciation to the farmer for a job superbly done.

However, I doubt if the farmer is much interested in our appreciation.

He is more interested in what we do here because what we do affects his family, his income, his living, and his future; and likewise the future productivity of our land.

It has been said here that the farmer has been encouraged through unduly high price supports to overproduce his market, to pile food into storage at taxpayer expense instead of making it available to consumers.

It has been argued that if we drop the level of Government price guaranties the farmer will quickly bring his production into line with demand.

There is not a single instance in history where the dropping of the overall price level has resulted in a drop in farm production.

On the other hand, there are examples almost without limit of where the farmer has raised his production because of falling prices.

Back in the 1930's—and many of us here recall that period unpleasantly—farmers responded to the sharp price break that came in 1930–1931 by increasing their planting to the highest acreage in modern times.

They were trying to offset a price decline by increasing production.

This is a natural action on the part of farmers because their price is their wage.

Despite all the talk about what the farmer should do, or even will do, the fact seems to be that he will always do the best he can and that is to take any step to increase his income.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. THYE. I am delighted to yield to my colleague.

Mr. HUMPHREY. What my distinguished colleague is pointing out is that

the basic argument, to the effect that lower price supports of 75 to 90 percent of parity would reduce production and thereby reduce surpluses, is founded upon fiction, not upon ascertainable fact; is that correct?

Mr. THYE. My colleague is entirely correct. All we have to do is to live with a farm family—unless we are familiar with the situation from personal experience—to know that never at any time will a farmer waste anything. He will not only glean his fields and pick up the last grain and the last forkful of hay, but he will produce the most he can from his land. There is no way of reducing production except by taking a certain percentage of acreage out of production and putting it into a soil-building crop, in order to build up fertility, instead of depleting it by overproduction.

We made a mistake—and I cover this point later in my remarks—when we did not control the number of acres planted. With the diverted acres in 1952 we accumulated the surplus in 1952. Now we are trying, in 1 year's time, to whittle the price supports away. A farmer will never say, "What is the use? I quit." He is not made that way. If he were made that way, or if he were to take that attitude, he would have quit long before he even started.

Mr. HUMPHREY. My colleague is a man of experience in this field, and he is a farmer himself. Is it not true that when we talk about soil-building practices and the whole field of conservation, including terrace farming and other soil-building and conservation methods, it must be remembered that that is done generally in periods of high income, instead of periods of low income, and in periods of good practices, instead of in periods of low prices?

Mr. THYE. My colleague knows, if he has driven through the countryside of Minnesota—and of course he has, politically, and sometimes I wish he would not cover the State as rapidly and as widely as he does, because he is not of my political party—that more land is tilled during good years than during depression years. Both of us have seen the application of fertilizer and lime on the soil, and both of us have seen the growing of clover and alfalfa. Either clover or alfalfa is a good soil-building crop. If we let an acre of land lie under a bed of clover or under a stand of alfalfa, when it is plowed up we have an acre of land that is far more productive than before the clover or alfalfa was grown on the land.

Therefore, under a good farm program it is necessary to keep a sufficient surplus of land to meet a catastrophe or an emergency, or the effect of adverse crop years.

The remainder of the good acres are put into soil-building land. Therefore, as our Nation's population grows, we are at the same time holding in reserve acres of fertility which can come into production at any time when we have an adverse crop situation and it is necessary to step up production.

If we do that, future generations will know the blessedness of an ample supply of food and fiber, as we know it.

As we travel around the countries of the world which have forgotten about agriculture basically and observe how agriculture deteriorated from the wonderful agriculture described in the Biblical stories which the Senator and I learned as children in Sunday school, and compare the history of that land with what we see today, in the form of great agricultural disasters, as shown by the shifting sands of the great deserts, we are reminded of the Chinese saying that we must take the wisdom of the past and apply it intelligently to the future.

Therefore, in my work in the Minnesota State Department of Agriculture, in the Governor's office, and in the Senate, I have always endeavored to give agriculture basically a balance in our Nation's economy, because it is entitled to it. Farmers do not represent more than 15 or 18 percent of our population. Unless we do that for agriculture we will not get the desired production from the land. No individual farmer anywhere can guess what an individual farmer in Iowa will do, and no individual farmer in Minnesota can guess what anyone in Wisconsin will do.

We must lay down a national program if we are to achieve consistency in our annual production. If we want consistency we must plant a few more acres than we anticipate will be our next year's supply in the event we have a short crop in that year. If we have a long crop, we have a surplus, and the farmer is at the mercy of the bidder who wants to bid on that commodity. Therefore, we have had an ever-normal seal-up in our farm program.

Unfortunately, the program was not administered wisely in 1952 or 1953. We have surpluses, and those surpluses are commencing to jeopardize our national economy. I have figures in this paper, Mr. President, which will bear out that statement. They are not figures taken out of my mind; they are figures prepared by statisticians of the Department of Agriculture. I have four or five charts which deal with parity levels back in the year 1910. At that time the farmer stood at 107 percent. In 1953 the farmer stood at 92 percent.

Let us pick out some of the bad years. We see one year when the farmer's parity was at 58. Try to guess what year that was. The farmer's parity index was 58 in the calendar year 1933.

If Senators wish to use parity to bring about a certain condition, let the agricultural economy drop to a parity near 58. In that era of time I saw housewives in the great corn-producing area of central Minnesota carrying baskets of yellow Minnesota corn out of the corncrib to the kitchens of their homes, and those ears of corn produced more heat units in the kitchen stove and in the heater in the front room than could be obtained by selling the corn and buying coal. Does the Senate want that situation to return? I do not.

I saw that with my own eyes. I was in many homes in which corn was burned as fuel because it would furnish more heat units on the ear than coal bought in the elevator yard.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. THYE. I am delighted to yield.

Mr. HUMPHREY. First of all, I commend my colleague, the senior Senator from Minnesota. I only wish his philosophy permeated the whole legislative program. The year 1933, upon which the Senator has put his finger, will reveal also, will it not, that despite the parity ratio being at 58, production was high and acreage was high. In other words, the farmers did not pull many acres out of production. They were trying to pay their bills. The lowering of prices did not do what the so-called flexible support system is supposed to do, namely, reduce acreage and reduce production.

Mr. THYE. Mr. President, I am not drawing on anything of a fictitious nature to try to answer my colleague, the junior Senator from Minnesota, on this question. In the early thirties, in the great dairy producing States of Minnesota and Wisconsin, I have known times, when shelters were improvised for horses in order to put another cow or two in the horse barn, to try to get a little increase in income for the year or for the month. I am not drawing on fiction, for I have positive knowledge of what was taking place at that time in various communities. I say this because at that particular time I helped to organize the Production Credit Loan Association in South St. Paul. We went into farmyard after farmyard and witnessed what was happening in those and in the farmer's economy, and learned why he had to have a production credit loan. His credit was no good anywhere else. He was down on his knees, and he had no place to turn except to his Federal Government. Members of Congress and some of the senior Members now in the Senate enacted legislation providing not only for production credit loans, but legislation known as the Commissioner's Loan Act, which in effect provided second mortgages to the loans of Federal land bank. In the event the land bank appraiser turned down the loan for lack of buildings or for some other reason, the Commissioner's loan could be used as the principal loan to save that man's property.

Mr. President, if I did not know some of these things, I would not be standing up here in defiance of my colleagues and my personal friends, like the Senator from Vermont [Mr. AIKEN], on the farm support question; I would not be differing with the President of the United States, a man whom I greatly admire. I would not be at the parting of the ways with the Secretary of Agriculture if I did not have a strong conviction. But I see the trend going in exactly the same direction as it went in the thirties when nothing but the laws enacted by the Senator from Georgia [Mr. RUSSELL], the Senator from Georgia [Mr. GEORGE], and the Senator from Arizona [Mr. HAYDEN], among others, that kept our farmers on the farm until

we got the agricultural economy out of the depression rut.

Mr. MUNDT. Mr. President, will the Senator yield?

Mr. THYE. I am delighted to yield to my colleague from South Dakota, the State where I was born. I have a pretty fair idea of the hardship endured by the farmers out in the Dakota area, because my mother and father homesteaded north of Aberdeen before there was a railroad to Aberdeen. The grasshoppers, hail storms, and droughts were so numerous that I was treading from one crisis to another in those early years. I remember them so distinctly that it seems only yesterday that we left that country because there was no course open to us except to get out. Everything else was gone.

Mr. MUNDT. We are very happy out in South Dakota to claim such a distinguished fighter for agriculture and such a distinguished statesman as a son of South Dakota. In fact, South Dakota has a unique distinction, inasmuch as we have supplied both Senators from the State of Minnesota. Both of her distinguished Senators are sons of South Dakota. We are now in the process of supplying Minnesota with a few Representatives who are moving over from our State to be elected in Minnesota.

Let me refer now to the farm program, to see if the Senator and I can perhaps pinpoint what appears to be the one argument on which the Aiken-Anderson-Benson philosophy is based. I recognize them all as being conscientious friends of agriculture, and as I have listened to their arguments, it seems to me they inevitably come back to the one criticism of the present farm program—that there is a surplus. They do not argue about the fact that they are unhappy because the farmer is prosperous. They do not say they are unhappy because farm prices have stood up rather well on the basic commodities, despite the fact that we have moved from an era of war to an era of peace. They do not complain too much about the fact that it has cost approximately, on the average, only $6½ million for 20 years to maintain that kind of agricultural prosperity. They come back to the argument that we do have a surplus.

So we recognize that surpluses must be dealt with. Certainly that is a national program, as the Senator from Minnesota has so accurately pointed out. There is no conclusive evidence anywhere to show that reducing the prices which the farmer receives will reduce the surpluses, because as he is driven frantically to produce additional units, the price per unit grows increasingly smaller.

According to that concept, would not the Senator agree with me that if that were not the fact, as history demonstrates it to be the fact, if we were to follow the philosophy of reducing farm prices far enough actually to begin reducing surpluses, the surpluses would have to be reduced so far that the farmer would virtually be starved into submission? The price would have to be put so low that the farmer would have to leave the farm and close up his plant. Then, for the first time, there would actually be an impact on the farm surpluses.

Mr. THYE. The Senator from South Dakota is correct. To carry his thought one step further, when the farmer has been driven to a position, financially, where he cannot buy, then cancellation starts, not only with the local dealer, but far away, in the industrial plants, in the manufacturing centers. Then there occurs the unpleasantness of men and women losing their jobs all the way down the line.

Finally the Government starts, at the tail end, which I am afraid it is doing right now, to formulate make-work programs, in order to provide employment for men and women, and keep them from starving. Then the Government begins to throw great heaps of money into the Nation's economy, in the form of pump priming, in order that the economy may again be stimulated, so that the economy can again support agriculture.

Mr. President, this Nation must be kept in balance. Everyone must be enabled to earn a satisfactory living—professional and business people, investors, industrial workers, and farmers. All of them must be kept in balance, if there is to be a strong economy. But there cannot be a strong national economy if the farm economy is out of balance.

If I may be permitted to complete my speech, I shall try to prove conclusively that the farmer is out of balance and has lost income drastically in the past few years.

Mr. MUNDT. Mr. President, will the Senator yield?

Mr. THYE. I yield.

Mr. MUNDT. I could not agree more than I have with the Senator from Minnesota in his analysis of the great prevailing fallacy in the Aiken-Anderson-Benson theory of price supports as related to surpluses.

As the Senator has pointed out, conceivably if price reductions are carried to the point where the farmer is driven from the farm and is starved into submission, to the point of raising less and less in the process, the ramifications throughout the rest of our economy will be so serious, and there will be so much unemployment created, that the consumer will find himself very much less able to purchase the products of the farmer. Then the surpluses might begin to expand, because a decreased production related to a decreased consumption might very well result in an expanded surplus.

The new Secretary of Agriculture, Mr. Benson, has taken some very exciting, adventuresome, and far too long delayed steps in the direction of solving the surplus problem by means of the new agricultural surplus disposal legislation which has been enacted at this session of Congress; and through the very exciting and highly effective means of utilization of surpluses, at long last, as purchase tokens, as elements in barter exchange, as part of the mutual-aid program. We are now in the infancy of a great new program of directly utilizing American farm surpluses in a way in which they will help the American economy.

Certainly, since the entire argument for lowered price supports is hinged on the fact that there are surpluses, it seems to me to be both prudent and wise to defer any change in the farm program until it can be seen how the new programs actually operate. If we continue our present price-support program for another year we can then revert to the surplus question after we see how the new programs operate. There are 8 or 10 of them now directed at the utilization of farm surpluses.

We may well find ourselves united a year from now, when it is recognized that these surpluses can be utilized, because, in fact, they are necessities of life to somebody, and we will not have to try to drive the farmers' prices down in order to solve the question of surpluses.

Mr. THYE. The Senator is indeed correct.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. THYE. I am glad to yield.

Mr. MANSFIELD. I have been following with much interest the remarks of the Senator from Minnesota. I wish to compliment him on the facts which he is bringing to light. I am glad his memory is not so short as that of many other persons, because the same facts which the distinguished Senator has said applied to Minnesota and South Dakota applied also to Montana in the 1930's.

The Senator from South Dakota mentioned the fact that the two Senators from Minnesota migrated from his State to the more lush State of Minnesota.

Mr. MUNDT. The Senator has stated the situation in reverse. The Senators from Minnesota migrated to that State from the lush State of South Dakota.

Mr. MANSFIELD. I wish to ask the Senator from Minnesota if a decrease in farm population is not occurring as the years go by.

Mr. THYE. Naturally there is a decrease, because, as a result of the machine age, fewer hands are required on the farm to produce food and fiber. More workers are needed in the factories and in the transportation field, to produce and transport the supplies and equipment which are manufactured.

There has been a shift in the Nation's population, because of the ingenuity of industrialists and engineers in building factories having modern assembly-line techniques for making machinery and machines cheap enough so that everybody can afford to have such equipment in the fields. This has resulted in a transformation of our economy, which has been one of the greatest achievements in the history of mankind.

Therefore, we have seen a decrease in the number of families on the farm. We have seen our sons become educated and go to the cities, often leaving the aged parents to continue the farming operations.

There is no question that there has been a decrease in farm population. It

is only 15 percent today, in comparison with what it was 50 years ago, when only 30 percent of the population were living in the cities, and the others were tilling the soil and trying to produce the food and fiber necessary for the domestic economy.

Mr. MANSFIELD. The figures which the Senator from Minnesota has mentioned are startling. I think they should be taken to heart, because as the farm population decreases, the urban population increases.

Mr. THYE. Certainly.

Mr. MANSFIELD. It is my understanding that although the farmer today is feeding more people than ever before, by 1975 he will have to feed even more. This indicates that the importance of the farmer and the farm economy, and the impact of the farm economy on the rest of the economy, cannot by any means be overestimated.

Mr. THYE. The Senator is entirely correct in his analysis.

Mr. MANSFIELD. Statements have been made about the huge subsidies paid to the farmers over the past 21 years. I understand figures have been issued which take in everything connected with the farm program. But is it not true, on the basis of statements made by the Senator from Alabama [Mr. HILL] and other Senators that the average cost per person over the 21 years has been approximately 35 cents?

Mr. THYE. I have seen such figures. But I am dealing with the same cost in a little different manner than per capita cost.

Mr. MANSFIELD. Mr. President, will the Senator further yield?

Mr. THYE. I yield.

Mr. MANSFIELD. If that cost is compared with the amount of subsidies paid to the airlines, the steamship companies, the railroads, and the newspaper and magazine publishers, and if those tariffs are included, how much, really, is the farmer getting in comparison with the subsidies paid, in some instances for 150 years, to the rest of the economy? Is there any comparison?

Mr. THYE. I have seen the figures. I will not try to compare them, because I shall deal specifically with the agricultural question this afternoon. I do not intend to refer to what anyone has received as a subsidy in any other segment of the economy. While the Senator from Montana is correct, I would rather make certain that we have an ample supply of food and fiber, and that we do not mine the fertility out of our soil while we are producing.

I would rather take that approach than to take the approach that we should not invest anything in the farm program or in the surpluses which now exist.

The Senator from Montana is correct when he brings up the question of subsidies in the various other phases of our economy, but I say that what we have actually put into the farm economy over the years is the best insurance we could have had, and has provided the greatest certainty of a strong agricultural economy. With that balance in our Nation's economy as a whole we have seen prosperity maintained in the land, when every economist was willing to predict that we would suffer a depression in the wake of World War II.

If we are not foolish in this particular era, the postwar period of the Korean war, we can avoid an economic break. But if we are foolish and let agriculture "go to pot," the plight of agriculture will have an adverse effect, strangling other segments of the economy and pulling them down with it.

Mr. MANSFIELD. Absolutely. Every part of the economy will be affected.

Mr. THYE. Yes.

Mr. MANSFIELD. I hope the Senator from Minnesota will continue to remind us what conditions were in the 1930's, because there is not a Member in this body who cannot think back to those years and remember what happened to our farm economy, and the tremendous effect on the rest of the economy at that time.

The Senator is to be complimented for doing a good job.

Mr. THYE. I thank the Senator.

Mr. President, I now desire to present some charts.

The first chart is entitled "Ratio of Prices Received to Prices Paid by Farmers, Including Interest, Taxes, and Wage Rates, United States, Annual, 1910–53, by Months January–June 1954."

Another chart is entitled, "1952 Farm Income Allocated to Basic Commodities, Designated Nonbasic and Other Support Programs Which Are not Mandatory."

The third chart on the Commodity Credit Corporation, is entitled "Quantity and Value of Commodities Pledged for Outstanding Loans and Commodities in Price Support Inventory as of May 31, 1954."

The fourth chart is entitled "Farm Food Products: Retail Cost, Farm Value, and Marketing Margin (1947–49 equals 100) and the Farmer's Share of the Retail Cost, Annual, 1913–52."

Chart No. 5 is entitled "Average Hourly or Weekly Earnings Divided by Average Retail Price of Respective Food Item, Computed From the BLS Data."

I ask unanimous consent that these charts be printed in the RECORD as part of my remarks. I shall be referring to them from time to time in my prepared statement.

There being no objection, the charts were ordered to be printed in the RECORD, as follows:

I. *Ratio of prices received to prices paid by farmers, including interest, taxes, and wage rates, United States, annual 1910–53, by months—January–June 1954*

Year	Jan. 15	Feb. 15	Mar. 15	Apr. 15	May 15	June 15	Parity level
1910							107
1911							96
1912							98
1913							101
1914							98
1915							94
1916							103
1917							120
1918							119
1919							110
1920							99
1921							80
1922							87
1923							89
1924							89
1925							95
1926							91
1927							88
1928							91
1929							92
1930							83
1931							67
1932							58
1933							64
1934							75
1935							88
1936							92
1937							93
1938							78
1939							77
1940							81
1941							93
1942							105
1943							113
1944							108
1945							109
1946							113
1947							115
1948							110
1949							100
1950							101
1951							107
1952							100
1953							92
1954	92	91	90	91	91	88	

Source: Agricultural Marketing Service, Statistical and Historical Research Branch. Compiled from agricultural prices.

II. *1952 farm income allocated to basic commodities, designated nonbasics, and other support programs which are not mandatory*

[Thousands of dollars]

Basic commodities:	
Corn	1,136,414
Cotton lint	2,609,466
Peanuts	143,619
Rice	301,187
Tobacco	1,086,213
Wheat	2,146,669
Total (23 percent)	7,423,568
Nonbasic [1]—designated:	
Dairy products	4,554,322
Tung nuts	9,606
Wool	118,489
Mohair	11,660
Total (14.5 percent)	4,694,077
Other nonbasic commodities under support programs but not mandatory:	
Soybeans	778,143
Cottonseed	389,461
Oats	243,242
Barley	179,702
Dried edible beans	127,916
Flaxseed	118,038
Grain sorghum	96,951
Rye	20,478
Hairy vetch seed	7,288
Common rye grass seed	5,562
Crimson clover seed	4,183
Wild winter peas	993
Total (6 percent)	1,971,960
Total receipts from farm marketings, 1952	32,373,411
All commodities not under support programs (56 percent)	18,283,806

[1] Excludes potatoes, not supported since 1950.

Source: Agricultural Marketing Service, U. S. Department of Agriculture.

III. *Quantity and value of commodities pledged for outstanding loans and commodities in price support inventory as of May 31, 1954*

[All figures in thousands]

Commodity	Investment as of May 31, 1954 [1]				Commodity	Investment as of May 31, 1954 [1]			
	Pledged for loans		In inventory			Pledged for loans		In inventory	
	Quantity	Value	Quantity	Value		Quantity	Value	Quantity	Value
Basic commodities:					Other nonbasic commodities:				
Corn, bushels	393,463	$621,083	410,154	$670,290	Barley, bushels	18,393	$21,593	9,813	$12,866
Cotton, Upland, bales	7,098	1,169,407	132	20,361	Beans, dry edible, hundredweight	369	2,919	1,681	15,877
Cotton, Extra Long Staples, do	65	23,194			Cottonseed and products:				
Peanuts, farmers stock, pounds	133,480	14,786	17,442	1,893	Cottonseed, tons	[2]	17		
Peanuts, shelled, do			5,366	858	Cottonseed meal, pounds			171,651	5,315
Rice, hundredweight	1,070	5,263	302	1,487	Cottonseed oil, do			951,784	169,893
Tobacco, pounds	606,208	264,035	4,184	1,190	Cotton linters, do			631,822	60,182
Wheat, bushels	205,642	452,725	672,978	1,715,282	Flaxseed, bushels	5,388	20,184	9,494	36,981
					Grain sorghum, hundredweight	2,151	5,184	19,901	54,021
Total basic commodities		2,550,493		2,411,361	Linseed oil, pounds			43,094	9,168
					Naval stores:				
Designated nonbasic commodities:					Rosin, pounds	35,439	2,664	311,594	23,443
Milk and butterfat:					Turpentine, gallons	703	366	2,178	1,173
Butter, pounds			385,364	257,701	Oats, bushels	30,198	23,315	6,580	5,653
Cheese, do			392,276	157,912	Olive oil, gallons	[2]	[2]	462	1,170
Milk (dried), do			644,460	105,250	Rye, bushels	2,935	4,036	1,616	2,374
Honey, do	688	76	410	45	Seeds, hay and pasture, pounds	59	30	77,354	37,378
Tung oil, do	22,328	5,336	5,770	1,567	Seeds, winter cover crop, do	3,841	527	39,052	4,885
Wool, do	12,857	5,861	122,618	85,785	Soybeans, bushels	2,179	5,643	19	51
Total designated nonbasic commodities		11,273		609,260	Total other nonbasic commodities		86,478		440,430
					Total		2,648,244		3,461,051

[1] Book value before deduction of reserve for losses.
[2] Less than a thousand.

NOTE.—Total under loan and in inventory, $6,109,295.

IV. *Farm food products: Retail cost, farm value, and marketing margin (1947–49=100) and the farmer's share of the retail cost, annual 1913–52*

Year	Retail cost	Farm value	Marketing margin	Farmer's share
				Percent
1913	40	37	43	46
1914	41	37	45	45
1915	41	36	45	44
1916	49	43	54	45
1917	67	63	71	47
1918	69	71	68	51
1919	78	75	80	48
1920	86	74	98	43
1921	65	52	78	40
1922	62	49	74	40
1923	63	50	75	40
1924	62	50	74	40
1925	67	57	77	42
1926	68	57	79	42
1927	66	54	78	41
1928	66	56	76	42
1929	66	56	77	42
1930	64	50	78	39
1931	52	37	66	35
1932	43	27	59	32
1933	42	27	56	32
1934	47	32	59	34
1935	53	41	62	39
1936	53	43	63	40
1937	55	46	64	42
1938	50	39	61	39
1939	48	37	59	38
1940	48	39	58	40
1941	53	47	59	44
1942	62	59	65	48
1943	70	72	69	51
1944	69	71	70	52
1945	70	75	70	53
1946	80	85	79	52
1947	98	101	95	51
1948	104	106	102	50
1949	98	93	103	46
1950	97	92	101	47
1951	107	106	109	48
1952	108	103	112	47
1953	105	97	113	45
1954 (1st quarter)	104	95	113	45

Source: Bureau of Agricultural Economics, Division of Marketing and Transportation Research.

V. *Average hourly or weekly earnings divided by average retail price of respective food item*

[Computed from BLS data]

	March 1954		1953	1952	1951	1945	1940	Averages	
	Amount	Percent of 1935–39						1947–49	1935–39
Factory earnings:									
Per week	$70.71	315	$71.69	$67.97	$64.71	$44.39	$25.20	$53.01	$22.42
Per hour	$1.79	298	$1.77	$1.67	$1.59	$1.02	$0.66	$1.33	$0.60
Quantities that could be bought for 1 week's wages:									
Evaporated milk (tall can)	494	159	491	456	449	444	360	387	311
Bottled milk (quart) [1]	303	165	306	281	280	285	197	255	184
Bottled cream (half pint)	296		301	284	283				
Butter (pound)	90	148	91	80	79	88	70	66	61
Cheese (pound) [2]	120	146	120	112	109	125	97	85	82
Ice cream (pint)	238		238	216	207				
Quantities that could be bought for 1 hour's wages:									
Evaporated milk (tall can)	12.5	151	12.1	11.2	11.0	10.2	9.4	9.7	8.3
Bottled milk (quart) [1]	7.7	157	7.6	6.9	6.9	6.5	5.2	6.4	4.9
Bottled cream (half pint)	7.5		7.4	7.0	6.9				
Butter (pound)	2.3	144	2.2	2.0	1.9	2.0	1.8	1.7	1.6
Cheese (pound) [2]	3.0	136	3.0	2.8	2.7	2.9	2.6	2.1	2.2
Ice cream (pint)	6.0		5.9	5.3	5.1				
Round steak (pound)	2.0	118	1.9	1.5	1.5	2.5	1.8	1.6	1.7
Pork chops (pound)	2.1	117	2.1	2.1	2.0	2.8	2.4	1.8	1.8
Fryers (dressed, pound)	4.1		3.8	3.4	3.3				
Pink salmon (pound can)	3.5	76	3.4	3	2.6	4.4	4.2	2.6	4.6
Frankfurters (pound)	3.2		3.1	2.6	2.4				
Eggs (dozen)	3.1	182	2.5	2.5	2.2	1.8	2	1.9	1.7
Peanut butter (pound)	3.6					3.6	3.7		
Potatoes (pound)	42	175	33	22	31	21	28	25	24
Green beans (fresh, pound)	6.7	126	7.4	7.1	7.1	5.2	5.7	6.3	5.3

[1] Bottled milk delivered.
[2] Cheese: Prior to 1949, milk cheddar; since 1949, process American.

V. *Average hourly or weekly earnings divided by average retail price of respective food item*—Continued

	March 1954		1953	1952	1951	1945	1940	Averages	
	Amount	Percent of 1935–39						1947–49	1935–39
Quantities that could be bought for 1 hour's wages—Con.									
Canned corn (303 can)	10.6	152	$9.3	$8.9	----------	$8.6	$7.9	$8.6	$6.3
Canned peaches (2½ can)	5.4	169	5.2	4.9	$4.7	3.7	3.9	4.2	3.2
Bananas (pound)	10.7	113	10.5	10.2	9.8	9.8	10.3	8.4	9.5
White bread (pound)	10.5	146	10.8	10.4	10.1	11.6	8.3	9.9	7.2
Cornflakes (12 ounce)	8.2	161	8.2	----------	8.0	10.2	6.2	5.7	5.1
Sugar (pound)	17.0	156	16.7	16.2	15.7	15.3	12.7	14.0	10.9
Coffee (pound)	1.7	68	2.0	1.9	1.8	----------	----------	2.6	2.5

Mr. THYE. Mr. President, what we want are facts. That is the reason I inserted these charts in the RECORD. These figures have been received from the office of Mr. O. V. Wells, Administrator of the Agricultural Marketing Service of the Department of Agriculture, and are, I believe, above challenge or reproach.

They cover the parity index for the period 1910 to date, the retail cost, farm value, and marketing margins for United States-produced food entering into the average retail market basket, the farmer's share of that retail food dollar for the period 1913 through 1953 annually and for the first quarter of 1954, the true percentage of crops under support, and a comparison of purchasing power of the consumer dollar as related to food.

These figures are important to this issue because they represent the farmer's balance sheet for the period given. With them we need not guess as to the exact condition of the Nation's agriculture for a single year of the period covered.

We know that there have been periods of prosperity and economic hardship for farmers in that period of time.

Many of us know what those periods are from personal experience, but let us review them in light of the figures.

To begin with, there is that period from 1910 through 1914, which is generally accepted as the yardstick period, when farm income balanced farm outgo and the farm dollar had equal purchasing power with all other dollars of the productive economy in the market place.

It was a peacetime period. We note that the level of parity ranged from a high of 107 in 1910 to 98 in 1914, with a low of 96 in 1911.

It is perfectly obvious that the parity figure must approach these levels in peacetime if farmers are to be prosperous.

Then we come to the World War I period, 1916 to 1919, inclusive.

In those years the parity level ranged from a low of 103 in 1916, to 120 in 1917, 119 in 1918, and 110 in 1919.

In 1920 the level dropped to 99, and in 1921 it broke sharply to 80.

It was at that time, Mr. President, that the farmer and the businessman commenced to worry about what they were faced with. However, they did not fully realize what was coming.

Those 2 years, 1920 and 1921, are generally recognized as the deflation period following World War I.

They were times of acute economic hardship, and many of us recall the farm-mortgage foreclosures of those 2 years.

My distinguished friend, H. CARL ANDERSEN, a Representative in Congress from southwestern Minnesota, is seated beside me. Mr. ANDERSEN recalls what the situation was out in the southwestern part of Minnesota in those days. Sheriffs sales and foreclosures were so numerous that the county auditors could not keep pace with the recordings in the county seats.

If there are those who do not recall such times, they were spared many hardships. That is all I have to say to those who do not remember those times.

Then we went into the period of the 1920's, the period of highest peacetime prosperity in our history.

Industry, finance, and labor flourished, and we enjoyed a period of unprecedented national prosperity.

But what of agriculture?

We all recall that it was in the 1920's that we had one of our greatest pressures for farm aid.

Farmers were in financial trouble, and Congress, in an attempt to relieve the distress, passed such constructive legislation as the Capper-Volstead Act, the McNary-Haugen bill, and the legislation establishing the Federal Farm Board.

These were all developed under a demand to relieve farmer economic hardship.

There are Members in this legislative body today who were Members when the Congress enacted some of the very beneficial legislation which saved so many of the farms for farm owners and kept them there until conditions had improved. Those farmers have long ago paid up their loans and have been able to retire on the earnings from farm property. I know whereof I speak, because I know of many farms where land bank and commissioner loans had been imposed upon the land.

Members of Congress recognized the problem, and Congress acted at that time.

One would assume on the record that this was a period when the parity level was at a low ebb.

Let me review the figures.

By 1922 the parity level had risen from the low of 80 in 1921 to 87.

It went to 89 in 1923, remaining the same in 1924; went to 95 in 1925, 91 in 1926, 88 in 1927, 91 in 1928, and 92 in 1929.

Those levels would all seem to guarantee economic health for farmers, and yet we all know that farmers were in trouble during those years.

They were out of step with the rest of the Nation's economy.

That was because they were receiving only around 88 to 90 or 92 percent of parity.

The economy must be in balance if we are to have real prosperity. When the farm economy drops below 90 percent we had better take heed and inform ourselves, because that is the beginning of what might become a very, very serious situation in our Nation's economy.

In order that we may have the facts relating to the farm loans of the Federal Farm Mortgage Corporation, which financed the land-bank and commissioner loans, I shall read from a record relating to the Commissioner's Loan Act:

> The Federal Farm Mortgage Corporation, which financed the Land Bank Commissioner loans, had a capital of $200 million and was authorized to issue up to $2 billion in bonds. All this capital, which was furnished by the Government, has been paid back, with the exception of $10,000, in order to keep the Corporation on a standby basis, and all the bonds issued have been redeemed. In addition, the Corporation by June 30, 1954, had paid into the Treasury $129 million in dividends, and its present net worth is approximately $16 million.
>
> Through July 1, 1947, 679,820 loans were made for $1,217,941,404. They have 24,880 loans outstanding for almost $15 million.

Mr. President, that is the record of the Commissioner's Loan Act which was passed during the depression of the early 1930's, in order to save the agricultural property for its actual owners, rather than to have it go into the hands of the mortgage holders or the investors or the corporation-type farmers. Certainly the Members of Congress in the early 1930's were very wise when they took that action. They knew that if they did not save the family farms and keep them in the hands of those families they would not save what has basically made our Nation great, namely, the individual family operated and family owned farms.

I could discuss various other measures which have been enacted, such as the one providing for loans from the Farmers' Home Administration, to help young farmers obtain limited amounts of credit in order to be able to begin farming operations. Those measures were enacted. They included the bill for on-the-job training for GI's, which permitted the young farmers to acquire experience as well as finances. All those steps have kept our Nation the big, strong Nation it is today, because, basically, family farm ownership and family

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farm management have been retained; and the only way that could be done, in this day when there are no longer homestead lands, is by keeping the economy of the farmers in such a condition that it is in balance with the economy of the other segments of the Nation. Then the farmer can maintain himself and can make the necessary annual payments on his farm property, and can either become or can remain a farm operator.

The farmers' bad financial plight may not have been the chief contributing factor to the financial slump of October 1929, but it certainly contributed to it.

In 1930 their parity level fell to 83 and we had the beginning of the great farm and national depression.

In 1931 it went to 67; in 1932, to 58; in 1933, to 64; and in 1934, to 75.

The year 1932 was the blackest year in the history of the Nation's economy, both as to unemployment in factories and unemployment in other fields, whether in the case of schoolteachers, bank clerks, clerks in grocery stores, or farmers. All were in virtually the same plight. It was very difficult for the people to earn a livelihood and to support their families. It was then that, by means of constructive legislation both in the financial field and with respect to the so-called farm commodity support program, the parity figure rose. As I have just said, in 1934 it rose to 75 percent.

Farm mortgage foreclosures were numerous.

In the depth of the depression of the early thirties, Congress finally recognized that drastic steps had to be taken to avert the terrific foreclosure trends on the farm families.

I have already referred to the $125 million appropriated by Congress to bolster the capital of the 12 Federal farm banks. Then came the enactment of the bill making possible the commissioner's loans, and providing funds to be used as distress loans, covering both chattels and real estate. In most cases the fund was used as a second mortgage to Federal land bank loans. This was one step that saved the farms for the farmers. Every dollar appropriated under the Commissioner's Loan Act has been repaid with interest.

Those were dark days indeed for the American farmer, and they produced the great volume of farm, financial, production control, and marketing legislation now on the statute books.

With this legislation in force, and with programs operating, we managed to advance the parity level from a low of 77, in 1939, to a high of 93, in 1938 and 1941, the pre-World War II period. It was a long way from a time of a prosperous agriculture, but it was at least a period of bare living.

Then we went into World War II, both the hot and cold wars, and the period of the Korean conflict, from 1942 to 1952, during which years the parity level fluctuated from a low of 100, in 1949 and 1952, to the high of 115, in 1947. This was an era of unquestioned prosperity for American agriculture. But even so, the farmer's income was not out of line with that of all other segments of the productive economy.

In 1953 the parity level had sunk to 92, remindful of the 1920 era.

I wish to repeat that figure, because I desire to have all Members of the Senate consider it carefully: In 1953, the parity level had sunk to 92, remindful of the 1920 era. As of June 15, 1954, the latest period for which the figure is available, it was down to 88 percent. Where will it go if we drop the support prices of the basic commodities and dairy products, as is proposed in some of the legislative measures which are pending?

History teaches that this is a dangerous level, as far as farm economic welfare is concerned. Let us take a lesson from it. These are not just figures; they are a true story of American farm income, with the parity level as a barometer.

In 1947, when the parity level stood at 115 percent, the gross farm income was at slightly over $34 billion.

Mr. President, I hope all Members of the Senate will consider these figures very carefully. They relate to the national farm income. I repeat that in 1947, when the parity level stood at 115 percent, the gross farm income was slightly more than $34 billion.

In 1953 the gross farm income was near $35 billion. However, in that same year the farmer took much less as a net for his profit in the Nation's economic picture; because in the year 1947 the farmer realized a net of $16,007,500,000, a return of 115 percent of parity.

In 1947 the farmer realized a net of $16.75 billion on a return of 115 percent of parity.

In 1953, with more dollar volume but with his parity ratio sunk to 92 percent, he found his net income shrunk to $12.8 million. Even though his gross was $1 billion higher in 1953 than in 1947, he had $4 billion less in his take-home pay.

Do we want the income of the farmer to go any lower than that?

What this means is that the farmers of this Nation have taken a 25-percent reduction in net income in the last 8 years.

They have suffered a cut in their take-home pay completely out of proportion to that inflicted upon any other segment of our economy.

As a matter of fact, all other segments of the productive economy, capital, industry, labor, and finance, have had increases in take-home pay.

The farmer has had a cut in his marketing return without any corresponding reduction in the prices of those things which he must buy to maintain his production—hence the loss in take-home pay.

Mr. President, the conclusion to be drawn from these figures is unmistakable: When American agriculture is at any level approaching or below 90 percent of parity it is in economic trouble, and when it approaches this level it is in real danger.

We are there today.

As nearly as I can figure from what the proponents of a policy to drop supports now existing under law below that level seek to accomplish is a further softening of farmer prices.

In the light of history I want no part of such a program.

The proponents of such a price-depressing action profess to believe that by dropping farmer prices they can increase consumption and discourage production to a point where a supply-demand situation exists that will command a greater parity price in a free market place.

That is wishful thinking, in my opinion. There is nothing in the facts to support it.

Now, the figures that I have used have been taken largely from a period of free pricing—the 1920's.

Our task today is to translate them in terms of a situation in which we have programs that influence prices.

Ever since the early days of the 1930's farm prices in a peacetime economy have been set through Government programs.

As of now, we have a program that sets these prices on the 6 basic crops—what, corn, cotton, rice, tobacco, and peanuts—at 90 percent of parity.

We are asked to modify that figure.

The argument advanced is that these are a minor factor in total agricultural income, and the support level is so high as to encourage production for storage and not consumption.

Figures have been presented to prove that these crops produce only 21 percent of the total agricultural income.

I agree, but, I must here point out that these crops constitute the solid backbone of American agriculture—and I submit that a body without a backbone is a pretty useless mechanism.

I think the figures I have presented prove conclusively that a 90-percent-parity level is not really too high—it is dangerously low.

The crops of cotton, tobacco, rice, and peanuts are the solid foundation of all agriculture south of the Mason-Dixon line.

The price level for these spells the difference between prosperity and depression for more than 2,500,000 farmers.

This Congress, or any Congress, cannot afford to let them down either in their own, or the Nation's economic interest.

Wheat is the principal cash crop of the Great Plains and High Plains States.

If the farmers in this area are to continue to be a major contributor to the purchasing power of the Nation, the price of wheat at 90 percent of parity is not too high.

And now I come to corn, the Nation's greatest crop.

It has been argued, and properly, that this crop is not an end product, that it has no value except in its use in the production of meat, dairy, and poultry products.

That is true, but its price level has great bearing upon the price level of these related products.

The cost-of-production figures on all of these is based upon the feed relationship and the principal factor in feed is corn.

If the price of corn is pegged by Government at a level approaching 90 percent, it follows that the price of the animal products produced from feeding corn must approximate that price.

If the price of beef, hogs, dairy, or poultry products falls below a level that

can profitably be produced at the existing price of corn, farmers will curtail their production of these items and market corn.

Such a control mechanism will quickly bring production of these products into line with need.

It is obvious that the price level of corn has a direct bearing upon the production of its related products and as a control factor it has value.

I am as aware as any that we now have large stocks of these crops owned by the Government and in storage and that we have loans under an additional quantity. On the strength of this situation the argument is advanced that the program offers too high a price guaranty to farmers, thereby encouraging them to overproduce.

The truth is, as the figures here presented prove, the price is not too high.

The fact is that the program is in trouble because of faulty administration and not because there is anything basically wrong either with the program or its pricing.

When I say a faulty administration, I do not merely say that the fault rests with the present Secretary of Agriculture. The faulty administration preceded Secretary Benson's administration.

During 1952 Members of Congress and the Secretary of Agriculture should have insisted upon a reduction in the overall production of wheat, corn, cotton, and some of the other controlled crops. But we had the Korean crisis on our hands. We were not sure whether the Korean crisis was to become a major world war or whether we were to be so fortunate as to bring about a truce.

That, together with excellent growing weather and excellent productive years, was the situation which brought about big crops, and filled our granaries on the farms and our storage elevators, as well as temporary storage facilities owned by the Government.

Now that we have these surpluses, let us not cut the props out from under the farmer by taking away from him the supports which are holding these commodities at 90 percent or a basic value of 90 percent in our economy. Let us bring production down by properly taking care of our diverted acreage. Once we get our production down or isolate the surpluses through the program contained in the bill before us, as well as that which has been advocated by the President, the marketplace can well offer us 100 percent of parity in the marketplace. But it will not do so as long as the surpluses are in the warehouses and cold-storage plants in the present volume. That is the argument in which I am involved. I am not involved in the philosophy of flexible price supports or rigid price supports. I am only saying that we are approaching the whole question by means of an incorrect approach. We must get rid of the surpluses before we start tampering with the price supports.

When we wrote the law under which the farmer receives price protection and help in carrying him over the peaks and valleys of his marketing, we included control provisions to prevent such accumulations as we have today.

I submit that these provisions have either not been used at all, or used too little too late.

I do not think any Senator will dispute the fact that had wheat, cotton, and corn controls been imposed on the 1952 and 1953, as well as upon the 1954 crops of these commodities, we would not now have huge storage stocks nor would we be debating the level of price support.

But we do have the stocks so let us take a look at them.

To begin with, we have been told that the Government holds up to more than $7 billion of these commodities and that it may hold $10 billion before this management year is out.

That is not a true statement of fact.

The Government actually owns, according to figures supplied me by the Agricultural Marketing Service of the Department of Agriculture, $3,461,051,000 of commodities and has loans against $2,648,244,000, for a total of $6,109,295,000 of obligations.

The Senate has already taken care of the owned commodities by establishing a $2,500,000,000 reserve and authorizing a $1.3 billion disposal program.

The House bill now before the Senate carries out our action, and we may safely assume that the disposal envisioned by this action will be carried out by the executive branch of the Government.

Let me say here that the creation of a $2,500,000,000 food reserve is neither a slideaway nor a hideaway program.

It is a piece of statesmanship for which future generations will bless this Congress and this administration.

Twice in the first half of this century we have had occasion to need such a food stock.

I hope that we may never again need it under the duress of armed conflict, but it is comforting to know that it is there; to know that we have the productive capacity above current needs to create such a stockpile and the wisdom to manage it.

In a world in which almost a third of the population knows acute hunger often and partial starvation always, with our own population growing faster than we have land to produce additional food stocks, I can foresee a great peacetime need for such a supply.

I repeat, we will be blessed for establishing it.

If we wisely govern the use of the diverted acres, we can build fertility in the land, thereby safeguarding the future needs of this Nation's evergrowing population.

There is equal wisdom in our providing $1.3 billion of our present supply for use in the cause of world peace.

Food can be more effective than atom bombs in winning friends and influencing people if we use it properly.

Let us consider commodities under loan.

We have often had equal amounts under loan.

The purpose of these loans is to enable farmers to withhold their production from market during the harvest glut and to feed it into the market as needed.

It is a protection to our farmers and to our consuming economy against violent price fluctuations, which in the past saw the farmers' production going into the hands of processors at too-low prices at the height of the harvesting season, and appearing on our dinner tables later at too-high prices, to the harm of farmers and consumers and for the sole benefit of handlers.

It is a mistake to assume, as do the advocates of reducing the 90 percent support level, that the Government will pick up the entire check for these commodities under loan.

They are the property of our farmers, and it is altogether possible, unless we here do something unwise, that the loans will be redeemed.

They have been so redeemed in the past, and they may be in the future.

The most certain way I know to insure that they will not be redeemed is to lower the support level at this time.

If we lower the supports, the cash market will drop. If it drops, the farmer will never redeem his corn. For example, he will say to the Government, "Here it is. I deliver it. This is the chattel. I now surrender it to cancel my note or obligation." The same thing will be done with wheat and with cotton.

If we drop the level to 82.5 percent, I am certain that the Government will immediately own the entire stock under loan. If we maintain the price structure at the level at which the loans were made, there is a possibility that farmers, with the $3.4 billion stock now owned out of the way, by the setting aside as this legislation proposes, may redeem their pledges.

It seems to me to be the course of wisdom to follow such action.

Before I take up the matter of dairy support levels, let me ask Senators to look at another chart I have placed in this record, that of the retail cost, farm value, marketing margins, and farmer's share of the consumer's food dollar going into the average market basket.

I have referred to a newspaper article entitled, "Food Costs Stay Up Despite Steady Drop in Farmers' Prices." I have it before me now. It was published in a recent issue of the Washington Evening Star.

I shall not take the time to read the entire article, but I now ask unanimous consent that it be printed in the RECORD at this point as a part of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

FOOD COSTS STAY UP DESPITE STEADY DROP IN FARMERS' PRICES—HOUSE REPORT SEES LITTLE RELIEF UNDER MARKETING CHARGES

The House Agriculture Committee formally reported today what housewives already knew: Grocery store prices remain at near-record highs despite a sizable drop in farm prices.

Making public a statistical study of the trend in farm prices and retail food costs, the committee concluded:

"Thus far, almost none of the lower prices received by farmers since 1951 has been passed on to consumers in the form of lower retail food costs.

"Further declines in farm prices are expected as more livestock and livestock products come to the market and (Government) price-support levels are lowered.

"Consumers can expect little benefit, however, from these lower farm prices unless recent tendencies to increase marketing and processing charges are curbed."

A somewhat less pessimistic view, from the housewives' standpoint, came yesterday from the Agriculture Department, which said major foods will be in plentiful supply during the remaining months of 1954 and that prices should ease some.

The Department forecasts a heavier output of pork, veal, lard, turkeys, eggs, processed fruits, fresh vegetables and some rice, as compared with the same months last year.

The House committee found that the farmer's share of the consumer dollar is steadily dropping "while retail food prices have remained at 1952 peak levels."

It said that out of each dollar spent by the American housewife for foods, 56 cents goes for processing, marketing and transportation charges.

The farmer receives 44 cents, of which 30 cents meets the cost of producing his crop, the report stated, and concluded:

"Thus, the farmer and his family have about 14 cents out of each consumer dollar spent for domestically produced food for their work and their investment."

Mr. THYE. It will be noted that the figures vary in direct ratio to the farmer's share of the consumer's dollar. When his parity return is high, his share is high; when it is low, his share is low.

But it should be noted that the marketing margin immediately absorbs the farmer's loss, and the price to the consumer always remains high.

This is proof conclusive that it is the farmer who takes the financial licking when prices decline, while the processor and handler contrive to retain their percentage.

That is what is happening today.

The farmer who grows the food is today getting less of the consumer's food dollar than at any time in the last 12 years.

In fact, the farmer received only 45 cents of the consumer's dollar in 1953, as against 53 cents in 1945, and he is at the lowest level of return since 1941.

That is why foods costs to the consumer are high. That is one reason why we have seen the farmer's net income—his take-home pay—drop very drastically.

In other words, the costs of processing, distributing, and selling are taking more of the consumer's food dollar and the farmer, the basic producer, is getting less.

To illustrate this point, let me review here what has happened in the case of dairy products.

On February 15 the Secretary of Agriculture announced that he would lower the support level on milk, butterfat, and the products thereof from the 90-percent figure of the preceding year to 75 percent, effective April 1, 1954 to March 31, 1955, the designated marketing year.

This meant a drop of 15 percent, the full amount authorized under law.

He gave two reasons for this action: First, that he had no alternative under existing law, and second, that stocks of butter, cheese, and dry milk powder already accumulated under the 90-percent level dictated the action.

He said, in effect, that dairy farmers were producing at an uneconomic rate merely to gain the price advantage accruing under the 90-percent support level.

He stated that the lower price level would encourage greater consumption and discourage production. I might have believed this if I had not gone into the records and made a searching study for facts. The direct result of his action was to cut the income of the dairy farmers by $600 million for the announced marketing year, assuming the support level set their price, and it certainly has to date.

That means a reduction of that amount in farm purchasing power.

The immediate effect has been a curtailment of sales by the thousands of businesses that serve rural America. The loss in my State of Minnesota is in excess of $50 million, according to those figures.

This economic impact is a fact and, unfortunately, it is the result of a policy that must be termed pennywise and dollar-foolish.

The difference in cost between supporting dairy prices at 90 percent of parity and 75 percent, assuming that the volume of Government purchases is no larger than a year ago—they have not been to date—is $40 million. So for failure to invest $40 million of the taxpayer's money, the national economy has lost $600 million in purchasing power.

But the most unfortunate thing about this whole operation lies in the fact that it has not produced the results claimed for it by its proponents.

Under the cut from 90 percent to 75 percent, the price to the consumer of butter was supposed to drop 10 cents a pound, cheese 5 cents, and milk solids 2 cents.

To date the consumer has reaped only a 9.4 cents drop in butter, and less than 50 percent of the price reduction in cheese and solids which had been anticipated when this support was dropped.

The farmer has taken the full cut, but it has not been passed along to the consumer. What I criticize about the operation is that the consumer has not had any relief. The result is that only the farmer has suffered a loss.

The handlers have retained a rather handsome dividend as a result of a Government action that has punished the dairy farmer.

The Senate Committee on Agriculture has taken steps to correct this piece of economic unfairness by recommending that the level of dairy support prices be raised to 85 percent. At least that is in one bill that is before the Senate at the present time.

This would restore approximately $400 million of purchasing power to rural communities and fulfill the President's announced policy of bringing about support level adjustments in a gradual and orderly manner.

It would add little, if any, to the cost to Government and it could be achieved without any increase at all in the price to the consumer, because it is my contention that when the drop came, the consumer did not get very much benefit from it.

The Secretary has before him now, and has had for a matter of months, a schedule of pricing prepared by his own economists under which a level of 85 percent could be maintained without any increase in present consumer prices.

In the matter of fluid milk prices, and today the bulk of our dairy production moves in this form, the housewife has received no benefit from the support cut.

She is paying just as much today for her bottle of milk as she paid when the level was at 90 percent, and in some cities, more.

It is obvious from this accounting of the results of reducing the dairy support level from 90 percent to 75 percent that the consumer does not reap the benefits of such a cut while the farmer does suffer grievous economic hurt.

It is a matter of record that if the farmer gave his milk away, the consumer would still pay approximately 15 cents a quart for milk now costing him 23 cents; would pay from 12 cents to 14 cents for a loaf of bread now costing 16 cents; and at least 12 cents for a can of tomatoes now 15 cents.

When we hammer down the farm price, we do not materially benefit the consumer, and I regret greatly the line of publicity so prevalent today which would lead the consumers to believe that all that stands between them and a substantial drop in the cost of their food basket, is a drop in farm price.

This is not so.

Nor is it true that the housewife is carrying an undue burden in the form of taxes levied against her to support farm prices at present or past parity levels set under the present law or its predecessors.

In the 22 years that the support programs have been in operation, the total cost has amounted to $1.1 billion and approximately half of this charge was paid for the program under potatoes, a program since abandoned, by a vote of the potato producers themselves.

The actual per capita cost of this whole program has been 32 cents per person per year, a cheap premium to pay for assurance of a full market basket, a high standard of diet and a prosperous agriculture.

I would here point out the American farmer is also a taxpayer, and he has borne his proportionate share of this cost.

There are approximately 2 billion people in the world today who would gladly assume this charge in exchange for the abundant food supply we enjoy here.

The fact is, according to the latest figures from the Bureau of Labor Statistics of the Department of Labor, covering the period through 1953, that labor's dollar buys more food units, better food quality, and greater food variety for each wage hour expended for food than ever before in all history.

I have submitted a statistical tabulation to this effect for the RECORD.

Now, Mr. President, there is a move on foot by those who would modify our present support program to set consumers against farmers on the grounds that the latter are enjoying too high prices, too liberal supports, and all at the expense of the housewife's food budget and her tax return.

I deplore this line of approach to the problem of writing a farm and food program for this Nation.

I submit on the record of fact that I have presented here that it is without foundation, and I feel sure that the Senate, which is a body governed by instincts of statesmanship rather than politics—and I pause there to let Senators think that thought through—will not embrace such propaganda nor be swayed by it.

Incidently, a politician, Mr. President, is a person influenced by the expediency of the moment; a statesman is one guided by the welfare of time.

The welfare of time directs that we shall not here reduce the American farmer to a level of economic "parity" which will bring him to the status of depression.

And on this matter of a depression level, I would here point out in connection with the 75-percent level decreed for dairy products, that never in modern times except in the years of 1932–33 and 1937–38 has the level of dairy returns been at 75 percent of parity.

You know that both of those periods were depression periods.

I submit to you that when we permit such a level to be decreed by Government order, that we are reducing the American dairy farmer to a depression level despite the fact that all other segments of the economy are at unprecedented levels of prosperity.

There are those who are supposed to be charged with protecting the interests of the American farmer who would have us believe that the farmer's own best interests would be served by having him take a further cut in his income below the 25 percent he has already taken since 1947.

They argue that if the farmer does not take less and that if supplies continue to accumulate, the consumer will rise up in anger, and vote out the whole farm price-support program.

I have already made the point that had the control provisions written into the present support law by Congress been used when needed, there would be no unmanageable supplies at the present time, but I would further emphasize that had the provisions provided in the law for disposal of any accumulations also been used when these accumulations first became apparent—and this is particularly true in the case of dairy products—today there would be no unmanageable surpluses.

The administrative branch of the Government has had in hand, and has used in at least one instance, in the case of dairy products, disposal machinery. I now refer to the fact that dried milk solids have been sold at a good price to feed dealers. I submit that if it was legal to cut the price of dried milk solids for edible feed, it was equally legal to cut the prices of butter and cheese for human food. I have long advocated that a person who is the recipient of an old-age welfare check, a small annuity check, or a retirement check, could just as well have the benefit of some of our surplus butter and some of our surplus powdered milk, as to have those products placed in the hands of a feed dealer at less than one-fourth of the actual cost of the product, to be mixed by the feed dealer into commercial feeds to be sold back to the producers of eggs or sold back in the form of pig rations.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. THYE. I yield.

Mr. LANGER. Is it not true that the cry in the East about the money which the Commodity Credit Corporation is losing arises from the fact that the CCC Act is not properly enforced? There is a support price on rye; yet the price of rye has gone down more than a dollar a bushel during the past year. More than 12 million bushels of rye were imported from Canada in the first 6 months of this year. Several million bushels of seed wheat have been imported, and the price has been low due to the fact that the tariff is low. Has that not been one reason why the CCC has had an increase in its debt?

Mr. THYE. The Senator is correct. I might add oats to the list of grains. Oats also have come into the United States in great quantities.

Objection has been raised at various times. Although we have had a surplus of dairy products, it would have been easy to have moved them into other channels, to help those with limited incomes, or those who are living within a very tight budget.

I have had the feeling that the surpluses could have been worked off into such types of programs. This would have helped to remove some of the surplus products.

During the past spring, when the Department of Agriculture and other agencies joined hands in an advertising and sales campaign to promote the consumption of milk and other dairy products, there was a rise in the market. The consumption of butter and powdered milk increased. That was because more emphasis was placed on cereals than on the deplorable situation which the support program has brought into existence by pricing these products off the consumers' food tables. My contention is that this situation could have been averted had there been as much ingenuity used in trying to handle the surpluses as industrialists exercise in the manufacturing field.

Mr. LANGER. I desire my fellow Senators to know that I knew the distinguished senior Senator from Minnesota when he was the deputy commissioner of agriculture of Minnesota. I know of the excellent service he rendered as Governor of his State. He is one of the best informed men with respect to the entire agricultural program. What he said a moment ago is absolutely true. The farmer is absolutely at the mercy of the consumer, in a way, because he has his land, and he cannot allow it to lie idle.

Mr. THYE. He cannot.

Mr. LANGER. The farmer has his money invested in his land.

Mr. THYE. The farmer cannot even shut off a faucet. If a manufacturer does not want to produce a certain number of cars, all that is necessary for him to do so is to reduce the numbers produced.

If a man does not want his law practice to expand, he simply limits the number of his clients, and he keeps only so many clerical personnel in his office.

But once a farmer puts his grain in the ground, from that time forward it is a question of what comes from above, whether it be rain at the proper time, and the kind of sunlight which is necessary for the growth of the crops. Those are factors which govern production.

After the farmer has properly prepared the ground and has sown the seed or put the kernel in the ground, it is not the man himself that counts. After that it is a Power far greater than he which will govern how much of a crop will be ready at harvest time.

Mr. LANGER. Does the distinguished Senator from Minnesota know of any greater gambler in all the world than the farmer?

Mr. THYE. No; but the farmer is an honest gambler. He is the greatest optimist in the world. Every day is one of hope and prayer for him. His eyes are on the heavens to see whether a thunderstorm is developing which could bring a hailstorm or a tornado that would tear everything to pieces.

He watches his flock, whether it be sheep, cattle, or poultry, during every moment of his wakefulness to see whether there be an ill animal, or if anything else has gone wrong with the flock.

He is not a gambler; he is the greatest optimist there is. If he were not an optimist, he would never dare take the chance of putting all his money into his crops, not knowing what the harvest would bring. There is no other person who would plan his sales organization or manufacturing industry with as much of a gamble at hand as the farmer.

Mr. LANGER. I should like the Senator from Minnesota to take up these farm problems step by step. The Senator is a farmer in Minnesota, and he lives on a farm.

Mr. THYE. The Senator has a farm at Casselton, N. Dak. Let us consider his farm.

Mr. LANGER. Very well; let us talk about my farm. I know more about my own.

Mr. THYE. I will follow the Senator from North Dakota. Then I will not have to worry whether he gets off his farm onto mine.

Mr. LANGER. First it is necessary to put in the seed. Unless good seed is sown, a crop cannot be grown. But even if good seed is used, there may be a drought, and the seed may not sprout.

Mr. THYE. That is correct. That happens year after year. I have seen it happen with my own eyes.

Mr. LANGER. If seed corn is planted, the cut worms may come and take the corn away. So the corn may not even come up.

Mr. THYE. And even after the corn has grown waist high, the army worms may come in and lay the field bare, after the farmer has invested perhaps $3 an acre to rent a plane to dust the cornfield. That happened in the past 3 weeks in my State. The entire southern and southwestern parts of Minnesota were so infested with army worms that planes

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were being flown all over the area, dusting the crops, at an expense of anywhere from $3.50 to $4 an acre.

Mr. LANGER. It was necessary for me to dust my barley crop in the same way about 2 weeks ago.

Mr. THYE. Of course. If the Senator had not done that, the army worms would have clipped his crop to the ground within 10 hours.

Mr. LANGER. In my State we have grasshoppers. Does the Senator have grasshoppers in his State?

Mr. THYE. The grasshoppers come when the conditions and the seasons are right. Grasshopper eggs are laid in the ground, and when the warmth of spring comes, the eggs hatch. If there is just the right kind of weather, the grasshoppers multiply by the millions.

If it so happens that there is a wet week when the little ones have been hatched, the whole hatch may be drowned out.

Mr. LANGER. Does the Senator's State of Minnesota have Mormon crickets?

Mr. THYE. Minnesota is blessed with everything that North Dakota has.

Mr. LANGER. Minnesota has all the bugs which bother North Dakota, also?

Mr. THYE. So far as I know, that is true.

Mr. LANGER. After the crop has come up, hot winds may come and shrivel it up.

Mr. THYE. Hot winds and rust have reduced the crops in North Dakota so much that we may find that we do not have the surpluses to bargain with that we have been talking about all summer.

Mr. LANGER. The Senator knows that within the past year hundreds of thousands of acres of durum wheat were not harvested because of the rust which occurred. It had grown waist high, and looked like a crop of 40 or 50 bushels to the acre, but it was never turned in.

Mr. THYE. The Senator is correct.

Mr. LANGER. In addition to that trouble, there may be too much water. After a good crop is grown, and there is too much rain, it requires heavy machinery to take the crop up.

Mr. THYE. That is correct.

Mr. LANGER. I remember that a farmer named Murphy, who lived near Mapleton, N. D., had to obtain the services of a tractor which would operate in water. It was during the wartime, and an Army tractor came in to cut off the heads of grain. Another problem the farmer is faced with is damage from hail. Is that not a fact?

Mr. THYE. Certainly. Recently hail did much damage across the southwestern part of Minnesota. Last week I read in the paper a story about the devastation caused by a hailstorm throughout a highly productive area of Minnesota. The Senator from North Dakota was certainly correct when he stated that the farm producer must gamble with all the elements—livestock sicknesses, grasshoppers, drought, army worms, and what have you.

Mr. President, the 90 percent farm price support program is a good program.

I insist that it has had a very bad administration, and I am unwilling to see those persons charged with that responsibility attempt to place the blame upon the American farmer, whose only crime, as far as I can see, has been that he has responded to the urging of his Government and has produced an abundance of food, feed, and fiber to meet the national needs in a time of emergency.

Now we are asked to reward him by cutting his paycheck still further below the 25 percent cut he has already suffered since 1947.

I say that we have already reduced farm income to the irreducible minimum.

Farm prices are at 88 percent of parity, and history tells us that 88 percent of parity is flirting with a farm depression. It was so in the 1920's; it will be so today.

Farm income in 1953 had been reduced to a point where it equaled only 6 percent of the national income, the lowest percent in history.

It is hard to believe that in 1952 the United States farmer earned the lowest percentage of the national income in history, and that the percentage of the national income was down to 6 percent in 1953. That is hard to believe. I would not have believed it if I had not ascertained that fact from a search of the records.

The previous low was in 1952, when the percent was 7.1, and before that the low was 7.3 in 1932.

The American farmer has a declining income level today. Shall we push him further into the depths of economic depression? I say "No," and I believe all Senators who are aware of the place of agriculture in our Nation's economy will echo that position.

We are told that consumers will rebel against farmers; that they will rise in the might of their 85 percent of our population and overwhelm the 15 percent of us who live upon the land and produce their food supply, if we dare to continue to ask for at least 90 percent of parity for our production, despite the fact that history proves that 90 percent is a minimum figure of economic health.

I say that those who say that do not know what they are saying. If they have their way, if they force a farm depression, if they force cuts in production that inevitably will result in higher consumer prices, then I say that we will indeed be punished by the many who owe so much to so few.

Mr. President, let us be statesmen, and not politicians; let us maintain the price level of American agriculture at a figure that guarantees the American farmer a minimum of economic stability, and that is at least 90 percent.

I question whether many persons engaged in the professional field would be willing to settle for incomes equal to only 90 percent of the national average.

It is our responsibility under law to enact proper legislation. Let us not shirk that responsibility. Let us by our actions tell the American farmer that we are grateful for his contribution to the health, welfare, and general well-being of this Nation. Let us tell him, and the world, that here in free America the reward for a superb job is not economic bondage, but freedom.

Mr. President, I yield the floor.

Mr. YOUNG. Mr. President, before the distinguished Senator from Minnesota yields the floor, I should like to commend him for making one of the finest farm speeches I have had the pleasure of hearing. The Senator is a credit to the State of Minnesota.

Mr. THYE. I thank the Senator from North Dakota for his kind remarks. I dug into the records to get the facts concerning this entire farm-economy question, because it is a serious one. If we are so nearsighted that we permit anything to happen that will place agriculture at a lower level in the Nation's economy than it is at the present time, we shall spend a great deal more to try to bring the farm economy back to a healthy and stable level.

Mr. YOUNG. The Senator from Minnesota probably has had more experience in the field of agriculture than most persons in the Department of Agriculture or in the Congress itself. As I recall, the Senator from Minnesota has been a farmer all his life. He was formerly with the Federal land bank; he was deputy commissioner of agriculture in Minnesota; and he was formerly governor of that great agricultural State.

Mr. THYE. In answer to the comment of the Senator from North Dakota about my connection with the Federal land bank, I should like to inform him that that experience was obtained in the early thirties, in the pit of the depression, when foreclosures on farm properties were so numerous that the land bank could not find appraisers with knowledge of farm values and of the ability of farmers to pay obligations. The land bank in St. Paul sent an invitation to me to offer my services, because some of its personnel had become acquainted with me in previous years through various activities connected with agriculture. At their invitation, I went to the land bank. They informed me that they would like me to go out and appraise values of farms. I asked a few more questions, and learned what I was expected to do. I was shown some of the application blanks and the regular forms that would have to be filled out in order that I might recommend the amount to loan to be placed on a particular piece of land or farm.

I went out with the senior appraiser for a couple of days, and took note of how to fill out the form. I took a whole armful of applications for loans from farm families all over the counties of Sibley, Nicollet, Renville, Steele, and Blue Earth, and I started appraising in connection with farmland bank loans.

I went into homes where mothers and fathers had started out as young people, had bought the farms, had raised their children, and had in some cases provided college educations for 3 or 4 of them. The children were gone, and the parents were faced with a bad financial situation, through no fault of theirs, but because of depressed prices. They could not give an egg away. Oats were selling for 12 or 13 cents, corn for 13, 14, and 15 cents, barley for 15 cents, and wheat for 24 cents a bushel. The

best dairy cow in the yard could not be sold for more than $30. Those poor people found that their farms were being taken away from them bit by bit. They could not pay the interest on their obligations. They could not pay their taxes. They could not pay for insurance. Perhaps they had had the misfortune of having illness in the family. Such were the reports I obtained from mothers and fathers on those farms, day after day, as I interrogated them and learned how they had come to face financial disaster, in order that I could have the information with which to determine whether I could authorize the granting of a loan of $5,000, $6,000, $7,000, or $8,000 on some of the best 160-acre farms in Minnesota.

If we had not recommended such loans, the properties would have been foreclosed on for perhaps less than the amount stated. We tried to give them loans which involved not only the real-estate obligation but also enough to take care of all the small obligations in the town, so that the people could start with a clear slate.

This was not only help for that family, but help for the hardware merchant, for the feed dealer, for the drugstore, and the clothier. This operation helped everybody, including the local bank.

That is the picture I have before my mind, when I see the same trends appearing today that appeared in the 1930's. That is the reason I stand here and speak for a couple of hours.

Mr. YOUNG. Mr. President, will the Senator yield for a question?

Mr. THYE. I am delighted to yield.

Mr. YOUNG. The Senator from Minnesota and I have had almost exactly the same experience. We went through the hell of low prices. We lost our farms. We saw people starving in a land of plenty. I recall that in 1929 the price of wheat dropped below $1 a bushel. I thought, "How are we going to get along now?" The price of wheat was below $1 a bushel for almost 6 or 8 years after that. In 1929 the rest of the Nation was doing pretty well, and the people were not worried about agricultural prices slipping. They thought that prosperity would continue, and that they did not have to worry about the agricultural situation.

I believe that is the reason why the Senator from Minnesota and I are probably more concerned about the farm situation than most people would like to have us be.

Mr. THYE. I thank the Senator.

Mr. BENNETT. Mr. President, I have sat here this afternoon and enjoyed the debate on the farm program, which has been conducted by professionals. It was interesting to me to note that most of the Senators who engaged in the debate this afternoon are members of the Committee on Agriculture. Under the circumstances I feel very diffident about getting up and trying to present a point of view which occurs to an outsider.

The junior Senator from Utah has neither experience nor training in agriculture, so he approaches the problem as an outsider, but in the hope that there may be some value to an outsider's viewpoint.

I realize that the chief responsibility for explaining the proposed flexible price-support program of the Eisenhower administration must be carried by my colleagues with a background of experience in agriculture, and that the same kind of experience characterizes those belonging to the opposing group.

It goes without saying that the present program of rigid high price supports and the proposal to replace it with a program of flexible price supports lies at the heart of all the issues in this debate.

To one who is not a farmer, as I am not, this seems to be fundamentally a problem in economics. But when an outsider tries to study the economic situation he is immediately impressed by the fact that the economic issues have been involved and obscured by a complication of emotional and political concepts, and that he must seek to try to understand these issues before he can hope to have any impression as to whether or not we should continue the present program or adopt the flexible program.

Perhaps I exaggerate, but it seems to me, as an outsider, that to many people in America the concept of "90 percent of parity" has become a kind of mythical concept. It has become to some, I think, a symbol and synonym of farm security, a kind of emotional Maginot line, behind which its adherents live in a world apart, insulated from the effects of economic laws and forces which operate in the ordinary world outside—a kind of dream world, from whose happy hopes they do not want to awaken to reality.

The junior Senator from Utah is one of those who believes that there are fundamental laws, both in our physical world and in our economic society, and that we cannot hope to escape the effects of the operation of such laws merely by ignoring them.

Today, as an outsider, I think I can see some storm signals flying for those who have based their security on this high rigid-price-support idea—and I hope you will be patient with me while I point them out. The first storm signals are those that appear when we take a look at the very mundane and prosaic matter of cost—measured in dollars.

The figures representing the overall cost of the program have been read into the RECORD many times. Mr. President, during the debate this afternoon I discovered that there is no agreement among the various Members of this body as to what the cost really was.

Over these 22 years the total cost has been $7.5 billion, $4.5 billion of which has been sustained by Government operations on the so-called basics—corn, cotton, peanuts, rice, tobacco, and wheat—and the remaining $3 billion on all other agricultural products and programs.

At this point, Mr. President, I ask unanimous consent to insert in the RECORD a table extracted from a publication of the Department of Agriculture, showing these costs of the program between 1932 and 1953, showing a realized cost of $7,510,000,000.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

[From appendix to table of "Realized cost of agriculture and related programs, by function or purpose, fiscal years 1932–53"]

Distribution of realized cost by commodities, where possible, of programs primarily for the stabilization of prices and farm income [1]

[Millions of dollars]

	Total
Almonds	1.7
Apples	81.5
Apricots	1.3
Barley	10.1
Beans	60.6
Beef	1.5
Beets	1.0
Blackberries	.1
Butter	158.8
Cabbage	5.1
Carrots	1.3
Castor beans	.2
Cattle and dairy products	76.6
Cauliflower	.1
Celery	.5
Cheese	28.7
Cherries	2.2
Citrus	[2].1
Citrus (juice and salad)	.1
Coffee	.6
Corn, cornmeal, and corn-hog program:	
Corn	869.6
Cornmeal	17.5
Corn-hog program:	
Program expenses	488.7
Miscellaneous receipts	[2].6
Processing taxes (net)	[2]261.4
Total, corn-hog	226.7
Total, corn	1,113.8
Cotton:	
CCC price-support program:	
Upland cotton	[2]268.2
Puerto Rican cotton	.1
Cotton export differential	41.4
Cotton-rubber barter	[2]11.1
Total, CCC price-support program	[2]237.8
Other cotton programs:	
Program expenses	2,059.4
Miscellaneous receipts	[2]9.5
Processing taxes (net)	[2]247.2
Total, cotton	1,564.9
Cottonseed and products	[2]13.6
Cranberries	1.2
Dairy products	.5
Dates	.4
Eggs	331.6
Figs	2.6
Filberts	.6
Fish	1.2
Flax	21.8
Flaxseed and linseed oil	72.0
Fruits and vegetables	5.6
Fruits, dried	14.9
General depleting crops	627.5
Grain	83.0
Grain sorghums	41.4
Grapes	.5
Grapefruit (fruit and juice)	27.8
Hay	8.0
Hemp and hemp fiber	21.5
Hides (miscellaneous receipts)	[2]13.0

[1] The distribution by commodities is necessarily estimated in most cases since accounting records were not required to be maintained on an individual commodity basis.

[2] Represents income or minus expenditures.

Distribution of realized cost, etc.—Continued

[Millions of dollars]

	Total
Hominy grits	3.5
Honey	12.2
Hops	1.7
Lard	19.3
Lemons (fruit and juice)	.4
Livestock	.1
Meat, miscellaneous	.2
Milk	51.1
Milk, dried	62.8
Multiple crops	5.0
Naval stores	1.4
Nuts	.3
Oats	1.4
Oats, rolled	3.4
Olive oil	.4
Onions	2.9
Oranges (fruit and juice)	51.6
Peaches	10.0
Peanut butter	1.7
Peanuts:	
Program expenses	142.9
Miscellaneous receipts	[2] 1.3
Processing taxes (net)	[2] 3.7
Total, peanuts	137.9
Pears	11.9
Peas (canned, dried, and fresh)	3.2
Pecans	3.8
Pineapples	.1
Plums	.6
Pork	66.0
Pork and beans	2.1
Potatoes	635.8
Potatoes, sweet	4.0
Poultry	.3
Prunes	36.6
Raisins	33.1
Rice:	
Program expenses	35.4
Processing taxes (net)	.5
Total, rice	35.9
Rye:	
Program expenses	.4
Processing taxes (net)	[2] .2
Total, rye	.2
Seeds:	
Program expenses	5.6
Miscellaneous receipts	[2] 5.4
Total, seeds	.2
Shortening, vegetable	.1
Soup	.9
Soybeans	[2] 4.4
Spinach	.3
Squash	.1
Sugar:	
Sugar Act program:	
Sugar payments	819.9
Sugar taxes	[2] 1,135.2
Net total, Sugar Act	[2] 315.3
Other sugar programs, including sugar beets:	
Program expenses	111.2
Processing taxes (net)	[2] 76.2
Total, other sugar	35.0
Total, sugar	[2] 280.3
Sirup	.4
Tangerines	1.1

[2] Represents income or minus expenditures.

Distribution of realized cost, etc.—Continued

[Millions of dollars]

	Total
Tobacco:	
Program expenses	186.4
Miscellaneous receipts	[2] 23.3
Processing taxes (net)	[2] 68.5
Total, tobacco	94.6
Tomatoes	3.8
Tung oil	.1
Turkeys	33.4
Vegetables	42.7
Walnuts	13.8
Wheat, wheat cereal and wheat flour:	
Wheat:	
Program expenses	1,870.4
Miscellaneous receipts	[2] 15.4
Processing taxes (net)	[2] 244.9
Total, wheat	1,610.1
Wheat cereal	4.5
Wheat flour	107.0
Total, wheat and wheat products	1,721.6
Wool	104.6
Total, all commodities	7,279.8
Interest cost:	
Interest payments	272.5
Imputed interest cost [3]	71.5
Interest income	[2] 174.0
Other costs not allocable to specific commodities [4]	63.4
Receipts not allocable by commodities	[2] 2.8
Realized cost	7,510.4
Recapitulation:	
Commodity totals:	
Program expense (before deduction of miscellaneous receipts and taxes)	9,385.1
Miscellaneous receipts	[2] 68.5
Sugar taxes	[2] 1,135.2
Processing taxes (net)	[2] 901.6
Total, commodities	7,279.8
Other amounts not allocable by commodities	230.6
Realized cost	7,510.4

[2] Represents income or minus expenditures.

[3] Interest computed for each year on the basis of the average rate on the public debt paid by the Treasury in that year.

[4] Consists of administrative expenses and other general costs or income not distributable by specific commodities.

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator yield for one question?

Mr. BENNETT. I yield to the Senator for a question.

Mr. JOHNSTON of South Carolina. Does the Senator refer to the basic commodities?

Mr. BENNETT. The basic commodities were $4.5 billion, and all commodities were $7.5 billion, which adds another $3 billion to the basic commodities.

Mr. JOHNSTON of South Carolina. Does the Senator realize that on cotton, one of the basic commodities, we have made a profit of $267 million?

Mr. BENNETT. The Senator from Utah has discovered in going through a number of publications of the Commodity Credit Corporation that a variety of programs is involved. The Senator from Utah recognizes the figure which the Senator from South Carolina quotes, and he would like to comment on it a little later in his speech.

On the exhibit which the Senator from Utah has asked to insert in the RECORD at this point, the total cotton cost, which includes all varieties of cotton in the program, is revealed as $1,564,900,000.

The figure to which the Senator from South Carolina refers is only the price-support part of the program. I should like to come back to that in a minute, if the Senator will permit me.

Mr. JOHNSTON of South Carolina. Is it not true that is all we are dealing with here?

Mr. BENNETT. That is one phase of it.

Mr. JOHNSTON of South Carolina. We are dealing with price supports, and only price supports. I do not think it would be fair to go into the other parts of the farm program which we are not dealing with at this particular time.

Mr. BENNETT. I have asked to have this information inserted in the RECORD. I remember that the Senator from Vermont [Mr. AIKEN] discussed with the Senator from South Carolina [Mr. JOHNSTON] this question of the $260 million-odd this afternoon, and I have no information which would add anything to that particular discussion.

Mr. President, it should always be remembered that Commodity Credit Corporation price support operations are only a part of the overall cost involved in the many-sided price-and-income support program.

From the chart just inserted it will be seen that the costs of the total programs for each of the basics have been very large:

Wheat	$1,700,000,000
Cotton	1,500,000,000
Corn	1,100,000,000
Peanuts	137,900,000
Tobacco	94,600,000
Rice	35,900,000

I ask unanimous consent at this point to insert another table in the RECORD showing the total cost of the price-and-income-support programs from 1932 to 1953 as $4,588,000.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Total cost of price and income-support program, 1932–53, on basic commodities

	Million
(a) Price support (loans), 1933–53	$20.7
(b) International Wheat Agreement (export subsidy), 1950–53	546.5
(c) Surplus removal, 1933–53	552.0
(d) Acreage-allotment payments under the ACP, 1936–43	1,666.3
(e) Acreage-allotment and marketing-quota programs administration, 1933–53	40.2
(f) Parity payments, 1938–43	967.1
(g) Retirement of cotton-pool trust certificates, 1939–40	1.3
(h) Acreage-contract payments, AAA of 1933, 1933–36	505.6
(i) Agricultural Marketing Act Revolving Fund, and payments to stabilization corporations for losses incurred, 1932–34	288.3
Total	4,588.0

Mr. BENNETT. I think my colleagues might also be interested in a chart showing the Commodity Credit Corporation gains and losses on each of the 6 basic commodities during the 22-year period. This is the chart which the Senator from South Carolina [Mr. JOHNSTON] holds in his hand, and that is the basis of the figures I shall now quote.

When we separate these figures into the figures for each commodity, we get a completely different concept than when we merely look at the figure in the lower right-hand column showing the total net result of the operation.

In the years between 1933 and 1952, at some time or other, cotton showed losses of $28 million. But it showed gains of $265 million, according to the figures as I have them, and these include the loss and gain figures on the Puerto Rican cotton program, the rubber-barter program, and so on, so they do not agree completely with those given by the Senator from South Carolina [Mr. JOHNSTON], but over the 22-year period a net gain is shown for the cotton program of $236 million.

Rice, which has been minor, shows losses and gains for a net loss of $1 million.

Wheat shows losses of $125 million, with no gains reported.

Corn shows losses of $129 million, with a small offsetting gain in 1952.

Peanuts show losses of $113 million, with no offsetting gain.

Tobacco shows a gain of $1,884,000.

I ask unanimous consent that these figures, which have been taken from the Commodity Credit Stabilization Service chart, and rearranged in this manner, be put in the RECORD at this point.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

CCC realized losses and gains by commodity

COTTON

	Loss	Gain
1933–41	$27,401,798	
1941–46		[1] $201,606,386
1946–50		[1] 34,873,354
Fiscal year 1951		28,938,218

[1] Reflects loss and gain of miscellaneous cotton (Puerto Rican, rubber barter, etc.)

CCC realized losses and gains by commodity—Continued

COTTON

	Loss	Gain
Fiscal year 1952		$148,924
Fiscal year 1953	$381,572	
Fiscal year 1954 (11 months)	908,895	
Total	28,692,265	265,556,882
Net gain		236,874,617

RICE

1933–41		
1941–46		
1946–50	$1,291,994	
Fiscal year 1951		$53,071
Fiscal year 1952		57,271
Fiscal year 1953	277,861	
Fiscal year 1954 (11 months)		407,676
Total	1,569,885	518,018
Net loss	1,051,867	

WHEAT

1933–41	$6,199,460	
1941–46	11,775,173	
1946–50	31,530,327	
Fiscal year 1951	19,013,932	
Fiscal year 1952	7,772,262	
Fiscal year 1953	18,886,296	
Fiscal year 1954 (11 months)	29,884,411	
Total	125,011,861	
Total loss	125,011,861	

CORN

1933–41	$20,078,488	
1941–46	14,366,569	
1946–50	17,033,844	
Fiscal year 1951	748,839	
Fiscal year 1952		$1,783,916
Fiscal year 1953	20,526,523	
Fiscal year 1954 (11 months)	58,827,234	
Total	131,581,497	1,783,916
Net loss	129,737,581	

PEANUTS

1933–41		
1941–46		
1946–50	$66,584,360	
Fiscal year 1951	14,584,837	
Fiscal year 1952	8,670,873	
Fiscal year 1953	2,975,881	
Fiscal year 1954 (11 months)	21,048,453	
Total	113,697,404	
Net loss	113,697,404	

CCC realized losses and gains by commodity—Continued

TOBACCO

	Loss	Gain
1933–41	$2,107,589	
1941–46		$7,074,300
1946–50		378,256
Fiscal year 1951		71,450
Fiscal year 1952	1,014,923	
Fiscal year 1953	2,759,676	
Fiscal year 1954 (11 months)		242,747
Total	5,882,188	7,766,753
Net gain		1,884,565

Mr. BENNETT. To continue with the analysis, the wheat program has had 11 years of loss and 3 years of gain. I am correcting in detail a general statement I made a little earlier.

The peanut program shows 7 years of loss and 1 year of gain. The corn program shows 11 years of loss and 4 years of gain.

The losses on these three crops were $368 million, which were offset by the gains in cotton.

I can understand the logic of a program which operates to give help in years of trouble and adjustment. But these programs could not break even, even in the war years, with production at full draft. That is what these figures reveal to an outsider. They suggest the prospect of perpetual subsidies in some crops.

When we look at these figures from another viewpoint, we see another storm signal. They reveal that the rate of loss is accelerating. The loss for all 6 commodities in the years before World War II was $55 million, or about $6 million a year.

The war years showed a gain, thanks to the cotton successes; but during the 4 years between World War II and the Korean war, the loss had jumped to a rate of $20 million a year, climbed to $22 million during fiscal 1951, 1952, and 1953, in spite of the increased demand advanced by the Korean war, and in the 11 months of fiscal 1954 had quadrupled to a rate of $120 million a year.

At this point, Mr. President, I should like to insert in the RECORD another chart showing the figures I have quoted, and the average losses for these periods.

There being no objection, the chart was ordered to be printed in the RECORD, as follows:

CCC price-support program (basics only)

	Pre-World War II, 1933–41 (A)	World War II, fiscal years 1942–46 (B)	Post-World War II, fiscal years 1947–50 [1] (C)	Korean war, fiscal years 1951–53 (D)	Post-Korean war, fiscal year (11 months) (E)	Total, 1933–54 (F)
Corn	[2] $20,078,488	[2] $14,336,569	[2] $17,003,844	[2] $19,491,446	[2] $58,827,234	$129,737,581
Cotton	27,401,798	218,328,306	48,587,399	28,705,570	[2] 908,895	267,310,582
Cotton, miscellaneous [3]		[2] 16,721,920	[2] 13,714,045			[2] 30,435,965
Peanuts			[2] 66,417,360	[2] 36,231,591	[2] 21,048,453	[2] 113,697,404
Rice			[2] 1,291,994	[2] 167,519	407,676	[2] 1,051,837
Tobacco	[2] 2,107,589	7,074,300	378,256	[2] 3,703,149	242,747	1,884,565
Wheat	[2] 6,199,460	[2] 11,775,173	[2] 31,530,327	[2] 45,622,490	[2] 29,884,411	[2] 125,011,861
Total	[2] 55,787,335	182,568,944	[2] 80,991,915	[2] 66,510,626	[2] 110,018,570	[2] 130,739,501
Average cost or gain	[2] 6,198,592	[2] 30,428,157	[2] 20,247,978	[2] 22,170,206	[2] 110,018,570	[2] 18,178,841

Total loss, $399,934,648.
Total gain, $269,195,147.
Net loss, $130,739,501.
Total, war years (cols. B and D), $116,058,319 (gain).
Total peace years (cols. A, C, E), $246,797,820 [2] (loss).

[1] World War II was not officially over until December 1948 and foreign aid programs went on into the postwar years.

[2] Denotes loss.

[3] Puerto Rican, export differential, rubber barter.

Mr. BENNETT. Before we leave this question of the accelerating rate of loss, let us turn back to the three basic commodities whose loss we discussed earlier.

Comparing the rate of loss during the first 11 months of fiscal 1954—and that is about as current a report as we can get—with the average annual loss over all the support years, we discover that in fiscal 1954 the loss in wheat was 5 times the previous 16-year average; in peanuts it was 3 times the previous 13-year average; in corn 17 times the previous 21-year average. Even King Cotton has produced a loss during 2 of the past 3 years.

To sum up this startling revelation, we discover that the loss sustained in the months of fiscal 1954 is the equivalent of 84 percent of the total net loss in the whole period since 1932.

There is great significance to this warning. It seems to me that, except for the unsettling influences of war, the rate of loss has been accelerating since the beginning, and, therefore, we can expect that, if the program continues into peacetime, the loss may become astronomical.

These were warnings which an outsider could see in his study of the money costs of the program. Standing alone, they would not seem to him to be sufficient to justify considering some basic change; but there are other less obvious but equally significant warnings which appear when one studies the nonmoney effects of high rigid price supports.

Instead of calling these storm signals, let us call them cracks in the Maginot line of imagined security. They, too, have been widening for some time, but the very existence of the program seems to the Senator from Utah to have induced a false sense of security.

The first crack we observe is represented by changes in customers' buying habits, with resulting changes in the market pattern.

The best example of this, of course, is in the field of dairy products. Although these have not been considered as belonging among the basic commodities, they have participated since 1949 in the program of high rigid price supports. For this reason the dairy people have apparently felt safe in ignoring the fact that since 1942 the per capita milk consumption in America has dropped from 820 pounds to 689 pounds.

Had they been so alert to the problem that by administrative and imaginative marketing they had been able to sustain the higher rate of consumption, we should today be pushing them to make up a milk shortage of 7 or 8 billion pounds, instead of burdening them with a Government-owned surplus of 464 million pounds of butter, 422 million pounds of cheese, and 286 million pounds of dried milk.

It seems to the Senator from Utah that the real road to security in the diary industry is an attempt to recover part of the market it has lost; and it also seems to the Senator from Utah that there has been some sense of security in the face of a falling market, because there was a price-support program and an automatic customer in the Federal Government.

It is true that the consumption of dairy products has turned up since April of this year. But it is equally significant to the Senator from Utah that this has happened only since the industry went onto the flexible price-support system.

Behind these figures is the second of the cracks which the Senator from Utah thinks he sees in the Maginot line. This has been caused by the existence of high price supports. I am referring to the change in the butter-margarine relationship.

In 1942, when the milk consumption per capita was 821 pounds, butter was selling 5 to 1 over margarine. Ten years later, in January 1952, margarine crossed the line and became the major product.

In March of 1954 Americans were buying 119 million pounds of margarine to 93 million pounds of creamery butter.

Mr. THYE. Mr. President, will the Senator yield for a question?

Mr. BENNETT. I yield.

Mr. THYE. Does the Senator believe that the removal of the Federal tax on colored oleomargarine may have had some effect upon the increased sale of oleomargarine?

Mr. BENNETT. The Senator, of course, realizes that that is true. But the Senator is concerned with the fact that that was another kind of Government pressure which gave help to the dairy industry, which was unusual, at least.

This crack is rapidly widening because, spurred on by the potential opportunities of an expanding market, researchers in the field of biochemistry and allied technology have reached the point where they can literally make all edible fats interchangeable, which means that not only margarine but even ice cream itself can be made from lard or tallow at a much cheaper price and safely compete in taste and nutrition with dairy butter.

The next crack in the imaginary Maginot wall that has created a sense of false security occurs in another area. This time we turn to the problem of intersectional competition. There was a time when the traditional wheat growing areas of the country were fairly well defined, but with the incentive provided by the rigid high support system, other sections of the country have been encouraged to increase their wheat acreage—not only providing new competition for the normal markets but adding to the overwhelming surpluses. While the amount of wheat seeded in the 10 Great Plains States was only 64.8 percent higher in 1949 than in the low year of 1942, in Missouri, the increase in that same period was 116 percent. Taking the 10 years after 1942, Michigan showed an increase in wheat seeded of 114 percent, and the rate in Colorado rose by 183 percent.

When we get down to the county level, the figures are even more startling. Between 1937 and 1947, seeded wheat acreage in Baca County, Colo., jumped nearly 600 percent—from 63,000 to 360,000 acres, and the average cash return in this county jumped from $1.92 per acre to $48.17. In Kiowa County, Colo., they planted 5,000 acres in 1939, and 365,000 acres in 1952.

It is evident to an outsider that while rigid high price supports have brought temporary profits to the farmers in the original Wheat Belt, they have also created a permanent threat to their prosperity in the form of a tremendous new competitive acreage.

Other examples of similar new competition created by the high price-support concept could be given, but I think these are enough to point up the dangerous and maybe permanent changes in production and marketing patterns that the system has induced. If the system is continued indefinitely we will discover that many of those products supported by it will have traded temporary expansion of price for permanent limitation of markets.

Having pointed out the storm signals and the widening cracks in the markets for price-supported commodities, I should like to move on now to three other conditions created by the program that puzzle me as an outsider.

First, apparently with all the Government support, it has been impossible to keep market prices as high as the 90-percent parity level, even though the Government has spent $7½ billion in the attempt. What is the use of talking about the virtue of 90 percent of parity if it is an unattainable goal? We see this demonstrated when we look at the postwar market levels as a percent of parity. At this point, Mr. President, I ask unanimous consent to insert in the RECORD a schedule showing market prices as a percent of parity on corn and wheat for the years 1948–53, inclusive.

There being no objection, the chart was ordered to be printed in the RECORD, as follows:

Market prices received as a percent of parity during the last 6 years of 90-percent support

	Percent
Corn:	
1948	77.6
1949	79.3
1950	[1] 90.6
1951	84.6
1952	83.3
1953	[2] 77.6
Average for 5½ years, 83.8 percent.	
1948	91
1949	89.5
1950	87.8
1951	87.7
1952	84.3
1953	[3] 80
Average for nearly 6 years, 86.6 percent.	

[1] Begining of Korean war.
[2] Five months.
[3] Eight months.

Mr. BENNETT. Mr. President, this chart shows that corn only reached the 90 percent figures once in 1950 at the beginning of the Korean war; that during the 5½ years it has averaged 83.8 percent of parity; and that for the first 5 months of fiscal 1953 it stood exactly where it was in 1948—at 77.6 percent of parity.

The pattern on wheat is different. In 1948, it stood at 91 percent of parity but it has dropped every year since, with an average for the 6 years of 86.6 percent and a figure for the first 5 months of fiscal 1954 of around 80 percent. If 90 percent of parity is a desirable goal even

though our present support costs are accelerating, they are not sufficient to maintain it.

My second question is related to the first. Since only a few of our products representing 23 percent of our total agriculture production have been supported at 90 percent, what has been the comparative prosperity of the nonsupported commodities? On the very face of it, unless the supported commodities had fared substantially better than those not supported, I think we are entitled to believe that the whole support program was probably unnecessary.

The Department of Agriculture has published a chart entitled "Farmers' Prices" showing the price curve between 1932 and 1954 for both supported and nonsupported commodities. Unfortunately, the chart cannot be reproduced in the RECORD, but for the benefit of my colleagues I have reduced the figures from which the chart was made to a simple table and ask unanimous consent that this table be inserted in my remarks at this point.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Farmers' prices—comparison of prices for price-supported basic commodities with those of nonsupported group

[Percent of 1910–14]

	Nonsupported [1]	Basic [2]
1932	73	49
1933	69	67
1934	79	102
1935	109	107
1936	113	110
1937	121	121
1938	102	81
1939	99	79
1940	101	88
1941	127	106
1942	165	143
1943	195	171
1944	195	185
1945	210	188
1946	230	232
1947	275	280
1948	288	274
1949	260	232
1950	263	253
1951	312	291
1952	291	282
1953	257	256
22-year average	178	168

[1] Fruits, truck crops, other vegetables, meat animals, poultry, eggs.

[2] Basic commodities—food grains, feed grains, cotton, tobacco.

NOTE.—Dairy products, oil products, and wool not included in above categories owing to variations of support activities for these products.

Mr. BENNETT. Mr. President, interestingly enough this table shows that while there have been minor variations, the actual market price for the supported crops has generally been below the price for the nonsupported crops, and that the average for the 22-year period has been an index of 168 for the basic supported crops and 178 for the nonsupported crops—an advantage of 10 points or about 6 percent for those that were not supported.

The third effect which puzzles me is that produced by the acreage limitation program which is an integral part of the price support program. This was the device which was supposed to be put into operation to control surpluses. The very existence of the present surpluses is simple proof that the acreage control plan has not worked.

To an outsider, the reason seems obvious. In a free market, the price mechanism is the effective means of controlling production. Under the rigid high support system, the price mechanism cannot operate.

If there were an unchanging rate of production per acre, acreage control might be a reasonable substitute. But it is a travesty in a period when, by the use of better seeds, better fertilizer, and better farming methods, the rate per acre can be forced high enough to affect the number of acres taken out of production. In the eastern Kansas—Manhattan area—the wheat yield per acre was 23.7 bushels without fertilizer. With a heavy application of fertilizer the per acre yield was 39.2, or a 65 percent increase. In Michigan the yield per acre sans fertilizer was 26 bushels, and with fertilizer it was 41 bushels, or a 60 percent increase.

In the case of cotton in the region of the alluvial plains of Mississippi, Louisiana, and Arkansas, it is interesting to note by periods the yield in pounds of lint per acre. In the 1928–32 period before controls, it was 225 pounds. In the 1933–37 period, under partial controls, it was 282 pounds. During the years of stringent controls, 1938–42, it rose to 388 pounds. There are a number of variables in this picture, such as an understandable general upward curve in yield through better farming, and all the other reasons which the distinguished occupant of the chair, the Senator from Minnesota [Mr. THYE] pointed out so clearly a few minutes ago, but I believe it does show to some extent the response to tight control by way of increased per acre yield.

As I close, may I summarize my observation as an outsider? First, I am concerned about the question of cost of the program as represented by the losses sustained by the Commodity Credit Corporation. In some commodities there have been losses since the beginning of the program. In general, except for the abnormal situation created by the war, the losses have been increasing at an accelerated rate. The rate in 11 months of fiscal 1954 is so high that it represents 84 percent of the total net loss over all the years the program has operated.

Secondly, I am concerned with the market changes that have occurred as a result of the artificially rigid high prices sustained by the program.

And thirdly, it seems to me that the program has failed in its fundamental purpose (a) because it has been unable to keep market prices up to support prices; (b) because it has been unable to keep the prices for basic supported crops up to the prices for nonsupported crops; and (c) because its control device of acreage limitation is unrealistic. It is too easily circumvented because it is based on production rather than on price.

Though I am an outsider, I have been greatly encouraged by the knowledge that the farmers and dairy producers of my State understand the position I am taking, and most of them support me. At the conclusion of these remarks, I ask unanimous consent to include in the body of the RECORD two letters which have come to me from Utah—one from the Utah State Farm Bureau Federation and the other from a Utah dairymen's association. I should also like to add to these a wire I have received from the American National Cattlemen's Association.

The PRESIDING OFFICER. Without objection, they may be placed in the RECORD.

(See exhibit A.)

Mr. BENNETT. During the 2 years that he has served as Secretary of Agriculture, my fellow citizen of Utah and my good friend, Ezra Taft Benson, has been the subject of vigorous attack because he has tried to help our American farmers to see the basic weaknesses inherent in this price-support system and to develop with their help a sounder program in its place. I have been thrilled at President Eisenhower's steadfast support of Secretary Benson. I have been encouraged by the support that he has received from his predecessor and our colleague, former Secretary of Agriculture and now Senator from New Mexico, CLINTON P. ANDERSON. My faith is sustained by the knowledge that the majority of the farmers of America are backing him. Because I am an outsider with no background or experience in agriculture, my support is not significant, but Secretary Benson knows that he has it for whatever it may be worth.

EXHIBIT A

UTAH STATE FARM BUREAU FEDERATION,
Salt Lake City, Utah, July 14, 1954.

Hon. WALLACE F. BENNETT,
United States Senate,
Washington, D. C.

DEAR SENATOR BENNETT: The July meeting of the Utah State Farm Bureau Board of Directors has just concluded. Action was taken regarding farm legislation now pending in Congress which I, as Executive Secretary, was directed to transmit to you as the recommendation of this organization.

The Board of Directors of the Utah State Farm Bureau consists of 29 county presidents, the chairman and vice chairman of the associated women of Farm Bureau and a representative from each of 15 cooperative marketing and bargaining associations in Utah. Altogether this board represents 8,000 farm families as direct members through county Farm Bureaus, and practically all other farm families through the following associations: Cooperative Life of America, Utah Poultry and Farmers Cooperative, Weber Central Dairy Association, Cache Valley Dairy Association, Utah Sugar Beet Growers Association, Producers Livestock Marketing Association, Hi-Land Dairy Association, Federated Milk Producers, Superior Sugar Beet Seed Growers, Utah Canning Crops Growers Association, Utah Crop Improvement Association, Utah Growers Cooperative, Utah Horticultural Society, Utah State Beekeepers Association, Utah Turkey Federation.

The board, by unanimous action reaffirmed its position as approved at the meeting of the voting delegates last December as follows: "The recommendations from the various counties have indicated a preference for the principle of flexibility in price supports over a rigid high support system. The Utah State Farm Bureau will, therefore, support efforts to bring about the application of laws which will allow for price supports to vary in

relation to the supply of supported commodities, with flexibility enough to warn the producer to increase or decrease his production. * * *

"It is clearly recognized that different commodities may require different programs. Commodities such as sugar and wool which are not produced in surplus may need to be dealt with differently than commodities which depend in considerable measure on foreign markets."

Also "We renew our vote of confidence in Secretary of Agriculture Ezra Taft Benson. We commend him for seeking the consensus of the thinking of farm people through their own organizations, and for withholding announcement of new proposals for farm programs until the evaluation of present programs has been completed and recommendations for changes have been made.

"We further commend him for his administration of present farm laws and for his efforts to develop a sound agricultural program in the interest of all the people."

The preceding resolution was reaffirmed after lengthy discussion of the effects on agricultural people in Utah of the present rigid support price program. Figures were presented to show that wheat is the only one of the six basic commodities raised in substantial quantities in Utah. However, only 6.9 percent of our income is from wheat. Livestock and poultry, which depend largely upon corn, account for over 70 percent of our cash income. Dairy products account for 15 percent of this amount, but cattle and calves, part of which are by-products of the dairy industry account for over 24 percent of our cash income. Obviously, support prices on feed grains has a detrimental effect on livestock and poultry operations in Utah and affects adversely over 70 percent of our cash income returns from agriculture.

It was agreed here that high support prices, without regard to the effect on production is very detrimental to both the commodities under support and those indirectly affected by acres diverted from high support commodities. The temporary benefit from high supports on wheat is rapidly proving a very expensive program on a long-range basis. By voting for continuation of high supports, the wheat growers are causing a shift from effectively operated wheat producing units to thousands of small inefficient units too small to come within the acreage quotas. The result will be very little if any reduction in production, huge storage holdover and an expense to taxpayers too painful to be borne long.

The result of high support of dairy products has resulted in an extension of the process of losing markets to substitutes. The proposal now being made by some Members of Congress to allow dairy product prices to go low enough to dispose of all surpluses and new production, and make up the difference from prices received to 90 percent of parity could easily spell finale to any possibility of a prosperous dairy industry. It is a well known fact that the public will not continue long to subsidize any branch of the food industry through high compensatory payments. If, then, the public is educated to a low price for its dairy products during the period of high subsidy, the industry could be irreparably damaged when the return to a realistic price structure becomes a necessity.

Although there is some confusion in the minds of many wheat and dairy producers in Utah because of the lure of Government handouts and the deceitful half-truths told them by groups and organizations recommending high rigid supports, the majority of our producers in Utah are sufficiently practical in their approval to this problem to not be blinded by the impractical artificial price plans being advocated by those whose principal concern seems to be temporary benefits or political expediency.

The indirect effects of rigid price supports and their accompanying acreage allocations and marketing quotas are proving detrimental to many of our best cash crops in Utah. Thousands of acres diverted from cotton in California are planted to sugar beets, fresh vegetables, and vegetables for canning. Sugar-beet processing plants in the United States are restricted to the sale of 1,800,000 short tons raw value. More than this amount was produced last year and apparently the 1954 production will be 10 to 15 percent above last year.

Tomatoes and barley will be in trouble this year in Utah as a result of acres diverted from rigidly supported crops. More and more acres diverted to pasture and livestock feeds will in all probability stimulate dairy, livestock, and poultry production throughout the United States and especially in areas not concerned primarily with quality. Because of high freight rates Utah must place quality products on principal consuming markets and realize a premium price. It should be evident to all of us that the stimulation of crops with which we must compete will make our problem difficult if not impossible.

Obviously, the only solution to the complex problem of diverted acres under a high rigid support program is to rigidly fix use of all acres and production of all livestock. This could be accomplished only by absolute socialism, which we, in Utah, are bitterly opposed to.

Specifically we urge termination of rigid price supports; a carefully worked out control program for use of diverted acres until production can be brought into proper balance; provide for sound basis of dairy supports without compensatory payments; encourage marketing plans to remove surpluses and stimulate consumption at reasonable prices in the market place; require no mandatory supports on small grains; and eliminate from present Senate proposal the proposition for a referendum on a multiple-price certificate plan for wheat.

Your careful consideration of these very important matters will be greatly appreciated.

Sincerely,

FRANK G. SHELLEY,
Executive Secretary, Utah State Farm Bureau Federation.

CACHE VALLEY DAIRY ASSOCIATION,
Smithfield, Utah.

Hon. Senator WALLACE F. BENNETT,
Senate Office Building,
Washington, D. C.

DEAR SENATOR: We have studied with much concern the agricultural legislation passed by the House of Representatives at Washington, D. C., and also the report of the committee from the Senate on agriculture and forestry. And wish to say that we concur in general with the flexible price-support theory and also in charging Congress with the control of diverted acres from supported crops.

We were in accord with Secretary of Agriculture Ezra Taft Benson when he reduced the support on dairy products from 90 to 75 percent of parity. In spite of this reduction we still note great increases in milk production across the Nation. We therefore, would like to recommend the following: (1) That the fairest way to handle the surplus dairy product situation is to find foreign outlets for the surplus that has been accumulated; (2) butter, cheese, and other manufactured dairy products should be sold at the market place at whatever price consumer will accept manufactured dairy products for; (3) that the Government pay a subsidy to the dairymen for the difference between the price paid at the market place and 75 percent of parity; (4) that these payments be made direct to the manufacturing plant to be repaid to the dairymen in direct proportion to the number of pounds of butterfat that he sells to the manufacturing plant; (5) that the support be lowered 5 percent each year until it is eliminated; (6) that as the consumers can buy butter at 40 to 50 cents per pound it will stimulate the consumption to a point where there will be no further surpluses created. With increased consumption we may be able through advertising and educational work to continue the consumption at a higher price level which may be equal to the decline and Government subsidy; (7) it is our sincere belief that butter, various types of cheese, and powder should be subsidized under the same program in place of just including butter and powder that at present comes under the support program.

As we see it this type of program would overcome buying and storing dairy products in Government warehouses and other storage at Government expense, it would permit butter, cheese, and other dairy products to go direct from manufacturing plants to distributors and consumers, it would eliminate borderline producers, it would encourage efficiency and economy in the production and distribution of dairy products, at a much lower cost to the Federal Government than the present price support and storage program. On behalf of 1,600 dairymen of northern Utah and southern Idaho we appeal to you to give consideration to this recommendation when you are studying legislation relative to the dairy industry. We remain.

Yours truly,

CACHE VALLEY DAIRY ASSOCIATION,
By A. W. CHAMBERS.

DENVER, COLO., *July 19, 1954.*

Senator WALLACE F. BENNETT,
Senate Office Building,
Washington, D. C.:

The cattle industry has steadfastly opposed any rigid price-support program for cattle. We have been disturbed by the high prices maintained under support-price programs for feed grains, and an unhealthy situation seems to be developing whereby the cattle producer can profit only at the expense of the cattle feeder or vice versa. Because of this fact, at our 57th annual convention last January at Colorado Springs, we adopted the following resolution:

"We commend President Eisenhower's and Secretary of Agriculture Benson's new farm program, recently submitted to Congress, as a step in the right direction toward bringing the Nation's farm economy back to a sound basis, but we reiterate our old and long-established policy against price supports, and we endorse this program with the hope that it will eventually lead to complete decontrol."

The administration farm program we still feel is terribly important to the economy of both branches of our own industry, the cattle producer and the cattle feeder, and in fact to the economy of the country as a whole. We respectfully urge your consideration of this position.

F. E. MOLLIN,
Executive Secretary, American National Cattlemen's Association.

Mr. AIKEN. Mr. President, although at the start of his talk the Senator from Utah said that he was not a farmer and evidently did not depend on farming for a living, I do not know when I have heard a speech which showed that the author had given more thought to the problems of farming and had really sat down and tried to work them out, than the one which has just been given by the junior Senator from Utah. It was a very fine speech. I am sure the Senator from Minnesota [Mr. THYE], whether he

agrees with the speech or not, will agree that it is a very carefully thought out and prepared speech.

Mr. BENNETT. I certainly appreciate that comment. I have done all my farming in the statistics of the Commodity Credit Corporation and the Department of Agriculture.

Mr. AIKEN. Perhaps some of us have been too close to it to get a good broad view of some of the problems.

Mr. BENNETT. I thank the Senator.

Mr. GOLDWATER. Mr. President, my few remarks are addressed to the farm program. I wish to approach the subject from the standpoint of the free enterprise system more than from the standpoint of a farmer, for I must admit at the outset that my farming experience is limited to owning a small farm, and my experience in that field has been anything but profitable. I speak tonight on the relationship of the debate to the free enterprise system in this country, and it is to that subject that I wish to direct my remarks.

In the various debates that have been waged during this Congress over matters that affect our economy, and even over matters not directly related to our economy, it has become frighteningly evident that some of our lawmakers either do not understand the basic premises of the free enterprise system or, worse yet, that they believe that we must depart from its tried and true course and adopt, as they would have it, "a little bit of socialism."

Now let me say at the outset that there is no part of socialism that an economy can adopt and correctly be called "a part." When an economic system is based on such a concept, then it is either all or nothing.

I refer, for instance, to the attitude of those who debated against the reliefs proposed in the tax bill. Their point was that more purchasing power must be developed. They failed to remember that more purchasing power is not acquired through edicts of government, but through more jobs, which means more tools and so more investment.

Then I refer to repeated statements on the floor by those who echo the economic philosophies of the ADA, that Government must take action to avert a depression. It is interesting to observe, incidentally, that the darkest of blankets which they threw over the economy failed to snuff out its dynamic life.

These statements in respect to the Government's taking an active part in the prevention of a depression have been made with full knowledge of the rather limited effect that Government crutches have had on the economy. Any of my colleagues who wish to pursue that subject can look up a paper which I prepared and which was recently introduced into the RECORD. It gives evidence of the possible limits of that effect, and I shall not pursue the subject further here except to remind Senators that the study that I made showed that between 1933 and 1939, more than 51 percent of our Federal budget went into these so-called crutches, and it required a war to pull us out of that depression; whereas, had the Government stayed out of it, had the Government ceased its demands for the controls over the economy which always result from Government interference, we would have come out of it in our own natural, free way.

These propositions that the Government should interfere are the products of minds grown accustomed to deficits and inflation. So accustomed, in fact, have these people become that they now accept a deficit as not only a possible thing, but as an agreeable and proper state of our fiscal affairs. They also accept the theory that inflation is all right, that maybe we have a magic formula never discovered in over 4,000 years of economic history which, when applied, will dehorn the devil, remove his fork from his hands and put out his fire that burns so fiercely for the destruction of those economic systems which have succumbed to his deceitful temptations.

The most recent evidence of this situation which causes me concern was the unparalleled action of the Senate in approving an amendment to the Atomic Energy bill that would put the Government into the power field, not as a partner, as it is now, but as the "one and only," as a monopoly, just as England did when she injected her Government into various business fields, indeed, just as socialists would have it.

If Senators doubt this, I ask them not to trust my words, but to remember that the No. 1 Socialist in all of this country, Mr. Norman Thomas, said, in reference to the Tennessee Valley Authority, that it "is the only genuine socialistic act of the New Deal, a flower in the midst of weeds." That was said by the No. 1 Socialist in this country.

Yes, these indications disturb me, for I have an abiding faith in the ability of our free enterprise system, coupled with our free, constitutional, republican form of government, to get done those things that have to be done in order to create, increase, and maintain the standard of living our people deserve.

A reaction of concern is only natural, then, when the attitudes that I have outlined above have been expressed in this great Senate and also subscribed to by segments of our business and our consuming population. It is not the type of fear that makes one quake, but the type that makes one pause and ponder and ask just how far down this road of socialism have we gone? How numbed have our minds become to the awful results of that philosophy? How many people in this country cling to the constant hope that, while this revolution may come, I, "No. 1," will be spared its rigors because somebody else will take care of me? How many are there who feel that something is happening to our form of government and to our free enterprise system but refrain from calling the disease by its true name, socialism, and refrain, also, from activities designed to cure it.

Then, the final question. Has what Aristotle wrote 2,000 years ago, speaking of what can happen within the form, when "one thing takes the place of another so that the ancient laws will remain, while the power will be in the hands of those who have brought about the revolution within the state" come about in this land of ours?

Now with those questions having arisen in my mind from a basic apprehension that we have progressed farther than many think we have in the trend away from our accepted forms of economic intercourse, a challenge emerges which must be accepted by those who adhere to the free aspects of our way of doing business. That challenge calls for a determined effort to educate, and a real effort to make this system do all that it will by the accelerated workings of those who adhere to it, and a closer examination of legislation proposed in the Congress which affects the free-enterprise system.

In spite of the constant penetration of the peoples' minds by the means of radio, television, and agreeable segments of the press, used by the "eggheads," the "fuzzybrains," the ADA, and other devotees of socialism, I have a feeling that the great majority of the American people want no part of it and will resist it if supplied with the basic facts of its functioning.

Now, the Senators might well ask why this dissertation on the occasion of debate on the President's farm bill. I will clarify their curiosity by suggesting that here, once again, the Senate is confronted with legislation that, while not spelling it out in so many syllables, has a great effect on the operation of our system of economy. Here also will be heard once again the language couched in the subtle terms suggesting a change in this system.

It is proper, therefore, that the entire structure of our economy be reviewed in a short and simple way so that all the Senators may again refresh their minds on its ramifications and reflect on the dangers to it that are wrapped up in high, rigid parities with their accompanying rigid controls.

If we ignore these basic facts and ignore the dangers inherent in a continuation of these high supports, then we naively echo the sentiments of those people who say "It cannot happen here." Or we join those people who, like the man who went to the doctor and was told to stop smoking, kept on looking until he found a doctor who said smoking would not hurt him.

These people now seek out the economist who says that high supports will not hurt the country, that deficits are good, that unbalanced budgets are fine, that the laws of human nature have been repealed, and the Government can now run our economy with no fear of ever having a depression, that the Government can run the economy better than the laws of supply and demand and better than the good business people, laborers, and farmers of this country.

I am one Senator who does not happen to subscribe to this line of thinking, nor do I seek economic prophesies from the "fuzzybrains" of the ADA. I will stand proudly on the record of the history of the free enterprise system, recognizing that in its operation there are certain inherent risks, but that in its achievements there is great and satisfying reward, not only in the form of the coin of the land, but in the comforting feeling that we are retaining our freedom while making our progress.

UNIVERSITY OF MICHIGAN

For a few short moments, Mr. President, I wish to indulge in a rather economic approach to the problem. As I said earlier, I feel that Members of the Senate need refreshing on this subject.

All economic systems must, as a matter of course, fulfill certain basic needs which arise in a country, regardless of its size, political structure, or the extent of its industrialization. The question of the ownership of production assets, whether privately or by the state, does not affect the scope or necessity of these primary economic requirements.

First of all, any economic system has the task of combining and organizing the natural resources of a country, along with its labor and capital, into well-coordinated and efficient productive units. Such a combination of these three integral features of a nation provides the underlying community of interest by which the whole system is directed to a specific end.

Secondly, an economic scheme must be provided under which all productive elements can exchange their products or services for other products and services.

Finally, each productive element of the system must be provided with some claim or a share of the total output in such a form as income or purchasing power. To some extent, of course, all of these requisites of an economic plan are obvious, while at the same time, because of this very self-evident quality, they are not always understood. It is conceivable, too, that from such a lack of understanding—or, more bluntly, from such ignorance—of these fundamental concepts, novel and decidedly erratic economic "schemes" may be advanced and accepted by the "planners" and the starry-eyed visionaries of utopian conquests. Indeed, had the socialists of Great Britain, both before and during World War II, grasped more clearly and accurately the absolute necessity of these basic economic functions, including their complex interrelationships and the requirement of balance in their existence, it is quite possible that the ascendance to power of socialism in England in 1945 would not have been nearly as consequential as it has subsequently proven to be. Certainly, the wisest tenet in matters such as this is that we should avoid disillusionment when it is too late by beginning without illusions while we still have time.

The system which has nobly evolved in this country to meet these necessities is one of competitive private enterprise. It is without question the best economic scheme yet devised for the protection of man's basic liberties and the cementing of his inherent rights to pursue his own labors and to enjoy the profits thereof.

The political and economic atmosphere of such a competitive, free, private-enterprise economy tends to the creation of a productive use of economic resources. This system, as its name suggests, involves the placement in many private hands the ownership of the means of production as well as of those decisions concerning "the what, when, and how much" of the production process. It is a system which involves the bidding against one another of the various enterprises, not only for the resources which they must have to carry on production, but also for the favor of the consumers in the purchase and use of their products.

A competitive-enterprise economy is, therefore, a free market economy. It is one in which the instruments of production are privately owned by many individuals with the determination of what is to be produced and how it is to be produced and for what distribution it is to be produced made at the market place by the price mechanism that is dictated by many individuals. The goods and services are exchanged in a market which responds to the force of supply and demand.

Many people, of course, especially the detractors of the free enterprise system, will refer to this arrangement as capitalistic, but capitalism is not precisely a distinct type of economic system, inasmuch as all modern systems of economy are capitalistic in an economic sense. That is to say, they employ capital in the form of machinery, tools, and plant in the production process. Indeed, even the most primitive people employ some form of capital whether it be a bent stick, a carved bone, or a hollowed-out canoe. Consequently, those who seek to discredit the free enterprise system may discover to their chagrin that in the very arguments which they use in this effort lie the proof of its wisdom and soundness.

The economic systems of other countries are those in which, contrary to our own private enterprise economy, the production of goods and services is centrally planned by the state instead of the choice being left to the consumer. Under this type of system, the prerogative of the consumer to determine how he will spend his income is also largely removed.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. GOLDWATER. I yield.

Mr. HUMPHREY. Is the Senator from Arizona familiar with a very distinguished gentleman from his State by the name of H. S. Casey Abbott?

Mr. GOLDWATER. Yes; I know Casey very well.

Mr. HUMPHREY. Is the Senator aware of a letter which Mr. Abbott sent to the Time and Life publications, addressed to Mr. Henry R. Luce under date of June 21, 1954?

Mr. GOLDWATER. I cannot say that I am. I have not read it.

Mr. HUMPHREY. I have a copy of the letter. It is a very interesting letter, which discusses the entire farm program and agricultural program. As I understand, Mr. Abbott was once the director of the Arizona Farm Bureau, is a past president of the Arizona Cotton Growers Association, and is a member of the 48-man special farm labor advisory committee to the Secretary of Labor. Is that correct?

Mr. GOLDWATER. I assume it is correct. I know that Mr. Abbott has engaged in many of the activities which the Senator has indicated. I was not aware of all of them.

Mr. HUMPHREY. The copy of the letter I have indicates that copies, besides the one which came to me, were sent to the senior Senator from Arizona [Mr. HAYDEN], the junior Senator from Arizona [Mr. GOLDWATER], and Representative RHODES. Mr. H. S. Casey Abbott takes the editor of Time and Life to task. He has some very important observations to make. For example, he sharply criticizes the promotion of the flexible parity program. I note that on the third page of his letter, a copy of which I have before me, he states:

> As long as we have expenditures such as the above—

And he lists some of those expenditures—

> and as long as we have regulations of freight rates, privilege for public utilities, franchise for various endeavors (et cetera), all of which can be capitalized by industry in its various forms, it becomes mandatory that the farm segment of the American picture also be aided by Government.

He goes on to support the price-support program.

I wondered whether or not Mr. Casey Abbott reflects the views of the agriculturists and the farm economists of Arizona. I must say this is one of the most vigorous, well written, and brilliantly stated letters I have ever read. I intend to refer to it in my own comments.

Mr. GOLDWATER. Knowing Casey Abbott as well as I do, I am well aware of his attitude on the price support or parity problem. However, it might be of interest to the Senator from Minnesota to know that the Farm Bureau of my State, including all its county organizations, has gone on record as favoring the administration's program. While it has no bearing upon this particular question, the members of the Arizona County Growers Association are 95 percent in favor of no price supports for cattle. So I think it is safe to say that Mr. Abbott is speaking for one segment of Arizona's farm population, and I am speaking for another segment of it.

Mr. HUMPHREY. I appreciate that.

Mr. GOLDWATER. In that respect, I do not argue against the theory of some governmental support for some farmers. I have traveled over different areas of my State many times arguing the proposition that it is recognized that in the farm business there are dangers to which no other businessman is exposed. There are involved vagaries of the weather, the dangers of uncertain markets, and now competition from abroad. Because of those dangers, most of which we cannot control, I have thought of a solution like this: We say to the farmer, "You are not going out of business"—in other words, cost-parity—"but if you want to make money, you have to go into the open market. If you cannot make money in the farm business, do what other businessmen do—find some other field."

Farmers in my State have more or less subscribed to that line of thinking. I am opposed to high rigid price supports. I am not opposed to all Government support for farmers, because I recognize that there are dangers against which we must protect the farmers. I think we should attend to such problems as, for example, exist today in the drought areas of the United States, where the Govern-

ment rushes aid. I think that is the kind of trouble we should take care of.

Mr. HUMPHREY. Of course, I have great respect for the views and judgment of the Senator from Arizona. There are honest differences of opinion in the matter of agricultural price supports. The thing that always intrigues me is that those who are opposed to 90 percent of parity are really not opposed to that, because what they are saying is that the price supports should be between 75 and 90 percent.

Mr. GOLDWATER. I do not say that.

Mr. HUMPHREY. What does the Senator say? He said he supported the administration's program.

Mr. GOLDWATER. I do, because it is the best program available right now. I should like to see the problem approached on a basis of cost-parity. Seventy-five percent of parity comes pretty close to that. I think the Senator will find that 70 percent, in round figures, represents the cost of production of some farm products. I am speaking only as one having an interest in the entire economic system. I have not been subjected to too much farm experience in my life.

Mr. HUMPHREY. I think the Senator would be interested in knowing that some time ago I made an economic study of farm indebtedness as a project in which I was interested, mortgage indebtedness of agriculture, and its relationship to farm income, and also the parity ratio. It was a research project that meant a good deal to me. Although it was a matter for study for an academic purpose, I think it has some practical application.

Would the Senator from Arizona be interested in knowing that the parity ratio "breakpoint," where farm indebtedness is paid off as rapidly as it is accrued—in other words, the amount of mortgages is equal to new mortgages, equal to that amount which is paid off, where the capital plant stays in relative balance, that is, replacement of capital tools—was 88½ percent? In other words, the cost figure was 88.5. When the point of 88.5, on the average, for the entire farm economy, is reached, it will be found that farm mortgage indebtedness does not go up any faster than do farm mortgage payments. When the point of 85, 84, 83, 82, or 81 percent is reached, the mortgage indebtedness shoots up. I am speaking of the agricultural economy as a whole, and I am speaking of averages.

The point at which it is kept in balance is at an average of between 88 and 90 percent. So the figure of 90 percent of parity is not one that was snapped out of the air; it is a figure that relates to basic agricultural economy.

Mr. GOLDWATER. I would be very much interested to have a copy of that study.

Mr. HUMPHREY. It may be found in the CONGRESSIONAL RECORD of September 9, 1949. I shall check the date to make sure. At that time the farm-support bill of 1949 and the Russell-Young amendment were being debated. The study was a compilation of parity ratio figures for about 27 years, and also a compilation of farm-mortgage indebtedness figures for the same number of years. If the Senator examines the RECORD, I think he will find, if I am not mistaken, that the point of balance was 88.5.

Mr. GOLDWATER. I shall look for it with a great deal of interest. I am inclined to believe that while that might hold true for some areas, it would not hold true in low-cost production areas.

Mr. HUMPHREY. I am talking about the national average. I think that in particular areas where fruits and vegetables might be major food products, it might be entirely different.

Mr. GOLDWATER. I thank the Senator from Minnesota for that suggestion. I shall certainly look that up.

Mr. President, the State is the determinant of what, when, and how much will be produced, and the function of the price mechanism in allocating resources and guiding production according to consumer preference is taken over by a Government bureaucy. By this condition the consumer is required to purchase the goods and services that are determined by some State planning authority rather than those goods and services which he as a private, free, independent individual would, of his own free will, decide to purchase.

Under such a system the individual businessman, if, indeed, he is allowed to exist at all, must to a great extent produce and sell what he is told to produce and sell, and only in such quantities as he is permitted to do so by the Government.

Individual incentive toward cost cutting and technological development is dulled under such a system, and waste and inefficiency creep into the production and marketing schemes because management decisions are left to the wiles of overall planning and, in many cases, are free from the difficult necessity of making revenue cover all the cost, including the profits. Also, this generalized, overall planning precludes the possibility of consideration of special circumstances and cases which may be dictated by regional and environmental factors not to be included in the general pattern. This, of course, makes for waste and inefficiency, as well as the making of decisions which do not lead to sufficient revenue.

A free, economic market cannot continue to function properly under these alien systems because free consumer choice can no longer be allowed to determine what will be produced. Such choices, it is construed, might divert production from that called for by the overall planned program. Only the continual rationing of scarce items can prevent such mishaps as have befallen other countries of the world both during and since the war, when, in many cases, they have been unable to bring their economies into balance and their production up to sufficient quantity to enable them to remove rationing programs.

Under these State-planned systems the consumer's standard of living is lowered because the consumers are not allowed to spend their incomes on the things which satisfy them most. In other words, they have dictated to them not only what they can produce, and how much money they can make for what they produce, but also what they can spend with the money they earn. This is contrary to the precepts of the free-enterprise system. It is contrary to the logic of the basic requirements an economic system must fulfill.

The advocates of State planning make much of their system by the promise that it represents production for use, rather than production for profit. Mr. President, in recent days we have begun to hear a great deal about "production for use." Later in my remarks, I shall refer again to it. This is an erroneous "catch phrase" which is loaded with economic dynamite. Production for profit is production for use; but this being a day and age when it has become almost sinful to make a profit, it is understandable why, under this premise, certain gullible people have been swept into the tide of State planning.

The truth is, however, that only when consumers have a free choice to decide to purchase a product for their use, can the producer continue its production. The one follows the other, as naturally as night follows day. There is no such thing, in fact, as production that is not for use; and it should be remembered that production for profit assures production for the maximum satisfaction of consumer wants. It can be no other way. Production for profit is an insurance of the preservation of production for use.

All of this is not to say, however, that there is no place at all for Government action and direction in the free market economy. There must, of course, be rules of the game. Property must be protected, and contracts must be enforced. Here is the Government's role. In addition, there are many services and functions which understandably and admittedly can best be performed by the Government; and, just as the Government should not attempt to do for individuals or States things which they can do better for themselves, so, also, individuals and States should not, in the conduct of their economic lives, attempt to do the things which are better done by the Government—for example: national defense, the administration of justice, the supervision of the monetary supply, and even some public works, such as roads, flood control, the administration of the postal system. While these services and functions of government may not directly enter the free market, they certainly help to insure and enhance its smooth operation.

The all-important fact which we must not overlook is that our type of private, competitive economic system can exist only under certain political and social conditions. This is one explanation of why it exists here, and why it has failed upon being attempted in some other countries. The free enterprise system rests upon a cornerstone of the sanctity of private property and contract. This is one of the fundamental tenets of our Constitution, but it is also one of the elements lacking in the atmosphere of many other countries.

The free enterprise system depends for its operation upon the freedom of choice of all the producers and the consumers. Those who work and those who invest must be protected in the enjoyment of

the fruits of their labors. This, again, is a part of the American system that has been propounded through the years in our Constitution.

Those who undertake risky adventures and new enterprises under our republican system of free enterprise must also be assured that when there is a great chance of loss, there is, on the other hand, a possibility of substantial gain. Indeed, if the climate for such gains becomes hostile, then the economy may go into stagnation and even retrogression. Certainly, it is not necessary for me to recite instance upon instance of this which we have witessed in the economic affairs of governments all over the world which have failed because, by their very foundations, they have not stimulated private enterprise, have not granted to the individual the latitude which is necessary to enable him to pursue his own work and to reap the blessings of his own labors.

We need not necessarily go back to the days of the Roman Empire; but inasmuch as I have mentioned that era, it might be well to ponder the fact that Rome's disintegration was assisted in no small way by the imposition of government controls over the economy.

Still, we should not dwell in the distant past, even though we can point to government after government that failed because of the interference of the politicians in the economic systems of those countries. For all our answers, we need only look at yesterday's history and the history that is unfolding at this very moment. Postwar Germany was rigidly held in the vise of economic controls; and, as a result, Germany, caught in this black quagmire, made no progress at all. Then, the magic incentive of the free-enterprise system came into being in that country, and its dynamic force has caused the greatest boom in postwar European history.

Then let us look at England, once the proud director of the economy of most of the world—England, where, after years of effort, the Socialists finally came into power, after the Second World War, and inflicted their foul philosophy on the British economy, and, in doing so, destroyed that country economically. Today—this very day—England, after 3 years of a Conservative government, is shaking herself loose from the grasp of socialism; and England is moving again in the way that only freemen and a free economy can move: forward in liberty.

In a somewhat academic manner, I have attempted to outline the basic thesis of the free-enterprise system, and also have noted how the failure to adhere to its fundamental requirements has led other countries to disaster. I would now like to relate the current farm question to this whole consideration.

A glance at the recent record of prices received and prices paid by farmers from the economic indicators will show that only in times of war has this high-support program worked. In the days of peace between World War II and the Korean conflict, the farmers found themselves in the same situation in which they find themselves today: namely, one in which the prices they received were below parity.

Why is this so? It is so mainly because in time of war there is an unusually high demand for the farm products that have been and are supported; and since the demand can consume what the land produces, there are no surpluses. But who wants war, to make an economic pipedream work?

Government ownership of these gigantic surpluses, at prices that are unrealistic when compared to the true values which would be established by the law of supply and demand, add to the farmers' woes as well as to the financial woes of the nonfarmer. Someone must pay for these bad investments. Who? Why, of course, the farmer and the nonfarmer, both of them pay in the form of higher taxes.

Let us take a look at these surpluses. We own enough wheat to make 1,400 loaves of bread for each American family, enough cotton to give each family 117 shirts, or 91 housedresses, and there is enough butter to last each family for 3 months, not to mention enough corn to raise pigs in a quantity sufficient to supply each family with half a year's supply of pork.

The advocates of high parity might tend to say "So what?" Well, Mr. President, let us now look at what the loss on this vast accumulation can amount to, taking into account, naturally, the fact that as the years go on, the loss will increase. The Government will get only about $2.6 billion for the $3.5 billion of surplus grains and dairy products that it owns; that is shown by the following breakdown: wheat, $270 million; butter, $157 million; dried milk, $95 million; and corn, $70 million.

Who pays this? Who foots the bill for these losses? The taxpayers pay it. I might prophesy that this loss is a minimum estimate, and the eventual loss will probably be much higher. Of course, there are those who say that we can send our surpluses abroad, instead of sending our dollars abroad; but surely somewhere along the line our dollars get into the act. If I thought the Government would really get rid of existing surpluses in that way, I might agree it is a good idea; but I think I know well enough an old Government habit. For us to clear our bulging stockpiles in this manner would cause such a procedure to become an accepted part of our annual "give away." We would be deliberately raising surpluses to give to the world for which the American taxpayers would have to pay, and I suggest that the American taxpayers simply could not do such a thing forever—and forever is the time limit that would ultimately be involved.

By solving this issue in terms of the free enterprise system, we would find the law of supply and demand working; we would find that what America eats makes the market; we would discover that the overproduction of crops would cease because, as supply balanced demand, the farmer would get into other crops where demand exists, on the same basis upon which every other segment of the economy operates.

The adoption of the administration's farm program will chart the solution to the problems of surpluses, and will result in restoring the farmer to his rightful place in the functioning of a free economy.

In former and simpler days the American farmer always had one problem before him. That problem was how to make a living and how to improve his farm. Today, however, he has to look two problems squarely in the face. There is the old one of how to pay expenses and how to make enough to improve his farm plant, in addition to the one arising in these latter days of subsidies and supports—that is, how to keep his business a free enterprise—or, putting it still in another way, how to keep from being wrapped up in a straitjacket of Government controls.

Part of the philosophy of the so-called planners, who for 20 years tried their best to pour this country's agriculture into a socialistic mold, was to order production, price, and distribution from Washington. They began with subsidies, aping the British Socialists. Then, they worked the system on through the various phases of advice, guidance, and, finally, rigid controls imposed from a central authority, in this case the Department of Agriculture.

The planned economy in agriculture means one unvarying pattern—subsidies and consequent control. For you cannot long stimulate production by price incentive without putting on some kind of a brake in the form of centralized control.

The purpose of cushioning the farm business through a postwar aftermath of deflation was certainly worthy enough. After every one of our great wars, the farmer had gone through the wringer. That happened after World War I, as everyone well remembers. Congress was well advised, when the Second World War broke out, to make provision for cushioning deflation for at least a brief period of years after the war ended.

On the other hand, to perpetuate that purpose into a continuing system of subsidies—high, fixed price supports—went further than merely providing a cushion against deflation. It went on to the point of inducing enormous surpluses of the main farm products. Keeping the price artificially high not only called forth large supplies, but it likewise kept them from moving freely into consumption and left them to pile up in Government storage. It ought to be well known, too, that the process can have but one ending: namely, the application of some kind of official brakes to production.

So the farm business in this latter day of subsidized production finds itself facing a tight harness of Government control. The farm enterprise that allows itself to be led into a stall and fed out of the Government trough, will, by the same token, find itself buckled into the unyielding straps of Government control.

That is the real challenge in the present situation for the farmer himself. He cannot go on taking high, fixed price supports and at the same time maintain his business as free enterprise. If he wants to run his farm as a free agent, if he wants full opportunity to apply his skill as a manager, if he wants to hand down to his sons the free choice system that his forefathers worked and fought to assure for him then he has to move

away from these rigid supports which have controls hidden in every binful of surpluses.

Consumers will take care of themselves in the long run. They will make their choice in the markets, and they will not be bled beyond what they consider a reasonable price.

Likewise taxpayers will take care of themselves in the long run. They will not support a system indefinitely that spells flagrant waste and extravagance.

What we had better be giving thought to is the effect of this subsidy system on the farmer himself, on his business, and on his family. The effect is in just one direction—the loss of his freedom. The farmers of this country have to make a fundamental choice as to this price-support system. The road forks just ahead of them, now, this year. One has only to glance over the maze of cross-compliance directions, of rigid regulations on acreage and marketings—all forced upon Secretary Benson by the pressure of the law and its consequences—and the end is plain. The end is complete control of the farm business by central authority. To travel further down that road means the end of free enterprise on the farms; and I am fearful it might also mean the ultimate end of free enterprise in this country.

This period of our history is a challenge not only to the farmer, but also to the American business and professional man and to those in the ranks of labor. Indeed, I might add, too, that it is a distinct challenge to the politician. This country has lost ground to the Socialists in the past 20 years which can be regained only if we will recognize now just how far we have come on this troublesome trek and determine that, as Americans, we will have no more of it. Now is the time when we should see clearly all the blackness of the socialistic dungeon. Now is the time, while we still have the desire to continue as free men. Not tomorrow, after our conviction and our courage have been whittled away by the gnawing propaganda of the "state planners." We must not, through fear or dread, allow this battle to be borne entirely by our children, for surely the battle, for them, would be even harder.

This decision will probably involve hardships, I suggest, the same hardships, indeed, that our forefathers suffered to establish this liberty which now faces such peril. Yet, we must weigh the desirability of enduring those hardships now when we can clearly see past their temporary distastefulness, or reserving that decision in the manner of cowards for our children.

I recently read a very fine book written by Mr. Garet Garrett, entitled "The Peoples Pottage," and I can think of nothing more appropriate for the conclusion of this discussion than the closing lines of this interesting book:

> When Moses had brought his people near to the promised land he sent out scouts to explore it. They returned with rapturous words for its beauties and its fruits, whereupon the people were shrill with joy, until the scouts said: "The only thing is, this land is inhabited by very fierce men."
>
> Moses said: "Come. Let us fall upon them and take the land. It is ours from the Lord."
>
> At that the people turned bitterly on Moses, and said "What a prophet you have turned out to be. So the land is ours if we can take it? We needed no prophet to tell us that."

Neither do we need a prophet to tell us that. The land is ours; the freedom is ours. We need no prophet to tell us this. We can have back what has been lost. We can save that which has not been lost, but the decision is ours to make now—and for eternity.

Because of my deep concern over the apparent lack of understanding of the free enterprise system and its operation in this country as it relates not only to the industrial side of our picture, but to the farm, I have made these remarks tonight in the hope that some of my colleagues might hear them or might read them. I am convinced that now is the time to begin this trek back for the farmers. Now is the time for the adoption of this program of flexible supports when the farmer can make the transition from war to peace with the least harm to himself and his family and his future.

Mr. MARTIN. Mr. President, will the Senator yield?

Mr. GOLDWATER. I am glad to yield to the distinguished Senator.

Mr. MARTIN. I commend the Senator from Arizona for the magnificent thoughts he has expressed. It is so very unfortunate that this Chamber is not filled with Senators, and that the galleries are not filled with Americans who are interested in the future of America.

Is it not true that if this is centralized and finally we are told here in Washington where to plant, how much to plant, and when to reap, that we will go hungry as a country?

Mr. GOLDWATER. I think the Senator is correct, because the ultimate end of all countries which go to statism in the control of their economies is economic doom. There has never been a country in the history of the world which has succeeded with central planning, or statism.

We have managed to stay free in our economy through all of our years because the Government tended away from interference in the economy. That is the thing which causes me such great concern—the fact that through 4,500 years of recorded economic history country after country has been broken, with the people starving and their morals degenerating. All of it started when the government began to meddle in the economic system.

That comes long before war, long before political interference. When we start to tamper with the freedom of a well-running economic system, we are asking for trouble. That is the basis for my concern.

Mr. MARTIN. Mr. President, if the Senator will yield further, let me ask him if it is not true there have been very few nations in the history of the world which have been destroyed by war? Is it not true that their destruction comes through moral degeneration, or an economy opposite to the economy which the Senator has appealed for?

Mr. GOLDWATER. The Senator is correct. I could go on at great length with the recorded history of the world to show what the Senator says is true—that demoralization of a people comes about more quickly through the disintegration of the economic system than through any other phase.

I can understand the honest concern of people who speak for high parity, because they feel in their hearts that it will protect them. Yet through history we see that it does not; that the ultimate end is rigid Government control. When we reach the economy of production, when we perfect seeds and fertilizers, and when we perfect machinery until we can produce far in excess per acre of what we produce today, then we get down to an economy of how many seeds can be planted, how many acres can be planted; and it is not very long until it is a question of how many dollars can be made. That is the end result of tampering with an economy.

Mr. MARTIN. Mr. President, I want to commend the Senator. It encourages me very much when a group of young Senators, like the junior Senator from Arizona, come before us and preach the good, old-fashioned economic and moral doctrine which has made the United States the greatest nation in all history. It is young men like the Senator from Arizona who have this load to carry. We must get America back on that good, old, sound economic and moral basis which has made America the great country we now enjoy.

Mr. GOLDWATER. I thank the Senator.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. GOLDWATER. I yield.

Mr. AIKEN. I should like to commend the Senator from Arizona on the speech he has just given. He has given us a great deal of food for thought, and I hope his speech will be widely read and that people will get real meaning from it.

The matter of price supports and controls is not merely a matter of dollars and cents. In fact, the dollars and cents aspect is almost the least important part of it. The question is, How far are we going in this direction?

I am afraid we have gone farther in the direction already than most people realize. I think several million people in this country believe that the salvation of the individual lies in putting his trust in government. Now we are beginning to get books which express that opinion, and people honestly believe that government can be their salvation. They feel that more and more we should put our trust in government.

I think this point is well summed up in a single paragraph in a book which was sent to me last spring, a book which was written by Prof. Rainer Schickele, a professor of one of the agricultural colleges. The title of the book is "Agricultural Policy." It is a very excellently written book. There is a great deal of logic in the book.

Professor Schickele was so proud of one chapter of the book that he called my attention to it when he sent the book to me. That chapter related to abuse of power. He pointed out how corporations abused power and how labor unions abused power; and, in fact, how anyone

who has the opportunity has a tendency to abuse the great power at his command.

What startled me was Professor Schickele's solution or cure for the abuse of power. It so impressed me as representative of the thinking of a great many people today that I typed that paragraph off, and I should like to read it now:

> The most important and effective safeguard against the abuse of powers is to bring such powers into the framework of democratic government, where the electorate has the right to take power away from those who abuse it. It is the principle of the government's accountability to the governed which is the heart of democracy and the prime weapon against abuse of power.

I have no doubt that the author really believes that this solution was the correct one; in other words, to prevent abuse of power by this group or that group or that corporation, put the power in the Government, where it can be controlled by the people.

There is no place on earth we can put the power where the people would have less control over it than to invest it in the Government.

I think the speech of the Senator from Arizona tonight really goes far in pointing out the seriousness of what we might be tempted to do for the sake of a temporary small rise in income. We must ask ourselves: Do we want to vest all this power in Government for the sake of getting a temporary increase in our incomes? It is bound to be temporary.

As the Senator has pointed out, virtually every government which has fallen has fallen as a result of having too much power in government. All too often it has started in this manner.

Mr. GOLDWATER. I am glad the Senator from Vermont brought out the thoughts I share. I am not so much concerned with the cost of this or other programs at the present time in terms of dollars as I am with the cost in respect to the future in terms of the freedom of the country.

I think this question should be carefully considered by business men, professional men, laborers, and politicians alike; because, as the Senator said, we have gone farther away from the concepts of free enterprise and even farther away from the concepts of a constitutional republican form of Government than I like to think of many, many times.

As I said in the preface of my remarks, the only reason I made these remarks on the farm program, in view of the fact that I am not a farmer, is that we are repeatedly hearing from leaders in the Congress, from leaders in the business field, and from leading professional people words which lead me to believe that they have become imbued with the idea that the State can eventually do everything.

I was hopeful that these remarks might give some food for thought.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. GOLDWATER. I yield to the Senator from Minnesota.

Mr. HUMPHREY. I said earlier this evening I surely hold the Senator from Arizona in high regard and great respect. While I disagree with some of the conclusions of the Senator's address, I must say he stated his argument well and with conviction and great understanding. While I disagree with some of the conclusions, I am rather happy that this speech was made. I know there are observers from the Department of Agriculture in the galleries. They are taking down all the little tidbits of information, so that they can reply by proxy or in some other way tomorrow.

I should like to remind the Senator of a very important article appearing in the Wall Street Journal of July 9, 1954.

In view of this article, I think the Senator's speech is most timely. I hope and pray that the Secretary of Agriculture calls a staff meeting tomorrow morning and invites all of his consultants in, and that they rethink and rework some sort of plan which they are apparently concocting over there.

The Wall Street Journal is not the Nation's most radical publication, and I suppose it has certain "ins" with responsible officialdom. It surely has competent editors and staff reporters. A gentleman by the name of Lester Tanzer, who is a staff reporter of the Wall Street Journal, on July 9, 1954, wrote an article which reads as follows:

> FARM KIBITZING—FEDERAL ADVISERS WILL OFFER INDIVIDUAL FARMER MASTER PLAN FOR LIVING—THEY'LL COVER FERTILIZER USE, PEST KILLING, BOOKKEEPING, EVEN RAISING CHILDREN—ONE AIM: CURB OVERPLANTING
>
> (By Lester Tanzer)
>
> WASHINGTON.—Federal farm boss Benson has whipped up a new kind of Federal-aid program for farmers. The key ingredient is not taxpayers' dollars but advice—on every subject from irrigation to raising children.
>
> The Republican Secretary of Agriculture thinks mechanical contraptions, soil conservation, insecticides, Federal price supports and planting restrictions have overly complicated rural living. What the modern-day farmer needs, he figures, is a "complete master plan," worked out down to the last detail for each farmer with the help of a Government agent dispatched to his doorstep.
>
> SPREADING THE GOSPEL
>
> Sometime this summer, Mr. Benson will pass the word for hundreds of Agriculture Department agents to set out in scattered parts of the country, spreading the gospel of "planned farming." Precise details haven't been worked out. But the outlines of the scheme—billed as a "dynamic new program"—are contained in a confidential document currently circulating in upper echelons of the Agriculture Department. Officials say the idea is this:
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> A Government man will call on farmers at their homes, and offer to work out a "carefully planned system of farming for the entire farm unit." The whole idea is voluntary; if farmers accept, they'll start, with the help of the Government agent, to make a complete inventory of their resources—land, money, and manpower.
>
> They'll consider, too, all the "off-farm influences," such as national price-support programs, the economic outlook in the United States and abroad, export trends. Then they'll make up a plan, setting goals not only for farm output but also for "family satisfactions."
>
> REDECORATING ANSWERS
>
> The plan will aim to include answers to questions like these: What crops to plant and in what quantity; what fertilizer to use; how to deal with farm pests; what repairs to make on farm buildings or machinery—

And so forth. I am speaking on the Senator's time. In case anyone may ask—and I see the distinguished chairman of the Agriculture Committee passing little messages—this was reprinted in the National Farmers Union Washington Newsletter for July 16. I repeat that it is authentic, it is as sound as the dollar, and it is just as good as gold—it comes from the Wall Street Journal.

This great free enterprise administration is going in for everything, according to the Wall Street Journal, from advice on fertilizer use, pest killing, and bookkeeping, to even the raising of children.

I conclude by saying that, after all the testimony of Mr. Benson, the only thing that he recommended in the form of a change was lower income. He has power today under the diverted acres plan to tell a farmer what to plant and what not to plant. He said he needed the authority for acreage control and production control. He has not recommended the relaxation of a single control. In fact, the Secretary wants more power. The testimony before our committee was for more power, not less—more power to control everything from ordinary forage crops up to the basic commodities.

So the great argument about freedom is a good argument, but it is not being put into practice.

I thank the Senator for admonishing his colleagues and the Government. He has done a service here tonight, and I only hope that there will be little meetings tomorrow in the right places in Washington.

Mr. GOLDWATER. Mr. President, I share with the Senator from Minnesota his high regard for the Wall Street Journal. In fact, I admire its concise and honest reporting. To tell the truth, I read that newspaper and the Arizona newspapers. Perhaps that keeps my mind a little keener.

Mr. HUMPHREY. They are good newspapers.

Mr. GOLDWATER. Everything the Senator from Minnesota has discussed is the result of the Government's getting in this picture sometime. I do not say that I am perfectly happy with the extent to which this administration has removed Government from free enterprise. I do not think this administration can get the Government completely out of free enterprise in a year and a half or 3 years, or possibly even 4 years.

The incidents to which the Senator refers, the fear on the farmers' part that the Secretary of Agriculture will have to impose these controls, is the end result of any control system.

I know perfectly well the honesty that is in the Senator's heart and the honesty that is in the heart of every Senator who argues for rigid high price supports. They feel that is the answer. I say only, look past the next week's or next 6 months' gain in dollars and cents. Rigid control has to come. The Senator has been in business, as I have. I know he could sit in his drug store and cuss the Government just as much as I

used to cuss it when I would get 17 forms to fill out for this tax, 20 forms to fill out for that one, or when an inspector would come in to see whether I had labels as to how much wool was in women's coats. I did not like that. We worked better when we did not have that.

Mr. WELKER. Mr. President, will the Senator yield?

Mr. GOLDWATER. I think the Senator must agree that when this is all over, when the acrimony is gone and the smoke has cleared away, if we have called the attention of the American people to the dangers inherent in further Government control, this debate will have done far more good than it might do for the farmers of the country.

I yield to the Senator from Idaho.

Mr. WELKER. Mr. President, I ask the Senator if it is not a fact that we have heard speeches here this afternoon which pose the question, Are we going to follow people who assume that they are farmers—and I know they are—or are we going to follow the Wall Street Journal? Does the distinguished junior Senator from Arizona not know it is a fact that I happen to be engaged in farming, too?

Mr. GOLDWATER. I know that.

Mr. WELKER. I believe in the free-enterprise system, as my entire State has always believed in it. I do not want to see anyone suffer. At the same time, I do not want to see political aspects injected in a debate on the farm economy. Am I correct in that conclusion?

Mr. GOLDWATER. I thank the Senator for that remark. I was able to be present for most of the debate today, and I was happy to observe that political implications were kept out of it. I hope we continue to do that, because when politicians can be kept out of the country's business, we are going to do much for the country's business.

Mr. HUMPHREY. Mr. President, would the Senator yield at that point?

Mr. GOLDWATER. I yield.

Mr. HUMPHREY. Is the Senator recommending, then, that we abolish the Interstate Commerce Commission, which regulates freight rates?

Mr. GOLDWATER. No, no.

Mr. HUMPHREY. That is Government control.

Mr. GOLDWATER. The Senator will recall that in my speech—in fact, he will find it in the Constitution—I stated that there are certain areas in which the Government must operate. I do not have my remarks here, but I enumerated them. Among them is the protection of contracts, the sanctity of property, policing—I could go on and on with things that the Government must do. I recognize that necessary function of Government. I do not suggest for a moment that the Federal Government, State governments, or local governments can ever avoid the job of being a sort of policeman to see that we all act and live in a good social and political climate.

Mr. HUMPHREY. I think the Senator makes a splendid argument in terms of what we call classical economics. The only trouble is that his plea for that kind of free enterprise comes about 170 years late, because when Alexander Hamilton proposed the first tariff act, providing what were known as excises on manufacturing and industry, back in 1790, the first basic act of the Congress of the United States, we started interfering with what is called the free flow of commerce and the free flow of capital. I shall speak on some of this on my own time. I wish now merely to thank the Senator, and I hope he will be present tomorrow when I shall have a few words to say. Maybe we can debate this some more.

Mr. WELKER. Mr. President, will the Senator yield?

Mr. GOLDWATER. I think the Senator will agree that I probably have listened more attentatively to his speeches than has any other Member of the Senate. I have occupied the chair of the Presiding Officer many a night and listened to the junior Senator from Minnesota.

Mr. WELKER. Mr. President, will the Senator from Arizona yield, so that I might ask a question of the Senator from Minnesota?

Mr. GOLDWATER. I yield.

Mr. WELKER. So that I may be enlightened, does the Senator from Minnesota own a farm?

Mr. HUMPHREY. We owned about 800 acres, the last time I checked.

Mr. WELKER. By "we," whom does the Senator mean?

Mr. HUMPHREY. I mean the family.

Mr. WELKER. Let us have it straight: How many acres does the Senator farm? How many acres does he actually own?

Mr. HUMPHREY. I think I personally own, perhaps, about 10 acres. But I must say to my good friend from Idaho that we do not generally decide questions in that way.

We do not necessarily always elect men trained in political science to be President. Sometimes we elect generals, and they make, supposedly, good Presidents.

Sometimes Senators who do not own ranches debate questions of farm policy. If we are to have to speak on a particular subject only Members who know something about it in terms of their own personal experience and ownership, I do not know how we can expect to have very many Members debate maritime questions, because most of us are not sailors.

Mr. GOLDWATER. Earlier, before the Senator came into the Chamber, I explained the extent to which I understand farming. The Senator from Minnesota has been in my community, and he is always welcome there, because he brings sunshine to communities wherever he goes. Unfortunately, my community never needs sunshine, but the warmth of the Senator's presence adds to the sunshine.

My brother and I had a farm of 22 acres, which we gave to the technical high school to operate as an agricultural extension farm. That is the extent of my being a farmer.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. GOLDWATER. I yield.

Mr. AIKEN. Has the Senator read the supplemental views of the majority of the Committee on Agriculture and Forestry, the ones signed by the junior Senator from Minnesota and seven other members of the committee? I find in those views a number of statements which interest me. On page 26 of the report, beginning in the middle of the page, I read the following:

> Programs enabling farmers to adjust their production in line with reduced demand, reflecting particularly foreign demand for the big export crops such as wheat, cotton, and tobacco, require not only patience but understanding and an appreciation of the long history of agrarian struggle which led to their establishment.
>
> Time after time in the past, we have had farm depressions and no means of dealing with them except to permit prices to decline, leading ultimately to bankruptcy, foreclosure, and squeezing from among the farmers on the land a substantial group, forcing them into other lines of activity in search of a livelihood. These forced marches need not be revived.
>
> For many years agriculture has sought equality with other groups in our economy. One of the basic demands throughout these years of education and agitation has been recognition of the need for a partnership between the Government on the one hand and the millions of individual farmers on the other, to execute needed production-adjustment programs beyond the ability of farmers to undertake.
>
> We now have the fundamentals of such a program, often referred to as "controls" but, instead, actually the means whereby these millions of individual farmers may proceed together in an organized, orderly program of production curtailment—

Not full production—

> so as to bring their production in line with effective demand.

On page 27 appears the following:

> These programs, the byproduct of many years of earnest search by farmers, their organizations, Members of Congress, and devoted servants of agriculture in the Federal Government and the States, are still relatively crude compared with the instrumentalities available for adjustment of supply to demand which characterize many other segments of our economic life.

In view of the fact that the majority of the committee, after having reviewed the long agrarian struggle, and the years of education and agitation in getting the programs we now have, refer to them as only the fundamentals of such a program, and state that these programs and the controls which now exist are still relatively crude, compared with what we ought to have, does not the Senator from Arizona feel that we are justified in feeling some concern as to what these good colleagues of ours would consider to be a perfect program?

What is the ultimate objective, if the controls we now have and the programs now in existence are simply the fundamentals of a program, something to build on, and are relatively crude?

Mr. GOLDWATER. I thought of that when I was reading that particular part of the report. The same thought came to my mind. In fact, I think I discussed with 1 or 2 of my colleagues their construction of "ultimate."

In closing, Mr. President, I refer again to the economic indicators, because there, to me, is the answer. One can see history, and I think one can see the future. The distinguished senior Senator from Minnesota [Mr. THYE] brought that out today.

Ninety percent of parity has not worked. It has worked only in the period of the war. I know that no one suggests war as a solution of our economic trouble. Suppose we should go to 100, and then the system does not work again. Are we to go to 105 or 110? Where does the ladder end, whereby the farmer will be guaranteed a constant profit, in some cases, or an equitable income, in other cases? That is the root of the question which I raise tonight.

Are we solving the problems of the farmers, are we solving the problems of agriculture in the United States, by insisting on something which has not worked? There must be a better way.

Mr. AIKEN. Is there something we can build on?

Mr. KNOWLAND. Mr. President, for the information of the Senate, it is my plan to have the Senate adjourn at about 8 o'clock, or as near that time as is possible, until 10 o'clock tomorrow morning. I merely wished the Senate to be advised. However, I am perfectly willing to withhold the motion for adjournment if any Senators desire to make insertions in the RECORD or to make any remarks.

Mr. MURRAY. I intend to make a few remarks.

Mr. KNOWLAND. I shall withhold the motion; but when the business of the Senate is concluded for the day, it is the intention to have the Senate adjourn until 10 o'clock tomorrow morning.

Mr. MURRAY. Mr. President, earlier in this session of Congress the Senate passed S. 2548, a bill relating to administration of the national forests, to which I was strongly opposed. It dealt with grazing on the forest lands of the Nation.

The House Agriculture Committee, the chairman of which is one of the coauthors of the companion bill in the House, has set it aside and has not reported it to the House. There is now at the desk a proposed amendment which would add S. 2548 in slightly modified form to the pending farm bill.

The Denver Post, in an editorial published on Sunday, August 1, describes this amendment procedure—if it succeeds—as being the neatest trick of 1954. The Denver Post editorial is brief, and I wish to read it, as follows:

NEATEST TRICK OF 1954

As this is written, the Senate is preparing to consider the farm support program, and Senator ANDERSON, Democrat, of New Mexico, is hoping to pull off a coup on behalf of a small group of stockmen by attaching their pet grazing proposal to the support bill as a rider.

The pet project is the Hope-Thye-Aiken bill. Its purpose is to divest the United States Forest Service of much of its authority over the national forests and to turn final forest decisions over to the courts. The Forest Service has in some instances been too zealous in its protection of public rights in our forests to suit these stockmen.

Other purposes are to perpetuate valuable forest-grazing privileges which a relatively few stockmen enjoy and to make it possible for ranchers to gain additional privileges by buying up the grazing permits of their neighbors.

The Senate passed the Hope-Thye-Aiken bill a good many weeks ago, but popular protests against the measure were so strong that it never got out of committee in the House of Representatives.

Stockmen are now hopeful of bypassing the regular legislation procedures and getting the special privilege grazing proposal before the House through the strategy of attaching it to the support bill which is considered to be "must" legislation.

It is obvious that the grazing proposal has no chance for enactment on the basis of its own merits. If the stockmen can slip it through as an appendage to the all-important support bill, it will be one of the neatest tricks pulled off in Congress in many a day.

The whole issue here is whether the public interest in the national forests is to continue to be superior to the personal interests of livestock permittees. One way and another, permittees have been trying for years to strengthen their hold on the forests.

The Hope-Thye-Aiken bill represents a new approach but the objectives of the permittees are still the same.

This is a bad bill—whether considered by itself or as a shirttail to a farm bill. It deserves to go into the deepest pigeonhole Congress can find.

Mr. AIKEN. Mr. President, will the Senator yield for a question?

Mr. MURRAY. I yield to the Senator from Vermont.

Mr. AIKEN. If the Senator thinks it is such a bad bill, why did he vote for the bill when it passed the Senate? Nobody voted against it.

Mr. MURRAY. I did not say is was a bad bill. I said I was opposed to it. The editorial states it is a bad bill. I think the editorial is correct.

Mr. AIKEN. I misunderstood the Senator.

Mr. MURRAY. The bill went through the Senate so rapidly that I did not even know it was being considered.

Mr. AIKEN. I think it was on the floor of the Senate for a couple of hours.

Mr. MURRAY. In addition to the Post editorial, I ask unanimous consent to have printed in the RECORD at this point in my remarks a letter addressed to Hon. CLINTON P. ANDERSON on July 27, 1954, by the Wildlife Management Institute, outlining the objection of conservation groups to Senate bill 2458. Copies of the correspondence were supplied to several Senators, but I understand not to all of them.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

WILDLIFE MANAGEMENT INSTITUTE,
Washington, D. C., July 27, 1954.

The Honorable CLINTON P. ANDERSON,
Senate Office Building,
Washington, D. C.

DEAR SENATOR ANDERSON: While talking with Mr. Wood yesterday, he asked that I explain why practically all of the national conservation organizations are vigorously opposed to the grazing bill, S. 2548. The principal objections are outlined below in the most concise manner possible.

There is widespread public opposition to this bill, and the action of the House committee in refusing to report the measure, despite administration endorsement, is the best evidence of that fact that can be given. All of the conservation organizations were opposed to the original bill, and to our knowledge, only 2, 1 national and 1 regional, have endorsed the amended version. Several of the State affiliates of those two organizations still feel that this is a part of the giveaway program.

1. S. 2548 is regarded as unnecessary legislation. While it has been changed to appear of benefit to other users, it was tailored to meet the wishes of the livestock organizations. It will create questionable legal complexities that could hamper effective administration of the national-forest lands. Moreover, it is nothing more than a slightly altered version of the D'Ewart and Butler bills, H. R. 4023 and S. 1491, that were squelched by widespread public opposition in the first session. As an indication of the intention of the sponsors, when the Senate passed S. 2548, Senator WELKER stated that further concessions will be sought next year.

2. The discretionary authority granted by Congress under the Administrative Procedure Act would be replaced by inflexible legal requirements that could not be altered to meet emergencies and changing conditions. Few people are willing to go along with S. 2548 merely because it is supposed to contain the first recognition given to other users. While those other users are getting a nod, the permittees are being given legal rights in Uncle Sam's acres.

This so-called recognition is embodied in section 11 of the bill, which reads: "In order to obtain the views and recommendations of the various users of lands described in section 1 and their resources on questions of policy involved in the multiple use of such lands, the Secretary may establish multiple use advisory councils: *Provided, however,* That such councils shall not supersede or perform any of the functions of the advisory boards established under section 18 of the act of April 24, 1950 (16 U. S. C. 580k)." Yes, the bill provides that the Secretary of Agriculture may appoint advisory boards, but in the face of the many things that he is mandated to do for the permittees, the position of the other users is improved little, at best.

3. The prescribed appeal provisions are much more complicated than present procedures. The Secretary of Agriculture is restricted unwisely and unnecessarily in the handling of appeals. Complex and burdensome procedure would be made applicable to administrative actions and decisions. (The present law provides for appeal to the courts for arbitrary and capricious acts on the part of the Secretary. Of the 84,000 administrative decisions made in the past 30 years, only 83 appeals have been taken to the Secretary, which is proof enough that no change is needed in the appeals procedure.)

4. One rather good provision that appeared in the original S. 2548, which would have required a survey of grazing fees, was deleted by amendment. While the Forest Service has the right to conduct such a survey, the conservationists would like to have the Congress rather than the Secretary see how far the Forest Service fees are below the prevailing rates of comparable private lands, and see how ridiculously low the Taylor grazing fees are in relation to those of the Forest Service.

5. Perhaps the most important objection is that the Secretary is mandated to encourage grazing permittees to improve the national forest lands. A vested right is established in the provision that is made for compensation of the unused or unexpired value of such improvements up to 20 years. Many people believe that this is contrary to the basic land ownership laws of this country. Permittees would be urged to make fixed improvements to the property of another (public-owned lands), with the assurance of acquiring a legal equity in the ownership. This also means that congressional appropriations for national forest land improvements will decrease yearly; the Government's responsibility will be shirked more and more as time goes on, and the permittees will continue to grasp a more firm hold on precious

watershed, timber production, recreational, and fish and game lands belonging to the entire citizenry.

6. The conservation forces have been battling for years to get discretionary authority for the administrative agencies that are responsible for the managing of the natural resources under the custodianship of State and Federal agencies. If this desperate attempt to deprive the Secretary of Agriculture of the flexible authority that is needed to meet emergencies and changing conditions should succeed, it would be a serious step backward.

Senator ANDERSON, there is grave concern throughout the country about your announced intention to attach this bill to the agricultural bill, S. 3052. You have been a staunch advocate of sound natural resource management in the public interest, and such a strategem would prevent the House of Representatives from giving full consideration to this legislation.

Sincerely,

C. R. GUTERMUTH,
Vice President.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. MURRAY. I yield to the Senator from Vermont.

Mr. AIKEN. The Senator from Montana knows, does he not, that the National Wildlife Federation is campaigning for the bill? If he will look at yesterday's RECORD, he will find the materials which they are using in the campaign for the bill.

Mr. MURRAY. The article I put in the RECORD speaks for itself. The Senator can read it if he wishes, or I can read it to him.

Mr. AIKEN. To what organization is the Senator referring? I was referring to the National Wildlife Federation.

Mr. MURRAY. I refer to the Wildlife Management Institute, dedicated to wildlife restoration, Wire Building, Washington, D. C.

Mr. AIKEN. I do not know anything about that organization. I know the National Wildlife Federation is campaigning for and urging the House to pass the bill which the Senate unanimously passed.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. MURRAY. I yield to the Senator from Minnesota.

Mr. HUMPHREY. Is the Senator from Montana aware of the fact that the Izaak Walton League is opposed to the grazing bill?

Mr. MURRAY. Yes.

Mr. HUMPHREY. Is the Senator also aware of the fact that practically every well-known conservation group is opposed to the bill?

Mr. MURRAY. All of them that have written me have so indicated.

Mr. AIKEN. That is not true.

Mr. HUMPHREY. Is the Senator from Montana aware of the fact that most of the conservation groups have opposesd the bill?

Mr. MURRAY. That is my understanding.

Mr. HUMPHREY. I have seen a number of protests against the bill. I shall call my office and supply for the RECORD, so there can be no doubt about it, a list of the major conservation groups that have spoken against and have opposed the grazing bill which passed the Senate. The reason the bill never got out of the House of Representatives is that Members of that body awakened to what had happened, and after testimony was heard by the committee, the bill was stopped.

Mr. MURRAY. That is true, and the local conservation organizations are also on record to the same effect.

Mr. AIKEN. Would the Senator from Minnesota mind telling me why he did not oppose the bill?

Mr. HUMPHREY. The Senator from Minnesota did oppose the bill, and if the Senator from Vermont will look at the RECORD, he will find I did.

Mr. AIKEN. There was no yea-and-nay vote on the bill.

Mr. HUMPHREY. No. The bill was passed by voice vote, but if the Senator from Vermont will examine the RECORD he will find that the Senator from Minnesota raised objection to the bill. If the Senator will tell me the date when the bill was passed, I shall be more than happy to refer him to the colloquy.

Mr. AIKEN. I do not know the date on which the bill was passed, but it was along in April or in May.

(At this point Mr. MURRAY yielded to Mr. CASE, who addressed the Senate on the subject of Crazy Horse Monument. His remarks appear in the RECORD at the conclusion of Mr. MURRAY's speech.)

Mr. MURRAY. Mr. President, I have taken the floor at this time to call attention to the situation I have described because I fear it endangers the enactment of any farm legislation. I believe that nearly all of us want a farm bill to pass. Even the administration wants some features of the bill, although it opposes 90 percent of parity supports for the basic commodities.

But there is serious opposition to this forest land measure, both in this body and in the House of Representatives.

I am sure that if it is added to the farm bill, the passage of any farm bill at all will be endangered. There are many Members of the Congress from the city areas who are interested in the great recreational values of the Federal forest lands, who have long supported agricultural legislation, but who will not support this bill, in my opinion, if it carries this amendment.

There may be a few Members in the House and Senate who would like to see the existing farm law become effective without any modifications, but I believe they are very few. In compliance with the President's statement in his agricultural message in January that price support levels should not be allowed to fall abruptly, the House of Representatives has enacted a bill which would limit minimum level of price supports for basics next year to 82½ percent of parity. This is less than many in the House and many of us in the Senate advocate. The Senator from Vermont [Mr. AIKEN] has been reported in the press as advocating an 80-percent minimum next year. This is still somewhat more than the 75-percent minimum provided in the Agricultural Act of 1949.

There also appears to be fairly unanimous agreement on the proposed set-aside of a part of our wheat, cotton, and corn surpluses and on the initiation of the proposed wool program.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. MURRAY. I yield to the Senator from Illinois.

Mr. DOUGLAS. Is it not true that in the compulsory set-aside program no provision is made for corn? There is a compulsory set-aside for wheat, cotton, cottonseed oil, butter, nonfat dry milk solids, and cheese, but none for corn. Would not the Senator think that if the principle of the set-aside is applicable to wheat and cotton, it should also be made applicable to corn?

Mr. MURRAY. I see no reason why it should not apply to corn, as well as to the other commodities.

Mr. DOUGLAS. If compulsory set-asides are not taken into account in fixing prices, if we had a compulsory set-aside it would increase the price of corn, would it not?

Mr. MURRAY. That is my understanding of its effect.

Mr. DOUGLAS. Is it not significant that the administration does not have any such set-aside for corn? Therefore, the effect of its omission would be to depress the price of corn below what the price otherwise should be, would it not?

Mr. MURRAY. In my opinion that would be the obvious result.

Mr. President, in my opinion, even the changes upon which there is agreement will be endangered if we adopt the forest land amendment.

Montana is a great cattle and sheep State. In my State, there are a few livestock men who would like to have some irrevocable rights in the forest lands. However, I believe they are in the minority, even among those in the livestock business.

Mr. HUMPHREY. Mr. President, will the Senator from Montana yield to me?

The PRESIDING OFFICER (Mr. YOUNG in the chair). Does the Senator from Montana yield to the Senator from Minnesota?

Mr. MURRAY. I yield.

Mr. HUMPHREY. Does the Senator from Montana recall that a few moments ago there was colloquy as to whether prominent conservation organizations were in opposition to the grazing bill which passed the Senate? I refer to Senate bill 2548.

Mr. MURRAY. I recall the colloquy.

Mr. HUMPHREY. I have just checked with my office to ascertain the names of the organizations which have sent protest letters to me. If the Senator from Montana will permit me to do so, I should like to read at this time the names of the organizations and groups which have sent such letters to me.

Mr. MURRAY. I am glad to yield for that purpose.

Mr. HUMPHREY. The organizations and groups which have sent letters of protest to me are as follows: National Association of Conservation Districts; Outdoor Writers' Association of America; American Planning & Civic Association; National Parks Association; American Nature Association; Izaak Walton League of America; International Association of Game, Fish & Conservation

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Commissioners; North American Wildlife Foundation; Wildlife Management Institute; Sport Fishing Institute; Soil Conservation Society of America; Audubon Society of the District of Columbia; Sierra Club; International Wildlife Protection Society; Nature Conservancy Society; Friends of the Land; Independent Timber Farmers of America; the Wildlife Society; the Wilderness Society; and the Forest Conservation Society of America.

Those are the associations or groups which have written to me in protest against the bill.

Mr. AIKEN. Mr. President, will the Senator from Montana yield to me?

Mr. MURRAY. I yield to the Senator from Vermont.

Mr. AIKEN. Was not that opposition expressed before the Senate revised, amended, and passed the bill?

Mr. HUMPHREY. Mr. President, if I may reply in the time of the Senator from Montana, the opposition was expressed both before and after the bill was amended and passed.

Let me say that after receiving those communications, following the passage of the bill by the Senate—and I brought to the floor of the Senate a statement which I read at the time, when I asked for reconsideration of the vote by which the bill was passed—I wrote a letter to each member of the House committee; and that letter was made a matter of public notice, by means of a press release and a statement which I inserted in the CONGRESSIONAL RECORD, because the conservation groups of my State—we are especially concerned with conservation—were upset about the entire situation. There is no doubt that the bill was modified, but still it did not receive the support of these organizations.

Mr. AIKEN. The bill was modified in order to meet the objections of Representative METCALF, of Montana, who made some very good suggestions about modifying the bill, and those suggestions were accepted by the Senate and were written into the bill.

The bill was passed by the Senate on March 8. The RECORD does not show that the Senator from Minnesota said anything in opposition to passage of the bill at that time.

On April 7, the Senator from Minnesota was in the Senate Chamber, and inserted a letter in the RECORD.

Mr. HUMPHREY. It was the letter I had written to the House committee.

Mr. AIKEN. And the Senator from Minnesota listed the various organizations in opposition to the bill.

Mr. HUMPHREY. Yes.

Mr. AIKEN. But it is very apparent that the opposition—unless the Senator from Minnesota is very fast with his pen—was expressed at a time when the bill included features which I myself could not accept. In fact, I know that to be the case.

After the bill was passed by the Senate, the American Wildlife Federation got behind it. The Western Association of Fish and Game Commissioners, including the commissioner in Montana, has endorsed the bill as it passed the Senate.

I am advised by the chairman of the House committee that he has received a telegram from the fish and game commissioners of the Central States, including Illinois, Indiana, Ohio, Michigan, and other States in that area, endorsing the legislation in its present form.

Mr. HUMPHREY. Mr. President, I have checked the RECORD. I find that on the day when the bill was passed, I was absent from the Senate.

Mr. AIKEN. Yes.

Mr. HUMPHREY. When I returned, and found what had been passed, I registered my objection.

The Senator from Vermont will note that the letter I placed in the RECORD was addressed to the members of the House committee. I say that while that grazing bill may receive the support of some of the groups in the central States, because of great timber and grazing interests, the bill does not have the support of the International Association of Game, Fish, and Conservation Commissioners or of the Izaak Walton League—and the Senator from Vermont knows it—or of the National Association of Conservation Districts—to mention only three large organizations.

Mr. AIKEN. We have before the Senate committee at this time a bill which has passed the House of Representatives. It would authorize the Forest Service to lease land in the National Forests for almost any purpose other than grazing, and for a period of 30 years. Does the Senator from Montana think that would be advisable? Under the provisions of the bill, the land could be leased for ski runs, fur farms, or almost any purpose other than stock raising.

Does the Senator from Montana believe it would be advisable for the Senate to pass that bill?

Mr. MURRAY. I should like to study the bill, first. All I hear from my State is by way of opposition.

Mr. AIKEN. Does the Senator from Montana mean opposition to leasing the land to anyone?

Mr. MURRAY. I do not know of any organization in Montana which has taken a stand to the effect that we should open the National Forests.

Mr. AIKEN. Do I correctly understand that the Senator from Montana would not approve of leasing the forest lands for ski runs, rifle ranges, fur farms, or similar uses?

Mr. MURRAY. I should like to look into the bill, first, before I express an opinion on it. I know we have some ski runs in Montana, and also some fur farms; but just where they are located, I cannot say, offhand.

Mr. AIKEN. Do I correctly understand that the Senator from Montana would not approve of leasing 40 acres in each case, for a period of 30 years, in order to permit the land to be used for such purposes?

Mr. MURRAY. Before I express an opinion on the subject, I should like to look into the law.

Mr. AIKEN. The bill provides for 30-year leases of the land. I simply wished to get the advice of some of the Members of the Senate who are interested in the national forests. I wished to ascertain whether they think the Senate should pass the bill, which would authorize 30-year leases of the forest land.

From the colloquy we have had, I judge that probably my colleagues would not approve of long-time leases.

Mr. DOUGLAS. Mr. President, will the Senator from Montana yield to me to permit me to ask a question?

Mr. MURRAY. I yield to the Senator from Illinois.

Mr. DOUGLAS. Let me say in a prefatory way that I have not had a chance to study the amendment on grazing lands, which I understand the Senator from Vermont is submitting to the agricultural bill. I have just examined the amendment. I was not aware of the fact that it dealt with fur farms and ski runs.

Mr. AIKEN. Oh, yes.

Mr. DOUGLAS. Does the amendment provide that the land can be leased for fur farms and ski runs?

Mr. AIKEN. It does—in fact, for almost any purpose, I would say.

Mr. HUMPHREY. Mr. President, will the Senator from Montana yield further to me at this time?

Mr. MURRAY. I yield.

Mr. HUMPHREY. I wish to call the attention of the Senator from Vermont to a report or memorandum I hold in my hand. It is entitled "Comments on S. 2548—Forest Conservation Society of America."

I now read from it:

> These comments refer to the draft (the third) reported by the Senate Committee on Agriculture and Forestry, March 3.

That is the bill which was passed by the Senate, is it not? Is it not the third draft, which was reported by the committee?

Mr. AIKEN. I believe that was the one.

Mr. HUMPHREY. I read further from the memorandum:

> They are based on the intrinsic merits (or lack of them) of the bill, and without reference to such, if any, political or other circumstances as may be involved.
>
> They are not critical of Senator AIKEN and Congressman HOPE (who introduced the companion bill), whose long record of deep interest and support for forest conservation is well known. But they do reflect our belief that there are aspects of this proposal which, notwithstanding a great deal of study, have not received adequate consideration.
>
> We believe the proposal is unwise and unsirable for reasons we shall give later on.

Then there are four pages of analysis of the bill.

This is the bill which passed the Senate, and here are the people who signed this letter.

The names which the Senator from Minnesota read into the RECORD are the very same ones as are on the sheet which I hold in my hand, and these are the groups that opposed the bill, S. 2548, as it passed the Senate. Let there be no mistake whatsoever about it.

There is no need of burdening the RECORD further, but here are the names of Mr. C. R. Gutermuth, and Dr. Ira N. Gabrielson, brother of the former chairman of the Republican National Committee, who are in opposition to this bill.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. HUMPHREY. Here is Dr. Ira N. Gabrielson, president of the Wildlife Management Institute.

Mr. DOUGLAS. Is it not true that Dr. Gabrielson——

The PRESIDING OFFICER. The Senator from Montana [Mr. MURRAY] has the floor.

Mr. MURRAY. I yield to the Senator from Illinois.

Mr. DOUGLAS. Is it not true that Dr. Gabrielson, although the brother of the chairman of the Republican National Committee, was maintained in office throughout the Truman administration, and no reprisals were indulged in against him?

Mr. MURRAY. That is true.

Mr. AIKEN. Mr. President, if the Senator will yield, I should like to state this: This bill provides for 30-year leases. It provides for leasing forest lands for the purposes of maintaining hotels, resorts, any other structures or facilities necessary or desirable for recreation, public convenience, or safety.

It permits the use and occupancy of suitable areas of land within national forests for the purpose of constructing and maintaining summer homes and stores. It permits the use and occupancy of suitable areas, not exceeding 80 acres, for periods not exceeding 30 years for purposes of constructing and maintaining buildings, structures, and facilities for industrial or commercial purposes whenever such uses relate to or are consistent with other uses in the national forests.

It authorizes and permits any State or political subdivision or nonprofit agency to use or occupy these lands for not exceeding 30 years, for the purpose of constructing and maintaining any buildings, or structures necessary or desirable for education. They can lease land upon which to build schools.

Mr. HUMPHREY. That is not Senate bill 2548.

Mr. AIKEN. Or in connection with any public activities.

Mr. HUMPHREY. Mr. President, will the Senator yield to me?

Mr. MURRAY. I yield for a question.

Mr. HUMPHREY. The Senator is now discussing a bill pending in the House; is that not correct?

Mr. AIKEN. I am discussing a bill which seems to be much more far-reaching, and which provides for 30-year leases of land for almost any purpose.

Mr. HUMPHREY. Yes.

Mr. AIKEN. And it seems highly inconsistent to say that it could not be used for grazing purposes if well cared for, under the supervision of the Forest Service.

Mr. DOUGLAS. Mr. President, is the Senator from Vermont offering that as an amendment?

Mr. AIKEN. Oh, no.

Mr. DOUGLAS. If it is not an amendment and not before this body, why is it a subject for discussion and dispute here? It is not before this body. It is not proposed by the Senator from Vermont; it is not proposed by the Senator from Montana. Why is the Senator from Vermont trying to muddy the waters?

Mr. AIKEN. Why is the Senator from Montana [Mr. MURRAY] speaking on a bill not before the Senate, and which was passed last March by this body?

Mr. MURRAY. It is in the form of an amendment that is lying on the desk.

Mr. AIKEN. It has not become the pending business.

Mr. MURRAY. It is slightly modified.

Mr. DOUGLAS. Mr. President, I hold in my hand the calendar containing No. 1825.

Mr. HUMPHREY. Mr. President, will the Senator yield to me?

Mr. MURRAY. I yield.

Mr. HUMPHREY. In order that this record may be perfectly clear and that there may be no injustice done to anyone—and I refer particularly to the paragraph which I read, which was quite complimentary to the Senator from Vermont [Mr. AIKEN]—I would like unanimous consent to have the analysis of the bill, Senate 2548, by the Forest Conservation Society of America, along with the list of the conservation organizations opposing that bill, with such great names as Dr. Hugh Bennett, president of the Soil Conservation Society of America, Mrs. Gifford Pinchot, and Dr. Ira N. Gabrielson, president of the Wildlife Management Institute, to mention only a few, inserted at this point in the RECORD.

I point out, with considerable pride, that Chester S. Wilson, of the State of Minnesota, who is the president of the International Association of Game, Fish, and Conservation Commissioners, was also opposed to it.

There being no objection, the comments on Senate 2548, together with the list of conservation organizations were ordered to be printed in the RECORD, as follows:

FOREST CONSERVATION SOCIETY OF AMERICA

COMMENTS ON S. 2548

These comments refer to the draft (the third) reported by the Senate Committee on Agriculture and Forestry March 3. They are based on the intrinsic merits (or lack of them) of the bill, and without reference to such, if any, political or other circumstances as may be involved.

They are not critical of Senator AIKEN and Congressman HOPE (who introduced the companion bill), whose long record of deep interest and support for forest conservation is well known. But they do reflect our belief that there are aspects of this proposal which, notwithstanding a great deal of study, have not received adequate consideration.

We believe the proposal is unwise and undesirable for reasons we shall give later on.

The general purpose of the bill as stated in the title is "to facilitate the administration of national forests and other lands under the jurisdiction of the Secretary of Agriculture; to provide for the orderly use, improvement, and development thereof; and for other purposes."

The phrase "to stabilize the livestock industry dependent thereon" was deleted, but probably remains a general purpose.

Other general purposes stated in the report or by members of the committee on the floor include: to provide incentives to permittees to construct range improvements (which it is said they can do cheaper than the Government); to write into law various features of present Forest Service policy; to improve the method of handling grazing areas; and to place national forest administration under "the rule of law."

Some important provisions of the proposal are summarized as follows:

1. The Secretary is authorized (and by the report expected) to promote and encourage the construction of range improvements by permittees to the maximum practicable extent.

The grazing permittee is assured compensation for his improvements on a depreciated basis (maximum life 20 years), by the Government if he loses their use through governmental action. No other permittee can be allowed to use them until he has compensated the prior permittee on a similar basis. No prior permittee shall be compensated who has abandoned or lost his permit through fault of his own or act of God.

2. Reduction of preference solely on the basis of transfer is prohibited.

3. A new system of appeals is superimposed upon intra-Forest Service appeals from one administrative level to the next higher. This curtails the present flexible authority of the Secretary for the handling of appeals.

With certain exceptions this system of appeals, unlike the provisions about range improvements, is applicable to any action or decision with respect to any land occupancy or use. This is understood to include, for example, the whole gamut of timber management and sale activities. The exceptions referred to above are as to reduction or elimination of use for protection of the land, and as to change from one use to another. These would continue to be subject to the present, or such other appeals arrangement as the Secretary might prescribe. This new system of appeals involves three levels above the Chief of the Forest Service:

First. Upon written request by the appellant an advisory board of three members will be established to review the matter. One member is to be designated by the Secretary from the Department of Agriculture (Forest Service excepted), the second by the appellant, and the third by the other two members to represent the general public, and who shall be neither a Federal nor State employee. If agreement is not reached on this third member within 30 days he shall be appointed by the district court. Members shall receive per diem and expense. Hearings shall be held in the State where the matter is located. The board shall give its advice and recommendations to the Secretary who will then make his decision.

Second. The appellant may appeal to the Secretary within 60 days after the above decision for a review de novo. Formal hearings, issuance of subpenas, and the taking of depositions by the Secretary or his representative, are authorized. Witnesses shall be paid the same fees and mileage as are witnesses in the district courts.

Third. The appellant may appeal from the foregoing decision of the Secretary (under most circumstances) to the district court by petition within 60 days. The court will hear the petition upon the record of the pleadings, evidence adduced, and proceedings before the Secretary. If the court finds the decision of the Secretary was arbitrary, capricious, an abuse of discretion or otherwise not in accordance with the law it may remand the proceedings to the Secretary with appropriate instructions. It is presumed that these provisions, in effect, spell out the existing right of an aggrieved user to take a case into court, and prevent the court from passing on questions of technical or professional judgment, though what an abuse of discretion means that is not encompassed in capricious and arbitrary, is not understood.

Fourth. Establishment by the Secretary, of multiple purpose advisory councils, is

authorized. They are restricted to the consideration of questions of policy. Per diem and expenses are not authorized. In appointing members consideration must be given to recommendations of officers of organizations representing the principal interests concerned.

5. The Secretary's authority to limit or discontinue occupancy and use for the purpose of preventing injury to the lands, and to change the use of land from one use to another, is safeguarded. It is understood, too, that his authority to make distribution reductions is continued, but actions or decisions in relation thereto would be subject to the new system of appeals.

We consider the proposed legislation very unwise because:

1. It is unnecessary. It involves complex legal questions. Obviously it deals with matters of basic policy. How it would work out in years to come cannot be foretold. But we fear it would lead to great difficulties in, and to hampering of preventing effective administration of the national forests.

There has been adequate general legislative authority to enable the Forest Service for nearly half a century to do what is widely regarded as a generally good job of administering the national forests. An important factor in this has been flexible authority to function within certain general congressional legislative policies and provisions. Failures have been due to administrative policies and shortcomings rather than lack of specific legislative prescriptions.

The burden of proof should be upon adopting rather than upon not adopting this far-reaching proposal. The need for it has not been shown so far as we are aware.

2. Closely related to item 1 is the fact that long ago the Supreme Court validated the action of Congress in delegating to the Secretary of Agriculture authority to make rules and regulations governing the occupancy and use of the national forests, which regulations have the force and effect of law. (*U. S.* v. *Grimaud* (220 U. S. 506) and *Light* v. *U. S.* (220 U. S. 523), both 1911.) In other words, the administration of the national forests has been pursuant to rule of law these many years, the implication of the committee to the contrary notwithstanding.

3. Further related to item 1 is the fact that the bill would spell into specific law many features of present administrative policy, practice, and authority. For example, it is understood that the Secretary now has authority to enter into substantially the kind of agreements with grazing permittees regarding range improvements that are prescribed by this bill. It may be safe to freeze in specific legislation some of these policies and practices. Others may need to be modified as circumstances change. It will be much more difficult to obtain revision by legislation than by administrative regulation.

4. The bill is, in part, a special interest proposal. While it sets up a new appeals procedure applicable to administrative actions and decisions with respect to all land occupancy and use, it provides special treatment and guaranties only for range improvements. What about improvements installed by special-use permittees and timber purchasers? And so on. We certainly do not advocate some type of legislative guaranties for other categories of improvements. But we believe that efforts to widen the scope of such provisions are bound to follow, sooner or later.

5. The appeals prescription is much more complicated than present procedure, and restricts unwisely the Secretary's present authority in handling appeals. The make-up of the three-member board might operate to weight it in favor of the appellant. The proposed system could lead to a very burdensome or possibly intolerable load of long-drawn-out appeals in process. This is notwithstanding that a wholesale resort to the courts may be deterred by the fact that the appellant, if not sustained, must pay the costs.

6. The provisions for the establishment and use of multiple-purpose advisory councils represent undesirable limitation on the Secretary's present authority and practice. Moreover they might lead to weighting membership in favor of the larger interests and away from the small users.

7. The policy enunciated with respect to range improvements will probably have the effect of minimizing still further the meager funds available to the Forest Service for the construction of range improvements. Public construction of range improvements on the national forests has the advantage of enabling greater flexibility in the management and use of related resources.

8. In conclusion there is the question of the relation of this proposal to the establishment of private or vested rights that would hamper the management of these great Federal properties in the general public interest. We do not challenge the assurances that have been given that this proposal of itself would not establish vested interests in national forest lands or in their use. But the establishment of vested rights is not necessarily solely a matter of legal language and provisions. They can develop through a process of evolution. Certain intangibles are involved. In the present situation there is, for one thing, the background of demands by the stockmen. Unhappily, we believe the enactment of this bill would help set the stage for progress toward the establishment of vested rights. Among the reasons are:

(a) In some degree the bill provides the same legal means for the protection of privileges on the national forests that are customarily provided for the protection of private property and private rights.

(b) The bill would spell into law certain administrative policies and procedures that have hitherto been subject to the Secretary's flexible authority and regulations under more general legislation. In certain respects his authority is definitely curtailed.

(c) This bill, if enacted, may readily become an entering wedge and be followed by even more aggressive efforts by stockmen's and other organizations to obtain objectives which this bill would not satisfy. It may be followed by efforts of other groups to obtain corresponding advantages.

Let us not adopt legislation that would make it more difficult in the long run to maintain range use as a privilege rather than as a private right.

CONSERVATION ORGANIZATIONS OPPOSING S. 2548

Audubon Society of the District of Columbia; Mr. Irston Barnes, president.

Soil Conservation Society of America; Dr. Hugh H. Bennett, president.

Sierra Club; Mr. David R. Brower, executive director.

International Wild Life Protection; Dr. Harold J. Coolidge, Chairman American Committee.

Sport Fishing Institute; Dr. R. W. Eschmeyer, executive vice president.

Nature Conservancy; Mr. George B. Fell, secretary.

Friends of the Land; Mr. Jonathan Forman, President.

Wildlife Management Institute; Dr. Ira N. Gabrielson, president.

Independent Timber Farmers of America; Mr. Christopher Granger, delegate.

North American Wildlife Foundation; Mr. C. R. Gutermuth, secretary.

The Wildlife Society; Mr. C. R. Gutermuth, delegate.

National Association of Soil Conservation Districts; Mr. George Heidrich, delegate.

Outdoor Writers Association of America; Mr. Michael Hudoba, secretary.

American Planning and Civic Association; Miss Harlean James, executive secretary.

National Parks Association; Mr. Fred M. Packard, executive secretary.

American Nature Association; Mr. Harry E. Radcliffe, vice president.

Izaak Walton League of America; Mr. Willian Voigt, Jr., executive director.

International Association of Game, Fish and Conservation Commissioners; Mr. Chester S. Wilson, president.

The Wilderness Society; Mr. Howard Zahniser, executive secretary.

Forest Conservation Society of America; Mrs. Gifford Pinchot, chairwoman.

Mr. AIKEN. Mr. President, will the Senator yield for one more brief observation?

Mr. MURRAY. I yield.

Mr. AIKEN. At the time the organizations listed by the Senator from Minnesota [Mr. HUMPHREY] were opposed to the bill, the Fish and Game Commissioners and the National Wildlife Federation were also opposed to it, but at their meeting in Chicago, after the other organizations had disbanded, the National Wildlife Federation directors sat down and read our bill, analyzed it, and realized for the first time that we had dedicated the use of the national forests for all the people, and that there were in that bill things which they had been requesting for years.

Since then, they have been very good supporters of the bill, and only 2 days ago wrote to the chairman of the House Agricultural Committee urging that the bill be passed by the House at this session.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. MURRAY. I yield.

Mr. HUMPHREY. I wish to say to the Senator, if that is the case——

Mr. AIKEN. That is true.

Mr. HUMPHREY. I wish to modify my remarks. I had not heard that myself. I accept the word of the Senator from Vermont for it, because he is a man of integrity. I merely say that as late as last week I had the privilege of meeting with some of the men I have mentioned who have been in strong opposition, and I think it is fair to say that at least a majority of the organizations which the Senator from Minnesota listed have not in any way rescinded their views or, if they have, they have done me a disservice by not letting me know, and I want the RECORD to be perfectly clear, because I am sure the Senator from Vermont [Mr. AIKEN] is telling us what the latest information is with reference to that organization.

I have one final word. The principal thing I know is that the House did not pass the bill, and the reason why the House did not pass the bill is because there is strong opposition to it. I do not happen to think the bill is as bad as some people paint it, and I want the Senator from Vermont to know that, and I want it very clear, Mr. President, that I do not think that the Senator from Vermont would ever knowingly do anything to injure conservation in this country.

I want that to be perfectly clear in the RECORD, because he is a friend of conservation. But I do feel that some of the conservation groups, including those

that I have mentioned, as they have said, thought the legislation was unwise—that is the word—and undesirable.

Mr. AIKEN. I want to say one more word. The bill as it now stands is a very strong conservation measure. It was amended, practically rewritten, over the strong opposition of some of the livestock interests, and it does represent some of the objectives which the people interested in conservation have been seeking and requesting for some time.

For example, it authorizes multiple-use committees for the forests for the first time, and a great many things like that. I do hope that we will not base our opinions on the position which certain persons took on the bill before it was revised by the Senate committee.

I believe Mr. Gabrielson and Mr. Gutermuth are still opposed to it. I understand that is their official position.

Mr. HUMPHREY. That is correct.

Mr. AIKEN. The Izaak Walton League is still opposed to it. As to the others, I have not heard from any of them, except the ones to which I have referred as being in favor of it, since it was revised in the passage.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. MURRAY. I yield first to the Senator from Minnesota.

Mr. HUMPHREY. I only wish to say, for purposes of clarifying the RECORD, and not belaboring it, that I believe it was on April 2 that it was placed in the RECORD. I ask, as is said in legal terms, that this cross-reference be made, because it was at that time that I registered strong opposition to it and, at the same time, urged upon my friends in the House of Representatives, particularly those who were on the committee, to take another look at this bill, and, if possible, if they agreed with the conservation groups that were interested in it, not to pass it.

Mr. MURRAY. I think that is very proper.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. MURRAY. I yield.

Mr. HOLLAND. Coming from the other side of the aisle, from the distinguished chairman of the committee, I want to make it perfectly clear that my recollection of the matter is exactly the same as his, and I do recall having received from numerous conservation groups requests to report out and support the passage of this particular measure.

I do recall that when the measure came on for final consideration by our committee, after it had been amended and after it had earlier been subjected to long hearings in the West, every member of the organizations, with the single exception of one, who had been requested by his cattlemen's organization in his State to oppose it, was strongly in favor of it. I recall particularly that the distinguished Senator from New Mexico [Mr. ANDERSON], who has served as Secretary of Agriculture, and knows something about the administration of the Forest Service, praised the measure very strongly, and said it was a moderate and fair approach, and would make headway toward solving many problems which had vexed administrators of the Forest Service for many years, extending back through his administration and prior thereto. I am sure the chairman of the Committee on Agriculture and Forestry will recall that.

Therefore I wanted to make it perfectly clear that this measure is a bipartisan measure and involves not only extensive hearings in the field last summer, but involves also extensive discussion in committee.

I wanted particularly to have it appear in the RECORD that wildlife and conservation groups have appealed to me personally to support and, if possible, to effect the passage of the bill in question.

Mr. MURRAY. Of course, I am not familiar with what transpired in committee, but I know, coming from Montana, that I have received a number of letters and other communications objecting to the measure.

Mr. AIKEN. I should like to say that the strongest opposition to the bill was found in Montana. We did not expect to find it there, but that is where it was.

Mr. MURRAY. The Senator will find opposition also in Colorado.

Mr. AIKEN. From the editor of the Denver Post, of course.

Mr. MURRAY. This editorial is from the Denver Post of Sunday, August 1, 1954, and the letter from the Wildlife Management Institute is dated July 27.

Mr. AIKEN. I am not acquainted with that, but I do not question the Senator's word.

Mr. MURRAY. The letter is signed by Mr. C. R. Gutermuth, vice president of the Wildlife Management Institute.

Mr. AIKEN. I know that Mr. Gutermuth has been opposed to the bill from the day it was introduced, and all through its succeeding revisions. He has been very adamant in his opposition to any such bill.

Mr. MURRAY. I know that wildlife organizations in Montana have also been very active in this matter. They held a big meeting in Butte, Mont., about 6 weeks or 2 months ago, and they discussed these matters very fully at that time, and expressed their very deep interest in these matters, and registered their objection.

Many stockmen have told me that they feel the excessive demands of the stockmen are unwise, and that it will be much better for the livestock industry to continue to use the forests under present arrangements than to ask from year to year for increasing, irrevocable rights.

Stockmen themselves have called my attention to the fact that the demands will not end if S. 2548 or its equivalent becomes law. A year ago I was supplied copies of resolutions adopted by the national advisory board of the Bureau of Land Management Livestock Councils. Meeting here in Washington on February 19, 1953, that group contended that the stockmen should be free to manage their own business and the Bureau of Land Management should be concerned only with preventing depletion of the public range. They added:

> If this statement is true, then a fixed carrying capacity and dates for going on and off are not proper or needed.

I cite that resolution, which is widely quoted, only as an example of ultimate objective of a few of the grazers, which are known to the irrigators and the conservationists, which make them—the sportsmen, irrigators, and others—determined to resist any step-by-step letting down of the bars which would give what they regard as excessive rights to the livestock men.

Most of the public domain, whether forest or Taylor grazing lands, is multiple-use land. Water, forage, timber, game, fish, recreational values, and minerals are all products of these areas. Often several of these values come from the same acre.

Montana is a vacation State. Our highway department estimates that there were 400,000 visitors to the national forests in 1952 and that out-of-State tourists spent $80 million with us.

Income from game and fish licenses during the year was $1,007,307 and our State game department estimates that $42 million of business in lodging, meals, gasoline, guns, ammunition, tackle, and clothing is based in Montana on hunting and fishing afforded by the forests.

We have a great deal of irrigation, and irrigators are extremely concerned that the watershed values of the forest lands, source of much of their water supply, be maintained.

Mont Saunderson, a western resources economist, has estimated in his book, Western Land and Water, that the annual value of irrigation water derived from the western national forests is $258 million annually compared to a value of timber from the forests of $18 million, recreation $20 million, and grazing about $3 million.

It is because of this complex of interests in the forests that the stockmen's bills invariably engender great opposition.

There are unquestionably Members, particularly in the House, where some districts lie entirely within cities, who will guide their farm bill vote on whether or not this amendment is attached. Some will vote against any farm bill at all if it entails letting down the bars to a few stockmen to obtain vested rights in the great forest lands.

The approval of this amendment will thereby weaken our possibility of getting any farm legislation. I therefore urge Senators who want farm legislation not to permit the situation to be complicated and the farmers' position weakened by adding this extraneous matter.

CRAZY HORSE MONUMENT

During the delivery of Mr. MURRAY's remarks,

Mr. CASE. Mr. President, will the Senator yield so that I may make a unanimous-consent request to speak for less than 1 minute, without the Senator from Montana losing his right to the floor?

Mr. MURRAY. I yield for that purpose.

Mr. CASE. Mr. President, a unique project is being carried out in the Black Hills of South Dakota, where Korczak Ziolkowski, a sculptor of Polish descent, who served with the United States forces overseas during World War II, and who is a citizen of this country, is carving a memorial to the American Indian out of

a mountain known locally as Crazy Horse Mountain. It is a monument to Chief Crazy Horse, who led the Sioux charge that wiped out Gen. George A. Custer and his troops at Little Big Horn. The project is unique in many respects besides its size. It is also self-financed, and not aided by Government funds.

An article entitled "Lifetime Projects Seen by Ziolkowski Finishing Crazy Horse Monument," by Tom McNally, United Press staff correspondent, was published in the Daily Plainsman, of Huron, S. Dak., on July 13, 1954. The article includes a brief interview had with Mr. Ziolkowski. First I should like to read two small portions of the article:

The $5 million project is supported almost entirely by the donations of these visitors and Ziolkowski said he would refuse to continue work if Federal funds were appropriated. He said he feared governmental supervision of the work.

The following appears in quotations:

"The day that the Federal Government starts putting any money into this work," he said, "they can get themselves another mountain and another artist."

This great memorial was conceived as a tribute to the American Indian to honor a race and a man who never surrendered, even in defeat. Because it is a great project, because it is a tribute to the American Indian, and because it is a project which is being financed without contribution by the Federal Government, I bring it to the attention of the Senate, and I ask unanimous consent that the article may be printed at this point in my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

LIFETIME PROJECT SEEN BY ZIOLKOWSKI FINISHING CRAZY HORSE MONUMENT

(By Tom McNally)

CUSTER, S. DAK.—A sculptor who is carving a masterpiece out of a mountain said today it might take the remaining years of his life "and a little more" to finish a huge monument to the American Indian.

But Korczak Ziolkowski still nursed a glimmer of hope that he might live to finish the sculpture of Indian Chief Crazy Horse, who led the Sioux charge that wiped out Gen. George A. Custer and his troops.

"The Bible says that we're allotted 3 score years and 10," he said. "I came here when I was 39, and I figured it would take me 30 years then.

"If I'm right, that will give me 1 year to sit around and look at it before I die."

SCULPTS WITH DYNAMITE

Ziolkowski, the rugged grandson of a Polish count, is still chipping huge bites out of Mount Thunderhead with dynamite blasts that shake this lonesome area of the South Dakota Black Hills. If the project is finished, it will dwarf the nearby carvings of former Presidents Washington, Lincoln, Jefferson, and Theodore Roosevelt on Mount Rushmore.

It will be the largest piece of sculpture in the world if completed. Crazy Horse will be depicted riding into battle on a horse, his arm outstretched and finger pointing toward the enemy.

The work will be more than 550 feet high and 640 feet long. The head of Crazy Horse alone will be 87 feet high and the feather on his head will be 44 feet long. About 1,000 persons will be able to stand on the outstretched arm.

Ziolkowski, now 45, already has blasted 580,000 tons of rock out of the mountain since beginning the project in 1948. That leaves more than 4½ million tons to go and the work still had not reached recognizable shape to most of the 150,000 tourists who visited the site last year.

FINANCED BY DONATIONS

The $5 million project is supported almost entirely by the donations of these visitors and Ziolkowski said he would refuse to continue work if Federal funds were appropriated. He said he feared governmental supervision of the work.

"The day that the Federal Government starts putting any money into this work," he said, "they can get themselves another mountain and another artist."

The memorial was designed as a tribute to the American Indian to honor "a race and a man who never surrendered, even in defeat." Ziolkowski intends to have at the base of the mountain a museum, a university and a medical center for all American Indians.

It was Crazy Horse who led the Indians that wiped out Custer and his men at the Little Big Horn in June 1876. But the Indian's triumph was short and he was bayoneted and killed the following year by soldiers who were trying to throw him into a guardhouse at Camp Robinson, Nebr.

Mr. STENNIS. Mr. President, to abandon our time-tested, rigid price support program for basic farm products is to lay the groundwork for an unstable agricultural economy and thus begin a certain downward trend that will bring an unstable economy throughout the Nation.

The opposition to the rigid price support program for basic commodities is often based on two beliefs: First, that the program causes the Government to lose a great deal of money; second, that the program costs the consumer a great deal of money in food and fiber prices. Both beliefs are false because they are not supported by the actual facts.

A MARKETING PLAN

An analysis of the support price program at 90 percent of parity for basic commodities for the period from October 17, 1933, until June 30, 1953, shows a net loss of only $20,720,931 for wheat, corn, cotton, peanuts, rice, and tobacco. Another table that I have seen places this net loss at $130 million for a like period. The difference in these two figures is due to the difference in the approach in making the calculations. The main fact is that the loss is so very, very small for a long and varied period of time, including the experimental stages. When the benefits of a stabilized agricultural economy that was brought to all of the American people is fully considered, this loss is quite small indeed. With better operations, the program can be made to operate without any net loss and could possibly liquidate the present relatively small deficit. The program is primarily a marketing plan, and not a subsidy. By good management and excellent cooperation by the cotton farmers the Commodity Credit Corporation has actually gained a profit of $267,310,582 from October 17, 1933, until May 31, 1954. These are official figures.

THE CONSUMERS' BURDEN?

One of the current misstatements concerning the price support program is to charge it with responsibility for the high prices paid by consumers.

I should like to emphasize the point about the profit the Government has made on this program on cotton, cotton being a storable commodity, the acreage being controlled, and there being absolute cooperation on the part of the cotton farmers.

According to expectations and calculations when the acreage was figured, the Government has actually made a profit of $267 million on cotton alone during this period of time.

The farm price of basic commodities supported at 90 percent of parity is a very small part of the retail cost of consumer products made from these basic commodities. The Agricultural Marketing Service has recently established the fact that it requires a 15- to 20-percent reduction in farm prices to reduce consumer prices as much as 3 percent. This applies to the six basic commodities. This can be illustrated by an everyday product, cotton. An ordinary white shirt costs $3.95. The raw cotton that goes into the manufacture of that shirt costs only 30 cents. If the price the farmer receives were reduced 50 percent, the shirt would still cost $3.80. During the House Agriculture Committee hearing a spokesman for confectioners proposed the removal of 90 percent support prices on peanuts. Under questioning it was brought out that a 5-cent candy bar contains about one-half cent's worth of peanuts. If the confectioners got the peanuts free, this would not change the price of the candy to the consumer. These same illustrations hold true with a loaf of bread and other items.

The consumer is not appreciably helped, but if the producer sustains the reductions as illustrated, it puts his product below the cost of production, which means certain bankruptcy. I do not believe that consumers want the farmers' price actually reduced to bankrupt levels in order to provide a reduction in consumer prices of only 3 or 4 percentage points.

According to the Agricultural Marketing Service, prices received by farmers reached their top level in February 1951. By June 1954 this parity index has been reduced from 313 to 248, a reduction of 20.8 percent. Prices paid by farmers reached their highest point in May 1952 when the parity index was 290. These prices have fallen now to only 282, a reduction of only 3 percent from the highest point as to items that the farmer has to buy. On top of this, the acreage has been reduced in the year 1954 and the acreage will have to be further reduced in 1955 on most of these basic crops, certainly including wheat and cotton. To have the farmer during that same period suffer another loss in a reduction of his price-support level will cause him to sustain a triple blow that he cannot bear. Certainly, price-support levels should not be lowered while material acreage reduction increases are being sustained each successive year.

CHARGES OF SUBSIDY PROGRAM NOT SUSTAINED

The charge is made that agriculture is subsidized to a greater extent than other segments of our economy. I wish

that we could have price supports eliminated altogether, but the mere fact that some years there are indirect subsidies does not prove that the plan is fatal. In January 1954 figures were officially published indicating subsidies amounting to $45,662,835,506 have been paid to business enterprises since World War II. A large part of this was for business reconversions. There were no business reconversion payments made to the farmers. The cost of the entire price-support program on all commodities during all the history of the program has amounted to only about 1 percent of the value of the crops and livestock marketed.

Mr. President, for emphasis, by comparison I point again to the official figures issued in January 1954, showing that the cost to the Government of the subsidies paid to business enterprises since World War II, largely through reconversion costs, was over $45 billion.

THE SURPLUS PROBLEM

Our agricultural surpluses rate among our greatest assets, and much of the surplus is a form of stockpiling. When the Korean war started we had only 2 million bales of cotton, a dangerously low carryover. A cotton crop failure for the next year would have been a calamity.

We would have been fighting a war, the duration and extent of which no one knew, without this basic and essential war material. This bill wisely provides for a stockpiling program of cotton. We recently passed legislation which provides for the disposal of a billion dollars' worth of our present farm surplus to foreign countries, partly as a gift for the relief of distress, and partly in exchange for their currency. This bill we are considering today provides additional machinery for orderly and practical disposition of our surplus. We also have before us a military construction bill providing for overseas construction of family housing, to be paid for in part through the use of foreign currencies in accordance with the provisions of the Agricultural Trade Development and Assistance Act of 1954. I am sure that an aggressive, worldwide program by the administration in an effort to dispose of these agricultural commodities could be sustained at an accelerated pace year after year, which would lead to at least a partial solution of the surplus problem, not only to our advantage but to the advantage of the nations with which we deal.

Mr. President, I digress to remark that the present occupant of the chair, the junior Senator from South Dakota [Mr. CASE], to my personal knowledge has been very much concerned about this very matter, and through his diligence and his work as a member of the Armed Services Committee, and particularly as the chairman of a committee which has jurisdiction over military construction, has urged upon the administration and has worked in many ways toward promoting the idea of using our agricultural surpluses for this very laudable purpose, in disposing of them to the benefit of the Government in dollars and cents and to the benefit of the nations where we are fortunate enough to have these military bases. I feel that with more work and more effort and more planning by the administration at the top level, there are great possibilities within this field of endeavor. I give a rough estimate of the amount to be spent during the current fiscal year by the Navy, Army, and Air Force for military construction overseas at $900 million.

That is only a rough estimate, but it is approximately correct. With such programs in effect now to be continued, in part at least, for several years, together with the other enormous expenditures we make overseas, the way is open for an effective and beneficial use of great quantities of our agricultural commodities held in surplus. Progress is being made on such efforts now, but much more can be done by steady application.

In addition, just yesterday we authorized almost $3 billion in new money for expenditure in foreign programs which, added to the funds already available, will make a total authorized and appropriated amount of more than $12 billion for that program alone. In addition, we have the military program which I have mentioned. This is an avenue of practical approach to the problem which is open to the administration for development.

ORDERLY MARKET PLAN

Mr. President, one of the primary benefits of the price-support program is that it furnishes a positive approach to marketing problems of the farmer, especially the small farmer. To give an example, I shall use cotton because it is one of the principal crops in my State. During the harvest season in the fall, thousands upon thousands of farmers, particularly small farmers, are forced to market their cotton on account of the urgent need for money. Without some protection in the form of price supports, they would put all of their cotton on the market at the same time and rapidly force the market downward.

In this connection, I wish to read briefly from the article from the Cotton Trade Journal of June 18, 1954, which illustrates the situation where there is no orderly marketing. The subject of this article is Speculators Flock To Buy Cheap Cotton. The item is from Matamoros, Mexico, dated June 14:

> A horde of speculators is swarming into this richest of Mexican cotton-growing zones in an effort to snare a sizable portion of the bumper crop about to be harvested.
>
> Local bankers and leaders of the Mexican Cotton Association confirm the phenomenon but see no ready way of stopping them. They predict the carpetbaggers will walk off with up to 50,000 tons, which would normally fetch 120 million pesos ($10 million) but which they will snap up at bargain prices.
>
> The victims of the cut rate are more than 6,000 small growers in the Matamoros district whose limited resources do not enable them to survive a waiting period between delivery of their crops and payment.

If supply and demand for the basic crops are kept in line through proper production controls, which the farmers in my State are willing to accept, have accepted, and have abided by, the price-support program over the long pull will not cost the Federal Government any money.

At the same time it will prove to be the greatest stabilizing influence for our economy which has ever been devised. Without that stabilizing influence I shudder to think what would be the fate of agriculture, and in turn the rest of our economy.

Mr. President, I yield the floor.

Mr. HUMPHREY. Mr. President, as I see it, Minnesota's agriculture—and, as a result, Minnesota's economy—would be severely weakened, and, in fact, "sold down the river" by the Eisenhower-Benson farm program.

Minnesota is united in this fight, as was witnessed this afternoon by the splendid address of our senior Senator [Mr. THYE] and the efforts I have made here myself.

This is because Minnesota has so much at stake and so much to lose. Dairying is the backbone of Minnesota's diversified agriculture; and the administration's proposals offer absolutely no plan to halt declining dairy income, no plan to dispose of the temporary dairy surplus, no plan to increase fluid-milk consumption to offset losses in butter markets—in fact, it offers nothing for Minnesota dairy farmers at all except a shrug of the shoulders and broad hint that our dairymen had better quit farming and head for the cities.

Out of the 157,000 commercial farms listed in Minnesota by the 1950 census, 122,000 farmers produced oats, yet the administration says producers of secondary feed grains are now not entitled to the support President Eisenhower promised them at Kasson, Minn.

Minnesota's corn growers were only averaging 76 percent of parity prices as of June 15, 1954, as a result of administrative policies seeking to wreck effectiveness of the corn support program, yet now they tell us corn producers are getting too much, that the support level should be shoved down another 10 percent.

Is it any wonder Minnesota objects here in the Senate and out in the State?

Minnesota's cash farm income dropped $46 million last year from the 1952 figure. It has been plunging downward ever since.

Not only Minnesota's farmers are concerned.

Farm income makes up more than a fourth of total income paid to Minnesotans. Our entire economy is at stake, but nobody in this administration seems to be concerned. They are willing to write us off, I suppose, and forget that this country extends westward beyond Cornell University, from where its great agricultural policies now seem to emanate.

Minnesota's State Legislature unanimously asked this Congress to continue 90 percent of parity.

I want my colleagues to note "unanimously asked."

Minnesota's businessmen by the thousands have petitioned me to fight the administration farm program. I can assure Senators tonight that that is exactly what I am going to do. The people of Minnesota have petitioned me

to save the rural main streets of Minnesota.

Minnesota's labor organizations see plants closing and jobs declining and join in the appeal for their farmer neighbors.

Minnesota, where Candidate Eisenhower stood at Kasson to make bewitching promises to America's agriculture, feels it has a right to protest and demand that the promises of the respective political parties be fulfilled—and I mean both political parties.

ADJOURNMENT TO 10 O'CLOCK A. M.

Mr. WILLIAMS. Mr. President, if there be no further business to come before the Senate, I move that the Senate stand in adjournment until 10 o'clock tomorrow morning.

The motion was agreed to; and (at 8 o'clock and 56 minutes p. m.) the Senate adjourned until tomorrow, Thursday, August 5, 1954, at 10 o'clock a. m.

NOMINATIONS

Executive nominations received by the Senate August 4 (legislative day of July 2), 1954:

DEPARTMENT OF THE ARMY

Frank H. Higgins, of New York, to be Assistant Secretary of the Army.

Charles C. Finucane, of the State of Washington, to be Assistant Secretary of the Army.

ST. LAWRENCE SEAWAY DEVELOPMENT CORPORATION

Martin W. Oettershagen, of Illinois, to be Deputy Administrator of the St. Lawrence Seaway Development Corporation.

UNITED STATES ATTORNEY

Robert Vogel, of North Dakota, to be United States attorney for the district of North Dakota, vice Powless W. Lanier, resigned.

UNITED STATES MARSHAL

Harry R. Tenborg, of North Dakota, to be United States marshal for the district of North Dakota, vice Chester M. Forseman, resigned.

COAST AND GEODETIC SURVEY

Subject to qualifications provided by law, the following for permanent appointment to the grade indicated in the Coast and Geodetic Survey:

To be commissioned ensign

James P. Randall

POSTMASTERS

The following-named persons to be postmasters:

COLORADO

James A. Smith, Dillon, Colo., in place of E. F. Kongable, resigned.

William Donald Durrett, Eads, Colo., in place of J. M. Lancaster, deceased.

James W. Martin, Florence, Colo., in place of J. M. Faricy, retired.

MINNESOTA

Leonard P. Ramberg, Minneapolis, Minn., in place of J. R. Coan, retired.

NEW JERSEY

Chester A. Newton, Milltown, N. J., in place of C. V. L. Booream, retired.

NEW YORK

James H. Graham, Levittown, N. Y. Office established July 1, 1952.

PENNSYLVANIA

Clayton E. Hollinger, Lebanon, Pa., in place of D. E. Walter, removed.

Marcellus J. Heppe, Saint Davids, Pa., in place of M. M. Loughrey, deceased.

Howard J. Short, Willow Grove, Pa., in place of H. T. McEvoy, removed.

WITHDRAWAL

Executive nomination withdrawn from the Senate August 4 (legislative day of July 2), 1954:

POSTMASTER

Robert S. McKeen to be postmaster at Mondamin, Iowa.

HOUSE OF REPRESENTATIVES

WEDNESDAY, AUGUST 4, 1954

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

Almighty God, may this be a day when we shall accept wholeheartedly the God-appointed and God-revealed way of life and seek to walk in it faithfully and without fear.

Grant that we may never place the supreme emphasis upon material gains and temporal rewards but may every hour be hallowed by lofty aspirations and sincere endeavors to achieve that which is spiritual and eternal.

Inspire us with a greater longing to emulate and manifest in our daily character and conduct those spiritual realities and qualities which were always regnant in the life of our blessed Master.

Give us now some special token of Thy covenant love and may we live out each day in faith, in faithfulness, and in the fear of the Lord.

Hear us in Christ's name. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 3769. An act to amend section 709 of title 18, United States Code, so as to protect the name of the Federal Bureau of Investigation from commercial exploitation.

The message also announced that the Senate agrees to the amendment of the House to a bill of the Senate of the following title:

S. 2408. An act to amend the Merchant Marine Act, 1936, to provide a national defense reserve of tankers and to promote the construction of new tankers, and for other purposes.

The message also announced that the Senate had passed, with an amendment in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 9678. An act to promote the security and foreign policy of the United States by furnishing assistance to friendly nations, and for other purposes.

The message also announced that the Senate insists upon its amendment to the foregoing bill, requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. WILEY, Mr. SMITH of New Jersey, Mr. HICKENLOOPER, Mr. GEORGE, and Mr. GREEN to be the conferees on the part of the Senate.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 9936. An act making supplemental appropriations for the fiscal year ending June 30, 1955, and for other purposes.

The message also announced that the Senate insists upon its amendments to the foregoing bill, requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. BRIDGES, Mr. FERGUSON, Mr. CORDON, Mr. SALTONSTALL, Mr. HAYDEN, Mr. RUSSELL, and Mr. MCCARRAN to be the conferees on the part of the Senate.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 2098) entitled "An act to provide for the compensation of certain persons whose lands have been flooded and damaged by reason of fluctuations in the water level of the Lake of the Woods."

The message also announced that the Vice President has appointed Mr. CARLSON and Mr. JOHNSTON of South Carolina members of the joint select committee on the part of the Senate, as provided for in the act of August 5, 1939, entitled "An act to provide for the disposition of certain records of the United States Government," for the disposition of executive papers referred to in the report of the Archivist of the United States numbered 55–4.

SPECIAL ORDER GRANTED

Mrs. ROGERS of Massachusetts asked and was given permission to address the House for 10 minutes today, following the legislative program and any special orders heretofore entered.

ONE HUNDRED AND SIXTY-ACRE LIMITATION OF FEDERAL RECLAMATION LAW

Mr. HAGEN of California. Mr. Speaker, I ask unanimous consent to extend my remarks at this point.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. HAGEN of California. Mr. Speaker, I have this day introduced legislation dealing with the controversial subject of the 160-acre limitation of Federal reclamation law, and I would like to comment briefly on the legislation and the problem it relates to.

My proposal is almost identical with that contained in H. R. 9862 introduced July 12, 1954, by Congressman ENGLE, of California, the able ranking Democrat

on the House Committee on Interior and Insular Affairs.

The rule presently obtaining with respect to eligibility to receive federally developed water is that those lands under single ownership in excess of 160 acres are ineligible to receive water unless the owner agrees to sell the same after a period of 10 years of service at a Government appraised price which will reflect no windfall increment attributable to Federal expenditure for water supplies. According to the discretion of the owner this rule operates either to deprive such excess lands of water or to require their sale after 10 years at a price which contains no Federal gratuity.

This rule has been justified on the reasonable assumption that there is a large measure of subsidy in a federally produced water supply and that only a limited amount of subsidy to any one individual is justifiable philosophically and politically. The large owner gets exactly the same amount of subsidy received by the smaller owner. This justification is augmented by the fact that in many projects the supply of water is limited and the acreage limitation is a rule of rationing exclusive of other considerations.

My proposal would, through the activities of irrigation or other districts, give excess landowners a third choice, provided water was in abundant supply.

Excess lands could receive water without the necessity of the owner agreeing to dispose of them provided such owner was willing to pay a price which had been increased by the amount normally attributed to subsidy. It is as simple as that.

This solution will not satisfy those persons who believe that the present alternates of nondelivery of water or the signing of an agreement to dispose of lands will result in the breaking up of corporation type farms but is almost a complete answer to the complaining taxpayer and protects smaller owners in a situation of short supply. In this connection it should be pointed out that the acreage limitation has been whittled at by administrative ruling and it is not demonstrable that it has had a noticeable effect in breaking up large land holdings in those areas where Federal water is brought in to augment existing supplies for an existing agricultural economy. The rule which permits parceling out of ownerships among members of the same family for the obvious purpose of permitting an actual eligibility of excess lands is a mere subterfuge. The same comment can be made with respect to rulings which authorize waiver of the requirements in the case of lumpsum payments when those payments do not return the total value of the works constructed.

My concern is not with the excess landowners and their economic problems. I am concerned about those aspects of the restriction which create problems for water districts which in the main serve nonexcess holdings and are eager to eliminate those aspects of controversy which endanger water development without abandoning any worthwhile principal. Problems do exist for such districts and part of the answer to them may lie in a change of the Federal statute.

For example water use is as dependent on water systems as it is on water supply. In many instances the proper delivery of Federal water requires the erection of a distribution system. In those districts wherein parcels eligible under the restriction are scattered by excess parcels the costs of necessary lateral canals can be paid feasibly only if excess lands share in such cost and it is inequitable and possibly illegal to charge those lands for facilities from which they cannot receive water. The proposal contained in my bill would cover some of these situations.

In my opinion sober thought should be given to my proposal and that of Congressman ENGLE as the maximum Federal concession, a concession which would not radically violate the homestead concept of Federal water availability but would provide an element of flexibility which would be of material value to water districts in administering the Federal law. At the same time districts should be instructed to secure changes in State laws which interfere with their discretion in assessing for the various categories of costs inherent in Federal reclamation programs. The simple fact is that there has been too much rancor and not enough common sense exhibited by persons concerned with this problem in the past.

It is my intention to ask the House Committee on Interior and Insular Affairs to investigate this problem by hearings at the grassroots level before the new Congress assembles in January of 1955.

MUTUAL SECURITY ACT OF 1954

Mr. VORYS. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 9678) to promote the security and foreign policy of the United States by furnishing assistance to friendly nations, and for other purposes, with an amendment of the Senate thereto disagree to the Senate amendment and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Ohio [Mr. VORYS]? [After a pause.] The Chair hears none and appoints the following conferees: Messrs. CHIPERFIELD, VORYS, JUDD, GORDON, and BATTLE.

IMPORT DUTY ON WOOD DOWELS

Mr. REED of New York. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 2763) to amend the Tariff Act of 1930, so as to modify the duty on the importation of wood dowels, and for other purposes, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 2, after line 19, insert:

"SEC. 5. Paragraph 1615 (a) of the Tariff Act of 1930 is amended by inserting before the period at the end thereof a semicolon and the following: 'and articles, previously imported, with respect to which the duty was paid upon such previous importation, if (1) reimported, without having been advanced in value or improved in condition by any process of manufacture or other means, after having been exported under lease to a foreign manufacturer, and (2) reimported by or for the account of the person who imported them into, and exported them from, the United States'."

Page 2, after line 19, insert:

"SEC. 6. The amendment made by this act shall be effective as to articles entered for consumption or withdrawn from warehouse for consumption on or after the date of enactment of this act."

The SPEAKER. Is there objection to the request of the gentleman from New York [Mr. REED]?

There was no objection.

The Senate amendments were concurred in, and a motion to reconsider was laid on the table.

Mr. REED of New York. Mr. Speaker, I ask unanimous consent to insert in the RECORD at this point an explanation of the bill and the amendments.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. REED of New York. Mr. Speaker, the Senate amendment concerns the duty status of articles which are imported into this country, subsequently exported under lease to a foreign manufacturer and then reimported into the United States. The amendment provides for duty-free reimportation in such cases if after their export the articles are not advanced in value or improved in condition by any process of manufacture or other means and if they are reimported by or for the account of the same person who imported them into, and exported them from, the United States.

PARLIAMENTARY INQUIRY

Mr. GROSS. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. GROSS. On what bill were conferees appointed a moment ago?

The SPEAKER. Conferees were appointed on the so-called foreign-aid bill.

Mr. GROSS. Mr. Speaker, I had a motion to instruct the conferees. The request was made, but I do not think anyone knew the request was being made.

The SPEAKER. The Chair knew that the request was being made.

Mr. GROSS. The gentleman from Iowa did not know that the request was being made.

The SPEAKER. The Chair asked very audibly if there was any objection to sending the bill to conference. No one objected, and the Chair appointed the conferees accordingly.

FILING OF CONFERENCE REPORT ON H. R. 9678

Mr. VORYS. Mr. Speaker, I ask unanimous consent that the conferees may have until midnight tonight to file a conference report on the bill H. R. 9678.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

AMENDING FOREIGN SERVICE ACT OF 1946

The SPEAKER. The unfinished business is the question on suspending the rules and passing the bill (H. R. 9910) to amend section 413 (b) of the Foreign Service Act of 1946.

The Clerk read the title of the bill.

The SPEAKER. For what purpose does the gentleman from New York rise?

Mr. ROONEY. Mr. Speaker, may I say that as a result of a conversation with Gen. Walter Bedell Smith, Under Secretary of State, this morning, I have decided to withdraw my objection to this bill and shall vote for it.

CALL OF THE HOUSE

Mr. GROSS. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. The Chair will count. [After counting.] One hundred and thirty-six Members are present, not a quorum.

Mr. HALLECK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 134]

Bennett, Mich	Gubser	O'Brien, Mich.
Bentley	Hale	Patten
Bentsen	Haley	Patterson
Bolling	Hand	Perkins
Bow	Harrison, Wyo.	Powell
Buckley	Hebert	Priest
Byrd	Hillelson	Prouty
Campbell	Hillings	Radwan
Canfield	Hoffman, Ill.	Rains
Carnahan	Horan	Richards
Chatham	Jones, Mo.	Riehlman
Clardy	Kee	Roosevelt
Cooper	Kilburn	Scherer
Cotton	Landrum	Scrivner
Curtis, Mo.	Lantaff	Secrest
Curtis, Nebr.	Lesinski	Sheehan
Davis, Ga.	Lyle	Shelley
Davis, Tenn.	Machrowicz	Short
Dawson, Ill.	Mailliard	Sutton
Deane	Martin	Taylor
Delaney	Mason	Van Pelt
Dies	Miller, Calif.	Vinson
Dolliver	Miller, N. Y.	Weichel
Donovan	Mollohan	Wheeler
Evins	Morgan	Wigglesworth
Fernandez	Moss	Withrow
Fogarty	Moulder	Wolcott
Frazier	Murray	Yates
Fulton	Nelson	

The SPEAKER. On this rollcall 345 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

AMENDING SECTION 413 (B) OF THE FOREIGN SERVICE ACT OF 1946

The SPEAKER. The question is on suspending the rules and passing the bill (H. R. 9910) to amend section 413 (b) of the Foreign Service Act of 1946.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended, and the bill was passed.

A motion to reconsider was laid on the table.

ELECTION OF MRS. ELIZABETH PRUETT FARRINGTON AS DELEGATE FROM THE TERRITORY OF HAWAII

The SPEAKER. The Chair lays on the desk a communication which the Clerk will read.

The Clerk read as follows:

WASHINGTON, D. C., *August 2, 1954.*

Hon. JOSEPH W. MARTIN, Jr.,

Speaker, House of Representatives:

At special election to fill vacancy in office of Delegate to Congress from Hawaii, Mrs. ELIZABETH PRUETT FARRINGTON was elected by a vote of approximately 43,000 to 19,000 for next highest candidate and 2,500 for remaining candidate. Due to desirability of having Hawaii represented in Congress during closing days of present session, Mrs. FARRINGTON is proceeding to Washington today. It is requested this wire be accepted as notice of her election pending arrival of her official certificate of election.

SAMUEL WILDER KING,
Governor of Hawaii.

HONOLULU, T. H.

Mr. HALLECK. Mr. Speaker, I ask unanimous consent that Mrs. ELIZABETH PRUETT FARRINGTON, of Hawaii, may be allowed to take the oath of office at this time. As is indicated by the telegram from the Governor of Hawaii, which was just laid before the House, she has been clearly elected as the Delegate from Hawaii, and there is no contest or opposition, although the certificate of election has not yet arrived.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mrs. FARRINGTON appeared at the bar of the House and took the oath of office.

The SPEAKER. The Chair recognizes the gentlewoman from Hawaii.

Mrs. FARRINGTON. Mr. Speaker, I am highly honored to have become a Member of the United States Congress today, and especially honored to have become a Member of this distinguished body, the House of Representatives.

Someday, somehow, I hope that by action and deed I can prove to you how deeply I have appreciated the many expressions of sympathy during the past few weeks. Your official resolution, eulogies from the many colleagues of my husband, masterpieces of literature that belong in the ages, the many individual tributes of flowers, telegrams, and letters have touched me deeply, and especially the large and distinguished escort that accompanied us home.

You knew and I knew and Joe knew that he had friends, but never did I dream that there would be this outpouring of love, this manifestation that has come to me during these days. It has given me the courage and the strength to carry on in the manner that I know Joe would have me do, in the manner that I know the people of Hawaii would have me do.

ATOMIC ENERGY ACT

Mr. HALLECK. Mr. Speaker, I ask unanimous consent that the conferees on H. R. 9757, the Atomic Energy Act, may have until midnight tonight to file a conference report.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

PRIVATE CALENDAR

The SPEAKER. This is Private Calendar day. The Clerk will call the first bill on the calendar.

CHUAN HUA LOWE AND HIS WIFE

The Clerk called the bill (S. 997) for the relief of Chuan Hua Lowe and his wife.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the immigration and naturalization laws, Chuan Hua Lowe and his wife, Sien-ung Lowe, shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fees. Upon the granting of permanent residence to such aliens as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct the required numbers from the appropriate quota or quotas for the first year that such quota or quotas are available.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DR. VAHRAM ULUHOGIAN

The Clerk called the bill (H. R. 2358) for the relief of Dr. Vahram Uluhogian.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the immigration and naturalization laws, Dr. Vahram Uluhogian shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee and head tax. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

With the following committee amendments:

Line 3, strike out "immigration and naturalization laws" and insert "Immigration and Nationality Act."

Line 8, strike out "and head tax."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

NICHOLAS JOHN MANTICAS AND OTHERS

The Clerk called the bill (H. R. 2415) for the relief of Nicholas John Manticas, Yvonne Manticas, Mary Manticas, and John Manticas.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Nicholas John Manticas, Yvonne Manticas, Mary Manticas, and John Manticas shall be

held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act upon payment of the required visa fee. Upon the granting of permanent residence to such aliens as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct four numbers from the appropriate quota for the first year that such quota is available.

With the following committee amendments:

Page 1, line 4, after "Manticas", insert "Anne Francis Manticas."

Line 8, after "visa", strike out "fee" and insert "fees."

Page 2, line 1, strike out "four" and insert "five."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, and was read the third time, and passed.

The title was amended so as to read: "A bill for the relief of Nicholas John Manticas, Anne Francis Manticas, Yvonne Manticas, Mary Manticas, and John Manticas."

A motion to reconsider was laid on the table.

CHARLOTTE MARGARITA SCHMIDT

The Clerk called the bill (H. R. 2480) for the relief of Charlotte Margarita Schmidt.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the provision of section 212 (a) (9) of the Immigration and Nationality Act, Charlotte Margarita Schmidt may be admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of that act: *Provided*, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice have knowledge prior to the enactment of this act.

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following: "That, in the administration of the Immigration and Nationality Act, Charlotte Margarita Schmidt, the fiance of Maj. David I. Livermore, a citizen of the United States, may be eligible for a visa as a nonimmigrant temporary visitor for a period of 3 months: *Provided*, That the administrative authorities find that the said Charlotte Margarita Schmidt is coming to the United States with a bona fide intention of being married to the said Maj. David I. Livermore, and that she is found otherwise admissible under the immigration laws, except that section 212 (a) (9) of the Immigration and Nationality Act shall not be applicable to the said Charlotte Margarita Schmidt: *Provided further*, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice had knowledge prior to the enactment of this act. In the event the marriage between the above-named persons does not occur within 3 months after the entry of the said Charlotte Margarita Schmidt, she shall be required to depart from the United States and upon failure to do so shall be deported in accordance with the provisions of sections 242 and 243 of the Immigration and Nationality Act. In the event that the marriage between the above-named persons shall occur within 3 months after the entry of the said Charlotte Margarita Schmidt, the Attorney General is authorized and directed to record the lawful admission for permanent residence of the said Charlotte Margarita Schmidt as of the date of the payment by her of the required visa fee."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GIACOMO BARTOLO VANADIA

The Clerk called the bill (H. R. 2483) for the relief of Giacomo Bartolo Vanadia.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the 11th category of section 3 of the Immigration Act of 1917, as amended, Giacomo Bartolo Vanadia may be admitted to the United States for permanent residence if he is found otherwise admissible under the provisions of the immigration laws.

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following: "That, notwithstanding the provision of section 212 (a) (9) of the Immigration and Nationality Act, Giacomo Bartolo Vanadia may be admitted to the United States for permanent residence if he is found to be otherwise admissible under the provisions of that act: *Provided*, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice had knowledge prior to the enactment of this act."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ANGELITA HABERER

The Clerk called the bill (H. R. 2647) for the relief of Angelita Haberer.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of sections 4 (a) and 9 of the Immigration Act of 1924, as amended, the minor child, Angelita Haberer shall be held and considered to be the natural-born alien child of E. J. Haberer, a United States citizen.

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following: "That, for the purposes of the Immigration and Nationality Act, Angelita Haberer shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DR. PAUL KEUK CHANG

The Clerk called the bill (H. R. 2674) for the relief of Dr. Paul Keuk Chang.

There being no objection, the Clerk read the bill as follows:

Be it enacted, etc., That, for the purposes of the immigration and naturalization laws Dr. Paul Keuk Chang shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee and head tax. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

With the following committee amendments:

On page 1, lines 3 and 4, strike out "immigration and naturalization laws" and substitute "Immigration and Nationality Act."

On page 1, line 7, strike out the words "and head tax."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. CLAIRE GODREAU DAIGLE

The Clerk called the bill (H. R. 2794) for the relief of Mrs. Claire Godreau Daigle.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the provision of section 212 (a) (9) of the Immigration and Nationality Act, Mrs. Claire Godreau Daigle may be admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of that act: *Provided*, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice have knowledge prior to the enactment of this act.

With the following committee amendment:

On page 1, line 9, strike out the word "have" and substitute "had."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GERTRUD BABETTE KRAEUTTER

The Clerk called the bill (H. R. 2799) for the relief of Gertrud Babette Kraeutter.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the immigration and naturalization laws, Gertrud Babette Kraeutter shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee and head tax. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota officer to deduct one number from the appropriate quota for the first year that such quota is available.

With the following committee amendments:

On page 1, lines 3 and 4, strike out "immigration and naturalization laws" and substitute "Immigration and Nationality Act."

On page 1, lines 7 and 8, strike out the words "and head tax."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HILARIO CAMINO MONCADO

The Clerk called the bill (H. R. 2887) for the relief of Hilario Camino Moncado.

Mr. SMITH of Wisconsin. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

TOKUKO KOBAYASHI AND HER MINOR SON

The Clerk called the bill (H. R. 2901) for the relief of Tokuko Kobayashi, and her minor son.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, in the administration of the Immigration and Nationality Act, Tokuko Kobayashi, the fiancée of Ernest C. Fehlhaber, a citizen of the United States, and her minor son shall be eligible for visas as nonimmigrant temporary visitors for the period of 3 months: *Provided*, That the administrative authorities find that the said Tokuko Kobayashi is coming to the United States with a bona fide intention of being married to the said Ernest C. Fehlhaber and that she is found otherwise admissible under the immigration laws. In the event the marriage between the above-named persons does not occur within 3 months after the entry of the said Tokuko Kobayashi and her minor son, she and her minor son shall be required to depart from the United States and upon failure to do so shall be deported in accordance with the provisions of sections 241 and 242 of the Immigration and Nationality Act. In the event that the marriage between the above-named persons shall occur within 3 months after the entry of the said Tokuko Kobayashi and her minor son, the Attorney General is authorized and directed to record the lawful admission for permanent residence of the said Tokuko Kabayashi and her minor son as of the date of the payment by her of the required visa fees.

With the following committee amendment:

On page 2, line 6, strike out "241 and 242" and substitute "242 and 243."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SERGIO EMERIC

The Clerk called the bill (H. R. 3024) for the relief of Sergio Emeric.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the immigration and naturalization laws, Sergio Emeric shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee and head tax. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

With the following committee amendments:

On page 1, lines 3 and 4, strike out "immigration and naturalization laws" and substitute "Immigration and Nationality Act."

On page 1, line 7, strike out the words "and head tax."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ELIAS Y. RICHA

The Clerk called the bill (H. R. 3144) for the relief of Elias Y. Richa.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Elias Y. Richa shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LOUIE ELLA ATTAWAY

The Clerk called the bill (H. R. 3388) for the relief of Louie Ella Attaway.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child, Louie Ella Attaway, shall be held and considered to be the natural-born alien child of William R. Attaway, a citizen of the United States.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MARIA PACCIONE PICA

The Clerk called the bill (H. R. 3447) for the relief of Maria Paccione Pica.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child, Maria Paccione Pica, shall be held and considered to be the natural-born child of Mr. and Mrs. Vincent M. Pica, citizens of the United States.

With the following committee amendment:

On page 1, line 6, after the word "natural-born", insert the word "alien."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. ERNA ROSITA PONT

The Clerk called the bill (H. R. 3520) for the relief of Mrs. Erna Rosita Pont (formerly Erna Rosita Michel).

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the provision of section 212 (a) (9) of the Immigration and Nationality Act, Mrs. Erna Rosita Pont (formerly Erna Rosita Michel), the German wife of S. Sgt. Kenneth H. Pont, a citizen of the United States serving in the Armed Forces, may be admitted to the United States for permanent residence if she is found to be otherwise admissible under such act.

With the following committee amendment:

On page 1, line 9, after the word "act", change the period to a colon and add the following: "*Provided*, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice had knowledge prior to the enactment of this act."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PIMEN MAXIMOVITCH SOFRONOV

The Clerk called the bill (H. R. 3566) for the relief of Pimen Maximovitch Sofronov.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the immigration and naturalization laws, Pimen Maximovitch Sofronov shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee and head tax. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

With the following committee amendments:

On page 1, lines 3 and 4, strike out "immigration and naturalization laws" and substitute "Immigration and Nationality Act."

On page 1, line 7, strike out the word "and."

On page 1, line 8, strike out the words "head tax."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

INGE BECKMANN

The Clerk called the bill (H. R. 3750) for the relief of Inge Beckmann.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the provision of section 212 (a) (9) of the Immigration and Nationality Act, Inge Beckmann may be admitted to the United States for permanent residence if he is found to be otherwise admissible under the provisions of that act: *Provided*, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice have knowledge prior to the enactment of this act.

With the following committee amendments:

On page 1, line 6, strike out the word "he" and substitute "she."

On page 1, line 9, strike out the word "have" and substitute "had."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ROBERTO JOHNSON

The Clerk called the bill (H. R. 3874) for the relief of Roberto Johnson.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the immigration and naturalization laws, Roberto Johnson shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee and head tax. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

With the following committee amendments:

On page 1, lines 3 and 4, strike out "immigration and naturalization laws" and substitute "Immigration and Nationality Act."

On page 1, line 7, strike out the words "and head tax."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JORGE SOLE MASSANA

The Clerk called the bill (H. R. 4054) for the relief of Jorge Sole Massana.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the immigration and naturalization laws, Jorge Sole Massana, shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee and head tax. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the quota for Spain for the first year that said quota is available.

With the following committee amendments:

Page 1, line 3, strike out "immigration and naturalization laws" and insert "Immigration and Nationality Act."

Page 1, line 5, insert "and Montserrat Thomasa-Sanchez Massana."

Page 1, line 8, strike out "fee and head tax" and insert "fees."

Page 1, line 10, strike out "alien" and insert "aliens."

Page 2, line 1, strike out "one number" and insert "two numbers."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended so as to read: "A bill for the relief of Jorge Sole Massana and Montserrat Thomas-Sanchez Massana."

A motion to reconsider was laid on the table.

LOUISE RANK

The Clerk called the bill (H. R. 4437) for the relief of Louise Rank.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, in the administration of the Immigration and Nationality Act, Louise Rank, the fiancée of Alvin W. Pierce, a citizen of the United States, shall be eligible for a visa as a nonimmigrant, temporary visitor for a period of 3 months: *Provided*, That the administrative authorities find that the said Louise Rank is coming to the United States with a bona fide intention of being married to the said Alvin W. Pierce and that she is found otherwise admissible under the immigration laws, other than the provision of section 212 (a) (9) of the Immigration and Nationality Act: *Provided*, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice have knowledge prior to the enactment of this act. In the event the marriage between the above-named persons does not occur within 3 months after the entry of the said Louise Rank, she shall be required to depart from the United States and upon failure to do so shall be deported in accordance with the provisions of sections 241 and 242 of the Immigration and Nationality Act. In the event that the marriage between the above-named persons shall occur within 3 months after the entry of the said Louise Rank, the Attorney General is authorized and directed to record the lawful admission for permanent residence of the said Louise Rank as of the date of the payment by her of the required visa fee.

With the following committee amendments:

Page 2, line 4, strike out "have" and insert "had."

Page 2, line 4, strike out "241 and 242" and insert "242 and 243."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AUGUSTA OPPACHER BIALEK

The Clerk called the bill (H. R. 5119) for the relief of Augusta Oppacher Bialek.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the provisions of section 212 (a) (9) of the Immigration and Nationality Act, Augusta Oppacher Bialek, also known as Augusta O. Bialek, may be admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of that act: *Provided*, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice have knowledge prior to the enactment of this act.

With the following committee amendment:

Page 1, line 10, strike out "have" and insert "had."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JALAL ELAHI AND BATOOL ELAHI

The Clerk called the bill (H. R. 5193) for the relief of Dr. Jalal Elahi and Batool Elahi.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc, That, for the purposes of the Immigration and Nationality Act, Dr. Jalal Elahi and Batool Elaihi shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fees. Upon the granting of permanent residence to such aliens as provided for in this act, the Secretary of State shall instruct the proper quota officer to deduct two numbers from the appropriate quota for the first year that such quota is available.

With the following committee amendment:

Page 1, line 4, strike out "and Batool Elaihi."

Page 1, line 7, strike out "fees" and insert "fee."

Page 1, line 9, strike out "aliens" and insert "alien."

Page 1, line 10, strike out "two numbers" and insert "one number."

The amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended so as to read: "A bill for the relief of Dr. Jalal Elahi."

A motion to reconsider was laid on the table.

PAULINE KATZMANN

The Clerk called the bill (H. R. 5194) for the relief of Pauline Katzmann.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Pauline Katzmann shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such

alien as provided for in this act, the Secretary of State shall instruct the proper quota officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HENRY SCHOR ET AL.

The Clerk called the bill (H. R. 5319) for the relief of Henry (also known as Heinrich) Schor, Sally (also known as Sali) Schor, and Gita (also known as Gitta Aviva) Schor.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Henry (also known as Heinrich) Schor, Sally (also known as Sali) Schor, and Gita (also known as Gitta Aviva) Schor shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fees. Upon the granting of permanent residence to such aliens as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct three numbers from the appropriate quota for the first year such quota is available.

With the following committee amendment:

Page 1, line 9, insert ": *Provided*, That in the case of Gita (also known as Gitta Aviva) Schor, a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the said act."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BOB KAN

The Clerk called the bill (H. R. 5344) for the relief of Bob Kan.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, in the administration of the immigration and naturalization laws, the alien, Bob Kan, shall be considered to have lawfully entered the United States for permanent residence on March 16, 1948, the date of his actual entry into the United States, upon payment by him of visa fees and head tax.

SEC. 2. Upon the enactment of this act the Secretary of State shall instruct the proper quota-control officer to deduct one number from the Chinese racial quota for the first year that such quota is available.

With the following committee amendment:

Strike out all after the enacting clause and insert "That, for the purposes of the Immigration and Nationality Act, Bob Kan and Fourere Kan shall be held and considered to have been admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fees. Upon the granting of permanent residence to such aliens as provided for in this act, the Secretary of State shall instruct the proper quota officer to deduct two numbers from the appropriate quota for the first year that such quota is available."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. GRAHAM. Mr. Speaker, I offer an amendment to the title.

The Clerk read as follows:

Amendment offered by Mr. GRAHAM: "Amend the title so as to read: 'For the relief of Bob Kan and Fourere Kan'."

The amendment was agreed to, and a motion to reconsider was laid on the table.

TAKEKO ISHIKI

The Clerk called the bill (H. R. 5459) for the relief of Takeko Ishiki.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child, Takeko Ishiki, shall be held and considered to be the natural-born alien child of T. Sgt. Fred Wyatt, a citizen of the United States.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MARIA TERESA LUBIATO

The Clerk called the bill (H. R. 5749) for the relief of Maria Teresa Lubiato.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child, Maria Teresa Lubiato, shall be held and considered to be the natural-born alien child of Mr. and Mrs. Erminio Lubiato, citizens of the United States.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SUREN PELENGHIAN

The Clerk called the bill (H. R. 5762) for the relief of Suren Pelenghian.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Suren Pelenghian shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BORIS IVANOVITCH OBLESOW

The Clerk called the bill (H. R. 5841) for the relief of Boris Ivanovitch Oblesow.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Boris Ivanovitch Oblesow shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FRANK ROBERT GAGE

The Clerk called the bill (H. R. 6266) for the relief of Frank Robert Gage.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child, Frank Robert Gage (Franz Fihn), shall be held and considered to be the natural-born alien child of Guy Glen Gage and Mrs. Elizabeth Lackron Gage, citizens of the United States.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ORLANDO LUCARINI

The Clerk called the bill (H. R. 6324) for the relief of Orlando Lucarini.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Orlando Lucarini shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ELENA SCARPETTI SAVELLI

The Clerk called the bill (H. R. 6355) for the relief of Elena Scarpetti Savelli.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the provision of section 212 (a) (9) of the Immigration and Nationality Act, Elena Scarpetti Savelli may be admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of that act: *Provided*, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice had knowledge prior to the enactment of this act.

The bill was ordered to be engrossed and read a third time, was read the third

time, and passed, and a motion to reconsider was laid on the table.

NOBU NOGAWA NITTA

The Clerk called the bill (H. R. 6367) for the relief of Nobu Nogawa Nitta.

There being no objection, the Clerk read the bill, as follows:

Be it enacted etc., That, for the purposes of the immigration and naturalization laws, Nobu Nogawa Nitta, mother of 4 American-born children, shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee and head tax. Upon granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

With the following committee amendments:

Page 1, line 3, strike out "immigration and naturalization laws" and insert "Immigration and Nationality Act."

Page 1, line 8, strike out "and head tax."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

TAMIKO FUJIWARA

The Clerk called the bill (H. R. 6442) for the relief of Tamiko Fujiwara.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, in the administration of the Immigration and Nationality Act, Tamiko Fujiwara, the fiancé of William E. LaBore, a citizen of the United States, shall be eligible for a visa as a nonimmigrant temporary visitor for a period of 3 months: *Provided*, That the administrative authorities find that the said Tamiko Fujiwara is coming to the United States with a bona fide intention of being married to the said William E. LaBore and that she is found otherwise admissible under the immigration laws. In the event the marriage between the above-named persons does not occur within 3 months after the entry of the said Tamiko Fujiwara, she shall be required to depart from the United States and upon failure to do so shall be deported in accordance with the provisions of sections 241 and 242 of the Immigration and Nationality Act. In the event that the marriage between the above-named persons shall occur within 3 months after the entry of the said Tamiko Fujiwara, the Attorney General is authorized and directed to record the lawful admission for permanent residence of the said Tamiko Fujiwara as of the date of the payment by her of the required visa fee.

With the following committee amendment:

Page 2, line 5, strike out "241 and 242" and insert "242 and 243."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

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ELFRIEDE LINA ROSER

The Clerk called the bill (H. R. 6498) for the relief of Elfriede Lina Roser.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the provision of section 212 (a) (9) of the Immigration and Nationality Act, Elfriede Lina Roser, may be admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of that act: *Provided*, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice have knowledge prior to the enactment of this act.

With the following committee amendment:

Page 1, line 5, strike out "Roser" and insert "Avitable, nee Roser."

Page 1, line 10, strike out "have" and insert "had."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended so as to read: "A bill for the relief of Elfriede Lina Avitable, nee Roser."

A motion to reconsider was laid on the table.

MRS. EFTHEMIA SOTERALIS

The Clerk called the bill (H. R. 6858) for the relief of Mrs. Efthemia Soteralis.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Mrs. Efthemia Soteralis shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. ANNA J. WEIGLE

The Clerk called the bill (H. R. 7033) for the relief of Mrs. Anna J. Weigle.

There being no objection the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the provision of section 212 (a) (9) of the Immigration and Nationality Act, Mrs. Anna J. Weigle may be admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of that act: *Provided*, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice has knowledge prior to the enactment of this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MAZAL KOLMAN

The Clerk called the bill (H. R. 7151) for the relief of Mazal Kolman.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That for the purposes of the Immigration and Nationality Act, Mazal Kolman shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

With the following committee amendment:

Page 1, line 7, after the words "visa fee," strike out the remainder of the bill.

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ASTOR VERGATA

The Clerk called the bill (H. R. 7217) for the relief of Astor Vergata.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That Astor Vergata, who lost United States citizenship under the provisions of section 401 (e) of the Nationality Act of 1940, may be naturalized by taking prior to 1 year after the effective date of this act, before any court referred to in subsection (a) of section 3100 of the Immigration and Nationality Act or before any diplomatic or consular officer of the United States abroad, the oaths prescribed by section 337 of the said act. From and after naturalization under this act, the said Astor Vergata shall have the same citizen status as that which existed immediately prior to its loss.

With the following committee amendment:

On page 1, line 10, strike out the period after the word "act" and insert the following: ": *Provided*, That he shall first take an oath that he has done nothing to promote the cause of communism."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CHRISTINE SUSAN CAIADO

The Clerk called the bill (H. R. 7228) for the relief of Christine Susan Caiado.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the provision of section 212 (a) (4) of the Immigration and Nationality Act, Christine Susan Caiado may be admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of that act: *Provided*, That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the said act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MISS MARTHA KANTELBERG

The Clerk called the bill (H. R. 7245) for the relief of Miss Martha Kantelberg.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the provision of section 212 (a) (9) of the Immigration and Nationality Act, Martha Kantelberg may be admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of that act: *Provided*, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice has knowledge prior to the enactment of this act.

With the following committee amendment:

On page 1, at the end of line 10, change the period to a colon and add the following: "*Provided further*, That her marriage to her United States citizen fiance, Sgt. Arthur S. Ferreira, takes place within 6 months after the enactment of this act."

The committee amendment was agreed to:

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. ELFRIEDE MAJKA GRIFASI

The Clerk called the bill (H. R. 7246) for the relief of Mrs. Elfriede Majka Grifasi.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the provision of section 212 (a) (9) of the Immigration and Nationality Act, Mrs. Elfriede Majka Grifasi may be admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of that act.

With the following committee amendment:

On page 1, at the end of line 7, change the period to a colon and add the following: "*Provided*, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice had knowledge prior to the enactment of this act."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ROSA MARIA VOLLMER

The Clerk called the bill (H. R. 7262) for the relief of Rosa Maria Vollmer.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the provision of section 212 (a) (12) of the Immigration and Nationality Act, Rosa Maria Vollmer may be admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of that act: *Provided*, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice have knowledge prior to the enactment of this act.

With the following committee amendments:

On page 1, line 3, strike out the word "provision" and substitute "provisions."

On page 1, line 3, after the citation "section 212 (a)" insert "(9) and."

On page 1, line 4, strike out the name "Vollmer" and substitute "Phillips, nee Vollmer."

On page 1, line 9, strike out the word "have" and substitute "had."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended so as to read: "A bill for the relief of Rosa Maria Phillips, nee Vollmer."

A motion to reconsider was laid on the table.

HILDEGART LISELOTTE BUDESHEIM AND HER MINOR CHILD

The Clerk called the bill (H. R. 7343) for the relief of Hildegart Liselotte Budesheim and her minor child.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in the administration of the Immigration and Nationality Act, Hildegart Liselotte Budesheim, the German fiancé of Sgt. Lawrence E. Cooke, a citizen of the United States serving in the Armed Forces, and her minor child Lawrence Hans Joachim Hahn, shall be eligible for visas as nonimmigrant temporary visitors for a period of 3 months: *Provided*, That the administrative authorities find that the said Hildegart Liselotte Budesheim is coming to the United States with a bona fide intention of being married to the said Sgt. Lawrence E. Cooke and that she and such child are otherwise admissible under the immigration laws. In the event that the marriage between the above-named parties does not occur within 3 months after the entry of the said Hildegart Liselotte Budesheim and such child, they shall be required to depart from the United States and upon failure to do so shall be deported in accordance with the provisions of sections 241 and 242 of the Immigration and Nationality Act. In the event that the marriage between the above-named parties shall occur within 3 months after the entry of the said Hildegart Liselotte Budesheim and such child, the Attorney General is authorized and directed to record their lawful admission for permanent residence as of the date of the payment by them of the required visa fees.

With the following committee amendment:

On page 2, line 8, strike out "241 and 242" and substitute "242 and 243."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. SONJA RIES KOCK

The Clerk called the bill (H. R. 7352) for the relief of Mrs. Sonja Ries Kock.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the provision of section 212 (a) (9) of the Immigration and Nationality Act, Mrs. Sonja Ries Kock may be admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of that act: *Provided*, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice had knowledge prior to the enactment of this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. ANITA SCAVONE

The Clerk called the bill (H. R. 7579) for the relief of Mrs. Anita Scavone.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the provision of section 212 (a) (9) of the Immigration and Nationality Act, Mrs. Anita Scavone may be admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of that act: *Provided*, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice have knowledge prior to the enactment of this act.

With the following committee amendment:

On page 1, line 9, strike out the word "have" and substitute "had."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GAETANO CONTI

The Clerk called the bill (H. R. 7581) for the relief of Gaetano Conti.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the provision of section 212 (a) (9) of the Immigration and Nationality Act, Gaetano Conti may be admitted to the United States for permanent residence if he is found to be otherwise admissible under the provisions of that act.

With the following committee amendment:

On page 1, line 7, after the word "act", change the period to a colon and add the following: "*Provided*, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice had knowledge prior to the enactment of this act."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MARIANA GEORGE LOIZOS KELLIS

The Clerk called the bill (H. R. 7828) for the relief of Mariana George Loizos Kellis.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Mariana George Loizos Kellis shall be held and considered to have been lawfully admitted to the United States for permanent

residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SHIMASOI MICHIKO

The Clerk called the bill (H. R. 7829) for the relief of Shimasoi Michiko.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, in the administration of the Immigration and Nationality Act, Shimasoi Michiko, the fiancée of Joseph Lynn Fakes, a citizen of the United States, shall be eligible for a visa as a nonimmigrant temporary visitor for a period of three months: *Provided*, That the administrative authorities find that the said Shimasoi Michiko is coming to the United States with a bona fide intention of being married to the said Joseph Lynn Fakes and that she is found otherwise admissible under the immigration laws. In the event the marriage between the above-named persons does not occur within three months after the entry of the said Shimasoi Michiko, she shall be required to depart from the United States and upon failure to do so shall be deported in accordance with the provisions of sections 242 and 243 of the Immigration and Nationality Act. In the event that the marriage between the above-named persons shall occur within three months after the entry of the said Shimasoi Michiko, the Attorney General is authorized and directed to record the lawful admission for permanent residence of the said Shimasoi Michiko as of the date of the payment by her of the required visa fee.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ERIKA SCHNEIDER BUONASERA

The Clerk called the bill (H. R. 7834) for the relief of Erika Schneider Buonasera.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the provision of section 212 (a) (9) of the Immigration and Nationality Act, Erika Schneider Buonasera may be admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of that act: *Provided*, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice have knowledge prior to the enactment of this act.

With the following committee amendment:

On page 1, line 9, strike out the word "have" and substitute "had."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SOHAN SINGH RAI AND JOGINDAR KAUR RAI

The Clerk called the bill (H. R. 7885) for the relief of Sohan Singh Rai and Jogindar Kaur Rai.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Sohan Singh Rai and Jogindar Kaur Rai shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fees. Upon the granting of permanent residence to such aliens as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct two numbers from the appropriate quota for the first year that such quota is available.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MISS MARTHA HEUSCHELE

The Clerk called the bill (H. R. 7983) for the relief of Miss Martha Heuschele.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the provision of section 212 (a) (9) of the Immigration and Nationality Act, Martha Heuschele may be admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of that act: *Provided*, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice has knowledge prior to the enactment of this act.

With the following committee amendment:

On page 1, line 10, after the word "act", change the period to a colon and add the following: "*Provided further*, That her marriage to her United States citizen fiance, Sgt. Manuel J. Fonseca, Jr., takes place within 6 months after the enactment of this act."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. GERTRUD ECKERL STRICKLAND

The Clerk called the bill (H. R. 8066) for the relief of Mrs. Gertrud Eckerl Strickland.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the provision of section 212 (a) (6) of the Immigration and Nationality Act, Mrs. Gertrud Eckerl Strickland may be admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of that act: *Provided*, That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the said act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ELFRIEDE IDA GEISSLER

The Clerk called the bill (H. R. 8183) for the relief of Elfriede Ida Geissler.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, in the administration of the Immigration and Nationality Act, Elfriede Ida Geissler, the fiancé of Sfc. Herman I. Price, a citizen of the United States, shall be eligible for a visa as a nonimmigrant temporary visitor for a period of 3 months: *Provided*, That the administrative authorities find that the said Elfriede Ida Geissler is coming to the United States with a bona fide intention of being married to the said Sfc. Herman I. Price and that she is found admissible under all provisions of the Immigration and Nationality Act, other than section 212 (a) (9): *Provided further*, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice had knowledge prior to the enactment of this act.

In the event the marriage between the above-named persons does not occur within 3 months after the entry of the said Elfriede Ida Geissler, she shall be required to depart from the United States and upon failure to do so shall be deported in accordance with the provisions of sections 242 and 243 of the Immigration and Nationality Act. In the event that the marriage between the above-named persons shall occur within 3 months after the entry of the said Elfriede Ida Geissler, the Attorney General is authorized and directed to record the lawful admission for permanent residence of the said Elfriede Ida Geissler as of the date of the payment by her of the required visa fee.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ILSE RADLER HUGHES

The Clerk called the bill (H. R. 8375) for the relief of Ilse Radler Hughes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the provision of section 212 (a) (9) of the Immigration and Nationality Act, Ilse Radler Hughes may be admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of that act: *Provided*, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice have knowledge prior to the enactment of this act.

With the following committee amendment:

On page 1, line 9, after the word "Justice", strike out "have" and substitute "had."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SIGRID BRINKHOFF

The Clerk called the bill (H. R. 8413) for the relief of Sigrid Brinkhoff.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Sigrid Brinkhoff shall be held and considered to have been lawfully admitted to the United States for permanent residence as of

the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. ELSE JOHNSON

The Clerk called the bill (H. R. 8424) for the relief of Mrs. Else Johnson.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the provision of section 212 (a) (9) of the Immigration and Nationality Act, Mrs. Else Johnson may be admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of that act: *Provided*, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice have knowledge prior to the enactment of this act.

With the following committee amendment:

On page 1, line 9, after the word "Justice", strike out "have" and substitute "had."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ROSE MARY KESER

The Clerk called the bill (H. R. 9103) for the relief of Rose Mary Keser.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the provision of section 212 (a) (9) Rose Mary Keser may be admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of that act: *Provided*, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice had knowledge prior to the enactment of this act.

Mr. GRAHAM. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. GRAHAM: Page 1, at the end of line 3, insert "of the Immigration and Nationality Act."

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SALE OF CERTAIN LAND IN ALASKA TO LLOYD H. TURNER, OF WARDS COVE, ALASKA

The Clerk called the bill (H. R. 2015) to authorize the sale of certain land in Alaska to Lloyd H. Turner, of Wards Cove, Alaska.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That Lloyd H. Turner, of Wards Cove, Alaska, is hereby authorized for a period of 1 year from and after the effective date of this act to apply for the purchase of, and the Secretary of the Interior is hereby authorized and directed to convey to said Lloyd H. Turner, for use as a trade and manufacturing site, the following-described land situated in Alaska: Triangular tract beginning at corner numbered 4 of United States Survey Numbered 2632; thence north forty-three degrees no minutes west two and seventy-two one-hundredths chains; thence south seventy-nine degrees ten minutes east one chain; thence south twenty-five degrees fifty-one minutes east one and ninety-nine one-hundredths chains back to the point of beginning in Tongass National Forest and adjacent to United States Survey Numbered 2632, containing eight one-hundredths acre.

SEC. 2. That the conveyance shall be made upon the payment by said Lloyd H. Turner for the land at its reasonable appraised price of not less than $1.25 per acre, to be fixed by the Secretary of the Interior: *Provided*, That the conveyance hereby authorized shall not include any land covered by a valid existing right initiated under the public land laws: *Provided further*, That the coal and other mineral deposits in the land shall be reserved to the United States, together with the right to prospect for, mine, and remove the same under applicable laws and regulations to be prescribed by the Secretary of the Interior.

With the following committee amendment:

Page 2, line 7, strike out all of section 2 and insert the following:

"SEC. 2. The lands shall be sold to the said Lloyd H. Turner at the reasonable appraised price to be fixed by the Secretary of the Interior, plus the cost of survey. The conveyance shall be made only if the said Lloyd H. Turner makes the total payment due within 5 years after notification by the Secretary of the amount due: *Provided*, That the conveyance hereby authorized shall not include any land covered by a valid existing right initiated under the public land laws and shall be subject to the rights of owners of existing improvements located on the lands described in section 1 hereof under special use permits of the Forest Service to maintain such improvements thereon in accordance with the terms of such use permits."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CONVEYANCE TO T. M. PRATT AND ANNITA C. PRATT OF CERTAIN REAL PROPERTY IN STEVENS COUNTY, WASH.

The Clerk called the bill (H. R. 7229) to provide for the conveyance to T. M. Pratt and Annita C. Pratt of certain real property in Stevens County, Wash.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior is authorized and directed to donate and convey to T. M. Pratt and his wife, Annita C. Pratt, Kettle Falls, Wash., all of the right, title, and interest of the United States in and to certain real property situated in Stevens County, Wash. Such property, which by error was conveyed to the United States in 1938 pursuant to land purchase contract 136r–910 and which has since been purchased from the former owners in good faith by the said T. M. Pratt and Annita C. Pratt, is more particularly described as follows:

Commencing at the southeast corner of the northeast quarter of the southwest quarter of section 2, township 35 north, of range 37, East Willamette meridian; running thence north five hundred sixty-two and four-tenths feet; thence west one thousand four hundred sixty-six and five-tenths feet to the true point of beginning; from said point of beginning, running thence east five hundred twenty-eight and eight-tenths feet; thence north sixty-four degrees twenty-two minutes west five hundred forty-five and eight-tenths feet; thence south seven degrees two minutes west two hundred fifty-one and six-tenths feet to the point of beginning, being a triangular strip containing one and five-tenths acres.

With the following committee amendment:

Page 2, strike out line 2 and lines 3 to 15, inclusive and insert the following: "the following-described tract of land lying easterly of the easterly right-of-way line of Relocated Primary State Highway No. 22:

"Commencing at the southeast corner of the northeast quarter of the southwest quarter of section 2, township 35 north, range 37 east, Willamette meridian; running thence north five hundred sixty-two and four-tenths feet; thence west one thousand four hundred sixty-six and five-tenths feet to the true point of beginning; from said point of beginning, running thence east five hundred twenty-eight and eight-tenths feet; thence north sixty-four degrees twenty-two minutes west five hundred forty-five and eight-tenths feet; thence south seven degrees two minutes west two hundred fifty-one and six-tenths feet to the point of beginning, containing one and five hundred fifteen one-thousandths acres."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

E. S. BERNEY

The Clerk called the bill (S. 46) for the relief of E. S. Berney.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to E. S. Berney, of Fallon, Nev., the sum of $12,000, in full satisfaction of his claim against the United States for damages sustained by him as a result of representations made to him, on or about August 1943, by responsible officers of the Department of the Navy to the effect that the Navy would take over his ranches to be used as part of a bombing range on or before October 1, 1943, with the result that he moved or sold his cattle and other property at a loss, when, in fact, the Navy did not enter on such ranches until April 10, 1944, and for which losses he has never been compensated since the ranches were considered abandoned property in fixing compensation in the condemnation proceedings which followed: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 6, strike out "$12,000" and insert "$4,750."

The committee amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PAUL E. ROCKE

The Clerk called the bill (S. 1165) for the relief of Paul E. Rocke.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay out of any money in the Treasury not otherwise appropriated, to Paul E. Rocke, Warren, Ohio, the sum of $373. The payment of such sum shall be in full settlement of all claims of the said Paul E. Rocke against the United States for property damage sustained on May 3, 1946, when an Army reconnaissance car, driven by a soldier who was using such car without authority, ran into the automobile of the said Paul E. Rocke which was properly parked on Market Street, Warren, Ohio: *Provided*, That no part of the amount appropriated by this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ALTON BRAMER

The Clerk called the bill (S. 1634) for the relief of Alton Bramer.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Alton Bramer, Grand Portage, Minn., a forest guard in the employ of the Bureau of Indian Affairs, Consolidated Chippewa Agency, Cass Lake, Minn., the sum of $2,768.90. Such sum represents the value of certain personal property owned by the said Alton Bramer and lost on February 5, 1947, when the Grand Portage ranger cottage and office, Grand Portage, Minn., occupied by the said Alton Bramer was destroyed by fire originating from an undetermined cause: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in conection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HERBERT ROSCOE MARTIN

The Clerk called the bill (H. R. 1157) for the relief of Herbert Roscoe Martin.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Herbert Roscoe Martin, of Los Angeles, Calif., the sum of $7,167.15. The payment of such sum shall be in full setlement of all claims of the said Herbert Roscoe Martin against the United States arising out of injuries sustained by him in a cable car wreck at Schofield Barracks, Hawaii, on July 1, 1940, while he was engaged in working on the post rock crusher: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

Page 1, line 6, strike out "$7,167.15" and insert "$560.64."

Page 1, line 8, strike out "arising out of injuries sustained by him in a cable car wreck at Schofield Barracks, Hawaii, on July 1, 1940, while he was engaged in working on the post rock crusher," and insert "as reimbursement of hospital and medical expenses paid by him as a result of an accident, while engaged in working on the post rock crusher at Schofield Barracks, Hawaii, on July 1, 1940: *Provided*."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EWING CHOAT

The Clerk called the bill (H. R. 1701) for the relief of Ewing Choat.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Ewing Choat, Guntersville, Ala., the sum of $5,000. The payment of such sum shall be in full settlement of all claims of the said Ewing Choat against the United States on account of personal injuries (resulting in permanent partial disability) sustained by him on October 27, 1945, while he was working on an honor prison farm as an inmate of the United States Penitentiary, Atlanta, Ga.: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PAUL NELSON

The Clerk called the bill (H. R. 3237) for the relief of Paul Nelson.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Paul Nelson, Worcester, Mass., the sum of $15,000. The payment of such sum shall be in full settlement of all claims of the said Paul Nelson against the United States arising out of personal injuries sustained by him in Worcester on September 21, 1948, when he was assaulted by an enlisted man of the Army; such soldier was not acting within the scope of his employment: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 6, strike out "$15,000" and insert "$5,000."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JOHN G. ZEROS

The Clerk called the bill (H. R. 4185) for the relief of John G. Zeros.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $500 to John G. Zeros, of 1435 Harrod Avenue, Bronx, N. Y., in full settlement of all claims against the United States as reimbursement for bond posted for his brother-in-law Michael P. Costopoulos, in February 1948: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MARY ROSE

The Clerk called the bill (H. R. 5807) for the relief of Mary Rose.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Mary Rose, McAlester, Okla., the sum of $10,000. The payment of such sum shall be in full settlement of all claims of the said Mary Rose against the United States for payment of the proceeds of the United States Government insurance (K-662766) issued to her brother, the late Donald Little Rose (Veterans' Administration claim No. XC-880119): *Provided*, That no part of the amount appropriated in this act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any

contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

Page 1, line 6, strike out "$10,000" and insert "$4,000, and to pay the sum of $6,000 to Mrs. Alcie Rose Spittler, of San Bernardino, Calif."

Page 1, line 8, strike out the words "of the said Mary Rose."

Page 1, line 11, strike out the words "her brother."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended so as to read: "A bill for the relief of Mary Rose and Mrs. Alcie Rose Spittler."

A motion to reconsider was laid on the table.

RODERICK D. STRAWN

The Clerk called the bill (H. R. 5870) conferring jurisdiction upon the United States District Court for the Eastern District of South Carolina, to hear, determine, and render judgment upon certain claims of Roderick D. Strawn.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That jurisdiction is hereby conferred upon the United States District Court for the Eastern District of South Carolina to hear, determine, and render judgment upon the claim of Roderick D. Strawn, Ocean Drive Beach, S. C., against the United States arising when he is alleged to have been kicked by a chief petty officer of the United States Navy while assigned to duty at the United States Navy Training Center, San Diego, Calif., during the month of August 1952.

SEC. 2. Suit upon such claim may be instituted at any time within 1 year after the date of the enactment of this act, notwithstanding any lapse of time or any statute of limitations; and proceedings for the determination of such claims shall be in the same manner as in the case of actions regularly filed under the provisions of section 1346 (b) of title 28 of the United States Code, except that the provisions of section 2680 (h) of title 28 of the United States Code shall not be applicable.

With the following committee amendment:

Page 2, line 12, insert "The enactment of this act is not an inference of liability on the part of the United States."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MR. AND MRS. DONALD D. PARRISH

The Clerk called the bill (H. R. 6526) conferring jurisdiction upon the United States District Court for the Eastern District of Michigan to hear, determine, and render judgment upon certain claims of Mr. and Mrs. Donald D. Parrish.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That jurisdiction is hereby conferred upon the United States District Court for the Eastern District of Michigan to hear, determine, and render judgment upon the claims of Mr. and Mrs. Donald D. Parrish against the United States arising out of injuries sustained by Mrs. Donald D. Parrish on April 1, 1952, when she was a passenger in a United States Air Force staff car which was involved in an accident with a commercial bus near Florence, Italy.

SEC. 2. In the determination of such claims, the United States shall be liable to the same extent as if the United States were a private person, and as if such accident had occurred in the State of Michigan.

SEC. 3. Suit upon such claims may be instituted at any time within 1 year after the date of enactment of this act, notwithstanding the lapse of time or any statute of limitations. Proceedings for the determination of such claims shall be in the same manner as in the case of actions regularly filed under the provisions of section 1346 (b) of title 28 of the United States Code.

With the following committee amendment:

Page 2, line 14, insert "The enactment of this act is not an inference of liability on the part of the United States."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

J. B. PHIPPS

The Clerk called the bill (H. R. 6697) for the relief of J. B. Phipps.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $10,000, to J. B. Phipps, of Columbia, S. C., in full settlement of all claims against the United States for personal injuries, together with all expenses incident thereto sustained as a result of an accident involving a United States Air Force plane at Woodward Field, Camden, S. C., on February 18, 1944: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

H. W. ROBINSON & CO., INC.

The Clerk called the bill (H. R. 7093) for the relief of H. W. Robinson & Co.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to H. W. Robinson & Co., Inc., of New York, N. Y., the sum of $823.13. The payment of such sum shall be in full settlement of all claims of such company against the United States for reimbursement of excessive duties (representing estimated duties deposited with the Collector of Customs on or about July 14, 1949, in connection with New York customs entry No. 703501) paid by such company as a result of a clerical error in failing to note that certain woven fabrics imported by such company had been immediately exported: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdeameanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

S. H. PRATHER

The Clerk called the bill (H. R. 9357) for the relief of S. H. Prather.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to S. H. Prather, Americus, Georgia, the sum of $10,000. The payment of such sum shall be in settlement of all the claims of said S. H. Prather against the United States for property damage and personal injury damages sustained by S. H. Prather, together with all hospital and medical bills incurred by said S. H. Prather arising out of a collision which occurred on August 6, 1935, when an automobile in which the said S. H. Prather, his wife, his minor daughter, Florence Prather, and his minor son, S. H. Prather, Jr., were lawfully traveling in a lawful manner upon and over a certain public street and highway in the city of Quitman, Ga., was struck by an automobile driven upon, and into said public street and highway, by one Howard Hart at the rate of at least 60 miles per hour, the said Howard Hart being at the time pursued by an officer of the Bureau of Internal Revenue for the purpose of overtaking Howard Hart and making a search of the automobile driven by Howard Hart for illegal liquors, and thereby demolishing the automobile of S. H. Prather and inflicting personal injuries to S. H. Prather consisting of a fractured collar bone, body contusions, and a brain concussion; severe shock and body contusions upon the wife of S. H. Prather; body contusions, a sprained back and broken rib being thereby sustained by S. H. Prather, Jr., and the said daughter, Florence Prather, thereby sustaining a broken shoulder and a fractured skull: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of service rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

Page 1, line 6, strike out "$10,000" and insert in lieu thereof the following: "$5,000; to pay Mrs. Florence Prather Penman the sum of $2,000, and to pay S. H. Prather, Jr., the sum of $1,000."

Page 1, line 6, after the word "such", change the word "sum" to "sums."

Page 1, line 7, after the word "claims", strike out "of said S. H. Prather."

Page 1, line 9, strike out "S. H. Prather" and insert in lieu thereof "them."

Page 1, line 10, strike out "S. H. Prather" and insert in lieu thereof "them."

Page 2, line 2, after the comma following the word "wife", strike out "his minor."

Page 2, line 2, after the comma following the name "Prather", insert "(now Mrs. Arthur Penman)."

Page 2, line 2, at the end of the line strike out the word "minor."

Page 2, line 18, after the comma following the name "Prather", insert "(now Mrs. Arthur Penman)."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended so as to read: "A bill for the relief of S. H. Prather, Mrs. Florence Prather Penman, S. H. Prather, Jr."

A motion to reconsider was laid on the table.

JENO CSEPLO

The Clerk called the bill (S. 233) for the relief of Jeno Cseplo.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Jeno Cseplo shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JOSEPH DI PASQUALE

The Clerk called the bill (S. 431) for the relief of Joseph Di Pasquale.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the provisions of section 212 (a) 9 of the Immigration and Nationality Act, Joseph Di Pasquale may be admitted to the United States for permanent residence if he is found to be otherwise admissible under the provisions of such act: *Provided*, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice have knowledge prior to the enactment of this act.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JOHN DOYLE MOCLAIR

The Clerk called the bill (S. 670) for the relief of John Doyle Moclair.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the provisions of section 212 (a) (9) of the Immigration and Nationality Act, John Doyle Moclair may be admitted to the United States for permanent residence if he is found to be otherwise admissible under the provisions of such act: *Provided*, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice have knowledge prior to the enactment of this act.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MONA LISBET KOFOED NICOLAISEN ET AL.

The Clerk called the bill (S. 946) for the relief of Mona Lisbet Kofoed Nicolaisen, Leif Martin Borglum Nicolaisen, and Ian Alan Kofoed Nicolaisen.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Mona Lisbet Kofoed Nicolaisen, Leif Martin Borglum Nicolaisen, and Ian Alan Kofoed Nicolaisen shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fees. Upon the granting of permanent residence to such aliens as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct three numbers from the appropriate quota for the first year that such quota is available.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MARK VAINER

The Clerk called the bill (S. 914) for the relief of Mark Vainer.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Mark Vainer shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee: *Provided*, That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the said act.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

APOSTOLOS SAVVAS VASSILIADIS

The Clerk called the bill (S. 992) for the relief of Apostolos Savvas Vassiliadis.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Apostolos Savvas Vassiliadis shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

STAYKA PETROVICH (STAJKA PETROVIC)

The Clerk called the bill (S. 1158) for the relief of Stayka Petrovich (Stajka Petrovic).

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Stayka Petrovich (Stajka Petrovic) shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MICHAJLO DZIECZKO

The Clerk called the bill (S. 1321) for the relief of Michajlo Dzieczko.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Michajlo Dzieczko shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon the payment of the required visa fee.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ANDRE STYKA

The Clerk called the bill (S. 1520) for the relief of Andre Styka.

There being no objection, the Clerk read the bill as follows:

Be it enacted, etc., That for the purposes of the Immigration and Nationality Act, Andre Styka shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. ROBERT LEE SLAUGHTER, NEE ELISA ORTIZ ORAT

The Clerk called the bill (S. 1609) for the relief of Mrs. Robert Lee Slaughter, nee Elisa Ortiz Orat.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Mrs. Robert Lee Slaughter, nee Elisa Ortiz Orat, shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the

enactment of this act, upon payment of the required visa fee.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SISTER ANTONELLA MARIE GUTTERRES (THEREZA MARIA GUTTERRES)

The Clerk called the bill (S. 1858) for the relief of Sister Antonella Marie Gutterres (Thereza Maria Gutterres).

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Sister Antonella Marie Gutterres (Thereza Maria Gutterres) shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DR. TAKEO TAKANO

The Clerk called the bill (S. 1883) for the relief of Dr. Takeo Takano.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That Dr. Takeo Takano, who lost United States citizenship under the provisions of section 401 (d) of the Nationality Act of 1940, may be naturalized by taking, prior to 1 year after the date of enactment of this act, before any court referred to in subsection (a) of section 310 of the Immigration and Nationality Act or before any diplomatic or consular officer of the United States abroad, an oath as prescribed by section 337 of such act. From and after naturalization under this act, the said Dr. Takeo Takano shall have the same citizenship status as that which existed immediately prior to its loss.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MARGOT GOLDSCHMIDT

The Clerk called the bill (S. 1889) for the relief of Margot Goldschmidt.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Margot Goldschmidt shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota officer to deduct one number from the appropriate quota for the first year that such quota is available: *Provided*, That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the said act.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

THERESA ELIZABETH LEVENTER

The Clerk called the bill (S. 1902) for the relief of Theresa Elizabeth Leventer.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Theresa Elizabeth Leventer shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ANTHONY BENITO ESTELLA, NATIVIDAD ESTELLA, ANTONIO JUAN ESTELLA, AND VIRGINIA ARACELI ESTELLA

The Clerk called the bill (S. 2067) for the relief of Anthony Benito Estella, Natividad Estella, Antonio Juan Estella, and Virginia Araceli Estella.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Anthony Benito Estella, Natividad Estella, Antonio Juan Estella, and Virginia Araceli Estella shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act upon payment of the required visa fees. Upon the granting of permanent residence to such aliens as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct the required numbers from the appropriate quota for the first year that such quota is available.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LUCIA MEZILGOGLOU

The Clerk called the bill (S. 2222) for the relief of Lucia Mezilgoglou.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Lucia Mezilgoglou shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GEORGE SCHEER, MAGDA SCHEER, MARIE SCHEER, THOMAS SCHEER, AND JUDITH SCHEER

The Clerk called the bill (S. 2287) for the relief of George Scheer, Magda Scheer, Marie Scheer, Thomas Scheer, and Judith Scheer.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, George Scheer, Magda Scheer, Marie Scheer, Thomas Scheer, and Judith Scheer shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fees. Upon the granting of permanent residence to such aliens as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct the required numbers from the appropriate quota or quotas for the first year that such quota or quotas are available.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ANDREJA GLUSIC

The Clerk called the bill (S. 3433) for the relief of Andreja Glusic.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of sections 203 (a) (3) and 205 of the Immigration and Nationality Act, Andreja Glusic shall be held and considered to be the minor child of her parents Andrej Glusic and Marica Penca Glusic.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GEORGE S. RIDNER

The Clerk called the bill (H. R. 4863) for the relief of George S. Ridner.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury shall pay, out of any money in the Treasury not otherwise appropriated, to George S. Ridner, of Newark, N. J., the sum of $10,000, in full settlement of all claims against the United States for his erroneous arrest in February 1921, and his subsequent conviction and loss of employment, including the failure of the Treasury Department to comply with Executive Order No. 6872, dated October 12, 1934, directing it to employ him in investigative duties in connection with the internal-revenue laws relating to liquor.

SEC. 2. No part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 6, strike out "$10,000" and insert "$5,000."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GILBERT ELKANAH RICHARDS ET AL.

The Clerk called the bill (H. R. 3869) for the relief of Gilbert Elkanah Richards, Adelaide Gertrude Richards, and Anthony Gilbert Richards.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the immigration and naturalization laws, Gilbert Elkanah Richards, Adelaide Gertrude Richards, and Anthony Gilbert Richards shall be considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fees and head tax. Upon the granting of permanent residence to such aliens as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct three numbers from the appropriate quota for the first year that such quota is available.

With the following committee amendment:

Page 1, line 3, strike out "immigration and naturalization laws" and insert "Immigration and Nationality Act."

Page 1, line 9, strike out "and head tax."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. IRMGARD (CHRAPKO) BROUGHMAN

The Clerk called the bill (H. R. 6762) for the relief of Mrs. Irmgard (Chrapko) Broughman.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the provision of section 212 (a) (12) of the Immigration and Nationality Act, Mrs. Irmgard (Chrapko) Broughman, may be admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of that act: *Provided*, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice have knowledge prior to the enactment of this act.

With the following committee amendments:

Page 1, line 3, strike out "provision" and insert "provisions."

Page 1, line 4, after "(9)", insert "and."

Page 1, line 10, strike out "have" and insert "had."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. FA-CHI LING WANG AND EILEEN WANG

The Clerk called the bill (H. R. 9671) for the relief of Mrs. Fa-chi Ling Wang and Eileen Wang.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the quota limitations of the Immigration and Nationality Act, upon application hereafter filed, immigration visas may be issued, and admission for permanent residence granted to Mrs. Fa-chi Ling Wang and Eileen Wang, if they are otherwise admissible under the Immigration and Nationality Act. Upon the issuance of such visas, the Secretary of State shall instruct the proper quota control officer to deduct the required numbers from the appropriate quota or quotas for the first year that such quota or quotas are available.

With the following committee amendment:

Strike out all after the enacting clause and insert "That, for the purposes of the Immigration and Nationality Act, Dr. Liang Nun Wang shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

SEC. 2. In the administration of the Refugee Relief Act of 1953, Fa-chi Ling Wang and her child, Eileen Wang, shall be held to be classifiable as refugees in accordance with the provisions of section 4 (a) (12) of that act, and shall be exempt from the requirements of section 7 (d) thereof."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended so as to read: "A bill for the relief of Dr. Liang Nun Wang and his wife and child, Fa-chi Ling Wang and Eileen Wang."

A motion to reconsider was laid on the table.

CHARLES W. GALLAGHER

The Clerk called the bill (S. 555) for the relief of Charles W. Gallagher.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Charles W. Gallagher, the sum of $430, in full satisfaction of his claim against the United States as compensation for a piano which he had loaned to the March Field Service Club, March Field, Calif., in 1942 for the use and entertainment of Army personnel, and which was lost by the Army: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 11, after "Act", insert "in excess of 10 percent thereof."

The committee amendment was agreed to

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CARLOS M. COCHRAN

The Clerk called the bill (S. 820) for the relief of the estate of Carlos M. Cochran.

Mr. BONIN. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

JOHN L. DE MONTIGNY

The Clerk called the bill (S. 1183) for the relief of John L. de Montigny.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to John L. de Montigny, sergeant, United States Army (US 55057148), Grand Forks, N. Dak., the sum of $384.75, in full settlement of all claims of the said John L. de Montigny against the United States for reimbursement of amounts collected from him by the United States as a result of certain overpayments which were made by the United States pursuant to a class Q allotment: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 2, line 1, after "act" insert "in excess of 10 percent thereof."

The committee amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EMILIA PAVAN

The Clerk called the bill (S. 1702) for the relief of Emilia Pavan.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $879.77 to Emilia Pavan, of Villa Viera di Caorle (Province of Venice), Italy, in full satisfaction of all claims of the said Emilia Pavan against the United States for compensation for personal injuries, and reimbursement of medical and hospital expenses, incurred as a result of having been struck by a United States Government vehicle operated by the American

Battle Monuments Commission near San Stino de Livenza, Italy, on December 15, 1951: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 2, line 3, after "act" insert "in excess of 10 percent thereof."

The committee amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMERICAN SURETY COMPANY OF NEW YORK AND OTHER SURETY COMPANIES

The Clerk called the bill (S. 3062) for the relief of the American Surety Company of New York and certain other surety companies.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to make payment, out of the appropriation for the payment of interest on the public debt, to the American Surety Company of New York and other surety companies, severally, as their interests may appear, as assignees of the Chase National Bank of New York, of 10 interest coupons in amount of $11,250 each, covering interest due June 15, 1949, on ten $1 million bonds of the June 1, 1945, issue of 2¼ percent United States Treasury bonds of 1959–62, Nos. 995E, 996F, 997H, 1001A, 1002B, 1003C, 1004D, 1005E, 1006F, and 1027H. Such payment shall be made only upon receipt of satisfactory proof of the ownership and irretrievable loss of such coupons by the Chase National Bank of New York, assignments by the Chase National Bank of all its right, title, and interest in such coupons to the American Surety Co. of New York and the other surety companies which reimbursed the Chase National Bank of New York on account of the loss of such coupons, and an agreement to indemnify the United States, executed by the American Surety Co. of New York and the other surety companies in such form and amount and as the Secretary of the Treasury may require: *Provided*, That no part of the amount appropriated in this act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ESTATE OF MARY BEATON DENNINGER, DECEASED

The Clerk called the bill (S. 3064) for the relief of the estate of Mary Beaton Denninger, deceased.

Mr. BONIN. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

EDWIN K. STANTON

The Clerk called the bill (H. R. 703) for the relief of Edwin K. Stanton.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Edwin K. Stanton, Atlanta, Ga., the sum of $254. The payment of such sum shall be in full settlement of all claims of the said Edwin K. Stanton against the United States arising out of losses he sustained while employed by the Fish and Wildlife Service, Department of the Interior, when his personal property was destroyed by a fire which destroyed the camp of the Fish and Wildlife Service at the Klakas Lake stream weir in Alaska on September 21, 1948: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JACKSONVILLE GARMENT CO.

The Clerk called the resolution (H. Res. 638).

There being no objection, the Clerk read the resolution, as follows:

Resolved, That the bill (H. R. 5813) entitled "A bill for the relief of the Jacksonville Garment Co.," together with all accompanying papers, is hereby referred to the United States Court of Claims pursuant to sections 1492 and 2509 of title 28, United States Code; and said court shall proceed expeditiously with the same in accordance with the provisions of said sections and report to the House, at the earliest practicable date, giving such findings of fact and conclusions thereon as shall be sufficient to inform the Congress of the nature and character of the demand, as a claim legal or equitable, against the United States, and the amount, if any, legally or equitably due from the United States to the claimant.

The resolution was agreed to, and a motion to reconsider was laid on the table.

WEST COAST MEAT CO., OF HAYWARD, CALIF.

The Clerk called the resolution (H. Res. 637).

There being no objection, the Clerk read the resolution, as follows:

Resolved, That the bill (H. R. 6242) entitled "A bill for the relief of the West Coast Meat Co., of Hayward, Calif.," together with all accompanying papers, is hereby referred to the United States Court of Claims pursuant to sections 1492 and 2509 of title 28, United States Code; and said court shall proceed expeditiously with the same in accordance with the provisions of said sections and report to the House, at the earliest practicable date, giving such findings of fact and conclusions thereof as shall be sufficient to inform the Congress of the nature and character of the demand, as a claim legal or equitable, against the United States, and the amount, if any, legally or equitably due from the United States to the claimant.

The resolution was agreed to, and a motion to reconsider was laid on the table.

DR. ALFRED L. SMITH

The Clerk called the bill (H. R. 3014) for the relief of Dr. Alfred L. Smith.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Dr. Alfred L. Smith (captain, Medical Corps, U. S. Navy, retired), Richmond, Va., the sum of $1,778. The payment of such sum shall be in full settlement of all claims of the said Dr. Alfred L. Smith against the United States for reimbursement of fees which he received as a civilian physician employed by the Department of the Army during the period beginning April 1, 1948, and ending August 31, 1948, but which he was subsequently required to refund to the United States: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EUGENE SPITZER

The Clerk called the bill (H. R. 7099) for the relief of Eugene Spitzer.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Eugene Spitzer, of Lake Placid, N. Y., the sum of $1,000 in full settlement of all claims against the United States for reimbursement of bond declared breached August 13, 1940, because of his failure to depart from the United States on or before December 11, 1939.

With the following committee amendment:

At the end of bill add ": *Provided*, That no part of the amount appropriated in this act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ROY M. BUTCHER

The Clerk called the bill (H. R. 7497) for the relief of Roy M. Butcher.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Roy M. Butcher, of 510 West San Fernando Street, San Jose, Calif., the sum of $1,953.53. The payment of such sum shall be in full settlement of all claims under Navy Department Contract NOy 26278 which claims are based upon additional costs incurred under terms of said contract: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

WILLIAM B. RICE

The Clerk called the bill (H. R. 8281) for the relief of the estate of William B. Rice.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $4,000 to the estate of William B. Rice, RA–12296456 (George Rice, Jr.), deceased, of Rockaway Beach, New York, in full settlement of all claims against the United States sustained as the result of the failure of the Department of the Army, Class E Allotment Section, to forward premiums to the Pioneer American Insurance Co., Houston, Tex., prior to the last day of grace as authorized to do so under the law.

With the following committee amendments:

Page 1, line 4, strike out the figures and insert in lieu thereof "$2,000."

At the end of the bill add ": *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CLEMENT E. SPROUSE

The Clerk called the bill (H. R. 9261) for the relief of Clement E. Sprouse.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Clement E. Sprouse of Cabin John, Md., the sum of $244.31. The payment of such sum shall be in full settlement of all claims of the said Clement E. Sprouse against the United States on account of damage to his car on February 4, 1954, as a result of its being struck at Massachusetts Avenue and Westmoreland Circle in the District of Columbia by a motorcycle operated by a member of the Metropolitan Police Department of the District of Columbia: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 4, after the word "to" strike out "any money in the Treasury not otherwise appropriated", and insert in lieu thereof "funds of the District of Columbia."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CONVEYANCE OF CERTAIN LANDS BY SOUTHERN PACIFIC RAILROAD CO.

The Clerk called the bill (H. R. 7881) to validate a conveyance of certain lands by Southern Pacific Railroad Co., and its lessee, Southern Pacific Co., to Morgan Hopkins, Inc.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the conveyance hereinafter particularly described and heretofore executed by Southern Pacific Railroad Co., a corporation, and its lessee, Southern Pacific Co., a corporation, involving certain lands or interests therein, in the county of Los Angeles, State of California, and forming a part of the right-of-way of said Southern Pacific Railroad Co., granted by the Government of the United States of America by section 23 of the act of March 3, 1871 (16 Stat. 573), is hereby legalized, validated, and confirmed, as far as the interest of the United States is concerned, with the same force and effect as if the land involved therein had been held at the time of such conveyance by the corporations making the same under absolute fee-simple title.

The conveyance, recorded in the office of the county recorder of Los Angeles County, Calif., in book of official records, which is hereby legalized, validated, and confirmed, is as follows: Dated May 13, 1953; recorded June 14, 1953; volume 41897, page 48, to Morgan Hopkins, Inc.: *Provided*, That such legalization, validation, and confirmation shall not in any instance diminish said right-of-way to a width less than 50 feet on either side of the center of the main track or tracks of said Southern Pacific Railroad Co. as now established and maintained: *Provided further*, That nothing herein contained is intended or shall be construed to legalize, validate, or confirm any rights, titles, or interests based upon or arising out of adverse possession, prescription, or abandonment, and not confirmed by conveyance heretofore made by Southern Pacific Railroad Co. and its lessee, Southern Pacific Co.: *And provided further*, That there shall be reserved to the United States all oil, coal, or other minerals in the land, and the right to prospect for, mine, and remove the same under such rules and regulations as the Secretary of the Interior may prescribe.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GRANTING TO BASIC MANAGEMENT, INC., CERTAIN PUBLIC LANDS

The Clerk called the bill (S. 3303) granting to Basic Management, Inc., a private corporation organized under the laws of the State of Nevada, certain public lands of the United States in the State of Nevada.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That there is hereby granted to Basic Management, Inc., a private corporation organized under the laws of the State of Nevada, all lands belonging to the United States situated in Clark County, State of Nevada, which may be necessary, as found by the Secretary of the Interior, for the construction, operation, and maintenance of facilities heretofore or hereafter constructed for the development, production, pumping, storage, transmission, and distribution of water, including any or all of the following purposes:

Rights-of-way; buildings and structures; construction and maintenance camps; dumping grounds, flowage, diverting, or storage dams; pumping plants, canals, ditches, pipes, pipelines, flumes, tunnels, and conduits for conveying water for domestic, irrigation, household, stock, municipal, mining, milling, industrial, and other useful purposes; poles, towers, underground conduits, lines, and equipment, for the conveyance and distribution of electrical energy; poles, underground conduits, and lines for telephone and telegraph purposes; roads, trails, bridges, tramways, railroads, and other means of locomotion, transmission, or communication; for obtaining stone, earth, gravel, and other materials of like character, together with the right to take for its own use, from any public lands, within such limits as the Secretary of the Interior may determine, stone, earth, gravel, sand, and other materials of like character necessary or useful in the construction, operation, and maintenance of aqueducts, reservoirs, dams, pumping plants, electric transmission, telephone, and telegraph lines, roads, trails, bridges, tramways, railroads, and other means of locomotion, transmission, and communication.

That there is hereby excepted and reserved unto the United States, from said grant, minerals, other than sand, stone, earth, gravel, and other materials of like character: *Provided, however*, That such minerals so excepted and reserved shall be prospected for, mined, and removed only in accordance with regulations to be prescribed by the Secretary of the Interior.

This grant shall be effective upon (1) the filing by said grantee at any time after the passage of this act, with the manager of the United States local land office in the district

where said lands are situated, of a map or maps showing the boundaries, locations, and extent of said lands and of said rights-of-way for the purposes hereinabove set forth; (2) the approval of such map or maps by the Secretary of the Interior with such reservations or modifications as he may deem appropriate; (3) the payment of a price representing the fair market value for said rights-of-way and other lands, and also for stone, earth, sand, gravel, and other materials of like character, to be fixed by the Secretary of the Interior through appraisal, exclusive of any increased value resulting from the development or improvement of the lands by the grantee or its predecessors, or a reasonable rental, as the case may be: *Provided*, That said lands for rights-of-way shall be along such location and of such width, not to exceed 250 feet, as in the judgment of the Secretary of the Interior may be required for the purposes of this act.

SEC. 2. Whenever the lands or the rights-of-way are the same as are designated on any map heretofore filed by said Basic Management, Inc., or by any of its predecessors in interest, including Defense Plant Corporation, Reconstruction Finance Corporation, the State of Nevada, or the Colorado River Commission of Nevada, in connection with any application for a right-of-way under any statute of the United States, which application is still pending, or has been granted, and is unrevoked and has been transferred to and is now owned by said Basic Management, Inc., then, upon the approval of the Secretary of the Interior of any such later map with such modifications and under such conditions as he may deem appropriate, the rights hereby granted, shall as to such lands or rights-of-way become effective as of the date of the filing of said earlier map or maps with the manager or register of the United States local land office.

SEC. 3. Said grants are to be made subject to rights-of-way, easements, and permits heretofore granted or allowed to any person or corporation in accordance with any act or acts of Congress and subject to the rights of all claimants or persons who shall have filed or made valid claims, locations, or entries on or to said lands, or any part thereof prior to the effective date of any conflicting grant hereunder, unless prior to such effective date proper relinquishments or quitclaims have been procured and caused to be filed in the proper land office.

SEC. 4. That, whenever the land granted herein shall cease to be used for the purposes for which it is granted, the estate of the grantee or of its assigns shall terminate and revest in the United States.

With the following committee amendment:

Page 2, line 3, strike the word "purposes:" and insert in lieu thereof the words "purposes only to the extent required for such development, production, storage, transmission and distribution of water."

The committee amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

WILLIAM H. BARNEY

The Clerk called the bill (H. R. 1156) for the relief of William H. Barney.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That William H. Barney, of Los Angeles, Calif., is hereby relieved of all liability to the United States arising out of his failure to perform Navy Contract No. NOy-22897 (Spec. 25380; Structural Alterations, Building No. 2-69 and Vault, Building No. 2-68, United States Naval Construction Battalion Center, Port Hueneme, Calif.). The said William H. Barney submitted his bid on October 24, 1950, and accepted notice to proceed on November 6, 1950, but he did not sign the contract, or enter upon its performance, on account of certain previously unforeseen costs of performance which would have caused him irretrievable financial loss.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HERMAN E. MOSLEY

The Clerk called the bill (H. R. 1785) for the relief of Herman E. Mosley.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Herman E. Mosley, Anniston, Ala., the sum of $5,579.25. The payment of such sum shall be in full settlement of all claims of the said Herman E. Mosley against the United States arising out of the death of his son, Herman E. Mosley, Jr., and the injuries sustained by his son, Willard E. Mosley, on November 25, 1945, as a result of the explosion of a mortar shell on the Fort McClellan Military Reservation, Ala. The Department of War disapproved the claims of the said Herman E. Mosley on the ground that the incident was not caused by negligence of Army personnel. No part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

Page 1, line 5, after the word "to", insert "Mr. and Mrs."

Page 1, line 5, after the word "Mosley", insert "as the natural parents of Herman E. Mosley, Jr."

Page 1, line 7, after the word "claims", strike out "of the said Herman E. Mosley."

Page 1, line 9, change the word "his", to "their."

Page 1, line 9, after the word "Junior", strike out, "and the injuries sustained by his son, Willard E. Mosley."

Page 2, line 1, at the end of the line strike out "The Department of War disapproved the claims of the said Herman E. Mosley on the ground that the incident was not caused by negligence of Army personnel."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended so as to read: "A bill for the relief of Mr. and Mrs. Herman E. Mosley, as natural parents of Herman E. Mosley, Jr."

A motion to reconsider was laid on the table.

ESTATE OF MATEO ORTIZ VAZQUEZ

The Clerk called the bill (H. R. 5125) for the relief of the children of the late Mateo Ortiz Vazquez.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Maria Ortiz Serrano, Joaquin Ortiz Serrano, Camilo Ortiz Serrano, Agripini Ortiz Serrano, Clementina Ortiz Serrano, Antonio Ortiz Serrano, and Leonor Ortiz Serrano, the children of the late Mateo Ortiz Vazquez, in equal shares, the sum of $35,000, in full settlement of all their claims against the United States arising out of the death of the said Mateo Ortiz Vazquez, which occurred on September 8, 1944, when he was struck by a United States Army truck in Guayama, Puerto Rica. No part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Strike out all after the enacting clause, and substitute in lieu thereof the following: "That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the estate of Mateo Ortiz Vazquez, deceased, the sum of $5,060, in full settlement of all claims against the United States arising out of the death of the said Mateo Ortiz Vazquez, who died on September 8, 1944, as the result of personal injuries sustained by him on that date when he was struck by a United States Army truck near Cayey, Puerto Rico: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by an agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not to exceeding $1,000."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended so as to read: "A bill for the relief of the estate of Mateo Ortiz Vazquez, deceased."

A motion to reconsider was laid on the table.

YIN MOW MOY

The Clerk called the bill (H. R. 7594) for the relief of Yin Mow Moy.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in the administration of the Refugee Relief Act of 1953, the provisions of section 7 (d) (2) of such act shall not apply with respect to Yin Mow Moy.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CONSTANTINE NITSAS

The Clerk called the bill (H. R. 5586) for the relief of Constantine Nitsas.

There begin no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $500 to Constantine Nitsas, 1121 Fifth Street, Northeast, Canton, Ohio, in full settlement of all claims against the United States as reimbursement for bond posted for Anastasia Korinis (nee Xanthaki), in November or December 1947: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilt of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. LORENZA O'MALLEY (DE AMUSATEGUI)

The Clerk called the bill (H. R. 6978) for the relief of Mrs. Lorenza O'Malley (de Amusategui).

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary be, and he is hereby, authorized and directed to pay, out of any amount in the Treasury not otherwise appropriated, the sum of $33,395 to Mrs. Lorenza O'Malley (de Amusategui) of Fort George G. Meade, Md., in full settlement of all claims against the United States for money and supplies furnished and distributed by her to American prisoners of war in the Philippines during World War II: *Provided*, That no part of the amount appriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Strike out all after the enacting clause, and insert in lieu thereof "That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any amount in the Treasury not otherwise appropriated, to Mrs. Lorenza O'Malley (de Amusategui) the sum of $20,000, to Jose Maria Gerardo de Amusategui the sum of $5,000, and to the legal guardian of Ramon de Amusategui the sum of $5,000 all of Ft. George G. Meade, Md. Such sums shall be in full settlement of all claims against the United States for money and supplies furnished and distributed by Mrs. O'Malley and her former husband, Ramon de Amusategui (now deceased), to American prisoners of war in the Philippines during World War II: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended so as to read: "A bill for the relief of Mrs. Lorenza O'Malley (de Amusategui), Jose Maria de Amusategui, and the legal guardian of Ramon de Amusategui."

A motion to reconsider was laid on the table.

IRVING I. ERDHEIM

The Clerk called the bill (H. R. 7073) for the relief of Irving I. Erdheim.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Irving I. Erdheim of 1950 Andrews Avenue, Bronx, N. Y., the sum of $2,000. The payment of such sum shall be in full settlement of all claims of the said Irving I. Erdheim against the United States for refund of the amount which he posted as bond in the case of Fioravante Antonio Magistrale, an alien, file No. 0300-370104 App. B) who was deported: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

Page 1, line 5, strike out "Irving I. Erdheim of 1950 Andrews Avenue, Bronx, New York", and insert "Vito Magistrale."

Page 1, line 8, strike out "Irving I. Erdheim", and insert "Vito Magistrale."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended so as to read: "A bill for the relief of Vito Magistrale."

A motion to reconsider was laid on the table.

KERMIT R. LAY, SR.

The Clerk called the bill (H. R. 7750) for the relief of Kermit R. Lay, Sr.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That Kermit R. Lay, Sr., Concord, Calif., is hereby relieved of all liability to refund to the United States any amounts which have been received by him from the United States as compensation or retired pay during the period beginning May 1, 1951, and ending on the date of the enactment of this act, and which constitute dual compensation in excess of the combined annual rate permitted by law. In the audit and settlement of the accounts of any certifying or disbursing officer of the United States, full credit shall be given for any amounts for which liability is relieved by this section.

SEC. 2. The Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the said Kermit R. Lay, Sr., an amount equal to the sum of all amounts which he has repaid to the United States, or which have been withheld by the United States from amounts otherwise due him, by reason of the liability of which he is relieved by the first section of this act: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by an agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

Page 1, line 7, strike out "May 1, 1951" and insert in lieu thereof "June 1, 1953."

Page 1, line 7, strike out "on the date of the enactment of this act" and insert in lieu thereof "November 11, 1953, while employed by the Army and the Post Office Department."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

VIRGINIA HELL

The Clerk called the bill (H. R. 8307) for the relief of Virginia Hell.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $2,495.36, to Virginia Hell, of 2055 38th Street SE., Washington, D. C. Such sum shall be in full settlement of all claims of said Virginia Hell against the United States for necessary expenses incurred in returning to the United States from London, England, after serving in Europe as a civilian employee of the American Government for 2 years and 7 months (May 4, 1948, to December 8, 1950): *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 2, line 2, after the parenthesis insert "and for property damage sustained as the result of household furnishings being left out in weather at New Orleans, La., by the United States customs officials."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

NEIL C. HEMMER AND MILDRED HEMMER

The Clerk called the bill (H. R. 8606) for the relief of Neil C. Hemmer and Mildred Hemmer.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $2,469.42, in full settlement of all claims against the United States for personal injuries, medical and hospital expenses, and property damage sustained as a result of an accident involving a United States Army vehicle bearing United States Government license number 188262, near Albert Lea, Minn., on March 16, 1952. This claim is not cognizable under the Federal Tort Claims Act: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 5, strike out "$2,469.42" and insert "$1,659."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

WILLIAM MARTIN

The Clerk called the bill (H. R. 8810) for the relief of William Martin, of Tok Junction, Alaska.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to William Martin, of Tok Junction, Alaska, the sum of $1,135, in full settlement of all claims against the Government of the United States, as reimbursement for personal effects destroyed as the result of a fire which occurred on September 29, 1953, at the Alaska Road Commission's Liberty construction camp on the Taylor Highway, Alaska.

SEC. 2. No part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HENRIETTE MATTER

The Clerk called the bill (H. R. 717) for the relief of Henriette Matter.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the provisions of section 319 (b) of the Immigration and Nationality Act, insofar as they relate to residence within the United States for naturalization purposes, shall be held to be applicable to Mrs. Henriette Matter, the mother of a United States citizen and an employee of the United States.

With the following committee amendment:

Strike out all after the enacting clause and insert the following: "Notwithstanding the provisions of section 310 (d) and 316 (b) of the Immigration and Nationality Act, Mrs. Henriette Matter shall be held to meet the residential requirements set forth in section 316 (a) of that act, and if otherwise eligible, shall be permitted to file petition for naturalization in accordance with the provisions of section 334 of that act."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

APOSTOLOS VASILI PERCAS

The Clerk called the bill (H. R. 785) for the relief of Apostolos Vasili Percas.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Apostolos Vasili Percas shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SISTER GIUSEPPINA GIACCONE

The Clerk called the bill (H. R. 822) for the relief of Sister Giuseppina Giaccone.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Sister Giuseppina Giaccone, known also as Sister Luisa, shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ZBIGNIEW WOLYNSKI

The Clerk called the bill (H. R. 826) for the relief of Zbigniew Wolynski.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Zbigniew Wolynski shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

KATHARINE BALSAMO

The Clerk called the bill (H. R. 832) for the relief of Katharine Balsamo.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That notwithstanding the provision of section 212 (a) of the Immigration and Nationality Act, Katharine Balsamo may be admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of that act: *Provided*, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice have knowledge prior to the enactment of this act.

With the following committee amendments:

Line 3, after "(a)" insert "(9)."
Line 9, strike out "have" and insert "has."

The committee amendments were agreed to:

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SISTER MARY GERTRUDE (MARY GERTRUDE KELLY)

The Clerk called the bill (H. R. 839) for the relief of Sister Mary Gertrude (Mary Gertrude Kelly).

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That Sister Mary Gertrude (Mary Gertrude Kelly), who lost United States citizenship under the provisions of section 404 (c) of the Nationality Act of 1940, may be naturalized by taking, prior to 1 year after the date of enactment of this act, before any court referred to in subsection (a) of section 310 of the Immigration and Nationality Act, or before any diplomatic or consular officer of the United States abroad, the appropriate oath prescribed by section 337 of the Immigration and Nationality Act. From and after naturalization under this act, the said Sister Mary Gertrude (Mary Gertrude Kelly) shall have the same citizenship status as that which existed immediately prior to its loss.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

NASSER ESPHAHANIAN

The Clerk called the bill (H. R. 877) for the relief of Nasser Esphahanian.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That for the purposes of the immigration and naturalization laws, Nasser Esphahanian shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee and head tax. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

With the following committee amendments:

Line 3, strike out "immigration and naturalization laws" and insert "Immigration and Nationality Act."
Line 8, strike out "and head tax."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the able.

AUGUSTIN MONDREAL

The Clerk called the bill (H. R. 1622) for the relief of Augustin Mondreal.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the immigration and naturalization laws, Augustin Mondreal shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of enactment of this act, upon payment of the required visa fee and head tax. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

With the following committee amendments:

Page 1, line 3, strike out "immigration and naturalization laws" and insert "Immigration and Nationality Act."
Line 4, strike out "Augustin" and insert "Agustin."
Line 8, strike out "and head tax."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, and was read the third time, and passed.

The title was amended so as to read: "A bill for the relief of Agustin Mondreal."

A motion to reconsider was laid on the table.

JOHANN GROBEN

The Clerk called the bill (H. R. 1627) for the relief of Johann Groben.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the provision of section 212 (a) (9) of the Immigration and Nationality Act, Johann Groben may be admitted to the United States for permanent residence if he is found to be otherwise admissible under the provisions of that act: *Provided,* That his exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice have knowledge prior to the enactment of this act.

With the following committee amendment:

Line 9, strike out "have" and insert "has."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BROTHER EUGENE CUMERLATO

The Clerk called the bill (H. R. 2393) for the relief of Brother Eugene Cumerlato.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Brother Eugene Cumerlato shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SPYRIDON SAINTOUFIS AND MRS. EFROSSINI SAINTOUFIS

The Clerk called the bill (H. R. 3013) for the relief of Spyridon Saintoufis and Mrs. Efrossini Saintoufis.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Spyridon Saintoufis and Mrs. Efrossini Saintoufis shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of enactment of this act, upon payment of the required visa fees. Upon the granting of permanent residence to such aliens as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct two numbers from the appropriate quota for the first year that such quota is available.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsier was laid on the table.

MILOS HAMZA AND MRS. JIRINA HAMZA

The Clerk called the bill (H. R. 3330) for the relief of Milos Hamza and Mrs. Jirina Hamza.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the immigration laws the aliens Milos Hamza and Mrs. Jirina Hamza shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of enactment of this Act, upon payment of the required visa fees and head taxes. Upon the granting of permanent residence to such aliens as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct two numbers from the appropriate quota for the first year that such quota is available.

With the following committee amendments:

Line 3, strike out "immigration laws" and insert "Immigration and Nationality Act."
Line 8, strike out "and head taxes."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MAJ. ELIAS M. TSOUGRANIS

The Clerk called the bill (H. R. 3507) for the relief of Maj. Elias M. Tsougranis.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Maj. Elias M. Tsougranis shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien, as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JOSEF, PAULA, AND KURT FRIEDBERG

The Clerk called the bill (H. R. 4051) for the relief of Josef, Paula, and Kurt Friedberg.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Josef, Paula, and Kurt Friedberg shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fees. Upon the granting of permanent residence to such aliens as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct 3 numbers from the appropriate quota for the first year that such quota is available.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ALBERTO D'AGLIANO

The Clerk called the bill (H. R. 4103) for the relief of Alberto D'Agliano.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the provision of paragraph (9) of section 212 (a) of the Immigration and Nationality Act, Alberto D'Agliano may be admitted to the United States for permanent residence if he is found to be otherwise admissible under the provisions of that act.

With the following committee amendment:

At the end of the bill insert: "*Provided,* That this exemption shall apply only to a

ground for exclusion of which the Department of State or the Department of Justice had knowledge prior to the enactment of this act."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ANDREA PAULETTE QUATREHOMME

The Clerk called the bill (H. R. 4426) for the relief of Andrea Paulette Quatrehomme.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the provision of section 212 (a) (9) of the Immigration and Nationality Act, Andrea Paulette Quatrehomme may be admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisons of that act: *Provided*, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice have knowledge prior to the enactment of this act.

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following: "That, in the administration of the Immigration and Nationality Act, Andrea Paulette Quatrehomme, the fiance of James F. Birmingham, a citizen of the United States, and her child, shall be eligible for visas as nonimmigrant temporary visitors for a period of 3 months: *Provided*, That the administrative authorities find that the said Andrea Paulette Quatrehomme is coming to the United States with a bona fide intention of being married to the said James F. Birmingham and that she is found otherwise admissible under the immigration laws, except that the provision of section 212 (a) (9) of the Immigration and Nationality Act shall not be applicable to the said Andrea Paulette Quatrehomme: *Provided further*, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice had knowledge prior to the enactment of this act. In the event the marriage between the above-named persons does not occur within 3 months after the entry of the said Andrea Paulette Quatrehomme and her child, they shall be required to depart from the United States and upon failure to do so shall be deported in accordance with the provisions of sections 242 and 243 of the Immigration and Nationality Act. In the event the marriage between the above-named persons shall occur within 3 months after the entry of the said Andrea Paulette Quatrehomme and her child, the Attorney General is authorized and directed to record the lawful admission for permanent residence of the said Andrea Paulette Quatrehomme and her child as of the date of the payment by them of the required visa fees."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended so as to read: "A bill for the relief of Andrea Paulette Quatrehomme and her child."

A motion to reconsider was laid on the table.

MRS. HELENA PIASECKA

The Clerk called the bill (H. R. 4427) for the relief of Mrs. Helena Piasecka.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Mrs. Helena Piasecka shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

SOLOMON JOSEPH SADAKNE

The Clerk called the bill (H. R. 4581) to legalize the entry of Solomon Joseph Sadakne, a native of Syria.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the immigration and naturalization laws, Solomon Joseph Sadakne, a native of Syria, shall be considered to be a permanent resident of the United States from the date of his entry on July 15, 1943. Upon the enactment of this act, the Secretary of State shall deduct one number from the Syrian quota in the current quota year or the first year in which the quota is available.

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following: "That, for the purposes of the Immigration and Nationality Act, Solomon Joseph Sadakne shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended so as to read: "A bill for the relief of Solomon Joseph Sadakne."

A motion to reconsider was laid on the table.

ALEXANDER PETSCHE

The Clerk called the bill (H. R. 4815) for the relief of Alexander Petsche.

There being no objection, the Clerk read the bill as follows:

Be it enacted, etc., That, notwithstanding the provision of section 212 (a) (9) of the Immigration and Nationality Act, Alexander Petsche may be admitted to the United States for permanent residence if he is found to be otherwise admissible under the provisions of that act: *Provided*, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice had knowledge prior to the enactment of this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PIETRO PETRALIA

The Clerk called the bill (H. R. 4908) for the relief of Pietro Petralia.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the provision of section 212 (a) (9) of the Immigration and Nationality Act, Pietro Petralia may be admitted to the United States for permanent residence if he is found to be otherwise admissible under the provisions of that act: *Provided*, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice had knowledge prior to the enactment of this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BASILIOS XARHOULACOS

The Clerk called the bill (H. R. 4969) for the relief of Basilios Xarhoulacos.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Basilios Xarhoulacos shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DR. LU JEN-LUNG

The Clerk called the bill (H. R. 5553) for the relief of Dr. Lu Jen-lung.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Dr. Lu Jen-lung shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CHUNG FOOK YEE CHUNG

The Clerk called the bill (H. R. 5078) for the relief of Chung Fook Yee Chung.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Chung Fook Yee Chung shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RODOI FO NAVARRO

The Clerk called the bill (H. R. 6492) for the relief of Rodolfo Navarro.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Rodolfo Navarro shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

With the following committee amendment:

On page 1, line 7, after the words "visa fee", strike out the remainder of the bill.

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. MARIA GIUSEPPA DE LISA QUAGLIANO

The Clerk called the bill (H. R. 6752) for the relief of Mrs. Maria Giuseppa De Lisa Quagliano.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the provision of section 212 (a) (9) of the Immigration and Nationality Act, Mrs. Maria Giuseppa De Lisa Quagliano may be admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of that act.

With the following committee amendment:

On page 1, line 7, strike out the period after the word "act" and add the following: ": *Provided*, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice had knowledge prior to the enactment of this act."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MARY GEORGE SOLOMON

The Clerk called the bill (H. R. 7051) for the relief of Mary George Solomon.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Mary George Solomon shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ELISABETH STIEGLER LEWIS

The Clerk called the bill (H. R. 7053) for the relief of Elisabeth Stiegler Lewis.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the provisions of section 212 (a) (9) of the Immigration and Nationality Act, Elisabeth Stiegler Lewis may be admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of that act: *Provided*, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice had knowledge prior to the enactment of this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BARTOLOMEO MONTALTO

The Clerk called the bill (H. R. 7080) for the relief of Bartolomeo Montalto.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the provision of section 212 (a) (9) of the Immigration and Nationality Act, Bartolomeo Montalto may be admitted to the United States for permanent residence if he is found to be otherwise admissible under the provisions of that act: *Provided*, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice have knowledge prior to the enactment of this act.

With the following committee amendment:

On page 1, line 9, strike out the word "have" and substitute "had."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

NAMIKO NITOH ET AL.

The Clerk called the bill (H. R. 7243) for the relief of Namiko Nitoh and her child, George F. X. Nitoh.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, in the administration of the Immigration and Nationality Act, Namiko Nitoh, the fiance of Edward S. Phelan, a citizen of the United States, and her child, George F. X. Nitoh, shall be eligible for visas as nonimmigrant temporary visitors for a period of 3 months: *Provided*, That the administrative authorities find that the said Namiko Nitoh is coming to the United States with a bona fide intention of being married to the said Edward S. Phelan and that she is found otherwise admissible under the immigration laws. In the event the marriage between the above-named persons does not occur within 3 months after the entry of the said Namiko Nitoh and her child, they shall be required to depart from the United States and upon failure to do so shall be deported in accordance with the provisions of sections 242 and 243 of the Immigration and Nationality Act. In the event that the marriage between the above-named persons shall occur within 3 months after the entry of the said Namiko Nitoh and her child, the Attorney General is authorized and directed to record the lawful admission for permanent residence of the said Namiko Nitoh and her child as of the date of the payment by them of the required visa fees.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GLICERIO M. EBUNA

The Clerk called the bill (H. R. 7252) for the relief of Glicerio M. Ebuna.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

Mr. GRAHAM. Mr. Speaker, the bill (S. 2542) for the relief of Glicerio M. Ebuna is identical to the House bill introduced by the gentleman from Colorado [Mr. ROGERS]. I, therefore, ask unanimous consent for the present consideration of the Senate bill.

The Clerk read the title of the Senate bill.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Clerk read the Senate bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Glicero M. Ebuna shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

House bill 7252 was laid on the table.

JANIS ARVIDS REINFELDS

The Clerk called the bill (H. R. 7406) for the relief of Janis Arvids Reinfelds.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the provisions of sections 212 (a) (1) and 212 (a) (4) of the Immigration and Nationality Act, Janis Arvids Reinfelds may be admitted to the United States for permanent

residence if he is found to be otherwise admissible under the provisions of that act: *Provided*, That a suitable and proper bond or undertaking approved by the Attorney General be given as prescribed by section 213 of that act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

THEODORA SAMMARTINO

The Clerk called the bill (H. R. 7463) for the relief of Theodora Sammartino.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of sections 101 (a) 27 (A) and 205 of the Immigration and Nationality Act, the minor child, Theodora Sammartino, shall be held and considered to be the natural-born alien child of Vincent and Theodora Sammartino, citizens of the United States.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DAVID MANUEL PORTER

The Clerk called the bill (H. R. 7498) for the relief of David Manuel Porter.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child, David Manuel Porter (Manuel Pacheco), shall be held and considered to be the natural-born alien child of Warren R. Porter and Mrs. Betty O'Brian Porter, citizens of the United States.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

CHARLES CHAN

The Clerk called the bill (H. R. 7499) for the relief of Charles Chan.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Charles Chan shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. MARJORIE FLIGOR

The Clerk called the bill (H. R. 7572) for the relief of Mrs. Marjorie Fligor (nee Sproul).

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the provision of section 212 (a) (9) of the Immigration and Nationality Act, Mrs. Marjorie Fligor (nee Sproul) may be admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of that act: *Provided*, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice have knowledge prior to the enactment of this act.

With the following committee amendment:

Page 1, line 10, strike out "have" and insert "had."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. ERIKA (HOHENLEITNER) STAPLETON

The Clerk called the bill (H. R. 7947) for the relief of Mrs. Erika (Hohenleitner) Stapleton.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the provision of section 212 (a) (9) of the Immigration and Nationality Act, Mrs. Erika (Hohenleitner) Stapleton may be admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of that act.

With the following committee amendment:

Page 1, line 7, after the word "act", insert ": *Provided*, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice had knowledge prior to the enactment of this act."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CARLOS FRANCISCO VER ET AL.

The Clerk called the bill (H. R. 8065) for the relief of Carlos Francisco, Manriqueta Mina, and Roberto Mina Ver.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Carlos Francisco Ver, Manriqueta Mina Ver, and Roberto Mina Ver shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of enactment of this act, upon payment of the required visa fees. Upon the granting of permanent residence to such aliens as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct three numbers from the appropriate quota for the first year that such quota is available.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

TANNOUS ESTEPHAN

The Clerk called the bill (H. R. 8115) for the relief of Tannous Estephan.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the provision of section 212 (a) (9) of the Immigration and Nationality Act, Tannous Estephan may be admitted to the United States for permanent residence if he is found to be otherwise admissible under the provisions of that act: *Provided*, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice had knowledge prior to the enactment of this act.

With the following committee amendment:

Page 1, line 3, strike out all after the enacting clause and insert: "That, for the purposes of the Immigration and Nationality Act, Tannous Estephan shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee.

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. DOROTHY NELL WOOLGAR ALLEN

The Clerk called the bill (H. R. 8244) for the relief of Mrs. Dorothy Nell Woolgar Allen.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the provision of section 212 (a) (9) of the Immigration and Nationality Act, Mrs. Dorothy Nell Woolgar Allen may be admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of that act.

With the following committee amendment:

Page 1, line 7, after the word "act", insert ": *Provided*, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice had knowledge prior to the enactment of this act.

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MARIA M. KHOE

The Clerk called the bill (H. R. 8554) for the relief of Maria M. Khoe.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Maria M. Khoe shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EZIO BERTONI

The Clerk called the bill (H. R. 8557) for the relief of Ezio Bertoni.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the provision of section 212 (a) (3) of the Immigration and Nationality Act, Ezio Bertoni may be admitted to the United States for permanent residence if he is found to be otherwise admissible under the provisions of that act: *Provided*, That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the said act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DANA EVANOVICH

The Clerk called the bill (H. R. 8936) for the relief of Dana Evanovich.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, Dana Evanovich shall be held and considered to be the minor child of Jim D. Evans, a citizen of the United States.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MARIANNE GEYMEIER

The Clerk called the bill (H. R. 9336) for the relief of Marianne Geymeier.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the provision of section 212 (a) (9) of the Immigration and Nationality Act, Marianne Geymeier may be admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of that act: *Provided*, That her marriage to her United States citizen fiancé, Sgt. George L. Kraft, shall occur not later than 6 months following the date of the enactment of this act: *Provided further*, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice had knowledge prior to the enactment of this act.

With the following committee amendment:

Page 1, line 9, strike out "six months" and insert "one year."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. FRANZISKA (HAN) RIGAU

The Clerk called the bill (H. R. 9512) for the relief of Mrs. Franziska (Han) Rigau.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the provision of section 212 (a) (9) of the Immigration and Nationality Act, Mrs. Franziska (Han) Rigau may be admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of that act: *Provided*, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice have knowledge prior to the enactment of this act.

With the following committee amendment:

Page 1, line 10, strike out "have" and insert "had."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GABRIELLA SARDO

The Clerk called the bill (H. R. 9844) for the relief of Gabriella Sardo.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child, Gabriella Sardo, shall be held and considered to be the natural-born alien child of William Sardo, a citizen of the United States.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MR. FU-HO CHAN AND MRS. FU-HO CHAN

The Clerk called the bill (H. R. 9953) for the relief of Mr. Fu-Ho Chan and Mrs. Fu-Ho Chan.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Mr. Fu-Ho Chan and Mrs. Fu-Ho Chan shall be held to be natives of Canada, the country of their present residence.

Mr. GRAHAM. Mr. Speaker, I offer certain amendments which are at the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. GRAHAM: On page 1, line 4, after the word "Act", insert: "and notwithstanding the provision of section 202 (b) of the said act."

Page 1, line 4, after name "Mrs. Fu-Ho Chan", insert "and their child Richard Chan."

Amend the title so as to read: "A bill for the relief of Mr. Fu-Ho Chan, Mrs. Fu-Ho Chan, and their child Richard Chan."

The amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended so as to read: "A bill for the relief of Mr. Fu-Ho Chan, Mrs. Fu-Ho Chan, and their child Richard Chan."

A motion to reconsider was laid on the table.

HUGO KERN

The Clerk called the bill (S. 232) for the relief of Hugo Kern.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. BONIN. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

INGER LARSSON

The Clerk called the bill (S. 354) for the relief of Inger Larsson.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the immigration and naturalization laws, Inger Larsson shall be held and considered to have been lawfully admited to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

VASILIKI TOUNTAS

The Clerk called the bill (S. 447) for the relief of Vasiliki Tountas (nee Vasiliki Georgion Karoumbali).

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child, Vasiliki Tountas (nee Vasiliki Georgion Karoumbali), shall be held and considered to be the natural-born alien child of Mr. and Mrs. Louis Tountas, citizens of the United States.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JAN E. TOMCZYCKI

The Clerk called the bill (S. 810) for the relief of Jan E. Tomczycki.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Jan E. Tomczycki shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CERTAIN CHINESE CHILDREN

The Clerk called the bill (S. 974) for the relief of certain Chinese children.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of sections 101 (a) (27) (A) and 205 of the

Immigration and Nationality Act, the minor children, Chee-on Wong, Chee-leong Wong, Qew-Yuen Wong, and Mee-Yuen Wong, shall be held and considered to be the natural-born alien children of William Wong Foon Kew, a citizen of the United States.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CHARLES PEROULAS

The Clerk called the bill (S. 1798) for the relief of Charles Peroulas.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Charles Peroulas shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MICHELA AURUCCI

The Clerk called the bill (S. 1940) for the relief of Michela Aurucci.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Michela Aurucci shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FERNANDO A. RUBIO, JR.

The Clerk called the bill (S. 2135) for the relief of Fernando A. Rubio, Jr.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the provisions of section 315 of title III of the Immigration and Nationality Act, or any other provision of law making ineligible to become a citizen of the United States any alien who has applied for exemption or discharge from training or service in the Armed Forces or in the National Security Training Corps of the United States on the ground that he is an alien, Dr. Fernando A. Rubio, Jr., who is now serving as a captain in the United States Army, may be naturalized upon compliance with all other provisions of title III of such act.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RELIEF OF PETER JAMES COPSES ET AL.

The Clerk called the bill (S. 2214) for the relief of Peter James Copses, Beatrice Copses, Victoria Copses, and James Peter Copses.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Peter James Copses, Beatrice Copses, Victoria Copses, and James Peter Copses shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fees. Upon the granting of permanent residence to such aliens as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct the required numbers from the appropriate quota or quotas for the first year that such quota or quotas are available.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DR. MIEN FA TCHOU AND HIS WIFE, LI HOEI MING TCHOU

The Clerk called the bill (S. 2363) for the relief of Dr. Mien Fa Tchou and his wife, Li Hoei Ming Tchou.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Dr. Mien Fa Tchou and his wife, Li Hoei Ming Tchou, shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fees. Upon the granting of permanent residence to such aliens as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct two numbers from the appropriate quota for the first year that such quota is available.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RUTH BERNDT

The Clerk called the bill (S. 2411) for the relief of Ruth Berndt.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the provisions of section 212 (a) (9) of the Immigration and Nationality Act, Ruth Berndt may be admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of that act: *Provided*, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice have knowledge prior to the enactment of this act.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was land on the table.

MARTIN GENUTH

The Clerk called the bill (S. 2456) for the relief of Martin Genuth.

Mr. BONIN. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

PAUL LEWERENZ AND MARGARETA EHRHARD LEWERENZ

The Clerk called the bill (S. 2510) for the relief of Paul Lewerenz and Margareta Ehrhard Lewerenz.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Paul Lewerenz and his wife, Margareta Ehrhard Lewerenz, shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such aliens as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct two numbers from the appropriate quota for the first year that such quota is available.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RELIEF OF PAOLINO BERCHIELLI, HIS WIFE LEDA, AND DAUGHTER ALBA

The Clerk called the bill (S. 2594) for the relief of Paolino Berchielli, his wife Leda, and daughter Alba.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Paolino Berchielli, his wife Leda, and daughter Alba, shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fees. Upon the granting of permanent residence to such aliens as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct three numbers from the appropriate quota for the first year that such quota is available.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FAUSTINO ACHAVAL ALDECOA AND HIS WIFE CARMEN ACHAVAL (NEE CORTABITARTE)

The Clerk called the bill (S. 2607) for the relief of Faustino Achaval Aldecoa and his wife, Carmen Achaval (nee Cortabitarte).

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Faustino Achaval Aldecoa and his wife, Carmen Achaval (nee Cortabitarte), shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fees. Upon the granting of permanent residence to such aliens as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct the required numbers from the ap-

propriate quota or quotas for the first year that such quota or quotas are available.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

NADEEM TANNOUS AND MRS. JAMILE TANNOUS

The Clerk called the bill (S. 2635) for the relief of Nadeem Tannous and Mrs. Jamile Tannous.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Nadeem Tannous and Mrs. Jamile Tannous shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fees. Upon the granting of permanent residence to such aliens as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct the required numbers from the appropriate quota or quotas for the first year that such quota or quotas are available.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

WALTRAUT CLAASSEN

The Clerk called the bill (S. 3126) for the relief of Waltraut Claassen.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the provision of section 212 (a) (9) of the Immigration and Nationality Act, Waltraut Claassen may be admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of that act: *Provided*, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice has knowledge prior to the enactment of this act: *And provided further*, That her marriage to her United States citizen fiance, Sgt. Allen G. Stark, shall occur not later than 6 months following the date of the enactment of this act.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SUSPENSION OF DEPORTATION OF CERTAIN ALIENS

The Clerk called the concurrent resolution (S. Con. Res. 83) favoring the suspension of deportation in the case of certain aliens.

There being no objection, the Clerk read the concurrent resolution, as follows:

Resolved by the Senate (the House of Representatives concurring) That the Congress favors the suspension of deportation in the case of each alien hereinafter named, in which case the Attorney General has suspended deportation for more than 6 months:

A-7049480, Acuna-Ruiz, Jesus.
A-7194255, Adams, Melsaidis Vanita.
A-7049736, Aguirre, Amparo Perez De.
A-7092581, Aguirre, Antonio Martinez.
A-6732153, Aguirre-Reyes, Guadalupe.
A-7367925, Alfaro-Hernandez, Alfredo.
A-7145096, Allen, Whitley Benjamin.
A-7083963, Alvarado, Juan.
A-7092831, Alvarado, Gertrudis De.
A-7056302, Alvarado, Nemesio.
A-6924791, Alvarado, Maria De La Luz.
A-7044190, Alvarez, Acencion.
A-7044191, Alvarez, Anastacio.
A-7070395, Alvarez-Garcia, Roberto.
A-7354297, Alvarez, Rodriguez, Alberto.
A-5949118, Amaro-Moreno, Refugio.
A-7117577, Amaro, Basilisa Corpus De.
A-7222526, Amozurrutia-Lugo, Salvador.
A-7222539, Almaraz, Juana.
A-7463661, Anda, Celia Luna De.
A-7383364, Anda-Munoz, Jose Trinidad De.
A-7463664, Andrade-Vargas, Socorro.
A-7469341, Angel-Zarate, Ramon.
A-7240160, Angulo, Ercilia Galindo De.
A-7222737, Angulo-Medina, Pedro.
A-7379676, Aponte, Rosario Estevez Frias de.
A-7903287, Aranda, Maria Vasquez De.
A-7903288, Aranda-Vasquez, Romelia.
A-7903289, Aranda-Vasquez, Rogelio.
A-7903290, Aranda-Vasquez, Reynaldo.
A-7203308, Arias-Morales, Isaac.
A-7483202, Arizmendi-Rodriguez, Camilo.
A-7050091, Armendariz, Antonio B.
A-7358658, Armendariz-Rodriquez, Alberto.
A-7890506, Aspeitia-Salmeron, Ines.
A-7070731, Avitia, Francisco.
A-6079368, Ayala, Marcos Garcia.
A-7203384, Balderrama-Tapia, Faustino Humberto.
A-7203385, Balderrama-Lopez, Virginia.
A-7050479, Banuelos, Javier.
A-7050478, Banuelos, Vicente.
A-7070872, Bargas-Pulido, Salvador.
A-7985416, Barclay, Hazel Grace.
A-7886491, Barnes, Izolia Ophelia.
A-7178631, Barragan, Maria Rodriguez De.
A-6844549, Bejarano, Luis Robles.
A-7957133, Beltran, Maria De La Luz Aguero De.
A-6855837, Beltran, Samuel.
A-7117989, Benitez, Raul Vasquez.
A-7945420, Berkley, Eva Euphemia.
A-5966283, Berkley, Richard James.
A-7830642, Bernal-Mata, David.
A-7890505, Blyden, Emanuel.
A-6101335, Borrayo-Rodriguez, Manuel.
A-6004182, Branche, Mavis Irene.
A-7189471, Brown, Uriah.
A-7375921, Bueno, Juan.
A-7375923, Bueno, Juan, Jr.
A-7375922, Bueno, Guadalupe.
A-6143848, Caballero, Sara Torres-Ruiz de.
A-7130758, Cadena, Pablo.
A-8057399, Cajuste, Carmen.
A-9605699, Callwood, Samuel Israel.
A-8017504, Campa-Orozco, Francisco.
A-7137134, Campbell, Odilia Marcela Orane.
A-5882748, Candonoza-Leza, David.
A-6719053, Canton, Milled Idonia.
A-7189167, Cantu, Clara Garcia De.
A-7189253, Cantu-Hinojosa, Francisco.
A-7962138, Cardoso, Petra Caridad.
A-7387463, Cardoza-Perez, Rafael.
A-7058994, Carey, Delroy Samuel.
A-6874893, Carrasco, Americo.
A-6978022, Carrillo, Manuel B.
A-6965018, Campa, Mario Carrillo De.
A-7483469, Cartaya-Martinez, Aleidia Leopoldina.
A-7224976, Carter, Dorothy Maud Johnson.
A-7188904, Casillas, Alberto.
A-6811076, Casillas, Enedina Santana De.
A-6929905, Casillas-Alcala, Ramon.
A-6802760, Casillas-Ochoa, Roberto.
A-6988887, Castellanos-Martinez, Pedro.
A-7070740, Castillo, Jose.
A-7874314, Castillo-Castillo, Aurelio.
A-7982039, Castillo-Reyes, Simon.
A-6948174, Castillo, Zenona Martinez de.
A-7112576, Castro, Emma.
A-7886492, Castro, Rafael Aguilar.
A-7127206, Castro-Esquivel, Salvador.
A-7264781T, Cepeda, Margarita Aguirre.
A-6622157, Cera-Ramirez, Jose.
A-7251641, Cerda, Tereso.
A-7476867, Cervera, Gertrudis Beltran.
A-7249825, Cervera-Villafana, Francisco.
A-7365937, Chambers, Alfred Anthy.
A-6373500, Chaparro, Roberto.
A-7049688, Chaparro, Roberto.
A-7049687, Chaparro, Lillia.
A-7049686, Chaparro, Hector.
A-3297406, Chavarria, Genaro.
A-7298510, Chavez, Sigifredo.
A-7873872, Chavez-Calderon, Jose.
A-6755436, Chavez-Marquez, Luis.
A-7050946, Chavez, Roberto.
A-7389923, Chavez-Ortiz, Jose.
A-6509457, Chen, Hubert.
A-5740575, Chinnery, Alton, Edwardo.
A-5963583, Chinnery, Isabelita.
A-7983211, Chisholm, Ruth Allen.
A-6046841, Clarke, Cassandra.
A-7439859, Contreras, Felipa Dominguez De.
A-6851182, Contreras-Pais, Jesus.
A-6774270, Cordoba, Maria Ines.
A-5998725, Corral-Lopez, Lorenzo.
A-7241651, Cortez-Ruiz, Gonzalo.
A-7372071, Cosio, Maria Torres De.
A-7240606, Covarrubias-Salgado, Jose.
A-6592052, Cracium, Carmen Rosa.
A-6857769, Crisostomo-Martinez, Francisco.
A-7083971, Cruz, Jose Francisco.
A-7457369, Cruz, Juan De La.
A-7457371, Cruz, Soledad De La.
A-7457370, Cruz, Berta De La.
A-7457372, Cruz, Joaquin De La.
A-6919362, Cruz, Refugia Fernandez de la.
A-7280289, Cruz-Garcia, Anastacio.
A-6948097, Cruz-Padilla, Ignacio Santa.
A-7457924, Cunningham, Keith Ashley.
A-7178687, Davis, Clarence George.
A-6270412, Dawkins, Kemel Gladstone.
A-7251801, De-Anda, Antonio Lara.
A-7050448, Delaphena, Godfrey Howard.
A-6423475, Delgado, Maria Josefa (nee Castro).
A-5943038, Dessuit, Gladys Idalia.
A-6024058, Diaz, Concepcion Gonzalez De.
A-6378888, Diaz, Lazaro Rene.
A-6074448, Diaz-Cano, Gonzalo.
A-6334018, Diaz-Diaz, Jose.
A-7222036, Diaz-Renna, Manuel.
A-7886453, Diaz-Santos, Juan.
A-6920814, Diaz-Veledias, Felipe.
A-7049679, Dominguez, Consuelo.
A-7137812, Dominguez, Delia.
A-7137811, Dominguez, Pascual.
A-7137810, Dominguez, Manuel.
A-7137809, Dominguez, Teresa.
A-7130202, Dominguez, Raul.
A-7985523, Dominguez, Rosa Emilia Gutierrez y.
A-5974895, Donovan, Keturah Delcina.
A-6363361, Dosamantes-Perez, Jesus.
A-6978207, Duncan, Cleveland.
A-7390793, Duran, Angela Reyes de.
A-6078640, Duran-Tapia, Romulo.
A-7274247, Elizaldi, Josefina Solis De.
A-7445524, Escobar, Rosa Olivia Calzonzin.
A-7962471, Espinoza, Otilia Victoria Garcia De.
A-7476174, Esquivel, Marciano.
A-6556350, Esteves, Hermelinda Herrera de.
A-7092825, Estrada, Felipe.
A-6960361, Estrada, Santos.
A-7022965, Fahie, Gwendolyn Imie.
A-6761553, Fahie, Zephaniah.
A-7050950, Falcon, Isidoro.
A-7962043, Farrell-Murga, Argos.
A-7483479, Fernandez, Gildardo.
A-7297200, Fernandez, Ignacio.
A-7297202, Fernandez, Jose Ignacio.
A-7297201, Fernandez, Rosa Emma.
A-8015897, Ferro, Alan Richard Kelso de Montigny Y.
A-8015898, Ferro, Ronald James Kelso de Montigny Y.
A-7178590, Flores, Arturo Ochoa.
A-8001048, Flores, Esther Perez-Kellar De.
A-7130952, Flores, Francisco.
A-7130545, Flores, Marcelina Martinez de.
A-7092826, Flores, Jesus.
A-7295794, Flores-Montion, Jose Jesus.
A-7137772, Flores, Rafael.
A-7137773, Flores, Soledad Rodarto De.

A-6822853, Fortune, Lillian Winifred.
A-7910734, Foster, Gladstone Theodore.
A-7356563, Foy, Richard Howard.
A-7927392, Fraire-Nunez, Nicolas.
A-5901042, Francis, Iris Feldara.
A-7809250, Franco-Bucio, Francisco.
A-6935601, Frausto, Xavier.
A-7273902, Frausto-Montoya, Xavier.
A-7273901, Frausto-Montoya, Irene.
A-5963738, Fredericks, Era Lucille.
A-3124503, Freeman, Bianche Alma.
A-4747415, Freeman, Joseph Ivan.
A-6120852, Frias-Escoto, Narciso.
A-7415753, Fuentes-Ortega, Feliz.
A-7189220, Furett, Adina Augusta.
A-6985576, Gallegos-Gamez, Valentin.
A-7379784, Galvan, Celedino.
A-8021473, Galvan, Jesus Sandoval.
A-7417024, Galvan-Rodriguez, Daniel.
A-6512380, Galvez, Ochoa, Santos.
A-6258742, Gantong, Carmen Cuenca de.
A-7140277, Garcia, Belia Chavez De.
A-6877286, Garcia, Bruno.
A-7375420, Garcia, Favio or Trinidad Sanchez.
A-7439150, Garcia, Felipa Mareno De.
A-7841526, Garcia, Fortino.
A-6725019, Garcia, Jose Felipe Munoz.
A-6081916, Garcia, Julio.
A-7367917, Garcia, Manuel.
A-7145256, Garcia, Maria De Jesus Alvarez De.
A-7145257, Garcia, Aurelia.
A-8001576, Garcia, Maria Hernandez (nee Loza).
A-7137155, Garcia, Rosalio.
A-6877612, Garcia-Barron, Concepcion.
A-6877613, Garcia-Barron, Leodegaria.
A-6877611, Garcia-Barron, Otilia.
A-6791116, Garcia-Duran, Cirenio.
A-7264196, Garcia-Gonzalez, Guillermo.
A-6053843, Garcia-Mendoza, Martiniano.
A-6838493, Garcia-Negrete, Alberto.
A-6044332, Garcia-Ochoa, Federico.
A-6375102, Garcia-Ortiz, Jose.
A-7284794, Garcia-Ramirez, Jesus.
A-6132965, Garcia-Razo, Pablo.
A-7145046, Garcia, Robles, Maximino.
A-7171741, Gentry, Maria De La Luz Zabalza De.
A-7079833, Gil, Marcos.
A-7264220, Godina-Garcia, Benjamin.
A-7137733, Gonzalez-Valdez, Ramon.
A-7145043, Gonzalez-Aguilar, Gilberto.
A-6489508, Gonzalez-Alejo, Nicolas.
A-7200693, Gonzalez-Gonzalez, Rito.
A-7222076, Gonzalez-Fernandez, Benigno.
A-7358647, Gonzalez, Francisco.
A-7358665, Gonzalez, Guadalupe Perez.
A-7222702, Gonzalez-Mena, Felipe.
A-7394417, Gonzalez-Saldivar, Guadalupe.
A-3674206, Granados, Antonio.
A-6924780, Granados, Olga.
A-6924781, Granados, Ricardo.
A-7070745, Granillo, Jose.
A-7070703, Granillo, Adela Valenzuela de.
A-7140299, Granum, Frances Constantia.
A-6377810, Gray, Winifred Eloise.
A-7841609, Greaux, Joseph Sebastien.
A-6093592, Greaux, Victor Pierre.
A-7189837, Guadian, Lorenzo.
A-7189840, Guadian, Olga.
A-7189839, Guadian, Antonio.
A-7189838, Guadian, Manuel.
A-6288570, Guajardo-Flores, Ruben.
A-7298511, Guerra-Arenas, Salvador.
A-6989089, Guerrero, Esteban.
A-7188291, Guerrola, Cruz.
A-7188292, Gurrola, Margarita.
A-6733866, Guevara-Natividad, Genaro.
A-7203040, Gugman, Felipe.
A-6989470, Gutierrez, Francisco.
A-7112955, Guzman-Aguirre, Antonio.
A-7358645, Garcia, Marina Guzman De.
A-7070394, Hache, Adela Julia Haddad.
A-6920655, Harris, Daniel Charles.
A-2113545, Harris, Sydney Lambert.
A-6221472, Hawley, Aristile Wellington.
A-7139124, Haynes, Joseph Nathaniel.
A-6512351, Heredia-Perez, Jose Baltazar.
A-7140418, Hermosillo-Dabaloz, Jesus.
A-5959492, Hermon, Diana Rebecca.
A-7483228, Hermosillo, Julia Lopez.
A-7390997, Hernandez, Carmen Gomez.
A-7903101, Hernandez, Eugenio, Jr.
A-7050955, Hernandez, Francisco Socorro.
A-6972463, Hernandez, Manuel Flores.
A-7145053, Hernandez, Nicolas.
A-7145713, Hernandez, Domitila Trejo De.
A-7145015, Hernandez-Argomaniz, Vicente.
A-6314181, Hernandez-Gutierrez, Angel.
A-7483462, Hernandez-Illas, Pablo Anselmo.
A-6770300, Hernandez-Perez, Pedro.
A-7117566, Herrera, Carlos.
A-7117567, Herrera, Carlos.
A-7117568, Herrera, Jose Luis.
A-7117569, Herrera, Manuel.
A-7841575, Herrera, Natividad.
A-7828651, Herrera, Maria Eustolia Torres De.
A-7386241, Hibbert, Alfred Alexander.
A-7439655, Hines, Richard Samuel.
A-5917249, Hodge, Maria Ophelia.
A-7910567, Hodge, Pathrenella.
A-5980534, Hodge, Valdrena James.
A-7264096, Hughes, George Benjamin.
A-7983405, Ibarra-Ortega, Antonio.
A-7044362, Irigoyen-Leon, Ramon.
A-7802439, Irvin, Moses Hezekieah.
A-6113357, Jasso, Jose Barbosa.
A-6242791, Javier, Rosenda Lopez de.
A-4377208, Jennings, Ebenezer Alvin.
A-5132781, Jennings, Hilda Idalia.
A-7991790, Jones, Charles Joseph.
A-7991789, Jones, Mary Estella.
A-7962009, Jones, Sidney Oliver.
A-5953872, Joseph, Clementina.
A-5901607, Joseph, Severena.
A-6188585, Knibbs, Allan Henry.
A-7269644, Krelenstein, Maria Lourdes Aguilar.
A-7991495, Lacarda, Marta Antonia Agdamag y.
A-7372156, Lara, Santos.
A-7372157, Lara, Maria Concepcion.
A-7873883, Lazos-Morales, Isauro.
A-7415554, Leos-Lomeli, Mario.
A-7112933, Levien, Gilmore.
A-6572095, Lluberes, Conrado Antonio Alfau.
A-7439901, Loera, Pedro Zuniga.
A-7439900, Zuniga-Gonzalez, Pedro.
A-7873884, Loera, Rodolfo.
A-7083002, Long, Maisie Alphancene Bernard.
A-6870227T, Longoria, Jose.
A-6921015, Lopez, Celia Vargas De.
A-6420663, Lopez, Jorge Abraira.
A-7247920, Lopez, Josefina Mendoza Martinez De.
A-6423543, Lopez, Juan Francisco.
A-8065557, Lopez, Maria Del Refugio.
A-7802184, Lopez, Ramon.
A-7978958T, Lopez-Barragan, Juventino Baltazar.
A-7379785T, Lopez-Castro, Felipe.
A-7375744, Lopez-Figueroa, Abelardo.
A-6989596, Lorenzo, Miguel Emilio Marun.
A-7247943, Losano, Lorenzo Murillo.
A-7983076, Losano, Serbando.
A-7351265, Loza-Gutierez, Manuel.
A-7140116, Lozano, Alejandro.
A-7140115, Lozano, Isidra.
A-7945128, Lucero-Moreno, Primitivo.
A-7927520, Lucero-Liana, Alejandra.
A-7927519, Lucero-Lianas, Gloria Irma.
A-7927518, Lucero-Llanas, Leopoldo.
A-7927521, Lucero-Llanas, Julieta.
A-7203610, Lujan, Clotilde.
A-7995641, Luna-Carmona, Jose.
A-7379599, Lynch, Charles Thomas.
A-5948752, Lynch, Marie Annie.
A-7115391, Lytton, Ivy May.
A-7178302, Macias-Cordero, Clemente.
A-7203037, Flores, Paula.
A-7267711, Madrid, Andres.
A-7267096, Madrid, Isabel.
A-5934468, Madrid, Blas.
A-7070678, Madrid, Pilar Parra.
A-7070682, Madrid, Andrea Parra.
A-7070681, Madrid, Gerardo.
A-7070680, Madrid, Manuel.
A-7476214T, Madrigal-Madrigal, Silvestre.
A-7130567, Magallanes, Jesus Jose.
A-7083548, Maina, Ana Maria Ramirez de.
A-7203580, Maldonado, Samuel Valdez.
A-6317437, Marcelli, Millicent Louise.
A-6970242, Marmolejo, Amalia Mazon de.
A-6970241, Marmolejo-Hernandez, Pedro.
A-7145585, Marquez, Cruz.
A-7145600, Marquez, Emma Berta.
A-7140732, Marquez, Francisco.
A-7145602, Marquez, Marciala Ester.
A-7145601, Marquez, Maria Telesfora.
A-7145603, Marquez, Ricardo.
A-7297180, Marquez-Gallegos, Manuel.
A-7297179, Marquez, Maria Elena.
A-6165329, Marrero, Augustina.
A-7375897T, Martinez, Albertina Goint De.
A-7910281, Martinez, Antonio.
A-7178573, Martinez, Benito.
A-7054562, Martinez, Carlos Miguel.
A-7054561, Martinez, Guillermo Winston.
A-7050463, Martinez, Jesus.
A-6422181, Martinez, Marcos.
A-7054560, Martinez, Otilia Aurora.
A-6490672, Martinez, Reyna Estela Ramona Marina.
A-7387471, Martinez-Lozano, Guadalupe.
A-3779201, Matthias, Majorita.
A-7445788T, McKenzie, Aubrey Alexander.
A-7130563, Medina, Felicitas.
A-4566750, Medina, Jose Luz.
A-7358671, Medrano, Crispin.
A-7287909, Medrano, Tomas.
A-7387933, Silva Evangelina.
A-6090236, Melendez, Cayetano.
A-6976418, Mendez, Adelina Leonor Moreno Y Garcia De.
A-7050338, Moreno, Sonia Teresa Mendez.
A-7050339, Moreno, Magali Regina Mendez.
A-6882302, Mendez-Hernandez, Jose.
A-6882269, Mendoza, Micaela Pontenciano de.
A-6213719, Mendoza Ramon.
A-7290945, Perez, Adela.
A-7802642, Mendoza-Mondragon, Ubaldo.
A-7809526, Mendoza-Sanchez, Jesus.
A-7809525, Mendoza, Maria Elva.
A-5871666, Millin, Leonora Christine.
A-7841722T, Milliner, Leslie Alquin.
A-7389301, Milton, Norman Edgton.
A-7383365, Miranda-Lopez, Arturo.
A-6948481, Miranda-Salazar, Salvador.
A-7372146, Molina- Hernandez, Genovevo.
A-7457789, Montenegro-Rodriquez, Fernando.
A-6724300, Montero-Castaneda, Manuel.
A-7385583, Montes- Molina, Jose.
A-7388754, Montoya-Melesio, Valentin.
A-6732047, Montoya-Ortega, Rafael.
A-6291190, Monzano-Salazar, Estela Eugenia.
A-6291189, Monzano-Salazar, Margarita Clara.
A-6291191, Monzano-Salazar, Rosa Maria.
A-7070047, Morales, Eduviges.
A-7189047, Morales, Marcial.
A-7189048, Morales, Abundio.
A-7189049, Morales, Maria Pascuala.
A-7145583, Moreno, Alejandro.
A-7145718, Tiscareno, Isabel.
A-6855855, Moreno, Jose.
A-6089522, Moreno, Maria Guadalupe Desales de.
A-7144641, Moss, Vivian George.
A-7122049, Munoz, Guadalupe.
A-6169103, Muriel, Jose.
A-7371589, Myers, Clifton Vivian.
A-6921234, Najera, Francisca.
A-6921235, Najera, Candelaria.
A-6921236, Najera, Evangelina.
A-6921237, Najera, Armando.
A-6921238, Nejera, Raul.
A-6921239, Nejera, Roberto Gutierrez.
A-6775845, Nava, Carlos L.
A-7127244, Nava, Jose Luis.
A-7910523, Nieves, Cristobal.
A-7910522, Nieves, Guadalupe Renteria De.
A-5911583, Niles, Elita Virnah.
A-5935855, Ochoa, Fidel.
A-7188547, Olvae, Fernando.
A-6033300, Oliveres, Jose Salome Chapa.

A-7145620, Olivas, Leopoldo.
A-6208817, Olivas-Alvarez, Catarino.
A-7423135, Olivas, Paula Rodriguez De.
A-7292115, Olivas-Lozoya, David.
A-7392114, Olivas, Guadalupe Morales de.
A-7137553, Olvera, Pablo.
A-6956176, Orozco, Rosa Barroso De.
A-7266111, Ortega, Rafael.
A-7197850, Ortego-Quintana, Francisco.
A-7189000, Ortiz, Cecilio.
A-6476130T, Ortiz, Pedro.
A-6972306, Oseguera-Arevalo, Aurora.
A-6972305, Oseguera-Arevalo, Roman.
A-6971649, Oseguera-Barajas, Honorio.
A-6165544, Pacheco, Maria Garcia-Lopez De.
A-6065635, Parrott, Ellouise.
A-5966201, Parrott, Louis Albreric.
A-7188729, Patino, Maria Louisa Velasquez De.
A-6679818, Pelaez, Manuel Armando.
A-7224071, Pena-Rodriguez, Eloy.
A-6961717, Perez, Librado.
A-7264086, Perez, Margarita.
A-7264087, Perez, Antonia.
A-6235770, Perez-Barron, Fidel.
A-7140806, Perez-Garcia, Leon.
A-7140807, Perez, Marcelino.
A-7140808, Perez, Leonor.
A-5958162, Perez-Gomez, Ignacio.
A-6058862, Petersen, Ruth Glover.
A-7886874, Philip, Minerva Olivia.
A-7137530, Pinder, Washington Howard.
A-7222455, Pino-Fernandez, Fermin.
A-7287920, Pinon, David.
A-6869930, Pizano, Salvador Prado.
A-7297156, Portillo, Austrebert.
A-7297162, Flores, Rafaela.
A-7188264, Potter, Francina.
A-6124500, Preciado-Soto, Alberto.
A-6877596, Prieto, Lorenzo.
A-6916219, Puckerin, Ervin Fitzherbert.
A-7137172, Puentes, Matias.
A-7137167, Puentes, Gabina Ramirez de.
A-5995994, Quinones, Angel.
A-7358677, Quinones, Guadalupe Cadena De.
A-6562093, Quinones, Filimon Navarrete.
A-6394586, Quintana, Angela Lorenza.
A-6924327, Quiroz-Martinez, Angel.
A-4377209, Rabastt, Olva Ludvig.
A-7290943, Ramirez, Gregorio.
A-7277918, Ramirez, Manuel.
A-7264812, Ramirez, Maria Gutierrez De.
A-7921528, Ramirez-Aquirre, Jose Roberto.
A-7112651T, Ramirez-Contreras, Roberto.
A-7264811, Ramirez-Ortiz, Jose Aurelio Maximino.
A-6836307, Ramos, Salvador Garcia.
A-7188738, Reyes, Manuel.
A-5977287, Reyes, Maria Concepcion.
A-7178067, Reyes-Portilla, Felipe.
A-6848214T, Rice, Ina Maud.
A-5783566, Richardson, Edward Alexander.
A-6965422, Rios-Ortiz, Jesus.
A-7189495, Rios, Carmen Campean De.
A-6038539, Rivas-Borroyo, Arturo.
A-7178306, Rivera, Ciriaco.
A-7178304, Sanchez, Angela.
A-7802451, Robinson, George Saybert.
A-7863962, Robles-Diaz, Jose.
A-7044287, Roca, Tomas.
A-5958068T, Rocha-Burciaga, Francisco.
A-6978147T, Rocha, Juan Francisco.
A-6352535, Rodriguez, Pedro.
A-7372014, Rodriguez, Ramon.
A-7863359, Rodriguez, Manuela.
A-7863360, Rodriguez, Fermina.
A-7863357, Rodriguez, Mariana.
A-7140123, Rodriguez, Sebastian.
A-7420834, Rodriguez-Garcia, Francisca.
A-7457906, Rodriguez-Gaspar, Manuella.
A-7841677, Rodriguez-Gonzalez, Trinidad.
A-6106212, Rodriguez-Lares, Manuel.
A-8065802, Rodriguez-Lopez, Francisco Javier.
A-7491011, Rodriguez-Natividad, Gilberto.
A-6839869, Rodriguez-Salazar, Maria.
A-7350030, Rodriguez, Jesus.
A-6077403, Rojas, Dolores Navarro De.
A-7367084, Rojas-Gutierrez, Francisco.
A-6260321, Rojas-Mendoza, Gonzalo.
A-6888204, Roman, Maria De Jesus.
A-7083950, Roman-Arias, Guadalupe.
A-7476758T, Romero, Olivia Arreola De.
A-7910926, Romero-Anzaldo, Arturo.
A-7417222, Romero-Belmonte, Ana Maria.
A-7417224, Romero-Belmonte, Manuel Antonio.
A-7417223, Romero-Belmonte, Maria Luisa.
A-7394262, Romero-Jimenez, Antonio.
A-7463972, Romero-Jimenez, Gilberto.
A-7394579, Romo-Ruiz, Anselnio.
A-7591593, Ros, Alberto.
A-7059614, Rosales, Manuel.
A-7070677, Rosales, Juan Manuel.
A-7980285, Rosales-Davila, Jose.
A-6878354, Rose, George Leahong.
A-7297154, Rubio, Jose Antonio.
A-7863949, Rueda-Calderon, Rafael.
A-7391995, Ruiz-Avalos, Rafael.
A-7903426, Ruiz-Ruiz, Alfonso.
A-7057051T, Russell, Howard George.
A-7849993, Rymer, Audrey Kate.
A-7858181, Rymer, Norbert.
A-6844306T, Salazar, Juan Maldonado.
A-7388952, Salazar-Diaz, Pedro.
A-7070690, Salcido, Ascencion.
A-7070689, Salcido, Magdalena.
A-7070688, Salcido, Hector.
A-7070687, Salcido, Guadalupe.
A-7463000, T. Sanchez, Alfredo Tapia.
A-6050230, Sanchez-Sandoval, Eustacio.
A-7982041, Sandoval, Juana Castellanos De.
A-7203089, Sandoval, Maria Rufina de Jesus Rico de.
A-7991575, Sandoval- Alapisco, Raustino.
A-7921571, Santana, Jose Trinidad.
A-7178311, Sarinana, Ireneo.
A-6976524, Sarriz-Orozco, Manuel.
A-6786973, Scatliffe, Leonaldo.
A-7367040, Segoviano-Rocha, Gonzalo.
A-7983420, Serrano-Torres, Juan.
A-7983418, Serrano-Torres, Luz.
A-7983419, Serrano-Torres, Margarita.
A-6816110, Silva-Gonzalez, Guadalupe.
A-9623189, Smith, John.
A-7978841, Solis, Maria Petra Garcia de.
A-7927785, Sosa, Alma Cecilia Pena De.
A-6749266, Sosa-Medina, Juan.
A-7222089, Sotelo, Margarita Pompa De.
A-6428750, Stafford, Amy Dorothy.
A-7902274T, Subia, Maria De Los Angeles Vargas De.
A-7264385, Tapia-Millan, Victor Samuel.
A-7145717, Tarin, Enrique.
A-6840186, Taylor, Joseph Snape.
A-6970200, Tejeiro-Ramos, Evelio.
A-7251944, Tena-Munoz, Jesus.
A-6151707, Thomae-Bautista, Arturo.
A-3479228, Titley, Viola.
A-7915505, Todman, Ettie Thelyn.
A-7910928, Toro, Pablo Ramirez-del.
A-7044378, Torres, Eduardo.
A-7049589, Torres, Benjamin Castro De.
A-7050975, Torres, Juan.
A-7178378, Torres-Arreliano, Luis.
A-7081458, Trejo-Delgado, Raul.
A-7387477, Trejo-Hernandez, Epigmenio.
A-7137176, Trevizo, Natividad.
A-7056869, Ugalde-Sanchez, Miguel.
A-7982226, Uriguen, Luis.
A-6995960, Urteaga, Oscar.
A-7145334, Valdes, Andres.
A-7145743, Valdez, Lamberto.
A-6954117, Valencia-Murataya, Jose.
A-6344033, Valenzuela, Jesus.
A-7178891, Valenzuela, Ynes.
A-7178890, Valenzuela, Nicolasa Graciela.
A-7178889, Valenzuela, Maria De Jesus.
A-7178888, Valenzuela, Guadalupe.
A-7137254, Valiodolid-Campos, Ramon.
A-7240143, Vargas-Guzman, Epifanio.
A-7267605, Vargas-Pena, Jose.
A-7140836, Vasquez, Lucio Rodriguez.
A-5912952, Vasquez; Meliton.
A-8057760, Vasquez-Guzman, Jose.
A-7145210, Vasquez-Vasquez, Trinidad.
A-7375456, Velarde, Antonio Coronado De.
A-6936170, Velasquez, Enrique.
A-7049205, Enriquez, Consuelo.
A-6949203, Velasquez, Pascual.
A-7264090, Veloz, Alejandro.
A-7083807, Venegas, Tomas.
A-7203652, Ventureno, Austreberto Quezada.
A-7203941, Queazda, Berta Rodriguez de.
A-7863082, Vera-Sierra, Vicente.
A-6683032, Villa, Simon.
A-7081463, Villalobos, Jose.
A-6989990, Villanueva-Aguayo, Jose.
A-7197920, Villarreal-Astorga, Albino.
A-7178303, Villegas, Esteban.
A-7982031, Vital-Perez, Benjamin.
A-5968234, Webster, Samuel Arthur.
A-7132835, Wiggan, William Alexander.
A-7915588, Williams, Hubert George.
A-7647826, Williams, Joseph Samuel.
A-5929790, Williams, Mathilda Augustine.
A-7469934, Willoughby, Leonard Anthony.
A-1164563, Wilson, William James.
A-7222288, Yanez-Garcia, Victor.
A-6146645, Yang, Cynthia Norma Poon.
A-7222325, Ybarra, Maria Reyes De.
A-7439001, Zapata, Heriberto Mireles.
A-7983498, Zubeldia, Federico Hill.
A-7450257, Albin, Winsome King.
A-7450751, Brotherton, Rupert.
A-7222366, Cantua-Bracamonte, Jesus.
A-7188531, Gonzalez, Juan De Dios.
A-5934065, Juarez, Miguel.
A-7398912, Sifuentes, Exiquio Lopez.
A-7985770, Nisbeth, Carol Lloyd.
A-6402334, Patrice, Lillian Mary.
A-7083988, Sifuentes, Pedro.
A-7439585, Smart, Hubert.
A-6919721, Barreto-Larios, Natividad.
A-7083972, Contreras, Jose Luis.

The Senate concurrent resolution was concurred in.

SUSPENSION OF DEPORTATION OF CERTAIN ALIENS

The Clerk called the concurrent resolution (S. Con. Res. 92) favoring the suspension of deportation in the case of certain aliens.

There being no objection, the Clerk read the concurrent resolution, as follows:

Resolved by the Senate (the House of Representatives concurring), That the Congress favors the suspension of deportation in the case of each alien hereinafter named, in which case the Attorney General has suspended deportation for more than 6 months:

E-41708, Bravo, Juan Jose or John Bravo.
A-6848427, Chen, Neng Kuan.
A-7828736, Chen, Ming Li Pei.
A-4918479, Choi, Cheng Yin or Chin Yin Toy.
A-6949355, Chu, Grace.
A-1139169, D'Arco, Vincenzo.
A-5459000, Ezaki, Matsuhiko or Yuzo Kamiji.
A-3965686, Golding, Arthur Samuel.
A-1662032, Gomes, Pedro Fernandes.
A-5960653, Grunberg, Richard.
A-6836829, Herrera, Camila Montes De.
E-5523, Hine, Louie or Louie Him or Hong or Gin or Louis Hine or Him.
A-3690663, Hum, Tom Peter or Tom Hum.
A-3927082, Kamimura, Chiyozo.
0300/408451, Martins, Luis Antonio.
A-6420723, Martins, Palmira de Conceicao nee Palmira da Conceicao Silva.
A-7050096, Moreno, Maria Luisa Hermandez de.
A-7050274, Moreno, Andres.
1511/101, Natividad, Dominga Verdosa de.
A-4598015, Perez, Jose Aurelio or Jose Aurelio Baeza Y Perez or Andrew Perez.
E-9453, Shen, Yuin Chien or Po Kang or Nelson Shen or Shen Yuin Chien.
E-9454, Shen, Alice Shi-Fang or Shih Shien (nee Shih Shien Liu or Alice Liu or Liu Shi Fang).
A-2459840, Spadavecchia, Cosmo or Cosimo.

A-1526760, Troyanos, Nicolaos or Nicolaos John Troyanos.
A-4422113, Aguirre-Bermudez, Vicente or Vicente Bermudez-Aguirre or Vicente Bermudez-Medrano.
A-3982995, Aguirre, Maria De Jesus Martinez De or Maria De Jesus Martinez.
A-6087758, Aldana, Carlos.
A-4166099, Alexa, Joseph or Jozsep Olexov.
A-7179099, Allen, Eugenia Kokoris.
A-6612846, Baglaneas, Theodore Elias.
A-3876966, Banfield, Fitzherbert or Fitzgerald Herbert.
A-3230496, Beglicta, Simon or Jack Landis.
A-4332186, Chiappara, Francesco Paolo.
A-1810873, Chin, Tin.
A-6868702, Chumbris, Kyriacoula Loucopoulou.
E-094466, Cohen, Abraham.
E-094472, Cohen, Lyba (nee Bell).
A-6384625, Diaz, Juan Manuel Sola Y or Juan Manuel Sola-Diaz or Manuel Sola.
A-1164488, Evora, Pedro Alcantara.
A-6292555, Hilderbrandt, Hana Kanaya.
A-9730811, Johnasen, Trygve.
E-33273, Lara-Lastra, Alberto or Gilberto Lara-Lastra.
0300-417576, Long, Shew Chen or Shew Chen Lang.
A-2374221, Matsukuma, Kiyoshi.
A-6743863, Mora-Arias, Panfilo.
A-7125036, Ramajo, Lydia (nee Lydia Almazar).
E-124899, Rodriguez, Natalia Galvez De.
A-3478987, Rothwell, John Jurice.
A-3647767, Salinas-Sigala, Alfonso.
A-6805995, Udvarnoki, Bela.
A-7379126, Wizenfeld, Dora.
0300-329649, Wu, Hsia.
A-3849604, Yow, Wong or You Wong.
A-5876961, Zarrillo, Costanzo.
A-3544573, Zarrillo, Maria Donata Zizza.
A-7036297, Angelo, Richard Raymond.
0300-258155, Black, Anthony James or James Black or Anthony James.
0300-371226, Brathwaite, Henry Mariton or Henry Holder.
T-1892701, Chong, Wong.
A-6255500, Curiel-Ayala, Aristeo.
0300-58263, Dock, Li or Hui Cheung Shun.
0300-400090, Ekson, Larry.
A-7903429, Espinosa, Francisca Hernandez de.
A-7140767, Fuentes-Nava, Francisco or Francisco Nava-Fuentes or Francisco Fuentes.
A-7445991, Gomez-Villarreal, Luis.
A-7450111, Gomez, Teodora Conde De.
T-2626062, Gomez-Conde, Maria Elena.
T-2626062, Gomez-Conde, Jorge.
T-2626062, Gomez-Conde, Jose.
0300-420450, Gong, Henry or Gong Hen Foon.
A-6988061, Gonzalez-Rubio, German.
1300-119611, Howe, Virginia.
1300-119612, Howe, Margarita.
A-2771466, Hughes, George Fairfield.
T-2671872, Ivanov, Charles Bill.
E-072667, Jacobowitz, Molly formerly Rabinowitz (nee Malka (Molly) Berman).
0900/40998, Koulitianos, Charalambos or Haralambos or Coulentinos or Chris Collins.
A-6139106, Kudo, Rokuichi.
A-6139105, Kudo, Yoshiko Hasegawa.
A-6139102, Kudo, Eigo.
A-6139103, Okamoto, Nami (nee Kudo).
A-6139104, Kudo, Shiro.
1409-15290, Lagunas-Rosas, Alejo.
1409-15291, Lagunas, Margarita Padron de.
0300-408198, Langdon, Lawrence.
A-2444431, Lee, Mow.
E-056276, Lew, Peek or Peep Chung or Jimmy Lew.
E-9273, Maczynski, Slawomir Peter Tede.
E-905424, Man, Chang or Chang Man Yung.
A-4849580, Miklavec, Mario or Joe Marino.
A-7178566, Morales-Alvarez, Pedro.
A-6432337, Perez, Maxima Adelaida (nee Henriquez).
A-1026803, Power, Winston Lionel.
T-2672136, Riemer, Detlef Robert or Robert Launder.
A-7450836, Rodriguez-Castillo, Ascencion.
A-1018591, Sanchez, Jose or Jose Sanchez Celis or Nemesio Navarro or Memesio Navarro Giroteo.
A-5624444, Santos, Trifona or Tryphon Santos or Tom Lido.
A-9689295, Seerat, Salim Bin Haji or Salim Seerat.
A-3771460, Seretis, Despina.
A-1770227, Sokolowski, August.
A-6273964, Talamantez, Benita Prado De.
0300-285857, Wong, George or Wong Yee.
T-1892486, Wong, Koa Nei.
V-591428, Wong, Sio Zea or Sio Zea San.
A-9575143, Berasategui, Francisco.
A-7828285, Berman, Laila Liliane (nee Shalom).
0300/118691, Betancourt, Bernardo Buenaventuro.
A-5557699, Chong, Jick or Chong Yick or Chong Ten or Jung Ten or Chong Soo Ten.
0800-95470, Conner, Alma.
V-1183602, Doo, Vee Sing.
A-5468256, Goodell, Laura Beatrice or Laura Beatrice Rickley.
A-5525131, Goodspeed, Marian Bertha.
A-4855254, Hamilton, Tugela Violet May (nee Jeremy).
A-2665726, Hernandez, Elena Garcia de or Elena Moya or Elena Moya de Hernandez or Elena Garcia.
0900-37855, Jager, Marceline Helen (nee Doeseckle).
A-7980253, Macias-Martinez, Estreberto.
A-7802062, Mendez, Miguel Mendoza.
A-9764791, Miha, Ebraham or Ebaiham Miha.
A-7898789, Morales, Luz Maria Logrono de.
A-574834, Pritchitt, Albert Fredrick.
A-7463609, Santos, Maria Cristina De.
A-7463610, Santos, Maria Victoria Ramona De.
A-5967458, Shimabukuro, Takichi.
A-6161509, Shimabukuro, Matsu.
A-2473130, Sklavounos, Spyros Dennis or Spyros Gerasimos Sklaveunos.
A-7056495, Stathakos, Payayotis N.
A-7068019, Stathakos, Hippolyta.
A-6019501, Tamez, Reynaldo Rodriguez or Reynaldo Rodriguez.
A-5476563, Togisala, Simi or Simi Taualii.
A-5642023, Tsuboi, Iwaichi.
A-9024705, Urlich, Anthony or Anton Urlich or Anton Urlic or Orlic.
A-5886869, Williams, Moses.
A-4125218, Wong, Him or Wong Hing.
0803-6809, Zamudio, Juan Zamaripas.
A-4664137, Bencivenga, Tambaro or Tammaro Bencivenga.
A-7500672, Bruyn, Thomas Deynem Matthijs De.
A-4750806, Dalal, Rustom Hormusji.
A-7927502, Felix-Escobedo, Alberto or Albert Felix.
A-9769394, Goni, Abdul.
A-6640245, Gonzalez-Cisneros, Luis.
A-5088694, Gonzalez-Irvina, Arturo or Arthur Martinez or Cliff Glen or Harry Gonzalez or Tony J. Camacho.
A-6261625, Gregoriou, Androniki.
E-082291, Henderson, George.
A-4444592, Heyamoto, Toshiro.
A-7027973, Hsu, Yun Fong or Brenda Mary Hsu.
A-6319225, Katsouros, Nicholas.
A-6319226, Katsouros, Emmanuel.
A-3264569, Kornoff, William Alexander.
A-6921628, Li, Sing Chung.
E-079716, Magarian, Antranik.
A-9128479, Malay, Geminiano.
A-9625360, Manolakis, George.
A-5409188, Moninger, Stephen or Stefan Moninger or Earl Wilhelm Moninger.
A-5967502, Nashiro, Shisho.
A-5884554, Ornelas, Melquiades.
A-7469919, Ospina, Arnold.
A-6168371, Pelayo, Junior, Jose Luis.
T-1496851, Pelayo, Maria Beatriz.
T-1496852, Pelayo, Javier M.
A-6535301, Pelayo, Margarita M.
0900/64624, Pineda, Justino Escobar.
0300-390645, Power, John William.
A-6934595, Prescod, Vera Velveteen or Vera Velveteen Fields Haywood or Vera Haywood.
A-5156312, Provencher, Lucien E.
A-1281505, Pytel, Pavlo or Paul.
E-20554, Reame, Antonio.
E-20000, Reame, Nancy.
0300-357987, Seng, Quock Bond or Quock Cheung.
A-4963183, Solis, Dolores Martinez de or Dolores Martinez de Gonzalez.
0900/00343, Solis-Luna, Jose Santos.
A-7180027, Sulyi, Andre Janos.
A-7180028, Sulyi, Emilia Mullner.
1600-108124, Tamayo-Lopez, Ruben.
E-905094, Tatanis, Alexandria.
A-6610922T, Thompson, Hurbin or John Clayton Oliver.
A-7387955, Yuan, Shao-Yuen.
A-2636089, Zavala, Paula Arenas Beltran de.
A-6040375, Afzal, Mir.
E-33872, Bolshakoff, Victor Grigoriy or Victor Larsen.
A-4799003, Chiarella, Thomas or Tomas.
A-6854505, Chin, Chang or Chun Cheng or Cheung Cheng or Chin Chang or Cheng Chun Sang.
A-6819554, Clark, Vivian (nee Meade).
0300-279088, Czajkowski, Stefan Josef or Stefan Josef Grzesik.
A-5450342, Delli, Mario or Dello.
A-4442876, Dorf, Stella Beatrice (nee Egurin).
E-087755, Farrell, Helen Frances (nee Misener).
A-6819114, Feiner, Sara or Sara Grunzweig.
A-4894017, Fekete, Frank or Ferenz Kekete.
A-4961721, Flores, Elvira Martinez de.
T-2760497, Gabriel, Rafael Labeza.
A-6512394, Garcia-Carasco, Martiniano.
A-6093060, Garcia, Consuelo Lizarraga de.
A-9767729, Grando, Cornelis Eugene or Cornelius E. Grando or Cornelius Grando or Eddie Grando.
A-3987793, Higa, Shinzo.
A-7982765, Hsu, Dickie Ping.
E-075569, Jew, Wong Lai Ying.
E-079570, Jew, Mona.
E-087605, Kan, Lee or Gin Lee.
A-6510550, Knall, Wilhelmine.
A-7486946, Kuo, Agnes Kan Ping or Ping Kan.
A2828835, Lee, Kum or Gum Lee.
A-4946369, Louis, Andre or Goung Sam.
1300-122543, Lourdes-Rivera, Maria de.
A-6620355, Manuelian, Margaret Florence (nee Bishop).
0300-253643, Manuelian, Robert or Robert Mihran Manuelian.
T-2671947, Michel-Preciado, Jose.
A-6261593, Mohr, Elembre or Siforos Olymbia Moore or Olimpia Muraiti.
0900-59324, Moore, Vernon Alfonso.
E-083528, Osen, Anton or Anton H. J. Osen.
A-3359890, Pagador, Isabelo Padua.
A-9569986, Pang, Chu or Gee Hog Pang or Gee Hog Pan.
T-2760441, Paz-Gomez, Gabriel De La.
T-2760438, Paz, Maria De Jesus Lopez De La.
T-282078, Piazza, Lois Anita or Anita Ethel Ellis or Anita Rosalie Murch or Lois Elain James.
A-3552213, Pong, Tung.
A-9742097T, Rasmussen, Erik Johannes.
0900/58314, Rodriguez-Martinez, Ramon.
A-7841500T, Sankovich, Miro.
E-086535, Scoufopoulos, Dora Constantine or Dorothea C. Scoufopoulos (nee Doufeti).
E-086536, Scoufopoulos, Niki Maria.
1600-101921, Serrano-Ramirez, Florentino.
A-4789531, Stampolos, Nicholas.
A-5977654, Tawara, Mitsutaro.
A-6162289, Tawara, Kiwa.
A-6162284, Tawara, Paula Sumiko.
A-6162285, Tawara, Juan Akio.
A-6162286, Tawara, Susana Kiyoko.

A-6162288, Tawara, Toshiharu or Toshiharu Adolph Tawara.
A-6162287, Tawara, Victor Toshimitsu.
A-7984782, Valdez, Maria Luisa Garibay-Arzate de.
E-48172, Valle-Veytia, Rosa Luz.
A-7222282, Velasco-Esqueda, Carlos.
T-302969, Villalovos-Alvallar, Santiago.
A-7228784, Wust, Klaus German.
A-7289028, Wust, Marlene (nee Haumann).
0300-413932, Yzaguirra, Anselmo.
E-33938, Aloise, Francesco or Frank.
A-4135951, Alvarez, Jose Perez or Jose Perez or Jose Peda.
T-1496830, Amaya-Varela, Ramon.
0300-363553, Awad, Abou Bakr.
V-150975, Azrak, Adele (nee Kraiem).
E-6939, Chun, Vung-Kwan or Victor Chun.
A-7264793, Dacosta, Alfred George or Culio Del Valle.
A-7821401, Delaney, August or Gus De Leones or Kostos Teleones.
T-1506077, Ferreira, Ramon or Ramon Ferriera Hermida.
0900-65223, Fiordirosa, Dominick or Vincenzo Firdirosa.
A-7978692, Garcia-Dena, Paulin.
0900-64707, Guzman, Juan Eleucadio de San Antonio Martinez or Antonio Martinez Guzman or Alfredo Martinez.
A-7198814, Kim, Sook Chong.
A-6965059, Leon, Ernestina Garza de.
A-8022384, Medina-Amador, Jose.
A-4594891, Mitsuya, Akira.
A-1184641, Park, Maria or Maria Lin-Pack or Kyong Ock or Oak.
0900-63931, Saldana, Augustin Perez.
T-303859, Sezen, Vecihi Sermet.
1407-2425, Silva-Gonzalez, Martin.
A-6704301, Agraz-Ochoa, Alfonso Enrique or Alfredo Agraz.
A-4055563, Feinberg, Sarah.
A-6504425, Gaduang, Senena Evaristo.
1409-9991, Gonzalez-Salinas, Benito.
1409-9992, Gonzalez, Hipolita Lugo de.
A-7381350, Harrigan, Leonora or Lee Leonara Harrigan.
E-084964, Hausan, Kanian or Kanian.
1049-14463, Jimenez, Guadalupe Trevino de.
T-2671878, Kong, Rose Joe or Mrs. Chan Look.
E-36302, Larsen, Luba.
A-7061348, Leifer, Beresi.
0300-403512, Leifer, Serena.
A-7886271, Levenbook, Alessandra Lucia.
E-086791, Perez, Angel Pedro Pascual.
E-082996, Rigos, Spiros Sotiri or Spiros S. Rigos or Sam Tigos.
A-9505901, Santos, John Ricardo Dos or John Andria or John Hendrick.
A-6096240, Tavsanli, Hulusi.
A-8008810, Valencia-Avila, Gildardo or Gildaro Avila-Valencia.
A-6747848, Wilson, Angelina.
0300-405015, Cominos, Spyios or Spyros.
V-321499, Fernandez, Maria Francisca Babio-Suarez De nee Maria Francisca Babio-Surez.
V-884966, Hsu, Kee Ming or Ming Kee Hsu or Thomas Hsu.
A-7991810, Hsu, Mrs. Kee Ming nee Lai Mai Chou or Chu Lei Mai or Chou Lai Mai or Daisey Hsu or Chow Lai Mai.
A-6379694, Lee, Laura or Wan Ho Chao Lee.
A-6149070, Lee, Shu-Ching.
A-7450671, Szaja, Mordka.
A-7910983, Szaja, Toni.
V-683113, Singer, Josef.
V-379740, Singer, Vera (nee Verona Stein).
A-6757009, Skarzynski, Alexis Edouard De.
A-7184237, Arra, Esa Qultimo.
E-6999, Arra, Kettu Serafina.
0300-415564, Beecher, Henry Ward or George McLean or Leslie Bell.
A-6699540, Beinhauer, Karel Vladimir.
A-6699541, Beinhauer, Maria Alexandra nee Neumann.
A-6912306, Papadakos, Stavroula or Stella.

With the following committee amendment:

On page 6, strike out all of line 20.

The committee amendment was agreed to.

The Senate concurrent resolution was concurred in.

OTMAR SPRAH

The Clerk called the bill (S. 231) for the relief of Otmar Sprah.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Otmar Sprah shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon the payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LAND PATENT TO CERTAIN LANDS IN COUNTY OF KAUAI, T. H., FOR SCHOOL PURPOSES

The Clerk called the bill (H. R. 8736) to authorize the issuance of a land patent to certain public lands, situate in the county of Kauai, T. H., for school purposes.

There being no objection, the Clerk read the bill, as follows:

Be ie enacted, etc., That the commissioner of public lands of the Territory of Hawaii be authorized to issue a land patent to the Roman Catholic bishop of Honolulu, a corporation sale, covering the following described lands:

Lot 40, Kapaa house lots, Kapaa, district of Puna (which includes the Kawaihau District) county of Kauai, T. H.; said land to be used for school purposes.

With the following committee amendment:

Strike all of lines 3 to 6, inclusive, and insert in lieu thereof "That with the consent of the Governor of the Territory of Hawaii the commissioner of public lands of said Territory is authorized to issue a land patent to the Roman Catholic bishop of Honolulu, a corporation sole, covering the following described lands."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CONVEYANCE OF CERTAIN REAL PROPERTY IN BOX ELDER COUNTY, UTAH

The Clerk called the bill (H. R. 6451) to provide for the conveyance to Robert Ward Morgan and others of certain real property in Box Elder County, Utah.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior is authorized and directed to convey to Robert Ward Morgan, Willard, Utah, upon payment of an amount equal to $2.50 an acre, all of the right, title, and interest of the United States in and to two tracts of real property situated in Box Elder County, Utah. Such tracts of real property contain a total of approximately thirty-one and fifty-six one-hundredths acres and are more particularly described as follows:

(1) Tract No. 57A in section 21, township 8 north, range 2 west, Salt Lake meridian, Box Elder County, Utah; and

(2) Tract No. 57B in section 22, township 8 north, range 2 west, Salt Lake meridian, Box Elder County, Utah.

SEC. 2. The Secretary of the Interior is authorized and directed to convey to Robert Ward Morgan, Willard, Utah, upon payment of an amount equal to $2.50 an acre, all of the right, title, and interest of the United States in and to a tract of real property situated in Box Elder County, Utah. Such tract of real property contains approximately three and thirty-one one-hundredths acres and is more particularly described as follows: Tract No. 52A in section 22, township 8 north, range 2 west, Salt Lake meridian, Box Elder County, Utah.

With the following committee amendment:

Strike all after the enacting clause and insert in lieu thereof the following:

"That subject to the requirements of this act, the Secretary of the Interior shall issue patents to the occupants of the public lands in sections 9, 10, 15, 16, 21, 22, 27 and 28, T. 8 N., R. 2 W., Salt Lake Meridian, Utah, upon payment of the appraised value of the lands at the date of the appraisal, exclusive of any increased value resulting from the development or improvement of the lands by the occupants or their predecessors in interest. In such appraisal, the Secretary of the Interior shall consider and give full effect to the equities of the occupants.

"SEC. 2. The Secretary of the Interior shall issue a patent for such land to any occupant only if the occupant (1) files an application to purchase the lands within one year after the enactment of this act; (2) makes a showing satisfactory to the Secretary that he or his predecessors in interest were bona fide occupants of the tract and had adverse possession for 7 years prior to the approval of the plat survey of the lands; and (3) pays the price of the lands, as required by the Secretary.

"SEC. 3. Nothing in this act shall be construed as affecting adversely valid existing rights to public lands.

"SEC. 4. Any money paid by the occupants shall be covered into the reclamation fund for credit against the construction costs of the Weber Basin project, Utah. If any of these lands are needed by the United States for the said project, the Secretary may declare the lands forfeited and return to the United States upon tender of payment for such lands of the amount paid by the occupant to the United States under this act plus the reasonable value of the improvements in place at the time the land is patented. Such tender and payment shall be made from the reclamation fund."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended so as to read: "A bill to provide for the conveyance of certain public lands in Utah to the occupants of the land."

A motion to reconsider was laid on the table.

RELIEF OF WALTER W. FLORA AND MILDRED L. FLORA

The Clerk called the resolution (H. Res. 659) providing for sending to the United States Court of Claims the bill (H. R. 9334) for the relief of Walter W. Flora and Mildred L. Flora, doing business as Flora Engineering Co.

There being no objection, the Clerk read the resolution, as follows:

Resolved, That the bill (H. R. 9334) entitled "A bill for the relief of Walter W. Flora and Mildred L. Flora, doing business as Flora Engineering Co.," together with all accompanying papers, is hereby referred to the United States Court of Claims pursuant to sections 1492 and 2509 of title 28, United States Code; and said court shall proceed expeditiously with the same in accordance with the provisions of said sections and report to the House, at the earliest practicable date, giving such findings of fact and conclusions thereon as shall be sufficient to inform the Congress of the nature and character of the demand, as a claim legal or equitable, against the United States, and the amount, if any, legally or equitably due from the United States to the claimant.

The resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MARKO RIBIC

The Clerk called the bill (H. R. 3665) for the relief of Marko Ribic.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child Marko Ribic, shall be held and considered to be the natural-born alien child of George Ignac Yarnevic and Cecelia Magdalene Yarnevic, citizens of the United States.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EKEA JAHNS

The Clerk called the bill (H. R. 6149) for the relief of Ekea Jahns.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, in the administration of the Immigration and Nationality Act, Ekea Jahns, the fiance of Max G. Fidler, a citizen of the United States, shall be eligible for a visa as a nonimmigrant temporary visitor for a period of 3 months: *Provided*, That the administrative authorities find that the said Ekea Jahns is coming to the United States with a bona fide intention of being married to the said Max G. Fidler and that she is found admissible under the Immigration and Nationality Act other than the provisions of section 212 (a) (9) of that act: *Provided*, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice have knowledge prior to the enactment of this act.

In the event the marriage between the above-named persons does not occur within 3 months after the entry of the said Ekea Jahns, she shall be required to depart from the United States and upon failure to do so shall be deported in accordance with the provisions of sections 242 and 243 of the Immigration and Nationality Act. In the event that the marriage between the above-named persons shall occur within 3 months after the entry of the said Ekea Jahns, the Attorney General is authorized and directed to record the lawful admission for permanent residence of the said Ekea Jahns as of the date of the payment by her of the required visa fee.

With the following committee amendments:

On page 1, line 11, insert a period after the word "act" and strike out the remainder of line 11.

On page 2, strike out lines 1, 2, 3, and 4.

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ROGER FEGHALI

The Clerk called the bill (H. R. 7987) for the relief of Roger Feghali.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That for the purposes of section 5 (a) of the Refugee Relief Act of 1953, Roger Feghali shall be held and considered to be under 10 years of age.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. DIANA P. KITTRELL

The Clerk called the bill (H. R. 8371) for the relief of Mrs. Diana P. Kittrell.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $500 to Mrs. Diana P. Kittrell of 1434 Wieland Avenue, Chicago, Ill., in full settlement of all claims against the United States as reimbursement for bond posted for her natural niece and adopted daughter, Denesse Jennifer Brown: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SUZANNE L'HEUREUX

The Clerk read the bill (H. R. 8694) for the relief of Suzanne L'Heureux.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the provision of section 212 (a) (9) of the Immigration and Nationality Act, Suzanne L'Heureux may be admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of that act: *Provided*, That she marries her United States citizen fiance, Sgt. James E. Jones, not later than 6 months after the date of enactment of this act: *Provided further*, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice had knowledge prior to the enactment of this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ROBERT FRANCIS SYMONS

The Clerk called the bill (H. R. 8812) for the relief of Robert Francis Symons.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That Robert Francis Symons, of Bishop, Calif., is hereby relieved of all liability to pay to the United States any and all amounts which are due from or payable by the said Robert Francis Symons to the United States under a judgment entered against him by the United States District Court for the Southern District of California, Northern Division (United States of America, plaintiff, against Robert Francis Symons, defendant, civil action No. 783 ND).

Such civil action arose out of the conditional sale of a surplus aircraft by the War Assets Administration to the said Robert Francis Symons.

With the following committee amendment:

Line 6 after the word "States" strike out "under a judgment entered against him by the United States District Court for the Southern District of California, Northern Division (United States of America, plaintiff, against Robert Francis Symons, defendant, civil action No. 783–ND). Such civil action arose out of" and insert in lieu thereof the following: "for the unpaid balance due on."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PAUL JAMES PATRIE

The Clerk called the bill (H. R. 9029) for the relief of Paul James Patrie.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the provision of section 212 (a) (6) of the Immigration and Nationality Act, Paul James Patrie may be admitted to the United States for permanent residence if he is found to be otherwise admissible under the provisions of such Act: *Provided*, That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of such act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

INGEBORG ELIZABETH DAVIS (NEE EISENREIDER)

The Clerk called the bill (H. R. 9440) for the relief of Ingeborg Elizabeth Davis (nee Eisenreider).

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the provision of section 212 (a) (9) of the Immigration and Nationality Act, Ingeborg

Elizabeth Davis (nee Eisenreider) may be admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of that act: *Provided*, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice had knowledge prior to the enactment of this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ELISABETH HOEFT

The Clerk called the bill (H. R. 9496) for the relief of Elisabeth Hoeft.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the provisions of section 212 (a) (9) of the Immigration and Nationality Act, Elisabeth Hoeft may be admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of that act: *Provided*, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice had knowledge prior to the enactment of this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JOSEPH FLURY PALUY

The Clerk called the bill (S. 65) for the relief of Joseph Flury Paluy.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the provision of section 212 (a) (9) of the Immigration and Nationality Act, Joseph Flury Paluy may be admitted to the United States for permanent residence if he is found to be otherwise admissible under the provisions of that act.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ALICE MASARYK

The Clerk called the bill (S. 1212) for the relief of Alice Masaryk.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Alice Masaryk shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ESTHER SAPORTA

The Clerk called the bill (S. 1609) for the relief of Esther Saporta.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Esther Saporta shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MALY BRAUNSTEIN AND AURELIA RAPPAPORT

The Clerk called the bill (S. 2176) for the relief of Maly Braunstein and Aurelia Rappaport.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Maly Braunstein and Aurelia Rappaport shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fees. Upon the granting of permanent residence to such aliens as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct the required numbers from the appropriate quota or quotas for the first year that such quota or quotas are available.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LUIGI CICCHINELLI

The Clerk called the bill (S. 2257) for the relief of Luigi Cicchinelli.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Luigi Cicchinelli shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

IRMA MUELLER KOEHLER COBBAN

The Clerk called the bill (S. 2295) for the relief of Irma Mueller Koehler Cobban.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the provisions of section 212 (a) (9) of the Immigration and Nationality Act, Irma Mueller Koehler Cobban may be admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of such act: *Provided*, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice has knowledge prior to the enactment of this act.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ALPHONSUS DEVLIN

The Clerk called the bill (S. 2340) for the relief of Alphonsus Devlin.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the provisions of subsections (9) and (19) of section 212 (a) of the Immigration and Nationality Act, Alphonsus Devlin may be admitted to the United States for permanent residence if he is found to be otherwise admissible under the provisions of that act: *Provided*, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice has knowledge prior to the enactment of this act.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FRANTISEK VYBORNY

The Clerk called the bill (S. 2448) for the relief of Frantisek Vyborny.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Frantisek Vyborny shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act: *Provided*, That a suitable bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the said act.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FRANCISCO VASQUEZ-DOPAZO (FRANK VASQUEZ)

The Clerk called the bill (S. 2469) for the relief of Francisco Vasquez-Dopazo (Frank Vasquez).

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Francisco Vasquez-Dopazo (Frank Vasquez) shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act upon payment of the required visa fee.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

INGEBORG BOGNER JOHNSON

The Clerk called the bill (S. 2493) for the relief of Ingeborg Bogner Johnson.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act,

Ingeborg Bogner Johnson shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee: *Provided*, That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the said act.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ELISA ALBERTINA CIOCCIO RIGAZZI OR ELISA CIOCCIO

The Clerk called the bill (S. 2504) for the relief of Elisa Albertina Cioccio Rigazzi or Elisa Cioccio.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the immigration and naturalization laws, Elisa Albertina Cioccio Rigazzi or Elisa Cioccio shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provide for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. OVEIDA MOHRKE AND HER SON, GERARD MOHRKE

The Clerk called the bill (S. 3514) for the relief of Mrs. Oveida Mohrke and her son, Gerard Mohrke.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Mrs. Oveida Mohrke and her son, Gerard Mohrke, shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fees. Upon the granting of permanent residence to such aliens as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct two numbers from the appropriate quota for the first year that such quota is available.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ALFIO CAPIZZI

The Clerk called the bill (H. R. 9814) for the relief of Alfio Capizzi.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Alfio Capizzi shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

WILLIAM T. DORMINY

The Clerk called the resolution (H. Res. 684) for the relief of William T. Dorminy.

There being no objection, the Clerk read the House resolution, as follows:

Resolved, That the bill (H. R. 10017) entitled "A bill for the relief of William T. Dorminy," together with all accompanying papers is hereby referred to the United States Court of Claims pursuant to sections 1492 and 2509 of title 28, United States Code; and said court shall proceed expeditiously with the same in accordance with the provisions of said sections and report to the House, at the earliest practicable date, giving such findings of fact and conclusions thereon as shall be sufficient to inform the Congress of the nature and character of the demand, as a claim legal or equitable, against the United States, and the amount, if any, legally or equitably due from the United States to the claimant.

The House resolution was agreed to, and a motion to reconsider was laid on the table.

PAULINE H. CORBETT

The Clerk called the bill (H. R. 6531) for the relief of Pauline H. Corbett.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Pauline H. Corbett, Charleston, W. Va., the sum of $30,000. Payment of such sum shall be in full settlement of all claims of the said Pauline H. Corbett against the United States on account of severe personal injuries and disabilities sustained by her as a result of an overdosage of streptomycin which she received while a patient at the Tokyo Army Hospital, Tokyo, Japan, from November 2 to November 28, 1950, as a civilian employee of the General Headquarters, Far East Command, United States Army, engaged in a nonappropriated fund activity. Since the said Pauline H. Corbett was a civilian employee of the General Headquarters, Far East Command, who was paid from nonappropriated funds, she is not eligible for the benefits of the Federal Employees' Compensation Act, as amended. No part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 6, strike out "$30,000" and insert "$18,716.97."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ROBERT H. WEBSTER

The Clerk called the bill (S. 384) for the relief of Robert H. Webster.

There being no objection, the Clerk called the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Robert W. Webster, a money-order clerk in the Moscow, Idaho, post office, the sum of $100, the amount refunded to the United States by the said Robert H. Webster as a result of a deficiency in his account caused by the loss, on May 22, 1952, of a money order in the amount of $100: *Provided*, That no part of the amount appropriated in this act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

KARL L. VON SCHLIEDER

The Clerk called the bill (S. 1216) for the relief of Karl L. von Schlieder.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That Karl L. von Schlieder, a librarian at Fitzsimons Army Hospital, Denver, Colo., is hereby relieved of all indebtedness to the United States by reason of the failure, during the period from July 1, 1947, to January 1, 1953, on the part of the Veterans' Administration and the Air Force Finance Center, Denver, Colo., to reduce, pursuant to section 212 of the act of June 30, 1932, as amended (47 Stat. 406) (limiting the amount of retired pay of certain commissioned officers holding positions under the U. S. Government) the amounts payable to the said Karl L. von Schlieder as a retired commissioned officer of the Air Force while he was employed as a librarian at such hospital.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

WILLIAM B. BAKER AND DON P. FANKHAUSER

The Clerk called the bill (S. 1434) for the relief of William B. Baker and Don P. Fankhauser.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay out of any money in the Treasury not otherwise appropriated, to William B. Baker, of Seattle, Wash., the sum of $64.25 and to Don P. Fankhauser, of Alexandria, Va., the sum of $72 in full satisfaction of all claims of the said claimants against the United States for reimbursement for personal property lost when the boat they were using in the course of their duties as fishery aides for the Fish and Wildlife Service, Department of the Interior, capsized during a storm while tied up off False Point Pybus, Admiralty Island, Alaska, on August 26, 1950, without fault on their part: *Provided*, That no part of the amount appropriated in this act shall be paid or delivered to or received

by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be find in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LT. COL. GEORGE P. PRICE

The Clerk called the bill (S. 1615) for the relief of Lt. Col. George P. Price.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to George P. Price, lieutenant colonel, Finance Corps, Army of the United States, the sum of $401.30 in full satisfaction of his claim against the United States for reimbursement of the amount paid by him in settlement of the charge entered on his account by reason of the erroneous payment of such sum upon a forged voucher on October 13, 1948, at the Army Medical Center, Washington, D. C., while he was finance officer at such medical center: *Provided*, That no part of the amount appropriated in this act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CLAIR F. BOWMAN

The Clerk called the bill (S. 1757) for the relief of Clair F. Bowman.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Clair F. Bowman (lieutenant colonel, U. S. Army Reserve), of Cody, Wyo., the sum of $535.10, in full satisfaction of his claims against the United States for pay and allowances which he would have received had the effective date of his relief from active duty been properly adjusted to take into account the period from November 26, 1945, to December 22, 1945, during which he was hospitalized while on terminal leave, and for mileage allowance for travel incurred in returning from the hospital to his home in Lincoln, Nebr.: *Provided*, That no part of the amount appropriated in this act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FRED AND BERNICE EHLERS

The Clerk called the bill (S. 1795) for the relief of Fred and Bernice Ehlers.

There being no objection, the Clerk read the bill as follows:

Be it enacted, etc., That, in the administration of section 322 of the Internal Revenue Code (relating to refunds and credits), the claim for refund of income tax for the taxable year ending December 31, 1948, mailed by Fred and Bernice Ehlers, of Hettinger, N. Dak., on March 15, 1952, and received in the office of the director of internal revenue, Fargo, N. Dak., on March 19, 1952, shall be held and considered to have been filed within the 3-year period referred to in section 322 (b) (1) of the Internal Revenue Code.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LT. COL. CARL E. WELCHNER, UNITED STATES AIR FORCE

The Clerk called the bill (S. 1925) for the relief of Lt. Col. Carl E. Welchner, United States Air Force.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Lt. Col. Carl E. Welchner, United States Air Force, the sum of $735, in full satisfaction of all claims against the United States for compensation for additional per diem payments, such sum representing the amount the said Lieutenant Colonel Welchner would have received had he been permitted to receive per diem payments for the time in excess of 30 days that he spent on temporary duty in connection with Army Air Force labor relations and manpower requirements with the Boeing Aircraft Co., between February and June 1944: *Provided*, That no part of the amount appropriated in this act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

TERRENCE WALLER

The Clerk called the bill (S. 2147) for the relief of Terrence Waller.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Terrence Waller, captain, United States Marine Corps Reserve (O34032), of Challis, Idaho, the sum of $340.79 in full satisfaction of his claim against the United States for active-duty pay for, and all allowances incident to, active service rendered by him between June 12, 1952, and July 25, 1952, which pay and allowances have not been paid to him because of the revocation, through administrative error, of his orders for active duty in conformity with a United States Marine Corps communication dated July 15, 1952: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 2, line 4, after "act", strike out "in excess of 10 percent thereof."

The committee amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. CARL DOBRATZ

The Clerk called the bill (S. 2240) for the relief of Mrs. Carl Dobratz.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That Mrs. Carl Dobratz, of Redfield, S. Dak., is hereby relieved of all liability to pay to the United States the sum of $161.17, representing payments erroneously made to her as a class E allottee for the period July 1 to December 31, 1945, incident to the service in the Army of her son, Lloyd Dobratz.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

WALTER P. SYLVESTER

The Clerk called the bill (S. 2266) for the relief of Walter P. Sylvester.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the limitation upon the time for filing claims under section 20 of the Federal Employees' Compensation Act, Walter P. Sylvester, of Rutland, Mass., may, within 6 months after the date of enactment of this act, file a claim under such section for compensation for disability incurred by him as a result of an injury sustained while he was employed at the Boston Naval Shipyard from June 1943 to January 1945.

Mr. JONAS of Illinois. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. JONAS of Illinois: Page 1, line 8, after "disability", insert "allegedly."

At the end of the bill insert: "*Provided*, That no benefits shall accrue except hospital and medical expenses prior to the enactment of this act."

The amendments were agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. S. EUGENE LAMB

The Clerk called the bill (S. 2455) for the relief of Mrs. S. Eugene Lamb.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That Mrs. S. Eugene Lamb, of Rockland, Maine, is hereby relieved of liability to the United States in the

amount of $496.75, representing the amount charged her for treatment at the Veterans' Administration Center at Togus, Maine, for an illness which occurred while she was serving as a gray lady at such center: *Provided*, That no part of the amount appropriated in this act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JOSEPH V. CRIMI

The Clerk called the bill (S. 2553) for the relief of Joseph V. Crimi, father of the minor child, Joseph Crimi.

Mr. BONIN. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

ROBERT LEE WILLIAMS

The Clerk called the bill (S. 2693) for the relief of Robert Lee Williams.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is directed and authorized to pay, out of any money in the Treasury not otherwise appropriated, the sum of $5,000 to Robert Lee Williams, of Feather Falls, Calif., in full satisfaction of his claim against the United States for permanent injuries sustained by him as a minor while attending the Seneca Indian School in the year 1937: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 10, after "act", strike out "in excess of 10 percent thereof."

The committee amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JOSEPH H. HEDMARK, JR.

The Clerk called the bill (S. 2823) for the relief of Joseph H. Hedmark, Jr.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, Joseph H. Hedmark, Jr., of Chicago, Ill., an employee of the Air Force, is relieved of all liability to refund to the United States the sum of $1,023.73, representing overpayments of salary paid to him during the period from March 1951 through August 1953, as a result of administrative error.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

THOMAS F. HARNEY, JR.

The Clerk called the bill (H. R. 10067) for the relief of Thomas F. Harney, Jr., doing business as the Harney Engineering Co.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Thomas F. Harney, Jr., doing business as the Harney Engineering Co., the sum of $13,439.84. The payment of such sum shall be in full settlement of all claims of said Thomas F. Harney, Jr., for alleged losses suffered by him as the plumbing and heating subcontractor under two lump-sum contracts between the United States, acting through the Army Quartermaster Corps, and D. A. Sullivan & Sons, Inc., which provided for the construction of building installation including 30 barracks at Fort Devens, Mass., during the fall and winter of 1940–41, the United States Court of Claims (congressional Nos. 17860 and 17861, decided July 13, 1954, pursuant to S. Res. 152 and 165, 81st Cong., 1st sess.) having found that the United States received substantial benefits from the work and efforts of claimant: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

Mr. JONAS of Illinois. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. JONAS of Illinois: Page 2, line 10, strike out "in excess of 10 percent thereof."

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LEWIS ROLAND EDWARDS

The Clerk called the bill (S. 53) for the relief of Lewis Roland Edwards.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Lewis Roland Edwards shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act upon payment of the required visa fee.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ANNI WOLF

The Clerk called the bill (S. 771) for the relief of Anni Wolf and her minor son.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, in the administration of the Immigration and Nationality Act, Anni Wolf, the fiance of John A. Vink, a citizen of the United States, and her minor son, Alfred Wolf, shall be eligible for visas as nonimmigrant temporary visitors for a period of 3 months: *Provided*, That the administrative authorities find that the said Anni Wolf is coming to the United States with a bona fide intention of being married to the said John A. Vink and that they are found otherwise admissible under the immigration laws. In the event the marriage between the above-named persons does not occur with 3 months after the entry of the said Anni Wolf and her minor son, they shall be required to depart from the United States and upon failure to do so shall be deported in accordance with the provisions of sections 242 and 243 of the Immigration and Nationality Act. In the event that the marriage between the above persons shall occur within 3 months after the entry of the said Anni Wolf and her minor son, the Attorney General is authorized and directed to record the lawful admission for permanent residence of the said Anni Wolf and her minor son as of the date of the payment by them of the required visa fees.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FRANK (FRANZ) HOMOLKA ET AL.

The Clerk called the bill (S. 2210) for the relief of Frank (Franz) Homolka, Olga Homolka (nee Mandel), Adolf Homolka, Helga Maria Homolka, and Frieda Homolka.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Frank (Franz) Homolka, Olga Homolka (nee Mandel), Adolf Homolka, Helga Maria Homolka, and Frieda Homolka shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JEANNETTE KALKER AND ABRAHAM BENJAMIN KALKER

The Clerk called the bill (S. 2512) for the relief of Jeannette Kalker and Abraham Benjamin Kalker.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of sections 203 (a) (3) and 205 of the Immigration and Nationality Act, the minor children, Jeannette Kalker and Abraham Benjamin Kalker, shall be held and considered to be the natural-born alien children of Mr. Abraham Benjamin Konijn, a lawful permanent resident of the United States, and his wife.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

KANG CHAY WON

The Clerk called the bill (S. 3306) for the relief of Kang Chay Won.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, Kang Chay Won shall be held and considered to be the natural-born alien child of Harry Yam Won, a citizen of the United States.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PETRUS VAN KEER

The Clerk called the bill (H. R. 4522) for the relief of Petrus Van Keer.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the provision of the ninth category of section V of the Immigration Act of 1917, as amended, Petrus Van Keer may be admitted to the United States for permanent residence if he is found to be otherwise admissible under the provisions of the immigration laws.

With the following committee amendment:

Strike out all after the enacting clause and insert: "That, notwithstanding the provision of section 212 (a) (4) of the Immigration and Nationality Act, Petrus Van Keer may be admitted to the United States for permanent residence if he is found to be otherwise admissible under the provisions of that act: *Provided*, That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the said act."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SUSAN ELLEN HEINEY

The Clerk called the bill (H. R. 9996) for the relief of Susan Ellen Heiney.

There being no objection, the Clerk read the bill as follows:

Be it enacted, etc., That, for the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child, Susan Ellen Heiney, shall be held and considered to be the natural-born alien child of Verda Meranda Heiney, a citizen of the United States.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

TENDER GRATITUDE OF CONGRESS TO GEN. DOUGLAS MacARTHUR

The Clerk called the concurrent resolution (H. Con. Res. 264) expressing gratitude and appreciation to General of the Army Douglas MacArthur for his unsurpassed service to this Nation and the world.

The SPEAKER. Is there objection to the present consideration of the resolution?

Mr. EBERHARTER. Mr. Speaker, I ask that this bill be passed over without prejudice.

Mr. RIVERS. Mr. Speaker, I object.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. EBERHARTER. Mr. Speaker, I object.

The SPEAKER. Two objections are required.

Mr. CELLER. Mr. Speaker, I object.

The SPEAKER. The gentleman from Pennsylvania [Mr. EBERHARTER] and the gentleman from New York [Mr. CELLER] have objected. The bill will be stricken from the calendar and recommitted to the Committee on Armed Services.

Mr. SMITH of Virginia. Mr. Speaker, that completes the bills we have had for consideration on the Private Calendar.

The SPEAKER. This completes the reading of the Private Calendar of those bills eligible for consideration at this time.

GERASIMOS GIANNATOS

Mr. WALTER. Mr. Speaker, I ask unanimous consent for the immediate consideration of S. 120, for the relief of Gerasimos Giannatos.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the immigration and naturalization laws, Gerasimos Giannatos shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

COMPENSATION FOR DAMAGES CAUSED BY LAKE OF THE WOODS

Mr. JONAS of Illinois. Mr. Speaker, I call up the conference report of the bill (H. R. 2098) to provide for the compensation of certain persons whose lands have been flooded and damaged by reason of fluctuations in the water level of the Lake of the Woods, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (REPT. No. 2273)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 2098) to provide for determining the compensation of certain persons whose lands have been flooded and damaged by reason of fluctuations in the water level of the Lake of the Woods, Minnesota, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments and agree to the same.

EDGAR A. JONAS,
USHER L. BURDICK,
THOMAS J. LANE,
Managers on the Part of the House.

PRESCOTT BUSH,
J. GLENN BEALL,
SPESSARD L. HOLLAND,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (H. R. 2098) to provide for determining the compensation of certain persons whose lands have been flooded and damaged by reason of fluctuations in the water level of the Lake of the Woods, Minn., submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The bill as passed the House provided that damages should be upon any flooding between elevations 1,064 sea-level datum unaffected by winds. The Senate restored this provision and Hon. HAROLD HAGEN, author of the bill, stated that if this provision remained in the bill that it would not be effective. Therefore, the Senate conferees concurred in the House action.

EDGAR A. JONAS,
USHER L. BURDICK,
THOMAS J. LANE,
Managers on the Part of the House.

Mr. JONAS of Illinois. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The conference report was agreed to, and a motion to reconsider was laid on the table.

SPECIAL ORDER GRANTED

Mr. BOYKIN asked and was given permission to address the House for 60 minutes tomorrow, after the legislative program and any special orders heretofore entered.

CONVEYING OF REVERSIONARY INTEREST OF UNITED STATES IN LANDS TO CITY OF PAWNEE, OKLA.

Mr. BELCHER. Mr. Speaker, I ask unanimous consent for the immediate consideration of H. R. 8859, to convey the reversionary interest of the United States in certain lands to the city of Pawnee, Okla.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

Mr. GROSS. Mr. Speaker, reserving the right to object—and I shall not object—I want to compliment the gentleman from Oklahoma [Mr. BELCHER] for taking the microphone in presenting his unanimous-consent request. That was not done earlier today on a very important bill.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior is authorized and directed to

convey by quitclaim deed, to the city of Pawnee, Okla., all of the right, title, and interest of the United States in and to the tract of land in Pawnee County, Okla., known as Mission Park, and more particularly described as follows: Lot 1 of section 32, in township 22 north of range 5 east of the Indian meridian, Oklahoma, containing eighty-eight and forty-three one-hundredths acres, according to the official plat of the survey of the said lands, returned to the General Land Office by the Surveyor General.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

COMMITTEE ON PUBLIC WORKS

Mr. SCHENCK. Mr. Speaker, by direction of the Committee on House Administration, I submit a privileged resolution (H. Res. 695) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That there shall be printed for use of the Committee on Public Works, 1,000 additional copies of House Report No. 1215, 83d Congress, second session, the report relative to the St. Lawrence seaway, made by the above committee.

Mr. GROSS. Mr. Speaker, will the gentleman yield to me?

Mr. SCHENCK. I yield to the gentleman from Iowa.

Mr. GROSS. I want to commend the gentleman from Ohio [Mr. SCHENCK] for taking the microphone in making his request.

Mr. SCHENCK. I thank the gentleman.

The resolution was agreed to, and a motion to reconsider was laid on the table.

JOINT COMMITTEE ON ATOMIC ENERGY

Mr. SCHENCK. Mr. Speaker, I offer a privileged concurrent resolution (H. Con. Res. 267) and ask for its immediate consideration.

The Clerk read the concurrent resolution, as follows:

Resolved by the House of Representatives (the Senate concurring), That there be printed for the use of the Joint Committee on Atomic Energy 15,000 additional copies of the hearings held by the said joint committee during the current Congress, relative to the contribution of atomic energy to medicine.

The concurrent resolution was agreed to, and a motion to reconsider was laid on the table.

STRATEGIC AND CRITICAL MATERIALS

Mr. SCHENCK. Mr. Speaker, I offer a privileged concurrent resolution (S. Con. Res. 97) and ask for its immediate consideration.

The Clerk read the concurrent resolution, as follows:

Resolved by the Senate (the House of Representatives concurring), That there be printed 1,000 additional copies of part 6 of the hearings conducted before a subcommittee of the Senate Committee on Interior and Insular Affairs pursuant to Senate Resolution 143, 83d Congress, relative to stockpile and accessibility of strategic and critical materials to the United States in time of war. Such additional copies shall be for the use of the Senate Committee on Interior and Insular Affairs.

The concurrent resolution was concurred in, and a motion to reconsider was laid on the table.

UNITED STATES CITIZENS EMPLOYED BY THE UNITED NATIONS

Mr. SCHENCK. Mr. Speaker, I offer a privileged concurrent resolution (S. Con. Res. 98) and ask for its immediate consideration.

The Clerk read the concurrent resolution, as follows:

Resolved by the Senate (the House of Representatives concurring), That there be printed for the use of the Senate Committee on the Judiciary an additional 20,000 copies of the second interim report entitled "Activities of United States Citizens Employed by the United Nations," a report of hearings held before a subcommittee of the above committee during the 83d Congress.

The concurrent resolution was concurred in, and a motion to reconsider was laid on the table.

SENATE COMMITTEE ON THE JUDICIARY

Mr. SCHENCK. Mr. Speaker, I offer a privileged concurrent resolution (S. Con. Res. 99) and ask for its immediate consideration.

The Clerk read the concurrent resolution, as follows:

Resolved by the Senate (the House of Representatives concurring), That there be printed for the use of the Senate Committee on the Judiciary not to exceed 25,000 copies of parts 1 to 3 and subsequent parts of the hearings entitled "Strategy and Tactics of World Communism," held before a subcommittee of the above committee during the 83d Congress.

The concurrent resolution was concurred in, and a motion to reconsider was laid on the table.

ANTIBOOTLEGGING BILL

Mr. MULTER. Mr. Speaker, I ask unanimous consent that the gentleman from Rhode Island [Mr. FOGARTY] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. FOGARTY. Mr. Speaker, on Thursday July 29, the House Interstate and Foreign Commerce Committee favorably reported out of committee the antibootlegging bill, H. R. 9769. I respectfully request that this honorable body take this bill from the calendar and ask that each and every Member of the House cast his vote in favor of this most needed legislation.

This bill if enacted into law would permit the automobile manufacturers to reinstate an antibootlegging clause in their selling agreements with retail automobile dealers. Such a permissive clause, when followed through by the manufacturers, would do much to eliminate the sale of new automobiles by nonauthorized or nonenfranchised or by used-car dealers, many of the "shade tree" variety.

Bootlegging of new cars by the abovenamed groups is a serious threat to each and every new car dealer in Rhode Island with his large investments in buildings, tools, parts, and equipment. It is true that the used-car dealers, in most instances, do purchase these new cars from new-car dealers, who are overstocked with cars. When these sales by other than enfranchised dealers are reported to the manufacturers they, the manufacturers, tell us they cannot penalize or cancel the enfranchised dealer who sells a car to a "bootlegger," because of existing antitrust laws. How are the purchasers of these cars from other than enfranchised dealers affected? Each new car purchased from an enfranchised dealer carries a new-car warranty, this warranty runs up to 12 months by most factories. Each new-car dealer is required to purchase special tools for the servicing of their respective cars at each model change and purchase an adequate supply of parts. Each new-car dealer is required to send his service manager and mechanics to factory-conducted schools in order that they may know how to service the cars properly. Cars cannot today be properly serviced by independent garages or superservice stations due to many new innovations, such as the automatic transmissions, power steering, power brakes, and so forth; special tools and schooled mechanics are required to make the necessary repairs and adjustments. There have been many instances where a purchaser would purchase a new car from a nonenfranchised dealer and because of improper adjustments and lack of knowledge of the correct type of lubricants used in automatic transmissions costly repairs have had to be made entirely at the purchaser's expense. In view of the foregoing, I therefore submit that H. R. 9769 is most certainly in the interest of most of your and my constituents, the new-car purchasers.

The situation which confronts the retail dealers of America and which is detrimental to the public interest, is, and I refer to bootlegging. Bootlegging is due fundamentally to overproduction by the manufacturers and the indiscriminate shipping of cars to new-car dealers who do not have an outlet for them. Two of the largest manufacturers today are engaged in a race for first place in sales. They are offering and suggesting to their retail dealers various plans, contests, and bonuses for sale of their respective cars. This results in all dealers having to give excessive used-car allowances in order to be competitive. Overproduction is also the reason for a new type of dealer today and that is the so-called volume dealer. This is the dealer that is encouraged by the manufacturer to give long trades, using such methods as "would you takes," free interest and insurance up to 24 months, a free trip, all expenses paid, to some vacation spot or metropolitan center, a new refrigerator, a new television set, and many other unethical baits to get the prospect into their

salesroom. The volume dealers then use all kinds of high pressure tactics to get the prospect's name on the dotted line. I do not claim that this legislation will be a cure-all, but it is a step in the right direction, it places the burden of stamping out bootlegging, where it rightfully belongs, on the manufacturers. When enacted into law, they, the manufacturers, have the necessary tools to work with, to stop this type of merchandising that could and will be the end of the time-honored system of distribution of new cars.

In closing I would also like to state that I am in favor of and will vote for H. R. 9916 and H. R. 9917, the so-called phantom freight rate legislation. These bills were introduced by the gentleman from California [Mr. HINSHAW] and were also reported out of the House Interstate and Foreign Commerce Committee on Thursday, July 29. These three bills are most urgently needed by the buying public and the retail dealers of America alike.

AUTOMOBILE SALES

Mr. YOUNGER. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 9769) to amend the Federal Trade Commission Act with respect to certain contracts, agreements, or franchises to enable manufacturers of automobiles and trucks, and their franchise dealers, to protect their good will in the business of manufacturing and distributing automobiles and trucks, made or sold by them, by restricting franchise dealers from reselling to certain unauthorized persons.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from California?

Mr. GROSS. Reserving the right to object, Mr. Speaker, and I shall not object, I want to commend the gentleman from California [Mr. YOUNGER] for going to the microphone and asking for this permission so that all the Members of the House may know what is going on. That was not done earlier this morning.

Mr. YOUNGER. I thank the gentleman.

Mr. McCORMACK. Reserving the right to object, Mr. Speaker, and I shall not object, I cannot permit this bill to be considered and passed without making a few observations.

I have read with deep interest the large number of letters and telegrams some Member of the House from time to time inserted in the CONGRESSIONAL RECORD, communications he received from various dealers and sellers of cars. I was very much impressed with the contents of the various communications received by the Member and inserted in the CONGRESSIONAL RECORD. I was very much impressed with the complaint made by the dealers that large automobile manufacturing companies were forcing them to buy a larger number of cars than they wanted to buy.

That was one of the main complaints, that in order to retain their dealer's agency or their dealer's contractual relationship with the automobile manufacturing companies, many of them were forced to purchase cars whether there was any demand for them or not. The result was that it put many of them in a very bad financial position as well as putting them in a bad position in other respects. They felt that the large manufacturing companies were forcing them to do something which was unethical and unfair. I realize the purpose of this bill and I am not going to object to its consideration at the present time, but I think something ought to be done with reference to these big automobile manufacturers who engage in practices that are unethical and wrong and unfair to the automobile dealers who might have an agency as a dealer or a contractual relationship where, if they do not purchase the number of cars, that the manufacturing company wants them to purchase, they lose their agency. I simply want to have the RECORD show that there is at least one Member of this body who condemns that practice and who realizes that many dealers have been placed in a very unfortunate position by being compelled to buy cars that they did not want to buy in order to be able to keep their agency with some particular large automobile manufacturing company.

Mr. YOUNGER. I thank the gentleman for his observation.

Mr. McCORMACK. Mr. Speaker, with that statement, I withdraw my reservation of objection.

Mr. CELLER. Mr. Speaker, reserving the right to object, I should like to propound 1 or 2 questions to the gentleman. Was this a unanimous report by the committee?

Mr. YOUNGER. Yes, sir.

Mr. CELLER. Has the committee consulted the Federal Trade Commission with reference to the bill itself?

Mr. YOUNGER. Yes, the Federal Trade Commission objected on the grounds that it is an unnecessary exemption from the antitrust laws. The Bureau of the Budget made the same objection.

Mr. CELLER. In other words, the Bureau of the Budget objects to the bill?

Mr. YOUNGER. Yes.

Mr. CELLER. Did the Department of Justice object to the bill?

Mr. YOUNGER. Yes; they objected to it.

Mr. CELLER. Did the Federal Trade Commission object to the bill?

Mr. YOUNGER. Yes.

Mr. CELLER. You said the Bureau of the Budget—or did I misunderstand you?

Mr. YOUNGER. Yes, the Bureau of the Budget.

Mr. CELLER. Then, I ask the gentleman this question: Did the Federal Trade Commission object or approve the bill?

Mr. YOUNGER. Yes, they objected.

Mr. CELLER. Mr. Speaker, under these circumstances, I object to the consideration of the bill at this time. It is too important to pass in this manner.

Mr. HALLECK. Mr. Speaker, will the gentleman withhold his objection? Might I say to the gentleman that this is a very acute situation in which a tremendous number of people are interested. I think it is properly a matter for legislative action and completely within the discretion of the Congress of the United States. I sincerely hope that the gentleman will not object.

Mr. CELLER. Does not the gentleman realize that an amendment to the antitrust laws, and this is an amendment to the antitrust laws, should be fully and fairly debated before we come to any conclusion on such a subject as important as this is?

Mr. HALLECK. I think the committee, if I understand correctly, gave the matter very careful consideration and, as the gentleman has just said, it is a unanimous report from the committee. The gentleman from New York understands that in the closing days of the session, circumstances are such, it does seem to me that a sufficient consideration has been given to this matter.

Mr. CELLER. I am informed that the Department of Justice voices objection to the bill. That is a very responsible Agency, I am sure the majority leader will agree. In these closing days of the session, I think we must be most careful.

Mr. CRUMPACKER. Mr. Speaker, will the gentleman yield?

Mr. CELLER. I yield to the distinguished member of my own committee.

Mr. CRUMPACKER. The history of this subject matter is that the franchise contracts between the manufacturers and the dealers for many, many years contained the type of clause that this bill would again permit. Because of the rulings of the Department of Justice in the last 10 years, the industry was forced to withdraw them. This bill is designed to again permit a practice which the Department of Justice since 1948 has held to be contrary to the law. That has been their attitude and it continues to be their attitude. In fact it is this very attitude which makes this legislation necessary. But I think the situation in the industry at the present time, the extremely critical situation that has been partly brought about as a result of this practice of bootlegging new cars certainly justifies this modification of the law.

Mr. CELLER. Mr. Speaker, I respect the gentleman's opinion very much as well as the opinion of the majority leader and the gentleman from California, and while I am opposed to the bill I shall not at this time object.

Mr. WHITTEN. Mr. Speaker, we have all received letters and telegrams urging support of the pending bill, H. R. 9769. The dealers seem to think it will help with a problem they face. I would like to point out to the House and to the dealers that the trouble lies much deeper.

This bill would make more unilateral contracts between the automobile manufacturers and retailers, already, perhaps, more unilateral on the side of the manufacturers than any enforceable contract known.

The pending bill will not cure the problem, because the real ill comes from the manufacturers requiring many of their dealers, one way or another, to take more cars than they can handle in line with the manufacturers' fixed retail prices.

I repeat the statement I made here on the floor May 28, 1954:

Mr. Speaker, on May 26, I introduced a bill, H. R. 9354, which is as follows:

"*Be it enacted, etc.*, That Public Law 212, 63d Congress, following section 3, be amended by adding the following subsections:

"'SEC. 3. (a) It shall be deemed an unfair trade practice and against the public interest for any person engaged in commerce in connection with the granting of any franchise or distribution right to demand any contract with any retail dealer requiring such dealer to accept goods, wares, merchandise, machinery, supplies, or other commodities not ordered by such retail dealer.

"'(b) The withdrawal by any person engaged in commerce of any franchise or distribution rights of any retail dealer because of failure to order or failure to accept without order any goods, wares, machinery, supplies, or other commodities in excess of need as determined by such retail dealer shall be unlawful.'"

This bill speaks for itself, but I would like to discuss the basis on which I have offered such measure.

In recent months I have noticed that most of the larger automobile companies have made many statements to the effect that 1953 was one of the greatest years automobile manufacturers have had. The total number of cars produced has been stressed in such articles. At the time these releases were made to the press, several months into 1954, I learned that on River Road in this area there were in storage more than 300 new 1953 models of one of the more popular makes of cars. At the same time there were approximately 170 new 1953 model cars in storage in sight of the Capitol, the product of another major manufacturer of automobiles which also makes many other appliances and equipment. As late as March 25 of this year the local dealers carried in Washington papers advertisement of 132 brand new 1953 models of still another popular make of automobile at a discount of $720 to $1,980 below list price. These occurrences all happened well into the year 1954, and at a time when these statements were being made to the press by the manufacturers.

I do not know why local retailers had that carryover of new cars. It may be that the local distributors or retail dealers bought the cars at a discount and were pleased with the situation, but it did call to my mind the situation which existed in the 1930's. Not that the present situation is too bad, but I do believe there is enough evidence at present to warrant the Congress to act to prevent what happened in the late 1920's and early thirties.

At that time several of the larger manufacturers of automobiles, when times began to get tight, insisted that their local retail dealers order automobiles many, many months in advance and take many more cars than they wished or needed, or could sell profitably. These advance orders had to include extra heavy units of automobiles, for which there was no market in my area.

One of the major manufacturers of cars broke every one of his dealers, of whom I knew, in my State in that period by loading on such dealers automobiles which the dealer could not sell at reasonable terms; and all the assets of such dealers were pulled into the manufacturing company in Michigan and the retail dealers went into bankruptcy. The manufacturer remained strong financially.

Later I had an opportunity to study the dealer contracts. Under the terms of the contracts, as I recall, the dealer was given a franchise to sell the manufacturer's products in a particular area. But this does not mean an exclusive franchise to sell. The manufacturer only contracted to deliver to no one except the dealer with the franchise in that area. That one little right was all that kept such contract from being unilateral. Otherwise the contract was one-sided in favor of the manufacturer. As I recall, the company did not guarantee to deliver a single unit, but the dealer had to agree to accept units and to order as much as a year in advance, all for the protection of the manufacturer.

At a time when extra large automobiles had no market at all in my region, dealers had to take heavy units of such automobiles in order to get any cars at all. This had disastrous effects and as I say, in the case of one major make of car, it broke all retail dealers in Mississippi of whom I knew. That situation prevailed generally over the country. It is my understanding such contracts have not been changed in any substantial way since that time.

Since I have been in the Congress I have had occasion to try to help dealers in my district, who were the local distributors for one of the major farm machinery lines, to hold their franchise which the company threatened to cancel. While it was not admitted, from a study of the facts it was apparent that the franchises were being canceled, primarily, because such dealers would not go in debt to put up a prototype or expensive building in a new location as insisted upon by the manufacturer. Doubtless the same situation has existed in various other lines.

Mr. Speaker, I know that no major company sets out to ruin the retailers of its product but judging by the past, should conditions get tight to the point where it becomes a question as to who is going to be pressed financially, under the type of dealer contract which most local distributors have, the man placed in financial straits first is going to be the retail dealer or distributor; and this will be brought about by the manufacturer under present contracts. The dealer's franchise is his means of making a living and under pressure from the manufacturer he will order well in advance even though he is not guaranteed the delivery of a single unit. Then with hope that his condition will improve he will yield to pressure to order well in advance, even when there is no market for such product in his area.

Judging by the past he will accept large units, with little or no markets, in order to get what he thinks he can sell. All of this is a part of a package delivery demanded by the manufacturer.

The illustrations I have used to point out the need for congressional action are the ones I know about. In recent months other complaints at practices in the automotive industry have been pointed up in House Joint Resolution 484 by Congressman CRUMPACKER. Also, as early as 1939, the Federal Trade Commission, in House Document No. 468, 76th Congress, 1st session, after exhaustive hearings made the following recommendations:

"It is recommended that present unfair practices be abated to the end that dealers have (a) less restriction upon the management of their own enterprises; (b) quota requirements and shipments of cars based upon mutual agreement; (c) equitable liquidation in the event of contract termination by the manufacturer; (d) contracts definite as to the mutual rights and obligations of the manufacturers and the dealers, including specific provision that the contract will be continued for a definite term, unless terminated by breach of reasonable conditions recited therein."

In conclusion, Mr. Speaker, may I point out that by section 4 of Public Law 212 of the 63d Congress, which my bill would amend, any individual who may be injured or threatened with injury by actions which I would make against the public interest, is authorized to go into the Federal court and obtain an injunction to prevent the action from being taken.

Several States have tried to meet this problem in recent years, notably Rhode Island, where manufacturers must qualify with a State agency to do business in the State and the State can then cancel the right of such manufacturer to do business in the State if they do the things prohibited under my bill.

I called this statute to the attention of friends in the legislature of my State of Mississippi. In recent weeks the State legislature has passed such a measure. That is one way to meet the issue, of course. However, I hope this Congress will act on a national basis. Now is the time, in advance of trouble.

The bill which I have introduced is not unfair, and it will give some degree of protection to retail dealers and distributors. It will let those in an industry somewhat ride together as against the manufacturer being able to squeeze every dollar out of the distributor so as to maintain the home company in a strong financial condition. I hope the committee will see fit to have early hearings on this measure and that the Congress will pass it.

Mr. RIVERS. Mr. Speaker, reserving the right to object, I know something about this. We have some very large automobile agencies in South Carolina, members of the National Automobile Dealers' Association, and they have found because of bootlegging and because of the forcing of unreasonable quotas by virtue of the franchise of the dealer, that bootlegging, aided and abetted by the manufacturers, is ruining the industry. I charge that this bootlegging can be directly chargeable to the manufacturers and that is one reason at the present time why the Department of Justice has been doing nothing about it. It is because of the ruling of the Department of Justice in years gone by that this bootlegging has been going on. It is driving these dealer agencies to the wall. This is one piece of legislation that is needed if we are going to save the orderly processes of doing business in this Nation. I hope the committee will bring out the bill to which the gentleman from Massachusetts referred also. That is, the quota bill. This cramming down the throats of the dealers an unreasonable quota of automobiles and trucks is driving those dealers to the wall.

I hope this bill will be passed.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 5a of the Federal Trade Commission Act, as amended (66 Stat. 631, 632; 15 U. S. C. 45), is further amended by adding at the end of subsection (5) of said section 5a the following subsection:

"(6) Nothing contained in any of the Antitrust Acts shall render unlawful any contract, agreement, or franchise by which any dealer in new motor vehicles who operates as such under a franchise granted by the manufacturer of such vehicles agrees with such manufacturer that such dealer will not resell, either directly or indirectly, any current model motor vehicle made by such manufacturer, to any person, partnership, corporation, or other entity engaged in the business of selling new or used motor vehicles other than a person or entity operating under a franchise or authorized dealer agreement with such manufacturer.

"(7) Nothing contained in any of the Antitrust Acts shall make it unlawful for a manufacturer of motor vehicles to enforce any agreement authorized by paragraph (6)

by refusing to sell to, or canceling the franchise of, any dealer who knowingly sells current model motor vehicles made by such manufacturer to any person, partnership, corporation, or other entity engaged in the business of selling new or used motor vehicles other than a person or entity operating under a franchise or authorized dealer agreement with such manufacturer."

"(8) The Commission is hereby empowered and directed to prevent persons, partnerships, or corporations, except banks, common carriers subject to the act to regulate commerce, air carriers, and foreign air carriers subject to the Civil Aeronautics Act of 1938, and persons, partnerships, or corporations subject to the Packers and Stockyards Act, 1921, except as provided for in section 406b of said act, from using unfair methods of competition in commerce and unfair or deceptious acts or practices in commerce."

With the following committee amendments:

Page 1, line 3, strike out all of lines 3, 4, 5, and 6, and insert "That section 5 (a) of the Federal Trade Commission Act (15 U. S. C., sec. 45 (a)) is amended (1) by redesignating paragraph (6) thereof as paragraph (8), and (2) by adding immediately after paragraph (5) thereof the following."

Page 3, line 1, strike out all of section 8.

The SPEAKER. The question is on the amendments.

Mr. CELLER. Mr. Speaker, reserving the right to object, this amendment would modify the Federal Trade Commission Act. I cannot see why we should have such an important amendment at this late date.

The SPEAKER. There is no reservation of objection. Consent was granted for consideration of the bill.

The question is on the amendment.

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SIGNS OF DANGER

Mr. PHILBIN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. PHILBIN. Mr. Speaker, there has been a rather deplorable tendency in some quarters to minimize the strength and scope of the Communist propaganda apparatus. Reference is made time and time again to the relatively small number of active, card-carrying Communists in the United States, thus by implication trying to show that the influence of the Communists within this Nation would be presumably negligible and their progress hardly appreciable. Yet thoughtful, well-informed observers are inevitably led to a quite different conclusion. It is not the number of active, card-carrying Communists that counts; it is the extent to which the Communist movement has penetrated and ramified throughout our entire social structure that gives us such grave concern. Some of the effects of this movement we can discern; others are less noticeable and can only be estimated in a general way.

It is not primarily those bearing the label "Communist" that we must fear—though we cannot afford to ignore them or to minimize their influence—but it is the more subtle, secretive, underground elements which are doing the real damage. It is these elements which are boring from within, so to speak, just like some sinister termites leaving trails of poisonous propaganda, and unwitting converts among people who do not realize that the ideas they absorb are really Communist ideas.

Only one-fifth of this subversive iceberg is above the surface, the other four-fifths are hidden beneath the waters. That there has been widespread and serious dissemination of Communist ideas, doctrines, and techniques within the United States is unquestioned. The traces appear almost everywhere, though the poison is usually contained in sugar-coated capsules. Many are innocently traduced; others are willing tools.

What is true of our own Nation is true in larger degree of a great many other nations, in fact, of most nations throughout the world. The Western Hemisphere was shocked by the disclosures in Guatemala which culminated in a coup d'etat in the form of a revolution against a pro-Communist government. Whether the liquidation of communism in that country was real or only apparent remains to be seen, but it is common knowledge that communism is thriving in many other South American nations.

As to the rest of the world outside of the Western Hemisphere the situation is even worse. Communism is fanning fires of revolution and insurrection in many lands. It has achieved many conquests. Using imperialism and exploitation as scapegoats, communism has succeeded in penetrating and taking over literally millions of people. Communism has never hesitated to use aggression where necessary as in Korea and Indochina; in fact we can look for more aggression as time progresses in Asia and Africa. When the time comes and communism acquires sufficient strength, we may expect it in Europe. Some of these gains have been secured through diplomatic concessions to which the United States was an unwise party and also by virtue of weakness and appeasement on the part of the free nations. While we stand by in confusion and bewilderment over foreign policy following our quest for peace into the channels of further appeasement demanded by some of our allies, the Communists steadily and inexorably extend the boundaries of their dominion.

According to a recent dispatch from London by the news agency, Reuters, under date of July 3, Communist Party members throughout the world are estimated at about 30 million, according to latest figures published in Moscow. Yet, under Communist sway today are countries totaling more than 900 million persons, exclusive of India, which is following a policy of cordial cooperation with the Kremlin. This huge population includes the 200 million of the U. S. S. R. and the 600 million of China. Actually, well over a billion people are either under direct or indirect control of, or sympathetic toward world communism.

Moscow openly boasts of the fact, according to this dispatch that today there is not a single country in the world without a Communist movement, legal or illegal. This survey claims a membership of 60,000 Communists in the United States which is more than double the number usually asserted by those groups here which are deliberately seeking to minimize Communist strength in this country.

In a book published in Moscow called the Agitator's Notebook issued by the central committee of the Soviet Communist Party the survey gives a country-by-country breakdown of the membership of Communists and Communist-controlled Workers' Party. The book is intended for the guidance of Communist Party propagandists in Russia.

When the last Soviet Communist Party Congress was held in October 1952 the party counted approximately 7 million members in Russia. The Chinese Communist Party has a membership of some 6,500,000.

The survey lists membership figures of 7,400,000 in Communist Parties in the satellite countries of Czechoslovakia, Poland, Hungary, Bulgaria, Albania, East Germany, Korea and Vietnam.

The survey omitted the 700,000 members of the Yugo-Slav League of Communists since this party has declared itself independent of Moscow. It states that the Communist Parties are the most numerous, closely knit, and powerful parties in France and Italy where membership figures given are: France, 800,000; Italy, 2,120,000.

Membership figures for other "capitalist" countries are listed thus:

United States	60,000
Britain	35,000
Belgium	100,000
Holland	50,000
Denmark	50,000
Sweden	60,000
Finland	50,000
Japan	100,000
India	60,000

The survey does not quote figures for Norway, Iceland, or West Germany. In the Far East, no membership figures are quoted for Burma, Malaya—where Britain has been battling Communist forces for several years—Siam, the Philippines, Ceylon, or Indonesia.

President Syngman Rhee in his recent speech before the Congress made drastic proposals amounting to demand for a preventive war and analyzed at great length the menacing growth and power of world communism in Asia. The American people seek peace, not war, and I do not believe that, on the whole, they would advocate or be willing to start a war against Russian communism. But one thing is certain and that is that this Nation and the free world cannot afford to delay further while communism completes its nefarious work of militarily and economically outflanking the United States and the democratic nations.

I have urged many times on this floor and elsewhere that we reappraise American foreign policy in the light of ominous developments in the world threatening our safety and security. We cannot

afford to wait while this monstrous well-organized, ruthless conspiracy liquidates democracy in many nations and extends its dominion over millions and millions of helpless people. There are risks in an affirmative policy I admit. But at the same time this Nation must be prepared to assume them unless it is willing to embrace the other alternative of waiting until the Soviet has completed its work of conquering all of Asia, Africa and Europe, successfully implements the atomic and hydrogen bombs, develops the jet-propelled planes able to deliver them over United States territory, and gains possession of other vital secrets of more modern and more destructive weapons of war and then when its timetable permits might decide to launch a crippling attack upon this Nation. We might never recover from such a blow. That is our greatest danger.

I hope that our executive department, our State Department, and our great President will take fresh stock of the grave situation before us and take appropriate action to meet it. Unreasoning fear of atomic and hydrogen weapons or any other weapons or situations, however grave, must never be permitted to possess and obsess the American people or deter our leaders from pursuing that strong, courageous policy characteristic of our Nation which is required now more than ever before in our history to secure the safety of our shores and the integrity of our institutions.

Away with all doctrines of appeasement, away with policies of vacillation and delay. Away with the stultifying Fabian policy of watchful waiting. In this grave hour of decision let us once more put our faith in the Almighty, as we have always in history, and with high courage and faith and resolution let us mobilize our resources and our manpower and our people behind a traditional American policy which will enable us to defend America and all it represents against the ruthless aggression and obnoxious penetration of the world Communist conspiracy.

AMERICAN FALLS RESERVOIR DISTRICT NO. 2, IDAHO

Mr. BUDGE. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 9889) to authorize the Secretary of the Interior to execute an amendatory contract with American Falls Reservoir District No. 2, Idaho, and for other purposes, which was on the Consent Calendar.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Idaho?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior is authorized to execute on behalf of the United States the amendatory contract with American Falls Reservoir District No. 2, Idaho, negotiated pursuant to section 7 of the Reclamation Project Act of 1939 (53 Stat. 1187, 1192; 43 U. S. C., 1946 edition, sec. 485f), and approved by the district's electors on June 29, 1954.

SEC. 2. All beginning with the first "*Provided*" under the subheading "Minidoka project, American Falls Reservoir, Idaho" under the heading "Bureau of Reclamation" of the act of January 12, 1927 (44 Stat. 934, 958), is hereby repealed.

SEC. 3. This act is declared to be a supplement to the Federal Reclamation Laws.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JOSEPH V. CRIMI

Mr. LANE. Mr. Speaker, I ask unanimous consent to return to Private Calendar No. 1161, which is S. 2553, for the relief of Joseph V. Crimi, father of the minor child, Joseph Crimi, which was passed over without prejudice. A satisfactory explanation has been made.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Joseph V. Crimi, father of the minor child, Joseph Crimi, of Boston, Mass., the sum of $8,500. The payment of such sum shall be in full settlement of all claims of the said Joseph V. Crimi and Joseph Crimi arising out of personal injuries sustained by the said Joseph Crimi in Boston on August 5, 1949, when he was struck by a privately owned automobile being used under contract by the United States Post Office for the delivery of parcel post. Such sum represents the unsatisfied portion of the judgments on such claims obtained in the Superior Court in Boston against the owner and the operator of such automobile, plus interest and cost: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction therof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 2, line 6, after the word "act" strike out "in excess of 10 percent thereof."

The committee amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

OFFICE EXPENSES OF CERTAIN UNITED STATES COMMISSIONERS

Mr. JONAS of Illinois. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (S. 2204) to provide that United States commissioners who are required to devote full time to the duties of the office may be allowed their necessary office expenses.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That (a) the catchline to section 633 of title 28, United States Code, is amended so that such catchline will read as follows:

"§ 633. Fees and expenses."

(b) That section 633 of title 28, United States Code, is amended by adding at the end thereof a new subsection (c), reading as follows:

"(c) United States commissioners who are required to devote full time to the performance of the duties of the office, as determined by the Director of the Administrative Office of the United States Courts under the supervision and direction of the Judicial Conference of the United States and who do not engage in the practice of the law, shall be allowed their actual and necessary office expenses, including the compensation of a necessary clerical assistant. Such office expense shall be determined and paid and such compensation shall be fixed and paid by the Director of the Administrative Office of the United States Courts under the provisions of section 604 of this title."

(c) The analysis of chapter 43 of title 28, United States Code, immediately preceding section 631 of such title, is amended so that item 633 in such analysis will read as follows:

"633. Fees and expenses."

SEC. 2. The amendment made by the first section of this act shall not apply to any United States Commissioner for the District of Columbia, and this act shall not be deemed to modify, supersede, or repeal the provisions of section 403 of the District of Columbia Law Enforcement Act of 1953.

The bill was ordered to be read a third time, was read the third time, and passed.

A motion to reconsider and a similar House bill (H. R. 5801) were laid on the table.

REQUEST TO RETURN TO PRIVATE CALENDAR

Mr. KEATING. Mr. Speaker, I ask unanimous consent to return to Private Calendar No. 1103, S. 232.

The SPEAKER. Has the gentleman cleared this with the official objectors?

Mr. KEATING. It has been cleared with the objector who asked that it be passed over without prejudice. I have not spoken to the others.

The SPEAKER. The Chair suggests that the gentleman submit his request after consulting the others.

GRANT OF IMMUNITY TO WITNESSES

Mr. GRAHAM. Mr. Speaker, I move to suspend the rules and pass the bill (S. 16) to amend the immunity provision relating to testimony given by witnesses before either House of Congress or their committees, amended to read as follows:

The Clerk read the bill, as follows:

Be it enacted, etc., That title 18, United States Code, section 3486, is amended to read as follows:

"§ 3486. Compelled testimony tending to incriminate witnesses; immunity.

"(a) In the course of any investigation relating to any interference with or endangering of, or any plans or attempts to interfere with or endanger the national security or defense of the United States by treason, sabotage, espionage, sedition, seditious conspiracy or the overthrow of its Government

by force or violence, no witness shall be excused from testifying or from producing books, papers, or other evidence before either House, or before any committee of either House, or before any joint committee of the two Houses of Congress on the ground that the testimony or evidence required of him may tend to incriminate him or subject him to a penalty or forfeiture, when the record shows that—

"(1) in the case of proceedings before one of the Houses of Congress, that a majority of the Members present of that House; or

"(2) in the case of proceedings before a committee, that two-thirds of the members of the full committee shall by affirmative vote have authorized such witness to be granted immunity under this section with respect to the transactions, matters, or things concerning which he is compelled, after having claimed his privilege against self-incrimination to testify or produce evidence by direction of the presiding officer and that an order of the United States district court for the district wherein the inquiry is being carried on has been entered into the record requiring said person to testify or produce evidence. Such an order may be issued by a United States district court judge upon application by a duly authorized representative of the Congress or of the committee concerned. But no such witness shall be prosecuted or subjected to any penalty or forfeiture for or on account of any transaction, matter, or thing concerning which he is so compelled, after having claimed his privilege against self-incrimination, to testify or produce evidence, nor shall testimony so compelled be used as evidence in any criminal proceeding (except prosecutions described in subsection (d) hereof) against him in any court.

"(b) Neither House nor any committee thereof nor any joint committee of the two Houses of Congress shall grant immunity to any witness without first having notified the Attorney General of the United States of such action and thereafter having secured the approval of the United States district court for the district wherein such inquiry is being held. The Attorney General of the United States shall be notified of the time of each proposed application to the United States district court and shall be given the opportunity to be heard with respect thereto prior to the entrance into the record of the order of the district court.

"(c) Whenever in the judgment of a United States attorney the testimony of any witness, or the production of books, papers, or other evidence by any witness, in any case or proceeding before any grand jury or court of the United States involving any interference with or endangering of, or any plans or attempts to interfere with or endanger, the national security or defense of the United States by treason, sabotage, espionage, sedition, seditious conspiracy, violations of chapter 115 of title 18 of the United States Code, violations of the Internal Security Act of 1950 (64 Stat. 987), violations of the Atomic Energy Act of 1946 (60 Stat. 755), as amended, violations of sections 212 (a) (27), (28), (29), or 241 (a) (6), (7), or 313 (a) of the Immigration and Nationality Act (66 Stat. 182–186; 204–206; 240–241), and conspiracies involving any of the foregoing, is necessary to the public interest, he, upon the approval of the Attorney General, shall make application to the court that the witness shall be instructed to testify or produce evidence subject to the provisions of this section, and upon order of the court such witness shall not be excused from testifying or from producing books, papers, or other evidence on the ground that the testimony or evidence required of him may tend to incriminate him or subject him to a penalty or forfeiture. But no such witness shall be prosecuted or subjected to any penalty or forfeiture for or on account of any transaction, matter, or thing concerning which he is compelled, after having claimed his privilege against self-incrimination, to testify or produce evidence, nor shall testimony so compelled be used as evidence in any criminal proceeding (except prosecution described in subsection (d) hereof) against him in any court.

"(d) No witness shall be exempt under the provision of this section from prosecution for perjury or contempt committed while giving testimony or producing evidence under compulsion as provided in this section."

SEC. 2. The analysis of chapter 223 of title 18, United States Code, is amended by striking out

"3486. Testimony before Congress; immunity."

and inserting in lieu thereof the following:

"3486. Compelled testimony tending to incriminate witness; immunity."

Mr. CELLER (interrupting the reading of the bill). Mr. Speaker, I ask unanimous consent that the further reading of the bill may be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The SPEAKER. Is a second demanded?

Mr. CELLER. Mr. Speaker, I demand a second.

Mr. GRAHAM. Mr. Speaker, I ask unanimous consent that a second be considered as ordered.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The SPEAKER. The gentleman from Pennsylvania [Mr. GRAHAM] will be recognized for 20 minutes and the gentleman from New York [Mr. CELLER] for 20 minutes.

Mr. GRAHAM. Mr. Speaker, I yield 10 minutes to the distinguished gentleman from New York [Mr. KEATING].

Mr. KEATING. Mr. Speaker, this bill is a very important piece of legislation to further the struggle against the Communist conspiracy on all fronts, in the activities of investigating committees representing the legislative arm of Government and in the prosecutive functions carried on through the executive branch. It is certainly in our national interest to give our investigating committees and our prosecutors a means of loosening the tongues of important witnesses who resist all inquiries into their activities by taking refuge behind the fifth amendment.

Mr. Speaker, it would be perhaps helpful as anything in the few moments I have at my disposal to explain the history of this legislation. The bill, S. 16, as it passed the other body—without going into detail—gave to the Congress the final say as to whether immunity should be granted. The Attorney General was to be given notice if a congressional committee desired to grant immunity and he would have a right to object, but even if he objected it could be granted by the Congress over his objection. The bill, H. R. 6899, which was endorsed by the Attorney General, differed from the Senate bill in two important respects.

First. It extended the scope of the Senate bill to provide for the granting of immunity not only in proceedings before congressional committees but also in court or grand jury proceedings.

Second. It left the ultimate power in the Attorney General rather than in the congressional committees to grant immunity, the theory being that he is the chief law-enforcement officer, responsible for law enforcement, and he, therefore, should have the correlative right to grant immunity. He would presumably know more about whether or not immunity should be granted and whether there were other considerations that should enter into a decision on that question than a congressional committee could possibly know.

The bill as reported by the Committee on the Judiciary, which gave this subject long thought and study, is, one might say, in-between those two approaches. It does provide for the granting of immunity in both proceedings before congressional investigating committees and before courts or in grand jury proceedings, but it does not leave the final determination as to the granting of immunity in either the hands of the investigating committee or the Attorney General, but rather the court.

The bill might well be divided into two separate parts, sections (a) and (b), having to do with the investigating procedure before a congressional committee and section (c), dealing with the granting of immunity in a court or grand jury proceeding.

As to (a), proceedings before a congressional committee, it provides that if a congressional committee or either House of Congress itself concludes that it is desirable to grant immunity to some witness in order to obtain evidence regarding some higher up or someone else, then the congressional committee shall give notice to the Attorney General of an application to a court and the court shall be the final arbiter as to whether or not immunity should be granted. The Attorney General can appear in court and say: "I agree with the committee," or he can appear there and say, "I disagree with the committee. This is a case where immunity should not be granted," and the court will have the final word in the matter.

Section (c) deals with proceedings before a court or grand jury. In that case it says that if the United States attorney in a particular area has a prosecution before him and feels that immunity should be granted to some prospective witness, he shall first get the approval of the Attorney General to the granting of that immunity and then shall appeal to the court and the court will pass on the question, and if convinced of the propriety, issue the order for immunity.

Now, there is another very important respect in which this bill as reported for action today differs from the bill passed in the other body and also differs from the original administration-endorsed measure H. R. 6899, and that is this: An amendment was offered and accepted by the committee sponsored by our distinguished colleagues, the gentleman from Ohio [Mr. MCCULLOCH] and the gentleman from Michigan [Mr. MEADER], which limited the operation of this entire procedure to crimes involving the national

security, so that this bill as now worded and now before us exclusively applies only to investigations dealing with or prosecutions for the crimes of treason, sabotage, espionage, sedition, seditious conspiracy, and violations of certain specific statutes, all of which deal with the Communist conspiracy. It is, therefore, a very much narrower bill than that originally offered.

In this field of subversion the same principles are applied and should be applied, in my judgment, to witnesses who obstruct congressional investigations and fifth-amendment witnesses who block a grand jury inquiry or trial in court. It is a logical combination. I think it would be very unwise and unfortunate if we were to pass a bill as limited as the one which was passed in the other body, dealing only with proceedings before congressional committees. I think if we decide, as I hope we will, that the immunity power is necessary and desirable for use by investigating committees, the conclusion is inescapable that the same power ought to be conferred on the people in the Justice Department who are responsible for enforcing the laws we enact. The fifth amendment provides that no person shall be compelled in any criminal case to be a witness against himself. This has been expanded by interpretation far beyond its literal meaning, so as to excuse anyone from testifying under compulsion and under oath in any proceeding as to facts which might directly incriminate him or which might contribute indirectly to the detection of a crime for which he could be prosecuted.

There are certain limits when the privilege disappears, as, for instance, if the period of limitations has run on the crime. It can be waived if the witness voluntarily offers incriminating testimony. It has no application under the court decisions to crimes committed by others. It will not attach to facts which are criminal only under the laws of some jurisdiction other than that which is seeking to compel the testimony. But, all in all, this privilege is very broad. Moreover, since it is the witness himself who must decide whether a particular question or line of questioning is likely to incriminate him, the possibilities of abuse are very great.

It has long been recognized that this privilege can be destroyed or bought off, one might say, by the Government. The theory simply is, that if all possibility of incrimination is removed in a particular situation, then obviously the privilege will cease to exist. Originally in England, this was done by means of a royal pardon. In this country, the device adopted has been a legislative pardon, that is, the so-called immunity statute.

It is really a sort of bargaining process. Every time immunity is conferred, the witness receives something of potentially very great value, namely, a pardon for some unpunished crime; in return, he is supposed to give testimony or evidence which the interrogating authority wants. You can see that this bargain could sometimes be unfair. The prosecutor or the congressional committee, without knowing what the witness was going to spring until he gave his testimony, might confer immunity for very grave crimes in return for evidence which might turn out to be of very trifling value.

The feature of the bill before us which I especially commend to your favorable attention—is intended to take care of this problem of blind bargaining. It requires, in the case of congressional investigations, virtual agreement between all three branches of the Government—legislative, executive, and judicial—before an effective grant of immunity is conferred. In court proceedings it requires approval of both the prosecutor and the court.

Attorney General Brownell, and Director J. Edgar Hoover, of the FBI, and their respective staffs are doing a wonderful job of exposing and bringing to justice Communist conspirators and plotters and spies through brilliant undercover work and prosecution in the courts. It is inevitable, and absolutely proper, that we over here in Congress cannot be kept fully informed as to what the Department is doing. We do not know about these big cases until they are broken, the defendants indicted, and the whole matter thrown into court. It is not only possible, it is likely, that if we had a free hand in dealing out immunity in return for testimony, we would stumble right into the middle of the police work that is being so effectively done by the other branch, and would blow some of these prosecutions sky high.

Here is an imaginary interrogation, by a hypothetical committee having the power to grant immunity, demonstrating what could have happened with respect to the spy, David Greenglass, in the Rosenberg case:

QUESTION (by Member of Congress). Mr. Greenglass, did you visit and talk with certain Russian agents on a farm in New Mexico?

Mr. GREENGLASS. I refuse to answer on the grounds that my answer might incriminate me.

MEMBER. Since you have claimed your constitutional privilege, I am authorized by the committee and by law to grant you immunity from prosecution for your answer to that question. I now grant you immunity. With that knowledge, I now direct you to answer the question.

Mr. GREENGLASS. Yes, I did.

MEMBER. What did you discuss with these Russian agents?

Mr. GREENGLASS. I refuse to answer relying upon the fifth amendment to the Constitution.

MEMBER. Since you have claimed your constitutional privilege, I am authorized by the committee and by law to grant you immunity from prosecution for your answer to that question. I now grant you that immunity. With that knowledge, I now direct you to answer the question.

Mr. GREENGLASS. I discussed with them plans for stealing and giving to the Communists certain atomic secrets.

Had the foregoing occurred, the Government could not have prosecuted David Greenglass and might have had very serious difficulty in proving its case against the Rosenbergs themselves. The only thing that would have prevented such an outcome, had a valid immunity statute been in force, would have been, prior reference to an outside authority or as is provided in this bill, the Attorney General and the court.

It should be apparent that—and the record of recent investigations by congressional committees and grand juries clearly so demonstrate—subversives and criminals have readily seized this constitutional protection of the innocent and by their abuse of it have prostituted it to such an extent that it is fast becoming looked upon by many law-abiding persons with doubt and suspicion. That such public apprehension for any of our Bill of Rights should exist indicates forcefully the immediate need for a true reform of such a condition. A reformation is essential that will root out the basic cause of this apprehension and diminishing faith of the fifth amendment, namely the abuse of it, and restore it to its proper place in the respect and confidence of the body politic.

The power to grant immunity is one of tremendous responsibility, the exercise of which must be guarded by discretion and wisdom. All possibility of abuse must be obviated lest it become a loophole for the escape from punishment for the guilty. It must at all times be the perfect medium whereby a true balance is reached between the need and right of the Government to obtain the necessary information to carry out its constitutional functions and the constitutional right of an individual not to incriminate himself. This bill strikes such a balance.

The SPEAKER. The time of the gentleman from New York has expired.

Mr. CELLER. Mr. Speaker, I yield 3 minutes to the gentleman from Pennsylvania [Mr. WALTER].

Mr. GRAHAM. Mr. Speaker, I yield the gentleman from Pennsylvania [Mr. WALTER] 5 additional minutes.

Mr. WALTER. Mr. Speaker, the measure we have before us has been given great consideration by the Committee on the Judiciary. I do not know of any legislation before that committee which has received greater consideration. All of us are mindful of those things that I know are in the minds of all the Members of this body. But when we come to the final analysis, I am sure that you will agree with me that the intolerable situation that exists today must be dealt with, and with the safeguards that have been placed in this legislation, I can, without reservation, urge the Members to vote for this measure.

As Mr. KEATING has stated, this bill has been amended so that its operation is limited to cases of national security. In the final analysis, I think I can say that 98 percent of the matters that will be affected through this legislation will be those coming before the Committee on Un-American Activities of which I happen to be a member, unfortunately. No one can sit on that committee, as I have during the past few years, without feeling that this great Republic ought to be in a position certainly to conduct its business without having raised before it frivolous objections that are daily raised by the long parade of witnesses appearing before that committee. I shall not call them fifth amendment Communists, largely because I do not like the person

who coined that phrase, but I shall say that these people who hide behind the fifth amendment are literally doing just that.

I had occasion to examine the testimony of those people who were cited for contempt, just recently. I assure you that had the Supreme Court decided properly, without leaning over backward, in a line of decisions to give aid and comfort to these people who are literally hiding behind the Constitution, we would not be here today. I think the members of the Committee on the Judiciary will agree with me. Just for a moment, let us look at this one decision in the Cristoffel case. There the Supreme Court held that unless it was shown affirmatively that a quorum was present, then it must be presumed that a quorum was not present. That is in direct violation of the very basic rule of law. Then going on to the decisions that follow it, it certainly seems to me that we would be derelict in our duty if we did not try to do something and actually do something to overcome the mischief that has been done by the highest court of the land.

Mr. MEADER. Mr. Speaker, will the gentleman yield?

Mr. WALTER. I yield to the gentleman.

Mr. MEADER. The gentleman has referred to the Cristoffel case. I wonder if the gentleman would agree with me that the court in that case announced the very novel and dangerous doctrine, that the judiciary would undertake in the future to say whether or not the Houses of the Congress correctly applied the parliamentary rules.

Mr. WALTER. The significant part of it, and I agree with what the gentleman says, is the fact that that question was not raised by the people who were convicted. It was not raised until it got into the Supreme Court, where the Court itself raised the question.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. WALTER. I yield to the gentleman from Pennsylvania.

Mr. GROSS. Would this legislation reach those employees of the United Nations who sought refuge back of the fifth amendment and were indicted, may I say, by a New York grand jury?

Mr. WALTER. I am sure it would. I do not know of any rule of law under which an American citizen employed by an international organization may hide behind his employment to escape the provisions of the law of the land.

Mr. GROSS. The International Court of Justice so held.

Mr. WALTER. Let us see what we have done. Under this bill we have made it very plain that it applies only to cases affecting the national security. As the bill came over here from the Senate, it related to all crimes, but this applies only to those matters affecting the security of the United States. I assure you that if I am one of the conferees, and I know that I speak for the members of the subcommittee of which it is my privilege to be a member, we will not yield from that position; so that if we get legislation and when we get it, and I am sure we will, it will be legislation dealing only with the national security.

Here is one thing that appeals to me about this legislation. I assure you that I approached it with grave misgivings. It is, before a person can be granted immunity the court is called upon to act on the question of the materiality and the germaneness of the matter under inquiry.

Mr. JAVITS. Mr. Speaker, will the gentleman yield for a question on that point?

Mr. WALTER. I yield to the gentleman from New York.

Mr. JAVITS. Will the court pass upon the advisability or lack of inadvisability in fact of granting immunity?

Mr. WALTER. I am sure that it is intended that the matter be submitted to the court in order to pass in the first instance on the question of whether or not failure to answer a question would be grounds for contempt. That, of course, brings it very squarely within the purview of those decisions that hold that the question asked must be material.

Mr. JAVITS. I think this is the turning point of the bill. In my opinion as a lawyer, the court would only pass on the issue of germaneness of the testimony to the legislative inquiry and the jurisdiction of the committee. The court would not I believe inquire into the advisability or lack of it in giving an immunity bath. Therefore, I believe, the opinion of the Association of the Bar in New York against the bill would continue the bill in its present form. I think that is the turning point of the bill.

Mr. WALTER. After all, when it comes to the question of the wisdom, I just think that is a question of materiality.

Mr. JAVITS. The Congress will have decided that and the court will just rely upon the decision made by the committee or the House?

Mr. WALTER. I do not think so. I think this goes much further than that.

Mr. CELLER. Mr. Speaker, I yield myself 12 minutes.

Mr. Speaker, I would like the Members of the House to consider the tortured history of this bill now under only 40 minutes of debate without opportunity to amend it. Consider its legislative amputations and mutations; its reconstructions from the Senate committee to its present form. We find what? A shredded, untested changeling.

First we had general immunity of a wide range covering all fields and all subjects. Then we had special immunity covering only espionage and defense. Then we had the testimony limited to that given before congressional committees. Then it covers testimony before grand juries and before the court, plus congressional committees. The sole arbiter of pardoning—and it is a pardoning bill—was a congressional committee. The Attorney General was merely to stand by. Then the Attorney General appears as an advocate. Then he appears as a consultant. Then he is out in the cold. The power of immunity was left exclusively at one time with the Attorney General. Then the power restlessly moves back to the Congress and out of the courts. Now three branches of Government are involved before immunity can be nailed down—the executive, the legislative, and the judicial.

The multiplicity of changes indicates how much wariness and uncertainty and doubt still remain with the proponents of this immunity bill. Only the day before yesterday, at the very 11th hour, changes were made in the bill. The bill was to be taken up yesterday without your having the printed bill before you and without any report. They were not yet printed. Only my objection to such procedure held up the consideration. Members have not had an opportunity to read the report on the bill. I commend the reading of the minority report to all members of the committee.

It has been said—and these are not my words—that the bill is so loosely drawn that it rattles. It bristles with constitutional snarls and questions. It is full of befuddlement, puzzlement, and devilment. I like to use the phrase Churchill used in application to this bill:

> It is a riddle inside; an enigma wrapped in mystery. It will plague the Congress for days and years to come.

I oppose this chipping away of the fifth amendment. This privilege against self-incrimination arose as a protection against inquisitorial methods of interrogation and prosecution which prevailed in Europe and England until the expulsion of the Stuarts from the throne of England in 1688. The fifth amendment is a protection against confession by thumbscrew and self-accusation by torture and self-incrimination by cruelty to loved ones.

We have shunned forceful self-incrimination in all forms throughout our history.

The privilege has been well entrenched in the English common law.

In the United States constitutional law 46 State constitutions have such an amendment. The privilege is broad. The privilege is liberally construed.

It extends not only to responses in themselves directly incriminatory but also to evidence which would furnish a link in a chain of evidence needed to prosecute for a crime.

I remind the proponents of this bill that our forefathers when they wrote the fifth amendment had in mind a lot of history which the proponents seem to have forgotten.

I like to quote Hawthorne, who said:

> There are those who go all wrong by too strenuous a resolution to go right.

We tried this once before. We passed such a law in 1857. It was repealed in 1862. This is nothing new in our history. We tried it as a result of the antislavery agitation, the jitters of 1857 and thereabouts. We tried it to our chagrin and our shame. I repeat: A similar bill was on the statute books from 1857 to 1862. The Congress had a right to grant immunity or pardon for testimony before a committee. What happened? Let me read to you from the Congressional Globe of January 16, 1862:

> I understand that almost every day persons are offering to testify before the investigating committees of the House in order to

bring themselves within the pardoning power of the act of 1857. It is to prevent any more such cases of pardon that we asked the House to pass this bill. The bill to repeal.

Why, culprits appeared before the congressional committee who had the temerity to say that they had embezzled from the United States sums well nigh up to $2 million, and that they pilfered and stole the moneys from the Indian trust funds and they were rendered impervious from punishment because of the law then in effect. That law was not too dissimilar to the bill before us. I know the gentleman from New York [Mr. KEATING] will say the bill is a bit changed now because you have to go to the courts for immunity. But there is for practical purposes no change because once a congressional committee institutes proceedings that seek to cloak the miscreant with immunity no jury anywhere would convict a man. The congressional committee said he should be free from punishment. I say this, although a court might say he is not entitled to the immunity. The jury would follow the Congress and acquit.

There have been abuses of the privilege. There is no doubt about it. There has been a parade of witnesses who may have been guilty and who pleaded the fifth amendment, but that is the price we must pay for our liberty. Liberty is a precious thing—you cannot buy it cheaply. It is dear, and because there are some abuses is no reason why we should throw out the window the fifth amendment. I can tell you this: There has been that queue of recalcitrant witnesses availing themselves rightly or wrongly of the fifth amendment because of the conduct of, the unfair conduct and the arbitrary conduct of, some chairmen of our committees in the Congress. Because of the threatened unfair treatment these witnesses have set up the shield of the amendment. They refused to be hectored, browbeaten, and bullyragged by some of the chairmen of our investigating committees who do not have any idea of elemental civility and courtesy and decency. I say there would be no need for this bill if there had been fairness accompanying the activities of members of our congressional committees. Reform the chairmen, reform the committees, and you will not have any need for a bill of this sort.

Let me scotch once and for all the idea that the invocation of the fifth amendment is tantamount to guilt. In a case decided in 1915, Mr. Justice McKenna said:

> If it be objected that Burdick's refusal to answer was an implication of crime, we answer not necessarily in fact nor at all in theory of law.

That should end forever this ridiculous statement that because a man invokes the fifth amendment he is guilty. The fifth amendment is for the innocent as well as the guilty. It is an umbrella that shields us all. Also to brand anyone as a fifth-amendment Communist is as damnable, in my opinion, as it is indefensible. It is an opinion that is born of a wealth of ignorance of our constitutional history.

We are in a climate of jitters and fear. Unfortunately, we cannot legislate outside that climate. There is an unbecoming shrillness fed into hysteria by political would-be saviors, in this approach to internal communism. But we, as responsible men and women must forsake the emotion and passion of the moment, out of which springs this proposed legislation. This bill involves short cuts that bode greater evil than the danger sought to be eliminated—a cure worse than the disease.

Where and when will this crusade end? We passed, and I voted for, a wiretapping bill; a bill to make Communists stateless; to make espionage in peacetime a capital offense; to increase penalties for harboring Communists; to make jumping bail a felony in addition to forfeiture of bond.

After this bill there will come another bill to have the court require testimony of recalcitrant witnesses under penalty of sanctions.

Do we need any more legislation in this war against communism? Under the Smith Act, 103 were indicted in 13 cases; 72 were convicted, and 28 await trial. One hundred and fifteen Communists and their leaders have been arrested under the Smith Act. That is a rather impressive record. What more do you want? What legislative lack does sections (a) and (b) of the reported bill fill?

I am reading from the minority report, and I commend it to you:

> It is not the function of Congress to expose private personal guilt. It is not the function of the Congress to prepare cases for prosecution. It is not the function of Congress to relieve the executive branch of the Government of its constitutional responsibility of law enforcement. When a committee of Congress investigates, it does so to gather evidence for its own purposes, that of legislating wisely and adequately. The investigations of Pearl Harbor, Teapot Dome, the work of the Truman Defense Committee, and the LaFollette Civil Liberties Committee did not suffer for lack of congressional power to immunize witnesses. In the areas of treason, sabotage, espionage, sedition, the Communist conspiracy, etc., the Congress has not heretofore hesitated to legislate, though lacking the power of immunization, session after session in its history.

This bill will encourage informers, will indemnify rogues. They would testify the way some committees want. They would be led into speculation and exaggeration and lies concerning the political views and associations of friends and associates. Some would testify to anything to save their own skins. The testimony would be cut to suit the cloth of the examiner. The malevolent, the wicked, and the frightened would testify as desired. The innocent whose testimony would conflict with these informants would be prosecuted for perjury.

This bill is filled with perjury traps.

I would like to commend to you the statement of Mr. Welch, who was counsel for the Army in the recent hearings before the Senate. He said as follows:

> Our Founding Fathers were familiar enough with the history of the Middle Ages to know that "justice" in that time took some peculiar forms. They knew that the formal trial of a citizen often began by placing him to torture, with someone standing by to take down that era's equivalent of a stenographic transcript of the "confession" he made in his agony. The transcript was then piously and lugubriously produced in court as proof of the poor devil's guilt.
>
> The framers of the Bill of Rights were determined that this should never happen in this fair country of ours and in this spirit, which I can hardly find blameworthy, they wrote the fifth amendment. Now, to be sure, the fifth amendment has been resorted to in the intervening years by many rascals, by many guilty men and doubtless there are persons invoking it today who will one day be found guilty. But no matter who invokes the amendment, it stands in our Constitution as one of the guardians of our liberties. It is for all men to use. Guilt will have to be proved in other ways, not in a way reminiscent of the medieval dungeons.
>
> It would be a pity if the net effect of these long and laborious hearings, the confusion and the travail were merely to undermine our Nation's faith in the document that made the Nation possible. If the phrase "fifth-amendment Communist" has in any way eroded your faith in the Bill of Rights, read it once again, I pray you.

So, Mr. Speaker, I ask that the Members vote down this bill so hurriedly and inadequately considered in this House, a bill as highly important as the one which seeks to destroy one of the cornerstones of liberty.

Mr. KLEIN. Mr. Speaker, will the gentleman yield?

Mr. CELLER. I yield to the gentleman from New York.

Mr. KLEIN. I have two questions I wish to ask about the bill. Is it not a fact that the bill really does not give true immunity? Because, while it avoids Federal prosecution for the crime it does not avoid any State prosecution.

Mr. CELLER. I will say to those who are advocates of States' rights that there is grave danger there that the State prosecutors may be hobbled in their attempts to prosecute for State crimes, because in the testimony that may be made concerning subversion a man may have said that he committed crimes under State law; he may have committed a theft, he may have embezzled, he may even have committed a murder. It is likely that the State prosecutors would be barred from prosecuting that culprit for the State crime he admitted in the State courts because of this bill. Those are some of the dangers that I ask you to look into carefully. The bill is so inexpertly worded, so carelessly drawn, so badly put together that the lawyers will have years of field days and the courts will be sorely put to it for years with cases in the effort to tell really what the legislation means. But I warned in committee that State prosecutors would be hobbled and impeded.

On the other hand they may not be impeded and State prosecution may ensue, in which event the immunity granted would be useless since not complete. I defy anyone to tell me from the terms of the bill whether the State can or cannot prosecute upon the testimony given wherein a crime was admitted:

> There is a further point to which the testimony of the Chicago Bar Association before this committee gave much needed clarity.
>
> "The scope of protection granted by the current section is well summarized in the

recent opinion in *Adams* v. *Maryland*. Justice Black, speaking for the unanimous Court (Justice Frankfurter concurred in the result and Justice Jackson wrote a separate concurring opinion), stated that section 3486 prevented the use of testimony given before a congressional committee in a State court prosecution, as well as in the Federal courts; and that it applied whether or not the witness had first claimed his privilege against self-incrimination when requested or ordered to testify.

"All current proposals to replace section 3486 would take away from witnesses before congressional committees the protection afforded by the current section. The witness who did not claim the privilege before testifying would have no protection against use of his testimony in Federal or State prosecutions."

Moreover, much serious study must be given to the question as to whether the granting of immunity is not in effect the granting of a pardon and hence an encroachment on the powers of the Executive. We look to the definition of a pardon as first enunciated by Chief Justice Marshall:

"A pardon is an act of grace, proceeding from the power entrusted with the execution of the laws, which exempts the individual, on whom it is bestowed from the punishment the law inflicts for a crime he has committed."

Mr. KLEIN. Mr. Speaker, will the gentleman yield for one further question on this bill?

Mr. CELLER. I yield to the gentleman.

Mr. KLEIN. The point I want to make is that while this bill might give immunity from criminal prosecution, Is it not a fact that testimony given as a result of the immunity conferred under this bill might very well affect a person's right to employment, affect a person's right to live in a Federal housing development, or his right to membership in trade unions?

Mr. CELLER. Oh, yes; there are all kinds of sanctions. The immunity does not cover many disabilities. It promises more than it can give. There is no immunity from private sanctions—expulsion from labor union, loss of employment, ostracism of friends, disability and discrimination in housing and schooling of children, public opprobrium, refusal of passport, possible internment in a camp—if one is an alien—during emergency proclamation proclaimed by the President.

Mr. GRAHAM. Mr. Speaker, according to my count the opposition has 3 minutes remaining and we have 5. I maintain that we are entitled to the last speech.

Mr. CELLER. Mr. Speaker, I ask for a recapitulation on the time count.

The SPEAKER. The gentleman from Pennsylvania has stated it correctly. The gentleman from New York has 3 minutes remaining, the gentleman from Pennsylvania 5.

Does the gentleman from New York desire to yield further time?

Mr. CELLER. Mr. Speaker, I yield 2 minutes to the gentleman from New York [Mr. MULTER].

Mr. MULTER. Mr. Speaker, the only agreement, I think, as to this bill is that it is a very important bill. I cannot understand how this House will undertake to pass upon a bill of such tremendous importance, touching upon one of the very fundamental principles of our Constitution, that of requiring witnesses to testify against themselves, without even having copies of the hearings before it.

It was not until this morning that we got the report of the committee. I doubt whether very many Members have had an opportunity to read either the majority report or the minority views on the bill. None of us has had an opportunity to read the hearings on this bill.

Under date of July 28 I placed in the Appendix of the daily RECORD the report on pending immunity bills written by the committee on Federal legislation of the Association of the Bar of the City of New York. I need not comment on the reputation of that bar association or of the 21 members of the New York bar who constituted that committee, all of them eminent and prominent lawyers of high repute. If you will refer to that report in the RECORD, you will find that this bill even in its present form does not meet the objections that were urged against it by 20 of the 21 members who signed that report. One of those members is opposed completely to giving authority to the Congress to grant immunity to witnesses. The others approve the principle in part and then only if safeguards are written into the law which you will not find in this bill.

Mr. JAVITS. Mr. Speaker, will the gentleman yield?

Mr. MULTER. I yield to the gentleman from New York.

Mr. JAVITS. The only difference between the bill and that committee's report is that this bill requires notice to the Attorney General and a court appearance. Does the gentleman believe that makes any difference in the principles enunciated by the Bar Association?

Mr. MULTER. It does not affect the principles involved. If this bill is so urgent and so important, let us bring it before the House under an open rule. Let us consider it completely, debate it thoroughly, amend it and make it a good bill. This Congress can never justify passing upon legislation of this kind with only 40 minutes of debate, and with no opportunity to offer amendments. No one has yet given a single reason as to why this bill must be passed during the closing hours of this session of Congress. If any reasons exist, then the protection of the liberties and freedoms of the American people require that this Congress remain right here on the job until we have fully and fairly and completely discussed this bill and acted upon it, but only after due and careful consideration.

To pass this bill at this time in its present form will make us ludicrous.

Labeling bills antisubversive will catch no Communists and convict no criminals, and will not bring about the enactment of any good legislation.

Not a single sponsor of this legislation can point to one instance when the Congress has been prevented from legislating upon this very important subject because any one or more witnesses have refused to testify.

No one in or out of this Congress can think of, suggest, or imagine any kind of legislation that should be proposed, or that has not been proposed on the subject which should be proposed or could have been proposed or will be proposed if some recalcitrant witness is compelled to testify.

Every legislator worthy of the title must concede that the enactment of this bill will not adduce a single fact that will help this or any other Congress to legislate.

The only other purpose of this bill then, can be to uncover criminality and prosecute the guilty.

That part of this bill which gives the right to the Congress to grant immunity to witnesses in order to compel them to testify can only have the opposite effect.

The moment any witness refuses to testify because of the privilege accorded to him by the fifth amendment, even though presumed innocent until proved guilty in our law courts, in the court of public opinion he is presumed to be guilty, and no amount of argument, however logical or legalistic, eradicates that opinion from the public mind.

At the same time, however, every time a witness invokes that privilege, by that very act he alerts the prosecuting agencies of our Government to the fact that here is someone whose conduct requires criminal investigation. Hundreds of such persons who claimed the privilege have since been indicted and convicted and sentenced to jail. This bill will stop that.

Any time and every time a congressional committee or a subcommittee desires to grant immunity to a witness from criminal prosecution it can effectuate that purpose under this bill. Instead of catching criminals, congressional committees will be accorded the Executive right to grant pardons. The only difference will be that whereas even the President cannot grant a pardon until the criminal has been convicted, by this bill, the Congress will give itself the right to grant pardons even before indictment.

The enactment of this bill will be a step further in the direction of destroying the separation of powers which has been the strength of our American Government.

Heretofore the Congress enacted the legislation making criminal such conduct as is against the public interest and in such legislation it set forth the punishment to be imposed upon those found guilty. The investigation and prosecution of criminals up to now has been left to the executive departments, with the right of pardon if the third branch, to wit, the judiciary, has conducted a trial which resulted in the conviction.

By this bill we roll the three functions into one. The Congress will now investigate, not for the purpose of legislating but for the purpose of exposing crime, and it will then, with or without the aid of the executive departments, seek a court order to immunize the criminal from prosecution even before adducing the facts concerning the crime.

Our theory of justice has heretofore been "let a hundred criminals escape prosecution rather than convict a single innocent person." This bill changes that philosophy to "let the guilty be excused

from prosecution rather than follow the time-tested methods of indicting those against whom proof of a crime exists."

Let me again direct the attention of our colleagues to the fact that this Congress makes itself a laughing stock when a bill of this tremendous importance is pushed through with only 40 minutes of debate and with no opportunity to offer amendments, while a bill of so little importance as the labeling of imported trout is brought before the House under an open rule, permitting 1 hour of debate, and without limitation as to amendment. Truly this Congress, by this kind of action convicts itself of being more interested in protecting trout than in protecting the hard-won liberties of the American people.

Mr. CELLER. Mr. Speaker, I yield 1 minute to the gentleman from Connecticut [Mr. DODD].

Mr. DODD. Mr. Speaker, I rise in opposition to a suspension of the rules for the passage of this bill, S. 16.

This measure was passed in the Senate as early as April of this year and now we find it suggested that it be rushed through the House of Representatives in the closing hours of the 83d Congress under a suspension of the rules and with only 40 minutes provided for discussion and debate on the legislation.

A great constitutional question is at issue before us.

We are being asked to tamper with the fifth amendment, part of our precious Bill of Rights, and to do so as we would pass a traffic ordinance for the District of Columbia.

Some of the finest legal minds in this country, by their writings and utterances in the past year, have indicated their deep concern over this proopsal.

Some of the best constitutional lawyers in the Nation have made clear that they are opposed to this measure.

One of the best expressions with respect to the problem was made by Dean Griswold of the Harvard Law School on February 5, 1954, before the Massachusetts Bar Association.

Recently Mr. Joseph N. Welch, a distinguished lawyer at the Massachusetts bar, and recently counsel for the Army in the Senator McCarthy hearings, has written a persuasive and most intelligent article concerning this whole problem.

Many of us feel that the present bill has been poorly drawn and that it presents grave constitutional complications.

For example, from a reading of it, no one can tell whether the immunity granted extends to prosecutions in the State courts and this is but one of the obscurities in the legislation.

I was able to get a copy of this bill only 1 hour ago, and yesterday an attempt was made to bring this matter before the House before the committee reports or the committee bill was available to us.

This is another symptom of the hysteria and panic which has afflicted the Nation.

It is a reckless way to trifle with the constitutional rights of the American people.

This is a sure symptom of blind anticommunism which has thrown the Nation into a fever and which causes it to convulsively thrash about with great damage to itself and to the cause of freedom.

It is provoking and exasperating to have American citizens appear before congressional committees and refuse to say whether they are now or ever have been members of the Communist Party, and as such, participants in the Communist conspiracy.

But the fifth amendment certainly must have been written with just such a difficult situation in the minds of the Founding Fathers.

The fifth amendment was not written for easy times or simple questions.

It was written because the men who drew up the Bill of Rights knew the danger of forcing men to give evidence against themselves.

In those early days of the Republic there were great problems of loyalty and of allegiance and there were serious disturbances born of sedition.

But the wise men who gave us our precious constitutional liberties knew the history of the star chamber, the rack and the rope and the hot iron.

They knew that great questions would confront this Nation long after their time and they wrote the fifth amendment to provide for those probabilities and for such times as these.

I have fought Communists and communism all of my mature life.

I do not believe that we can effectively overcome this menace in the world by falling back to the practices of the dark eras of history.

In the long run it is far better that some Communists go undetected in our midst and that the task of running them down remain a difficult one rather than we give up our precious constitutional heritage in a fit of national bad temper.

For these reasons, I am opposed to this legislation and I shall vote against suspension of the rules and the passage of this bill.

Mr. GRAHAM. Mr. Speaker, I yield 5 minutes to the gentleman from Maryland [Mr. HYDE].

Mr. HYDE. Mr. Speaker, this bill is necessary and salutary in its purpose. It has been said on the floor today that there is nothing new in this legislation, no change from the legislation of the past century, which was found to be bad. That is a misstatement of the fact.

There is a decided change in this legislation from the legislation as it existed in the last century. The legislation to which the gentleman from New York referred merely required appearance in order to get immunity. Under this legislation the witness must plead the fifth amendment and then must be granted immunity before he obtains it. That, of course, is a fundamental change, it is a fundamental difference from the legislation about which the gentleman from New York said there was no change.

Mr. KEATING. Mr. Speaker, will the gentleman yield?

Mr. HYDE. I yield to the gentleman from New York.

Mr. KEATING. And also under this bill the immunity is not granted until the Attorney General and the court have reviewed it, whereas under the bill recited by the gentleman from New York it was just the congressional committee that had the power.

Mr. HYDE. That is right.

Mr. CELLER. Mr. Speaker, will the gentleman yield?

Mr. HYDE. Not now.

Mr. CELLER. The gentleman has questioned a statement of mine and I think he ought to yield.

Mr. HYDE. I probably should, but I have not the time. I will be glad to yield if I have time.

Mr. Speaker, there has been a great deal of misunderstanding about this bill.

It has been said that this is an infringement upon the fundamental rights of our citizens. Let us get this straight. No fundamental rights are being taken away. If a witness is protected, as he will be under this bill, against prosecution for or on account of any transaction, matter, or thing concerning which he is compelled to testify, his constitutional rights are preserved. Now, since the protection of the witness is the issue here, that is the fundamental thing about which we are talking. By its very nature, granting immunity cannot be abused so far as that witness is concerned. How can you abuse him if you are granting him immunity from prosecution?

One of the previous speakers also said that this particular procedure of granting immunity is untested and untried. I would call the attention of the House to the fact that actually there is nothing new in this. For years this Congress has given the power to grant immunity to several Government boards and commissions, and incidentally in those cases they do not have to get the approval of the Attorney General, they do not have to get the approval of the court. Immunity can be granted by the examiner in the case, and that is all there is to it.

Now, the constitutional power of Congress to investigate and, in the course of its investigation, to obtain sworn testimony, is an inherent and important legislative power on a level with the executive power to prosecute and pardon criminals. It is argued that Congress should not investigate crimes but only make investigations relating to legislation. Technically, that is perhaps correct. But, does anyone deny that the investigation by the Senator from Delaware into the Internal Revenue led to good results, and, I might also add led to legislation. Just this week the Committee on the Judiciary adopted favorably a piece of legislation which arose out of those investigations into misconduct in the Internal Revenue.

Now, it is also argued that because congressional hearings are not secret the witness will be severely damaged even though he is given immunity. I would suggest to the House that it is interesting to observe that the same people who argue that the witness would be damaged because the hearings are not secret are the very ones who scream the loudest when you try to make them secret and hold hearings in executive session. I admit this is perhaps a weakness, that witnesses should be heard in executive session, but as soon as you do that, the

very same people objecting to this legislation will object to that as being star chamber proceedings or make some other such objection.

Mr. Speaker, this legislation or legislation similar to this has proved to be of aid to Government boards and commissions, and I am sure it will be of great help to the Congress.

Mr. FORRESTER. Mr. Speaker, will the gentleman yield?

Mr. HYDE. I yield to the gentleman from Georgia.

Mr. FORRESTER. I would like to say to the House that the gentleman who so kindly yielded to me has been investigating this legislation ever since its inception, and I believe the gentleman will agree that I have, too. I believe that the gentleman will agree further that instead of this being "jumping up" legislation, it has had the heartbeat and the heartthrob and the earnest consideration of every Member. I certainly hope that when I go back home I can tell the people we passed this legislation.

Mr. HYDE. I thank the gentleman.

Mr. BURDICK. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from North Dakota?

There was no objection.

Mr. BURDICK. Mr. Speaker, there are three great documents which are the very basis and foundation of our liberties, and those are the Declaration of Independence, the Constitution of the United States, and the Bill of Rights. Our course in the pursuit of liberty and freedom was charted by those three documents. Our forefathers who charted this course, and who lived amid the scenes of the Revolution against the tyranny of Great Britain, made provisions for safeguarding the sacred rights of a citizen, and blazoned across the path of history the doctrine that here in this new Government it should exist forever for the people. This was in direct opposition to the theory held at that time by almost all governments, namely, that the people existed for the Government. This theory is still held by some of the powerful governments of the earth, but here we have steadfastly maintained our original concept of a government existing for the people.

The fifth amendment, which this Congress is now seeking to amend by legislative action, is one of the historical clauses in the Bill of Rights. It was placed there as a protection against tyranny, and it should never be amended, abridged, or altered except by a constitutional amendment.

If this Congress, by legislative action, can whittle down the protection guaranteed to a citizen by that amendment, and thus change or minimize the importance of that part of the Bill of Rights, we are doing it at the risk of losing our independence, and, as I understand and believe, in violation of the Constitution itself.

An act as important as this one should not be brought before the Congress in the last hours of the session, and should not be hastily considered. It is designed to give new and extraordinary powers to the Attorney General in the prosecution of a certain line of cases. In our zeal to protect this Government against one subversive group we should not build up autocratic power in one man which might result in establishing a Government policy as severe as were those of Hitler and Mussolini. As far as free people are concerned, one "ism" is as bad as another.

Another unconstitutional phase of this bill is that in granting immunity to a witness it invades States's rights. The Congress cannot grant immunity in prosecutions in State courts unless the immunity granted applies to all prosecutions.

In the cases spelled out in this bill, suppose a witness before a committee of Congress, when asked this question, "Are you now or have you ever been a Communist?" replies, "I have been and still am a Communist." That ends that matter right there, because it is not unlawful in itself to be a Communist. In that case the only thing the Government could do is remove that person from any position he may hold in the Government. If the witness relies on the protection granted by the fifth amendment and refuses to testify, he can be and ought to be removed from the Government payroll. Even if this bill were passed with all the immunities provided, the end would be no different than operating under the present law.

To increase the power of the Attorney General and whittle away by legislation at an attempt to change the fifth amendment without resorting to the regular process established for amending the Constitution will accomplish no gain in the move to put Communists out of any position in the Government, but will be dangerous to the millions of people in the United States who are not Communists. We cannot take protection away from one group without taking it from all groups, and therefore, before voting for such a bill we should take time to consider it more fully than we can at this 11th hour of this session.

This bill recently came to the Judiciary Committee. A substitute bill was considered, and an amended bill was considered, and other amendments have kept coming in morning, noon, and night for the past 3 days. The course from the Attorney General's office to the Judiciary Committee has been red hot, and the rides made by the horsemen of the Attorney General's office rival the ride of Paul Revere.

Since the Attorney General does not definitely know what he wants, and comes up with new versions thrice daily, how are the Members of this Congress to know what is really wanted? I, at least, will not vote for this bill until I know definitely what the Attorney General wants, and have had time to study the measure. I do not propose to throw overboard any part of the Bill of Rights upon a moment's notice.

Mr. REAMS. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. REAMS. Mr. Speaker, this bill, to amend the immunity provisions relating to testimony given by witnesses before either House of Congress or their committees, expresses a deep-seated desire to speed the process of eradicating Communists and other subversives from our society. This desire is shared by all of us. To make a contribution toward such an end is so popular at this time that no Member can be completely immune to the desire to participate in such action.

However, we must take the long-range and farsighted view of what we are doing. The Bill of Rights, and particularly the fifth amendment, has proven its place too well in the history of the protection of civil rights to be weakened or abandoned at the time when they may be more needed than ever before.

The record of this Congress and its individual Members in fully cooperating with the law enforcement agencies in fighting communism is strong enough that it does not need the support of this bill to convince the people that we are not soft on communism. Unless this bill is sound and farsighted, we should not pass it. If it will lead the Congress into conflict by the legislative body encroaching on the judicial function, we should proceed cautiously. If it will be the cause of confusion and embarrassment to prosecuting and district attorneys in the several States in carrying out their duties, we should not pass this act.

This bill is designed to secure from witnesses testimony with reference to treason, sabotage, espionage, sedition, seditious conspiracy, or the overthrow of this Government by force or violence, which is now being withheld because of the provisions of the fifth amendment.

It is my belief that this legislation would be unwise in three separate respects—first, if it is broad enough in its scope and strong enough in its effect to secure the desired results, it will be so far-reaching as to interfere with prosecution, not only in the United States courts, but in all the courts in every State. In the proposed amendment which we have before us, with a copy of the bill, the language is—"but no such witness shall be prosecuted or subjected to any penalty or forfeiture for or on account of any transaction, matter, or thing concerning which he is compelled, after having claimed his privilege against self-incrimination, to testify or produce evidence, nor shall testimony so compelled be used as evidence in criminal proceedings against him in any court." I believe there can be no doubt about this language covering State courts as well as United States courts.

The second objection to this legislation is that provision of this bill whereby immunity shall not be granted without first having notified the Attorney General of the United States of such action and thereafter having secured approval of the United States court for the district wherein such inquiry is being held. This is such a clumsy procedure as to make the act of little use. While the nature of the action before the United States district court is not defined other than "having secured approval of the United

States district court." I do not assume that this is an action which cannot be appealed to the court of last resort in each individual case. The time consumed between making the application and the hearings of appeal would certainly involve weeks, and prehaps months.

The third of the principal objections I have to this bill is that this general type of immunity to an individual provided for in this bill goes too far in opening the door for abuses. This applies both to the committee or court conducting the hearings or investigation, and to the witnesses who have invoked the protection of the fifth amendment.

I feel reasonably sure that the bill is drawn in such a way as to escape violation of the rights of an individual under the fifth amendment. Nevertheless, it does require a person to be his own accuser. Any statute passed by this Congress which would grant immunity must be so drafted as to make it possible, and even necessary, to apply it with the greatest of discrimination. Otherwise, it will be a sanction and a license to nullify the Bill of Rights, and particularly the fifth amendment. We are at this time outraged by repeated instances of disloyal citizens hiding under the cloak of the fifth amendment by claim of defense against self-incrimination. This, at times, has appeared to be public mockery of sound principles of justice. But it is at times like this that the temptation to throw away the safeguards of freedom is so great. We must resist this temptation; we must continue to strive toward better methods of apprehension and greater responsibility on the part of all citizens.

I cannot believe that this bill is the answer to the problem before us. The granting of immunity is always the use of an extraordinary power. In opening up the use of this power as wide as we would if this bill were enacted into law would be like the opening up of the proverbial Pandora's box from which evils innumerable would result.

Mr. JAVITS. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. JAVITS. Mr. Speaker, in good conscience considering my deep convictions as a lawyer as to constitutional and other objections and the district I represent, I cannot support this bill.

The privilege of a witness to refuse to answer on the constitutional grounds of self incrimination is one of the most fundamental freedoms that we have. It is hundreds of years old and cannot be impaired without the most profound consideration, certainly not after a 40-minute take-it-or-leave-it debate. This protection is critically important to the individual, probably the most important protection he has against the overwhelming power of the state. Right now it is being invoked by witnesses—certainly irritatingly and undoubtedly excessively—in investigations of subversion and communism. But there was a time when it was an invaluable protection in cases of religious persecution under the laws of England. The member of any minority, religious or racial does not dare to have his thinking subverted by the anti-Communist drive—vital as it is—into forgetting what such a power to deprive an individual of the privilege of pleading self-incrimination before a congressional committee can mean tomorrow.

The view I have taken is the view of the Committee on Federal Legislation of the Association of the Bar of the City of New York which in the prevailing opinion in considering this measure concluded as follows, on July 7, 1954:

> In summary, we believe that recent events have not demonstrated the need for congressional power to grant immunity, but have underlined the necessity of reaffirming the distinction between the functions of the different branches of the Government. In no area is that distinction of greater importance than in that of criminal prosecution. Legislative grants of immunity would lead to invasion of that area by the Congress. And the proposal in the Keating bill that this be authorized only when approved in advance by the Attorney General would further break down the division by giving to that executive officer a control over congressional action.
>
> If the Attorney General receives authority to grant immunity by compelling testimony in any court or grand jury proceeding, the Government would be enabled to get required evidence from any witness. Should a congressional investigation point to the likelihood that evidence of crime might be uncovered by an immunity grant, the Attorney General could present the matter to a grand jury, where the rights of both the Government and the witness would be fully protected. This would bring about a salutary restoration of balance between the two branches of the Government, while maintaining the procedural safeguards of the criminal law.

I consider congressional investigations one of the firmest foundations of our freedom and investigations of subversion and communism to be an entirely appropriate area for the Congress to pursue investigations vigorously, but the bill before us will not materially aid the legislative power of investigation in the field of subversion and communism but will seriously push back American freedoms.

The fundamental defect of this bill is that the power to grant immunity is given to any congressional committee—acting by two-thirds vote it is true—but still any committee. With 19 standing committees of the House of Representatives and many special committees, we are giving a grant of power which has the promise of great mischief and of which we cannot tell the end result. For under the power to grant immunity from criminal prosecution in the often superheated political atmosphere of the Congress, rogues could go scot free while honest men could be seriously compromised.

The bill presented to us also gives the power to grant immunity to the courts in criminal cases involving subversion, espionage, treason, and similar crimes and in proceedings before grand juries. I favor this power, but it is joined with a similar power to congressional committees and this I do not favor as it has in it the seeds of great national mischief. But the bill is presented to us under a suspension of the rules, no amendment is possible, it cannot be divided and I must take it or leave it. I believe that on balance it is very unwise legislation and should be rejected.

The application to a court provided for in the bill before us does not save it because the court will, in my opinion as a lawyer, only determine it can pass upon procedural matters leaving the question as to the advisability or inadvisability of granting immunity to the congressional committee involved. In that case, the congressional committee itself becomes a prosecutor and judge without any of the protections of a court of law. For example, grand-jury proceedings are secret while congressional committee sessions are generally public, so that the mere charge made in such a session is often taken by the public as proof. In court a witness compelled to testify against himself under immunity has the right to call other witnesses, his lawyer has the right to cross-examine, and there are rules of evidence and of law to be followed. This is certainly completely different from most congressional hearings as run today. Neither House of the Congress has adopted rules of procedure for its investigating committees, therefore every committee makes its own rules, if any.

Nor has a case been made out to show that the security of our country requires this abridgment of a basic freedom. Of the 115 Communist leaders taken into custody under the Smith Act, 103 have been indicted, 78 have been convicted, and the Federal Government has not suffered a serious reverse in these cases. While witnesses before congressional committees today who plead the privilege against self-incrimination are promptly marked men insofar as any position of responsibility or public trust is concerned and even in their social and civic life.

The proposal before us is just too dangerous to the life and future of our country, I am deeply convinced. I know full well the intensity of the Communist struggle but I cannot lend myself and my district to so dangerous a jeopardy of our freedoms to prove it. I have already proved by determination in the fight against communism on a thousand battle lines from voting indictments of witnesses before congressional committees for contempt, to making peacetime espionage a capital crime and to the manifold battles I have fought in the field of foreign affairs in our historic struggle against communism.

I would like to juxtapose the bill before us to another bill that will come up next by the same author. H. R. 4975, entitled "A bill to prescribe a method by which the Houses of Congress and their committees may invoke the aid of the courts in compelling testimony of witnesses." I am for this bill and this is the right way to help congressional committees to deal with recalcitrant witnesses. The privilege against self-incrimination is undoubtedly, on occasion, improperly pleaded because the question asked could not incriminate if answered. H. R. 4975 gives a way to get a court ruling on the spot and to compel a wit-

ness to go on with his testimony instead of waiting for the legal machinery to punish for contempt to take its course. So too for the witness himself, he will be much more careful about what he refuses to answer if he knows that his refusal can be dealt with summarily by a court and that his punishment for contempt is practically assured if he does not answer.

H. R. 4975 is a way to make congressional investigations more efficient; S. 16 will not make them any more efficient, leaves us wide open to grave national injury and would be a monumental abridgment of our fundamental freedoms.

Mr. DOYLE. Mr. Speaker, at 4 o'clock today is many days too late to bring a bill of this major proportion to this floor and then limit the total time to 40 minutes for both sides. Its importance and bearing on the whole field of congressional investigations and criminal law at Federal level dictates that it should not have been crowded into such an inadequate amount of time.

The substitute bill only came to my hands an hour or so ago. No copies of hearings are available. It is a poor way to legislate on matters closely akin to the rights, privileges, and protections given under the fifth amendment of our Constitution.

But the administration is determined to clear it today and not allow more time.

Look at a few points in the amendment before us. Section 1 provides that only a majority of the Members present on the floor of the House at the time, shall have authority to vote to grant immunity. Should it not be that at least a quorum of the House membership must be present and voting? I think it should so require.

As you know, the House Un-American Activities Committee, of which I am one consists of only nine members. Hence under subsection 2, if only six members so vote, immunity may be granted. But most of the time our committee functions with subcommittees of from 2 to 5 committee members so that not all members hear the testimony or see the witness. This presents some practical problems to solve with utmost care.

And this amendment does not mention anything about subcommittees, and what authority it may have to vote immunity. Can a one-man subcommittee result in a grant of immunity? I state that no one-man committee should be lawful for any purpose where the possibility of the question of granting immunity can rise.

Mr. Speaker, I shall vote for this bill as I readily realize the need of some advance in this field of meeting subversives before our committee and other committees also. But, last week when I sent my memo against one-man committees to every Member of this House, I had no idea this bill would be here before us today.

The purport of this bill speaks louder than anything I said, against allowing one-man subcommittees.

With all due respect, I must admit that during my 8 years in this body I have never seen more than just 1 or 2 occasions, when the human frailties or weaknesses of human beings sitting as less than the full congressional committee, would not have been conducive to sound or fair judgment in the question of immunity to a witness.

As I say, I shall vote for this bill. I do so with the declaration that its provisions must be applied and executed with utmost caution and care. I could not have voted for it if it had not been amended so as to limit it to cases relating to treason, sabotage, espionage, sedition, and conspiracies to overthrow our constitutional form of government by force and violence. Nor could I have voted for it if it had not been made compulsory to first obtain an order, after a proper hearing and showing before a Federal court, after notice to the Attorney General. This will stop hasty, ill-considered and unwarranted action by any Congressman who may for a moment or so let his better judgment be kept under a bushel.

Experience with this bill will probably prove essential changes must be made. We can do that. We should do it as promptly as experience teaches us.

This bill will not be a shotgun cure-all. It can lead to abuses in the hands of inconsiderate men.

But the need of something different than we now have is apparent. I shall vote for the bill in the firm conviction that it need not violate any rights of American citizens and its use can help protect our Nation against the criminal and subversive conspiracy now being directed against it.

Mr. McCARTHY. Mr. Speaker, I am opposed to the consideration of this bill under suspension of rules, with debate limited to 40 minutes. Within the last month, we have spent on occasions, as the gentleman from Connecticut observes, approximately 2 legislative days debating a change in the size of a peach basket, and as I recall the leadership spread the debate on three relatively minor education bills, proposing various committees and conferences, over 2 or 3 days just a few weeks ago. Despite this generous allotment of time to relatively unimportant bills, the leadership today is presenting under severe limitations a bill, which was reported from committee on August 3. The report on this bill involving controversial questions of law, of court, and congressional procedure, and of constitutionality, has just been made available. There is insufficient time to debate the bill, and even too little time to ask pertinent questions.

Given sufficient time to study this measure, to inquire as to its effects, I might support it, but under the present circumstances, with questions unanswered, with doubts as to its constitutionality, with fears as to its possible effects, I am opposed to suspending the rules and recommend that this motion be defeated and the bill reported in regular manner with a rule, providing for full debate and amendment.

Mr. O'HARA of Illinois. Mr. Speaker, I deeply regret that this measure is coming before us in this manner. In the closing days of the session it is brought up under suspension of the rules. That means that debate is limited to a total of 40 minutes and that no amendments can be offered. Apparently it was not even in the calculations of the leadership when last week the leadership forced the passage of a resolution for sine die adjournment, which meant that at that time the House had completed the full schedule of legislation contemplated.

Yet the legislation that is brought before us today, in a manner prohibiting all amendments and restricting to 40 minutes the time for deliberation, is of transcending importance.

The most precious rights of the American people are embodied in the Bill of Rights of our Constitution. The priceless heritage translated into our Bill of Rights stems from great and historic events of 739 years ago when King John signed the Magna Carta on the field at Runnymede. In the more than seven centuries that have intervened there have been many times when the spirit of the Magna Carta has been periled by the ambitions of evil men and the passions of the times. Always when the atmosphere has cleared, and the minds of men became again poised, Magna Carta was restored to a position even more exalted.

If we are to hold this priceless heritage each generation must be dedicated to the task of preserving it. Each generation has had and will continue to have provocative periods, when good and well-intentioned people in indignation over the misuse by evil persons of the protections of the Magna Carta and of our own Bill of Rights will be moved to do that which in effect would destroy the entire structure.

Mr. Speaker, I have talked with many Members of this body and on both sides of the aisle, and I have not found one who feels that we should proceed at this time and in this manner on a matter which is so very close to the heart of our Bill of Rights. What they are afraid of is that a vote against this bill will be construed as a vote in favor of someone whom no one likes. With elections but a few months removed, and our country engaged in an expensive and dangerous cold war with communism, many of them feel that they must take into consideration the political phase of their vote on a record rollcall.

Mr. Speaker, I feel that the preservation of the Bill of Rights transcends any question of whether I or any other Member of this Congress should be a Member of the 84th Congress. There are times when it is more important to do the present duty than to look for opportunities to duty yet uncalled for. I shall vote against this bill with the conviction that by so doing I have done the job given to my generation dedicated as preceding generations to protection of the Bill of Rights and the spirit of the Magna Carta from which it emanated.

I would say that we have reached the stage in the 83d Congress when every Member must stand up and be accounted for, whether he gives priority to his own interest in reelection in a period of excitement or of devotion to the preservation of the Bill of Rights and the spirit of Magna Carta.

I am not saying that the objectives of this legislation could not be obtained

if we were permitted to offer amendments of restraint and of limitation. Perhaps it could. But we are not permitted to offer such amendments. Indeed, we are not permitted even to discuss the bill more than three-quarters of 1 hour. We are told that this is a measure to protect us against subversive activities against which we are all united, and that to vote against it would brand us as being supporters of those activities. This is in the nature of putting a gun to the temple of a virtuous person and telling him to subscribe to something put before him or of being the victim of the resultant shot from the portending weapon. I will not surrender the rights wrested from King John over 7 centuries ago and preserved by our own Bill of Rights under such pressure.

If this should prove out to be the issue in the campaign deciding my reelection, I will abide by the decision of the electorate. I appreciate that by my vote today I am raising that issue. I was 15 when the sainted William McKinley called for volunteers in the war with Spain. I was just turning 16 when I was one of 19,000 American soldiers who at the siege of Santiago dethroned the power of Spain. I again entered the service when I was 35 and left a family the members of whom I loved devotedly to serve again in the uniform of the United States. If anyone raises against me this issue with less proof of their devotion to the United States of America and its ideals in the campaign of November because of my vote today I am willing to meet him on the issue of service to our country and of sacrifice entailed thereby, and of area and branch of service involved in such service.

Mr. Speaker, I shall vote against this bill because it is destructive of the Bill of Rights in our Constitution. I might point out that we tried this procedure more than half a century ago, and that it resulted only in giving immunity to persons who had stolen in brazen thievery countless millions of the money of the taxpayers of America. In other words, it protected scoundrels. Five years later because of the popular indignation that had been aroused, the Congress repealed the act that had operated only to protect scoundrels.

Mr. Speaker, I feel strongly that this is the time when we in the 83d Congress must stand up and be counted. We stand either for the Constitution and its priceless Bill of Rights, or we stand to be numbered in the group placing political expediency above devotion to the Constitution.

If there are no considerations of political repercussions, and each Member of this body resolved the decision of his vote by the dictates of his own judgment and conscience, the vote against this measure would be overwhelming.

I appreciate the concern of my beloved colleagues having in mind their own fate in the forthcoming elections. I appreciate that many are younger in years than am I, and that they are looking toward the future. Fortunately, my only concern is in standing by the Constitution, the Bill of Rights, and Magna Carta, regardless of what my vote on this measure may contribute in either an affirmative or negative force to the decision of my constituency as to my continuance as a Member of the 84th Congress.

I shall stand by the Constitution of the United States, by the Bill of Rights, and by the spirit of Magna Carta with the conviction that I am doing the right thing.

Mr. Speaker, this I am convinced is the hour of decision.

When we had before us the wiretapping legislation, we in the House reformed the measure to the extent of placing the authority in the courts and not in the Attorney General. As I recall it only 11 Members of the House voted against the measure as amended by the House to give the authority to the courts and not to the Attorney General. Even so amended and to the surprise of everyone in the Congress, the newspapers of the United States, including the Republican Chicago Daily News, criticized the House of Representatives in voting approval of this bill. Every bar association in the United States of America passed resolutions that the bill should not have been passed. I do not recall the instance of a single newspaper of national standing that approved of the passage of this bill for which most Members of this House voted because not of conviction but of possible political repercussions.

The 83d Congress also passed by consent and as a routine measure a bill requiring the registration of any instrumentality employing the presses of the United States in the production of communistic literature. This was rushed through on the Consent Calendar and took every one of us by surprise, inasmuch as it was represented as something necessary to control subversive activities. It passed the House by unanimous consent, not a voice being raised against it, including my own, and I understand it passed the other body in similar manner. In other words, it passed both this body and the other body by unanimous consent and without debate.

Mr. Speaker, it so happens that in the city of Chicago there is a newspaper owned, controlled, and edited by Colonel McCormick, who is the believer in and advocate of the gentleman from Wisconsin who serves in the other body and who has never been accused of or suspected of alliances with subversive influences. The Chicago Tribune saw in this bill which had passed by unanimous consent both this and the other body an attack upon the Bill of Rights.

Mr. PHILBIN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. PHILBIN. Mr. Speaker, the zealous preservation of constitutional liberty and all our free institutions now under bitter attack by diabolical subversive forces is surely one of the most urgent needs of our time. We cannot preserve these great heritages by whittling away piecemeal at the sacred edifice of personal liberty.

I cannot here fully elaborate upon my strong reasons for opposing this bill. But I must state candidly that I am unalterably opposed to any and all measures which in effect weaken and limit the protections and safeguards which the Constitution sets up to guarantee the freedom of the individual.

Our Bill of Rights and our Constitution distinguish this Government from totalitarianism. These immortal documents contain the fundamental rights which accord to American citizens and all those living under the American flag a larger measure of personal liberty than has ever been enjoyed by any nation or people in all history.

The fifth amendment protects our citizens against self-incrimination and self-degradation. It enjoins the conviction of anyone by virtue of his own compulsory admissions. It thus affords to all the means of protection against tyranny and oppression whether it be by the powerful State, the courts, executive officers, bureaucrats drunk with power, congressional committees, or other tribunals. Under this Government no man shall be forced or required to give testimony against himself which might tend to incriminate or degrade him. That is a fundamental principle of our law which has been scrupulously observed since the establishment of this Government.

It is not enough to say that this bill requires court approval before immunity may be extended. The basic question remains, Will this Government allow the legislative branch to exercise functions which do not belong to it, which are clearly the province of another branch charged with interpreting and enforcing the criminal laws? If the legislative branch shall hold and exercise such a power over witnesses appearing before its committees, even though it shares it in a palpably clumsy and unprecedented manner with the courts, the door is open to great abuse of power, to an abominable form of tyranny over our citizens and people. It is said that the bill is harmless in that it operates only upon the condition of approval by the Attorney General and the courts. To my mind this is one of the strongest arguments against the bill because it shows conclusively that in this feverish effort to compel testimony against the clear mandate of the Constitution, this bill would invoke in one sweep the joint action of the executive department and of the courts, in matters essentially the province of Congress.

The bill limits the class of cases where the immunity both may be administered to subversion, sabotage, espionage, sedition, and related areas thus setting up special laws for one group of witnesses and continuing present laws for all others. This is a curious and bizarre result which burlesques the function of legislative committees and opens the door to discriminatory treatment of witnesses.

The idea of allowing a congressional committee to initiate immunity from criminal prosecution is a glaring departure from customary law and procedure and will lead to great abuse.

Such a power in the hands of a committee might not materially elicit valuable information concerning subversives and their ilk but it might permit rogues and scoundrels to take shelter behind congressional immunity and in effect absolve them from their crimes. It is a power never intended by the Constitution to reside in the legislative branch of this Government.

This measure would vest Congress with law-enforcement powers whereas our committees are authorized by our laws only to seek evidence for the purpose of taking remedial legislative action. This is an improper and unwise enlargement of the powers and functions of our committees in a field where clarification, and limitation to insure fair procedures, rather than the extension of existing powers, are definitely required.

There is no way of knowing from analysis of this bill just where the immunity power would lead us. It is entirely possible that under this law general immunity might conceivably be granted to all types of criminals and this would forge another link in the chain of corruption and malefaction which threatens to choke and stifle free government.

It is not only protection against self-incrimination that is involved in the fifth amendment but also protection against self-degradation. There are many reasons other than legal wrongdoing that impel witnesses to refuse to answer questions of congressional investigators; religion, politics, family and personal matters of greatest privacy but no criminality are often involved in a refusal to answer.

The promptings of conscience, the self-imposed demands of honor, extreme but lawful concepts of ethics strictly within the sphere and the right of the individual might well be at issue in such a situation.

The club of tyranny should never be wielded over the head of an American whether he is in the courts or the committees of this Congress. Compulsions to believe can never be visited upon a human being because his mind and his soul belong to his God and himself. And compulsion to speak up when his own lips might condemn him to servitude or other punishment is offensive to our Constitution, our laws and our way of life. If a man is guilty of a crime, let the Government convict him under our legal procedures and after a fair trial. The ancient rule that a man is innocent until he is proved guilty is just as binding upon a committee of Congress as it is upon our courts.

This is a great constitutional question. I will decide it in keeping with my concept of the Constitution and the laws. Let Congress do its duty under our great charter of liberty. And let the courts and the Executive do theirs. But in the name of every patriotic value we cherish as a great people, let us never diffuse and scatter the responsibility of the three great branches of this Government as in my opinion the pending bill would do.

Another thing—I was not able to get a copy of this revised bill until the debate began. I humbly submit that the House ought to give this measure more careful and more extensive consideration.

The SPEAKER. All time has expired.

The question is on suspending the rules and passing the bill, as amended.

Mr. GRAHAM. Mr. Speaker, on that I demand the yeas and nays.

The question was taken; and there were—yeas 294, nays 55, not voting 83, as follows:

[Roll No. 135]

YEAS—294

Abbitt	Dorn, S. C.	Lipscomb
Abernethy	Dowdy	Long
Adair	Doyle	Lovre
Addonizio	Durham	Lucas
Alexander	Edmondson	McConnell
Allen, Calif.	Elliott	McCormack
Allen, Ill.	Ellsworth	McCulloch
Andersen, H. Carl	Engle	McDonough
	Fallon	McGregor
Andresen, August H.	Feighan	McIntire
	Fenton	McMillan
Andrews	Fernandez	McVey
Arends	Fino	Mack, Wash.
Ashmore	Fisher	Mahon
Auchincloss	Forand	Matthews
Ayres	Ford	Meader
Bailey	Forrester	Merrill
Baker	Fountain	Merrow
Barden	Frelinghuysen	Miller, Md.
Bates	Friedel	Miller, Nebr.
Battle	Gamble	Mills
Beamer	Garmatz	Morano
Becker	Gary	Morrison
Belcher	Gathings	Mumma
Bender	Gavin	Natcher
Bennett, Fla.	Gentry	Neal
Berry	George	Nicholson
Betts	Golden	Norblad
Bishop	Goodwin	Norrell
Boggs	Graham	Oakman
Boland	Grant	O'Brien, N. Y.
Bolton, Frances P.	Gregory	O'Hara, Minn.
	Gross	O'Konski
Bolton, Oliver P.	Gwinn	O'Neill
	Hagen, Calif.	Osmers
Bonin	Hagen, Minn.	Ostertag
Bonner	Halleck	Passman
Bosch	Harden	Patman
Boykin	Hardy	Pelly
Bramblett	Harris	Pfost
Bray	Harrison, Nebr.	Phillips
Brooks, La.	Harrison, Va.	Pilcher
Brooks, Tex.	Harvey	Pillion
Brown, Ga.	Hays, Ohio	Poage
Brown, Ohio	Herlong	Poff
Brownson	Heselton	Polk
Broyhill	Hess	Preston
Budge	Hiestand	Rabaut
Burleson	Hill	Rains
Busbey	Hillelson	Ray
Bush	Hinshaw	Rayburn
Byrnes, Wis.	Hoeven	Reece, Tenn.
Campbell	Hoffman, Ill.	Reed, Ill.
Cannon	Hoffman, Mich.	Reed, N. Y.
Carlyle	Holmes	Rees, Kans.
Carrigg	Holt	Regan
Cederberg	Hope	Rhodes, Ariz.
Chelf	Hosmer	Riley
Chenoweth	Hruska	Rivers
Chiperfield	Hunter	Roberts
Church	Hyde	Robeson, Va.
Clevenger	Ikard	Robsion, Ky.
Cole, Mo.	Jackson	Rodino
Cole, N. Y.	James	Rogers, Fla.
Colmer	Jarman	Rogers, Mass.
Cooley	Jenkins	Rogers, Tex.
Coon	Johnson, Calif.	Rooney
Corbett	Johnson, Wis.	Sadlak
Coudert	Jonas, Ill.	St. George
Cretella	Jonas, N. C.	Saylor
Crosser	Jones, N. C.	Schenck
Crumpacker	Judd	Scott
Cunningham	Kearney	Scudder
Curtis, Mass.	Kearns	Seely-Brown
Dague	Keating	Selden
Davis, Wis.	Kersten, Wis.	Shafer
Dawson, Utah	Kilday	Sheppard
Deane	King, Calif.	Shuford
Dempsey	King, Pa.	Sikes
Derounian	Knox	Simpson, Ill.
Devereux	Krueger	Simpson, Pa.
D'Ewart	Laird	Small
Dingell	Lane	Smith, Kans.
Dondero	Lanham	Smith, Va.
Donohue	Latham	Smith, Wis.
Dorn, N. Y.	LeCompte	Spence
Springer	Trimble	Wickersham
Staggers	Tuck	Widnall
Stauffer	Utt	Williams, N. J.
Steed	Van Zandt	Williams, N. Y.
Stringfellow	Velde	Wilson, Calif.
Taber	Vorys	Wilson, Ind.
Talle	Vursell	Wilson, Tex.
Teague	Wainwright	Winstead
Thomas	Walter	Wolverton
Thompson, Mich.	Wampler	Yorty
	Warburton	Young
Thompson, Tex.	Watts	Younger
Thornberry	Westland	Zablocki
Tollefson	Wharton	

NAYS—55

Aspinall	Hays, Ark.	Miller, Kans.
Barrett	Holifield	Multer
Blatnik	Howell	O'Brien, Ill.
Bowler	Javits	O'Hara, Ill.
Buchanan	Jones, Ala.	Patten
Burdick	Karsten, Mo.	Philbin
Byrne, Pa.	Kean	Price
Celler	Kelley, Pa.	Reams
Chudoff	Kelly, N. Y.	Rhodes, Pa.
Condon	Keogh	Rogers, Colo.
Dawson, Ill.	Kirwan	Shelley
Dodd	Klein	Sieminski
Dollinger	Klucynski	Smith, Miss.
Eberharter	McCarthy	Sullivan
Fine	Mack, Ill.	Whitten
Gordon	Madden	Wier
Granahan	Magnuson	Williams, Miss.
Green	Marshall	
Hart	Metcalf	

NOT VOTING—83

Albert	Hale	O'Brien, Mich.
Angell	Haley	Patterson
Bennett, Mich.	Hand	Perkins
Bentley	Harrison, Wyo.	Powell
Bentsen	Hébert	Priest
Bolling	Hillings	Prouty
Bow	Holtzman	Radwan
Buckley	Horan	Richards
Byrd	Jensen	Riehlman
Canfield	Jones, Mo.	Roosevelt
Carnahan	Kee	Scherer
Chatham	Kilburn	Scrivner
Clardy	Landrum	Secrest
Cooper	Lantaff	Sheehan
Cotton	Lesinski	Short
Curtis, Mo.	Lyle	Sutton
Curtis, Nebr.	Machrowicz	Taylor
Davis, Ga.	Mailliard	Thompson, La.
Davis, Tenn.	Martin, Iowa	Van Pelt
Delaney	Mason	Vinson
Dies	Miller, Calif.	Weichel
Dolliver	Miller, N. Y.	Wheeler
Donovan	Mollohan	Wigglesworth
Evins	Morgan	Willis
Fogarty	Moss	Withrow
Frazier	Moulder	Wolcott
Fulton	Murray	Yates
Gubser	Nelson	

So (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

The Clerk announced the following pairs:

Mr. Wigglesworth with Mr. Roosevelt.
Mr. Canfield with Mr. Delaney.
Mr. Horan with Mr. Vinson.
Mr. Hillings with Mr. Landrum.
Mr. Wolcott with Mrs. Kee.
Mr. Taylor with Mr. Buckley.
Mr. Hand with Mr. Powell.
Mr. Miller of New York with Mr. Lantaff.
Mr. Gubser with Mr. Miller of California.
Mr. Riehlman with Mr. Yates.
Mr. Withrow with Mr. Mollohan.
Mr. Short with Mr. Chatham.
Mr. Jensen with Mr. Dies.
Mr. Martin of Iowa with Mr. Evins.
Mr. Patterson with Mr. Bolling.
Mr. Cotton with Mr. Byrd.
Mr. Weichel with Mr. Carnahan.
Mr. Angell with Mr. Machrowicz.
Mr. Scrivner with Mr. Willis.
Mr. Kilburn with Mr. Hébert.
Mr. Clardy with Mr. Haley.
Mr. Dolliver with Mr. Fogarty.
Mr. Nelson with Mr. Frazier.
Mr. Curtis of Missouri with Mr. Moss.
Mr. Bow with Mr. Moulder.
Mr. Van Pelt with Mr. Morgan.
Mr. Sheehan with Mr. Davis of Georgia.

Mr. Curtis of Nebraska with Mr. Davis of Tennessee.
Mr. Fulton with Mr. Lesinski.
Mr. Harrison of Wyoming with Mr. Priest.
Mr. Prouty with Mr. Richards.
Mr. Mailliard with Mr. Morgan.
Mr. Mason with Mr. Cooper.
Mr. Radwan with Mr. Thompson of Louisiana.
Mr. Scherer with Mr. Donovan.
Mr. Bentley with Mr. Murray.
Mr. Hale with Mr. O'Brien of Michigan.
Mr. Bennett of Michigan with Mr. Perkins.

Mr. WINSTEAD, Mr. HAYS of Ohio, Mr. BOLAND, and Mr. CROSSER changed their vote from "nay" to "yea."

The result of the vote was announced as above recorded.

The title was amended to read: "An act to permit the compelling of testimony under certain conditions and to grant immunity from prosecution in connection therewith."

GENERAL LEAVE TO EXTEND REMARKS

Mr. GRAHAM. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. CONDON. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. CONDON. Mr. Speaker, I arise in opposition to S. 16 and associate myself with the position taken by the gentleman from New York [Mr. CELLER]. As the majority report itself recognizes, "the answer to the precise question is not too clear"; the question being, of course, whether or not the Congress by any enactment proposed to grant immunity can, in fact, grant immunity from prosecution by any other jurisdiction. Certainly, Congress cannot avoid the other evil effects of compulsory testimony and perhaps limited immunity.

Leaving this question to one side, there has been no evidence presented which indicates that any Federal prosecution within the prescribed limits of S. 16 has ever failed because some person availed himself of his rights under the fifth amendment. On the contrary the Smith Act prosecutions have been uniformly successful.

The fifth amendment was one of the original 10 amendments collectively known as the Bill of Rights. Without the Bill of Rights there is serious doubt whether our Constitution would ever have been ratified by the Original Thirteen States. Though the guilty may invoke their privilege under this amendment, it has never been my understanding that the fifth amendment was adopted solely for the protection of the innocent. I had always thought that the fifth amendment was basic and available to all who come within the jurisdiction of our law.

I question the advisability or need for whittling this basic protection. Those who feel that witnesses should be forced to incriminate themselves, even though they may not thereafter be prosecuted, would do better, in my opinion, to propose a constitutional amendment striking the self-incrimination clause from the fifth amendment.

Mr. SIEMINSKI. Mr. Speaker, from the hemlock cup of Socrates to the screams at Salem, from the cries of the French Huguenots to the curses at Cromwell's cruelties, history appears to caution against use of the methods called for in S. 16, a bill to loosen a man's tongue when charged with endangering the Nation's security, a bill to loosen his tongue when he will not talk by granting him immunity from punishment, no matter how dastardly to others his actions in crime have or might have been.

The bill seems to spare the mastermind and condemn the jackal. The "brain" has henchmen on whom to squeal, fingermen rarely do. Has anyone yet heard who masterminded the disappearance and distribution of 500 tons of opium that vanished from the world's market in 1950, and which, watered down for sale by pushers, grossed, if completely sold, over $2 billion? The papers have been filled with wholesale arrests and convictions of dope peddlers. Applied to narcotics, this bill could serve as a green light to the big-time brain. Applied to treason, sedition, and conspiracy to overthrow the Government, be it by fraud, force, violence, or deliberate and unwarranted division, this bill holds out hope for the brain and condemns the jackal.

Lucky Luciano? Perhaps he saved considerable lives at Salerno by his intimate knowledge of the terrain in Sicily, which he is reported to have given to the military in exchange for pardon and exile. A devil's brew. The lives lost at Anzio, at Rapido, and at Monte Cassini seem to have balanced those saved at Salerno. And Luciano is reported carrying on his game from abroad. What was gained? Italy for the free world? Perhaps. Who can say?

Christendom? Forty percent of the world's population, in 1,954 years, how it has wept with man's inhumanity to man. And before Christendom, in Greece, the hemlock cup of Socrates. By our standards, his trial was a mockery of justice. Charged with endangering the national security, he was arrogant, defiant. The Greek counterpart of the Congress of the United States, in open vote, by a good majority, condemned him to death. His teachings inflamed sensibilities, insulted the gods. His prosecutors, because of his renown, wanted to exile him, grant him immunity. He scorned them, openly, defiantly. He would not talk, or recant. Only the hemlock loosened his tongue; in a dying gasp, it curled back, down his throat.

Today, Socrates, in some quarters, is said to have given Europe its sense of soul; our Lord Jesus Christ showed man its beatitude in redemption. Both were killed. Man inflamed; how mortal, how weak.

And before Socrates, and before our Lord Jesus Christ, 40 centuries ago, at Jericho, is revealed the cruelty of man against man. Slaughter. Slaughter. Fear. Ignorance. Bedevilment.

Then there was Saladin, pride of Islam. In the crusades, he made the Christians reel, turned them back from the promised land. Islam? To deviate from its belief in the one and all-powerful God, meant death, not excommunication or exile, but death.

Then, after five or six hundred years of Islamic domination, the Christians in Spain threw off Moslem rule, with its concept of women as chattel. And in that fight for liberation, the kindly Christians, hardened like steel to the sensibilities of others and inflamed by the arrogance and defiance and invidious display of others, cast aside the municipal laws which guaranteed utmost protection to the individual. Blood flowed. Islamic influence was driven out of Spain. At what price?

What of the Orient? And its attempt to loosen men's tongues? In November of 1950 in Hamhung, North Korea, the following story came into X Corps headquarters: A traitor—North Korean—was captured. He would not talk. His captors stretched him out on the ground, ripped open his clothes and on his stomach, placed a live rat; then they covered the rat with a pan, on which they put burning coals. The man still would not talk. The rat had only one way to go. It dug into the entrails of the man.

Man. How weak, when inflamed.

The organizations of man have gone full cycle, each split down the middle by man's haste with man. First there was big family, with its feudalism and serfs; then there was big church with its struggle against Islam; then there was big business, with its struggle against the concepts of family and church, in its quest for profit and production, with labor expendable; then came big government with mass participation in democratic America while only in name and mockery in Soviet Russia. Each has been to the fore in claiming the allegiance of man—big family, big church, big business, and big government. And each time that man has been frightened, and panicked, indiscretion followed with bloodshed in its train. Will we ever learn?

Can we ameliorate with promises of immunity the harm done by the guilty? Does not the manliness of America speak up to say: "To each his just deserts, so help him God"?

Why do we try to release our moral brakes, as this bill does, at a time when absolute standards of honesty, purity, unselfishness and love beckon us here on earth?

The measure should not pass. Let us apprehend the guilty, try them, one by one, if need be, firmly and with surefootedness and the ages will not mock us as they do the Greeks because of Socrates, the Romans because their laws failed to protect Christ, and the men at Jericho because of their wanton slaughter. And as the ages will mock the men of the Kremlin for like slaughter.

Mr. CLARDY. Mr. Speaker, I oppose this measure to grant immunity in certain cases for many reasons. Not the least of these is the fact that it constitutes a still further surrender of the power and duty of the Congress. No legislative investigation and no legislative committee should subordinate its powers and authority to the other branches of Government as would be necessary under this proposal. I can never agree that it is wise for the Congress to act or withhold action at the word of either the executive or the judiciary. This is a step down the road to eventual dictatorship.

As a member of the House Committee on Un-American Activities, I feel strongly about the refusal of Communists to testify and to wrongfully invoke the fifth amendment. My experience tells me, however, that this measure will not do that for which it is supposedly designed—make these confirmed Communists talk and cooperate with the committee. The witnesses at whom this measure is aimed rejoice in martyrdom—this will not bring evidence on Communist Party activities. Why enact something that will not do the thing it is supposed to do?

The measure is loosely drawn and full of legal defects in my opinion. In my judgment it will be declared unconstitutional on several grounds. I doubt the right of Congress to grant the full immunity required if a witness is to be held in contempt for failure to answer after the provisions of this bill have been invoked and applied. I do not believe that we can cover State crimes—yet without that the immunity granted will not be broad enough to destroy the protection of the fifth amendment.

There are many other reasons why I think this bad legislation, but I shall cite only 1 or 2 more. I think this an invitation to graft and corruption. Venal politicians could whitewash criminals with complete safety. It is no answer to say that present officers will not succumb to temptation. We legislate for the long future.

Lastly, I am always disturbed over efforts of any branch of Government to whittle away the rights guaranteed the citizens by the Bill of Rights. I do not think it wise to attempt to circumvent the constitutional protections by legislative acts no matter how clever they may seem and no matter how serious the problem may appear. Here the 3 branches of Government would seem to combine in an effort to defeat the protective effect of the fifth amendment just because some enemies of the people improperly invoke the section. I am deeply apprehensive that in our zeal to get at those we know are enemies we may destroy something we cannot replace. For if the courts, contrary to my legal opinion, should uphold this measure it can do much more harm than its sponsors may imagine. I think we do not need this legislation for the safety of the Nation—yet that is really its only justification. I do not think it will produce more evidence—yet that is its avowed purpose. I hope it will be defeated.

Mr. MOSS. Mr. Speaker, under authority to extend my remarks regarding S. 16, I wish to point out that this is the first rollcall on an important issue during my service in the House of Representatives which does not clearly show the position I took on that issue. Since the rollcall on it merely shows that I am paired on the vote, I wish to state that had I been present when the roll was called, I would have voted "aye."

In approving S. 16, I do so with many doubts as to how far we should go in modifying the guarantees of freedom accorded to the individual by the Constitution and the Bill of Rights.

I feel this bill does approach the point beyond which we cannot go in the future without materially affecting our individual rights to resist probing by governmental inquiries.

I hope the bill does aid our Government in its efforts to root out acts of disloyalty and subversion. It is because of this hope that I have added my approval to the legislation.

Mr. SHELLEY. Mr. Speaker, I have sat through this debate on S. 16, the witness immunity bill, with a great deal of curiosity. I was curious to see how far 40 minutes of debate on one of the most controversial pieces of legislation which has come before the House could go in clearing up the doubts and fears in my own mind as to the wisdom of passing this far-reaching measure—a measure which in effect amends the Constitution of the United States. I was also curious to see whether in this short debate the Members of the House would be provided with a clear explanation of just what this bill does—an explanation on which all members of the committee would unanimously agree—or whether we would be given any sound reason why the House should abdicate its responsibility to use its soundest judgment and give most mature consideration before passing legislation as vital to our democratic processes as is S. 16.

Mr. Speaker, my own doubts as to the form of or the necessity for witness immunity legislation have not been resolved by this short high pressure debate. It is quite obvious that there is no unanimous agreement, even among our constitutional lawyers, as to just what this bill would do—particularly regarding the effect of immunity conferred through its provisions on actions in State or lesser courts, and whether the district court before approving a grant of immunity will pass on the advisability or inadvisability of such action. It is also quite clear, Mr. Speaker, that the only reason which has appeared for pushing this bill through at this time without adequate debate is that it is a matter of political expediency.

The right of an individual to protection against self-incrimination was not lightly written into our Constitution. I cannot and will not be a party to an action tampering with that right until I have been convinced that every aspect of the change has been exhaustively explored and until I know that we are not curing the temporary annoyance of witnesses' refusal to answer by killing a basic protection guaranteed to both the guilty and the innocent under the fifth amendment in the Bill of Rights. The Bill of Rights also prohibits star chamber proceedings. When we attempt to amend it through the kind of star chamber proceeding the leadership is forcing on us today, it makes me more than ever determined to insist on orderly procedures before approving the action. The extremely limited debate on S. 16 and the refusal to permit amendments does not constitute an orderly proceeding for legislation of such great importance, and I shall vote against the bill as a protest against that high handed procedure.

Although it may have become trite, I cannot help saying that I am as strongly opposed to communism and its methods as anybody here on this floor. But our weakest defense against that vicious system is for us to use the system ourselves in fighting the commies. Any action tending to deprive our citizens of their civil rights is a step in that direction. When this House permits itself to become a counterpart of the Russian Parliament, the supreme Soviet, and to meet simply to rubber stamp decisions or demands of the administration in power, we are also moving in the direction of action in the Communist pattern. We cannot adequately protect the people of the United States from attacks on their rights under our democratic system by yielding to political pressures to modify our system, no matter how urgent that pressure may be, unless we have assured ourselves that no fundamental principle is placed in danger through such action.

It is as frustrating to me as it is to every loyal American citizen to witness the spectacle of a procession of suspected subversives using the cloak of the fifth amendment in refusing to testify about their activities. But reasoned thinking should convince us that this situation has not yet reached a point where unreasoned emergency action on our part is necessary to provide the answer. The present bill might relieve some of our frustration, but 40 minutes of debate on a bill which was not available in its final form until today is not enough to give us assurance that it will do more than that as an instrument in a really effective fight against subversion.

Let us remember that an individual's testimony against himself, whether it be under immunity from criminal penalties or not, can bring with it far greater punishment than that which the law provides. The fifth amendment was written at a time when various forms of torture were still in common use as a means of wringing confessions from those charged with crimes. Some may be inclined to think that the Founding Fathers had no more in mind than protecting the innocent against such practices when the provision against self-incrimination was included in our Bill of Rights. But I am not sure that they were not also looking ahead to times such as these, when suspicion and fear, aroused by the inflammatory tactics of political demagogues, have caused a large segment of the public to try their fellow citizens in the newspapers and on the street corners rather than in the courts. I am not convinced that S. 16 in its present form

offers protection against that kind of a conviction to those who may be forced to tell their story to congressional committees or to the courts—even though the story they tell would not in itself be grounds for criminal action.

Mr. Speaker, these are only some of the thoughts in my mind in connection with this bill and with H. R. 4975, the bill which we will shortly debate under these same limited conditions and which would invoke the aid of the United States district courts in compelling testimony by a witness before congressional committees. Let us not be stampeded into hasty action on these measures simply because the administration feels that it must have a record to point to on anti-subversive legislation when they talk to the voters this fall. Let us remember that this is a democratic body with the primary purpose of insuring that this country continues as a democratic Nation with full guaranties of civil liberties to its people. For my part I shall not permit real or fancied threats of political punishment to force me to abandon consideration of those guaranties. I shall vote against this legislation now, and until the questions I have raised have been answered to the point where I feel that I can support it with personal and political integrity.

Mr. VURSELL. Mr. Speaker, I rise in support of H. R. 4975, the purpose of which is to prevent Communists and near-Communists from hiding behind the fifth amendment of the Constitution when called upon to testify before the courts or congressional committees.

If this bill is passed, it will help unmask citizens of our country who are following the Moscow line in an attempt to spread Communist doctrine, espionage and sabotage, and advocating the overthrow of our Government.

It will give the courts an opportunity, in cooperation with the Attorney General of the United States, to grant immunity to a witness who will then be compelled to testify or go to jail.

Mr. Speaker, it has become a common practice for these traitors within our gates, who seek to destroy our Constitution and to overthrow our Government, to refuse to swear whether or not they are Communists before the committees of the Congress and the courts, and claim protection under the fifth amendment in order that they may continue their treachery and may continue to destroy the very Constitution that contains the fifth amendment, which they now hide behind.

I want to congratulate this administration, the Attorney General, and the Congress of the United States for the vigorous manner in which, from the opening day of this session, they have pressed forward in writing new laws that will strengthen the hand of Government against the most dangerous enemies with whom we have ever had to cope.

I also wish to congratulate the Un-American Activities Committee in the House, and both of the committees in the Senate who have been doing such splendid work in the defense of our country here on the homefront.

Mr. Speaker, I am not one who believes you should use kid gloves and the powder-puff approach in dealing with the Communist traitors who seek to overthrow the Government; who would destroy our freedom and liberty; and who would establish a reign of the godless totalitarian ideology of communism; who would destroy our churches and religion; who would deliberately kill millions of our people, and throw millions into concentration slave camps, as they have done in Russia and in China, should Russia succeed in conquering the world.

They have killed countless millions in both of those countries, and are now holding in these 2 countries over 15 million people in slavery.

Only a few weeks ago the Members of this House passed House Resolution 627, informing our allies and the nations of the world that we are opposed to Communist China being admitted to the United Nations. Since that time we have passed several bills in this House to make it more difficult for communism to live or grow in strength in this Nation of ours.

Mr. Speaker, never before in one session of the Congress has so much legislation been passed to protect our Government and to make it possible to convict these Communists and to deport alien Communists living within our gates.

One of the outstanding bills passed provides for the first time in our history that any person, Communist or otherwise, who spies in peacetime and gives such information to a foreign government is punishable by death, if tried and found guilty by the courts.

We also passed H. R. 7120, which gives the Government the right to take away the citizenship of individuals who advocate the overthrow of our Government by force and violence. Why not?

Then, we passed an important bill which would permit the use of telephone wire tapping evidence, in cases of subversion and kidnaping.

Mr. Speaker, one only has to recount some of the things Communist spies have done in our Nation in the past few years, to realize the great damage just a few of them have done.

They stole the secrets of the atomic bombs and passed them on to Russia, making it possible for her to develop the bomb 3 years earlier than she otherwise would have done. This has cost us billions of dollars in national defense to meet the threat of Russia, and if we get into another war, it may cost us the lives of millions of American soldiers and civilians.

The atomic bomb and the H-bomb have put Russia in a position where she may be able to conquer all of Europe and Asia, with their countless millions of people.

Yet, Mr. Speaker, when the committees of the House and the committees of the Senate and the law enforcement agencies of the United States Attorney General, and the Members of Congress come to grips with this terrible enemy within our land, you hear much unjustified criticism through the press and among the people, against the public officials who are trying to hunt out these Communists who seek to destroy our Government.

J. Edgar Hoover once said that the Communist sympathizers, the fellow travelers, and misguided people who are influenced by Communist propaganda, run into hundreds of thousands in our Nation, and said, in substance, the influence of these misguided people was adding great strength to the influence and the purpose of the real Communists.

Mr. Speaker, sometimes I wonder if good, well-intentioned people, who criticize congressional committees of dealing too harshly with those who refuse to say, under oath, whether or not they are Communists, or whether or not they are now engaged in subversive activity in an effort to overthrow our Government, have forgotten the crosses that mark the graves of over 25,000 of our fine young American boys who were killed by the Communists in Korea; it may be that they have forgotten the hundreds of our American boys who were captured and who were later found by the roadsides with their hands wired behind them, and brutally killed by their Communist captors.

Never has there been known in the history of the world such international banditry, rape, brutality, and violence as has been perpetrated by the Chinese Communists, and by the Communist government of Russia. Russia seeks to conquer the world, and will treat us in this same manner, if successful.

Make no mistake about it, there is one group of people whose joy increases as the criticism of our public officials, who are trying to expose the Communists, increases. That is the hard-core Communist group. It pleases them, beyond measure, and encourages them to continue their vicious work against our Government, and the freedom and liberty of our people.

Mr. Speaker, notwithstanding this interference, the Congress and the executive department, in a continued hard drive since this administration took over, 18 months ago, have kept the Communists on the run.

The American people, who were shocked at the cases of Alger Hiss and Harry Dexter White, and other so-called red herrings, have loudly applauded the efforts of the Eisenhower administration to dig out and expose and convict the Communists.

HERE IS THE RECORD TO DATE

The fight against communism by the present administration has resulted in the arrest of 116 top party officials and functionaries, up to May 29 of this year. Included in these 116, were top 12 Communist Party leaders in the United States, all members of the so-called politburo of the party.

Already, 72 of the big leaders have been convicted and 9 others are facing trial. In a little over a year and a half of the present administration, the Department of Justice has convicted 41 Communist leaders, and ordered 9 others to trial; deported 93 alien subversives; deported 1,399 alien criminals and racketeers, violators of narcotic laws and persons with immoral conduct records; issued orders for deportation of 268 persons with records of subversive activity or affiliation; barred entry to 127 into United States ports of entry; commenced denaturalization proceedings against 25 citizens who are deemed to be subver-

sives; pushed through a stricter Government-wide loyalty-security program for Government employees, firing 2,429 Government employees up to December 31, 1953, in a drive to clean out Reds, pinks and other security risks.

We have relentlessly arrested, jailed, convicted and deported these enemies of the American way of life.

The Communist threat to our Government and our Nation is a challenge we met head-on as soon as we came into power.

We shall continue to arrest, jail, convict and deport these Reds as long as you, the American people, give us the authority and power to do so.

THE BRAZOS RIVER AUTHORITY

Mr. BURLESON. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. BURLESON. Mr. Speaker, on yesterday, August 3, I introduced H. R. 10151, entitled "A bill to authorize purchase of a portion of the bonds issued by the Brazos River Authority, an agency of the State of Texas, to finance the early development by it of the water resources of the Brazos River Basin, Tex."

There is, of course, no hope that this measure can be considered by the Committee on Public Works during this session of the Congress. However, the purpose of introducing the bill at this time is to establish a predicate to request the Army engineers to investigate the feasibility of the project. A further purpose for introducing the measure at this time is in order that the various departments and agencies of the Government may, in the interim between now and the convening of the 84th Congress, have opportunity to study and file reports which they may desire.

This measure is unique in that it asks no gift of funds from the Federal Government. It merely asks a loan from the Federal Government on which 2½ percent interest will be paid by the Brazos River Authority, an agency of the State of Texas.

This bill proposes a constructive method by which the Federal Government will participate in a comprehensive water-conservation program in Texas by investing Government money in one-third of the bonds issued by the Brazos River Authority to finance the project. I have referred to this proposal as being unique. It is unique in that the local people of the State of Texas, through the Brazos River Authority, are doing something for themselves in conserving water which has almost become a matter of life and death in our part of the country without a gift of taxpayers' money.

The Authority proposes to construct not less than five new dams and reservoirs, and to enlarge its existing Possum Kingdom—Morris Sheppard—Reservoir. The project costing some $140 million would be financed, principally, through the pledge of revenues from hydroelectric generating units to be installed at the several dams, and involving extensive use of reversible turbines, on the pump-back method of reuse of the falling water. The Authority proposes to sell the power and energy to wholesale users in Texas.

According to Authority's plans and engineering estimates, the development will accomplish these objectives: provide approximately 1,400,000 acre-feet of additional water storage, of which approximately 900,000 acre-feet will always be available when needed for domestic, industrial, and agricultual uses; practically double the amount of dependable water which would otherwise be available for downstream, consumptive uses; and provide approximately 541,000 kilowatts of dependable hydroelectric capacity, which based on recognized value of such power and energy, will yield revenues sufficient to finance the project.

The Secretary of the Army would be authorized to purchase up to one-third of the bonds necessary to pay the construction cost, but not exceeding $50 million, bearing 2½ percent interest, and maturing within 50 years but after payment of the other two-thirds of the bonds. The Secretary would not be permitted to buy the bonds until the feasibility of the project has been determined by the Chief of Engineers of the Army, including a determination that the development contributes to net conservation of water for consumptive uses, and flood control, nor until private investors have furnished the other two-thirds of the money necessary for the project.

Questions have been raised as to the feasibility of the project, as to its net contribution to conservation of water for consumptive uses, and whether it provides adequate flood protection. It is obvious that these questions cannot be resolved during this session of Congress but since the bill provides that the feasibility investigation to be made by the Corps of Engineers of the Army is to be at the expense of the Authority, I have concluded that the bill should be introduced at this time, on the assumption that after the Congress has recessed the Army may proceed with its investigation on an informal basis, and that other independent engineering studies may be made before a committee hearing is required.

Certainly, if the project is determined to accomplish its worthy objectives it should merit favorable consideration by the Congress.

THERE IS PLENTY OF TIME FOR ENACTMENT OF THE 50–50 CARGO BILL BEFORE ADJOURNMENT IF THERE IS A WILL TO PASS IT

Mr. GARMATZ. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

There was no objection.

Mr. GARMATZ. Mr. Speaker, it is a good political trick in the closing days of a congressional term—with an election approaching—to report out a mass of popular bills, so that their authors or supporters can obtain proper credit, but then let the bills die on the House or Senate Calendar.

That trick is being worked overtime in the closing days of this Congress. Even while the House leadership was driving all through July for a July 31 adjournment, bills which had been dormant in committee for months, suddenly began coming to life in the past weeks and have been pouring out of committee in floods.

Many of them will never come up in the House and among those which have come up or will come up, many will never get out of Senate committee. Often they are extremely minor matters not entitled to formal House consideration in the midst of an adjournment rush, but they come through here anyway presumably, just to give their sponsors a chance to make some political hay back home.

Under the circumstances, I am unable to understand, Mr. Speaker, why an extremely important measure—S. 3233, the so-called 50–50 cargo bill to write into permanent law, the often enacted provision for preference to American flag-vessels, on Government financed cargoes—is being pigeonholed in the House Rules Committee on the ostensible grounds that the House "does not have time" to take it up before adjournment.

Last week, when the Rules Committee refused to clear the way for House debate on this measure, it was true that the House leadership was talking in terms of a July 31 adjournment and was seeking to pass an adjournment resolution dated for the end of the month. Many of us thought then and said then that a July 31 adjournment date was impossible, in view of the snarled-up situation in the Senate, which was then still running a day-and-night debate on the atomic energy bill.

SENATE AND HOUSE VERSIONS ALMOST IDENTICAL

That adjournment resolution, after having been defeated once was passed on a second try, and the word from the House leadership was that the House was ready to adjourn whenever the Senate caught up. The implication was that there was no chance and no time to take up additional important issues.

But here we are, still in session, still taking up a raft of bills—many of them extremely minor in nature—but with no opportunity to bring up for debate a measure which has the solid support of the entire merchant marine industry in the United States and which is vital to the health of that presently distressed industry.

Mr. Speaker, if S. 3233 were to receive a rule and come before the House, it would not be—as it is with many of these other bills—a futile gesture. We can pass that bill and have it ready to go to the White House in the next few days if the Rules Committee and the House leadership will only let it come up here in the House.

The Senate has already passed S. 3233. The Merchant Marine and Fisheries Committee of the House approved it July 20, and requested a rule to clear it for House debate. We have added only one amendment to the bill and that is all—one dealing with the Panama Canal

Company. That company operates three Government-owned ships between New York and the Canal Zone and serves primarily the needs of the Panama Canal and its workers. It was the belief of the committee that no restriction should be placed on this service. The slight difference between House and Senate versions could be worked out in only a few minutes time—either by Senate concurrence in the House amendment or by a short conference committee meeting.

ACTION, NOT WORDS, WILL HELP MERCHANT MARINE

Therefore, the argument that this Congress will "not have time" to complete action on this bill if it were given a rule for House debate is not supported by the facts. The only inference we can draw is that there is a definite leadership policy against enacting this bill and that the bill therefore is being deliberately pigeonholed.

This would be a great disservice to the merchant marine of the United States. It would be a bad blow to American merchant seamen, so many of them today on the beach for lack of berths. They cannot find jobs because the American shipping industry is in distress; and one of the reasons it is in distress is that our own Government is not observing the spirit of the 50–50 cargo policy on offshore procurement.

I call upon the House leadership to suit actions and deeds to words in this instance—to follow through on the many fine statements we hear from the White House and the congressional leadership expressing concern for the merchant marine. The way to follow through with effective deeds would be in clearing the way for House action on a bill which will give reassurance and relief to this important defense industry which is now deep in a mire of economic troubles caused partly by actions or inaction of our own Government.

INVOKING THE AID OF COURTS IN COMPELLING TESTIMONY OF CONGRESSIONAL WITNESSES

Mr. KEATING. Mr. Speaker, I move to suspend the rules and pass the bill (H. R. 4975) to prescribe a method by which the Houses of Congress and their committees may invoke the aid of the courts in compelling the testimony of witnesses, amended to read as follows.

The Clerk read as follows:

Be it enacted, etc., That (a) either House, any committee or subcommittee of either House, and any joint committee of the two Houses of Congress may, by an affirmative vote of a majority of its actual membership, invoke the aid of the United States district courts in requiring the attendance and testimony of witnesses and the production of evidence, in furtherance of any inquiry such House, committee, subcommittee, or joint committee is authorized to undertake.

(b) The United States district court for the district within which the inquiry is carried on may, in case of contumacy or refusal to obey a subpena issued to any person by either House, any committee or subcommittee of either House, or any joint committee of the two Houses of Congress, issue an order requiring such person to appear (and to produce evidence is so ordered) and give evidence relating to the matter in question before such House, committee, subcommittee, or joint committee, as the case may be; and any failure to obey such order of the court may be punished by the court as a contempt thereof.

(c) Attorneys of the Department of Justice shall furnish legal assistance in invoking the aid of the United States district courts under subsection (a) to either House, or any committee, subcommittee, or joint committee which requests it.

The SPEAKER. Is a second demanded?

Mr. CELLER. Mr. Speaker, I demand a second merely to allow the author of the bill to explain it.

The SPEAKER. Without objection, a second will be considered as ordered.

There was no objection.

Mr. KEATING. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, the purpose of this bill is to provide a new method by which the Houses of Congress and their committees may compel the testimony of witnesses by invoking the aid of the courts without going through the present cumbersome and long drawn-out contempt of Congress proceedings.

What happens today when a witness defies a congressional committee by refusing to respond to a subpena or by refusing to testify or produce evidence? The short answer is, in many cases, nothing. In theory, and a few times—long ago—in practice, the committee which is thus defied, appeals to its parent body, that is, the House or Senate, and the latter causes the witness to be arrested and brought to its own bar. If the defiance continues when the question is asked or the order repeated before the House or Senate assembled, the witness may thereafter be punished by imprisonment until he purges himself, if he happens to have tangled with the Senate, or until the end of the session in which the defiance occurred, if the imprisonment is by order of the House.

This distinction, which is meaningless in fact, arises from the analogy to punishment for certain contempts of court which are limited to the term for which the court is sitting. The Senate, being a continuous body, is supposed to have no term for this purpose. There are other even more complicated and meaningless elements here, but as I said, this device of taking the time of the full Senate or House of Representatives to bring in a defiant person and punish him directly has not been used for half a century and would be wholly impracticable today. Just think what a howl would go up if Congress attempted to deal with a witness in this fashion.

The alternative—what actually does happen in such situations—is but little better. A Federal statute, enacted in 1857, makes it a misdemeanor punishable by a fine of $100 to $1,000 and imprisonment for 1 to 12 months, for any person summoned as a witness by authority of either House of Congress to refuse to testify or produce papers before such House or any committee thereof. This is now section 192 of title 2 of the United States Code.

Another section, section 194, then specifies that whenever a witness has defied the congressional authority, as prescribed in section 192, the facts of the case are to be reported by the President of the Senate or the Speaker of the House to the United States Attorney for the District of Columbia, "Whose duty it shall be to bring the matter before the grand jury for their action." These two sections are, as a practical matter, the entire measure of the power of Congress to protect itself against abuse and defiance by persons from whom it seeks evidence or testimony. The more carefully I study them the more I wonder how they could have been drawn to operate so badly.

For instance, if the offense is to be a simple misdemeanor, with the light penalties prescribed, then there is no reason in the world why each case should have to be formally presented to a grand jury, as section 194 requires. But I shall not make a detailed criticism of these statutes, because the only point here is that they are hopelessly inadequate, from the point of view of Congress. Everything is stacked against the committee and in favor of the witness.

First there has to be a resolution from the committee to its parent House, which must then be acted upon by that House and referred by the President or the Speaker to the United States attorney. Then there is the grand jury presentment with all its attendant delays after which the case has to find its place on the crowded dockets of the local courts where it may languish for months or even years before coming to trial. If the witness—who has become a defendant somewhere along the line—has good defense counsel, he can stall and delay almost indefinitely. When his trial finally comes around, the issues are often dead, the inquiry is frequently closed, and sometimes even the committee before which his offense occurred has ceased to exist. No wonder it is a pretty good gamble to walk out on a congressional inquiry if you are being cornered or embarrassed too much.

Excepting in the cases of notorious Communists, there have been a mere handful of contempt convictions out of dozens and dozens of grand jury presentments—and, of course, even following a conviction the penalty is usually trifling, often only a fine. And even among the Communists, there have been no convictions directly overturning a fifth amendment plea. So the combination of the fifth amendment privilege against self-incrimination with this entirely inadequate machinery for enforcing congressional contempts has seriously impaired the congressional power of inquiry.

And, of course, the problem is by no means limited to the fact that defiant witnesses go unpunished or receive inadequate punishment for their offenses. More important, the power of inquiry itself is frustrated in that under no circumstances does the committee ever get what it really wants, which is the testimony or evidence. That was the object of the original proceedings in which the witness was hailed before the bar of the full House; but it has been lost sight of in reliance on this criminal sanction. The most the committee can ever have as the result of a contempt

citation is the very dubious satisfaction of seeing the defiant witness punished lightly long afterward. And that is obviously no contribution to the investigative assignment the committee is supposed to be carrying out.

I have labored this discussion of the problem a little to stress to you that it appears more important than the problem of rules or no rules, and of equal importance with the immunity concept which you are studying—since, even with the immunity device at its disposal, the committee would still be unable to compel testimony if the witness simply persisted in his refusal.

H. R. 4975 is a complete remedy and solution. We developed it in the course of rather extensive studies which were carried on by my staff in connection with our work on rules of procedure for investigations.

What this bill does, in essence, is merely to authorize any congressional committee—and I added the House and Senate themselves, since the present law, section 192, includes them and since their authority should seemingly not be less than that of their subordinate committees—to apply to a Federal court for assistance. The assistance is to be given in the form of a court order, so that the defiant witness finds himself facing the authority of the court and all the traditional sanctions which are available to enforce court orders when the order issues.

This is really no innovation, since Congress has made exactly similar provisions, in nearly a score of statutes, for various agencies and quasi-judicial bodies within the executive arm. Nearly all the boards and commissions, such as the Interstate Commerce Commission, Securities and Exchange Commission, Federal Trade Commission, Civil Aeronautics Board, and so forth, which have fact-finding powers also have statutes very similar to H. R. 4975 which permit them to apply to a Federal court for assistance in enforcing their subpenas and their own orders compelling testimony, and so forth. So the device has been tried out again and again and has been found to work very well.

Now what happens if a witness defies a congressional committee with this new law in effect? The chairman or committee counsel may apply at once to the district court—and you will note that provision is made for assistance from Department of Justice personnel if it is required. Within a matter of hours, or certainly within a day or two, the application will be heard by a Federal judge, and if the demand is proper and reasonable, his order will issue at once.

I think I am justified in stating flatly that such an order will be obeyed in all ordinary circumstances. And even where an appeal is sought, only some extraordinary showing would cause the original order to be stayed in the interim. In the terms that interest us primarily, that means that the witness would instantly and completely comply with whatever the committee had ordered him to do, with no possibility of any nonsense whatsoever.

Now there is something else about this proposal that I have not alluded to so far, but which is also of tremendous importance. I said the order would issue if it was proper. That means, conversely, that the judge would refrain from issuing an order if the committee were demonstrably wrong in its demands. And look what that means for the witness: If he is really being browbeaten or compelled to answer irrelevant questions or subjected to any of the other things that people have gotten so worked up about as potential abuses of the investigative power, he will be able to go right down to the court, too, and have a hearing as to why he should not be compelled to comply.

I think most of the loose charges about the way witnesses are abused up here before our committees are unfounded. I have no personal experience with any such situation. But in any event, this device would pretty well put an end to the possibility of such abuses. It would be very reassuring to everyone to know that, in the event of any real showdown, both the committee and the witness could have a hearing before an impartial Federal judge and settle their dispute fairly and finally without any delays.

Perhaps most important of all would be the operation of this new proposal in relation to the problem raised by witnesses who plead the fifth amendment privilege against self-incrimination. It will be much easier for a judge, privately in his chambers if he wishes, to explore the exact basis of a plea of privilege than it ever is for the chairman or counsel of a committee in the midst of its hearings.

When a witness asserts the privilege, and the Chair has ruled that the assertion is improper—or immunity has been granted, for that matter—the witness may of course still refuse to answer. Under present practice, that is where the matter ends, unless the committee wishes to cite him for contempt. And, as I have noted, there has never been a contempt conviction, out at the other end of that line of procedural hurdles, on this ground. This would be the point at which an order would be sought, and if the judge were satisfied that the plea was improperly interposed, the witness would be stripped of it forthwith.

I am satisfied that in many cases this plea has been abused. Congressional committees have consistently respected such a plea. A court could go into the facts to see whether it was genuine or otherwise. As a matter of fact, the device might also be very helpful in another way in connection with immunity grants, that is, the committee could and would probably test any questionable plea of immunity by applying for a court order and thus bringing about examination by the judge before it so much as considered granting immunity. Thus the danger of giving immunity in response to a plea which was unsound or improper would be practically eliminated because you would have the court entering into the proceedings beforehand and making the most careful of all possible determinations as to the validity of the witness' claim.

I believe this bill would be an effective piece of legislation to clarify and strengthen the legitimate investigative powers of Congress and its committees. I hope it will have the enthusiastic support of the membership.

This procedure of hauling a witness in here to the floor of the House or to the floor or the other body is completely unrealistic, in my judgment. This bill this is brought before the House today is a realistic approach to a very serious problem which has greatly disturbed a great many of us.

Mr. DINGELL. Mr. Speaker, will the gentleman yield?

Mr. KEATING. I yield to the gentleman from Michigan.

Mr. DINGELL. The gentleman is not disturbing that privilege of the House of bringing a witness here?

Mr. KEATING. No.

Mr. DINGELL. That still remains intact?

Mr. KEATING. That is correct.

Mr. DINGELL. And unimpaired?

Mr. KEATING. That is right.

Mr. DINGELL. I should like to ask another question. But you are circumventing the House by going directly to the courts from the committee, are you not?

Mr. KEATING. I think that is a fair statement.

Mr. DINGELL. And to that degree you are making less potent the membership of this House as a whole, less than heretofore?

Mr. KEATING. I think the gentleman has raised an interesting point and one that should be mentioned. It is a fact that by this procedure the congressional committee itself would apply to the court for an order requiring the witness to answer. Then he would be proceeded against for contempt of court if he did not answer.

Mr. DINGELL. In other words, what the gentleman is trying to do here is to shortcircuit the action or speed it up directly from the committee to the courts. But would that still leave the option in the committee to bring the matter to the House if it so chose?

Mr. KEATING. Yes; I was just going to say that the committee itself, if it desired to take advantage of this old statute, could bring the witness before the bar of the House or of the Senate. It could still do so. That would be up to the committee itself, I would assume, to make the decision whether to bring the matter to the House. As a matter of fact, they could still bring it to the House to act as it has in the past. Then the witness would be charged with contempt of the Congress. Under this bill, he would be charged with contempt of the court.

Mr. DINGELL. What I am trying to arrive at is this. I should like to see a means or a method evolved by which a committee could get more speedy direct action. Also, I want to preserve the full privileges of the House as they exist now.

Mr. KEATING. I think they are preserved under this bill.

Mr. MEADER. Mr. Speaker, will the gentleman yield?

Mr. KEATING. I yield.

Mr. MEADER. Does not this procedure, in effect, give congressional committees the same method for getting an enforceable subpena as is now given to administrative tribunals, such as the

National Labor Relations Board, the Interstate Commerce Commission, and others?

Mr. KEATING. That is correct. The gentleman has brought up a very good point. This is something which we in Congress have given to many of the administrative agencies and certainly we should have the same power ourselves.

Mr. CELLER. Mr. Speaker, I yield 2 minutes to the gentleman from Connecticut [Mr. DODD].

Mr. DODD. Mr. Speaker, for the same reasons that I opposed the passage of S. 16 that was jammed through the House a few minutes ago with only 40 minutes allowed for discussion, I oppose the passage of the present measure.

Several weeks ago we devoted 2 days to discussion and debate on the proper size of a bushel basket, and this afternoon on two measures involving grave constitutional problems we are rushing through legislation with only minutes allowed for discussion and consideration.

Have we completely lost our sense of responsibility?

What is the hurry?

What are we trying to do?

With only minutes for consideration, we may be impairing constitutional rights that we have held for 165 years.

This is not the way a great legislative body should handle such important matters.

And this is the way in which we will break the faith of people in representative government.

A few days ago the majority leader pressed hard for adjournment of this body on July 31.

He must have thought that these matters should be given more time and that they should go over to another session of Congress.

And now with a resolution to adjourn having been passed by this House, we are rushing through constitutional changes under suspension of the rules.

I ask the Members of the House to vote down such a suspension of the rules and to defeat passage of this bill.

Mr. CUNNINGHAM. Mr. Speaker. I am very much in favor of H. R. 4975, which I notice was introduced on May 4, 1953, because on that same date I introduced what is now known as H. R. 4979 and which in substance is the same identical bill. In fact, section (b) of H. R. 4975 is identical with section (b) of H. R. 4979 as originally introduced. I wish to recommend and congratulate the committee for bringing out this measure as one that is much needed and in my opinion will cool the ardor of many of those who are now invoking the fifth amendment. Under present law, as I understand it, a witness appearing before a congressional committee is his own judge as to whether or not the answer to any question would incriminate him, and if he invokes the fifth amendment the committee is helpless to do more than refer the matter to the House of Representatives. H. R. 4975 authorizes the judge of any United States court to determine whether or not the answer would incriminate the witness; and if the judge's decision is that it would not, then the witness is in contempt.

The idea for this measure came to me from the late George A. Wilson of Iowa, who had a very distinguished career as a lawyer, district attorney, district judge, State senator, Governor, and United States Senator. Early in the year 1953 he wrote me a letter setting forth the idea as contained in this measure, together with an article written by Senator Wilson about it which had appeared in the Sioux City Journal of Sioux City, Iowa. About that time David Lawrence, in an article in the Washington Evening Star, commented editorially, upon Senator Wilson's idea. I took this information to the Drafting Service and requested that a bill be drawn embodying Senator Wilson's idea. I notice that my good friend, Mr. KEATING, had a similar idea about the same time as both bills were introduced on the same date and are virtually the same.

The SPEAKER. The question is on the motion to suspend the rules and pass the bill, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

EMERGENCY CREDIT

Mr. HOPE. Mr. Speaker, I move to suspend the rules and pass the bill (S. 3245) to provide emergency credit, amended to read as follows.

The Clerk read as follows:

Be it enacted, etc., That until June 30, 1955, the Secretary is authorized to make emergency loans for any agricultural purposes, except for refinancing of existing indebtedness, aggregating not to exceed $15 million to farmers and stockmen in any area or areas where the Secretary determines that there is a need for such credit which cannot be met for a temporary period from commercial banks, cooperative lending agencies, the Farmers' Home Administration under its regular programs, or under act of April 6, 1949, or other responsible sources.

SEC. 2. Loans under this act shall (1) be made only to individuals or partnerships who are actively engaged in the operation of farms or ranches; (2) not exceed $15,000 in the case of any one loan; (3) not be made to any one borrower so as to increase the total indebtedness of such borrower under this act to an amount in excess of $20,000 (including principal and accrued interest); (4) be made at such rates of interest and on such terms and conditions as the Secretary shall prescribe for such area or areas; and (5) be secured by the personal obligation and available security of the producer or producers.

SEC. 3. The Secretary may utilize the revolving fund created by section 84 of the Farm Credit Act of 1933, as amended (12 U. S. C. 1148a), for making loans under this act, and for administrative expenses in connection with such loans. Sums received by the Secretary from the liquidation of loans made under this act shall be added to and become a part of the said revolving fund.

The SPEAKER. Is a second demanded?

Mr. McCORMACK. Mr. Speaker, I demand a second.

The SPEAKER. Without objection, a second will be considered as ordered.

There was no objection.

Mr. HOPE. Mr. Speaker, an identical House bill passed the House on June 7. This bill provides for emergency credit, authorizing the Secretary of Agriculture to make available emergency loans in the amount of $15 million in situations arising out of an economic emergency. If the funds are not needed for that purpose they will be available for other loans made by the Farmers' Home Administration. I am advised by the Secretary of Agriculture that with the drought situation becoming worse every day it is anticipated they will need these funds, and that in making their calculations as to their ability to handle the drought situation they are taking these funds into account.

In view of the fact that a similar bill has already passed the House, I do not believe any further explanation is needed at this time.

Mr. McCORMACK. Mr. Speaker, there is no question but that this bill is an emergency measure. It is a bill which, of course, is brought up under suspension of the rules, because it was on the Consent Calendar yesterday and for some reason or other it was passed over without prejudice. Bringing up a bill of the importance of this one under suspension of the rules is a procedure of which I approve, and which I think the leadership is wise in following. There are other emergencies besides this particular emergency. There is the emergency confronting the American people with reference to the price of coffee. I had an interesting colloquy with my friend the gentleman from Kansas yesterday, the distinguished chairman of the committee, and also my distinguished friend the gentleman from California [Mr. JACKSON] on the subject of coffee and whether or not a bill which is on the Speaker's desk would be called up for the purpose of enabling the House to pass on the question of a Senate amendment including coffee as subject to the Commodity Exchange Act. I know of no subject which, from the domestic angle, attracts more keenly the interest of the American people. Anyone who uses coffee is a consumer. As I say, there is no subject which attracts more keenly the interest of the American people than the question of coffee and the speculation in coffee. With all due regard to what my friend the gentleman from Kansas said yesterday about there being a doubt whether the speculation caused an increase in the price of coffee—the sharp increase that has taken place, the American people think, and I think they are pretty nearly right, that speculation in the United States has played a very important part in the sharp increase in the price of coffee to the American people. There is no question that the American people have been compelled to pay probably tens of millions of dollars more for coffee during the last year and one-half than they would if speculation had not taken place. This bill is an emergency bill which I favor. The question of coffee, and including it in the Commodity Exchange Act, seems to me also to be an emergency, and I hope before this session is over, the bill will be brought up and the Senate amendment concurred in.

Mr. EDMONDSON. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield.

Mr. EDMONDSON. I would like to direct a question to the chairman of the committee. I understood him to state that this bill does not make any provision for refinancing loans and that refinancing loans are excluded from the provisions of the bill.

Mr. HOPE. That is correct. Of course, where the borrower is in financial difficulty and has loans from other lending agencies, there is always an effort made to take care of that indebtedness by getting a standby agreement from the other creditors. But it is not the thought that this legislation would be used for the purpose of bailing out other creditors. We want to make these funds go as far as we can to those who need the funds. It does not make any provisions for refinancing.

Mr. EDMONDSON. I want to state my personal appreciation, and I am sure the appreciation of my constituents for this legislation being reported out. I am for the bill and I intend to vote for it. But I wonder if it would be in order for the chairman to tell us if there are any plans to bring out legislation for refinancing loans. The information I have from my district, which is in a drought area, is that we are in danger of a real siege of foreclosures down there and that our farmers and stockmen have been so hard hit by 3 straight years of drought that unless there is some provision made for refinancing along the lines of the Andersen-Schoeppel bill that passed the Senate the other day and which is now in the committee headed by the distinguished gentleman from Kansas, we are going to have a major disaster that could affect the entire Nation in its ultimate effects. I just wonder if it would be in order for the gentleman to tell us whether the committee has any plans to bring out legislation for refinancing loans to meet this emergency at the base of the problem on the financing of these farms and cattle ranches.

Mr. HOPE. I will be very glad to tell the gentleman what the committee has done. The committee had a hearing on the bill to which the gentleman referred earlier this week. At that hearing, we heard from the head of the Farmers Home Administration and also from a representative of the Farm Credit Administration. It was the conclusion, after hearing that testimony, and after hearing from those who were in favor of the legislation, to which the gentleman has referred, that it was not necessary at this time to pass refinancing legislation.

The head of the Farmers' Home Administration, Mr. McLeish, stated that in practically all cases they have been able to get standby agreements with creditors, and in that way they can make Government money go a great deal further than if they have to use it to refinance existing indebtedness. It may be later on the situation will develop where refinancing is needed, but the committee felt that for the time being this bill, together with other funds that have been made available, would be sufficient to take care of the situation. But when the Congress returns if the situation appears to be different, I know the committee will take up the matter.

Mr. EDMONDSON. I thank the gentleman.

GENERAL LEAVE TO EXTEND REMARKS

Mr. KEATING. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill H. R. 4975.

The SPEAKER. Is there objection?

There was no objection.

EMERGENCY CREDIT

Mr. McCORMACK. Mr. Speaker, I yield 10 minutes to the gentleman from Mississippi [Mr. WHITTEN].

Mr. WHITTEN. Mr. Speaker, I take the floor to say that I, too, am glad to see our Committee on Agriculture bring before the Congress this bill extending credit to these farmers who can qualify for loans by the Farmers' Home Administration. Through the years I have served on the appropriation group handling the Farmers' Home Administration program as well as all other farm programs. I think the step taken here is one which is greatly needed. I think the bill lacks a great deal, however, of meeting farm credit needs, I should say, the constantly increasing needs which American agriculture has for farm credit. The Farmers' Home Administration has certain definite limitations which keep this program from meeting the great need of American agriculture for money with which to operate. I understand our great Committee on Agriculture is about to reinstate the authorization for Federal Land Bank Commissioner loans. Many of you will recall during the thirties the Federal land bank would make a land loan and then it would make an additional loan of 10 or 15 percent, which loans were known as Commissioner loans. This was an effort to make available a little extra money in order that those engaged in agriculture could continue to operate and not let their farms be worn out or depleted. The records show that insurance companies, banks, and those who are today engaged in making loans to farmers are constantly increasing the amount of their loans with resulting mortgages, which means that this great segment of our country on which the prosperity of our Nation rests, our farmers, are going into the hole financially to a greater and greater extent each and every day.

Do you not know? Cannot this administration see what that means? Can you not see the relation between this situation and the prices farmers receive? The price of what the farmer buys is going up. What he receives is going down. I tried to point this out and I believe I proved our case when the farm bill was up. However, the majority voted to reduce price supports and, thereby, the price the farmer receives.

Here is something someone needs to get over to you, and that is that in this complex society of ours, with legal guaranties to labor, and the bargaining rights of labor unions, the minimum-wage laws, protective tariffs, and the Interstate Commerce Commission granting freight-rate increases, with the American consumer demanding more and more attention to the finished product, such as frozen foods, individual containers, more and more service, which of course he identifies as a part of his grocery bill, we must of necessity give the same attention to the producer of the raw material. The farmer must have his fair share of the laws for the good of all of us.

His production for a number of years has virtually been bottled up in the United States and held off world markets at competitive prices because of a Government policy of helping our allies by giving them first chance to sell at our farmers' expense. The law does not require that, in fact it does not contemplate any such course.

Notwithstanding the need for more income to those engaged in agriculture, and our distinguished chairman of the Committee on Agriculture who presents the pending bill agrees with my sentiments on agriculture, or I with his, we are here seeing the Congress trying to meet the plight of the American farmer caught in a financial squeeze by extending further credit. Apparently the administration recognizes the farmers' problem but we find at the same time this administration trying to reduce the farmers' income. If those two things make sense except in this way that if you reduce the farmer's income you increase his need to borrow money to get by. It does look as if anyone could see the cause for what we are having to do here today.

Again I would like to point out to you that in the support program of the basic farm commodities, the great benefit does not necessarily come from the fact that the farmer can sell his product to his Government through the Commodity Credit Corporation; the greater benefit is that the buyers, the middlemen, those who buy the raw material, have to start their bidding at the support level and not below. When you reduce the support level you reduce the bidding price of those who purchase from the farmers, and not withstanding the farmer feels the injury immediately and then needs to borrow more money to the point that we are having to increase, every week almost, the loans that are available to him, the benefits of reduced price supports on basic raw materials are not carried forward to the consumer but are absorbed by that group between the farmer and the consumer.

The testimony of this Department of Agriculture, under Secretary Benson, who has led the fight to reduce support levels on basic commodities, the records of his own Department show that since 1945 the cost of handling farm commodities from the time it leaves the farmers' hands to the consumer has increased some 83 percent—but the farmers' share has gone down.

Mr. ROGERS of Texas. Mr. Speaker, will the gentleman yield?

Mr. WHITTEN. I yield.

Mr. ROGERS of Texas. I want to commend the gentleman from Mississippi on the great fight he has made for the American farmer, and the manner in which he has presented the problem at this time.

I also want to point out that in the situation with which the farmer is faced now his financing needs are not going to be met unless we make some changes. The reason is simply this, that the small merchants in these towns who have carried these farmers can no longer do so. The farmer faces a situation where he has got to have production and subsistence loans, and the little merchant cannot get any of that money, but the farmer has to have the money for other purposes.

The Small Business Administration is not meeting the need here and apparently is not attempting to out in my section of the country. We must do something to help these farmers. So I appreciate the gentleman and the fine fight he is making here.

Mr. WHITTEN. I thank the gentleman and am glad to see that he and others from the farm area recognize this problem and have contributed greatly to trying to help. What the gentleman points out further proves that the farmer's plight first reaches those small-business men, then, those with whom they do business. A destitute agriculture will reach the Empire State Building, do not think it will not.

The American farmer is getting in worse financial condition. He is having to borrow more and more to make it. This administration tries to help by making credit available but at the same time make the farmer's situation worse by reducing the prices he will receive. Is it not utterly ridiculous at the same time you see the farmer having to go further in debt to be reducing the prices that the farmers get when the cost of what he buys is going up? Let me remind you the benefits of reduced prices to farmers are not going to the consumer; they are going to be absorbed in the spread between the farmer and the consumer. But the administration is trying to cure the farmer's price squeeze by reducing his price supports, and by substituting the modern parity formula based on his prices heretofore received and ignoring his increasing costs to which the old formula is tied. The effect is to further reduce price supports.

Mr. MILLER of Kansas. Mr. Speaker, will the gentleman yield?

Mr. WHITTEN. Let me say this and I will yield to my friend, the gentleman from Kansas, in just a moment. Surely all of you recall the difficulties faced by the farmers throughout the United States in the early 1930's. They were mortgaged to the hilt and the break in prices received set off the great depression.

In my whole area there were not a half-dozen individuals who actually controlled the land to which they had legal title because it was mortgaged to the hilt. The land bank, the insurance companies really owned the land. The average farmer lived and worked each year on the difference between what he could borrow to make the crop and what he had to pay out—and believe me that was precious little. Today the farmer's cost of making a crop is so great that he can lose in 2.7 years his whole farm. That is, in 2.7 years. That means that the moment he goes into debt and continues to go into debt the greater and greater is his risk. Farming is a business, an expensive business. Drought, disease, insects, weather, they are just some of the farmer's problems. The farmer must be a capitalist, he must be a laborer. His business carries the greatest risk you can imagine.

Now, about 20 years ago the farmer began to get something like his fair share of the protection of laws similar to industry and labor. Only since then have farmers somewhat prospered as others. Only since then has the farmer been able to put back into the soil a fair share of soil fertility taken out by crops.

Today those laws are under attack. Today when the farmer's financial problems are greater, when his costs are higher, when his income is reduced, the problem would be met by this administration by reducing his price supports and lending him more money. That is no sound farm program.

Mr. McCORMACK. Mr. Speaker, I yield the gentleman the balance of the time on this side.

Mr. WHITTEN. Mr. Speaker, I say once again that the country is going to prosper as agriculture prospers. The records shows that in every 5-year period of our history the national income has averaged about seven times the farm income. When you put American agriculture back into the virtual ownership of the insurance companies, the land banks and yes, the Government, even though we have to extend this credit which many farmers need because of dire necessity, when his borrowings go back to the point where he does not control his farm but the man who lends him the money does, when you put him back to where his prices received are greatly reduced and reduced more every day, you are not only endangering agriculture but you are endangering the foundation of our American economy. The same administration offering more loans with interest is trying to relieve the farmer's price squeeze by reducing his prices. I am glad we are passing this bill but I say again at best it can only give some temporary relief to a small percentage of farmers who have to almost take a pauper's oath to qualify. Would it not be more sound, and yes, more economical in the long run, to help protect his income?

Mr. MILLER of Kansas. Mr. Speaker, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from Kansas.

Mr. MILLER of Kansas. I was just wondering whether the gentleman would agree with me in this: That in any degree to which we have reduced the price supports and reduced parity to the farmer we just reduce his buying ability, his purchasing ability and his economic situation in the country by just that much?

Mr. WHITTEN. Yes.

Mr. MILLER of Kansas. Would the gentleman further agree from his knowledge of American agriculture and American history, that there never was a time in the history of this country, until we had the farm program, when the American farmer had any reason to believe that he would get a fair price for his products?

Mr. WHITTEN. I certainly agree with the gentleman. The farmers condition has been worse since his products have been largely kept off world markets at competitive prices by governmental policy. May I say further that since the gentleman from Kansas has been here I find myself agreeing with him most of the time. He is an able, informed Member of this House who makes a great fight for those things I believe are basic to the welfare of all of us.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. Would the gentleman care to comment upon what seems to be a deliberate plan to have the people in the cities, the consumers there, blame the poor farmers for the high cost of living?

Mr. WHITTEN. I see no other explanation for some of the speeches made. They would tend to inflame the consumers in our cities. The Department of Agriculture speakers do not show the farmer is getting less. They do not show the extra costs to the consumer comes from extra freight and handling charges from individual packaging, frozen foods and the many other extra service consumers demand today. The farmer does not get that. Such extra costs for our food competes with what the farmer does get. It tends to reduce his prices. However, if the farmer's prices received are lowered under our system such amounts would not go to the consumers. All of this is proven by records of the Department. Take the example of a loaf of bread. When bread retailed for 12 cents, the farmer received 2.9 cents. Now the farmer's return on the wheat in a loaf of bread has gone down from 2.9 cents to 2.5 cents per loaf and the retail price for a loaf of bread has gone up to 16.7 cents. Reductions in the farmer's prices, as provided by the farm bill recently passed, will not be reflected in reduced prices to the consumers. Furthermore, when you reduce the price of the raw material, if the reduction were carried forward into the finished product, and there is nothing to indicate it would, it means less than 1 cent per package of cigarettes and so with other consumer articles. All of the statements are proven by the records in the Department of Agriculture. These facts are not the subject of speeches by the administration. Why are such facts ignored and such charges made against farm price supports unless the purpose be to inflame the voters in our cities? To me there seems to be no other logical answer.

Mr. HOPE. Mr. Speaker, I yield myself 1 minute.

Mr. Speaker, the gentleman from Minnesota [Mr. HAGEN] has asked me to state whether this bill would operate to

give farmers in his area who were suffering from economic difficulties because of insect infestation and grasshoppers an opportunity to secure loans. I will say to the gentleman that that is the purpose of this legislation. It is to operate in areas which have not been declared disaster areas by the President but where farmers have suffered economic loss due to any cause.

Mr. HAGEN of Minnesota. Mr. Speaker, if the gentleman will yield, in other words, will the farmers in northwestern Minnesota, who have lost crops because of the armyworm infestation this year and last year because of floods, have the opportunity of securing these emergency loans?

Mr. HOPE. Yes. Of course, if the area had been declared a disaster area, they would have been given relief under that program, but this gives relief to those areas which have not been declared disaster areas, but where farmers are in economic difficulties.

The SPEAKER. The question is on the motion to suspend the rules and pass the bill, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the bill was passed.

REPORT OF STUDIES OR INVESTIGATIONS TO THE HOUSE

Mr. ALLEN of Illinois. Mr. Speaker, I ask unanimous consent for the immediate consideration of House Resolution 697, to amend House Resolution 91.

The Clerk read the resolution, as follows:

Resolved, That House Resolution 91 is amended by inserting at the end thereof the following paragraph:

"The committee may report to the House at any time during the present Congress the results of any studies or investigations made under authority of this resolution, together with such recommendations as it deems appropriate. Any such report which is made when the House is not in session shall be filed with the Clerk of the House."

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

Mr. GROSS. Mr. Speaker, reserving the right to object, I wonder if we could have a few words of explanation of what that is all about.

Mr. ALLEN of Illinois. Mr. Speaker, the purpose of this resolution is to authorize the Committee on Ways and Means to report to the House at any time during the present Congress the result of any studies or investigations made under the authority of House Resolution 91.

Mr. GROSS. I withdraw my reservation of objection, Mr. Speaker.

The SPEAKER. The question is on the resolution.

The resolution was agreed to, and a motion to reconsider was laid on the table.

INCREASE IN RATES OF NON-SERVICE-CONNECTED PENSIONS

The SPEAKER. The Chair recognizes the gentlewoman from Massachusetts [Mrs. ROGERS].

Mrs. ROGERS of Massachusetts. Mr. Speaker, I call up the bill (H. R. 9962) to increase by 5 percent the rates of pension payable to veterans and their dependents and move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill; and pending that motion, Mr. Speaker, I ask unanimous consent that general debate continue for 1 hour, the time to be equally divided and controlled by the gentleman from Texas [Mr. TEAGUE] and myself.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

The SPEAKER. The question is on the motion offered by the gentlewoman from Massachusetts.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 9962, with Mr. NICHOLSON in the Chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mrs. ROGERS of Massachusetts. Mr. Chairman, the bill which we are considering today would increase by 5 percent the rates of pension payable to veterans and their dependents.

Pension, it should be kept in mind, is for non-service-connected disability, and is an old and honorable system having been in effect many years prior to the adoption of the compensation provision which is applicable to service-connected injuries.

This bill is in line with H. R. 9020 which passed the House on July 21, and as will be recalled, provided a 5 percent increase in the service-connected rates. This bill provides the same amount of increase for the non-service-connected cases.

The Veterans' Administration points out that there are a total of 544,000 veterans involved, and 399,100 cases of dependents of deceased veterans who would benefit from the passage of this legislation. The first-year cost would amount to $35,958,000.

Members have previously been furnished a copy of a chart showing the exact effect of this 5 percent increase, and I ask unanimous consent to insert at this point this chart.

As so many of the Veterans and the widows are elderly, there are likely to be deaths this next year and in the future years in increasing numbers.

The CHAIRMAN. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

(The matter referred to follows:)

INCREASED RATES OF PENSION, H. R. 9962

Title: To increase by 5 percent the rates of pension payable to veterans and their dependents.

Mr. MACK of Washington. Introduced and referred July 20, 1954.

Analysis: Increases the rates for non-service-connected pension as indicated below:

	Existing rates	H. R. 9962	Number affected	Estimated first year's cost
WORLD WAR I, WORLD WAR II, AND KOREAN CONFLICT				
Veterans			482,700 veterans	$20,210,000
Permanent and total disability	$63.00	$66.15		
Permanent and total disability and age 65	75.00	78.75		
Rated permanent and totally disabled, continuous period of 10 years				
Aid and attendance	129.00	135.45		
(NOTE.—The foregoing rates are available to Spanish-American War veterans. However, substantially all such veterans on the pension rolls are being paid the greater rates set forth below.)				
Dependents			310,000 cases	9,257,000
Widow, no child	48.00	50.40		
Widow and 1 child	60.00	63.00		
Each additional child	7.20	7.56		
Children where there is no widow:				
1 child	26.00	27.30		
2 children (equally divided)	39.00	40.95		
3 children (equally divided)	52.00	54.60		
Each additional child (total equally divided)	7.20	7.56		
SPANISH-AMERICAN WAR				
Veterans			61,800 veterans	3,707,000
90 days' or more service:				
⅓o disability or more	96.75	101.59		
Age 62 or over				
Aid and attendance	129.00	135.45		
70 through 89 days' service:				
⅓o disability or more	64.50	67.73		
Age 62 or over				
Aid and attendance	83.85	88.04		

	Existing rates	H. R. 9962	Number affected	Estimated first year's cost
SPANISH-AMERICAN WAR—Continued				
Dependents			81,700 cases	2,564,000
Widow	51.60	54.18		
Widow who was wife of veteran during service	64.50	67.73		
Additional for each child	7.74	8.13		
Children where there is no widow:				
1 child (to age 16)	59.34	62.31		
Each additional child (to age 16), total equally divided	7.74	8.13		
1 child (age 16 or over)	26.00	27.30		
2 children (age 16 or over) equally divided	39.00	40.95		
3 children (age 16 or over) equally divided	52.00	54.60		
Each additional child (age 16 or over), total equally divided	7.20	7.56		
CIVIL WAR				
Veterans			1 veteran	77
Basic rate	96.75	101.59		
Aid and attendance	129.00	135.45		
Dependents			5,600 cases	170,000
Widow	38.70	40.64		
Widow age 70	51.60	54.18		
Widow who was wife of veteran during service	64.50	67.73		
Additional for each child	7.74	8.13		
No widow, 1 child	46.44	48.76		
Each additional child, total equally divided	7.74	8.13		
INDIAN WARS OR CAMPAIGNS				
Veterans			200 veterans	$14,000
⅙ disability or more	$96.75	$101.59		
Age 62 or over				
Aid and attendance	129.00	135.45		
Dependents			1,200 cases	36,000
Widow	38.70	40.64		
Widow age 70	51.60	54.18		
Widow who was wife of veteran during service	64.50	67.73		
Additional for each child	7.74	8.13		
No widow, 1 child	46.44	48.76		
Each additional child, total equally divided	7.74	8.13		
WAR WITH MEXICO				
Dependents			3 cases	90
Widow	50.00	52.50		

EXPLANATION OF LAWS GOVERNING NON-SERVICE-CONNECTED PENSION FOR WORLD WARS I, II VETERANS AND OF SERVICE ON OR AFTER JUNE 27, 1950

Under existing law (Veterans' Regulation No. 1 (a), part III, as amended), veterans of World War I, World War II, the Spanish-American War, Philippine Insurrection, and Boxer Rebellion are eligible for pension based on permanent and total non-service-connected disability. Pension is payable to any such veteran who served in the active military or naval service for a period of 90 days or more during such wars and who was discharged therefrom under conditions other than dishonorable, or who, having served less than 90 days, was discharged for disability incurred in service in line of duty. The veteran must have been in active service before the cessation of hostilities and be suffering from non-service-connected permanent and total disability not incurred as a result of his own willful misconduct or vicious habits. The rate is $63 per month, except that where the veteran shall have been rated permanent and total and has been in receipt of pension for a continuous period of 10 years or reaches the age of 65 years and is permanently and totally disabled, the rate is $75 per month. A rate of $129 per month is authorized in the case of an otherwise eligible veteran who is, on account of age or physical or mental disability, helpless or blind or so nearly helpless or bind as to need or require the regular aid and attendance of another person. Such pension is not payable to any unmarried person whose annual income exceeds $1,400 or to any married person with minor children whose annual income exceeds $2,700. Any person who served in the active service in the Armed Forces of the United States on or after June 27, 1950, and prior to such date as shall thereafter be determined by Presidential proclamation or concurrent resolution of the Congress, is also eligible for pension under part III as provided in the act of May 11, 1951 (Public Law 28, 82d Cong.)

In the administration of the aforementioned provisions the determination of permanent total disability is made on a very liberal basis. Such a rating is granted (where the requirement of permanence is met) when there is a single disability of 60 percent or 2 or more disabilities one of which is 40 percent in degree, combined with other disability or disabilities to a total of 70 percent, and unemployability attributed thereto. Although age alone is not considered as a basis for entitlement to such pension, it is considered in association with disability and unemployability in determining permanent and total disability. The aforementioned percentage requirements are reduced on the attainment of age 55 to a 60 percent rating for one or more disabilities, with no percentage requirement for any one disability; at age 60 to a 50 percent rating for one or more disabilities; and at age 65 to one disability ratable at 10 percent or more. When these reduced percentage requirements are met and the disability or disabilities involved are of a permanent nature, a permanent and total disability rating will be assigned, if the veteran is determined to be unable to secure and follow substantially gainful employment by reason of such disability.

Mrs. ROGERS of Massachusetts. I would like to say to the Chair that many of these men are totally and permanently disabled. Many of the Spanish-American War veterans are from 85 to 90 years of age—their average age is 76. The so-called pension has been in existence for a long time and veterans of all wars must be aged or have serious disabilities or handicaps to qualify.

There is also a provision that if a single veteran has more than $1,400 income he does not get any of this compensation; the same is true of a widow. The limit is $2,700 for veterans and widows with dependents.

I am sure this bill has never been seriously studied or understood by those who object to its passage.

Mr. Chairman, I yield 10 minutes to the gentleman from Washington [Mr. MACK], the author of this bill, who has been tireless in his work as chairman of the Committee on Pensions—I believe this bill will pass the Senate—and become law.

Mr. MACK of Washington. Mr. Chairman, the bill H. R. 9962 was introduced by me upon the unanimous instruction of the Committee on Veterans' Affairs.

The purpose of the bill H. R. 9962 is to restore part of the pensions for disabled war veterans and the widows and orphans of veterans of World War I, II, and Korea who are non-service-connected that were provided for in the original bill H. R. 9020. Congress will pass a postal pay bill before adjournment, allowing a 5 percent or more increase to postal employees.

The probabilities are that the House will pass a bill giving a 5-percent pay increase to most Federal employees.

This House has passed a bill granting more than a 5-percent increase to millions of elderly persons who are under social security.

The House has passed and the Congress will undoubtedly approve a bill which gives a 5-percent increase in benefits to the service-connected disabled veterans; and more than a 5-percent increase to the widows of service-connected veterans, and to the parents of service-connected deceased veterans. This 5-percent increase formula is designed to take care of the rising cost of living. The only persons being neglected and not granted this increase are the non-service-connected veterans, and their dependents of World War I, World War II, the Korean war, and the Spanish-American War.

In the veterans' pension bill that was passed on July 21, the House gave a 5-percent increase in compensation to

2,038,000 service-connected veterans. Under this bill we grant a 5-percent pension increase to 943,700 non-service-connected veterans, their widows, and their orphans.

At the present time, the widow of a non-service-connected war veteran receives a pension of $48 a month. Under this bill she will receive a 5-percent increase, or an increase of $2.40 a month. The Spanish-American War widow now receives a pension of $51.60 and will receive under this bill a pension increase of about $2.60 a month and will receive $54.20.

The only non-service-connected veteran of World War I, II, or Korea who can receive a pension is one who is totally disabled and is unemployable. Such veterans receive pensions now of $63, $75, and $129. These pensions will in each case, under the terms of this bill, be increased by 5 percent.

If Congress is going to increase the wages and salaries of all Federal employees, if Congress is going to increase the pensions of those under social security and railroad retirement, it seems to me reasonable we ought to give the same percentage of increase in pensions to the non-service-connected war veteran and to the non-service-connected widow and orphan of such veterans. This is the unanimous position of the Committee on Veterans' Affairs. This bill, H. R. 9962, is presented here today on instructions of the Committee on Veterans' Affairs.

Mr. BYRNES of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. MACK of Washington. I yield.

Mr. BYRNES of Wisconsin. The gentleman mentioned social security and the relationship of that to this bill. Is it not true many of these people also can and do draw old-age and survivors' insurance benefits in addition to the pension; or is there a restriction that you can draw only one or the other?

Mr. MACK of Washington. I believe there is no restriction. Of course, the pension laws of this country are such that a veteran can draw a railroad retirement pension, a social security pension, a veteran's pension, a State pension, and a pension from a private employer, all at one and the same time. Perhaps these laws should be reviewed.

Mr. BYRNES of Wisconsin. Maybe these people have drawn and are going to draw the increased social security benefits, so that should not necessarily indicate what should be done in connection with this bill.

Mr. MACK of Washington. The veterans of World War I, II, and Korea, in order to draw a pension, must not only be totally disabled and totally unemployable but also are subject to an income limitation of $1,400. If a veteran has more than $1,400 a year income from any source, he cannot draw the pensions provided for in this bill.

Mr. FORD. Mr. Chairman, will the gentleman yield?

Mr. MACK of Washington. I yield to the gentleman from Michigan.

Mr. FORD. The gentleman has mentioned increases in social security and the legislation we passed last week increasing benefits under railroad retirement. Is it true, however, in connection with the increases in benefits given under social security and the prospective ones given under railroad retirement, that the people who get them have paid more into the fund, they have contributed, whereas in this program there is no contribution?

Mr. MACK of Washington. The contribution of the veteran was that he contributed his time and subjected his life to great risk in the defense of his country. For that we owe him some obligation, I think.

Mr. FORD. There still was an increase in the contributions under social security, and there is none here, of course.

Mr. MACK of Washington. That is correct.

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. MACK of Washington. I yield.

Mrs. ROGERS of Massachusetts. Also, many of them are too old to benefit under social security.

Mr. MACK of Washington. Mr. Chairman, here is what my bill, H. R. 9962, which we are discussing here today does:

It increases by 5 percent the monthly pensions of 399,100 widows and orphans of the veterans of World Wars I, II, and Korea.

It increases by 5 percent the present monthly pensions of 61,700 Spanish-American War veterans who are dying off at the rate of more than 7,000 a year.

It increases by 5 percent the present monthly pensions of 482,700 totally disabled and totally unemployable veterans of World Wars I, II, and Korea. These veterans to receive a pension must be totally disabled, totally unemployable, and have an income of less than $1,400 a year.

A total of 943,700 war veterans, their widows, and orphans will receive a 5-percent increase in their present pension if this bill passes the House today, is approved by the Senate, and the President.

Mr. TEAGUE. Mr. Chairman, I yield 3 minutes to the gentleman from California [Mr. HAGEN].

Mr. HAGEN of California. Mr. Chairman, I would like to point out that this legislation did have the support of the Veterans' Committee, after a series of maneuvers. It was something in the nature of a shotgun wedding with the Veterans' Committee being compromised twice. The first time we reduced the amount that we approved by 5 percent, and then of course this particular category of beneficiaries was left out of the original legislation. We are now presented with their case, which certainly is a justified one, because the raise we granted service-connected veterans and their dependents was theoretically based on a cost-of-living increase and not by way of discriminating between them and the category benefited by this bill. If a cost-of-living increase is in order for one group, it certainly is in order for another, unless we, at this late date, are going to distinguish between the merits of their claims. This bill is eminently fair. As a matter of fact, it does not go far enough. If you will look at page 2 of the report and read the niggardly amounts that some of these dependents and disabled veterans get, you will appreciate, I am sure, the need for this legislation.

Mr. Chairman, I yield back the balance of my time.

Mr. TEAGUE. Mr. Chairman, I yield 2 minutes to the gentleman from Florida [Mr. MATTHEWS].

Mr. MATTHEWS. Mr. Chairman, as a member of the Committee on Veterans' Affairs, I certainly am in favor of this legislation. I am very glad that we have this opportunity to consider it. I believe most of us are familiar with the provisions of this legislation, which we are discussing, and I think we are all agreed that it takes care of a certain category of our veterans and their dependents who are very much in need of some extra aid. I congratulate the chairman of our committee and the ranking minority member for the work they have done on this legislation. It certainly has my wholehearted approval.

Mrs. ROGERS of Massachusetts. Mr. Chairman, I yield such time as he may desire to the gentleman from Wisconsin [Mr. KERSTEN].

Mr. KERSTEN of Wisconsin. Mr. Chairman, while I am in favor of passage of this bill, I believe that the 5-percent amount should have been increased to 10 percent. I also believe that the service-connected disability rates should likewise have been 10 percent instead of 5 percent.

The reason for my feeling that these percentages should have been larger is because that these amounts come to the people in the low-income brackets, but more important than that, these amounts come to the people who have the greatest demand from our Government for care in their need. The men who risked their lives in the defense of our country are entitled to the greatest consideration from our Government because if it had not been for their efforts and the risking of their lives, we would have neither a Government nor a country to call our own. The economic wealth, the material advantages, the position of world power that the United States enjoys today, even our tax-raising ability to support this Government and its sending money overseas, all exists because of the servicemen of this country who kept it intact from the designs of those who have sought to destroy us in war.

Mrs. ROGERS of Massachusetts. Mr. Chairman, I yield 1 minute to the gentleman from Indiana [Mr. HALLECK], the distinguished majority floor leader.

Mr. HALLECK. Mr. Chairman, just a moment ago some reference was made to the adjustment to the cost of living. As was pointed out when we had the other bill before us, the cost of living has increased only 1.8 percent from the time that the last adjustments were made. I want to make this further statement. At the time we had the other measure before us, dealing with service-connected compensation matters, a number of us did the best we could to try to work out veterans' legislation which would be reasonable and which we could properly expect would become law, and

hence useful to those whom we sought to benefit. As far as I am concerned, that is still my position. I think what we did in that arrangement, which was worked out with the members of the committee on both sides of the aisle, was fair and reasonable.

Mr. TEAGUE. Mr. Chairman, I yield 2 minutes to the gentleman from Kansas [Mr. MILLER].

Mr. MILLER of Kansas. Mr. Chairman, it is my understanding that the sole propose of this bill is to bring the amount of compensation to disabled, non-service-connected veterans, up to the present standard of living and in accordance with the increased cost-of-living. It seems to me if there is any segment of society in this country which is deserving of equal consideration and, in fact, of special consideration, it is those people who have been asked by our Government to go out and risk their lives for the perpetuation of our American institutions. For that reason, I am very much in favor of the passage of this bill.

Mrs. ROGERS of Massachusetts. Mr. Chairman, I yield to the gentleman from Washington [Mr. PELLY].

Mr. PELLY. Mr. Chairman, I am very much interested in the discussion which has just taken place regarding an increase in pensions and benefits. The gentleman from Washington [Mr. MACK] in his full remarks on this legislation also indicated the belief that in addition to an increase for veterans and for their dependents and widows, there was a reasonable expectation that the House would have an opportunity to vote on wage increases for postal workers and classified Federal civil-service personnel.

I want to say, Mr. Chairman, that it would be exceedingly unfortunate if this opportunity does not present itself. I recognize the fairness in an increase for all salaries and pensions at this time which are under the control of the Congress. I know that in my own district there are a great many Federal employees who have been not only adversely affected by the increase in the cost of living but in particular have been under great hardship due to inflation and the reduction of the buying power of their wages. So, Mr. Chairman, in supporting this present privileged resolution, I want to express my great hope that this Congress before it adjourns will not fail to grant similar increases to the post office employees and also to the classified civil-service employees.

Mr. TEAGUE. Mr. Chairman, I yield 3 minutes to the gentleman from Illinois [Mr. O'HARA].

Mr. O'HARA of Illinois. Mr. Chairman, I will go back to my constituents with the distinction of having served in the 5-percent Republican 83d Congress. I think that is what the veterans are going to call this Congress. I think it is a doubtful honor. It started out with 10 percent, but the leadership of a party that the veterans of the Civil War kept in power many years, said was too much. This leadership was not going to give the non-service-connected veterans anything, and they left the Spanish-American veterans and their widows out in the cold.

Then the Stars and Stripes, edited by a great American, Mr. Inman, carried a streamer across the first page that the GOP had deserted the veterans. Then the Veterans of Foreign Wars met in national convention and every delegate got to his feet and cheered a resolution denouncing this administration for desertion of the worthy veterans. So finally you come in here with 5 percent; a 5-percent gratuity to the veterans. Well, I am glad you gave this crumb. I know the few dollars you are giving the aged widows of Spanish-American War veterans will be appreciated. Yes, 5 percent will be appreciated. You are giving the veterans a crumb, also you have given to the 83d Congress a name that it will be known by, "the 5-percent Congress"; the 5-percent 83d Congress that accepted a 100-percent performance of American youth in the demands of war and after it was all over gave a 5-percent recognition.

I yield back the remainder of my time, Mr. Chairman.

Mr. TEAGUE. Mr. Chairman, I yield 2 minutes to the gentleman from Louisiana [Mr. LONG].

Mr. LONG. Mr. Chairman, it will not take me long to say what I have in mind. It sounds unreasonable when you stand here and argue about giving the widows and orphans of the men who have given their all in defense of this great country of ours a 5-percent increase in pension. May I remind you that these are people who cannot work. These are people who do not earn one dime. They are helpless. But yet, my friends, a few days ago the Congress went all-out and gave $3 billion to foreign aid to help foreign people. That would be enough to pay this increase in pension for a thousand years.

This very year this Republican Congress has cut the taxes on the "big shots" and have given relief to those in the higher brackets in a sum sufficient to pay these poor war widows and orphans and the helpless to whom we are indebted for their services to this country in time of war. The sum that the taxes are being reduced on the "big shots" would probably be enough to pay these pensions for these poor deserving people for 10,000 years. So just think it over, my friends, and see if you cannot find it in your hard Republican hearts in these days of economy and balancing the budget at least to stop long enough to recognize, in a substantial way, the services rendered by those who have made it possible for this Republic to exist—the veterans of this great United States of America.

Mr. TEAGUE. Mr. Chairman, this is a very simple piece of legislation, giving a 5-percent increase to some 975,000 veterans or their dependents. The bill benefits approximately three different classes. Over 400,000 veterans who are totally disabled and unemployed, of World War I, II, and Korea are effected. Approximately 400,000 of these veterans are affected. Many of them are Civil War, Spanish-American War, and Indian war dependents, and most of them are over 75 years of age. The remaining beneficiaries, about 300,000 are widows and dependent children. They are widows and dependents of many men who have service-connected disabilities but who died of a nonservice-connected disability. Of course, as the gentleman from Washington [Mr. MACK], said this group is also covered by the income limitation of $1,400 for a single person and $2,700 if they are married.

The cost of this bill is approximately $36 million the first year.

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. TEAGUE. I yield.

Mr. HALLECK. Is it true that the Veterans' Administration and the Bureau of the Budget both recommend against the passage of this bill?

Mr. TEAGUE. I think it is true that they recommended against passage of any kind of legislation of this character.

Mr. HALLECK. I have examined the report, and the way I read it—and I think I read it correctly—the report from the Veterans' Administration is specific on this bill. It reports adversely and says that the Bureau of the Budget concurs in that decision.

Mr. TEAGUE. The report that I have is "that advice has been received from the Bureau of the Budget that there would be no objection to the presentation of this report to the Committee and that for the reasons stated therein the Bureau of the Budget recommends against favorable consideration of H. R. 9962."

Mr. EDMONDSON. Mr. Chairman, will the gentleman yield?

Mr. TEAGUE. I yield.

Mr. EDMONDSON. I want to join with other members of the committee in endorsing this bill. I do not believe it should be forgotten that this is a benefit only for totally disabled veterans, for their widows and for their orphans. These are benefits conferred out of the gratitude of its heart for our country upon men who are not able to earn their daily bread. I think it is something that this Congress in view of the national situation has to do. The need is great and I hope the bill will be passed.

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. TEAGUE. I gladly yield to my chairman.

Mrs. ROGERS of Massachusetts. I would like to ask the gentleman if he does not believe that the reason that pension bills from the Committee on Veterans' Affairs are privileged is because it is so difficult sometimes to secure pension legislation by rule of suspension. It is obvious in my mind that was the reason they were made privileged resolutions. It is the only way many of these veterans can receive any kind of help. I do not see why we are running scared anyway. We do the legislating, not the Bureau of the Budget or the Veterans' Administration.

Mr. TEAGUE. Mr. Chairman, I for one am not running scared.

Mrs. ROGERS of Massachusetts. I know the gentleman is not afraid of anything.

Mr. TEAGUE. I personally feel it is wrong that we have to bring veterans' legislation to the floor in this manner. It is not right that these have to be called up as privileged resolutions. Since I

have been here quite a bit of legislation concerning veterans has come up this way. If there is a group of people in the United States who value this country and what goes on in the country it is the veterans. Their problems are entitled to consideration on this floor without having to resort to special privilege.

Mr. WOLVERTON. Mr. Chairman, I am in favor of the adoption of the bill now before us, H. R. 9962. I commend the distinguished chairlady, the gentlewoman from Massachusetts [Mrs. ROGERS], and the members of the Committee on Veterans' Affairs for bringing this worthy legislation before us for consideration.

The purpose of this bill is to increase by 5 percent all monthly rates of pension payable to veterans of the Armed Forces and their dependents under any public law administered by the Veterans' Administration with certain minor exceptions.

This bill is comparable to section 1 of H. R. 9020 which provided a 5-percent increase in the rates of compensation for service-connected disabled veterans. H. R. 9020 passed the House on July 21, 1954.

The report of the Veterans' Administration indicates that H. R. 9962 would affect approximately 544,700 veterans and 399,100 cases of dependents of deceased veterans, to make the total first-year cost approximately $35,958,000.

The present rates and the rates proposed in H. R. 9962 are set forth in the table which appears below:

Increase in rates of non-service-connected pensions

	Existing rates	H. R. 9962	Number affected	Estimated first year's cost
WORLD WAR I, WORLD WAR II, AND KOREAN CONFLICT				
Veterans			482,700 veterans	$20,210,000
Permanent and total disability	$63.00	$66.15		
Permanent and total disability and age 65	75.00	78.75		
Rated permanent and totally disabled, continuous period of 10 years				
Aid and attendance	129.00	135.45		
(NOTE.—The foregoing rates are available to Spanish-American War veterans. However, substantially all such veterans on the pension rolls are being paid the greater rates set forth below.)				
Dependents			310,600 cases	9,257,000
Widow, no child	48.00	50.40		
Widow and 1 child	60.00	63.00		
Each additional child	7.20	7.56		
Children where there is no widow:				
1 child	26.00	27.30		
2 children (equally divided)	39.00	40.95		
3 children (equally divided)	52.00	54.60		
Each additional child (total equally divided)	7.20	7.56		
SPANISH-AMERICAN WAR				
Veterans			61,800 veterans	3,707,000
90 days or more service:				
⅒ disability or more	96.75	101.59		
Age 62 or over				
Aid and attendance	129.00	135.45		
70 through 89 days' service:				
⅒ disability or more	64.50	67.73		
Age 62 or over				
Aid and attendance	83.85	88.04		
Dependents			81,700 cases	2,564,000
Widow	51.60	54.18		
Widow who was wife of veteran during service	64.50	67.73		
Additional for each child	7.74	8.13		
Children where there is no widow:				
1 child (to age 16)	59.34	62.31		
Each additional child (to age 16), total equally divided	7.74	8.13		
1 child (age 16 or over)	26.00	27.30		
2 children (age 16 or over) equally divided	39.00	40.95		
3 children (age 16 or over) equally divided	52.00	54.60		
Each additional child (age 16 or over), total equally divided	7.20	7.56		
CIVIL WAR				
Veterans			1 veteran	77
Basic rate	96.75	101.59		
Aid and attendance	129.00	135.45		
Dependents			5,600 cases	170,000
Widow	38.70	40.64		
Widow age 70	51.60	54.18		
Widow who was wife of veteran during service	64.50	67.73		
Additional for each child	7.74	8.13		
No widow, 1 child	46.44	48.76		
Each additional child, total equally divided	7.74	8.13		
INDIAN WARS OR CAMPAIGNS				
Veterans			200 veterans	14,000
⅒ disability or more	96.75	101.59		
Age 62 or over				
Aid and attendance	129.00	135.45		
Dependents			1,200 cases	36,000
Widow	38.70	40.64		
Widow age 70	51.60	54.18		
Widow who was wife of veteran during service	64.50	67.73		
Additional for each child	7.74	8.13		
No widow, 1 child	46.44	48.76		
Each additional child, total equally divided	7.74	8.13		
WAR WITH MEXICO				
Dependents			3 cases	90
Widow	50.00	52.50		

The adoption of this legislation is not only appropriate but necessary if we are to give our veterans and their dependents the recognition they are entitled to have. The high cost of living that justifies the passage of legislation to increase the pay of Federal employees equally justifies the increase of pensions to veterans and their dependents. I am pleased to give my full support to the bill, and I trust it will have the favorable consideration of the Members.

Mr. DONOHUE. Mr. Chairman, last July 21, when we were considering H. R. 9029 I voiced my deep disappointment that we were not permitted by the leadership to vote on that bill as it was first and unanimously reported by the House Veterans Affairs Committee.

I stated then my conviction that eliminating the original provisions providing reasonable cost-of-living increases to all our disabled veterans, particularly Spanish-American War veterans, their widows, and dependents was a denial of fundamental justice.

I am therefore particularly gratified that the injustice is now being openly admitted and recognized, and rectified to some extent, by this bill to increase by 5 percent all monthly rates of pension payable to all veterans and their dependents under any public law administered by the Veterans' Administration, with certain exceptions.

I urge and hope this measure will be unanimously adopted without any further argument or delay.

Mr. TEAGUE. Mr. Chairman, there are no further requests for time on this side.

The CHAIRMAN. There being no further requests for time the Clerk will read.

The Clerk read as follows:

Be it enacted, etc., That (a) all monthly rates of pension for disability, age, or death payable to veterans or their dependents under any public law administered by the Veterans' Administration are hereby increased by 5 percent, subject to the provisions of subsection (b) of this section.

(b) Subsection (a) shall not apply to pension payable under sections 4756 or 4757 of the Revised Statutes, as amended (38 U. S. C. 229, 230), the act of April 27, 1916 (39 Stat. 53), as amended (38 U. S. C. 391 and the following), or the act of February 28, 1929 (45 Stat. 1409).

SEC. 2. This act shall take effect on the first day of the second calendar month following the date of its enactment.

Mrs. ROGERS of Massachusetts. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with the recommendation that the bill do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. NICHOLSON, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 9962) to increase by 5 percent the rates of pension payable to veterans and their dependents, had directed him to report the bill back to the House with the recommendation that the bill do pass.

The SPEAKER. Without objection, the previous question will be considered as ordered.

There was no objection.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The bill was passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND REMARKS

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the bill just passed.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mr. DINGELL. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. DINGELL. Mr. Speaker, there is neither rhyme nor reason for prolonged debate on the pending bill, H. R. 9962, providing a mere 5-percent increase for veterans who are disabled and their dependents and classed as nonservice connected.

Ten percent would have been more realistic and fully justified in view of the cost-of-living trend. There are altogether too many classifications and exceptions made as between needy veterans and their dependents, where as a matter of fact a veteran in need, helpless, and starving deserves the same amount of aid whether his plight is due to battle injury or amputation resulting from disease. All veterans in need suffer hunger, cold, and pain alike, and as veterans deserve aid without hairline distinctions.

EXTENSION OF DETENTION BENEFITS UNDER WAR CLAIMS ACT OF 1948 TO EMPLOYEES OF CONTRACTORS WITH THE UNITED STATES

Mr. ALLEN of Illinois. Mr. Speaker, I call up House Resolution 691 and ask for its immediate consideration.

The Clerk read as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (S. 541) to extend detention benefits under the War Claims Act of 1948 to employees of contractors with the United States, and all points of order against said bill are hereby waived. After general debate, which shall be confined to the bill, and shall continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority members of the Committee on Interstate and Foreign Commerce, the bill shall be read for amendment under the 5-minute rule. It shall be in order to consider without the intervention of any point of order the substitute amendment recommended by the Committee on Interstate and Foreign Commerce now in the bill, and such substitute for the purpose of amendment shall be considered under the 5-minute rule as an original bill. At the conclusion of such consideration the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and any Member may demand a separate vote in the House on any of the amendments adopted in the Committee of the Whole to the bill or committee substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

Mr. ALLEN of Illinois. Mr. Speaker, I yield 30 minutes to the gentleman from Virginia [Mr. SMITH], and yield myself such time as I may require.

Mr. Speaker, I rise to urge the adoption of House Resolution 691 which will make in order the consideration of the bill, S. 541, to extend detention benefits under War Claims Act of 1948 to employees of contractors with the United States.

Mr. Speaker, this bill is intended to correct inequities which exist under the present provisions of the War Claims Act of 1948 in connection with the payment of benefits to prisoners of war and civilian internees during World War II.

The second major provision in the bill would compensate certain groups of persons and corporations for property losses suffered in connection with the sequestration of credits by the Japanese in the Philippine Islands during World War II.

The final purpose of S. 541 would be to provide for a study to be conducted of the physical and mental consequences of malnutrition and other hardships suffered by prisoners of war and civilian internees.

Mr. Speaker, House Resolution 691 provides for an open rule, waiving points of order against the bill and allows 1 hour of general debate on the bill. The rule also would allow the consideration of the substitute amendment now in the bill as an original bill for the purpose of amendment. A separate vote may be demanded in the House on any of the amendments adopted in the Committee of the Whole to the bill or Committee substitute. A motion to recommit with or without instructions would be in order under this rule.

Mr. Speaker, the Bureau of the Budget, according to the report on this bill, has not objected to the submission of the report of the Foreign Claims Settlement Commission on this bill.

I hope that the House will adopt the rule and that the bill itself will have the full and thoughtful consideration of the Congress.

Mr. SMITH of Virginia. Mr. Speaker, I yield 5 minutes to the gentleman from Colorado [Mr. ROGERS].

Mr. ROGERS of Colorado. Mr. Speaker, this bill would carry out a recommendation of the War Claims Commission submitted to the Congress on January 16, 1953. It would right a long-standing injustice to United States nationals, including survivors of Bataan and Corregidor, who had bank deposits and other credits in the Philippines while those islands were a part of the United States. It would also, as an act of simple justice, reimburse those Philippine banks which at their own expense, voluntarily saved American nationals from loss by paying off their bank deposits and other credits notwithstanding the Japanese confiscation of such deposits and credits.

In the Japanese Peace Treaty we took from these United States nationals the right to claim compensation from the Japanese for the property that had been taken from them. This legislation would carry out both the legal and moral obligation of the United States to compensate its own nationals for the rights thus taken away from them by the treaty.

Never before in our history has the United States failed to compel a defeated enemy either to return all of the confiscated property of American nationals or to compensate such American nationals for such property. It may be that we had the sovereign right to waive these claims against Japan. By exercising that right, however, the United States became obligated under the Constitution to provide full and complete compensation to the United States nationals whose claims it waived. The last clause of the fifth amendment states "nor shall private property be taken for public use, without just compensation."

The proposition that the United States must compensate its nationals for the waiver of claims of such nationals against a foreign government is not novel. As early as 1821, Henry Clay, in referring to the waiver by the United States of the so-called French Spoliation Claims, stated that "the rule of equity furnished by our Constitution, and which provides that private property shall not be taken for public use without just compensation, applies and entitles the injured citizen to consider his own country a substitute for the foreign power."

This conclusion was concurred in by Chief Justice Marshall, as well as by many of the most distinguished statesmen in American history, including Madison, Pickering, Clinton, Edward Livingston, Everett, Webster, Cushing, Choate, and Sumner. See, in this connection, the Memorandum as to French Spoliation Claims, printed in 1912 for the Committee on War Claims, House of Representatives, 62d Congress, 2d session.

The basic proposition has been firmly established by a series of decisions of the Court of Claims arising out of the same waiver. Thus, in *Cushing, Administrator* v. *United States* (22 Ct. Cl. 1), the Court stated at page 31:

> We * * * adhere to the conclusions reached last term * * * that these claims (as a class) were valid obligations from France to the United States, that the latter surrendered them to France for a valuable consideration benefiting the nation, and that this use of the claims raised an obligation founded upon right, and upon the Constitution (which forbids the taking of private property for public use without compensation), to compensate the individual sufferers for the losses sustained by them.

Similarly, in *The Schooner Betsey* (44 Ct. Cl. 512–513), the Court of Claims stated:

> Under the act of our jurisdiction citizens of the United States who, prior to the ratification of the treaty with France concluded September 30, 1800, had valid claims on the French Government for indemnity growing out of her illegal acts, are given the right to prosecute the same on the theory that when the Government relinquished the claims of her citizens to France in consideration of the relinquishment by France of her national claim against the United States, she thereby took from her citizens private property for public use, for which just compensation should be made.

The inequity of the present situation is underscored by the fact that while the right to return of American property confiscated by the Japanese in the Philippines was waived by the United States, the Japanese were required to return or compensate for the property of United States nationals confiscated in Japan itself. Failure to compensate fully these United States nationals for the value of their property is, therefore, not only a denial of just compensation but also an arbitrary discrimination by the United States in favor of one class of its nationals against another.

During the consideration by the Senate of the Japanese Peace Treaty, Secretary Dulles, who negotiated the Treaty for the United States, indicated that United States nationals having these claims should look to the Congress for relief. In this connection he referred to the war claims fund. Secretary Dulles stated in a memorandum submitted to the Senate Foreign Relations Committee:

> United States nationals whose claims are not covered by the treaty provisions or by the legislation of other Allied Powers, must look for relief to the Congress of the United States.
>
> Congress has provided that the process of the liquidation of Japanese assets in the United States are to be paid into a trust fund in the United States Treasury known as the war claims fund which is available for the payment of war claims as provided by the War Claims Act of 1948 (Public Law 896, 80th Cong., 2d sess.), as amended.

When the question was raised in the Senate concerning the justification for the waiver of these claims, the distinguished senior Senator from Wisconsin [Mr. WILEY], noted that American citizens were well taken care of. He pointed out that, in his opinion, those who had property in Japan were protected by the treaty and that those who had deposits or credits with the Philippine banks could have their claims satisfied out of enemy assets in the United States, CONGRESSIONAL RECORD, volume 98, part 2, page 2593.

This bill would carry out this plan by providing for the use of those assets to pay these claims in full. It would discharge the constitutional obligation of the United States by providing compensation to those who suffered loss by reason of the United States Government's waiver of their claims against Japan.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. ROGERS of Colorado. I yield to the gentleman from Iowa.

Mr. GROSS. Why were any such arrangements made in the Japanese peace treaty? Can the gentleman tell me who was responsible for that?

Mr. ROGERS of Colorado. I will say this, that in the Japanese peace treaty it was worked out that they would not be responsible for it, and that was adopted by the Senate, according to the information I have. The matter came up at the time the treaty was being considered.

Mr. GROSS. Does not the gentleman think that the Japanese should have paid reparations at least to the extent of indemnifying prisoners?

Mr. ROGERS of Colorado. Yes, I do. I think, as a matter of law, any time that the United States Government enters into a treaty, that any American national or American citizen has a right to demand of Congress and of the Nation that he be repaid. That right has been taken away from him.

Mr. GROSS. I will say to the gentleman that in my opinion whoever worked out that agreement with the Japanese is as culpable as can be.

Mr. ROGERS of Colorado. I understand that the present Secretary of State was among those, together with others, that worked it out.

Mr. GROSS. Well, I am not surprised, then, if a previous Secretary of State was a party to that deal.

Mr. ROGERS of Colorado. I mean, the present one.

Mr. GROSS. Well, either one of them.

Mr. ALLEN of Illinois. Mr. Speaker, I yield 10 minutes to the gentleman from Minnesota [Mr. O'HARA].

Mr. O'HARA of Minnesota. Mr. Speaker, this bill was reported out of our committee in a very abrupt fashion. Hearings had been held by a special subcommittee headed by the gentleman from California [Mr. HINSHAW], which considered several of these bills, including the one before us today. I was not a member of that subcommittee. At the time the subcommittee made the report to the entire committee I asked for an explanation of the bill, and I did not get one, so I now seek information and now inquire of the chairman of the subcommittee in reference to this bill. In the first place, I would like to know how much it will cost.

Mr. HINSHAW. Mr. Speaker, if the gentleman will yield, it does not cost the United States Treasury anything. It is all taken from the so-called war claims fund, the liquidation of enemy property.

Mr. O'HARA of Minnesota. I should like to know then how much it takes of the war-claims funds?

Mr. HINSHAW. Approximately the remaining balance, $14 million, or thereabouts.

Mr. O'HARA of Minnesota. I should like to know this. I have sat in on some of these war-claims bills. Generally I have supported them. I hope to be able to support this one. I have had considerable interest in them. I know a little bit about them. We had previous war-claims legislation which involved many millions. Many of the claims went to various persons and organizations. I do know that there are some claims concerning which appeals have been taken. Claims either have been denied by the War Claims Commission and substantial amounts were involved in those claims. I have no way of knowing the merits of those claims, but I am inquiring because of the fact that under this bill this fund would be wiped out. I should like to know what care has been taken to provide for any of these previous claims which have not yet been finally adjudicated.

Mr. HINSHAW. It is my understanding that an adequate sum is being retained in the fund under the Commission's jurisdiction to pay all claims previously authorized.

Mr. O'HARA of Minnesota. I am speaking now of an undetermined amount involved in claims not yet finally adjudicated.

Mr. HINSHAW. I think the gentleman is referring to the so-called religious claims, is he not?

Mr. O'HARA of Minnesota. Some of them are and some of them are private claims concerning which there is a dispute, and possibly no final determination.

Mr. HINSHAW. I understand with reference to the religious claims that they were appealed and that the appeals have been recalled by the present Commission, which is reconsidering them under a redefinition of the terms.

Mr. O'HARA of Minnesota. Assuming those claims are allowed in some substantial amount—and as I remember, some of those were substantial claims—will there be enough money in the fund to pay them in full?

Mr. HINSHAW. Yes, sir. They have a prior consideration, as I understand it.

Mr. O'HARA of Minnesota. Mr. Speaker, I yield back the balance of my time.

Mr. SMITH of Virginia. Mr. Speaker, I have given some consideration to this bill. I think it is a just bill and one that we ought to pass, and pass promptly.

Here is the situation. It arises out of the war claims which arose out of the Japanese war. In the Philippines, the Japanese seized a great many of our citizens over there. Some of them were employees of American contractors. They seized a great many bank accounts, and in some cases the banks paid the persons who had the deposits to their credit.

We set up this war fund of Japanese property. There is enough money there, approximately, to pay these debts, which are just. In some way, during the course of this legislation, there were 2 or 3 classes of people who were not included. This bill undertakes to cover those people. The question whether there is enough money to pay all of them does not particularly concern us, because the bill provides that if there is not sufficient money the amounts of the claims shall be prorated among those who are able to prove their claims. It seems to me a just bill, one that is long overdue and which we ought to pass without too much ado.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Virginia. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. I should like to direct this to the attention of the gentleman from California [Mr. HINSHAW], if I may. I was interested in the questions asked of the gentleman by the gentleman from Minnesota [Mr. O'HARA], because I introduced the bill known as the religious bill in the Philippine Islands. You remember I introduced that bill, and it is now law. I might say the gentleman from Massachusetts [Mr. HESELTON] is thoroughly acquainted with it, because he cooperated very effectively in connection with the bill.

I agree with what the gentleman from California said, that the present Commission has reconsidered some of the cases. On one of them I appeared before the Commission on the question of the words "affiliated with," and the present Commission acted favorably. I understand the other applications and claims will be affected by the favorable consideration given by the present Commission.

It is my understanding that the passage of this bill in no way will interfere with the processing and the payment both in connection with the religious and the other bill in which the gentleman from New Mexico and other Members were so keenly interested, as to individual prisoners. Is that correct?

Mr. HESELTON. I talked this morning with Mr. Gilliland, Chairman of the Commission. He came to see me particularly in terms of the question the gentleman has asked. He assured me that in their opinion the passage of this bill would in no way affect the bill to which the gentleman has referred. He also assured me that the change of interpretation of the language in the bill the gentleman from Massachusetts [Mr. McCORMACK] originally filed has clarified the situation so that all these claims are being considered. He did say this, and I think it should be in the RECORD, that they would, of course, have to pass on the merits of the claim. Each claim would have to stand on its own feet. But he was convinced that the passage of this bill would not interfere with passing on the other claims, that the funds were ample to take care of them, and that in a very real sense it was a priority because they were already filed before the Commission, and these claims covered by this particular bill, of course, cannot be filed until this becomes law.

Mr. McCORMACK. That was my understanding. The gentleman from Massachusetts [Mr. HESELTON] very kindly told me of the conversation he had with Chairman Gilliland. I am very glad he has expressed himself for the RECORD. If I might inquire one step further—and I favor this bill, I want that understood—is it the intention of the committee that in the passage of this bill if it becomes law, which I assume and hope it will, the payments that will or may accrue under this legislation shall be guaranteed, that they will not be interfered with or invaded by the passage of this bill?

Mr. HINSHAW. I understand that the reserve fund has been set up in the Commission to take care of all these claims. That is in addition to any amounts awarded under this bill.

Mr. McCORMACK. I appreciate the gentleman's remark as well as the statement made by the gentleman from Massachusetts because I think they are both important contributions for the RECORD.

Mr. SMITH of Virginia. Mr. Speaker, I yield such time as he may desire to the gentleman from Texas [Mr. RAYBURN].

Mr. RAYBURN. Mr. Speaker, I have asked for this time because many Members are inquiring as to what the program is for the remainder of the day and for the remainder of the week, if the gentleman can answer that question, which probably might be a hard question to answer.

Mr. HALLECK. The gentleman understands it is sometimes a little difficult to know just exactly what we will be able to do.

Mr. RAYBURN. I know that, but if the gentleman from Indiana can answer the question, it would be helpful to the Members.

Mr. HALLECK. There are three more rules outstanding which we would like to dispose of either this evening or tomorrow. The gentleman from California has another bill here, and I would suggest to him, if we are going to go too late on this bill, possibly it could go over until tomorrow. Or, if the gentleman would rather dispose of it tonight, that would be all right. I just want to adjust the program to the convenience of the House.

Mr. HINSHAW. Mr. Speaker, will the gentleman yield?

Mr. RAYBURN. I yield.

Mr. HINSHAW. It is my intention to ask that this bill be considered in the House as in Committee of the Whole and to dispose of it before taking up the next bill.

Mr. HALLECK. The gentleman from Massachusetts has a bill that he has been waiting for to come up. That is House Resolution 549 having to do with studies of survivors' benefits. These other matters can go over until tomorrow. If the conference report on the atomic energy bill is filed tonight, then we will take that up tomorrow.

Mr. SMITH of Virginia. The next bill that is supposed to come up, I believe, which was mentioned by the gentleman from California might be controversial and probably will be controversial. I wonder if the gentleman from Indiana would not prefer to take up this rule, which we could probably get through with this evening and let the controversial matter go over until tomorrow.

Mr. HALLECK. Some suggestion has been made to me that the bill, H. R. 2420, would be controversial and there might be some debate. Whether or not that is true, I do not know.

Mr. SMITH of Virginia. I have also heard that.

Mr. HALLECK. I am informed there will be controversy on it on this side. I do not know what would be the situation on the other side of the aisle.

Mr. KLEIN. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Virginia. I yield.

Mr. KLEIN. May I say to the gentleman from Indiana, I do not believe there would be any more controversy about the one we are talking of than the one that is practically completed. So far as I know there is no opposition here except on the part of the gentleman from Minnesota [Mr. O'HARA].

Mr. HALLECK. Let me just make a practical suggestion. It is almost 10 minutes to 5. Let us see how we come out on the passage of this bill, and if it is obvious that it is going to run late, then I am quite sure it will suit everyone's convenience if the balance of these matters could go over until tomorrow. However, if we can dispose of them expeditiously, and if the other could be disposed of expeditiously, of course, there would be no disposition as far as I am concerned to stop the consideration of it tonight.

Mr. ALLEN of Illinois. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

The resolution was agreed to.

Mr. HINSHAW. Mr. Speaker, I ask unanimous consent that the bill (S. 541) to extend detention benefits under the War Claims Act of 1948 to employees of contracts with the United States be considered in the House as in Committee of the Whole.

The SPEAKER. Is there objection to the request of the gentleman from California?

Mr. DODD. Mr. Speaker, reserving the right to object, I have an amendment which I wish to offer to this bill.

The SPEAKER. That can be done in the House just as well as in Committee of the Whole.

Mr. DODD. I thank the Speaker.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

The SPEAKER. Under the rule, the Clerk will read the substitute amendment as an original bill for the purpose of amendment.

The Clerk read as follows:

Be it enacted, etc., That this act may be cited as the "War Claims Act Amendments of 1954."

TITLE I

SEC. 101. (a) Clause (2) of subsection (a) of section 5 of the War Claims Act of 1948, as amended (50 App. U. S. C., sec. 2004), is hereby amended by striking out "(A) a person within the purview of the act entitled 'An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes,' approved September 7, 1916, as amended, and as extended; or (B) a person within the purview of the act entitled 'An act to provide benefits for the injury, disability, death, or enemy detention of employees of contractors with the United States, and for other purposes,' approved December 2, 1942, as amended; or (C) a person within the purview of the Missing Persons Act of March 7, 1942 (56 Stat. 143), as amended; or (D)."

(b) Paragraph (3) of subsection (f) of such section is hereby amended to read as follows:

"(3) The following provisions of such act of December 2, 1942, as amended, shall not apply in the case of such civilian American citizens: The last sentence of section 101 (a), section 101 (b), section 101 (d), section 104, and section 105."

(c) Such subsection (f) is hereby further amended by adding at the end thereof the following new paragraphs:

"(10) No benefits provided by this subsection for injury, disability, or death shall accrue to any person who, without regard to this subsection, is entitled to or has received benefits for the same injury, disability, or death under such act of December 2, 1942, as amended.

"(11) No benefits provided by this subsection shall accrue to any person to whom benefits have been paid, or are payable, under the Federal Employees' Compensation Act, or any extension thereof, by reason of disability or death of an employee of the United States suffered after capture, detention, or other restraint by an enemy of the United States, when such disability or death is deemed, in the administration of the Federal Employees' Compensation Act, to have resulted from injury occurring while in the performance of duty, under subsection (b) of section 5 of the act entitled 'An act to amend the act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," as amended,' approved July 28, 1945, as amended."

(d) The second proviso of subsection (b) of section 5 of the act entitled "An act to amend the act entitled 'An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes,' as amended," approved July 28, 1945, is hereby amended by inserting immediately after "gratuity from the United States" the following: "(other than detention benefits under section 5 of the War Claims Act of 1948)."

(e) (1) Individuals entitled to benefits under subsection (b), (c), or (d) of section 5 of the War Claims Act of 1948, as amended, solely by reason of the amendments made by this act, must file claim therefor within 1 year after the date of enactment of this act.

(2) The time limitations applicable to the filing of claims for benefits extended and made applicable to any individual by subsection (f) of such section 5 shall not begin to run until the date of enactment of this act with respect to any individual who is entitled to such benefits solely by reason of the amendments made by this act. This paragraph shall not be construed to affect the right of any individual to receive such benefits with respect to any period prior to the date of enactment of this act.

SEC. 102. (a) Subsection (d) of section 5 of the War Claims Act of 1948, as amended; subsection (c) of section 6 of such act; and paragraph (4) of subsection (d) of such section 6, are each hereby amended by striking out "dependent" each time it occurs.

(b) The amendments made by this section shall not apply with respect to benefits paid prior to the date of enactment of this act.

(c) Individuals entitled to benefits solely by reason of the amendments made by this section must file claim therefor within 1 year after the date of enactment of this act.

SEC. 103. The War Claims Act of 1948, as amended, is hereby further amended by adding at the end thereof the following:

"SEC. 15. (a) The Commission is authorized to receive and to determine, according to law, the amount and validity, and provide for the payment of any claim for compensation filed by or on behalf of any individual who, being then an American citizen, served in the military or naval forces of any government allied with the United States during World War II who was held as a prisoner of war for any period of time subsequent to December 7, 1941, by any government of any nation with which such allied government has been at war subsequent to such date. Compensation shall be payable under this section in accordance with the standards established by, and at the rates prescribed in, subsection (b) of section 6 of this act, and paragraphs (2) and (3) of subsection (d) of such section 6.

"(b) The amount payable under this section shall be reduced by such sum as the individual entitled to compensation under this section has received or is entitled to receive from any government by reason of the same detention.

"(c) In the event of death of the individual entitled to compensation under this section, payment may be made to the persons specified in paragraph (4) of subsection (d) of section 6 of this act.

"(d) Claims for benefits under this section must be filed within 1 year after the date of enactment of this section.

"(e) Any claim allowed under the provisions of this section shall be certified to the Secretary of the Treasury for payment out of the War Claims Fund established by section 13 of this act.

"SEC. 16. (a) As used in this section, the term 'merchant seaman' means any individual who was employed as a seaman or crew member on any vessel registered under the laws of the United States, or under the laws of any government friendly to the United States during World War II, and who was a citizen of the United States on and after December 7, 1941, to the date of his death or the date of filing claim under this section; except any such individual who is entitled to, or who has received benefits under section 5 of this act as a 'civilian American citizen.'

"(b) The Commission is authorized to receive and determine, according to law, the amount and validity, and provide for the payment of any claim for detention benefits filed by or on behalf of any merchant seaman who, being then a merchant seaman, was captured or interned or held by the Government of Germany or the Imperial Japanese Government, its agents or instrumentalities in World War II for any period of time subsequent to December 7, 1941, during which he was held by either such government as a prisoner, internee, hostage, or in any other capacity. Detention benefits shall be paid under this section at the rates prescribed and in the manner provided in subsections (c) and (d) of section 5 of this act.

"(c) Payment of any claim filed under this section shall not be made to any merchant seaman, or to any survivor or survivors thereof, who, voluntarily, knowingly, and without duress, gave aid to or collaborated with or in any manner served any government hostile to the United States during World War II.

"(d) Claims for benefits under this section must be filed within 1 year after the date of enactment of this section.

"(e) Any claim allowed under the provisions of this section shall be certified to the Secretary of the Treasury for payment out of the War Claims Fund established by section 13 of this act.

"SEC. 17. (a) (1) The Commission is authorized to receive and to determine, according to law, the amount and validity, and provide for the payment of any claim filed by—

"(A) any individual who—

"(i) on or after December 7, 1941, was a member of the military or naval forces of the United States;

"(ii) is the survivor of any deceased individual described in subparagraph (i);

"(iii) was a national of the United States on December 7, 1941, and is a national of the United States on the date of enactment of this section; or

"(iv) is the survivor of any deceased individual who was a national of the United States on December 7, 1941, and would be a national of the United States on the date of enactment of this section if living; or

"(B) any partnership, firm, corporation, or other legal entity, in which more than 50 percent of the ownership was vested, directly or indirectly, both on December 7, 1941, and on the date of enactment of this section, in individuals referred to in subparagraph (A) of this paragraph;

for losses arising as a result of the sequestration of accounts, deposits, or other credits of such individual or legal entity in the Philippines by the Imperial Japanese Government.

"(2) The Commission is authorized to receive and to determine, according to law, the amount and validity, and provide for the payment of any claim filed by any bank or other financial institution doing business in the Philippines which reestablished sequestered accounts, deposits, or other credits of—

"(A) any individual referred to in subparagraph (A) of paragraph (1) of this subsection; or

"(B) any partnership, firm, corporation, or other legal entity, in which more than 50 percent of the ownership was vested, directly or indirectly, both on December 7, 1941, and on the date of reestablishment of such sequestered credits, in individuals referred to in such subparagraph (A);

for reimbursement of the amounts of such sequestered credits paid by such bank or financial institution.

"(b) Claims must be filed under this section within 1 year after the date of enactment of this section.

"(c) Where any individual entitled to payment under this section is under any legal

disability, payment may be made in accordance with the provisions of subsection (e) of section 5 of this act. In the case of the death of any individual entitled to payment of any claim under this section, payment of such claim shall be made to the individuals specified, and in the order provided, in subsection (d) of section 6 of this act; except that no payment shall be made under this section to any individual who voluntarily, knowingly, and without duress, gave aid to or collaborated with or in any manner served any government hostile to the United States during World War II.

"(d) Each claim allowed under this section shall be certified to the Secretary of the Treasury for payment out of the War Claims Fund established under section 13 of this act. The Secretary of the Treasury shall pay such claims as follows:

"(1) In the case of each claim allowed in an amount equal to or less than $500, such claim shall be paid in full; and

"(2) In the case of each claim allowed in an amount greater than $500, such claim shall be paid in two installments. The first installment shall be paid in an amount equal to $500 plus 66⅔ percent of the amount of such claim allowed in excess of $500. The last installment shall be computed as of September 1, 1956, under the next sentence of this paragraph, and, as so computed, shall be paid from the sums remaining in the War Claims Fund on that date. If the sums remaining in the War Claims Fund on September 1, 1956, are sufficient to satisfy all claims allowed under this section and not paid in full, the unpaid portion of each such claim shall be paid in full; if the sums remaining in the War Claims Fund on September 1, 1956, are not sufficient to satisfy all claims allowed under this section and not paid in full, the last installment payable on each such claim shall be reduced ratably, and, as so reduced, shall be paid from the War Claims Fund."

SEC. 104. (a) Section 13 of the War Claims Act of 1948, as amended (50 App. U. S. C., sec. 2012), is hereby amended by striking out subsections (b) and (c) thereof, and by inserting immediately after subsection (a) thereof the following:

"(b) Before August 1, 1956, the Secretary of Labor shall estimate and report to the President the total amount which will be required to pay all benefits payable by reason of section 5 (f) of this act. If the President approves the amount so estimated as reasonably accurate, the total amount so estimated and approved shall be certified to the Secretary of the Treasury; if the President does not so approve he shall determine such amount, and the amount so determined shall be certified to the Secretary of the Treasury. Such certification shall be made on or before September 1, 1956. The Secretary of the Treasury shall then transfer from the War Claims Fund to the general fund of the Treasury a sum equal to the total amount certified to him under this subsection.

"(c) Before August 1, 1956, the Secretary of Labor shall estimate and report to the President the total amount which will be required to pay all additional benefits payable as a result of the enactment of section 4 (c) of this act. If the President approves the amount so estimated as reasonably accurate, the total amount so estimated and approved shall be certified to the Secretary of the Treasury; if the President does not so approve, he shall determine such amount, and the amount so determined shall be certified to the Secretary of the Treasury. Such certification shall be made on or before September 1, 1956. The Secretary of the Treasury shall then transfer from the War Claims Fund to the general fund of the Treasury a sum equal to the total amount certified to him under this subsection."

(b) Subsection (d) of such section 13 is hereby amended by striking out "The Secretary of State" and inserting in lieu thereof the following: "On or before August 1, 1956, the Secretary of State."

SEC. 105. Within 2 years after the date of enactment of this act, the Foreign Claims Settlement Commission of the United States shall wind up its affairs in connection with the settlement of all claims for benefits authorized by the amendments made by this act.

TITLE II

SEC. 201. As used in this title—

(a) The term "prisoner of war" has the meaning assigned to it by section 6 of the War Claims Act of 1948, as amended; and

(b) The term "civilian American citizen" has the meaning assigned to it by subsection (a) of section 5 of such act.

SEC. 202. The Secretary of Health, Education, and Welfare, in cooperation with, and with the assistance of, the Administrator of Veterans' Affairs, the Secretary of Labor, and the Secretary of Defense, shall conduct a study of—

(1) the mortality rates among prisoners of war and civilian American citizens, with a view to determine whether their abnormally high mortality rate is directly attributable to the malnutrition and other hardships suffered by them while held as prisoners of war, hostages, internees, or in any other capacity;

(2) the mental and physical consequences of the malnutrition and other hardships suffered by prisoners of war and civilian American citizens while so held; and

(3) the procedures and standards which should be applied in the diagnosis of the mental and physical condition of prisoners of war and civilian American citizens.

SEC. 203. Not later than 1 year after the date of enactment of this title, the Secretary of Health, Education, and Welfare shall report the results of such study to the President for transmittal to the Congress.

Mr. HINSHAW (interrupting the reading of the amendment). Mr. Speaker, I ask unanimous consent that the further reading of the amendment may be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. DODD. Mr. Speaker, I offer an amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. DODD:
Page 5, line 12, insert "(1)" after "(a)."
Page 5, insert after line 16, the following:
"(2) Subsection (d) of section 5 of the War Claims Act of 1948, as amended, is amended by striking out 'and' at the end of clause (2), striking out the period at the end of clause (3) and inserting in lieu thereof: '; and', and by adding at the end thereof the following new clause:
"'(4) Parents (in equal shares) if there is no husband or child.'

Mr. DODD. Mr. Speaker, the amendment that I offer is very simple and very just, I believe. Under the War Claims Act of 1948, section 6, those who were prisoners of war, that is any regularly appointed, enrolled, enlisted, or inducted member of the military or naval forces of the United States who was held as a prisoner of war for any time subsequent to December 7, 1941, is entitled to collect claims under this act.

However, if such person should die before he can collect his claim, the compensation would go, first, to his or her widow or dependent husband, if there are no children; second, if there are children, one-half would go to the widow or dependent husband and the other half in equal shares to his children; third, if there is no widow or husband, the compensation would go in equal shares to the children of the deceased; and fourth, if none of the aforementioned exist at time of death, the claim would go to his parents in equal shares.

There is nothing unusual about this clause. Every lawyer in this House knows well the common law with respect to this issue. This law, which is a very old one, establishes the manner for distribution of an estate of a person who dies without leaving a will. It is a fully accepted practice that the estate should be distributed to the widow or husband of the deceased, then to the children, and then to the parents.

However, under section 5 of this same act, the authors of the original bill have made a distinction, for what reason I have never been able to find out. Section 5 of the War Claims Act entitles, with certain reservations, civilian American citizens who were interred by the enemy to receive compensation for their discomforts. A large number of these civilian internees were missionaries who remained in the Pacific area to help the natives. Some of these civilians were brave men indeed. When the Japanese captured these islands, they made no distinction between civilian Americans and American military personnel; both were sent to and both endured, the horrors of a war-prisoner camp. No one has ever questioned the right of these civilian internees to compensation for these terrible discomforts. They receive benefits in the same manner as do military personnel.

However, for some reason, which is a mystery to me, the authors of the War Claims Act made a distinction between civilian internees and prisoners of war in case the victim died before he could collect compensation. In every way except one, they are treated exactly as prisoners of war who have died. The compensation goes first to the widow or husband, if there are no children; second, one-half to the widow or husband, if there are children, and then one-half in equal shares to the children; third, in equal shares to the children if there is no widow or husband. But at this point, the benefits stop. In other words, the act makes a distinction between married and unmarried persons, and penalizes the unmarried ones. For if a civilian internee should die without spouse or child, no one can collect the detention benefits. This, I think, is very unjust. Not only is it unjust, but it contradicts our age-old common law, which makes no distinction between married and unmarried people.

I am not the only one who feels that this is unjust. The War Claims Commission whose business it is to distribute these detention benefits has carefully studied the subject. In a report they made to Congress on January 16, 1953, in House Document No. 67, on page 97, the report says, and I quote:

The Commission finds no basis for the distinction between surviving parents of prisoners of war and surviving parents of civilian internees. It believes that the detention benefits due a civilian internee is in the na-

ture of a property right and that this right should devolve upon his parents and not be permitted to lapse in the event the internee is not survived by a spouse and/or children. There are approximately 200 claims (as of January 1953) in this category.

I submit that there can be no distinction made and if any Member of this House can show me the reason for one, I will be grateful. I have made many inquiries about this clause and not one person has yet come up with any reason for it. I urge my colleagues to support the amendment that I have offered so that this injustice can be corrected and surviving parents of civilian internees will be entitled to the same benefits as surviving parents of prisoners of war.

Mr. HINSHAW. Mr. Speaker, will the gentleman yield?

Mr. DODD. I yield.

Mr. HINSHAW. The only answer is that no bill was filed so that the subcommittee could consider it along with the other bills which are included in S. 541. If the matter had been brought to the attention of the committee, I am sure the committee would have included it in the amendments offered to the committee at this time.

As for myself, I can see no reason why it should not be included; and if it please the gentleman and other members of the committee—and I think it does—we should be glad to accept the amendment.

Mr. DODD. I am very grateful to the gentleman for accepting the amendment.

The SPEAKER. The question is on the amendment offered by the gentleman from Connecticut.

The amendment was agreed to.

Mr. BAILEY. Mr. Speaker, I move to strike out the last word.

Mr. Speaker, I should like to call the attention of the committee to another change which should be made in the War Claims Act. The members of the committee will recall that I appeared before the committee in the first session of the 83d Congress in support of a bill I introduced for the relief of the wife and children of Lieutenant Harrison, a native of my district who was killed on the day we signed the armistice with the Japanese.

Early on the morning of V–J Day the American planes off the ships in Tokyo Bay were ordered to bomb certain targets on the mainland of Japan. Before they reached their mission they were notified by radio to return to the ships, that an armistice had been arranged.

On their way back they were attacked by Japanese planes and four of the American planes were shot down, Lieutenant Harrison losing his life.

His wife attempted to process a claim before the War Claims Commission in damages against the Japanese Government for the death of her husband, and was told the War Claims Act was not sufficiently broad to permit the processing of a claim. All the proof necessary as to what had actually happened was furnished the War Claims Commission, but they insisted they were unable to act because the present War Claims Act was insufficient.

I wish to inquire of the gentleman from California if any consideration was given to that proposition of mine?

Mr. HINSHAW. We have that bill, but it was not considered by the subcommittee. The committee considered all those who had been left out of the original act whom we felt should have been included and were entitled to consideration. We have not added any new class of persons.

Mr. BAILEY. Has the gentleman from California any reasonable explanation why Mrs. Harrison should not be eligible under the circumstances to a claim against the Japanese Government, against Japanese property we have here, before it is distributed and disposed of?

Mr. HINSHAW. I thing the gentleman's claim more properly belongs with the military rather than with this agency. Why they do not reimburse Mrs. Harrison, I do not know.

Mr. BAILEY. She certainly has a claim against the Japanese Government for the death of her husband after the armistice had been signed.

Mr. HINSHAW. That is correct. This boy was shot down as a military officer.

Mr. BAILEY. There were some 16 others killed at the same time; there were 4 planes shot down.

Mr. HINSHAW. And after the armistice was signed. Why it was not considered by the military I do not know. I think it should be.

Mr. BAILEY. The gentleman still thinks it should not be a matter for consideration in this bill?

Mr. HINSHAW. Not in this bill; no.

Mr. BAILEY. I disagree with the gentleman, but there is nothing, of course, that can be done about it at the present time.

The SPEAKER. The question is on the committee amendment as amended.

The committee amendment as amended was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The bill was passed.

The title was amended so as to read: "An act to extend benefits under the War Claims Act of 1948 to certain classes of persons, and for other purposes."

A motion to reconsider was laid on the table.

SELECT COMMITTEE TO INVESTIGATE AND STUDY CERTAIN BENEFITS FOR SURVIVING DEPENDENTS OF DECEASED MEMBERS AND FORMER MEMBERS OF THE ARMED SERVICES

Mr. ALLEN of Illinois. Mr. Speaker, I call up House Resolution 549 and ask for its immediate consideration.

The Clerk read as follows:

Resolved, That there is hereby created a select committee to be composed of five Members of the House of Representatives to be appointed by the Speaker, one of whom he shall designate as chairman. Any vacancy occurring in the membership of the committee shall be filled in the same manner in which the original appointment was made.

The committee is authorized and directed (1) to conduct a full and complete investigation and study of the benefits provided under Federal law for the surviving dependents of deceased members and former members of the Armed Forces, and (2) on the basis of such investigation, and study, to make such recommendations as it may deem advisable and to prepare such legislation as it may consider appropriate to carry out such recommendations.

The committee shall report to the House as soon as practicable during the present Congress the results of its investigation and study, together with its recommendations and the legislation, if any, prepared under the preceding paragraph. Any bill so reported to the House shall (notwithstanding any provision of the Rules of the House of Representatives to the contrary) be forthwith referred to the appropriate calendar under rule XIII of the Rules of the House of Representatives.

For the purpose of carrying out this resolution the committee, or any subcommittee thereof authorized by the committee to hold hearings, is authorized to sit and act during the present Congress at such times and places within the United States, its Territories, and possessions, whether the House is in session, has recessed, or has adjourned, and to hold such hearings, as it deems necessary.

With the following committee amendment:

Page 2, line 7, after the word "paragraph.", strike out the balance of line 7 and all of lines 8 to 11, inclusive.

Mr. ALLEN of Illinois. Mr. Speaker, I yield 30 minutes of my time to the gentleman from Virginia [Mr. SMITH], and at this time I yield 2 minutes to the gentleman from Massachusetts [Mr. BATES].

Mr. BATES. Mr. Speaker, the purpose of House Resolution 549 is to conduct a study of the benefits provided under Federal law for the surviving dependents of deceased members and former members of the armed services. I have discussed this matter with many Members of Congress who are familiar with the problems and I have not heard of any objection. May I advise the Members that the Gold Star Wives of America have expressed their interest and support of this bill.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. BATES. I yield to the gentleman from Iowa.

Mr. GROSS. What are some of the problems that this committee proposes to go into?

Mr. BATES. Mr. Speaker, may I say to the gentleman that this resolution which I introduced is similar to a resolution which the gentleman from Virginia [Mr. HARDY] introduced. The difficulty in the hodgepodge which exists today is that the legislation for survivors' dependents of military personnel emanates from many different sources. First of all, we have legislation from the Armed Services Committee, we have legislation from the Committee on Veterans' Affairs, we have legislation from the Ways and Means Committee, we have legislation from the Committee on the Post Office and Civil Service. There are various departments downtown that take care of these surviving dependents and, as a consequence, when someone in the service dies today dependents are at loss to know what department they should go to.

Mr. GROSS. The gentleman has satisfied me.

Mrs. ROGERS of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. BATES. I yield to the gentlewoman from Massachusetts.

Mrs. ROGERS of Massachusetts. We all know that the amount paid to the widows of men in the regular services is pitifully small. That shows in the chart we have. I think this is an important committee, but here is the thing that troubles me: I want to make sure that in going into this matter there will be no power of law; it is just a suggestion, the committee will make reports and advise?

Mr. BATES. Of course, that is true. I have discussed this matter in full with the gentlewoman from Massachusetts. I know she is discussing it now not to clarify the matter in her own mind but to establish it on the RECORD.

Mrs. ROGERS of Massachusetts. There are so many investigations going now of VA and the function and laws of the VA. There is the Trundle Engineering-Hoover Commission task force, the Hoover Commission itself, the Booz, Allen & Hamilton management survey, two surveys by the staff of the House Appropriations Committee and a study by the Curtis subcommittee in 1953 on social-security benefits, as well as by the Kaplan Commission. I think the Kaplan Commission has made some rather unfortunate suggestions in the transfer of functions from one service to another. The gentleman does not have anything of that kind in mind? It would be very unfortunate if there should be any curtailment of benefits as a result of the survey. There will be increases recommended, but I pray there will be no cuts.

Mr. BATES. No, I do not. This study does not go into the various studies the gentlewoman mentioned. It merely involves the benefits of the dependents of military personnel who die on active duty. I am pleased the gentlewoman favors the measure.

Mr. ALLEN of Illinois. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the resolution.

The resolution was agreed to, and a motion to reconsider was laid on the table.

PROHIBITING SEGREGATION IN INTERSTATE TRAVEL

Mr. HOWELL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. HOWELL. Mr. Speaker, I am very much interested in a bill which has been reported out of the Committee on Interstate and Foreign Commerce, H. R. 7304. I know many of the Members are anxious for that bill to come to a vote. It deals with the prohibition of segregation in interstate travel. I wonder if anyone could tell me what the situation is and what the prospects are of that bill coming to a vote.

Mr. HESELTON. Mr. Speaker, if the gentleman will yield, I happen to be the author of that bill. It was reported out of my committee by a vote of 19 to 7. I am extremely anxious to have it come up for a vote, because I am convinced that an overwhelming majority of the Members of the House would like to vote on that bill. I am doing everything I can to bring that about, but I cannot give the gentleman any assurance at this time that it will be possible to do so.

Mr. HOWELL. Is there any chance of getting a rule on that bill?

Mr. HESELTON. I cannot answer that, either. We were told that the Committee on Rules has suspended meetings. I do not know whether that will be changed or not.

Mr. PELLY. Mr. Speaker, will the gentleman yield?

Mr. HOWELL. I yield to the gentleman from Washington.

Mr. PELLY. I would like to say to the gentleman from New Jersey that I am very glad he brought up this particular subject, because, as a member of the committee, I am very much interested in it. We reported it out, and I have been very hopeful that we might get a rule on it.

Mr. HOWELL. In my opinion, it is an eminently fair bill, and I think the Members would like to have an opportunity to vote on it.

Mr. McCARTHY. Mr. Speaker, will the gentleman yield?

Mr. HOWELL. I yield to the gentleman from Minnesota.

Mr. McCARTHY. I understood it was to have been called up under suspension of the rules. Does the gentleman from Massachusetts know whether that plan has been changed or what will be necessary in order to bring it up?

Mr. HESELTON. I understand, in order to do that, it has to receive the approval of the leadership on both sides.

Mr. HOWELL. I hope, Mr. Speaker, that we can find a way of getting out a rule to get this legislation before the House.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. YATES (at the request of Mr. PRICE) for 3 days on account of illness in family.

SPECIAL ORDERS GRANTED

Mr. MILLER of Kansas asked and was given permission to address the House for 20 minutes on Tuesday next, following any special orders heretofore entered.

Mr. SMITH of Wisconsin asked and was given permission to address the House for 20 minutes on tomorrow, following any special orders heretofore entered.

AMERICA'S MOST DREADFUL FLOWER

Mr. WILLIS. Mr. Speaker, I ask unanimous consent to extend my remarks at this point and include an article from a magazine.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. WILLIS. Mr. Speaker, I was so highly impressed with the article of Mr. James Poling, entitled "America's Most Dreadful Flower," appearing in the August 6, 1954, edition of Collier's magazine, that I want to make it a part of the CONGRESSIONAL RECORD.

The article deals with the deadly menace of the water hyacinth to the Gulf States from Texas to Florida, as well as other areas. I especially commend this enlightening and timely article to the Members of this body from Louisiana, North Carolina, South Carolina, Georgia, Florida, Alabama, Mississippi, Texas, Virginia, and California. I urge all Members of this body and especially my colleagues from the States I mentioned to join in a concerted movement to eradicate and remove the source of infestation of the water hyacinth once and for all.

In a letter addressed to Brig. Gen. E. C. Itschner, Assistant Chief of Engineers for Civil Works, Department of the Army, Washington, D. C., dated August 4, 1954, I reviewed the work done thus far by the Board of Engineers in cooperation with the Fish and Wildlife Service of the Department of the Interior, the Department of Agriculture, and the United States Public Health Service, pursuant to a House resolution requesting a review of reports on water-hyacinth obstructions submitted in House Document No. 91, 55th Congress, 3d session. The letter follows:

HOUSE OF REPRESENTATIVES,
Washington, D. C., August 4, 1954.

Brig. Gen. E. T. ITSCHNER,
Assistant Chief of Engineers for Civil Works, Department of the Army, Washington, D. C.

DEAR GENERAL ITSCHNER: Reference is made to my discussion today with a member of your staff concerning the problem of removal of the water hyacinths and other objectionable marine growths from certain streams in Louisiana and elsewhere.

As you well know, these aquatic growths constitute a menace to navigation, flood control, agriculture, trapping, fish and wildlife, and public health.

In that connection, I call to your attention a very enlightening article by Mr. James Poling appearing in the August 6 edition of Collier's magazine, entitled "America's Most Dreadful Flower." This timely article points up the imperative necessity to take immediate steps to eradicate and remove the source of infestation of this menace once and for all. I personally think that Mr. Poling has made a great contribution toward that end. I quote significant and pertinent portions of the article:

"The water hyacinth has caused heavy losses to commercial fishermen, put trappers out of business, greatly handicapped the oil and logging industries, suffocated game fish beyond estimate, and driven wildfowl from their winter nesting grounds. * * *

"Moving with the wind and the current like floral juggernauts, the mats have spread through all the Gulf States from Texas to Florida and have reached as far north as Virginia and as far west as California. They cover hundreds of thousands of acres of lakes, ponds, streams, ditches, bayous, canals, marshes, and swamps. * * *

"In Louisiana alone, the depredations of the water hyacinth have been estimated by the State department of wildlife and fisheries at $55 million to $65 million per year. This

is a high price even for a lavender symphony. In terms of human misery, moreover, the price has been even higher."

As you know, a resolution was adopted by the Congress directing the Board of Engineers for Rivers and Harbors to review the reports on water-hyacinth obstructions submitted in House Document No. 91, 55th Congress, 3d session.

The resolution further provided as follows:

"Be it further resolved, That this action be taken with the view to determining the estimated cost of permanently eliminating the hyacinth plants and other marine vegetable growths from these streams, and that the cooperation of the Fish and Wildlife Service of the Department of the Interior, and the Department of Agriculture and the United States Public Health Service be solicited, since the aforementioned obstruction of such streams affects the fishing industry, agriculture, and health conditions."

As you will know, I have been vitally interested in the completion of these studies to the end that ways and means may be found to get rid of this monstrous pest. On July 1, 1949, I received a notice of a proposed interim report to be made pursuant to the House resolution and suggesting that all interested parties have the privilege of presenting their views to the Board on the subject matter covered in the report. Your files will show that as a result of my initiative public bodies and civic-minded citizens throughout my district presented their views and vigorously urged concerted action on this important matter.

The proposed interim report expressed the unanimous views of the Corps of Engineers, the Fish and Wildlife Service of the Department of the Interior, the Department of Agriculture, and Public Health Service. It proposed a vigorous and concerted plan of attack in the States of Louisiana, North Carolina, South Carolina, Georgia, Florida, Alabama, and Mississippi, over a 5-year period, at an estimated cost to the United States of $1,520,000 per year. The proposal was enthusiastically received because it contained the collaborated views not only of top Government engineers and scientists in the four agencies designated in the House resolution, but the result of preliminary research of universities, including the work of Mr. F. W. zur Burg of Southwestern Louisiana Institute of Lafayette, in my own district, as well as Tulane University.

But we suffered two setbacks. First came the Korean conflict, which caused work on worthy projects of this kind to be deferred or suspended. And second a pennywise and pound-foolish policy has developed to curtail expenditures on domestic public works, while giving away our substance for the development of similar projects abroad.

In that connection, I quote further from Mr. Poling's splendid article:

"Consider the problem of the Federal Fish and Wildlife Service. It is charged with the task of providing food and winter nesting grounds for the millions of wild ducks and geese that migrate south each winter. In Louisiana alone, its Sabine, Delta, and Lacassine wildlife refuges total more than a quarter of a million hyacinth-harassed acres. Yet last year, the Service was able to spend only $30,000 for plant control on all of its two-hundred-odd wildlife refuges throughout the country.

"Louisiana's Legislature, while loudly bemoaning the hyacinth's cost to the State, gave its water hyacinth control program $70,000 last year. Florida, suffering equally heavy losses, spent around $140,000.

"Financially speaking, the Corps of Engineers has fared best. No conservation agency, the corps' assignment is to keep navigable inland waterways open to shipping—and it has been spending around $250,000 annually for many years to curb the hyacinth. The cry of many 2,4–D enthusiasts in the various conservation agencies is, 'Give us that much money for just 8 or 10 years and we could lick the hyacinth menace.'"

From the above quotation I am not inferring that any agency is doing less than its share. On the contrary, I think it is a healthy sign that all agencies are anxious to put their best foot forward. That, after all, is exactly what Congress had in mind when it required the cooperation of the four agencies, and in view of this, I am sending a copy of this letter to all of them and respectfully solicit their considered views. Accordingly, in the interest of the areas so drastically affected by the water hyacinth problem, I urge that every consideration be given to the allocation of funds necessary for the completion of your report just as soon as practicable.

With assurance of my high esteem, I remain,

Very sincerely,

EDWIN E. WILLIS,
Member of Congress.

And now, Mr. Speaker, I insert Mr. Poling's article, as follows:

AMERICA'S MOST DREADFUL FLOWER

(By James Poling)

Along streams and irrigation ditches in the Houston-Galveston section of Texas a few years ago, a number of signs were erected reading "$25 Fine for Molesting Flowers." They were put up to protect newly planted beds of a beautiful aquatic flower—the water hyacinth. But the signs didn't remain long. East Texans soon discovered what the rest of the gulf coast had long known—that the water hyacinth is a floral version of Frankenstein's destructive monster. With one leaf tied behind its stem, it can outmolest, outmaneuver, and outlast an army of men.

The water hyachinth—kissing kin to the water lily and the water lotus—consists of a set of broad, floating leaves, roots that draw nourishment from fresh water, and an orchidlike lavender flower, one of whose petals bears an orange dot framed in deep blue. The flowers unmatched beauty is as striking as its ugly behavior.

Directly or indirectly, the water hyacinth has been responsible for death, blocked navigation, lowered real-estate values, ruined reservoirs, and blocked sewage systems. It has caused heavy losses to commercial fishermen, put trappers out of business, greatly handicapped the oil and logging industries, suffocated game fish beyond estimate and driven wild fowl from their winter nesting grounds.

Enraptured tourists call the flower a lavender symphony that wreathes the South in beauty. A lavender octopus would be a more exact description. Extending their tentaclelike roots in all directions, 10 of these exotically beautiful plants can increase to 655,360—or 1 solid acre of water hyacinths—during their 8-month growing season.

The plants grow together in a floating mat so dense that its wet weight per acre reaches 180 tons and so buoyant that some can support a man's weight. Moving with the wind and the current like floral juggernauts, the mats have spread through all the Gulf States from Texas to Florida and have reached as far north as Virginia and as far west as California. They now cover hundreds of thousands of acres of lakes, ponds, streams, ditches, bayous, canals, marshes, and swamps.

A hyacinth mat is, in a sense, an animate thing, growing and spreading from its outer boundaries. It can cover a body of water like a crust covers a pie, sealing it so hermetically that fish and other marine life die for lack of oxygen, clogging it so effectively that a 250-horsepower tug can't fight its way through.

Amateur pilots have mistaken a water hyacinth mat for a landing strip—to their chagrin. Drivers have pulled off the highway onto what appeared to be a solid shoulder, only to find themselves, or be found, at the bottom of a hyacinth-covered stream or irrigation ditch. High waters and winds have rolled hyacinth mats into 20-foot-high dams, causing floods. Mats have blocked the pumps of rural firefighters trying to draw water from a pond, routed fishing and hunting clubs from their sites by killing or driving off wildlife, even toppled bridges by sweeping away their supports.

In Louisiana alone, the depredations of the water hyacinth have been estimated by the State Department of Wildlife and Fisheries at $55 million to $65 million a year. This is a high price, even for a lavender symphony. In terms of human misery, moreover, the price has been even higher.

At a public hearing held not long ago by the United States Army's Corps of Engineers, New Orleans district, a man got up and said:

"My name is Sevin, and I represent about 200 families up back of Choctaw. We're being drowned out up there like rats. Hyacinths have everything clogged up. There's no chance for the water to get out, the land just can't drain. Trucks carrying food can't get in, and doctors can't get back in there. A boy was sick back there for a week; his papa had to carry him 5 miles on his shoulders to a doctor. A lady died up there last week for lack of medical care. Her own people couldn't even come to see her, and we had to bury her as best we could.

"Seems to me something ought to be done. We've got families won't make a nickel's worth of crop this year; the sugar cane and corn's lost, and the potatoes can't be dug. And several of our ladies will need medical care any moment now, and we can't get them out. I'm not much of a talker, but I guess you understand what I mean."

What is the story behind this Jekyll and Hyde of the flower world? Where did the water hyacinth come from? What turned the water orchid into a profligate weed that threatens the economy of the South? What can be done to end its reign of terror?

Dr. Warren Bourn, aquatic biologist for the Federal Fish and Wildlife Service, thinks man himself may be partly to blame for the hyacinth's widespread destruction. Certainly the plant, a relatively recent botanical immigrant, wasn't brought into this country as a weed.

It was sent here from South America as part of a horticultural exhibit at the New Orleans Cotton Exposition in 1884. The flower's delicate beauty made it a hit of the exposition. Homeowners took samples home to plant. Local florists, seeking to capitalize on the plant's popularity, set out to develop it commercially, but almost immediately hit a formidable snag. They discovered that sexually the plant was almost barren.

With all its luring beauty, the hyacinth is as unloved by the creatures of nature as it is by mankind. Even the birds and the bees shun it. Ignored and unwanted, the flower is forced to engage in lonely self-pollination. Its attempts to create its own sex life result in a pretty weird performance.

After the bud breaks, the flower grows heavenward for the first 12 hours; at times an 8-inch stalk bears as many as 32 blossoms. But once it becomes aware that it's being ignored by all the abundant winged life about it, the hyacinth has the natural reaction of any wallflower. It wants to hide its head in shame—and the stalk starts to bend down toward the water. Twenty-four hours after it opens, the flower is growing in a horizontal rather than upright position. During the next 12 hours, as it bends lower and lower, its motion, aided by gravity, frees the pollen on its stamen, and the loosened pollen in turn fertilizes the ovary-bearing pistil. At the end of a 36-hour cycle the flower thrusts its head beneath the water and its seed capsules begin to mature. After about 20 days the ripened capsules burst and discharge the seeds.

Why the hyacinth goes to all this trouble to impregnate itself is a mystery. The end result of all its contortions is that it releases its seeds beneath the surface—and they can't germinate under water. An acre of hyacinths wastes a lot of energy producing 45 million seeds when you consider that only those accidentally exposed to the air—cast up on the surface of a mat or on the shoreline—ever sprout.

But in the plant world there is another means of propagation. Greenhouse operators found that the water hyacinth, like many creeping, crawling land weeds, also can reproduce by putting out new shoots at each new node in its spreading roots. Using all the skill and chemicals at their command, the commercial botanists educated and strengthened the plant's vegetative reproductive system at the expense of its already inept sexual system.

GREENHOUSE SVENGALIS UNDER SUSPICION

Today, according to Dr. Bourne, hyacinth roots are so fertile that a single broken cylinder from a plant, if tossed into the water, may develop into a 10- to 100-acre mat. Some greenhouse Svengalis, Dr. Bourn suspects, helped convert the exotic wild flower into an aquatic menace.

As a matter of fact, the hyacinth isn't even a true aquatic plant. If it had any guts, it would still be growing in sedentary beauty on the land, where it belongs. If you dissect it, you can still find traces of the elaborate vascular tissue it used for pumping water through its system when it grew on land. Fierce competition from other, more rugged, terrestrial plants drove it into the water. Its retreat probably took a few million years, and it's still capable of sinking its roots eight inches into the soil if left stranded on moist land. However, it never survives on land for more than a few months.

Once it took the plunge, the hyacinth made itself completely at home in the water. It even built its own water wings. Each plant formed several bladders at its base and pumped them full of air. The plant became as buoyant as a cork and as mobile as a piece of driftwood.

With this buoyancy and mobility—and another assist from man and nature—the hyacinth easily established itself along most of the Gulf Coast within 6 years of its arrival in the United States. In Louisiana, unknown gardeners tossed surplus cultivated plants from their fountains or fishponds into nearby streams or rivers. In Florida, Jacksonville's city fathers place a clump of plants in the St. Johns River to enhance its beauty. Hurricanes, floods and currents did the rest. By now the plant has slipped across so many borders that it might be called the original wetback.

MATS FORM FLOATING ISLANDS

Yet the hyacinth apparently still dreams wistfully of its good old days on land. Certainly, in forming its mat, it does its best to build up a reasonable facsimile of soil—and with considerable success. The hyacinth is one of the few plants in the nursery business. At least 63 different types of vegetation, 30 of them land or swamp plants, have been found growing on a hyacinth mat. In the Spanish Pass section of the Mississippi Delta country, there are 2- to 10-acre mats that are truly floating islands, supporting such other growths as buttonbush, blackberry, goldenrod, iris and thistle—not to mention water moccasins, alligators, and other unattractive fauna.

These islands are virtually impervious to assault. When some of them choked the water trails leading to the duck blinds of the swanky Delta Club, its members tried every means the mind could devise to clear them. None succeeded.

Finally, the club's desperate duck hunters decided to buy a hippopotamus—an animal with a notoriously gluttonous appetite for aquatic vegetation—and put it out to graze. But when they discovered that the asking price for a hippopotamus was $5,000 (F. O. B. New Orleans), they struck their colors to the water hyacinth and sold their property.

The Corps of Engineers can sympathize with the Delta Duck Club. It has been waging a ceaseless and often discouraging war on the flower for more than a half century.

Congress ordered the corps to the attack in 1897, for even then the hyacinth was threatening the waterways of the Gulf States.

The first weapon the engineers employed was the pitchfork, but the flowers grew faster than men could fork them up on the land to rot.

In 1900, the *Ramos*, a stern-wheeler with a 4-foot conveyor belt that picked up hyacinths and ran them through a pair of crushers, was put in use—and quickly abandoned. Again, the plants grew faster than the *Ramos* could chew them up. Dynamite also was quickly proved useless; it was far more disturbing to the countryside's setting hens than to the hyacinth mats. A scientist even tried a flamethrower. He poured a full cone of fire, hot enough to melt the engine block of a car, on a selected patch of a hyacinth mat. After the flamethrowers' fuel was exhausted, an unharmed frog blithely emerged from the center of the scorched area and began sunning himself. The engineer was slightly taken aback. He was even more astounded when, next growing season, the burnt plants not only were the first to sprout, but averaged 9 inches taller than the surrounding plants.

For a number of years, the corps relied on an arsenic compound. The herbicide killed cattle, crops, and water hyacinths with equal success. Its use was abandoned after it also caused the death of one man and the serious illness of 13 others assigned to spread it. (Loose arsenic powder accidentally got into the men's food.)

In 1937 the *Kenny*—a modernized twin-screw, 80-foot version of the *Ramos*—was launched. It was designed by Bill Wunderlich, head of the Marine Growth Control Section of the New Orleans District Corps of Engineers. The *Kenny's* conveyor belt carried the hyacinths through a pair of rollers set to crush them under 40,000 pounds pressure, then spewed them off to the side. Some of the mangled plants thereupon blossomed out into 2 or 3 new stalks where previously there had been but one. The *Kenny* did, however, chew the dense mats into bits and leave the waters open temporarily to shipping.

The *Kenny* was retired in 1951 after Wunderlich assembled a contraption that resembles a seagoing lawn mower. Its rotating saw blades, attached to a prow of a boat, cut a 40-foot swath through a mat, chewing it into small bits and leaving a clear channel.

Even more significant for the future than this effective aquatic lawn mower is the development of a solution known as 2,4-D. It not only kills the plant but sinks the mat so that it no longer obstructs navigation. This spray may well mark the turning point in the war against the hyacinth. It is now being used by everyone engaged in the battle, and a new but more costly herbicide known as 2,4,5-T is also showing promise. The Corps of Engineers backs up its flotilla of five mowing machines with five spray boats and, occasionally, a spray-equipped helicopter.

While the corps wrestles with the problem of keeping the waterways open to shipping, other agencies—Federal, State, and local—are faced with a subtler phase of the hyacinth's destructive nature.

When water hyacinths blanket a body of water, they deprive all its aquatic vegetation of sunlight and this, in turn, stops the vegetation's photosynthetic activity. While engaged in photosynthesis—the process by which plants use sunlight to convert nonliving chemicals into living edible tissue—all plants "breathe." They extract carbon dioxide from the air or water and give off the oxygen on which all animate aquatic life depends.

IN THE HYACINTH'S DEATH GRIP

The hyacinth mat suffocates all aquatic vegetation it sweeps over. When the vegetation dies, it no longer discharges oxygen into the water and all the animate life in that water begins to suffocate in turn. The hyacinth itself speeds up the suffocation process by literally pumping oxygen out of the water. Its leaves, which can reach 50 inches, are covered with about 75,000 pores, or stomata, per square inch. These pores work like bellows, from sunup to sundown, sucking in water, extracting the carbon dioxide for the hyacinth's own use and discharging the oxygen into the air. These constantly pumping, microscopic bellows can lower the water line of a pond an inch a day.

The end effect of a mat's occupancy of a body of water is to destroy the plant food on which the wild ducks and geese that winter in the South rely, and to lower the oxygen content of the water to a point where no fish, mollusks, turtles or any other form of animate life can survive. In Louisiana, the water hyacinth causes an annual depletion in the State's wildlife crop estimated at more than $15,000,000, jeopardizing the livelihood or recreation of 150,000 wild-fowl hunters, 20,000 trappers, 150,000 sport fishermen; 7,500 commercial fishermen, and 225,000 cane-pole fishermen. (To the cane-pole fishermen sitting on the levee, fish rather than bread is usually the staff of life.)

HARSH CRITICISM OF GADGETS

The hyacinth's depredations on fish and wild fowl have brought Federal and State conservation authorities into the battle. From their viewpoint, eradication of the weed is the only solution. They are, therefore, completely 2,4-D-minded and take a jaundiced view of the Corps of Engineers' mechanized gadgets, like the seagoing lawn mower. They point out that the machines don't kill all the hyacinths but only clear a path through them and leave behind many roots that may sprout again.

However, spraying 2,4-D on hyacinths—whether by boat, plane, marsh buggy or helicopter—costs money, and conservationist agencies are very seldom overburdened with funds. Legislative bodies seem to be particularly reluctant to hand over large sums of money to finance a war between grown men and a flower, even though the posy is one of the world's costliest ornaments.

Consider the problem of the Federal Fish and Wildlife Service. It is charged with the task of providing food and winter nesting grounds for the millions of wild ducks and geese that migrate south each winter. In Louisiana alone, its Sabine, Delta, and Lacassine Wildlife Refuges total more than a quarter of a million hyacinth-harassed acres. Yet last year the service was able to spend only $30,000 for plant control on all of its two-hundred-odd wildlife refuges throughout the country.

Louisiana's Legislature, while loudly bemoaning the hyacinth's cost to the State, gave its water-hyacinth-control program $70,000 last year. Florida, suffering equally heavy losses, spent around $140,000.

YEARS OF EXPENSIVE WARFARE

Financially speaking, the Corps of Engineers has fared best. No conservation agency, the corps' assignment is to keep navigable inland waterways open to shipping, and it has been spending around $250,000 annually for many years to curb the

hyacinth. The cry of many 2,4-D enthusiasts in the various conservation agencies is, "Give us that much money for just 8 or 10 years, and we could lick the hyacinth menace."

There is, of course, another dimension to the picture. Johnny Lynch, a Federal biologist for the Mississippi wildfowl flyway, is a conservational and a stanch 2,4-D man, but he's also a realist. He says, "When a tug and some barges get stalled in a mat, the Corps of Engineers can't wait. They've got to go out and chaw a hole through the mat; that's their operational assignment. Of course, it's too bad that someone hasn't got the wits to see that giving us the money to exterminate the plant would also reduce a huge operational expense that otherwise will go on forever."

Some people approach the hyacinth problem from an entirely different angle. M. T. H. Relf, in a letter to the editor of the New Orleans Times-Picayune, suggests, "The water hyacinth could make our State one of the richest in the Union. We should import a few water buffalo from the Far East, turn them loose to feed on it and let them breed, and sooner or later we would have plenty of meat for our own tables and for the market, and the finest meat one ever tasted."

Cattle do eat water hyacinths—doggedly, persistently, and wholly unaware of the fact that their beautiful green leaves are 95 percent water and totally lacking in nutritive values. Some of the animals meet the fate described to me by a Cajun farmer, "My old cow she stand out there an' eat those hy'cinths 365 days and drop dead the next. She starve herself eating."

The water buffalo may not be the answer.

Other people have tried to adapt the hyacinth to commercial uses. Bill Wunderlich delivered 4 tons of the plants to 2 men who wanted to see if it could be made into wallboard. He says, tongue in cheek, "They ground it up, pressed it, and out came a mighty handsome shiny board. I thought they had something. But a couple of months later they told me they'd given up the idea. We'd had a spell of wet weather and the damned wallboard had sprouted on them."

So far the best answer to the hyacinth appears to be this: 2,4-D—and money. But the prediction made by Pete Dutton, the jovial giant in charge of the Louisiana Conservation Department's control program, may still come to pass. "I followed the ancient and honored profession of teaching the youth of America before I became a hyacinth fighter a few years back," Pete says. "The way things are going, I wouldn't be surprised if my present profession became an ancient and honored one in a few centuries—if the hyacinth doesn't take over first."

EIGHTY-THIRD CONGRESS, SECOND SESSION—FINAL REPORT

The SPEAKER. Under previous order of the House, the gentleman from New York [Mr. JAVITS] is recognized for 20 minutes.

Mr. JAVITS. Mr. Speaker, the occasion for this special order is to report to the people of my district. My remarks will be hereafter submitted.

Mr. SMITH of Wisconsin. Mr. Speaker, will the gentleman yield?

Mr. JAVITS. I yield to the gentleman from Wisconsin.

Mr. SMITH of Wisconsin. I am very glad that the gentleman is making this report. I know that his constituents will be very happy about it.

Mr. JAVITS. I thank the gentleman very much.

POSTPONEMENT OF SPECIAL ORDER

Mr. REES of Kansas. Mr. Speaker, I ask unanimous consent that the special order I have for today be vacated and that I may address the House tomorrow for 10 minutes after the legislative program and any special orders heretofore entered.

The SPEAKER. Without objection it is so ordered.

There was no objection.

FAMILY-SIZE FARM SHOULD BE ENCOURAGED

The SPEAKER. Under previous order of the House the gentleman from Texas [Mr. PATMAN] is recognized for 15 minutes.

Mr. PATMAN. Mr. Speaker, in an address to the House June 23, proposing a limitation on benefits under farm price-support programs which would hold them to an amount of production for each farmer sufficient to provide a good family income but no more, I outlined the history of the development of family-type agriculture in the United States as contrasted with big land ownership in Europe and other foreign lands. On yesterday, August 2, I made some further comments on this subject. The remarks may be found at page 13175 of yesterday's proceedings.

I mentioned the unrest in nations around the world where the people do not have ownership, favorable tenure, or security on the land.

I reviewed the evidence that the rise of large commercial farming in this country means a deterioration in community life, in religious and social life, and a decline in business activity.

The evidence is unmistakable that with the trend toward large, commercial farms with few owners and many laborers, business in rural communities declines, small business opportunities disappear, and the whole economy suffers.

Today I want to go into some of the statistical evidences that this undesirable trend toward big farms is occurring at a very rapid rate, and offer a House resolution directing the Secretaries of Agriculture and Interior to prepare studies, to be filed next January, which would assist us in dealing with the problem.

BIG FARMS GAIN 125 PERCENT IN 20 YEARS

The agricultural census for 1950 shows that land in farms of 1,000 acres or more has jumped from 220 million acres in 1920 to 494 million acres in 1950. This is a gain of 125 percent in total acreage in the largest size of farms under census classification.

The 1920 census showed that we had 995 million acres of land in farms and that those of 1,000 acres and up contained 23.1 percent of this total. Thirty years later, the 1950 census reveals 1,160 million acres in farms and 42.6 percent of this larger total in farms of 1,000 acres and up.

Under unanimous consent I include in the RECORD at this point a table showing land in farms by size of farm, taken from the 1950 Census of Agriculture. It traces total farm acreage, by size of farms, since 1920:

TABLE I.—*Land in farms by size of farm*

Size of farm	1950	1940	1930	1920
10 acres and under	2, 429, 505	2, 667, 754	1, 808, 370	1, 600, 287
10 to 49 acres	39, 335, 719	47, 498, 761	54, 040, 975	55, 152, 942
50 to 99 acres	75, 627, 697	93, 316, 691	98, 684, 750	105, 630, 796
100 to 259 acres	255, 330, 469	281, 797, 154	290, 498, 257	307, 243, 856
260 to 499 acres	166, 583, 952	159, 568, 522	156, 521, 810	164, 244, 399
500 to 999 acres	125, 981, 122	111, 934, 589	108, 924, 022	100, 975, 916
1,000 and more [1]	494, 500, 556	364, 068, 903	276, 212, 832	220, 653, 519
Percent	(42. 6)	(34. 3)	(28. 0)	(23. 1)
United States total [2]	1, 159, 789, 020	1, 060, 852, 374	986, 771, 016	955, 883, 715

[1] Acres per farm: 3,273 in 1920; 4,074 in 1950.
[2] Land in farms: 1900 there was 838 million acres; in 1910 there was 878 million acres.

Next, I offer a table showing the number of farms in the Nation from 1920 forward by size of farms. This table reveals a decline in number of farmers, a steady gain in the average size of farms, and a steady gain in the number of farms of 500 acres and up.

The biggest percentage gain is in number of farms of 1,000 acres and more. They have risen from 67,405 in 1920 to nearly twice that number in 1950—a total of 121,362 was reported in the 1950 agricultural census.

This increase in number of big farms only partially explains the great increase in total acreage in this largest class. Farms of 1,000 acres and more have not only increased in number, the census shows that there are more acres per unit. They averaged 3,273 acres per unit in 1920. They averaged 4,074 acres in the 1950 enumeration.

Under unanimous consent, I include a table on number of farms by size to appear in the RECORD at this point:

TABLE II.—*Number of farms by size*

	1950	1940	1930	1920
Under 10 acres	484, 914	506, 402	358, 504	288, 772
10 to 49 acres	1, 477, 850	1, 780, 260	2, 000, 005	2, 011, 495
50 to 99 acres	1, 047, 801	1, 291, 048	1, 374, 965	1, 474, 745
100 to 259 acres	1, 589, 887	1, 786, 077	1, 863, 520	1, 979, 430
260 to 499 acres	478, 084	458, 787	451, 338	475, 677
500 to 999 acres	182, 264	163, 694	159, 696	149, 819
1,000 acres and more	121, 362	100, 531	80, 620	67, 405
United States total	[1] 5, 382, 162	6, 096, 799	6, 288, 648	6, 448, 343
Average size of farm in United States	215. 3	194. 0	156. 9	148. 2

[1] Census attributes decline of 150,000 to 170,000 farms attributable to change in definitions which eliminated 247,038 "places" from the count, chiefly places over 3 acres with inconsequential agricultural production.

Mr. Speaker, I have separated out of the census tables figures on the growth of farms of 500 to 999 acres, and of 1,000 acres and more, since 1880, together with total acreage in such farms since 1900 when that figure was first obtained in connection with the enumeration.

This table again shows the steady growth of larger farms and under unanimous consent I place it in the RECORD:

TABLE III.—*Growth of large-sized farms*

	500 to 999 acres	Tota acres (in millions)	1 000 acres or more	Total acres (in millions)
1880	75, 972	----------	28, 578	----------
1890	84, 395	----------	31, 546	----------
1900	102, 526	67. 8	47, 160	197. 8
1910	125, 295	83. 7	50, 135	167. 1
1920	149, 819	101. 0	67, 405	220. 6
1930	159, 696	108. 9	80, 620	276. 2
1940	163, 694	111. 9	100, 531	364. 1
1950	182, 264	125. 9	121, 362	494. 5

The significance of all these figures is, of course, difficult to interpret fully in relation to our farm program problems without a picture of what the farms of 1,000 acres and more produce.

A statistical picture of them is available in the census.

As I have indicated, there are now 121,063 farms of 1,000 acres and more. Numerically they amount to 2.3 percent of the national total of 5,379,250 farms.

As I have indicated, this 2.3 percent of all farms includes 42.6 percent of all farm land, including 15.7 percent of the cropland harvested in 1949, 18.5 percent of all cropland, 63.6 percent of pasture land and 33.8 percent of irrigated lands in the Nation. This last figure may be of interest to those who are dealing with the efforts to set aside the 160-acre limit on benefits from Federal irrigation projects.

The farms of 1,000 acres and more, totalling 2.3 percent of all farms, marketed 14.6 percent of all products sold by farmers. This was divided into 15.7 percent of all field crops and 13.6 of all livestock.

In the field crop classification, it is interesting that the farms of 1,000 acres up marketed 26.4 percent of vegetables, 14.8 percent of fruits and nuts, 25.2 percent of cattle and calves; that they threshed 29.7 percent of all the wheat, and harvested 13.9 percent of all cotton. The large farms did not go in heavily for dairying—3.5 percent of all dairy products sold—or poultry—1.9 percent—or for corn, tobacco, and peanuts.

The very large production by these large farms of two of our crops with most troublesome surpluses—wheat and cotton—is worth noting in respect to the effect a family farm limitation might have. Nearly 30 percent of all wheat harvested in 1949 came from these giant farms and nearly 14 percent of cotton. If support was denied these farms for production above a reasonable level, it might very well speed a shift out of these commodities which are in surplus and have a beneficial effect on our production balance.

Under unanimous consent, I place in the RECORD at this point a table taken from the Agricultural Census of 1950 on characteristics of farms of 1,000 acres and more:

TABLE IV.—*Characteristics of farms of 1,000 acres and more*

	Al. farms	1,000 acres and more	Percent of total
Number	5, 379, 250	121, 063	2. 3
Land in farms	1, 159, 789, 020	494, 500, 556	42. 6
Cropland harvested	345, 528, 410	54, 215, 780	15. 7
All cropland	479, 371, 116	88, 450, 088	18. 5
Land pastured	619, 601, 813	394, 236, 380	63. 6
Irrigated land	25, 832, 480	8, 727, 944	33. 8
All products sold	22, 279, 502, 599	3, 262, 027, 555	14. 6
All crops	9, 819, 185, 008	1, 561, 412, 456	15. 9
Field, other than vegetable [1]	8, 032, 079, 094	1, 259, 319, 313	15. 7
Vegetables	620, 397, 332	164, 047. 128	26. 4
Fruits and nuts	292, 814, 981	117, 654, 938	14. 8
All livestock and products	12, 325, 622, 579	1, 675, 350, 648	13. 6
Dairy products	3, 139, 529, 000	110, 774, 358	3. 5
Poultry and poultry products	1, 888, 201, 872	36, 685, 229	1. 9
Other livestock and livestock products	7, 297, 891, 707	1, 527, 891, 061	20. 9
Cattle and calves (sold alive)	----------	----------	25. 2
Hogs and pigs (sold alive)	----------	----------	3. 5

[1] See the following:

	All farms	1,000 acres and more	Percent of total
Corn harvested bushels	2, 783, 502, 060	70, 148, 143	2. 5
Wheat threshed bushels	1, 008, 544, 957	299, 683, 530	29. 7
Cotton harvested bales	15, 422, 092	2, 144, 584	13. 9
Tobacco harvested pounds	1, 765, 743, 148	18, 730, 872	1. 1
Peanuts harvested pounds	1, 720, 699, 037	87, 390, 658	5. 1

Those who directed the agricultural census of 1950 have done a great service to research in the field of large farms by making a special separation of what are designated as "Large farms." The Census Bureau uses several criteria to determine if a farm should be classed as large.

I have just been discussing farms of 1,000 acres and more. The only criteria in selecting that group was acreage.

As we all know, 1,000 acres of arid land in the West is frequently of less value than 160 acres around Texarkana, or out in Iowa, in terms of productive capacity. Acreage alone is not always a good criteria. The Census consequently used a number of criteria to establish a class of what it designated as "Large farms." In its classification the Census includes:

First. Farms of 5,000 acres or more in the Western States, which are roughly the Dakotas, Nebraska, Kansas, Oklahoma, Texas, and others to the west, and farms of 1,000 acres or more in any other State.

Second. Farms with more than 999 acres of cropland in the West or more than 749 acres of cropland in the other States.

Third. Farms with 500 or more head of cattle in the West and 200 or more elsewhere.

Fourth. Farmers with 4,000 or more sheep in the West and 5,000 or more elsewhere.

Fifth. Farms which sold more than $70,000 worth of products in the year.

The definitions are given at page xxxii in the introduction to the 1950 Census of Agriculture.

The census enumerators found that there were 71,328 farms which met their criteria for large farms—only 1.3 percent of all the farms in the United States.

In a table at page xxi in the introduction to the 1950 Census of Agriculture it is shown that this 1.3 percent of farmers have 383 million acres of land, or 33.1 percent of all farmland in the United States. They market 17.3 percent of all farm commodities, including 42.6 percent of all vegetables, 15.7 percent of other field crops, 27.9 percent of fruits and vegetables, 20.8 percent of livestock other than poultry and dairy products, 30.3 percent of cattle, excluding calves, measured in dollar value, and 42 percent of sheep, measured in dollar value.

Under permission to extend my remarks, I insert in the RECORD at this point a portion of this census table showing the characteristics of these farms in the census classification of "Large farms":

TABLE V.—*Farms, farm characteristics and value of products sold, for specified large farms, by regions*

Item	The United States		The North		The South		The West	
	Total	Percent of total for all farms	Total	Percent of total for all farms	Total	Percent of total for all farms	Total	Percent of total for all farms
Farms, acreage, and value:								
Farms—number	71, 328	1. 3	19, 218	0. 8	28, 021	1. 1	24, 089	5. 2
Land in farms—acres	382, 992, 594	33. 1	50, 056, 337	11. 4	118, 830, 537	30. 2	214, 105, 720	66. 0
Value of land and buildings:								
Average per farm—dollars	142, 383	----------	106, 079	----------	146, 014	----------	168, 789	----------
Average per acre—do	26. 28	----------	33. 64	----------	30. 40	----------	21. 29	----------
Land in farms according to use, 1949:								
Cropland harvested:								
Farms reporting	61, 696	1. 3	18, 576	. 9	22, 631	1. 0	20, 489	5. 4
Acres	39, 427, 906	11. 4	13, 972, 397	6. 7	10, 861, 489	11. 2	14, 594, 020	36. 6

TABLE V.—*Farms, farm characteristics and value of products sold, for specified large farms, by regions*—Continued

Item	The United States		The North		The South		The	
	Total	Percent of total for all farms	Total	Percent of total for all farms	Total	Percent of total for all farms	Total	Percent of total for all farms
Farms, acreage, and value—Continued								
Land in farms according to use, 1949—Continued								
Cropland used only for pasture:								
Farms reporting	27,110	1.3	7,483	.7	13,192	1.4	6,435	4.4
Acres	11,470,161	16.5	1,876,932	6.5	5,056,908	16.4	4,536,321	48.1
Woodland pastured:								
Farms reporting	23,165	1.4	3,664	.5	16,507	1.8	2,994	4.1
Acres	47,210,883	35.0	1,256,013	4.3	22,629,458	32.6	23,325,412	64.8
Other pastures (not cropland and not woodland):								
Farms reporting	39,793	1.9	11,702	1.1	12,700	1.5	15,391	9.5
Acres	247,031,425	59.4	25,779,303	25.6	63,224,990	59.5	158,027,132	75.7
Irrigated land in farms:								
Farms reporting	13,788	4.5	1,000	5.5	2,572	6.6	10,216	4.1
Acres	7,956,707	30.9	176,261	14.0	1,340,758	29.5	39,688	32.2
Farms by size:								
Under 30 acres—number	1,256	.1	483	.1	217	(1)	556	.3
30 to 259 acres—do	2,879	.1	992	.1	785	(1)	1,102	.6
260 to 499 acres—do	2,892	.6	1,037	.4	941	.6	914	2.5
500 to 999 acres—do	7,508	4.1	1,869	2.1	4,435	7.3	1,204	3.9
1,000 acres and over—do	56,793	46.8	14,837	40.6	21,643	59.6	20,313	41.9
Farms by economic class:								
Commercial farms—number	68,399	1.8	18,808	1.1	25,812	1.6	23,779	7.4
Class I (value of products sold, $25,000 or more)—do	34,129	33.1	9,425	21.5	10,989	39.0	13,715	43.9
Class II (value of products sold, $10,000 to $24,999)—do	19,095	5.0	6,334	2.6	6,256	8.0	6,505	11.1
Class III–VI (value of products sold, $250 to $9,999)—do	15,175	.5	3,049	.2	8,567	.6	3,559	1.5
Other farms—do	2,929	.2	410	.1	2,209	.2	310	.2
Value of farm products sold, by source:								
All farm products sold—dollars	3,805,146,050	17.3	1,020,652,165	8.8	1,094,815,687	17.2	1,689,678,198	41.9
Field crops, other than vegetables, fruits and nuts sold—do	1,260,540,331	15.7	259,187,142	8.4	414,157,039	11.6	587,196,150	42.9
Vegetables sold—do	258,870,827	42.6	30,696,718	16.9	58,745,240	36.6	169,428,869	63.8
Fruits and nuts sold—do	221,205,713	27.9	17,334,656	13.1	91,467,722	44.0	112,403,335	24.9
Horticultural specialties sold—do	178,062,748	45.4	105,495,667	44.1	36,437,968	47.9	36,129,113	47.1
Dairy products sold—do	206,731,354	6.7	44,670,050	2.1	62,443,656	12.5	99,617,638	24.3
Poultry and poultry products sold—do	156,376,942	8.6	61,128,769	5.5	47,909,743	11.2	47,338,430	16.7
Livestock and livestock products, other than poultry and dairy, sold—do	1,499,080,452	20.8	500,594,215	10.6	363,080,340	27.1	635,405,897	54.4
Forest products sold—do	24,277,683	18.0	1,544,938	4.3	20,573,979	24.5	2,158,766	14.8
Cattle and dairy products:								
Cattle and calves:								
Farms reporting	57,305	1.4	15,622	.8	23,415	1.2	18,268	6.1
Number	13,985,767	18.2	2,801,404	7.1	5,586,341	22.9	5,598,022	43.0
Cows, including heifers that have calved:								
Farms reporting	55,411	1.4	14,940	.8	22,833	1.2	17,638	6.2
Number	6,283,798	16.9	976,577	5.3	2,758,422	21.7	2,548,799	41.2
Milk cows:								
Farms reporting	43,809	1.2	12,956	.8	16,756	1.0	14,097	5.5
Number	667,385	3.1	170,786	1.3	252,754	4.2	243,845	12.9
Whole milk sold:								
Farms reporting	6,849	.6	2,430	.3	2,704	1.1	1,715	1.9
Pounds	3,670,560,223	5.4	783,464,662	1.6	971,873,135	10.4	1,915,222,426	20.4
Dollars	201,359,160	7.4	41,681,077	2.2	61,178,553	13.3	98,499,530	25.4
Cream sold:								
Farms reporting	8,614	1.0	4,945	.8	881	.4	2,788	4.6
Pounds of butterfat	7,325,869	1.3	4,437,128	.9	1,420,908	2.3	1,467,883	4.0
Dollars	4,649,737	1.3	2,807,429	.9	863,580	2.6	978,728	4.4
Butter, buttermilk, skim milk, and cheese sold:								
Farms reporting	664	.6	96	.5	512	.5	56	3.2
Dollars	643,009	6.2	181,554	5.6	322,075	4.7	139,380	41.2
Hogs:								
Hogs and pigs								
Farms reporting	30,942	1.0	9,777	.8	14,439	.9	6,726	5.6
Number	2,110,485	3.8	1,039,043	2.6	744,208	5.6	327,234	20.3
Sows and gilts for spring farrowing:								
Farms reporting	20,038	1.2	7,170	.7	9,474	1.4	3,394	6.3
Number	283,573	3.0	156,953	2.0	88,857	5.4	37,763	16.8
Sheep and wool:								
Sheep and lambs:								
Farms reporting	10,119	3.2	2,207	1.1	3,671	4.7	4,241	10.4
Number	13,530,050	43.1	752,998	9.2	4,749,950	45.3	8,027,102	62.9
Sheep and lambs born before Oct. 1, 1949:								
Farms reporting	9,924	3.2	2,150	1.1	3,640	4.9	4,134	11.1
Number	10,076,497	46.2	588,960	10.8	3,263,693	47.5	6,223,844	65.7
Ewes:								
Farms reporting	9,696	3.2	2,092	1.1	3,560	4.8	4,044	11.2
Number	9,280,515	46.8	465,817	9.6	2,831,181	47.8	5,983,517	66.3
Sheep and lambs shorn:								
Farms reporting	9,042	3.2	2,042	1.1	3,241	4.8	3,759	12.3
Number shorn	10,548,483	47.0	660,041	11.6	3,298,649	48.0	6,589,793	66.7
Wool shorn—pounds	87,396,859	48.9	4,987,284	11.2	24,345,196	49.5	58,064,379	68.3
Poultry and poultry products:								
Chickens, 4 months old and over, on hand:								
Farms reporting	42,828	1.0	11,895	.7	16,766	.8	14,173	4.8
Number	7,273,669	2.1	3,305,040	1.6	1,583,429	1.7	2,385,200	6.9
Chickens sold:								
Farms reporting	12,145	.7	5,568	.5	3,735	.6	2,842	3.2
Number	67,351,745	11.5	16,986,748	7.0	42,417,487	14.6	7,947,910	14.2
Dollars	64,325,479	11.3	20,766,508	7.5	36,279,959	15.0	7,779,012	13.8
Chicken eggs sold:								
Farms reporting	20,579	.9	8,085	.6	6,522	.7	5,974	4.4
Dozens	64,980,784	2.7	34,281,260	1.9	8,967,105	2.6	21,732,419	7.4
Dollars	32,605,970	3.2	17,175,270	2.4	4,284,871	3.0	11,145,829	7.9
Animals sold alive:								
Cattle, hogs, sheep, horses, or mules sold alive:								
Farms reporting	56,518	1.6	15,627	.9	23,000	1.5	17,891	7.2
Dollars	1,445,880,474	20.5	495,507,136	10.6	345,091,543	26.6	605,281,795	54.4
Cattle and/or calves sold alive, farms reporting	51,991	1.7	14,838	.9	20,848	1.8	16,305	7.5
Cattle sold alive, excluding calves:								
Farms reporting	44,981	2.4	13,635	1.2	16,424	3.0	14,922	8.9
Number	5,817,413	28.1	1,859,840	15.9	1,439,605	33.5	2,517,968	53.9
Dollars	1,021,645,361	30.3	375,865,437	18.2	208,204,455	36.8	437,575,469	58.6

[1] 0.05 percent or less.

TABLE V.—*Farms, farm characterticsis and value of products sold, for specified large farms, by regions*—Continued

Item	The United States		The North		The South		The West	
	Total	Percent of total for all farms	Tota.	Percent of total for all farms	Total	Percent of total for all farms	Total	Percent of total for all farms
Animals sold alive—Continued								
Calves sold alive:								
Farms reporting	32,574	1.4	7,296	.6	15,543	1.6	9,735	6.9
Number	2,180,217	14.0	281,382	3.5	1,134,012	20.4	764,823	36.6
Dollars	163,960,236	17.8	22,596,254	5.4	83,613,898	23.1	57,750,084	41.3
Hogs and pigs sold alive:								
Farms reporting	25,672	1.2	9,458	.8	11,515	1.4	4,699	5.2
Number	2,742,136	4.2	1,606,291	3.1	708,907	6.3	426,938	19.5
Dollars	106,204,230	4.5	67,526,862	3.3	21,715,266	7.6	16,962,102	22.9
Sheep and lambs sold alive:								
Farms reporting	8,906	3.3	2,207	1.2	3,089	4.8	3,610	12.6
Number	8,749,298	43.7	1,451,981	21.5	1,958,363	41.8	5,338,954	62.3
Dollars	146,765,670	43.0	27,893,830	22.3	26,972,577	39.2	91,899,263	62.3
Horses and mules sold alive:								
Farms reporting	6,569	2.6	1,838	1.4	2,404	2.4	2,327	9.8
Number	56,468	9.1	14,028	4.2	15,685	8.0	26,755	30.1
Dollars	8,441,717	21.1	1,024,753	9.6	5,722,086	30.5	1,094,878	25.5
Specified crops harvested:								
Corn for all purposes:								
Farms reporting	24,729	.7	9,605	.6	13,231	.7	1,893	4.0
Acres	2,850,603	3.4	1,511,663	2.5	1,162,408	5.1	176,532	16.5
Harvested for grain:								
Farms reporting	20,660	.6	7,285	.5	12,570	.7	805	2.9
Acres	2,262,843	3.0	1,157,637	2.2	1,008,055	4.7	97,151	14.8
Bushels	79,974,244	2.9	48,082,479	2.1	29,619,350	6.0	2,272,415	13.7
Corn sold, bushels	22,500,770	2.6	16,557,197	2.1	4,693,132	7.0	1,250,441	15.5
Wheat threshed or combined:								
Farms reporting	25,186	2.2	11,156	1.4	4,223	1.7	9,807	8.1
Acres	15,181,200	21.3	5,610,020	13.0	2,654,658	19.2	6,916,522	48.7
Bushels harvested	217,725,367	21.6	68,309,874	11.7	38,169,100	20.6	111,246,393	46.7
Bushels sold	199,819,011	23.6	61,321,630	12.9	35,412,980	22.4	103,084,401	48.7
Oats threshed or combined: [1]								
Farms reporting	17,203	1.2	8,810	.8	5,263	3.2	3,130	5.3
Acres	1,366,413	3.9	728,085	2.3	430,612	14.1	207,716	17.2
Bushels harvested	38,857,197	3.4	21,631,163	2.1	11,196,847	15.2	6,029,187	14.3
Bushels sold	12,489,043	5.2	6,262,166	3.2	3,623,724	16.1	2,603,153	14.7
Peanuts harvested for picking or threshing: [2]								
Farms reporting	1,791	1.0	(2)	(2)	1,791	1.0	----------	----------
Acres grown alone	108,518	5.1	(2)	(2)	108,518	5.1	----------	----------
Acres grown with other crops	190	5.0	(2)	(2)	190	5.0	----------	----------
Pounds harvested	85,735,822	5.0	(2)	(2)	85,735,822	5.0	----------	----------
Land from which hay was cut:								
Farms reporting	36,951	1.4	13,506	.9	11,103	1.2	12,342	5.5
Acres	7,787,935	11.9	3,633,449	8.3	1,123,875	9.5	3,030,611	30.4
Irish potatoes harvested for home or for sale:								
Farms reporting	9,744	.6	3,644	.6	4,034	.4	2,066	3.8
Acres	240,318	15.9	108,736	12.7	35,542	13.0	98,040	24.3
Bushels harvested	76,156,852	20.8	30,971,121	14.9	5,775,978	16.2	39,409,753	32.2
Sold, dollars	88,362,644	24.9	32,152,320	16.9	9,010,058	26.6	47,200,266	36.2
Cotton harvested: [2]								
Farms reporting	9,889	.9	110	.7	8,433	.8	1,346	10.0
Acres	2,930,546	11.0	36,611	6.2	2,105,951	8.6	787,984	51.8
Bales harvested	2,581,360	16.7	29,629	6.2	1,361,795	10.5	1,189,936	58.8
Lint cotton and cottonseed sold, dollars	372,433,387	17.0	3,986,164	6.0	198,648,365	10.8	169,798,858	58.4
Tobacco harvested:								
Farms reporting	1,507	.3	123	.4	1,384	.3	----------	----------
Acres	27,862	1.8	11,605	10.1	16,257	1.1	----------	----------
Pounds harvested	33,615,448	1.9	14,049,634	8.7	19,565,814	1.2	----------	----------
Sold, dollars	42,614,916	5.2	28,488,033	36.0	14,126,883	1.9	----------	----------
Sugarcane harvested for sugar or sale to mills:								
Farms reporting	241	4.8	----------	----------	241	4.8	----------	----------
Acres	173,375	54.3	----------	----------	173,375	54.3	----------	----------
Pounds harvested	3,618,227	57.4	----------	----------	3,618,227	57.4	----------	----------
Sold, dollars	23,214,743	58.2	----------	----------	23,214,743	58.2	----------	----------
Sugar beets harvested for sugar: [2]								
Farms reporting	909	3.3	9.5	.9	----------	----------	814	4.9
Acres	104,028	15.7	11,003	5.1	----------	----------	93,025	21.0
Tons harvested	1,886,989	19.0	122,112	5.1	----------	----------	1,764,877	23.4
Sold, dollars	22,592,899	20.3	1,373,989	5.2	----------	----------	21,218,910	25.0
Land in bearing and nonbearing orchards, groves, vineyards, and planted nut trees:								
Farms reporting	19,241	.9	3,862	.4	10,509	1.0	4,870	2.2
Acres	880,939	18.7	53,788	5.1	523,482	28.5	303,669	16.6

[1] Totals for States for which data were tabulated for large farms. The totals for States for which data were not tabulated for large farms represented the following proportions of the totals for all farms for the United States:

	Percent
Wheat:	
Acres	0.4
Bushels harvested	.3
Bushels sold	.2
Peanuts:	
Acres, less than	.05
Pounds harvested, less than	.05
Tobacco:	
Acres	.4
Pounds harvested	.4
Oats:	
Acres	0.1
Bushels harvested	.1
Bushels sold	.1
Cotton:	
Acres, less than	.05
Bales harvested, less than	.05
Sugar beets for sugar:	
Acres	14.4
Tons harvested	11.9

[2] Not available.

Next, I want to take up another classification of farms which also gives us some indication of the possible effect of a limitation of benefits of farm price-support programs to a good family income and no more.

The Agricultural Census has divided farms into six economic groups.

Class I in this analysis includes farms with gross income of $25,000 and more.

Class II includes farms of $10,000 to $24,999.

Class III includes farms of $5,000 to $9,999 gross income.

Class IV includes farms of $2,500 to $4,999 gross income.

Class V includes farms of $1,200 to $2,499 gross income.

Class VI includes farms with gross income of $250 to $1,199.

There is also a final classification "Other farms" which includes 1,672,000 subsistence and other noncommercial types.

A total of $22.3 billion gross farm sales were reported to the Census enumerators. Twenty-six percent of this total went to just 103,231 farms in class I—only 1.9 percent of all farms—which sold $25,000 and more of products. They sold

a total of $5.786 billion of products out of the national total of $22.3 billion. This amounts to approximately $56,000 per farm.

In class II, farms with gross income of $10,000 to $24,999, there were 381,151 farms—7.1 percent of all farms. These farms sold 24.8 percent of all marketed farm products, or about $14,500 each.

Under unanimous consent I insert in the RECORD at this point a table based on the census data showing the number of farms by economic classes, value of products sold, and the value of products sold by the various classes expressed in percentage of national totals.

TABLE VI.—*Value of products of farms by economic classes*

	Number of farms	Percent of all farms	Products sold	Percent of United States total	Farm products sold per farm	Value of products sold, percent of total of all farms					
						Field crop	Vegetable	Dairy	Poultry eggs	Cattle calves	Hogs and pigs
Class I—$25,000 and more	103,231	1.9	$5,786,964,265	26.0	$56,058	22.5	55.1	13.7	22.9	37.2	11.4
Class II—$10,000 to $24,999	381,151	7.1	5,517,034,144	24.8	14,479	24.5	15.7	25.4	24.8	24.8	31.2
Class III—$5,000 to $9,999	721,211	13.4	5,060,528,547	22.7	7,017	21.9	11.5	31.5	23.2	18.3	31.8
Class IV—$2,500 to $4,999	882,302	16.4	3,198,160,839	14.4	3,625	15.9	8.1	18.9	14.9	10.6	15.2
Class V—$1,200 to $2,499	901,316	16.8	1,634,395,317	7.3	1,813	9.7	4.8	7.0	7.6	5.1	6.0
Class VI—$250 to $1,199	717,201	13.3	516,133,490	2.3	720						
Other	1,672,838		566,345,907	2.5	612						
Total	5,379,250	92.2	22,279,562,509	100.0							

This table is particularly interesting since it gives us some clue to what a family farm limitation on benefits from price supports would do in terms of withdrawing support from excess production.

I have not determined in my own mind where such a limitation should be set, in dollars.

But let us assume that we set it at $10,000 gross income.

This table indicates that products worth $11,304,000,000—more than 50 percent of all farm products marketed—comes off 484,000 farms in classes I and II where 1950 incomes exceeded $10,000. This is less than 10 percent of all farms. If these farmers received support only on their first $10,000 of production the supported production would aggregate $4,840,000,000. That would leave $6,464,000,000 of their production beyond the support bracket to be sold in the market place without Government aids. The total unaided—over and above price-supported quantities—would be 29 percent of the national total of all farm products marketed.

If the support level were reduced to $7,000—a figure which Mr. E. G. Shinner, of the Shinner Foundation, once used in a discussion of this subject, another 5 to 7 percent of farm production would go into the unsupported class.

Regardless of where we may ultimately set a limitation on the benefit from supports, I believe that a great majority of the Members of the Congress will agree that at some point the United States Government should cease to underwrite the profitability of great industrialized farm operations which are displacing family farmers and thereby bringing on a deterioration in our American way of life and in our economic strength.

The argument in favor of large farms is greater efficiency—an argument that does not stand up under examination—particularly if social, human, and political values are given any weight whatever.

It is not real efficiency to reduce the cost of producing commodities by eliminating family farmers and replacing with low-paid migrants who become a community problem, a drain on tax-supported relief agencies, a source of juvenile delinquency, of unhappiness and human misery.

It is not efficiency to destroy the foundation of hundreds of thousands of small-town business establishments, and the ultimate foundations of great industries and of our whole national economy.

Our ability to produce is currently outrunning our ability to consume. Increased efficiency is displacing more than a million industrial workers every year, and we are not currently providing new jobs for them. Rising unemployment, growing poverty, and suffering are the result.

Mechanization and increased efficiency in production, even on family farms, has already displaced millions in agriculture.

Under unanimous consent, I place in the RECORD table No. VII which shows from census data how our population has grown since 1900, while farm population has declined. People on farms made up 29.9 percent of our total population in 1920 but only 15.5 percent in 1950. The actual number of people on farms declined from 31.6 million in 1920 to 23.3 million in 1950, according to the census data.

TABLE VIII.—*Total, rural and farm population (census data)*

Year	Total	Farm	Percent of total
1900	75,994,575		
1910	91,972,266		
1920	105,710,620	31,614,269	29.9
1930	122,775,046	30,445,350	24.8
1940	131,669,275	30,546,911	23.2
1950	150,697,361	23,331,738	15.5

The Bureau of Agricultural Economics and the Census Bureau have published adjusted data on farm population, allowing for census changes in definition of farms and some other factors, which indicates a slightly higher total on farms today—24.8 million instead of the 23.3 million shown in the raw census data.

These adjusted figures show a downtrend in farm population between 1916 and 1952 of three-fourths of 1 percent per year. But that downward trend has been much greater since 1932—at a rate of about 1⅓ percent loss each year.

If the accelerated trend continues, farm population will drop under 20 million in about 1967. During a half century of national growth, we will have actually eliminated the places of more than 11 million citizens on the farms of the Nation.

There are those, with an eye on bookkeeping only, who think that we have an excess of farmers yet today; that the solution to the farm problem is to consolidate farms and drive more people from the land.

They attribute no value to farming as a way of life. They allow nothing for the great social worth of the rural home. They disregard the consequences which will appear in the rural communities—less business activity, displaced professional and skilled workers.

They have apparently forgotten that the objective of our society is not just the creation of gadgets but is the creation of political and economic freedom and security for the people of our Nation; and that increased efficiency is of negative worth when it is achieved at the expense of human well-being.

With millions again unemployed in this Nation, it is time that we looked at the forces which are adding displaced farm people to the rolls of those without means of earning a living. It is time that we looked to see the extent to which unlimited price supports are responsible for the accelerated decline in farm population; and how such programs can be limited to underwrite a good family income only.

Mr. Speaker, I am inserting a proposed House resolution.

It does not attempt to impose a limitation on benefits from the farm price support programs. It simply directs the Secretary of Agriculture to make a study and report back to us next January on methods by which such a limitation might be imposed. It does affirm that it is the basic policy of this House of Representatives to preserve, improve, and foster family-type agriculture.

I feel sure that this resolution will be welcomed by the Department of Agriculture. The National Agricultural Advisory Committee is studying family farm problems this year. The Secretary of Agriculture has recently given a great

deal of publicity to big price support loans on cotton, wheat, and corn, himself criticizing our farm price supports because of the disproportionately large benefits of the few. I am sure that if he does not already have a staff working on a limitation that will correct the situation about which he has himself been very critical that he will be happy to institute such a study and share it with us.

The resolution additionally asks the Secretary of Interior to report to us on the workings of the 160-acre limitation in our land and reclamation laws so we may review them if need be.

These studies should not entail additional expense to the departments. Both have research staffs. Both will benefit, in administrative actions, from the availability of the material which is requested.

I am inviting the attention of both the Committee on Agriculture and the Committee on Interior to this proposed resolution in the hope that it will be given consideration. In view of the lateness in the session of the Congress, let me say to the chairmen of those committees that I would be most happy if arrangements can be made with the Departments for the studies without the necessity of formal action by the House.

I might myself have taken up the studies with the appropriate officials but I felt it would be better in line with proper procedures if handled by the appropriate committees.

The resolution follows:

RESOLUTION

Family farms, which pressed America's frontiers from the Atlantic to the Pacific, today remain essential to a good American economy and society.

Displacement of family farms by large commercial farms employing low-pay and migrant workers results in the decline and failure of businesses in rural comunities, a decline in religious, social, and political participation of citizens—a deterioration from the American standard of many economically independent citizens to a pattern of a few rich and many very poor.

Continued widespread disappearance of the family farm will seriously affect major businesses, industry, and employment as well as those enterprises which deal directly with farmers.

Because of this importance of family farming to our economy and way of life, it is hereby declared the policy of the House of Representatives to preserve, improve, and foster family-type agriculture.

As a step toward congressional implementation of such policy, the Secretary of Agriculture is directed to have made a study of means by which the benefits of farm price support programs may be limited to an amount of farm production as will provide a good family income and no more, reviewing past limitations of a similar nature or proposals of such limitations in connection with farm programs and reporting on other suggestions or plans. Such study shall be professional in nature, indicating advantages or disadvantages of various means of applying such a limitation, and the report shall not be deemed to represent a recommendation or proposal of the authors. A report shall be filed with the House of Representatives or the Departments during January 1955.

As a further step toward implementation of such policy, the Secretary of the Interior is directed to make a report to the House of Representatives during January 1954, on compliance with the 160-acre limitation in homestead and reclamation matters, any regulations which permit families to exceed the 160-acre limitation and extent of such excess holding, Federal contracts or arrangements with local water districts which bypass the limitation provisions of the Federal law, statutory exemptions from the limitation enacted or proposed since enactment of the reclamation law, applicability of the limitation to land or water programs of other departments of Government, or any other circumstances whereby the Federal family-farm policy implicit in the 160-acre limitation of the reclamation law is modified, avoided, or made inapplicable.

DIRECT LOANS TO VETERANS

The SPEAKER. Under previous order of the House, the gentlewoman from Massachusetts [Mrs. ROGERS] is recognized for 10 minutes.

Mrs. ROGERS of Massachusetts. Mr. Speaker, the hour is late, and I shall take only a minute or two. I should like to remind the House that the Senate passed H. R. 8152, the bill which provides for direct loans for homes and farmhouses to veterans under the GI bill of rights. The House passed a bill providing for an appropriation of $100 million. The Senate increased it to $200 million, just as it did a similar bill last year. We appreciate the fact that the gentleman from Alabama [Mr. SPARKMAN] and others in the other body have been very helpful. It is already on the Speaker's table.

I hope tomorrow that the bill will be taken up if it comes over from the Senate. I shall move, if the author, the gentleman from Ohio [Mr. AYRES], does not, to take up the bill and concur in the Senate amendment raising the amount to $200 million. If that does not happen, I shall take the bill up and send it to conference. It was unanimously voted out of our committee to accept the Senate figure of $200 million. The House may be interestd to know that the committee has been deluged with requests that it pass.

I should like to remind the House that there are a number of very fine bills at small cost before the Committee on Rules. I have almost forgotten how the Committee on Rules looks, it has been so difficult for our committee to get in there.

There is still time to pass those bills.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the RECORD, or to revise and extend remarks, was granted to:

Mr. VURSELL.

Mr. FRELINGHUYSEN.

Mr. SADLAK and to include an editorial.

Mr. RODINO.

Mr. REED of New York in three instances.

Mr. ALLEN of California and to include additional matter.

Mr. WAMPLER.

Mr. SHORT.

ENROLLED BILLS SIGNED

Mr. LECOMPTE, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H. R. 2098. An act to provide for the compensation of certain persons whose lands have been flooded and damaged by reason of fluctuations in the water level of the Lake of the Woods.

The SPEAKER announced his signature to enrolled bills and joint resolutions of the Senate of the following titles:

S. 1244. An act relating to the renewal of star-route and screen vehicle service contracts;

S. 2027. An act authorizing the Secretary of the Interior to issue quitclaim deeds to the States for certain lands;

S. 2389. An act to amend the act of December 3, 1942;

S. 2408. An act to amend the Merchant Marine Act, 1936, to provide a national defense reserve of tankers and to promote the construction of new tankers, and for other purposes;

S. 2453. An act to amend the Communications Act of 1934, as amended, with respect to implementing the International Convention for the Safety of Life at Sea relating to radio equipment and radio operators on board ship;

S. 2864. An act to approve an amendatory repayment contract negotiated with the North Unit irrigation district, to authorize construction of Haystack Reservoir on the Deschutes Federal reclamation project, and for other purposes;

S. 3137. An act to amend the provisions of the act of August 28, 1937, relating to the conservation of water resources in the arid and semiarid areas of the United States, applicable to the entire United States, and to increase and revise the limitation on aid available under the provisions of the said act, and for other purposes;

S. 3464. An act to amend the Communications Act of 1934, in order to make certain provision for the carrying out of the Agreement for the Promotion of Safety on the Great Lakes by Means of Radio;

S. 3681. An act to authorize the Civil Service Commission to make available group life insurance for civilian officers and employees in the Federal service, and for other purposes;

S. 3697. An act to amend the act of April 6, 1937, as amended, to include cooperation with the Governments of Canada and Mexico or local Canadian or Mexican authorities for the control of incipient or emergency outbreaks of insect pests or plant diseases;

S. 3699. An act granting the consent of Congress to a compact entered into by the States of Louisiana and Texas and relating to the waters of the Sabine River;

S. J. Res. 67. Joint resolution to repeal certain World War II laws relating to return of fishing vessels, and for other purposes; and

S. J. Res. 149. Joint resolution designating the month of September 1955 as John Marshall Bicentennial Month, and creating a commission to supervise and direct the observance of such month.

ADJOURNMENT

Mr. NICHOLSON. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 12 minutes p. m.), the House adjourned until tomorrow, Thursday, August 5, 1954, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1805. A letter from the Acting Secretary of Agriculture, transmitting the report on

cooperation of the United States with Mexico in the control and eradication of foot-and-mouth disease for the month of June 1954, pursuant to Public Law 8, 80th Congress; to the Committee on Agriculture.

1806. A letter from the Archivist of the United States, transmitting a report on records proposed for disposal and lists or schedules covering records proposed for disposal by certain Government agencies; to the Committee on House Administration.

1807. A letter from the Secretary of State, transmitting the second semiannual report of the Administrator of the Refugee Relief Act of 1953, pursuant to section 19 of Public Law 203, 83d Congress; to the Committee on the Judiciary.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. SCHENCK: Committee on House Administration. House Resolution 695. Resolution authorizing the printing of additional copies of the report of the Committee on Public Works on the St. Lawrence Seaway; without amendment (Rept. No. 2613). Referred to the House Calendar.

Mr. SCHENCK: Committee on House Administration. House Concurrent Resolution 267. Concurrent resolution authorizing the printing of additional copies of the hearings held by the Joint Committee on Atomic Energy relative to the contribution of atomic energy to medicine; without amendment (Rept. No. 2614). Referred to the House Calendar.

Mr. SCHENCK: Committee on House Administration. Senate Concurrent Resolution 97. Concurrent resolution to print additional copies of part 6 of the hearings held before a subcommittee of the Committee on Interior and Insular Affairs relative to stockpile and accessibility of strategic and critical materials to the United States in time of war; without amendment (Rept. No. 2615). Referred to the House Calendar.

Mr. SCHENCK: Committee on House Administration. Senate Concurrent Resolution 98. Concurrent resolution to print additional copies of an interim report entitled "Activities of United States Citizens Employed by the United Nations"; without amendment (Rept. No. 2616). Referred to the House Calendar.

Mr. SCHENCK: Committee on House Administration. Senate Concurrent Resolution 99. Concurrent resolution to print additional copies of hearings entitled "Strategy and Tactics of World Communism"; without amendment (Rept. No. 2617). Referred to the House Calendar.

Mr. HOFFMAN of Michigan: Committee on Government Operations. Twenty-fourth report pertaining to organization and administration of the military research and development programs (Rept. No. 2618). Referred to the Committee of the Whole House on the State of the Union.

Mr. REES of Kansas: Committee on Post Office and Civil Service. Third intermediate report pertaining to a survey and study of post office operations (Rept. No. 2619). Referred to the Committee of the Whole House on the State of the Union.

Mr. MILLER of Nebraska: Committee on Interior and Insular Affairs. H. R. 10074. A bill to authorize the replacement of certain Government-owned utility facilities at Glacier National Park, Mont., and Grand Canyon National Park, Ariz.; without amendment (Rept. 2620). Referred to the Committee of the Whole House on the State of the Union.

Mr. MILLER of Nebraska: Committee on Interior and Insular Affairs. S. 118. An act to authorize the Secretary of the Interior to construct, operate, and maintain the Washita River Basin reclamation project, Oklahoma; with amendment (Rept. No. 2621). Referred to the Committee of the Whole House on the State of the Union.

Mr. GRAHAM: Committee on the Judiciary. S. 2308. An act to authorize and direct the investigation by the Attorney General of certain offenses, and for other purposes; with amendment (Rept. No. 2622). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BOYKIN:

H. R. 10170. A bill to provide for an ad valorem duty on the importation of shrimp; to the Committee on Ways and Means.

By Mr. GRANT:

H. R. 10171. A bill to provide for an ad valorem duty on the importation of shrimp; to the Committee on Ways and Means.

By Mr. HAGEN of California:

H. R. 10172. A bill to amend section 46 of the act of May 25, 1926, and thereby modify the excess land and repayment provisions of the Federal reclamation laws; to the Committee on Interior and Insular Affairs.

By Mr. HÉBERT:

H. R. 10173. A bill to provide for an ad valorem duty on the importation of shrimp; to the Committee on Ways and Means.

By Mr. LONG:

H. R. 10174. A bill to provide for an ad valorem duty on the importation of shrimp; to the Committee on Ways and Means.

By Mr. LYLE:

H. R. 10175. A bill to provide for an ad valorem duty on the importation of shrimp; to the Committee on Ways and Means.

By Mr. MORRISON:

H. R. 10176. A bill to provide for an ad valorem duty on the importation of shrimp; to the Committee on Ways and Means.

By Mr. PASSMAN:

H. R. 10177. A bill to provide for an ad valorem duty on the importation of shrimp; to the Committee on Ways and Means.

By Mr. RHODES of Pennsylvania:

H. R. 10178. A bill to provide certain benefits for annuitants who retired under the Civil Service Retirement Act of May 29, 1930, prior to April 1, 1948; to the Committee on Post Office and Civil Service.

By Mr. THOMPSON of Louisiana:

H. R. 10179. A bill to provide for an ad valorem duty on the importation of shrimp; to the Committee on Ways and Means.

By Mr. THOMPSON of Texas:

H. R. 10180. A bill to provide for an ad valorem duty on the importation of shrimp; to the Committee on Ways and Means.

By Mr. UTT:

H. R. 10181. A bill to amend the Fair Labor Standards Act of 1938, as amended; to the Committee on Education and Labor.

By Mr. CRUMPACKER:

H. J. Res. 581. Joint resolution proposing an amendment to the Constitution of the United States relating to the procedure for amending the Constitution; to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. HUNTER:

H. R. 10182. A bill for the relief of Adelaido Jimenez-Solorio; to the Committee on the Judiciary.

By Mr. JAVITS:

H. R. 10183. A bill for the relief of Oswald E. Kohlruss, Antonie Kohlruss, and Evelyne Hedy Kohlruss; to the Committee on the Judiciary.

By Mr. NORBLAD:

H. R. 10184. A bill for the relief of Tomas Gumtang Subia; to the Committee on the Judiciary.

By Mr. RAY:

H. R. 10185. A bill for the relief of Anthony J. Varca, Jr.; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII.

1132. Mr. PHILBIN presented a petition of Paul Smith, of South Lancaster, Mass., and others in favor of legislation to prohibit alcoholic beverage advertising on the radio and television and in magazines and newspapers, which was referred to the Committee on Interstate and Foreign Commerce.

EXTENSIONS OF REMARKS

Suggested Statement on Tax-Practice Bill

EXTENSION OF REMARKS
OF
HON. DANIEL A. REED
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Wednesday, August 4, 1954

Mr. REED of New York. Mr. Speaker, I have introduced H. R. 9922 to clarify and extend the authority of the Treasury Department to regulate the practice of lawyers, certified public accountants, and others who assist the public in the determination of Federal-tax liabilities, preparation of tax returns, and in the settlement of cases in dispute with the Internal Revenue Service. This bill has three purposes:

First, to clarify the responsibility and authority of the Treasury Department to protect the Government and the public from incompetent or unethical tax practitioners;

Second, to establish the fact that control of Federal tax practice must lie with the Congress and the Federal Government;

Third, to guard against the danger that qualified professional assistance may not be available to all taxpayers at reasonable cost.

After extensive hearings, two subcommittees of the Ways and Means Committee have recently recommended that the Treasury Department should be authorized by the Congress to exercise stricter control over individuals who assist others in income tax matters for a fee. The present authority of the

Treasury Department to regulate tax practice rests upon an old statute which was enacted long before the income-tax amendment of 1913. While this authority has not been questioned, it is not sufficiently explicit in some respects. It seems desirable that the Internal Revenue Code should clearly set forth the authority and governing policy with respect to the regulation of such practice.

In recent years, State courts in a number of jurisdictions have entertained suits in which the right of individuals to engage in various phases of Federal tax practice has been questioned on the grounds that such activities should be restricted to lawyers. It is obvious that the whole field of Federal tax practice would be thrown into chaos, to the detriment of both the Government and taxpayers, if practitioners were subject to different rules in 48 States, the District of Columbia, and the Territories, and if hundreds of thousands of accountants and others who have been giving satisfactory service to taxpayers for 40 years, were expelled from this field of work.

Congress has already established a precedent in keeping practice before the Tax Court open to nonlawyers as well as lawyers. In the Revenue Act of 1942 it was provided that no person should be denied the right to practice before the Tax Court by reason of failure to belong to any particular calling or profession.

It seems to me of even greater importance, since it would affect millions more taxpayers, to prevent unwarranted restrictions on preparation of tax returns, advising taxpayers on Federal tax matters, and representation of taxpayers before the Treasury Department.

The determination of taxable income is primarily an accounting matter. The Internal Revenue Code specifies that taxable income shall be determined in accordance with the accounting methods regularly employed by the taxpayer, so long as they clearly reflect the income. In this year's general tax bill (H. R. 8300) we have brought tax accounting into closer conformity with generally accepted accounting principles. It would be contrary to the public interest if at the same time there should be any curtailment of the role that professional accountants have occupied in tax practice for 40 years.

Officials of the Internal Revenue Service for many years have emphasized the fact that orderly collection of taxes requires the availability of all possible expert assistance to taxpayers, where such help is needed. However, the public should be protected against fraud and incompetence by such supervision as the Treasury considers appropriate.

Obviously, adequate standards of competence and responsibility of Federal tax practitioners should be maintained by the Treasury. My bill so provides.

The intent of the bill is that agents and attorneys shall have equal standing in tax practice before the Treasury Department and that the public shall not be required to employ either or both.

Naval Reserve Officers Schools

EXTENSION OF REMARKS
OF
HON. ANTONI N. SADLAK
OF CONNECTICUT
IN THE HOUSE OF REPRESENTATIVES
Wednesday, August 4, 1954

Mr. SADLAK. Mr. Speaker, last September Rear Adm. R. H. Hillenkoetter, USN, Commandant of the Third Naval District, with headquarters in New York, selected the city of New Haven, Conn., as the location to test a program of the Navy designed to keep Naval Reserve officers abreast of current technological and scientific developments through college level courses conducted close to their hometowns.

On June 14, after 10 months of operation, almost 100 officers who had completed 24 two-hour instruction periods in navigation, gunnery, operations, engineering, and seamanship were awarded certificates of satisfactory completion of the courses by Capt. Clarence Broussard, USN, Admiral Hillenkoetter's assistant chief of staff for reserve.

The faculty of the New Haven school was selected from the best qualified naval reservists who lived in the immediate vicinity of the site of the school and Comdr. H. A. Peterson, USNR, of Guilford, Conn., a holder of the Navy Cross, was selected as the director.

On the basis of the satisfactory test made in New Haven, the Navy decided to expand the program to 27 other locations so that officers in other areas could take advantage of the program which would qualify them for immediate duty in the event of war, without the customary training period which, it appears under present world conditions, might not be available.

To permit officers who had been designated as directors and assistant directors of the Naval Reserve officers schools which were to be established elsewhere in the Nation to profit by the experience and leadership of the excellent administrative staff and faculty of the New Haven school, a seminar was held in New Haven on July 12, 13, and 14 with almost 100 Naval Reserve officers participating.

Capt. Clarence Broussard opened the affair with well-chosen remarks when he told the officers gathered that the Navy must have a well-qualified Reserve, ready for immediate duty, and Naval Reserve officers schools were looked on as a major means of attaining that objective, within the bounds of economy that our domestic condition dictated.

Capt. Harold B. Roberts, United States Coast Guard, Reserve director of the Third Coast Guard District, which is headed by Rear Adm. Louis B. Olsen, United States Coast Guard, addressed the group and stated that the Navy's general policy of training Coast Guard Reserve officers to occupy billets with the Navy had been utilized to the fullest extent at the New Haven Naval Reserve Officers School. It is expected that the new schools will also be attended by Coast Guard Reserve officers elsewhere in the Nation, when the expanded program commences operation next September, inasmuch as the Coast Guard, like the Navy, desire their Reserve officers to be ready, should their services be needed. The Coast Guard is operated under the Treasury Department during peacetime but becomes a part of the Navy during wartime.

It is appropriate that both the aforementioned officers should take cognizance of our need for having a qualified Reserve, ready at very short notice, within the bounds that our national economic condition warrants.

President Eisenhower's New Look Reserve force is beginning to take shape, and we in Connecticut, especially those in the New Haven area, are highly gratified that Admiral Hillenkoetter selected that location to test the Navy's program.

Under leave to extend my remarks, I include an editorial from the New Haven Register of July 7, 1954, relative to the Navy seminar held in New Haven to acquaint officials of the Naval Reserve officers schools to be established elsewhere in the Nation with the background and information on the New Haven test program:

NAVY SEMINAR

The opening of a Navy seminar here next Monday to acquaint commanding officers with the operating system of the Naval Reserve officers' schools once again calls attention to the trailblazing work that was done right here in this city. The New Haven Reserve Officers' School, opened here last September, was a test program. It has proven its work and has proven worthwhile. From it now will come some 29 similar schools to train Reserve officers in the latest in scientific and technological developments without disrupting their normal civilian duties and employment.

New Haven thus may feel honored in the part it may well have played in setting in motion President's Eisenhower's New Look Reserve program. The citizen-sailors of this area again have demonstrated their interest and their loyalty. They have played a part, and an important one, in pointing toward realization of a sound national defense within proper economic limits.

From this limited beginning it is expected that these programs ultimately will be established in some 100 major cities around the Nation. And the Nation will be the stronger and safer because of this launching made right here in our own community because some men had vision and others had the perseverance to stick by the charts.

Thoughts on the Warsaw Uprising

EXTENSION OF REMARKS
OF
HON. PETER W. RODINO, JR.
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES
Wednesday, August 4, 1954

Mr. RODINO. Mr. Speaker, war is not and never can be one of mankind's most elevated and enlightened occupations. For war is a wicked thing which, arousing man's most destructive and combative passions, bequeaths to the days thereafter the unpleasant human distress of pain, sorrow, and misery.

War always calls forth splendid qualities of courage, self-sacrifice, endurance,

and heroism. These, in some measure, help to compensate for its destruction and misery.

In World War II there were many moments of splendor and heroism; there were also many moments of misery and pain. But surely there were few instances in this great universal conflict when both pain and heroism reached such heights as in the Warsaw uprising of August 1944.

Under the leadership of a great Polish patriot, General Bor-Komorowski, the Polish secret army rose in rebellion against the Nazi forces located in Poland. With a display of heroism that has long excited the admiration of the free world, the Poles fought relentlessly for 63 days until at last, their ammunition and supplies dwindling and their forces reduced by 300,000 casualties, they were compelled to surrender.

Polish courage, self-sacrifice, endurance, and heroism were not wanting in this terrible incident. Nor was Soviet treachery wanting; for if ever there was an instance during the last war that proved beyond a shadow of a doubt Russian treachery it was their failure to support the Polish insurgents of Warsaw in August 1944. The revolt of the secret army was timed with the arrival of Soviet forces at the gates of Warsaw. General Bor gave the signal to attack, but the Soviet Russians, in a manner reminiscent of prior and subsequent treachery, lay back upon their silenced guns, refusing to join in the Polish effort until the German Army, reinforced, had destroyed the secret army, and along with it had weakened the force of Polish resistance and Poland's great hope for freedom and democracy. What is more, the Soviets refused permission to the Allies to fly in supplies to besieged Warsaw. Thus, isolated and battle-weary, General Bor and his gallant troops were compelled to accept defeat.

That the Warsaw uprising brought added misery to Poland goes without saying. The loss of 300,000 men is a formidable loss to any nation, and who is there that can measure the pain and grief visited upon the friends, relatives, and associates of these martyrs for freedom's sake? More than that, the great tragedy of this defeat lies in the fact that Poland had now no longer a force with sufficient strength to keep her from falling within the Soviet orbit.

However distressing the suppression of the ill-fated Warsaw uprising may have been, however much sorrow its failure had wrought in Poland, and however grave have been its consequences, no one—not even the Communists—can detract from the splendid example of heroism, courage, and endurance that was demonstrated to the world on this historic occasion by General Bor and his secret army. The glory that was theirs was the glory of Poland; and for all the world may this heroic effort remain forever more a lasting monument to a people who loved freedom so much that they died for it.

Questions and Answers on the Dividend Provision of the Tax Revision Law

EXTENSION OF REMARKS
OF
HON. DANIEL A. REED
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Wednesday, August 4, 1954

Mr. REED of New York. Mr. Speaker, the provisions of the tax revision bill which I sponsored, H. R. 8300, which give some small relief from the double taxation of dividends, have been the subject of so much misunderstanding and actual misrepresentation that I have collected some questions which I have received and have prepared answers concerning them which I believe will assist in reaching a true understanding of these important and meritorious amendments. These questions and answers follow:

Question. What is meant by the "double taxation" of dividends?

Answer. The present double taxation of dividends exists because dividends are subject to income tax twice—once in the hands of the corporation which earns them and then in the hands of the stockholders to whom they are paid. Of course, a dividend is simply an amount which a corporation pays out of its earnings to its owners—that is, its stockholders—as a return on their investment. Since corporations pay a 52 percent income tax, the earnings available for distribution to their owners are more than cut in half before they can be distributed as dividends. Then, when the stockholders receive what is left—and, of course, the company must keep some of its earnings itself in order to finance its operations—they themselves must pay an income tax of from 20 to 91 percent, depending on their individual incomes, on these same earnings which have already been more than cut in half by taxes. As a result of this double taxation, the combined tax burden on the distributed earnings of a corporation ranges from a little over 61 percent for persons in the lowest income tax bracket (such as a widow living on a $2,000 income) to a little over 95 percent for persons in the highest bracket. Of course, this double burden hits the persons of small means the hardest. The combined corporate and individual income tax load borne by the dividends received by such a person from his savings is over 3 times the 20 percent rate which he pays on any other type of income.

I should also point out that it is only corporation earnings which are subject to this discriminatory double taxation. Individuals who operate their business as a partnership rather than as a corporation pay only one tax, their individual income tax. The partnership is not taxed first on its earnings before they are distributed to its partners. Furthermore, if a person operates a business, such as a grocery store, as an individual proprietor, he too is taxed only once.

Question. Aren't wages subject to the same double taxation?

Answer. Absolutely not. When a business figures its income for tax purposes, it first deducts out any wages it pays its employees. Therefore, it pays no income tax at all on this amount. The only income tax paid on wages is the tax paid by the employees themselves.

Just suppose that wages were subject to the same unfair tax treatment as are dividends today—here's what would happen: A corporation would have to pay a 52 percent tax on its employees' wages before they were even paid. Such a tax would reduce by more than half the amount which the corporation could pay out in wages. In other words, payrolls in this country would be cut by more than half. I think that you would agree that such a tax system would be indefensible and disastrous. Yet that is exactly what has been happening to dividends. All the tax revision law tries to do is remove a small portion of this present unjust discrimination.

Question. Does the new tax law give the same type of relief to interest on bank deposits, savings bonds, and other forms of interest?

Answer. No, it does not—for a very simple reason. Interest is not subject to double taxation. Just like wages, a bank can deduct the interest it pays before figuring its income tax. In fact, any taxpayer is entitled to deduct his interest payments. Of course, the Government pays no income tax so the interest on its bonds is also free from double taxation.

Question. Do you think it right that dividends pay a lower income tax than wages?

Answer. Of course not. The tax-revision bill will not result in dividends getting a better tax break than wages. I have already pointed out that the lowest combined corporation and individual income-tax burden on dividends is 61 percent, while that on wages is only 20 percent. Therefore, the average taxpayer, the man with a small income, must bear over three times the tax burden on dividends that he does on wages. Thus, dividends already bear a much higher taxload than do wages. All the new tax law does is cut down this extra burden by a very small amount. The 4 percent dividend tax credit which it provides will merely cut from 61 percent to 57 percent the combined tax burden on dividends. As a result, dividends will still be taxed almost three times as much as wages.

Question. How does the new law relieve double taxation of dividends?

Answer. Very simply. First, every taxpayer can completely exclude from his income up to $50 of dividends. This does not mean that he can exclude any dividend payment which is $50 or less, but merely that out of his total dividend receipts he can exclude a total of up to $50. Therefore, a taxpayer whose total dividends from all sources do not exceed $50 pays no tax whatever on his dividends. This will be a tremendous benefit to small stockholders, to individuals who have invested a small portion of their savings in stocks.

Secondly, in addition to the $50 exclusion, a taxpayer is given a tax credit equal to 4 percent of any dividends in excess of the exclusion. Here's how it works: Take as an example a widow with a total income of $2,000, of which $150 consists of dividends. First, she completely excludes $50, as I have already explained. Then she figures her income tax on the remaining $1,950 just as usual, including the $100 of her dividends still subject to tax. Let's say that her tax on this whole amount comes to $120. Then she figures 4 percent of her taxable dividends of $100. That comes to $4. She simply deducts that $4 from the $120 tax she has already computed. Her final tax will be $116—a $4 reduction.

Question. Why does the new law provide a credit which comes off the tax rather than a simple deduction to be taken in computing taxable income? Doesn't this method favor well-to-do taxpayers?

Answer. Just the contrary is true. The deduction method would favor wealthy taxpayers. For example, a $100 deduction would mean a tax saving of only $20 to a person in the first bracket but it would mean a saving of up to $91 for individuals in the upper brackets.

The tax-credit method adopted in the new law means that every taxpayer, no matter what his income, will receive exactly the

same amount of tax relief with respect to the same amount of dividends. For example, the 4 percent tax credit will give a person in the first bracket a $4 tax cut on $100 in dividends. A person in the top bracket will receive exactly the same $4 tax cut, and no more.

As a matter of fact, the method contained in the new law will give proportionately much more relief to lower-bracket individuals than to upper-bracket taxpayers. An individual in the first bracket today pays a $20 tax on $100 in dividends. The 4 percent tax credit will cut that $20 tax to $16—a 20 percent reduction in his tax on those dividends. On the other hand, a top-bracket taxpayer today pays a $91 tax on the same $100 in dividends. The 4 percent tax credit will reduce that $91 tax to $87—only about a 4 percent reduction in his tax on those dividends, instead of 20 percent.

Question. Why doesn't the new law reduce double taxation by allowing a corporation to deduct all or part of its dividends in figuring its tax, just as it can wages?

Answer. This is undoubtedly one method by which double taxation of dividends could be reduced or even eliminated, and it was given careful study. The trouble is that, if you give a corporation a deduction for dividends you create a tremendous pressure on management to distribute earnings. Therefore, it was felt that such a tax system would interfere with sound business judgment as to how much of a corporation's earnings can safely be distributed and how much should be retained in the business. It was also felt that such a system would discriminate particularly against small, new companies who are most dependent upon retained earnings to finance their growth.

These reasons, plus our previous unfortunate experience with an undistributed profits tax, led to the decision to give relief at the individual shareholder level.

Question. Do any other countries in the world give relief from double taxation of dividends?

Answer. They certainly do. England has given such relief for well over 100 years. Under the British system, a taxpayer can claim a credit for the amount of tax actually paid by the corporation on his dividends. The fact that England has given such relief for over a century is significant in view of the fact that we usually think of the British income tax as especially heavy.

Canada already gives a 20 percent tax credit for dividends. This is exactly the same method contained in our new tax law except that our credit is to be only 4 percent. Thus, Canada already gives 5 times the dividend tax relief that we are going to provide. Of course, our new law will also give a complete exclusion of up to $50 of dividends in order to help small stockholders. Canada does not do this.

Sweden, which is usually considered to be one of the most progressive countries in Europe, also gives relief from double taxation of dividends.

In fact, not only is the new dividend provision not something revolutionary, but it is actually simple equity which other countries have recognized years ago. The truth is that the United States has been extremely backward in this regard.

Question. Even assuming that other countries have given relief from the double taxation of dividends, isn't such a proposal still pretty revolutionary in the United States?

Answer. Just the contrary. Our income tax was first adopted in 1913. It was provided then that dividends should be taxed only once. To accomplish this, dividends were exempt from the normal tax in the hands of individuals. In the early days of low taxes, this meant in effect that dividends did not bear the burden of double taxation. In 1918, the exemption was as high as 12 percent on some income. The exemption from normal tax continued for 23 years, right up to 1936. It is interesting to note that the exemption in 1936 was 4 percent—exactly the same amount of relief which the new tax-revision law will provide.

In 1936, President Roosevelt recommended the complete elimination of double taxation by exempting from the corporate income tax any earnings which were distributed in dividends. In his message accompanying this recommendation that the corporate income tax only be imposed on undistributed income, the President stated that his proposal "would constitute distinct progress in tax reform."

Since that time, prominent individuals from all parts of the country, both Democrats and Republicans alike, have recommended immediate steps to remove double taxation of dividends.

In 1944, for example, a special committee of the then Democratic Congress, made the following recommendation:

"Consideration should be given to the elimination of the present double taxation of dividend income, either by treating the tax on corporate income as a withholding tax and exempting dividends from the personal normal tax, or by some equivalent provision."

The chairman of that group was Representative JERE COOPER, of Tennessee, now ranking Democratic member of the tax-writing House Ways and Means Committee.

In 1947, all 10 Democratic members of the House Ways and Means Committee strongly criticized the Republican majority for not taking up the question of double taxation of dividends.

Therefore, you can see that, not only is this type of provision not unusual in other countries, it represents a concept which is far from new in our own country.

Question. Is it true that most of the tax relief contained in the new tax-revision law goes to stockholders?

Answer. This is absolutely not true. The tax-revision law will give $827 million tax relief this year to individual taxpayers and $536 million tax relief to business. Of this total tax relief of $1,363,000,000, stockholders will receive $204 million—or only about one-seventh of the total—because of the partial relief from double taxation. Moreover, more liberal deductions for dependents, deductions allowed working mothers for the expense of child care, bigger allowances for medical expenses, and tax reduction for retired people—these alone add up to well over $400 million relief for individual taxpayers, more than twice the relief given from double taxation of dividends. In addition, there are close to $200 million of other individual relief provisions.

One other fact is frequently overlooked and that is that the new law extends for 1 year the 52 percent corporate income tax which would otherwise have gone down to 47 percent last April 1. This means an additional $1.2 billion tax burden which will be borne indirectly by corporation stockholders—a tax load which is approximately 6 times the relief these same individuals will receive from the double taxation of dividends.

Question. Who are the stockholders who will benefit from the new provision? Aren't stockholders the wealthiest group in the country?

Answer. There are some 6,500,000 stockholders in publicly held corporations. Certainly, some of them are wealthy, and some of them are poor. However, on the whole, they are about average Americans. They represent a pretty fair cross section of our people.

Let's take a look at some figures which show who the stockholders of this country are:

Four and three-tenths percent of American stockholders have combined family incomes of less than $2,000 a year.

Almost 10 percent of American stockholders have combined family incomes of less than $3,000 a year.

Almost 20 percent of American stockholders have combined family incomes of less than $4,000 a year.

Over 30 percent of American stockholders have combined family incomes of less than $5,000 a year.

Finally, over 75 percent of American stockholders have combined family incomes of less than $10,000 a year.

Thus, the great majority of the stockholders of this country are in the low- and middle-income groups.

One of the biggest companies in the country is the United States Steel Corp. I think it safe to assume that its stockholders are fairly typical. Here are some facts about United States Steel's stockholders which a recent survey brought out:

Only 10 percent of its stockholders have incomes over $25,000.

Nearly three-fifths of them—56 percent—have incomes of less than $5,000 a year.

It has as many stockholders with incomes below $4,300 as there are with incomes above that amount.

Finally—and this is the most interesting figure of all—53 percent of United States Steel's stockholders have incomes below the average wage paid to the company's steelworkers.

Now, let's take a look at the number of tax returns which show dividend income. For 1950, the latest year for which the figures are available, 3,668,000 returns were filed which showed dividends as part of the taxpayer's income; 1,891,000 of those returns—over 50 percent of the total—reported adjusted gross income from all sources of less than $5,000.

Therefore, those who try to tell you that the dividend provision helps only the rich either do not know the facts, or they are trying deliberately to mislead you.

Hundreds of thousands of housewives are stockholders. Many thousands of elderly retired people depend upon their small stockholdings for their livelihood. Most important of all, let us not overlook the many thousands of thrifty workers who every day, more and more, are purchasing small amounts of stock in their employer's business through payroll deductions. This wholesome trend means that a growing proportion of our country's wage earners are acquiring a direct stake in our free-enterprise system through stock ownership.

Question. Why should we encourage people to buy stocks?

Answer. The answer is simple—in order to create jobs for the American people. To put a man to work, there must be a plant for him to work in. There must be tools and machinery for him to work with. It takes money to provide those things. It is estimated that it takes between ten and fifteen thousand dollars of new capital to create one new job. When you realize that upward of 600,000 young people come into the labor market and seek employment for the first time every year, you get an idea of the tremendous amount of new capital investment that we need every year if we are to provide the job opportunities these young Americans deserve. There is only one fundamental source of this new capital and that is the earnings of our people. The savings from those earnings must provide the capital out of which new jobs and a higher standard of living can be created. When a thrifty individual saves a part of his earnings and invests those savings, he is not only providing for his own security but he is helping to build a strong future for America.

Question. Why can't corporations raise new capital by borrowing instead of by selling stock?

Answer. They can—at least large, well-established businesses can.

Of course, small businesses, especially those just being started, frequently are not in a position to borrow. Just because their businesses are new and not yet established, they are usually considered too risky for bank loans. Therefore, new business must depend to a very large extent upon capital raised through the sale of stocks. This is of great significance, because it is these new and relatively small concerns of today which will provide the strength of our economy tomorrow.

Big business usually can borrow to meet its capital requirements. In fact, it is advantageous for it to borrow because the interest is deductible for tax purposes while if it raises capital through the sale of stock it gets no deduction for any dividends it pays. This present discriminatory treatment of equity (stock) financing is one reason why business generally has become more and more dependent on debt financing. For every dollar raised since the last war by new stock issues, industry has raised about $3.20—over 3 times as much—by debt financing and suppplied $9 from retained earnings and depreciation reserves. To provide these capital funds, industry found it necessary to double its debt and to reduce the percentage of earnings paid out in dividends from about 75 percent before the war to less than 50 percent in recent years. The result has been that total corporate debt at the end of 1953 was more than $190 billion, double what it was at the end of World War II. New debt was being incurred by our corporations last year at almost 3 times the rate at which new equity (stock) capital was obtained.

This is a very unhealthy situation. Borrowed money has to be used in relatively safe undertakings. It cannot be used ordinarily for experimentation, for carrying out new methods and processes, for developing new products. These things take "risk" capital, capital which is willing to take a chance. If we were perfectly satisfied to let this country stand still, then it might be all right to have business depend on borrowed money in this manner. But if we want our American economy to expand and to provide a steadily rising standard of living for our people, then we must encourage the raising of capital through the sale of stock rather than through borrowing.

These therefore are the two major objectives of the dividend provision contained in the new tax law:

First, to give some relief from discriminatory double taxation; and

Second, to encourage the development of risk capital—capital which is willing to take a chance on the future of America.

Panama Canal

EXTENSION OF REMARKS
OF
HON. JOHN J. ALLEN, JR.
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 4, 1954

Mr. ALLEN of California. Mr. Speaker, a subcommittee of the Merchant Marine and Fisheries Committee has been conducting hearings with regard to the Panama Canal and the manner in which Public Law 841 of the 81st Congress which provided for the reorganization of the operation of the canal has been carried into effect.

The final report of the subcommittee should be available in about 3 months. Meanwhile, there has been sufficient interest in the probable views of the subcommittee with regard to some phases of the investigation that an interim report has been prepared and made to the Merchant Marine and Fisheries Committee and is now available.

The report reads as follows:

INTERIM REPORT RE PANAMA CANAL

In 1948, the Panama Railroad Company was reincorporated as a Federal corporation and the functions of operating the Panama Canal with all of its adjuncts was assigned to it. Subsequently, by Public Law 841, 81st Congress, the reorganization of the two entities existing in the Canal Zone, the Canal Zone Government and the Panama Canal Company, was completed, and on July 1, 1951, operation under the new arrangement was begun. The fundamental change effected by these two laws was the change of the theory of operation of the canal from a spending agency of the Government into a business corporation charged with the necessity of earning enough money through its operations to meet its expenses, including interest and amortization on its cost.

United States citizen employees of the Canal Zone Government were paid wages at the rates prevailing in the United States plus 25 percent and comparable pay scales have been established for employees of the Panama Canal Company by action of its Board of Directors. During the 82d Congress, the Appropriations Committee cast critical eyes upon the premium and directed that the Governor have a study made to determine the reasonableness of the rates of compensation and related benefits in the zone. Accordingly, the firm of Booz, Allen & Hamilton were retained to conduct a study and its report has been submitted to the committee.

During the present session of Congress, the committee, through its subcommittee on the Panama Canal, untook a study of the operation of Public Law 841. Extensive hearings were held at which steamship operators using the canal, representatives of the Canal Zone employees, General Accounting Office, and the Governor were heard. In the course of the hearings, a large amount of information was assembled and it is the intention of the committee to prepare a full report embodying much of this data for use in preparing such legislation as may be proven to be desirable in the light of the facts adduced. As might be expected, the various groups interested in the efficient operation of the canal presented various ideas for improvement in existing legislation and administration. These will be treated fully in the report.

However, there were certain facts upon which there was substantial agreement. As to tolls, while the figures on the transfer valuations have not been completed by the Bureau of the Budget, nevertheless, the data at hand indicates that the present rates are adequate to meet the expenses and obligations of the Panama Canal Company and the Canal Zone Government, and that there is no justification for any increase under the provisions of existing law.

As to administration, most of the witnesses were agreed that considerable improvement had been accomplished and further improvement was possible, although they differed widely as to methods. As to the employees, all were in agreement that the compensation, whether in the form of wages or benefits, must be adequate to assure a competent working force of United States citizens in the zone. In view of the fact that living conditions, by reason of climate and isolation, are less attractive than in the United States, sufficient inducements must be offered to attract and keep necessary employees so as to minimize the expense of labor turnover. There was no disagreement as to the necessity of maintaining the present 25 percent differential over United States wages. Nor was there any disagreement that benefits in addition to those enjoyed in similar employment in the States are required.

It appears that the recurring uncertainties created by the various changes in income are likely to be as damaging to morale as its possible inadequacy. The average person requires a degree of security, with some opportunity to make plans for his future based on his income and the many changes during the past few years without hearing or, for that matter, without notice, have been damaging to morale. Income tax was extended to wages in 1951, rents have been increased, commissary prices have been increased to cover a portion of Canal Zone Government costs now allocated to the employees, and an effort has been made to effect a reduction in the wage differential. These and similar factors have contributed to an unsettled atmosphere and no doubt have contributed materially to the increased rate of turnover among recent employees.

The committee intends, prior to the issuance of a complete report, to obtain the views of the Department of State, Department of Labor, and the Civil Service Commission regarding employee compensation.

It is the hope of the committee that recommendations to be embodied in its report will be studied by the committees and agencies charged with the responsibilities of maintaining the efficiency of operation of the Canal Zone to the end that basic principles can be established and maintained for a reasonable period of time and that drastic changes affecting employee morale will not be made without adequate notice and mature consideration as to their possible effect on efficient operation of the canal. It is expected that a final report will be issued in the course of the next 3 months.

JOHN J. ALLEN, Jr.,
Chairman.
WALTER M. MUMMA.
FRANK C. OSMERS, Jr.
FRANCIS E. DORN.
EDWARD A. GARMATZ.
MARTIN DIES.
Mrs. JOHN B. SULLIVAN.

A Constructive Idea

EXTENSION OF REMARKS
OF
HON. PETER FRELINGHUYSEN, JR.
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 4, 1954

Mr. FRELINGHUYSEN. Mr. Speaker, the great American dairy industry is one of the mainstays of our agricultural economy. Its basic product, milk, has been truly described as "the most nearly perfect of all foods." Yet we are faced today with surpluses of that food—surpluses which are entirely artificial when we consider the tremendous real needs of the American people for milk and milk products.

Last year some 8 million pounds of surplus milk and milk products were purchased by the Federal Government because they could not be sold to consumers. Yet—to quote a Department of Agriculture spokesman:

If the full dietary needs of our people were being met, we would actually not have enough dairy products to meet the demand.

And surveys have shown that there would have been almost no milk surplus last year if the average American were

drinking as much milk as he did in 1945. All of us who are concerned with the preservation of the Nation's health and the success of our dairy industry have an interest in bringing it up to—and beyond—the 1945 level. This can be done by tapping the vast potential market for milk, by instilling the milk-drinking habit in people.

As a member of a New Jersey family long interested in dairying, I should like to associate myself strongly with the campaign of leading Federal and State officials and dairy associations to spur the sale of milk by the use of a new distribution tool—the automatic vending machine.

At the same time I want to applaud the scientific and technical know-how of a leading industrial company of my own fifth congressional district—the Rowe Manufacturing Co.

Some 4 years ago the Rowe plant, located in Whippany, N. J., developed and perfected the automatic milk vendor, which promises to spur milk sales to heights never before reached. That this can be done is indicated by the history of other products which automatic merchandising has made more accessible to the consumer. Only a little more than a quarter of a century ago Robert Z. Greene, now president of Rowe, introduced the first practical cigarette vending machine. He thus started an entirely new industry. Today modern vending machines account for 1 out of every 6 or 7 packs of cigarettes purchased. Without constant plugging and persistence in those early years, when few believed in the potentialities of automatic merchandising, these conveniences of modern life might well be nonexistent. Over the years Mr. Greene continued his single-minded crusade for newer and better machines and for greater public acceptance of them. In every major development in the industry—whether in building new types of "mechanical salesmen" or finding new fields of endeavor for them—the Rowe company led the way.

Last year the modern marvels of automatic salesmanship sold $1,500,000,000 worth of products including cigarettes, milk, soft drinks, candy, sandwiches, ice cream, pastry, and some 20 other items in daily use by the consuming public. These machines made some 19 billion individual sales. Many, if not most, of their sales would not otherwise have been made. This is equally true of milk. As more and more of these "mechanical milkmen" have gone into industrial plants, schools, colleges, business offices, and Army and Navy installations, dairymen have found that they build up extra milk consumption by making milk so easily available.

Sales of milk through vending machines are "plus sales" which would not otherwise have been made, since thirst soon passes or is otherwise quenched if milk is not handy. As one example: At Cornell University, 10 milk vendors are selling 20,000 to 30,000 half-pints of milk a month—and this without cutting into campus restaurant sales.

Today, automatic milk vendors are not only fully accepted but their use is increasing. I should like to see them spread faster, for I believe both our national health and our dairy industry will benefit.

To spur the drink-more-milk campaign, Secretary Benson recently installed 4 of these Rowe "mechanical milkmen" in the Agriculture Department Building, serving some 8,000 employees. For the past year also one of these automatic vendors has been providing cold, fresh milk for thirsty White House staff members and the press corps in the west wing. Others are to be found in several Federal buildings and in nearby military installations.

In my own State of New Jersey a number of forward-looking dairymen, using the latest development in these milk vendors, have gone one step further. They have moved these "automatic milkmen" outside. Now at gasoline stations, suburban residential areas, at transportation centers, outside food stores, these vendors—weatherproofed and perfectly refrigerated—are selling milk 24 hours a day, winter and summer.

I have been advised that one New Jersey dairyman has increased his sales by almost 2,000 containers of milk and chocolate milk with one machine in a single month, and that his sales are doubling and redoubling. This particular vendor was installed at a gasoline station, serving both motorists and neighborhood families.

This new method of distribution, it seems clear, can help the dairy industry throughout the country to put more milk within the easy reach of more consumers—and at the same time—sell milk which would otherwise remain a shameful surplus.

Railroad Retirement Amendments

EXTENSION OF REMARKS
OF
HON. WILLIAM C. WAMPLER
OF VIRGINIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, August 4, 1954

Mr. WAMPLER. Mr. Speaker, on Friday last the House of Representatives by a unanimous vote passed H. R. 7840, a bill to amend the Railroad Retirement Act, the Railroad Retirement Tax Act, and the Railroad Unemployment Insurance Act.

I voted in favor of this bill because I felt there was a real need for its passage. The very fact that there was not a single dissenting vote against it is evidence of the need for the legislation.

During my service in the House of Representatives, I have received many letters from retired railroad annuitants and pensioners, active railroad workers, and widows of railroad workers urging that action be taken to improve certain provisions under the railroad retirement system and the railroad unemployment insurance system.

Mr. Speaker, I felt that this bill, H. R. 7840, represented a sincere effort on the part of the great Committee on Interstate and Foreign Commerce to be helpful to retired workers and their dependents. I want to pay tribute to the chairman of the committee, Hon. CHARLES A. WOLVERTON, of New Jersey, and the entire committee for reporting this bill for consideration by the House of Representatives.

I am in full accord with the committee that, regardless of the desirability of certain proposals for the liberalization of benefits under the Railroad Retirement Act, no amendments to the law should be made which would jeopardize the financial soundness of the Railroad Retirement System. The Congress should always adhere to this fundamental principle.

Last year, Mr. Speaker, I introduced H. R. 4171 in the House of Representatives. This bill was designed to repeal the provisions of the Railroad Retirement Act amendments of 1951 that prohibited an increase in railroad retirement benefits to those persons who also have coverage under the Social Security Act.

The Committee on Interstate and Foreign Commerce held hearings on H. R. 356 and 17 similar bills, of which my bill was one, and reported favorably on H. R. 356, providing for the repeal of section 7 of Public Law 234, retroactive to October 30, 1951, the date it became effective. This bill passed the House on July 24, 1953, and passed the Senate on June 2, 1954. It was signed by President Eisenhower on June 16, 1954, and is now Public Law 398 of the 83d Congress.

The Eisenhower Farm Program

EXTENSION OF REMARKS
OF
HON. CHARLES W. VURSELL
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Wednesday, August 4, 1954

Mr. VURSELL. Mr. Speaker, as a farmer for many years of my life, I know something of the gamble the farmers take.

The three greatest, in my judgment, are the gamble they take with the weather, surplus farm production, and the price for their products, grains, or livestock, when placed on the market.

However, with hard work and good business judgment, they have faced their problems with fortitude and, generally, with success.

The Eisenhower administration and the Congress, realizing the importance of agriculture, and the problems confronting the farmers including the disastrous drought last year and this in some parts of the Nation, including southern Illinois, the surplus crops which have piled up over the years, has made a constructive effort, that I think should be brought to the attention not only of the farmers but also to the citizens of the Nation.

In the 12 years I have been in Congress, I have never witnessed quite so great an effort on the part of any admin-

istration to try to help meet the serious problems confronting the farmers.

Today, I want to review and catalog a part of this effort only during the past year, 1953, and including the first few months this year, 1954. I believe a rehearsal of some of the highlights of the efforts of the Eisenhower administration to aid the farmers will encourage them and increase their confidence that the Republican administration will not let the American farmer down.

ADMINISTRATION'S CATTLE PROGRAM

First. Soon after President Eisenhower took office, January 20 of last year, he issued an order removing price control from all meat products, and realizing the farm surplus on hand, ordered that military procurement of beef be stepped up.

Second. The Department of Agriculture started a program to buy 200 million pounds of beef for the school-lunch and foreign-aid programs.

Third. The importation of New Zealand beef into the United States markets, through Canada, was stopped.

Fourth. The Department of Agriculture launched an advertising program to increase beef consumption, which resulted in a one-third increase in the amount of beef consumed in the United States last year.

DROUGHT RELIEF IN THE SOUTHWEST

Fifth. The President immediately made $8 million available to stockmen in drought areas, and Congress enacted legislation to furnish feed for livestock and seeds for planting in disaster areas, and made direct loans to farmers who were unable to get immediate credit.

Sixth. The Secretary of Agriculture induced railroads to cut freight rates in half, to permit cattlemen to put their herds out of drought areas, and arranged with Governors of 12 States to distribute hay to farmers at Federal expense.

PROGRAM FOR GRAIN STORAGE

First. We broke all records in providing farmers with grain storage: (a) Built 100-million-bushel capacity for 1953; (b) built 100-million-bushel capacity through April 1954; (c) Commodity Credit extended its credit of loans to farmers to build, or buy, 35-million-bushel capacity farm storage units; (d) provided occupancy storage 201-million-bushel capacity; (e) ship storage 69-million-bushel capacity; (f) provided greater tax amortization on farm-owned storage facilities.

Second. A million tons of Government-owned surplus wheat was made available to Pakistan and other friendly countries.

Third. Congress authorized the CCC to make $100 million worth of surplus agricultural commodities available to the President for use in meeting famine or other relief requirements of peoples friendly to the United States.

Fourth. Congress authorized the President to dispose of some $250 million worth of Government-owned surplus farm products to friendly foreign nations in exchange for foreign currencies, the latter to be used for United States expenditures in those foreign countries.

Fifth. A new International Wheat Agreement was entered into for the purpose of extending the disposal of Government-owned surplus wheat.

ACTIONS TAKEN TO IMPROVE DAIRY SITUATION

First. A promotion campaign to push the consumption of dairy products, especially during June dairy month, and the high-production period.

Second. A nationwide educational program to increase the culling of low-producing dairy cattle.

Third. Offers to sell CCC stocks of cheese and dried milk for exports at world market prices.

EMERGENCY DROUGHT PROGRAM

First. More than 1,200,000 tons of feed supplies have been made available to farmers in drought areas at reduced prices.

Second. At the request of the Agriculture Department, western railroads reduced freight rates 50 percent to ranchers moving Government-owned feeds into drought areas as well as a rate reduction on movement of livestock.

Third. Government made available emergency livestock loans.

Fourth. Under the hay-distribution plan, the Agriculture Department will set aside a definite sum of money for each State in the drought area.

WATERSHED PROTECTION

Congress appropriated $5 million for 50 watershed projects. This is a start on an expanded soil-conservation and watershed program.

FARM CREDIT

The administration has fulfilled its campaign pledge to make the Farm Credit Administration a separate agency and to decentralize the administration of its credit programs by shifting more control over credit policies from Washington and vesting it largely in local production credit associations.

COMMODITY CREDIT

Congress increased CCC borrowing authority from $6.75 billion to $8.50 billion for the purpose of continuing price supports through 1954.

TRADE MISSIONS

The administration has sent several trade missions to foreign countries to investigate the possibilities of expanding our foreign markets.

IMPORT CONTROLS

Import controls under section 22 are in effect for eight groups of commodities: cotton, wheat, dairy products, oats, flaxseed, peanuts, rye, and shelled almonds. This administration has made greater use of this authority in 16 months than the previous administration did since its passage.

SOIL CONSERVATION SERVICE

The Agriculture Department has streamlined the soil-conservation setup to improve the service and create greater efficiency. The farmers will now receive a large proportion of each conservation dollar in the way of technical service on his farm.

FOREIGN RELIEF

We have assisted the starving peoples abroad and created goodwill toward peace.

One hundred and eighty million pounds of dairy products were given to 17 United States private welfare organizations for overseas relief in 36 foreign countries.

Six hundred thousand tons of wheat went to Pakistan.

Eighty-four thousand tons of wheat went to Bolivia, Jordan, and Libya.

Five million and six hundred thousand packages of food went to East Berlin and East Germany.

Commodities furnished to institutions, welfare, Indians, and school-lunch programs:

Butter	63,838,398
Beef and gravy	124,091,100
Dried milk	23,563,160
Cheese	40,874,460
Potatoes	32,218,100
Shortening	17,945,964
Dried beans	5,049,900
Cranberry sauce	4,689,344
Frozen hamburger	47,537,500
Frozen beef	1,250,000
Honey	6,149,670
Pecans	594,000

DAIRY SITUATION

In addition, the Government has disposed of 173,741,085 pounds of butter; 155,565,171 pounds of Cheddar cheese; and 328,803,438 pounds of nonfat dry milk solids through various Government outlets; such as noncommercial export sales, including United States Army sales and others.

This includes only a part of the greatest effort that has ever been made by our Government in the same length of time, to be helpful to the farmers of the Nation, and to stabilize at a profitable level the price of farm commodities.

Tribute to Hon. Carl T. Curtis, of Nebraska

EXTENSION OF REMARKS

OF

HON. DANIEL A. REED

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 4, 1954

Mr. REED of New York. Mr. Speaker, I do not want the 83d Congress to recess without paying tribute to the gentleman from Nebraska, Representative CARL T. CURTIS. CARL is leaving the House of Representatives. Having won the Republican primary for Senator from Nebraska, he will replace the late Dwight Griswold as the representative from the great State in the Senate.

CARL CURTIS has been a member of the Committee on Ways and Means since 1945. His service on the committee has been distinguished in every sense of the term. His keen, analytical mind, his thorough technical competence in the field of taxation, his broad understanding and knowledge of social security legislation—these qualities combined with his splendid judicial temperament, enabled him to play an important role in the work of the committee and to make legislative contributions far beyond those of the average Member of Congress.

In view of this distinguished record, it is not surprising that the people of Nebraska have not permitted him to retire

to private life. In indicating that he is their choice for Senator they have paid fitting tribute to the exceptional quality of his public service.

CARL'S departure from the House will leave a void which only those who knew him well can fully appreciate. In particular, his loss will be most sorely felt by the Committee on Ways and Means.

I know that I speak for all the members of the committee when I say that our sorrow at his departure is tempered only by the knowledge that, in the Senate, he will have an opportunity to continue his magnificent career of service to his country.

Statement of Principles

EXTENSION OF REMARKS

OF

HON. DEWEY SHORT

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 4, 1954

Mr. SHORT. Mr. Speaker, in my judgment, the American people voted for a change in 1952. I regarded my own reelection to Congress as a mandate to help give them that change. I have worked to that end. The change has not been as fast or complete as I have wanted it.

Insofar as I have felt that the policies of the Eisenhower administration contributed to this much-needed change, I have supported them—and will continue to do so.

I have supported the administration's economy measures and tax program as the basis of sound national prosperity. I have supported administration efforts to strengthen American military defenses, particularly through air power and improved weapons. I have supported administration proposals designed to restore constitutional government and fiscal sanity. I have supported administration efforts to strengthen private enterprise and reduce the encroachments of big government. I personally aided these efforts in the successful fight to authorize sale of the synthetic rubber plants to private enterprise at a fair price. I voted for the St. Lawrence seaway project which, under President Eisenhower's leadership, has finally become an assured reality. I have supported any move which gave promise of a firmer and more realistic foreign policy and have especially commended the President's pledge to recognize the congressional authority to declare war.

On the other hand, insofar as I have felt that administration policies have failed to accomplish the much-needed change or have continued the discredited Truman-Acheson program, I have opposed those policies—and will continue to do so.

What I believed to be wrong in 1952, I still believe to be wrong in 1954. I will not embrace or support policies I have consistently opposed over the years merely because they ostensibly have new sponsorship. More often than not, they have been foisted upon the present administration by holdover bureaucrats of the Fair Deal days.

I have opposed—and will continue to oppose—the giveaway of American resources, tax funds, and manpower to unreliable, fair-weather allies who seek continued handouts from Uncle Sam but direct their policy of appeasement only to America's enemies.

I have opposed—and will continue to oppose—any jungle wars for American fighting men which can only bleed this Nation white. But once in war we should fight to win it.

I have opposed—and will continue to oppose—scattering American forces throughout the world.

I have supported, insofar as opportunity has afforded—and will continue to support—the Bricker amendment. I believe it is absolutely necessary to have a constitutional guaranty that the Constitution cannot be nullified by treaty provision of executive agreements.

I have opposed—and will continue to oppose—subjecting American servicemen to the courts and judicial processes of foreign countries, where rights guaranteed all Americans by the Constitution are jeopardized or destroyed.

I have long advocated—and continue to advocate—complete severance of diplomatic relations with Soviet Russia. Events have tragically confirmed my belief that recognition of Russia has always exposed this country to infiltration of spies, enemy agents, and Soviet secret police under the guise of diplomatic personnel.

I believe that the starting point of a truly firm foreign policy is the complete refusal to do business with Communist nations. I believe the bulk of our diplomatic failures of the past 20 years can be traced to our recognition of Soviet Russia, a nation which has built up its own military might with secrets and materiel we have lost or given to the Communists.

I have supported—and will continue to support—congressional investigations of Communist subversion and infiltration. Whatever improvements may be possible in such investigative procedures, these congressional investigations are the one safeguard available against Executive indifference to this Communist peril and the one principal means of public knowledge and understanding of this threat.

We all recognize agriculture as our basic industry and that dairying comprises the most important segment of it. I firmly believe that dairy products should be supported under the same system as basic commodities. It is manifestly unfair to force the dairy farmer to pay inordinately high prices for grain and feeds supported by high fixed Government subsidies at the same time he has his milk, cheese, and other dairy products sold on a lower flexible scale.

Actually, the basic crops—wheat, cotton, corn, rice, tobacco, and peanuts—account for only about 23 percent of the Nation's total farm income. Yet nine-tenths of the $6.5 billion committed to price-support operations is tied up in these basic commodities.

During 1953 Missouri farmers received $705 million for their livestock and livestock products while crops returned only $310 million. This works a distinct hardship on our Missouri farmers because only 14 percent of Missouri's farm income is supplied by the so-called basic commodities. No one branch of agriculture should be favored over another.

It is necessary for the prosperity of the Nation that labor-mangement relations be harmonious in that each should recognize the rights of the other. I have always worked toward this end. The Taft-Hartley law is fundamentally right and basically sound, and I agree with President Eisenhower that workers in any union should be free to decide for themselves whether or not they should go on strike, instead of being browbeaten and threatened by some high-salaried labor boss.

Much remains to be done if the American people are to have the change for which they voted 2 years ago. Because of rigid New Fair Deal laws ruthlessly passed when few Republicans were in Congress and because the Republicans lack a working majority in both the Senate and the House under the present administration, it has been difficult and next to impossible to have the quick turn-over in patronage which all good and loyal Republicans want. The most powerful leaders in Congress, as well as the freshmen Members, young and inexperienced, face this same problem. Any honest Member will tell you this.

Election of a Republican Congress is imperative if the principles and program of the Eisenhower administration are to be carried forward. It will be carried forward faster when we get rid of holdover New Fair Dealers. And for heaven's sake do not elect any so-called Republican New Dealer.

In spite of the powerful machine built up by the New Fair Deals over 20 long years, much progress has been made in the year and a half this administration has been in power. Taxes have been reduced, Government expenditures cut enormously—216,243 jobs eliminated at a saving of $851 million a year—important social legislation enacted, a highway program of great value adopted, increased funds voted for REA and rural telephones, more funds given to our Agriculture Research and Extension Service, Communists and subversives have been routed out of the Government, and the Washington mess largely—though by no means completely—cleaned up.

I pledge my continued efforts to build up and maintain America's military might, to preserve her economic strength, and to increase her intellectual and augment her moral and spiritual power.

And, of course, I also pledge to continue the courteous and efficient services to the people of the Seventh Missouri district, which I and my office staff have always given in the past. To serve the people of our great district without regard to their political affiliations has always been our motto. That policy will be continued.

SENATE

THURSDAY, AUGUST 5, 1954

The Senate met at 10 o'clock a. m.

Rev. Clyde H. Freed, Jr., D. D., minister, the First Baptist Church, Williamsburg, Ky., offered the following prayer:

Unto Thee, eternal God and Heavenly Father, we lift our hearts to Thee to ask that Thy profoundest blessing rest upon these who stand in places of leadership within our land. May Thy blessings be manifest upon our Nation as they have been in years past. May we as citizens and leaders be keenly conscious and aware that we as a nation are what we are by Thy goodness and mercy; and that good government comes not by might nor power, nor atomic weapons, but from Thee.

Even as our Nation stands at the crossroads of decisions of destiny, we pray that these our leaders may be led aright. Even as we pray for these, our leaders, we would pray for those who lead in other nations that the day may come when the hearts of men may be governed by peace.

These things we ask in the name of Thy Son, who came to this earth to show us the pathway of peace and the way of eternal life and abundant living. Amen.

THE JOURNAL

On request of Mr. KNOWLAND, and by unanimous consent, the reading of the Journal of the proceedings of Wednesday, August 4, 1954, was dispensed with.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Miller, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, its reading clerk, announced that the House had passed the following bills of the Senate, severally with an amendment, in which it requested the concurrence of the Senate:

S. 46. An act for the relief of E. S. Berney;

S. 555. An act for the relief of Charles W. Gallagher;

S. 1702. An act for the relief of Emilia Pavan;

S. 2147. An act for the relief of Terrence Waller;

S. 2553. An act for the relief of Joseph V. Crimi, father of the minor child, Joseph Crimi;

S. 2693. An act for the relief of Robert Lee Williams;

S. 3245. An act to provide emergency credit; and

S. 3303. An act granting to Basic Management, Inc., a private corporation organized under the laws of the State of Nevada, certain public lands of the United States in the State of Nevada.

The message also announced that the House had passed the following bills of the Senate, severally with amendments, in which it requested the concurrence of the Senate:

S. 16. An act to amend the immunity provision relating to testimony given by witnesses before either House of Congress or their committees;

S. 541. An act to extend detention benefits under the War Claims Act of 1948 to employees of contractors with the United States; and

S. 2266. An act for the relief of Walter P. Sylvester.

The message further announced that the House had agreed to the concurrent resolution (S. Con. Res. 92) favoring the suspension of deportation in the case of certain aliens, with an amendment, in which it requested the concurrence of the Senate.

The message also announced that the House had agreed to a concurrent resolution (H. Con. Res. 267) authorizing the printing of additional copies of the hearings held by the Joint Committee on Atomic Energy relative to the contribution of atomic energy to medicine, in which it requested the concurrence of the Senate.

The message further announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 3520. An act for the relief of Mrs. Erna Rosita Pont (formerly Erna Rosita Michel);

H. R. 3566. An act for the relief of Pimen Maximovitch Safronov;

H. R. 3750. An act for the relief of Inge Beckmann;

H. R. 3869. An act for the relief of Gilbert Elkanah Richards, Adelaide Gertrude Richards, and Anthony Gilbert Richards;

H. R. 3874. An act for the relief of Roberto Johnson;

H. R. 4103. An act for the relief of Alberto D'Agliano;

H. R. 4185. An act for the relief of John G. Zeros;

H. R. 4426. An act for the relief of Andrea Paulette Quatrehomme and her child;

H. R. 4437. An act for the relief of Louise Rank;

H. R. 4581. An act for the relief of Solomon Joseph Sadakne;

H. R. 4815. An act for the relief of Alexander Petsche;

H. R. 4866. An act for the relief of George S. Ridner;

H. R. 5119. An act for the relief of Augusta Oppacher Bialek;

H. R. 5125. An act for the relief of the estate of Mateo Ortiz Vazquez, deceased;

H. R. 5193. An act for the relief of Dr. Jalal Elahi;

H. R. 5319. An act for the relief of Henry (also known as Heinrich) Schor, Sally (also known as Sali) Schor, and Gita (also known as Gitta Aviva) Schor;

H. R. 5459. An act for the relief of Takeko Ishiki;

H. R. 5553. An act for the relief of Dr. Lu Jen-hung;

H. R. 5586. An act for the relief of Constantine Nitsas;

H. R. 5807. An act for the relief of Mary Rose and Mrs. Alcie Rose Spittler;

H. R. 5841. An act for the relief of Boris Ivanovitch Oblesow;

H. R. 6149. An act for the relief of Ekea Jahns;

H. R. 6324. An act for the relief of Orlando Lucarini;

H. R. 6355. An act for the relief of Elena Scarpetti Savelli;

H. R. 6367. An act for the relief of Nobu Nogawa Nitta;

H. R. 6442. An act for the relief of Tamiko Fujiwara;

H. R. 6451. An act to provide for the conveyance of certain public lands in Utah to the occupants of the land;

H. R. 6492. An act for the relief of Rodolfo Navarro;

H. R. 6498. An act for the relief of Elfriede Lina Avitable, nee Roser;

H. R. 6526. An act conferring jurisdiction upon the United States District Court for the Eastern District of Michigan to hear, determine, and render judgment upon certain claims of Mr. and Mrs. Donald D. Parrish;

H. R. 6697. An act for the relief of J. B. Phipps;

H. R. 6752. An act for the relief of Mrs. Maria Giuseppa De Lisa Quagliano;

H. R. 6762. An act for the relief of Mrs. Irmgard (Chrapko) Broughman;

H. R. 6978. An act for the relief of Mrs. Lorenza O'Malley (de Amusategui);

H. R. 7053. An act for the relief of Elizabeth Stiegler Lewis;

H. R. 7093. An act for the relief of H. W. Robinson & Co.;

H. R. 7099. An act for the relief of Eugene Spitzer;

H. R. 7217. An act for the relief of Astor Vergata;

H. R. 7243. An act for the relief of Namiko Nitoh and her child, George F. X. Nitoh;

H. R. 7245. An act for the relief of Miss Martha Kantelberg;

H. R. 7246. An act for the relief of Mrs. Elfriede Majka Grifasi;

H. R. 7352. An act for the relief of Mrs. Sonja Ries Kock;

H. R. 7406. An act for the relief of Janis Arvids Reinfelds;

H. R. 7881. An act to validate a conveyance of certain lands by Southern Pacific Railroad Co., and its lessee, Southern Pacific Co., to Morgan Hopkins, Inc.;

H. R. 7947. An act for the relief of Mrs. Erika (Hohenleitner) Stapleton;

H. R. 8115. An act for the relief of Tannous Estephan;

H. R. 8244. An act for the relief of Mrs. Dorothy Nell Woolgar Allen;

H. R. 8281. An act for the relief of the estate of William B. Rice;

H. R. 8307. An act for the relief of Virginia Heil;

H. R. 8371. An act for the relief of Mrs. Diana P. Kittrell;

H. R. 8554. An act for the relief of Maria M. Khoe;

H. R. 8736. An act to authorize the issuance of a land patent to certain public lands, situate in the county of Kauai, T. H., for school purposes;

H. R. 8859. An act to convey the reversionary interest of the United States in certain lands to the city of Pawnee, Okla.;

H. R. 9029. An act for the relief of Paul James Patrie;

H. R. 9261. An act for the relief of Clement E. Sprouse;

H. R. 9440. An act for the relief of Ingeborg Elizabeth Davis (nee Eisenreider);

H. R. 9512. An act for the relief of Mrs. Franziska (Han) Rigau;

H. R. 9814. An act for the relief of Alfio Capizzi;

H. R. 9844. An act for the relief of Gabriella Sardo;

H. R. 9889. An act to authorize the Secretary of the Interior to execute an amendatory contract with American Falls Reservoir District No. 2, Idaho, and for other purposes;

H. R. 9962. An act to increase by 5 percent the rates of pension payable to veterans and their dependents; and

H. R. 10067. An act for the relief of Thomas P. Harney, Jr., doing business as the Harney Engineering Co.

ORDER FOR TRANSACTION OF ROUTINE BUSINESS

Mr. KNOWLAND. Mr. President, I ask unanimous consent that immediately following the quorum call there may be the customary morning hour for the transaction of routine business, under the usual 2-minute limitation on speeches.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. KNOWLAND. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The Secretary will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Routine business is in order.

PETITION

The PRESIDENT pro tempore laid before the Senate the petition of Ernest Paul, of Los Angeles, Calif., relating to old-age insurance, and so forth, which was ordered to lie on the table.

SAFEGUARDING THE RIGHTS OF WISCONSIN LANDOWNERS—TELEGRAM

Mr. WILEY. Mr. President, on August 3, the House passed H. R. 8006, to safeguard the rights of certain landowners in Wisconsin whose title to property has been brought into question by reason of errors in the original survey and grant.

This bill is extremely important to a great many Wisconsin landowners.

I earnestly hope that our colleagues on the Senate Interior and Insular Affairs Committee will find it possible to report it promptly to the full Senate for action by the Senate prior to adjournment.

I send to the desk now one of the representative messages which I have received endorsing this bill which, incidentally, had been introduced by my colleague, Representative ALVIN E. O'KONSKI.

I ask unanimous consent that this telegram message from the president of the Oneida County Bar Association, Mr. Walter F. Kaye, be printed at this point in the body of the RECORD and be thereafter appropriately referred to the Senate Interior and Insular Affairs Committee.

There being no objection, the telegram was referred to the Committee on Interior and Insular Affairs, and ordered to be printed in the RECORD, as follows:

RHINELANDER, WIS., *August 5, 1954.*

Hon. ALEXANDER WILEY,
United States Senate:

I, having had long experience with utterly deplorable conditions of all Wisconsin lake frontage titles, ask that before the present Congress adjourns it is imperative that the Senate pass House-approved H. R. 8006 to greatly improve such titles. The bar association, real-estate board, and all public bodies unanimously urge passage now.

WALTER F. KAYE,
President, Oneida County Bar Association.

TELEGRAM FROM WISCONSIN AUTOMOTIVE TRADES ASSOCIATION

Mr. WILEY. Mr. President, I send to the desk the text of a telegram which I have just received from Mr. Louis Milan, executive vice president of the Wisconsin Automotive Trades Association, in which he urges prompt, favorable action on House-approved legislation which auto dealers feel is necessary in order to assure justice for automotive franchise dealers throughout our country.

I ask unanimous consent that the text of this telegram be printed at this point in the body of the RECORD and be thereafter referred to the Senate Interstate and Foreign Commerce Committee which, I trust, will report to the Senate promptly on this overall issue.

There being no objection, the telegram was referred to the Committee on Interstate and Foreign Commerce, and ordered to be printed in the RECORD, as follows:

MADISON, WIS., *August 5, 1954.*

Senator ALEXANDER WILEY,
Senate Office Building:

House of Representatives overwhelmingly passed automobile antibootlegging bill H. R. 9769. Strongly and sincerely urge that you request bill to be put to vote and vote in favor of passage of H. R. 9769. This legislation essential to orderly and profitable conductance of new car merchandising. On behalf of our 1,800 new car member dealers we respectfully ask your support. This bill is companion bill of S. 3596. These duplicate bills urgently needed regardless of action of Interstate and Foreign Commerce Committee on resolutions calling for sweeping investigation in factories and dealer relations.

LOUIS MILAN,
Executive Vice President, Wisconsin Automotive Trades Association.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. KUCHEL, from the Committee on Interior and Insular Affairs, with amendments:

S. 3708. A bill to authorize the Secretary of the Interior to sell and convey certain Parker-Davis transmission facilities and related property in the States of Arizona and California, and for other purposes (Rept. No. 2217).

By Mr. CORDON, from the Committee on Interior and Insular Affairs, with amendments:

H. R. 4118. A bill to authorize the preparation of rolls of persons of Indian blood whose ancestors were members of certain tribes or bands in the State of Oregon, and to provide for per capita distribution of funds arising from certain judgments in favor of such tribes or bands (Rept. No. 2219).

By Mr. MURRAY, from the Committee on Interior and Insular Affairs, without amendment:

H. R. 8897. A bill to authorize and direct the Secretary of the Interior to transfer 40 acres of land in the Northern Cheyenne Indian Reservation, Mont., to School District No. 6, Rosebud County, Mont. (Rept. No. 2220).

By Mr. WATKINS, from the Committee on Interior and Insular Affairs, with amendments:

S. 3570. A bill to authorize the sale of certain lands situated in Utah (Rept. No. 2221).

By Mr. WATKINS, from the Committee on Interior and Insular Affairs, without amendment:

H. R. 9821. A bill to amend titles 18 and 28 of the United States Code (Rept. No. 2223).

By Mr. DWORSHAK, from the Committee on Interior and Insular Affairs, with amendments:

H. R. 6814. A bill to facilitate the acquisition of non-Federal land within areas of the National Park System, and for other purposes (Rept. No. 2224).

By Mr. AIKEN, from the Committee on Agriculture and Forestry, with amendments:

S. 3774. A bill to extend the benefits of the Watershed and Flood Prevention Act to Alaska, Hawaii, and Puerto Rico (Rept. No. 2218).

AMENDMENTS TO RAILROAD RETIREMENT ACT, RAILROAD RETIREMENT TAX ACT, AND RAILROAD UNEMPLOYMENT INSURANCE ACT—REPORT OF A COMMITTEE—MINORITY VIEWS

Mr. COOPER. Mr. President, from the Committee on Labor and Public Welfare, I report favorably, without amendment, the bill (H. R. 7840) to amend the Railroad Retirement Act, the Railroad Retirement Tax Act, and the Railroad Unemployment Insurance Act, and I submit a report (No. 2222) thereon, together with the views of the Senator from Arizona [Mr. GOLDWATER]. I request that the report be printed, including the minority views of the Senator from Arizona.

The PRESIDENT pro tempore. The bill will be received and placed on the calendar, and, without objection, the report will be printed as requested by the Senator from Kentucky.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. KEFAUVER:

S. 3840. A bill for the relief of Klyce Motors, Inc.; to the Committee on the Judiciary.

By Mr. JOHNSON of Colorado:

S. 3841. A bill for the relief of Hildegard L. Schlang and her minor child, Norma Jean Schlang; to the Committee on the Judiciary.

By Mr. McCARTHY:

S. 3842. A bill for the relief of Andraes Kafarakis; to the Committee on the Judiciary.

FLOOD CONTROL ACT OF 1954—AMENDMENT

Mr. McCARTHY submitted an amendment intended to be proposed by him to the bill (H. R. 9859) authorizing the construction, repair, and preservation of certain public works on rivers and harbors for navigation, flood control, and for other purposes, which was ordered to lie on the table and to be printed.

AMENDMENT TO SECTION 345 OF THE REVENUE ACT OF 1951

Mr. BUSH (for himself, Mr. BRIDGES, Mr. CAPEHART, and Mr. FERGUSON) submitted an amendment intended to be proposed by them, jointly, to the bill (H. R. 6440) to amend section 345 of the Revenue Act of 1951, which was ordered to lie on the table and to be printed.

AGRICULTURAL ACT OF 1954—AMENDMENT

Mr. McCARTHY submitted an amendment intended to be proposed by him to the bill (S. 3052) to encourage a stable, prosperous, and free agriculture, and for other purposes, which was ordered to lie on the table and to be printed.

Mr. SCHOEPPEL submitted an amendment intended to be proposed by him to Senate bill 3052, supra, which was ordered to lie on the table and to be printed.

Mr. LEHMAN submitted an amendment intended to be proposed by him to Senate bill 3052, supra, which was ordered to lie on the table and to be printed.

HOUSE BILLS REFERRED

The following bills were severally read twice by their titles, and referred as indicated:

H. R. 3520. An act for the relief of Mrs. Erna Rosita Pont (formerly Erna Rosita Michel);

H. R. 3566. An act for the relief of Pimen Maximovitch Safronov;

H. R. 3750. An act for the relief of Inge Beckmann;

H. R. 3869. An act for the relief of Gilbert Elkanah Richards, Adelaide Gertrude Richards, and Anthony Gilbert Richards;

H. R. 3874. An act for the relief of Roberto Johnson;

H. R. 4103. An act for the relief of Alberto D'Agliano;

H. R. 4185. An act for the relief of John G. Zeros;

H. R. 4426. An act for the relief of Andrea Pauiette Quatrehomme and her child;

H. R. 4437. An act for the relief of Louise Rank;

H. R. 4581. An act for the relief of Solomon Joseph Sadakne;

H. R. 4815. An act for the relief of Alexander Petsche;

H. R. 4866. An act for the relief of George S. Ridner;

H. R. 5119. An act for the relief of Augusta Oppacher Bialek;

H. R. 5125. An act for the relief of the estate of Mateo Ortiz Vazquez, deceased;

H. R. 5193. An act for the relief of Dr. Jalal Elahi;

H. R. 5319. An act for the relief of Henry (also known as Heinrich) Schor, Sally (also known as Sali) Schor, and Gita (also known as Gitta Aviva) Schor;

H. R. 5459. An act for the relief of Takeko Ishiki;

H. R. 5553. An act for the relief of Dr. Lu Jen-hung;

H. R. 5586. An act for the relief of Constantine Nitsas;

H. R. 5807. An act for the relief of Mary Rose and Mrs. Alcie Rose Spittler;

H. R. 5841. An act for the relief of Boris Ivanovitch Oblesow;

H. R. 6149. An act for the relief of Ekea Jahns;

H. R. 6324. An act for the relief of Orlando Lucarini;

H. R. 6355. An act for the relief of Elena Scarpetti Savelli;

H. R. 6367. An act for the relief of Nobu Nogawa Nitta;

H. R. 6442. An act for the relief of Tamiko Fujiwara;

H. R. 6492. An act for the relief of Rodolfo Navarro;

H. R. 6498. An act for the relief of Elfriede Lina Avitable, nee Roser;

H. R. 6526. An act conferring jurisdiction upon the United States District Court for the eastern district of Michigan to hear, determine, and render judgment upon certain claims of Mr. and Mrs. Donald D. Parrish;

H. R. 6697. An act for the relief of J. B. Phipps;

H. R. 6752. An act for the relief of Mrs. Maria Giuseppa De Lisa Quagliano;

H. R. 6762. An act for the relief of Mrs. Irmgard (Chrapko) Broughman;

H. R. 6978. An act for the relief of Mrs. Lorenza O'Mailey (de Amusategui);

H. R. 7053. An act for the relief of Elisabeth Stiegler Lewis;

H. R. 7093. An act for the relief of H. W. Robinson & Co.;

H. R. 7099. An act for the relief of Eugene Spitzer;

H. R. 7217. An act for the relief of Astor Vergata;

H. R. 7243. An act for the relief of Namiko Nitoh and her child, George F. X. Nitoh;

H. R. 7245. An act for the relief of Miss Martha Kantelberg;

H. R. 7246. An act for the relief of Mrs. Elfriede Majka Grifasi;

H. R. 7352. An act for the relief of Mrs. Sonja Ries Kock;

H. R. 7406. An act for the relief of Janis Arvids Reinfelds;

H. R. 7947. An act for the relief of Mrs. Erika (Hohenleitner) Stapleton;

H. R. 8115. An act for the relief of Tannous Estephan;

H. R. 8244. An act for the relief of Mrs. Dorothy Nell Woolgar Allen;

H. R. 8281. An act for the relief of the estate of William B. Rice;

H. R. 8307. An act for the relief of Virginia Heil;

H. R. 8371. An act for the relief of Mrs. Diana P. Kittrell;

H. R. 8554. An act for the relief of Maria M. Khoe;

H. R. 9029. An act for the relief of Paul James Patrie;

H. R. 9261. An act for the relief of Clement E. Sprouse;

H. R. 9440. An act for the relief of Ingeborg Elizabeth Davis (nee Eisenreider);

H. R. 9512. An act for the relief of Mrs. Franziska (Han) Rigau;

H. R. 9814. An act for the relief of Alfio Capizzi;

H. R. 9844. An act for the relief of Gabriella Sardo; and

H. R. 10067. An act for the relief of Thomas F. Harney, Jr., doing business as the Harney Engineering Co.; to the Committee on the Judiciary.

H. R. 6451. An act to provide for the conveyance of certain public lands in Utah to the occupants of the land;

H. R. 7881. An act to validate a conveyance of certain lands by Southern Pacific Railroad Co., and its lessee, Southern Pacific Co., to Morgan Hopkins, Inc.;

H. R. 8736. An act to authorize the issuance of a land patent to certain public lands, situate in the county of Kauai, T. H., for school purposes;

H. R. 8859. An act to convey the reversionary interest of the United States in certain lands to the city of Pawnee, Okla.; and

H. R. 9889. An act to authorize the Secretary of the Interior to execute an amendatory contract with American Falls Reservoir District No. 2, Idaho, and for other purposes; to the Committee on Interior and Insular Affairs.

H. R. 9962. An act to increase by 5 percent the rates of pension payable to veterans and their dependents; to the Committee on Finance.

HOUSE CONCURRENT RESOLUTION REFERRED

The concurrent resolution (H. Con. Res. 267), was referred to the Committee on Rules and Administration, as follows:

Resolved by the House of Representatives (the Senate concurring), That there be printed for the use of the Joint Committee on Atomic Energy 15,000 additional copies of the hearings held by the said joint committee during the current Congress, relative to the contribution of atomic energy to medicine.

GEN. GEORGE C. MARSHALL

Mr. ROBERTSON. Mr. President, when that great Marine leader, Gen. John A. Lejeune, holder of the highest decorations his Government could bestow for military valor, was Superintendent of the Virginia Military Institute, he said at VMI, "We teach no ism except patriotism." That principle has characterized the training at VMI throughout its long and illustrious history.

From the time of the unfortunate War Between the States down to the present time VMI has furnished to the Nation more outstanding military leaders than any school in the Nation with the exception of the United States Military Academy.

Since 1908 I have lived in the shadows of VMI, and I have known many of the men whom VMI has graduated during that period. One of the brightest of them was Frank McCarthy, of Richmond, who was a colonel in the Army during World War II, and the personal aide of the then Chief of Staff, George C. Marshall. After retiring from military service, Col. Frank McCarthy went to Europe as the representative of a number of motion picture companies interested in expanding their markets abroad. At the present time he is with a large movie company in Los Angeles.

This morning I received from him a telegram, which I shall now read to the Senate with my full endorsement and strong approval:

DEAR WILLIS: The President's comments on General Marshall today were magnificent. I wonder whether you would consider giving them your public endorsement in order to remind General Marshall that we Virginians and particularly we Lexingtonians hold him and will always hold him in highest regard for the matchless services he has rendered us all. Best to you and Mrs. Robertson.

FRANK MCCARTHY.

WINDFALL PROFITS UNDER FHA LOANS

Mr. WILLIAMS. Mr. President, I ask unanimous consent that I may speak for 5 minutes.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

Mr. WILLIAMS. Mr. President, today I shall incorporate in the RECORD a report showing how 8 individuals formed 4 corporations with the total amount of

initial capital investment for all 4 corporations being $4,000. They then obtained 4 FHA mortgages amounting to $8,826,400. According to the FHA records, the total construction cost of these 4 projects was $7,772,046, leaving a windfall profit for the 8 individuals on their initial $4,000 investment of $1,054,345, of which amount $762,654.53 was distributed.

I shall also incorporate in the RECORD a breakdown of the investment of each stockholder in the different corporations, along with their proportionate share of the distribution of the $762,654.53 windfall profits as made on July 26, 1952.

The 4 projects to which I refer were constructed in Columbus, Ohio, under the name of the Beverly Manor Apartments. These 4 projects contain respectively, 264, 550, 264, and 264 units, or a total of 1,342. Mr. Don Loftus appears as the president of each of the 4 corporations. Each corporation was organized with 200 shares of common stock, $5 par value, representing a capitalization of $1,000. Each company had 100 shares of preferred stock, $1 par value. The preferred stock was all issued to the FHA.

The FHA furnished a list of the stockholders in each of these corporations, as follows:

Stockholders	Number of shares ($5 par)	Investment
Don Loftus, trustee	100	$500.00
Don Loftus, president	25	125.00
D. E. Ryan	12½	62.50
Jack F. Chrysler	20	100.00
Webster R. Robinson	10	50.00
Cyril J. Ryan	12½	62.50
Helen Robinson	15	75.00
Webster R. Robinson, Jr.	5	25.00
Total	200	1,000.00

With his 25-share interest in each of the four corporations, the total cost of which was $500, Mr. Don Loftus received $95,331.82 as his share of distributed windfall profits.

In addition to Mr. Loftus' personal account, as above, he held 100 shares in each corporation, under his name as trustee. This trustee account represented an investment of $500 in each corporation, or a total investment of $2,000. This trust account received as its share of distributed windfall profits, on its $2,000 investment, a total of $381,327.27.

D. E. Ryan owned 12½ shares in each of the four companies, representing a total investment in all four companies of $250. He collected as his share of distributed windfall profits $47,665.91.

Jack F. Chrysler owned 20 shares in each of the four companies, his total investment being $400. His share of the distributed windfall profits amounted to $76,265.45.

Walter R. Robinson had 10 shares or $50 invested in each company, representing a total investment of $200. His windfall dividend was $38,132.73.

Cyril J. Ryan owned 12½ shares in each company, at $5 a share. His investment in each company was $62.50, or a total of $250. On this $250 investment he collected $47,665.90 windfall profits.

Helen Robinson owned 15 shares in each of the four companies, representing a total investment of $300. She collected $57,199.10.

Walter R. Robinson, Jr., was assigned five shares, representing an investment of $25 in each company, or a $100 total investment. His four windfall distributions totaled $19,066.35.

After distributing the windfall profits as described above in the amounts of $762,654.53, the company still had remaining undistributed windfall profits approximating another fourth of a million dollars.

Another significant point which should be emphasized in relation to these overvalued projects is that not only did the sponsors reap over three-fourths of a million dollars in windfall profits, but also it must be remembered that with these projects, financed by the Government at from 111 percent to 114 percent of their cost, the tenants of these apartment houses will, during the years of the amortization of this mortgage, be required to pay increased rentals ranging from 11 percent to 14 percent.

I now ask unanimous consent to have incorporated in the RECORD, as a part of my remarks, certain letters from the FHA substantiating this report, along with a breakdown of the distribution by stockholders and by projects.

There being no objection, the letters and tabulations were ordered to be printed in the RECORD, as follows:

UNITED STATES SENATE,
Washington, D. C., May 14, 1954.

Mr. NORMAN P. BOWSER,
Acting Commissioner, Federal Housing Administration, Washington, D. C.

DEAR MR. BOWSER: I have been advised that in Columbus, Ohio, a large rental apartment unit was constructed by Mr. Don Loftis, Mr. D. E. Ryan, Mr. Jack Chrysler, and Mr. Robinson, with the loan being insured by the Prudential Life Insurance Co.

Will you please furnish me with the complete details on this project; that is:

1. The number of units.
2. The date and the total amount of each loan.
3. The present status of the loans.
4. The total amount of investment by the owners in the project.
5. The percentage of the loan in relation to the cost.
6. The total cost of the project.
7. The cost of the land both to the project and to the participants when originally purchased, if different.
8. The amount of the so-called windfall profits and the dates of distribution.

Yours, sincerely,

JOHN J. WILLIAMS.

FEDERAL HOUSING ADMINISTRATION,
Washington, D. C., June 18, 1954.

Hon. JOHN J. WILLIAMS,
United States Senate,
Washington, D. C.

MY DEAR SENATOR WILLIAMS: Under date of June 1, 1954, I advised you that an analysis of our records was being undertaken in order to provide you with the information requested in your letter of May 14. The information we have been able to develop follows:

1. The development to which you refer consists of the 4 projects identified above which contain respectively 264, 550, 264, and 264 units, or a total of 1,342.

2. The mortgage notes were all dated September 1, 1950, and the amounts were:

Project No.:	
043-42105	$1,742,400
043-42106	3,630,000
043-42107	1,726,500
043-42115	1,727,500
Total	8,826,400

3. According to our records the loans are current in all respects.

4, 5, 6, 7, and 8. As you know an investigation of the section 608 program under which these mortgages were insured is now being conducted by Administrator Cole of the Housing and Home Finance Agency. The investigative staff working under the supervision of Mr. William F. McKenna, Deputy Administrator, Housing and Home Finance Agency might be in a position to answer these questions and I would suggest that you may wish to get in touch with Mr. McKenna.

I am always glad to hear from you and to be of every possible assistance.

Sincerely yours,

NORMAN P. MASON,
Acting Commissioner.

HOUSING AND HOME FINANCE AGENCY,
Washington, D. C., August 3, 1954.

Hon. JOHN J. WILLIAMS,
United States Senate,
Washington, D. C.

DEAR SENATOR WILLIAMS: This is in further reply to your letter of June 23, 1954, addressed to Mr. William F. McKenna, requesting certain information regarding the construction of Beverly Manor Apartments in Columbus, Ohio. You have indicated that answers have been received from Mr. Norman P. Mason, Commissioner of the Federal Housing Administration, to questions 1, 2, and 3, of your letter of May 14, 1954, to Mr. Mason.

The following data is submitted in response to the remaining questions 4 to 8, inclusive:

Question 4:

"The total amount of investment by the owners in the project."

The development consisted of four projects, for each of which a separate corporation was formed. The authorized capital stock for each corporation was 200 shares of common stock at $5 par value, and 100 shares of preferred stock at $1 par value. All of the preferred stock was issued to FHA. Since all of the stock was issued, it is indicated that a total of $4,000 was the initial capital investment by the stockholders, exclusive of FHA, for all four corporations.

The minutes of the first meetings of the boards of directors indicate that in addition to the purchase of stock by the stockholders, the following sums, from sources not shown, had been advanced to each corporation for the purchase of land and other organization purposes:

043-42105	$85,000
043-42106	170,000
043-42107	75,000
043-42115	85,000
Total	415,000

Questions 5, 6, and 8:

5. "The percentage of the loan in relation to the cost."

6. "The total cost of the project."

8. "The amount of the so-called 'windfall' profits and the dates of distribution."

Project	Mortgage	Cost	Mortgaging out	Percent loan/cost
043-42105	$1,742,400	$1,510,612	$222,788	114.1
043-42106	3,630,000	3,163,872	466,128	114.7
043-42107	1,726,500	1,543,370	183,130	111.8
043-42115	1,727,500	1,545,192	182,308	111.7
Total	8,826,400	7,772,046	1,054,345	

Distribution to stockholders was made by each of the corporations on July 26, 1952, in the following amounts:

043–42105	$169,216.95
043–42106	332,539.58
043–42107	126,911.56
043–42115	133,986.44
Total	762,654.53

Question 7:

"The cost of the land both to the project and to the participants when originally purchased, if different."

The land was purchased from Don A. Loftus Associates, Inc., which was also the building contractor. Don A. Loftus was president of both Don A. Loftus Associates, Inc., and the Beverly Manor projects. The cost of the land to Don A. Loftus Associates, Inc., is not known. The following table shows the cost of the land to the Beverly Manor projects and the FHA estimates:

Project	Cost	FHA estimate
043–42105	$18,550	$34,725
043–42106	32,710	61,000
043–42107	14,550	27,350
043–42115	14,690	27,625
Total	80,500	150,700

I am pleased to be of assistance in providing the above information.

Sincerely yours,

AL COLE,
Administrator.

Project No. 043–42105

Mortgage	$1,742,400
Cost	$1,519,612
Mortgaging out	$222,788
Percent, loan/cost	114.1
Distribution to stockholders	$169,216.95

Date of distribution: July 26, 1952.

Stockholders	Number of shares	Investment ($5 par)	Profits distribution
Don Loftus, trustee	100	$500.00	$84,608.48
Don Loftus, president	25	125.00	21,152.12
D. E. Ryan	12½	62.50	10,576.06
Jack F. Chrysler	20	100.00	16,921.69
Webster R. Robinson	10	50.00	8,460.84
Cyril J. Ryan	12½	62.50	10,576.06
Helen Robinson	15	75.00	12,691.27
Webster R. Robinson, Jr.	5	25.00	4,230.43
Total	200	1,000.00	169,216.95

Project No. 043–42106

Mortgage	$3,630,000
Cost	$3,163,872
Mortgaging out	$466,128
Percent loan/cost	114.7
Distribution to stockholders	$332,539.58

Date of distribution: July 26, 1952

Stockholders	Number of shares	Investment ($5 par)	Profits distribution
Don Loftus, trustee	100	$500.00	$166,269.79
Don Loftus, president	25	125.00	41,567.45
D. E. Ryan	12½	62.50	20,783.73
Jack F. Chrysler	20	100.00	33,253.96
Webster R. Robinson	10	50.00	16,626.98
Cyril J. Ryan	12½	62.50	20,783.72
Helen Robinson	15	75.00	24,940.47
Webster R. Robinson, Jr.	5	25.00	8,313.48
Total	200	1,000.00	332,539.58

Project No. 043–42107

Mortgage	$1,726,500
Cost	$1,543,370
Mortgaging out	$183,130
Percent loan/cost	111.8
Distribution to stockholders	$126,911.56

Date of distribution: July 26, 1952.

Stockholders	Number of shares	Investment ($5 par)	Profits distribution
Don Loftus, trustee	100	$500.00	$63,455.78
Don Loftus, president	25	125.00	15,863.95
D. E. Ryan	12½	62.50	7,931.97
Jack F. Chrysler	20	100.00	12,691.15
Webster R. Robinson	10	50.00	6,345.58
Cyril J. Ryan	12½	62.50	7,931.97
Helen Robinson	15	75.00	9,518.38
Webster R. Robinson, Jr.	5	25.00	3,172.78
Total	200	1,000.00	126,911.56

Project No. 043–42115

Mortgage	$1,727,500
Cost	$1,545,192
Mortgaging out	$182,308
Percent loan/cost	111.7
Distribution to stockholders	$133,986.44

Date of distribution: July 26, 1952.

Stockholders	Number of shares	Investment ($5 par)	Profits distribution
Don Loftus, trustee	100	$500.00	$66,993.22
Don Loftus, president	25	125.00	16,748.30
D. E. Ryan	12½	62.50	8,374.15
Jack F. Chrysler	20	100.00	13,398.65
Webster R. Robinson	10	50.00	6,699.33
Cyril J. Ryan	12½	62.50	8,374.15
Helen Robinson	15	75.00	10,048.98
Webster R. Robinson, Jr.	5	25.00	3,349.66
Total	200	1,000.00	133,986.44

OPPOSITION TO ANTISEGREGATION ACTIVITIES

Mr. EASTLAND. Mr. President, on Wednesday, July 14, 1954, the Honorable Hugh G. Grant, former member of the staff of the State Department and United States Minister to Albania, made a very fine address on the subject of racial segregation, in addressing the Lions International, at Birmingham, Ala.

On May 17, 1954, Mr. Grant sent a telegram to one Hugo L. Black, an Associate Justice of the United States Supreme Court. Mr. Grant at one time was secretary to Justice Black when Justice Black was a States' rights Democrat and southerner; that was after the time when he was a member in good standing of the Ku Klux Klan and was one of the leaders of the Ku Klux Klan in Alabama, and at that time was a racial and religious bigot of the first order.

I ask unanimous consent that the telegram from his former secretary to Associate Justice Black be printed in the body of the RECORD.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

AUGUSTA, GA., *May 17, 1954.*

The Honorable HUGO L. BLACK,
Associate Justice, United States Supreme Court, Washington, D. C.:

It is incomprehensible to me that you, a native Alabamian and a stanch supporter of States' rights when you were elected to the United States Senate by the white people of Alabama, could join in the political and, in my judgment, unconstitutional Supreme Court decree against segregation of the races in the public schools of the States. I am sure a way will be found to circumvent the enforcement of the Court's decree, and I will join the forces working toward this end.

HUGH G. GRANT.

Mr. EASTLAND. Mr. President, in the very able address delivered by Mr. Grant, he suggested that the people set up in each county, and, in particular, in Jefferson County, Alabama, where the city of Birmingham is located, a county-wide organization to preserve their liberties under the Constitution of the United States. I think a county-wide organization in Jefferson County, Ala., is inadequate, Mr. President.

I should like to say that in the month of September, a nationwide organization will be set up to promote an amendment to the Constitution to curb the power of the Supreme Court and to return to the genius of the American system of government, which is local government, by the people of the communities, of their own local affairs. This organization will fight the NAACP, the CIO, the Americans for Democratic Action, and other leftwing groups which are attempting to destroy racial segregation in the South. In fact, the organization will be set up on a nationwide basis, and will make a fight to retain the present culture and institutions of the people of the South.

I ask unanimous consent that the very fine address delivered by Mr. Grant be printed in the body of the RECORD, at the conclusion of my remarks.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS BY HUGH G. GRANT

Mr. President, members of Lions International of Birmingham, fellow Alabamians, it is a great privilege for me to return to the city where I was born and reared and where I received my early education. I regard it as a very high honor to be invited to address this distinguished group of business and professional men of Birmingham. Returning to my native city I would like to indulge in some reminiscences but time does not permit it. I must get on with my talk on a subject which poses the gravest problem that has confronted the people of Alabama and the South since the tragic days of Reconstruction. Our civilization, as developed by our forbears through centuries of struggle, has been placed in jeopardy by the action of nine black-robed men constituting the United States Supreme Court.

On May 17, 1954, the Supreme Court declared that racial segregation in the public schools of the Nation is unconstitutional. A week later the Court rendered other decisions which in effect extend the ban on segregation. In reaching these decisions the Court threw to the 4 winds 5 previous Supreme Court decisions, 13 Federal Court decisions, and 59 State Court decisions covering more than half a century. In effect the Supreme Court declared a new national social policy of racial integration on the basis of certain dubious psychological and social concepts rather than on the basis of law and the Constitution. James Reston, well known correspondent for the New York Times, reporting from Washington, on the day of the decision outlawing public school segregation, declared that: "The Court's opinion read more like a paper on sociology than a Supreme Court decision."

The Court decision of May 17 emphasized so-called moral and sociological factors more than legal arguments. In fact the only legal basis for the decision outlawing segregation in the public schools of 17 States is the 14th amendment to the Constitution under the equal-protection clause. But the 14th amendment, in the opinion of many legal authorities, is itself unconstitutional since it was ratified through fraud and coercion. First rejected by all of the Southern States except Tennessee in 1866, it was finally ratified in 1868 while the South was

under rigid military rule with its white citizens disfranchised and Negroes and carpetbaggers in control of the State legislatures.

The southern white people successfully resisted the effort of the radical Republicans in the Congress to destroy their civilization and finally regained control of their State and local governments. The pattern of racial segregation was confirmed in the famous Louisiana case of *Plessy* v. *Ferguson* in 1896, the separate but equal doctrine in racial relationship being definitely established. Since that ruling the Supreme Court has applied the separate but equal doctrine in six cases relating to public education. Pursuant to the doctrine of separate but equal facilities the Southern States, despite the heavy burden imposed upon them by low taxpaying Negro citizens, have made tremendous efforts in recent years to improve Negro education. It is significant that the South today spends 3 percent of its budget for schools as compared with 2.5 percent for the rest of the Nation.

As Senator EASTLAND, of Mississippi, pointed out, "The Supreme Court in its segregation ruling has usurped the legislative powers of the Congress and of the legislatures of the separate States." The plain fact is that the Court has attacked the principle of States rights, nullifying not only laws and regulations dealing with the local affairs of the people but also abrogating vital sections of State constitutions.

As Editor Bob Parks, of the Augusta (Ga.) Chronicle, one of the oldest daily newspapers in the United States, having been established in 1787, declared editorially: "If the Supreme Court—on the question of segregation—can nullify the State Constitutions abrogating the rights of the States (reserved to them specifically in both the Articles of Confederation and the ratification of the Constitution of the United States) then the Court can further destroy the foundations of representative government in future decisions dealing with matters other than integrating the races in the schools."

The Supreme Court decision outlawing segregation in the public schools is political in character and should be dealt with as such by the people in the States affected by the decree. It is my belief that the Court decision is itself a violation of the Constitution of the United States and therefore the people are fully justified in adopting methods designed to circumvent the decree. As an American citizen who believes strongly that the people of each of the 48 States of the Union have the right under the Constitution of the United States to establish and maintain, as they see fit, their educational and social systems, I have no qualms on this score.

I have no desire to be personal in my remarks, but the action of the three southern members of the Supreme Court, including an Alabamian, gave me a very great shock. I refer to Associate Justices Reed of Kentucky, Clark of Texas, and Black of Alabama. It so happens that after the Alabama senatorial election in November 1926, I was invited by Senator-elect Hugo Black to accompany him to Washington as his assistant. I had been personally acquainted with Hugo Black for several years. I remained with him during his first term in the Senate. I knew him as a defender of States' rights, with a fear of Federal encroachment on the affairs of the people of the States. Justice Black's participation in the decision of May 17, 1954, outlawing segregation in the public schools, is therefore incomprehensible to me—so much so that on the day of the decision I sent him a telegram followed by a letter of protest.

In all candor it seems to me that Senator EASTLAND of Mississippi, addressing the Senate on May 27, on the subject of the Court decree, sized up the situation when he declared that the Court has been "indoctrinated and brainwashed by left-wing pressure groups."

Let us take a brief look at some aspects of the long and insidious propaganda campaign for the end of segregation which has been carried on by a minority group in this country. Spearheading the campaign has been the National Association for the Advancement of Colored People which was organized back in 1909. Its headquarters are in New York City. Among its foremost leaders are colored men, many of whom are more white than Negro. Walter White, executive secretary of the association over a long period of years, is of this type. Thurgood Marshall, special counsel for the NAACP, who argued the case against segregation before the Supreme Court, is another. These men and their kind are desirous of mixing and mingling freely with members of the white race on a basis of complete social equality involving every phase of life in the United States. One can understand their deep-seated emotions, but the welfare of society cannot be sacrificed for a group of frustrated individuals. I cannot bring myself to believe that the rank and file of pure-blooded Negroes regard these colored individuals as their true representatives.

Some years ago while I was a member of the Alabama State Department of Education, here in Montgomery, I had several interesting contacts with the late Dr. Robert R. Moton, president of Tuskegee Institute for Negroes and successor to the founder of the institute, Booker T. Washington. I recall vividly one particular conversation. Dr. Moton, a fine looking pure-blooded Negro, told me that he took pride in the fact that he was a member of the Negro race, that his ambition was to make a contribution toward the development of his race here in America. Dr. Moton said he believed strongly that the best way to accomplish this was through segregation which would enable the Negro to develop his own talents and capabilities, through competition with his own kind. He added that he had no desire for social equality with the white people.

In recent years the NAACP has become a powerful political organization. It has more than 1,600 branches in 44 States, the District of Columbia and the Territory of Hawaii. It is heavily financed with a combined (legal fund) annual budget of $500,000. The NAACP has set 1963, the 100th anniversary of Lincoln's Emancipation Proclamation, as a target date for complete racial equality in every walk of life in the United States.

The objectives include employment under FEPC coercion, housing, education, voting, transportation facilities, hotels, recreation facilities, theaters, etc. Furthermore, according to the Congressional Quarterly published in Washington, the NAACP is now working in field units to build up a bloc of 3 million Negro voters in the Southern States by the 1956 presidential election. A youth movement in colleges and universities is also being organized across the country. A church project designed to increase cooperation between the NAACP in all denominations and in social work is under way. It is anticipated that the NAACP will also attack the laws of a number of States banning intermarriage between the races.

The NAACP has been materially aided in its campaign by influential white organizations and individuals. Among these are the so-called intellectual liberals, such as Mrs. Eleanor Roosevelt, who says sorrowfully that she has been greatly embarrassed as a delegate to the United Nations because of the segregation system in the United States. The so-called Southern Conference for Human Welfare is one of the organizations aggressively interested in opposing segregation. This organization has been charged with being a notorious Communist-front organization.

There is a strong belief in certain responsible circles in this country, based on documentary evidence compiled by congressional committees investigating subversive activities, that the Communists have played an important role, behind the scenes, in the campaign for the elimination of segregation in the United States. This appears to be a part of their subtle technique to weaken this Nation by fomenting internal strife among the American people.

White politicians in both the national Democratic and Republican parties in certain northern population centers have aided the Negro campaigners for the end of segregation—their objective, the Negro vote. The CIO–PAC (Political Action Committee) under the leadership of the late Sidney Hillman, native of Lithuania, with the support of the Negro bloc vote in the large industrial centers, was an important factor in the fourth-term reelection of President Franklin D. Roosevelt in 1944. President Harry Truman made a big bid for this Negro vote in 1948 by vigorously sponsoring most of the objectives of the National Association for the Advancement of Colored People, including the notorious FEPC. Among the Republican candidates Gov. Tom Dewey of New York has been regarded by the NAACP as having the best performance on racial issues.

The latest Presidential recruit by the NAACP is President Dwight D. Eisenhower who, according to a recent Life magazine editorial, has done more for the Negroes than any President since Abraham Lincoln. Mr. Eisenhower was quoted as telling the NAACP in Washington a few months ago that, "by and large the mass of Americans want to be decent, good, and just, and don't want to make a difference based on the inconsequential fact of color or race."

I daresay that few of the thousands of southern white people who voted for Mr. Eisenhower for President in 1952 regard racial distinctions as inconsequential.

In the segregation cases the Supreme Court assumed the role as the arm of the executive branch of the Federal Government, since the Court followed, almost to the letter, the advice of the Attorney General, Mr. Herbert Brownell. Invited as a friend of the Court, the Attorney General warned the Court against upholding legislation by the Congress under the 14th amendment in the field of civil rights because of the long line of precedents. Brownell told the Court that it had the judicial power itself to outlaw segregation in the public schools of the States. And that is just what the Supreme Court did in its decision declaring public-school segregation unconstitutional, involving approximately 40 percent of the Nation's public-school children.

It is significant that it was Attorney General Brownell, friend and adviser to the Supreme Court in the segregation cases, who recommended Gov. Earl Warren for Chief Justice following a secret flight to California shortly before the final hearings of the segregation cases last December. The purpose of Brownell's flight, the news of which leaked out, was to consult with Warren in regard to appointment on the Supreme Court. In due time President Eisenhower appointed Governor Warren as Chief Justice, and on May 17, 1954, it was Chief Justice Warren who read the decision of the Court declaring public-school segregation unconstitutional. On May 23, 1954, the New York Times published a special dispatch from Washington giving Chief Justice Warren the credit for bringing about the unanimous opinion of the Court against segregation in the schools.

I pose the question for your consideration: Is it possible that there was an agreement or understanding between Brownell and Warren in this California conference, involving the appointment to the Supreme Court and the then pending segregation cases before the Court? This possible phase of the Warren appointment as Chief Justice should have been thoroughly explored by the Senate

Judiciary Committee before confirmation of the appointment, in my judgment.

I have mentioned above the so-called white intellectual liberals and certain political leaders of both major parties who have given aid and comfort to the Negro agitators for the end of segregation. There are other groups whose numbers cannot be determined accurately. Among these are white church members of several religious denominations who have been led to believe, through subtle propaganda in Sunday school and other religious literature, that racial segregation is a violation of the Christian concept of the brotherhood of man. There is no greater fallacy than this theory, in my judgment. If there is anything in the teachings of Jesus Christ that requires integration of races in a society of people, I am not familiar with it. Race is a biological fact—God-made and not man-made. Its recognition is inescapable. No Supreme Court decree or church committee resolution can eradicate the sharp distinctions between the white and Negro races. I am of the opinion that the church assemblies and conventions which have adopted resolutions upholding the Supreme Court decision against segregation were certainly getting off the reservation of their own jurisdictions and at the same time definitely violating one of the fundamental tenets of the church, namely, "separation of church and State." The Christian people who voted for these resolutions at the Southern Presbyterian Assembly at Montreat, N. C., and a week later at the Southern Baptist Convention at St. Louis, Mo., were motivated by their emotions and not by their mentalities. Unfortunately, these good but misguided people played right into the hands of the Negro propagandists who, in reaching for their objectives, would bring strife and discord between the races and ultimately destroy the racial integrity of both the white and Negro people.

We Southerners are an easygoing unsuspicious people, inclined to be hospitable to the extent of welcoming into our society individals from other sections of the country whose ideas about race, based on theory, do not coincide with ours. You will find these people in some of our social organizations and on our public school, college, and university faculties. Through their influence many of our Southern young people have been indoctrinated with false theories concerning race which the Negro propagandists are utilizing today in their drive for the breaking down of all color lines and full social equality.

If I held membership on a county board of education or on a board of trustees of a college or university here in Alabama, I would immediately sponsor an investigation of the personnel of these faculties with a view to determining whether or not any of these people are teaching theories that violate our State and local laws relating to racial segregation. People holding such theories should be requested to seek jobs in the States and communities from which they came, where they may theorize on race to their heart's content.

The time has come for the white people of Alabama and other States where segregation is practiced to stand up and be counted on the issue. I know from recent contacts and correspondence that there has been pussyfooting in high places right here in my native State of Alabama. One is either for segregation or against it. There is no middle ground.

Powerful forces are arrayed against the South. The Negro agitators for the end of segregation, with the backing of the Supreme Court and the executive department of the Government, are boastful and defiant. Following the Court decision they held big meetings in Atlanta and in Dallas. They boldly announced that if State officials made any attempts to maintain segregation in the schools they would go into the courts the next day. It is indicated that they are counting on the full support of the Federal Department of Justice headed by Attorney General Herbert Brownell who advised the Supreme Court what to do about school segregation.

We can meet this assault only through counterattack and that must be achieved through effective organization. This organization should be open and above board, with opportunity for public forums, through which the realities of the situation which confront us may be revealed to those who do not comprehend the dangers ahead. There is much more than integration of the races in the public schools involved. The inherent rights of the people of the States to establish and maintain their social order, in accordance with their own laws and customs, is under sharp attack.

Isn't it absurd that at the very moment when American taxpayers are sending billions of dollars around the world to help millions of people to achieve self-determination that nine men, constituting the Supreme Court of the United States, have issued an edict designed to destroy the self-determination of approximately one-third of the people here at home?

Gentlemen, the time has come for the people of Alabama and of the other Southern States to become active, aggressive, and militant in an all-out effort to protect their rights as citizens of a free country. I suggest that the white people of Jefferson County and every other county in Alabama take immediate steps to organize on a countywide basis a States' rights movement with a view to preserving their liberties under the Constitution of the United States.

EXPEDITION TO THE ANTARCTIC

Mr. CASE. Mr. President, by action in executive session a week ago today, the Senate Committee on Armed Services advised the President that it favors an early expedition to the Antarctic to be undertaken under his direction.

The resolution was adopted, Mr. President, as the outgrowth of S. 3381 which I introduced April 29, 1954. A like bill was introduced by Representative THOR TOLLEFSON in the House of Representatives at that time.

Hearings were held on July 1 at which time reports were entered by the Department of the Navy, the Department of State, the Department of the Treasury, the Department of Commerce, the Department of the Interior, and the Atomic Energy Commission.

When the matter was taken up for consideration in executive session last week, further reports were presented to the committee orally, and on my motion, seconded by the distinguished Senator from Virginia [Mr. BYRD], the following resolution was unanimously adopted:

Resolved, That the Committee on Armed Services of the Senate, recognizing the immediate need for further exploration on the Antarctic Continent, urges and commends that an expedition be undertaken at the earliest possible date, under the direction of the President, for the purpose of validating the territorial claims of the United States and thereby increasing the security of this Nation, exploring the mineral resources of the area, and accomplishing any possible advancements with respect to mapping surveys and scientific observations.

The committee had been advised that the expedition could be handled as an operation of the executive branch of the Government through the President as Commander in Chief of the Army and Navy thereby avoiding the need for any special legislation or appropriation. It was indicated, however, that the President would welcome an expression of whatever the feeling of the committee was on the subject. Hence, adoption of the resolution, as set forth. It was then transmitted to the President last Saturday by letter of the chairman, the distinguished Senator from Massachusetts [Mr. SALTONSTALL].

I have made this statement, Mr. President, because of the numerous inquiries that are being received as to what action, if any, would be taken at this session.

The adoption of the resolution as related can be regarded as affirmative action on the purposes of the bill.

My active interest in the Antarctic, Mr. President, began a little over 5 years ago when I chanced to meet then commander, now captain, Finn Ronne who had been in the Antarctic on three expeditions. In 1933–35 he was a member of the second Byrd expedition. In 1939–41, he was second in command of the east base on Palmer Peninsula of the United States Antarctic service expedition and from 1946 to 1948 Captain Ronne organized and conducted the most recent American expedition to the Antarctic.

Captain Ronne's interest in the Antarctic stemmed from early childhood when his father, an officer in the Norwegian Navy, accompanied Capt. Roald Amundsen in his famous dash to the pole.

During the past 5 years there has been a growing interest throughout our country in the possibilities of Antarctic exploration. Reports of Admiral Byrd on his several trips, have indicated that tremendous deposits of coal exist and that the region has many sources of potential wealth for the centuries ahead. Captain Ronne's field operations studies revealed mountains with very definite mineralization. In the current worldwide search for materials of fissionable qualities to overlook the possibilities of the Antarctic would, in my judgment, be to fail the responsibilities of our generation. We would be derelict in our duties if we failed to heed the advice of Admiral Eyrd and Captain Ronne; and, also, if we failed to utilize their resources of experience and knowledge and their proven qualities of leadership.

Yesterday I received, and I presume other Senators received, a copy of three resolutions adopted by the 7,500 delegates to the national convention of the junior chambers of commerce held in June. One of those three resolutions cited the possibilities of the Antarctic and called upon Congress to authorize an expedition. This and other expressions of interest prompted me to make this public statement today—as I know all who have expressed this interest will be glad to know of the affirmative action that has been taken.

Mr. President, I ask unanimous consent to insert at this point a copy of the committee print of the bill, S. 3381, as I proposed to have it adopted by the committee prior to agreement upon the resolution for the advice of the President as set forth, together with an editorial on the subject from the Washington Post

of July 22, 1954, and the resolution adopted by the national convention of the junior chambers of commerce previously mentioned.

There being no objection, the text of the bill, the editorial, and the resolution were ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That the President is authorized to provide assistance in accordance with the provisions of this act to the American Antarctic Association, Inc., a nonprofit, scientific organization incorporated under the laws of the State of Maryland, in order to enable such association, in consultation with the Antarctic Advisory Council hereinafter provided for, to carry out an expedition to the Antarctic at an appropriate time between the dates of December 1, 1954, and May 31, 1958, for the purposes of—

(1) advancing the legitimate claims of the United States in the territory and resources of the Antarctic Continent;

(2) determining the mineral and other resources available on such continent;

(3) establishing geodetic control points for the purpose of facilitating the utilization in mapmaking of the aerial photographs taken in the course of the United States Navy Antarctic development project, 1946–47;

(4) making aerial trimetrogon photographs of the unknown portions of the Antarctic Continent for use in making maps of such portions;

(5) exploring unknown portions of such continent; and

(6) making scientific observations and surveys in the Antarctic, including, but not limited to, records of tidal movements, magnetism, gravimetric measurements, and seismology.

SEC. 2. The assistance provided under this act by the President shall be furnished upon such terms and conditions as he may deem appropriate in order to assure that the benefits to be derived by the United States from the making of such expedition shall be sufficient to justify any expenditures of public funds, any utilization of the services of Government civilian or military personnel, and any consumption or use of Government property or supplies which he may authorize for the purpose of enabling such expedition to be carried out.

SEC. 3. For the purposes of this act the President is authorized to—

(1) provide for the transfer to the American Antarctic Association, Inc., for use in connection with such expedition of not to exceed two naval vessels or other Government vessels of the AGB or N3–M–A1 class, of not to exceed four Government aircraft, of such Government motor vehicles and other facilities for surface transportation as may be necessary for transportation of the expedition parties on the Antarctic Continent, and of such related and necessary equipment as may be required for the operation and maintenance of such vessels, aircraft, and facilities for surface transportation;

(2) provide for the use by such association in connection with such expedition of such Government clothing, emergency gear, scientific instruments, cameras, and related equipment, communications equipment, housing, and other supplies and equipment as he may deem necessary for the purposes of the expedition and as he may determine can be loaned for the purposes of such expedition without jeopardizing the national security;

(3) provide for the furnishing to the association for consumption in the course of such expedition, such food, gasoline, oil, and other supplies from Government stocks as he may deem necessary;

(4) provide for the procurement by any department or agency in the executive branch of the Government with funds appropriated pursuant to section 6 of this act and for the furnishing to such association for use or consumption for the purposes of such expedition of any articles, materials, supplies, or equipment which he may determine to be unavailable in, or inadvisable to supply from, Government stocks;

(5) make grants to such association from funds appropriated pursuant to section 6 for such purposes in connection with the furtherance of such expedition as he may deem advisable;

(6) permit Government military and civilian personnel, with their own consent, to accompany and to participate in the activities of such expedition while in a duty status; and

(7) name an Antarctic Advisory Council to advise the American Antarctic Association in its plans for the expedition herein authorized, such advisory council to consist of one representative from each of the following departments or agencies: Department of State, Department of Defense, Department of Commerce, Department of the Interior, Central Intelligence Agency, Atomic Energy Commission, Bureau of the Budget, and National Science Foundation. Members of the Council shall be officials or employees of the department or agency they represent and shall serve without additional compensation. The Director of the National Science Foundation shall serve as the chairman of the Council and shall arrange for meetings of the Council with the directors of the American Antarctic Association in carrying out the provisions of this act.

SEC. 4. The President is authorized to impose as a condition upon the transfer or loan of any vessel, aircraft, vehicle, or equipment under the provisions of this act a requirement that the American Antarctic Association, Inc., deposit with such official of the Government as the President may specify a bond with good and sufficient sureties to guarantee payment to the United States of such nominal charges as may be specified for the use of, and to reimburse the United States for damage to or loss of, any such vessel, aircraft, vehicle, or other equipment.

SEC. 5. The President shall make a full and complete report to the Congress on or before January 31, 1959, drawing on reports and material furnished him by the association on or before July 1, 1958, with respect to the administration of this act and the results and accomplishments of the expedition assisted under its provisions.

SEC. 6. The appropriation of such sums, not in excess of $200,000, as may be necessary to enable the President to carry out the provisions of this act is hereby authorized.

[From the Washington Post and Times Herald of July 22, 1954]

UNITED STATES AND THE ANTARCTIC

The Senate Armed Services Committee will have a last chance today, at the present session of Congress, to start another American expedition rolling toward the Antarctic. Senator CASE will bring up his bill to lend Government vessels, airplanes, supplies, and equipment to the American Antarctic Association, which proposes to send an expedition of 36 men under Capt. Finn Ronne to spend a couple of years in the Gould Bay area. The explorers would give their first attention to mapping a huge unknown region about the size of the United States.

Captain Ronne is an old hand at Antarctic exploration. His father was with Amundsen when he discovered the South Pole in 1911, and Captain Ronne himself has been a member of three expeditions to the frozen polar continent. The most recent American expedition in 1946–48 was under his leadership. Obviously Captain Ronne is well qualified to direct the new venture, and it is merely a question of whether Congress wishes to support the expedition to the extent of lending equipment and authorizing an expenditure of $200,000.

The Antarctic is still a land of mystery, but enough is known about it to indicate that it may have great value in the future. Some coal has been discovered, and a large copper deposit with higher grade ore than that yielded by the great open-cut mine in Utah. Geological exploration is an important part of Captain Ronne's proposal, with the hope that new sources of uranium as well as other minerals may be found.

The United States has never taken an imperialistic attitude toward the Antarctic. In 1948 this country proposed internationalization of the area, but got no favorable response from other interested nations. The State Department is not now proposing to stake out any official claims, but it does recognize the need for continuing exploration by Americans in the frozen continent. Great Britain, Australia, France, Norway, Chile, and Argentina are occupying Antarctic bases and conducting research there. As a means of protecting its interests and adding to general knowledge about the Antarctic, the United States needs to send a competent group of explorers there, and Captain Ronne has offered a reasonable opportunity of doing so.

[Resolution adopted by the national convention of the United States Junior Chamber of Commerce in Colorado Springs, June 18, 1954, and transmitted to the Members of the United States House and Senate by E. LaMar Buckner, president, by letter, July 28, 1954]

ANNEXATION OF ANTARCTIC REGIONS AND ECONOMY AND SECURITY

Whereas there exists in the Antarctic region some 6 million square miles of land with natural resources of strategic materials invaluable to the interests, economy, and security of the United States of America, yet unpossessed; and

Whereas while there is an international race to claim this area, no claim has been officially adjudicated by decision of an international tribunal; and

Whereas the United States has explored more territory in this region than all the other nations of the world combined, and hundreds of thousands of square miles have been charted and explored by Admiral Byrd; and

Whereas Adm. Richard E. Byrd has stated that it is not too late for the United States to press her rightful claim, but as of now we are doing nothing at all about same, and we cannot afford to underestimate Antarctica; and

Whereas the strategic values of this area would prove a greater asset to America should the Panama Canal be destroyed, thereby sending American ships the long voyage around the southern tip of South America; and

Whereas to deny immediate action would let our claims for the South Pole go by default: Now, therefore be it

Resolved by the United States Junior Chamber of Commerce in convention assembled this 18th day of June 1954 in Colorado Springs, Colo., That this body does hereby recommend that the United States Government take immediate and necessary steps to continue charting the Antarctic regions, and establish its rightful and just claims to all areas explored by the United States of America; and be it further

Resolved, That copies of this resolution be mailed by the president of the United States Junior Chamber of Commerce to the President of the United States, the Vice President of the United States, and all Members of the entire Congress of the United States.

(Adopted by two-thirds majority vote.)
(Submitted by Maryland Jaycees.)

RESTORATION OF U. N. TECHNICAL ASSISTANCE FUNDS

Mr. WILEY. Mr. President, when the House of Representatives deleted U. N. technical assistance funds, there was a spontaneous reaction of protest all over our country.

If the Senate were to fail to restore such funds and/or fail to insist upon such restoration in conference committee, our failure to do so would, I am sorry to say, echo to our harm and chagrin throughout the world.

With all the respect, therefore, to my colleagues on the House side, I most respectfully urge them individually to reconsider their position and to support what I hope will be the ultimate action of the conference committee in restoring these appropriations.

Soviet Russia is belatedly but craftily trying to get into the U. N. technical assistance act. She would play up to the hilt any action on our part in withdrawing from U. N. technical programs.

Why should we give such propaganda fuel to the Reds?

But even more important, why should we disappoint our friends in the United Nations by turning our backs to the very U. N. programs which have been praised throughout the world and which have become some of the most shining assets of the United Nations and affiliated Organizations?

As Mr. Roderick Stephens, of New York, wrote to my colleagues and myself:

> The returns to this Nation in terms of friendships created throughout the free world by technical assistance more than justifies the full appropriation of the comparatively small amounts urged for this Government's own program and for the technical cooperation program of the U. N.

I have in my hand a sample of the many grassroots messages which have come to me from my own State, urging restoration of the assistance funds. I send them to the desk now, preceded by the text of a letter which I have received from Mr. Wallace Campbell, director of the Washington office of the Cooperative League of the United States.

I ask unanimous consent that all of these letters and messages be printed at this point in the body of the RECORD.

There being no objection, the letters and messages were ordered to be printed in the RECORD, as follows:

THE COOPERATIVE LEAGUE OF THE UNITED STATES OF AMERICA,
Washington, D. C., July 28, 1954.

Senator ALEXANDER WILEY,
Senate Office Building,
Washington, D. C.

DEAR SENATOR WILEY: The House action yesterday eliminating completely the appropriation for technical assistance through the United Nations came to us as a great shock. Our people have looked upon the technical assistance program, both United States and United Nations, as among the most constructive parts of our foreign policy. The appropriation through the United Nations, representing as it does only a small part of our overall appropriation for technical assistance work, is a symbol of America's willingness to cooperate with other countries on this vital program.

Elimination of the $17.9 million appropriation will cripple severely the important work of the World Health Organization, Food and Agriculture Organization and other specialized agencies. There is also the grave danger that American withdrawal from the United Nations technical assistance program would allow the Soviet Union to move into this field with a comparatively small expenditure and win an important but unwarranted moral victory in the underdeveloped countries.

We have found a great enthusiasm for this program among the members of our own organizations and other farm, labor, religious, civic, and educational organizations throughout the country. They know we cannot achieve a permanent peace with guns alone.

We are sure your support of this vital program will be appreciated by all of our members.

Sincerely yours,
THE COOPERATIVE LEAGUE,
WALLACE J. CAMPBELL.

LEAGUE OF WOMEN VOTERS OF WISCONSIN,
Madison, Wis., July 31, 1954.

The Honorable ALEXANDER J. WILEY,
Senate Office Building,
Washington, D. C.

MY DEAR SENATOR WILEY: The League of Women Voters of Wisconsin urges your active support of the proposed appropriation of $17,958,000 for the United States pledge to the U. N. technical-assistance program.

We regard this program as of utmost importance to America, as well as to the nations concerned. This Nation is daily and hourly preoccupied with the struggle against communism. We are spending billions of dollars to build our military strength. Yet it becomes increasingly apparent with each passing day that Communist leaders are exploiting the hopes of depressed peoples for a better life, with grim success.

If we leave this field wide open to Communist propaganda, we may someday have to face the tragic realization that we have lost countless millions of people to the Communist cause. The relatively insignificant appropriations for the U. N. technical-assistance program give underdeveloped countries a chance to break out of the vicious circle of poverty, disease, and illiteracy. It is when there is no prospect for a way out of their misery that peoples grasp the false hopes held out by communism.

We urge you to continue the program that may be more effective than any other we could devise in joining the underdeveloped countries with the free world.

Respectfully yours,
JANE P. BEAUGRAND
Mrs. Marshall E. Beaugrand,
President.

MILWAUKEE, WIS., *August 3, 1954.*

Hon. ALEXANDER WILEY:

The League of Women Voters of Milwaukee considers it imperative to maintain the program of technical assistance as requested by the administration, and urges passage of the Senate bill with the full $17,958,000 retained.

HELEN RIPLEY CLOUGH,
President.

OCONOMOWOC, WIS., *August 2, 1954.*

Senator ALEXANDER WILEY,
Senate Office Building,
Washington, D. C.:

Deeply concerned over House cut of technical assistance. Will appreciate your vote to support measure.

MRS. ERVIN KINKEL,
President, Wisconsin Conference, Women's Society of Christian Service.

MADISON, WIS., *August 4, 1954.*

Hon. ALEXANDER WILEY,
Senate Office Building,
Washington, D. C.:

United Nations technical-assistance program continuation essential for world peace. Urgently request your active support and restoration of funds for this program.

MRS. HERBERT P. EVANS,
State Legislative Chairman, American Association of University Women.

PERSONAL STATEMENT BY SENATOR NEELY

Mr. NEELY. Mr. President, I ask unanimous consent to have printed in the body of the RECORD a press release which I have addressed to the matchless Democratic voters of West Virginia.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

PRESS STATEMENT BY SENATOR NEELY

To the Peerless Democratic Voters of West Virginia:

If my gratitude to you for the unsurpassable service you rendered me yesterday at the ballot box were wealth, you would all be millionaires today. For the seventh time you have nominated me for United States Senator by a landslide majority. This is an honor that has never been conferred upon any other West Virginian—living or dead. To my deep regret my debt of gratitude to you for the fidelity of your friendship, the magnitude of your generosity, and the success of your efforts can never be fully paid.

This latest demonstration of your habitual kindness to me is peculiarly heartwarming for two reasons: First, you supplied it notwithstanding the fact that the demands of official duty prevented me from delivering a single address, or writing a single letter to you in behalf of my candidacy; second, you chose me in a contest in which three such popular, distinguished, and deserving lifelong Democratic friends as Sam Chilton, "Pete" May, and Roy Warden were competitors for the nomination which you have most benevolently bestowed upon me. The total inadequacy of my language on this occasion impels me to content myself by simply and sincerely thanking you again and again, and assuring you that in the days to come, I shall diligently strive to demonstrate by actions as well as words my unfeigned gratitude to you.

Please let me appeal to you to join with me soon after the adjournment of the present session of the Congress in healing Democratic primary wounds, if any there be, in promoting Democratic harmony in every county, and in organizing the Democratic voters of every precinct into planning, working, fighting battalions to win on the second of November for all the people of West Virginia a victory more decisive and beneficent than any other ever won for them by the oldest, greatest, wisest, and best of all political parties—the incomparable Democratic Party—founded by Thomas Jefferson, vitalized by Andrew Jackson, liberalized by Woodrow Wilson, and immortalized by Franklin Roosevelt. In return for rendering this priceless service, "your honor, name, and praise shall never die."

The PRESIDENT pro tempore. Is there further routine business?

If not, morning business is closed.

AGRICULTURAL ACT OF 1954

Mr. AIKEN. Mr. President, I move that the Senate resume consideration of the unfinished business.

The motion was agreed to; and the Senate resumed the consideration of the

bill (S. 3052) to encourage a stable, prosperous, and free agriculture, and for other purposes.

Mr. HUMPHREY. Mr. President, the Senate is now in the second day of the debate on one of the most important questions to face this Congress; namely, the general agricultural policy and the type of legislation on that subject we shall finally have as public law. As we know, there is before us Senate bill 3052, which has been reported by a majority of the Committee on Agriculture and Forestry. Accompanying the bill is a report which gives both the majority and the minority views.

I should like to discuss in general terms the structure and outline of the bill, and I shall make some basic observations on the entire subject matter of agricultural legislation.

First of all, Mr. President, I wish to make my position clear. What I have to say is in full conformity with the pledges, the promises, and the platform commitments of both of the major political parties. For example, I hold in my hand a copy of the platforms of the Democratic and Republican Parties; and at this time I shall read from page 69 of a publication known as Factual Campaign Information. That publication includes pertinent data relating to the Democratic and Republican Parties. On page 69, the Democratic platform is quoted, as follows:

> Under the present farm program, our farmers have performed magnificently, and have achieved unprecedented production. We applaud the recent congressional action in setting aside the sliding scale for price support through 1954, and we will continue to protect the producers of basic agricultural commodities under the terms of a mandatory price-support program at not less than 90 percent of parity.
>
> We continue to advocate practical methods for extending price supports to other storables and to the producers of perishable commodities, which account for three-fourths of all farm income.

That is the statement of policy of the Democratic Party, as adopted in convention at Chicago in 1952.

The Republican platform of 1952 was not nearly so specific. I shall read into the record in a moment the Republican platform and its commitments. But what was most significant was the development throughout the campaign of 1952 of the commitments which were made as the campaign progressed.

First of all, speaking now of the Republican platform, I read from page 41 of Factual Campaign Information, a document compiled under the direction of J. Mark Trice, Secretary of the United States Senate:

> We favor a farm program aimed at full parity prices for all farm products in the market place. Our program includes commodity loans on nonperishable products, on-the-farm storage, sufficient farm credit, and voluntary self-supporting crop insurance. Where Government action on perishable commodities is desirable, we recommend locally controlled marketing agreements and other voluntary methods.

That is the basic statement of the Republican platform.

However, that was interpreted, and finally expanded and made much more understandable to the people of the United States in three historic speeches. They have been mentioned again and again on the floor of the Senate. One of them was made on September 6, 1952, in the State of Minnesota at Kasson, the great Kasson, Minn., speech. Another one was made on October 4 at Brookings, S. Dak., and another was made at Fargo, N. Dak. I see the distinguished Senator from North Dakota [Mr. YOUNG] here. I cannot recall the date of that speech, but as I recall, it was also in October.

What was said in those speeches?

Mr. YOUNG. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. YOUNG. I do not remember the exact date, but it was in October.

Mr. HUMPHREY. I am sure the Senator from North Dakota was there to hear it because, as a champion of agriculture, he would have been present at any important statement on agricultural policy.

Mr. YOUNG. Mr. President, will the Senator yield further?

Mr. HUMPHREY. Yes.

Mr. YOUNG. It was the same day as the Brookings speech. The President was in Brookings in the afternoon and in Fargo in the evening.

Mr. HUMPHREY. Then it was on the 4th day of October.

I have in my hand a photostatic copy of the front page sheet of the Minneapolis Star, which is the largest publication in the Midwest. I think it is one of the largest publications outside of Chicago between the west coast and the east coast. This publication had as headlines on September 6, 1952, "Eisenhower's Farm Program," and then "Asks 100 Percent Parity With Less Government Control." Then below, as my colleagues can see, it says: "Stevenson To Defend Plank."

Then, the subheadline is, "Ike and Adlai Bid at Kasson. Eisenhower Rides First at Farm Festival."

Then there is a second subheadline, "General Lashes at Agricrats. Says Democrats Treat Farmers As Political Captives."

The next issue of this newspaper—what I have quoted was in the first edition, and I now refer to the second edition which came out after the Eisenhower speech—states this:

> Ike and Adlai outline farm programs. Eisenhower calls for 100 percent of parity. Stevenson supports Democratic Party's plank.

It is obvious from that headline what the general understanding was. There has been a good deal of talk of late to the effect that the President did not really say that—that is, the candidate for office really did not say he was for 100 percent of parity.

Mr. CLEMENTS. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield to the Senator from Kentucky.

Mr. CLEMENTS. Was that prior to the first Tuesday in November, which was election day?

Mr. HUMPHREY. That is correct; it was prior to the first Tuesday in November 1952.

Mr. CLEMENTS. Prior to the first Tuesday of November 1952, nobody ever suggested that the President did not mean 90 percent supports or 100 percent supports, if they could be obtained?

Mr. HUMPHREY. I should say not.

I may say to my distinguished colleague from Kentucky that Congressman after Congressman and spokesman after spokesman of both political parties said publicly, for the press and for their own constituents: "It is clear now that Candidate Eisenhower stands for not less than 90 percent of parity."

Listen to what the Associated Press had to say—and I do not suppose the Associated Press, one of the great press services of our land, was particularly prejudiced or had been particularly prejudged about farm policy. It was reporting the news.

I shall quote what the Associated Press had to say. I have a few notations of some of its comments. Harold S. Milner, Associated Press reporter, covering the Brookings speech at South Dakota, reported, and I quote him, as follows:

> Dwight D. Eisenhower told a South Dakota audience here today, October 4, he wanted to make it clear that he promised full acceptance of the present 90 percent of parity program. He also wanted it understood that he would work for full parity when the present 90-percent program ends in 1954.

The Associated Press had also sent Don Whitehead, one of their great reporters into the Midwest to cover the President's speech. Don Whitehead in his dispatch which he filed from Kasson to the Associated Press News Services quoted Candidate Eisenhower as follows:

> "I firmly believe that agriculture is entitled to a fair full share of the national income," Eisenhower said, "and a fair share is not merely 90 percent of parity but full parity."

Let me refer now to a few other news services.

Mr. CLEMENTS. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. CLEMENTS. I assure the Senator from Minnesota, as one who has known Don Whitehead for many, many years, that he can be trusted. Certainly in the dispatch which he wrote he was interpreting the news as he saw it.

Mr. HUMPHREY. I thank the distinguished Senator; and I may point out, that one of the reasons why some of our distinguished colleagues on the other side of the aisle are fighting against the administration's farm program is that they honestly believe that program repudiates the promises which were made.

I know that that is a fair statement, because I have seen, as have my other colleagues, Senators from the Midwest States who heard these speeches, stand up and say that they felt the policy that we are now being asked to accept was a repudiation of the basic program which was promised in 1952.

I quote now from the Sioux Falls Argus-Leader, which is one of the leading newspapers of the State of South Dakota. It is edited by a very fine man, Mr. Christiansen. Its editorial policy is basically conservative and Republican,

but it is one of the leading newspapers in that part of the Nation.

Recently in an editorial, referring to one of the Minnesota Representatives from the Seventh Congressional District, which borders on the South Dakota frontier, this newspaper said:

Representative ANDERSEN favors a price-support law guaranteeing farmers 90 percent of parity. In this he is in agreement with the stand taken by Dwight D. Eisenhower at Kasson, Minn., and at Brookings, S. Dak., during the 1952 presidential campaign.

So I think it is about time we made the record clear that, insofar as anyone of the public was led to believe anything with reference to agricultural policy, it was that the programs of both parties, Democratic and Republican, stood for not less than 90 percent of parity.

I have here a photostatic copy——

Mr. EASTLAND. Mr. President, will the Senator yield right there?

Mr. HUMPHREY. I yield to the Senator from Mississippi.

Mr. EASTLAND. As a matter of fact, of course, both parties believe in at least 90 percent of parity. But, in the case of wheat, when the promises of the Republican Party are put into action, what is that party offering the wheat farmer?

Mr. HUMPHREY. I want to be accurate in my statistics, and I have in one of my folders a clipping which reveals that the Secretary of Agriculture, Mr. Benson, promises the wheat farmer 80 percent of parity on wheat next year.

Mr. EASTLAND. He was promised 100 percent.

Mr. HUMPHREY. In 1952 he was promised 100 percent.

Mr. EASTLAND. One hundred percent.

Mr. HUMPHREY. Yes; but 3 years later, according to the Secretary of Agriculture, what he will get will be about 80 percent.

Mr. EASTLAND. In 1952 he was promised 100 percent. The promise was that in 1955 the wheat crop would bring 100 percent of parity; is that not correct?

Mr. HUMPHREY. That is correct, the promise was full parity after the expiration of the law providing 90 percent.

Mr. EASTLAND. Now the Secretary of Agriculture is offering the wheat farmer in practice 80 percent.

Mr. HUMPHREY. That is correct.

Does the Senator see in the newspaper I hold in my hand the headline which says, "Benson Sees Wheat Props Hold at 80 Percent"? That is from one of the great newspapers of the Midwest, the St. Paul Dispatch of July 19, 1954.

I ask unanimous consent that the article be incorporated in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

BENSON SEES WHEAT PROPS HOLD AT 80 PERCENT

WASHINGTON.—Secretary of Agriculture Benson indicated today that even under present law he does not expect price supports on the 1955 wheat crop to fall below 80 percent.

Benson told a news conference he regards 80-percent price supports for wheat as a pretty good judgment. That level would drop the support price from the present $2.24 to $1.99 a bushel.

Wheat and other basic crops are now supported at 90 percent of parity, but unless Congress changes the law—as it is in the process of doing—Benson could fix next year's level anywhere between 75 and 90 percent of parity.

Parity is a price determined by farm law to be fair to farmers in relation to the cost of things they must buy.

Benson predicted wheat growers in a referendum Friday will approve stringent marketing quotas for next year to qualify for price supports. They will not know, however, exactly what the supports will be because Congress still is considering farm legislation.

The administration is asking for flexible price supports for basic crops ranging from 75 to 90 percent of parity. The House has voted for supports between 82½ and 90 percent of parity. The Senate Agriculture Committee favors a 1-year extension of 90-percent supports, but the Senate still must act.

Benson predicted that the Senate will not vote to increase the present 75-percent price supports for dairy products. Its Agriculture Committee has recommended a boost to 85 percent, and the House has approved an 80-percent support level.

Benson said he felt an increase in dairy supports would be a serious mistake and would result in the Government having to buy much more butter.

Mr. EASTLAND. Mr. President, let us take the case of corn. Corn grown in 1955 was promised 100 percent of parity.

Mr. HUMPHREY. That is correct.

Mr. EASTLAND. When it comes to performance, what is the Republican Party giving?

Mr. HUMPHREY. The only reason why the producers are getting 90 percent now is because of the program adopted in 1949.

Mr. EASTLAND. Under a Democratic Congress.

Mr. HUMPHREY. That is correct; under a Democratic Congress, and extended since then. In the future, I believe it is fair to say, the price support will surely be below 90 percent—if the administration has its way. It will be 80 or 90 percent, under a sliding scale.

Mr. EASTLAND. Next year, as a matter of performance, corn producers will get about 80 percent.

Mr. HUMPHREY. That is correct; that is a rough approximation, if the Aiken amendment is adopted.

Mr. EASTLAND. Let us take the case of cotton. The distinguished Senator from Minnesota knows, does he not, that when we reduce the support price of cotton we do not increase the consumption of cotton by so much as one bale?

Mr. HUMPHREY. I understand. I am going to direct my remarks later to that very point.

Mr. EASTLAND. Is it not a fact that if consumption is not increased, but the support price is reduced, all that is accomplished is to lower the standard of living of the farmer?

Mr. HUMPHREY. Yes; the result is to reduce the income of the farmer, and to push his standard of living down. The Senator from Mississippi is absolutely right.

Mr. EASTLAND. Has it not always been sound Republican doctrine to take care of big business and high-tariff commerce; and did not that policy give us the Smoot-Hawley tariff and the great depression?

Mr. HUMPHREY. The Senator is correct. My only reason for taking the time of the Senate to discuss the position of the two parties is that there has been an effort on the part of some to wriggle out of promises made. There will be further wriggling; but the commitment was made, and the commitment must stand.

I have before me a photostatic copy of Look magazine entitled "Where They Stand." It quotes both candidates. The subtitle reads:

Now both candidates have had their say, and the voter, obliged to make a choice between them, can look at their records.

Look magazine is a Cowles publication, and the Cowles are a great newspaper and journalistic family. They are also the owners of the Minneapolis Star-Tribune and the Des Moines Register, I believe. Look magazine is considered to be one of our most prominent and interesting publications. Surely Look magazine cannot be attacked as a Democratic publication. I should prefer not to label it with any partisan tag at all. In other words, let it stand on its own merits as a good magazine. What did Look magazine say at the time of the presidential election in 1952? Where did the candidates stand on farm policy? I read from a photostatic copy of an article in Look magazine. This is what Look magazine has to say, quoting Eisenhower on farm policy:

Ike: "Without any ifs or buts, I stand behind the price-support laws now on the books. * * * These price supports are only fair to the farmer, to underwrite the exceptional risk he is now taking. They are a moral and legal commitment which must be upheld. * * * Our goal will be sound farmer-run programs that safeguard agriculture—but do not regiment you, do not put the Federal Government in charge of your farms. * * * I believe that agriculture is entitled to a fair, full share of the national income, and a fair share is not merely 90 percent of parity—it is full parity."

No matter how that statement may be interpreted, the words are there. Full parity means exactly what it says, namely, 100 percent parity. It was because of this promise by the Republican candidate that a very honorable headline writer wrote: "Eisenhower Calls for 100 Percent Parity After 1954—Up to 1954, 90 Percent Parity." The 90 percent was the law. After 1954, there would be full parity. It was to that very point that the Senator from Mississippi [Mr. EASTLAND] was directing his remarks.

What did Look magazine say about Mr. Stevenson's point of view on agriculture? Look magazine quoted Mr. Stevenson as follows:

Adlai: "It has been a constant objective of our Democratic farm programs to maintain farm income. The way we have chosen to do this is to support farm prices. Our platform lays this out in clear language: 'We will continue to protect the producers of basic agricultural commodities under the

terms of a mandatory price-support program at not less than 90 percent of parity.'

"What our program does is to place a floor under our agricultural economy in order to protect the farmer against sudden and violent price drops * * *. But when the general proposed that we should go up to 100 percent, I think he may have misunderstood his audience. The farmers of America have too vivid a memory of the Republicans in the House voting against the 90-percent support law last spring to be impressed by big talk about 100 percent today."

Those statements were made by two very honorable men. They were made by the then Republican candidate and now our President, and by the candidate of the Democratic Party, the governor of Illinois, who is now a very distinguished private citizen.

I make this record only because continuous efforts have been made in recent months—even in the Senate—to try to dissociate the administration from the pledges it made. Those pledges were made. I charge this morning in the Senate that the administration's agricultural policy is a betrayal of the promises that were given to the American people in 1952.

Mr. GILLETTE. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield to the Senator from Iowa.

Mr. GILLETTE. The distinguished Senator from Minnesota has observed the efforts being made to give the impression that what the President meant in his various speeches was parity in the market place. What is a farmer interested in except his own market place? What is meant by the market place? Is it South Africa or Istanbul? I believe the market place is where he receives his pay. One hundred percent is 100 percent in his market place, not anywhere else.

Mr. HUMPHREY. Of course, the practical application of the principle of agricultural economics is as the Senator from Iowa has stated, namely, that "in the market place" means in Des Moines, Iowa, if the farmer happens to live near Des Moines, Iowa——

Mr. GILLETTE. It is where the farmer lives.

Mr. HUMPHREY. That is correct. Or in Davenport, if the farmer lives near Davenport, or in St. Paul or Mankato, Minn.

Let us not have an agricultural policy based on theoretical vision or fiction. Let us have it based on practical demonstration and application. That is what we are trying to have.

I did not mean to take so much time for these preliminary remarks. I was merely trying to explain what I thought were the conscientious and honorably stated and publicly accepted expressions of the two candidates and of their respective political parties.

What I am trying to do, and what I have been trying to do ever since 1952—in fact, ever since I have been in public life—is to obtain for our farm population the objective which President Eisenhower expressed as a candidate, namely, full parity.

That has been the objective of the Democratic Party. The only difference is that the Democratic Party is in favor of at least 90 percent Government supports. The present administration, in its agricultural policy today, says, "We will make it from 75 percent to 90 percent."

I have been quite intrigued, I may say in passing, with this "numbers" game. First it was from 60 percent to 90 percent. The flex was a bigger kink in the accordion, and a bigger swing. It was from 60 percent to 90 percent. Then it worked up to from 75 percent to 90 percent. Then the House of Representatives made it from 82½ percent to 90 percent.

How they got that lower figure, no one will ever know. I do not know what the 82½-percent figure is based on as an economic calculation. Apparently it was pulled out of a grab bag. Someone reached into the grab bag with his left hand and pulled out a number, and it was 82½ percent. They said, "We will make that the minimum figure; and, of course, 90 percent will be the maximum."

Now we come to the amendment before the Senate to amend the bill, as reported by the majority of the committee. I wish to make quite clear that the majority of the Senate Committee on Agriculture and Forestry reported by an 8-to-7 vote a bill that fulfills the commitments and the pledges of both the Republicans and the Democrats. There were 5 Democrats and 3 Republicans supporting the pledges of both Mr. Stevenson and Mr. Eisenhower. That bill provides 90 percent of parity on the basic commodities. The amendment before the Senate now provides from 80 to 90 percent.

What kind of jigsaw puzzle is this? This is the most amazing kind of agricultural economics. I think it reveals that what is being attempted is to weaken the farm program. If 75 to 90 has real credence and validity, then stick with it. If 82½ to 90 is what should be a good program, stick with it. If 60 to 90 is the kind of flexing that is wanted, stick with it.

I notice various kinds of proposals are made. We go from 60 to 90, 80 to 90, 82½ to 90, 75 to 90. "Take your choice, Mr. Farmer, but you are not going to get 90," says the administration.

Mr. GILLETTE. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. GILLETTE. Has the Senator given consideration to a support price of 84⅝ or 86⅛? Has the Senator considered those figures?

Mr. HUMPHREY. My distinguished colleague from Iowa has been a great friend of the farmer throughout his whole public life. I pause for a moment to pay him much deserved tribute. We have a situation where we could get almost any figure if it was left in the hands of those who are determined at any cost not to give what they promised.

Mr. GILLETTE. Figures based on nothing. They seem to reach into the air and pick out a figure.

Mr. HUMPHREY. Based upon some sort of economic mythology.

Mr. MANSFIELD. Mr. President, will the Senator from Minnesota yield?

Mr. HUMPHREY. I yield to the Senator from Montana.

Mr. MANSFIELD. Is the Senator sure that it is not based on the golden promise at Kasson, Minn.?

Mr. HUMPHREY. While the Senator was momentarily detained in other work a moment ago, I was mentioning some of the commitments that were made by both political parties, and particularly the promises made by Candidate Eisenhower at Kasson, Brookings, and Fasco.

Mr. MANSFIELD. What was the minimum when the golden promise was made?

Mr. HUMPHREY. Ninety percent was the minimum?

Mr. MANSFIELD. And what was the maximum?

Mr. HUMPHREY. One hundred percent.

Mr. EASTLAND. Mr. President, the distinguished Senator is wrong. Will the Senator yield?

Mr. HUMPHREY. I yield to the Senator from Mississippi.

Mr. EASTLAND. The minimum promise made by the Republicans was 100 percent of parity.

Mr. HUMPHREY. Ninety percent up to 1954, and after that, 100 percent.

Mr. EASTLAND. That was under the Democratic law. After that it was to be 100 percent. That was the minimum.

Mr. HUMPHREY. That is correct. If flexibility is the magic word, if that is the word we must have to get some people off the hook or to please somebody or to have a face-saving effect, then I suggest we have flexibility from 90 to 100. That is flexing. That is just as good as flexing from 80 to 90, except that people are not flexed out of business.

Mr. EASTLAND. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. EASTLAND. Which way can they flex besides down?

Mr. HUMPHREY. The flexible price support program is called a sliding scale. I give the Senator the answer to his question by asking him a question. Did the Senator ever hear of anybody sliding uphill?

Mr. EASTLAND. No, I did not.

Mr. HUMPHREY. One can slide downhill, but it is tough to slide uphill.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. MANSFIELD. Who made this golden promise of at least 90-percent parity up to 1954, and eventually full parity, or 100 percent?

Mr. HUMPHREY. Mr. Eisenhower, of course.

Mr. EASTLAND. Not the Democratic candidate.

Mr. HUMPHREY. No. Mr. Eisenhower made that promise.

Mr. MANSFIELD. Could the Senator explain to the Senate how it is that this administration can lower price supports for dairy products to 75 percent and advocate price supports up to 115 percent for the wool industry, which I favor, but at the same time try to go behind this promise and knock down price supports for the basic crops to somewhere between 80 and 90 percent?

How can this kind of flexibility be explained?

Mr. HUMPHREY. I cannot explain it, except to say that it is very disappointing and very discouraging. As the Senator will recall, when Mr. Eisenhower made his political commitments on agricultural policy—and I want my colleagues to remember this—not only did he promise full parity for the storables and the basic commodities, but he challenged the Democratic Party and its leadership on what they had done with the nonstorables, with the so-called perishable commodities. He promised that we would have a perishable commodity program that would do for perishable commodities what was done for the storable commodities. I have read this promise into the RECORD again and again, and I shall soon read the exact words. The President made very clear that he knew that many of the products of agriculture were not basic commodities, that many of them were in the perishable category, such as dairy products, chickens, eggs, and meat products. In areas of the United States where those products mean so much to the farmers' income, he made a commitment that there would be a program to take care of them at not less than 90 percent of parity.

Mr. MANSFIELD. That promise will not be forgotten.

Mr. EASTLAND and Mr. HOLLAND addressed the Chair.

The PRESIDENT pro tempore. Does the Senator from Minnesota yield, and if so, to whom?

Mr. HUMPHREY. I yield first to the Senator from Mississippi; then I shall yield to the Senator from Florida.

Mr. EASTLAND. Does the distinguished Senator from Minnesota know that farm prices today average 18.8 percent below those of 1951?

Mr. HUMPHREY. I do know that.

Mr. EASTLAND. And that food prices are 1 percent higher than they were in 1951?

Mr. HUMPHREY. I do know that.

Mr. EASTLAND. Then why could we not have at least a 90-percent support price, without increasing the cost of food?

Mr. HUMPHREY. That is going to be the burden of my argument. I think that one of the greatest disservices ever done to the American people, one of the most unfortunate bits of political chicanery that has ever been perpetrated upon the American people, is the fraudulent argument that 90 percent of parity price support is responsible for high food costs and is responsible for the high cost of living.

I have so many clippings on that point that it is hard to know where to start and stop, but here is a quotation from the Washington Star for July 23, 1954: "Food Cost Rise Pushes Up Price Index for Second Month." Then the news item goes on to point out a little later that, while food prices are going up, the farmer's prices for what he sells are going down.

Mr. EASTLAND. Will the Senator agree with me that, with the foreign situation as it is, we need great surpluses of farm commodities of all kinds? If we should lose 2 cities where the farm-implement industry is situated, there would be starvation in this country before we could restore agricultural production.

Mr. HUMPHREY. The Senator is absolutely correct.

Mr. EASTLAND. Is it not a fact that we have spent billions of dollars on guns, planes, and tanks—that are now obsolete?

Mr. HUMPHREY. We have indeed.

Mr. EASTLAND. We are having to build others at this time.

Mr. HUMPHREY. That is true.

Mr. EASTLAND. Food does not become obsolete, but is a necessity. It certainly is sound judgment and sound sense to retain, because of the atomic and hydrogen bomb threat, great surpluses of farm commodities of all kinds.

Mr. HUMPHREY. I think the Senator would be interested in some figures I have, if he will bear with me. I have been doing a good deal of research work on this subject. Would the Senator be interested in the figures as to what is in storage at the present time? The latest figures I was able to get which are accurate are for May 31, 1954. I ask the Senator to bear with me for a moment. I think this information is as basic and important to the debate as anything else I can contribute.

We read constantly in the press about the surplus of corn, the surplus of wheat—surpluses, surpluses. Mr. Benson and the Department of Agriculture should be ashamed of themselves for the propagandizing they have done—immoral propagandizing. I am fed up with the moral piety they constantly seek to demonstrate, and then have them act in an immoral manner.

Listen to this. Let us talk about corn. How much corn do we have in storage? We have in storage up to May 31, 1954, corn for 3 months and 1½ days at the current rate of consumption. That is from the Department of Agriculture.

I say to my associates in the Senate that the whole basis of American industry is based upon inventory. Apparently it is wrong for farmers to have inventories. When there are no inventories, it is the speculator's paradise, and the consumer is at the mercy of the unscrupulous men in the market place.

Inventory is the very foundation of a good free-enterprise system.

Mr. EASTLAND. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. EASTLAND. The Senator speaks of speculators. Does he agree that when support prices are reduced, it is made very much easier for speculators to manipulate the markets?

Mr. HUMPHREY. Of course that is true. It is made much easier. Manipulation of the markets was one of the crimes of the past.

Mr. EASTLAND. If wheat support prices are reduced, how much will that reduce the price of bread?

Mr. HUMPHREY. If wheat price supports are reduced 15 percent, the price of bread would be reduced approximately a half cent or four-tenths of a cent.

Mr. EASTLAND. Does the Senator believe that the price of bread would be reduced?

Mr. HUMPHREY. Of course not. What is more, I may say to the Senator from Mississippi, the price of wheat has fallen as much as 35 or 40 cents, but the price of bread has not gone down a tenth of a cent. The best protection for the consumer is abundance. The worst thing that could happen to him would be to have a scarcity. The argument for scarcity is an argument in favor of the profiteer. The argument for scarcity and reduced supplies is the argument of the finagler, the unscrupulous man in the market place.

Mr. HOLLAND. Mr. President, will the Senator yield to me for 3 or 4 questions?

Mr. HUMPHREY. I yield to the Senator from Florida.

Mr. HOLLAND. First, with reference to the point raised by the distinguished Senator from Mississippi as to whether there was any flexibility which could go forward, and as to whether the flexibility must always go downward, I ask the distinguished Senator from Minnesota if he does not know, in the case of naval stores, a very important agricultural and strategic product which is under the price-support program, that the price went from a little above 60 percent to 90 percent, because of the fact that great surpluses were not created?

Does not the Senator further know that in this year, when all this debate has taken place, because of the restraint on the part of the naval stores industry, and the fact that they had not built up a huge surplus, the Secretary of Agriculture again continued 90 percent of parity as the price support for that particular industry?

Mr. EASTLAND. Mr. President, will the Senator yield?

Mr. HOLLAND. I have asked a question of the distinguished Senator from Minnesota. I hope that he will be frank enough to answer.

Mr. EASTLAND. I should like to answer the question of the Senator from Florida.

Mr. HOLLAND. I desire to have an answer from the Senator from Minnesota.

Mr. HUMPHREY. Are there marketing quotas in effect in that area of production? Are there marketing agreements?

Mr. HOLLAND. No; there are no marketing agreements.

Mr. HUMPHREY. Are there not marketing agreements on grapefruit?

Mr. HOLLAND. I am talking about naval stores. I have asked the distinguished Senator from Minnesota a specific question, and I should like to have an answer.

Mr. HUMPHREY. Naval stores?

Mr. HOLLAND. Naval stores—rosin, turpentine, and such products, which come from pine trees.

Mr. HUMPHREY. Let us be specific. Under the designation "naval stores" there could be battleships or rowboats. I do not know about parity price supports on them. Is the Senator talking about turpentine?

Mr. HOLLAND. Naval stores are an agricultural product, including rosin, turpentine, and the like. The Senator well knows that his reference to rowboats and battleships has no relation to what I am speaking of.

Mr. HUMPHREY. I confess that I do not know.

Mr. HOLLAND. I call the Senator's attention to the fact that in the recent debate on the floor I advised him of that fact.

Mr. HUMPHREY. I appreciate that.

Mr. HOLLAND. The Senator seemed to be completely aware of it at that time. Certainly he has not forgotten it since then. My question was very simple. It pointed up the simple fact, namely, that in the case of naval stores, which are subject to the flexible price support structure of from 60 to 90 percent, the support price actually has gone up from a point in the 60's to 90 percent and this year has been held at 90 percent, because under the principles relating to the flexible pricing structure, no great surplus had been created, and that important industry was entitled to a continuance of the 90-percent support price.

Mr. HUMPHREY. First of all, the number of producers in this area of production is infinitesimal, as the Senator well knows. Secondly, the matter of production control is very simple, as the Senator also well knows.

When there are millions of producers of a product throughout the land, there is not the same ease of control as there is in connection with the production of rosin. Is Congress to base its farm policy on the price of rosin for violin strings? Is that what the farm policy is to be based on?

We can get along without resin; but try to get along without wheat, cheese, butter, milk, cotton, and corn for a while.

I think the Senator from Florida has reached out for a gnat. He has tried to grab a mountain on which to argue, and apparently has ended with an ant hole. He is trying to pin down his argument with the weight of an elephant, and has ended with a mite.

Mr. HOLLAND. The conclusion of the Senator from Minnesota is not justified by the importance of the naval stores industry or its actual size, because there are tens of thousands of producers of naval stores, who are mighty good people, just as good as the people of Minnesota. The State of Georgia produces about 70 percent of the naval stores crop; Florida produces about 20 percent. Naval stores also are produced in the States of Mississippi and Alabama and the eastern part of Texas, and to a very limited degree in California.

The Senator from Minnesota is evading the question.

Mr. HUMPHREY. No, I am not.

Mr. HOLLAND. Does not the Senator know that instead of there being an always downward course under the flexible price support structure, the instance I have given him is a specific demonstration of the fact that the flexible price support structure can go up, and then can stay up, when there is an absence of huge surpluses, such as have been created to the tune of more than half a billion dollars in the dairy industry, and to the tune of almost a billion bushels of wheat which it appears there will be at the end of this season, and in each case making such terrible surpluses that, instead of its being immoral, as has been suggested by the Senator from Minnesota, for the Secretary of Agriculture to call the attention of Congress and the Nation to the fact such a situation exists, I think it is highly moral and highly necessary that the Secretary advise us that the law which was written for wartime, and which we have insisted on continuing during peacetime, is not functioning well, but is resulting in huge waste and huge expense, and is discouraging the very program in which the Senator from Minnesota and the senior Senator from Florida believe—that is, a necessary but reasonable support price program for the basics.

Mr. HUMPHREY. I do not wish to be unkind to my distinguished friend from Florida, but yesterday, when I got warmed up under the collar, the chairman of the Committee on Agriculture and Forestry, the Senator from Vermont [Mr. AIKEN], said, "I will no longer yield for another tirade." I read that in the New York Times this morning.

I do not believe the Senator from Florida is making a tirade. I think he is making a bad argument. He has gone all through the spectrum of agricultural products and has said, "I think I can find one product where flexible price supports have worked."

What do you think it is, Mr. President? Rosin.

Mr. EASTLAND. Mr. President, will the Senator yield?

Mr. HOLLAND. The Senator from Minnesota agreed to yield to me for several questions.

Mr. HUMPHREY. I will yield to the Senator from Mississippi.

Mr. EASTLAND. The Senator from Florida has commented on the production of rosin. Does not the Senator from Florida realize that we are talking about basic farm commodities?

Mr. HUMPHREY. Of course the Senator from Florida realizes that; but he wanted us to get off on Willow Lane, down by the creek, to some sort of picnic, to discuss something which is not basic.

Mr. EASTLAND. Naval stores are very important commodities. But again I ask the Senator, so far as basic farm commodities are concerned, when a flexible support system is placed in operation, what is the only way it can flex?

Mr. HUMPHREY. It cannot flex, so far as the price-support program is concerned, above 90 percent. It will most likely flex downward.

Mr. EASTLAND. Of course. As a matter of fact, for the next few years it will flex downward.

Mr. HUMPHREY. I think that even the advocates of the program admit that.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. HOLLAND. I come to the very field suggested by my friend, the distinguished Senator from Mississippi. Is it not true that in 1951, under the flexible price support program, the support price for peanuts, which is a basic commodity, was 88 percent; and because of the failure to build up a huge surplus, the support price went to 90 percent in 1952? Is it not a fact that the record so shows?

Mr. HUMPHREY. I imagine that is a fact. But I do not understand what pertinency this has to the argument. But if the Senator from Florida desires to ask me questions, I shall be glad to try to answer them.

Mr. HOLLAND. I am trying to show how completely far from the historic facts it is to say that there is no course upward under the flexible price-support program for basics, because in the case of peanuts it has been shown that the contrary is true; and there is no need for any of us to deny it, because that is a fact.

Mr. EASTLAND. I would like——

Mr. HOLLAND. No; the Senator from Minnesota has the floor.

I have a third question I should like to ask.

Mr. HUMPHREY. I should like to answer the second question, before we come to the third. Let us not be too impatient with each other. Let us proceed in order.

The important thing about this flexible price-support program, as I see it, is that when we do not need a price-support program we get one.

If there is a shortage of supply, as the Senator points out, and if we keep cutting down the supply, we are not going to get lower than 90 percent of parity. The price-support program is made and designed for the times when it is needed. It is like an umbrella: An umbrella is not needed when it is not raining. The flexible price-support program is like the man who is given an umbrella on a nice sunshiny day, where there is not a cloud in the sky, but the minute the rain comes down the umbrella is taken away.

This flexible price-support program, which I am going to talk about in more detail, is agricultural economics standing on its head. What is the purpose of the price-support program?

Mr. CASE. Mr. President——

The PRESIDENT pro tempore. Will the Senator yield?

Mr. HUMPHREY. Not at this minute. I will yield in a moment.

What is the purpose of the price-support program? Orderly marketing. Orderly marketing and fair returns for the products.

How does the price-support program work generally? It works through loans and purchases.

Mr. JOHNSTON of South Carolina. With acreage controls.

Mr. HUMPHREY. That is right. What loans are made by the Commodity Credit Corporation? What is the purpose of them? Why store? In order to bring about orderly marketing.

How does a farmer get orderly marketing? He gets it by being able to put his product into the market place without dumping, without saturating the market, and without breaking the market.

This is why we have a 90-percent parity price-support program, so that we can get fair prices for our commodities. The time the farmers need price-support laws is when there are more commodities at the moment than are needed.

Mr. JOHNSTON of South Carolina. Is it not also true we have to have acreage controls along with that program, which cut back production and bring the whole thing into line?

Mr. HUMPHREY. Of course we have acreage controls on the production of some products. That is a part of the technique of what may be called production adjustment.

One of the feelings which seems to be quite prevalent throughout the country is that if anything gets out of line for a year it is necessary to pull the curtain on the whole thing, to quit, and to change it.

I want to say the flexible price-support program will always work when there is a scarcity, but a flexible price-support program is not needed in the case of a scarcity. If there is less butter than is needed, the price of butter will be $1 a pound. If there are less peanuts than people want, the price of peanuts will go up. If there is less rosin than there are violins, the price of rosin will go up. In such cases legislation is not needed. Adam Smith took care of all that a long time ago. He took care of that in his great work upon the nature of capitalistic economics.

The purpose of the price-support program is to afford help when farmers are in trouble. I am amazed to hear Senators talk about the price-support program as if it were to be used when it was not needed.

It is like having a life-insurance policy, which one pays on every day he is alive, but when he dies the value of the policy is not paid to him; or it is like having a fire-insurance policy which is worth $10,000, which is good all of the time when there is no fire, but when there is a fire only $5,000 is paid on the policy. The time to have life insurance is when one is alive, not when he is dead. Life insurance is for a person's loved ones.

The time when we need price supports, I may say to the Senator from Florida, is the time when we have an abundance, not a scarcity. Goodness gracious, the time we need it is when we have adversity and when we have abundance.

Now I yield.

Mr. HOLLAND. I was wondering if the Senator would comment in the course of his able speech, which I am enjoying, particularly with regard to his indication that the naval-stores industry largely devotes itself to supplying rosin for fiddle strings——

Mr. HUMPHREY. It is a much more important industry than that, but at least that pinpoints it for many people who do not have too much familiarity with it.

Mr. HOLLAND. I wonder if the distinguished Senator would state in his able debate how he explains the fact that almost all the present surpluses, which are huge, come from 4 products, 3 of which are basic, supported by the 90-percent rigid supports—that is, wheat, cotton, and corn—and 1 of which has been at 90 percent, though it comes under the 90-percent flexible support program—that is, milk and milk products; whereas in the case of those products which are supported at lower levels and with less inducement for overproduction, there is very little contribution to the huge store of surpluses. I wonder how the distinguished Senator could answer that.

Mr. EASTLAND. Mr. President, will the Senator yield?

Mr. HUMPHREY. I will yield in a moment, but I want to help my friend from Florida. He is a marvelous man. He is one of the most able men in this body and he is also a reasonable man.

Now we are going to get down to cases. We are going to quit talking about figures. We are going to apply these figures to reality. I will get my blotter out here. Just bear with me for a minute. Just take a look at this information which comes from the Department of Agriculture.

Mr. EASTLAND. May I ask the Senator a question?

Mr. HOLLAND. Mr. President, I think the Senator ought to be allowed to answer in proper measure. I have not interfered when he has sought to answer questions from my distinguished friend from Mississippi [Mr. EASTLAND] and others, and I think I am entitled to have the courtesy of an unprompted answer from the Senator from Minnesota, who I think is well able to take care of himself.

Mr. EASTLAND. Of course he is. Certainly he is.

Mr. HUMPHREY. Now that we have settled this, may I point out to my good friend from Florida, first of all, that the very commodities he has mentioned, with the exception of butterfat, have been income-producing commodities insofar as the Commodity Credit Corporation is concerned.

I think the Senator knows that with regard to corn, wheat, and cotton we have made substantial sums of money. I think the committee report so reveals. I forget the exact amount, but there is a very substantial realized gain upon the so-called storable basics.

Mr. HOLLAND. The Senator is talking about a period of time prior to the last 2 years. His remarks would not be true with reference to the recent past.

Mr. JOHNSTON of South Carolina. The statement would be true up to May 31 of this year.

Mr. HUMPHREY. I think the Senator will find there has been a total loss of $130,739,501 from October 17, 1933, through May 31, 1954, for the following commodities: Corn; cotton; cotton, Puerto Rican; cotton, export differential; cotton-rubber barter; peanuts; rice; tobacco; and wheat.

Mr. HOLLAND. Will the Senator state whether or not prior to 2 years ago there was a profit from those same commodities, and whether in the last 2 years the loss has been materially greater than the $130 million which the Senator has mentioned?

Mr. HUMPHREY. May I say to my good friend, who is an able businessman, that a corporation does not go out of business because it happens to have a bad month. I am amazed. Here is a man who apparently has little faith in the American economic system. So we get a bad year. Are we now going to close up shop?

Such an attitude is as unwarranted as to expect that if General Motors had a bad year they would say, "We had better quit making cars and start making bicycles. We are in trouble. We had better get out of business."

General Motors has had some bad years, but they did all right this year—which I want to comment upon—while the farmers did not.

Mr. HOLLAND. Mr. President——

Mr. HUMPHREY. Wait a moment.

"Halt ye, my friends, and let us reason together," quoth the prophet. Let us conduct ourselves in a genteel manner, and get down to the facts.

Let us consider corn. We are talking about surpluses. Does the Senator think it is right for the United States of America to have only a 3 months and 1½ days' corn supply on hand? That is what we have today, based on the 1952 requirements.

Mr. EASTLAND. Mr. President, may I ask a question?

Mr. HOLLAND. Let us come to wheat.

Mr. HUMPHREY. Let us consider wheat. On May 31, 1954, we had 10 months and 14 days' supply of wheat on hand, on the basis of 1952 requirements. Is that too much wheat to have on hand, in the kind of world in which we live? May I point out in addition the fact that we have cut back on wheat production over 30 percent, in acreage.

Mr. HOLLAND. And in spite of that cutback we are adding to the surplus?

Mr. HUMPHREY. We have not yet gotten the crop in, Senator. We have not harvested the crop yet. Do not count these chickens or these kernels of wheat before they are in the bin.

The wheat-producing section of Minnesota just went through an army worm infestation last week. And we happen to have a rust problem in our section of the country, in the Red River Valley.

The Senator is an expert on the subject of wheat, but he has not heard about the last infestation of army worms and he has not heard about the drought. He came to the Capitol this morning and it was raining. I hope it is raining all over the Nation. The Nation needs it. Every State needs it. Possibly it did not rain every place.

Let us move along now. We have enough corn, I want my colleagues to know, for 3 months and 1½ days. Do my colleagues wish to know who wants less corn than that? The people who have control over certain corn stocks, the people who would like options on certain corn production want less corn than that, so they can make a fast dollar without being in the corn business. Some people who have never seen a cornfield, make more money from handling corn than the corn farmer ever made.

I say to my good friend from Florida, if he wants to advocate having less than 3 months of corn supply, then I sharply disagree with him.

I remember when the Senator from Florida was complaining about the ammunition shortage, in Korea. Does the Senator remember? We had 90 days' supply of ammunition in storage in Korea. There was 90 days of ammunition, and Senators were complaining to high

heaven because we did not have more ammunition.

I wish to say to my colleagues that while corn may not be as important as ammunition, it is surprising how much it helps to have a little corn around if one wishes to remain long alive.

Mr. EASTLAND. The Senator from Minnesota does not think the 90-percent parity system builds up the surpluses, does he? The Senator from Minnesota realizes, does he not, that it was the policy of the Government to have the 90-percent parity system and also to build up the surpluses, and that is why we have the surpluses.

Mr. HUMPHREY. Yes, this is why we have the inventory.

Mr. President, I spent most of my life in the retail business. Instead of putting money in the bank, a merchant puts his money into inventory. Any merchant who is worth his salt is interested in inventory. Inventory is the heart and core of the American enterprise system, except when it comes to the farmer, because if they can keep the farmer from having an inventory they can really run him through the wringer. I say that the philosophy which permeates the flexible parity principle program is the speculators' philosophy, not the philosophy of the grain producer.

Mr. HOLLAND. Madam President, will the Senator from Minnesota yield at this point?

The PRESIDING OFFICER (Mrs. BOWRING in the chair). Does the Senator from Minnesota yield to the Senator from Florida?

Mr. HUMPHREY. Not at the moment.

Madam President, I wish to let my colleagues meditate for a moment and consider whether they wish to have our country proceed with less than 3 months' supply of corn in storage, although the number of pigs being raised this year will eat up the corn almost as fast as the sun in Florida dries up the earth.

Mr. HOLLAND. Madam President, will the Senator from Minnesota yield to me at this point?

Mr. HUMPHREY. I yield.

Mr. HOLLAND. Does the Senator from Minnesota mean to tell the Senate that he understands that the 3 to 4 months' supply of corn in storage, of our surplus national supply, is all that is in storage anywhere at the present time?

Mr. HUMPHREY. That is the quantity pledged for Commodity Credit Corporation loans, and owned by the Commodity Credit Corporation. In view of the cash price of corn, most of the farmers have put their corn under seal. If any of my colleagues does not believe that, let him look at the storage bins in the Midwest. Of course, the farmers are putting their corn under seal, because they want to be sure they get 90 percent. The Department of Agriculture keeps talking down the price; every time the Department of Agriculture issues a bulletin, the price gets a little less firm and more unusual.

Mr. HOLLAND. Madam President, will the Senator from Minnesota yield at this point, so I may answer the point he has just made?

Mr. HUMPHREY. I do not yield at this point, Madam President.

We now have wheat in storage. By the way, most of it is under Commodity Credit Corporation loan, because the support price is better than the cash price. We have in storage a supply of wheat sufficient for 10 months and 14 days. We have in storage enough dried milk to supply us for 7 months and 14 days. We have cheese in storage—although cheese is often referred to as if it were the worst curse of all times. We have 3 months and 27 days' supply of cheese in storage. We have in storage sufficient butter for 3 months and 11 days. That is the total amount in storage.

Mr. HOLLAND. Madam President, will the Senator from Minnesota yield to me at this point?

Mr. HUMPHREY. I yield.

Mr. HOLLAND. The Senator from Minnesota does not regard any of the huge amounts of stored commodities which he is mentioning, which now are costing the Government $700,000 a day for the storage alone, as surpluses? The Senator from Minnesota said he did not regard them as surpluses. I should like to have him elaborate on that point.

Mr. HUMPHREY. No, I regard them as inventory.

Does my friend, the Senator from Florida, consider that the airplanes we have that are not now shooting down Communists are surplus? Does the Senator from Florida believe that the 3 million men in our Armed Forces, who are not today fighting on the battleline, are surplus? Does the Senator from Florida believe that the .30-caliber and .50-caliber ammunition we have for machine guns—some of it in storage in Florida, no doubt, with some good warehousemen being paid good money for storing—is surplus; or does he call it inventory? After all, the Government stores its ammunition supply in various parts of the country.

Furthermore, as all of us know, the Government has on hand large numbers of tanks and trucks, and also great quantities of metals, to the tune of $4½ billion, and we are going to purchase $1,500,000,000 to $2 billion more for the national stockpile. We do not call that surplus; we call those supplies strategic reserves. So I am getting tired of the dirty little word "surplus."

Mr. MAGNUSON. And let us not forget the mothball fleet.

Mr. HUMPHREY. Yes, with literally block after block and mile after mile of ships kept in reserve. Does the Senator from Florida think we should dispose of them because they are "surplus"?

Mr. HOLLAND. Madam President, will the Senator from Minnesota yield further to me?

Mr. HUMPHREY. I yield.

Mr. HOLLAND. Does the Senator from Minnesota mean to state seriously on the floor of the Senate that he regards the supply of butter, which is literally running out of our ears and has become a national scandal, as a strategic reserve?

Mr. HUMPHREY. It could very well be; and if we had a little imagination around here, that butter could very well do us more good than some of the things we have done. I think in that connection of a foreign-aid program in the areas of the world where aid is needed, a program of helping some of the underprivileged in those areas, and also some of the underprivileged in the United States.

In a few days we shall have before us a social security bill, and I understand it provides for a minimum payment of approximately $40 a month. I should like to ask my fine-fed senatorial friends to try to live for a while on $40 a month. Perhaps a couple of pounds of butter on the side would not hurt. Perhaps we could use the butter as part of a strategic program of compassion and kindness at home, and of aid abroad, if we have some imagination, instead of running around with a hood pulled over our head all the time, blind as a bat, unwilling to think about what we should do or could do. Of course there will be problems; but I am shocked to hear my friend, the Senator from Florida, talk about the program as a scandal. What is scandalous about the dairy program?

Mr. MONRONEY. Madam President, will the Senator from Minnesota yield to me?

Mr. HUMPHREY. I yield.

Mr. MONRONEY. I appreciate very much what the Senator from Minnesota has said. In my own State I find that many of those who are conducting the school-lunch program, which from time to time has been called socialistic, are forced to spend the small amounts of money they are able to raise locally to buy oleomargarine, because they cannot obtain an adequate supply of butter, although we have this terrific surplus. Yet the children of the country cannot have the butter that is needed for the school-lunch program. I think we had better look into the Department of Agriculture and find whether these huge surpluses have been built up for political purposes, in an attempt to do away with the farm program.

Mr. HUMPHREY. Of course they have.

Mr. MONRONEY. Instead of going into the channels of use, as Congress intended them to do, in connection with the school-lunch program, when that program was enacted.

Mr. HUMPHREY. I say to my friend the Senator from Oklahoma that the American people and our Government should be ashamed of the loose talk that occurs about our abundance of supply, in a world of hunger and sickness, in a world where communism is spreading from one country to another—communism that finds recruits in poverty, sickness, and disease.

Yet we complain before God and man about the greatest material blessing God Almighty can give—food and fiber. We sit here crying crocodile tears because we have too much. But the day may come when we will have too little. That will be the time to be complaining.

What about the milk and the butter which we have in such abundance? Some say it cannot be used. Is not that interesting, Madam President? Why cannot it be used? Some say it is too expensive. Yet every Member of this

body knows that frequently the Armed Forces purchase highly expensive equipment because, they say, they want the best for the men and women who serve in the Armed Forces. The Armed Forces do not take the cheapest; they take the best. When we build a Government hospital for veterans, the best materials are used so that the hospital will last anywhere from 50 to 100 years.

Yet in this case we have one of the most valuable foods in the world—milk and milk products—but it is said to be too expensive.

After all, Madam President, water is cheaper, as we know. As a matter of fact, advice is cheaper, too—the bad advice we are getting.

What about the surplus? We can use it for our school-lunch programs and for our aged people.

By the way, Madam President, the substitute legislation being proposed—the counterproposals made by a majority of the committee—having nothing to do with a surplus disposal or an inventory disposal program. It is amazing to me. I have been reading, for example, that recently the military have been selling billions of dollars' worth of so-called surplus equipment. They have been having sales all over the country. The other day I read they had a sale of surplus equipment in Pennsylvania, and at that time sold, among other things, even an extra set of false teeth, an extra pair of "china clippers." Billions of dollars' worth of so-called surplus equipment were sold. However, not a voice has been raised in Congress about the losses the Government incurred as a result of selling those billions of dollars' worth of surplus equipment. It is said that surplus was accumulated for purposes of defense. However, one of the most important items of defense is basic foodstuffs. So I am a little shocked.

Mr. HOLLAND. Madam President, will the Senator from Minnesota yield to me at this point?

Mr. HUMPHREY. I yield.

Mr. HOLLAND. Does not the Senator from Minnesota well recall, in connection with the use of butter by the Armed Forces, that the largest item in the total of more than $600 million which we were asked to write off last year, and which we did write off, as a loss to the Commodity Credit Corporation, represented a sale of butter by the Commodity Credit Corporation to the Army at a price of 20-odd cents a pound, which was a little more than one-third of what the Commodity Credit Corporation had paid for its accumulated stocks of butter. Does not the Senator from Minnesota remember that?

Mr. HUMPHREY. I remember it, and I think the man who sold it should have been brought before a committee of the Congress and chastised for being one of the worst businessmen the country ever saw. It does not take any brains to sell butter at 20 cents a pound. Anybody can give away $5 for $2.50.

We should have sold the Army the butter like it was sold to anybody else. At the time that sale was made, the Senator from New Mexico [Mr. ANDERSON] was on the floor of the Senate criticizing the Department, and pointing out that when he was Secretary of Agriculture he did not engage in that kind of cut-rate mail-order business practices. I thought we were supposed to have businessmen down here.

Mr. HOLLAND. Madam President, will the Senator yield?

Mr. HUMPHREY. No. I want to talk a little bit more about the principle I have been discussing.

What did we do? We took good butter, for which the average housewife in this country would be glad to pay 50 cents a pound, and sold it to the British at 41 cents a pound. I have not heard the Senator from Florida [Mr. HOLLAND] say anything about that. He has been as silent as a tomb; he has not said a word about the 41-cent butter sold to the British. He did not say too much about it when the Department was talking of selling butter—perhaps behind the Iron Curtain, and willing to give everybody else in the world a break except the folks back home—the folks who really need it in this country.

The Secretary of Agriculture sold butter to the Department of Defense for from 15 to 20 cents a pound, so it was sold at a loss. As a matter of fact, I may say to the Senator from Florida I am not sure but that there was a violation of the law because, if I recall correctly, though my memory may be a bit hazy on this, the law requires that the commodity be sold at market value, and I think that perhaps what we need now is a checkup and a little investigation as to whether or not the Secretary of the Treasury, the Secretary of Defense, and the Secretary of Agriculture did not violate the law, rather than to be here saying that we incurred such a big loss in agricultural commodities.

We also took a little loss on the synthetic rubber plants not too long ago, if I recall correctly. We were getting ready to dispose of them at less than what they were worth. We took a loss on many items. We sold billions of dollars worth of war surplus items and are still selling surplus items at a loss. We were willing to take a little loss here not long ago; we have bill after bill in Congress to get the Government, so-called, out of business. We have taken losses.

The only time a loss seems to be significant, if we can call it that, is when Mr. Farmer and the farm economy are in the squeeze. I have yet to witness a campaign of downright vilification and outright misrepresentation such as has been waged against this agricultural program. The officials have tried to use the dairy situation to point up the terrific cost of price supports, and the terrible surpluses that result.

Yet they refuse to use any imagination toward a solution. Bill after bill dealing with this subject has been introduced, but not reported to the Senate. There are food stamp plans, dairy diet dividends; the Kerr bill, the bill introduced by the junior Senator from Minnesota, the Senator from Montana, and the Senator from Louisiana, and several other bills in committee; but there has been no action on them.

Let us take a brief look at the rest of this inventory.

Mr. HOLLAND. Madam President, I ask the Senator to yield for a question.

Mr. HUMPHREY. I will yield in a moment.

Let us take a look. Here on the list is rice. How much rice do we have in surplus under the 90 percent parity rate? The Senator from Florida likes to use the word "surplus." I call it inventory. In a world where rice is highly important we have an 11 days supply. Can we not feel the burden of the rice surplus on our back? Eleven days supply of rice. I say we ought to thank God that we have 11 days supply, and we should pray for 25 days supply of it.

Mr. HOLLAND. Madam President, will the Senator yield?

Mr. HUMPHREY. Let us see how much of a supply of tobacco there is. We have 3 months and 18 days supply, with 90 percent price support.

I stated that there was 10 months and 14 days supply of wheat.

Next is butter. "Butter" used to be a nice word until Secretary Benson and his Department of Agriculture and some of their advocates started working it over. People used to think of bread and butter as the mark of family wholesomeness, of bread and butter, as the great food of the multitude, like the loaves and fishes of Biblical days. But since we have gotten into the situation where we are being badgered and harassed because of so-called surpluses, butter has become a nasty word. In my book it has not. Butter is still a great food, and if we had a little intelligent participation on the part of some government officials we would not be faced with the problems now confronting us.

Mr. HOLLAND. Madam President, will the Senator yield?

Mr. HUMPHREY. There is 3 months supply of cheese in surplus, which is under 1952 requirements. And, by the way, since 1952, there are 5 million more people in this country.

Sometimes we Senators, particularly as we get along in years, forget that there are new people in this country. Our population is growing by the millions, an average of 2,700,000 every year, and I shall comment upon the need for more food rather than less.

How about wool? We do not have any extra wool. We have honey, which is under a price support program—that is, under the 0 to 90 percent program. We have a half day's supply of honey in stock. I recall reading not long ago a list of all the stocks the Government owned, and upon which the Government had made loans, and honey was included. I could imagine people saying, "Oh, look, the Government even owns honey from bees." We have only a half day's supply of honey. May I say that things get so sour sometimes in the world in which we live that the sweetness of honey, at least a full day's supply of it, may be of great help.

How about barley, which is a seed grain? We have barley in surplus this year, under Commodity Credit loans or under pledge or Commodity Credit ownership, in the amount of 1 month and 7 days' supply, on the basis of 1952 requirements.

Edible beans. Well, I am sorry, folks, we are running short. We have none extra.

Cottonseed. I believe that we have less than a thousand tons.

Cottonseed meal. We have 12 days' supply of cottonseed meal; and, by the way, cottonseed meal is going to be in great need as a feed.

Cottonseed oil. Well, we have 8 months' and 12 days' supply of cottonseed oils.

Flaxseed. When this report was prepared, we had 5 months and 7 day's supply of flaxseed, and the Senator from Minnesota hereby states that we are running out of flaxseed. The protein feeds are in short supply today. Protein foods are in short supply. I know I am speaking accurately when I say protein feeds are in short supply in terms of the needs of our economy.

Oats. We have 10 days' supply of oats—a 10-day supply of oats. We are just buried in a mountain of oats—10 days' supply.

Rye. We have 2 months' and 26 days' supply.

As to soybeans, when this report was prepared we had 2¾ days' surplus of soy beans, based on 1952 requirements.

Now, I look at my good friend from Florida [Mr. HOLLAND], and I point out to him that soybeans are as short in supply as hens' teeth, and the soybean price has gone skyhigh.

May I point out to my friend from Florida that soybeans sold in the market at $2.18 a bushel cash, and they are $3.75 now. When the farmers harvested their crops, many of them had to sell for cash because of the delay in processing of Commodity Credit loans, and the man who obtained those soybeans is now getting $3.75.

I will now yield to the Senator from Florida.

Mr. HOLLAND. Does not the Senator realize that in reading this list of flexible price-supported commodities which are not in heavy supply, and some of which are not in supply at all, the Senator is making, in the best possible way, a case for flexible price supports, because it is a fact—and the Senator, I am sure, will have to recognize it—that the huge surpluses which he likes to term inventories, come from those commodities which are 90-percent price supported?

Mr. HUMPHREY. No. The worst surplus, I may say to the Senator from Florida, the one over which the Senator from Florida has cried and has complained, is the one that is flexed to pieces—the surplus of butter. That is the one about which the Senator was complaining, with a parity of 75 percent to 90 percent; that is the one that does not work. That is the one with from 75 to 90 percent of parity, the program the Senator from Florida favors, which disrupted the entire program. That is the program about which he is unhappy; that is the flexible price support program, and when the flex worked, how did it work? It worked down. When the farmer was in trouble, where did his help go? It went out the back door.

Now, let us take a look at the 90 percent, and see who got hurt. There was 3 months' supply of corn. I ask my good friend from Florida, is he willing to stand on this floor and say that we ought not to have a 3 months' supply of corn?

Mr. HOLLAND. Does the Senator wish me to respond?

Mr. HUMPHREY. Yes; I want the Senator to tell us, does he want to advocate less than a 3 months' corn supply?

Mr. HOLLAND. The Senator from Florida knows that is not the total supply of corn on hand.

Mr. HUMPHREY. Those are the Commodity Credit Corporation figures.

Mr. HOLLAND. The Senator from Florida also knows—because the information has come before the committee of which he is a member—that corn in that surplus supply is spoiling.

Mr. HUMPHREY. Where is it spoiling?

Mr. HOLLAND. The Senator from Florida knows likewise that when the corn crop this year, as it is estimated, is marketed, there will be an ever larger supply on hand.

Mr. HUMPHREY. There will be——

Mr. HOLLAND. If the Senator will permit me to finish my answer, I should like to say that with respect to wheat also, in spite of the drought, the latest estimate shows a steadily rising surplus. These heavy surpluses exist as to commodities which are 90 percent price supported.

Mr. HUMPHREY. Like rice?

Mr. HOLLAND. In the case of rice, if the Senator from Minnesota will yield further, the Senator from Minnesota must know that rice is in short supply the world over, and he must also know that the domestic acreage of rice has been more than doubled in the postwar years because of that situation. He must further know—or at least I hope he knows—that rice has been selling during the last several years at much over 100 percent of parity, and is still well above 90 percent of parity. I believe the Senator knows that the reason is the tieup of the principal source of rice, Indochina, in the war that has been in progress there for several years.

VISIT TO THE SENATE OF MEMBERS OF THE JAPANESE DIET

Mr. FERGUSON. Madam President, I should like to present to the Senate five members of the Japanese House of Representatives, who are visiting the United States as delegates of the Japanese Diet. The members of the delegation are Kosaku Shinoda, Liberal, chairman; Hisao Kodaira, Liberal; Mikiji Mori, Social Democrat; Einosuke Maeda, Social Democrat; Yukichi Yamano, secretary.

I am sure all of us welcome the members of the delegation to the floor of the Senate.

As they can understand from the debate to which they have been listening, the Senate is discussing a very important subject, our agricultural program. We are glad to welcome the members of the Diet, and hope they will enjoy their visit to the Senate of the United States. [Applause, Senators rising.]

Mr. HUMPHREY. I am sure the members of the Japanese Diet will be very much interested in the subject of our debate, particularly as it relates to the question of what we should do with our surplus food. I would suggest that if those Members of the Senate who have any doubts will discuss the matter with the members of the delegation, they will soon discover what could be done with some of the surplus food we have on hand. There are none so blind as those who will not see; none so deaf as those who will not hear. I am very glad to extend to our visitors the hand of Christian compassion. I am sure they are very much interested in food surpluses.

AGRICULTURE ACT OF 1954

The Senate resumed the consideration of the bill (S. 3052) to encourage a stable, prosperous, and free agriculture, and for other purposes.

Mr. HUMPHREY. Madam President, I ask unanimous consent that a table which I had prepared, relating to the quantity of commodities pledged to commodity credit loans, giving figures as to the months and days the supply will last, be printed at this point in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Quantity of commodities pledged for CCC loans and owned by CCC and months and days present supply will last, based on 1952 requirements as of May 31, 1954

Commodity	Pledged for loans	Owned by CCC	Total	Domestic disappearance plus gross exports, 1952	Quantity used per month, 1952	Months and days present supply will last based on 1952 requirements
Corn.....thousand bushels	393,463	410,154	803,617	[1] 3,152,920	[1] 262,743	3 months, 1½ days.
Cotton, upland.....thousand bales	7,098	132	7,230	12,190	1,015	7 months 3 days.
Peanuts, farmers stocks and shelled.....thousand pounds	133,480	12,808	156,288	[1] 607,449	[1] 50,620	3 months 2 days.
Rice.....thousand hundredweights	1,070	302	1,372	[1] 46,103	[1] 3,842	0 months 11 days.
Tobacco.....thousand pounds	606,208	4,184	610,392	2,043,012	170,251	3 months 18 days.
Wheat.....thousand bushels	205,642	672,978	878,620	1,009,284	84,107	10 months 14 days.
Butter.....thousand pounds	----------	385,364	385,364	1,389,000	115,750	3 months 18 days.
Cheese.....do	----------	392,276	392,276	1,227,000	102,250	3 months 27 days.
Milk, dried.....do	----------	644,460	644,460	1,035,000	86,250	7 months, 14 days.
Honey.....do	688	410	1,098	281,254	23,438	14 days.
Wool.....do	12,857	122,618	135,475	----------	----------	

[1] 1951.

Quantity of commodities pledged for CCC loans and owned by CCC and months and days present supply will last, based on 1952 requirements as of May 31, 1954—Continued

Commodity	Pledged for loans	Owned by CCC	Total	Domestic disappearance plus gross exports, 1952	Quantity used per month, 1952	Months and days present supply will last based on 1952 requirements
Barley.....thousand bushels	18,393	9,813	28,206	273,956	22,830	1 month, 7 days.
Beans, dry edible.....thousand hundredweight	369	1,681	2,050			
Cottonseed.....thousand tons	(1)		(1)			
Cottonseed meal.....thousand pounds		171,651	171,651	5,290,000	440,833	12 days.
Cottonseed oil.....do		951,784	951,784	1,359,000	113,250	8 months, 12 days.
Flaxseed.....thousand bushels	5,388	9,494	14,882	35,465	2,955	5 months, 1 day.
Grain, sorghum.....thousand hundredweight	2,151	19,901	22,052	1,188,357	15,696	1 month, 12 days.
Linseed oil.....thousand pounds		43,094	43,094	553,000	46,083	29 days.
Oats.....thousand bushels	30,198	6,580	36,778	1,364,441	113,703	10 days.
Rye.....do	2,935	1,616	4,551	19,112	1,593	2 months, 26 days.
Soybeans.....do	2,179	19	2,198	[1] 283,001	23,588	2¾ days.
Tung oil.....thousand pounds	22,328	5,770	28,098	51,295	4,274	7 months.

[1] 1951.

[2] Less than a thousand.

Mr. HUMPHREY. Madam President, a few moments ago we were engaged in discussion about the cost of the surpluses, or the inventory, and there was, of course, rather sharp debate and commentary, and disagreement over the extent of the inventory supplies. I should like to have my colleagues remember that in the foreign aid bill which was passed by the Senate this week, we pledged $1,300,000,000 for a country for which we did not even have a program—Indochina. With the carryover from last year, and the new authorization of this year, there is $1,300,000,000 for Indochina, and yet we do not even have a blueprint of what is going to be done with the money which is available.

The total realized loss on basic commodities supported at 90 percent from October 1933 to May 1954 was $131 million. So the sum total of the loss on commodity-credit basic supplies for 21 years, was one-tenth of the 1-year authorization for Indochina.

Stated another way, the amount we have made available for Indochina in fiscal 1955 is $1,300,000,000—mark my words, Madam President—without even a blueprint of action, not even knowing what we are going to do with it. We just gave it to the President to spend, to give away, to use for whatever purposes he may deem necessary for our defense and security.

The total realized loss on all price-supported commodities — everything from tung nuts to cotton, from honey to wheat, oats, barley, rye, grain sorghums—was $1,164,000,000, less than the fiscal 1955 authorizations for Indochina.

I think it is a little out of character to complain about a program which has cost so little and has yielded such favorable economic results and such splendid internal strength for America.

Mr. MANSFIELD. Madam President, will the Senator yield?

Mr. HUMPHREY. I yield to the Senator from Montana.

Mr. MANSFIELD. In my opinion, the Senator from Minnesota is making an outstanding speech on the farm problem. Can he tell the Senate how much the price-support program as to dairy products has affected the price of milk to the consumer?

Mr. HUMPHREY. We were discussing that yesterday. As the Senator knows, when the price-support program on dairy products was reduced, instead of its affecting the retail price to the city dweller, to the consumer, in a downward manner, reducing the price, the price went up.

Mr. MANSFIELD. The price went up. So the flexible price-support program below 90 percent for the dairy industry was of no benefit to the consumer in the city.

Mr. HUMPHREY. Except as to butter. In the case of butter it was of slight benefit.

Mr. MANSFIELD. Yes, except as to butter. So far as milk is concerned, the price rose and there are still applications in various parts of the country seeking a still higher price.

Mr. HUMPHREY. The Senator is correct.

Mr. MANSFIELD. I hope the Senator will today point out that the subsidies paid to the farmer are not the only subsidies paid to segments of the American economy, since the airlines, the steamships, the railroads, and other segments of the economy likewise receive subsidies. I hope he will also point out that the imposition of a tariff which has been in effect for over 150 years is also a subsidy to big business. I hope especially the Senator will point out to the people and to the Senate the amount of subsidies paid to the big magazines and newspapers, which have taken it upon themselves to point out just how bad the subsidy program is, without at the same time telling their readers that they likewise are the recipients of subsidies in far greater amounts and over a far longer period of time.

Mr. HUMPHREY. I shall do that. I mentioned last evening to the distinguished junior Senator from Arizona [Mr. GOLDWATER] that I took sharp issue with the thesis and philosophy which he advanced last night insofar as it pertained to agriculture. He was underlining what he thought were the basic ingredients of a free-enterprise program. I agree that the idea and the philosophy were beautiful and good, except that they were not practical in the realities of the world in which we live. As the Senator from Montana has pointed out, there are many administered areas of our economy, there are many firmed-up areas of our economy. There are the tariffs which the Senator mentioned, and the Federal Reserve Board, which controls credits and reserve requirements for our monetary policy. I shall go into that in some detail.

We do not live in the ideal Adam Smith economy of the theoretician or the theoretical economist. We live in a world of practical reality.

Mr. MANSFIELD. Madam President, will the Senator further yield?

Mr. HUMPHREY. I yield.

Mr. MANSFIELD. Is it not quite possible to assume that with the flexible price-support program in effect, with diverted acreage and the like, there will be, not less production, but more production, at a far cheaper price to the farmer?

Mr. HUMPHREY. I think that is correct.

Mr. MANSFIELD. Is it not true that so far as the farm population is concerned, there has been a steady exodous from rural areas into urban centers?

Mr. HUMPHREY. Yes; the Senator is, of course, correct. I point out to the Senator that one of our serious problems for the future is how we are to maintain on the land a sufficient number of family units or agricultural producers to meet the food and fiber needs of our country.

Mr. MANSFIELD. Exactly. If my understanding is correct, whereas today 1 farmer feeds 4 people, by 1975 he will feed 5; but there is an exodus from the farm.

We are complaining about the surpluses. I am amazed that the surpluses are so small as indicated by the figures given to the Senate this morning by the Senator from Minnesota. Certainly, a 3-month supply of corn is not too much to expect in the way of an inventory.

Mr. HUMPHREY. Let us go further. Let us say we had a 6-month supply of corn.

Mr. MANSFIELD. That would not be too much. A year's supply would not be too much.

Mr. HUMPHREY. Does the Senator think, for example, that a great corporation like duPont or General Motors does not have inventories of material for months ahead?

Mr. MANSFIELD. Of course they have, and so has the Government, in the line of defense and security items.

Mr. HUMPHREY. These great industries must have inventories. That is

the security that they have in the market place. Inventory gives regularity of price structure. Inventory gives regularity of production flow. Inventory is the balance wheel. It is the gyroscope which keeps the economic ship of state in balance.

I have never heard such nonsense in my life as the concern about inventory. The time to be concerned about inventory is when there is none.

Mr. MANSFIELD. That is correct. Inventory is just as much a safeguard to the farmer as it is to the businessman. It gives him, as it does the businessman, a sense of security.

Mr. HUMPHREY. Does the Senator recall the debates we have had on military procurement and on foreign aid and the use of the term "pipeline?"

Mr. MANSFIELD. Yes.

Mr. HUMPHREY. What does the term "pipeline" mean? It means the flow of goods through the long pipeline of inventory.

Mr. MANSFIELD. Yes, covering supplies for 2 or 3 years.

Mr. HUMPHREY. We have as much as 15 or 16 billion dollars of unexpended but obligated funds for military procurement. When the Senator from Michigan [Mr. FERGUSON] was handling the Defense Department appropriation bill, he pointed out that we had over $15 billion of unobligated funds, making a total of from 30 to 40 billion dollars of obligated and unobligated funds. We were considering the foreign aid bill the other day, with billions of dollars of unexpended but obligated funds.

What does this mean? This means building inventory. Our main worry in defense is inventory, and when the inventory gets low we become unhappy.

In the days of the Korean war Senator after Senator arose on the floor and complained about the fact that there was a shortage of ammunition, that we had only a 90 days' supply of ammunition, and they gave the Defense Department a working-over the like of which the Department had not had before. But when the Commodity Credit Corporation has a 90-day supply of corn, one would think it was a mortal sin, and the wrath of God would come down upon the earth and destroy fragile human beings; that we ought to be ashamed of ourselves.

I say to the Senator that the Department of Agriculture, under the administration of Mr. Benson, by propaganda, by distortion, by wrong emphasis, and by misrepresentation, has tried to make the American people feel that one of the great assets of our time, namely, an abundance of food and fiber, is a disaster and a crime.

Mr. MANSFIELD. Madam President, will the Senator further yield?

Mr. HUMPHREY. I yield.

Mr. MANSFIELD. In line with what the Senator has just said, is it not true that farm prices have declined between 15 and 20 percent, mostly in the last 2 years, 19 months of which were under the Republican administration but that farmers' costs have gone up and the costs of the consumers, those who eat the commodities the farmers produce, have likewise gone up? So who has got rich on this particular kind of transaction? Not the farmer. Not the consumer. Who has been raking in the dough?

Mr. HUMPHREY. I have trying to have a study made of that for the last year. I have been asking for a study of the price spread between the consumer and the farmer. My requests have fallen on deaf ears. Fortunately, the House Committee on Agriculture made a report. That report was attacked yesterday on the floor of the Senate. But whether the report is fully complete or not, at least it is a report; it is an effort.

I have written letters to the Department of Agriculture and to the chairman of the Senate Committee on Agriculture and Forestry, asking that a study be made of the price spread between the producer and the consumer.

Does the Senator from Montana know that the Senate knocked out an appropriation for funds to have a study made of such a price spread?

Mr. MANSFIELD. I do.

Mr. HUMPHREY. We have heard much talk about the costs of storage and the problem of surpluses. Does the Senator think that our textile industry could operate without a knowledge of the inventory of cotton in reserve? Does the Senator think there could be a textile industry in the United States without reserves of cotton?

In discussing storage costs, is it not deliberate misrepresentation not to separate the costs of carrying the normal reserves, which the law pinpoints—the law says there must be a certain amount of normal reserves for our country—and the costs of any actual surpluses beyond a foreseeable demand?

Can the Department of Agriculture provide such cost figures with respect to storage costs, separating the cost of the normal reserves from the excess reserves? Congress has laid down the law as to normal reserves.

Does the Department of Defense try to frighten the people with statements of the cost of storing materiel and munitions? Have the people of America been propagandized into thinking it is a crime for the Department of Defense to spend millions and millions of dollars every year for the storage of defense commodities?

Does the Office of Defense Mobilization tell us how much it costs daily and hourly to stockpile our strategic materials?

I am here to say that the Secretary of Agriculture and this administration have deliberately, willfully, and premeditatedly tried to frighten the American people away from a successful agricultural program by distortion of the facts and by misrepresentation of the truth.

Mr. MANSFIELD. Madam President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. MANSFIELD. The Senator from Minnesota has anticipated the question I had intended to raise. But, with reference to the matter of costs, it was my impression that the Secretary of Agriculture appeared before the proper committees of the Senate and House and tried to create the impression, by citing the costs of the entire agricultural program, that the parity program was costing the consumer in the neighborhood of $16 billion when, as a matter of fact, over a 21-year period, the cost, as I recall, was $2,100,000,000.

Mr. HUMPHREY. It was $1,194,000,000. I misstated the figure a short time ago when I said it was $1,164,000,000. It is $1,194,000,000. That is the amount of the realized loss from 1933, in the month of October, until the end of May 1954.

That is the realized loss, through a worldwide depression, through the Second World War, through the postwar readjustment time, through a cold war, through the Korean war, in a country which has gone from the bottom of the pit of economic disaster to the heights of inflation. That is the realized loss.

I say that the Secretary of Agriculture ought to be ashamed of himself, and his Department ought to be ashamed of itself, for going up and down the land, trying to make the American people believe that the agricultural plan is a menace to our economic solvency; that it is undermining the moral fiber of the people.

The American farmer has moral fiber, and he does a pretty good job with it. If any moral fiber needs to be improved, it is in the administration in Washington.

Mr. MANSFIELD. Some of the finest moral fiber was developed by the people who had to go through the depression in the 1930's. It is not only the farmers alone; it is the rest of the economy; and in the case of the 1930's, it was the rest of the world.

The Senator mentioned costs. He cited a figure of $1,194,000,000 over a 21-year period.

Mr. HUMPHREY. That is correct.

Mr. MANSFIELD. What does that sum mean when it is applied to every man, woman, and child in the United States, over that entire period?

Mr. HUMPHREY. It means 35 cents a year for each man, woman, and child. It is the equivalent of the price of two packages of cigarettes before the price went up. It is the equivalent of 1 gallon of high-octane gasoline, with a 3-cent tip. That is the cost. That is what some persons are complaining about.

This is the terrible agricultural program which has got to be emasculated and weakened, rather than strengthened.

It has cost an average of 35 cents a year for every member of the Mansfield family, and 35 cents a year for every member of the Humphrey family, for 21 years.

If this country cannot afford 35 cents a year for each man, woman, and child so as to have a stable market, I do not know what we can expect.

One would think that the support program is for the benefit only of farmers. Apparently some persons have very short memories.

Does not every Member of the Senate know that farm income and factory employment go up and down together? That problem has been studied recently. There was a bill before the Senate which

the administration sponsored to strengthen unemployment compensation, so as to put about $100 million in the unemployment compensation fund. Why? Because of a lack of jobs. A lack of jobs can be traced to a depressed farm income.

Senators can examine the statistical records of the United States for a half century, and the records are in existence, ever since the establishment of the Department of Commerce, the Department of Labor, and even before that, and it will be found that as agricultural income goes down the amount of workers' income and the number of jobs go down. But when agricultural income goes up, then the workers' income, jobs, and hours worked will go up.

Who are the consumers? The consumers are the great rank and file of the American people. Some of the persons who oppose the price-support program will not consume pork chops. They have ulcers. They have been too successful, while they have been worrying so much about the speculative. They have been conniving too much.

The real consumer in America is the man who drives a little car to the factory gate. The real consumers in America are the housewives, the fathers, and the children of the American families. Those people represent the real consumers. Eighty percent of the taxpayers of this country are persons having incomes of less than $5,000 a year. Those are the persons who consume farm commodities. When they see an agricultural decline, they know that their income will be cut.

Madam President, we are living in that period today. I am not talking theory; I am talking facts, as of 12 o'clock noon today.

Mr. MANSFIELD. Madam President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. MANSFIELD. Is it not true that farmers are also consumers? Is it not true also that there are today in the United States approximately 1,400,000 farm families who are earning less than $1,000 a year in this era of high prices and high wages?

Mr. HUMPHREY. The Senator is correct. I have some material which most likely I shall not have an opportunity to discuss with respect to farm income, but it is shocking.

What is the average income of a farm family as compared with the average family income throughout the Nation?

I learned, for example, that farmers used more steel in 1952 than did all the automobile manufacturers combined.

Farmers consumed more rubber than all the rubber which went onto 6 million automobiles, including spare tires.

Farmers consumed more petroleum products than did any other single industry in the United States.

Farmers consumed more electricity than did the cities of Houston, Baltimore, Detroit, and Chicago.

Farmers are big consumers. I think the record will bear out that statement. I have clippings, which I shall introduce for the RECORD, indicating that the International Harvester Co. has laid off hundreds of employees, and is planning to lay off another 5,000. International Harvester does not like to lay off its workers. The workers are being laid off for the simple reason that farmers are not buying farm equipment. That is a part of our problem.

Much has been said about the cost of storage. Why does not the Department of Defense have banner headlines emblazoned across the newspapers showing how much it costs to store tanks, ammunition, and atom bombs?

I should like to ask my good friend, the Senator from Montana [Mr. MANSFIELD] if I am not correct when I state that in September or October 1953 there was a meeting of the Supreme Soviet in Moscow, at which Mr. Malenkov announced that the Soviet had exploded a hydrogen bomb. For 8 days the fact of the explosion was denied officially in this country. Then it was admitted. However, the most significant thing about Mr. Malenkov's speech was the announcement that the major problem in the Soviet Union was the lack of sufficient production in Soviet agriculture. The Soviet Government has been trying to reorganize its agricultural economy.

The leaders of the Soviet Union recognize that their agricultural production is not sufficient. It is my opinion that that factor is one of the reasons why the Soviet Union has not sent its own troops to many areas of the world. The Soviet Union simply does not have enough food. It has the atom bomb and the hydrogen bomb, and has many more men in uniform than we have. It has sufficient military power and equipment of all kinds, except for the one basic ingredient of food. Napoleon knew a great many things about fighting wars and military tactics, and he said that an army travels on its stomach, which means that a nation cannot fight without sufficient food. A nation cannot be secure without sufficient food.

I am amazed and shocked to think that some of us are so blind that we are seeing to it that there is a sufficient supply of critical metals and materials on hand, as well as all kinds of other military equipment, but the minute there is on hand a 3 months' supply of corn, it is averred that the price support program must be changed, and that it is a terrible program.

A 3 months' stockpile of dairy products is created because of many unusual circumstances, such as good weather, good pasture, the failure of farmers to cull their herds because of low beef prices, and unusual production. Immediately some say that we must get rid of the price support program because it has not worked.

Mr. MANSFIELD. Madam President, will the Senator yield?

Mr. HUMPHREY. I yield to the Senator from Montana.

Mr. MANSFIELD. Getting back to the statement of the Senator from Minnesota about the hydrogen bomb and the announcement by the Soviet Union that the Russians had exploded one, it is true that such an announcement was made in August 1953, and it is also true that we refused to recognize that event, officially at least, for several days. I should like to ask the Senator from Minnesota if it is not true that the Soviet Union has also made an announcement that it has successfully built the first 5,000-kilowatt reactor plant. Is that not true?

Mr. HUMPHREY. To the best of my knowledge, that is true.

Mr. MANSFIELD. Yesterday the Soviet Union made a further announcement to the effect that they were building 25,000- and 50,000 kilowatt reactor plants, which indicates how far ahead the Soviet Union is going in the hydrogen field. As the Senator from Minnesota has so ably pointed out, it is true that the only factor holding back the Soviet Union at the present time is their lagging behind in farm production.

Mr. HUMPHREY. The Senator from Montana is eminently correct. In fact, if my colleagues have been reading the newspapers, they may have noticed a statement recently made by Mr. Krushchev, the Secretary of the Communist Party, who is really a coming, important official in the Soviet Union. He stated a tremendous improvement has been made in the Soviet Union in the direction of moving hundreds of thousands of young Russians to other areas of Russia in order to stimulate agricultural production. The Soviet Union has put millions of rubles into an agricultural expansion program in order to make its economy tighter. Here we sit in America with the blessings of an abundance of food for ourselves and our allies, if need be, and for the peoples throughout the world, and Senator after Senator rises on the floor of the Senate and states that that is bad. I wonder if Senators would say it is bad to have a surplus of savings. Every once in a while I hear Senators mention how many billions of dollars in savings we have. That is good. Dollars, however, are not the only things that represent savings. Savings are represented in inventories. An inventory is a form of saving. An inventory of commodities in the agricultural field is a form of saving. It is a form of good economic health.

Mr. MANSFIELD. Madam President, will the Senator yield further?

Mr. HUMPHREY. I yield to the Senator from Montana.

Mr. MANSFIELD. Is it not peculiar that in this country, so far as the farm situation is concerned, we are developing a fear of plenty, when instead there should be a fear of scarcity? We cannot have too much food, in view of our growing population and world needs, based on the position of this Government in the world. I think the Senator is making an extremely able speech today in an attempt to bring home facts which the American people should know. It is my hope that his statement will receive wide publicity, so the other side of the farm picture can be shown and the people can make up their own minds.

I hope Congress will exercise its good judgment and see to it that the 90 percent support program is extended for another year. I should like to see a 100-percent program extended not only for another year, but for a number of years.

Mr. HUMPHREY. I thank the Senator from Montana for his kind remarks.

Madam President, I ask unanimous consent to have printed at this point in my remarks copies of two letters, one dated July 16, 1954, and the other dated October 2, 1953, with reference to the study I have suggested on the price spread from the producer to the consumer.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

JULY 16, 1954.

Senator GEORGE D. AIKEN,
Senate Office Building,
Washington, D. C.

DEAR SENATOR AIKEN: You may recall that last October 2 I wrote you urging that your committee undertake an immediate and thorough investigation of meat price spreads between producers and retailers.

At that time I said I believed this was a proper matter for congressional inquiry, and not something to be left to the Department of Agriculture to do on its own.

I was pleased that you concurred and announced such an inquiry would be made, broadened to cover all price spreads between farm producers and consumers. If I recall rightly you appointed Senator WILLIAMS to head a special subcommittee for that purpose.

Since that time it has been my pleasure to rejoin you as a member of the Committee on Agriculture and Forestry. My interest in this price spread situation continues, particularly during a period when unfair efforts are being put forth to convince consumers farmers are responsible for high food prices when the record of falling farm returns proves that is untrue.

However, since its appointment, I have heard no more about the inquiry by your subcommittee. I have seen no report brought before our full committee for consideration. May I inquire what happened to this investigation? Was it in fact ever conducted? Have any hearings been held about which I have not been informed?

It would seem most helpful to have findings of such an inquiry available for consideration of America's consumers at this time, so they could know the real relationship between prices producers get and prices consumers pay. It might help clarify some of the widespread misunderstanding resulting from propaganda blaming farmers and our price-support programs for high food prices. I'm sure it would help consumers to better understand the present problems of America's farmers, and the importance to agriculture of an effective price-support program.

I would welcome your assurance that the inquiry has not been forgotten and will be pushed to completion as originally intended.

Sincerely,

HUBERT H. HUMPHREY.

OCTOBER 2, 1953.

Hon. GEORGE D. AIKEN,
Chairman, Senate Committee on Agriculture and Forestry, United States Senate, Washington, D. C.

DEAR SENATOR AIKEN: My own observations and overwhelming complaints from stockmen during the recess of the Congress prompt me to urge your committee to undertake an immediate and thorough investigation of the unusual and seemingly unjustified spread between prices cattle producers are receiving for beef and prices consumers are being compelled to pay for beef in the retail markets.

It is difficult for me to reconcile the continued increase in meat costs to consumers at a time when prices paid to the producers are still falling.

As the level of retail prices affects consumer consumption, unreasonable prices in the market place can only act to further depress the already low prices to producers. I think the producers and the public as consumers are entitled to know the facts as to where the profits in the meat industry are going, so as to better judge whether or not the farmer is receiving a fair return in comparison with that realized by others handling his product.

I believe any such investigation should consider carefully the effect meat grading has on price spreads, particularly as to comparing the differences between different grades of meat at the retail level with the differences between different grades on the hoof when the producer sends his cattle to market.

I am sure you would find such an inquiry welcomed by beef producers and by meat consumers, as a contribution of fact toward developing some stability in the meat market that would serve the best interests of consumer and producer alike.

I believe this is a proper matter for congressional inquiry, and not something to be left to the Department of Agriculture to do on its own, particularly in view of the Secretary of Agriculture's recent action in naming an official of the American Meat Institute as one of his key aids in the Department. I am sure you will agree that producers and the public alike can only have confidence in findings of an inquiry kept free of any undue influence from executives of the meat packing industry directly involved in that inquiry.

Sincerely,

HUBERT H. HUMPHREY.

Mr. HUMPHREY. Madam President, I say regretfully that nothing has been done about these requests either at the top levels in the administration or at the committee level in the Senate. I wish publicly to commend the Agriculture Committee of the House of Representatives for its work in making the study on food costs.

Mr. MAYBANK. Madam President, will the Senator yield?

Mr. HUMPHREY. I yield to the Senator from South Carolina.

Mr. MAYBANK. The Senator from Minnesota is absolutely correct when he speaks of the rising cost of living and the plight of the farmer who is faced with decreasing prices for his products. The Senator from Minnesota is also quite correct when he refers to others who receive subsidies. In fact, almost every one except the farmers is subsidized 100 percent.

With the Senator's permission, I ask unanimous consent to have printed in the RECORD at this point a table showing the subsidies paid to steamship lines from 1934 through last year, not including this year. The total amount paid to the steamship lines in the form of subsidies up to last year was $228,330,915.25.

The PRESIDING OFFICER. Is there objection?

There being no objection, the table was ordered to be printed in the RECORD, as follows:

EXHIBIT 1

U. S. Department of Commerce, Maritime Administration—Summary of operating-differential subsidy paid and recaptured under the provisions of the Merchant Marine Act, 1936, cumulative to June 30, 1954

	Temporary agreements [1]			Long-range agreements			Total		
	Paid	Recaptured	Net paid	Paid	Recaptured	Net paid	Paid	Recaptured	Net paid
American Diamond Lines, Inc	$185,802.06	$28,491.89	$157,310.17	0	0	0	$185,802.06	$28,491.89	$157,310.17
American Export Lines, Inc	568,103.39	112,950.46	455,152.93	$32,132,899.72	$5,252,628.66	$26,880,271.06	32,701,003.11	5,365,579.12	27,335,423.99
American Mail Line, Ltd	479,198.39	0	479,198.39	7,995,839.26	145,870.61	7,849,968.65	8,475,037.65	145,870.61	8,329,167.04
American President Lines, Ltd	1,407,355.50	0	1,407,355.50	38,035,183.15	6,102,000.00	31,933,183.15	39,442,538.65	6,102,000.00	33,340,538.65
Atlantic, Caribbean Steam Navigation Co	63,208.64	45,495.77	17,712.87	0	0	0	63,208.64	45,495.77	17,712.87
Baltimore Mail Steamship Co	416,269.35	0	416,269.35	0	0	0	416,269.35	0	416,269.35
Farrell Lines, Inc. (formerly American South African Line)	140,314.15	0	140,314.15	15,318,202.95	923,162.48	14,395,040.47	15,458,517.10	923,162.48	14,535,354.62
Grace Line, Inc	654,294.80	116,829.53	537,465.27	20,499,916.08	2,333,206.92	18,166,709.16	21,154,210.88	2,450,036.45	18,704,174.43
Lykes Bros. Steamship Co., Inc	735,615.85	720,443.43	15,172.42	15,946,117.23	5,726,980.86	10,219,136.37	16,681,733.08	6,447,424.29	10,234,308.79
Mississippi Shipping Co., Inc	147,002.57	147,002.57	0	14,235,289.61	1,792,643.73	12,442,645.88	14,382,292.18	1,939,646.30	12,442,645.88
Moore-McCormack Lines, Inc	933,286.49	0	933,286.49	36,540,837.33	3,699,397.87	32,847,439.46	37,480,123.82	3,699,397.87	33,780,725.95
New York & Cuba Mail Steamship Co	215,320.80	0	215,320.80	5,626,240.54	819,303.30	4,806,937.24	5,841,561.34	819,303.30	5,022,258.04
Oceanic Steamship Co., Inc	265,902.46	2,682.85	263,219.61	5,673,578.18	557,285.82	5,116,292.36	5,939,480.64	559,968.67	5,379,511.97
Pacific Argentine Brazil Line, Inc	271,074.61	264,951.28	6,123.33	2,755,022.03	0	2,755,022.03	3,026,096.64	264,951.28	2,761,145.36
Pacific Far East Line, Inc	0	0	0	1,105,372.60	0	1,105,372.60	1,105,372.60	0	1,105,372.60
Pacific Transport Line, Inc	0	0	0	518,895.20	0	518,895.20	518,895.20	0	518,895.20
Seas Shipping Co., Inc	0	0	0	9,692,686.44	1,167,548.10	8,525,138.34	9,692,686.44	1,167,548.10	8,525,138.34
South Atlantic Steamship Co	96,373.72	84,691.65	11,682.07	0	0	0	96,373.72	84,691.65	11,682.07
United States Lines Co	901,111.14	0	901,111.14	46,212,383.91	1,400,215.12	44,812,168.79	47,113,495.05	1,400,215.12	45,713,279.93
Total	7,480,233.92	1,523,539.43	5,956,694.49	252,294,464.23	29,920,243.47	222,374,220.76	259,774,698.15	31,443,782.90	228,330,915.25

[1] Temporary agreements in effect in 1937–39 prior to execution of long-range agreements.

Mr. MAYBANK. I am not opposed to steamship lines receiving subsidies, because Congress authorized the subsidies. I wish to mention the amounts that a few of the steamship lines received. The American Diamond Lines, Inc., received $157,310.17. The American Export Lines, Inc., received $27,335,423.99. The American Mail Line, Ltd., received $8,329,-167.04. The American President Lines, Ltd., received $33,340,538.65.

The table I have asked to have printed in the RECORD lists the remainder of the lines, and I shall not read further from the table. The taxpayers have had to pay the amounts set forth. I think it was the right thing to do, because we want to have American ships at sea, and we need a strong maritime organization. However, why should we approve the payment of $228 million to steamship lines, which I admit is necessary, but refuse to pay anything to the farmers? I remind by colleagues that nothing has been lost on the major crops.

Mr. HUMPHREY. I thank the Senator from South Carolina for making the contribution which he has made. I recognize the necessity of subsidies for ships for our American security, but I also recognize the necessity of supports for American farmers.

EXECUTIVE SESSION

Mr. KNOWLAND. Madam President, I wonder if the Senator from Minnesota will yield to me, with the understanding that he will not lose his right to the floor, in order that we may have a brief executive session.

Mr. HUMPHREY. I am glad to yield under those conditions.

Mr. KNOWLAND. Madam President, I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to consider executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDING OFFICER (Mrs. BOWRING in the Chair) laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

The following favorable reports of nominations were submitted:

By Mr. CAPEHART, from the Committee on Banking and Currency:

Ira A. Dixon, of Indiana, to be a member of the Home Loan Bank Board; and

C. Canby Balderston, of Pennsylvania, to be a member of the Board of Governors of the Federal Reserve System.

By Mr. MILLIKIN, from the Committee on Finance:

Lorene W. Bowlus, of Maryland, to be comptroller of customs with headquarters at Baltimore, Md., to fill an existing vacancy; and

Frank Peska, of Illinois, to be collector of customs for customs collection district No. 39, with headquarters at Chicago, Ill., to fill an existing vacancy.

By Mr. JENNER, from the Committee on the Judiciary:

Cale J. Holder, of Indiana, to be United States district judge for the southern district of Indiana, to fill a new position; and

Hon. W. Lynn Parkinson, of Indiana, to be United States district judge for the northern district of Indiana, to fill a new position.

By Mr. LANGER, from the Committee on the Judiciary:

Joe McDonald Ingraham, of Texas, to be United States district judge for the southern district of Texas, vice Thomas M. Kennerly, retired;

Whitney Gilliland, of Iowa, to be a member of the Foreign Claims Settlement Commission of the United States;

Mrs. Pearl Carter Pace, of Kentucky, to be a member of the Foreign Claims Settlement Commission of the United States;

Henry J. Clay, of New York, to be a member of the Foreign Claims Settlement Commission of the United States;

Harry R. Hewitt, of Hawaii, to be fifth judge, first circuit, circuit courts, Territory of Hawaii; and

Louis B. Blissard, of Hawaii, to be United States attorney for the district of Hawaii, vice Albert William Barlow resigned.

The PRESIDING OFFICER. If there be no further reports of committees, the clerk will state the nominations on the Executive Calendar.

POSTMASTERS—NOMINATIONS PREVIOUSLY PASSED OVER

Mr. KNOWLAND. Madam President, I noticed that on today's Executive Calendar, the nomination of Thomas W. Robison, of Lecompte, La., is included by error, inasmuch as that nomination was cleared and taken care of yesterday.

With the exception of the postmaster nomination of Harry H. Seylaz, of Lincroft, New Jersey, I ask unanimous consent that the other nomination in this group be confirmed.

The PRESIDING OFFICER. The nomination will be stated.

The legislative clerk read the nomination of Hoy C. Correll, to be postmaster at China Grove, N. C.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

POSTMASTERS—NEW REPORTS

The legislative clerk proceeded to read sundry new reports of postmaster nominations.

Mr. KNOWLAND. Madam President, I ask unanimous consent that these postmaster nominations be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations are confirmed en bloc.

Mr. KNOWLAND. I ask unanimous consent that the President be immediately notified of all nominations confirmed today by the Senate.

The PRESIDING OFFICER. Without objection, the President will be notified forthwith.

LEGISLATIVE SESSION

Mr. KNOWLAND. Madam President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

Mr. KNOWLAND. Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Fulbright	McCarran
Anderson	George	McCarthy
Barrett	Gillette	McClellan
Beall	Goldwater	Millikin
Bennett	Green	Monroney
Bowring	Hayden	Morse
Bricker	Hendrickson	Mundt
Bridges	Hennings	Murray
Burke	Hickenlooper	Neely
Bush	Hill	Pastore
Butler	Holland	Payne
Byrd	Humphrey	Potter
Capehart	Ives	Purtell
Carlson	Jackson	Reynolds
Case	Jenner	Robertson
Chavez	Johnson, Colo.	Russell
Clements	Johnson, Tex.	Schoeppel
Cooper	Johnston, S. C.	Smathers
Cordon	Kerr	Smith, Maine
Crippa	Kilgore	Smith, N. J.
Daniel	Knowland	Sparkman
Dirksen	Kuchel	Stennis
Douglas	Langer	Symington
Duff	Lehman	Thye
Dworshak	Lennon	Upton
Eastland	Long	Watkins
Ellender	Magnuson	Welker
Ervin	Malone	Wiley
Ferguson	Mansfield	Williams
Flanders	Martin	Young
Frear	Maybank	

Mr. KNOWLAND. I announce that the Senator from Massachusetts [Mr. SALTONSTALL] is necessarily absent.

Mr. CLEMENTS. I announce that the Senators from Tennessee [Mr. GORE and Mr. KEFAUVER] and the Senator from Massachusetts [Mr. KENNEDY] are absent on official business.

The VICE PRESIDENT. A quorum is present.

ENROLLED BILLS AND JOINT RESOLUTIONS PRESENTED

The Secretary of the Senate reported that on today, August 5, 1954, he presented to the President of the United States the following enrolled bills and joint resolutions:

S. 1244. An act relating to the renewal of star-route and screen vehicle service contracts;

S. 2027. An act authorizing the Secretary of the Interior to issue quitclaim deeds to the States for certain lands;

S. 2389. An act to amend the act of December 3, 1942;

S. 2403. An act to amend the Merchant Marine Act, 1936, to provide a national defense reserve of tankers and to promote the construction of new tankers, and for other purposes;

S. 2453. An act to amend the Communications Act of 1934, as amended, with respect to implementing the International Convention for the Safety of Life at Sea relating to radio equipment and radio operators on board ship;

S. 2864. An act to approve an amendatory repayment contract negotiated with the North Unit irrigation district, to authorize construction of Haystack Reservoir on the Deschutes Federal reclamation project, and for other purposes;

S. 3137. An act to amend the provisions of the act of August 28, 1937, relating to the conservation of water resources in the arid and semiarid areas of the United States, applicable to the entire United States, and

to increase and revise the limitation on aid available under the provisions of the said act, and for other purposes;

S. 3464. An act to amend the Communications Act of 1934 in order to make certain provision for the carrying out of the agreement for the promotion of safety on the Great Lakes by means of radio;

S. 3681. An act to authorize the Civil Service Commission to make available group life insurance for civilian officers and employees in the Federal service, and for other purposes;

S. 3697. An act to amend the act of April 6, 1937, as amended, to include cooperation with the Governments of Canada or Mexico or local Canadian or Mexican authorities for the control of incipient or emergency outbreaks of insect pests or plant diseases;

S. 3699. An act granting the consent of Congress to a compact entered into by the States of Louisiana and Texas and relating to the waters of the Sabine River;

S. J. Res. 67. Joint resolution to repeal certain World War II laws relating to return of fishing vessels, and for other purposes; and

S. J. Res. 149. Joint resolution designating the month of September 1955 as John Marshall Bicentennial Month, and creating a commission to supervise and direct the observance of such month.

THE JUNIOR SENATOR FROM WISCONSIN—APPOINTMENT OF SELECT COMMITTEE

The VICE PRESIDENT. Pursuant to the order of the Senate to refer Senate Resolution 301 to a select committee to study, the Chair, acting on the recommendations of the majority leader and the minority leader, has made the following appointments of Members to serve on that committee. From the majority, the Senator from Utah [Mr. WATKINS], the Senator from Kansas [Mr. CARLSON], and the Senator from South Dakota [Mr. CASE]. From the minority, the Senator from Colorado [Mr. JOHNSON], the Senator from Mississippi [Mr. STENNIS], and the Senator from North Carolina [Mr. ERVIN].

Mr. FULBRIGHT. Mr. President, I believe the majority leader submitted the resolution providing for the select committee, and I ask unanimous consent that I may ask him a few questions relative to the intention of his resolution in an endeavor to get some indication or understanding of the legislative intent of the resolution.

The VICE PRESIDENT. Is there objection to the request of the Senator from Arkansas? Without objection, he may proceed.

Mr. FULBRIGHT. I shall not detain the Senate very long. I merely wish to ask the majority leader his understanding of the purpose and function of the committee. As I pointed out several times, the committee in the Bingham case did not make a recommendation to the Senate for or against censure. It did not mention censure at all. It found a specific fact. The senior Senator from Georgia [Mr. GEORGE] confirmed that fact very clearly in his statement about the Bingham case.

It occurs to me that the proper function, or at least the intention, as I see it—for whatever it may be worth—of the committee is to examine into the bill of particulars, the individual specific facts alleged, and report to the Senate regarding them, rather than to examine them and then merely report to the Senate what its conclusion is as to whether there should be censure.

I ask the majority leader if that is in accord with his understanding of the purpose of the committee.

Mr. KNOWLAND. Mr. President, all I wish to say is that I believe the order of the Senate and the resolution speak for themselves. I should like to read the order as it is entered in the official RECORD of the Senate. It reads as follows:

Ordered, That Senate Resolution 301, to censure the Senator from Wisconsin, Mr. MCCARTHY, submitted by Senator FLANDERS on July 30, and amendments proposed thereto, be referred to a select committee as provided in the motion set forth below and agreed to by the Senate on Monday, August 2 (legislative day, Friday, July 2, 1954):

"Mr. President, I move to refer the pending resolution (S. Res. 301) together with all amendments proposed thereto, to a select committee to be composed of 3 Republicans and 3 Democrats who shall be named by the Vice President: *And ordered further*, That the committee, which shall be authorized to hold hearings, to sit and act at such times and places during the sessions, recesses, and adjourned periods of the Senate, to require by subpena or otherwise the attendance of such witnesses and the production of such correspondence, books, papers, and documents, and to take such testimony as it deems advisable, and that the committee be instructed to act and make a report to this body prior to the adjournment sine die of the Senate in the 2d session of the 83d Congress."

The resolution and the order speak for themselves. The determination as to the type of report and the nature of the report and the findings of the committee are matters which the committee itself will have to determine after due deliberations and after gathering such testimony and information as the members of the committee determine in their judgment they should gather.

Let me say to the Senator from Arkansas that the six members of the committee are men of the highest caliber and of judicial temperament. Personally, I would be willing to go on trial for my life before the group as a whole or before any individual member of the group, be he Democrat or Republican. That is the confidence I have in the caliber, character, and impartiality of every one of the members of the committee, regardless of the side of the aisle from which any member of the committee comes from.

So far as I am concerned, I am prepared to give great weight, after the committee shall have concluded its deliberations, to its judgment as to what type of report it shall make and when it shall submit it to the Senate.

Mr. FULBRIGHT. Mr. President, I deny as forcibly as I can the implication of the latter remarks of the Senator from California, the majority leader. I certainly had no intention in any way to cast any reflection upon the membership of the committee. So far as I am concerned, they are extremely able men.

Mr. KNOWLAND. I was not even remotely implying that the Senator from Arkansas had any other idea.

Mr. FULBRIGHT. I do not know what other reason the Senator from California could have had in mind. I said nothing about the membership of the committee. I intended to make my remarks before the announcement about the membership was made. I did not understand what the procedure would be. The Chair announced the membership.

It was not my purpose by my question to raise any question about the membership of the committee. I know intimately every member of the committee, except the new Member, whom few of us know very well.

I have the greatest confidence in the members of the committee. That is not the point of my inquiry. The point is, as I have said before, that I believe in matters of this kind precedents in this body are extremely important, partly because there are so few precedents. In the last precedent the Senate did not delegate to a committee the question of drawing conclusions with regard to a fellow member.

Mr. KNOWLAND. In the first place, I should like to say to the Senator from Arkansas—and I wish this to be very clear—that I was not implying, directly or indirectly, and the thought never even entered my mind, that the Senator from Arkansas was casting any reflection on the committee.

He had addressed an inquiry to me as majority leader, which, at least to me, had the implication that as a matter of legislative history I might be circumscribing the responsibilities and duties and powers of the committee. Those responsibilities and duties and powers are clearly set forth in the resolution of the Senate and in the order of the Senate.

I was merely saying that with that caliber of committee, made up of Members from both sides of the aisle, I am willing to let the members of the committee deliberate and make determination as to the type of report and the time of the report to the Senate, within the four walls, so to speak, of the resolution, which I believe is very clear. That was my only reason for making the statement I made.

If the Senator will bear with me, he mentioned the so-called Bingham case. I well remember that the Senator himself argued on the floor of the Senate that in the Bingham case, while testimony had been taken before a committee, that testimony had been taken prior to the introduction of a resolution of censure, and, therefore, that case is not on all fours with the present situation before the Senate.

In the situation before the Senate, the resolution was introduced first. Pursuant to that resolution, and the amendments thereto and the substitute therefor, the Senate, acting with the full knowledge of the facts, created the committee. Under the circumstances, I do not believe that the committee must necessarily be bound by the procedure in the Bingham case.

Mr. FULBRIGHT. This is such an important and unusual matter that I would not want to be a party—and I do

not believe the Senate would want to be, either—to delegating to a body consisting of less than the whole membership of the Senate—that is, to any committee—the power, or, I should say, perhaps, the function, because there is no question that the committee has the power to make such a report; but I believe the question of the propriety of its bringing in a recommendation should be reserved for decision by this body as a whole.

Inasmuch as we have no precedent for a committee—whether it be a committee of 6 members or 8 members, but consisting of less than the whole body of the Senate—making a recommendation directly on the point of censure, I hope this committee will not do so.

Mr. KNOWLAND. Mr. President, in the circumstances of this case, with the resolution which has been adopted by the Senate, when the resolution and the background of the whole matter are clear, and in view of the high caliber of the committee which has been appointed, I do not believe that, as a part of the legislative history, we should now try to circumscribe the committee, which has not even had an opportunity to hold its initial meeting to discuss its preliminary procedures.

So far as the Senate having control of the case is concerned, whatever course of action the committee in its wisdom and judicial determination shall finally determine upon, under the terms of the resolution, when the committee reports to the Senate—whatever it may report to the Senate—the final decision, of course, will be in the hands of the Senate. The Senate may then either agree with the report or reject the report. I suppose it could even send the report back to the committee. In any event, the power ultimately rests in the 96 Members of the Senate.

I do not believe that as a part of the legislative history which is not in particular keeping with the terms of the resolution itself, we should seek to circumscribe the able and conscientious committee which has been appointed.

Mr. FLANDERS. Mr. President, will the Senator from Arkansas yield?

Mr. FULBRIGHT. I yield for a question. I should like to have an opportunity to finish what I have to say, and then to sit down.

Mr. FLANDERS. I shall seek the floor when the Senator has concluded.

Mr. FULBRIGHT. I shall take only a minute.

I was hoping that this particular matter could be considered in the light of its importance. To illustrate my meaning, it was publicized the other day that the Democratic policy committee had a meeting to consider the question—and decided, after due consideration, that this was not the kind of question which should be made a party matter. I agree, for I do not think it is a party matter, as distinguished from the many run-of-mine legislative matters which come before the Senate, that is, matters involving all kinds of legislation. As I recall the statement of the minority leader was that this is the type of question which is peculiarly for the conscience of the individual Member, not a matter for party action, with which I agree.

In this case, while the finding as to whether or not the facts stated in the bill of particulars occurred as set forth therein is the function of the committee, so far as I am concerned, I should think it would not be the proper function of a small committee, no matter what the quality of the committee—that is not the question at all—to take upon themselves the question of deciding whether or not there should be a censure. If such a precedent as that were established, then I presume future committees would take similar action based upon such a precedent, whereas as of now there is no precedent for such a conclusion being made or presented to the Senate except by the Senate itself.

Mr. FLANDERS. Mr. President, I should like first to express my great satisfaction with the choice of personnel of the committee nominated by the majority and minority leaders and announced by the Chair. I think it is an excellent committee.

I wish next to say that no committee, however judicious and however high in integrity, is the keeper of my conscience. I alone am responsible for my conscience. I judge from the action taken by the minority conference that that is also the opinion of the great body of Senators on the Democratic side. I should suppose that if each one of us on the Republican side thought the matter over, he would be unwilling to turn over to anyone else the responsibility of his conscience—again, no matter how judicious he might be and no matter how great his integrity.

I feel, Mr. President, that this does in a certain sense circumscribe the useful activity of the committee. It can do what it pleases, but it cannot expect to act as the conscience for individual Senators or for the Senate as a whole. That would seem to me to leave a clear field for the investigation of the facts of the allegations made. There can be no question of the committee's usefulness in that particular field. So my suggestion is that that would naturally, normally, and, in the nature of things, be the principal field of activity for this committee.

The seven amendments offered to the resolution by the junior Senator from Arkansas [Mr. FULBRIGHT] are well documented. The facts can easily be ascertained from the documents. Among the 33 points which I offered as an amendment, there are many that can be easily documented.

I suggest, for instance, No. 6:

He has attempted to intimidate the press and single out individual journalists who have been critical of him or whose reports he has regarded with disfavor, and either threatened them with subpena or forced them to testify in such a manner as to raise the possibility of a breach of the first amendment of the Constitution.

Names are given. Murray Marder of the Washington Post and Times Herald, the Alsops, and James Wechsler.

This is another serious one:

He has attempted "economic coercion" against the press and radio, particularly the case of Time magazine, the Milwaukee Journal, and Madison Capital Times. On June 16, 1952, MCCARTHY sent letters to advertisers in Time magazine urging them to withdraw their ads.

Those are questions of fact, Mr. President, to which the committee may very well, properly and inevitably, address itself.

There is the question of receiving valuable classified documents and permitting the documents to fall into the hands of a gossip columnist, Walter Winchell. That is in No. 13.

No. 17, of course, is:

He has continued to show contempt for the Senate by failing to explain in any manner the six charges contained in the Hennings-Hayden-Hendrickson report.

All the specifications I have mentioned, and others, are capable of immediate, and not long-drawn-out, investigation as to facts.

So it seems to me that that must be the primary purpose and primary undertaking of this committee, and that the facts should then be reported to the Senate so that each Member of the Senate, under the guidance of his own conscience, can vote the motion of censure up or down.

Mr. McCARTHY. Mr. President, I was not in the Chamber when the announcement of the members of the committee was made, so I did not hear the announcement. I should like to meet with the members of the committee at the earliest opportunity to make sure that our investigating committee's work does not conflict with the work of this special committee. For example, we have some 6 or 8 witnesses slated for Friday. I should not want to have the committee meet on a day when I had an executive session scheduled with a large number of witnesses called.

Is the Vice President to select the chairman of the committee?

The VICE PRESIDENT. The committee will select its own chairman.

Mr. McCARTHY. If possible, I should like to sit down this afternoon with the committee and work out with them an arrangement whereby I shall not have a number of witnesses here for our investigating committee on a day they might want me to appear before them. I should like to discuss with the committee other matters, such as the methods of proof, the nature of proof, and what they want. So I hope they will agree that I may meet with them this afternoon.

AGRICULTURE ACT OF 1954

The Senate resumed the consideration of the bill (S. 3052) to encourage a stable, prosperous, and free agriculture and for other purposes.

Mr. HUMPHREY. Mr. President, to get back to the debate on the farm bill, as I said earlier today, we are at last faced with a showdown in the great farm-policy debate which has been underway throughout the United States during the past several years.

I should like my position to be quite clear. There are many areas of the bill now before the Senate which are truly noncontroversial. There are provisions

which will be supported overwhelmingly by the Members of the Senate, and were supported unanimously by the members of the Committee on Agriculture and Forestry.

We are faced with serious decisions, upon which the future course of our economy may hinge. Therefore, it is fair to say that, despite the colloquy and debate in the Senate, these are not solely political decisions which are being made. They are bread-and-butter decisions. They are economic decisions which affect the livelihood and purchasing power of American farm families, including the dairy products industry.

So I desire to have the RECORD show very clearly that I oppose most vigorously the amendment offered by the distinguished chairman of the Committee on Agriculture and Forestry, the Senator from Vermont [Mr. AIKEN], primarily because it would lower the existing price support for basic commodities to 80 percent.

As I have noted earlier, the sliding scale is from 80 to 90 percent. It seems very peculiar to me that the bottom figure is shifted so often. Every time there is another discussion of the farm price-support program, a new figure is arrived at, such as 75 percent, 90 percent, 82½ percent, or 60 percent.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. LANGER. Is it not true that in all honesty the figure should be 100 percent?

Mr. HUMPHREY. The Senator is correct. The legitimate goal should be 100 percent.

Mr. LANGER. There is no reason why the figure should have been 80 percent or 90 percent. It should be 100 percent.

Mr. HUMPHREY. That is correct. The Department of Agriculture maintains, for the measurement of prices, what it calls effective parity. Effective parity, of course, is the 100-percent-of-parity measuring stick, so to speak. There is a great deal of difference between effective parity and price. The difference between the so-called full parity and the actual cost gives a perfectly balanced relationship between industry and agriculture.

Mr. LANGER. During the years I have been associated with the Senator from Minnesota, time and again I have witnessed the splendid fight he has made on the floor of the Senate for the farmers, not only of the Northwest, but also of the entire country. I remember distinctly when he spoke about the subsidy being given to business under the Marshall plan, which was clearly and distinctly for the benefit of the businessmen of the country.

Mr. HUMPHREY. At least, it had that effect.

Mr. LANGER. As the Senator knows, it had that effect. I compliment the Senator upon the very fine fight he has made, not only in recent months, but throughout all the years he has been a Member of the Senate. He has made one continuous, unending fight to obtain justice for the farmers of the Nation, and particularly those of the Northwest, where wheat is grown.

Mr. HUMPHREY. I appreciate what the Senator has said. He is most kind.

I am a newcomer in this area, compared with the Senator from North Dakota, who has been fighting this battle for 25 or 30 years, or longer. I am happy to stand with him in this effort.

Mr. LANGER. I am particularly eager to have the people of the country know exactly what the attitude of the distinguished Senator from Minnesota is, in view of the fact that in Minneapolis and some other places in his own State there are those who operate grain exchanges and other facilities—and this is true of my own State of North Dakota, also—who desire to keep prices as low as they possibly can.

The farmers of the State of North Dakota owe a debt of gratitude to the Senator from Minnesota for the help he has given. Not only is this true of the farmers of North Dakota, but it is likewise true of the farmers of Montana and some of the other States.

I observe in the Chamber the distinguished senior Senator from Montana [Mr. MURRAY]. I am certain that he will bear me out in the statement that year after year the farmers in that locality have known of the assistance they have received from the distinguished junior Senator from Minnesota.

Mr. MURPHEY. I thank the Senator from North Dakota.

Mr. ANDERSON. Mr. President, will the Senator yield?

Mr. HUMPHREY. I am glad to yield.

Mr. ANDERSON. I wish to say to the able Senator from Minnesota, since the Senator from North Dakota was so kind and complimentary toward him, that while I disagree very greatly with him as to many of the things which are being advocated, and while we shall be on opposite sides on a great many issues, I know how sincerely he advocates those measures which he thinks will most surely help the farmers of his State and the farmers of the Nation.

I do not always agree with the Senator from Minnesota with respect to the proposals he supports. I may differ with my very able and dear friend from North Dakota, also, with respect to the measures which he may support. But I pay tribute to him and to the Senator from Minnesota for their sincere interest in the welfare of the farmer.

While many times in the course of the debate the Senator from Minnesota and I may find ourselves on opposite sides, I wish to state for the record that I know the unwavering interest of the Senator from Minnesota is the welfare of the farmers of his State.

Mr. HUMPHREY. I thank the Senator from New Mexico very much.

The Senator may be interested to know that one of the most comprehensive and outstanding bits of testimony ever to be given before the Senate Committee on Agriculture and Forestry was the testimony which the Senator from New Mexico gave when he was Secretary of Agriculture. I have been reviewing that testimony. With the exception of the flexible principle with respect to the so-called basic commodities, I think in most instances we are in general agreement.

Before I enter into any further colloquy with any Senator, I wish to make it clear that we are not accusing each other. What we are trying to do is to arrive at a decision as to policy. I believe that in the main our objectives are identical. The means we use to arrive at the objectives will be different in some instances. But I shall make note, as the debate progresses, of some of the testimony of the distinguished Senator from New Mexico. I think he recalls it. I believe it was given in 1947.

Mr. ANDERSON. Yes.

Mr. HUMPHREY. At that time the Senator, who was then Secretary of Agriculture, laid out a broad, comprehensive national program of goals for agriculture. Am I not correct in that statement?

Mr. ANDERSON. The Senator is correct.

Mr. HUMPHREY. It was an excellent presentation.

Mr. MURRAY. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. MURRAY. I wish to confirm everything which the distinguished Senator from North Dakota has said with reference to the work of the able Senator from Minnesota. Unlike my friend, the distinguished Senator from New Mexico, I find myself uniformly on the same side as the distinguished Senator from Minnesota with respect to the various questions he has discussed in the Senate.

I believe that the Senator from Minnesota is logical, fair, and just. I have never been able to find an instance in which he has varied from a sense of justice and fair play in discussing various subjects on the floor of the Senate. I agree with him that the farmers of America should not be regarded as second-class citizens. They are entitled to the same justice and fair play to which industry is entitled, but the farmers have not been getting it. I assure the Senator from Minnesota and the Senator from North Dakota that I am on their side in fighting this battle for the farmers of America.

Mr. HUMPHREY. I thank the Senator from Montana. For many years he has been a stalwart soldier in the fight for parity for agriculture.

Mr. LANGER. When the distinguished Senator from New Mexico was Secretary of Agriculture, we had various discussions from time to time. There is one principle upon which the Senator from Minnesota, the Senator from Montana, the Senator from New Mexico, and I have always agreed on, and that is that unless the farmer can get a fair price for his products the small-business man and the laboring man can not prosper.

I know that the Senator from Minnesota is interested not only in the farmers, but in the small-business men of the State of Minnesota it has been the attitude of the Senator from Minnesota that unless the farmer receives fair and adequate prices for his produce, labor and small business in the State of Minnesota cannot prosper either.

As I said before, it has always delighted and pleased the Senator from North Dakota to see the very fine atti-

tude of the Senator from Minnesota toward not merely one class, the farmer, but toward the people as a whole, including the small-business man and the laboring man.

Mr. HUMPHREY. I thank the Senator very much. I do not like to sail under false banners or under false colors. When I have spoken to the farm people of Minnesota, I have told them frankly what they already know, that I am not a farmer. I lay no claim to being one. But I have also said that all my life I have lived in a rural community. Even during the days when I was mayor of Minneapolis, I spent a great deal of my time traveling to other communities of Minnesota, pointing out the interdependence between the rural areas and the urban areas. Let us take the city of Minneapolis as an example, with its banks, headquarters for mills, factories, and service institutions. It must rely for its economic health and prosperity upon the prosperity and purchasing power and the needs of the surrounding trade territory. My father was a small-town merchant, as some of my colleagues may know, and a rather successful one in the sense that he stayed in business during the hard times, and was able to stay in it during good times.

Mr. MURRAY. He was able to give the junior Senator from Minnesota a good education.

Mr. HUMPHREY. I remember well the experiences of those days. My father's folks were farmers in Minnesota, having gone there in 1849. I visited the family farm, which is located a mile south of El Grippa, Minn., where my grandfather was one of the outstanding dairy farmers of the State. He was one of the first true scientific dairy farmers of Minnesota. He used to carry his special products in carts to the well-to-do families of Minnesota. I shall not name them, because it might cause some embarrassment, and I do not at all wish to use names for the purpose of embarrassment. But families owning some of the biggest mills in Minnesota, and persons with some of the most well known names in Minneapolis, used to be customers of my grandfather.

I remember he used to have some of the best dairy cattle in the State. My grandfather went to Minnesota from Connecticut in 1849. His ancestors were Yankees, tracing their forebears back to Dudley, Mass., in 1689. On my mother's side, her people were of Norwegian descent, having come to Minnesota in the late 1880's, settling first at Minnehaha Falls, and later going to an area between Webster and Watertown, S. Dak. I grew up on those farms as a boy. I used to work on farms in the summertime. I can remember the days—this is before tractors were used on farms—when we would drive the grain wagon to the country elevator and get in line in front of it. It was actually true that, if one happened to be the last in line, by the time he got to the elevator the price may have gone down 3, 4, or 5 cents. I remember those days.

I also remember the days when as a young man, I was in business with my father. Today I still share in the operation of that business. I remember how our business fell off as farm purchasing power went down.

We all agree that the days of greatly depressed farm income should not come again. We all agree that the farm economy is an essential part of American life. The only reason we are debating farm legislation is that all of us do not want to see on the farms a recurrence of conditions which happened in the past.

Whether he is in favor of price supports of from 75 to 90 percent, of from 85 to 100 percent, or of straight 90 percent, I think every single Member of this Congress wants to make sure that the conditions of which I have spoken do not happen again. In the typical parliamentary manner, what we are doing is battling the problem out in the refinery fire. We are going to have to come to a decision. We hold different views with conviction. Our backgrounds are different. Our experiences are different. Our educations are different. Naturally, our attitudes are different. I am happy about that, because in the long run I know we are going to enact better legislation because of the conflict of ideas than we would if there was a uniformity of ideas.

I may say I am happy to have the company of the Senator from North Dakota [Mr. LANGER] and the Senator from Montana [Mr. MURRAY] because as I started my remarks I was set upon by strong arguments on the part of my distinguished colleague, the Senator from Florida [Mr. HOLLAND]. When I looked around me and saw a few of the stalwart friends of parity for agriculture it gave me courage and strength. I see now in the Chamber some who disagree with us. So I may need the moral support of my friends and also their oratorical, rhetorical, and legislative support. I am happy to see such a splendid tactician present as the senior Senator from North Dakota, who is seasoned in the battle of liberal democracy, and also the senior Senator from Montana [Mr. MURRAY]. Thou givest me great courage and strength, gentlemen. I ask them to stay here.

Mr. LANGER. Mr. President, will the Senator from Minnesota yield?

Mr. HUMPHREY. I am glad to yield to the Senator from North Dakota.

Mr. LANGER. I may inform my good friend from Minnesota that I would have been present on the floor of the Senate this morning, but, unfortunately, as chairman of the Committee on the Judiciary, I had to consider 4 or 5 bills in which the Senator from Minnesota is very vitally interested.

Mr. HUMPHREY. Did the Senator from North Dakota take care of the Leif Ericson bill?

Mr. LANGER. The committee was dealing with the Bill of Rights. There are some persons who want continually to infringe on the Bill of Rights. Bills on that subject were up for consideration this morning. I discussed the matter with the Senator from Minnesota, and he told me that he would rather have me consider those matters than be present on the floor, and that the Senator from Minnesota would handle his part of the debate, and that he wanted to make sure that the Bill of Rights would be protected. I want to assure him that I did the best I could.

Mr. HUMPHREY. No one will ever justly accuse the Senator from North Dakota of shirking his responsibility. He is always present on the floor of the Senate when necessary.

Mr. President, my position on this issue has certainly been made clear to this body time after time. My position is not new. I am no Johnny-Come-Lately with my concern for an effective farm program. I have fought for equality for agriculture ever since I have been in the Senate. I have fought for fair treatment of agriculture before coming to this body, both as a private citizen and as mayor of a city serving as marketing center for a great agricultural area in the heartland of America.

I have not done so for political expediency. I have done so as a matter of principle, and a matter of conviction that the entire well-being of our Nation's economy is at stake.

I approach this issue with that same attitude and same conviction today. I realize there are honest differences of opinion as to the most effective ways to achieve equality for agriculture. That is what we are after—equality; no more; no special privilege. As the Senator from North Dakota pointed out earlier, what we are after is only equality for agriculture.

The Members of this body who share my concern for our farm economy are trying to find the most effective ways to achieve equality for agriculture. Yet I also realize, as I know others about me realize, that there are forces at work today to tear down and destroy all the progress we have made during the past two decades toward achieving the equality to which agriculture is entitled.

I appeal today to the Members of this body to put aside past differences and political reasoning, and to put foremost in their minds and hearts the welfare of America's farm population. I appeal for continuation of effective price protection through extension of existing price supports.

Mr. President, perhaps it would be helpful to us to take a brief look at the background and objective of our farm program as we consider the amendment offered by the Senator from Vermont. Agriculture is still basic to America's economy. That fact must be underscored again and again, Mr. President. It is as important for us to remember that agriculture is basic to America's economy as it is for us to have the Bill of Rights itself. Without a sound, efficient, and abundant agriculture, our economy cannot long maintain itself in a prosperous condition, with opportunity for all and with a high standard of living. We have learned that in the past; we have learned it the hard way, and we must never forget it. There is a public responsibility toward agriculture that cannot be ignored.

Mr. President, nothing disturbs me more than to read occasionally in the press or to hear over the radio or in personal conversation the statement that if one is interested in the agricultural bill he is interested only in farmers. Mr.

President, I am not a farmer. I say candidly that if I have any interest at all in the farm program it is as a retailer or merchant, because my family happens to be engaged in a business enterprise that depends upon the whole trade territory. So I am not interested in agriculture from a personal point of view, at all; but I am interested in an ascertainable fact, namely, that although only a relatively small proportion of the American people are engaged in agriculture, as compared with the number engaged in industry, yet agriculture is basic to the American economy.

Mr. President, I often think of the fact that, after all, it was the farmers at Lexington who lifted their rifles for freedom; and that much of the trouble which led to the War Between the States arose as a result of the kind of agriculture carried on in the various sections of the Nation. During that war the farm boys and the farm families fought to the death in their earnest conviction that they should do all that it was within their power to do in the interest of what was right, from their point of view.

Mr. Preesident, agriculture has made a tremendous contribution to the Nation, all through its life. I believe that agriculture is one of the real keystones to our independence and our freedom. From the beginning of our history, beginning with the Northwest Ordinance in 1787, and continuing through the Homestead Act and the many other legislative policies in relation to public land, the people of America have made it clear to themselves and to the rest of the world that in America there would never be a system of a few great estates, a few "landed families," with thousands or hundreds of thousands of acres, and with the people working for them as peasants, tenants, or serfs. It was clear that there would never be any such system in America.

From the beginning of our history, the people of America have made it clear that private property and the ownership of private property are fundamental to political and economic freedom; and we have established the policy that anyone who has a desire and a will to work, and who is willing to make any sort of personal sacrifice, can become a landowner and a farmer, and can make his contribution to the development of the family-farm type of agriculture. I repeat, Mr. President, that the family-farm type of agriculture is of the greatest importance to our country. By making such opportunities available, by means of the public laws relating to homesteading, the Nation was paid many times over the value of its investment in agriculture's future.

As our Nation embarked upon its development, it was business and industry, not agriculture, that first shunned the risks of the free market. We hear a great deal about the free market, Mr. President. Yet the free market is only relatively free. Our desire is to keep the free market as free as we can, and at the same time preserve a market in which the needs of the people can be fulfilled. I think it is a matter of economic fact that business and industry were the first groups to shun the free market. They asked for aid by way of grants from the Government, including tariffs, subsidies, and the power of regulation of competition, so as to assure reasonable profits. All that is a matter of legislative history.

As a new aristocracy of industrial barons developed in our country, their influence on the Government resulted in a public policy designed more and more to serve their ends at the expense of the American workingmen. That struggle is still going on; and in recent months those who would wish to develop along that line have been doing a fairly good job. That development continued. As a result, the rich grew richer and the poor grew poorer, until finally the bubble burst, as it had to burst.

Mr. President, I do not think I need remind any of my colleagues of the great depressions our country has experienced, such as the ones in 1907, 1922, and the early 1930's. I remember that, as a boy, my father used to tell me about bankers' panics, when the bankers would restrict credit and would call in the loans they had made. The result was the ruin of hundreds of small-business men and independent farmers.

Mr. LANGER. Mr. President, will the Senator from Minnesota yield to me?

Mr. HUMPHREY. I yield.

Mr. LANGER. The distinguished Senator from Minnesota has mentioned the depressions. Can he think of any greater aid we could have had during the depression period than the McNary-Haugen bill, which was vetoed?

Mr. HUMPHREY. Yes; I have had in mind the veto of the McNary-Haugen bill. That is a symbol of the lack of imagination, faith, and trust existing on the part of some persons in the United States. I think the veto of the McNary-Haugen bill was a tragic mistake. I do not know that that bill, if allowed to become law, would have rescued us from the situation which soon developed; but certainly that measure would have firmed up the prices of agricultural commodities and would have given agriculture a chance to work out its own problems.

As a matter of fact, I believe that measure was vetoed twice.

Mr. LANGER. Yes, it was.

Mr. HUMPHREY. That measure was vetoed by both President Coolidge and President Hoover, as I recall, if I am not mistaken.

Mr. MURRAY. Mr. President, will the Senator from Minnesota yield to me?

Mr. HUMPHREY. I yield.

Mr. MURRAY. Does not the Senator from Minnesota find that in the agricultural sections of the Nation, all the businessmen recognize the need to protect agriculture? In my State, I recall that in many of the villages and towns petitions have been signed by the merchants, calling upon Congress to recognize the need for protecting the farmers by enabling them to obtain fair prices for the crops they raise.

Mr. HUMPHREY. I certainly agree with the Senator from Montana.

He will be interested to know that, just the other day, there was brought to my attention a copy of the Sauk Centre Herald, of Sauk Centre, Minn., in which there appears an editorial by the secretary of the Independent Bankers' Association of America, Mr. Ben DuBois. Mr. DuBois is a banker, and his family has been in the banking business for many years. His sons are now in the banking business in Minnesota. Mr. DuBois is a very prominent citizen, and has very keen understanding and insight into economic problems. He has testified many times before congressional committees, including, I believe, the Joint Committee on the Economic Report. He is a very learned, scholarly, and able citizen, of many years of hard, practical experience as a banker in a rural community. I think the Senator from Montana and other Senators will be interested in the editorial; so I now ask unanimous consent to have printed at this point in the RECORD, as a part of my remarks, the editorial written by Mr. DuBois, and published in the Sauk Centre Herald, of Sauk Centre, Minn., on July 29, 1954.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

ARMYWORMS

(By Ben DuBois)

Last Wednesday I had the pleasure of attending the annual meeting of the Farmers Cooperative Elevator Co. The meeting was ably conducted, very well attended and the guest speakers careful to not be controversial. Among many matters discussed was the armyworm that to quite an extent seems to be infesting this locality. The farmers are continually met with serious problems; their courage and optimism are phenominal.

I am sure that Ezra Benson, an apostle in the Church of the Latter-day Saints, didn't use his influence with the Lord to send in armyworms to cut down production. If he did (and we say he didn't) why would he use armyworms to cut down production—why not use grasshoppers? Perhaps the armyworm came to mind because his boss used to be in the Army.

The infestation of our fields with armyworms appears serious, but to the agricultural economy of the Nation as a whole the worms in the fields are not as perturbing as the ones in the Agricultural Department. Insecticide would be of little use in the Agricultural Department as Ezra Benson has already laid his eggs in the metropolitan centers, arraying the consumer against the producer. Ezra has done agriculture an irreparable damage. Besides arraying the consumer against the producer, he is trying to divide the farmers—array the feeders against those that raise the feed.

We are operating in a political economy—the weaker segments of our economy, where their production is basic to the Nation's welfare, merit Government support. The farmers, even with the aid of their cooperatives, are not in a strong position in the market place. They cannot be organized into a cohesive mass; they haven't the strength to meet the big corporations on an equal footing.

The well-being of our farmers; the future of the family-sized farm depends upon the Government's attitude. A friendly administration can do much to give equality to agriculture; an unfriendly administration can lower the farmer's standard of living. If and when the farmers vote their economic interests they will be better recognized by the Federal Government; by the administration in power.

What applies to the farmer applies equally well to the businessmen of the agricultural communities. It is only when farmers are prosperous that the business of the agricultural communities do well. The interests of the businessmen are tied up with agricul-

tural prosperity; more so than appears to be recognized.

Why shouldn't farmers have full parity? Ninety percent is not enough if we want to be fair and when parity is reduced as is now proposed by this administration, the unfairness is magnified.

The idea of reducing parity is to curtail growing surpluses. If farmers could shift to a different crop, this might be workable, but I can't recall any basic crop that isn't in surplus. Two things make the farmers produce; one is high prices, the other is low prices. Cutting down crop acreage, if carried far enough will, of course, reduce our agricultural surpluses and definitely the income of the farmer. Our agricultural surpluses have been overemphasized. It is well to have a surplus of man's most essential. If the farmers are being subsidized, what of it? They have paid subsidies to other segments of business from the time of Alexander Hamilton. Surpluses can be reduced in a businesslike way if the Agricultural Department would spend less of its efforts in trying to reduce farmers income and more of its efforts in working out a sound and sensible scheme for disposing of our surpluses. This can be done if enough energy is expended by the Department.

What the Nation should always strive for is a balanced economy—the different segments in balance with one another. For illustration, take steel—if it were dragging in the dust it would have a bad effect on other major businesses. Agriculture is a major industry; farmers produce the essential food—they are our most important citizens as they are the most essential and the Nation cannot afford to have agriculture in a distressed position. The agricultural economy in trouble will eventually affect all other segments of our business world. If there is unemployment in the industrial centers there will be less demand for protein foods that require the most acreage and then the agricultural situation will grow progressively worse, followed by more and more of a business recession and the spiral downward will be then well pronounced.

Mr. HUMPHREY. Mr. President, as a result of the depressions of the 1920's and 1930's, we learned that the cost of depression is far greater, in terms of both money and human misery, than the cost of maintaining a sound, prosperous Nation. I should like to have that point sink deeply into our minds. So I repeat that of course it is expensive at times to maintain the stability of an economy and its growth and progress. Sometimes that requires the help of local and State governments, which means, to be sure, expenditures of the taxpayers' money. I realize that such things are costly. Yet I say to my colleagues that the costs of recession and depression are so much greater, that the cost of trying to maintain a stabilized, progressive, expanding economy sink into insignificance, as compared with the cost of a great depression, with its accompanying economic hardship.

Mr. President, as a result of our experience in those great depressions, our country has moved forward in an earnest attempt and endeavor to reach a sounder basis for a stabilized, prosperous national economy. As a result of that effort, there has been developed a great concept, so much in keeping with the principles of American democracy that it has gained a permanent place in American life. I refer to the parity concept for agriculture. All the efforts down through the years of the great organizations of the farmers, became solidly pinpointed toward one major purpose, to make a clear declaration of public policy that prices and incomes of the farmers should be maintained on the basis of parity with industrial wages and industrial prices.

Great farm organizations have been engaged in this effort. I remember Ed. O'Neal, of the American Farm Bureau Federation, a great voice for agriculture; Louis Taber, of the Grange; the great Farmer's Union organization under the presidency of Mr. Patton, and many other great farm cooperatives. In our section of the country, as the Senator from Montana [Mr. MURRAY] knows, we have Mr. William Thatcher, who is head of the Grain Terminal Association.

These men have raised their voices year after year consistently for the realization of the full parity formula for agriculture, and they have battled for it relentlessly, faithfully, with determination; and, I am happy to say, it has been my pleasure to at least work alongside a few of them. My only regret is that I was not in the Congress during the days when Ed O'Neal of the American Farm Bureau Federation used to speak out so vigorously for that great organization in behalf of the farmers of the land.

This was not an easy fight. Powerful forces were arrayed against these men and their organizations, then as now.

We should recognize that there are always a few very vocal men who raise the entirely false cry of Government interference with free enterprise when their own toes are stepped upon by legislation designed to assure the benefits and blessings of free enterprise to all the rest of us. It was to this, of course, that I was directing my comments last evening as the Senator from Arizona [Mr. GOLDWATER] was addressing the Senate.

It is the desire of every Member of Congress to encourage free enterprise so that we may have a free economic society. But I think we ought to face the fact that the farmer-producer is not in the same economic position as that occupied by the large industrial producer.

For example, a few days ago I read in the press that the automobile industry was cutting back its production. The first 6 months of the year the companies had produced a large number of automobiles, I think around 60 percent of their total production. Now they are cutting back; they are laying off workers.

The farmer cannot do that. Once he plants his crop he has planted the crop, and he has not the slightest idea whether he is going to get a full crop, half a crop, a good crop, or a bumper crop; he does not know, when he plants his grains, what the result is going to be. He has to rely upon many conditions which are totally unpredictable, a few of which I have mentioned on the floor of the Senate today.

I recall the frantic telephone calls I received a couple of weeks ago from people in western Minneseota about the infestation of armyworms. When we talk about armyworms to some folks on the banks of the Potomac, they think those are words of derogation with respect to the Army. But that is not true. Armyworms are worms that consume a crop. They move across the field with the effect of a sickle and ruin the crop. Then there are grasshoppers. There is a new siege of them, a new plague of grasshoppers, in parts of the Midwest.

We have drought. For a period of time in Minnesota, this spring we had the most humid weather ever experienced there. The humidity in the evening was much greater than it ever had been over the years. What was the effect of it? The farmers were faced with a new kind of rust upon some of the small grains. We are developing rust-resistant seeds. But every time we develop a seed that is rust-resistant, then we find a new kind of rust, which is a blight, an attack, upon the vitality of the grain stem, the flower, or, we might say, upon the kernel of grain itself.

I have seen some of these fields. I was down in southern Minnesota the first week in July. One of my farm friends there took me around and said, "Senator HUMPHREY, notice that field. It looks like a fine field of oats. But if you will go into that field you will find that the kernel is as soft as cellophane, that here is no bulk. It is due to rust."

These are unpredictable hazards, and there is also the unpredictable element of weather. So when we talk about free enterprise in agriculture, we should discuss the factors which influence some of this free enterprise.

Nobody in the world is more free than a farmer; nobody cherishes his freedom more. No one stands his own ground more firmly and more independent in his thinking than is the American farmer. He, so far as I am concerned, represents real free enterprise. However, he competes in an economy which frequently is not so free as some of the exponents of free enterprise say it is. He competes in an economy where the prices are fixed, where they are administered. He competes in an economy where there are vast masses of capital in the hands of a few, and he has limited capital and limited credit.

Why did the Government of the United States create the Farm Credit Administration? Why did it create the Federal land banks? Why did it establish the banks for cooperatives? Why did we, during the depression, have commissioners' loans, for example, and the many other loan programs? It was because the farm people and many others were unable to obtain their financing at reasonable rates from private institutions. That was the only reason for the creation of these agencies. Had the private institutions met the needs there never would have been any such Government programs.

What has been the result of the Government programs? They have given the farmer an opportunity to compete, and, let me say, free enterprise is based upon fair competition. Free enterprise is meaningless without fair competition, and I underscore the word "fair."

The reason why we have price support programs, the reason why we have farm credit programs, the reason why we have storage programs, and crop insurance programs, is in order to afford the

farmer an opportunity to compete on fair terms. Every one knows it would not have been competition to send a 14-year old boy into the ring with Marciano or Joe Louis in his prime. That would not have been competition; it would have been murder.

Mr. MURRAY. Mr. President, will the Senator yield for an observation?

Mr. HUMPHREY. I yield.

Mr. MURRAY. Business and industry have many ways and methods of protecting themselves. For instance, they can buy out their competitors, they can consolidate, and in many other ways protect themselves in periods of danger. But farmers cannot consolidate, and they cannot buy out their neighbors. They have to rely upon some protection in periods of distress, like the one they are experiencing at the present time.

Mr. HUMPHREY. The Senator from Montana is absolutely correct. I think it is fair to point out that frequently the non-agricultural public gets the idea that all farmers are rich. They hear of farmers with Cadillacs. Well, why should not farmers have Cadillacs? If other people have Cadillacs, why should farmers not have Cadillacs? I have never seen more Cadillacs in my life than I have seen in Washington, D. C.

Mr. MURRAY. I have never seen Cadillacs belonging to the farmers of Montana.

Mr. HUMPHREY. I have not seen too many myself. But if Cadillacs are a means of communication for the rest of the country, then they should surely be for farm people. But we get a distorted view. For example, we hear about a few farmers who may go to Miami, Fla., for the winter for a vacation, and that makes some people say, "Oh, farmers are all rich." I would like to know that farmers were well-to-do. But the truth is that most farm families are very poor. Their income, compared to that of urban dwellers, is much less.

Mr. SYMINGTON. Mr. President, will the distinguished junior Senator from Minnesota yield for a question?

Mr. HUMPHREY. I yield to the Senator from Missouri.

Mr. SYMINGTON. Is it not true that, despite all the conversation about this problem, the farmers, who compose 15 percent of our population, nevertheless get only 7 percent of the income?

Mr. HUMPHREY. That is correct. I believe those are the latest economic figures on that subject.

Mr. SYMINGTON. Is it not also true that despite all the talk about helping the farmer, whereas transactions on the stock market and business in general have been on the increase, in recent months the net income to the farmer has been steadily on the decrease?

Mr. HUMPHREY. There is not any doubt about that.

As an addendum, let me say that, while the net income of the farmer has been on the decrease, the most recent statements of commercial letters, such as we get in each one of our senatorial offices, the bank letters and business letters we receive, indicate that corporation profits have gone up and up and up despite the fact that sales have been reduced. The spread has increased so that profits in some industries—not all, but in many of the big industries—have actually increased, despite lower sales.

What has happened to farmers? They not only have lower sales and lower prices, but they have lower profits, or no profits at all.

It can be seen what I mean by the farmer's being really in a much freer economy area than any other producer, because he does not have quite so many safeguards or protections, even though the Government has outlined a very extensive program. Those protections themselves are not even so great as the ones that affect many other areas of our economic life.

Mr. SYMINGTON. I thank the Senator from Minnesota.

Mr. MONRONEY. I was impressed with what the distinguished junior Senator from Minnesota said about the very few wealthy farmers, who may be able to afford trips to Florida in some winters.

I am sure the distinguished Senator from Minnesota is an authority on small business. Is it not the fact that the ratio of the landowning farmer with a huge estate and a vast amount of income would compare to the few at the top of the business level, rather than with the general level of small business? In other words, to say, because General Motors or Du Pont is making tremendous profits, that all business is prosperous, is foolish.

Mr. HUMPHREY. Yes.

Mr. MONRONEY. It is idiotic to assume that. We know that the very top of the economic pyramid is doing very well, largely through tax advantages which this Congress has given them, particularly with the repeal of the excess-profits tax. We have unburdened the giants of our industry.

Mr. HUMPHREY. Let me interrupt the Senator to point out that in the recent tax bill the one tax advantage which the farmer got was the ability to charge off a very small amount for some of his water and conservation developments on his farm. That does not cover all such developments. I believe he is permitted to charge off as much as 25 percent in some instances. I should like to check that fact.

The tax benefits in that bill were over $1.3 billion, and out of all those benefits the only one the farmer got as a producer or as a manufacturer, so to speak, since he does make food and fiber, was that if he went into terracing and soil-conservation work, he could charge off some of those expenses as a business deduction or as an expense item. Yet we had hundreds of millions of dollars of tax benefits for the larger areas of American business.

Mr. MONRONEY. Including, I may say, the speedy amortization which was provided.

Mr. HUMPHREY. Yes.

Mr. MONRONEY. Which I believe the discussion on the floor showed would mean a $19 billion loss of revenue during the first 18 years of this new pattern.

Mr. HUMPHREY. That is correct.

Mr. MONRONEY. The business community can write off in 5 years' time, machinery which would have been depreciated in 10 years, as I understand this depreciation factor.

Mr. HUMPHREY. That Senator is right.

Mr. MONRONEY. We relieved the bigger taxpayers of the excess-profits tax effective not so many months ago, which is showing up now in the great earnings of tens of millions to hundreds of millions of dollars of industry profits, being reflected in the announcements every day in the newspapers.

Mr. HUMPHREY. That is correct. I think the Senator has given proper perspective to this discussion. I am most appreciative.

Mr. MONRONEY. One cannot say, because a few farmers are able to go to Florida in the wintertime and are able to take vacations, which we would like to have everyone able to take, that they are average farmers. They compare in numbers to the giants of our industrial system.

Mr. HUMPHREY. That is very much so.

I have some material here which I believe will be quite revealing. Here is an article from the New York Times of July 16th:

BIG WHEAT GROWER BACKS GOP PLAN—EISENHOWER'S FARM PROGRAM SUPPORTED BY OPERATOR OF 65,000-ACRE RANCH

Here for a brief stop-over between Boston and Billings, Mont., Thomas Donald Campbell expressed strong support yesterday for the Eisenhower administration's farm program.

Mr. Campbell was speaking as the operator of the largest privately owned wheat farm in the world—65,000 plowed acres around Hardin, Mont., not far from the Billings Airport—and as an active worker in the reactivated Citizens for Eisenhower movement in both Montana and New Mexico. He raises cattle in New Mexico.

At the Cornell Club, 107 East 48th Street, the while haired Mr. Campbell took time off between incoming phone calls about the wheat market to make clear how he felt about the administration farm bill.

I have no word of criticism of Mr. Campbell; I have heard about his wonderful accomplishments in this field; but it is true that the flexible-price-support program is of advantage to the largest producers. The 90-percent-price-support program is the keystone and the underpinning of the family-sized farm.

Without any comments at all which would be critical of Mr. Campbell—and I want my remarks so interpreted—I may say it is not good for America to have 65,000-acre farms. It is all right to have one such farm here or there, but to have that become the pattern would never be good for this country.

Mr. MANSFIELD. Mr. President, will the Senator from Minnesota yield?

Mr. HUMPHREY. I yield.

Mr. MANSFIELD. Tom Campbell happens to be a part-time resident of the State of Montana. He leases those 65,000 acres at a very small price from the Crow Indians on the Crow Indian Reservation.

Mr. Campbell is also a part-time resident of the State of New Mexico and of other parts of the United States. Mr. Campbell veers with the wind. He was quite a good Democrat during the Roose-

velt and Truman administrations, but has changed since the wind began to turn.

One certainly cannot compare a man like Tom Campbell, who skims off the cream, with the small farmers who are operating 160-acre or 320-acre farms, from which they derive their main livelihood. Those are the people the 90 percent of parity will help. So far as Mr. Campbell is concerned, with his huge machinelike operation on a lease basis, he will prosper no matter how the current goes. I do not think he is the kind of man who should be considered in the consideration of this particular type of parity program. We should consider the little man, who needs help.

As I mentioned earlier to the Senator from Minnesota, there are more than 1.4 million farm families in this country which earn less than $1,000 a year. They cannot be compared with the Tom Campbell type of operator.

Mr. HUMPHREY. I thank the Senator. As usual, he gives us pertinent information.

What we are trying to do is to establish a legislative policy which will permit these family-sized farms and family-sized farm operations to remain an integral part of the American economy. My views on the family-type farm are so strong that I am sure I will be accused of outright prejudice, but how can we expect to have these little communities maintained otherwise?

If a person travels out through Montana, Oklahoma, Minnesota, North Dakota, or South Dakota, out in the countryside, he will see those small rural communities which are beautiful little settlements, with schools and nice homes and pleasant and lasting wholesome family environments. They will have churches of different faiths. How can we keep those communities together, Mr. President, unless surrounding them we have an economy which is interested in the communities and which pays taxes to them?

I point out that where there is consolidation of land and a mechanized operation these communities wither on the vine. They die out, because there is a totally mechanized operation. That is absentee ownership; part-time citizenship, so to speak.

I wish to make clear I am not at all sure that the farm program HUBERT HUMPHREY is in favor of is the cheapest program in terms of dollars. I imagine it is not. I would almost confess to the fact that I am sure it is not the cheapest in terms of dollars, but I say it is the best program in terms of human values.

What kind of society do we want? Do we want a society where everybody is operating a tenant farm? Do we want an economic agricultural society, where everybody is a hired man? Or do we want a society where the family owns the farm, where the family goes to church, where the members of the family are on the county board and are on the school board, where the family lends stability and dignity to the community? That costs something.

I have made a few comments on how to save money. Some people think the only goal in life is to save money. I am not one of those. If a person's only goal in life is to save money, then he should stop eating. It costs a lot of money to eat. Such a person will not live long, but he will save a great deal of money.

If a person never sees a doctor or a dentist he will save money, as long as he is living. He will not be here long, but he will save money.

What is the real truth, though? The American people are not so much interested in getting a cheap price as they are interested in getting a good product. What they want is a good product. So we spend hundreds of millions of dollars to build colleges, universities, and schools—for what purpose? To educate our children so that they may become better citizens. We build fine hospitals and sanatoriums. We build playgrounds, parks, and recreational facilities. All this costs millions. We could save the money and not do it, but we would not have as good people or as happy a society.

Surely, the price-support program and the farm program cost money. I have yet to see anything that the Congress does which does not cost money, or anything anybody else does that is worth while that does not cost money.

The truth is that it is a good investment. It is not a waste of money. I wish that every man, woman, and child in this land would travel through the countryside and see the difference between conditions today and conditions 25 years ago. Look what REA has done for our countryside. The whole country is electrified. Today the farm home is as modern as the city home. Why should it not be? Why should not the sons and daughters of farm people, as well as the sons and daughters of the city people, have the comforts, luxuries, and the pleasant experiences of life?

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. MANSFIELD. Reverting to what the Senator was saying about small towns, churches, and other features of rural life, it is well to remind Senators that the citizens of small towns are year-round citizens, not part-time citizens. They are parts of the community and the State. They contribute to the building up of the area in which they live. They are not there merely for the purpose of making money and then going somewhere else in the wintertime. They are there because they believe in the country and like what they are doing; and they are entitled to a degree of security.

The Senator mentioned the cost of the program. It is true that it costs some money. I am not at all happy about the farm parity program. It may not be the ultimate solution but, so far as I can find out, it is the best solution up to the present time.

If the administration would consider taking away the subsidies paid to airlines, railroads, and steamship companies, if it would consider reducing tariffs and all the other programs which cost much more money than the farm program, then I think the administration in good conscience could ask us to consider something less than 90 percent of parity.

In view of the pledges made by this administration in 1952, not in 1 or 2 places, but in 3 or 4 or 5, it has a moral obligation to live up to what it promised the American people and the American farmers then, and should recommend at least 90 percent parity, if it is honest, and eventually ask for 100 percent of parity.

Mr. HUMPHREY. I thank the Senator. He speaks with clarity and, again, with knowledge of the facts.

Mr. President, we have been discussing the kind of economic society in which we live. The junior Senator and the senior Senator from Montana have both noted that we live in the midst of protective regulations by Government. Firm prices administered by business, fixed costs established by accepted standards of fair wages and reasonable profits in other segments of our economy, Federal Reserve regulations, utility and transportation rate-fixing, tariffs to protect industry, minimum wage laws, fair trade laws to eliminate unfair pricecutting, and subsidies to shipping firms, airlines, magazines, newspapers, and periodicals, are but a few of the examples of the kind of action which Government has taken throughout the years—to do what? Not to injure the economy, not to weaken the economy, but to strengthen it.

I ask any of my colleagues what would happen to the merchant marine of the United States without a price-support program? Make no mistake about it—there would not be an American ship on the high seas were it not for Government help, and plenty of it. The Senator from South Carolina has stated that the merchant marine program has cost $289 million in recent years. For a subsidy to one ship, the steamship *United States*, we allowed something like $50 million. I am not against that. I think we need a merchant marine, and I am willing to pay the price for a merchant marine.

We need airlines. Every American airline that flies overseas is subsidized, and most of those that fly through the air on domestic transportation routes are subsidized. I am not opposed to that subsidy.

It is the duty of the Government to provide for the common defense and to promote the general welfare, and to do the best it can to balance and strengthen our economy.

Recently the President announced a program to strengthen our mining industry, to firm up prices of American minerals, and stabilize mining operations. We need mines; we need minerals. I am not opposed to what is being done for that industry. All I say is that it is strange that the very people who get the greatest amount of help are the first ones who want to beat down American agriculture.

My limited experience tells me that the Republican Party and Republican administrations wittingly or unwittingly have been historically the enemies of the American farmer. Whenever they have been in power, the first ones they have gone to work on have been the farmers.

What did they do in February of last year? Did they talk about lowering bank interest rates? No. They said interest rates had to go up. When the

Federal Government underwrote those higher interest rates by announcing what it would do in refinancing the public debt, that was price support for money, and it cost the American people in 1 year more than $2 billion in increased credit costs The interest rate policy of this administration cost the Government $287 million in extra charges on the public debt.

I am happy to say that because we complained about it, the administration has retreated, and the so-called hard dollar, hard money policy, has been set aside now for a while. Interest rates are coming down.

The facts are that the banking institutions of this country—namely the large banking institutions—received a bonanza, a windfall, as the result of a simple act of Government.

What is the theory of the tax bill? The theory of the tax bill is that we must do something to help industry, manufacturing, and investment capital. The tax bill was conceived and passed with the knowledge that it would be of help to investment capital and to industry. That was its purpose, and it was clearly stated. It was made manifestly plain and obvious to everybody.

One proposal after another is made—to do what? To strengthen the stock market, or to strengthen private utilities. Take a look at the Dixon-Yates contract, which was discussed in the recent atomic energy debate. If any farmer ever got a contract like that, he would be in Paradise. Mr. Farmer, under the Dixon-Yates contract the Government was to pay all the Federal taxes, all the State taxes, and all the local taxes of a private utility, and enter into a 25-year contract for electricity. In addition, the Government was to underwrite 95 percent of the bond issue for the construction of the plant. Then the administration has the gall to say that farmers ought to get 15 percent less than parity.

That is the most unbelievable contractual relationship that the Government has ever proposed to enter into. Then the administration tells certain Members of the Congress and of the public that the farm program must be put in order, that price supports must be reduced, and that excessive costs must be eliminated.

If the Government breaks the Dixon-Yates contract, even though the Dixon-Yates Co. keeps the plant and produces electricity with the plant, the Government must give them $40 million damages right on the barrelhead.

This same administration has the unmitigated gall—I use the word advisedly—to come forth and say that we must reduce the cost of the agricultural program, when it has come forward with a tax program favorable to big business, when it has come forth with an interest program for big capital, when it has come forth with a program for private utilities the like of which has not been experienced for years. Yet it is contended that the farm program is the great burden upon the public.

I have before me a note which says that the Senate Finance Committee voted to lift temporarily, by $6 billion, the present $275 billion debt ceiling. Again we have the presentation by the administration of the need for expanding the public debt capacity of this country. The $6 billion increase in the debt ceiling is not the responsibility of agriculture any more than it is the responsibility of any other section of our economy.

Mr. McCARTHY. Mr. President——

Mr. HUMPHREY. Mr. President, I yield to the Senator from Wisconsin.

Mr. McCARTHY. I am submitting an amendment which would provide for a sliding scale from 90 to 100 percent. I shall not ask the Senator to comment on it, but I wanted him to be aware of it. I thought he might wish to comment on that subject. The amendment would include dairy products, also. It provides for not less than 90 nor more than 100.

Mr. HUMPHREY. I thank the junior Senator from Wisconsin. Earlier today I said that the principle of flexibility is not bad; it simply depends on which way the support price flexes. The flex under the Aiken amendment is from 90 percent down to 80 percent. The junior Senator from Wisconsin now brings in an amendment to provide flexibility from 90 percent to 100 percent.

The junior Senator from Wisconsin may be interested to know that the Minnesota Legislature, which is not a radical body, but is a reasonably conservative legislative body, endorsed the very principle involved in the Senator's amendment. I thought the Senator would like to know that. I shall be more than happy to provide him with a copy of the Minnesota State Legislature's resolution, which was signed by the Governor of our State, copies of which were sent to every Member of the Minnesota delegation in Congress.

Mr. McCARTHY. I shall appreciate having it.

Mr. HUMPHREY. I am thankful that the junior Senator from Wisconsin plans to support us in this fight. I knew he would, because he comes from a great agricultural State, and he knows his farm people out there. He knows what has happened to dairying in his State. I have had an opportunity to discuss the situation with him.

It is fair to say that there have been times when the junior Senator from Wisconsin and I have been on opposite sides of questions, but it is good now to have him join with us on this issue, and we shall join in the battle for parity for agriculture.

Mr. McCARTHY. I intend to vote for high-price supports. I shall first support my own amendment; but if that is rejected, I shall support the straight 90 percent of parity. I feel very strongly that if price supports are not provided for the farm community we shall shortly be headed for a depression. I think the Benson proposal would serve to impoverish the farmer.

I am happy that this is one of the rare occasions when I am heartily in accord with the Senator from Minnesota.

Mr. HUMPHREY. The occasions need not be so rare, I may say.

Mr. McCARTHY. They are not too rare.

Mr. SPARKMAN. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. SPARKMAN. A moment ago the Senator said something to the effect that a great deal depended on the direction in which flexible supports flex, and how they work. Does not the Senator also agree that the condition of the economy at the time a flexible-support program is put into effect has much to do with the situation?

Mr. HUMPHREY. Indeed, it does.

Mr. SPARKMAN. I invite the Senator's attention to the fact that the minority views of the committee quoted from the report of the Joint Committee on the Economic Report in 1949, when the joint committee recommended a flexible price-support program. I am certain the Senator has read it.

Mr. HUMPHREY. I have read the economic report.

Mr. SPARKMAN. I invite the Senator's attention to a very significant part of the recommendation, which appears on page 52 of the report, namely, that any such flexible price-support program would need to be intelligently adapted to postwar conditions, and that consideration should be given, as parts of a coordinated program, to such measures as the provision of adequate storage facilities, more adequate credit accommodations, crop insurance, and so forth.

In other words, even in those days, although I do not have the figures before me, but I feel certain that if I had them, they would bear me out in my feeling that farm conditions were much better than they are today.

Mr. HUMPHREY. That is correct.

Mr. SPARKMAN. There was stability. There was not the pinch which farmers feel today.

The Joint Committee on the Economic Report at that time said that it might be well to adopt flexible supports, provided consideration was given to the other programs. I bring that out because, in February of this year, the Joint Committee on the Economic Report said, as it is quoted in the report—and remember, there were 8 Republicans and only 6 Democrats on the committee, representing both Houses of Congress——

Mr. HUMPHREY. That was this year.

Mr. SPARKMAN. This year. The Joint Committee on the Economic Report made this statement, which appears in the majority report, at page 29:

> In spite of the fact that agricultural income has fallen, there is reason to believe that the proposals contained in the economic report—

That is the President's recommendation, and that was the flexible program——

Mr. HUMPHREY. Yes.

Mr. SPARKMAN. I continue:

> There is reason to believe that the proposals contained in the economic report may actually place the farm family in a worse position in the short run. Whatever the merits of flexible supports and modern parity may or may not be as a long-run program it is questionable whether their contribution at this time will act to sustain farm income in the months immediately ahead when the

threat to our economic stability is so generally recognized. On the contrary, it seems more likely that the proposed shift to modernized parity at this particular time would be an unnecessary disrupting factor.

Is not that one of the big problems? Is not that the question of timing or timeliness, about which I asked the distinguished Senator in my first question?

Mr. HUMPHREY. The Senator is correct. For example, when the minority cites the so-called Democratic and Republican support for the flexible price support schedule, it is citing statements made at a time when the economic situation was entirely different, and the world situation and the production situation were entirely different, from what they are today.

Mr. SPARKMAN. They also disjoined it from the accompanying programs which were recommended.

Mr. HUMPHREY. They did, indeed.

I was pointing out earlier to the Senator from New Mexico [Mr. ANDERSON] the fine testimony he gave in 1947 before the Senate Committee on Agriculture and Forestry. But if one will read the whole program, he will see that flexible price supports are only a small part. It is necessary again to relate that program to the general economic situation, to the general world situation, and to the production problems which are involved.

I am glad the Senator has brought out this point. The important point is that the Joint Committee on the Economic Report, consisting of 8 Republicans and 6 Democrats—am I correct?

Mr. SPARKMAN. That is correct. They were from both Houses. They recommended against such a plan.

Mr. HUMPHREY. After listening to all the testimony.

Mr. SPARKMAN. Including a great deal of testimony given by the Secretary of Agriculture himself.

I ask the able Senator if he is aware of some of the evidence which the Secretary of Agriculture gave in those hearings.

Mr. HUMPHREY. After listening to that evidence, the committee issued a report which said that the administration's farm program would——

Mr. SPARKMAN. Would further depress farm income at a time when it was already depressed. Since that report was issued, in the latter part of February, the situation of the farmers has become even worse.

Mr. HUMPHREY. What does the Senator think can be done to get that information out to the public? What does the Senator think can be done to show the American people that the problem is not merely a problem of surpluses, not merely a butter problem, a cotton problem, or some other kind of problem? A committee of Congress has specifically analyzed the economic problems of our times and has reviewed the President's own reports on economic conditions. We have the benefit of the testimony of Cabinet officers, economists, and other men who are familiar with industry, agriculture, and labor. Yet that committee has recommended in its majority report against the administration's farm program. Is that not correct?

Mr. SPARKMAN. In its unanimous report.

Mr. HUMPHREY. In its unanimous report.

Mr. SPARKMAN. There may have been 1 or 2 who placed a footnote in the report, saying that they did not believe that the farm program would very badly disrupt the economy; but the report as a whole recommended against it. There were no minority views, although there were a few addenda in the form of footnotes. I remind the Senator again that the committee was comprised of 8 members of the President's party and 6 members of the Democratic Party.

Mr. HUMPHREY. I thank the Senator from Alabama.

Mr. SPARKMAN. A moment ago I spoke about the testimony of the Secretary of Agriculture. We questioned him pretty closely. If the Senator is familiar with the testimony, he knows that the Secretary testified that the imposition of the President's program would have the effect of lowering the prices of farm commodities.

Mr. HUMPHREY. He did, indeed.

Mr. SPARKMAN. He gave his testimony in terms of some kind of formula points; but I remember asking him a question, which the Senator may remember from the hearings. I said, "Mr. Secretary, can you give that in terms of cents a pound or dollars a ton, so that we can understand?"

I said, "For example, there are two crops down my way about which I should like to ask you. The first is cotton. What would that amount to?"

The Secretary's reply was, "Oh, it would be only 2 cents a pound."

I said, "Mr. Secretary, you say, 'Only 2 cents a pound.' That is $10 a bale. To the average Alabama cotton farmer, $10 a bale probably means the difference between profit and loss. To the little cotton farmer, the tenant farmer, it may mean the difference between his children having winter clothes and not having them; the difference between his children having school books, and things of that kind, and not having them."

Then I asked the Secretary of Agriculture about peanuts and what he meant in the case of peanuts.

As I recall, he said, "It amounts to about 2½ cents a pound."

I said, "Mr. Secretary, that is $50 a ton. That is a reduction of 25 percent in the price of peanuts."

I believe the Senator from Minnesota will agree with me that at this time, if I properly construe the reports of the Department of Agriculture, the farmer is in the worst pinch he has been in since 1941. Is the farmer able to sustain a shock such as that?

Mr. HUMPHREY. He is not. It would be a most unwise policy for this Government to pursue. We must remember that the farmer has already lost considerable income. We must remember that the prices he pays for various articles continue to go up. At the same time we have reduced his production of many crops.

Mr. SPARKMAN. I remind the Senator from Minnesota that a few weeks ago an announcement was made that the price of steel was going up $3 a ton. Will that help the farmer?

Mr. HUMPHREY. The situation is exasperating. Steel goes up $3 a ton. The other day in the Senate we heard about the profits made by some of the large corporations. Some of the profits were incredible. They were larger than those made last year; and last year records were broken so far as profits were concerned. Sales are down, but profits are up. The per capita income declines and the cost of living goes up. We cannot continue to operate in that manner.

The amendment proposed by the Senator from Vermont [Mr. AIKEN] is against the recommendations of the Joint Committee on the Economic Report, as the Senator from Alabama just noted. It is against the recommendations of a majority of both the House and the Senate Committees on Agriculture. It is against the campaign promises of President Eisenhower and the Republican Party. It is against the platform of the Democratic Party, and the pronouncements of Governor Stevenson and the Senator from Alabama [Mr. SPARKMAN], who were candidates for President and Vice President, respectively. It is against the recommendations of both the AFL and the CIO.

I want my friends in the Senate who have large labor constituencies in their States to know that representatives of the American Federation of Labor and the Congress of Industrial Organizations testified before the Senate Committee on Agriculture and Forestry and the Joint Commission on the Economic Report in opposition to the administration's farm program, and in support of high level parity and 90 percent of parity.

I regret that there are not present more of our colleagues from States having more city people than rural people. If we are to talk about who best represents the consumers, I should say that the bulletin I received from the Chamber of Commerce is not as persuasive to me as is the bulletin I received from the AFL, the CIO, or the Brotherhood of Railroad Trainmen. The great labor organizations of America are four-square and firmly behind the report of a majority of the Committee on Agriculture and Forestry. They are against the administration's farm program.

The laboring people know that if we start trimming down the income of farmers, workers in industry will be the next ones to have their incomes trimmed down. What is more clear is that when farm income drops, the incomes of workers generally drop.

That is why George Meany, president of the American Federation of Labor, a great patriot and an able labor leader, testified before committees of Congress in opposition to flexible price supports.

That is why Walter Reuther, who represents millions of workers in this country, and who is a great labor leader, a clean, intelligent, and forceful American, appeared before committees of Congress and testified that the CIO was not in favor of the flexible price-support program, and that the CIO did not believe the program would lower food prices. The CIO is right. It does not mean lower food prices.

I have in my possession a copy of the CIO and the A. F. of L. statements, but I shall not burden the record with them. I make note of the fact that on July 30, 1954, I received a copy of a statement which summarizes the recommendations made to the committees of Congress.

Mr. MURRAY. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield to the Senator from Montana.

Mr. MURRAY. In the past few minutes there has been reference to the Joint Committee on the Economic Report. The legislation which created that committee has been regarded as one of the most important laws Congress has enacted in the past 50 years. It was as a result of the great depression that the law was enacted which established a committee to study the economic trends of the Nation in an effort to avoid another serious depression. The economists of the country have agreed that the committee is a very important one, and I am very much interested in knowing that the committee is reported as being against the flexible price-support program.

Mr. HUMPHREY. I thank the Senator from Montana for his contribution. As the author of the Employment Act of 1946, he realizes the important position which the Joint Committee on the Economic Report holds in Congress.

The abundance of food, feed, and fiber has operated in behalf of the consumer, and not against his interests. Moreover, I point out that an abundance of agricultural production is needed for our growing population today. It is needed for the anticipated growth in our population; and we are witnessing such a growth every year.

I have some figures before me as to the growth of the population. Our population is increasing at the rate of 7,500 a day, which means an additional population of 2½ million a year, or an increase of 5 people every minute. By 1975, it is estimated that there will be between 220 million and 225 million people in the United States. By 1960, which is less than 5½ years from now, it is estimated that there will be 175 million people. They will need to be fed and clothed. They will have to get their food and clothing from the land we now have in this country. Fewer and fewer farmers, and fewer and fewer farm producers, are remaining on the land.

The Department of Agriculture has made a study of this problem. We find that by 1975 we shall need an increase in our hog production equal to the total hog production of Iowa and Nebraska in 1952. We shall require that many more pigs.

We shall need an increase in the number of cows—and I wish Mr. Benson were present in the gallery today, in case he has not read the report—equal to the total number of cows in Minnesota, Oklahoma, and Texas, in order to have milk and butter for the population we shall then have.

By 1975 we shall need an additional number of lambs equal to the total number produced in 1952 in Montana, Wyoming, Utah, and Nevada.

By 1975 we shall need 40 billion pounds more of milk. We shall need 16 billion more eggs. We shall need at least 2,200,000,000 more bales of cotton. We shall need 109 million more bushels of wheat.

I wish that the Department of Agriculture, instead of having its eyes in the back of its head, looking to the rear, would look a little bit to the fore, and be a little farsighted and look over the present little hill and into the valley of the future.

What about this valley of the future? What have we now? We shall destroy our dairy herds if we drive people off the land. What if we fail to take care of the agricultural economy? Who will feed our people? What of our security if we pursue a program which does not take into consideration the vast development of the resources of our country?

Mr. SPARKMAN. Mr. President, will the Senator from Minnesota yield to me?

The PRESIDING OFFICER. (Mr. BARRETT in the chair). Does the Senator from Minnesota yield to the Senator from Alabama?

Mr. HUMPHREY. I yield.

Mr. SPARKMAN. I should like to ask the distinguished Senator from Minnesota a question, while he is discussing this subject and pursuing his line of argument: Is it not true that the margin between surplus and shortage is very small?

Mr. HUMPHREY. That is very true. Earlier today I stated for the RECORD the amount of farm commodities owned by or under loan from the Commodity Credit Corporation. That is the amount that is in reserve or surplus or, as I call it, in inventory. It is interesting to note that we have an hand a 10-day supply of oats. Yet some have the nerve to call that a surplus. Furthermore, we have on hand only a little more than 3 months' supply of corn, and yet some have the gall to call that a surplus.

Mr. SPARKMAN. In that connection, let me ask this question of the Senator from Minnesota: If the present drought continues all over the country, is it not likely that we shall be thankful we have the 3 months' supply on hand?

Mr. HUMPHREY. Yes, indeed. I predict that before next Christmas, Secretary Benson will look back upon the storage facilities we have now and the grains and other foods that are stored in them, as the greatest blessing in his career. He will be eating crow. He will be saying, "Oh, why did I talk about those surpluses?"—because the same surpluses which they now use as almost a wig-wag system of signaling disaster to the American people will be the means of saving this administration.

Mr. SPARKMAN. Is any one of the important crops—such as cotton, corn, wheat, and the other commodities which we must have if we are to live—in excess supply to such an extent that the supply cannot be converted into a shortage as a result, perhaps, of one bad crop?

Mr. HUMPHREY. That is true, with the possible exception of wheat. We now have approximately 10 months or 1 year's supply of wheat in the Commodity Credit Corporation's facilities, either owned by the Commodity Credit Corporation or under loan from the Commodity Credit Corporation. That includes most of the wheat.

Mr. SPARKMAN. I am sure the distinguished Senator from Minnesota remembers that, about 2 years ago, when it was proposed that the United States send wheat to India, it was necessary to search rather carefully, first, in order to determine whether we could spare enough wheat for that purpose.

Mr. HUMPHREY. That is correct, because we have a law which provides for normal reserves.

Mr. SPARKMAN. Yes; and at that time it was felt that probably the shipment of that much wheat to India would lower our reserves not only below the amount of reserve required by law, but also below the amount of reserve we ought to have. Of course, the law sets the reserve at rather a minimum.

Mr. HUMPHREY. Mr. President, I should like to digress long enough to make note of the fact that I have heard many persons say we should have a more aggressive foreign policy. It has even been suggested in some instances that we should cooperate with Dr. Rhee and his plan for some sort of limited invasion of the Chinese mainland. I have not joined in that proposal; but I have heard voices raised, both in this Chamber and elsewhere, saying that we should come to grips with the problem in Communist China. I ask: How do we dare even contemplate such a foreign policy or such a military policy if we are not prepared with sufficient food and fiber? I recall, that before the outbreak of the Korean war, bill after bill was introduced to cut back our production of agricultural commodities. Immediately before the outbreak of the Korean war we were deeply concerned, supposedly, with surpluses. But suddenly they simply disappeared. They disappeared because of the international situation which developed.

So, for the life of me, Mr. President, I cannot understand why we are so much concerned about having large stocks of food and fiber, so long as they are manageable. Of course, in the perishable field the situation is acute; and I recognize that we must do something about it.

By the way, Mr. President, I believe that my colleagues will be interested in recalling what President Eisenhower had to say on that subject back in 1952, at the time when he was a candidate for office:

> We must find methods of obtaining greater protection for our diversified farms, our producers of perishable foods. They yield the rich variety of meat, milk, eggs, fruits, and vegetables that support our nutritious national diet. As approved in the Republican platform—crops such as oats, barley, rye, and soybeans—should be given the same protection as available to the major cash crops.

That is what I propose in one of my amendments, Mr. President.

I read further from the statement by Candidate Eisenhower:

> The Democrat planners have made the diversified farmer the forgotten man of agriculture. They keep saying, "There is no way of protecting perishables except through the Brannan plan." We can and will find a sound way to do the job without indulging in the moral bankruptcy of the Brannan plan.

Mr. President, the moral bankruptcy of certain aspects, at least, of the Brannan plan—those calling for production payments—has now been accepted as fine and virtuous, and as having outstanding qualities of good character, for we have the production payment system in the wool plan which the administration has sponsored. I am in favor of it, but I wish they would not make speeches of that sort.

For example, I notice that the President made a firm commitment for the support of perishable commodities, in the course of answering questions for the Farm Journal, a prominent farm publication. In October 1952, Mr. Eisenhower was asked:

What do you propose to do in the way of governmental price protection for perishables and nonbasic farm commodities?

This is the answer:

The general believes that the producers of perishables and of diversified crops are entitled to their full share of the national income, just as are producers of basic crops, but the plan must be different. * * * "When you have to dye potatoes blue because you do not know how to use them profitably, that is proof that we have not examined the problem scientifically." Still another part of the answer may be in special distribution programs. "That is why I have said I would call on the best minds of the country to help with farm problems."

Candidate Eisenhower went on to say, at Fargo, N. Dak., on October 4:

It is in the record as to what the Republican Party expects to do, proposes to do * * * with all of those things that mean so much to farm life today. And that means perishable products as well as nonperishables.

So, Mr. President, I think this administration is fairly well committed to a perishable support program, as well as to supporting the prices of nonperishables.

I wish to say a few words about price and production. One of the great theories about the sliding-scale price-support program is that by cutting price it is possible to reduce production. I think it is fair to say that the emphasis upon the use of the flexible price supports is that by cutting price, one cuts production. Of course, the record should be crystal clear, as of now, that the Secretary of Agriculture will not give farmers any more freedom than they have had. In fact, he will not give them quite as much freedom as they have had. I want that record to be perfectly clear.

Last night I made some comments on that subject. Before I refer to that comment, let me point out that parity is a flexible instrument. It is a flexible measurement of fair farm-commodity prices, going up when farm costs rise, and going down when farm costs decrease. It was designed to operate in that way. So parity puts a flexible system upon a flexible system.

As has been pointed out in the course of the debate, we use the so-called sliding-scale flexible parity formula. However, the time when we get the good from it is the time when we do not need it. In other words, when there is a shortage of supply, under the sliding-scale flexible price supports, the farmers receive 90 percent of parity; but, of course, that is when they do not need it.

When there is an excess of supply is the time when the farmer will receive the 75 percent or the 80 percent or the 82½ percent of parity, and yet that is when the farmer needs higher price supports. The time when he needs price supports which, properly interpreted, mean Government purchases or Government loans on food commodities or farm commodities, is when there is an excess supply, not when there are limited supplies or a lack of a proper supply.

I used the analogy that flexible price supports are like an umbrella. When the sun is shining one can put the umbrella up; when it rains the umbrella is down. This flexible price-support program is the kind of agricultural economics that, to me, is upside down.

What was the purpose of this program of sliding-scale flexible price supports? Its purpose was twofold: To relieve the farmer of so-called regimentation and Government controls; and, secondly, to use the reduced price to bring production in line with demand, to bring supply and demand in balance.

I charge here that program does not work either way. It does not bring supply into balance with demand or production into balance with use, nor does it remove controls.

The Secretary of Agriculture, in testifying before the House Committee on Agriculture, made this statement:

It is not proposed in the administration's recommendations that price changes should bear full responsibility for shifts in production of basic crops. Authority for acreage control must be retained and must be used.

I cite for the RECORD the fact that this administration has imposed more stringent acreage controls than any administration in 20 years—I should say any administration in 15 years. We had some controls back in the period 1933 to 1939, when there was a tremendous surplus.

Now, as to flexible price supports making it possible to reduce controls and to give the farmers more freedom, let us stop talking about it, because it is not true.

I read last night from the Wall Street Journal, and I am sure that my colleagues will be interested in reading in the copy of the Wall Street Journal for July 9 an article on the front page entitled, "Farm Kibitzing. Federal advisers will offer individual farmer master plan for living. They'll cover fertilizer use, pest killing, bookkeeping, even raising children. One aim: Curb overplanting."

There is now in office an administration which says it is for freedom, and it has a plan already in being in the Department of Agriculture, in draft form, which literally tells the farmer not only how much he can plant in the field, but how many children he can have in the house. I am sure that the Wall Street Journal is not given to irresponsible statements.

I imagine that the Wall Street Journal is not a publication of the Democratic National Committee. I do not think it is socialistic, and I am quite sure that it can be considered to be relatively responsible and conservative. This article by Lester Tanzer, staff reporter of the Wall Street Journal, reads as follows:

Federal Farm Boss Benson has whipped up a new kind of Federal-aid program for farmers. The key ingredient is not taxpayers' dollars, but advice—on every subject from irrigation to raising children.

The Republican Secretary of Agriculture thinks mechanical contraptions, soil conservation, insecticides, Federal price supports, and planting restrictions have overly complicated rural living. What the modern-day farmer needs, he figures, is a "complete master plan."

I must say that is a most unusual article to come 5 days after the Fourth of July. I thought the Fourth of July was the day which commemorated our independence. It appears now that we have a master plan. What is this master plan? According to this article—

Precise details haven't been worked out. But the outlines of the scheme—billed as a "dynamic new program"—

Undoubtedly that phrase was created by one of the large public relations firms which seems to be creating more slogans than it does reasonably good programs—this article continues—

are contained in a confidential document currently circulating in upper echelons of the Agriculture Department.

Then it goes on to describe it. I ask unanimous consent to have the entire article printed in the RECORD at this point in my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

FARM KIBITZING—FEDERAL ADVISERS WILL OFFER INDIVIDUAL FARMER MASTER PLAN FOR LIVING—THEY'LL COVER FERTILIZER USE, PEST KILLING, BOOKKEEPING, EVEN RAISING CHILDREN—ONE AIM: CURB OVERPLANTING

(By Lester Tanzer)

WASHINGTON.—Federal Farm Boss Benson has whipped up a new kind of Federal-aid program for farmers. The key ingredient is not taxpayers' dollars but advice—on every subject from irrigation to raising children.

The Republican Secretary of Agriculture thinks mechanical contraptions, soil conservation, insecticides, Federal price supports, and planting restrictions have overly complicated rural living. What the modern-day farmer needs, he figures, is a "complete master plan," worked out down to the last detail for each farmer with the help of a Government agent dispatched to his doorstep.

SPREADING THE GOSPEL

Sometime this summer Mr. Benson will pass the word for hundreds of Agriculture Department agents to set out in scattered parts of the country, spreading the gospel of "planned farming." Precise details haven't been worked out. But the outlines of the scheme—billed as a "dynamic new program"—are contained in a confidential document currently circulating in upper echelons of the Agriculture Department. Officials say the idea is this:

A Government man will call on farmers at their homes, and offer to work out a "carefully planned system of farming for the entire farm unit." The whole idea is voluntary; if farmers accept, they'll start, with the help of the Government agent, to make a complete inventory of their resources—land, money, and manpower.

They'll consider, too, all the "off-farm influences," such as national price-support programs, the economic outlook in the United States and abroad, export trends. Then they'll make up a plan, setting goals not only

for farm output but also for "family satisfactions."

REDECORATING ANSWERS

The plan will aim to include answers to questions like these: What crops to plant and in what quantity; what fertilizer to use; how to deal with farm pests; what repairs to make on farm buildings or machinery and how to raise the necessary money; how to keep books and pay taxes; how much profit a farmer should make to be able to afford to redecorate the front parlor or buy a television set or a new refrigerator.

The aim, according to the outline drawn up by Mr. Benson's aides, is a plan "through which the farm family can coordinate the use of various farm and home practices to achieve efficient production, high net income, the improvement of soil productivity, and better living conditions for the entire farm family."

If this sounds like more Federal "meddling" in rural affairs, the aim is professed to be just the opposite. Mr. Benson's real objective is to hasten the day when farmers will be able to get along without so much Federal price-support aid and without stringent planting curbs. He favors a gradual trimming of price-support levels and increasingly tighter planting controls until record farm gluts have begun to shrink. Meantime, the idea is that if farmers do their planning with a Government expert looking over their shoulder they'll be less likely to overplant crops already in abundance.

This basic aim, officials argue, requires broader planning than it implies. Thus an agent might advise a farmer to shift land from barley to tomatoes, if he wants to make enough money to buy the freezer his wife is pleading for. Raising tomatoes, the agent might add, might mean making Junior work on the farm in the summer instead of taking a job in town.

Going a bit further, some of the new agents will be women, who are expected to give tips on latest developments in child psychology. They'll also encourage participation in 4–H Club activities.

A MODEST START

The program will begin on a modest scale. To finance it for the fiscal year that started last week, Mr. Benson wrung an extra $8.3 million from Congress in appropriations for the Agriculture Extension Service, a "farmer education" program run jointly by the Federal Government and State farm agencies. Working through the extension set-up, Mr. Benson will use the extra money to hire 1,000 new county agents and about 2 dozen Washington policymakers to push the planned farming scheme.

With this task force, Mr. Benson guesses he'll reach only a fraction of the farming population. But if the plan is successful, he's prepared to ask Congress next year for more money to expand his efforts. Also, the 1,000 new agents will be busy indoctrinating the 12,500 county agents now on the Federal-State payroll so that they, too, can push "farm planning."

The new agents will be divided up among the States. It will be up to each State to decide how they'll be used. Some States may decide to blanket a couple of "pilot counties" with enough agents to reach every farmer that's interested in farm planning. Others may decide to distribute a few "farm plan" salesmen in each county to work with a handful of farmers.

PAMPHLETS, RADIO, TV

Dispensing advice to farmers is not, of course, a new chore for the Agriculture Department. The Extension Service uses pamphlets, radio, and television, and group meetings to bring to rural folk all kinds of information on farm matters, most of it gathered by Agriculture Department researchers and experts at land-grant colleges throughout the country. This service is paid for partly by the Federal Government, partly by the States, and partly by counties.

The trouble with all this, as Mr. Benson sees it, is that it's too indirect and impersonal. He argues, too, that the present set-up covers only special topics, without attempting to wrap up all the problems of running a farm into one neat package. That's the aim of the new program for "complete farm and home development," as it's referred to in the policy document now making the rounds of Agriculture Department offices.

The department plans to go right on for a while "educating" farmers through mass media like radio and group discussions. But after a year or so, the idea is to shift toward ever greater emphasis on the personal approach now about to begin.

FARM FAMILY THE TARGET

The department's new program is designed primarily for family farms, those on which the family does the major share of work. Family farms make up the big majority of the 5.5 million farms in the country and turn out over 70 percent of all the agricultural goods sold. The outline of the new program notes:

"On a family farm, the farm business and the home are inseparable. Decisions made on the farm must consider both the effect on the farm operations and on the farm family. This is not true for most other types of business. It is for this reason that the farmer and his family must plan together."

Mr. Benson's aides are sure their scheme will work. It's been tried experimentally in a couple of States with success. A study made in Vermont, according to the Department, showed the income of a dozen farms with intensive Government planning aid was triple that of 12 farms that operated without master plans.

Will farmers accept Mr. Benson's offer? The Department expects a heap of resistance from individual farmers. One farm expert claims the people who have usually gone in for Federal help in a big way are those who have been most amenable to Government suggestions. It's the more conservative rural citizens the Department hopes to reach with its new project.

Mr. Benson isn't inclined to force any scheme down farmers' throats. So his minions have orders to go about their business with some degree of subtlety. The Federal planners offer this advice to the agents: "Stress in all activities the relationship of what is being presented to the other decisions and activities relating to the individual farm and home situation, and the interdependence of each decision and action on all the others."

Mr. HUMPHREY. Mr. President, the sliding scale, in so far as reducing acreage is concerned, unless the scale slides so low that it slides everybody out of economic existence, will not do what it is supposed to be designed to do.

Mr. KERR. Mr. President, will the Senator yield for a question?

Mr. HUMPHREY. I yield.

Mr. KERR. Has the Senator ever seen prices slide except in one way?

Mr. HUMPHREY. I said earlier today that it is quite hard to slide uphill, and it is generally easy to slide down.

Mr. KERR. Is it not a fact that the only way to get a price up is to lift it up?

Mr. HUMPHREY. Yes.

Mr. KERR. And the only way to keep it there is to hold it there?

Mr. HUMPHREY. That is right.

Mr. KERR. When we take the support from under it, then what happens?

Mr. HUMPHREY. In most instances, unless we defy the law of gravity, I would say it would fall.

Mr. KERR. It would slide.

Mr. HUMPHREY. Or slide. I also pointed out earlier in the debate that in most instances, in the vast majority of instances, the reduction of prices does not result in a reduction of acreage, and rather than just have that as a matter of conjecture, I have had the facts researched. I think it would be of interest to note that in the years when the parity ratio was as low as 60, and when it was down in the area between 58 to 65 to 70—from 1929 to 1933—the total acreage, in the face of declining prices from 1929 to 1933, increased from 363 million acres to 375 million acres.

In other words, when farm prices were collapsing, when corn was 9 cents a bushel, and when wheat was 25 cents a bushel, instead of the farmers planting less, they had to plant more.

It is simple. If a man is a wheat farmer or if he is a corn farmer, if he rases small grain, he has land, and if he does not have the mechanical equipment for dairying operations or for meat processing, or if he does not have meat or does not have a good herd of steers or beef cattle, what is he going to do? He is going to plant, and that is what the farmer did, and that is what he continues to do.

Mr. KERR. Mr. President, will the Senator yield for another question?

Mr. HUMPHREY. I yield.

Mr. KERR. I notice in the amazing article to which the Senator referred, in the Wall Street Journal——

Mr. HUMPHREY. Was not the Senator interested in that article?

Mr. KERR. I thought that article told far more than what is in it, and what is in it tells plenty. The fact that it was published in the Wall Street Journal was quite significant.

Mr. HUMPHREY. That is a leading farm publication. [Laughter.]

Mr. KERR. I must say that I have great respect for the Wall Street Journal as a financial journal and economic publication.

Mr. HUMPHREY. I join in that sentiment.

Mr. KERR. But that was its principal reputation, I would remind the distinguished Senator from Minnesota, before "B. B."

Mr. HUMPHREY. Yes.

Mr. KERR. Before Benson.

Mr. HUMPHREY. Before Benson.

Mr. KERR. Since that time it has become the principal source of journalistic information from the Benson offices.

I do not know whether or not it is because the ordinary journalistic avenues have felt that what comes out of the office of the Secretary of Agriculture is of more interest to the financial community than of concern to the country and to agriculture, but in that article I noticed a statement about which I wanted to ask a question or two. I read:

The plan will aim to include answers to questions like these: * * * How to keep books and pay taxes.

Does the Senator from Minnesota agree with me that before a farmer can pay taxes he has to make some profit?

Mr. HUMPHREY. That has generally been the accepted formula.

Mr. KERR. Has the Senator figured out how the farmer is going to make a profit under the Benson program?

Mr. HUMPHREY. I may say to my distinguished colleague from Oklahoma that that is one of the great unsolved mysteries of this administration. It is top secret, by the way.

Mr. KERR. Does the Senator think that the tax problem of the farmer is going to be pretty well solved when the Benson program is put into effect, to the complete disappointment of the farmer and the Government, both of whom would like to see him have some income upon which to pay taxes?

Mr. HUMPHREY. I may say to the Senator from Oklahoma that on a recent trip into southern Minnesota I was in Cottonwood County, where I had been attending a soil conservation meeting, and I was discussing taxation with one of my farm constituents. He said, "Senator, I see that you folks up there in Congress have been reducing taxes for the big boys," and he said, "I want to tell you something. You have reduced mine, too. You have reduced mine in Washington by having my income so low that I do not have to pay any taxes anymore." It is sort of a hard way to get at it, but that man had a good deal of practical wisdom.

Mr. KERR. Has the Senator from Minnesota read the entire article?

Mr. HUMPHREY. I have read it. In fact, I read most of it into the RECORD last night.

Mr. KERR. Has the Senator ever seen anything that approaches it in America? It would completely plan and control the lives and operations of the farmers and their families.

Mr. HUMPHREY. I have not. I may say to my friend from Oklahoma that if that article had been printed with the name "Brannan" substituted for "Benson" there would have been a howl put up by Senators on the other side of the aisle that would have made Mount Vesuvius sound like a small teakettle. They would have roared. When the Brannan plan came out, or even before it was issued, when people read the name Brannan on the ticker there was such a shouting and such a hullabaloo in Washington that it frightened people 2,000 miles away. This plan is the most unbelieveable story that could have come from an administration which is supposedly dedicated to free enterprise.

Mr. KERR. Has the Senator from Minnesota put into the RECORD the statements by Gen. Dwight Eisenhower, as a candidate, at Kasson, Minn., and at Point Pleasant, W. Va., with respect to the elimination and prevention of plans coming out of Washington?

Mr. HUMPHREY. I have made general reference to them, but I would be delighted to have the Senator from Oklahoma put them in the RECORD. I think it is wonderful to listen to those speeches. A replaying of them makes my heart feel good. In view of what the administration is about to do to the farmer, I think we should hear what the administration's candidate said would be done for the farmer.

Mr. KERR. I should like to read the statement made by Gen. Dwight Eisenhower on September 6, 1952. I ask the Senator whether that statement conforms or harmonizes with the proposal of the Secretary of Agriculture. Candidate Eisenhower said on that occasion:

> Do you have a voice that carries weight with the Washington agricultural autocrats? Or should I call them agricats? Do they listen to you? Do they welcome your farm organization leaders in their councils? Our goal will be sound, farm-run programs that safeguard agriculture—but do not regiment you, do not put the Federal Government in charge of your farms.

Mr. HUMPHREY. That statement is, of course, a wonderful doctrine. It reads well and it sounds well. Would that it were applied as a principle of government. However, it is in direct contradiction of the article in the Wall Street Journal.

Let us look at what is happening to our county committees. I listened to the speeches of the two Senators from Missouri with respect to what was going on in Missouri. There is outright political control of the great PMA committees. We have seen, for example, a recent bulletin published in Washington, in which it was stated that the only reason the committeemen in Minnesota were not being fired is that it might reelect HUMPHREY. Of course, to some people that would be the curse of all curses.

Mr. KERR. Would the Senator like to know what General Eisenhower said in another speech?

Mr. HUMPHREY. I am always interested in what General Eisenhower had to say, as compared with what President Eisenhower has been doing.

Mr. KERR. Or Secretary Benson.

Mr. HUMPHREY. Yes; because Secretary Benson speaks for the administration.

Mr. KERR. General Eisenhower stated:

> You are being threatened by the fact that we have not got as many Washington bureaucrats who want to move in on you and show you how to run your business, particularly your farms.
>
> They want to tell you what to raise, how much of it, and when to plant it and what to get for it and how much to pay for everything you use on that farm. Certainly we believe in proper price supports—proper protection of the farmer against disaster—but we certainly want him to run his farm as he thinks it should be run and not the way some long-haired bureaucrat behind a desk in Washington thinks it should be done.

Does that sound like the basis for the superplan which the publication to which the Senator has referred publishes as having been launched by Secretary Benson?

Mr. HUMPHREY. It does not. It does not sound like the basis for the extraordinary control that is proposed to be placed on the use of diverted acres. Wait until the farmers find out what Secretary Benson has to say about diverted acres. The Secretary of Agriculture will literally tell them what they can plant, how much they can plant, and how much they can take out of the ground.

Mr. KERR. Will the Senator from Minnesota refer to the article he put in the RECORD and listen to this language?

> The plan will aim to include answers to questions like these: What crops to plant and in what quantity.

On the other hand, Candidate Eisenhower said:

> Bureaucrats who want to move in on you and show you how to run your business, particularly your farms. They want to tell you what to raise, how much of it, and when to plant it—

This is Secretary Benson talking now—

> what fertilizer to use; how to deal with farm pests.

Mr. HUMPHREY. What was that about dealing with farm pests?

Mr. KERR. How to deal with farm pests.

Mr. HUMPHREY. Well——

Mr. KERR. Does the Senator from Minnesota believe that such knowledge would be comprehensive enough to enable farmers to deal with the superpest of the farmer, the present Secretary of Agriculture?

Mr. HUMPHREY. I wonder whether that was included in the general confines of the statement. I do not wish to be personally unkind to the Secretary of Agriculture. I simply disagree with him on philosophy. I have met the Secretary of Agriculture and I have found him to be a very pleasant and genial and fine man. I mean that honestly. I like him as an individual. I simply cannot understand his individual thinking.

Mr. KERR. I invite the Senator's specific attention to one statement in the Wall Street Journal. One of the specifications to be included in the plan is the following, and I should like to ask the Senator if he does not think it would have some merit:

> What repairs to make on farm buildings or machinery and how to raise the necessary money.

Does not the Senator believe that that would be a wholesome situation?

Mr. HUMPHREY. Not only wholesome but absolutely imperative, if the New Look in agriculture goes into effect.

Mr. KERR. The last specification in that particular paragraph is:

> How much profit a farmer should make to be able to afford to redecorate the front parlor or buy a television set or a new refrigerator.

Does the Senator think that is at all consistent with the promises of the President of the United States that he would relieve the situation of "so many Washington bureaucrats, who want to move in on you and show you how to run your business, particularly your farms. They want to tell you what to raise, how much of it, and when to plant it, and what to get for it, and how much to pay for everything you use on that farm."

Mr. HUMPHREY. The Senator from Oklahoma knows that I feel as he does, that the proposed master plan is in direct opposition and in direct contradiction to the philosophy expressed by the Republican candidate for President in 1952. I am sometimes of the opinion

that that speech, which was a denunciation of so-called agricats, has undoubtedly been accepted as a positive program, rather than one of strength or limitation.

Mr. KERR. The Senator knows that the last quotation I gave from the candidate's speech was from the speech he made at Point Pleasant, W. Va., on September 24, 1952. While it was not an exact repetition of the one he had made at Kasson, Minn., on September 6, 1952, it was consistent with it, and it went even further in denouncing plans made in Washington, and proclaimed a philosophy of freedom of the farmer from such plans.

Mr. HUMPHREY. That is correct. I invite attention to another pertinent matter with regard to the very instructive analysis made by the Wall Street Journal in its article to which the Senator has referred. It is very interesting to me that some of the so-called new information we get on agriculture these days comes from the splendid publication known as the Wall Street Journal. Formerly we used to get information in the Department of Agriculture and in such splendid publication as Wallace's Farmer, or in other leading farm publications. Such agencies would have an opportunity to know first about agricultural matters.

There was a time when the Department of Agriculture really had farmers in key positions. Today there are undoubtedly men in the Department who have had great experience in agriculture, but there is a shortage of men like Mr. McCormack, who was once Under Secretary of Agriculture. He owns his own farm, operates his own tractor, and does his own farming. There are others like him, without naming anyone in particular. Many of them were real farm people.

The one particular point on which I wish to conclude is the kind of philosophy which seems to motivate and to be behind the present farm program.

I have mentioned this on other occasions, but I do not recall that I have mentioned it to my colleagues in the Senate. It is to be expected, if a farm program is enacted into law, that those who administer it will administer it in full faith and will give it full support.

Mr. KERR. Mr. President, will the Senator yield for a question?

Mr. HUMPHREY. I yield.

Mr. KERR. Is the Senator under the impression that the Department of Agriculture was created to be, and was thought by those who created and supported it to be, an instrumentality of service to the farmers?

Mr. HUMPHREY. I was under that impression after reading the preamble to the public law which established the Department of Agriculture.

Mr. KERR. Is it not a fact that any relationship between that basic principle and the present operation of the bureaus generally, insofar as the Secretary is concerned, is rather coincidental or accidental?

Mr. HUMPHREY. The Senator has put his finger upon what is an increasingly obvious development. I think the Senator is indeed right.

I feel that when we pass a law which includes 90 percent of parity price supports, for example, such as the present law provides, the people administering the program should be in sympathy with it. There are many good Republicans in Congress who are in sympathy with the program. Many Republicans believe in 90 percent of parity. The distinguished Representative from Kansas, Mr. HOPE, has taken a stand on this. My colleague, the senior Senator from Minnesota [Mr. THYE], has taken a very forthright stand on it. I saw on the Senate floor only a moment ago one of our Representatives from Minnesota, Mr. H. CARL ANDERSEN, whose own political party has gone after him with hook and tong because he took a stand on 90 percent of parity. I only ask that we have men who are sympathetic with the program to administer the program.

Who is the Administrator of the Commodity Stabilization Service at the present time? Who is the gentleman who succeeded Mr. Howard H. Gordon? Mr. Gordon is the former head of the Commodity Stabilization Service. The man who succeeded him, appointed on February 1, is a gentleman by the name of McConnell. Mr. McConnell has not been appointed to the Board of the Commodity Credit Corporation, which is an appointment subject to Senate confirmation. We have not had the opportunity to pass upon his nomination or his choice by the President. Yet he attends most of the board meetings and advises it, because most of its business is administered by the Commodity Stabilization Service which he heads.

This is not the first instance in which Congress has been by-passed by having appointees not subject to confirmation assigned duties and functions normally handled by Presidential appointments upon which we can hold hearings and take action. It has happened before in the Treasury Department. It has happened now in the Department of Agriculture.

Frankly, I believe it was done because of the knowledge that very serious questions would be raised about Mr. McConnell's qualifications to administer programs with which he was not in sympathy.

I am not running down Mr. McConnell. He is undoubtedly a very able, intelligent man; he is undoubtedly a very effective personality. He undoubtedly has a good education, and is a man of good character. I make no personal remarks about him, except to say that McConnell is a mortal enemy, an avowed, self-described enemy, of the price-support program—and he is administering it. It is like putting an arsonist in charge of the fire department. It is plainly ridiculous. It is absolutely beyond the pale of good reason.

What did Mr. McConnell say, speaking on November 30, 1953, at Syracuse, N. Y.? He spoke on the subject The Long-run Agricultural Policy.

I call this to the attention of my colleague from North Carolina [Mr. LENNON]. Mark what was said by this man who administers the cotton and wheat price-support programs. Listen. He said farm price supports are a part of "a very carefully planned and carried out conspiracy to make out of this country a socialistic Nation."

Really! Mr. McConnell can make all this program socialistic if he wants to, but we do not hire people to do it. We do not hire people to stand up on the housetops and condemn the very program they are administering. Generally, people are fired for doing things like that, rather than being hired.

I quote further from Mr. McConnell. Again, I say that I am sure that Mr. McConnell is a good man. I simply do not agree with him, that is all. More than that, he does not agree with the law that was passed by the Congress. He speaks of the law as a part of a conspiracy to make America a socialistic nation. He should not be in public office on the basis of an appointment to administer this program, unless it is desired to wreck the program. If that be the case let wreckers be hired, people who really want to wreck it. If we want to weaken the program, let us hire people who really want to weaken it—but let us do it openly, and know what is happening.

This administration has just started its program of weakening American agriculture. This is but the beginning. Listen to what Mr. McConnell has to say about a great commodity known as wheat:

> Wheat is one of the best examples of modern socialism we have in this country.

I do not know how he ever got that idea, but there it is. It is on the record. I have the full copy of the speech, and I hope Mr. McConnell is in the gallery today. I say he ought to resign. A man who calls the price-support program a part of a national conspiracy to socialize this country has no right to administer these programs. Yet he is the head of the Commodity Stabilization Service, which has control over the commodity credit operations.

Listen to what else Mr. McConnell says:

> The Government controls the amount of acreage we can plant. It controls pretty largely, through its support programs, the price and marketing. The production of wheat in this country is shot through and through with Government control. The laws on the books provide for acreage controls, for marketing quotas, for penalties. Good or bad, it's a perfect example of modern socialism.

That is the end of the quotation from Mr. McConnell's speech at Syracuse, N. Y. I guess he went up to Cornell to get that. I like Cornell University. I have attended a few universities myself. That is a great school. It has a fine school of public administration. The philsophy of agriculture that comes from that university is permeating the Government. It is the philosophy of cheap fed, cheap grains for cheap food. They are not going to cheapen American agriculture with my help. They are going to get plenty of resistance.

Mr. McConnell says that the price-support program, good or bad, using wheat as an example, is a perfect example of modern socialism. My colleagues, if that man's nomination had been sent

to the Senate for confirmation, he would not have received very friendly treatment, particularly when he talks this way about a price-support program which he is supposed to administer.

If Mr. McConnell wants to go on the Federal Reserve Board, if he wants to become Comptroller of the Currency or vice president of the last or first national bank, that is fine. Maybe that philosophy fits into some of those positions. But when one becomes the head of a great organization to administer a price-support program which the law of this land specifies, which the Congress, the representatives of the people, has said is the law of the land, which the President of the United States in his speeches as a candidate said he would support, I say it is grossly wrong to have men running the program who do not believe in it and who think it is part of an organized conspiracy.

I cannot believe that this is the truth, and yet the truth is here. The fact of the appointment is known. The knowledge of the feelings and attitudes of these men is perfectly obvious.

Secretary Benson has testified that even under his recommendations we must keep and use production controls, such as marketing quotas. Mr. McConnell is the man he has chosen to administer marketing quotas, and Mr. McConnell thinks marketing quotas and acreage controls are socialism. So by any test of ordinary simple logic Mr. McConnell is against the program.

Surely we would not put in charge of the police department the leader of those who have been robbing banks; we would not put in charge of the public health department a carrier of diphtheria; and unless it is desired to wreck the program, neither should there be put in charge of the price-support program—a program which involves acreage controls, marketing quotas where they are necessary, and price supports—a man who says he is opposed to them, that he thinks they are a part of a national conspiracy to socialize the country, and he is against them.

Mr. LENNON. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. LENNON. I assume from what the Senator has said he believes it to be the duty of the administration to get rid of officials and employees who are seeking avowedly to destroy the policy of the Congress of the United States.

Mr. HUMPHREY. I certainly do.

Mr. LENNON. I wish to let the Senator know I share those views.

Mr. HUMPHREY. I thank the Senator very much. If we do not want to get rid of them, then we should make it crystal clear we want to destroy the policy and that we are going to get away from it. But the administration does not openly admit it wants to do that.

Mr. LENNON. Mr. President, will the Senator yield further?

Mr. HUMPHREY. I yield.

Mr. LENNON. Does the Senator believe that anyone who may have a policy or theory inconsistent with the action taken by the representatives of the people of the Nation is a person who should remove himself promptly from public office and go into a private field to press his views with respect to the matter?

Mr. HUMPHREY. If the administrator of a program which is designed and specified by public law, by the will of the Congress, is not in favor of that program, if he feels it is a danger to the country and a part of a conspiracy to socialize the Nation, he has a moral responsibility, first of all, to speak out honestly against the program, to lead the fight against the program; and, second, to resign.

Mr. LENNON. Mr. President, will the Senator yield again?

Mr. HUMPHREY. I yield.

Mr. LENNON. I assume from what the distinguished Senator from Minnesota has said he does not believe Mr. McConnell can actually carry out his stewardship to the American people, in view of the feelings he has expressed in a public statement.

Mr. HUMPHREY. That is my opinion. I want to make it clear again, I do not know Mr. McConnell as an individual. I assume and I know he must be a man of good character, because otherwise he would not have been appointed by the Secretary. I am sure he is a man of keen intellect, cultured, well-mannered, and a decent, wholesome person with good attributes. But he does not believe in the program and he has said so.

Mr. LENNON. Mr. President, will the Senator yield again?

Mr. HUMPHREY. Yes.

Mr. LENNON. Does the Senator believe that if the views of Mr. McConnell he has just quoted had been known to the Congress, and especially this side of the Congress, this Senate would have expressed itself in very vehement terms in opposition to the appointment of the man who is about to wreck the farm program?

Mr. HUMPHREY. I think Members of Congress would have been quite disturbed. I do, indeed. I doubt whether Mr. McConnell's nomination would have been confirmed by the Senate.

Mr. ANDERSON. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. ANDERSON. I wonder how far the Senator would carry that suggestion. In 1949 Secretary Brannan sent a program to the Congress of the United States. I took some responsibility for a bill which was quite contrary to the Brannan plan. Congress passed my bill. Would the Senator have recommended that Mr. Brannan promptly resign?

Mr. HUMPHREY. No; because, although Mr. Brannan did not assent to the act that was passed, he accepted it. Even though Mr. Brannan had other views which he thought were better than the act which was passed, he did not accuse Congress of a conspiracy to socialize the Nation.

I know of no time when Secretary Anderson or Secretary Brannan or Secretary anybody-I-can-remember said he thought price supports were a part of a scheme—a conspiracy, I use Mr. McConnell's word "conspiracy"—to socialize the Nation.

How a man could be in office and say that I cannot understand.

For example, let us consider Secretary Benson. Let us assume—as I think we will—that we adopt the 90 percent of parity program of price supports. Secretary Benson will say he is against that. He feels it is unwise. But if that is the will of the Congress, he will administer it. I am not going to be opposed to that, because he believes in some kind of price supports. Secretary Benson believes in price supports of 75 to 90 percent of parity.

But the gentleman I am referring to does not believe in acreage controls, or in marketing quotas, and he says they are a part of a "conspiracy."

I do not want to be personal with the gentleman. I merely want to say from an administrative point of view I think this is an unwise position to hold.

Mr. ANDERSON. Will the Senator from Minnesota yield again?

Mr. HUMPHREY. I yield.

Mr. ANDERSON. I was anxious to clear up that point, because sometimes a man has to administer a program he may personally dislike.

Mr. HUMPHREY. That is correct.

Mr. ANDERSON. I recall when a Secretary of Agriculture had to administer a potato program which he thought was terrible. He sent letter after letter to the Congress of the United States trying to get Congress to change the law. They would not change it. Nonetheless, the Secretary of Agriculture had to go ahead and administer that program to the best of his ability.

To that point, I think a man has that privilege.

Mr. HUMPHREY. There is quite a difference between appointing a man who has already expressed his opposing position, and foisting upon a man in that office a policy in which he does not concur. I shall give a classic example. I use again an example without any personal reflections at all. I refer to the Commission on Intergovernmental Relations. I got along very well with, and hold in high regard, Dean Manion, the man who was head of the Commission on Intergovernmental Relations. But I say, in all candor, that the President knew that Dr. Manion was opposed to many of his policies. He knew that before he appointed him. It became perfectly obvious that either Mr. Manion had to resign, or the President had to ask him to resign.

In politics we play for keeps, in a sense. We do not appoint people to positions merely because we think they are good fellows. Men are appointed to positions because it is believed they are in sympathy with the objectives of the administration or the program.

Either Mr. McConnell is symbolic of what the administration has in mind, or his was an appointment which should never have been made, in terms of the program outlined under the policy of Congress.

It was bad enough to have its administrative officer chosen from an area concerned more primarily with low feed prices and low fiber prices, instead of fair prices to producers. But it is even worse to find that this man is fundamentally opposed to these farm programs in

their entirety, and thinks we should have no supports at all.

Let me give more of a picture of the man now administering our price-support program. Referring to the conspiracy which Mr. McConnell charged in his address, he said:

> Our so-called food program has been wrapped up in cloaks of patriotism, fighting communism, food for defense, charity, antidepression nostrums. They would have us believe that it is our duty to feed a hungry world.

How enlightening that is. Now perhaps we are seeing why the administration has done so little to put our abundance of food to good use. Let that sink in. Here is a man who is administering a program, who ridicules the use of food to combat communism. He says, for example:

> Our so-called food program has been wrapped in the cloaks of patriotism.

Mr. President, you bet it has been. What is more patriotic than the production of food and fiber, which saves lives? Such production does not take lives. Merchants of death are not producers of food and fiber. Guns and bombs destroy life; food saves it.

I am shocked beyond words to think that there should be in a key position today a man whose duty it is to administer the price-support program, but who, nevertheless, thinks it is socialism, who thinks it is a part of a conspiracy to socialize the economy, who is opposed to price supports, and who says:

> Our so-called food program has been wrapped up in the cloaks of patriotism, fighting communism, food for defense, charity, antidepression nostrums. They would have us believe that it is our duty to feed a hungry world.

Mr. President, I do not know whether it is our duty to feed a hungry world, but when the multitude was hungry, and the Man of Galilee, the Nazarene, saw them, he fed them. Scripture tells us that they had loaves and fishes.

Have we a moral responsibility? I am not ashamed to stand on the floor of the Senate and say that if we have food in abundance, food that we cannot use, we ought to help feed a hungry world. There never will be peace in the world so long as people are in anguish, pain, and hunger.

Treaties can be signed until the Library of Congress is filled with them. But so long as there is misery, poverty, sickness, frustration, and hopelessness in the world, and something is not done to alleviate them, there will be war. A little old war, a two-bit war, a fringe war, a small war, costs more than all the agricultural programs put together.

What this country needs today is people with faith and vision, people who will work and will do what they think they should do.

Mr. McConnell is very sweeping in his charges. He says that the "socialistic" conspirators backing our farm program are aided by "professional people."

I am quoting him, now. He says they are aided by "professional people," who "are being turned out by theological seminaries, on our college campuses, writing textbooks used in our primary schools, labor leaders, in the ranks of cooperative leaders."

Let me ask: What is wrong with having idealistic people? If I am to be turned out of a school, what is wrong with being turned out of a theological school? I see nothing wrong in that.

How can it be expected that a program will work if the program is in charge of people who say it is no good, that it is a conspiracy, that it ought not to work? How can there be a food program that will work for the good of all of us if there is a man at the head of it who laughs at the doctrine of the need of food as a part of a worldwide program?

I have tried to say that the price-support program which the administration was pledged to support has not only been undermined by a legislative proposal now before the Senate, in the nature of a substitute or an amendment, but it has been undermined by the actual administration of it. No law is any good if it is not well administered.

There is no use in having the best law on the books, if it is not administered with determination. The best laws man ever devised may be enacted, but if the police department is not honest, corruption and gangsterism will be found to exist. There may be price-support laws on the books, but they will not work unless there is the determination, the will, and the imagination to enable them to work.

I am so fed up with hearing about the terrible surpluses that it has almost become a phobia with me. Despite all the cry about surplus the administration refuses to help use our abundance for the American people. The administration, despite the fact that the chairman of the Committee on Agriculture and Forestry has had a food-stamp plan in the legislative hopper for more than 2 years, has not had a letter of recommendation sent from the Bureau of the Budget to the Secretary of Agriculture in behalf of that plan. The junior Senator from Minnesota spent time and money to have research done on the quality and nutritional values of our dairy products and the possibility of implementing the diets of needy people with such products. That bill has been in the Congress for months. All one gets out of the administration is, "No. No." The administration wants to talk about mountains of butter. I serve notice on the administration that it is not going to "potato-ize" the dairy industry. It will not be allowed to brand the dairy industry of America with any kind of hokum or scandal.

Mr. Benson and his associates will find out that if that is tried they will have more trouble on their hands than they ever dreamed possible. If the officials exhibited a little more imagination, a little will, and a little determination, many of our problems would be licked.

The junior Senator from Minnesota had to call this administration's attention on the floor of the Senate, to the fact that there was starvation in the Philippine Islands. Two hundred thousand farm people lost their crops. Rodents and vermin destroyed the crops of 200,000 of our allies, our friends. Sooner or later we got a little food over there—mostly later. We have been too timid in this project of the proper utilization of our food.

Now about prices and production adjustment.

As I said a while ago, my belief is, and the records I have studied so indicate, that reduced prices do not bring about acreage reduction or production control. Price is but one of many factors. A reduced price can actually stimulate production. A reduced price can actually increase acreage. I have before me a table on acreage trends during the depression, when low prices were in effect.

I ask unanimous consent that the entire table, along with pertinent comment as a result of a study by the School of Agriculture of Purdue University, Bulletin 555, be printed in the RECORD at this point in my remarks.

There being no objection, the documents were ordered to be printed in the RECORD, as follows:

ACREAGE TRENDS DURING LOW PRICES OF DEPRESSION

ITEM I

Total planted acreage:

1929	363,000,000
1930	370,000,000
1931	371,000,000
1932	375,000,000
1933	373,000,000

Total acreage in the face of declining prices increased from 363 million to 375 million between 1929 and 1932.

ITEM II

Between 1929 and 1932 most crops show an increase in acreage planted.

Corn, from 99 million to 113 million.

Spring wheat, practically unchanged at 23 million.

Oats, from 41 million to 46 million.

Barley, practically unchanged at 14,700,000 to 14,600,000.

Flaxseed, 3,400,000 to 4,500,000.

Rice, 860,000 to 966,000.

Sorghums, 8,800,000 to 12,100,000.

Potatoes, 3,100,000 to 3,600,000.

Sweetpotatoes, 647,000 to 1,059,000.

Sugar beets, 772,000 to 812,000.

Dry edible beans, 1,900,000 to 2,300,000.

Dry field peas, 250,000 to 312,000.

Soybeans, 2,400,000 to 3,700,000.

Cow peas, 1,200,000 to 3 million.

Peanuts, 1,600,000 to 2 million.

A total of 17 crops, 267 million to 288 million.

Winter wheat, 45 million to 46 million.

Cotton, 44 million down to 36 million.

Eleven vegetable crops, 1,181,000 down to 779,000.

A total for all 52 crops, increase from 363 million to 375 million.

ITEM III

In the case of winter wheat where the acreage remained practically unchanged between 1929 and 1932, there were some States that increased acreage and some that decreased and some that remained unchanged.

Of the 32 States that grow winter wheat, 14 increased acreage, 12 decreased, and 6 remained practically unchanged.

ITEM IV

In the case of spring wheat of 11 States growing spring wheat in 1929 and 1932, 5 States increased, 5 decreased, and 1 unchanged. The total of 11 States remaining practically unchanged.

ITEM V

In the case of dry field peas, 6 States total acreage 250,000 in 1929, 257,000 in 1932—3 States increased and 3 States decreased.

ITEM VI

In the case of barley, 13 States—the total acreage practically unchanged between 1929 and 1932: 8 States increased, 4 States decreased, and 1 unchanged.

SOME CONTRASTING VIEWS

If farmers increase production when prices fall relatively, then they act contrary to their own interests and contrary to the needs of consumers. Such a situation would be intolerable and would call for a full-fledged system of government controls.

If farmers decrease production when prices fall relatively, then they make adjustments which are in the interests of all concerned, and can safely be entrusted with a large degree of freedom in planning their production. (Ezra Benson, March 10, 1954.)

SUMMARY OF CROP RESPONSES FROM THE SHORT TIME RESPONSE OF AGRICULTURAL PRODUCTION TO PRICE AND OTHER FACTORS

(Bulletin 555, Purdue University, October 1950)

In the analysis of the different crops there was some evidence that farmers as a group do, or intend to, respond to changing relative crop prices from year to year by changing the acreage planted. However, the amount of variation in either intended acreage or harvested acreage which could be explained by price changes was in many instances quite small. This was in contrast to the findings for livestock. In some of the truck and special crops more than one-half of the variation in acreage could be explained. However, only about one-fourth of the variation in wheat acreage or intended corn acreage could be explained. For some crops, price explained none of the variation in acreage. In showing slight acreage response to year-to-year price changes, farmers are behaving intelligently and in their own interests. A high price for a crop in a given year is little indication that the price will be high the following year. Consequently a close response of acreage to price from year to year for crops would mean unwise resource allocation and lower incomes for farmers. Among the various farm products the price in a given year has been erratic in its relationships to the price the preceding year. A high price in a given year might be followed by another high price, by a low price, or by an average price. The relationship was not generally significant.

Mr. HUMPHREY. I make note of the study that was made by Purdue University, which states in part:

In showing slight acreage response to year-to-year price changes, farmers are behaving intelligently and in their own interests. A high price for a crop in a given year is little indication that the price will be high the following year. Consequently a close response of acreage to price from year to year for crops would mean unwise resource allocation and lower incomes for farmers.

That statement by Don Paarlberg—refuting the Secretary he now serves as an assistant—along with the statistical totals year to year, will be of great help to those who are trying to make a careful analysis as to whether flexible price supports will really reduce our supplies.

Mr. President, I wish to mention a word about public opinion on the question, because time after time statements have been made about city opposition to farm programs. As a Senator coming from a Midwestern State, I wish to point out that there are more people living in cities than on farms in my State. The majority of the people in Minnesota live in cities rather than on farms, despite the fact that Minnesota is supposed to be such a large farm State. Farmers have radios and television sets in Minnesota. There is no farm and city attitude. We are members of the same family. I notice a determined effort is being made by the administration to sever, and cut down the middle, consumer from producer, farmer from city worker. It is a determined effort to divide and conquer. I have some interesting information that will help us understand a little how the city man feels about the question.

Mr. Silvester J. Meyers, president of the Chicago Board of Trade, recently appeared in Washington and mentioned the fact that farm prices were getting so high that farmers might price their products right out of the market place. Let us see what a proper response to that statement would be. I wonder why Mr. Meyers did not go over to the Secretary of Commerce and have Mr. Weeks announce that some other prices are getting pretty high? No; just farm prices. Mr. Meyers preached the same line that has been preached by the Secretary of Agriculture. This is what he said:

Ominous signs in all sections of the country that city taxpayers are in no mood to continue to tolerate high price supports on farm products.

That is the president of the Chicago Board of Trade speaking. I welcome his testimony. Every man has a right to be heard. I accept his testimony with the proper objectivity. I am quite confident that the Chicago Board of Trade has never shown too much interest in the general well-being of the individual farm producer.

Mr. Meyers said further:

It is not inconceivable that city people will force the withdrawal of all aid for agriculture unless intelligent attempts are made to appreciably reduce this tax burden.

Listen, Mr. Meyers, what tax burden? What tax burden is put on this country by the farmers that other persons do not put on the country? Farmers pay taxes, and farmers have fewer ways of getting out of paying taxes. Farmers do not receive 23, 25, and 26 percent depletion allowances on the fertility of their soil. Farmers do not get "split-offs" and "spin-offs" and "corporate this" and "corporate that"; they pay taxes, and their income tax rates are high.

What Mr. Meyers should be concerned about is making sure that farmers earn enough money so they may pay taxes, and so the Chicago Board of Trade will be a whole lot better off.

Some time when I am in Chicago I am going to see Mr. Meyers. I am sure he is a very fine man, but some of these men who get into high positions forget whence they came.

The whole Chicago Board of Trade is not worth any more than the smallest farmer in America. It is only as strong as the farmers of America. These gigantic industrial and business organizations came crawling to Washington in 1933. They were the first to get at the trough. They were the first to get the help of RFC. They were the first to be bailed out. Now they are mighty, and they come to Washington and say the farmer has to reduce his prices or they will get mad and put the "clamps" on him and the farmer will get more.

We will see about that. I am glad the American people have not been listening to the board of trade too often. That is why we have a board of trade. We would not have a board of trade very long if people listened to its advice.

A research firm by the name of Alfred Politz Research, has been doing some excellent work on public opinion surveys. Politicians, as well as commercial enterprises, use those studies. Alfred Politz is one of the leading research men in the country in the field of public opinion studies.

His nationwide study asked the question among city people: "Do you think that the Government favors or helps any of the following groups more than it favors others: labor, industry, farmers?"

Sixty-one and eight-tenths percent said they thought the Government helped all groups of our economy the same. Only 17.2 percent thought farmers were helped more than other segments.

But in further support of my contention that Secretary Benson and men like Mr. Meyers are building a mountain out of a molehill, on the fallacy of consumer opposition to price supports, let me report further on the Politz Research study. It was found, in the course of that study, that only 52.4 percent of the people had even heard of price supports. The remaining 47.6 percent had not even heard of price supports at all.

Mr. President, how can there be such a consumer uprising about something that half of the consumers have never even heard about?

Among those who had heard about price supports, only 57.5 percent could give a correct definition of what price supports were. Another 18.7 percent thought they knew what price supports were, but they were mistaken. Twenty-three and eight-tenths percent simply could not define price supports at all.

Mr. President, if the Department of Agriculture would quit trying to set the workers against the farmers, and would quit trying to set the housewives against the producers of agricultural commodities, there would not be any so-called uprising. Of course, it is easy to start trouble; it is comparatively easy to start an uprising. What we have in the Department are troublemakers.

Now let us look at parity prices, Mr. President. Some people tell us that the consumers might not object to price supports, but they do not think farmers should get parity prices. In that connection, Mr. President, what do the Politz studies show? They show that 59 percent of the people had never heard of parity prices. Only 41 percent of the people had heard of them.

Of the minority who had heard of parity prices, 61.7 percent were able to give a correct definition of parity prices. Twelve and five-tenths percent gave a wrong definition. Twenty-five and eight-tenths percent did not know what parity prices are and admitted it.

Among those who were interviewed, only 25.5 percent thought it was not a

good idea for the Government to set the bottom price for farm products. Fifty and nine-tenths percent thought it was a good idea. The remaining 23.6 percent had no opinion.

So, Mr. President, twice as many persons in that consumer study thought it was a good idea for the Government to set bottom prices for farm commodities, as compared with the number of those who thought it was a bad idea. Incidentally, let me point out that the study was made among city people, among consumers living in cities. Furthermore, just for the record, let me point out that the survey also showed that more consumers thought it was a good idea for the Government to buy the surplus; and a smaller number of consumers thought it was a bad idea.

Mr. President, the American people are pretty smart—smarter than some people in the United States who are trying to educate them.

Among the persons interviewed in the course of the survey who did think it was a bad idea for the Government to set bottom prices for agricultural products, only 4.2 percent thought it resulted in keeping too high the prices that consumers have to pay for agricultural commodities.

I believe that this study refutes many of the contentions of the foes of an effective farm program, and I believe it should bolster the backbone of some of the city Members of Congress who otherwise might be stampeded into voting against our farm programs.

Mr. President, I shall not speak further regarding the agricultural program. I have already taken more time than I should have.

I appreciate very much the colloquy we have had today; there has been great participation in the debate.

I wish to say that the argument that the consumer is injured by high price supports cannot be verified or supported.

On previous days I have submitted, for printing in the RECORD, statistical records showing the purchasing power of the worker's dollar today, as compared with its purchasing power in the 1930's, 1940's, and also in 1929. Today the American worker can buy more food with his dollar than can any other worker in the world. I want the RECORD to show clearly that nowhere else in the world is so small a proportion of the per capita income of the workers spent for food and fiber. In all the world, the American consumer spends the least of his per-capita income for food and fiber. The American consumer is the best fed, best clothed consumer in the world. He has the best diet, and the best variety of food and fiber from which to choose. The average citizen of the United States spends less of his income for food and fiber than does any other person in the world.

So, Mr. President, what are we complaining about? When we consider the cost of food to American consumers, I remind my colleagues—and I have tables to support this assertion—that when the cost of food in the United States has risen, it has not risen as much as have rents or the cost of many other items which go to make up the average family budget. The tables and statistics in support of that assertion are available, Mr. President. Of course, later in the debate I shall very likely get into an argument with one or another of my colleagues, and in that connection I shall very likely refer to those tables.

Finally, Mr. President, I wish to state that if we desire to have soil conservation practiced by American farmers, there must be adequate farm income. In that connection, I wish to state that I now hold in my hand a letter from the Acting Administrator of the Soil Conservation Service of the United States Department of Agriculture, Mr. Gladwin E. Young. His letter is dated June 15, 1954. Listen to this part of his letter, Mr. President:

> Our records indicate that during the current economic squeeze which farmers are experiencing, there has been a falling off of requests for Service assistance on the more costly practices such as terracing. In other words, it appears that when farm income is down, farmers go a little slower in investing capital for conservation practices which require a period of time to make a profit.

Mr. President, that is what the expert says.

Now let me read what the Minneapolis Star had to say. Of course the Minneapolis Star is in favor of the Eisenhower program. Name almost anything, and if it has the Eisenhower label, the Minneapolis Star is in favor of it.

The headline of the editorial is, "Unwise Land Use."

I read from the editorial:

> Some time ago this editorial page got into an exchange of opinions regarding the "costs" of Federal high-price-support programs for agricultural products. We noted you can't merely add up administration costs and benefit payments.

This editorial was written when the Minneapolis Star was taking after me, let me say to my colleagues. That is its regular procedure.

The editorial proceeds to refer to a picture, published on the same page, showing parched land near Texas and New Mexico border—final cost to Nation cannot be estimated.

Listen to what the editorial has to say on that score, Mr. President:

> This picture conveys dramatically what happens when land which probably should never have been broken by the plow in the first place—or, having been broken, should have been handled with the greatest possible diligence with regards to soil-conservation practices—is subjected to intensive cultivation year after year. The shocking part of it, of course, is that such costly farming was actually encouraged under past high-support-price programs.

In other words, the high price supports encourage wasting the land; that is what the editorial is saying. If we correctly interpret the editorial, it is saying that higher price supports are in opposition to sound soil conservation.

But what does the Acting Administrator of the Soil Conservation Service of the United States Department of Agriculture say? The Acting Administrator, Mr. Gladwin E. Young, says in his letter of June 15, 1954:

> Our records indicate that during the current economic squeeze which farmers are experiencing, there has been a falling off of requests for Service assistance on the more costly practices such as terracing.

Mr. President, we know that terracing is a very important form of soil conservation.

I read further from the letter of the Acting Administrator of the Soil Conservation Service:

> In other words, it appears that when farm income is down, farmers go a little slower in investing capital for conservation practices which require a period of time to make a profit.

Mr. President, let me comment on the phrase "when farm income is down." What causes it to go down? That is brought about in two ways: a falling off of production or a falling off of price. Well, it is perfectly obvious, according to the complaints about the surpluses, that production is good. So the price is what has been falling off; the price is what is down.

Mr. President, if we wish to have soil conservation practices engaged in, we must have an adequate farm income; and if we wish to have an adequate farm income, we must have adequate production and good prices.

I must say that I am rather shocked to see the propaganda campaign on the part of the Department of Agriculture, with the production of various maps and charts, such as the ones I have seen, and about which I spoke on yesterday. I leave it to any fairminded person to judge the implication of charts such as chart No. 6, which was placed on our desks yesterday. The heading of the chart is "Cash Receipts From Nonsupported Commodities and Dairy Products."

The obvious connotation is, of course, that all of them are nonsupported. However, following the word "products," there is an asterisk; and at the bottom of the page there appears in small type, following a corresponding asterisk—and of course, here we see the really objective treatment—with full prejudice:

> Most of the purchases of dairy products for price support are concentrated in five States—Wisconsin, Minnesota, Illinois, Missouri, and Iowa—with Nebraska and New York ranking next.

Mr. President, that statement was just about as necessary as an explanation that there is dandruff on the head of the Acting Secretary. Mr. President, why was it felt necessary to single out that group? Why did they not say that most of the tomatoes or most of the grapefruit are produced in Florida or in Arizona?

Mr. HOLLAND. Mr. President, will the Senator from Minnesota yield?

The PRESIDING OFFICER (Mr. PAYNE in the chair). Does the Senator from Minnesota yield to the Senator from Florida?

Mr. HUMPHREY. I yield.

Mr. HOLLAND. The answer is that tomatoes and grapefruit were not being purchased by the United States Government.

Mr. HUMPHREY. Well, tomatoes and grapefruit are not being purchased by the Government because they are selling at prices which are being fixed by

marketing agreements; and if the Senator from Florida wishes to have us discuss how those agreements work, in fixing the prices and in limiting the amounts available, we shall proceed to discuss that subject.

Mr. HOLLAND. Mr. President, will the Senator from Minnesota yield further to me?

Mr. HUMPHREY. I yield.

Mr. HOLLAND. Unfortunately, Mr. President, the Senator from Minnesota does not have the correct information. There are no marketing agreements on tomatoes.

Mr. HUMPHREY. There is a marketing agreement on grapefruit, and we have little embargoes on tomatoes.

Mr. HOLLAND. There is no marketing agreement on tomatoes, and the marketing agreement on grapefruit, unfortunately, has not been able to make raising grapefruit a profitable venture for the past 2 years.

Mr. HUMPHREY. I am now getting the information that grapefruit is not a profitable venture, which proves that the program is not working.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield to the Senator from Illinois.

Mr. DOUGLAS. I should like to ask the Senator from Minnesota a question about these charts. They apparently aim to prove that the price-supported commodities form only a small percentage of the total agricultural output.

Mr. HUMPHREY. That is correct; that is what the charts show.

Mr. DOUGLAS. What they apparently show. But chart 1, for instance, shows cash receipts from basic commodities, the six basics on which price supports are fixed legislatively, but it does not include the commodities whose prices are fixed by administrative fiat, notably dairy products.

Mr. HUMPHREY. That is correct.

Mr. DOUGLAS. Is there anywhere in this series of charts a combination of the percentage of the product of the six basics in the various States, plus the dairy products, and the other products on which prices are fixed by administrative fiat?

Mr. HUMPHREY. There is not. There is no such chart. There is no chart which shows, for example, even the six basic crops and dairy products, on which there are mandatory price supports. There is none.

Mr. DOUGLAS. Everything else is shown, but that is not shown.

Mr. HUMPHREY. That is correct. That is a part of the game of divide and conquer.

As I pointed out the other day, when departmental officials are in North Carolina and in South Carolina, they tell how well the cotton price-support program works.

Then they tell the folks, of course, the real problem involves dairy products, and where do they buy all the dairy products for Government storage? They buy them in Minnesota, Wisconsin, Iowa, and other States.

Then they come up my way and talk about how wonderful the corn-support program works. What is the real problem? It is that we have to have peanuts under price supports, they say, and other statements like that. We hear those comments.

It is not possible to work both sides of the street on this farm price-support program. My protest is not over whether the figure is 75 to 90. There is room for honest difference of opinion. I respect the judgment of men who believe that from 75 to 90 percent is the proper spread for price supports. But I do not like to have a program which has done so much good look as if all at once it was the greatest mistake our Government ever made; taking the fact that we have a momentary and temporary surplus, and making it appear as though it will always be there, and exaggerating that surplus.

I wish that the newspapers of this country would carry every day, as they seem to be carrying articles with respect to agricultural surpluses, information as to the stockpile of metals we have.

I wish that they would list every day the inventory that we have in our great economy, and, by the way, any man who knows about inventory knows that the storage charges for inventory in private enterprises are charged up to the commodities. The taxpayer pays for that. It does not take too big a businessman to know the difference in how you handle an inventory. Of course, an inventory is considered both an asset, and the costs of it are considered to be an expense, which you pass on to the consumer.

Mr. President, I will conclude by reading a letter, a copy of which I received, which was sent to the President. It is addressed to President Dwight Eisenhower, White House, Washington, D. C. This is a letter from an ordinary American citizen. It says:

> There is still time for us to see sound Christian principles placed ahead of misguided economic theories relative to the farm program. The only approach based on sound moral foundations is the idea which assures bountiful production—with the farmer receiving fair prices for his products.
>
> This cannot be done on the free market. Even if production were equal to demand, the record shows that the free market would force upon us the unethical proposition whereby the farmer would have to accept prices far below that to which he is entitled. There is every indication that if the farmer were to get a fair price in the marketplace, he would have to embark on a program of planned, deliberate scarcity.
>
> Surely we can't ask our people to be finagled into such an unhuman, uncivilized situation. Whether he be consumer or producer, the American has a right to expect that the leaders of our Nation will not sell him short. Both will be sold short if we tell the farmer he should have a fair price, and then lead him to the inevitable theme of "planned scarcity" of food and fiber—to get a price. All average citizens will lose, but it will be the only alternative if the "price-flexer" wins. Let's not allow atheism to take over our farm program.
>
> Respectfully yours,
>
> C. W. HESS.

I do not think atheism has taken it over. I think the man went too far in that last sentence, but I want to say that he surely understands what is going on. He understands that the only way the sliding scale works is on the principle of scarcity. When the supply of a commodity is less than the demand, then it is taken for a ride in the market.

Production in abundance is the fair way to take care of the consumer and the producer. Scarcity is an unethical way. Scarcity is the grabber's way. Scarcity is the profiteer's way, the speculator's way. I say it is un-American.

This country has been based upon the proposition of abundance for all—not scarcity. Scarcity is the one way to make the marketplace a gambler's paradise.

An economic philosophy based upon scarcity is an economic philosophy that is based upon trouble, because scarcity leads just to that, and abundance leads to plenty.

I yield the floor.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its clerks, announced that the House had agreed to the amendment of the Senate to the bill (H. R. 9077) to amend section 405 of the District of Columbia Law Enforcement Act of 1953, to make available to the judges of such District the psychiatric and psychological services provided for in such section.

The message also announced that the House had disagreed to the amendment of the Senate to the bill (H. R. 8152) to extend to June 30, 1955, the direct home and farmhouse loan authority of the Administrator of Veterans' Affairs under title III of the Servicemen's Readjustment Act of 1944, as amended, to make additional funds available therefor, and for other purposes; asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mrs. ROGERS of Massachusetts, Mr. KEARNEY, Mr. AYRES, Mr. TEAGUE, and Mr. DORN of North Carolina were appointed managers on the part of the House at the conference.

The message further announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 9936) making supplemental appropriations for the fiscal year ending June 30, 1955, and for other purposes; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. TABER, Mr. CANNON, and; on chapters 1, 2, 4, 11, 12, and 13, Mr. WIGGLESWORTH, Mr. ANDERSEN and Mr. GARY; on chapter 3, Mr. CLEVENGER, Mr. BOW, and Mr. ROONEY; on chapter 5, Mr. JENSEN, Mr. BUDGE, and Mr. FERNANDEZ, on chapter 6, Mr. H. CARL ANDERSEN, Mr. HUNTER, and Mr. WHITTEN; on chapter 7, Mr. JENSEN, Mr. FENTON, and Mr. NORRELL; on chapter 8, Mr. PHILLIPS, Mr. JONAS of North Carolina, and Mr. THOMAS; on chapters 9 and 10, Mr. DAVIS of Wisconsin, Mr. CEDERBERG, and Mr. RABAUT, were appointed managers on the part of the House at the conference.

The message also announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 703. An act for the relief of Edwin K. Stanton;

H. R. 717. An act for the relief of Henriette Matter;

H. R. 785. An act for the relief of Apostolos Vasili Percas;

H. R. 822. An act for the relief of Sister Giuseppina Giaccone;

H. R. 826. An act for the relief of Zbigniew Wolynski;

H. R. 832. An act for the relief of Katharine Balsamo;

H. R. 839. An act for the relief of Sister Mary Gertrude (Mary Gertrude Kelly);

H. R. 877. An act for the relief of Nasser Esphahanian;

H. R. 1156. An act for the relief of William H. Barney;

H. R. 1157. An act for the relief of Herbert Roscoe Martin;

H. R. 1622. An act for the relief of Agustin Mondreal;

H. R. 1627. An act for the relief of Johann Groben;

H. R. 1701. An act for the relief of Ewing Choat;

H. R. 1785. An act for the relief of Mr. and Mrs. Herman E. Mosley, as natural parents of Herman E. Mosley, Jr.;

H. R. 2015. An act to authorize the sale of certain land in Alaska to Lloyd H. Turner, of Wards Grove, Alaska;

H. R. 2358. An act for the relief of Dr. Vahram Uluhogian;

H. R. 2393. An act for the relief of Brother Eugene Cumeriate;

H. R. 2415. An act for the relief of Nicholas John Manticas, Anne Francis Manticas, Yvonne Manticas, Mary Manticas, and John Manticas;

H. R. 2480. An act for the relief of Charlotte Margarita Schmidt;

H. R. 2483. An act for the relief of Giacomo Bartolo Vanadia;

H. R. 2647. An act for the relief of Angelita Haberer;

H. R. 2674. An act for the relief of Dr. Paul Keuk Chang;

H. R. 2794. An act for the relief of Mrs. Claire Godrean Daigle;

H. R. 2799. An act for the relief of Gertrud Babette Kraeutter;

H. R. 2901. An act for the relief of Tokuko Kobayashi and her minor son;

H. R. 3013. An act for the relief of Spyridon Saintoufis and Mrs. Efrossini Saintoufis;

H. R. 3014. An act for the relief of Dr. Alfred L. Smith;

H. R. 3024. An act for the relief of Sergio Emeric;

H. R. 3144. An act for the relief of Elias Y. Richa;

H. R. 3237. An act for the relief of Paul Nelson;

H. R. 3330. An act for the relief of Milos Hamza and Mrs. Jirina Hamza;

H. R. 3388. An act for the relief of Louie Ella Attaway;

H. R. 3447. An act for the relief of Maria Paccione Pica;

H. R. 3507. An act for the relief of Major Elias M. Tsougranis;

H. R. 3665. An act for the relief of Marko Ribic;

H. R. 4015. An act for the relief of Josef, Paula, and Kurt Friedberg;

H. R. 4054. An act for the relief of Jorge Sole Massana and Montserrat Thomasa-Sanchez Massana;

H. R. 4427. An act for the relief of Mrs. Helena Piasecka;

H. R. 4522. An act for the relief of Petrus Van Keer;

H. R. 4908. An act for the relief of Pietro Petralia;

H. R. 4969. An act for the relief of Basilios Xarhoulacos;

H. R. 4975. An act to prescribe a method by which the Houses of Congress and their committees may invoke the aid of the courts in compelling the testimony of witnesses;

H. R. 5194. An act for the relief of Pauline Katzmann;

H. R. 5344. An act for the relief of Bob Kan and Fourere Kan;

H. R. 5749. An act for the relief of Maria Teresa Lubiato;

H. R. 5762. An act for the relief of Suren Pelenghian;

H. R. 5870. An act conferring jurisdiction upon the United States District Court for the Eastern District of South Carolina to hear, determine, and render judgment upon certain claims of Roderick D. Strawn;

H. R. 5978. An act for the relief of Chung Fook Yee Chung;

H. R. 6266. An act for the relief of Frank Robert Gage;

H. R. 6531. An act for the relief of Pauline H. Corbett;

H. R. 6858. An act for the relief of Mrs. Efthemia Soteralis;

H. R. 7033. An act for the relief of Mrs. Anna J. Weigle;

H. R. 7051. An act for the relief of Mary George Solomon;

H. R. 7073. An act for the relief of Vito Magistrale;

H. R. 7080. An act for the relief of Bartolomeo Montalto;

H. R. 7151. An act for the relief of Mazal Kolman;

H. R. 7228. An act for the relief of Christine Susan Caiado;

H. R. 7229. An act to provide for the conveyance to T. M. Pratt and Annita C. Pratt of certain real property in Stevens County, Wash.;

H. R. 7262. An act for the relief of Rosa Maria Phillips, nee Vollmer;

H. R. 7343. An act for the relief of Hildegart Liselotte Budesheim and her minor child;

H. R. 7463. An act for the relief of Theodora Sammartino;

H. R. 7497. An act for the relief of Roy M. Butcher;

H. R. 7498. An act for the relief of David Manuel Porter;

H. R. 7499. An act for the relief of Charles Chan;

H. R. 7572. An act for the relief of Mrs. Marjorie Fligor (nee Sproul);

H. R. 7579. An act for the relief of Mrs. Anita Scavone;

H. R. 7581. An act for the relief of Gaetano Conti;

H. R. 7594. An act for the relief of Yin Mow Moy;

H. R. 7750. An act for the relief of Kermit R. Lay, Sr.;

H. R. 7828. An act for the relief of Mariana George Loizos Kellis;

H. R. 7829. An act for the relief of Shimasoi Michiko;

H. R. 7834. An act for the relief of Erika Schneider Buonasera;

H. R. 7885. An act for the relief of Sohan Singh Rai and Jogindar Kaur Rai;

H. R. 7938. An act for the relief of Miss Martha Heuschele;

H. R. 7987. An act for the relief of Roger Feghali;

H. R. 8065. An act for the relief of Carlos Francisco, Manriqueta Mina, and Roberto Mina Ver;

H. R. 8066. An act for the relief of Mrs. Gertrud Eckerl Strickland;

H. R. 8183. An act for the relief of Elfriede Ida Geissler;

H. R. 8375. An act for the relief of Ilse Radler Hughes;

H. R. 8413. An act for the relief of Sigrid Brinkhoff;

H. R. 8424. An act for the relief of Mrs. Else Johnson;

H. R. 8606. An act for the relief of Neil C. Hemmer and Mildred Hemmer;

H. R. 8694. An act for the relief of Suzanne L'Heureux;

H. R. 8810. An act for the relief of William Martin, of Tok Junction, Alaska;

H. R. 8812. An act for the relief of Robert Francis Symons;

H. R. 8936. An act for the relief of Dana Evanovich;

H. R. 9103. An act for the relief of Rose Mary Keser;

H. R. 9336. An act for the relief of Marianne Geymeier;

H. R. 9496. An act for the relief of Elisabeth Hoeft;

H. R. 9671. An act for the relief of Dr. Liang Nun Wang and his wife and child, Fa-chi Ling Wang and Eileen Wang;

H. R. 9910. An act to amend section 413 (b) of the Foreign Service Act of 1946;

H. R. 9953. An act for the relief of Mr. Fu-Ho Chan, Mrs. Fu-Ho Chan, and their child, Richard Chan; and

H. R. 9996. An act for the relief of Susan Ellen Heiney.

ADDITIONAL HOUSE BILLS REFERRED

The following additional bills were severally read twice by their titles, and referred as indicated:

H. R. 703. An act for the relief of Edwin K. Stanton;

H. R. 717. An act for the relief of Henriette Matter;

H. R. 785. An act for the relief of Apostolos Vasili Percas;

H. R. 822. An act for the relief of Sister Giuseppina Giaccone;

H. R. 826. An act for the relief of Zbigniew Wolynski;

H. R. 832. An act for the relief of Katharine Balsamo;

H. R. 839. An act for the relief of Sister Mary Gertrude (Mary Gertrude Kelly);

H. R. 877. An act for the relief of Nasser Esphahanian;

H. R. 1156. An act for the relief of William H. Barney;

H. R. 1157. An act for the relief of Herbert Roscoe Martin;

H. R. 1622. An act for the relief of Agustin Mondreal;

H. R. 1627. An act for the relief of Johann Groben;

H. R. 1701. An act for the relief of Ewing Choat;

H. R. 1785. An act for the relief of Mr. and Mrs. Herman E. Mosley, as natural parents of Herman E. Mosley, Jr.;

H. R. 2358. An act for the relief of Dr. Vahram Uluhogian;

H. R. 2393. An act for the relief of Brother Eugene Cumeriate;

H. R. 2415. An act for the relief of Nicholas John Manticas, Anne Francis Manticas, Yvonne Manticas, Mary Manticas, and John Manticas;

H. R. 2480. An act for the relief of Charlotte Margarita Schmidt;

H. R. 2483. An act for the relief of Giacomo Bartolo Vanadia;

H. R. 2647. An act for the relief of Angelita Haberer;

H. R. 2674. An act for the relief of Dr. Paul Keuk Chang;

H. R. 2794. An act for the relief of Mrs. Claire Godrean Daigle;

H. R. 2799. An act for the relief of Gertrud Babette Kraeutter;

H. R. 2901. An act for the relief of Tokuko Kobayashi, and her minor son;

H. R. 3013. An act for the relief of Spydiron Saintoufis and Mrs. Efrossini Saintoufis;

H. R. 3014. An act for the relief of Dr. Alfred L. Smith;

H. R. 3024. An act for the relief of Sergio Emeric;

H. R. 3144. An act for the relief of Elias Y. Richa;

H. R. 3237. An act for the relief of Paul Nelson;

H. R. 3330. An act for the relief of Milos Hamza and Mrs. Jirina Hamza;

H. R. 3388. An act for the relief of Louie Elia Attaway;

H. R. 3447. An act for the relief of Maria Paccione Pica;

H. R. 3507. An act for the relief of Maj. Elias M. Tsougranis;

H. R. 3665. An act for the relief of Marko Ribic;

H. R. 4015. An act for the relief of Josef, Paula, and Kurt Friedberg;

H. R. 4054. An act for the relief of Jorge Sole Massana and Montserrat Thomasa-Sanchez Massana;

H. R. 4427. An act for the relief of Mrs. Helena Piasecka;

H. R. 4522. An act for the relief of Petrus Van Keer;

H. R. 4908. An act for the relief of Pietro Petralia;

H. R. 4969. An act for the relief of Basilios Xarhoulacos;

H. R. 4975. An act to prescribe a method by which the Houses of Congress and their committees may invoke the aid of the courts in compelling the testimony of witnesses;

H. R. 5194. An act for the relief of Pauline Katzmann;

H. R. 5344. An act for the relief of Bob Kan and Fourere Kan;

H. R. 5749. An act for the relief of Maria Teresa Lubiato;

H. R. 5762. An act for the relief of Suren Pelenghian;

H. R. 5870. An act conferring jurisdiction upon the United States District Court for the eastern district of South Carolina to hear, determine, and render judgment upon certain claims of Roderick D. Strawn;

H. R. 5978. An act for the relief of Chung Fook Yee Chung;

H. R. 6266. An act for the relief of Frank Robert Gage;

H. R. 6521. An act for the relief of Pauline H. Corbett;

H. R. 6858. An act for the relief of Mrs. Efthemia Soteralis;

H. R. 7033. An act for the relief of Mrs. Anna J. Weigle;

H. R. 7073. An act for the relief of Vito Magistrale;

H. R. 7080. An act for the relief of Bartolomeo Montalto;

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H. R. 7572. An act for the relief of Mrs. Marjorie Fligor (nee Sproul);

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H. R. 7581. An act for the relief of Gaetano Conti;

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H. R. 7750. An act for the relief of Kermit R. Lay, Sr.;

H. R. 7828. An act for the relief of Mariana George Loizos Kellis;

H. R. 7829. An act for the relief of Shimasoi Michiko;

H. R. 7834. An act for the relief of Erika Schneider Buonasera;

H. R. 7885. An act for the relief of Sohan Singh Rai and Jogindar Kaur Rai;

H. R. 7938. An act for the relief of Miss Martha Heuschele;

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H. R. 8065. An act for the relief of Carlos Francisco, Manriqueta Mina, and Roberto Mina Ver;

H. R. 8066. An act for the relief of Mrs. Gertrud Eckerl Strickland;

H. R. 8183. An act for the relief of Elfriede Ida Geissler;

H. R. 8375. An act for the relief of Ilse Radler Hughes;

H. R. 8413. An act for the relief of Sigrid Brinkhoff;

H. R. 8424. An act for the relief of Mrs. Else Johnson;

H. R. 8606. An act for the relief of Neil C. Hemmer and Mildred Hemmer;

H. R. 8810. An act for the relief of William Martin, of Tok Junction, Alaska;

H. R. 8812. An act for the relief of Robert Francis Symons;

H. R. 8936. An act for the relief of Dana Evanovich;

H. R. 9103. An act for the relief of Rose Mary Keser;

H. R. 9336. An act for the relief of Marianne Geymeier;

H. R. 9496. An act for the relief of Elisabeth Hoeft;

H. R. 9671. An act for the relief of Dr. Liang Nun Wang and his wife and child, Fa-chi Ling Wang and Eileen Wang;

H. R. 9953. An act for the relief of Mr. Fu-Ho Chan, Mrs. Fu-Ho Chan, and their child, Richard Chan; and

H. R. 9996. An act for the relief of Susan Ellen Heiney; to the Committee on the Judiciary.

H. R. 2015. An act to authorize the sale of certain land in Alaska to Lloyd H. Turner, of Wards Cove, Alaska; and

H. R. 7229. An act to provide for the conveyance to T. M. Pratt and Annita C. Pratt of certain real property in Stevens County, Wash.; to the Committee on Interior and Insular Affairs.

H. R. 7051. An act for the relief of Mary George Solomon; and

H. R. 8694. An act for the relief of Suzanne L'Heureux; ordered to be placed on the calendar.

H. R. 9910. An act to amend section 413 (b) of the Foreign Service Act of 1946; to the Committee on Foreign Relations.

TERMINATION OF FEDERAL SUPERVISION OVER PROPERTY OF KLAMATH TRIBE OF INDIANS, OREGON

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the bill (S. 2745) to provide for the termination of Federal supervision over the property of the Klamath Tribe of Indians located in the State of Oregon and the individual members thereof, and for other purposes, which were, on page 3, line 20, strike out "7" and insert "6"; on page 3, strike out all after line 22 over to and including line 25 on page 4 and insert:

SEC. 5. (a) The Secretary is authorized and directed to select and retain by contract, at the earliest practicable time after the enactment of this act and after consultation with the tribe at a general meeting called for that purpose, the services of qualified management specialists who shall—

(1) cause an appraisal to be made, within not more than 12 months after their employment, or as soon thereafter as practicable, of all tribal property showing its fair market value by practicable logging or other appropriate economic units;

(2) give each adult member of the tribe, immediately after the appraisal of the tribal property, an opportunity to elect for himself, and, in the case of a head of a family, for the members of the family who are minors, to withdraw from the tribe and have his interest in tribal property converted into money and paid to him, or to remain in the tribe and participate in the tribal management plan to be prepared pursuant to paragraph (5) of this subsection;

(3) determine and select the portion of the tribal property which if sold at the appraised value would provide sufficient funds to pay the members who elect to have their interests converted into money, arrange for the sale of such property, and distribute the proceeds of sale among the members entitled thereto: *Provided*, That whenever funds have accumulated in the amount of $200,000 or more, such funds shall be distributed pro rata to the members who elected to take distribution of their individual shares, and thereafter similar pro rata distribution shall be made whenever funds have accumulated in the amount of $200,000 or more until all of the property set aside for sale shall have been sold and the proceeds distributed: *Provided further*, That any such member shall have the right to purchase any part of such property for not less than the highest offer received by competitive bid, and to apply toward the purchase price all or any part of the sum due him from the conversion of his interest in tribal property: *Provided further*, That when determining and selecting the portion of the tribal property to be sold, due consideration shall be given to the use of such property for grazing purposes by the members of both groups of the tribe;

(4) cause such studies and reports to be made as may be deemed necessary or desirable by the tribe or by the Secretary in connection with the termination of Federal supervision as provided for in this act; and

(5) cause a plan to be prepared in form and content satisfactory to the tribe and to the Secretary for the management of tribal property through a trustee, corporation, or other legal entity.

(b) Such amounts of Klamath tribal funds as may be required for the purposes of this section shall be available for expenditure by the Secretary: *Provided*, That the expenses incident to the sale of property and the distribution of proceeds of sale pursuant to paragraph (3) of this subsection shall be charged exclusively to the interests of the members who withdraw from the tribe, and the expenses incurred under paragraphs (4) and (5) of this subsection shall be charged exclusively to the interests of the members who remain in the tribe, and all other expenses under this section shall be charged to the interests of both groups of members.

On page 4, after line 25, insert:

SEC. 6. (a) The Secretary is authorized and directed to execute any conveyancing instrument that is necessary or appropriate to convey title to tribal property to be sold in accordance with the provisions of paragraph (3) of subsection (a) of section 5 of this act, and to transfer title to all other tribal property to a trustee, corporation, or other legal entity in accordance with the plan prepared pursuant to paragraph (5) of subsection (a) of section 5 of this act.

(b) It is the intention of the Congress that all of the actions required by sections 5 and 6 of this act shall be completed at the earliest practicable time and in no event later than 4 years from the date of this act.

(c) Members of the tribe who receive the money value of their interests in tribal property shall thereupon cease to be members of the tribe: *Provided*, That nothing shall prevent them from sharing in the proceeds of tribal claims against the United States.

On page 5, line 1, strike out "6" and insert "7"; on page 5, strike out all after line 11 over to and including line 11 on page 7; on page 8, line 4, after "of", insert "this"; on page 10, strike out all after

line 19 over to and including line 3 on page 11 and insert:

SEC. 12. Sections 2, 3, 4, 5, and 6 of the act of August 28, 1937 (50 Stat. 872, 873), and section 2 (a) of the act of August 7, 1939 (53 Stat. 1253), are repealed effective on the date of the transfer of title to tribal property to a trustee, corporation, or other legal entity pursuant to section 6 of this act. All loans made from the reimbursable loan fund established by section 2 of the act of August 28, 1937 (50 Stat. 872), and all other loans made from Klamath tribal funds, including loans of livestock made by the tribe repayable in kind, shall be transferred to the tribe for collection in accordance with the terms thereof.

On page 12, line 21, strike out "ten" and insert "fifteen"; on page 15, line 3, strike out "tribe," and insert "tribe"; and on page 15, strike out lines 6 and 7 and insert:

SEC. 21. Nothing contained in this act shall deprive the tribe or its constituent parts of any right, privilege, or benefit granted by the act of August 13, 1946 (60 Stat. 1049).

Mr. CORDON. I move that the Senate concur in the amendments of the House.

The motion was agreed to.

TERMINATION OF FEDERAL SUPERVISION OVER PROPERTY OF CERTAIN TRIBES AND BANDS OF INDIANS IN WESTERN OREGON

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 2746) to provide for the termination of Federal supervision over the property of certain tribes and bands of Indians located in western Oregon and the individual members thereof, and for other purposes, which was, on page 10, line 15, strike out all after "(b)" down to and including "citizens" in line 18 and insert "Nothing in this act shall affect the status of the members of a tribe as citizens of the United States."

Mr. CORDON. I move that the Senate concur in the amendment of the House.

The motion was agreed to.

AGRICULTURE ACT OF 1954

The Senate resumed the consideration of the bill (S. 3052) to encourage a stable, prosperous, and free agriculture, and for other purposes.

Mr. IVES. Mr. President——

The PRESIDING OFFICER. The Chair recognizes the Senator from New York [Mr. IVES].

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. IVES. I will yield providing I do not lose the floor.

Mr. AIKEN. I ask unanimous consent that there be inserted in the RECORD at this point, the minority views to the report of the Committee on Agriculture with respect to the Agricultural Act of 1954.

There being no objection, the minority views were ordered to be printed in the RECORD, as follows:

MINORITY VIEWS

The Senate Agriculture and Forestry Committee reported S. 3052 with three major provisions which we consider highly objectionable.

The provisions are—

1. Mandatory 90 percent rigid supports for 5 major commodities—corn, wheat, cotton, rice, and peanuts. (Tobacco is not an issue in this bill.)

2. A provision forcing the Secretary to increase supports for dairy products from 75 percent to 85 percent of parity.

3. A provision forcing the Secretary to increase the support prices for oats, barley, and grain sorghum to levels as high as 113 percent of parity.

These provisions are neither in the interest of the farmers nor the public generally and should be defeated by the Senate.

PART 1. PRICE SUPPORTS FOR BASIC COMMODITIES

The program of farm price supports was instituted in the late twenties and early thirties to assist farmers to market their commodities over a 12-month period in an orderly manner. A necessary part of this program was the providing of governmental machinery to farmers to assist in adjusting production to effective market demand, thereby increasing the opportunity for farmers to get a fair price in the market place. In recent years, this idea has been twisted into the right of some farmers to a profitable fixed price for their commodities regardless of either how much the market will absorb or how great the price-breaking surpluses may become. The 90 percent price support that was a Government incentive to produce for war has been distorted into a peacetime program of temporarily guaranteeing profits for a minority of the farmers.

As unmanageable surpluses pile up and the right to produce is restricted, the demand for the continuance of these high rigid supports shifts from one of guaranteeing a profit to one of providing relief.

We are strongly of the opinion that the American farmer should neither be guaranteed a profit-yielding price nor forced to trade his independence for Government relief.

We favor farmers getting the highest possible net income that they can earn. Farmers can never expect to obtain through a Government relief program as high or as satisfactory an income as they can by producing and selling what consumers want. We think that Government programs should assist farmers in their goal of obtaining the highest possible net farm income and not interfere with either their freedom or opportunity to do so.

Agricultural Acts of 1948 and 1949

Widespread misunderstanding exists with regard to the economic and political facts surrounding the passage of the Agricultural Acts of 1948 and 1949 which were designed to carry out in the postwar period the idea of assisting farmers to market their commodities in an orderly manner throughout the marketing year.

The Agricultural Acts of 1948 and 1949, which constitute the basic price support and adjustment program authority, were designed to provide farmers governmental assistance in adjusting production to effective demand.

It should be borne in mind that this legislation was evolved during a period after World War II that resembled in many ways the current period. Then, as now, we had moved out of a shooting war situation into a postwar type of economic setting. Then, as now, we had our agricultural plant overexpanded and were confronted with reduced foreign demand. The year 1947 was one of extensive farm program studies, just as 1953 was.

On April 21, 1947, Clinton P. Anderson, Secretary of Agriculture, said:

"We need to develop a long-range system of commodity price floors to protect producers against excessive or abnormal declines during the market season and to generally cushion declines in farm prices and incomes in the event of business recessions. We should make sure, however, that we do not establish a rigid system of price relationships * * *. Prices are and should be an effective means of encouraging changes in production as the conditions of production and demand change."

In 1947 in response to questioning by members of the Senate Committee on Agriculture and Forestry, Carl C. Farrington, speaking as chairman of the Department's Committee on Price Policy and Production Adjustment, said:

"We have given much thought to the percentage of modernized parity which might be used as a minimum price floor. Our studies indicate that 50 percent of parity, for example, might not be high enough to act as an effective stop-loss mechanism, and 90 percent might force us into a completely managed agricultural economy."

President Truman sent a message to the Congress on May 14, 1948. In it he asked for flexible price supports in these words:

"Many shifts in production will have to be made and flexible price supports will help us make them in an orderly manner. This will require authority to make prompt adjustments in support levels in line with current and prospective supply-and-demand conditions. It will also require flexibility in the choice of methods or programs that are designed to be most effective for individual commodities, that avoid waste, and that help bring about needed adjustments in production, distribution, and consumption."

Both the Republican and Democratic Party platforms in 1948 were straightforward in their endorsement of the basic principles of the Agricultural Act of 1948, including flexible price supports.

Both candidates for President campaigned in support of flexible price supports. In a speech which Candidate Truman delivered at Springfield, Ill., on October 12, just prior to the November 2, 1948, election, he said:

"Here are the main outlines of the agricultural program we must have.

"1. We must have on a permanent basis a system of flexible price supports for agricultural commodities. Price supports and related measures help us keep our farm production adjusted to shifting market requirements."

The President's Council of Economic Advisers on January 7, 1949, submitted an economic review under the heading, "Farm price supports," in which they used these words:

"Intercommodity price relationships must be kept consistent with basic trends in demand and supply conditions. To the maximum extent possible, parity-price relationships and support-price programs should encourage shifts to those commodities that are most wanted. Rigid systems of support, in violation of this principle, can only lead to rigid systems for restricting output that violate our tenets of economic freedom, that work against our objectives of maximum production, and that in the end take away from farmers' incomes through decreased volume as much as, or more than, they add through increased prices.

"The Agricultural Act of 1948 represents an important step forward in recognizing the difficulties associated with overrigid supports."

In his budget message to the 81st Congress in January 1949 President Truman restated the fundamental principles upon which the Agricultural Act of 1948 was based.

"As I said a year ago, price supports should be regarded 'chiefly as devices to safeguard farmers against forced selling under unfavorable conditions and economic depression.' Their purpose is to bring an element of stability into agriculture. At the same time they should not place excessive burdens on the Treasury and taxpayers or inhibit shifts in production needed to meet peacetime demands and to promote adequate conservation of our soil resources."

The majority report of the Joint Committee on the Economic Report, headed by Senator O'MAHONEY, Democrat, of Wyoming, and Congressman HART, Democrat, of New Jersey, had this to say on May 1, 1949:

"In order to fit a prosperous and equitably treated agriculture consistently into an economy seeking to operate continuously at maximum levels, agricultural price supports must be kept as floor prices; not as a means of price fixing, nor to guarantee a profit, but to provide a barrier against the sort of devastating price declines which in the past have made agricultural depression the forerunner of business and industrial depression * * *.

"The need to put into operation a flexible, well-integrated, and varied farm program is urgent. In addition to flexible price supports intelligently adapted to postwar conditions, consideration should be given as parts of a coordinated program to such measures as the provision of adequate storage facilities, more adequate credit accommodations, crop insurance, and so forth."

The minority report contained the following pertinent paragraph:

"We still consider that a support-price program for farm prices is highly desirable to prevent the development of a depression through a complete collapse in agricultural products. We do not feel that it is our function at this time to discuss the various plans for such price support, but we recommend that a full trial be given to the Aiken-Hope Act and its plan of sliding-scale support recommended by the leading agricultural associations. The administration of this plan should be directed not as if it were a relief measure or a guaranteed equality of income for individuals, but as a major weapon against distortion between urban and rural incomes which could bring collapse to the entire Nation."

Rigid mandatory supports at 90 percent of parity without regard to supply seriously injure (1) the vast majority of farmers, (2) consumers, (3) our competitive free-choice economic system, (4) the Government and the general interests of the people of the United States.

1. Rigid supports injure farmers

Rigid supports injure farmers by increasing their costs, decreasing their markets, decreasing their freedom of choice, assisting their competitors, lowering their net income, and obstructing needed adjustments.

1. Increase Costs

The greatest single source of farm income is the sale of livestock and livestock products. One of the most important factors in the costs of producing livestock is feed. Rigid price supports have diverted feed from livestock into Government warehouses. Only 23 percent of the United States farm income comes from the basic commodities which, with the exception of tobacco (which accounts for 3.3 percent of total farm income), are the main subject of the present controversy. Three-fourths of our farm income is from the nonbasic commodities. Approximately 60 percent of our agricultural income is from nonsupported commodities. The argument is often made that high price supports on the six basics help to stabilize economic conditions for the others. This argues that the tail wags the dog.

Diverted acres: In many respects mandatory supports at 90 percent of parity work to the disadvantage of nonsupported products. Acres diverted from the basic commodities tend to increase the supply problems of the nonbasic commodities. During 1954, efforts to provide rigid price supports for wheat, corn, and cotton have resulted in the following acreage increases over 1953 of other commodities:

	Percent
Barley	+51.3
Sorghum	+39.5
Sugar beets	+21
Flaxseed	+26.2
Soybeans	+20.6

Thus supply problems, instead of being solved, are being shifted from one group of crops to another and all through the coming years we will be listening to the trouble of farmers who plant these other crops. To avoid this inequity, cross compliance and compliance with a total acreage allotment has been required for 1955. This will serve to give a degree of protection to nonbasic crops, but forage crops, which can be grown on the diverted acres, will in time adversely affect dairymen and beef producers. Oftentimes producers of a basic crop maintain that they are willing to restrict production in order to obtain price support at 90 percent of parity. What they mean, in many cases, is that they are willing to divert acres out of the basic crop and into other uses in order to obtain price support on the basic crop. This does not really face up to the problem.

With an acreage-control program, there probably is no way fully to control the shifting of supply problems from one crop to another. That being the case, price support should be kept at moderate levels so as to minimize the problem.

Costs are increased to livestock producers by rigid price supports in other ways. Supporting favored crops at high levels prevents needed adjustments which the farmers, consumers, and the trade would normally make by themselves. Supporting corn at a high level raises the cost of cattle feeding. The price paid by a Corn Belt farmer for feeder cattle is limited by his expectation of profit, after taking account of costs. Last fall, 90 percent of parity for corn contributed to low prices for the feeder cattle from western ranges. Similarly, a farmer in the Corn Belt could easily decide whether to feed his corn to cattle or sell it through 90 percent supports to the Commodity Credit Corporation. We once fed a substantial part of our wheat, but 90 percent of parity for wheat means that wheat is priced too high to permit a large volume of feeding. This causes particular difficulty in the Northwest and the Northeast, which in the past have made heavy use of this crop for feed.

2. Decrease Farmers' Markets

Rigid supports decrease farmers' markets by lowering consumption. This is just exactly the opposite of what farmers need at this time. The most satisfactory solution to the current farm problem is to expand domestic and foreign markets until they balance agricultural production. It is commonly said that price has little to do with the consumption of agricultural products. Though we might decrease the price of wheat or cotton, it is said, no more bread or shirts would be purchased than before. There is enough truth to this statement to make it convincing, and enough untruth to make it dangerous. In the case of many agricultural products, such as livestock and dairy products, fruits, and vegetables—by far the most important source of farm income—the statement that price has little to do with guiding production and consumption is completely untrue. It is true, however, that a lower price for wheat would not increase the domestic consumption of bread. But it would permit us to meet export competition and to move more wheat in the form of livestock feed. A lower price for cotton would permit us better to meet the competition of synthetic fibers. It would permit us to regain a part of the world cotton trade which has been lost to foreign countries with respect to whom we have held a price umbrella. The housewife chooses food on the basis of price. The foreign buyer of American export products is price-conscious. The textile trade selects its fibers partly on the basis of price. No more effective weapon can be used to drive customers away from our products than to price these products at levels which are out of line with other products or alternative sources of supply.

3. Assist Farmers' Competitors

The efficient wheat-producing farmers that were in business in 1940 have watched with growing concern the shifting of the right to produce wheat from themselves to other farmers here in the United States as well as in foreign countries. The western Kansas wheat farmer along with the wheat farmers in Texas, Oklahoma, Nebraska, South Dakota, North Dakota, and the other great wheat-growing States have seen thousands of acres of additional land in the old Dust Bowl area of southwest Kansas, northwest Texas, northwest Oklahoma, and southeast Colorado returned to wheat in violation of the principles of effective soil conservation. They have also seen the less efficient wheat-farming areas of the country that are better adapted to other types of farming, shift to the production of wheat. For example, they have seen Michigan expand wheat and go out of the production of dry, edible beans because the production of wheat for the Government was a more profitable venture. Now that we have such a tremendous surplus supply of wheat (900 million bushels—over 6 times the normal amount prescribed by law) which is destroying market prices and threatening to overwhelm the farm program in a manner similar to the way it destroyed the old Federal Farm Board, serious cuts in production are being called for. The new areas are claiming their right to produce wheat and the efficient producers in the old areas are being cut drastically. For the most part, the efficient wheat-producing areas can produce wheat better than anything else, yet the support program has built up such surpluses that they are being deprived of their right to produce while other areas which could more efficiently produce alternative crops are staying in the production of wheat due to the high Government incentive prices. The efficient western Kansas wheat farmer along with the efficient wheat-producing farmers in other States also see that the price-support program has encouraged the Canadian, Argentinian, Australian, Turkish, and other wheat farmers of the world to plunge into the production of wheat in competition with him knowing that the wheat of the United States farmers will be the last to find its way into the world markets. The cotton producer who is looking at the facts is also aware of both domestic and foreign competition which is being aided by the rigid 90 percent price supports. Since 1930, synthetic consumption in the world has increased from the equivalent of 1 million bales of cotton to 10 million bales. Before 1933, America produced more cotton than all the rest of the world. This situation is no longer true today.

4. Supports Disturb Foreign Trade

Ninety percent of parity price support for our great export crops gives a price which

is irresponsive to changes in supply at home or demand abroad. If this continues, we can never hope to become more than the residual supplier. Under these conditions subsidies may be needed to bridge the price gap between the domestic and export market. To maintain an acceptable share of export market for wheat we have had to pay, thus far during this marketing year, an export subsidy of 43 cents a bushel.

Pricing domestic products at 90 percent of parity draws imports to our shores as a magnet draws metal. These products are attracted out of their normal trade patterns, away from the legitimate recipients and to our already overburdened markets.

In order to keep costs of these programs within reasonable bounds, embargoes, quotas, and import fees are needed. These unavoidable obstructions offend those nations whom we urgently need as friends.

If 90 percent of parity price support is voted, the Congress by that act establishes a restrictive foreign-trade policy for agricultural products.

5. Ninety Percent Guaranties Result in Strict Control and Decrease Farmers' Freedom of Choice

With high price supports, production is encouraged and consumption retarded. Consequently, surpluses accumulate. These surpluses are costly to store and difficult to move. For most commodities, spoilage is a threat. Thus surpluses tend to overhang and depress the market. Consequently, to avoid the evils of continuing surpluses it becomes necessary to place sharp restrictions on production. The restrictions reduce not only farm output but also sharply restrict activity in related agricultural industry.

This essential truth has not been made sufficiently clear to American farmers and nonfarmers. In the past, every time the problem of excess stocks began to loom large, something intervened. The workability, over a period of years, of a system which retires from production large numbers of acres of our basic crops has not been fully tested. The droughts of 1934 and 1936 reduced our supplies and called for feed production from the diverted acres. Then, when the problem again began to pinch, World War II broke out and called for the use of all our acres. In 1950, when we again faced the problem of what to do with acres retired from wheat, corn, and cotton, the Korean war intervened and we put all our acres back into production.

6. Continuing Rigid Supports at Temporarily Profitable Levels Requires Controls That Must Actually Cut Production Unless the Entire Program Is To Collapse, As it Is Presently in Danger of Doing for Some of the Basic Crops Such as Wheat

If the adjustment principle were to be strictly followed on wheat, farmers would not have a right to plant more than approximately 6 million acres for harvest next year, when just 2 years ago they planted 78 million acres—over 10 times as much acreage. Of course, such an abrupt adjustment is impractical—yet it shows the desperate situation in which wheat farmers find themselves.

Marketing quotas have not been invoked by any Secretary of Agriculture on corn, mainly due to the conviction by people experienced with controls, that corn marketing quotas cannot be made to work. Yet rigid price supports are providing a powerful force to increase production of feed grains and other crops that can be used for feed. If we do not begin to let prices allocate resources to direct the production and consumption of agricultural commodities, we inevitably are faced with the stark necessity of extending controls to more and more crops. If farmers substitute feed grain, such as grain sorghums and barley, for wheat acreage, the feed surplus will continue to mount to unbearable levels. As more and more intensive production of forage crops is encouraged, control will become necessary on livestock. Mr. Farrington's prophecy of a completely managed agricultural economy by the Government is fast becoming a reality.

7. Rigid Price Supports Injure Farmers by Assisting Their Competitors

We have seen how holding up the price of wheat has increased competition for the efficient wheat farmers by the less efficient wheat areas of the United States. Similarly we are holding an umbrella over the rest of the world for wheat and other rigidly supported crops. Our rigid-price-support announcements serve as notice to the world that we are not only going to support our prices, but world prices as well. The farmer of Mexico, Brazil, Canada, and the rest of the world can borrow money, which they have done, to go into the production of cotton, wheat, and other rigidly supported commodities on the strength of such programs here in the United States.

8. Cost Plus Guaranties Discredit the Farm Program

The price-support principle is an accepted part of farm programs, for the greater part willingly endorsed by farmers and nonfarmers alike. Certain unique characteristics of agriculture make price supports appropriate. The wide fluctuations of market prices and the hardships to which they subject farm people, the difficulty which farmers experience in pooling their bargaining power in order to match that of labor and capital, the essential nature of food, and the vulnerability of farm people to physical and economic disaster—all these things argue for an effective price-support program.

But price supports, long continued, at high levels, serve to build up heavy stocks, become costly, and result in misallocation of resources. Thus they antagonize those who would willingly support a more moderate program.

9. The Farmer's Concern Is Net Income, Not Price Alone

With price supports at 90 percent of parity and controls strictly applied, the volume of agricultural production must be sharply curtailed. Net income, not price alone, is the concern of agriculture. Net income is affected by volume and by costs as well as price. Restricting output often raises the cost per unit of production, and of course reduces the number of units sold. Thus, while price may be enhanced by the strict controls necessary to obtain 90 percent of parity, it does not necessarily follow that net farm income increases.

The inappropriateness of parity prices as a sole objective of farm price-support programs is evidenced by the fact that while during the past 40 years farm prices have fallen 8 percent relative to nonfarm prices; per capita net farm income has increased 11 percent relative to per capita incomes of nonfarmers. Thus, since 1910–14 farmers have improved their net income position relative to nonfarmers. They did this by turning out greater volume, and by increasing their efficiency, and in spite of a relative decline in prices.

10. Unwarranted Surpluses Incurred Today Cause Us To Borrow From Tomorrow's Market

About 10 percent of the 1953 farm production wound up in the hands of the Commodity Credit Corporation. This increased farm incomes for the 1953 crop.

But there will be another year when these stocks must be released, unless we let them spoil, which is unthinkable, or give them away, which in this strange world is not only expensive but difficult.

When these commodities are released they will add to the market supply as much as they withdrew from it this past year. Farmers' current incomes in the year of disposal will be curtailed about as much as they were helped in the year of acquisition.

Thus storing excessive quantities of agricultural products serves to increase farm incomes while the accumulation occurs. But the cycle should be completed before fair judgment can be rendered.

11. High and Rigid Supports Do Not Permit Needed Adjustments

It is sometimes argued that since the legislation recommended by the President would permit price supports at 90 percent of parity for basic commodities, the supports might as well be fixed at 90 percent by law.

There is, however, a great difference.

The flexible program serves to keep in the foreground the fact that supplies must be held in line with demand in order for price supports to be at or near 90 percent of parity.

There are numerous unforeseen events which might occur.

The minimum acreage provisions for certain crops might be raised by law.

Acreage allotments and marketing quotas might not be invoked.

Yields might be extremely high.

Export markets might suddenly be diminished.

Domestic outlets might be curtailed.

If supplies pile up as a consequence of such circumstances, it is important that there be an opportunity for lowering the support price to encourage consumption, to reduce the incentive for high production, and to encourage desired shifts in the pattern of production.

Mandatory price support at 90 percent of parity does not permit these needed adjustments.

II. Rigid supports injure consumers

(1) By holding commodities off the market permanently and making them artificially scarce, as contrasted to helping farmers market their products, rigid supports increase the cost of food to consumers. The most striking example is butter. When price supports were lowered by the Secretary of Agriculture from 90 to 75 percent of parity, a corresponding decrease occurred in the market place. As a result consumption of dairy products increased about 7 percent.

(2) While the detailed facts may be hidden from view, many of the farmers' customers know that something is wrong and they do not like it. The general public became resentful about the potato and egg programs which resulted in the Government removing price supports on these commodities. The general situation with respect to wheat and other commodities is causing similar resentment. Unconsciously the general public understands that if land, labor, and equipment is being used to produce commodities which are not being sold, that someone is paying for this waste. They suspect that somehow they are being unfairly treated. There isn't any question but what consumers ultimately have to pay for using resources to produce what consumers do not want.

III. Ninety percent of parity guaranty stimulates production and wastes resources

1. Production Stimulated

The fact that an incentive price will increase production has long been recognized by the Congress, which repeatedly has used this device to stimulate production, in time of need. The Senate recently recognized this principle in passing the wool bill.

The fact that a less attractive price will help bring overexpanded production back into line has likewise been recognized by the Congress.

At this time, when less production is needed, the continuation of 90 percent of

parity rigid price support, an incentive price, is wholly inappropriate. Experience, the expressed judgment of the Congress, and economic fact all argue against it.

2. Ninety Percent Rigid Supports Discourage Sound Soil-Conserving Practices

High price supports have kept parts of the Dust Bowl in wheat instead of grass. High price supports have kept cotton on eroding hillsides in parts of the Southeast, when this land should be shifting to livestock production.

High price supports for corn have resulted in cash grain production on midwestern farms which otherwise would have been in the livestock business.

Grass- and forage-consuming livestock are major contributors to a program of wise soil conservation. This kind of farming is discouraged by 90 percent of parity price support on grain and row crops.

3. Consumers Incensed by Increased Taxes

The public generally, as well as the farmers, are aware of the fact that the public debt is straining at the $275 billion limitation and that rigid price supports have helped contribute to this burden. The reality of taxation and the burden of the public debt cannot be explained away to the taxpayer by failing to look at all of the costs. While it is true that the Commodity Credit Corporation has only suffered losses of a little over $1 billion on the program that it calls price support, it is only fair to point out that billions of dollars have been spent for surplus removal programs, acreage allotment and marketing quota programs, none of which would have been carried out except for the problems created by price supports. The Department of Agriculture has submitted facts which make it abundantly clear that rather than the true cost of price support being a billion dollars, that it is many, many times this figure. However, this is not the most important issue—the real question is—Have rigid supports worked? Obviously they have not worked and we are not getting full value for the money spent.

IV. Rigid price supports injure our competitive, free choice, economic system by—

(1) Undermining the functioning of price,
(2) Penalizing the efficient,
(3) Rewarding the inefficient, and
(4) By making farmers dependent upon the Government.

1. Excessive Prices Pile Up Surpluses Which Depress Price

Six and a half billion dollars worth of American farm products have been piled up in the effort to make price support effective; 5 billions of this consists of the basic commodities, supported at 90 percent of parity. Storage charges alone are $700,000 a day. Movement of these surpluses without pulling down the price structure is extremely difficult, and the law requires that the price structure be maintained.

Thus 90 percent of parity is an effective means of procurement, but disposal is a difficult matter.

Ever-mounting surpluses hang over and depress the market despite the most strenuous efforts to support it. Though supports are at 90 percent of parity, wheat is now selling at 77 percent of parity and corn at 82. There comes a time when surpluses are so great that price supports, however administered, cannot be fully effective. Marketing the wheat harvest of 1954 is likely to show this most convincingly.

2. Pricing Commodities Out of the Market Puts Government Into the Business of Merchandising Farm Products

At a very low percentage of parity, price supports would be without meaning.

At a moderate level, Government would be providing price support only occasionally, in time of a burdensome supply or a weakened demand.

At a high level, and maintained over a period of time, the Government not merely supports the market; the Government becomes the market. Government acquired 47 percent of the 1953 wheat crop, for example.

The higher the level of price support, the more likely it becomes that Government will supplant the private trade as a market for farm commodities.

3. High Rigid Price Supports Incur Consumer Resentment

Through various forms of accounting, the costs of farm programs can be variously estimated. The Department of Agriculture, after a careful study, estimates the cost of farm programs primarily for the support of farm prices and farm incomes for the past 21 years at about $9.5 billion (before crediting processing taxes of approximately $2 billion). Other estimates run higher or lower, depending on which items are included.

That price support is costly is evidenced by the fact that twice during 1954 the Congress has been asked to increase the borrowing authority of the Commodity Credit Corporation, first from $6.75 billion to $8.5 billion and now up to $10 billion. Of present CCC inventories and loans, about 80 percent consist of the basic commodities supported at 90 percent of parity.

4. Parity Is Not Equality

The longer uneconomic price-support programs are continued the more injurious they become to sound government. Excuses have been freely offered that other segments of our economy are being subsidized so therefore it is right to carry out any kind of a subsidy under the farm program. The argument that parity is fair and therefore farmers are receiving less than a fair price when commodities are supported at 90 percent of parity will not bear close examination. Parity as presently calculated is a price which gives the same quantity of a commodity the same purchasing power as it had in some past period, usually 1910–14. This does not take into account the tremendous advances that have occurred with respect to the lowering of the cost of production of some commodities and the resulting increase in the quantity that can be produced with the same resources while the cost of production and the quantity produced of other commodities has remained relatively constant. In the case of wheat, the cost of production, due to mechanization, better yielding varieties, etc., is approximately one-third of the support price in the efficient producing areas of the United States. Hybrid seed corn and nitrogenous fertilizer, along with mechanization, likewise have brought about dramatic improvements in the quantity of production in the case of corn. Since for the same or lower cost of production a much greater quantity can be produced now than in the base period, "old" parity is too high on some of these commodities in relation to other commodities. To those who insist that producers must have 90 percent of parity supports in order to obtain a fair price, we call attention to the fact that today the average price of grapefruit is about 22 percent of parity. Yet we do not have the grapefruit producers insisting that they need a price-support program. Oranges have consistently averaged in the neighborhood from 40 to 60 percent of parity, yet the orange industry does not believe the answer is price support.

V. Impairs our relations with foreign countries

1. Import Restrictions

As price is supported at levels that result in profitable prices to domestic farmers, they attract sizable imports into this country. To help protect the Government from being flooded with imports to add to the excessive production in the United States, barriers to imports must be built higher and higher. The result is bitterness and misunderstanding among people of other lands, who hear us talk of "trade, not aid," and whom we greatly need as allies in the struggle against the Socialist dictatorship of Russia.

2. Fear of Surpluses

Today one of the greatest deterrents to a healthy world economic activity is the huge surpluses of CCC commodities overhanging the market. Our allies fear that we may dump these commodities on world markets and destroy them.

VI. Makes farmers dependent on Government

The world is witness to the struggle of governments to become the master of the individual rather than his servant. The higher that subsidies are set for agricultural commodities, the more government becomes the market and the more dependent farmers become upon government. This is the basis for the farmers' undoing. Today the Government is still the servant of the people. Self-government will be completely destroyed, and farmers ruined with it, whenever the Government becomes the master—whether paternal or otherwise—of the people.

PART 2. DAIRY

S. 3052 as reported to the Senate would require: (1) The Secretary of Agriculture to increase the level of price support on dairy production from 75 to 85 percent of parity, (2) deny him authority to bring parity for manufactured dairy products into line with a sound determination of parity for butter, evaporated milk, cheese, etc. If the Secretary is forced by Congress to raise the price of dairy supports, it will help to destroy the market that is being regained for fluid milk, butter, and cheese. The probable effects of raising price supports on dairy production would be:

1. The progress made since April 1 of increasing butter consumption 7 percent will be swept away.

2. The incentive to maintain a higher level of dairy production would be increased and the incentive to build markets would be decreased.

3. Consumption of butter in the market would decrease about 50 million pounds at 80 percent. Margarine consumption would increase by approximately a like amount. With support at 85 percent of parity, these changes would approximately be double.

4. The Government acquisition of butter would increase by about 100 million to 150 million pounds at 80 percent of parity. If support were at 85 percent of parity Government acquisition would go up correspondingly.

5. Windfall profits would accrue to the butter trade on inventories in stock. Not only would millions of unearned dollars be made by the butter trade but it would short the market during a considerable period prior to September 1 when new price-support levels would go into effect.

6. Consumers would resent a return to higher prices.

The adjustment to 75 percent of parity has been made. It has been accepted by farmers, by the trade, and by consumers. The farmers and the trade have instituted a sales-promotion program geared to 75 percent of parity. A boost to 80 or 85 percent of parity would turn us away from sound solutions to the dairy problem. To boost the price support now would be unwise.

PART 3. SMALL GRAINS

Last week a bare majority of the committee once rejected and then voted to report out a bill which included a directive to the Secretary of Agriculture, forcing him to support the prices of oats, rye, barley, and other

grain sorghums at "not less than the level the Secretary shall determine is the feed-value equivalent to the support level for corn." This will force the Secretary for 1955 and 1956 to raise the support levels as follows:

	Present 1954 support		Mandatory price support proposed	
	Dollars per bushel	Percentage of parity	Dollars per bushel	Percentage of parity
Oats	0.75	85	0.81	92
Barley	1.15	85	1.31	96
Grain sorghums	1.28	85	1.62	113

The Secretary would in effect be directed to reduce the price support on rye from $1.43 a bushel, which is 85 percent of parity, to $1.38 per bushel, which is 80 percent of parity. Price support would be mandatory. Currently, support is discretionary. The support level would be determined solely on the basis of its feed value to corn. Under present law feeding value is only 1 of 8 factors considered. The eight criteria are set forth in the 1949 act as follows: "(1) The supply of the commodity in relation to the demand therefor, (2) the price levels at which other commodities are being supported and in the case of feed grains, the feed values of such grains in relation to corn, (3) the availability of funds, (4) the perishability of the commodity, (5) the importance of the commodity to agriculture and the national economy, (6) the ability to dispose of stocks acquired through a price-support operation, (7) the need for offsetting temporary losses of export markets, and (8) the ability and willingness of producers to keep supplies in line with demand."

This provision raises the question: Does this require feed grain outside the commercial corn area to be supported at a different level than required inside the commercial corn area?

At present the following percentages of the crops are produced inside the commercial corn area: Oats, 60 percent; rye, 45 percent; barley, 20 percent; grain sorghums, 20 percent. This would in effect set the support price for over one-half of the production of rye at $1.03 per bushel, which is 40 cents per bushel less than the present support price as set by Secretary Benson under discretionary authority.

The foregoing and the facts concerning price relationships between these grains shows how utterly ridiculous it is for the Congress to arbitrarily interfere with the functioning of price by setting a rigid pattern of supports regardless of the economic facts of life.

As supply and demand fluctuate, the result is reflected in price. Since supply and demand are constantly changing, prices continuously change to reflect the relationship. Therefore, it is not surprising that strong variations from year to year in relative prices help guide consumption and production. The facts are reflected in the following table:

Commodity	Farm price relationships [1]						Feed value relationships
	1949	1950	1951	1952	1953	May 15, 1954	
	Percent	*Percent*	*Percent*	*Percent*	*Percent*	*Percent*	*Percent*
Corn	100	100	100	100	100	100	100
Oats	93	91	87	91	89	91	88
Barley	100	91	89	107	93	86	94
Rye	97	86	92	114	88	69	85
Grain sorghums	91	69	80	105	89	94	100

[1] As percent of corn price.

Oats, barley, rye, and grain sorghums are used in varying quantities for purposes other than feed. For example, at times nearly two-thirds of the rye and over one-half of the barley goes into nonfeed uses.

Finally, these grains represent only a very small part of farmers' total cash income. In 1953 farmers obtained the following percentage of cash farm income from these feed grains: Oats, 0.75 percent; barley, 0.55 percent; grain sorghums, 0.30 percent; rye, 0.06 percent. The total for all of these amounted to less than 2 percent; namely, 1.66 percent of farmers' total cash income.

Mandatory price supports usually carry with them mandatory controls. In view of the patent unsoundness of the proposal, it is not surprising to see that it is put forward without any proposal for controls to keep supplies in line with demand.

Informed opinion favors flexible supports

The great majority of informed opinion favors flexible price supports. All of the Secretaries of Agriculture for the past two decades have recommended flexible supports.

The major farm organizations representing most of the farmers have rejected rigid supports as unsound.

Economists are practically unanimous that the long-run interests of farmers are harmed by rigid supports.

The thorough studies by Department of Agriculture experts in 1946, 1947, and 1948, and again in 1953 and 1954, came to the firm conclusion that rigid wartime supports designed to stimulate production for war needs were incompatible with a free, peacetime economy.

The facts are well known to the farmers, the consumers, the taxpayers, and the Congress.

As the surplus situation proves, rigid price support amounts to price fixing at the support level, misdirects the use of agricultural resources by maintaining an excess output, prohibits the proper flow of commodities into consumption, attracts additional imports of the goods in surplus, and prices American products out of the world market.

The House of Representatives just a few days ago rejected rigid supports by a decisive vote of 228 to 170. The Senate likewise should decisively discard rigid supports for five basic commodities, reject the proposed market-destroying increase in dairy supports, as well as reject the completely unrealistic rigid supports proposed for small grains.

Those subscribing to the attached minority views are as follows:

GEORGE D. AIKEN.
HERMAN WELKER.
ANDREW F. SCHOEPPEL.
JOHN J. WILLIAMS.
BOURKE B. HICKENLOOPER.
SPESSARD L. HOLLAND.
CLINTON P. ANDERSON.

Mr. IVES. Mr. President, so much was said during the course of the House debate on the House version of the bill now before us, particularly where the State of New York is concerned, that I rise to set the record straight. It was asserted in that debate that a continuation of the 90-percent-of-parity fixed price support for the so-called basic farm commodities is essential to the continuance of the economic health of the country's urban economy.

In this connection let us consider, for example, the New York farmer's position. To the New York farmer feed grains, of which corn is the bellwether, are an important expense item. Of the total New York farm income, 51.4 percent stems from dairying and 13.6 percent from poultry and eggs—a total of 65 percent. These figures are taken from the Department of Agriculture's summaries of 1952, inasmuch as the 1953 figures, which presumably correspond, are not yet available. New York does not produce enough feed grains for its cows and chickens; in fact, imports into the State from Midwest producing areas constitute about two-thirds of the State's feed-grain requirements. To this degree New York agriculture is a processing industry, turning Midwest feed into milk, poultry, and eggs for New York consumers. Feed is 57 percent of the cost of producing eggs and 51 percent of the cost of producing milk on New York farms. Thus higher prices for feed grains mean higher costs for two-thirds of New York's agriculture. These higher costs are a detriment to production and hence are adverse to the interests of both producers and consumers.

Now where does the New York housewife fit into the picture? Between 60 and 65 percent of the money she spends for food goes for meat, poultry, eggs, and dairy products—all animal product foods. Grains are raw materials behind these foods. But who wants to switch to a diet of cornmeal mush and cracked wheat palatable as these foods are in moderate amounts? And yet, this is the direction toward which American agriculture is being forced by inordinately high price supports for grains.

The present high level of price supports was put into effect during the war to stimulate all-out production to meet wartime needs. It is still providing this stimulation at a time when we neither desire nor can use the relative quantities of these products which we needed badly during the war.

I understand that the national average cost of producing a bushel of corn is around $1.20 against a support price of $1.60. It is small wonder that the support price is attractive to producers. Indeed, the support price has looked so good to some producers that quite logically they have asked themselves why they should undertake the additional work and risk of converting corn into livestock products. It is just too easy to turn the grain over to the Government and thus to block it off from its very necessary function of conversion to animal-product foods.

The wheat situation is much the same. The support price is $2.20 a bushel against a national average cost of pro-

duction of $1.60 to $1.70 per bushel. Why would we not have wheat stored in every rusty bottom from the James River to Puget Sound and in every doghouse in between?

And so it has been with dairy products. As of June 1, 1954, and covering the period from November 1952, the Government had purchased 589 million pounds of butter, 564 million pounds of cheese, and 1,002,000,000 pounds of dry skim milk—accounting for almost one-tenth of the total milk produced in the country during those 19 months. Even after disposals, most of which were donations or nominal sales, the Government still held in storage 394,400,000 pounds of butter and 397 million pounds of cheese, representing 67 percent and 70 percent, respectively, of purchases. This net investment amounted to over $780 million and did not even cover storage and administrative costs. This operation, in turn, represents an investment of taxpayers' money used to remove from the market nutritionally valuable foods. At the same time, it has raised the price of these foods to a level which is prohibitive for many consumers.

No wonder this unhappy condition has irked the New York housewife and housewives generally. No wonder housewives have been revolting against the price of diary products. No wonder the market for these products has been constantly diminishing and the demand for substitutes has been simultaneously increasing. No wonder the dairy industry now finds itself on the brink of disaster.

Although excessively high price supports threaten the future of all agriculture in this country, they are particularly dangerous to agricultural products where substitutes are available. Dairy products are especially vulnerable to the devastating consequences of this kind of competition.

The evil day of reckoning, where farm price supports are concerned, has long since arrived. Trying to avoid that day by further artificial and unsound means can only make the evil thereof more devastating.

The time is already overdue when we must face squarely our agricultural problems. The adminstration honestly and realistically is endeavoring to meet these problems head-on through the farm legislation which the President has recommended. Any other course of action now defies reality and only further aggravates the desperate American agricultural dilemma.

Mr. President, for those reasons I am utterly opposed to the bill now before the Senate in its present form, and for those same reasons I am strongly in favor of the amendment which has been proposed by the distinguished Senator from Vermont [Mr. AIKEN] and other Senators.

Mr. POTTER. Mr. President, I wish to thank the Senator from New Mexico [Mr. ANDERSON] for giving me an opportunity to present a short statement on the pending bill. It is characteristic of the courtesy and thoughtfulness of the Senator from New Mexico.

Mr. President, I strongly favor adoption of flexible price supports instead of continuing the fixed 90-percent level which, under existing law, is mandatory for certain farm commodities.

There is no justification, in my opinion, for adhering to a program of price support originally adopted to stimulate all-out production for war. It is not equitable to the great masses of the taxpayers who must foot the costs.

In the light of existing burdensome surpluses, it makes no sense from the economic standpoint. It is unfair to large numbers of farmers whose products are not subject to any level of price support.

It is even less fair to farmers whose products are subject to flexible price supports but who, to carry on their operations, must purchase other farm products supported at the 90-percent level.

The original farm price-support program never envisioned a level of support as high as the current 90 percent of parity. The initial range was from 52 to 75 percent of parity. Price supports was viewed as an aid or inducement, not as a crutch.

The 90-percent level did not come into effect until 1944 when the country was being called upon to meet wholly abnormal and temporary food demands. We had the job of feeding not only our civilian population and our Armed Forces throughout the world, but the peoples and armies of many other nations.

There is no comparison between the conditions existing today and those in 1944, so far as food needs are concerned. True, we have no real peace. But beyond certain stockpile accumulations which it is wise to have for foods, as well as for strategic materials, there is no all-out production requirement such as we had during World War II.

We have long since stepped down wartime production levels of tanks, guns, and ships. It is high time we also stepped down wartime production levels of foods.

The only sound economic situation for the farmer, or anyone else engaged in production, is one wherein output is keyed to the market. When that balance is realized, the quantity of supply becomes adjusted to meet the quantity which can be absorbed by demand. But even more important, the character of the output can and does change to conform to variations in market preferences.

Consider how our dietary habits have affected the consumption of various types of foods in recent years. In the overall we are, of course, eating more food today than ever before.

But the increase has centered in foods other than cereal products. Consumption of bread and cereals has materially dropped.

Before World War I our people ate about 200 pounds of wheat and cereal products per capita per annum. Current consumption is only about two-thirds as much or around 130 pounds per capita per annum.

Is this change in consumer preference being reflected in production of cereal grains? Current high output plus constantly increasing surpluses does not so indicate.

Mr. YOUNG. Mr. President, will the Senator yield?

Mr. POTTER. I am happy to yield to the distinguished Senator from North Dakota.

Mr. YOUNG. I think the worst possible case is being made against the wheat producers of the Nation. I know the Senator from Michigan does not intend it that way. Two years ago, in 1952, the then Secretary of Agriculture asked the wheat farmers to increase their production 18 percent over the previous year. This is the first year, 1954, that the Department of Agriculture has asked the wheat farmers to reduce their production, and farmers are complying. The Department asked for a 21 percent reduction in acreage and, according to the latest crop estimate, there will be at least a 15 percent actual reduction in production, if not more.

With the widespread drought and the rust in the spring wheat area, we shall probably get at least a 20 percent reduction in wheat production.

Let me point out again that this is the first year the Department of Agriculture ever asked the wheat producers to reduce their production.

Mr. POTTER. I agree with the distinguished Senator from North Dakota that the farmers have agreed to a reduction of wheat acreage. That was a voluntary action on the part of the wheat farmers. The argument I make is that there has been a change in the dietary habits of the people of this country. If the cereal grain producers could find new markets, new outlets to increase the demand, then it would be fine to encourage the production of more cereal grains. I intend to cover this a little later in my remarks.

I am very thankful that there has been great technological progress in agriculture. Not only because of improved mechanization, but through the utilization of more and better fertilizers, we have been able to produce more per acre than we envisioned a few years ago. That is well. The point I am making is that the technological advances we have made have not been reflected in the cost to the consumer.

Mr. YOUNG. With the added cost of the production of wheat, with costs of operation at an all-time high, consumers are getting wheat for exactly the same price they paid 5 years ago—90 percent of parity. In spite of that, the price of bread has risen 4 or 5 cents a loaf during that period. In 1947, wheat was selling for over $3 a bushel. I should like to point out again that there are two crops that are very necessary in war, namely, cotton and wheat. Our Government did everything possible to get increased production of cotton and wheat; and now that we have built up the production, we ask them to reduce it more than 33 percent. At the same time we ask them to take a one-third cut in production, we want to knock one-third off the price, which would bankrupt every wheat producer in this Nation who was patriotic enough to increase his production at the Government's request.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. POTTER. I am happy to yield to the Senator.

Mr. AIKEN. The Senator from North Dakota puts his finger on the source of our present trouble when he stated that the last administration failed to utilize the machinery of the law which the Congress had provided and, instead of discouraging overproduction of wheat at a time when it should have done so, actually took the opposite course and encouraged the production of enormous quantities which the officials must have known at that time could not be used and would serve only to embarrass the growers, the Government, and everyone else later. Had the reduction in wheat and cotton acreage taken effect in 1952 and 1953, undoubtedly we would not be in the temporary embarrassment we are in today.

It may be recalled that in the last week in December 1952, as a parting gift to the incoming administration, Secretary Brannan requested the corngrowers to increase their acreage 2½ million acres for 1953. That was not a very welcome gift to leave the incoming administration. Nevertheless it was done. If the wheatgrowers or other growers of basics are undergoing temporary difficulties today, they should not blame it on the administration, which is trying to get them out of the trouble. They should, rather, blame it on those who got them into their troubles.

Mr. EASTLAND. Mr. President, will the Senator yield for a question?

Mr. POTTER. Whether it is in cereals or any other farm product, whether it is in the production of automobiles or steel, whenever we produce more than the market can consume, plus what is needed for stockpiling or inventory purposes, we are in trouble.

Mr. YOUNG. Mr. President, will the Senator further yield?

Mr. POTTER. I yield to the Senator from Mississippi.

Mr. EASTLAND. Will the Senator please tell me what is responsible for the wheat surplus? Is it 90 percent support prices, or is it the drive the United States Government put on for increased production of wheat?

Mr. POTTER. The 90 percent support was adopted as an inducement to the farmers to grow more wheat.

Mr. EASTLAND. I do not think that at all, Mr. President.

Mr. POTTER. It was a wartime measure.

Mr. EASTLAND. It was put on back in the forties as a wartime measure, but the Senator is bound to admit that the present surplus was created because the Government of the United States asked the farmers for increased production because of the Korean emergency and the cold war. It was that request, rather than the 90 percent support price system, that built up this surplus; was it not?

Mr. POTTER. I disagree with the Senator. The rigid price support program was initiated during the war as an inducement for more production of the basic crops.

Mr. EASTLAND. Since the war we have not had the particular surplus of which the Senator is complaining.

Mr. POTTER. That is right.

Mr. EASTLAND. What built up this surplus? Was it the 90-percent system, or was it the policy of the Government?

Mr. POTTER. Until recent months, we have been in a state of war of one kind or another. We have been supporting our own military needs, our civilian needs, plus military and civilian needs of many other countries throughout the world. We are in a little different condition today. We do not have the great military demand that we had even in the Korean crisis.

Mr. EASTLAND. If wheat support prices are reduced, how much will that increase the consumption of wheat?

Mr. POTTER. I think it will increase the consumption very little.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. EASTLAND. Why reduce the farmer's income? If the price of bread is to remain the same, if the consumer's food bill is going to remain the same, why decrease the farmer's income? We are doing nothing, then, but helping the processors.

Mr. POTTER. If I correctly understand the Senator's argument, he is stating that if there is to be no greater consumption of cereals——

Mr. EASTLAND. And if the prices to the consumers remain the same——

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. POTTER. What was the Senator's conclusion in that respect?

Mr. EASTLAND. I say if the price to the consumer remains the same and consumption is not to be increased by reducing support prices, why reduce them? What do we gain? It is nothing but a windfall to the processors.

Mr. POTTER. I am happy to yield to the distinguished Senator——

Mr. EASTLAND. Will the Senator please answer my question?

Mr. POTTER. I hope the distinguished Senator from Vermont will answer it.

Mr. AIKEN. Mr. President, who has the floor?

Mr. POTTER. I have the floor, and I yield to the Senator from Vermont.

Mr. AIKEN. I think it is safe to say that very little more bread would be consumed if the price of wheat were lowered 20 or 25 cents a bushel, because of the changing dietary habits of our country. But I think it can be truthfully said that the high supports have priced American wheat out of the world market. That is why the United States has been losing its sales of wheat.

Although wheat is supported at $2.24 a bushel today, the world market price as of yesterday was $1.72. In order to try to get rid of some of our wheat in competition with other countries, the price of wheat is being subsidized by the Government.

Mr. EASTLAND. What is wrong with that system? Our wheat is competitive. We have not lost markets because of the 90 percent support price.

Mr. AIKEN. World trade in wheat is greater than it has been during recent years, but the American part of that trade has dropped drastically, and even a subsidy of 67 cents a bushel has not been sufficient to maintain the share of the world trade which we previously enjoyed.

Mr. YOUNG. Mr. President, will the Senator yield?

Mr. POTTER. I yield.

Mr. YOUNG. While the United States maintains an export price on wheat at the same level as Canada, the United States has lost far more in the way of exports than has Canada. Argentine exports have picked up five or six hundred percent. The United States could do much more exporting of wheat if we had the will to do so.

For 9 consecutive years the Government of the United States limited the amount of wheat that United States farmers or others could export. In order to export wheat, the farmers of the United States and others had to procure licenses from the Department of Commerce.

For many years the farmers of the United States were urged to increase their production, and they did so. Now, because there is a little surplus, the Government seeks to penalize the farmer by requiring him to cut his acreage one-third and the price by one-third.

Mr. EASTLAND. Mr. President, will the Senator yield?

Mr. POTTER. I yield.

Mr. EASTLAND. Why is it not a sound system to retain the 90-percent support price? Why destroy the whole structure? An export subsidy was provided when our products were competitive.

Today American cotton is the cheapest cotton in the world. When the cotton support price is reduced, the price of that commodity is reduced in this country, and it will not cause another bale of it to be exported. There will not be another bale consumed in this country, because there is little relationship between the price of manufactured textiles and the price of raw cotton. All that is being done is to create a great windfall for the textile manufacturer.

Mr. YOUNG. I think the Senator would say almost the same thing as I am about to say. The two-price system is the only system of price supports I know of which would make United States wheat competitive in the world market.

Mr. POTTER. I have a great deal of regard for the two-price support system.

Mr. YOUNG. It has much merit.

Mr. POTTER. I should like to see someone work out a program of that kind.

Mr. EASTLAND. Why have an export subsidy plan with one price?

Mr. AIKEN. I hope that before the debate is finished, the Senate may act on a two-price system, not only for wheat, but also for cotton, our other great export crop.

What I desired to point out was that the price to the wheatgrowers has been steadily dropping over the past 4 or 5 years, until at present the grower of wheat in the United States is able to get only about 77 percent of parity, instead of 90 percent, which theoretically he is entitled to receive.

Within a few miles of Washington, D. C., wheat has been selling liberally at from $1.60 to $1.70 a bushel this year, instead of at the support price of $2.22 or $2.23.

Mr. POTTER. Mr. President, resuming my remarks, in an important degree grain growers are producing for a market that has vanished. But that fact is being obscured by the operation of the fixed high support price system. So long as grain producers have an outlet in Government purchasing on the existing scale no incentive or urge to adjust output to the wants and needs of the people can develop.

Surely, such a program is not in the best interests of the farmer or of anyone else.

The rate at which grain surpluses build up has been intensified by technological improvements introduced in this branch of farming. These include the use of better and more efficient farm machinery, and measures to increase fertility, including crop rotation, fertilization, soil and water conservation.

As a result we are producing more bushels per acre than ever before. But unlike more efficient industrial production, the consumer derives no benefit from the savings realized from improved technology. Under existing law, increases in crops of cereal grains simply bring corresponding increases in Government holdings of these commodities.

The current prospect is that by the end of 1954 nearly $6 billion of public funds will have been invested in the price-support program.

At this point in my remarks I desire to have entered in the RECORD two tables showing the net result of the program as of May 31, 1954. These figures were furnished me by the Commodity Credit Corporation, which operates this program.

Mr. President, I ask unanimous consent to have the tables printed at this point in the RECORD.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

TABLE 1.—*Farm commodities under support program as of May 31, 1954, purchased or acquired under loan default*

[In thousands]

Commodity	Amount	Value
Wheat ..... bushels	672, 78	$1, 715, 282
Corn ..... do	410, 154	670, 290
Butter ..... pounds	385, 304	257, 701
Cottonseed oil ..... do	951, 784	169, 893
Cheese ..... do	392, 276	157, 912
Dried milk ..... do	644, 460	106, 256
Wool ..... do	122, 618	85, 785
Linseed oil ..... do	43, 094	9, 168
Field seeds ..... do	116, 406	42, 263
Cotton linters ..... do	631, 822	60, 182
Cotton ..... bales	132	20, 361
Peanuts ..... pounds	13[illegible], 854	15, 044
Tobacco ..... do	4, 184	1, 190
Other	.....	149, 136
Total	.....	3, 461, 057

TABLE 2.—*Farm commodities under support program as of May 31, 1954, held as collateral under loan*

[In thousands]

Commodity	Amount	Value
Cotton ..... bales	7, 163	$1, 192, 601
Wheat ..... bushels	205, 642	452, 725
Corn ..... do	393, 463	621, 083
Tobacco ..... pounds	606, 208	264, 035
Other	.....	117, 800
Total	.....	2, 530, 444

Total Government funds involved, $5,991,501,000.

Mr. POTTER. Mr. President, the first table shows that the Government has acquired ownership, as a result of purchase or loan default, of $3.4 billion worth of farm commodities.

The second table shows over $2.5 billion worth of loans now outstanding on commodities whose support is mandatory under the law. Of the $6 billion currently committed, about $4.8 billion, or 80 percent, is represented by 3 basic crops—wheat, corn, and cotton supported at 90 percent of parity.

On June 30, 1953, total commitments on all commodities in both purchasing and loan programs were around $3¼ billion, about half the present volume.

Carrying charges on stored commodities are adding appreciably to the cost burden of price support. I am advised that the present daily rate is about $700,000. Only last December it was $465,000 a day.

Unless there is a major change in the picture, it appears that before the end of 1954, the Government may be paying out as much as $1 million a day to meet storage and warehouse charges—$1 million a day, or $365 million a year. For this amount of money we could build in each one of our 48 States more than 7 hospitals, costing $1 million apiece. We could add at least one more schoolroom, costing about $12,000, in every community of 2,500 people or more in the country. In my State of Michigan, there are 153 such communities.

One would be almost tempted to laugh at the Alice in Wonderland economics of such a program, except for realization of the financial burden which it means for the great majority of all our people, and which benefits only a minority of our farmers.

According to Census Bureau figures, there are approximately 3,700,000 commercial farmers in the country, of which about 1,350,000 or 37 percent grow the basic or 90 percent supported crops.

Nonfarmers, of course, pay in two ways—higher taxes and higher living costs.

Then there are the farmers who produce other than so-called basic or 90 percent supported crops. Farmers who raise hogs must buy 90-percent supported corn, in order to produce pork and bacon, which have no support.

The same is true of farmers who raise poultry, a source of unsupported eggs and meat. Dairy farmers require 90 percent supported feed in the production of 75 percent supported milk and butterfat.

In my own State of Michigan, of total income received by those engaged in farming, more than half—or 55 percent—is derived from sale of commodities that have no price support. Over a third, or 35 percent, comes from commodities that are under the flexible-price-support program. Only 10 percent of Michigan farm-income is produced from the sale of 90 percent supported commodities.

As a matter of fact, Mr. President, on a nationwide basis, a very similar relationship prevails. Only 4 of the 48 States derive half or more of their farm income from crops under 90 percent price support. Thirty-one States, or over 60 percent of all States, derive less than a quarter of their farm income from the 90 percent supported commodities.

Taking the 8 most populous States, which together account for 40 percent of all our people, only 1—Texas—derives more than 25 percent of its farm income from commodities under 90 percent support.

Six of the other seven States get less than 15 percent of farm income from the 90 percent supported crops; and the remaining State, Illinois, gets only 21 percent of farm income from this source.

For the country as a whole, Mr. President, 56 percent of farm income is derived from commodities which are not in any price support program; 21 percent from commodities in the flexible-price-support group; and only 23 percent from the high rigid support level group.

Clearly, this fixed 90 percent of the parity price support program is one which benefits the receivers of only a comparatively small proportion of total farm income; and in the long run, it will be of doubtful benefit even to them.

Mr. President, over the past year we have heard a great deal of talk about economic conditions. Words like "depression," "recession," and "readjustment" have been used repeatedly. I am no prophet. I have no crystal ball. I have no idea what sort of conditions we shall have next year, or the year after, or the year after that. But I believe in being prudent. I believe in planning against the possibility of the rainy day, while the sun is still shining. There is too long a record in history of business depressions for me to conclude that they are a thing of the past.

They have occurred under both political parties. We even had one under the New Deal. We have never heard much about it, it is true; but the contraction of 1937–38 was pronounced and painful. Had it not been for the start of World War II in 1939, that depression could have been just as prolonged as the one of 1929–32. So I am not ready to say that business depressions have yet been outlawed.

In fact, I think this administration has been well advised to have taken steps to develop a program of public works to be put into operation if the situation should so demand.

But, Mr. President, what about farm planning? What sort of shape are we in, so as to be able to act, should the farmers face economic difficulties? I say we are in bad shape. The economic system, like the human system, will absorb just about so much stimulation, and no more. After a certain point has been reached, further injections produce no results.

We have stimulated production and prices to a degree where any further stimulation, such as we might like to apply if the economy should contract, would have little, if any, effect.

Our warehouse, elevator, and even shipping and storage facilities are bursting at the seams. This year's crops are likely to add further strain to our ability to store this growing accumulation.

We have allowed ourselves to be caught in a vise which threatens soon to deprive us of any freedom of action whatever. If

we want to be in position to step in and help the farmer, should he fall on bad times, we had better start putting our house in order.

We had better set about getting some control over this situation, instead of letting it continue to control us.

Certainly there can be no one within the sound of my voice who believes that the people of this country would stand for another program of food destruction, like that of pigs and potatoes. Were anything like that to be tried again, I have no hesitation in predicting that it would be the farm program that would end all farm programs.

Nor, in my opinion, would our people be willing to bear the still heavier taxes that would be required to finance any new, large-scale, foreign-giveaway programs, involving food or anything else.

Either type of proposal to get rid of unstorable food surpluses would be certain to cause trouble.

Resentment and bitter feeling between urban and rural dwellers would be inevitable. Only one element could benefit from such a situation—the same group that always is alert to stir up dissension and hatred, to set class against class—the Communists.

We cannot let our ship of state drift into such a perilous sea. Let us adopt the reasonable way, the way of gradual adjustment toward a condition where supply can come into balance with demand; where all of our farmers, not just some of them, produce for the food needs of their fellow countrymen, rather than with the objective of jamming the products of their farms into Government-supported warehouses.

Let us take the broad view, the view that takes into account tomorrow and the day after.

Let us think of the national interest. In the long run, no sectional benefit can possibly flow from a program that conflicts with the national good.

Let us replace the present rigid, high, support levels for the basic and certain other commodities, with flexible levels, as are provided for other farm products under price support.

This is the only sound economic remedy. It is fiscally wise. It is equitable to all types of farmers, and is in the interest of nonfarmers. It is morally right.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. POTTER. Mr. President, I ask unanimous consent that the order for the call of the roll be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KEFAUVER. Mr. President, I have been visiting these last few weeks among the farm people of my State. I have talked with thousands of them. I know their plight. There is a real agricultural recession. The dairymen of my State have lost enormously since last April 1, not just in their current receipts, but in the value of their farms and their dairy herds. I have met fine young farm men and women—some of them veterans—who tell me that their equities have been wiped out by the drastic dairy price support reduction ordered by Secretary Benson last April 1.

These young people had started farming in the last few years with a few hundred dollars and a heavy debt. They accumulated a little. And then came the 15 percent cut in their dairy price supports. Milk checks fell. The value of dairy cows fell. The value of their lands fell. In some cases their equity is all gone and they already face failure and foreclosure unless this Congress does something to relieve their situation in the next few days that we are in session.

Established farmers are somewhat better off, but they, too, have had their hopes for security or retirement fade.

The farm people I have met, and I have talked with several thousand of them—have, without a half dozen exceptions, expressed great alarm over their situation. Their income is down. And they feel let down, to put it very mildly. Regardless of what may have been concealed in the fine print, they believed that both candidates for the Presidency in 1952 had assured them of 90 percent farm price supports in the law. And one candidate had spoken of 100 percent of parity prices in the market place.

The farm people anticipated efforts to build up their income—at least an effort—to prevent further decline. But farm prices have gone on down and down, 10 percent, 11 percent, 12 percent, and now 13 percent since the 1952 campaign period. And all the farmers hear is that Secretary of Agriculture Benson thinks that farm prices are still too high—that they ought to be flexed down some more for the benefit of the consumers, who will then eat the farmer out of all his difficulties.

That would be fine, if it worked, but it has not worked and the farm people wonder just how far their prices have to fall before the consumers' food prices come down just a little. Food prices have dropped less than 1 percent since 1952 although farm prices are down 13 percent.

The processors are not passing the farmers losses on to the consumers. Even if they did, with several millions now unemployed, it is doubtful that consumption of food and fiber would increase in accordance with the glowing pictures that have been painted by the Secretary of Agriculture and his staff.

I have never contended, Mr. President, that 90 percent of parity price supports is the certain and final answer to all our farm problems. They have worked well on the basics. No one disputes that they are a great success on tobacco. Uncle Sam has made money—nearly $250 million—on cotton, cottonseed, and cotton products, while supporting cotton at 90 percent of parity. It has cost about $100 million each to support wheat and corn for 20 years and $1½ million to support rice during that same period.

These are infinitely tiny sums compared to the great good that the price support programs have done both for the farmers, and for consumers in emergencies that I shall soon discuss.

The farmers have never failed to approve acreage allotments and marketing quotas when that has become necessary. The wheat farmers have just approved very drastic quotas for next year, although they did not know when they voted whether they will get 75 percent, 80 percent, 82½ percent, or 90 percent of parity price supports on their crops. The farmers have always kept their end of the price-support bargain.

It is simply inconceivable to me that it is proposed in these critical times, with several million unemployed and our economy considerably below a prosperous level, that men should be crusading to pull the rug out from under agriculture.

High price supports are needed today as never before since the great depression when they were first instituted.

Farmers are having to make a terrific postwar adjustment in their acreage. Acreage is down 21 percent this year as compared with last, even though the Congress adjusted the allotment upward a little at the first of the year. Last year cotton yields ran 20 percent above the previous 10-year average. If yields are normal this year, even with 90 percent supports our farmers stand to get 35 percent to 40 percent less income from their cotton this year than the year before.

Next year these cotton farmers must look ahead to another cut of 10 percent or 12 percent in their acreage which means another income drop.

This, of all times, is when the farmer should be assured that his prices will not also fall in upon him and make his ruin complete.

I am aware that with a set-aside of 3 or 4 million bales of cotton, the level of price supports next year under the flexible scale is expected to stay at 90 percent or very close to it. But what will happen to the markets when the assurance of 90 percent for several years has been removed? Will the mills here and abroad not hold back on cotton purchases for future lower prices? I recently heard Secretary of Agriculture Benson's strategy to bring on low farm prices as the strategy of knocking over a line of dominoes. First withdraw the assurance of continued high supports and the market falls. The Government then gets a great deal of cotton through the loan. This then becomes the excuse for lowering price supports even more so the Government will not accumulate surpluses. It is an endless chain.

The reduction in dairy price supports has not stopped accumulation of Government stocks. There is the same excuse today for reducing dairy price supports further that there was when the Secretary heartlessly and unwisely dropped them from 90 percent of parity to 75 percent of parity last April 1.

I am completely unable to see why anyone is panic stricken by our great good fortune in having some reserve stock of wheat, feed grains, dairy products, and cotton in our national storehouse.

Such stocks have stood this Nation in good stead on more than one occasion. There were drought years in the thirties and two war periods when we thanked the Almighty that we had a few bins full of food, and warehouses full of cotton, to meet our emergencies.

Today we have the threat of widespread drought. No one can predict if this will prove a year of mild drought or not of catastrophe, or if this is another drought decade like the thirties. But 1954 crops have already been seriously damaged in many places, and drought conditions are more widespread today than in the thirties. We could be in for very serious trouble. We are lucky to have feed reserves.

I am told that if feed grain yields fall as much as 3 bushels per acre in 1 year our surplus feed stocks will disappear, that the whole excess over normal carryover will be gone. Our margin of surplus is really rather small.

No one knows, except possibly the men in the Kremlin, if there is to be another Korea, or even an all-out war. I hope and pray that there will be no defense emergency. But I am positive that our great stocks of food, as well as our $135 billion stock of military equipment, material, and atomic weapons, act as a deterrent to any aggressor. The old saying that "food will win the war and write the peace" has not been completely outmoded by the A-bomb and the H-bomb. People still eat. And the nation with abundant food supplies still has a great advantage over those without.

In this respect, our cotton carryover looks small indeed. We have 7 million bales of cotton in reserve now. We had 13 million bales at the outset of World War II. We had to apply strict controls to make the 13 million bales—plus all the production we could get from farmers—meet the needs of ourselves and our allies during World War II.

I am not going to dwell at length on the falsity of the argument for flexible supports. Other Senators have done that. The reports of both the House and the Senate Agriculture Committees demolish all the arguments that have been arrayed for the sliding scale.

Lower farm prices have not increased consumption; they have not even reached the consumer. They do not discourage production. Milk production has gone right on up since Secretary Benson ruined thousands of dairy farmers with his drastic cut in their supports. The sliding scale will not reduce the cost of supports to the Government. The devaluation of Government stocks alone resulting from adoption of low supports would cost more than continuing supports at 90 percent of parity. The Government has 7 million bales of cotton, 878 million bushels of wheat, and 803 million bushels of corn either owned or under nonrecourse loan. These reserves and others would be devalued to whatever extent support levels are permitted to fall. The loss would run over the total cost of supports for the last 20 years.

Mr. President, during the present session of the Congress and during the last session, I have joined with my fellow Senators in proposing constructive approaches to the farm problem.

We have no real surplus of food. Beyond our reserve needs, there are hungry people in the world and in these United States, who need all the food we have. Our problem is to get the food to them.

I joined with the Senator from Montana in his international food reserve proposal made a year ago. It has been ignored by the leadership in this administration and this Congress.

Early this year I joined with the Senator from Oklahoma [Mr. KERR] as cosponsor of a bill providing that recipients of old-age assistance should get food certificates equal to 10 percent of the amount provided for them. These older citizens need more than they are getting. It was a splendid and very worthy bill. But it has been given no consideration.

The House of Representatives Agriculture Committee has just gotten out a report which tells us that farm prices have fallen 20 points since 1951, but that food prices which the consumer pays are within a fraction of a point of their all-time peak. In June of this year farm prices fell 4 percent but food advanced one-half of 1 percent. This is the report of Representative COOLEY in the CONGRESSIONAL RECORD of July 27.

Some of us have strongly urged an investigation of why price spreads between farmer and consumer are increasing. Many of us joined with the distinguished Senator from Iowa [Mr. GILLETTE] last year in requesting such an investigation. But we can get neither a congressional committee investigation nor an appropriation to permit the Federal Trade Commission to study this outrageous situation. The majority has even put a rider on appropriations acts to forbid the expenditure of Federal Trade Commission funds to study price spreads.

The one constructive measure that we have adopted is the Agricultural Trade Development and Assistance Act of 1954.

We have two clear alternatives in agriculture.

We must either shrink our farm production until population increases enough to consume all the farmers can produce, or we must find ways to move our production to the hungry, undernourished people in our own country and other free-world nations.

Unhappily, we have done much less than we should to expand markets and move out our foods and fibers. As a consequence, we are having to shrink production. This in itself is a staggering blow to farmers—wheat, corn, cotton, and the rest, to our whole economy.

It would be pointless, useless, economic insanity to worsen the condition of farmers still more by reducing their price supports.

Mr. President, I believe if we will work toward a real effective extension of the Hull reciprocal trade agreement program, in line with the report of the Randall Commission, whereby we could sell our cotton and tobacco and food products to nations with people who need them, and take back rubber, uranium, manganese, and things those nations have, we would then make real progress toward some permanent solution to this problem of farm surpluses.

By reducing the price supports to below 90 percent we are certainly not working toward a solution, and I expect to vote against such action.

I thank the Senator from Michigan very much for his generosity.

Mr. ANDERSON. Mr. President, I was happy to join with the distinguished chairman of the Committee on Agriculture and Forestry, the able Senator from Vermont [Mr. AIKEN], and several other Senators in sponsoring the amendment which is now the pending business.

All of us recognize that the problem of price supports for general agricultural programs has been with us for a long time, and probably will remain with us for many years to come.

We all recall that the Federal Farm Board, starting back in 1929 and 1930, tried its hand at stabilizing farm prices.

It decided to go into the market place and try to deal there with the problem of the existence of agricultural surpluses, but it got out of the market place pretty quickly, after it dropped $128 million on cotton and $184 million on grain.

The farmers of this country, as well as those who were trying to administer the program, realized that they could not depend upon that type of stabilization. They could not walk into the market places and succeed, by their manipulations of grain prices in the market place, in achieving any degree of stability whatever for the farmers of this country.

Reference was made earlier today to the two attempts to pass the McNary-Haugen Act. I think if that act had become law when originally proposed, or even the second time it went to the Congress, great good would have resulted to the agricultural community, and great good to all the people of the United States.

But the bill was not successful, and subsequent attempts were made by various types of agricultural devices to bring about stability for American agriculture.

The early agricultural acts were found to be, perhaps, unconstitutional; at least, the efforts that were then made did not conform to the constitutional pattern.

It was not until the Agricultural Act of 1938 became law that this country seemed to be on its way to some measure of agricultural legislation which might offer the farmer the protection he so properly deserved.

There has been a great deal of discussion of flexible price supports through the years, as though they were some new device. Let it be remembered that in the Agricultural Act of 1938, flexible price supports ranging from 52 to 75 percent were prescribed, and a great deal of the supporting of agricultural prices took place at the lower part of that scale.

My experience with agricultural price supports begins somewhere in that period, because while I was a Member of the 77th Congress, in 1941, there was a feeling that the American farmer needed to have something similar to the assurance that was being given to industry.

Mr. President, I have never made excuses for agricultural price-support programs. Industry was given much assurance all during the period when we were asking for increased production. It was not unusual for the farmer to get similar assurances from the Government of this country.

So in 1942 the Steagall legislation was passed.

In the Committee on Agriculture and Forestry of the Senate I once referred to the fact that while we have referred to the legislation which gives 90 percent supports to commodities at times when increased production was desired as Steagall legislation, the term "Steagall legislation" is, perhaps, a misnomer.

The first recommendation for such legislation came from the junior Senator from Tennessee [Mr. GORE], and at that time the legislation which he proposed was not accepted.

It remained for the very excellent chairman of that committee, Mr. Steagall, to work it into legislation himself. Because he was the successful author of the bill which finally passed the House of Representatives, and then passed the Senate and became law, we have referred to that principle of stimulation of crops by guaranteeing a high level of price supports as the Steagall legislation, although, as I say, credit should be given to the junior Senator from Tennessee [Mr. GORE]. That legislation provided that the incentive support prices at 90 percent should be in effect during the period we were at war, recognizing that it would stimulate the production of agricultural commodities.

Bearing in mind what had happened to the farmer in the period immediately after World War I, a provision was inserted in the legislation that prices should continue at that high level not only during the period in which we were actually at war but for 2 years after the termination of the war, that is, 2 years after the actual termination of the war and upon an effective armistice being entered into and a proclamation to the effect that we were no longer at war.

That provision carried the high level of supports through the year 1948. Even though there had been a termination of hostilities in 1945, it was not until December 31, 1946, that Congress by legislation held that the war activities had ceased; and the Steagall legislation would therefore terminate in 2 years.

Congress recognized that that high level of price supports was intended to stimulate production during war and that it was intended, as part of the program of this country, every effort should be made to obtain the highest possible degree of production from the American farmer.

Having produced agricultural commodities in great surpluses and in tremendous quantities for the use of this country during the war, the farmer had a right to be protected against a sudden dropping off of agricultural prices.

Halfway through that period I became more intimately connected with these programs by becoming associated with the Department of Agriculture. I had to ask myself, as I went into the Department of Agriculture, what creed I was to follow, or what goal I would set for myself.

I have said several times that what probably influenced me more than anything else was the realization of what had happened to the farmers, who after World War I had taken a terrific whipping solely because of their desire to produce abundantly for a country which needed tremendous food supplies during the war.

I recalled the example of a farmer with whom I had been well acquainted. He was a fine farmer, of very high standards, in my native State of South Dakota. That man had gone to State fair after State fair, and had taken prizes year after year. He was, I believe, the most successful farmer I had known.

My father had been in the farm machinery business. That man had credit with my father that was as wide open as any man could have. He could buy anything he wanted, at any time, without being asked how he intended to pay for it.

Some years later, in 1922, I went back into my home community in South Dakota. I encountered that man on the street. He was broken in spirit, and broken in body. He did not resemble the individual I had known. He stopped me and asked me if he could get a position managing a farm which was in our possession. For a while I did not recognize him. It was only after he gave me some identification that I realized that there was a man who only 4 or 5 years before had been regarded as the best farmer in our community. He was broken because loyally and patriotically he had tried to make the best possible contribution he could make to his country. When the markets faded away, he was financially destroyed.

I resolved, as I went into the Department of Agriculture, that, if I could prevent it, no farmer would be put through the wringer in the comparable years immediately following World War II.

Therefore, in 1945, there was appointed in the Department of Agriculture a special committee to consider what the agricultural policy of this country ought to be at the close of the war. That committee consisted of a specialist from each branch of the Department. Any field of activity that seemed to bear in any way on agricultural problems was drawn upon. We brought into that committee men who were familiar with soil conservation work, men who had been handling agricultural programs and men who had been developing the agricultural action programs.

We tried to calculate how many acres could be profitably grown, how many acres could be cultivated without destroying soil conservation practices, and how agricultural production could be obtained at prices satisfactory to the American farmer.

That committee met with great regularity. It not only met with experts within the Department of Agriculture and in the field, but with the great farm organizations—all four of them—that were operating at that time. Every effort was made to get the finest possible cross section of agricultural thought.

When the report of that committee was ready, it was worked over very carefully inside the Department of Agriculture. It was discussed time after time, and every effort was made to make sure that we had a program that we could stand behind when it was presented to the American people.

That program in part was reported to Congress in the summer of 1946.

Then the House Agriculture Committee held hearings on the program across the country, in which it attempted to find out what the sentiment of the people of the United States was, and what the farmers themselves thought of that kind of program.

The committee reported back in the fall of 1946. In 1947 the program was again presented to the Congress. As I looked through the report of the minority members on the pending bill, I found included in the report a quotation from a statement I first made on April 21, 1947. At that time I stated:

> We need to develop a long-range system of commodity price floors to protect producers against excessive or abnormal declines during the market season and to generally cushion declines in farm prices and incomes in the event of business recessions. We should make sure, however, that we do not establish a rigid system of price relationships * * *. Prices are and should be an effective means of encouraging changes in production as the conditions of production and demand change.

Madam President, that decision was not quickly arrived at. It represented years of study by people in the Department of Agriculture. All during World War II—yes, even prior to World War II—there was a committee in the Department of Agriculture which studied this question.

Actually, in the early months of 1940, when it became apparent that Europe was about to become involved in a great world war, the Department of Agriculture sent specialists to Europe in an effort to find out what kind of impact war would have upon the food habits of a country.

The committee returned and reported that as a nation went to war it began to demand different types of food, and a change in its diet. Whereas theretofore the average person in a small family might be satisfied with flour, potatoes, and a rather limited diet, as soon as a country went to war and operations in factories started with extra physical exertions being called for, people upgraded their diets. Whereas formerly they were satisfied with one bottle of milk, they now demanded that a second bottle of milk be left at their homes. Then they added meat to their diet, and finally reached for what previously had been regarded as perhaps luxury foods, and then gradually added other foods to their diets, in order to contribute the finest possible work for their nation.

When that report was received, the Department of Agriculture immediately called upon the farmers of this country to start producing things that would be needed in the extra and upgraded diet. That was part of the reason why the first Steagall legislation moved toward the development of new types of food, instead of merely stimulating the production of flour and potatoes.

Therefore, I say that all the way through this period, as we presented this program to Congress, we made every effort to make sure that the program would give to the American people the type of diet that was necessary, and at the same time protect the American farmer against economic disaster.

Madam President, this, then, was a well-tested program which the Department of Agriculture had worked upon and which finally became the basic agricultural law of the country. In the spring of 1948, the distinguished Senator from Vermont [Mr. AIKEN] introduced in the Senate a bill which would have carried into effect the studies which the Department of Agriculture had made and the recommendations which the then President of the Nation made to the Congress.

I stress that because I think it is of extreme value to remember that the recommendation was made to the Congress by a President who was a Democrat, and introduced into the Senate by a distinguished member of the Committee on Agriculture and Forestry who is a Republican. That legislation had support from both sides of the aisle, and was passed by the Senate.

The House of Representatives took a different view. The House felt that in that election year it might be desirable to extend 90 percent supports for 1 year. Therefore, the House passed a simple continuing resolution introduced by the Representative from Kansas [Mr. HOPE]. The two Houses were deadlocked for a long time. Finally, as so frequently happens, it was essential that some sort of compromise be reached, and there was a compromise which provided that the Hope bill should be applicable through the year 1949, but that thereafter the Aiken bill should become effective as the law of the land.

It should not be forgotten that in the election in 1948, there was a great deal of discussion about farm policies and the farm program. Many people remember that the farm program was very hotly debated through the election campaign and thereafter.

When Congress met again in 1949, there was presented to Congress a legislative proposal which became somewhat controversial. There were hearings on the proposal and, as a result of those hearings, it seemed desirable to the members of the Senate committee that a different type of legislation be presented than the somewhat controversial type of legislation which had been proposed.

Therefore, with the full cooperation of all members of the Agriculture Committee and with the possible dissenting vote of only one member of that committee, a new piece of legislation was introduced by the junior Senator from New Mexico, which changed to some degree the scale of price supports, and altered certain other provision of the law, but was intended to carry out the essential idea of flexible price supports.

Madam President, frequently there is a reference to a sliding scale of price supports. In all the testimony submitted by the Department of Agriculture when I was connected with it—and I think perhaps in the testimony at subsequent dates—there was never a suggestion that price supports should drop according to a fixed and established table. The original testimony presented in 1947 was that there should be a lower level of about 75 percent and an upper level of 90 percent, and that the Secretary of Agriculture should have discretion as to the level which he should use between those two figures. That is still my view of the way the law should be administered, and there is nothing in the Agricultural Act of 1948 or the Agricultural Act of 1949 which forbids the Secretary of Agriculture to set the level of agricultural price supports at 90 percent, no matter what the supply situation may be.

Madam President, I say that because I have not been enthusiastic about the set-aside provisions provided in this law. It is a personal feeling, perhaps, but nonetheless the junior Senator from New Mexico believes that the Secretary of Agriculture should have the responsibility for disposing of these surpluses. It does no good to say to him that 3 or 4 million bales of cotton do not exist, that 400 million or 500 million bushels of wheat do not exist, that they can be set aside in a special reserve and insulated from the market. I think the very fact that he knows what the total inventories are, and that the carryover of wheat will be nearly a billion bushels, challenges him all the more to make disposition of the surplus. Providing for some special set aside does no good.

Nevertheless, even if the Secretary of Agriculture had a carryover of a billion bushels of wheat, if he desired to do so and thought the interests of the country required it, he could establish the price level at 90 percent.

I know there is a steady contention that the high level of price supports has been extremely useful to the farmers of the country. I think it is significant that from 1940 to 1949 the average has been something like 111 percent of parity. Therefore, there were other conditions that worked besides 90 percent support.

I noticed a few moments ago that the senior Senator from Tennessee [Mr. KEFAUVER], in expressing his opposition to the amendment which is now pending before us, and his general support of 90 percent levels for agricultural commodities, referred to a speech by Representative COOLEY, of North Carolina. He said that the Representative had pointed out the decline of agricultural prices. That is carried in the RECORD at page 12268. It quotes Mr. COOLEY as saying:

> Since 1951, farm prices have declined 20 percent in relation to farm prices in 1947–49, but food prices have gone down only about 1 percent.

I agree with both those statements. I think it is too bad that when farm prices decline, food prices do not correspondingly decline, but there are other elements that enter into those prices. The significant thing is that since 1951, with 90 percent supports in operation all the time, farm prices have declined 20 percent in relation to farm prices from 1947 to 1949.

Therefore, I think that it is not exactly correct to assume that 90 percent supports will be of great assistance to the farmers of the country. I think farm income goes down because of the accumulation of large quantities of goods. The fact that this one year we have increased our carryover of cotton some 4 million bales is somewhat significant in relation to cotton prices, and it ought to be apparent that to continue to pile up tremendous quantities of this nature will not be good for the American farmer.

We have heard a great many things about how profits have come from certain operations within this program. Today we heard the Senator from Tennessee [Mr. KEFAUVER] say that Uncle Sam has made money out of this program, and that the Government has made $250 million out of cotton alone. I believe the junior Senator from New Mexico could testify as to how that $250 million was made. The Government of the United States had on hand 7 million bales of cotton. It kept that 7 million bales of cotton on hand all during the period of World War II, to a very large degree. That cotton had been acquired when the earlier support program was in effect and when price levels were low. Some of it cost the Government 7 cents, 8 cents, and 9 cents. When the 7 million bales could be safely sold, at the end of World War II, the question arose as to the price at which it would be sold. There were people in the Department of Agriculture who recommended that it be put on the list and be made available to all the people wanting cotton at its cost. That could have been done easily. There would have been no great outcry, because it represented the ragtag end of many years of operation. It would have been very simple to have said, "Yes, we will put it on the list, and we will let somebody take it out at 8 or 9 cents."

Also, it was apparent that there was great need for cotton in certain countries we were then occupying. It seemed only reasonable to ship that cotton to those countries at prices representing something near the then world price for cotton.

The price of cotton was extremely high. Therefore the cotton was shipped by the Department of Agriculture to the armed services of the United States in Japan, Austria, China, and Germany—all over the world—at the then prevailing world price for cotton, and not at the bargain prices under which the tremendous supply had been obtained. It resulted in a profit of $250 million or $268 million. But I have wondered many times since then what would have happened if that profit had not been made. The cotton could just as easily have been handled in another fashion, and the saving could have been credited to the armed services, instead of being shown as a profit to the Department of Agriculture. If that had happened, there would not have been a very great claim that these programs had been profitable.

I believe that we would do well to try out the legislation which was designed years ago to be effective in exactly this type of situation. As I have said, the Department of Agriculture spent a great deal of time in the study of this program. Representatives of the farm organizations were called in. This was not something which was kept secret from them. Indeed, they desired to do it. Senators can read page after page of

testimony by the heads of farm organizations, in which they said they were enthusiastic about modernized parity, which has not yet become fully effective; they were enthusiastic about the flexible system of price supports at a level of from 75 to 90 percent.

That being true, I wonder why the system is not tried sometime. Surely there has been enough trouble with the present system to show that it cannot continue forever. I, for one, believe it is time to adopt the amendment offered by the Senator from Vermont, and joined in by several other members of the Committee on Agriculture and Forestry, so as to ascertain if this is the best way to operate an agricultural program. Flexible price supports have been on the statute books since 1948. Such a program was supposed to have become effective in 1949. It was put off so that it might become effective in 1950; 1950 was an election year, so it was put off until 1952; 1952 was an election year, so it was put off until 1954; 1954 is an election year, and there are some who want to put it off to some other year.

But I think it is time to test it, to see if it is the right position to take. I think the people of the country will find that it is a good, workable law. I think the farmers of the Nation will find that it will bring them benefit in the long run. I therefore favor the pending amendment.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its clerks, announced that the House had passed the bill (S. 1183) for the relief of John L. de Montigny, with an amendment, in which it requested the concurrence of the Senate.

The message also announced that the House had agreed to a concurrent resolution (H. Con. Res. 268) relating to the enrollment of the bill (H. R. 8300) to revise the internal revenue laws of the United States, in which it requested the concurrence of the Senate.

ENROLLED BILL SIGNED

The message further announced that the Speaker had affixed his signature to the enrolled bill (H. R. 2763) to amend the Tariff Act of 1930, so as to modify the duty on the importation of wood dowels, and for other purposes, and it was signed by the Vice President.

REVISION OF INTERNAL REVENUE LAWS—CORRECTIONS IN ENROLLMENT OF BILL

The PRESIDING OFFICER laid before the Senate House Concurrent Resolution 268, which was read, as follows:

Resolved by the House of Representatives (the Senate concurring), That the Clerk of the House of Representatives in the enrollment of the bill (H. R. 8300) to revise the internal revenue laws of the United States, is authorized and directed—

(1) In section 116 (a), to strike out "to the extent" and insert in lieu thereof the following: "From domestic corporations, to the extent."

(2) In the last sentence of section 404 (d), to strike out "applies is" and insert in lieu thereof the following: "applies, is."

(3) In section 556 (b) (6), to strike out "403" and insert in lieu thereof the following: "404."

(4) In the table of sections immediately preceding section 641, to insert after "subparts" the following: "A."

(5) At the end of section 691 (b) (2), to strike out "received.—" and insert in lieu thereof the following: "received."

(6) In section 804 (a) (3), to strike out subparagraph (B) and insert in lieu thereof the following:

"(B) the reserve earnings rate, bears to a denominator comprised of the aggregate of the excess of taxable incomes (computed without any deduction for tax-free interest, partially tax-exempt interest, or dividends received) over the adjustment for certain reserves provided in section 806."

(7) In section 853 (e) (2), to strike out "sections" and insert in lieu thereof the following: "section."

(8) In section 1033 (b), to strike out "of residence," and insert in lieu thereof the following: "of the residence."

(9) In section 2513 (b) (2) (A) and in section 2513 (c) (1), to strike out "March" and insert in lieu thereof the following: "April."

(10) To add at the end of the table of sections immediately preceding section 4341 the following: "Sec. 4345. Cross references."

(11) To strike out section 4551 and insert in lieu thereof the following:

"SEC. 4551. Imposition of tax.

"In addition to any other tax or duty imposed by law, there is hereby imposed upon the following articles imported into the United States, unless treaty provisions of the United States otherwise provide, a tax at the rates specified. For the purposes of such tax, the term 'United States' includes Puerto Rico.

"(1) In general: Lumber, rough or planed or dressed on one or more sides, except flooring made of maple (other than Japanese maple), birch, or beech, $3 per 1,000 feet, board measure.

"(2) Wood dowels:

"(A) Dowels made of fir, spruce, pine, hemlock, larch, or cedar (except cedar commercially known as Spanish cedar), 75 cents per 1,000 feet, board measure.

"(B) Dowels made of Japanese maple, Japanese white oak, teak, box, ebony, lancewood, or lignum vitae, $3 per 1,000 feet, board measure.

"(C) Dowels made of wood and for which no rate of tax is specified under subparagraph (A) or (B), $1.50 per 1,000 feet, board measure."

(12) In section 4601 (2), to strike out "duty." and insert in lieu thereof the following: "duty; and."

(13) In section 4601, to strike out paragraphs (3) and (4).

(14) In section 4601 (5), to strike out "(5)" and insert in lieu thereof the following: "(3)."

(15) In section 4602, to add at the end thereof the following:

"Each reference to any provision of the Internal Revenue Code of 1939 in any agreement entered into, or in any proclamation of the President made, under the authority of such section shall be deemed also to refer to the corresponding provision of this title."

(16) In section 4773, to strike out "4732 (c)" and insert in lieu thereof the following: "4732 (b)."

(17) In section 4883 (c), to strike out "4884 (a) (4)," and insert in lieu thereof the following: "4884 (a) (3)."

(18) In section 5044, to strike out "of his delegate" and insert in lieu thereof the following: "or his delegate."

(19) In section 7601 (b), to strike out "7211" and insert in lieu thereof the following: "7212."

(20) In the table of subparts preceding section 351, to strike out "Special rules" and insert in lieu thereof the following: "Special rule."

(21) In section 2031 (a), to strike out "by determined" and insert in lieu thereof the following: "be determined."

(22) In section 2038 (a) (2), to strike out "of where" and insert in lieu thereof the following: "or where."

Mr. MILLIKIN. Madam President, I ask unanimous consent for the immediate consideration of the concurrent resolution. It is merely for the purpose of making certain corrections in the enrollment of House bill 8300.

The PRESIDING OFFICER. Is there objection to the present consideration of the concurrent resolution?

There being no objection, the concurrent resolution (H. Con. Res. 268) was considered and agreed to.

AGRICULTURE ACT OF 1954

The Senate resumed the consideration of the bill (S. 3052) to encourage a stable, prosperous, and free agriculture, and for other purposes.

Mr. KERR. Madam President, I am aware of the fact that I have asked for and obtained the floor to discuss a subject about which many Senators know more than I do. I realize that they have spoken from conviction and from opinions based on many things. Certainly their opinions have been based upon knowledge which they have gained from experience. I think, Madam President, they have also spoken from the viewpoints of the positions of their own States. I neither condemn nor criticize that. I am astounded, however, at their apparent intolerance of the viewpoints of Senators from other States, the interests of whose people differ from those of the people of their own States.

The farm people of the United States are not uniquely different from any other group in America. They have about the same attitudes toward their country, toward their families, and toward their economic positions, as do other groups. There is one thing I have noticed about them, though. They have an attitude which I think they are entitled to have, and which I can understand. They are against any combine which they are not in on. They have the feeling that the Government should be of, by, and for the people, including themselves; that they are just as much entitled to have their viewpoints and their interests safeguarded by the Government, as is any other group in the Nation.

The Committee on Agriculture and Forestry has a very distinguished Senator as its chairman. I regard him as a sincere, honorable, patriotic Senator. But I think it is a frightful tragedy that he is chairman of the Committee on Agriculture and Forestry, because I do not believe that the farmers of the 48

States should have to be victimized by the viewpoint of one who limits his political philosophy to what he regards as the interests of the people of only one State.

There have been some votes in this country on the question of the reduction of acreage allotments. There was a vote with reference to wheat. My information is that there was one farmer from the State represented by the chairman of the Committee on Agriculture and Forestry who voted in that election. There was an election on the question of the reduction of cotton acreage. My opinion is that not a single farmer from his State voted in that election. My information is that his State produces no peanuts, no rice, and no commercial tobacco, and certainly very little, if any, commercial corn.

Therefore, Madam President, it is not hard to understand how his attitude with reference to these great basic commodities would be different from that of the majority of the citizens of all the States in our country.

Yesterday I found on my desk what purported to be a compilation of information. I think it is wonderful information. The only thing about it is that it is 2 or 3 years old.

I am reminded of the story written by O. Henry about a couple of mining prospectors who had holed up in a cabin in Idaho, prospecting some claims. One day they had a visitor. Visitors were scarce, but welcome. This visitor brought with him a newspaper, and left it. Those two prospectors were greatly interested in having this communication from the outside world.

This particular newspaper, as do many newspapers, had in it a feature designated "Weather Forecast." Being interested in the weather and what it was likely to be, they read the weather forecast with great interest. They were advised that the immediate future was to be characterized by a situation described as "fair and warmer, with southerly and westerly breezes."

Acting on that information, they went several miles away from their cabin that night, and to their amazement a blizzard descended upon them. It took them 24 hours, in which they nearly died, to get back to their cabin.

Then they looked again at the newspaper which had been left by the stranger who had visited them. Sure enough, they found they had read the weather forecast accurately. But the fact which they had failed to take into account was that the newspaper was 90 days old.

If the Senate were to act upon the information left here by the senior Senator from Vermont, the chairman of the Committee on Agriculture and Forestry, we would find ourselves in about the same situation which those two prospectors ran into. In the first place, this tabulation of outdated information, nearly as old and cold as the Secretary of Agriculture himself, has but one purpose in mind, namely, to divide the membership of the Senate.

The Secretary of Agriculture and the chairman of the committee are acting on the principle of divide and conquer. I find on one page the heading "Cash Receipts From Nonsupported Commodities," with a little asterisk, and below a footnote which reads: "Includes meat animals, poultry and eggs, fruits, nuts, and miscellaneous crops."

Madam President, nobody knows any better than the chairman of the committee how much money has been spent on the commodities referred to as nonsupported commodities. Last year the Secretary of Agriculture spent $100 million in what he said was a program to support the price of beef. Yet the chart I have referred to includes meat animals among the nonsupported commodities.

I can understand that, because the Secretary of Agriculture spent his money buying processed meat, hamburger, and canned gravy. It did not do the price of beef any good, but $100 million was spent, purportedly to support the price of meat animals.

Another purportedly nonsupported commodity is potatoes. The fact about that commodity is that, while I do not know how much money the Government has spent on Irish potatoes, the net loss has been $478 million. Yet, according to the map and the tabulation, I see it is included as a nonsupported commodity. Yet the distinguished chairman of the Committee on Agriculture and Forestry made the statement on the floor of the Senate yesterday that even now a program of support for potatoes has resulted in the price of potatoes being very greatly increased for the benefit of the producers.

Poultry and eggs are also referred to in the tabulation as nonsupported commodities. Yet the fact is that, while I do not know how much money the Government has spent on those commodities, there has been a net loss of $200 million as a result of supporting egg prices.

Yesterday I asked the distinguished chairman of the committee if he thought this information was honest. He replied that he certainly did. I do not think it is honest. I know it is not current. I know that any chart which purports to show the cash farm receipts in 1952 from meat animals, poultry and eggs, fruits, nuts, and miscellaneous crops as applied to 1954 is inaccurate.

I tried to get the distinguished chairman of the Committee on Agriculture and Forestry to tell the Senate how much difference there was between the prices of poultry and eggs this year and the prices of 1952. The chairman spoke many words, Madam President, but he did not answer the question. I know that certain meat animals are selling today at less than half the prices they sold for in 1952. I know that poultry and eggs together are selling at far lower prices, and in my opinion the prices received for those commoditiese are not in excess of half of the prices received in 1952.

Therefore, Madam President, it seems to me to be a tragedy to make the effort which is certainly evidenced by this exhibit, not only to divide and conquer Members of the Senate representing various phases of agriculture, but also to mislead them as to what the facts in 1952 were.

We have heard much about surpluses. I have heard so much about them that I have almost become convinced that having a surplus of food is a curse. I hope the all-wise, merciful, omnipotent God whose we are and whom we serve never learns or never takes official cognizance of the fact that there are those in this blessed country of ours who regard an abundance of food as a curse. It might be, Madam President, that action would be taken to relieve us of that burden.

I know of no more well-established fact than that our country is able to produce an abundance of food, and to spare, for the citizens of our country, and to fortify our country in her position as the leader of the free peoples of the world. There are some surpluses of food. Three-fourths of the world is bedeviled by shortages. If we consider the situation impartially and wisely, I am of the opinion that we shall learn that mankind has always been confronted with the problem of either a scarcity or an abundance of food, and that, as between the two, the problem of abundance can be dealt with much more satisfactorily than the problem of a scarcity.

It has been noted on the floor of the Senate that most of the surpluses, and certainly all of the surpluses of basic commodities, have arisen in part, if not altogether, by reason of the necessities of our Government in time of great danger to our national security. Madam President, our country produced many things in the hours of her great national danger. When the danger receded, or seemed to recede, we had left on hand much of what we had produced. Was it regarded as a curse, Madam President? Were the producers of the planes, tanks, ships, and guns that were left on our hands after the danger had receded penalized because they had responded to the call of their Government to produce what we needed?

I remember one transaction early this year, or late last year, when the Defense Department made the announcement that it had sold $1 billion worth of war material, which was no longer regarded as needed, for approximately 10 cents on the dollar. Were the manufacturers of those products penalized? Were those products advertised before the world and before every citizen as a burdensome surplus, and therefore, as a reason why we should now reduce our requirements in modernized military equipment and materiel?

Not at all.

Madam President, why should a surplus, if it exists, of food produced, when required for our national security, now be held as a cudgel over the heads of those who produced it, and be used by the Government as an instrumentality to wreak economic havoc upon those who had so gallantly and patriotically produced it?

Mr. HUMPHREY. Madam President, will the Senator from Oklahoma yield at this point?

Mr. KERR. I yield for a question.

Mr. HUMPHREY. Is it not true that the same producers who, at the request of our Government, stimulated their production in World War I, World War II, and in the Korean war, have in recent months been more than willing, as shown by their votes, to accept acreage controls and other controls which may be necessary to bring their production into more proper balance?

Mr. KERR. They have.

Mr. HUMPHREY. In other words, they are not asking for a "free ride" on the Government. All they desire is a fair price for what they produce, and they are willing to accept whatever controls are necessary in order to bring their production within reasonable limits of national need; is not that correct?

Mr. KERR. They are.

Mr. HUMPHREY. I believe that point needs to be clarified, so that it does not appear that those who seek 90 percent of parity are doing so only in order to have an unlimited right to sell to the Government or to dump on the Government their surpluses.

Mr. KERR. Madam President, the distinguished Senator from Minnesota is entirely correct.

As I have been thinking about this matter, Madam President, I have heard Senators on this floor tell the Senate what is good for the farmer. One of the most amazing things I find, Madam President, is what appears to be an absence of realization on the part of Senators that the farmers are able to think for themselves and to urge upon our Government programs which would be for their welfare.

As the Senator from Minnesota [Mr. HUMPHREY] has called to our attention, the farmers have voted on these control programs, and have voted in favor of them by a majority of anywhere from seventy-some percent up to ninety-some percent, which evidences, Madam President, not only that they know what they want but actually what they do want.

Madam President, in recent weeks I have been in the posture of finding out from the farmers themselves what they want. I say to the Members of this Senate that whenever we act on the theory that the farm people of America will be satisfied with anything less than an extension of the 90 percent of parity price supports on the basic commodities we are acting on an erroneous assumption.

That matter happened to be one of the issues in the campaign from which I just recently emerged, Madam President, and the farmers proved by a vote of anywhere from 3 to 1 to 20 to 1 how they felt about it.

Madam President, I wish to say to my distinguished colleagues on this side of the aisle, I hope they will be the beneficiaries of the knowledge of, how the farm people stand. I am positive in my own mind those on the other side of the aisle are going to have to learn the hard way what the farmers themselves think about this simple and very vital question.

Mr. HUMPHREY. Madam President, will the Senator yield to me again?

Mr. KERR. I yield to the Senator from Minnesota for a question.

Mr. HUMPHREY. The Senator from Oklahoma may recall that earlier today, while the junior Senator from Minnesota was discussing some of the inventory figures, or the so-called reserve and surplus figures on crops, noting the amounts and quantities held, I read the item pertaining to the stocks of butter. During that reading I misquoted myself. I desire merely to have the privilege of correcting the RECORD, since I should like to change the transcript.

I said there was an 18 months' supply of butter, when I meant there was an 18 weeks' supply. I did not do anything to help myself by that misstatement. I desire to have the RECORD perfectly clear that what we have is appropriately a 4 to 4½ months' supply of butter in reserve rather than an 18 months' supply. I desire the RECORD to be clear now, because it is my intention to so amend the RECORD during the period of my speech and the colloquy in which I was engaged with the Senator from Florida [Mr. HOLLAND] and others on that particular item.

Mr. KERR. I am interested in those remarks of the Senator from Minnesota.

Madam President, much has been said about subsidies. I do not regard an adequate price support program as a subsidy. To me it is an insurance policy for the economy of our country; not only for the producer, but for the consumer.

Madam President, I hold in my hand one of the most interesting Government documents I have ever seen.

Mr. RUSSELL. Madam President, will the Senator yield before he concludes his discussion of this matter?

Mr. KERR. I yield to the Senator from Georgia.

Mr. RUSSELL. I was intrigued by the Senator's argument about the fact that we had many other surpluses, in addition to agricultural surpluses, growing out of the war-aid eras and the necessity for national defense. Of course, we are still producing some of the other things which were in surplus at the end of World War II in large quantities.

Has the Senator heard of any demand that the producers of trucks and other motor vehicles, which are being ordered in quantities which cost hundreds of millions of dollars, at this time should produce those articles for 75 percent of what is recognized as a fair price? Has the Senator heard of any movement on the part of the Secretary of Defense to go before the country and incite the people against these producers because they are not willing to produce for 75 percent of a fair price?

Mr. KERR. Madam President, there has certainly been no such intimation. In fact, this Congress and this Government, with the approval of the people, operates on the basis that the producers of every requirement of this Government should receive not only a fair price but a profitable price. Only the farmer, in our entire population, is asked by his Government to produce that which is certainly as important as anything produced—and far more important than most things—on a basis other than 100 percent of parity.

Madam President, I wish to address myself to this question of 75 percent of parity for just 1 moment. I know Senators in this body who favor 60 percent of parity. I know some who favor no parity at all. I personally favor 100 percent of parity. I have heard of those people who favor more than 100 percent of parity.

I have yet to find a farmer who is interested in "6-bit" parity—75 cents on the dollar. When we call on the farmer to help pay the far greater cost of 100 percent of parity to everybody else who does business with the Government, and then say to him:

But you, my friend, are going to have to settle for "6-bit" parity.

I wish to say, Madam President, that it is inequitable, unjust, discriminatory, and unwise.

I wish to say again that it is no subsidy to the farmer to have a program which will enable him to receive a fair price for what he produces.

But if it were a subsidy, Madam President, it would not be anything new in the history of the relationship between this Government and its citizens.

I have this document, designated a committee print, printed for the use of the Committee on Agriculture of the House of Representatives under date of June 3, 1954. It is one of the most amazing documents I have ever found, seen, or read.

Turning to the first page I find this language:

The subsidy is the oldest economic principle written in the laws of the United States. It has been used from time to time since the inception of this Government to influence the direction of economic development and to moderate the impact of the normal workings of supply and demand. The principle has been employed to promote science, the arts, research, and for other Government aims and purposes.

Now, listen to this:

When the First Congress convened in 1789 its first act was to devise a system for administering oaths.

The next business was the enactment of the tariff bill.

That Congress set up a system of subsidies even before they arranged to pay their own salaries.

Reading further:

Significantly this legislation set up the subsidy principle to encourage the development of an American merchant fleet.

Then this amazing document sets forth some of the subsidies this Government has paid to various elements of its economy:

Water carriers: The Government granted 6,340,339 acres of public lands to private interests between 1827 and 1866, to encourage canal building and river improvement, in addition to rights-of-way grants.

Railroads: Approximately 183 million acres of Federal and State lands were granted to railroads between 1850 and 1871.

At the then value in excess of $1.1 billion, what it would be worth today, no man knows.

Shipping and air carriers: Many millions have been assigned by the Federal Government in ocean- and air-mail subsidies to foster the development of transportation, as it was in the case of special consideration for railways and waterways. The first mail subsidy was paid in 1845, according to available records.

Many other millions have subsidized the building of ships on American ways. Just recently the press carried a report that the United States Goverment had paid in subsidy approximately $40 million on the superliner *United States*, a private luxury ship that plies between the United States and Europe.

I see further in this document that the losses under CCC price-support programs on the basic commodities over the years have been $53,299,009. Yet the Government paid $40 million as a subsidy on 1 ship to 1 company in 1 year.

Reading further:

In any discussion of subsidies, one of the most commonly quoted sources is the Bureau of the Budget, which, in recent years, has put into the annual Federal budget messages a statement "Current Expenses for Aids and Special Services" for agriculture, business, labor, veterans, and general aids.

By this limited definition, such Government expenditures in the fiscal years 1949 to 1955, inclusive, have totaled $3,773,000,000 for agriculture, $5,873,000,000 for business, $1,435,000,000 for labor, $32,687,000,000 for veterans, and $9,880,000,000 in general aids, as set forth by years in the following table.

Madam President, I ask that the table be made a part of my remarks at this point in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Aids and special services

[In million dollars]

Fiscal year	Agriculture	Business	Labor	Veterans	General aids
1949	341	773	175	5,549	1,091
1950	601	789	228	5,583	1,264
1951	905	809	197	4,515	1,327
1952	463	1,041	200	4,710	1,364
1953	305	934	215	4,178	1,506
1954 (estimated)	609	918	204	4,057	1,672
1955 (estimated)	549	609	216	4,095	1,656
Total	3,773	5,873	1,435	32,687	9,880

Mr. KERR. I am not saying one word in opposition to any dollar that has been appropriated for any of the other purposes set forth in this tabulation.

What I am asking Senators is why they permit themselves to be misled, misguided, and misinfluenced with reference to modest appropriations to provide the opportunity for economic security for the farm population of the Nation, and apparently have not the slightest qualms in the presence of far greater sums spent for other elements of our population less in number.

I am looking at some of these items I find tabulated in this amazing document that the amount of money spent annually in assistance or as a subsidy to business amounts to $1,041,000,000.

Madam President, according to this tabulation that is very, very close to being an amount equal to the total losses of the Commodity Credit Corporation price-support program on both basics and nonbasics for a period of 20 years.

It is also stated that there is $670 million of annual deficit in the Post Office Department in favor of business mail. Yet, Madam President, men shudder and tremble and call upon the stars to change their course in the heavens when it is contemplated that we spend a reasonable amount, far less in proportion, in order to maintain economic prosperity for one of the great elements of our population.

Madam President, 5 big newspapers and 5 big magazines receive an average annual subsidy from the Government of the United States, according to the statement of the Postmaster General or the Post Office Department, of $7,500,000 a year. Over a period of 20 years, that would aggregate $150 million. The total losses of the Commodity Credit Corporation in 20 years, on the basic commodities, according to this tabulation, have been $53 million, or one-third of that amount.

I think Senators would be interested in knowing who the beneficiaries of this Government subsidy are: Life magazine, $2,151,000 a year. That of itself, Madam President, is almost as much as this Government has lost on the support program of the basic commodities, according to the document which I hold in my hand.

Mr. LENNON. Madam President, will the Senator yield at that point?

Mr. KERR. I yield to the Senator from North Carolina.

Mr. LENNON. I wonder if the Senator from Oklahoma is aware of the fact that the editors of Life magazine have been very critical about the Members of the Congress who indicated their intention to support the 90 percent of parity for the basics?

Mr. KERR. Oh, the editors of Life were horror stricken.

Mr. LENNON. Madam President, I should like to ask the Senator another question. I wonder if the Senator can arrive at any conclusion as to how a man on the 50th story of a skyscraper in New York, an editorial writer for Life magazine, can tell the farmers of the great State of Oklahoma and the great State of North Carolina what their problems are?

Mr. KERR. Oh, I want to say to my friend from North Carolina, he is not up to date. All the editor yonder on the 50th floor of that great skyscraper has to do is either read one of the daily or weekly bulletins from the present Department of Agriculture or pick up that amazing "gadget" known as the long-distance telephone, and talk to Ezra Benson for 5 minutes, and he can learn more about farm living and farm problems and their solution in a 5-minute conversation with Ezra Taft Benson than he can learn in 20 years of association with a farmer.

Mr. LENNON. Madam President, will the Senator yield for another question?

Mr. KERR. I yield.

Mr. LENNON. Is the Senator suggesting that there is a direct pipeline or telephone communication from the Department of Agriculture to the great magazines and daily newspapers which are the beneficiaries of the postal subsidies?

Mr. KERR. There is either a direct line of communication or an exact similarity of thought and attitude, which would otherwise be most amazing.

Mr. LENNON. I share the Senator's views.

Mr. KERR. I thank the Senator for his very timely questions.

From the hearings on postal rate revisions held by the Committee on Post Office and Civil Service of the House of Representatives, 83d Congress, 1st session, on H. R. 6052, July 13 to 19, 1953, I get this further amazing information:

The Saturday Evening Post received from the United States Government, paid for by the taxpayers, a subsidy of $1,631,000 a year; the Ladies Home Journal, $408,000 a year; Collier's magazine, $1,237,000; Reader's Digest, $917,000.

Madam President, the barefoot boy in the Tribune Tower yonder on the Chicago River shudders in horror as he contemplates a dollar being spent by this Government for the benefit of the farmer. Yet he has his long, bony fingers in the United States Treasury for nearly half a million dollars a year in the form of a subsidy. The Chicago Tribune is as shoddy a propaganda sheet as any that has ever tried to mislead the patriotic population of a great country.

I hope the colonel lives forever, because I know he could not rest in peace in any marble sarcophagus if, beyond the grave, information came to him in his publication that the farmers were still getting a few dollars a year from the Government.

The New York Times is a great newspaper, but I must say I do not think our country would cease to exist if the New York Times were forced to pay what it costs to send that publication through the mails. Of course, it sets forth on its masthead that it publishes "All the news that's fit to print." I think probably it does do that, and perhaps more, too. It received $425,000 a year.

The Detroit Free Press received $58,000 a year. Perhaps it would not be so free if it had to pay what it costs to send its publication through the mail.

The St. Louis Post-Dispatch received $113,000; the Los Angeles Times, $45,000.

Madam President, I have named 10 publications, both magazines and newspapers, to which our Government gives an annual subsidy of $7,432,000, according to the testimony of the Post Office Department.

Yet the administration which the Postmaster General represents is here today with misinformation and misguided propaganda attacking a program which is designed for the benefit of tens of millions of Americans who make their living on the farm, and is fighting a program which is necessary to their very economic existence.

I ask unanimous consent that the table which appears on page 143 of the hearings before the Post Office and Civil Service Committee of the House of Representatives, on House bill 6052, to readjust postal rates, be printed at this point in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Itemized breakdown of the amounts of deficit occasioned in handling mail of 5 or 6 largest circulation magazines and 4 or 5 largest circulation newspapers

	Quarterly weight	Copies	Quarterly postage at present rate	Cost of handling	Loss
MAGAZINES	*Million pounds*	*Millions*			
Life	47.5	45.8	$1,273,000	$3,424,000	$2,151,000
Saturday Evening Post	34.1	36.9	690,000	2,321,000	1,631,000
Ladies' Home Journal	10.2	7.7	215,000	623,000	408,000
Collier's	17.4	33.1	386,000	1,623,000	1,237,000
Reader's Digest	7.0	23.5	134,000	1,051,000	917,000
NEWSPAPERS					
Chicago Tribune	5.9	9.8	154,000	601,000	447,000
New York Times	5.6	7.6	211,000	636,000	425,000
Detroit Free Press	.8	1.4	17,000	75,000	58,000
St. Louis Post-Dispatch	1.7	2.6	37,000	150,000	113,000
Los Angeles Times	.5	.7	24,000	69,000	45,000

Mr. MONRONEY. Madam President, will my colleague yield?

Mr. KERR. I am glad to yield to my distinguished colleague from Oklahoma for a question.

Mr. MONRONEY. Perhaps my distinguished colleague has already mentioned it in his excellent address on the subsidies that are paid to our airlines, but I am sure he is aware of the fact that we spend nearly $80 million a year subsidizing both foreign and domestic airlines. It comes out of the Treasury of the United States, and is used to maintain a service which we feel is essential. It is in the nature of a subsidy to one of the rapidly growing private businesses of the country.

Over the years this subsidy to airlines has amounted to many times the cost of the entire farm price support program for all the basic commodities.

Mr. KERR. And for all the perishable commodities as well. The Senator from Oklahoma is eminently correct. I wish to say this for the airlines of our country: They represent one group that has never come to me or to any other Senator that I know of and tried to seduce men to turn their backs on the American farmer. They have not hesitated to be the beneficiaries of this program. In addition to the $80 million or $90 million of direct subsidies, the Government spends $100 million a year in maintaining services which aid those airlines, as they fly the heavens across this great Nation.

I do not oppose the airline subsidy. It has made a great contribution to the growth and development of our country. But how can men contemplate with a wholesome attitude a program that costs the Government $180 million a year in direct and indirect subsidies to the airlines and then be horrified to think of a program that has cost the country less than a third of that amount to support the prices of agricultural products?

That is not all. This pamphlet has given me information which I might otherwise have died without finding. It is an amazing compilation of information with reference to subsidies being paid by our Government to its people.

I believe that the Census Bureau will have to take a new census to find out what elements of our economy get subsidies, most of whom cry out in horror at the farm program, which is not a subsidy but an investment in the economic strength and security and welfare of our country.

Navigation aids cost $137 million. It may surprise Members of the Senate to hear me admit that I do not know what navigation aids are. Yet I find that my Government appropriates $137 million in the form of a subsidy for navigation aids. I do not know who navigates, or where anyone navigates, or what is navigated.

I believe we ought to look into that if we are to be horrified by a program of price supports that has cost this country an average of less than $60 million a year. I believe we ought to find out about those navigation aids. We ought to know about a program that costs $137 million. Is that not a reasonable suggestion?

Next we come to ship operation subsidies. I always thought that ship operation was in some form or other connected with navigation aids. Are not ships used for navigation? Ship operation subsidies cost $50 million a year.

Some Senators who vote for such ship subsidies each year vote against a price-support program for the farm population, even though such a program costs but a little more than the ship subsidies.

One of the messages which came to the Congress last year was from the Secretary of Commerce, Mr. Weeks. I have heard some rather derogatory remarks made about former President Harry Truman, with respect to his being loose and free with money. Before he left office he sent to Congress a recommendation for $25 million or $30 million for ship navigation, in the form of a subsidy or bonus. Mr. Weeks had no more than taken the chair of the Secretary of Commerce before he obtained approval from the Bureau of the Budget and sent an official message to Congress asking for $65 million.

Yet everyone in that part of the country looks with horror upon a program that means the difference between economic security and poverty for so many millions of American citizens.

Madam President, we could count the farm people in one county in any one of 20 farm States and find more individuals who would be benefited from the farm program than a total of those who benefit from the ship operation subsidy.

Here is a little item: Aids to business through the Department of Commerce, other than water and air navigation aids and ship operating subsidies, $19 million a year. There are so many items that they cannot all be detailed and identified in specific language. This is a group of others than those who receive the benefits of the principal programs of subsidy—$19 million a year is asked for this group.

RFC, $56 million.

Corps of Engineers, maintenance of rivers and harbors, $61 million.

Madam President, I ask that pages 3, 4, and 5 of this amazing document, with this detailed information, be placed in the RECORD at this point.

There being no objection, the document was ordered to be printed in the RECORD, as follows:

The following figures for fiscal 1952 illustrate how the Budget Bureau breaks down "Current expenses for aids and special services," generally referred to as subsidies:

Agriculture

Total	$463,000,000
CCC losses in price supports	184,000,000
International Wheat Agreement	77,000,000
Sugar Act	60,000,000
Grants and aids, in such areas as the Extension Service and experiment station operations	49,000,000
Other Department of Agriculture operations	94,000,000

(From the total of these components the Bureau deducts approximately $2 million which represents the surplus in the farm labor revolving fund. It should be noted, too, that while $60 million is listed as a subsidy under the Sugar Act, this act in fact puts considerably more into the general fund of the Treasury than is paid out.)

Business

Total	$1,041,000,000
Post Office Department deficit in favor of business mail	670,000,000
Navigation aids	137,000,000
Air navigation aid	93,000,000
Ship operation subsidies	50,000,000
Aids to business through the Department of Commerce other than water and air navigation aids and ship operating subsidies	19,000,000
RFC	56,000,000
Corps of Engineers maintenance of rivers and harbors	61,000,000
All other special aids and services	2,000,000

(The total of these figures amounts to $1,088,000,000, but from this the budget office subtracts approximately $47,000,000 of profit made in operation of the Panama Canal and through the Defense Production Act, to arrive at the $1,041,000,000 actual subsidies for business in 1952.)

Labor

Total	$200,000,000

(Practically all of this amount represents grants to States for operation of the employment service and unemployment compensation programs.)

The House Appropriations Subcommittee on Agriculture in January 1954 published figures indicating subsidies amounting to $45,662,835,506 for business compared to farm price-support costs amounting to $1,194,839,023, as represented by Commodity Credit Corporation losses in the price-support program. The table printed by the subcommittee, including also figures on Government emergency investments, follows:

Comparison of CCC from price-support costs with subsidies and emergency investment

1. Losses under CCC price-support program:	
Basics	$53,299,009
Nonbasics	1,141,540,014
Total	[1] 1,194,839,023
2. Federal expenditures for—	
Consumer subsidies losses:	
CCC	[2] 2,102,067,121
DSC and RFC	[3] 2,143,281,385
Subtotal	4,245,348,506
Business reconversion payments (including tax amortization)	40,787,864,000
Subsidies to maritime organizations	[4] 327,500,000
Subsidies to airlines	[5] 302,123,000
Total	45,662,835,506
3. Federal investment in—	
Military material	[6] 129,000,000,000
Food and fiber (CCC inventories)	[7] 2,687,103,365
National stockpile of materiel	5,700,000,000

[1] From beginning of program in 1933 through Nov. 30, 1953.

[2] From July 1941 through Nov. 30, 1953. The last CCC subsidy program was ended on Oct. 31, 1947, although claims, refunds, and adjustments continued to be processed after that date.

[3] From July 1, 1943, through June 30, 1949. All DSC and RFC subsidy programs were ended by Oct. 14, 1946, but claims, refunds, and adjustments continued to be processed after that date.

[4] Estimated operating subsidies payable through calendar year 1954.

[5] Airmail subsidies through fiscal year 1954.

[6] Deliveries since Korea total $50 million; balance in pipelines.

[7] As of Nov. 30, 1953. Includes price support, supply and foreign purchase, and emergency feed programs.

Most of the costs in the farm price support operations have occurred in the postwar readjustments, during the time that business reconversion payments, according to the table published by the Appropriations Subcommittee, amounted to approximately $40 billion.

The story of Government agricultural price-support operations over the last 20 years, in profits and losses, is set forth in the following table:

Cumulative net results[1] of price-support operations by commodities, Oct. 17, 1933, to Nov. 30, 1953

[Millions of dollars]

Commodities on which there were net gains:	
Cotton, upland	237.9
Cottonseed and products	10.2
Soybeans	3.9
Tobacco	1.7
Other (less than $100,000)	-------
Total	253.7
Commodities on which there were net losses:	
Potatoes, Irish	478.1
Eggs	189.6
Wheat	104.2
Peanuts	99.4
Wool	92.2
Corn	87.6
Dried milk	75.2
Flaxseed and linseed oil	67.5
Butter	61.2
Beans, dry edible	40.5
Grain sorghums	35.5
Cheese	27.9
Hemp and hemp fiber	21.5
Sugar beets	16.5
Fruit, dried	14.9
Seeds	14.2
Barley	10.2
Oats	3.9
Grapefruit juice	1.7
Rice	1.5
Naval stores	1.4
All other (less than $1,000,000 each)	3.8
Total	1,448.5
Net loss	1,194.8

[1] Realized gains and losses, excluding general income and expense. Before charge of $500 million to the reserve for postwar price support of agriculture and recovery of $56,239,432 from the Secretary of the Treasury under Public Laws 389 and 393, 80th Cong.

Cumulative net results[1] of price-support operations by commodities, Oct. 17, 1933, to Nov. 30, 1953—Continued

[Millions of dollars]

Commodities on which there were net gains—Continued	
Tobacco	1.7
Other (less than $100,000)	-------
Total	253.7
Commodities on which there were net losses:	
Potatoes, Irish	478.1
Eggs	189.6
Wheat	104.2
Peanuts	99.4
Wool	92.2
Corn	87.6
Dried milk	75.2
Flaxseed and linseed oil	67.5
Butter	61.2
Beans, dry edible	40.5
Grain sorghums	35.5
Cheese	27.9
Hemp and hemp fiber	21.5
Sugar beets	16.5
Fruit, dried	14.9
Seeds	14.2
Barley	10.2
Oats	3.9
Grapefruit juice	1.7
Rice	1.5
Naval stores	1.4
All other (less than $1,000,000 each)	3.8
Total	1,448.5
Net loss	1,194.8

At the request of the Secretary of Agriculture, Hon. Ezra Taft Benson, the Director of Budget and Finance of the Department of Agriculture made a special study of farm-program costs, including expenditures for other than direct price-support operations. Mr. Benson informed the House Committee on Agriculture on March 10, 1954 (long-range farm program hearings—Serial R, pt. 18, pp. 2558 to 2573, inclusive) that, if all the programs for stabilization of prices and farm income 1932 to 1953, inclusive, are considered, then the cost to the Government is $7,510,400,000.

Mr. KERR. On page 6, I find this note:

The $1,089,100,000 of the Commodity Credit Corporation totaled above represents the actual losses in the direct farm price-support program, operated by the Commodity Credit Corporation, through 1953.

If we consider the losses which the Government sustained "B. B."—means "Before Benson"—we find that they are modest indeed in the tabulation of so-called subsidies or aids to business in this great country of ours.

This amazing document concludes with the following statement:

The Budget Bureau recognizes that the term "subsidy" has become surrounded with connotations which the dictionaries never intended but which cause the Bureau to hesitate to make use of the term wherever possible.

I must say that I am not surprised that they refuse to be bound by the definitions they find in ordinary dictionaries.

Therefore, there is no officially recognized definition of a subsidy as such, and no unchallengeable compilation can be made of the cost of subsidy down through the years.

But this document made a pretty good try at it.

It can be said, however, that the subsidy is not new, but is as old as our Government; and its dispensation has been confined to no segment of our economy nor to any group of people in the social structure.

Madam President, I wish to discuss briefly the consumer's interest in the farm program. It is my conviction that the consumer has a greater economic interest in an adequate farm program than has the farmer. We are aware that prices received by the farmer for his product have declined 20 percent in the past 18 or 20 months. Yet the prices paid by consumers have increased in that period of time. In January of 1953, the figure was 113.9. I cannot explain just what that figure means, but it is supposed to be the cumulative figure for the Bureau of Labor Statistics index. That is the formula used to give us the Consumer Price Index by the Bureau of Labor Statistics. Their tabulation shows that in January 1953, the cost of living was at a figure designated as 113.9. That figure reached an all-time high in September of 1953, when it was 115.2.

Would Senators like to know what the figure is for June of this year? It is 115.1. That is within one-tenth of 1 percent of being at the all-time high so far as the consumer is concerned. Yet the prices received by the farmer are 20 percent less than they were 18 or 20 months ago.

How can men seriously, sincerely, or intelligently claim that the consumer has an interest in seeing the price paid to the farmer reduced?

Mr. HUMPHREY. Madam President, will the Senator yield at that point?

Mr. KERR. I yield to the distinguished Senator from Minnesota.

Mr. HUMPHREY. Does the Senator recall that 4 or 5 days ago the Secretary of Agriculture, at one of his press conferences, in response to a question from one of the reporters as to the effect of price supports upon consumers costs, stated that even though the price supports were reduced, they would have very little or no effect upon the cost of food? That is a belated acknowledgment, but is the Senator aware of that fact?

Mr. KERR. I was not aware that the Secretary had made that statement.

Mr. HUMPHREY. It was only within the last 4 or 5 days, when he was under interrogation by one of the members of the press corps.

Will the Senator yield for a further question?

Mr. KERR. I yield for a question.

Mr. HUMPHREY. The Senator is aware of the fact that the representatives of organized labor have testified before committees of the Congress in behalf of the 90 percent price support program and have documented their testimony with considerable statistical evidence and have expressed the opinion that the consumer's interest lies in a fair price for the farmer, and not in a reduced price to the producer of food and fiber which is not passed along to the consumer.

Mr. KERR. The Senator is eminently correct. I propose, during the course of my remarks, to document and prove that fact.

Mr. LENNON. Madam President, will the Senator yield?

Mr. KERR. I yield.

Mr. LENNON. Was the Senator in the Chamber yesterday afternoon when the distinguished senior Senator from Minnesota [Mr. THYE] gave us a practical illustration of what was happening with reference to the drop in the price to the producer of milk in the State of Minnesota, when he said that last summer the price of milk to the producer dropped as much as $1 a hundredweight, and that at the same time the price to retail consumers was actually raised 1.2 cents a quart, showing conclusively that the distributor and not the consumer got the drop in the farm price, particularly with respect to milk?

Mr. KERR. Yes; I was here, and I was greatly interested in that statement.

Madam President, I shall now read into the record a paragraph or two from the statement of a milk producer in the State of Oklahoma. His name is J. I. Keith, and he produces milk for the Tulsa dairy market. In part, this is what he said:

> In December 1952 a dairy farmer here was getting 14.02 cents for a quart of 3½-percent milk that was bottled, and the housewife was paying 26 cents a quart for it.

That is, the producer was getting 14.2 cents. The housewife was paying 26 cents. That was in December 1952.

In March of 1954, the same farmer was getting 10.33 cents, and the housewife was still paying 26 cents.

Mr. LENNON. Madam President, will the Senator yield?

Mr. KERR. I yield.

Mr. LENNON. Does the Senator from Oklahoma know of any instance in which the Department of Agriculture has attempted to use the great influence and weight of his office to see that those savings, if any there may be, are passed on to the consumer?

Mr. KERR. The Department has not done so; on the contrary, it has conducted a so-called investigation into what happened to the great reduction in the price received by the beef producer last year, and came out with a report that it found no undue gouging on the part of the processors as against the producers or the consumers.

The fact of the business is that the Secretary of Agriculture now is, and for months has been, in my judgment, the promoter of and participant in a conspiracy to antagonize the consumers of this country against the producers. He has not only permitted conditions to prevail which are unthinkable but has helped to exaggerate them, and then has reported them to the Nation in an exaggerated manner, seeking to incite the consumer against the producer. [Manifestations of applause in the galleries.]

The PRESIDING OFFICER (Mrs. BOWRING in the chair). The occupants of the galleries are reminded that they must not applaud.

Mr. LENNON. Did not the distinguished senior Senator from Oklahoma submit a resolution in the Senate last year calling for an investigation of the differential between the cost of production and the ultimate price to the consumer?

Mr. KERR. No; I was not the author of that resolution. However, I was greatly interested in it, and hoped that some wholesome result might be obtained. However, I was shocked to learn that out of it came nothing but a whitewash by the Secretary of Agriculture of what had happened at that time.

The fact is that the Secretary of Agriculture helped to promote it, and I will tell the Senate how. He set out to spend $100 million, purportedly to support the price of beef. All he did was to raise the price of hamburger, processed meat, and canned gravy. The price of canned gravy reached the point where it was so high that most folks in Oklahoma could not afford to buy it.

The Secretary of Agriculture raised the price of hamburger from 30 cents a pound to 45 cents a pound in 3 weeks. Who profited? The packer; the processor.

Purportedly the Secretary was doing this for the producer. As of now he sits in lofty indifference and, I presume, ignorance——

ORDER FOR RECESS TO 10 A. M. TOMORROW—PROGRAM FOR TONIGHT AND TOMORROW

Mr. KNOWLAND. Madam President, will the Senator yield?

Mr. KERR. Will not the Senator let me finish this eloquent statement?

Mr. KNOWLAND. I desire to make an announcement to the Senate, because a number of Senators have inquired about the program for tonight.

Mr. KERR. I yield to the Senator from California, with the understanding that I do not lose the floor; but I am impelled to say that I fear that I shall have lost my thought.

Mr. KNOWLAND. Madam President, I have received a number of inquiries regarding the program for this evening and tomorrow.

First, I ask unanimous consent that when the Senate completes its labors this evening, it stand in recess until 10 o'clock tomorrow morning.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KNOWLAND. Madam President, I understand, after having made inquiry at the desk, that there are still a considerable number of Senators who desire to speak on this important piece of proposed legislation or on the pending amendment. I hope that we may move along and dispose of as many of the speeches as it is convenient for Senators to make this evening.

I believe I can assure Members now that there will not be any voting on the amendment tonight, but that the Senate will continue in session until about 8 o'clock, depending on whether there are more speeches which Senators desire to make.

It may be that the Senate will continue in session a little longer than that, if there are Senators who desire to make their speeches, so that they will be in the RECORD tomorrow. But it may be understood that there will not be any voting on the pending amendment this evening.

Tomorrow morning the Senate will reconvene at 10 o'clock, pursuant to the order which has just been entered. I am most hopeful that it will be possible to have a vote on the pending amendment tomorrow. Of course, that will depend on the number of speeches which are disposed of tonight.

Senators on both sides of the aisle, and on both sides of the question, have indicated they are hopeful that it may be possible to reach the voting stage soon. Perhaps that can be done tomorrow, without foreclosing any Senator from having an opportunity to make such remarks as he may wish to make.

Mr. JOHNSON of Texas. Madam President, will the Senator yield?

Mr. KNOWLAND. I yield.

Mr. JOHNSON of Texas. As I understand, the majority leader does not intend to have any voting upon the pending amendment tonight; and I assume that there will be no business transacted other than the delivery of speeches.

Mr. KNOWLAND. I should like to have it understood that there will be no voting on the pending amendment, and that no conference reports or anything else, will be brought up tonight, or tomorrow morning, unless both leaders are consulted.

Mr. JOHNSON of Texas. I thank the Senator from California.

Mr. KNOWLAND. I thank the distinguished Senator from Oklahoma for his courtesy in yielding to me. But since a number of Senators had made inquiries, I desired to make this announcement.

Mr. KERR. I quite understand, and I am glad to have yielded.

AGRICULTURE ACT OF 1954

The Senate resumed the consideration of the bill (S. 3052) to encourage a stable, prosperous, and free agriculture and for other purposes.

The PRESIDING OFFICER. The Senator from Oklahoma [Mr. KERR] has the floor.

Mr. KERR. As I view the situation, the Secretary of Agriculture sits in lofty disdain and indifference with respect to the situation of the average producer of beef. Although he has ample funds and authority to do something about the condition, he steadfastly refuses and says, point blank, that if and when he is moved to do anything at all, he will but duplicate the packers' program of last year.

I read further from the statement of the milk producer at Tulsa, Okla., who informs me that in the 15 months from December 1952 to March 1954 the farmer's income from a bottle of milk went down 26 percent, while what the processor received went up 31 percent. He says:

> The first of this month the farmer's price went down again. He is now getting 9.37 cents for a quart of milk that is bottled. The retail price of milk here did finally come down to 25 cents a quart on April 1. But even after that 1-cent-a-quart drop in retail price the situation still remains like this: In the last 16 months the farmer's part of

what the consumer pays for milk has gone down 33.16 percent, and the processor's part has gone up 30.47 percent.

Mr. MONRONEY. Madam President, will the Senator yield?

Mr. KERR. I yield.

Mr. MONRONEY. Is it not also a fact that when we went into World War II the consumers of milk were getting full butterfat content in their fluid milk? In order to obtain butter for the war effort the butterfat content of the milk was materially reduced. Since the conclusion of the war, when the demands for butter have not been so great, the processors have continued to sell wartime diluted milk or, rather, milk of wartime quality, which has lost much of its butter content, and because of the sleepy or ineffective operation in the Department of Agriculture, nothing has been done, by way of Government encouragement, to bring up the butterfat content of fluid milk.

Mr. KERR. The Senator is eminently correct. If that one fault alone were corrected, many things would happen: First, the consumer would get a better milk product. He would have a 4-percent butterfat content, instead of approximately 3½ percent. Second, there would be no surplus of butter in the country today.

Mr. MONRONEY. But the processor whom the Senator has just described would not be reaping extraordinary profits.

Mr. KERR. That is correct.

Mr. MONRONEY. The lack of butterfat content in the fluid milk which is delivered to the home does not result in profit to the dairy farmer, but results only in additional profit to the processor, and also in the cost of the Government, because of the surplus butter which is produced therefrom.

Mr. KERR. That is correct. Not only is the situation tolerated, but it was brought about by the Government's permission and, I think, promotion.

I sincerely believe that if there were a Secretary of Agriculture who wanted to see the program succeed instead of fail, he would act immediately to do a number of things, including the one which my distinguished colleague has suggested, toward the end of making the program a success.

Mr. HUMPHREY. Madam President, will the Senator yield?

Mr. KERR. I yield to the Senator from Minnesota.

Mr. HUMPHREY. Was the Senator in the Chamber today when the junior Senator from Minnesota made a comment concerning Mr. McConnell, head of the Commodity Stabilization Service?

Mr. KERR. Yes.

Mr. HUMPHREY. Does the Senator from Oklahoma really believe that this program, which has now been authorized by law, can ever succeed when there are in charge of the program men who are fundamentally opposed to its philosophy?

Mr. KERR. It is impossible for the program to succeed so long as it is controlled, directed, and operated by men who are trying to make it fail.

Mr. HUMPHREY. That is an appropriate analysis, is it not?

Mr. KERR. It is an accurate analysis. The Secretary of Agriculture did not take office with the idea of making the program work. He took office to discourage the program and to have the Government discard it.

Mr. HUMPHREY. Will the Senator yield further?

Mr. KERR. I yield.

Mr. HUMPHREY. Does the Senator agree with me that the constant barrage of propaganda which has emanated from the Department of Agriculture in recent months is directed toward arousing resentment on the part of the public against the program and to weaken it and then to bring about its ultimate demise, and its removal from the political scene?

Mr. KERR. Undoubtedly. The Secretary of Agriculture is a good and a sincere man—he sincerely wants this program to be wrecked. He has done more damage to the American farmer than any man who has been in public office in my lifetime, and he has done more damage to the consumer than any man who has been in public office in my lifetime.

Mr. LONG. Madam President, will the Senator yield?

Mr. KERR. I yield to the Senator from Louisiana.

Mr. LONG. Is there any way to connect the Secretary of Agriculture with the promises that were made by the Republican candidate for President in 1952?

Mr. KERR. I must say that is a difficult question to answer. Of course, he can read those promises; but he can also read the law.

I hold in my hand a quotation from what was said by Dwight D. Eisenhower at Columbia, S. C., on the 30th day of September 1952:

> I believe wholeheartedly and without any "ifs" or "buts" in Federal programs to stabilize farm prices, including the present program insuring 90 percent of parity on all basic commodities.

On October 4, 1952, at Brookings, S. Dak., Candidate Eisenhower stated:

> The Republican Party is pledged to the sustaining of the 90-percent-of-parity price supports, and it is pledged, even more than that, to helping the farmer obtain his full parity, 100 percent of parity, with the guaranty in the price supports of 90 percent.

Those were the words of Dwight D. Eisenhower, Madam President, when he was asking the farmers to give him their votes.

Mr. LONG. Madam President, will the Senator yield further for a question?

Mr. KERR. I yield to the Senator from Louisiana.

Mr LONG. The point I have in mind is that, inasmuch as some of our large daily newspapers have taken the attitude that it would be a bad thing to see the farmers guaranteeed even 90 percent of parity, much less 100 percent of parity, which was promised, is it not even a worse thing for a candidate to promise something that he has no intention of doing?

Mr. KERR. In my judgment, Dwight D. Eisenhower intended the farmers to have such supports, but he is insulated by the ignorance of some of his advisers, he is surrounded by indifference, he is victimized by men who are allergic to truth and impervious to fact, and they have deluded and misguided him and made a captive of him. I think President Eisenhower's intentions were good, but he is the victim of a great host of pseudo experts. He is victimized by an epidemic of commissions and committees, and by a group in high office who have made him a captive, and who now make his policies for him.

As indicated by the Senator from Louisiana, they are at fault, premeditatively. In my judgment, the President is the victim through lack of comprehension of what the situation is.

Mr. LONG. Does the Senator from Oklahoma think it is possible that the President might even be surprised to find that no effort is being made to keep the promises he made in 1952?

Mr. KERR. I believe he would be surprised if he found out, but I do not think the group around him will let him find out until he retires from his great office.

Mr. HUMPHREY. Madam President, will the Senator yield for a question?

Mr. KERR. I yield to the Senator from Minnesota.

Mr. HUMPHREY. The Senator from Oklahoma of course knows that we have a Postmaster General, who runs the Post Office Department, and who is in the Cabinet of the President. We have a Secretary of Agriculture, who likewise is in the Cabinet. Might it not be possible that we could send a copy of the promises through the mail, in special custody of the Postmaster General, who might in turn place them, with special delivery by the highest postal official in the country, upon the desk of the Secretary of Agriculture? Then, possibly, we could have someone from Central Intelligence and interpret what those pledges mean to the Secretary of Agriculture.

Perhaps in that way he would get the message and the truth, and perhaps be moved—which I admit is only a fond hope—at least to give cognizance to the fact that such promises were made.

Mr. KERR. I would hope that would happen, but I do not expect it to happen.

Mr. ANDERSON. Madam President, will the Senator yield?

Mr. KERR. I yield to the Senator from New Mexico.

Mr. ANDERSON. I wondered if the Senator from Oklahoma had read the speech which the Republican candidate for President made at Memphis, Tenn., just prior to election. I can only say to him that I was surprised at the language from the Columbia speech, because I had thought I had read and analyzed every speech the President made in the campaign, and I do not recall that language. However, I do recall this language:

> Here and now let me say what I have said to farmers elsewhere. I stand behind the price-support laws now on the books. This includes the amendment to the basic farm act, approved by both parties and Congress, to continue through 1954 the price supports on basic commodities at 90 percent of parity.

There then follows the usual reference to the fact that the mandatory price supports at 90 percent will expire at the end of 1954.

It seems to me abundantly clear that the then Republican candidate intended that there was going to be time for study since those programs were to expire in 1954.

The Kasson speech was couched in almost the same language. The National and State Committee for Agricultural Progress, which was very stanchly supporting the Democratic candidates, and which was headed by Democratic workers, said:

General Eisenhower has himself avoided a basic statement on his price-support views by declaring that he and the Republican Party support the present farm law. The present farm law, unless amended, will slide price supports down into the basement in 1954.

I did not go quite that far with my Democratic colleagues, but I trust the philosophy embodied in what the Republican candidate was saying may be understood.

Mr. KERR. I must say I am sure the distinguished Senator from New Mexico interpreted those words of the candidate as he has indicated. I am not going to accuse the President of the United States of having made one statement at one time and a contradictory statement at another time. I am of the opinion that he sincerely meant what he said in South Carolina and in South Dakota. I submit that his language can be interpreted in no other way than as a definite promise by him.

Listen:

I believe wholeheartedly and without any ifs or buts in Federal programs to stabilize farm prices, including the present program insuring 90 percent of parity on all basic commodities.

Mr. President, that is pretty stout language, is it not? Dwight Eisenhower did not say that with any qualification as to what might happen in 1955. He did not say that would be subject to any sliding effect which might come about if the law were not extended. He said, "without any ifs or buts."

Then he said:

The Republican Party is pledged—

Mr. President, of course I may say that could be another case of misplaced confidence. [Laughter.] But it had some significance when Dwight D. Eisenhower embraced it and uttered it. It had a greater dignity than when it was only a pledge of the Republican Party. I am not going to say they have refused to live up to their commitments; but they are going to demonstrate whether they do or not, Mr. President. The record is going to disclose whether they do or not.

Here is what their candidates said they were pledged to do:

The Republican Party is pledged to the sustaining of the 90 percent of parity price support—

Mr. President, does that sound like a qualified commitment? You do not think it is, Mr. President; no, sir.

Their candidate said:

The Republican Party is pledged to the sustaining of the 90 percent of parity price support—

And, Mr. President, listen:

and it is pledged to even more than that—

Not less—

to helping the farmer obtain his full parity, 100 percent parity, with the guarantee in the price supports of 90 percent.

Ah, Mr. President. There is no qualification there.

Mr. MONRONEY. Mr President, will my colleague yield?

The PRESIDING OFFICER (Mr. LENNON in the chair). Does the Senator from Oklahoma yield to his colleague?

Mr. KERR. First, Mr. President, let me say that he who reads a qualification into those commitments, does so on some basis other than that of analyzing the words and their meaning.

Now I yield to my colleague.

Mr. MONRONEY. Is the quotation my colleague has just read from the Republication National Platform?

Mr. KERR. I was reading the words of Dwight D. Eisenhower, their nominee, spoken at Brookings, S. Dak., on October 10, 1952.

Mr. HUMPHREY. Mr. President, will the Senator from Oklahoma yield to me at this point?

Mr. KERR. I yield.

Mr. HUMPHREY. Would not it be fair to say that if the only promise the Republican Party had been able to make to the farmers in 1952 was that very flimsy, sort of weasel-worded platform plank, the farmers would never for a single moment have felt they would get the 90 percent of parity or 100 percent of parity. As the Senator from Oklahoma has pointed out, it took Dwight D. Eisenhower, with his dignity and great stature and great place in American history, to make the statements and commitments so that the people would believe them. Is not that a fair statement to make?

Mr. KERR. I sincerely believe that the farmers accepted those words at their face value. I do not believe that Dwight D. Eisenhower was trying to mislead them.

Mr. HUMPHREY. Mr. President, will the Senator from Oklahoma yield to me?

Mr. KERR. I yield.

Mr. HUMPHREY. Earlier today I read into the RECORD Associated Press dispatches which came from the meetings to which the Senator from Oklahoma has been referring. I showed a photostatic copy of the leading newspaper in the Midwest, the Minneapolis Star, which carried the headline: "Ike Pledges 100 Percent Parity."

I also showed a photostatic copy of Look magazine; and I referred to the lead article published just a week before the election, and carrying the headlines: "Where the Candidates Stand on the Farm Issue."

There was not a shadow of doubt, insofar as Look magazine was concerned. Look magazine, issuing hundreds of thousands of copies—yea, millions of copies—throughout the country, said that the Republican candidate on the Republican ticket had made the pledges as the Senator from Oklahoma has been interpreting them. The pledges were so made. The public so believed, and no one disavowed those pledges.

Mr. KERR. The Senator from Minnesota is eminently correct, Mr. President. He is so correct that I wish to say to my colleagues that the farm population of the Nation has been shocked and appalled at the evidence of the repudiation by the present Republican national administration of those commitments.

Mr. President, I was referring to the fact that farm prices were down and that the cost of food was up, and that the consumer had a direct and primary pecuniary interest in a program of price supports for farm products.

Mr. President, a few days ago the House Committee on Agriculture issued a pamphlet entitled "Farm Prices and the Cost of Food." At the same time it issued a release. I ask unanimous consent to have the release printed at this point in the RECORD, as a part of my remarks.

There being no objection, the release was ordered to be printed in the RECORD, as follows:

FARM PRICES AND THE COST OF FOOD

WASHINGTON.—Chairman CLIFFORD R. HOPE, of the House Committee on Agriculture, today released a report on a committee staff study showing that farm prices have fallen 20 percent since 1951 while, in contrast, retail food prices are right at their postwar peak.

In June farm prices tumbled 4 percent. From May to June retail food prices advanced one-half percent.

"Thus far," the report says, "almost none of the lower prices received by farmers since 1951 has been passed on to consumers in the form of lower retail food prices." The report continues:

"Further declines in farm prices are expected as more livestock and livestock products come to market and price-support levels are lowered. Consumers can expect little benefit, however, from these lower farm prices unless recent tendencies to increase marketing and processing charges are curbed."

The study of "Farm Prices and the Cost of Food" points out that city housewives today are paying the highest prices on record for bakery products and cereals. Illustrations of how consumer prices may increase while farm prices fall is set forth as follows:

In January 1948, the price of wheat was $2.81 a bushel and the average price of bread was 13.8 a 1-pound loaf. In June the price of wheat was $1.91 a bushel and the loaf of bread sold at an average of 17 cents. Thus, while the price of wheat declined 32 percent, the price of bread advanced 23 percent.

The farm value of the corn in a 12-ounce package of corn flakes was 4.5 cents in the last half of 1947, and the average retail price of the package was 16 cents. In the first 3 months of 1954 the farm value of the corn in this package had dropped to 3 cents, while the average retail price of the corn flakes had jumped to 22 cents.

In the last half of 1947 the farm value of the oats in a 20-ounce package of rolled oats was 6 cents, and the average retail price was 15 cents. Today the farmer gets 5 cents for the oats in the package, but the average retail price of the package has jumped to 18.5 cents.

Farm prices for milk and butterfat in June 1954 were 10 percent below their 1947–49 average, while the retail prices of dairy products were 3 percent higher than the earlier period.

The report points out that in New York and Chicago housewives paid in June 25 cents a quart for milk delivered to their

doors, while farmers who supply milk for the Chicago market received 8 cents a quart and the farmers participating in the New York City market received 12 cents a quart for this milk.

"I believe few consumers realize," Mr. HOPE said, "that the farmer gets only about 2¼ cents for the wheat in the 17-cent loaf of bread, and the price of wheat would have to be reduced by about 75 cents a bushel to reflect a 1-cent cut in the bread cost to the consumer.

"Similarly, there is less than 30 cents worth of cotton in a $3.95 cotton shirt. In the case of tobacco, the farmers in 1953 received about $800 million for that part of their crop consumed in the United States. Federal, State, and local taxes on the 1953 crop—reflected in prices consumers pay—amounted to approximately $2,100,000,000."

Retail food prices have not followed farm prices downward in recent years, but hourly earnings of industrial workers have continued to increase, so that today, the study sets forth, industrial workers can buy more and better food with the earnings from an hour of labor than in any earlier period of history. The report cites figures from the record of the Department of Agriculture, as follows:

One hour's average factory pay bought 3.5 pounds of bread in 1914, 6.4 pounds in 1929 and 10.7 pounds in 1953. The average hour's wage would buy 1 pound of butter in 1929, and 2.2 pounds in 1953; 3.9 quarts of milk in 1929 and 7.5 quarts in 1953; 1.4 dozen eggs in 1929 and 2.5 dozen in 1953; 17.7 pounds of potatoes in 1929 and 32.6 pounds in 1953; 4.4 No. 2 cans of tomatoes in 1929 and 10 cans in 1953.

Mr. Hope pointed out that the increase in costs added to food after it leaves the farms is due largely to the consumer demand for better processing, improved sanitation and more convenient and attractive packaging, plus increased labor costs in processing, transportation and marketing.

The study explains that of each $1 spent by the American housewife for domestically produced food, 56 cents now goes for processing, marketing and transportation charges. The farmer receives 44 cents. Of this 44 cents, approximately 30 cents goes to purchase tractors, trucks, plows, gasoline, fertilizer and other supplies required by farming, thus, the farmer and his family have about 14 cents out of each consumer dollar spent for domestically produced food in return for their work and their investment.

Mr. KERR. Mr. President, I read from the release:

WASHINGTON.—Chairman CLIFFORD R. HOPE, of the House Committee on Agriculture, today released a report on a committee staff study showing that farm prices have fallen 20 percent since 1951, while, in contrast, retail food prices are right at their postwar peak.

In June, farm prices tumbled 4 percent. From May to June, retail food prices advanced one-half percent.

If the price of food would go down to nothing, why, Mr. President, there is no telling how much the consumer would have to pay for it. [Laughter.]

The release further states:

"Thus far," the report says, "almost none of the lower prices received by farmers since 1951 has been passed on to consumers in the form of lower retail food prices."

Mr. President, I wish to say that the Secretary of Agriculture has sought the good will and support of the consumer, under false pretenses. He stands convicted on the record, Mr. President, of having promised them something that he is not delivering to them. Oh, he told the country that 90 percent of his mail favors what he advocates. I wish to say that he gets less mail from farmers than has any other Secretary of Agriculture in 50 years. [Laughter.] The farmers have already given up hope. The Secretary of Agriculture makes the Wall Street Journal with his pronouncements, and he gets a great deal of mail from the people to whom he has promised to see to it that they will get food for less money, by having him put his foot on the neck of the farmer.

I wish to say that the Secretary of Agriculture has succeeded in putting his foot on the neck of the farmer, but he has not succeeded in decreasing the price of food to the consumer.

Mr. LONG. Mr. President, will the Senator from Oklahoma yield at this point for a question?

Mr. KERR. I yield.

Mr. LONG. Would it stand to reason that the Secretary of Agriculture would not be receiving much mail from housewives, because they are still paying more for food; and obviously he must not be receiving much mail from the farmers, because they are getting less for the agricultural commodities they produce. So obviously there is only one group from which he must be receiving much mail, and that is the group of those who can afford to hire secretaries because they are in the business of processing food, and are receiving excellent incomes.

Mr. KERR. Indeed, that must be so, Mr. President.

Mr. MONRONEY. Mr. President, will my colleague yield to me at this point?

Mr. KERR. I yield.

Mr. MONRONEY. Would it not be fair to say that the Secretary of Agriculture must just about be winning the world's prize for ineptitude, inasmuch as he has succeeded in bringing about the lowest prices for agricultural products in recent history, and at the same time the highest prices that consumers have had to pay for food in recent history? That is quite an accomplishment, is it not?

Mr. KERR. It certainly is. No man in history has succeeded in reducing to so great an extent the prices paid to the producers of agricultural commodities, or in raising so high the prices which are required to be paid by the consumers of food. The Secretary of Agriculture has achieved an unchallenged record, in that the American consumers of food are paying the highest prices in history for what they eat, whereas the American producers of food have been neglected, and in 18 months have had to suffer a 20-percent penalty in respect to the prices they receive for the agricultural commodities they produce.

Mr. President, let me refer further to the release on the report issued by Chairman Hope, of the House Committee on Agriculture. Man, oh man, Mr. President. Although Representative HOPE is a Republican, how I wish that good man, the chairman of the House Committee on Agriculture, were chairman of the Senate Committee on Agriculture. He would certainly enter a vacuum, and I believe he could fill it. [Laughter.] In January of 1948 the price of wheat was $2.81 a bushel, and the average price of bread was 13.8 cents for a 1-pound loaf—$2.81 a bushel for wheat, 13.8 for bread.

In June of this year, the price of wheat was $1.91 a bushel, and a loaf of bread sold at an average price of 17 cents. Wheat was down 90 cents a bushel, bread was up 3.2 cents a loaf. Nobody but Benson could bring that about. W. C. Fields in his most expert days could not have juggled those prices in such an unusual consequence of events. It takes a man—I know he works 18 hours a day. He would have to, to accomplish such bizarre results as that, Mr. President.

Thus, while the price of wheat went down 32 percent, the price of bread advanced 23 percent.

Mr. President, what do you suppose would happen to the consumer, if Benson made these boys give their wheat away? There is no telling what they would have to pay for a loaf of bread.

The farm value of the corn—that is corn on the cob—in a 12-ounce package of corn flakes, was 4½ cents in the last half of 1947, and the average retail price of the package was 16 cents. Four and one-half cents for the corn, 16 cents for the flakes.

In the first 3 months of 1954 the farm value of the corn in this package had dropped to 3 cents, or 33⅓ percent, while the average retail price of the corn flakes had gone up to 22 cents, 16 plus 6. That was a price increase of nearly 40 percent.

Mr. President, the consequences will be tragic if Congress insists on bankrupting millions of American farmers and inflicting hardships on their families, merely to prove to the consumer that the farmer is not the villain of the high cost of living, and to prove to the Government that our economy cannot stand the shock of an agricultural depression.

Mr. Benson did even better in the case of corn flakes than he did in the case of bread, although when I found what he had accomplished with reference to bread I thought it was the acme of official manipulation to the detriment of the producer and the consumer, and to the profit of the processor.

The producer and the consumer may not be represented in the Department of Agriculture, but the processor is. He has not had such a bonanza, Mr. President, in the memory of any living man.

Mr. YOUNG. Mr. President, will the Senator yield?

Mr. KERR. I yield to the distinguished Senator from North Dakota.

Mr. YOUNG. I wonder if the Senator has heard of the speeches in the last 2 or 3 days condemning the price-support program for wheat, and leaving the implication that the wheat producers of the Nation were practically villains. I wonder if the Senator has heard those speeches?

Mr. KERR. I have heard them. Oh, how I remember what my father used to tell me, "Behold how much ignorance it taketh to kill a man."

Mr. YOUNG. Mr. President, will the Senator yield further?

Mr. KERR. I yield to the Senator from North Dakota.

Mr. YOUNG. As one who grew up in the wheat business, some of the remarks

which have recently gone out through the press of the Nation have been most disheartening. They paint an extremely unfair picture.

I wonder if the Senator knows that as late as 2 years ago, February 29, 1952, the then Secretary of Agriculture appeared before the Senate Committee on Agriculture and Forestry advocating that the farmers of this Nation increase their production of corn to 115 percent over the previous year, of cotton to 105 percent over the previous year, and of wheat to 118 percent.

I warned the Secretary of Agriculture at that time that I thought it would be unwise for the farmer to do so. However, that was a war measure just as much as the production of guns, tanks, and other materiel were a part of the war effort. It was carried under the Commodity Credit Corporation as a farm program.

Yet, in spite of the fact that the farmers complied with the Government's request, today they are being vilified all over the Nation. There is not a bit of sympathy for the plight in which they find themselves for having patriotically complied with the Government requests.

Mr. KERR. The Senator is eminently correct. They are being penalized for patriotism. They are being vilified because they responded to the call of their country in her hour of great need, and because they met the requirements of our Government. As I said a little while ago, industry met the call of Government by supplying the requirements for war; but a little while ago the Department of Defense sold $1 billion worth of war material at 10 cents on the dollar, and there was no vilification of the producers. There was no effort to call upon them to produce and to sell to their Government what they produced on the basis of a six-bit parity.

Mr. YOUNG. Mr. President, will the Senator yield further?

Mr. KERR. Yes; I will yield to the Senator.

Mr. YOUNG. One speaker after another has pointed out the tremendous surpluses we have accumulated. I wonder if the Senator read a leading article in the Washington Evening Star this afternoon entitled "Drought-Seared Plains States Pray for Rain and United States Aid."

Mr. KERR. No. But a little while ago I said that men who regard an abundance of food as a curse had better never let their sentiments reach the throne of the all-wise heavenly Father, because He might take the measures necessary to relieve them of what they regard as a burden and a curse. Who knows but what before this very year has gone, these so-called surpluses will be regarded as one of the greatest assets our country has. Certainly, Mr. President, a nation of 165 million people, with mouths to feed, with undertakings and responsibilities at home, and commitments abroad, should be happy in the knowledge that it has an abundance of food to spare. It should not be regarded as a curse, and it should not be the cause of a mental attitude whereby there would be inflicted upon those who had produced the abundance a penalty by way of detrimentally affecting their economic welfare.

Mr. YOUNG. Mr. President, will the Senator yield further?

Mr. KERR. I yield.

Mr. YOUNG. The Senator is familiar with many of the late crop forecasts by the various railroads which in the past have been very accurate in forecasting crops.

Mr. KERR. I am glad the distinguished Senator from North Dakota brought that up.

Mr. YOUNG. I have here an Agricultural Outlook Digest for release July 23, which says:

> The 4.2 billion bushel corn supply includes a prospective crop of 3.3 billion bushels, second largest in history, and a 950 million bushel carryover next October 1.

Mr. KERR. I know the distinguished Senator from North Dakota is about to tell the Senate what an up-to-date estimate of the situation that is.

Mr. YOUNG. Mr. President, will the Senator yield further?

Mr. KERR. I yield for that purpose.

Mr. YOUNG. I should like to read one paragraph from the latest forecast by the Chicago Northwestern Railroad. It is as follows:

> Total United States crops have been cut appreciably in the last month. As of this writing a 2½ billion bushel total could be the maximum produced.

They are speaking of corn.

> We estimated 3 billion bushels total on July 1.

That is a reduction in their own forecast of 500 million bushels since July 1.

Mr. KERR. Whose forecast is that?

Mr. YOUNG. That is the forecast of the Chicago & Northwestern Railroad.

Mr. KERR. Yes.

Mr. YOUNG. If they are correct in their estimates, or close to being correct, we will not have a surplus of corn but actually have a shortage, and it is a Godsend to the livestock growers that we had a carryover of corn.

Mr. KERR. The Senator is so correct, Mr. President, that the Members of this body, with responsibility for public policy and the welfare of the Nation, should thank the Senator from North Dakota for the information he has brought to us and for suggesting its significance.

Now, Mr. President, reading further from this release of the House Committee on Agriculture, I learn that farm prices for milk and butterfat in June of 1954, were far below their 1947–49 average, while the retail prices of dairy products were higher.

In the last half of 1947 the farm value of oats in a 20-ounce package of rolled oats was 6 cents, and the average retail price was 15 cents. Today the farmer gets 5 cents for the oats in the package, but the average retail price of the package has jumped to 18.5 cents.

Now, Mr. President, I desire to talk about coffee, because it is a red light in the pathway of every Member of the Senate. It is a cautionary signal which should be recognized by every consumer in this country.

The wholesale price of coffee in May 1953 was 55 cents a pound, and in March 1954 it was 87 cents a pound, which is an increase of 32 cents a pound in the wholesale price of coffee, in 10 months.

This country consumes 2,640,000,000 pounds of coffee a year. That is a great quantity of coffee, Mr. President. It makes 100 billion cups of coffee.

I was in a small cafe last night, and I saw a sign on the wall which said, "Coffee, 15 cents a cup." Not very long ago coffee was 10 cents a cup. Mr. President, I can even remember when coffee was 5 cents a cup for the first cup, and they would give a refill without extra charge if a person did not use too much sugar or cream.

I wonder if the Senators know how much it costs the American consumers when coffee goes up a penny a cup. It costs the American consumers $1 billion a year.

If a person figures on the basis of the retail price of coffee today, compared to what it was 18 to 24 months ago, the American consumer is paying $1 billion more for the coffee he buys.

If a person figures on the basis of what he pays for it by the cup, consumers are today paying from $2 billion to $2½ billion more for the coffee they drink in a year than was the case 2 years ago.

That cost is a monument to the Benson philosophy of scarcity. That is the penalty which the consumer pays for a little scarcity of coffee—from $1 billion to $2½ billion a year penalty for a little scarcity in the item of coffee.

We can only surmise what the consumers would pay if there were a scarcity of corn, as has been intimated to be possible by the Senator from North Dakota [Mr. YOUNG]. We can only suppose what the consumers would pay as a penalty for a scarcity of wheat.

Mr. President, if the Secretary of Agriculture can put the price of bread up 30 percent in the midst of an abundance and with falling prices, we can only suppose what he could bring about in the event of scarcity of wheat.

What I am saying is that the American consumer has as great an economic interest in a farm program of abundance, made possible by a program of fixed price supports, as has the producer. In fact, the consumer has a greater economic interest, because the consumer, is affected not alone by the cost of living. Since we have had such an increase in the midst of abundance, we can only imagine what it would be if the Secretary of Agriculture succeeded in bringing about a few scarcities.

Mr. LONG. Mr. President, will the Senator yield for a question?

Mr. KERR. I yield for a question.

Mr. LONG. Is it not true that actually the consumer has a greater stake and a greater interest in having an abundance of food than any other segment of our economy? After all, there is nothing which will come nearer to guaranteeing the consumer food at a reasonable price than the fact that food is in full supply, and that there is an abundance of food available.

Mr. KERR. The Senator is eminently correct, if he is speaking on the basis of "B. B."—before Benson.

We now have a Secretary of Agriculture who has succeeded in bringing

about a substantial increase in the cost of food to the consumer at the same time that there has been a great decrease in the price received for it by the producer.

Mr. LONG. Mr. President, if the Senator will yield further, the Senator well knows that if automobiles are in scarce supply, people can make the old automobile last for a little longer; and if radios are in scarce supply, people can listen to their neighbors' radios for a little while even though some people might be willing to pay a much higher price for those articles.

On the other hand, if food is in a scarce supply, people will pay almost any price for food rather than go hungry.

Mr. KERR. And pay more for less.

Mr. LONG. Of course.

Mr. KERR. The Senator is eminently correct. But the consumer has a further interest in a program of adequate price supports for the producer, because the producer of agricultural products is the customer of the consumer. Consumers are engaged in some productive activity, out of which come goods and merchandise which must be sold to other consumers, and the farmer becomes the consumer of what the consumer of the farm products produces.

The off-farm purchases of American farmers in 1952 were upward of $24 billion. They will be substantially less than that this year, Mr. President. And if the program of 90 percent of parity on the basic products is permitted to expire the off-farm purchases of farmers will be far less next year than they have been this year.

Oklahoma farmers lost $75 million last year because of the decline in the value of their farm products. They will lose another $25 million this year. If the 90-percent-of-parity price supports are not extended by this Congress, the Oklahoma producers and farmers stand to lose another $100 million next year. That process of loss does not begin at one boundary of Oklahoma nor does it end at another. It goes all the way across the length and breadth of the farm areas of the United States. The economy of the farmers, the economies of the States, the economy of those who produce goods, wares and merchandise for sale to the farmers, the economic vitality and welfare of our country, and the very security of our Nation are all tied into the extension of the program of price supports at least as high as 90 percent on the basic farm commodities.

Therefore, Mr. President, I oppose the amendment sponsored by the chairman of the Committee on Agriculture and other Senators, which has for its purpose a decrease in the level of price supports which will be fixed by the bill now before the Senate for its consideration.

I yield the floor, Mr. President.

Mr. YOUNG. Mr. President, at the outset of my speech in opposition to lowering support levels on farm commodities I should like to set the record straight as to what the two bills pending before Congress would provide, if approved, by way of a support level for basic farm commodities.

I received a letter today from the Solicitor of the Department of Agriculture, Mr. Farrington, with which he encloses a table showing exactly what support level we could expect for all basic farm commodities if either the House or Senate bill should pass. I hope the press will carry these figures, because we need to get correct information to the public.

Under the House bill the support levels for wheat under maximum or minimum set-aside, according to Mr. Farrington of the Department of Agriculture, would be only 75 percent of parity. Under the Senate bill, which has other provisions in it, under the maximum set-aside, the support level for wheat would be 78 percent of parity and the minimum would be 75 percent of parity.

I note the newspapers carried a story yesterday implying that the support level under the Senate bill would be 80 percent of parity. It is true it would be if the special amendment were adopted. There is a provision in the House bill that for 1 year the support level would be 82½ percent of parity.

Mr. President, I ask unanimous consent to have inserted in the RECORD as a part of my remarks, a letter dated July 5, 1954, from R. L. Farrington, Solicitor of the Department of Agriculture, together with a table which he has attached to this letter, showing exactly what support levels we can expect next year under the 2 bills.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

UNITED STATES
DEPARTMENT OF AGRICULTURE,
Washington, D. C., August 5, 1954.

Hon. MILTON YOUNG,
United States Senate.

DEAR SENATOR YOUNG: This responds to your request concerning price support levels for the 1955 crops of wheat, cotton and corn.

The enclosed table prepared in the Department shows estimated minimum price support levels for the 1955 crops of wheat, cotton, corn, rice, and peanuts under provisions of (1) the Agricultural Act of 1949, (2) S. 3052 as reported by the Senate Committee on Agriculture and Forestry, and (3) H. R. 9690 as passed by the House. Where the level shown is 90 percent of parity, it also is the maximum support level. Where the level shown is less than 90 percent of parity, the Secretary has discretion to fix the level of support between the minimum level and 90 percent of parity, after consideration of factors specified in the Agricultural Act of 1949.

As indicated in the footnote to the table, many assumptions must be made in projecting these estimates, most important of which are size of crop, carryover, consumption and compliance by producers with acreage allotments. For example, the following figures were used in connection with the wheat estimate:

(a) Domestic consumption and exports for purposes of calculating normal supply, 900 million bushels.

(b) 1954 estimated production (July 9 crop report), 988 million bushels.

(c) Carry-over on July 1, 1954, 903 million bushels.

(d) Estimated total supply, July 1, 1954, 1,894 million bushels.

(e) Estimated disappearance dur'ng 1954–55 marketing year, 880 million bushels.

(f) Total carryover July 1, 1955, 1,014 million bushels.

(g) 1955 acreage allotment, 55 million acres with slight adjustment, as applicable, reflecting the varying provisions affecting summer-fallow farms contained in S. 3052 and H. R. 9680.

(h) 1955 estimated production on the allotment (at an average yield of 15 bushels per acre) ranging from 825 to 835 million bushels.

I trust that this is the information you desire.

Sincerely yours,

R. L. FARRINGTON,
Solicitor.

Illustrative price support levels for the 1955 crops of wheat, cotton, corn, rice, and peanuts under various legislative provisions [1]

Applicable legislation	Wheat		Cotton		Corn		Rice		Peanuts [2]	
	Percent of parity	Dollars per bushel	Percent of parity	Cents per pound	Percent of parity	Dollars per bushel	Percent of parity	Dollars per hundredweight	Percent of parity	Cents per pound
1. Agricultural Act of 1949	75	1.87	86	30.07	83	1.50	89	4.87	83–86	11.2–11.6
2. S. 3052 (Rept. No. 1810 of July 15, 1954):										
(a) 90 percent support	90	2.24	90	31.47	90	1.63	90	4.92	90	12.2
(b) If based on supply percentage					85	1.54	89	4.87	83–86	11.2–11.6
(1) Minimum set-aside	75	1.87	90	31.47	(3)	(3)	(3)	(3)	(3)	(3)
(2) Maximum set-aside	78	1.94	90	31.47	(3)	(3)	(3)	(3)	(3)	(3)
3. H. R. 9680 (passed by House July 2, 1954):										
(a) 82.5 percent minimum support	82.5	2.05	(4)	(4)	(4)	(4)	(4)	(4)	(4)	(4)
(b) If based on supply percentage							89	4.87	84–87	11.3–11.7
(1) Minimum set-aside	75	1.87	90	31.47	83	1.50	(3)	(3)	(3)	(3)
(2) Maximum set-aside	75	1.87	90	31.47	87	1.57	(3)	(3)	(3)	(3)

[1] Clearly many assumptions must be made in illustrative price-support calculations of this kind, involving consideration of items such as size of crop, carryover, consumption, and producer compliance. Prices are based on June 15, 1954, indexes, and the following effective parity prices: Wheat, $2.49 per bushel; cotton, 34.97 cents per pound; corn, $1.81 per bushel; rice, $5.47 per hundredweight; peanuts, 13.5 cents per pound.

[2] The "range" shown illustrates the effect on the support level of Commodity Credit Corporation's peanut "diversion operations." The high end of the range illustrates the minimum support level assuming that CCC diverts sufficient quantities of peanuts to domestic crushing or export to reduce carryover to 148,000 tons, reflecting CCC diversion operations somewhat similar to those of recent years. The low end of the range illustrates the minimum support level if there were no diversion by CCC.

[3] No set-aside.

[4] Applicable only if supply percent ind.cates support leve less than 82.5 percent.

Mr. YOUNG. Mr. President, the farm price-support legislation before the Senate today is one of the most controversial pieces of legislation we have had to deal with during the 83d Congress. It is one of the most important, too.

To a large degree its outcome will determine not only farm income in subsequent years, but, also, the economic stability of our Nation.

I know of no other way farm prices, particularly those for basic farm commodities, can be maintained at a fair level under present postwar conditions without a high level price-support program. This has been true of every postwar period in our history.

We can prevent farm commodity prices from dropping to disastrous levels if we have the will to do so—and if there is an effective and friendly administration of the program. I doubt very much if our present price-support program could be operated successfully by one who totally disbelieves in both the objectives of the program and its workability.

Mr. LANGER. Mr. President, will the Senator yield for a question?

Mr. YOUNG. I yield.

Mr. LANGER. Can my distinguished colleague tell us whether or not that is the feeling of the farmers of the Northwest?

Mr. YOUNG. Yes; I think the farmers of the Northwest are almost 100 percent back of the present program of 90 percent price supports.

Mr. LANGER. As a matter of fact, at the recent election the vote was over 46,000 to 2,000 in the State of North Dakota; is that not true?

Mr. YOUNG. That is correct. I am very happy my colleague raised that question.

I should like to put in the RECORD at this point some figures on polls that have been taken in various places.

According to a poll which I recently conducted, the farmers of North Dakota were by 8 to 1 in favor of 90-percent supports as against flexible supports.

Let me give the exact figures. I point out, too, that practically all the returned questionnaires were signed. According to the pool I took, 2,198 farmers favored 90-percent supports and 270 favored flexible supports.

A magazine called Successful Farming took a poll early this year and came up with some very interesting results. In the North Central States 85 percent of the farmers favored 90-percent supports, and 15 percent favored flexible supports. In the Eastern States only 23 percent favored flexible supports, and 77 percent of Eastern States farmers were against them. In the Western and Southwestern States 80 percent of the farmers were for 90-percent supports, and 20 percent for flexible supports. In all States, according to the poll conducted by Successful Farming, the farmers favored 90-percent supports by 82 percent, only 18 percent being in favor of flexible supports.

The State College of Iowa, a great agricultural college, took a poll of the farmers of Iowa and Illinois. It is reported in Wallace's Farmer and Iowa Homestead for March 20, 1954. I should like to read briefly from the poll, because there is some very interesting information in it:

Personal interviews with 588 farm operators in Iowa and the northern two-thirds of Illinois throw light on farm views.

Most farmers in these areas want "a Government price on income-support program." But Iowa and Illinois farmers have different ideas. The table below shows the Iowa-Illinois split.

Farmers in both these States seem to show a preference for 90-percent supports.

In Iowa, 75 percent of the farmers favored 90 percent, and 23.7 opposed it. The remainder, I understand, expressed no opinion.

In the great State of Iowa 75 percent were for 90-percent supports and only 23.7 against.

I might call the attention of the Senate to the fact that 5 of the 8 Republican Representatives from the State of Iowa voted for 90-percent supports recently. I think 7 out of the 8 favor them. The Governor of the great State of Iowa, the second greatest agricultural State in the Nation, has repeatedly stated his position in favor of 90-percent supports.

In Illinois, according to the poll conducted by Iowa State College, 58 percent of the farmers favored 90-percent supports and 40.4 were against.

Mr. President, I ask unanimous consent that the first page of this article on price supports be printed in the RECORD as a part of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

FARMERS ASK SUPPORTS—IOWA STATE COLLEGE SURVEY SHOWS HOW ILLINOIS AND IOWA FARMERS ARE VOTING

Iowa and northern Illinois

In the present situation, do you think farmers need a Government price- or income-support program?

	Percent
Yes	69.3
No	29.3

Do you think corn needs price or income support at the present time?

	Percent
Yes	64.5
No	33.7

Do you think livestock products need price or income support at the present time?

	Percent
Yes	47.0
No	47.5

What do Corn Belt farmers really want in farm programs? Iowa State College, using its statistical laboratory and department of economics, has gone to farmers to find out. The chart above and the article below tell some of the high points in the ISC survey.

Personal interviews with 588 farm operators in Iowa and the northern two-thirds of Illinois throw light on farm views.

Most farmers in these areas want a Government price- or income-support program. But Iowa and Illinois farmers have different ideas. The table below shows the Iowa-Illinois split:

	Iowa	Northern Illinois
	Percent	Percent
For supports	75.0	58.0
Against	23.7	40.4

The farmers not accounted for in the table above were undecided or said they had no information.

This Illinois-Iowa split showed up all the way through the survey. On most questions, Iowa farmers were much more favorable to farm programs than Illinois farmers.

The ISC survey asked all these farmers whether they thought corn needed price or income support at the present time. And again Iowa and Illinois farmers had different views:

	Iowa	Northern Illinois
	Percent	Percent
For corn supports	72.7	49.4
Against	26.4	48.4

In Illinois, cash corn farmers showed the greatest interest in corn supports. But in Iowa, general farmers with hogs and cattle showed even more interest than cash crop men.

What about supports for livestock products? Here, Iowa and Illinois still differed. The figures follow:

	Iowa	Northern Illinois
	Percent	Percent
For livestock products	52.1	37.0
Against	43.1	56.2

About one-third of those who wanted supports for corn said that supports weren't needed for livestock products if the corn program worked right.

The use of the phrase "at the present time," probably lowered the vote for support of livestock products. As shown in the Wallace-Homestead poll, some farmers who are sure hogs don't need support at the present time are still inclined to think supports may be needed next winter.

Mr. YOUNG. I have here a poll conducted by the State of Kansas. It covered only one county, but that county showed a tremendous majority for 90 percent supports.

In the 80th Congress I was a conferee on the price-support legislation which passed at that time, the Aiken Act of 1948. That was a great step forward, and I supported it. We were amending the Agricultural Act of 1938, which provided from 52 to 70 percent supports. Four of the seven Senate conferees favored a flexible-support program, the Aiken Act, and three were opposed. The House conferees were very much opposed. They wanted a 1-year extension of 90 percent supports. We fought that out until 4 o'clock on the morning of the day Congress adjourned. We agreed on a 1-year extension of the 90 percent supports.

The Republican Party then went into the campaign. We lost in the farming areas in the great State of Illinois, on the issue of flexible price supports. We lost in the great farming State of Iowa among the farmers, and in Wisconsin, Illinois, and Ohio, but only by small percentages.

In that campaign one of the most active opponents of that program was the then Secretary of Agriculture, Mr. Brannan. He did a beautiful job of defeating the program and defeating the Republicans.

Mr. LANGER. Mr. President, will the Senator further yield?

Mr. YOUNG. I am happy to yield.

Mr. LANGER. Is it not true that the Republican Party and the Republican President twice vetoed the McNary-Haugen bill and did the greatest favor for the Democratic Party that was ever done so far as agriculture is concerned?

Mr. YOUNG. It took 20 years for the Republicans to regain the confidence of the farmers again. I hope we do not lose it now, and I do not think we will. It is my firm opinion that before the Eisenhower administration ends, before the 4 years are up, the Republican Party is going to write a good agricultural program, and I hope and believe that the Republicans will retain the farm vote.

Mr. LANGER. May I respectfully suggest to my distinguished friend that he has more confidence than I have? I hope that every morning and every night he gets down on his knees and prays for the Republican Party in case they do not give what was promised to us in the campaign.

Mr. YOUNG. The uncertainty of future price-support levels for the past 2 years has had a serious impact upon our farm economy. This uncertainty, in a large measure, is responsible for the United States losing a higher percentage of its wheat exports than any other surplus producing nation in the world.

This despite the fact the United States is maintaining the same wheat export price as our neighbor to the North—Canada.

While our agriculture economy was suffering from greatly reduced exports of most farm commodities, imports of these same commodities reached one of the all-time highs in the history of the United States. Imports of oats, barley, rye, and feed wheat during the past year were in excess of 151 million bushels. These imports had a serious impact on our commodity market. They were commodities that we already had in abundant supply. They were in excess of our needs and replaced United States grain in domestic consumption, causing the Commodity Credit Corporation to take over an equivalent amount under price-support programs.

The storage on this grain, plus additional imports held in bond in the United States, amounts to more than $31,230,000, or a daily cost of $86,890. Foreign purchasers of basic farm commodities, as well as dairy and other products, have come to believe in the past year or more that Secretary of Agriculture Benson would eventually win his fight for lower support prices which, in turn, would mean lower cash prices.

It is a matter of record that most European countries—traditional purchasers of American agricultural commodities—have been depleting their normal stockpiles of important foods. They have been living pretty much on a day to day basis, looking for lower prices in the United States, where in years past they have acquired much of their needed food and fibre supplies.

There are indeed very few domestic users of feed and food grains who presently keep anything like a normal supply on hand. I am hopeful that before we adjourn this session Congress will establish more permanent support levels that will be a better price guide in the future to both producers and purchasers of food in America and abroad.

There are many agricultural commodities, particularly the perishables, which do not lend themselves to any Government program of rigid support prices. The Government of the United States—and I think properly so—both in the interests of consumers and producers has provided considerable assistance in indirectly supporting prices of many nonbasic agricultural commodities.

Only last year the Commodity Credit Corporation purchased 865,000 head of cattle at a cost to the Federal Government of approximately $84,300,000. Under the foreign assistance program, an additional $9,400,000 worth of beef and beef products was purchased to stabilize falling cattle prices. The total cost of this program was $93,700,000. The Federal Government will be reimbursed for a part of these costs, probably a large part.

Other help in the form of loans and Federal assistance was made available to the producers of cattle last year. The amount of this assistance was approximately $100 million. A large part of this will be repaid.

Through section 32 funds, marketing orders, and other arrangements, the Federal Government has lent great assistance in stabilizing the prices of many other perishable commodities.

Three basic farm commodities—wheat, cotton, and corn—fall into an entirely different category. They are commodities that can be stored for long periods. They are commodities that can be and are shipped to the four corners of the earth. They are by far the most important commodities in universal worldwide demand and necessary both in times of peace and war.

Fortunately, at the beginning of World War II, we had sizable stocks of these three commodities on hand. All during World War II and since we have been blessed with unusually good weather and good crops.

New developments in agriculture and mechanized farming played an important part, too. The reduction of the horse and mule population from approximately 19 million head in 1930 to the present 5 million head released more than 60 million acres of land for production of food for human consumption.

In spite of all this, there has been a shortage of these commodities during most of the past 11 years. In all but 3 of the past 11 years the Government of the United States urged farmers to produce more and more of these and other farm commodities. The Federal Government assisted the farmers in accomplishing these goals by helping them secure additional farm machinery, additional fertilizer—and oftentimes by deferring farm help from military service which was necessary to meet these goals.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. YOUNG. I am glad to yield.

Mr. LANGER. I know the distinguished Senator remembers very well what happened during World War I. I mention it because I think it is a reason why every Senator from the East, from the South, and from other portions of the United States should support 90 percent of parity.

During World War I there was much talk about the people starving and not having enough wheat. The President of the United States called for more and more plantings of wheat. As the distinguished Senator well remembers, in North Dakota hundreds of thousands of acres of land which had been used for grazing were broken up, at the request of the President of the United States, in order to raise more wheat. Every once in a while criticisms would be heard, and it would be said that the land should not have been broken up; that it should have been left to the Indians or used for cattle raising.

Not only was that land broken up, but, as the Senator will remember, out along the railroad rights-of-way, along the tracks, in the parks of cities like Bismarck and Fargo, N. Dak., and Billings, Mont., the ground was broken in order to raise a few more bushels of wheat.

In addition, an order was issued by Herbert Hoover, which was concurred in by the late Senator Taft, who was at that time one of Mr. Hoover's assistants. All over the Middle West land was being broken up, and the orders were that if land owners having land in furrow or in buffalo grass did not break it up by a certain day, then another farmer or another person, who did not own the land, could go in and break it up, and would be protected, because the man who would not tear up his land was considered to be not loyal to his country. Any man who went onto another person's property in that manner and farmed it was protected in what he did.

At that time I was 1 of 14 members of the State council of defense, appointed by the Governor of our State. I remember very well that at Hope, N. Dak., a clergyman of a certain denomination owned a quarter-section of land. He did not tear it up, because he wanted to use the land for hay. A clergyman of another denomination, who wanted the hay, went in and pulled it up. The case came before the State council of defense, of which I was a member. The question arose as to whether a minister of one denomination could dig up a piece of land merely on the strength of his own statement that another clergyman was disloyal to his country. We sustained the action on the ground that an Executive order had been issued.

Thousands of acres of land like that were broken up during World War I. A great many fine pieces of land were ruined. Certainly many fine sections of grazing land in the western part of North Dakota, with which my distinguished colleague is so familiar, were ruined. Now we are criticized for breaking it up. But it was done so that the people of the United States and our allies might have sufficient wheat.

For the life of me I cannot understand why, after we did all that for the people all over the country, some persons now will not support the farmers in their efforts to get a fair price for their product.

They say we are overpricing, and all that sort of thing. Some Members have stated privately in committee that they are going to vote against 90 percent of parity. That is unfair to the farmers, because the farmers of the United States have not had a square deal.

After World War I farmers were encouraged to borrow money from the Government. They were urged to make seed and feed loans, and they did so.

Within 1 year after World War I was over, the Government canceled every single feed and seed loan. In the Northwest, and all over the rest of the country, the Government is still collecting seed and feed loans which are 20 years old, and which carry 6 percent interest. In a great many instances the interest amounts to as much as or more than the principal.

Up near the Canadian border is what is known as the Peace Garden. There the farmers of North Dakota meet farmers from Canada. The Canadian farmer tells the North Dakota farmer, "You are a bunch of suckers in North Dakota. You are still paying 6 percent interest on seed and feed loans. In Canada such loans were canceled immediately after World War I." This makes the farmers in the United States dissatisfied. The same is true in the area in northern Minnesota, where farmers from Minnesota meet farmers from Canada.

I challenge any Senator to tell me why Canada could cancel such loans, which were made to win the war, but the United States of America cannot cancel its loans.

Our farmers are still being compelled to pay interest on those feed loans. The Senator knows very well that in our State, years after World War I, Government representatives checked on the farmers, went to their granaries, and took up the crops, because, they said, the Government had a lien on them. In the State of North Dakota a situation arose in which a farmer would raise a crop, the Government would take it, and leave not even enough for seed the next year.

That question was taken up with Secretary of Agriculture Wallace. We had excellent seed wheat, which we asked to have left there. We did not want to be in the position of having to sell that seed wheat for 30 or 40 cents a bushel, and then have seed wheat shipped in from other areas the following spring at $2 and $3 a bushel. Does the Senator remember that?

Mr. YOUNG. I remember it very well.

Mr. LANGER. I hope Senators from the Eastern and Southern States are listening to the very fine speech of my distinguished colleague.

Mr. THYE. I hope the Senator from North Dakota does not put me in the category of Senators from the Southern and Eastern States.

Mr. LANGER. No; I do not.

Mr. HOLLAND. We would be glad to welcome the Senator to the South.

Mr. LANGER. We are carrying on the fight for the benefit of the farmers.

Mr. THYE. I shall do my utmost to help in that fight, because I see the trend going against the farmers. If this country's economy is not to suffer a serious setback we had better stop that trend.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. YOUNG. I yield to the Senator from Florida.

Mr. HOLLAND. I listened with interest a few moments ago to the statement of the distinguished Senator with reference to the 1948 campaign. As I understood, the Senator attributed the fact that President Truman and the Democratic Party ticket carried the farm States which he mentioned to the positions taken by the Democratic Party and the Republican Party on farm policies. Is it not true that in their 1948 platform the Democratic Party came out very clearly for a flexible price-support program, and pledged itself to such a program?

Mr. YOUNG. That is true, but Secretary Brannan was campaigning all over the United States in favor of 90 to 100 percent support prices. Senator Barkley, who later became Vice President, had also campaigned vigorously for 90 percent support prices.

Mr. HOLLAND. Is it not true that the real farm issue upon which the results in the midwestern farm States were based was the charge that the Republican 80th Congress had not supplied storage facilities for the basic products? Was not that the charge upon which the Republican Party lost those States which were customarily regarded as strongholds of the party of the distinguished Senator from North Dakota?

Mr. YOUNG. I disagree with my very good friend from Florida. I was active in that campaign. I was called to Chicago and Minneapolis by the Republican National Committee. I was in the middle of that campaign. I think I know the real issues that were involved. The storage for farm products was somewhat of an issue, but not the basic all-important issue.

Mr. HOLLAND. Was it not a hot issue?

Mr. YOUNG. No. In California, where there was no storage problem, the Republicans lost. The question of price supports was the main issue there.

Mr. HOLLAND. Has not the Senator from North Dakota confused the 1948 campaign with the 1952 campaign? It was in 1952 that the Democratic Party pledged itself to rigid price supports, and it lost the election in a great many of these same States.

Mr. YOUNG. Not all.

Mr. MAYBANK. In that same campaign President Eisenhower promised 100 percent price supports.

Mr. YOUNG. Unfortunately, the Aiken Act was passed at 5 o'clock in the morning, just before Congress adjourned. It was a far better act than it was generally believed to be by many persons. Not many knew too much about it. Secretary Brannon and Frank Woolley did an effective job of crucifying the Republican Party. Secretary Brannan rose to national fame because of the results he accomplished among the farmers.

Mr. HOLLAND. Is it not true that the Democratic Party declared itself in favor of flexible price supports, and that the Democratic Congress which followed, the 81st Congress, promptly reenacted, in somewhat improved fashion, the Aiken-Hope bill, in the form of the Anderson bill, so as to include flexible price supports?

Mr. YOUNG. That is true, but at the same time they were advocating 100 percent price supports under the Brannan plan.

Mr. HOLLAND. Is it the feeling of the Senator from North Dakota that the States which were mentioned voted for the Democratic Party in spite of its platform, and in spite of its performance, and simply because the Secretary of Agriculture was not in accord with either?

Mr. YOUNG. We have exactly the same situation now. President Eisenhower during the last campaign advocated 90 percent supports, and the present Secretary of Agriculture was advocating flexible price supports immediately after the campaign. I think Secretary Benson is doing in President Eisenhower's term of office what Secretary Brannan was doing during President Truman's term of office.

Mr. EASTLAND. Mr. President, will the Senator yield?

Mr. YOUNG. I yield to the Senator from Mississippi.

Mr. EASTLAND. Was not the thing that cost the Republican Party the midwestern farm States and the northwestern farm States in 1948 the fear on the part of the farmers that the Republican Party would reduce support prices?

Mr. YOUNG. That is correct. I do not think there is a thing in the world the farmers worry more about than the loss of farm income. Thousands of farmers had lost their farms not too long prior to that time.

Mr. EASTLAND. The loss of those States to the Republican Party was not caused by what was in the platform or by what anybody said; it was caused by mistrust on the part of the farmers. They thought the Republican Party would reduce support prices. Is that not the situation in a nutshell?

Mr. YOUNG. I do not think the Republican Party platform advocated 90 percent support prices. I think the Republican Party platform itself was very clearly in favor of flexible supports.

Mr. EASTLAND. The Republican Party platform of 1952 advocated 100 percent support prices.

Mr. YOUNG. No. I think the platform itself did not, but President Eisenhower himself came out in favor of such supports.

Mr. EASTLAND. Why did he do that? Was it not because he realized that in 1948 the farmers did not trust the Republican Party? He sought to alleviate that mistrust by stating that he was in favor of 100 percent of parity price supports. Is that not true?

Mr. YOUNG. President Eisenhower and Adlai Stevenson were conscious of the farmer's interests when they both spoke at Kasson, Minn.

Mr. THYE. Mr. President, will the Senator yield?

Mr. YOUNG. I yield to the Senator from Minnesota.

Mr. THYE. I should like to ask the Senator from North Dakota if it is not a fact that if controls had been placed on acreage planted to wheat and corn

in 1952, we would have prevented, to a great extent, the beginning of the huge surplus. So it was failure on the part of the administrators of the farm program to exercise the authority they had under the act that permitted the beginning of the accumulation of the surplus. Is that not true?

Mr. YOUNG. I think that is absolutely correct. The controls had to be set the year before. Secretary Brannan made a serious mistake in not calling for wheat quotas in 1952.

Mr. THYE. If he had applied the controls in 1952, they would have been applicable in 1953. In 1953 there were not in effect controls over some of the other farm acreage that there were on wheat acreage, which affected the 1954 crop.

But those were the factors which commenced to bring about the accumulation of the surpluses. We had an abundant crop last year, and also the previous year; and, of course, those abundant crops were factors which led to the loading up of our storage warehouses and the bringing into existence of the present surplus.

Where I differ today with the Secretary of Agriculture—and I differ with the administration and I differ with those who advocate knocking down the supports at this time—is that although we have demonstrated our ability to control farm production, we have not demonstrated our ability to deal with the accumulated surpluses. It stands to reason that if we have warehouses full of corn, wheat, cotton—and they were put there under a 90-percent support program—if we decrease the support to 75 percent, it not only will affect the amount of grain produced in the crop year when the 75-percent support is in effect—and the same can be said of any other reduction in the supports—but it will also affect the price of the commodities in storage. The effect would be exactly the same as if the price of the inventories of corn, wheat, and cotton had been decreased to the same extent that we decrease the support program.

So when we finish, we shall have decreased the entire farm income of the Nation to the same extent that we have decreased the supports; and, in that event, the farm economy will be further out of balance than it is at the present time.

That demonstrates the fallacy of trying to impose lower supports before we have demonstrated our ability either to dispose of the accumulated surpluses or to reduce the acreage to a point where we no longer accumulate surpluses such as the ones we have accumulated in the past 2 years.

One who does not recognize the danger signals in regard to the situation in which the farmer today finds himself, simply does not recognize the facts, because the figures to which I have referred are not taken out of the air, but are taken from the office of the statistician of the Department of Agriculture.

Let me read:

Farm mortgage debt in 1945, which was the lowest in the period from 1914 to the present time, was $4,760,000,000, but has risen every year since that time, until today it stands at an estimated $7,800,000,000, an increase of 63 percent in 8 years.

Mr. President, anyone who accuses the farmer of driving Cadillacs, or accuses the farmer of trying to live in the luxury of the millionaire class, simply is not familiar with the facts, because when we examine the figures taken from the official records, we find that farm-mortgage indebtedness—the indebtedness on the farmers' real estate—has increased by 63 percent in 8 years. So we had better start trying to plan a program which will bolster the prices the farmers receive, and will strengthen the farm economy, instead of doing just the opposite.

The fact is that when a farmer goes to town, to buy a tractor or a ton of fertilizer or ton of feed for his poultry or his dairy cows or his hogs, he has to buy on the Korean war inflationary price levels. Today a tractor costs twice as much as it did in 1947. Someone may challenge that statement, but the exact figure comes so close to that, that one would have to sharpen his pencil and figure in very small fractions before he would arrive at a smaller figure; and, even so, it would come very close to the figure I have just stated. It should be remembered that in 1947 pork was selling for $28 a hundred, and beef was selling for around $34 or $38 a hundred, and some of the really choice, prime steers probably were bringing close to $40 a hundred. At that time a farmer could purchase a tractor for approximately $1,800, whereas today the same tractor cannot be purchased for less than approximately $3,000. The same is true of the price of combines.

Such price increases constitute some of the factors which are causing the increase in farm indebtedness. The farmer has not fully realized that he has been going in the red, because for so many years he had been on a par with many of the other segments of our economy. Therefore, when he did start sliding down, he had not only credit, but a little reserve on deposit, or a Federal Government bond or two which he could use. So he kept going.

But when we examine the statistics, and see that farm indebtedness has increased 63 percent in 8 years, we realize that we had better recognize that danger signal and start doing something about that situation. The short-term indebtedness likewise has more than doubled.

These are factors which, if not generally recognized now, certainly will be recognized in several years. Mr. President, let no one think they will not be.

Mr. MAYBANK. Mr. President, will the Senator from North Dakota yield, so that I may ask a question of the Senator from Minnesota?

Mr. YOUNG. I yield.

Mr. MAYBANK. In the hearings of the Appropriations Committee the Senator from Minnesota made an excellent argument in regard to the need for greater appropriations for the Rural Electrification Administration. He pointed out that whereas many years ago the farmer's electricity bill amounted to only a few dollars a month, today his electricity bill is much higher, because today he has to use a great deal of electrical equipment. Is not that about what the Senator from Minnesota stated when he appeared before the Appropriations Committee?

Mr. THYE. Yes.

Mr. MAYBANK. A moment ago the Senator from Minnesota referred to the great increase in the cost of tractors and other articles which the farmer must purchase. As the Senator from Minnesota stated when he appeared before the Appropriations Committee, the greatly increased use of electrical equipment by the farmer has resulted in a great increase in the size of the farmer's electricity bills, and that means a much greater load on the transmission lines. In fact, the transmission lines have become overloaded; and, as a result, it has been necessary to rebuild the transmission lines or to build new ones in order to make it possible for the greatly increased electrical load to be carried.

Is not that what the Senator from Minnesota stated to the Appropriations Committee when he appeared before it in connection with his request for increased appropriations for the REA?

Mr. THYE. Yes.

Mr. MAYBANK. In other words, some years ago the farmer's electricity bill was rather small, but today it is much larger. In fact, the load on the transmission lines has increased so greatly that the lines are inadequate for the present load, and that is why the REA requires more funds.

Mr. THYE. The Senator from South Carolina is correct, Mr. President. I said that in view of the fact that today the farmer must get along with less hired help, because wages are very high, and constitute a large factor in the farmer's total costs, he is trying to make electric power serve him in connection with doing his daily chores. In that connection he uses milking machines; pumping machines, to pump water; electric motors to elevate grain, straw, and hay; and other electrical equipment to do a great many of the chores which are part of the daily operations of the farmer. So today he is using electrical equipment to do much of that chore work, in order to avoid using manpower. The result is to increase to a great extent the amount of electricity the farmer uses. The existing transmission lines can carry only a certain number of kilowatts and when the capacity of the lines is exceeded, the farm REA unit has to be rebuilt. We recognize that the load on the farm REA lines has doubled, and therefore a much greater capacity is needed.

Mr. MAYBANK. Mr. President, I also wish to say——

The PRESIDING OFFICER. Does the Senator from North Dakota yield further to the Senator from Minnesota, in order that he in turn may yield further to the Senator from South Carolina?

Mr. YOUNG. I yield.

Mr. MAYBANK. Mr. President, I also wish to say that every piece of steel or iron going into electrical equipment also costs much more today.

Mr. THYE. There is no question of that. Everything the farmer buys has

increased greatly in price. It would simply shock a person to look over the old records—those of 10 years ago—and then compare the prices of those days with 1954 prices.

Mr. MAYBANK. I thank the Senator from Minnesota, and I also thank the Senator from North Dakota.

Mr. THYE. I thank the Senator from North Dakota for yielding this much time to me. I am so much interested in the problem with which we are faced, that it is difficult to resist the urge to express a thought or two in regard to this problem, in the time in which the distinguished Senator from North Dakota is making his speech, or to refrain from answering questions when we are discussing the economic problems of the farmers.

Mr. YOUNG. Mr. President, the Senator's comments are greatly appreciated. In fact, I think the Senator from Minnesota and I are worrying about the same thing. We feel very strongly that any decrease in support prices at this time would be very disastrous.

I wonder how many in the Senate realize that only a little more than 2 years ago—on February 29, 1952—the then Secretary of Agriculture appeared before the Senate Agriculture Committee to outline the Government's program to increase production of cotton, corn, wheat, and other commodities. We were at war 2 years ago, and there was grave concern on the part of many Members of Congress lest this war might spread into an all-out world war III conflict. Our supplies of these three important commodities on hand at that time were lower than most Government officials charged with the security of this Nation would like them to be.

The actual carryover of wheat on July 1, 1952, was 256 million bushels. On August 1, 1952, the cotton carryover was only 2,789,000 bales; on October 1, 1952, the carryover of corn was 487 million bushels; while the carryover of food fats and oils, on October 1, 1952, was 857 million pounds. Obviously our food and fiber supply was insufficient to meet our security needs at that time.

The goal set for corn production only 2 years ago in 1952 was 115 percent of the production of the previous year, 1951. The production goal for cotton was 105 percent of the previous year; and the production goal for wheat was 118 percent of the previous year.

We were asking farmers at that time—only 2 years ago—to increase the production of barley, rye, flaxseed, and many other commodities.

We must bear in mind that for 9 years—1941 through 1949—the Government of the United States divided our short supplies of food and fiber with the rest of the world through limitations imposed by export licenses. Yes; we even had a provision written into the appropriation bill for fiscal year 1948 prohibiting the export of any wheat when the expected carryover on July 1 was below 150 million bushels.

Those figures were obtained from the Library of Congress.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. YOUNG. I will be happy to yield for a question.

Mr. MAYBANK. Is it not a fact that they also prohibited the export of cotton?

Mr. YOUNG. That is correct.

Mr. MAYBANK. And Brazilians were selling their cotton at 60 cents a pound, when across the border in New Mexico they had to sell the cotton for 45 cents a pound under price control.

Mr. YOUNG. That is correct.

Mr. MAYBANK. Those figures I am sure of, but they prohibited the export of cotton.

Mr. YOUNG. That is correct.

We held our price of cotton down and we held our price of wheat down.

Mr. MAYBANK. Is it not a further fact that cotton is under acreage control now?

Mr. YOUNG. That is correct.

Mr. MAYBANK. So I do not understand what the argument is about. They asked the people to vote for acreage control, and then they come around and take away what little they have.

I thoroughly agree with the Senator from North Dakota in what he is saying.

Mr. YOUNG. For its great patriotic part in meeting our Government needs during the World War II and the Korean war, industry was given substantial guaranties. It cost the Government of the United States $45 billion to pay industry for its conversion to peacetime economy. Many industries, even yet, are producing war commodities at handsome profits.

Farmers—the producers of the important basic farm commodities—only a little more than a year after meeting the last war production goals, are now being "kicked in the teeth" for having so patriotically complied with the Government's requests for more production.

At the time the Secretary of Agriculture appeared before the Senate Agriculture Committee on February 29, 1952, I expressed concern about the penalty farmers eventually would have to pay for increasing their production. I felt then that price depressing surpluses would be created and that the farmers would pay a bitter price after having complied with these Government requests. How true that prediction has been.

I would like to read a part of a discussion between Secretary Brannan and myself which appears on page 10 of the Senate Agriculture hearings of 1952 entitled: "Farm Price Supports and Production Goals." The hearing reads in part as follows—this was only 2 years ago:

Senator YOUNG. I think from the farmer's own personal viewpoint he would be far better off now to cut down in production, because this surplus he is creating is holding the prices down to support levels. If support levels drop more the prices are bound to drop. It could not be otherwise. He is digging his own grave by increasing his production.

That is what I told Secretary Brannan in February 1952.

Secretary BRANNAN. Well, Senator, I do not think anybody could argue with you about that, except I hope that the farmers do not curtail their production.

Senator YOUNG. I do not think they will, but I feel it is the duty of Congress to see that some reasonable guaranty is given the farmers if they meet these production goals, and that they will not, as a result, find themselves in a difficult financial situation and probably bankruptcy.

Secretary BRANNAN. I agree with that, too, Senator.

Quite naturally, to meet these years and years of Government urging of greater production to meet war needs, wheat, cotton, corn, and other farm producers greatly expanded their production facilities. Producers of these basic farm commodities, I think, had reason to believe that their Secretary of Agriculture would now look upon their problems with an understanding heart. The farmers thought they would be able to look to their Secretary of Agriculture as one to defend their cause and to explain their many problems to the rest of the Nation.

Far too often today the farm picture has been greatly distorted and misrepresented by the Department of Agriculture. This is particularly true with respect to our present agriculture surpluses and the cause of their accumulation. Secretary of Agriculture Ezra Taft Benson and Under Secretary True D. Morse have not, in my opinion, accurately presented the facts to this Nation with respect to our present surpluses and the reasons for their accumulation.

Most agricultural authorities throughout this Nation completely disagree with their oft-repeated charges that we would not have had these surpluses if flexible support prices had been in effect. The history of agriculture production just will not support their case. Under present conditions, when there are but few remaining profitable commodities that farmers can switch their production to, flexible supports would have little effect in bringing production in line with demand. The producers of basic commodities are ready and willing to curtail their production. There is an effective way to do it under our present farm price support machinery.

This is the first year, 1954, since World War II that the Government of the United States has even asked farmers to decrease their wheat and cotton production through the imposition of quotas. Farmers approved these quotas by an unprecedented majority last year.

I think the approval was by a surprising majority this year, in view of the fact that farmers had no definite knowledge of what support level they could expect. Also wheat farmers were voting to sustain a further cut of 13 percent in wheat acreage for crop year 1955—or a total cut of 34 percent over a 2-year period. On top of that they faced certain restrictions in regard to diverted acres. In view of all that I am surprised that the wheat farmers of this Nation gave such a favorable vote as they did on the question of wheat quotas for next year.

Mr. MAYBANK. I am not so convinced that in the farmer's mind, who, after all, is an American sitting at home, who only hears portions of what goes on in Congress in listening to agricultural programs, he was sure he knew

what he was voting for. The farmer in the Wheat Belt, where wheat is the principal crop, knew he was voting to cut his acreage with the understanding that the Government would give 90 percent of parity. I know in Virginia and South Carolina the wheat farmer only gets 75 percent. He does not expect any more. But the cotton farmer in South Carolina expects 90 percent, and the wheat farmer in North Dakota and South Dakota expects 90 percent. Am I wrong about that?

Mr. YOUNG. That is correct.

Mr. MAYBANK. When they voted to cut their acreage they expected fair play on the part of the agriculture administration; they expected 90 percent of parity, in my judgment. I would not put words into the Senator's mouth. He is making a great speech and a great record.

Mr. YOUNG. I thank the Senator.

Mr. MAYBANK. But I believe when the cotton farmers voted to cut their acreage they expected 90 percent, and I believe the Dakota farmers expected 90 percent when they voted to cut their wheat acreage, and likewise the farmers of Minnesota, the State from which the distinguished Senator [Mr. THYE] comes.

May I add that I did not thank him for his address when he made it, but I want to thank him for it now.

Mr. THYE. I thank the distinguished Senator from South Carolina for paying me that compliment.

Mr. MAYBANK. They expected 90 percent when they voted to cut the acreage.

Mr. THYE. The Senator from North Dakota is making a great contribution to agriculture in his address and in his efforts in behalf of agriculture which he has so ably carried forward in all the years I have had acquaintance with him.

Mr. YOUNG. I thank the Senator from Minnesota very much.

It was very surprising to me that the wheat farmers voted by more than a 70-percent majority for quotas when they did not have too much of a choice. Most of them felt that the support level probably would only be 75 percent of parity. If they got 75 percent, which is a low support level, then they were restricted in what they could plant on their diverted acres.

Mr. THYE. Mr. President, will the Senator from North Dakota yield?

Mr. YOUNG. I yield.

Mr. THYE. I hold in my hand the livestock selling agency report of the Central Livestock Association, Inc. It is a market letter dated August 3. It reads:

> Cows, weak to 50 cents lower. Good young cows, $12 to $13.50. Good weighty cows, $11 to $12. Fair and medium, $10 to $10.50. Canners and cutters, $8 to $9.50. Defective and thin, $2 to $7.

Mr. YOUNG. Those prices are exceedingly low. With a drought from coast to coast and from Canada to the Gulf of Mexico, and with the probability that our corn crop will be short, what would happen now if we had only a normal carryover? We would have zooming prices on corn. Of course, nothing could be more disastrous to the interests of the cattlemen than high corn prices.

Mr. THYE. Mr. President, will the Senator yield further?

Mr. YOUNG. I yield.

Mr. THYE. The only reason I read those figures into the RECORD was to lay the foundation for this thought: Suppose corn had sold at depressed prices last year. It would have, if we had not had 90 percent on our seal-up program. The cattle raiser would have put his animal in the feed lot. Instead of selling the animal at a thousand-pound weight, he would have fed it to about a 1,400 or 1,500 pound weight. He would have put more beef on the market, and thus would have depressed prices far below the prices I have just read.

Some people seem to think that feed prices must be kept so low that the producer of the feed will have to sell it to the livestock feeder in order to get rid of it.

The result would be, however, that prices in the livestock industry would be depressed further, with the result that the price of livestock would be lowered, because there would be an increase in the weight on the hoof so to speak, and there would be more meat produced when an animal was slaughtered.

I have not been able to follow the thinking of some people who have so violently criticized the seal-up of corn and wheat, because we have had such favorable growing weather that we produced a great deal more than we had anticipated. I believe the program has saved the livestock industry, instead of injuring it, as some people contend.

Mr. YOUNG. I thank the Senator very much for his contribution. Later I shall point out that Under Secretary Morse feels that the 90-percent support program on corn has had a wholesome effect on hog prices, although Secretary Benson disagrees. I believe the average farmer in States like Iowa realizes that a stabilized price on corn means a stabilized price on livestock. That is the reason why farmers in Iowa—as well as in every other poll that I have seen—have voted 2 to 1 for a continuance of the 90-percent-price-support program.

Mr. JOHNSON of Colorado. Mr. President, will the Senator yield?

Mr. YOUNG. I yield.

Mr. JOHNSON of Colorado. Does the Senator agree with me that stabilized prices are the finest thing for any businessman and the finest thing for a farmer?

Mr. YOUNG. That is certainly true.

Mr. JOHNSON of Colorado. With stabilized prices it is possible to make plans for the future, and it is possible to do a much better job. It is possible to have much greater satisfaction in business. I know that is true of businessmen.

Mr. YOUNG. Yes. Does the Senator not agree with me that most businessmen in our area have come to realize the value of 90 percent supports for farm commodities?

Mr. JOHNSON of Colorado. Yes. Is it not true that when agriculture is stabilized, we also have stabilized business conditions in the agricultural regions?

Mr. YOUNG. The Senator certainly is correct. I appreciate his comments very much.

Mr. JOHNSON of Colorado. I agree also with our friend the Senator from Minnesota [Mr. THYE] in the observation he made a moment ago, that stabilized prices for grain crops stabilize livestock prices, too. In other words, they go together.

Mr. YOUNG. That is correct.

Mr. JOHNSON of Colorado. If grain prices go up and down violently, livestock prices will go up and down violently. Especially is that true of pork and pork products.

Mr. YOUNG. I wish more Members of Congress would come to realize that. The Senator from Colorado is well stating what most farmers know to be true. The Senator from Colorado was a farmer himself for many years. He was a good grain buyer. I believe he would still make a good grain buyer. The Senator from Minnesota has been a farmer all his life. We are having a great deal of trouble trying to persuade some of the lawyers in the Senate, as well as certain other Members who have little knowledge of these problems, to agree with us.

Wheat and cotton quotas are getting results. In spite of a very favorable year for wheat production, the estimated production as of July 1 is 180,215,000 bushels below the production of a year ago. Recent extremely high temperatures and lack of rainfall in the northern producing area undoubtedly will reduce this estimate even further.

The cut in acreage this year for wheat was 21 percent. This will result in an actual reduction in wheat supplies over a year ago of approximately 15 percent. That indicated that wheat quotas can be successful in reducing supplies. The Department of Agriculture has asked the wheat producers to cut their acreage another 13 percent next year. Wheat farmers will comply.

The 21 percent reduction in wheat acreage for the present year, plus the 13 percent required for next year, will mean a loss of approximately one-third of the wheat farmers' income through acreage reduction. On top of this, the Benson plan proposes that wheat supports be dropped from 90 to 75 percent of parity, which would mean another loss of about 38 cents a bushel.

Secretary Benson also proposes to switch over from our present formula for determining parity to the so-called modernized parity formula. This would mean another 34 percent drop in wheat-support prices. Thus, a wheat farmer loses on the average of approximately 34 percent of his income through acreage reduction, and at the end of the proposed transitional period another 30 percent in support prices through reduction in support levels and a switch over to the so-called modernized parity formula.

This at a time when farm-operating costs remain near an all-time high. There are few, if any, business ventures that could stand a similar loss in income and survive.

Mr. President, this is not what we proposed to farmers 2 years ago during the election. I challenge anyone in the Senate of the United States to point out a single speech by President Eisenhower

during his campaign 2 years ago in the Midwest, or anywhere else, where he ever mentioned flexible price supports. I have yet to find one speech in which the Republican Party proposed flexible supports.

What I have said about the proposed new wheat price support program can be applied to many other farm commodity producers. This is the kind of sound economics that we heard so much about during the late twenties and early thirties. It is the kind of sound economics that can lead us into another economic tailspin.

Our present price-support program can be made to work. I fear, however, that unless the Department of Agriculture soon takes a more friendly view and a more aggressive attitude in the disposal of surpluses, there is grave danger the whole program will collapse. This is undoubtedly what many people are hoping for. If this farm program is destroyed it will be a sad day for America.

Mr. JOHNSON of Colorado. I am interested in the observation the Senator makes about the political campaign of 1952. No doubt the Senator recalls very well the campaign of 1948, when the candidate on the Republican ticket was a little gunshy about coming out for parity and for a stabilized agriculture and things that would bring about a stabilized agriculture. As a result, there was great uneasiness all through the farm belt. As a result of his failure to adopt a reasonable and sensible and necessary farm program in 1948, I believe, Candidate Dewey lost the election.

Mr. YOUNG. I think the Senator from Colorado would agree with me that the issue in the 1948 election was price supports, and not so much the storage issue.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. YOUNG. I yield.

Mr. AIKEN. I might add to what the Senator from Colorado just said that it must be remembered that President Truman campaigned for flexible supports in the fall of 1948. President Truman criticized the Republican Party on the matter of farm storage, but on price supports Mr. Truman very vigorously supported flexible price supports.

Mr. YOUNG. President Truman did not say too much about price supports during the campaign, but his Secretary of Agriculture was very active and very effective in his denunciation of the Aiken Act, which the Senator from Vermont and I supported.

Mr. AIKEN. The Democratic platform very strongly supported flexible supports in 1948.

Mr. YOUNG. That is correct. As I pointed out earlier——

Mr. AIKEN. Secretary Brannan started campaigning against the 1948 act after election when, much to his and everybody's else's surprise, he found that his party was to stay in power longer.

Mr. YOUNG. That is not correct.

Mr. JOHNSON of Colorado rose.

Mr. YOUNG. I yield to the Senator from Colorado.

Mr. AIKEN. Let us not put the Senator from Colorado on the spot. We would not want to cost him the election in Colorado this fall.

Mr. YOUNG. The Senator from Colorado knows the people out there, and the people know the Senator from Colorado.

Mr. AIKEN. I do not think anything we could say would cost him the election.

Mr. JOHNSON of Colorado. I was campaigning in Colorado in 1948, and I was very close to the farm vote. Secretary Brannan came out to Colorado, and he made 4 or 5 speeches. He drew vast audiences of farmers. Secretary Brannan is not a great orator, as all of us know, but he had those farmers sitting on the edge of their seats listening to every word. I know that they were very uneasy.

I used that word "uneasy" one time during that campaign. When I returned to Denver, there was a whole trainload of reporters on Dewey's train. The reporters interviewed me and asked me about the Farm Belt. I told them the farmers were very uneasy about the conversation between Mr. Stassen and Mr. Dewey up in New York, and they were very anxious to find out for certain what Candidate Dewey's position was. Their uneasiness indicated to me that they were going to vote the Democratic ticket.

Colorado voters, who had not supported Candidate Roosevelt in 1944 and in 1940, but had voted Republican, reversed themselves on the farm issue only and supported President Truman.

Mr. YOUNG. The Senator from Colorado is absolutely correct.

Would the Senator from Vermont be interested in my reply?

I think almost every Senator living in the Midwest or Northwest knows what the campaign issue was in 1948. It was the farm price-support program. The Republican Party lost the election in the farming areas of California, Iowa, Wisconsin, Illinois, Ohio, and we certainly did not have a storage problem in the farming area of California. I do not think there was any storage problem in the farming area of Wisconsin. I think price supports were the big issue. I say that respectfully to the Senator from Vermont.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. YOUNG. Yes.

Mr. AIKEN. Although the Republican and Democratic platforms both endorsed flexible supports in the fall of 1948, nevertheless there was an issue between the two platforms in the fall of 1952, when the Democratic platform read:

> We will continue to protect the producers of basic agricultural commodities under the terms of a mandatory price-support program at not less than 90 percent of parity.

The Republican platform said:

> We favor a farm program aimed at full parity prices for all farm products in the market place.

Then it goes on:

> Our program includes commodity loans on nonperishable products, "on-the-farm" storage, sufficient farm credit, and voluntary self-supporting crop insurance. Where Government action on perishable commodities is desirable, we recommend locally controlled marketing agreements and other voluntary methods.
>
> Our program should include commodity loans on all nonperishable products supported at the level necessary to maintain a balanced production.

The Democratic platform came out flatly for 90 percent. The Republican platform came out for supports at a level necessary to support balanced production. So we did have a clear-cut difference between the two platforms in 1952. That was the first time that we had had that difference.

In 1948, the Senator may recall, it was the action of 2 Republican Members of Congress who were vigorously proposing the taxing of farm cooperatives and also the misstatement regarding farm storage which the Republican management never took the pains to refute and which Secretary Brannan and President Truman and other high-ranking members of the party spread through the Midwest, which did not do us any good.

I was in Illinois after the election, and one farmer told me he sold 1,500 bags of beans for $1.65 less than the market price because he took as gospel what Candidate Truman and Secretary Brannan said, that he could not get a loan on those beans because there was no storage for them.

Mr. YOUNG. I do not suppose one farmer in a million in the Midwest ever knew anything about what was in the Republican or Democratic platforms. They did know what Secretary Brannan was advocating, as they now know what Secretary Benson is advocating. Unfortunately, the farmer attaches much more importance to what Secretary Benson says about agriculture now than to the statements of the President of the United States. That was true in the opposite way during the Truman administration. President Truman, as I recall, was never for 100 percent support. At least no message to Congress ever indicated he was. Secretary Brannan worked for 100 percent supports all over, and he got the farm vote in 1948. The farmers look to the Secretary of Agriculture as spokesman for the administration on farm matters.

Mr. AIKEN. Why did he not get the vote in 1952, when the Democratic platform strongly endorsed 90 percent?

Mr. YOUNG. Not one farmer in a million ever sees a platform, and cares less about it.

Mr. MAYBANK. The Democratic Party has always voted for 90 percent parity.

Mr. YOUNG. It is what the candidate for President himself has to say or what the Secretary of Agriculture has to say.

Mr. MAYBANK. The present President said he was for 100 percent. Am I wrong?

Mr. YOUNG. No; I never interpreted President Eisenhower's position to be for 100 percent price supports.

Mr. MAYBANK. What did the Senator interpret him as saying?

Mr. YOUNG. As being for 90 percent.

Mr. MAYBANK. But he said the farmer should share the same as any-

body else. He said that in Memphis, Tenn., as I recall.

Mr. YOUNG. I think he was sincere——

Mr. MAYBANK. Of course, I never question the sincerity of the President. He thought the farmer was entitled to 90 percent and should be treated the same as anyone else.

Mr. THYE. I honestly believe that President Eisenhower desires to bring about 100 percent of parity for agriculture. I believe he is sweating it out down at the White House right now.

Mr. MAYBANK. I am glad to hear that.

Mr. THYE. I believe he is willing to do everything he can. There are those who have had strong convictions, who have convinced themselves as well as many of their associates, that all we have to do is get the price support down low enough to force a few fellows out of business—they are referred to as the borderline cases who should be out of business—and the rest of the farmers will prosper, for after 1 or 2 bad years economically they would be back where the market would give them 100 percent.

I believe the President is just as honest and just as sure as he can be that the farm leaders who are advocating this flexible price support program are right, and he is trusting that they are right. He may be misled.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. YOUNG. I yield.

Mr. MAYBANK. I thoroughly agree with what the distinguished Senator from Minnesota [Mr. THYE] has said. I have never even intimated anything against the President of the United States. The President believes in 90 percent of parity, and believes the farmers should be treated the same as anybody else. In the press conference today he said the world should be treated fairly and justly. I have never questioned that.

But, as the Senator has said, there are certain people—I need not name names, for the Senator knows them down at the White House—who are very sincere in their beliefs, but who are mistaken, in my judgment.

I say to the distinguished Senator from North Dakota [Mr. YOUNG] that we have been here a long time. I say to the distinguished Senator from Minnesota [Mr. THYE]—whose former colleague, Harold Stassen, was Governor of a State at the time I was Governor of a State—that those people do not know the farm problems. I do not think the Senator from Minnesota will differ with me on that point. I know the Senator from North Dakota will not. The people who want this to happen are sincere, but it is not going to happen.

Mr. YOUNG. I say to my friend the Senator from South Carolina that if the politicians and officials in Washington, D. C. are really interested in knowing what the farmers are thinking, all they have to do is to read the various polls which have been conducted by the leading farm publications of Iowa and other States. Then they can tell pretty well what the farmers are thinking. They would be much better advised to study some of those polls, instead of listening to a few politicians.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. YOUNG. I yield.

Mr. MAYBANK. The farmer does more thinking than do city folks, who are continually going to the moving picture theaters or somewhere else. The farmer stays at home and thinks and thinks—until election day.

Mr. YOUNG. Mr. President, I am a strong believer that through one means or another the Federal Government must act to maintain a fair price for dairy commodities. This great industry would be bankrupt if the present program were abandoned without a good substitute program to take its place—one that would make certain prices of dairy commodities would be maintained at or near 90 percent of parity. Much more can be done to dispose of our dairy surpluses. With the wide authority in the hands of the Secretary of Agriculture to dispose of surplus commodities, it is unbelievable to me that much, if not all, of our present dairy surplus could not be disposed of both at home and abroad.

If the present price-support program for dairy commodities is unworkable, then the Department of Agriculture should give immediate consideration to other proposals and especially those recommended by the National Milk Producers Federation. If necessary, support prices, through production payments, should be given a trial.

For more than a year and a half now, Mr. President, I have read almost daily press stories about speeches delivered by either Secretary Ezra Taft Benson or Under Secretary True D. Morse. The theme has always been the same—a denunciation of our present price-support program. There have been some glaring inconsistencies in these speeches which may have gone unnoticed by many people, but certainly not by farmers.

For example, in the April 1953 issue of the Farm Journal in one of the first of Secretary Benson's many prepared articles, he had this to say:

> It has become so profitable to turn corn over to the Government that hog farmers can't afford to feed their own hogs. Hog numbers have further declined, and farrowing is off this spring, at the very time corn supplies are at a near record. It shows how fixed-support prices can gum things up.

Mr. THYE. Mr. President, if the Senator will permit me, I wish to comment on that quotation in the statement of Under Secretary True Morse.

Mr. YOUNG. This was a statement by Secretary Benson, carried in the Farm Journal for April 1953.

Mr. THYE. I amend my remarks to refer to the honorable Secretary of Agriculture.

It was the extremely low pork price in 1951 and 1952 which actually drove many a farmer out of the business of producing pork, because the farmers had been so adversely affected financially that they gave up in discouragement and sold out everything in their hog lots. I could take the Secretary or anybody else to farm after farm, and show him hog lots which are absolutely empty and were empty last year, because of the fact that the farmers were hurt in previous years. That is why there was a reduction.

The Senator from North Dakota [Mr. YOUNG] and I sat across the table from Secretary Brannan when pork was down to less than 80 percent of parity—if my memory serves me correctly, it was down to 79 percent—and we said:

> What are you going to do to stabilize the pork prices?

The Secretary shrugged his shoulders and said:

> You denied me the type of farm program which would have enabled me to deal with it.

I called his attention to the section 32 funds and said, "You may use those funds to buy some surpluses."

Finally, the Secretary, after many, many weeks of having us ask him time after time what he was going to do about it, went into the market and bought some pork. However, if my memory serves me correctly, it was the 13th of May before he did so. All the pig crop the farmers had raised from the fall of the previous year had gone to market, and the farmer did not get any benefit from the income which the Secretary brought about by buying pork products in the month of May 1952.

Those are some of the factors which drove the farmers out of the pig business and brought about a shortage of pigs in this calendar year, for which housewives have paid dearly. In the fall of 1953 they paid dearly, because there were not enough pigs produced, since in the year 1952 we had foolishly permitted pork prices to reach the ruinously low level which drove many farmers out of business.

Mr. YOUNG. I recall very vividly the conversation the Senator from Minnesota [Mr. THYE] held with the Secretary of Agriculture, Mr. Brannan.

By this statement I think Secretary Benson makes it clear that high support prices for corn have affected the number of hogs produced.

A few months later at Galveston, Tex., on September 22, 1953, Under Secretary Morse, speaking before the grain dealers national convention, takes an almost completely opposite position from Secretary Benson's article in the Farm Journal. I quote from Under Secretary Morse's speech:

> One of the unusual developments of the past year was the failure of farmers to respond to the very profitable corn-hog ratio—

As Senators will recall, Secretary Benson said there was an unfavorable corn-hog ratio.

> One of the unusual developments of the past year was the failure of farmers to respond to the very profitable corn-hog ratio, by increasing production. It raised the question of whether it has become too easy merely to raise corn to sell to the Government—rather than to go to the trouble of feeding hogs even if more profits are realized.

Here we have Secretary Benson saying it was not profitable to feed hogs, and Under Secretary Morse claiming it was

profitable to feed hogs the past year—previous to his September speech. In this case the record bears out the contention of Under Secretary Morse. There has been a favorable corn-hog ratio ever since Secretary Benson took office. Most of the credit for this favorable corn-hog ratio should be given to the 90-percent-price-support program for corn. Hog producers realize this, and that is why in almost every poll that is taken of corn-hog farmers there is an unusually strong sentiment in favor of continued high price supports for basic farm commodities.

Let us further examine the cross purposes which, apparently, the Secretary and Under Secretary are working at. Secretary Benson, in his television appearance with Vice President NIXON on Monday, June 28, 1954, said, and I quote:

> Take hogs, for example. Two years ago hog prices declined sharply. There was some demand at that time that the Government step in and support hog prices. But this was not done. So what happened? Very promptly farmers reduced hog numbers, and just as promptly hog prices started moving up. Today hogs are selling at well above parity and the Government did not have a thing to do with it, except the Government stayed out of the hog business. The farmers did their own adjusting.

You will note from this statement by Secretary Benson that he says the Government did not have a thing to do with the better prices for hogs during the past year or more.

Under Secretary Morse again takes an almost completely opposite position. In his speech before the Corn Belt Livestock Feeders Association in Chicago, Ill., on February 13, 1954, he completely contradicts Secretary Benson's statement. I wish to quote a part of his speech, and I do not think it is out of context:

> Corn is not a cash crop and should not be dealt with as such. It is sold primarily as meat, milk, and eggs. Only about 25 percent is sold in commercial trade.
>
> About one-half of the corn that is fed is sold as pork. Hog prices have no price supports, yet the principal feed grain for hogs has carried a high, rigid price support. It is this situation that has encouraged the present surplus of corn—while housewives are paying over 119 percent of parity equivalent for bacon, ham, and other pork products.

Here the Under Secretary bemoans the fact that hog producers were receiving 119 percent of parity for their bacon, ham, and pork products and blames it all on the 90-percent-price-support program. Of course he is right. I do not think, however, that he should be critical of farmers receiving 119 percent of parity for their bacon, ham, and pork products after the very low prices they had to sell them for just a short while before.

If it had not been for the 90-percent-price-support program, we would have had a great surplus and depressed prices for hogs last year, at the very time we witnessed heavy marketings of cattle at bankrupt prices. Bad as the situation was with respect to cattle prices, it would have been far worse if corn prices had been lowered in 1952, and farmers had continued to produce hogs in surplus.

What is true of the relationship between corn and hog prices is also true of the relationship between the prices of corn and other feed grains, dairy products, poultry, and other commodities. In the long run cheap feed grain prices would react against the very people they would seem to benefit, for, traditionally, low feed prices have always been eventually reflected in low prices for meat and dairy products.

Would any cattle producer seriously contend that an abundance of "two-bit" corn over a prolonged period of time would not drag down the prices of, not only beef, but other meat products? I think not. Ninety percent price supports for corn have resulted in normal supplies at reasonable prices. It has taken at least a part of the gamble out of the cattle-feeding business. It has taken a part of the wild fluctuations out of fed cattle prices. Most cattle producers have come to realize this in recent years. They recognize that cheap, bankrupt feed prices in the long run will do them no good. They recognize that fair prices to the producers of the feed grains, despite the contentions of the present top officials in the Department of Agriculture, are not in the best long-range interests of the cattle producers.

It is for this reason that I am supporting the provision in S. 478 which would provide mandatory price supports for oats, rye, barley, soybeans, and grain sorghums on a feed-ratio basis for corn. This is substantially the same method by which the support levels for these feed grains have been set in recent years. It becomes more necessary to make these support levels mandatory because of the constant and persistent fear on the part of the producers that the present Secretary of Agriculture plans to eliminate the price-support program for feed grains.

This amendment, I think, is in line with President Eisenhower's views. I quote some very plain words from his speech in Kasson, Minn., on September 6, 1952:

> As provided in the Republican platform, the nonperishable crops so important to the diversified farmer—crops such as oats, barley, rye, and soybeans—should be given the same protection as available to the major cash crops.

Before moving on to other phases of this price-support legislation, I wish to call the attention of the Senate to just one more of the many glaring inconsistencies in the positions of the Secretary and Under Secretary of Agriculture.

It is claimed, and I think rightfully so, that we have a sizable surplus of dairy commodities on hand. Production should be decreased. Is this the advice that the Department of Agriculture has been giving to farmers? No, I think not.

In Under Secretary True D. Morse's speech at the Grain and Feed Dealers Convention at Galveston in September of 1953, he had this to say:

> Dairying again looks more attractive as compared with beef cattle. More farmers will apparently be seeking the stability and security of income which milk cows produce under good management. New farmers and those who have not established a financial position should be encouraged to consider dairying. It is an enterprise especially adapted to family-operated farms.

Mr. President, I would interpret this speech by Under Secretary Morse to mean that he thought more farmers should go into the dairy business and to increase dairy production. This was only last fall. Now, however, he is just as loud as many others in condemning our present surplus of dairy commodities.

How can farmers or Members of Congress look to the Department of Agriculture for good advice when there are such glaring inconsistencies in their all too many speeches?

Mr. President, it has not been pleasant for me to condemn the present officials of the Department of Agriculture. What else can I do, may I ask? Day after day, and month after month, they continue to condemn the price-support programs I have fought so hard for these many years.

Far more important is the ill-advised program they are sponsoring, which, in my opinion, would bankrupt our agricultural economy, segment by segment. Intentionally or otherwise, by their various speeches and articles, they have tended to set one farm producer against another, and the consumers against the farmers. I have never known a time when there was a greater lack of accurate information regarding agriculture than at the present time. The farmers have looked in vain to their Department of Agriculture to set the public straight on the many unfortunate articles carried all over the United States, and designed purposely to put agriculture in a bad light.

On Friday, July 9, 1954, the Alsop brothers' column, carried in the Washington Post and Times Herald, read:

> The cost of production of wheat is around a dollar a bushel, Benson said. The Government-guaranteed price is $2.21. As long as that's the situation, no wonder all sorts of suitcase and drugstore farmers are planting wheat, and millions of acres are being plowed that ought to be left in grass. This thing is unbalancing our agriculture, and it can't go on.

This, I understand, is a quotation from Secretary Benson.

Gov. Dan Thornton of Colorado, said, at the recent Governors' convention in New York, that wheat was produced in his State for as low as 55 cents a bushel. There may be some isolated cases in an exceptionally good year when wheat could be produced as low as $1 a bushel. Farmers will thoroughly disagree with these careless statements, as will Department of Agriculture economists who have been making cost studies for years.

It has been contended by many that the 90 percent price-support program is the cause of the recent dust-bowl conditions in an area embracing a part of Kansas, Colorado, Texas, and Oklahoma. It is implied that flexible price supports would remedy this situation. Nothing could be further from the truth.

In prolonged periods of abundant rainfall, wheat can probably be produced as cheap or cheaper in this area of low-cost land and wide-open spaces than in almost any area of the United States. When dry cycles return, farmers, in

areas such as this—and there are others further to the north—usually find themselves in serious financial straits. There are many hazards in the production of wheat in most areas of the United States.

Will flexible or lower supports remedy this dust-bowl situation? If the history of the past means anything, they would not. Probably one of the worst dust-bowl conditions the Nation ever experienced occurred in 1934–36. The national average price for wheat for the 2 previous years, 1932 and 1933, was 38 cents and 39 cents a bushel, respectively. Prices had declined steadily from the boom year of 1929.

These greatly lowered prices did not solve the dust-bowl problem then, nor would they now. It must be remembered, too, that during this period of declining wheat prices, the farmers increased their wheat acreage. Indeed, the wheat acreage seeded in 1934, following the extremely low prices in 1932 and 1933, was increased by approximately 2.5 million acres.

Mr. President, the prices received by farmers have steadily declined during the past 5 years. The drop has been very sharp in recent months. This loss in income is having a serious effect on our farm economy. It has greatly reduced farm purchasing power. The loss in purchasing power has adversely affected other segments of our economy, including sizable layoffs of labor in certain areas of the United States.

Have the consumers benefited by this great drop in farm commodity prices? The official records say "No."

The Bureau of Labor Statistics a few days ago announced that the index of food prices, based on the 1947–49 level, had risen to 113.8, as of the middle of June. This means that the cost of food to consumers has risen 13.8 percent since the 1947–49 base period. The present index figure on food costs is only a fraction of a percent below the all-time high reached in 1952. During exactly the same period the index of prices received by farmers for the same food commodities has dropped 8 percent, or to an index figure of 92, as compared to the 1947–49 base period. I know of no better proof that lowering farm prices has not been reflected in lower food costs to consumers.

The great food-consuming public is being taken for a ride by advocates of lower price supports who claim that lower prices in farm commodities will be of benefit to consumers.

Mr. President, this unreasonable spread between what producers receive for their food commodities and what consumers have to pay represents a most serious situation, about which the administration, and particularly the Department of Agriculture, ought to be concerned. It warrants an immediate and thorough investigation by both the Department of Agriculture and the Congress of the United States.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD, as a part of my remarks, a price-cost study entitled "Farm Prices and the Cost of Food," issued by the House Committee on Agriculture.

There being no objection, the study was ordered to be printed in the RECORD, as follows:

FARM PRICES AND THE COST OF FOOD

The following charts, tables, and items of information on farm and retail food price trends and related facts have been compiled from official Government sources. They are presented in this manner to aid in giving a clear picture of the extent to which recent farm price declines have and have not been passed on to urban consumers.

FARM AND RETAIL FOOD PRICES, 1946 TO DATE

When war-imposed (OPA) price controls were removed in the fall of 1945, both farm prices and retail food prices advanced rapidly.

Farm prices advanced 29 percent between 1946 and their peak in 1951, 5 years later. The advance in retail food prices was even greater (45 percent) between 1946 and their postwar peak in 1952. Since 1951, peak prices received by farmers have fallen 20 points or almost back to their 1946 level. In contrast, retail food prices now hold within a fraction of their 1952 peak. In June 1954 farm prices declined 4 percent; retail food prices advanced 0.5 percent.

Thus far, almost none of the lower prices received by farmers since 1951 has been passed on to consumers in the form of lower retail food prices.

Further declines in farm prices are expected as more livestock and livestock products come to market and price-support levels are lowered. Consumers can expect little benefit, however, from these lower farm prices unless recent tendencies to increase marketing and processing charges are curbed.

Prices received by farmers and retail food prices, 1946 to date

[1947–49=100]

Date	Prices received by farmers [1]	Retail food prices
1946	86.9	79.0
1947	102.2	95.9
1948	105.9	104.1
1949	92.5	100.0
1950	95.1	101.2
1951	112.2	112.6
1952	107.0	114.6
1953	95.9	112.8
1954—January	96.2	113.1
February	95.9	112.6
March	95.1	112.1
April	95.5	112.4
May	95.9	113.3
June	92.0	113.8

[1] The base used for computing farmers' prices is customarily 1910–14. A conversion to 1947–49 was made here to permit comparison with retail food price index which is based upon 1947–49.

Sources: Economic Indicators and Agricultural Marketing Service, USDA.

FARM PRICES OF WHEAT AND RETAIL PRICE OF CEREALS AND BAKERY PRODUCTS

The city housewife today is paying the highest prices on record for bakery products and cereals, yet farm prices for wheat are down to 1949 levels again.

Following the removal of price controls in the fall of 1945, prices received by farmers for wheat moved upward to a peak in 1947. Retail prices of cereals and bakery products also increased rapidly from 1946 to 1948. Farm prices for wheat declined sharply as a result of good harvests and a drop in exports in 1948 and 1949 and then recovered somewhat in 1951 and 1952 as a result of increased demands associated with the Korean war. Since 1952 the farm price of wheat has dropped 10 percent and would have dropped further except for existing price supports.

In contrast to the ups and downs of the farm price of wheat, the retail price of cereals and bakery products has moved only in one direction since World War II—up.

In 1953, while farm prices were declining 6 percent, retail prices of cereals and bakery products increased 2 percent. Further increases in retail prices have occurred in 1954 although farm prices of wheat are now at their lowest levels for several years. In view of this record it is difficult to see how urban consumers expect to benefit from lower support prices on wheat.

In January 1948 the farm price of wheat reached a peak of $2.81 a bushel and the average price of a 1-pound loaf of bread was 13.8 cents. Today the farm price of wheat has dropped to $1.91 a bushel yet the average price of a 1-pound loaf of bread has increased to 17 cents. Thus, while the price of wheat declined 32 percent, the price of bread has advanced 23 percent. The farm value of the wheat in a 1-pound loaf of bread is 2.7 cents.

In the last half of 1947 the farm value of the corn in a 12-ounce package of corn flakes was 4.5 cents and the average retail price was 16 cents. In the first 3 months of 1954 the farm value of the corn in this package of corn flakes had dropped to 3 cents, while the average retail price of the corn flakes had jumped to 22 cents.

Similarly in the last half of 1947 the farm value of the oats in a 20-ounce package of rolled oats was 6 cents and the average retail price was 15 cents. Today, 7 years later, the farm value of the oats in the package has dropped to 5 cents but the average retail price has jumped to 18.5 cents.

Average prices received by farmers for wheat, and retail prices of cereals and bakery products, 1946 to date

[1947–49=100]

Date [1]	Average prices received by farmers for wheat	Retail prices of cereals and bakery products
1946	81.3	75.0
1947	109.8	94.0
1948	100.5	103.4
1949	89.7	102.7
1950	91.6	104.5
1951	99.1	114.0
1952	99.1	116.8
1953	93.0	119.1
1954—January	94.9	121.2
February	96.3	121.3
March	97.6	121.2
April	96.3	121.1
May	93.5	121.3
June	89.3	121.3

[1] Average prices are for calendar year for farmers' prices.

Source: Bureau of Labor Statistics and U. S. Department of Agriculture Statistical Service.

FARM PRICE OF MILK AND RETAIL PRICE OF DAIRY PRODUCTS

Both the farm price of milk and butterfat and the retail prices of dairy products reached a peak in 1952. Since then farm prices have dropped 20 points while retail prices dropped 9 points.

Although milk used for manufacturing purposes and butterfat prices were supported at 90 percent of parity in 1953, the farm price of these products averaged 10 percent lower than a year earlier while retail prices were down only 1.7 percent.

Farm prices for milk and butterfat in June 1954 were 10 percent below their 1947–49 average while retail prices of dairy products were 3 percent higher than in the earlier period.

Although most of the drop in the support level for butterfat has been reflected in lower retail prices for butter, marketing margins have widened for cheese.

In the first 3 months of 1951 the retail price of American-processed cheese averaged 58 cents a pound. The farm value of the milk in a pound of cheese averaged 35 cents. In the first 3 months of 1954 the average retail price of American processed cheese had increased to 59 cents a pound

while the farm value of the milk had dropped to 29 cents.

Prices received by farmers for dairy products, and retail dairy product prices, 1946 to date

[1947–49=100]

Date	Dairy product prices received by farmers [1]	Retail dairy products prices
1946	97.4	85.6
1947	99.3	96.7
1948	109.5	106.3
1949	91.6	96.9
1950	90.1	95.9
1951	103.6	107.0
1952	110.2	111.5
1953	99.3	109.6
1954—January	96.0	109.7
February	95.6	109.0
March	94.9	108.0
April	90.1	104.[illegible]
May	90.1	103.5
June	89.7	102.9

[1] The base used for computing farmers' prices is customarily 1910–14. A conversion to 1947–49 was made here to permit comparison with retail prices which are based upon 1947–49.

Sources: Bureau of Labor Statistics Reports and Agricultural Marketing Service USDA.

Farmers who supply milk for the Chicago market received 8 cents a quart and farmers who supply milk for the New York City market received 12 cents a quart in June 1954 for the milk for fluid use which cost urban housewives 25 cents a quart delivered to their doors.

PRICE SPREADS ON OTHER FARM PRODUCTS

A shirt—a $3.95 cotton shirt—contains about 30 cents' worth of cotton. That is what the farmer gets. Cutting back the price of cotton would mean very little in the price of a shirt.

In the case of tobacco, the producers in 1953 received about $800 million for that part of their crop consumed in the United States. Federal, State, and local taxes on the 1953 crop, by the time it reached the consumers, amounted to approximately $2,100 million.

A 5-cent peanut candy bar contains about one-half cent's worth of peanuts, and if the confectioners got their peanuts free this would not change the price on a 5-cent candy bar—although a few more peanuts might be added.

HOURLY EARNINGS OF INDUSTRIAL WORKERS AND RETAIL FOOD PRICES

Retail food prices have not increased as much as the hourly earnings of industrial workers during the past 20 years of farm programs.

Since 1948 in particular, hourly earnings of industrial workers have continued to increase while retail food prices have leveled off and farm prices have declined almost 20 percent.

Industrial workers can now buy more food with the earnings of an hour of labor than in any earlier period in history. One hour's average factory pay bought the following quantities of specific foods in 1914, 1929, and 1953:

	1914	1929	1953
Bread.....pounds	3.5	6.4	10.7
Round steak.....do	.9	1.2	1.9
Pork chops.....do	1.0	1.5	2.1
Butter.....do	.6	1.0	2.2
Milk.....quarts	2.5	3.9	7.5
Eggs.....dozen	.6	1.4	2.5
Potatoes.....pounds	12.4	17.7	32.6
Oranges.....dozen	.....	1.3	3.6
Bacon.....pounds	.8	1.3	2.2
Tomatoes.....No. 2 cans	.....	4.4	10.0
Cheese.....pounds	1.0	1.4	2.9

[1947–49=100]

Date	Average hourly earnings of industrial workers	Retail food prices
1934	41.9	46.4
1935	43.3	49.7
1936	43.7	50.1
1937	49.1	52.1
1938	49.5	48.4
1939	49.9	47.1
1940	53.7	47.8
1941	54.5	52.2
1942	62.5	61.3
1943	69.4	68.3
1944	73.5	67.4
1945	74.8	68.9
1946	81.6	79.0
1947	93.0	95.9
1948	101.7	104.1
1949	106.1	100.0
1950	109.9	101.2
1951	118.8	112.6
1952	125.0	114.6
1953	132.8	112.8
1954—January	136.6	113.1
February	135.9	112.6
March	135.9	112.1
April	.....	112.4

Source: Bureau of Labor Statistics reports.

BREAKDOWN OF CONSUMER'S FOOD DOLLAR

Out of each dollar spent for food in the United States 5 cents goes for imported foods, fish, and other products not produced on American farms. Out of each dollar spent by the American housewife for domestically produced food, 56 cents now goes for processing, marketing, and transportation charges. The farmer receives 44 cents. Of this 44 cents, approximately 30 cents goes to purchase tractors, trucks, plows, gasoline, fertilizer, and other supplies required by modern farming.

Thus, the farmer and his family have about 14 cents out of each consumer dollar spent for domestically produced food for their work and their investment.

The farmer's share of the consumer dollar has dropped in recent years and months as farm prices have declined, while retail food prices have remained at 1952 peak levels.

Mr. YOUNG. Mr. President, the leaders of the lower-price-support movement have continuously and viciously attacked the price-support program for wheat. Let me give you just one typical example showing that lower prices for farm commodities are not reflected in lower food costs to the consuming public.

In January 1948, wheat prices on the farm reached a peak of $2.81 a bushel, and the average price of a 1-pound loaf of bread was 13.8 cents. Today, the average cash farm price of wheat has dropped to $1.91 a bushel; yet the average price of a 1-pound loaf of bread has increased to 17 cents. The present farm value of the wheat in a 1-pound loaf of bread is 2¼ cents.

What is true of wheat is also true of almost every other farm commodity.

Mr. President, the lowering of price supports for basic farm commodities, dairy products, and other commodities would not be in the long-range interest of the Nation.

The lower prices, advocated by those who believe in flexible supports, would have a serious impact on the economy of the Nation.

From the inception of price-support programs, the cost to consumers has been very little. Only a little over a billion dollars has been spent for the whole 21-year period. It is true that at the present time, costs are sharply increasing. That is to be expected in our present difficult postwar period. The cost of this program will be infinitesimal, compared with the cost of another depression, which would surely result if farm prices were permitted to drop any lower, and they almost surely would if flexible supports were permitted to go into effect.

Mr. President, all our major farm organizations have recognized in some degree that 90-percent supports are necessary when farmers are required to reduce greatly their acreage, by means of acreage allotments or quotas. The most direct and accurate way I know to set forth their positions is to quote from the statements made by the major farm organizations themselves.

Roger Fleming, secretary-treasurer of the American Farm Bureau Federation, states their position on this score quite clearly in his letter to me, dated July 19, 1954. He states that the American Farm Bureau Federation will support a proposal which would provide for 90 percent of parity price support during any year in which marketing quotas are instituted immediately following a nonquota year.

Mr. President, I ask unanimous consent that the full text of Mr. Fleming's letter be printed at the end of my remarks.

The PRESIDING OFFICER (Mr. MARTIN in the chair). Without objection, it is so ordered.

(See exhibit A.)

Mr. YOUNG. Mr. President, the master of the National Grange, in a letter to the Honorable CLIFFORD HOPE, chairman of the House Agriculture Committee, stated very clearly the position of his organization.

Mr. President, I think his letter is so concise and to the point that I am going to read one rather long paragraph from it:

> Those who would admittedly like to see the Agricultural Act of 1949 become effective by default of any new legislation being approved, or those who have persistently insisted on moving rapidly and almost exclusively to flexible price supports for the basic six farm commodities as the only solution to the farm problem, have refused to take into full account the drastic changes in our farm income and supply situation that have taken place since 1949. Over the long pull, it is the feeling of the Grange that flexible price supports are basically valuable and desirable. On the other hand, flexible price supports right now would do little to increase consumption of most commodities here at home. They would not lower prices enough in most cases to enable the American farmer to compete for his fair share of the world's market at the world market price level. Flexible price supports at this time would do little to discourage production of those commodities in burdensome supply, since flexibility of production can be attained only when some other crop is more profitable or less unprofitable. There are few crops currently in this category.

Mr. President, I ask unanimous consent to have the full text of Mr. Newsom's letter printed at the end of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit B.)

Mr. YOUNG. Mr. President, the position of the National Farmers Union has long been for permanent supports at 100 percent of parity. That is a matter of record.

Mr. President, I respectfully urge every Member of the Senate to give thoughtful consideration to all the serious implications that could flow from a reduction at this time in the price supports for basic and other farm commodities.

I urge that 90 percent supports for basic commodities be continued for at least 1 more year.

Mr. President, I ask unanimous consent that various telegrams and certain other communications I have received on the farm price-support issue be printed at this point in the RECORD, as a part of my remarks.

There being no objection, the letters and telegrams were ordered to be printed in the RECORD, as follows:

FARGO, N. DAK., *August 3, 1954.*

Senator MILTON R. YOUNG,
Senate Office Building,
Washington, D. C.:

Sentiment among number of farmers recently contacted that farmers should have privilege of voting on two-price plan for wheat included in House bill. Quality should receive priority in two-price support price if our State to receive equitable treatment.

G. J. STAFNE,
Secretary, North Dakota Farm Bureau.

BOTTINEAU, N. DAK., *August 3, 1954.*

Senator MILTON R. YOUNG,
Washington, D. C.:

Senator AIKEN'S proposed amendment to be substituted for S. 3052 utterly unsatisfactory. Does not provide disposal program. Very unfair to producers of manufacturing milk. We urge enactment dairy provision in S. 3052 as reported by committee July 15.

ROGER A. BOND,
Bottineau Cooperative Creamery.

STATE OF NORTH DAKOTA,
DEPARTMENT OF AGRICULTURE AND LABOR,
Bismarck, N. Dak., July 19, 1954.

Hon. MILTON R. YOUNG,
Senate Office Building,
Washington, D. C.

DEAR SENATOR YOUNG: I am at this time again taking the liberty to write you with regard to the national farm program legislation now before Congress and the widely discussed 90 percent of parity versus the 75-percent to 90-percent sliding scale. I know I now speak for the majority of farmers in North Dakota whom I have the honor of representing. I note from various newspaper reports coming from Washington statements made by various Senators and House Members who are arguing for the sliding scale. I also note from reports that the House has passed the compromise bill of 82½ percent to 90 percent of parity.

It would be very interesting to know how those favoring the 82½ percent arrived at that figure and from there to 90 percent. It is almost inconceivable for anyone to understand how Members of Congress can arrive at anything less than 90 percent of parity and expect American agriculture to maintain a stability so that farmers can keep on operating.

For your information as well as others who will receive a copy of this letter, I want to set forth a few facts from my own observations, and I know that my own observations are no different than any other farmer's in the United States. While I hold the position of Commissioner of Agriculture and Labor in North Dakota, I still have a farm and am operating this farm and so from personal experience and personal knowledge I can easily set forth my own experience and here it is.

No farmer can operate for any length of time and lose money, which will be the result to every farmer under this so-called sliding scale parity. In fact a 90-percent parity is a losing proposition, but it takes longer to curtail operations to the point where a farmer will be unable to operate. However, if by chance the climate conditions are favorable so the farmers have an overproduction instead of a normal crop based on averages over 10 or 20 years, then he can keep even with the expenditures. If he doesn't have this overproduction in bushels he would be unable to operate very long even at 90 percent of parity.

There has been and still is a steady increase in the expense of farm labor. All farm equipment has steadily increased in price. I just wonder if Members of Congress know that just a few items which I would like to mention have increased from 10 percent to 20 percent in price in the last 4 years. I wish to mention a combine or harvester which sold for $2,700 4 years ago now costs $3,700 to $3,900. A tractor which sold 5 years ago for $1,500 is approximately $3,000 now, and so I could mention every piece of equipment that the farmer has to buy has increased by approximately the same ratio. Can it be possible that Members of Congress are so uninformed on the cost of operation in American agriculture that they can honestly and sincerely reduce the income by Federal statute so as to make it impossible for the people engaged in agriculture in America to have a decent standard of living or at least a standard of living comparable to every other class of society.

The indisputable fact remains that it is agriculture in this United States that makes it possible for the high standard of living that we have in this Nation. Therefore, it is not only practical but it is sensible that American agriculture should be protected the same as industry, utilities, and what have you.

As to the surplus of food commodities that is created and may be created under a decent and just parity formula, I can hardly understand why Congress and the President should be so deeply concerned over the money invested in those items when they have shown not too much concern over the hundreds, millions, and billions that they have appropriated and spent on foreign countries which will never be paid back, or these Government subsidies which have been and are being paid to private industry in this country which far exceed the amount that has been paid to agriculture that will stabilize the economy of this country. It is hard to understand that they will oppose a program that will result in a stable economy for all activities in this Nation, and then spend billions on programs in foreign lands which in turn add nothing to the stability of this Nation other than increase the tax burden on agriculture as well as everybody else to pay for these giveaway programs.

I know some of the members on the Agricultural Committee, of which Senator AIKEN is chairman, have disagreed on this so-called formula of a sliding scale and voted for the 82½ percent up to 90 percent. I think I can understand Senator AIKEN and the other Members who are looking for cheap food for the States in which they reside which are unable to produce enough for their own consumption so they would like to see the rest of American agriculture suffer to the advantage of themselves. This, I think, is a short-sighted motive on the part of people who are supposed to represent the Nation as a whole and not only their own State.

I wish to emphasize to you, your committee, and the Senate that if you are looking for a man-made depression you are on the right road under this 82½ percent to 90 percent of parity. I am now speaking from past experience, and I think my experience justifies me to call this to your attention and the Members of Congress because I have farmed for 48 years in North Dakota and am still farming. There is nothing that Congress could do that would wreck American agriculture more than what is now being proposed in Congress.

I trust and I pray that the United States Senate will vote in the majority for the continuation of the 90 percent of parity, not only for 1 more year but for at least 2 more years.

In conclusion, let me state that the large surpluses of food commodities which we have on hand and which are being blamed on the support price should be of little concern to Congress from a standpoint of cost and also from a standpoint of having too much food on hand. Let us grant that a portion of it may become unfit for human consumption, but commonsense should teach us that it is better to have too much food on hand than to not have enough. The part that may become unfit for human consumption, if there is any, would be a very small investment on the part of this Nation when you do consider the buying power and the effects from the buying power that it will add to the total economy of this Nation. People in agriculture are the backbone of this Nation both in buying power and production, and for those reasons that buying power must be maintained in order to maintain a stable economy for all other segments of this country.

I trust that this letter is not too lengthy for you to read, and I also hope that you will consider the facts as I see them and I am sure that you cannot help but agree with me on the fundamentals which I have set forth. It would be entirely too lengthy a correspondence to set forth any mechanics and detailed explanations, so I have only stated a few facts and fundamentals and I trust that Congress is capable of working out the mechanics so that we can have a stable agricultural economy.

Yours very truly,

MATH DAHL, *Commissioner.*

FARGO, N. DAK., *April 13, 1954.*

Hon. MILTON R. YOUNG,
United States Senate,
Washington, D. C.:

We on the Farmers Union local at the North Dakota Agricultural College urge your support of rigid price supports for basic farm commodities and 100 percent of parity and we urge you to work continually for legislation for the betterment of agriculture.

HAROLD SOLBERG,
Legislative Secretary, North Dakota Agricultural College.

PENDLETON, OREG., *April 22, 1954.*

Senator MILTON R. YOUNG,
United States Senate,
Washington, D. C.:

The Oregon Wheat Growers League vigorously supports extension of 90 percent supports for 1 more year. This will allow time for farmers and lawmakers to completely understand two-price or domestic parity plan. We do not feel administration's flexible price program will solve wheat problem. It will result in further reduction of income to growers on top of anticipated increase in acreage cuts.

RICHARD K. BAUM,
Oregon Wheat Growers League.

BURNSTAD, N. DAK., *April 26, 1954.*

Senator YOUNG,
Washington, D. C.:

We of the Burnstad Commercial Club go on record this 12th day of April in favor of

100 percent parity for all basic farm commodities. We do not favor any tendency toward flexibility of price support but urge Congress to maintain a production control program which is essential in order to have stabilization price supports.

BURNSTAD COMMERCIAL CLUB,
J. R. BURGAD, *President.*

DICKINSON, N. DAK., *June 15, 1954.*
Senator MILTON YOUNG,
Washington, D. C.:

We the undersigned are very definitely in favor of an extension of the 90 to 100 percent support law on basic crops, for such time as necessary to maintain a parity of living for farm families.

SLOPE COUNTY FARMERS UNION,
EVERETT BOCK, *President.*
NEW ENGLAND, N. DAK.

RAY, N. DAK., *June 15, 1954.*
Senator MILTON YOUNG,
Senate Office Building,
Washington, D. C.:

By order of the stockholders of Farmers Union Oil Co., Ray, N. Dak., at the annual meeting held in Ray, N. Dak., June 11, 1954, we request you continue 90 percent of parity price supports on basic farm crops.

ARTEUR JOHNSON.

PEKIN CO-OPERATIVE ELEVATOR CO.,
Pekin, N. Dak., June 18, 1954.
Hon. MILTON R. YOUNG,
United States Senate.

DEAR MR. YOUNG: At a meeting of the stockholders of the Pekin Co-operative Elevator Co. held June 16, 1954, in the village of Pekin, at which 36 stockholders were present, the following resolution was duly adopted.

Be it resolved, That the representatives of this State of North Dakota in the United States Congress be urged to support legislation which will assure adequate income to farmers and to oppose any further cut to farm prices thereby reducing the farmers' take-home pay.

Sincerely,

E. J. BINA,
Secretary.

EDMORE, N. DAK., *June 23, 1954.*
Senator YOUNG:

At the annual meeting of the Farmers Shipping and Supply Co., a company consisting of over 400 members, a resolution was adopted and passed asking our Senators and Congressmen that they support legislation calling for 90 percent of parity price support on agriculture products.

FARMERS SHIPPING AND SUPPLY,
H. O. NIELSEN, *Manager.*

SUTTON, N. DAK., *June 25, 1954.*
Senator MILTON R. YOUNG,
Senate Office Building,
Washington, D. C.:

Appreciate the work you are doing on the farm legislation. Hope for success for extension for 90 percent of parity.

SUTTON FARMERS UNION LOCAL.
Mrs. HUGO HOCHBERGER,
Secretary.

BUSTON, N. DAK., *July 13, 1954.*
Senator MILTON YOUNG,
Senate Office Building,
Washington, D. C.:

We commend you on your fight for 90-percent parity. We strongly urge that you continue your efforts for this legislation.

BUFFALO COULEE FARMERS UNION,
STERLING INGWALSON, *Secretary.*

HETTINGER, N. DAK., *July 15, 1954.*
Senator MILTON YOUNG and
Senator WILLIAM LANGER,
Washington, D. C.:

We oppose the Benson flexible farm program, we are for extension of 90 percent on basic commodities. We urge that Congress revoke the orders by Benson on the selections of county committeemen so that experienced men may continue their work.

ADAMS COUNTY REPUBLICAN COMMITTEE,
LAVERN SCHROEDER, *Chairman.*

PENDLETON, OREG., *July 21, 1954.*
Senator MILTON YOUNG,
Senate Office Building,
Washington, D. C.:

Umatilla County Farm Bureau is heartily in accord with the two price certificate plan as stated in the farm bill. We urge the Agricultural Committee support to this amendment. We are entirely in favor that 90-percent parity be extended until a new farm program as amended is adopted.

UMATILLA COUNTY FARM BUREAU,
EBER HOWARD, *President.*

ST. PAUL, MINN., *July 21, 1954.*
Hon. MILTON YOUNG,
Senate Office Building,
Washington, D. C.:

We here in GTA know courage when we see it. We have seen it in your fight for farm income. Whether or not you win you're tops with us.

T. C. CROLL,
Assistant General Manager, GTA.

ST. PAUL, MINN., *July 21, 1954.*
Hon. MILTON YOUNG,
Senate Office Building,
Washington, D. C.:

You are doing a swell job for farmers. Win, lose, or draw, we will back you to limit.

FARMERS UNION HERALD,
R. S. GILFILLAN.

ST. PAUL, MINN., *July 21, 1954.*
Hon. MILTON YOUNG,
Senate Office Building,
Washington, D. C.:

On eve of showdown, want you to know we truly appreciate what a fight you are making for farmers. Regardless of outcome, you have the record in your favor.

GORDON ROTH,
GTA Public Relations Director.

LA MOURE, N. DAK., *July 21, 1954.*
Senator M. R. YOUNG,
Senate Office Building,
Washington, D. C.:

One thousand LaMoure County Farmers' Union farm families appreciate very much your great effort in our behalf. Keep it up. We are back of you.

LA MOURE COUNTY FARMERS' UNION,
W. J. MANGIN.

LA MOURE, N. DAK., *July 21, 1954.*
Senator M. R. YOUNG,
Washington, D. C.:

Stockholders of the LaMoure Farmers' Union Grain Co., assembled in annual meeting, June 19, 1954, adopted the following resolutions and ask that same be transmitted to you. We wish to commend you for the terrific fight made by you in behalf of agriculture and for fair farm prices. We believe that a prosperous agriculture means a prosperous nation. In view of that fact, we request that you continue to give your very best effort for 90 percent of parity. A continued fight is necessary until such time our Department of Agriculture will realize that farmers cannot exist on a sliding scale of parity.

CLARENCE WELANER,
Chairman, Resolutions Committee
(Representing 340 stockholders).

LA MOURE, N. DAK., *July 21, 1954.*
Senator MILTON YOUNG,
Washington, D. C.:

Following your fight for the farm bill very closely and wish to commend you on your valiant fight.

Yours very truly,

BOARD OF DIRECTORS, FARMERS
UNION OIL CO.

LA MOURE, N. DAK., *July 21, 1954.*
Senator MILTON YOUNG,
Senate Office Building,
Washington, D. C.:

Thanks for the great fight. Keep it up. We are back of you.

ARNOLD GUTSCHMIDT.

MERRICOURT, N. DAK., *July 22, 1954.*
Senator MILT YOUNG,
Senate Building:

We wish to commend you on your fine support on the farm program and bid for your continued support in the final hours of farm legislation.

DICKEY COUNTY FARMERS
UNION,
Mrs. ALBERT KLIMA,
Secretary.

MERRICOURT, N. DAK., *July 22, 1954.*
Senator MILTON YOUNG,
Senate Building:

We wish to thank you for your support on farm legislation. Hope you continue your fight to obtain a good farm program.

MERRICOURT STAR LOCAL,
Mrs. ED KLIMA, *President.*

RAY, N. DAK., *July 23, 1954.*
Senator MILTON R. YOUNG:

We of headquarters local of Ray, N. Dak., want you to know that we are behind you in your fight for 90 percent price supports on basic farm crops.

ORVEL GUSTOFSON,
President, Ray Headquarters Local.

RAY, N. DAK., *July 23, 1954.*
Senator MILTON R. YOUNG.

DEAR MILT: Just to let you know that we at the Farmers Union Oil Co., of Ray, N. Dak., appreciate the fight you are putting up for us on the 90 percent price supports. Hang tough for parity.

CLARENCE H. POTTER,
Manager, Farmers Union Oil Co.

RAY, N. DAK., *July 23, 1954.*
Senator MILTON R. YOUNG,
Senate Office Building.

DEAR MILT: We, the 350 stockholders of Ray Farmers Union Elevator Co., want you to know that we are proud of the brave fight you are putting up for 90 percent price supports on basic crops. Thanks, and keep it up.

RAY FARMERS UNION ELEVATOR CO.

EPPING, N. DAK., *July 23, 1954.*
Senator MILTON YOUNG,
Senate Office Building.

DEAR SENATOR YOUNG: You are doing a great job for us on the 90 percent price support for basic crops. We hope you have enough votes to put it over. Keep up the good fight.

Sincerely,

STOCKHOLDERS OF EPPING FARMERS
UNION OIL CO.,
CHARLES E. BEAN, *Manager.*

BLAISDELL, N. DAK., *July 23, 1954.*
Senator MILTON R. YOUNG:

We wish to compliment you on your excellent work on Senate Agricultural Committee. We feel that 90-percent of parity is absolutely essential for the North Dakota farmer if we are to stay in business.

BLAISDELL FARMERS CO-OP ELEVATOR,
E. O. SJAASTAD.

BUXTON, N. DAK., *July 23, 1954.*
Hon. MILTON R. YOUNG,
Senate Office Building:

Your courageous fight for farm prices, supports, and parity for farmers deserves our highest commendation and support. Congratulations. Carry on.

OLE L. OLSON,
President, Farmers Union Grain Terminal Association.

GRENORA, N. DAK., *July 23, 1954.*
Senator MILTON R. YOUNG,
Senate Office Building,
Washington, D. C.

DEAR SENATOR: We wish to express our appreciation of your untiring efforts on behalf of the farm support program. Our members realize the effect on our crops and everyone should we lose our fight for a fair price for basic farm products.

GRENORA FARMERS UNION OIL CO.,
GEHARD SNEVA, *Secretary.*

MCGREGOR, N. DAK., *July 22, 1954.*
Senator MILTON R. YOUNG,
Senate Office Building,
Washington, D. C.

DEAR MILT: Keep up the valiant fight you are putting forth for 90-percent price support for basic crops for 1 more year; 135 stockholders hope you can get enough votes. Thanks.

W. L. ROLOFF,
Manager, Farmers Union Elevator Co.

BUTTE, N. DAK., *July 22, 1954.*
Senator YOUNG,
Senate Office Building:

We compliment you on your fight for 90 percent of parity. Keep it up.

FARMERS UNION ELEVATOR CO.,
ADOLPH SCHOTT, *President.*
GORDON OLSON.
JACK EVANENKO.
HAROLD ANDERSON.
HENRY SKORICK.

DEVILSLAKE, N. DAK., *July 22, 1954.*
Hon. MILTON YOUNG,
United States Senate:

Do everything you can to maintain 90 percent price supports. Less than that combined with rust and everything else we have to contend with will ruin this State.

S. B. HOCKING.

MOTT, N. DAK., *July 22, 1954.*
Senator MILTON R. YOUNG,
Senate Office Building.

DEAR SIR: We, 76 members of Solon Farmers Union, urge your support of 90-percent parity and the package bill for farmers.

Yours truly,
ALVIN SULLIVAN, *President.*
BURT, N. DAK.

WHITMAN, N. DAK., *July 22, 1954.*
Senator MILTON YOUNG,
Senate Building:

You have our backing in your fight for 90 percent support. Give them a battle.

JUSTIN S. EVANSON,
ERICK NEUMANN,
ALBERT THRANDT,
HENRY GONVSTKI,
HERMAN KAEDING,
Directors, Kramer Equity Elevator Co.

FONDA, N. DAK., *July 22, 1954.*
Senator MILTON YOUNG,
Senate Office Building:

Keep fighting for 90 percent of parity.

FARMERS GRAIN CO.,
GERHART LUND, *Secretary.*

MINOT, N. DAK., *July 22, 1954.*
Senator MILTON R. YOUNG,
Senate Office Building.

DEAR SIR: In behalf of our membership, I wish to congratulate you for your fight for farm parity. Keep up the good work.

FARMERS UNION CREAMERY ASSOCIATION,
ROY MAVIS, *Manager.*

KARLSRUHE, N. DAK., *July 22, 1954.*
Senator YOUNG:

Your support 90 percent is surely appreciated. Keep up the fight.

KARLSRUHE CO-OP ELEVATOR,
JACK KELLER, *Secretary.*

WILLOW CITY, N. DAK., *July 22, 1954.*
Senator YOUNG,
Senate Office Building:

Keep up good work on farm parity.

WILLOW CITY FARMERS ELEVATOR CO.
M. J. KITZMAN,
BEN SANDERSON,
HARRY ANDERSON,
OTTO ERDMAN,
WALTER SHERWIN,
FRAZER GORDON,
WILLIAM BIBERDORF, *Directors.*

GLENBURN, N. DAK., *July 22, 1954.*
Senator M. YOUNG,
Senate Office Building:

We are behind you in fight for 90 percent support.

L. F. ANDERSON, *President.*
B. O. DAHL, *Secretary.*
A. H. JELMSTAD, *Manager.*

LA MOURE, N. DAK., *July 22, 1954.*
Hon. MILTON R. YOUNG,
United States Senator,
Senate Office Building:

We appreciate your fight for farm parity.

FARMERS CO-OP CREAMERY ASSOCIATION.

MINOT, N. DAK., *July 22, 1954.*
Senator MILTON R. YOUNG,
Senate Office Building,
Washington, D. C.:

I like your stand on the price-support program.

ROBERT WIDDEL.

MINOT, N. DAK., *July 22, 1954.*
Senator MILTON R. YOUNG,
Senate Office Building,
Washington, D. C.:

Don't give up your fight for 90 percent parity.

DON BIVINS.
SAWYER, N. DAK.

MINOT, N. DAK., *July 22, 1954.*
Hon. MILTON R. YOUNG,
Senate Office Building:

Our Nation's economy rests on outcome of farm program. We appreciate your outstanding efforts and work for reasonable farm program.

WARD COUNTY FARMERS UNION,
INEZ N. HALVORSON, *Secretary.*

MINOT, N. DAK., *July 22, 1954.*
Hon. MILTON R. YOUNG,
Senate Office Building,
Washington, D. C.:

Appreciate your outstanding efforts for farm program to save small farmers. Urge you to keep fighting.

ARNOLD HAUGE.

MINOT, N. DAK., *July 22, 1954.*
Hon. MILTON R. YOUNG,
Senate Office Building:

We must have reasonable farm program. Keep up your good work.

LAWRENCE ERICKSON.

MINOT, N. DAK., *July 22, 1954.*
Hon. MILTON R. YOUNG,
Senate Office Building,
Washington, D. C.:

Keep up the good fight for decent farm program. Appreciate your work.

VERNON F. CARLSON.
GLENBURN, N. DAK.

MINOT, N. DAK., *July 22, 1954.*
Senator MILTON R. YOUNG,
Senate Office Building,
Washington, D. C.:

I approve your fight for parity. Don't give up.

E. P. CHRISTENSON.

MINOT, N. DAK., *July 22, 1954.*
Hon. MILTON R. YOUNG,
Senate Office Building,
Washington, D. C.:

Appreciate your untiring efforts in fight for reasonable farm program. Keep up the good work.

E. P. CHRISTENSON.

MINOT, N. DAK., *July 22, 1954.*
Senator MILTON R. YOUNG,
Senate Office Building:

I support your great fight for 90 percent parity.

W. R. BLUME.
GLENBURN, N. DAK.

MINOT, N. DAK., *July 22, 1954.*
Senator MILTON R. YOUNG,
Senate Office Building:

My neighbors and I support you on parity fight.

GEORGE WITTEMAN.
MOHALL, N. DAK.

MINOT, N. DAK., *July 22, 1954.*
Hon. MILTON R. YOUNG,
Senate Office Building,
Washington, D. C.:

Know we can depend upon you for continued fight for decent farm program.

ARTHUR SOLBERG.

MINOT, N. DAK., *July 22, 1954.*
Senator MILTON YOUNG,
Senate Office Building:

I approve your fight for 90 percent parity.

EMERY ANDERSON.

MINOT, N. DAK., *July 22, 1954.*
Hon. MILTON R. YOUNG,
Senate Office Building:

Keep up your fight for a farm program that will keep farmers on the land and business prosperous.

E. W. SMITH,
Manager, Farmers Union Oil Co.

MINOT, N. DAK., *July 22, 1954.*
Senator MILTON R. YOUNG,
Senate Office Building,
Washington, D. C.:

I appreciate your fight for the farm program.

WILLIAM PHILIPS.

MINOT, N. DAK., *July 22, 1954.*
Senator MILTON R. YOUNG,
Senate Office Building,

Keep up the good fight for parity for farmers.

CLARENCE MILLER.
VELVA, N. DAK.

VELVA, N. DAK., *July 22, 1954.*
MILTON YOUNG,
United States Senator:

We, the board of directors of the Velda Farmers Union Elevator Co., are back of you on your good work for 90 percent of parity.

OLE HARNESS,
President.
SWEN GRUNSETH,
Secretary.
NELS SOLHEIM,
D. A. PALMBERG,
GLENN MILLER,

JAMESTOWN, N. DAK., *July 22, 1954.*
Hon. MILTON YOUNG,
Senate Office Building:

We deeply appreciate outstanding effort you have made for a reasonable farm program in face of terrific opposition and pledge solid backing of organization in approaching show-down vote in Senate. Good luck.

NORTH DAKOTA FARMERS UNION,
GLENN J. TALBOTT, *President.*

WILDROSE, N. DAK., *July 23, 1954.*
Hon. MILTON YOUNG,
Senate Office Building:
We, the stockholders of Wildrose Farmers Union Oil Co., want you to know that we are behind you all the way in your fight for 90 percent price supports for the basic crops. We hope you can convince enough Senators to vote with you. Thanks.
WALTER MCBETH,
Manager.

RYDER, N. DAK., *July 22, 1954.*
Senator MILTON YOUNG,
Senate Office Building,
Washington, D. C.:
You have our support for 90 percent parity price.
RYDER FARMERS UNION ELEVATOR,
C. F. BLOOM, *President.*
ARNOLD LARSON, *Secretary.*
R. G. MILLER, *Manager.*

SALEM, N. DAK., *July 22, 1954.*
Hon. MILTON R. YOUNG, *Senator,*
Washington, D. C.:
Thanks for your courageous fight on the farm bill. Keep working for at least 90 percent of parity.
NEW SALEM FARMERS UNION ELEVATOR CO.

WILLISTON, N. DAK., *July 22, 1954.*
Senator MILT YOUNG,
Senate Office Building,
Washington, D. C.
DEAR MILT: Don't give up your valiant fight for 90 percent supports for basic crops for another year. We appreciate the fight you and the eight members on the Senate Agriculture Committee are putting up for us. All of the 2,400 farm families in the Williams County Farmers Union are behind you and your fellow Senators who are working so hard for us. Thank you.
CLAIR AMSBERRY,
President, Williams County Farmers Union.

LA MOURE, N. DAK., *July 22, 1954.*
Senator MILTON R. YOUNG,
Senate Office Building,
Washington, D. C.:
Very good fight. Don't weaken now. Folks here back you.
HERBERT JOHNSON.

CARPIO, N. DAK., *July 22, 1954.*
Senator MILTON R. YOUNG,
Senate Office Building,
Washington, D. C.:
We are behind you 100 percent. High support prices are a must are the words of these farmers: Joe Olson, John and Martin Score, K. V. C. Bryans, Edna R. Stoa, Leonard Danielson, Sev. Vaagen, Robert Olson, O. J. Watne, C. A. Ward, Clifford Dahlseng, John Stoland, Burton Graff, Thompson Bros., Roy Axness, and Lloyd Feldner.
O. K. ASBE.

ALAMO, N. DAK., *July 22, 1954.*
Hon. MILTON YOUNG,
Senate Office Building,
Washington, D. C.
DEAR MILTON: We, the members of the Farmers Union, Ellisville local, want you to know that we are behind you all the way in your fight for a farmers program of 90-percent price support for basic crops for 1 more year. We hope you can convince enough Senators to vote with us. Thank you.
JOHN KRABSETH,
President, Ellisville Local.

REGENT, N. DAK., *July 22, 1954.*
Senator YOUNG,
Senate Office Building,
Washington, D. C.:
Your wonderful support of the farm bill greatly appreciated. Thanks.
C. E. WOODRUFF, Jr.,
President, Hettinger County Farm Union

BOTTINEAU, N. DAK., *July 22, 1954.*
Senator MILTON YOUNG,
United States Senate,
Washington, D. C.:
We are behind you 100 percent in your fight on the farm bill. Keep up the good work.
RUSSELL FOLLIS, *President,*
PAUL BERGMAN, *Vice President,*
A. A. LARSON,
J. J. OLSON,
HENRY SIVERTSON,
R. E. TABLEMAN.
Bottineau Farmers Union Elevator Co.

BRADDOCK, N. DAK., *July 22, 1954.*
Senator MILTON YOUNG,
Washington, D. C.:
Emmons County farm families, members of our organization, are solidly behind you in your fight for parity and security of farm families on the land. Your vigorous efforts over the years in behalf of agriculture are appreciated, and we know you will continue at this crucial at time.
MRS. GRANT F. PETERSON,
Secretary, Emmons County Farmers Union.

HEBRON, N. DAK., *July 22, 1954.*
Hon. MILTON R. YOUNG,
Senate Office Building,
Washington, D. C.
Work and vote for 90-percent parity.
ED GEISZLER.

HARVEY, N. DAK., *July 22, 1954.*
Senator MILTON R. YOUNG,
Senate Office Building,
Washington, D. C.
We compliment you for the stand you are taking on the farm support of 90 percent of parity. Keep up the fight. Speaking for 250 stockholders of the Harvey Farmers Union Elevator Co.
JOHN J. RIPPLINGER,
President.
JOHN DECK,
Vice President.
ALBERT REISWIG,
Secretary.
EMANUEL TEBEL,
United States Director.
EDWIN KELLER,
Director.

MINOT, N. DAK., *July 22, 1954.*
Senator MILTON R. YOUNG,
Senate Office Building:
I hope you win the fight for parity for farmers.
L. J. HAMBECK.

MINOT, N. DAK., *July 22, 1954.*
Senator MILTON R. YOUNG,
Senate Office Building:
Farmers contacted are for you and your great fight for 90 percent parity legislation.
FRED A. HULETT.

MINOT, N. DAK., *July 22, 1954.*
Senator MILTON R. YOUNG,
Senate Office Building,
Washington, D. C.:
My neighbors and I back your stand for parity.
WALTER WEMER.

VALLEY CITY, N. DAK., *July, 22, 1954.*
Senator MILTON YOUNG,
Senate Office Building,
Washington, D. C.:
A marvelous fight for farmers. Give them hell.
Mr. and Mrs. A. N. WINGE.

DICKINSON, N. DAK., *July 22, 1954.*
Hon. MILTON R. YOUNG,
United States Senator,
Washington, D. C.:
I appreciate your stand for 90 percent farm price supports and the farm package bill. Stand firm and use your utmost influence. Thank you.
FRANK KAISERSHOT.

WILLISTON, N. DAK., *July 22, 1594.*
Senator MILTON R. YOUNG,
Senate Office Building,
Washington, D. C.:
We urge you to hold steadfast to right 90-percent parity farm program. If President should be misled into vetoing this he will reap the consequences.
HANK WILLIAMS, *Appam.*
CLARENCE H. POLING, *Grenora.*
OSCAR J. ANDERSON, *Grenora.*
CLIFFORD V. LARSON, *Alamo.*
S. R. SIVERSON, *Wheelock.*
CASPER SYLTE, *Marmon.*
SIG BROGGER, *Williston.*

BUXTON, N. DAK., *July 23, 1954.*
Hon. MILTON R. YOUNG,
Senate Office Building:
Win or lose on 90 percent price support we certainly appreciate the fight you have made.
TRAILL COUNTY FARMERS UNION,
ORLANDE ORDEGARD, *President.*

MINOT, N. DAK., *July 23, 1954.*
Senator YOUNG,
Senate Office Building:
Farmers are backing you on the parity legislation.
R. F. LEE.
DOUGLAS, N. DAK.

MINOT, N. DAK., *July 23, 1954.*
Senator YOUNG,
Senate Office Building:
I hope you win the parity fight for farmers.
HAROLD HANER.
DOUGLAS, N. DAK.

FILLMORE, N. DAK., *July 23, 1954.*
Senator MILTON R. YOUNG,
Senate Office Building:
We wish to express our appreciation and compliment you on your support of the 90-percent parity program. We are behind you 100 percent. Keep up the good work.
FILLMORE EQUITY ELEVATOR CO.,
MANAGER AND BOARD MEMBERS.

WHEELOCK, N. DAK., *July 23, 1954.*
Senator MILTON R. YOUNG,
Senate Office Building:
We, the senders of this telegram, believe in 100-percent parity for agriculture. We surely are entitled to that protection under the Constitution of the United States. Keep up fight for at least 90-percent parity.
Henry Grondale, Clair Kerbaugh, Thor Billgren, Melvin Haug, A. Barke, Ira Knox, Arnold Anderson, Simon Pepper, Vernon Anderson, Marshall Simpson, Arne Berntson, Duane Hoehn, Richard Aslakson, W. Raymond, H. Borstad, R. Gergen, Ernest Soine, A. Prosser, H. Lund, E. Hanson, O. Drager, Elmer Olson, J. Daniel, Ray Co-op Credit Union.

FLASHER, N. DAK., *July 22, 1954.*
Senator MILTON R. YOUNG,
United States Senate:
Please support 90-percent parity and oppose the giveaway of atomic energy power. Thanks.
FLASHER CONSUMERS CO-OP ASSOCIATION,
C. C. SHEARER,
EMLIN HANSEN, *Manager.*

FLASHER, N. DAK., *July 22, 1954.*
Senator MILTON R. YOUNG,
United States Senate:
Please support 90-percent parity and oppose the giveaway of atomic energy power. Thanks.
FLASHER COMMERCIAL CLUB.

FLASHER, N. DAK., *July 22, 1954.*
Senator MILTON R. YOUNG,
United States Senate:
Please support 90-percent parity and oppose the giveaway of atomic energy power. Thanks.
FRANK GUSTIN.

FLASHER, N. DAK., *July 22, 1954.*
Senator MILTON R. YOUNG,
United States Senate:
Please support 90-percent parity and oppose the giveaway of atomic energy power. Thanks.
FLASHER FARMERS UNION ELEVATOR,
M. L. SCHMIDT, *Director.*

FLASHER, N. DAK., *July 22, 1954.*
Senator MILTON R. YOUNG,
United States Senate:
Please support 90-percent parity and oppose the giveaway of atomic energy power. Thanks.
FARMERS UNION BIG FIVE LOCAL,
ELWIN TIMPE, *Chairman.*

FLASHER, N. DAK., *July 22, 1954.*
Senator MILTON R. YOUNG,
United States Senate:
Please support 90-percent parity and oppose the giveaway of atomic-energy power. Thanks.
FLASHER FARMERS UNION OIL CO.,
JOHN TOMAN, *Secretary.*

FLASHER, N. DAK., *July 22, 1954.*
Senator MILTON R. YOUNG,
United States Senate:
Please support 90-percent parity and oppose the giveaway of the atomic-energy power. Thanks.
RUBE STOLBERG.

FLASHER, N. DAK., *July 22, 1954.*
Senator MILTON R. YOUNG,
United States Senate:
Please support 90-percent parity and oppose the giveaway of atomic-energy power. Thanks.
MOR-GRAN-SOU ELECTRIC CO-OP,
WALLACE TIMPE, *Manager.*

HEBRON, N. DAK., *July 22, 1954.*
Hon. MILTON R. YOUNG,
Senate Office Building,
Washington, D. C.:
Do all in your power to continue fight for 90-percent parity on basic farm commodities Anything less would be disastrous to the American farmer, also continue fight against giveaway of atomic energy.
JOHN M. TREIBER.

BISMARCK, N. DAK., *July 22, 1954.*
Senator MILTON R. YOUNG,
Senate Office Building,
Washington, D. C.:
Just want to let you know that the farm people of North Dakota surely appreciate your outstanding work for the 90-percent of parity and your fight opposing the atomic giveaway. Keep up the good work. We are backing you.
HELGE E. NYGREN,
President, North Dakota A. R. E. C.
FLASHER, N. DAK.

LEITH, N. DAK., *July 20, 1954.*
Hon. MILTON YOUNG,
Washington, D. C.:
We the members of the Leith Farmers Union local wish to thank you for your fight for 90-percent supports on the basic commodities. We are certain that you will continue an attempt to broaden the floor to include perishable products. We are also opposed to the severe income restriction which Brother Benson wishes to impose. We do not see how the family farmer is to exist with no income.
WENER HEHN,
President.
Mrs. ED HEIM,
Secretary.

Mr. YOUNG. Mr. President, I yield the floor.

EXHIBIT A

AMERICAN FARM BUREAU FEDERATION,
Washington, D. C., July 19, 1954.
Hon. MILTON R. YOUNG,
United States Senate,
Washington, D. C.

DEAR SENATOR YOUNG: This letter is with respect to S. 3052, the general farm program bill soon to be considered by the United States Senate. The bill as reported by the committee needs substantial revision if it is to serve the real interests of farmers and be consistent with the public interest.

Based squarely on policies approved by the official voting delegates of the member State Farm Bureaus, the American Farm Bureau Federation will support proposals that—

(1) Prevent extending rigid 90-percent price supports on cotton, wheat, corn, rice, and peanuts.

(2) Eliminate the dairy provision that forces an increase in price support levels from 75 to 85 percent of parity and authorizes the Brannan plan for dairy products.

(3) Eliminate the unworkable amendment requiring mandatory supports on grain sorghum, oats, barley, and rye at levels that reflect the relative feed value of each to that of corn.

(4) Provide for 90 percent of parity price support during any year in which marketing quotas are instituted immediately following a nonquota year.

(5) Provide for a congressional mandate that U. S. D. A. neutralize the adverse effect of other producers of acreage diverted from production of crops under acreage control programs. This should include congressional direction to the Secretary of Agriculture to require control of diverted acres from supported crops as a condition precedent to receiving agricultural conservation payments.

(6) Authorize creation of a soil fertility bank. We firmly believe that from the standpoint of all parties concerned—farmers, consumers, the general public, and the Government itself—it is far more sound public policy to store fertility in the soil than to continue to produce surpluses of soil-depleting crops for Government storage.

(7) Require the Secretary of Agriculture to take into account quality differences in establishing loan rate differentials on wheat.

In addition, the Farm Bureau opposes inclusion in the legislation of any proposal for an unrepresentative referendum on the unsound multiple price-certificate plan for wheat.

We respectfully solicit your cooperation in developing and enacting a sound farm program bill.

Sincerely yours,
ROGER FLEMING,
Secretary-Treasurer.

EXHIBIT B

NATIONAL GRANGE,
Washington, D. C., June 30, 1954.
Hon. CLIFFORD R. HOPE,
New House Office Building,
Washington, D. C.

DEAR CONGRESSMAN HOPE: H. R. 9680 contains many provisions that point the way toward a permanent solution to the farm problem through a commodity-by-commodity approach which we could not hope to achieve if all commodities were put under a single flexible price-support plan through a return to the provisions of the Agricultural Act of 1949. We believe the Agricultural Act of 1954 embodies real progress in the right direction, and sincerely hope that it will be passed by the Congress and approved by the President.

The Grange realizes that changes must be made in the present farm program, since segments of it do not serve agriculture and the Nation well. The current surplus situation is untenable and new approaches are necessary. It is our feeling, however, that basic price moves should be made rather gradually, and that this bill embodies essential elements of such gradualism.

It is the feeling of the Grange, furthermore, that the present controversy over the level of price supports for the basic six farm commodities, is being magnified all out of true proportion. This is for the reason that high fixed versus flexible price supports is not the heart of the farm problem. The heart of the farm problem at the present time is bringing supply into balance with demand. This process is currently going forward, and H. R. 9680 adds impetus to this movement.

Those who would admittedly like to see the Agricultural Act of 1949 become effective by default of any new legislation being approved; or those who have persistently insisted on moving rapidly and almost exclusively to flexible price supports for the basic six farm commodities as the only solution to the farm problem, have refused to take into full account the drastic changes in our farm income and supply situation that have taken place since 1949. Over the long pull, it is the feeling of the Grange that flexible price supports are basically valuable and desirable. On the other hand, flexible price supports right now would do little to increase consumption of most commodities here at home. They would not lower prices enough in most cases to enable the American farmer to compete for his fair share of the world's market at the world market price level; flexible price supports at this time would do little to discourage production of those commodities in burdensome supply, since flexibility of production can be attained only when some other crop is more profitable or less unprofitable. There are few crops currently in this category.

The differences in points of view by the various groups involved in this price support struggle seem to us to be predicated largely on a difference of appraisal of the effect that a further decline in farm income might have upon our total national economy. The Grange is dedicated to the proposition of bringing about a situation whereby agriculture may shift from a wartime level of production to peacetime requirements without its having to suffer a period of severe deflation, which it has always had to do in the past following periods of war-born inflation.

H. R. 9680 also gives expanding recognition to competitive price mechanisms, while at the same time cushioning farm price problems until new measures can become operative.

Very sincerely yours,
HERSCHEL D. NEWSOM,
Master.

Mr. MAYBANK. Mr. President, I have enjoyed very much the remarks of the distinguished junior Senator from North Dakota [Mr. YOUNG]. He has made an extremely able speech. In fact, I should say the same of the remarks of the many other Senators who have spoken today.

Mr. President, I come from a State which is deeply interested in 90 percent of parity. I do not think it is necessary for me to speak at length on this subject, because my record on this issue is perfectly clear. I spoke on this subject when the wool bill was before us. As I see in the chair at this time, presiding over the Senate, the distinguished

senior Senator from Pennsylvania [Mr. MARTIN], I am reminded of those who founded the first agricultural society in America. Whether it was founded by the people of Pennsylvania or by the people of South Carolina is not a matter of great importance. I merely wish to point out that I am always interested in agriculture, and I am always in favor of what will be of aid to agriculture.

The PRESIDING OFFICER (Mr. MARTIN in the chair). The Chair will say to the distinguished senior Senator from South Carolina that the Chair would like to take him, some evening, to Philadelphia, to the dinner meeting of the Farmers' Club, which has been in continuous existence since prior to the Revolutionary War.

Mr. MAYBANK. Mr. President, the same may be said of our Agricultural Society in South Carolina; and I shall be very glad to have the distinguished senior Senator from Pennsylvania accompany me to the meetings of that society.

The PRESIDING OFFICER. There are 12 members of our Farmers' Club, and they still have dinner by candle light.

At the beginning, each of the members of the club had to have quite a little land, and they did experimental work; and they made the benefits of that work available to the farmers in the vicinity of Philadelphia.

Mr. MAYBANK. Mr. President, let me say to the distinguished presiding officer that, after all, South Carolina sent delegates to Philadelphia, for the Declaration of Independence convention, as the distinguished Senator from Pennsylvania well knows. When South Carolina defeated Sir Peter Parker in Charleston harbor, on June 28, 1776, the people of Charleston rang the first liberty bell.

The PRESIDING OFFICER. Let the Chair state that the folks of South Carolina are always very welcome in Pennsylvania.

Mr. MAYBANK. I thank the Chair. Let me state that the name first was Carolina, rather than either North Carolina or South Carolina—as the Senator from Pennsylvania well knows.

Mr. President, it would be well for all Senators to remember that we are considering this farm legislation in the shadow of a revealing report just issued by the House Agriculture Committee. I am glad that the distinguished junior Senator from North Dakota [Mr. YOUNG] has already referred to that report.

There is no news of a startling nature in the report. It simply confirms facts already known to all of us who are familiar with farm prices.

The report states, in part:

> Thus far, almost none of the lower prices received by farmers since 1951 have been passed on to consumers in the form of lower retail food costs.
>
> Further declines in farm prices are expected as more livestock and livestock products come to the market and (Government) price-support levels are lowered.
>
> Consumers can expect little benefit, however, from these lower farm prices unless recent tendencies to increase marketing and processing charges are curbed.

That is the pattern, Mr. President—a pattern established over the years. The farmer pays higher prices for the things he must buy. Consumers pay higher prices for the commodities produced by the farmer. The higher prices paid for his commodities by the consumer just never seem to accrue to the income of the farmer.

This is an age of guaranties and insurances for almost everyone—I say almost.

Labor has a guaranty under work contracts negotiated through the bargaining power of its leaders. Many of these contracts carry a parity clause—tied directly to the cost-of-living index.

There are other forms of parity. Sometimes it appears as a subsidy—direct or indirect.

It is interesting to note the increasing attacks by the metropolitan press on agricultural parity. Yet from the same press there is never a word of censure of the approximately one-half billion dollars appropriated annually to the Post Office Department to subsidize the handling in the mails of newspapers, books, and magazines.

Likewise, there is no great hue and cry over the millions of dollars in direct subsidies paid to merchant shipping lines, nor is great attention called to the millions of subsidy dollars handed to the airlines of the country for carrying the mail.

These expenditures of tax money, Mr. President, are subsidies in the most direct form. They are outright payments for the performance of an unprofitable service.

We do not request a subsidy for the farmer. All he wants is parity—an opportunity for equality of economic stature, an opportunity to share with others in a balanced economy. There are many scales—balances of sorts—throughout the various segments of our economy. Yet there is one segment—the very backbone of our economy—which seems to be always on the short side of the fulcrum. The proverbial short end of the stick is the usual resting place of the American farmer on the economic scale.

Knowing the rural population as I do, having come from a rural area, I appreciate from firsthand knowledge the farmer's plight. Unless 90 percent of parity on the basic commodities is guaranteed by law, I shudder to think what will happen to the farmer's income when the gamblers reopen the bucketshop at every crossroads. In past years I have seen the kind of gambling that results from price instability on the exchanges and in the market place. I have seen the price of wheat go down 50 cents a bushel and the price of cotton go down 20 cents a pound in 1 day. If we fail to maintain the 90 percent of parity program—and as a result there is no price floor under wheat, corn, and cotton—we will see that happen again.

The daily newspapers are headlining stories exposing the business operations of promoters who have gambled in housing. We have seen how FHA insurance in the hands of shrewd speculators and promoters has pyramided profits. That is only a sample of what will happen to the farmer, in reverse, when he loses his contractual assurance of 90 percent of parity.

As I said in the beginning, parity in various forms is assured to other segments of our economy. Surely this Congress is not going to put itself on record as discriminating against the farmer.

If we reduce the farmer's parity, we are taking a cut of his income which is low enough as it is. The farmer works from sun-up to sundown, and he spends his money. He buys manufactured goods. When we deplete his income, we injure the Nation's economy. We cannot, in good conscience, give less than this small assurance to the farmers of this Nation.

Along the same lines, I am saying that I trust and hope that the Congress of the United States will approve the 90 percent of parity on the major crops, which have shown no loss, or appreciable loss.

I know my good friend, the distinguished former Governor of Vermont, GEORGE AIKEN, is on the other side, but we have not been showing any major loss in subsidizing the railroads—and we should have done it; in subsidizing steamships—and we should have done it, to keep American labor going; in subsidizing the mills of this country through our tariffs—and we should have done it. I hope that we will not forget the farmer in his dire need.

REFERENCE OF RESOLUTION TO PROVIDE ADDITIONAL FUNDS FOR THE COMMITTEE ON AGRICULTURE AND FORESTRY

Mr. AIKEN. Mr. President, I ask unanimous consent that Calendar No. 2058, Senate Resolution 304, relating to funds for the Committee on Agriculture and Forestry, be referred to the Committee on Rules and Administration.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROPOSED CONSTITUTIONAL AMENDMENT TO SAFEGUARD THE EXERCISE OF THE TREATYMAKING POWER

Mr. BRICKER. Mr. President, I introduce for appropriate reference a proposed amendment to the Constitution of the United States. I ask unanimous consent that the proposed amendment be printed at this point in my remarks.

There being no objection, the joint resolution (S. J. Res. 181) proposing an amendment to the Constitution of the United States, relating to the legal effect of certain treaties and other international agreements, introduced by Mr. BRICKER, was received, read twice by its title, referred to the Committee on the Judiciary, and ordered to be printed in the RECORD, as follows:

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled (two-thirds of each House concurring therein), That the following article is proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as part of the Constitution when ratified by

the legislatures of three-fourths of the several States:

"SEC. 1. A provision of a treaty or other international agreement which conflicts with this Constitution, or which is not made in pursuance thereof, shall not be the supreme law of the land nor be of any force or effect.

"SEC. 2. A treaty or other international agreement shall become effective as internal law in the United States only through legislation valid in the absence of international agreement.

"SEC. 3. On the question of advising and consenting to the ratification of a treaty, the vote shall be determined by yeas and nays, and the names of the persons voting for and against shall be entered on the Journal of the Senate.

"SEC. 4. This article shall be inoperative unless it shall have been ratified as an amendment to the Constitution by the legislatures of three-fourths of the several States within 7 years from the date of its submission."

Mr. BRICKER. Mr. President, the fight for protection against treaty law has only just begun. This fight to prevent the sovereignty and the Constitution of the United States from being undermined by treaties and executive agreements will be carried on in elections, in national organizations, and in Congresses until it is settled to the satisfaction of the overwhelming majority of the American people. That majority would rather live without fear under a government of constitutional restraints than live in jeopardy under a government of men.

This revised treaty-control amendment is not introduced with any expectation of action in this Congress. My purpose is to facilitate the educational and political activity of patriotic Americans in the months ahead. They are handicapped in such work today because the text of the original amendment was modified three times following its introduction as Senate Joint Resolution 1 on January 7, 1953. In my judgment, the new text embodies the best features of all the proposals that have been considered by the Senate. I intend to reintroduce this amendment on the first day of the 84th Congress.

The threat of treaty law has not abated. The treatymaking ambitions of the United Nations and its agencies continue to reflect a zeal to regulate the political, economic, and social rights and duties of people everywhere. Those who seek to make the United States a mendicant province in some U. N.-operated world government are determined to destroy the concept of national sovereignty. This they hope to accomplish at the U. N. Charter Revision Conference in 1956. These are but a few of the recent developments underlining the need for a strong treaty control amendment. Before discussing these and other recent developments, however, I would like to explain briefly the origin and legal effect of the new language.

ORIGIN OF SECTION 1

Section 1 of the proposed amendment reads as follows:

A provision of a treaty or other international agreement which conflicts with this Constitution, or which is not made in pursuance thereof, shall not be the supreme law of the land nor be of any force or effect.

This section has been endorsed in principle by the Eisenhower administration.

The language making a treaty in conflict with the Constitution of no force or effect originated with the American Bar Association. Later the American Bar Association and I recommended the same limitation for international agreements other than treaties. The Senate Judiciary Committee, only 4 of its 15 members dissenting, reported the proposed amendment in that form. This portion of section 1 was approved by the Senate on February 15, 1954, by the overwhelming vote of 62 to 20.

Section 1 of the new amendment contains the additional requirement that treaties and other international agreements must be made in pursuance of the Constitution. Credit for this suggestion must go to the distinguished senior Senator from Michigan [Mr. FERGUSON]. On February 17, 1954, the Senate approved the "inpursuance" provision offered by Senator FERGUSON by a vote of 44 to 43. This narrow margin was not due to strong opposition but primarily because the "inpursuance" requirement had not been the subject of committee consideration.

ORIGIN OF SECTION 2

Section 2 of the new amendment provides:

A treaty or other international agreement shall become effective as internal law in the United States only through legislation valid in the absence of international agreement.

This section represents the area of disagreement between myself and administration spokesmen. Language substantially similar to that quoted above was first proposed by the American Bar Association and on June 15, 1953, approved by the Senate Judiciary Committee.

That portion of the language above requiring legislation to make treaties effective as domestic law was voted down in the Senate by a vote of 50 to 42 on February 25, 1954.

That portion of section 2 requiring legislation to make executive agreements effective as domestic law failed by 1 vote—60 for and 31 against—to receive the required two-thirds. This provision was the heart of the substitute amendment proposed by the distinguished senior Senator from Georgia [Mr. GEORGE]. Several Senators voted against the George substitute because it did not prevent the Congress from enacting legislation implementing an executive agreement that would be unconstitutional in the absence of such agreement. The proposed new language remedies that defect.

ORIGIN OF SECTION 3

Section 3 reads as follows:

On the question of advising and consenting to the ratification of a treaty, the vote shall be determined by yeas and nays, and the names of the persons voting for and against shall be entered on the Journal of the Senate.

The distinguished majority leader, Senator KNOWLAND, is responsible for the above language to prevent treaties from being approved by only a handful of Senators. Both the administration and I have endorsed Senator KNOWLAND's contribution to the amendment. On February 16, 1954, the Senate approved this provision by a vote of 72 to 16.

LEGAL EFFECT OF THE REVISED TEXT

A word as to the meaning and effect of the various provisions of the joint resolution just now introduced is appropriate.

Section 1 will have two related effects.

First. It will carry into effect the principle as to which there seemed to be substantial unanimity of opinion when Senate Joint Resolution 1 was under debate, namely, that a treaty or other international agreement should have no force or effect if it was in conflict with the Constitution.

Second. It will provide that treaties and other international agreements in order to be valid must be made in pursuance of the Constitution.

Testifying in the hearings on Senate Joint Resolution 1, Secretary of State Dulles indicated that a treaty to effectuate internal social reforms, even though not in direct conflict with the Constitution, would not be one made in pursuance thereof. The Attorney General expressed the same opinion when he told the Senate Judiciary Committee:

Our Federal system did not contemplate having treaties deal with matters exclusively domestic in their nature.

Addressing the annual meeting of the American Bar Association in September 1953, Mr. Dulles suggested that the treaty power would not be exercised in pursuance of the Constitution if it were used in the following manner: "to effectuate domestic reforms, particularly in relation to economic and social matters, and to impose upon our country socialistic conceptions which many felt were alien to our traditional American ideals."

Accordingly, the administration, although not convinced of the necessity of an amendment, interposed no objection to the provision requiring the treaty power, like the legislative power, to be exercised only in pursuance of the Constitution.

Article VI of the Constitution, the supremacy clause, today provides that laws of the United States in order to be the supreme law of the land must be made in pursuance of the Constitution although treaties in order to be such supreme law are those "made, or which shall be made, under the authority, of the United States."

While some opponents of the amendment have asserted that under the supremacy clause treaties and statutes stand on an equal footing, both being subordinate to the Constitution, this difference in language led Mr. Justice Holmes to remark in Missouri against Holland that, while "acts of Congress are the supreme law of the land only when made in pursuance of the Constitution," it was open to question whether the authority of the United States means "more than the formal acts prescribed to make the Convention."

And Missouri against Holland, in turn, led the late Chief Justice Hughes to say

to the American Society of International Law in 1929 that he was unwilling to give an opinion that there was any implied limitation on the treatymaking power—that the Supreme Court had intimated that there was none.

Section 1 would thus insure that the Constitution would set the limits on the substance of treaties and not merely prescribe the method of their making.

Section 1 will put treaties and other international agreements where they belong—subject to the Constitution and invalid if they either conflict with it or are not made, as Federal laws must be, in pursuance of it. Any contrary inference from the language of the Constitution or from the cases would be impossible.

There can be and there should be but one paramount law—the Constitution itself. Both laws of the United States and all actions of the Federal Government should be subject to it. The theory that treaties stand on a level with the Constitution itself or can alter or amend that Constitution, should not be allowed to develop or to exist.

Section 2 would prevent any treaty from being internal law of the United States simply by reason of its own existence. There would be no more self-executing treaties as domestic law. Legislation would be necessary to effectuate a treaty as internal law.

This is substantially the same as section 2 of Senate Joint Resolution 1, with the difference that the new section 2 has eliminated as superfluous the words "which would be" immediately preceding "valid in the absence of."

Section 2 also deals with international agreements other than treaties, including executive agreements not previously authorized or approved by Congress. Section 2 would prevent an executive agreement from having the effect of internal law of the United States by virtue of its terms self-executing in form. There would be no possibility of one-man law within the United States. The doctrine of the Belmont and Pink cases would be nullified.

Obviously, if the Congress authorizes executive agreements by legislation in advance, such legislation would have to be within the already delegated powers of Congress. No reason is apparent why subsequent implementing legislation giving effect to such an agreement as internal law should not be confined within the same limits, and section 2 would do this.

Because it is widely conceded that the Congress now has power to regulate executive agreements under the "necessary and proper" clause, the present joint resolution does not contain the following provision included in Senate Joint Resolution 1:

> Congress shall have power to regulate all executive agreements.

No objection was made to the elimination of that provision during the Senate debate since it was regarded as merely declaratory of existing law. To prevent a repetition of the disastrous experience at Yalta, legislation to regulate the making of executive agreements is now pending before the Congress. To supplement any treaty-control amendment that may be adopted, I particularly hope that the distinguished senior Senator from Nevada [Mr. McCARRAN] will reintroduce his resolution—Senate Joint Resolution 2—in the next Congress.

Section 3 is self-explanatory, and its substance, in one form or another, has been regarded as advisable by almost everyone. It would tend to prevent approval of treaties with a mere handful of Senators present and voting.

RECENT DEVELOPMENTS IN THE FIELD OF TREATY LAW

Since the defeat of Senate Joint Resolution 1 in the United States Senate, four important new developments have strengthened the position of the proponents of the amendment.

First. The United Nations Human Rights Commission has refused to insert a provision in the Human Rights Covenants recognizing the right to own property and to have it protected against arbitrary interference by government.

Second. Mr. Dulles announced on March 16, 1954, that the President can now wage war without a declaration by Congress in the event of attack on one of our treaty allies in Europe or South America, thus reaffirming his Louisville speech of April 1952 before the American Bar Association that a treaty can take powers from Congress and confer them on the President.

Third. Sir Winston Churchill disclosed on the floor of the House of Commons in April 1954 the terms of the secret executive agreement of President Roosevelt and Prime Minister Churchill relating to the use of atomic weapons and peacetime application of atomic energy.

Fourth. The current debate on the subject of United Nations Charter revision has revealed a determined effort on the part of influential persons and organizations to scuttle the sovereignty of the United States at the proposed U. N. Charter Revision Conference in 1956 in favor of some form of limited or full world government. In hearings before the Wiley subcommittee on U. N. Charter revision, many world government enthusiasts have made it clear that they seek to transform the United Nations from an organization of sovereign states into a superstate either by treaty or by executive agreement, or if that is not feasible, by the even more dangerous process of informal charter amendment, that is, by far-fetched interpretation or by unwarranted usurpation of power.

Indicative of the philosophy dominating the United Nations Commission on Human Rights is the fact that after holding over 400 meetings, the Commission has refused to approve for the so-called draft of the so-called International Covenant on Human Rights, a provision recognizing the right to own private property and to be secure in its enjoyment against the arbitrary seizure by government. This discloses the extent to which the Human Rights Commission is controlled by Communists and Socialists.

On March 3, 1954, over United States and Turkish objections, the 18-nation Human Rights Commission voted to shelve indefinitely all discussion of property rights.

The chairman of the United Nations Human Rights Commission at the eighth session, Dr. Charles Malik, of Lebanon, had this to say of the Socialist and Communist influences dominating its work:

> I think a study of our proceedings will reveal that the amendments we adopted to the old texts under examination responded for the most part more to Soviet than to western promptings. For the second year an unsuccessful attempt was made to include an article on the right to own property. * * * The concept of property and its ownership is at the heart of the great ideological conflict of the present day. It was not only the Communist representatives who riddled this concept with questions and doubts; a goodly portion of the non-Communist world had itself succumbed to these doubts. A study of this particular debate will reveal the extent to which the non-Communist world has been communistically softened or frightened. It seems incredible that in these economic matters, which reflect indeed much more than mere economic divergencies, the Western World is so divided itself as to be incapable of presenting a common front against communism.

On March 16 Secretary of State Dulles asserted that in his opinion President Eisenhower had authority, without consulting Congress, to wage war in Europe or South America in the event any of our treaty allies under the North Atlantic Treaty and the Rio de Janeiro Treaty were attacked. At a press conference that day the following questions were directed to Mr. Dulles and the following answers given by him—New York Times, March 17, 1954:

> Question. Sir, does the fact that the Senate of the United States has ratified the North Atlantic Alliance mean in the event of an attack on an ally we could, within constitutional procedures, retaliate against the attack without action in the Congress?
>
> Answer. This is a matter which, as you know, was debated very thoroughly in the Congress and in the Senate; at the time that treaty was ratified I was in the Senate; it is my opinion that the provisions of the treaty, which state that an attack upon one of the allies is the same as an attack upon all—or in other words that an attack upon one of our allies is the same as an attack upon the United States—and that is also, I may say, in the Rio pact—that gives the President of the United States the same authority to react as he would have if the United States were attacked.
>
> Question. Thank you, sir.
>
> Answer. Whether he would use that authority in every case is a matter for his discretion. In my opinion he has it.
>
> Question. He has the right?
>
> Answer. In my opinion he has the right.
>
> * * * * * *
>
> Question. Mr. Secretary, if I may go back to one point of yours, you said that in Europe the President had the same authority under the NATO and Rio treaties to retaliate as if the United States was attacked. Well, last Wednesday he seemed to give a pledge that he would not use that because he said that there would be no involvement in war without congressional approval.
>
> Answer. But if the Senate has given approval in advance, that is a different matter.
>
> * * * * * *
>
> Question. Mr. Secretary, in order to clarify something in my own mind at least, is it your understanding that the President's right to order instant retaliation applies only in the case of an attack either on the United

States or another North Atlantic Treaty power because of the understanding that Congress has given?

Answer. The United States has two treaties that I referred to: One is the so-called Rio Treaty of Reciprocal Assistance, which contains the provision that an attack upon one is the same as an attack upon all; that same provision is found in the North Atlantic Treaty. In my opinion—whatever it is worth as a lawyer, and as one who was in the Senate when the North Atlantic Treaty was adopted—I believe that that authorizes, is a consent in advance to, the President reacting against an attack upon one of our allies named in those treaties in the same way that he would be authorized to react in the event of an attack upon the United States itself. I repeat, however, that the fact that the President has that constitutional authority as the result of those treaties in my opinion does not necessarily mean that he would use it. He would use his discretion, I think, as to whether or not to react instantly, or whether to get either a formal declaration of war by the Congress, or whether to have consultations which satisfied himself that that was the will of the Congress. That would be discretionary with the President.

Question. Mr. Secretary, doesn't the President have that same power under the United Nations Charter itself?

Answer. In my opinion, no.

It is thus plain that Mr. Dulles still firmly believes just as he did in his address before the American Bar Association in Louisville in April 1952, namely:

Treaty law can override the Constitution. Treaties, for example, can take powers away from the Congress and give them to the President; they can take powers from the States and give them to the Federal Government or to some international body, and they can cut across the rights given the people by their constitutional Bill of Rights.

The disclosure by Sir Winston Churchill in April 1954 of the secret Roosevelt-Churchill atomic agreement has produced consternation, at least in this country. On April 18, 1954, the columnist Raymond Tucker had this to say in the Sunday papers carrying his column:

The furious storm in the American Congress and British House of Commons over the ultrasecret Roosevelt-Churchill atomic agreement has renewed and reinforced demand for the Bricker and George amendments to the Constitution. That proposal, which was defeated by a single vote in the Senate, would outlaw personal and private diplomacy involving the destinies of peoples and nations.

The secret executive agreement made by Mr. Roosevelt and Mr. Churchill at Quebec gave Britain a veto power over our diplomatic and military policies insofar as the use of A-bombs and H-bombs are concerned. It is without precedent. It involved an international commitment of the gravest character. It was made in wanton disregard of the security interests of the United States. The provisions of the secret Quebec agreement relative to the postwar uses of atomic energy ignored Congress' general power to legislate and the specific legislative power conferred on the Congress by article IV, section 3, of the Constitution:

The Congress shall have power to dispose of and to make all needful rules and regulations respecting the territory or other property belonging to the United States.

Finally, the nature of the opposition to any limitation on the treaty power has been revealed in the current debate on United Nations Charter revision. To be sure, many advocates of world government seek that end only through formal amendment of the Constitution of the United States. I have commended such people for the respect they have shown for the spirit of our Constitution. In addition, I have always recognized that many sincere and high-minded people who oppose my amendment are not attracted by the world-government idea. The fact remains, however, that the primary source of opposition to my amendment comes from those who seek to set aside the American Declaration of Independence and nullify many of our constitutional protections.

This has been made clear in the hearings before the Wiley Subcommittee on U. N. Charter Revision.

Our Declaration of Independence would necessarily become a meaningless document and an historical relic if the United States were ever reduced to a province in any form of Federal world government. This recommendation, however, has been presented time and again to the Wiley subcommittee in the form of amendments to the charter that would destroy the independence of the United States. Any charter amendments that may be adopted at any U. N. Charter revision conference would no doubt be regarded as treaties, and hence would require the advice and consent of the Senate. If any such amendments that may be adopted undermine the concept of national sovereignty, they can, under our present Constitution, be made effective by the action of two-thirds of the Senators present and voting at any time over the next hundred years. We must, therefore, have a constitutional amendment that will assure the American people an opportunity to pass judgment on any revision of the U. N. Charter that compromises or undermines the independence of the Republic.

A number of world-government enthusiasts advance the reactionary theory that the United Nations Charter should be amended, if necessary, by interpretation rather than by formal amendment. This theory is advanced in staff study No. 2 of the Wiley Subcommittee on U. N. Charter Revision. In fact, the authors of that remarkable document maintain that the charter, without the advice and consent of the Senate, has already been validly and substantially amended. They say:

We are by no means examining the charter that was drafted in San Francisco in 1945. We are examining the charter of 1954 as it has been amplified by custom and usage, resolutions of the various U. N. organs, and treaties, like the Atlantic Pact, which are consistent with the charter and have a heavy impact on the U. N. system. If we should proceed now to consider amendments to the old charter rather than the new, it would be very much like a surgeon planning a major operation on the basis of a diagnosis made 9 years ago.

That the U. N. Charter can be amended without Senate approval is the most illiberal proposition ever advanced in a Senate document. It is based on the wholly false premise that the United Nations Charter is a world constitution. The United Nations Charter is a treaty. The Senate advised and consented to its ratification in 1945. I shall never stop insisting that the United Nations Charter and all other treaties to which the United States is, or may become a party, are contracts rather than constitutional documents. That was the sense in which the Founding Fathers used the word "treaty" in the Constitution.

For example, Hamilton explained the treaty power in the Federalist, No. 75, as follows:

The power of making treaties * * * relates neither to the execution of the subsisting laws, nor to the enaction of new ones. * * * Its objects are contracts with foreign nations, which have the force of law, but derive it from the obligations of good faith. They are not rules prescribed by the sovereign to the subject, but agreements between sovereign and sovereign.

To repeat, the advocates of world government seek to repeal the American Declaration of Independence. Some would do it by amending the United States Constitution, others seek the approval of the Senate on U. N. Charter amendments, while still others hope to reach world government by informal amendment of the United Nations Charter. The end result is the same—the United States would cease to be a sovereign, independent nation. When independence is destroyed, our liberties are lost. That is one of the most important reasons why we need a constitutional amendment safeguarding the power to make treaties and executive agreements.

Many opponents of my amendment advocate a system of international or world law directly applicable to individuals. More specifically, they urge adoption of the United Nations Draft Statute for an International Criminal Court. This proposed treaty is inconsistent with the complaint lodged against George III in the Declaration of Independence "for transporting us beyond seas to be tried for pretended offenses."

The principle of the U. N. draft statute for an International Criminal Court has already been embodied in the NATO Status of Forces Agreement approved by the Senate on July 15, 1953. By the terms of this treaty, and for the first time in American history, American soldiers serving abroad in the uniform of their country are made subject to trial in foreign courts under foreign law and without the constitutional protections to which they would otherwise be entitled. The making of this treaty proves how threadbare is the argument that the President and the Senate can always be trusted not to make any dangerous treaty. Although no constitutional amendment can empower the Supreme Court to order the release of Americans in foreign custody, the adoption of an adequate treaty-control amendment will go very far toward eliminating the discrimination as between State Department diplomats stationed abroad and American soldiers drafted and sent abroad to defend foreign soil.

The Constitution of the United States and its Bill of Rights cannot survive the

loss of national sovereignty. Most world government plans call for a universal bill of rights along the lines proposed in the U. N. human-rights covenants. These proposed covenants, if adopted by the United States, would repeal the heart of the Bill of Rights, including the great first amendment freedoms of speech, press, religion, and assembly.

At the time I first proposed a constitutional amendment to safeguard the exercise of the treatymaking power, I said that the sovereignty and the Constitution of the United States were at stake. That was on February 7, 1952. The danger is just as great today as it was then. Now is the time for all patriotic Americans to insist on a policy of enlightened nationalism and to reject in no uncertain terms the rabid internationalism that has brought to so many American homes such untold sorrow and to the Nation itself unprecedented danger.

ADDITIONAL REPORTS OF COMMITTEES

The following additional reports of committees were submitted:

By Mr. MILLIKIN, from the Committee on Finance:

H. R. 6672. A bill to increase the public debt limit; with amendments (Rept. No. 2225).

By Mr. DWORSHAK, from the Committee on Interior and Insular Affairs, without amendment:

H. R. 9630. A bill to authorize the Secretary of the Interior to execute an amendatory contract with the Black Canyon Irrigation District, Idaho, and for other purposes (Rept. No. 2226).

By Mr. ANDERSON, from the Committee on Interior and Insular Affairs, without amendment:

S. 114. A bill authorizing appropriations for the construction, operation, and maintenance of the western land boundary fence project, and for other purposes (Rept. No. 2227).

By Mr ANDERSON, from the Committee on Interior and Insular Affairs, with amendments:

S. 3043. A bill to authorize the leasing of restricted Indian lands in the State of Arizona or on the Navaho Indian Reservation in the State of New Mexico for religious, educational, residential, business, and other purposes requiring the grant of long-term leases (Rept. No. 2228).

By Mr. KUCHEL, from the Committee on Interior and Insular Affairs, without amendment:

H. R. 8365. A bill to confirm the authority of the Secretary of the Interior to issue patents in fee to allotments of lands of the Mission Indians in the State of California prior to the expiration of the trust period specified in the act of January 12, 1891, as amended (Rept. No. 2229).

By Mr. CARLSON, from the Committee on Post Office and Civil Service, without amendment:

S. 3627. A bill to amend the Civil Service Retirement Act, as amended (Rept. No. 2230).

By Mr CARLSON, from the Committee on Post Office and Civil Service, with amendments:

S. 2631 A bill to prohibit the payment of Government retirement benefits to persons convicted of certain offenses (Rept. No. 2231).

By Mr. LANGER, from the Committee on the Judiciary, without amendment:

S. 1893. A bill for the relief of Andreas Georges Viastos (Andreas Georges Viasto) (Rept. No. 2232);

S. 2532. A bill for the relief of Giuseppina Latina Mozzicato and Giovanni Mozzicato (John Mozzicato) (Rept. No. 2233);

S. 2973. A bill for the relief of Henry Duncan (Rept. No. 2234);

S. 3033. A bill to authorize the Secretary of Commerce, acting through the Coast and Geodetic Survey, to assist the States of Maryland and Delaware to reestablish their common boundary (Rept. No. 2235);

S. 3163. A bill for the relief of Myung Sik Hong (Rept. No. 2236);

S. 3327. A bill for the relief of Rev. Lorenzo Rodriguez Blanco and Rev. Alejandro Negredo Lazaro (Rept. No. 2237);

S. 3341. A bill to provide punishment for certain confidence game swindles (Rept. No. 2238);

S. 3728. A bill for the relief of Mrs. Gertrud Eckerl Strickland (Rept. No. 2239);

S. 3756. A bill for the relief of Howard Carl Kaiser (Rept. No. 2240);

H. R. 818. A bill for the relief of Mrs. Emma Martha Staack (Rept. No. 2241);

H. R. 870. A bill for the relief of George Economos (Rept. No. 2242);

H. R. 4620. A bill for the relief of Natale Joseph John Ratti (Rept. No. 2243);

H. R. 4881. A bill to amend the Canal Zone Code in reference to the survival of things in action (Rept. No. 2244);

H. R. 6113. A bill to amend title 18 of the United States Code, so as to increase the penalties applicable to the smuggling of goods into the United States (Rept. No. 2245);

H. R. 7068. A bill for the relief of Antonio Cazzato (Rept. No. 2246);

H. R. 8034. A bill for the incorporation of the Sons of Union Veterans of the Civil War (Rept. No. 2247);

H. R. 9390. A bill to extend certain civilian-internee and prisoner-of-war benefits under the War Claims Act of 1948, as amended, to civilian internees and American prisoners of war captured and held during the hostilities in Korea (Rept. No. 2248).

H. R. 9882. A bill to incorporate the Foundation of the Federal Bar Association (Rept. No. 2249);

S. J. Res. 173. Joint resolution to authorize the President to proclaim the week of November 28, 1954, through December 4, 1954, as "National Salvation Army Week" (Rept. No. 2250);

H. J. Res. 359. Joint resolution designating the period from October 11 to October 16, inclusive, 1954, as National Nurse Week (Rept. No. 2251); and

H. Con. Res. 254. Concurrent resolution favoring the granting of the status of permanent residence to certain aliens (Rept. No. 2252).

By Mr. LANGER, from the Committee on the Judiciary, with an amendment:

S. 346. A bill for the relief of Alick Bhark (Rept. No. 2253);

S. 1625. A bill for the relief of Milan K. Jovanovic (Rept. No. 2254);

S. 2109. A bill for the relief of Claire Heiszler (Rept. No. 2255);

S. 2669. A bill for the relief of Andree M. Doyle (Rept. No. 2256);

S. 2682. A bill for the relief of Maria Bertagnolli Pancheri (Rept. No. 2257);

S. 3116. A bill to amend section 1073 of title 18 of the United States Code to provide for the punishment of any individual who travels in interstate or foreign commerce to avoid prosecution or punishment for indecent molestation of a minor (Rept. No. 2258);

S. 3413. A bill for the relief of Shigeko Nakamura Bulmer (Rept. No. 2259);

S. 3625. A bill for the relief of Mrs. Juana Padilla de Cabalero (Mrs. Juana Padilla de Ontiveros) (Rept. No. 2260); and

H. R. 1912. A bill for the relief of Hayik (Jirair) Vartiyan, Annemarie Vartiyan, and Susanig Armenuhi Vartiyan (Rept. No. 2261).

By Mr. LANGER, from the Committee on the Judiciary, with amendments:

S. 1336. A bill for the relief of certain Palestinian Arab refugees (Rept. No. 2262);

S. 1341. A bill for the relief of certain Palestinian Arab refugees (Rept. No. 2263); and

S. 3101. A bill to amend section 490 of title 14, United States Code, entitled "Coast Guard," and for other purposes (Rept. No. 2264).

By Mr. WILEY, from the Committee on the Judiciary, without amendment:

H. R. 3534. A bill to authorize the extension of patents covering inventions whose practice was prevented or curtailed during certain emergency periods by service of the patent owner in the Armed Forces or by production controls (Rept. No. 2265).

By Mr. WILEY, from the Committee on the Judiciary, with an amendment:

S. 2540. A bill to amend the act entitled "An act to provide for the registration and protection of trade-marks used in commerce, to carry out the provisions of international conventions, and for other purposes," approved July 5, 1946 (Rept. No. 2266).

By Mr. BRICKER, from the Committee on Interstate and Foreign Commerce, with amendments:

H. R. 8898. A bill to amend section 401 (e) (2) of the Civil Aeronautics Act, as amended (Rept. No. 2267).

RECESS TO 10 O'CLOCK A. M. TOMORROW

Mr. BRICKER. Mr. President, in accordance with the order previously entered, I move that the Senate stand in recess until 10 o'clock tomorrow morning.

The motion was agreed to; and (at 8 o'clock and 33 minutes p. m.) the Senate took a recess, the recess being, under the order previously entered, until tomorrow, Friday, August 6, 1954, at 10 o'clock a. m.

NOMINATIONS

Executive nominations received by the Senate August 5, 1954:

POST OFFICE DEPARTMENT

E. George Siedle, of Pennsylvania, to be an Assistant Postmaster General, vice John C. Allen, resigned.

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

James Bradshaw Mintener, of Minnesota, to be Assistant Secretary of Health, Education, and Welfare.

FEDERAL MARITIME BOARD

G. Joseph Minetti, of New York, to be a member of the Federal Maritime Board for the remainder of the term expiring June 30, 1958, vice Robert W. Williams, resigned.

UNITED STATES ATTORNEY

Herbert G. Homme, Jr., of North Dakota, to be United States attorney for Guam, vice James G. Mackey, resigned.

POSTMASTERS

The following-named persons to be postmasters:

ALABAMA

Silas H. Anderson, Bynum, Ala., in place of B. E. Kilgore, removed.

William J. Murphy, West Blocton, Ala., in place of D. C. Moore, resigned.

ARKANSAS

Robert L. Davis, Fountain Hill, Ark., in place of F. E. Denson, resigned.

CALIFORNIA

Philip H. Krauter, Arvin, Calif., in place of C. B. Childers, resigned.

Ronald P. Fawcett, Colfax, Calif., in place of C. C. Schultz, resigned.

John O. Davis, King City, Calif., in place of J. M. Arnold, retired.
Retta L. Moslander, Nubieber, Calif., in place of E. M. Oates, resigned.
Viola A. Tuggle, Salida, Calif., in place of Nellie McGinn, retired.

COLORADO

Theodore M. Erickson, Wheat Ridge, Colo., in place of R. R. Broad, deceased.

ILLINOIS

Clarence D. Sorensen, Dwight, Ill., in place of Hugh Thompson, resigned.
Noel E. White, Fox Lake, Ill., in place of H. D. Carlson, retired.

INDIANA

Byron V. Hoover, Carlisle, Ind., in place of Ozro Latshaw, deceased.
Robert D. Sanders, Franklin, Ind., in place of H. E. White, retired.
Apphia L. Hess, Griffith, Ind., in place of L. S. Miller, resigned.
Richard L. Pickett, Sheridan, Ind., in place of J. F. Durr, transferred.

IOWA

Keith P. Carroll, Frederika, Iowa, in place of C. L. Bowers, deceased.
Carl Lambert Youngquist, Gowrie, Iowa, in place of A. C. Lundvick, retired.
Leonard D. Tucker, Knoxville, Iowa, in place of H. E. Reichard, removed.

KANSAS

Herman F. Kiesow, Osage City, Kans., in place of E. F. Hammond, resigned.

LOUISIANA

James F. Roberts, Downsville, La., in place of M. P. Jones, retired.
Joseph Lubin Jewell, Jr., Maringouin, La., in place of H. T. Best, Jr., transferred.

MICHIGAN

Merrill C. Warner, Bedford, Mich., in place of L. F. Porter, deceased.
Charles H. Hinman, Hastings, Mich., in place of R. G. Hubbard, retired.

MINNESOTA

Lavern A. Ewert, Waldorf, Minn., in place of A. C. Ewert, deceased.

NEBRASKA

Austin Learned, Edison, Nebr., in place of P. W. McCoy, deceased.

NEVADA

Emma S. Park, Minden, Nev., in place of R. T. Williams, retired.
Dixie Vera L. Westover, Montello, Nev., in place of M. R. Bracken, resigned.

NEW HAMPSHIRE

Philip T. Hilton, East Rochester, N. H., in place of H. M. Lowell, resigned.

NEW YORK

John Wesley Sinnickson, Center Moriches, N. Y., in place of T. E. Havens, resigned.
Eva H. Chambers, Dresden, N. Y., in place of M. D. Leach, retired.
Ignatius Fafinski, Dunkirk, N. Y., in place of D. P. Scannell, resigned.

NORTH DAKOTA

Agnes E. Butts, Big Bend, N. Dak., in place of A. J. Irwin, resigned.
Leon C. D'Heilly, Neche, N. Dak., in place of V. C. Douville, resigned.

OHIO

Ruby F. Stone, Belpre, Ohio, in place of F. S. Troutman, deceased.
Louis Matthews Ables, Jeromesville, Ohio, in place of C. D. Faber, deceased.
John Chester Ward, Mount Vernon, Ohio, in place of F. J. Lawler, retired.
Donald G. Kirkton, New London, Ohio, in place of J. L. O'Hara, deceased.

OKLAHOMA

Floyd P. Johnson, Davis, Okla., in place of O. V. Lowther, removed.

OREGON

Joseph D. Naughton, Joseph, Oreg., in place of M. W. Sprague, resigned.

PENNSYLVANIA

Walter F. Rhine, Canonsburg, Pa., in place of S. J. Bondi, removed.
Harold J. Robbins, Derrick City, Pa., in place of A. M. Warner, deceased.
Gene M. Hatter, Donaldson, Pa., in place of J. H. Opie, deceased.
William R. Clark, Loysville, Pa., in place of J. S. Barclay, retired.
E. Phillip Tyson, Gardners, Pa., in place of G. C. Myers, retired.
Frances S. Dague, Houston, Pa., in place of W. E. Sickles, resigned.
John C. Gainer, Pequea, Pa., in place of E. E. McClune, removed.
Anna C. Salsgiver, Smithmill, Pa., in place of Georgeanna Chenchark, transferred.
Anthony J. Trenga, Wilmerding, Pa., in place of Daniel Leger, retired.
Harold C. Allebach, Worcester, Pa., in place of S. L. Brunner, retired.

RHODE ISLAND

Earle W. Belknap, Wakefield, R. I., in place of E. F. McCarthy, retired.

SOUTH DAKOTA

Lowell J. Beck, Claremont, S. Dak., in place of M. A. Olson, resigned.

TENNESSEE

Joe M. Carden, Jr., La Follette, Tenn., in place of Irene Miller, removed.

TEXAS

Mable W. Francks, Brady, Tex., in place of A. L. Davee, resigned.
William L. Cowan, Dublin, Tex., in place of T. J. Shillingburg, deceased.
Johnnie C. Dormier, Megargel, Tex., in place of E. V. Haden, resigned.
Johnie Floyd Hokit, Ozona, Tex., in place of A. O. Fields, resigned.

VIRGINIA

Wilton Clements Mock, Damascus, Va., in place of H. H. Rhea, retired.

WASHINGTON

Loring E. Bundy, Edwall, Wash., in place of M. P. Hutton, resigned.
George A. Morrison, Vashon, Wash., in place of J. E. Ober, deceased.

WISCONSIN

Leo Kartheiser, Chilton, Wis., in place of Joseph Schmidlkofer, retired.
Burton M. Syverson, De Soto, Wis., in place of J. D. Robertson, resigned.
Herbert L. Latimer, Genoa, Wis., in place of A. B. Zabolio, retired.

WYOMING

Howard O. Bebout, Hudson, Wyo., in place of Osta Bebout, deceased.

CONFIRMATIONS

Executive nominations confirmed by the Senate August 5, 1954:

POSTMASTERS

ARKANSAS

Cooper Hudspeth, Fort Smith.
James L. Latshaw, Fulton.

CALIFORNIA

Elinor W. Dickenson, Moraga.

CONNECTICUT

Eugent F. Bull, Kent.

FLORIDA

John J. Hoy, Lake Placid.
Milton E. Knellinger, Palm Harbor.

ILLINOIS

Arlington E. Gittings, Oquawka.
Lloyd Newnom, Pearl.
Lynn L. Simmermaker, Shipman.

KANSAS

Martin L. Pearsall, Caney.
Carl F. Rebman, Edgerton.
Charles W. Taylor, Edna.
Lester E. Tucker, Osborne.
Henry C. Thomas, Piedmont.

LOUISIANA

Louis B. Moseley, Oak Grove.
Joseph K. Mayes, Pelican.

MAINE

Hercules B. Roy, Frenchville.
Henry L. Bryant, Tenants Harbor.

MICHIGAN

Byron R. Fowler, White Cloud.

MINNESOTA

Allan J. Siezak, Hope.
Peter D. McCarron, Sherburn.

MISSOURI

Wayne W. Wilson, Bethany.
Mildred S. Parker, Cowgill.
Marie L. E. Koehler, Grover.
James D. Williams, Ionia.
William R. Zink, Knob Noster.
Harry J. DeGuire, Liguori.
Mary C. Hazleton, Princeton.

NEBRASKA

John H. Schaller, Bellevue.
Kenneth L. Bergstrom, Merna.
Leslie J. Johnson, Silver Creek.

NEW HAMPSHIRE

Harris C. Pushee, Lyme.

NEW JERSEY

Lester A. Sabo, Carteret.

NEW YORK

John B. Connelly, Goshen.
Walter M. Lowerre, Haines Falls.
Robert R. Austell, Middletown.
Henry E. Holley, Otisville.
Jack L. Edleson, Tarrytown.

NORTH CAROLINA

Gladys T. Ratledge, Advance.
Louis M. Ensley, Balsam.
Hazel B. Sebastian, Hays.
Hoy C. Correll, China Grove.

OHIO

William C. Fulton, Belle Center.
Lois M. Sams, Beloit.
Leonard Allison LaFollette, Buchtel.
Victor L. Will, Canal Winchester.
Dorothy H. Pettit, East Fultonham.
Ernest H. Wilson, Marengo.
James O. Drake, North Jackson.
Mildred J. Lockwood, Okeana.
Neil H. Adams, Sycamore.
Earl W. Schnetzler, Waterville.

OKLAHOMA

M. Marvel Gregory, Weleetka.
Treva O. Courtney, Yale.

OREGON

Richard V. Carleson, Rickreall.

PENNSYLVANIA

Elsie P. Bigger, Eagles Mere.
Paul R. Leonard, Manns Choice.
George B. Carpenter, Ulysses.

SOUTH CAROLINA

Elizabeth J. Cooper, Mayesville.
Clarence Ozell Hester, Ocean Drive Beach.
Martin D. Watkins, Jr., Westminster.
James L. Sheppard, Yemassee.

TENNESSEE

Josephine H. Vandergriff, Briceville.
Len K. Mahler, Cookeville.
Laverne M. Tabor, Crossville.
LeRoy M. Cook, Gallatin.
Charlene M. Reece, Jonesboro.
Frank W. Medley, Monterey.
Lucile S. Busler, White Pine.

VERMONT

Edward F. Baccei, Proctor.

Executive nomination confirmed by the Senate August 4 (legislative day of July 2), 1954, and omitted from the CONGRESSIONAL RECORD:

POSTMASTER

Thomas W. Robison to be postmaster at Lecompte, La.

HOUSE OF REPRESENTATIVES

THURSDAY, AUGUST 5, 1954

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

O Thou who hast entrusted our President, our Speaker, and the Members of Congress with a high vocation, grant that they may take great pride in their loyalty and devotion to the welfare of our country.

May every citizen earnestly seek to add splendor and nobility to the life of our Republic by cultivating those lofty spiritual virtues which were the secret of the strength and greatness of the Founding Fathers.

Show us how we may be the worthy partners of all who are striving to build a social order that has in it the spirit of brotherhood and good will, of justice and righteousness, of kindness and charity.

Inspire us to do Thy will and help us to hasten the coming of the time when every human need shall be supplied and there shall be peace on earth.

Hear us in the name of our Lord and Saviour. Amen.

The Journal of the proceedings of yesterday was read and approved.

COMMITTEE ON THE JUDICIARY

Mr. GRAHAM. Mr. Speaker, I ask unanimous consent that the Committee on the Judiciary may be permitted to sit during general debate in the session of the House today.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

TRADING WITH THE ENEMY ACT

Mrs. ST. GEORGE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentlewoman from New York?

There was no objection.

Mrs. ST. GEORGE. Mr. Speaker, I am today introducing a resolution which makes the following provision:

> That the House Committee on Interstate and Foreign Commerce or any duly authorized subcommittee thereof is authorized and directed to make a full and complete investigation and study of the procedures and practices under the Trading With the Enemy Act during the period from December 18, 1941, to the present day.

Mr. Speaker, the reason I am doing this is that two bills have been introduced. They are identical. One was reported out of the Senate committee, S. 3324. The other bill was introduced by me in the House, H. R. 9985. These bills would restore enemy property that was confiscated under the law passed in 1945.

Mr. Speaker, it is entirely contrary to any jurisprudence or any law that this country has ever acted under that we should confiscate enemy property. It is also contrary to English law, and that dates almost back to Magna Carta. The confiscation of alien property started in 1945. This policy was engineered and finally gotten through the Congress, through the offices of Harry Dexter White, who has since been, and is now acknowledged, to have been a true Communist. He was also one of the principal authors of the Morgenthau plan. Both Presidents Roosevelt and Truman refused to give their sanction to this policy, and it was only gotten through the Congress by tying it up to the War Claims Commission, in other words, giving it a sentimental slant by saying that this money would take care of injured war prisoners.

Since the end of World War II this Government has poured millions of dollars into the rehabilitation of both Germany and Japan in order that they may be strong allies and bulwarks against communism. At the same time we have been withholding privately owned property from individual citizens of these countries. We have been giving with one hand and taking away with the other, and have alienated people whom we are trying to make our friends.

If the Congress is sympathetic to this legislation, it will be most helpful to the Adenauer government in Germany, who are friendly to our cause in Europe. The enemies of the regime are now saying: "What has friendship for the United States done for Germany? We are still disunited, we have not obtained EDC, and our property remains confiscated. It would be far better to restore these properties rather than pour your billions into Germany and Japan, which is humiliating and makes only for ill feeling and enmity."

COMMITTEE ON ENERGY SUPPLIES AND RESOURCES POLICY

Mr. GAVIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. GAVIN. Mr. Speaker, on July 30, the President announced the formation of a Cabinet Committee on Energy Supplies and Resources Policy.

The White House announcement stated that the Committee would be composed of the heads of the Department of State, Department of Defense, Department of Justice, Department of the Interior, Department of Commerce, Department of Labor, and the Office of Defense Mobilization. Its chairman will be Mr. Arthur Flemming, who heads the Office of Defense Mobilization. The Committee is to submit its recommendations to President Eisenhower not later than December 1.

The Committee's scope of study embraces areas of vital importance to our national well-being.

This is demonstrated by the following excerpt from the announcement:

> At the direction of the President the Committee will undertake a study to evaluate all factors pertaining to the continued development of energy supplies and resources and fuels in the United States, with the aim of strengthening the national defense, providing orderly industrial growth, and assuring supplies for our expanding national economy and for any future emergency.

This is a task worthy of the Committee's obvious stature. To help perform it, Mr. Flemming is empowered to appoint, as members of a special task force, from outside the Government, experts in each one of the areas to be studied.

Industries specifically mentioned for review are oil, natural gas, and coal.

Previous efforts at studies of this sort have been somewhat disappointing. It is my feeling that this was largely due to the fact that sufficient attention was not given, at the outset, to the selection of people possessing sufficient practical, experienced knowledge in the field they were studying. I am sure that will not be the case in the selection of the aforementioned task force. The White House announcement clearly indicates a heartfelt desire to conduct a fundamental study, without preconceived philosophies as to the ultimate result.

As my colleagues in the House know, I have often addressed myself in the past to a number of problems which appear to fall within the direct purview of this Cabinet Committee. For example, the formation of such a committee recognizes the growing need for a solution to such problems as that presented by excessive oil imports.

I addressed myself to this problem at length in the House on June 23, as well as on other occasions.

On June 23 I delineated the conditions which make for a dangerous oversupply of oil. In so doing I discussed the role of excessive imports in this oversupply picture.

The seriousness of the situation is unchanged today. Oil inventories stand at a level of 40 million barrels in excess of those of a year ago. Allowed production of oil has been repeatedly reduced in a number of States to attempt to alleviate a situation which poses a serious threat to the industry's economic stability. Yet oil imports in 1954, as indicated by contemplated programs, will exceed those of 1953. This will continue a trend which has been going on throughout the postwar period, when imports have risen from about 377,000 barrels daily in 1946 to over 1,050,000 barrels per day at the present time.

Foreign oil cannot continue to enter the country in such volume without seriously impairing the industry's capacity to produce oil for emergency needs. The industry must be healthy in time of peace in order to be ready in time of war.

The new Cabinet Committee's scope of review will certainly embrace the oil imports problem, which is so closely related

to the defense considerations stressed in the White House announcement.

The formation of such a committee is a tribute to this administration's wisdom in dealing with problems vital to our national defense.

The Congress, too, must survey this problem. It is sufficiently complex and important to utilize the thinking of the best men in all areas and levels of government.

The outcome of such thinking may well provide the answer to a question vital to our very security, "Shall we produce our own fuels or be reliant on areas which we may not be able to hold in time of war?"

It is a question which must soon be answered.

STORAGE CAPACITY FOR GRAIN

Mr. HILL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

Mr. HILL. Mr. Speaker, while the Department of Agriculture is generally looked upon as the agency of the Federal Government which specializes in assisting farmers, the present administration is also giving agriculture practical assistance through other governmental departments and agencies.

The Small Business Administration, for example, through its financial assistance to business firms is helping to meet the needs of farmers in many ways.

New storage capacity for 9,444,360 bushels of grain will result from small business loans approved by the Small Business Administration during the past 6 months.

All of this new storage capacity will be available to help take care of the 1955 crop. Most of the construction resulting from these loans will be expansion of present facilities in areas where the need for grain storage exceeds present capacity.

Following are the Small Business Administration loans approved to date for construction of added grain storage facilities by State totals:

Arizona, $135,000; Arkansas, $65,000; Colorado, $80,000; Idaho, $108,000; Kansas, $836,000; Michigan, $90,000; Mississippi, $150,000; Missouri, $150,000; Nebraska, $409.500; New York, $150,000; Oklahoma, $613,000; Texas, $843,000; Washington, $150,000.

One-fourth of all the loans approved by the Small Business Administration to help small-business enterprises are going to small firms in rural areas engaged in business activity closely related to and of benefit to the farming community.

Small Business Administrator Wendell B. Barnes said in commenting on his agency's lending activities.

Of the 553 small-business loans, totaling $32,320,562, tentatively approved by the Small Business Administration through July 20, 139 loans, totaling $7,240,000, are in rural areas, he pointed out.

In addition to grain storage elevators, these firms include livestock and poultry feed mills, alfalfa-processing plants, bean storage and processing plants, food canners, proprietors of frozen-food locker plants, poultry processors and meat packers, dairies, farm-machinery dealers and manufacturers of specialized farm equipment, seed dealers, chicken hatcheries, fertilizer dealers, fruit packers, and distributors or propane gas.

The small-business financial-assistance program—

Mr. Barnes said—

embraces small firms in all sections of the country. While much of our activity is in the large industrial centers, we are also doing an effective job in the rural areas, where small firms are enlarging their activities and improving their services to farmers.

Many of our loans are made with the cooperation of rural banks and they are helping provide new jobs as well as aiding in the development of our basic agricultural resources.

As examples of small-business assistance loans made to small firms in rural areas, Mr. Barnes cited the following:

A 7-year loan was made to a small tomato cannery in Indiana. The proprietor, who employs up to 100 persons in the peak canning season, was having difficulty in accumulating sufficient working capital to permit the most efficient operation of his plant. The local bank was providing short-term loans to help finance the canning pack, but could not make a term loan. A Small Business Administration loan of $28,700 provided modern equipment enabling the plant to operate more efficiently.

A proprietor of a small dairy in New England, employing seven persons, lost his barn, dairy, equipment, and home in a fire and required a term loan to pay his contractors and suppliers. A Small Business Administration 7-year loan of $35,000 permitted him to rebuild his business.

A businessman in a small Texas community saw an opportunity to develop a new business, pressure-creosoting fence posts and poles. He plans to hire 8 to 10 persons when his plant is in operation. In addition to meeting the farm demand for fence posts, he had industrial customers, and a 5-year bank-participation loan for $30,000 was arranged.

A 6-year bank-participation loan for $25,000 was approved to help a small firm in Wisconsin. The firm manufactures farm mowers which can be attached to tractors. At peak operations in the fall and winter months, the firm employs 50 persons in the community.

A processor of citrus fruits in California was granted a 5-year loan of $80,000 for working capital, with a local bank participating in the loan on a deferred basis. The firm has 27 employees and manufactures fruit concentrates and extracts.

A processor of dairy products in Kentucky with 52 employees was granted a 6-year loan of $60,000, with a local bank participating. A part of the loan will be used for working capital, and part for adding new equipment. Additional dairy-product processing facilities are needed in the area since many farmers are converting from beef-cattle raising to dairy herds.

A flour and feed mill in Oklahoma received a 5-year loan of $71,000, with local bank participation. Proceeds of the loan will be used to construct additional storage space for feed grain and seed.

An industrial foundation in Arkansas, comprised of some 150 local businessmen, was granted a loan of $166,666.66 to construct a poultry-processing plant in an area where new industry and additional employment were badly needed. A local bank participated in the loan. The increased equipment of this plant will provide an outlet for poultry and increase farm income in a large surrounding agricultural area in two States.

A processor of feed and seed peas in Idaho, employing from 4 to 20 persons, received a loan of $200,000, with a local bank taking 25 percent of the loan on a deferred participation basis. Proceeds of the loan to be used to purchase seed peas from contract growers, and for processing the crop.

A loan of $30,000 was made to a poultry processor in Minnesota to build new facilities. The loan, for 10 years was made in participation with a local bank. As a result of expanding its operations, the firm expects to be able to employ 10 additional persons.

A small firm in Oregon, which specializes in constructing and modernizing farm buildings, was granted a 5-year loan of $7,000 to be used in expanding operations. The firm now has 10 employees, and the loan was made in participation with a local bank.

A retailer of seeds, farm supplies, and machinery in Virginia received a 3-year bank participation loan of $22,000. Proceeds of the loan are to be used for working capital and consolidating obligations. The firm, which is located in a drought area, has 7 employees, and has been in business since 1866.

An Illinois processor of poultry and eggs received a 10-year deferred participation loan of $98,000 to be used for working capital and to purchase additional equipment. The firm, which now employs an average of 103 persons, expects to be able to hire several more when its anticipated expansion is completed.

SPECIAL ORDER GRANTED

Mrs. ROGERS of Massachusetts asked and was given permission to address the House for 10 minutes today, following the legislative program and the conclusion of special orders heretofore granted.

CONFISCATION OF ALIEN PROPERTY

Mr. HALE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Maine?

There was no objection.

Mr. HALE. Mr. Speaker, I was deeply interested in the remarks just made by the gentlewoman from New York [Mrs. ST. GEORGE] with reference to the question of private enemy property confiscated in the course of war. It used to

be an established principle of international law, or at least it was so considered when I went to law school, that enemy property was simply sequestered for the duration of hostilities and returned to the proper owners when the war was over. That principle should, I think, be adhered to, and I think it most regrettable that there should ever have been any substantial body of opinion to the contrary. I regret to say that I think the House Committee on Interstate and Foreign Commerce may be somewhat at fault for departing from the principle because we did, shortly after the end of World War II, report some legislation which earmarked, for the payment of certain claims, the Alien Property Fund. That, I think, was entirely wrong. If the claims were good claims, they should have been paid out of the Treasury. If they were not good claims, they should never have been paid at all, even if we had endless enemy property kicking around. This is only another illustration of the ease with which a government succumbs to the temptation of raiding a fund which should be preserved for its owners. The alien enemies were not criminals. The only theory on which their property was seized in the first place was to prevent its being used to aid the enemy in the prosecution of the war. Let us bear in mind that precedents which we now establish may some day be cited against us.

FOREIGN AID

Mr. VORYS. Mr. Speaker, I ask unanimous consent that the managers on the part of the House may have until midnight Saturday night in which to file a report on the bill H. R. 9678.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

Mr. GROSS. Reserving the right to object, Mr. Speaker, may I suggest the gentleman from Ohio [Mr. VORYS], dealing with a legislative matter in which all Members are entitled to know what is going on, use the microphone to make his request so that he can be heard.

The SPEAKER. Will the gentleman renew his request?

Mr. VORYS. Mr. Speaker, I ask unanimous consent that the managers on the part of the House may have until midnight Saturday night in which to file a conference report on the bill H. R. 9678.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

Mr. GROSS. Reserving the right to object, Mr. Speaker, the gentleman from Iowa would like to reserve a point of order against the conference report on the bill H. R. 9678. Is this the proper time?

The SPEAKER. No. That would be in order when the conference report is called up for consideration.

Mr. GROSS. I withdraw my reservation of objection, Mr. Speaker.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

INVESTIGATION OF PRACTICES IN RETAIL DISTRIBUTION OF FLUID MILK

Mr. JOHNSON of Wisconsin. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. JOHNSON of Wisconsin. Mr. Speaker, on July 2, 1954, I introduced House Joint Resolution 554 and explained the resolution to the House on the same day. My remarks will be found on pages 9204 and 9205 of the RECORD for July 2. This resolution was referred to the House Committee on Interstate and Foreign Commerce on July 2. That was over a month ago. As of today, no hearings have been scheduled or held on the resolution. The resolution, as you will note, is short and to the point. This is a matter which the people of the Ninth Congressional District of Wisconsin, whom I represent, and many other rural areas are interested in. The resolution directs the Federal Trade Commission to make an investigation of certain practices in the retail distribution of fluid milk to determine whether such practices are a restraint of trade and in violation of certain Federal laws.

Long and extended hearings are not necessary as the investigation asked for will be carried out by the Federal Trade Commission. It will not be necessary for the congressional committee to also investigate the practices at this time. There are many areas in the Nation where fluid milk can be produced at less cost per quart than in some of the areas now serving large metropolitan areas. The city consumer will receive the direct benefit in lower cost of production if such milk were not being kept out of the market.

I have written a letter today to the various members of the House Committee on Interstate and Foreign Commerce asking that action be had on this resolution so that the investigation can be started and a report completed before the next session of Congress. This report is necessary so legislation can be introduced to correct the same. I believe that the city consumers are just as much interested in this matter as the producers of milk who are now being shut out by present practices. Mr. Speaker, I wish to state at this time that if the Congress fails to act on this matter during this session I expect to introduce the same resolution in the next session and shall make an early effort to have it acted upon and passed so that the farmers and city consumers of the Nation will know the facts. I herewith submit a copy of my letter to the members of the committee and a copy of my resolution and ask that they be printed in the RECORD.

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
WASHINGTON, D. C., *August 5, 1954.*

DEAR COLLEAGUE: On July 2, I introduced House Joint Resolution 554 which had been referred to the Committee on Interstate and Foreign Commerce. It is my hope that the resolution will be passed in this session of Congress so that the Federal Trade Commission can make an investigation and report its findings and information to the next Congress.

My personal opinion is that since the Federal Trade Commission will be making the investigation, it will not be necessary for the committee to hold long and extended hearings on the resolution.

I will appreciate it very much if the resolution is reported out by the Interstate and Foreign Commerce Committee for action before the present session of Congress adjourns.

Your help in this, as a member of the committee, will be greatly appreciated. I am enclosing a copy of House Joint Resolution 554.

Sincerely yours,

LESTER JOHNSON.

House Joint Resolution 554

Joint resolution to provide for a study and investigation of certain practices in the retail distribution of fluid milk to determine whether such practices are in restraint of trade or otherwise in violation of certain other laws of the United States

Resolved, etc., That the Chairman of the Federal Trade Commission is authorized and directed to make a thorough study and investigation of all phases of the retail distribution of milk, to determine whether any action, conduct, or other practice in such retail distribution which results in the exclusion from the markets of a particular area of fluid milk produced outside of such area, is in restraint of trade, an unfair method of competition in commerce, an unfair or deceptive act or practice in commerce, or otherwise violates the antitrust laws.

IMMUNITY FOR SUBVERSIVES

Mr. MULTER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. MULTER. Mr. Speaker, I take this time to predict that if the bill that was passed by this House yesterday under suspension of the rules, giving the Congress the right to grant immunity to witnesses becomes law, we will be faced with one of the greatest scandals the country ever has had. Instead of that bill catching and convicting subversives, it will be the means of giving immunity to subversives who otherwise might be indicted and convicted and sent to prison. Happily, the bill must go to conference, and I trust that when it comes back if it does, that this House will give it more careful consideration than it received yesterday, and that we then get a better bill than was passed yesterday.

REVISION OF WAGE-HOUR LAW

Mr. WIER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. WIER. Mr. Speaker, as a member of the Committee on Education and Labor, I have been greatly concerned with the needed and necessary revisions of our present wage and hour law. In accordance with my view on this subject

and my experience, I am introducing today amendments to the wage-hour law.

The bill I have introduced today for the revision and improvement of the Fair Labor Standards Act of 1938 would do the following:

Increase the present statutory minimum wage from 75 cents per hour to $1.25 per hour.

Add roughly 9 million additional workers to the number now covered by the FLSA.

There are about 24 million covered as of today. Under my proposed bill this figure would become 34 million—still less than half of the number of all gainfully employed persons.

This bill would wipe out many of the unjustified exemptions both in the original 1938 act and in the 1950 version of the FLSA.

The elimination of exemptions to the wage and hour provision, which I propose, would alone add about 6 millions to those covered. This 6 million, however, is not in addition to the 9 million figure above.

I call attention to certain basic facts about our national economy which should be borne in mind when considering this legislation.

This proposed bill reestablishes the machinery in the 1938 act for the establishment of tripartite industry committees to recommend minimum rates for a particular industry which would be higher than the basic nationwide $1.25 rate.

There are in my bill a number of fairly technical but quite important and highly practical revisions of the 1949 version which experience has proven to be necessary both from the standpoint of administrative feasibility and fair treatment for both employer and employees.

This bill would not affect a greater proportion of the total working force than did the original FLSA in 1938.

It would primarily affect industries whose wage standards have lagged and those employers who have failed to grant prevailing wage increases.

This proposed increase in the statutory hourly minimum from 75 cents to $1.25 is certainly modest when compared with the rise in average hourly earnings of factory workers from 62 cents to $1.79—June 1938 to March 1954—a step-up of $1.17.

The cost of living for lower income groups has risen by more than 120 percent since the FLSA first became law.

Productivity in the American industry has been rising at the rate of $3.25 to 3.5 percent per year per man-hour. This increase alone would justify the proposed increase in the statutory minimum wage.

The actual prevailing minimum wage in industry today is $1.25 or higher. By increasing the statutory minimum wage in 1955, the Congress would stimulate and strengthen the entire American economy by eliminating remaining areas of substandard wages and by increasing purchasing power. The passage of the 1938 bill sparked an almost sensational upturn in our national economy. The effect of the 75-cent minimum rate which became effective in 1950 was less dramatic, but its beneficial effect was pervasive and its total effect was most helpful. The stereotyped advance predictions about firms being forced out of business because of the requirement of paying 75 cents an hour simply did not materialize. Indeed, the great bulk of industry that was paying below 75 cents an hour voluntarily brought their wages into line when they saw that Congress was going to act to raise the statutory rate.

My principal justification, however, for introduction of this legislation is that from the standpoint of social ethics it is not possible to permit millions of workers to remain outside the protection of this law. Both social justice and sound economics require immediate revision and extension of the FLSA.

In his March 30 message to the Congress on foreign economic policy, President Eisenhower announced that it is now United States policy to refuse tariff reductions to products "made by workers receiving wages which are substandard in the exporting country." The President also urged the raising of wages abroad by consultative procedures such as provided by the International Labor Organization.

In the conclusion of this message the President said that for our own security as a Nation our allies must become economically strong.

While I most certainly agree with all that the President says about the necessity for improving substandard wages abroad, these remarks apply with even greater force to our economy here at home. To keep America strong we must constantly strengthen the foundation of our economy. And that foundation is our purchasing power. The 75 cents minimum wage is out of date; it no longer provides adequate purchasing power; it no longer provides a decent American standard of living for that section of our population which is working for such substandard rates of pay.

I am introducing this bill at this time so that the terms of the act and its economic effect can be studied during the next several months, thus facilitating early hearings by the Labor Committees of the House and Senate.

ADJOURNMENT OVER

Mr. HALLECK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at noon on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

FOREIGN FUEL OIL

Mr. BAILEY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. BAILEY. Mr. Speaker, I have asked for this time in order to remind my colleagues of the news release under a London dateline announcing an agreement that will turn into the channels of world trade the great Iranian oil reserves.

When this trouble broke out between England and Iran it was necessary for the American companies that were in the cartel with the Anglo-Iranian oil interests to divert their production from Saudi Arabia and Iran to take care of the European markets. Once more this Iranian oil under their cartel arrangement will supply the European market. That means that Saudi Arabian and Iraq oil will be added to the great inflow of Venezuelan oil that has disrupted our domestic oil industry and threatened it.

I am just calling attention to the fact that the 84th Congress must give attention to this serious situation.

PROGRAM FOR WEEK OF AUGUST 9

Mr. RAYBURN. Mr. Speaker, I ask unanimous consent to proceed for 1 minute in order to inquire as to the program for next week.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. RAYBURN. I understand while I was busy talking to someone consent was given to adjourn over until Monday, which is entirely agreeable to me, as the gentleman from Indiana had already spoken to me about it.

May I inquire with respect to the program for next week?

Mr. HALLECK. In response to the gentleman's inquiry I may say first of all that today there are two rules outstanding which we expect to dispose of, together with the bills they make in order.

As the gentleman from Texas has pointed out we will then adjourn over until Monday.

The discharge petition on the postal pay bill, as I understand, will be called on Monday.

For next week, barring some unforeseen contingency, so far as I know there is no legislative program for the House to work on except conference reports.

I have just been informed by a member of the Committee on the District of Columbia that the District Committee has reported out a few bills which will be in order on Monday next, inasmuch as that is the calendar day for the consideration of the District of Columbia bills. So far as I know there is no serious controversy about any of those bills.

Private and Consent Calendars: Whether or not there will be a further call of the Private or Consent Calendars I do not know. I will not promise that there will be. It is possible that if there are measures that should be acted upon we could arrange to do that without a formal calling of those two calendars.

Mr. GROSS. Mr. Speaker, will the gentleman from Texas yield that I may address an inquiry to the majority leader?

Mr. RAYBURN. I yield.

Mr. GROSS. Will the discharge petition take precedence over all other legislation coming up on Monday?

Mr. HALLECK. I think it will, as I understand the rules. As a matter of fact, since the gentleman has mentioned that discharge petition, if the gentleman from Texas will yield——

Mr. RAYBURN. I yield to the gentleman from Indiana.

Mr. HALLECK. I think it ought to be pointed out to the membership that that discharge petition makes in order one of the most effective gag rules I have ever seen in my time. It prohibits all amendments except those offered by the committee. It limits debate to 1 hour.

There were some very bitter things said the other day when we called up the postal rate and pay bill under a motion to suspend the rules. Then we had 40 minutes' debate, and that was supposed to be too short a time. Under the discharge petition, of course, debate will be limited to 60 minutes instead of 40.

As far as I am concerned personally, in view of the fact that it does provide for the calling up of a bill under a gag rule, I trust some of the people who signed the petition will not complain hereafter if we bring out some so-called gag rules.

Mr. RAYBURN. Of course, the only way that can be prevented is to amend the rules of the House.

Mr. HALLECK. Yes; but one who puts a discharge petition on the desk assumes the primary responsibility for the form in which the rule is presented, as well as the discharge petition. Of course, those who sign the discharge petition, I take it, are under some obligation to know the sort of a rule which is provided.

Mr. RAYBURN. With reference to gag rules, it all depends on who is in the majority. We always complain when we are in the minority about gag rules, and the gentleman's party complained when they were in the minority, but we go right on gagging in more ways than one.

Mr. HAGEN of Minnesota. Mr. Speaker, will the gentleman yield?

Mr. RAYBURN. I yield to the gentleman from Minnesota.

Mr. HAGEN of Minnesota. In the consideration of the bill on Wednesday a week ago and in 40 minutes of that debate we had two important bills under consideration, the increase for postal workers and the increase in postage rates, whereas on Monday we will have an hour of debate on just one bill, the Corbett postal bill.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. RAYBURN. I yield to the gentleman from Iowa.

Mr. GROSS. Only yesterday we passed a rather important bill with only 40 minutes of debate.

Mr. RAYBURN. We do that all the time.

Mr. WICKERSHAM. Mr. Speaker, will the gentleman yield?

Mr. RAYBURN. I yield to the gentleman from Oklahoma.

Mr. WICKERSHAM. I should like to inquire of the gentleman from Texas, also the gentleman from Indiana, who has left the floor at this time. I do hope and trust that the leadership will see fit to bring out the Washita project, which was recommended by the President of the United States—it was No. 1 on his list in his budget message, and one that has been approved by the Senate. It is an emergency project, it is worthwhile, it has been reported by the House Interior and Insular Affairs Committee, and I hope the House leadership will recognize the gentleman from Nebraska [Mr. MILLER], chairman of the House Interior and Insular Affairs Committee, to call up that bill.

Mr. RAYBURN. I agree with the gentleman from Oklahoma that he has a very fine bill, and it should be passed.

AMENDING SECTION 405 OF THE DISTRICT OF COLUMBIA LAW ENFORCEMENT ACT OF 1953

Mr. TALLE. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 9077) to amend section 405 of the District of Columbia Law Enforcement Act of 1953, to make available to the judges of such District the psychiatric and psychological services provided for in such section, with Senate amendment thereto and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Strike out all after the enacting clause and insert "That section 405 of the District of Columbia Law Enforcement Act of 1953 is amended by striking '(1) The probation officers' and inserting in lieu thereof '(1) In criminal cases, the judges of the district court and the probation officers.' "

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

The Senate amendment was concurred in, and a motion to reconsider was laid on the table.

PROVIDING ADDITIONAL FUNDS FOR STUDIES AND INVESTIGATIONS BY COMMITTEE ON THE JUDICIARY

Mr. LECOMPTE. Mr. Speaker, by direction of the Committee on House Administration, I call up House Resolution 622 and ask for its immediate consideration.

The Clerk read as follows:

Resolved, That the expenses of further conducting the studies and investigations authorized by House Resolution 50 of the 83d Congress, incurred by the Committee on the Judiciary, acting as a whole or by subcommittee, not to exceed $25,000 additional including expenditures for the employment of experts, special counsel, clerical, stenographic, and other assistants, and all expenses necessary for travel and subsistence incurred by members and employees while engaged in the activities of the committee or any subcommittee thereof, shall be paid out of the contingent fund of the House on vouchers authorized by such committee signed by the chairman of such committee and approved by the Committee on House Administration.

With the following committee amendment:

Page 1, line 10, following the word "thereof", insert "within the United States, the Commonwealth of Puerto Rico, Territory of the Virgin Islands, and British possessions in the Caribbean area."

The committee amendment was agreed to.

The resolution was agreed to, and a motion to reconsider was laid on the table.

SELECT COMMITTEE ON SMALL BUSINESS

Mr. LECOMPTE. Mr. Speaker, by direction of the Committee on House Administration, I call up House Resolution 629 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That the further expenses of conducting the study and investigation authorized by House Resolution 22 of the 83d Congress, incurred by the select committee appointed to study and investigate the problems of small business, not to exceed $35,000, in addition to the unexpended balance of any sums heretofore made available for conducting such study and investigation, including expenditures for the employment of investigators, attorneys, and clerical, stenographic, and other assistants, shall be paid out of the contingent fund of the House on vouchers authorized by such committee, signed by the chairman thereof, and approved by the Committee on House Administration.

With the following committee amendment:

Page 1, line 5, strike out "$35,000" and insert "$25,000."

The committee amendment was agreed to.

The resolution was agreed to, and a motion to reconsider was laid on the table.

SPECIAL COMMITTEE TO INVESTIGATE CAMPAIGN EXPENDITURES

Mr. LECOMPTE. Mr. Speaker, by direction of the Committee on House Administration, I call up House Resolution 631 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That the expenses of conducting the investigation authorized by House Resolution 439, 83d Congress, incurred by the Special Committee To Investigate Campaign Expenditures, 1954, acting as a whole or by subcommittee, not to exceed $25,000, including expenditures for employment of experts, special counsel, and clerical, stenographic, and other assistants, shall be paid out of the contingent fund of the House on vouchers authorized by said committee, signed by the chairman of the committee, and approved by the Committee on House Administration.

SEC. 2. The official stenographers to committees may be used at all hearings held in the District of Columbia, if not otherwise engaged.

Mr. LECOMPTE. Mr. Speaker, I yield to the gentleman from Arkansas [Mr. HAYS].

CONGRESSIONAL PRAYER ROOM

Mr. HAYS of Arkansas. Mr. Speaker, I have had a number of inquiries about the location of the prayer room which was authorized under a resolution which I introduced about 2½ years ago, approved unanimously by the House last July 17, and by the Senate unanimously in May of this year. I am glad to announce that the Speaker has made room No. P–65 available for this purpose. It is just west of the rotunda on this level. I know the newspapermen will not believe me when I say that this is an announcement I would much prefer to make in executive session. They know that I appreciate publicity as much as anyone, but publicity should not be sought in this instance. I am making this announcement solely for the information of the Members. And it is an important announcement. I pray the indulgence of the newspapermen to that extent, but not to suggest, of course, that our personal feelings color any reports they make of the prayer room. I am well enough acquainted with their standards not to make that mistake. However, it seems to me, Mr. Speaker, that something was required of the press in this situation beyond the professional standards which they scrupulously maintain. They have been objective but they have been sensitive to the underlying considerations which motivated us. In the tradition of the American newsman they have given the story to the public and yet they have respected our desire to avoid exploiting this resolution. They have shown in this area of activity the same perception they have developed in political matters. It is not something I have just discovered about them. I recall, for example, a 1942 experience. My friend Ed Meeman, editor of the Memphis Press-Scimitar, sent one of his reporters to cover a visit I made to the camp for Japanese-Americans transferred to my State. Their young people invited us to participate in a Christian service, and the reporter eagerly grasped the chance to add an account of this meeting to his story. The service began with the singing of Martin Luther's famous hymn, A Mighty Fortress. I was asked to speak. The Press-Scimitar article appearing next morning began:

> It was an amazing experience attending a service in Arkansas of Japanese-Americans just removed from California, singing songs written by a German, out of a book published by Presbyterians, and listening to a Baptist politician speak.

The gentleman from Iowa [Mr. LECOMPTE] stressed the importance of the prayer room when the resolution was originally considered. I remember his words, "Mr. Speaker, this is a notable occasion." The Congress of the United States had never done anything like this before. But I want to confess to my colleagues that after it was done I was amazed at the complex problems that arose in connection with the establishment of the room for our personal use, this place of retreat and meditation. I found on examination that it involved a keener understanding of our patterns of government and the relation of religion to politics. The two are indeed related. I think it was Disraeli, at least one of the great British statesmen, who, upon being invited to address an audience, was told upon arrival that he would be permitted to speak about anything except politics and religion. He said, "Finding that I was not permitted to speak of the two subjects of most importance to mankind, I promptly left the meeting."

I believe people might be surprised at the number of times men in these seats have prayed silently for themselves. I know that I have been inspired on occasions by an intimate opening of the mind of a colleague in reverently insisting that prayer is needed. What we want in the prayer room is a place of retreat where encouragement can ge given to that attitude of reverence and meditation; where one can find the resources that lie outside himself.

I should like to say, Mr. Speaker, that both the action of the Senate and of the House on this delicate subject has been accomplished in exactly the right way. I am personally indebted to the present distinguished Speaker of the House for his wise counsel and to the distinguished former Speaker, the gentleman from Texas [Mr. RAYBURN] for sound advice.

At first, one Member expressed reluctance. We are taught in personal petitions, he said, to seek a secret place. If that were taken literally, there would be no prayers in formal church services. It should not be taken literally, but in effect, it is a secret place. Privacy will be afforded. It is not a prominent room. It will be for the use of Members only and I am sure the public will recognize the physical limitations and will approve our decision.

Mr. LECOMPTE. Mr. Speaker, will the gentleman yield?

Mr. HAYS of Arkansas. I yield to the gentleman from Iowa.

Mr. LECOMPTE. There is no emblem that would indicate that this meditation room is for the use of any particular creed or denomination or sect? That has been carefully avoided, has it not?

Mr. HAYS of Arkansas. I am glad to have the gentleman from Iowa bring out that fact. The gentleman will recall that with the third member of our committee, the gentlewoman from New York [Mrs. ST. GEORGE], we carefully canvassed the matter of symbols. In all of our activities we have worked with Mr. Lynn, Architect of the Capitol, who has expressed a desire to equip the room in a way that will meet the highest standards.

I am anxious to have presented on this occasion a full account of progress on the room so I trust the House will bear with me.

I had a chance to show the room to one of our great church leaders recently and I asked him, "Can you help us with the symbols, particularly one that will represent our faith in God as the Father of all?" There is no ready answer to that question. The Bible itself should stand for that faith. But all of the symbols will be compatible with our belief in the separation of church and state and our complete commitment to the ideal of freedom of worship.

The resolution itself says that there shall be in the room a symbol of freedom of worship. I think the flag of the United States may best represent that guaranty, and the flag will be in an appropriate place.

In the same article in our Constitution in which freedom of worship is guaranteed, and in which the prohibition of the establishment of any official faith is stated clearly, there is a secure guaranty that there shall be no prohibition of the free exercise by an individual of his faith, and the two concepts are tied together. For that reason the emphasis is rightly upon the individual and this, Mr. Speaker, makes it possible for all faiths to share in the facility.

The central feature of the room will be a beautiful and attractive stained-glass window in subdued colors and of magnificent design—and I pause to mention the gentleman from California [Mr. HIESTAND] for that contribution from his district. It is not only the gift of the company that manufactures the windows but also of the skilled workmen who have donated their services. In the design is a candle, the symbol of light, a scroll, with no visible words but the Architect tells me that it represents the Sermon on the Mount, with its message of mercy and of love and brotherhood—and then below an open book, the book of the law. These are all appropriate symbols, it seems to me.

I appreciate the kindness of the gentleman from Iowa in yielding to me. As evidence of the interest in this provision, I would like to refer to a conversation a few days ago with the gentleman from Illinois [Mr. YATES], who handed me the following quotation on prayer from a book he had just read:

> To pray * * *. It is so necessary and so hard. Hard not because it requires intellect or knowledge or a big vocabulary or special techniques, but because it requires of us humility. And that comes, I think, from a profound sense of one's brokenness, and one's need. Not the need that causes us to cry, "Get me out of this trouble, quick," but the need that one feels every day of one's life—even though one does not acknowledge it—to be related to something bigger than one's self, something more alive than one's self, something older and something not yet born, that will endure through time.

This is an excellent statement of our need.

Mr. LECOMPTE. I thank the gentleman for his contribution.

Mr. MULTER. Mr. Speaker, there are many things that have been done by this Congress of which I have been critical. I am happy to have this opportunity to rise to say that, in my opinion, one of the finest things that this Congress has done, one of the finest things that any Congress has done, or could do, is the fulfillment of the project so eloquently described by our distinguished colleague from Arkansas [Mr. HAYS]. He and his colleagues have devoted themselves wholeheartedly to a truly divine task, and the results they have brought about will be a lasting monument, not only to this Congress, but to this Government of ours which has ever been in the forefront of the

fight for human liberties and particularly for the right to worship God in accordance with the dictates of one's own conscience.

Without violating the concept of separation of church and state we here set a living example of how men of differing faiths can nevertheless live together as brothers under the one ever living God.

Mr. McCARTHY. Mr. Speaker, the announcement of the establishment of a special room for prayer and meditation here in the Capitol of the United States is a most significant one. This is not the first or only recognition given to religion and to the things of the spirit. Every session of the House of Representatives and every session of the Senate of the United States is opened with a chaplain's prayer. The motto on the coins of the United States, "In God we trust," is a public affirmation of religious truth.

Religion and morality have long been recognized as good and necessary in themselves, but also as essential to the working of a democratic political system. George Washington's statement that religion and morality were the indispensable supports of political prosperity, have been accepted and repeated many times by both political and religious leaders in the United States. Whereas the first amendment clearly forbids the Federal Government from establishing a church, the amendment was not intended to create an irreligious or antireligious government. The Government has demonstrated, from the beginning of our national existence, a special and open concern for the religious life of the citizens of our country. Religious publications are given special consideration under postal-rate laws and regulations. Chaplains are provided for the men and women in the armed services, and chapels provided. The objective and rule has been to provide such service without discrimination—without special preference.

The goal of our democracy has not been uniformity or strict conformity, but rather it has been political unity, allowing for individual and group differences. Fundamental to our political philosophy is the fundamental respect of the dignity of every person as endowed with "unalienable rights" which no government may take away.

This whole American experience, as it relates to our religious freedom, has been admirably treated by Father John Courtney Murray in an article entitled "American Pluralism," appearing in Thought magazine.

Father Murray in his article points out that America has proved by experience that political unity and stability are possible without uniformity of religious belief and practice, and without the necessity of governmental restrictions on religion.

For a century and a half—

He points out—

the United States has displayed to the world the fact that political unity and stability are not inherently dependent on the common sharing of one religious faith.

This is the best argument, the argument from history, against those who argue that religious differences necessarily make for political differences and instability, and also from experience the argument against those who argue that religious life will not flourish unless underwritten and prescribed by the state.

Father Murray points out moreover, that American experience demonstrates not only that there can be stable political unity in a society religiously pluralistic, but that political unity can be positively strengthened by the exclusion of religious differences from the area of governmental concern and authority. Religious differences and conflicts have never had more than an accidental and temporary significance in American politics. We have in America, Father Murray observes, consequently been saved from the disaster of ideological political parties.

The third and most striking aspect of the American experience, the article notes, is the fact that religion itself has benefited by our free institutions, by the maintenance of separation between church and state. Father Murray concludes with the observation that the goodness of the first amendment, as it has generally been interpreted and applied, is "manifest not only by political but also by religious experience;" that "by and large—for no historical record is without blots—it has been good for religion to have simply the right of freedom. This right is at the same time, the highest of privileges and it too has its price." That price is not envy and enmity, the price of privilege, he points out, but the price is sacrifice, labor, added responsibilities imposed by freedom.

It is my hope that the establishment of the common room will serve not only to symbolize the diversity that characterizes the United States, but that it will serve also as an instrument for the advancement of understanding, of tolerance, and truth.

Mr. HIESTAND. Mr. Speaker, approval by both Houses of the establishment and furnishing of a room for mediation and prayer in the Capitol, causes a great many Members of the Congress much satisfaction.

Apparently many Members have felt this need for some time. In times of extra pressure and stress, mankind has always turned to the Almighty for help, strength, and guidance. The opportunity for quiet seclusion and meditation, convenient to the Houses of Congress, with suitable religious atmosphere and furnishings, but entirely nonsectarian, should be provided by this room.

The Capitol Architect has sufficient funds for refinishing, rearranging, and equipping the room, except, of course, for a stained glass window, seemingly an essential of such a room.

I am happy that the Judson Studios of Los Angeles, whose principals live in my district, saw fit on the very day that the resolution was offered, February 12, 1953, to call me on the long-distance phone, offering to donate such a window. This is more than a company offer. The highly skilled workmen, several of them immigrants from Europe, have insisted that they donate their time as a contribution not only to their adopted country, but to the high purpose of this project.

Several designs for the stained glass window have been suggested. The committee had the suggestion that the window depicit various scenes enacting the Sermon on the Mount. In order to make it strictly nonsectarian, the studio has in mind various instances in American history in which the help of the Almighty was invoked by prayer—Washington at Valley Forge, and so forth. Final design, of course, must be approved by the committee under the direction of the Capitol Architect. Work, however, is to proceed immediately in the hope that the room may be dedicated upon the convening of the 84th Congress.

I wish to congratulate the sponsor of the resolution, the Honorable BROOKS HAYS, of Arkansas, and the then chairman of the House Prayer Group, the Honorable KATHARINE ST. GEORGE, of New York, for their assistance to the Honorable KARL M. LECOMPTE, of Iowa, chairman of the House Administration Committee, and his committee, as well as Senator WILLIAM E. JENNER, of Indiana, chairman of the Senate Rules Committee, in making effective the resolution.

Mr. HAYS of Arkansas. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks at this point in the RECORD on the subject now under consideration.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

The SPEAKER. The question is on the resolution.

The resolution was agreed to, and a motion to reconsider was laid on the table.

EXPENSES OF COMMITTEE ON RULES

Mr. LECOMPTE. Mr. Speaker, by direction of the Committee on House Administration, I offer a privileged resolution (H. Res. 632) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That the expenses of conducting the studies and investigations contemplated by clause 16, rule XI, incurred by the Committee on Rules, not to exceed $2,500, shall be paid out of the contingent fund of the House on vouchers authorized by such committee, signed by the chairman of the committee, and approved by the Committee on House Administration.

The resolution was agreed to, and a motion to reconsider was laid on the table.

FAVORING WAIVER OF STATE RESIDENCE REQUIREMENTS IN ELECTIONS OF FEDERAL OFFICIALS

Mr. LECOMPTE. Mr. Speaker, I ask unanimous consent for the immediate consideration of the concurrent resolution (H. Con. Res. 218) favoring the waiver of State residence requirements in elections of Federal officials.

The Clerk read the concurrent resolution, as follows:

Resolved by the House of Representatives (the concurring), That the Congress expresses itself as favoring, and recommends to the several States the immediate enactment

of appropriate legislation to enable a person to vote for Federal officials, when such person would be eligible to vote for such Federal officials but for the residence requirements of the State in which he is residing.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

Mr. WILLIAMS of Mississippi. Mr. Speaker, reserving the right to object, could we have an explanation of what this resolution provides?

Mr. LECOMPTE. I might say to the gentleman from Mississippi that this resolution was offered by the gentleman from Massachusetts [Mr. CURTIS]. It recommends without any other provision that the several States negotiate among themselves and negotiate to make an arrangement whereby a citizen who moves from one State to another may be permitted to vote in the State of his original residence until such time as he has established residence in the State to which he has moved. It is purely a matter of recommending negotiation to the States.

Mr. BONNER. Mr. Speaker, if the gentleman will yield to me, how long can this condition or status go on?

Mr. LECOMPTE. It just recommends that the States consider that in negotiations with each other. There is no time limit on it. It has already been done in some States.

Mr. WILLIAMS of Mississippi. Mr. Speaker, I do not like the idea of the Federal Government recommending to the States how to handle their voting laws.

Mr. LECOMPTE. It is entirely a recommendation. The gentleman from Texas, a member of the committee, will tell you that.

Mr. BURLESON. Mr. Speaker, if the gentleman will yield, this is very much like some of the memorializing statements that we get from our State legislatures. I might just say, Mr. Speaker, if I may, that really the resolution is somewhat meaningless because it is merely a recommendation.

Mr. WILLIAMS of Mississippi. What prompted a resolution of this kind?

Mr. LECOMPTE. It was introduced by the gentleman from Massachusetts, as I say, who has found that a considerable number of people are losing the right to vote by moving from one State to the other and not being permitted to vote until they have had a year's residence in the new State to which they have moved.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

Mr. FORRESTER. Mr. Speaker, I object.

REFERENCE OF HOUSE RESOLUTION 301

Mr. LECOMPTE. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state his parliamentary inquiry.

Mr. LECOMPTE. Mr. Speaker, the Committee on House Administration has found itself with House Resolution 301, which seems to have the elements of a claim and the committee voted to ask to have this bill referred to the Committee on the Judiciary, which has jurisdiction of claims. I have spoken to the chairman of the Committee on the Judiciary, the gentleman from Illinois [Mr. REED], and it is agreeable to him.

The SPEAKER. Without objection, the bill will be rereferred to the Committee on the Judiciary.

There was no objection.

APPROPRIATIONS FOR INVESTIGATIONS

Mr. LECOMPTE. Mr. Speaker, may I at this time extend my remarks and include a very short table which shows the amount of money that has been allocated from the contingent fund for investigation by special and regular committees of recent Congresses, including the 82d and 83d Congress up to this time, and showing the amount of money that was left unexpended. Of course, the picture will not be complete as to the 83d Congress.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

(The matter referred to follows:)

Appropriations for investigations
(House of Representatives)

Congress	Appropriation	Balance
79th	$1,270,219.19	$836,456.71
80th	1,887,204.03	532,792.37
81st	1,678,987.90	487,150.99
82d	2,864,500.00	634,891.63
83d	2,654,550.00	[1] 1,092,208.19
Pending:		
H. Res 622	25,000.00	
H. Res. 629	25,000.00	
H. Res. 631	25,000.00	
H. Res. 682	2,500.00	
Total	2,732,050.00	

[1] June 30.

HILARIO CAMINO MONCADO

Mr. GRAHAM. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 2887) for the relief of Hilario Camino Moncado.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the immigration and naturalization laws, Hilario Camino Moncado shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee and head tax. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

With the following committee amendment:

Strike out all after the enacting clause and insert "That, for the purposes of the Immigration and Nationality Act, Hilario Camino Moncado and Diana Toy Moncado shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon the payment of the required visa fees. Upon the granting of permanent residence to such aliens as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct two numbers from the appropriate quota for the first year that such quota is available."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended so as to read: "A bill for the relief of Hilario Camino Moncado and Diana Toy Moncado."

A motion to reconsider was laid on the table.

AMENDING HATCH ACT

Mr. CORBETT. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 7745) to amend certain provisions of the act of August 2, 1939, commonly known as the Hatch Act, relating to employees of State or local agencies whose activities are financed in whole or in part by loans or grants from the United States.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

Mr. BURLESON. Mr. Speaker, reserving the right to object, and I shall not object. However, it might be wise if the gentleman from Pennsylvania will give some brief explanation of the bill.

Mr. McCORMACK. Why does not the gentleman permit consideration of the bill, and then have this discussion under the 5-minute rule?

Mr. WILLIAMS of Mississippi. Mr. Speaker, reserving the right to object, does this extend to State employees?

Mr. CORBETT. Let me answer the gentleman from Texas first. This is a very minor change in the law. Presently, when a State employee is found to have violated the Hatch Act, the penalty is fixed at 18 months separation from State employment. The Commission has long wanted the right of some discretion regarding penalties because even a minor offense like wearing a campaign button could result in 18 months separation. So the bill provides first that the punishment for violation can extend from zero up to 18 months, depending on the nature of the offense. Secondly, it does add a protection to the rights of the individual State employee to exercise his citizenship privileges. That is all it does.

Mr. WILLIAMS of Mississippi. Reserving the right to object, Mr. Speaker, does this extend to State employees appointed by a State administering State laws, even though they may be partially financed by Federal funds?

Mr. CORBETT. No, it does not. It deals only with the State employees who are not under civil service. It gives them protection rather than extending any further limitations on them.

Mr. WILLIAMS of Mississippi. May I ask the gentleman what prompted legislation of this type?

Mr. CORBETT. The very fact that the Federal Government, through the Civil Service Commission, could, if it

wanted to, put some 327,000 employees in jeopardy on their positions. Secondly, the thing which prompted it most keenly is the fact that the penalty is cruel and harsh, requiring 18 months separation from employment with the State, regardless of how minor the offense.

Mr. BURLESON. Particularly, for the benefit of the gentleman from Missisippi, [Mr. WILLIAMS], the law now brings State employees under the provisions and penalties of the Hatch Act, who are serving a State agency, which agency is in whole or in part financed by public funds. Is that a correct statement of the present law?

Mr. CORBETT. That is correct.

Mr. BURLESON. As I understand the measure proposed by the gentleman from Pennsylvania, State employees are removed from the general provisions of the Hatch Act, where they are not paid by the Federal Government.

Mr. CORBETT. Let me say, and I particularly want to address myself to the gentleman from Mississippi [Mr. WILLIAMS] because I think we are doing what he wants done, rather than the opposite. All prohibitions against coercion or influence are retained. We are simply saying to the individual that he has a right to exercise his full rights as a citizen. That is all. He has no right to coerce and no right to influence. These prohibitions are held. I think we are doing what the gentleman would like to have us do.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. CORBETT. I yield.

Mr. McCORMACK. As I understand, if one of these State employees wore a political button of any party or any candidate, they would be violating the law, as it now stands.

Mr. CORBETT. And subject to removal for 18 months. If the governor of a State, for instance, would ask an appointed Cabinet officer to make an address for him in a political campaign, he would be in violation.

I might say to you that even if his secretary addressed a letter, as this law is now written, they would be in violation of the act and subject to being suspended for 18 months by order of the Civil Service Commission.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. WILLIAMS of Mississippi. Mr. Speaker, I object.

SUPPLEMENTAL APPROPRIATIONS FOR THE FISCAL YEAR ENDING JUNE 30, 1955

Mr. TABER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 9936) making supplemental appropriations for the fiscal year ending June 30, 1955, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from New York? [After a pause.] The Chair hears none, and appoints the following conferees: Mr. TABER, Mr. CANNON, and, on chapter 1, 2, 4, 11, 12, and 13, Mr. WIGGLESWORTH, Mr. H. CARL ANDERSEN, and Mr. GARY; on chapter 3, Mr. CLEVENGER, Mr. BOW, and Mr. ROONEY; on chapter 5, Mr. JENSEN, Mr. BUDGE, and Mr. FERNANDEZ; on chapter 6, Mr. H. CARL ANDERSEN, Mr. HUNTER, and Mr. WHITTEN; on chapter 7, Mr. JENSEN, Mr. FENTON, and Mr. NORRELL; on chapter 8, Mr. PHILLIPS, Mr. JONAS of North Carolina, and Mr. THOMAS; on chapters 9 and 10, Mr. DAVIS of Wisconsin, Mr. CEDERBERG, and Mr. RABAUT.

DISTRICT OF COLUMBIA

Mr. SIMPSON of Illinois. Mr. Speaker, I ask unanimous consent that the Committee on the District of Columbia may have until midnight tonight to file reports.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

LABELING OF PACKAGES CONTAINING FOREIGN-PRODUCED TROUT

Mr. ALLEN of Illinois. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 687 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (S. 2033) relating to the labeling of packages containing foreign-produced trout sold in the United States, and requiring certain information to appear on the menus of public eating places serving such trout. After general debate, which shall be confined to the bill, and shall continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Interstate and Foreign Commerce, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

The SPEAKER. The gentleman from Illinois is recognized for 1 hour.

Mr. ALLEN of Illinois. Mr. Speaker, I yield myself such time as I may use, and then will yield 30 minutes to the gentleman from Virginia.

The SPEAKER. The gentleman from Illinois will proceed.

Mr. ALLEN of Illinois. Mr. Speaker, I rise to urge the adoption of House Resolution 687, which will make in order the consideration of the bill, S. 2033, relating to the labeling of packages containing foreign-produced trout sold in the United States, and requiring certain information to appear on the menus of public eating places serving such trout.

House Resolution 687 provides for an open rule with 1 hour of general debate on the bill.

Mr. Speaker, basically this bill is intended to protect the small American trout producing industry against unfair foreign competition. According to the report on this bill various restaurants throughout the country are advertising on their menus "Rocky Mountain Trout," or "Eastern Brook Trout," when actually the trout they serve is foreign produced and imported into the United States. The contention of the domestic trout producers is that over a long period of years during which great effort and money has been devoted to improving the product, the American producers of trout have built up a reputation for their product under the name of "Rocky Mountain Trout," or "Eastern Brook Trout." These domestic farmers of trout now claim that the misrepresentation of the origin of the trout by restaurants is injuring the reputation of the domestic trout as well as the market for it.

Specifically S. 2033 would amend the Federal Food, Drug, and Cosmetic Act so as to require that the packages of trout be stamped and labeled with the name of the country from which the trout came.

The second major provision in this bill would make it mandatory for restaurants to have the country from which the trout came printed on the menu in order that the public may know just what type of trout they are eating and therefore be able to judge the merits of the fish accordingly. If the restaurant does not use menus then it is mandatory for the restaurant to have displayed prominently within the restaurant itself the country from which the fish came.

I think that it should be noted here that the bill, if it is passed, will not go into effect for 6 months after the date of enactment.

Mr. Speaker, as the report on this bill points out, there is no limitation in this piece of legislation on the importation of trout from abroad. Neither does the bill regulate the manner or conditions under which foreign trout must be produced in order to qualify for importation into the United States.

Mr. Speaker, I thoroughly approve of this bill; it not only protects our domestic producer of trout from unfair competition but safeguards the trout-producing industry which stocks our streams as well as supplies our tables with this delicious fish.

I hope that the rule will be adopted and that the House will pass this bill which means so much to an important domestic industry.

Mr. ROONEY. Mr. Speaker, will the gentleman yield?

Mr. ALLEN of Illinois. I yield to the gentleman from New York.

Mr. ROONEY. I guess it may be said that this bill sounds a little fishy.

Mr. SMITH of Virginia. Mr. Speaker, I yield myself such time as I may use.

The SPEAKER. The gentleman from Virginia is recognized.

Mr. SMITH of Virginia. Mr. Speaker, I think this bill is worthy of the consid-

eration of the Members of the House. I would be reluctant to designate as ridiculous any measure that comes out of the great Committee on Interstate and Foreign Commerce. I will therefore state to you what this bill does, and you may draw your own conclusions.

The bill made in order by this rule amends the Food, Drug, and Cosmetic Act; and it does two things.

Of course, we might have a lot of important things to do around here in the last few days of the session but it seems we have got to deal with the question of fish and how the restaurants shall run their establishments in connection with fish. I thought they did a very good job themselves, but it seems now that we know more about their business than they know themselves.

This bill requires that trout, just one class of fish, must carry a label on the package showing what country they come from. That is not so objectionable, but when they get to the restaurant operator he has got to put on his menu the origin of that fish; in other words, he has to show the place of their birth, and their pedigree on the menu if he does not want to go to jail.

That might strike some people as being rather absurd. We ought not to do that to the restaurant and hotel operators. We have a very fine restaurant operator here in the House. He looks like he has been successful in running a restaurant. I believe he is. I believe he knows how to do it, and I think we ought to let him go on and run his business in the good old American way without telling him what kind of fish he has got to put on the menu and what the pedigree of that fish is, the point of origin, who was the father and grandmother, and where it was spawned.

Now, ought we take serious time to do a thing like that? Or ought we to defeat this rule that never should have been brought here?

Mr. GARY. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Virginia. I would be glad to yield to the gentleman, but I have not very much time. I will yield later. Let me first finish my statement.

Fish is a very important subject. There happen to be about six classes of trout. I could not pronounce the names and neither could you, but there are about six kinds of trout. There are about 6,000 classes of fish. Why should we discriminate against the trout? Why should we not make the restaurant menu show the pedigree of every fish, of all the 6,000 kinds of fish spawned in the world? Why discriminate against trout?

Seriously, I want to say that the trout fishermen, the people who raise these trout, are doing themselves a disservice. By the way, they say they are trout farms. Of course, "farm" is a very popular term around the House here and I suppose they call them trout farms because they think that gives it the farmer appeal and that everybody is going to vote for it because it is going to help the farmer, so they call these lakes trout farms. They raise trout. It is a very worthy enterprise. But they are going to cut their own throats.

Take our good friend from Chicago who has been successful running a business. He is a pretty sound, hardheaded old businessman. He may love trout and all that, and he wants to help all of these folks, but here is what is going to happen. Primarily he is a businessman. So when you pass a law saying that the gentleman from Illinois [Mr. KLUCZYNSKI] has got to put the pedigree of the trout on his menu or go to jail, do you know what John is going to do? John is going to quit selling trout. These trout people are fixing to ruin their own business, yet they do not realize it.

If we want to provide that foreign fish brought in here shall be labeled as to pedigree, that is all right, but to say that a restaurant keeper has got to guarantee the pedigree of every fish he puts on a plate he serves to you and me, is that not ridiculous? This bill would ruin the trout farmers. It would stop people from selling trout.

Unfortunately, I have to leave the House in just a few moments. But I want to ask my friends to do one thing for me. You know, a lot of you folks come down to Virginia. We have a specialty in Virginia. That is, Virginia ham. Restaurants put on their menus "Virginia ham." You order Virginia ham thinking you are getting a nice piece of Virginia ham, but when you get it, you know it never got any nearer to Virginia than a week before when it was murdered in Chicago, smoked, and sent down to Virginia a few days before. Yet, they call it Virginia ham. Do you not think it is just as important to protect my Virginia ham as it is to say what kind of fish, what his pedigree is, where it came from, where he was born, and where he died? They ought to protect my Virginia ham. I want you to offer an amendment to protect Virginia ham. You are all interested in Virginia ham.

We have a number of different kinds of shrimp from various parts of the country. Why not say where those shrimp came from? We have some very fine oysters, Lynnhaven Bay oysters. If they are going to serve these Lynnhaven Bay oysters why do we not make them say that they are Lynnhaven Bay oysters?

Mr. Speaker, let us forget about this fish business a while and get down to some serious business.

Mr. ALLEN of Illinois. Mr. Speaker, I yield 5 minutes to the gentleman from Idaho [Mr. BUDGE].

Mr. BUDGE. Mr. Speaker, I have the greatest respect for the gentleman from Virginia and I usually find myself wholeheartedly in agreement with him. However, he has oversimplified the matter which is before the House.

Last year in the United States there were 17½ million people who bought fishing licenses. Most of them wanted to fish for trout. There are 325 so-called trout farms, to which the gentleman referred, 325 in the United States. They are one of the most important sources of supply for restocking the trout streams in this country.

Another example of oversimplification: Thirty-one State fish and game commissions wrote to the Interstate and Foreign Commerce Committee urging the adoption of this legislation. If these 325 small businesses in the United States are forced out of existence, then either the States or the Federal Government will have to replace the production of eggs, fingerlings, and of legal sized trout which are planted in the streams of this Nation.

There is another feature to this. We have here a practice which is downright dishonest. All of the manufactured products that come into this country from foreign nations must bear a label on them "Made in Japan" or "Made in Germany." These trout are shipped in frozen, in great big boxes, and as the gentleman from Massachusetts remarked the other day, you cannot get trout eggs out of a frozen trout. They ship them in these great big boxes, and on the outside of the box it will say "Produce of Denmark" or "Produce of Japan." But, you open up the box, and what does it have inside of it? Individual bundles of trout. And, incidentally, they are not even the same species of fish that are raised in this country. But, it will say on the package containing maybe a dozen trout, "Rocky Mountain rainbow trout," "Sierra Mountain trout," "Eastern brook trout," a deliberate attempt to deceive the people of this country who want to eat that type of fish.

Mr. COLMER. Mr. Speaker, will the gentleman yield?

Mr. BUDGE. I yield to the gentleman from Mississippi.

Mr. COLMER. When the application was made for a rule on this bill and the testimony was adduced, the thing that concerned me was why the sportsmen would be interested in this particular legislation. My mind is perfectly open. I am seeking information. Bear in mind that in a good many States—I know it is true in my State—trout is a game fish. I speak now of fresh-water trout, of course. It is a game fish, and it is not permitted to be taken commercially. They cannot be served in the various restaurants of the State. Therefore, it would seem to me that from a sportsmen's angle, the sportsmen would be opposed to this bill rather than endorsing it. Would the gentleman throw some light on that question?

Mr. BUDGE. I shall be happy to attempt to. I think the resolutions which were considered by the committee and which are part of the record bear the endorsement of the National Wildlife Federation, the Isaak Walton League, and the endorsement of 31 fish and game departments as well as several sporting magazines. They are interested in it for this reason:

The streams of the various States are stocked normally over a 60- or 90-day period during the calendar year. During the remainder of the year, in order for the fish farms to stay in business, they must sell trout on the commercial market. It is a year-round operation. They cannot operate for just 2 or 3 months. But a great many of the States and a great many individual organizations, sporting organizations, and a great many private individuals buy eggs and fingerling trout and legal-sized trout to put into their streams and lakes,

and they buy them from these commercial hatcheries. They augment the State and the Federal hatcheries in that regard, and that is where the sportsmen's interest comes in.

Mr. COLMER. I thank the gentleman for that information. I wonder if he could tell us how many States prohibit the sale of trout commercially.

Mr. BUDGE. Well, I notice that the gentleman just said that his State prohibited it. I am also informed that the State of Virginia prohibits the sale of any trout in a public eating house. So I cannot understand why the gentleman from Virginia would be too excited about it, in view of the fact that you cannot sell any kind of trout in his State, whether it came from Virginia, Denmark, Pennsylvania, Idaho, Japan, or wherever they did come from.

Mr. COLMER. I may say that that is not true in my State. As I understand it, in my State, trout may not be taken for commercial purposes, but that does not prevent our purchase of imported trout. I thank the gentleman.

Mr. BUDGE. The State of Virginia goes even further than that and prohibits the sale of it in any public eating house, which, as I have said, goes a lot farther than this bill. It seems to me, it is one thing to say that we are going to have trade all over the world which will be beneficial to everybody. This bill does not in any way attempt to prohibit the importation of a foreign product. It does not attempt to put any tariff on it. It simply says that if you are going to sell that product in the United States, be fair about it; do not attempt to sell it as an American product. I think somewhere along the line we have got to take a look at the little fellow in this country who is trying to stay in business. If he goes out of business, you are going to have 17½ million trout fishermen in this country who are going to want to know why. Incidentally, those 17½ million trout fishermen buy an awful lot of rubber boots. They burn a lot of gasoline. They buy a lot of meals. They represent probably the greatest sports recreation in the United States. Baseball rates about 14th compared with trout fishing.

I hope, Mr. Speaker, the House will see fit to approve the resolution and the bill.

Mr. MADDEN. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, when this bill came before the Committee on Rules, I was somewhat amazed and puzzled about the mechanics of enforcing this measure, if it is enacted into law. Over the weekend I happened to be back home in my district and I was approached by a number of people who own restaurants. I believe one of those restaurants is known throughout the Nation. It is right at the edge of Chicago on a main highway, Phil Schmidt's Restaurant, which is known as a great fish and steak house. Mr. and Mrs. Schmidt, the proprietors, talked to me about this legislation. They said if this bill is enacted into law it would cause great confusion and redtape in the operation of their restaurant. They sell a great many brands of fish. They would have to put on extra help in order to regulate their menus. They were very much aroused over the possibility of this bill becoming a law. Of course, if this bill would affect their restaurant, it would affect every restaurant that uses a menu in selling their food. It would involve a great deal of redtape in the operation of all restaurants.

Mr. DEVEREUX. Mr. Speaker, will the gentleman yield?

Mr. MADDEN. I yield to the gentleman.

Mr. DEVEREUX. Would the gentleman be kind enough to explain what that additional redtape would be, and what would be the great burden that would be placed upon those restaurants? That is difficult for me to understand.

Mr. MADDEN. I am not a restaurant man. I merely have the word of the proprietors of several restaurants in my district of what would happen if they tried to carry out the provisions of this bill.

Mr. McCARTHY. Mr. Speaker, will the gentleman yield?

Mr. MADDEN. I yield to the gentleman.

Mr. McCARTHY. Would not an obvious case be that if you had a restaurant that served both domestic and imported trout the owner would have to follow the trout all the way through to be sure that he served the kind indicated on the menu?

Mr. MADDEN. The gentleman is absolutely correct.

Mr. KARSTEN of Missouri. Mr. Speaker, will the gentleman yield?

Mr. MADDEN. I yield to the gentleman.

Mr. KARSTEN of Missouri. Is it not a fact that you would have to trace the ancestry of the fish that he was putting on the table in order to comply with the law?

Mr. MADDEN. I think that is correct.

Mr. McCARTHY. Mr. Speaker, will the gentleman yield further?

Mr. MADDEN. I yield to the gentleman.

Mr. McCARTHY. Is there anything in the law that would require them to print this information in the English language?

Mr. MADDEN. The bill does not set out any specific regulations.

Mr. McCARTHY. When it comes to Japanese trout, they might just put down one of the oriental symbols. Would that satisfy them?

Mr. MADDEN. I do not know. I am not the author of this legislation.

Mr. McCARTHY. Does not the gentleman think the bill ought to go into that eventuality?

Mr. MADDEN. I think the gentleman is correct.

I think one of the things that scares the average restaurant proprietor is this section, quote: "The significance of making this a prohibited act is that section 303 of the Federal Food, Drug, and Cosmetic Act, with a few exceptions in certain cases for acts done in good faith, makes the commission of such a prohibited act a misdemeanor punishable by imprisonment for not more than 1 year or not more than $1,000 fine or both for the first offense. This section makes repeated violations felonies punishable by imprisonment for not more than 3 years or by a fine of not more than $10,000 or both such imprisonment and fine." That would scare the average restaurant proprietor because it would expose him to unnecessary and malicious prosecutions on an offense where possibly he might not be violating the law with criminal intent.

Let me call your attention to another fact. If this law were passed it would mean that the Food and Drug Administration would have to have a great number of people added to their force in order to enforce the law. As I understand, Congress in this session reduced the appropriation of the Food and Drug Administration. My information is that the food and drug department of our Government today is deplorably undermanned for inspectors to go around inspecting foods and drugs and other necessities. If the department is called upon now to put on additional help in order to patrol the restaurants to learn whether or not they are serving a certain type of fish, I think it is an unfair infliction to impose on the department and restaurants of our country.

I might also mention another angle in this connection. It generally is the American inclination when you go into a restaurant and order something imported to think it is just a little bit better than the domestic type. Of course, they charge more for most of these imported goods. Nevertheless, I am afraid it might end to defeat what the trout people are attempting to accomplish. People might go into a restaurant where imported trout is being sold and say, "I would rather have that than the domestic trout." So it might hurt the domestic trout business considerably. Furthermore some hotels and restaurants if they were exposed to this ban might refuse to sell any brand of trout.

Mr. GAVIN. Mr. Speaker, will the gentleman yield?

Mr. MADDEN. I yield to the gentleman from Pennsylvania.

Mr. GAVIN. I doubt very much what the gentleman is saying, and I have a very high regard for the gentleman's opinion. Nevertheless, it is plain that when they ship these trout in here in refrigerated cases and mark them "Montana trout" or "Idaho trout" or "Colorado trout" or some other kind of trout, they recognize immediately that the American people want domestic trout.

Mr. MADDEN. I get the gentleman's point.

Mr. GAVIN. That is misrepresentation.

Mr. MADDEN. I might state that that could be avoided by having the original package labeled as to the source from which the trout or other fish came.

Mr. GAVIN. That is what they are trying to do.

Mr. ROONEY. Mr. Speaker, will the gentleman yield?

Mr. MADDEN. I yield to the gentleman from New York.

Mr. ROONEY. I should like to inquire of the gentleman from Indiana with regard to this rule, which I believe is more or less an open rule, whether or not if the pending resolution were to be adopted I should have an opportunity

to offer an amendment which would include our Brooklyn Gowanus Canal guppies and Prospect Park bullfrogs in the provisions of this bill. Would such an amendment be in order?

Mr. MADDEN. Maybe such an amendment would be in order.

Mr. WILLIAMS of Mississippi. Mr. Speaker, will the gentleman yield?

Mr. MADDEN. I yield.

Mr. WILLIAMS of Mississippi. I do not think this legislation would be before the House if these restaurants ever got around to serving Mississippi catfish. If they ever ate Mississippi catfish, they would never want this trout.

Mr. MADDEN. Mr. Speaker, at this point in my remarks, I include this telegram:

WHITING, IND., *August 1, 1954.*

Representative RAY J. MADDEN,
House Office Building,
Washington, D. C.:

Restaurant owners this district urge you to do everything possible to avoid passage of S. 2033 now scheduled for House action. This bill would establish dangerous precedent. Letter follows explaining.

PETER C. SMIDT,
Vice President, Phil Smidt & Son, Inc.; President, Lake County, Indiana Restaurant Association.

Mr. MADDEN. Mr. Speaker, I yield 5 minutes to the gentleman from New York [Mr. CELLER].

Mr. CELLER. Mr. Speaker, this bill provides that every restaurant in the United States must print on its menus the name of the area from which the trout comes, and if they do not have menus, they must put placards or conspicuous signs on the walls of the restaurant indicating the geographical area from which the trout came. What will eventually happen if we pass a bill of this character where we force signs indicating: "Idaho trout," "Colorado trout," "Danish trout," "Canadian trout," and so on? We are encouraging American producers to demand identical restrictions. Finally we will force restaurateurs and hotel men to put on their menus Cuban sugar, Mexican shrimp, Italian olive oil, Brazilian coffee, Canadian salmon, Spanish onions, Haiti beets, Portuguese sardines, Irish potatoes. Everyone and his brother would want protection against foreign competition. The menu will be cluttered with all sorts of geographical terminology. And if the restaurant proprietors do not print menus, they would have to plaster their walls with the names of almost every nation on the globe. Remember this too. How in thunder are you going to enforce a ridiculous law of this character? The Pure Food and Drug official appeared before the committee and said that there were no less than 525,000 eating places or restaurants in this Nation. I do not know how many hotels there are with their coffee shops and their restaurants—probably another 25,000 or 30,000 making perhaps a total of 550,000 places where you can eat. How are you going to enforce a provision like this? The Pure Food and Drug official who testified said it would be woefully impossible for the Pure Food and Drug Division to enforce this statute. He said:

It is the view of the Department that the value to patrons of public eating places of knowing that the trout served is of foreign origin would not justify the substantial cost of adequate regulation.

Over the years, in an effort to give the most public protection possible with its limited funds, the Food and Drug Administration has given first attention to those matters which directly affect the public health with next attention to the violations involving filth, decomposition, and insanitation. This has meant that the purely economic aspects of enforcement have given very limited attention. Present indications are that because of a further reduced budget investigation of economic violations will have to be largely discontinued, this fiscal year, and that some work designed to keep filth out of food will have to be stopped. Decreasing the amount of attention to the health and sanitation aspects of enforcement in favor of the enforcement of this measure if it were to become law could not, in our opinion, be justified. The Department must therefore respectfully recommend against the enactment of these bills.

Beyond that, if the restaurateur or hotel man does not satisfy the provisions of the act, what happens to him? He goes to jail for a year and/or he pays a fine of $1,000. I have been informed by the Hotelmen's Association and the National Association of Restaurant Owners that they are not going to sell trout and that they are going to instruct all of their members to be very cautious and to refrain wherever possible from the sale of trout. So the proponents of this bill are just going to be "hoist on their own petard"—they are not going to sell more trout, they are going to sell less trout.

We have not only the Pure Food and Drug Administration opposing it. The State Department opposes it and the Department of the Interior opposes this bill. We have three branches of the executive opposing this bill. I wonder whether the leaders and the Committee on Interstate and Foreign Commerce who abet passage of this bill are going to follow the administration. The administration apparently does not want this bill and we, on this side, predominantly do not want the bill either.

Mr. DEVEREUX. Mr. Speaker, will the gentleman yield?

Mr. CELLER. I yield.

Mr. DEVEREUX. Will the gentleman from New York explain why the State Department is opposed to this bill?

Mr. CELLER. Because it violates the treaty we have with Denmark. It violates the treaty we have with Canada. It violates treaties that we have with other countries because they must give equal treatment to the importers of various products equal to the treatment that they give to those who process and sell domestic articles. This particular bill violates that provision and for that reason it is a violation of a treaty and they of the State Department are unalterably opposed to the bill.

But, I might say in closing, this is apparently time for strange and bizarre bills.

Last week it was the frying pan bill. This week it is the trout bill. We seem to be going from fish to the frying pan.

I am informed that the bill passed unanimously in the other body to please one particular Senator who was running for reelection. I understand that many Members on this side are having their pictures taken with the President to get reelected. They are seeking to ride in on the coattails of the President. Now we are having one Senator riding in on the tail of a fish so that he can get reelected.

The representative of the Department of the Interior objected to the bill, as follows:

I recommend against enactment of the proposed legislation.

The bills would amend the Federal Food, Drug, and Cosmetic Act so as to prohibit the sale, offering for sale, possession for sale, or serving of trout produced outside the United States, its Territories or possessions, unless the trout is packaged, wrapped, and clearly labeled to indicate its foreign origin and to require that in serving such trout the menu of the eating place indicate the name of the country where the trout was produced.

The exact purpose of the bills is somewhat difficult to determine, although it may be assumed that they are intended to aid the marketing of domestic, hatchery-raised trout. In this connection, it should be noted that the requirement of having each fish wrapped individually probably would raise the cost per pound of imported trout by only a few cents. The present differential in wholesale price between domestically raised trout and the imported, hatchery-raised trout is around 40 cents per pound. Thus, the additional cost would be absorbed easily and the imported trout still would undersell domestically produced trout. The question of whether the requirement that all eating places indicate on the menu the origin of the trout being served would affect in any way their consumption is equally difficult to determine. In some instances, at least, the labeling of a product as having been produced in a foreign country seems to enhance its popularity with the consuming public.

Here is the opposing statement—in part—of the representative of the State Department:

The bill provides that each part of the contents of each package of imported trout be wrapped separately and the country or origin of the trout be stated on each wrapper. The bill also provides that each public eating place serving imported trout shall indicate on its menu or by means of a conspicuous notice the foreign country in which the trout was produced.

By providing special conditions applicable only to imported and not to domestic products, this bill is inconsistent with reciprocal international commitments which this Government has obtained for the purpose of protecting the interests of American exporters in foreign markets. The United States has negotiated treaties of friendship, commerce, and navigation and other international agreements with many countries, some of which are producers of trout for export, containing provisions to the effect that products of either party shall be accorded, within the territories of the other party, national treatment in all matters affecting internal taxation, sale, distribution, storage and use, that is, treatment of the foreign product equal in these respects to that accorded to the domestic product. The United States Government, since soon after its establishment, has sought such reciprocal commitments from other countries to assure to American nationals the opportunity to engage in international trade on an equitable basis. The proposed bill would require the United States, inconsistently with such commitments, to deny national treatment to one class of imported goods. If additional requirements to indicate the origin of trout were considered

desirable, such requirements could be imposed on domestically produced trout and foreign trout alike, without any departure from the established policy of the United States to accord national treatment to the goods of friendly foreign countries.

The Danish Government indicated that Danish trout is sold in competition principally with other imported foods, such as Mexican shrimp, Cuban lobster tails, Japanese frog legs, etc. The treatment required in the bill for trout would thus create a special handicap for the foreign sellers of trout in meeting the competition of these other imported foods.

While there seems to be a real question as to the reasonableness of undertaking the administrative burden of enforcing compliance with so special a regulation in the very large number of eating places in the United States, this aspect of the bill does not fall within the purview of this Department. However, because of the probable adverse effect on friendly countries and because of the conflict with United States trade policies and commitments, the Department recommends against enactment of H. R. 4201.

Mr. ALLEN of Illinois. Mr. Speaker, I yield 5 minutes to the gentleman from New York [Mr. FINO].

Mr. FINO. Mr. Speaker, I am opposed to this bill. I am opposed to the rule. This bill has a fishy stench that could be smelled from Maine to California. Even the New York Fulton Fish Market smells like perfume in comparison.

There has been great pressure on the Rules Committee to get this bill out of the commitee. I asked for permission to testify before the Rules Committee to indicate my opposition to this bill. Somehow or other, all of a sudden the Rules Committee had an executive session and I was foreclosed from indicating my opposition to this bill. I was not given an opportunity to express my feelings.

There is also another strange and unusual thing about this bill, and that is the report of the committee. If you have had an opportunity to look at the report you will find that it contains only the pros and not the cons. The opposition is not indicated in the report. This report contains the favorable opinions of the Sport Fishing Institute, the National Wildlife Federation, Outdoor Life, and other similar opinions, but not the opposition that has been indicated by the Interior Department; not the opposition that has been indicated by the State Department, and not the opposition that has been indicated by the Department of Health, Education and Welfare. That is something unusual. We do not see that very often. We usually get a clear picture of the pros and cons.

In my own humble opinion, if we are foolish enough to pass this bill, and I think the Members of this House are fully familiar with its purposes, I do not think the President will sign it, because of the opposition of those departments.

Because of the limited time, there has been some question as to why the different departments have objected.

I want to read into the RECORD the opposition of the State Department. This was a reply to me in answer to a question I posed to the Department. This letter is dated July 29:

DEPARTMENT OF STATE,
Washington, July 29, 1954.

The Honorable PAUL A. FINO,
House of Representatives.

DEAR MR. FINO: Reference is made to your letter of July 27, 1954, requesting the views of the Department of State regarding the trout-labeling bill, S. 2033.

The bill as passed last year by the Senate and reported on June 11, 1954, with minor amendments by the House Committee on Interstate and Foreign Commerce (H. Rept. No. 1850), provides that imported trout offered for sale in the United States shall be packaged and that each package shall state the country of origin of the trout. The bill also provides that each public eating place serving imported trout shall indicate on its menu or by means of a conspicuous notice the foreign country in which the trout were produced. In responding to an inquiry from the House Committee on Interstate and Foreign Commerce, the Department of State, on June 26, 1953, recommended against enactment of S. 2033 because it would conflict with United States foreign trade policies and commitments and because of the probably adverse effects it would have upon our relations with foreign countries.

The United States has negotiated treaties and other agreements with many countries, some of which are producers of trout for export, containing provisions to the effect that products of either party shall be accorded within the territories of the other party national treatment in all matters affecting internal taxation, sale, distribution, storage and use; that is, treatment of the foreign product no less favorable than that accorded to the domestic product. In conflict with these commitments, the proposed bill would deny national treatment to one class of imported goods, in that it would require the packaging and labeling of imported trout but not of domestically produced trout. However, it would impose special marking requirements, such as those relating to the serving of imported trout in restaurants, going far beyond the general marketing provisions in section 304 of the Tariff Act of 1930, as amended, and in a manner generally inconsistent with the purpose of the provisions in treaties and agreements with other countries.

It is also the view of the Department that these provisions, if enacted, would adversely affect the United States trade of a number of friendly countries. The provisions of the bill would in a number of ways discourage the use of imported trout. The packaging and labeling requirements would increase marketing costs and possibly the ultimate selling price of foreign trout. The requirements with respect to menus and notices may be annoying and troublesome to implement and may also result in additional expense to restaurants serving such trout. Denmark has on more than one occasion expressed its concern to the Department regarding this bill. Its aide-memoires have pointed out that the proposed legislation would hamper the Danish trout export trade with the United States and that this trade represents an important source of Danish dollar earnings. Japan, another important exporter of trout to the United States, would also find its dollar earnings adversely affected. Canada has also expressed its concern over the restrictive nature of the bill. The economic welfare and continued goodwill and support of these countries are essential to the security objectives of the United States, and their purchases of American goods contribute to our own economic well-being.

Sincerely yours,
THRUSTON B. MORTON,
Assistant Secretary
(For the Secretary of State).

I also have a reply to my inquiry to the Department of Health, Education, and Welfare.

Mrs. Hobby, Secretary of that Department, said by letter to me dated August 2, 1954:

DEAR CONGRESSMAN FINO: In response to your letter of July 27, 1954, concerning the position of this Department on S. 2033, we are pleased to enclose herewith for your information a copy of our report of July 6, 1953, to the chairman of the House Committee on Interstate and Foreign Commerce, recommending against enactment of the bill, and a copy of the prepared statement of Mr. Malcolm R. Stephens of our Food and Drug Administration presented to a subcommittee of the House committee on July 7, 1953.

There has been no change in our position.

What does this bill propose to do? Well, first it requires any foreign trout to be properly packaged and labeled. The existing law takes care of that because it specifically requires proper labeling. So there is no need for any duplication of our laws. Secondly, the bill requires every restaurant in the United States to print on its menu the name of the country from which the trout comes. That in and of itself is objectionable. But when we say that if the restaurant owner does not do these things, he is risking the possibility of going to jail and being fined, if by mistake he lists on his menu the wrong fish, then we are going too far in trying to help the trout raisers.

This is a bad bill. It is bad legislation and should not be passed. I trust the Members of the House will vote against the rule.

Mr. MADDEN. Mr. Speaker, I yield 4 minutes to the gentleman from Mississippi [Mr. WINSTEAD].

Mr. WINSTEAD. Mr. Speaker, I ask unanimous consent to proceed out of order, to revise and extend my remarks and to include a newspaper article.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. WINSTEAD. Mr. Speaker, I wish to call to the attention of the Members that on yesterday Miss Jerolyn Ross, 17 years old, a constituent of mine the daughter of Mr. and Mrs. Fred Ross of Meridian, Miss., was elected president of Girls Nation.

Anyone who knows Miss Ross, her personality and her ability, will know why she received such an honor. Her distinguished young friends were immediately impressed by her knowledge of the many issues to be considered by Girls Nation. After her nomination for president by the nationalist party, her election became certain as other delegates had an opportunity to meet her and hear her presidential program.

Miss Ross is typical of the fine young women of Mississippi, and I am especially proud of the recognition which has been given her. We need have no worries about our Nation's future as long as we

produce such fine young leaders as Jerolyn Ross.

The American Legion is to be commended for its sponsorship of the Girls and Boys Nation program. The fine Mississippi department of the Legion and auxiliary are certainly entitled to the greatest credit for girl's and boy's State programs it has conducted in Mississippi, the action of the national groups is proof of the value of the program in Mississippi.

Mr. COLMER. Mr. Speaker, will the gentleman yield?

Mr. WINSTEAD. I yield.

Mr. COLMER. Mr. Speaker and Members of the House, may I say to my distinguished colleague, the gentleman from Mississippi [Mr. WINSTEAD], that I have no desire to detract from the attractive and talented young lady, Miss Ross, who has received this signal honor. On the contrary, I desire to felicitate and congratulate her as well as to congratulate my distinguished and able colleague in whose district she resides, but I hope that it will not be amiss for me to also call attention to the fact that last week when the Boys' Nation convention was held here in Washington that it was another outstanding young Mississippian who was honored by being elected president of that organization. I refer of course to Eddie Perry, a constituent of mine, whose home is down on the beautiful gulf coast of Mississippi, Bay St. Louis.

So, we have the unusual situation here of an outstanding boy and an outstanding girl being selected to head up these two splendid youth organizations both from one State, the great State of Mississippi which my colleague [Mr. WINSTEAD] and I have the honor to represent here in the Nation's House of Representatives. I doubt, Mr. Speaker, if a parallel situation has ever existed or for that matter ever will again.

Mississippi has traditionally been hailed as a great agricultural State, a rural State, if you please. But what my colleague [Mr. WINSTEAD] and I are emphasizing here is that while we may grow fine cotton, corn, and other agricultural crops down in Mississippi, that our truly great crop is the crop of splendid young men and young women. I am sure that our colleagues here would pardon us if we seem to take, as we do, pride in this historic event which happened here in the Nation's Capital, within the past week. All Mississippians are proud of Jerolyn Ross, of Meridian, Miss., and Eddie Perry, of Bay St. Louis, Miss. I am sure that you join with me in an expression of approval to that great patriotic organization, the American Legion, in sponsoring these splendid youth organizations.

Mr. WINSTEAD. Mr. Speaker, I wish at this point to insert in my remarks an article regarding Miss Jerolyn Ross, which was published in the Washington Post and Times Herald of this morning.

(The article referred to follows:)

JEROLYN ROSS, 17, HEADS GIRLS NATION

(By Patty Cavin)

The rafters of American University's Hurst Building were raised at least a foot and a half in midair last evening by shouts, roars, and screams of "Hooray," as members of Girls Nation welcomed their new president, Jerolyn Everette Ross, of Meridian, Miss., candidate of the minority Nationalist Party. Miss Claudia Anderson Liebrecht, of Manhasset, Long Island, took vice presidential honors.

The 98 teen-age delegates, here for a week of citizenship study under the sponsorship of the American Legion Auxiliary, sat on pins and needles through an 8 p. m. speech by Miss Bertha Adkins, assistant to the chairman of the Republican National Committee. (Miss Adkins obligingly cut her talk short to a fact-packed 15 minutes.)

There was a moment of dazed silence when the returns were announced by Mrs. J. Pat Kelly, of Atlanta, Ga., chairman of the Girls State Committee. The tall, suntanned 17-year-old president, and former governor of the Magnolia Girls State, let out a howl, then broke into a flood of tears. First to dash up and give her a hug was the defeated candidate of the Federalist Party, pretty blonde, Ann Davis, of Bountiful, Utah. "I pledge you my complete support," she said.

Miss Ross' election as president climaxed 3 days of rigorous campaigning on the part of the 98 delegates. They set up a mock government when they arrived last Saturday, complete with a two-party system. As one delegate dutifully explained, "There's really no difference between the Federalists and the Nationalists. We're both against apathy."

The new "Veep," Miss Claudia Liebrecht, formerly served as secretary of state and chairman of the platform committee at the recent Girls State convention in New York. She defeated Miss Mary Froebe, of Charlotte, N. C.

A pep talk on politics was the nature of Bertha Adkins' speech. She pointed out that the White House, the Congress, and Government departments were being run by candidates chosen by parents of the Girls Nation delegates.

"The Government will soon be yours," she said, "and will be as good as you choose it to be."

"Your experience in Girls Nation," she continued, "has shown you the importance of political activity. You are not only responsible for electing your officials * * * you are responsible for selecting them."

John Foster Dulles provided the afternoon highlights of the Girls Nation schedule yesterday. The distinguished, white-haired Secretary of State received the delegates at 2 p. m. in the second-floor auditorium of the old State Department Building where he usually holds his press conferences.

"I'm really going to enjoy this," he quipped, "not having to answer questions from the boys."

The Secretary explained that his grandfather had been Secretary of State 60 years ago, when the office was much more leisurely. As Secretary in the Eisenhower administration, however, he works 12 hours a day including many weekends, and has traveled over 150,000 miles negotiating for peace with other countries.

Russell L. Riley, Director of the International Education Exchange Service, took over at 2:30 to brief the girls on cultural ties with other lands. They also heard Miss Mary Trent, a Foreign Service officer, sketch the advantages of overseas foreign service work. Robert C. F. Gordon, a member of the State Department's policy reports staff, finished up with a chat on American interests and United States bases abroad.

While the rest of the group returned to American University, their headquarters for the week, the two Girls Nation presidential candidates were whisked to Voice of America headquarters for a special overseas broadcast.

Pat Priest, daughter of Ivy Baker Priest, Treasurer of the United States, pinchhit for her mother and held an informal press conference at the Treasury for Girls Nation members in the morning. Mrs. Priest, who had planned to receive the delegates at 9 a. m., then take them on a Treasury tour, was unexpectedly called out of town.

Inauguration of President Ross, and her appointment of the Girls Nation cabinet are today's Girls Nation high points. The cabinet will be chosen at 8:15 a. m., preceding a bus trip to Arlington where the delegates will conduct a wreath-laying ceremony at the Tomb of the Unknown Soldier.

Mr. MADDEN. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and to include a telegram from Phil Shmid & Son.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. MADDEN. Mr. Speaker, I yield the balance of the time on this side to the gentleman from Illinois [Mr. KLUCZYNSKI].

Mr. KLUCZYNSKI. Mr. Speaker, I believe that I am the only Member of Congress who is in the restaurant business. I have been in that business for over 30 years. I am a member of the Chicago Restaurant Association and the National Restaurant Association, both of which organizations oppose this legislation. The American Hotel Association is also opposed to it and in a letter I received the other day they stated that if this bill is passed they will not serve trout in any of the dining rooms of any of their hotels.

Mr. Speaker, this bill proposes to amend section 301 of the Federal Food, Drug, and Cosmetic Act by making it a crime, punishable by imprisonment for not more than 1 year, or not more than a $1,000 fine, or both, for a first offense, and not more than 3 years and a fine of not more than $10,000 for a second offense, for any person to possess, in a form ready for serving, or serving at a public eating place, trout produced outside the United States unless there appears on the menu the word "trout," preceded by the name of the country of origin, or, in the absence of a menu, displaying a sign to such effect therein; or for any person to sell, offer for sale, or possess for sale as food any trout produced outside the United States unless such trout is packaged, or if in a package which is broken while held for sale, for each unit of sale to be contained in a package and for each package to be marked with the country of origin.

The proponents of the bill state that it is a measure to prevent fraud and protect the domestic industry against fraudulent practices. The agency of the Government to which has been entrusted the protection of consumers against fraudulent labeling, packaging, and sale of food products is the Department of Health, Education, and Welfare, and particularly the Food and Drug Administration of the said agency. This section of the law in question is proposed as an amendment of the Federal Food, Drug, and Cosmetic Act, and it is therefore particularly important to note the basis of the objections to this bill which

has been made by the Department of Health, Education, and Welfare and placed in the record of the hearing. I quote from a letter written by the Administrator of the Federal Security Agency—now the Department of Health, Education, and Welfare—to the late Senator Tobey, dated March 31, 1953, setting forth the reasons for the agency's objection to the bill:

In the enforcement of the Federal Food, Drug, and Cosmetic Act we have investigated importations of fresh-water trout. This law requires all packages of the product to bear the word "trout." The laws enforced by the Bureau of Customs require products imported into the United States to be labeled with a statement of the country of origin. The Food, Drug, and Cosmetic Act prohibits removal or alteration of required labeling while an article is held for sale, and the customs laws provide penalties for removing markings concerning the country of origin if this is done to conceal the source. It appears, therefore, that existing law already requires proper labeling of packages of fresh-water trout from abroad.

In considering the provisions of this bill with respect to the serving of foreign trout in public-eating places we should bear in mind that there are about 525,000 such places in the United States, and that enforcement of the measure would require that the practices of these places be kept under surveillance.

In our view the value to patrons of public-eating places of knowing that the trout served is of foreign origin would not justify the substantial cost of adequate regulation. We must, therefore, recommend against enactment of the proposed legislation.

Mr. M. R. Stephens, Associate Commissioner of Food and Drugs, Food and Drug Administration, appeared at the hearings held by the House Subcommittee of the Committee on Interstate and Foreign Commerce and voiced the same objections as those contained in the letter from Secretary Oveta Culp Hobby.

No other food has been thus singled out for such treatment and a serious question arises as to the legality of a law which reaches down into the local restaurant and attempts to dictate how a particular item on its menu should be listed. Restaurants sell a great variety of food products, many of which come from all corners of the earth. If this requirement were enacted into law, then the same provision could be enacted in other laws where an imported product competes with one produced in this country. A restaurant menu would then take on a ridiculous look, with many prominent and conspicuous notices of country of origin. A menu might contain such listings as Chinese rice; Spanish onions; Canadian salmon; Cuban sugar; Brazilian coffee; Mexican shrimp, and so forth ad infinitum, and woe be unto that restaurateur who forgets to list the particular country of origin or makes an error in his listing because the penalty of up to 3 years in jail would be hanging over his head.

The separate wrapping and labeling of each individual fish which would be required by this legislation is a hardship imposed upon the foreign product whereas no such requirement would be in effect for the domestic product. The proposed bill interferes with our international relations and trade, and accordingly, our State Department has opposed the legislation in question, and in a letter of April 1, 1953, written by Thruston B. Morton, Assistant Secretary, for the Secretary of State, to the late Senator Tobey, which appears on page 53 of the record of the House committee hearing, the following observation was made:

By providing special conditions applicable only to imported and not to domestic products, this bill is inconsistent with reciprocal international commitments which this Government has obtained for the purpose of protecting the interests of American exporters in foreign markets. The United States has negotiated treaties of friendship, commerce and navigation, and other international agreements with many countries, some of which are producers of trout for export, containing provisions to the effect that products of either party shall be accorded, within the territories of the other party, national treatment in all matters affecting internal taxation, sale, distribution, storage, and use, that is, treatment of the foreign product equal in these respects to that accorded to the domestic product. The United States Government, since soon after its establishment, has sought such reciprocal commitments from other countries to assure American nationals the opportunity to engage in international trade on an equitable basis. The proposed bill would require the United States, inconsistently with such commitments, to deny national treatment to one class of imported goods. If additional requirements to indicate the origin of trout were considered desirable, such requirements could be imposed on domestically produced trout and foreign trout alike, without any departure from the established policy of the United States to accord national treatment to the goods of friendly foreign countries.

Congress certainly has a great many more important things to consider than how this relatively inconsequential product should be listed on restaurant menus and how it should be packed. It is a presumption upon the time and effort of Members of Congress to attempt to adopt such special interest legislation. The existing provisions of the Food, Drug, and Cosmetic Act, and all the various local laws and ordinances, certainly afford ample protection against the fraudulent sale of all kinds of food by distributors or in restaurants. Section 403a of the Food, Drug, and Cosmetic Act already provides that a food shall be deemed to be misbranded if its label is false and misleading in any particular. Any foreign produced trout labeled "Rocky Mountain trout," or by any other name which would indicate a place of origin other than its actual origin, would come under the condemnation of this existing provision of the law.

There is no need for the legislation in question and it will serve only to impose a burden on our domestic industry as well as raise additional barriers to international trade and tend to further deteriorate our already precarious international trade relations.

I am opposed to this rule and it should be defeated.

AMERICAN HOTEL ASSOCIATION,
New York, N. Y., July 28, 1954.

Hon. JOHN C. KLUCZYNSKI,
House of Representatives,
Washington, D. C.

DEAR MR. KLUCZYNSKI: Pursuant to our conversation with you, we are authorized by our principals to tell you that the American Hotel Association believes that if S. 2033, the trout-labeling bill, should be enacted into law, as the bill now reads, the hotels of the country would be obliged to cease serving trout on their menus.

The hotels, and we would think that the same principle would apply to restaurants, simply would not dare run the risk of handling trout, imported or domestic, which might have been erroneously labeled by our suppliers, and face the extremely heavy penalties provided for any violation of the act.

We think it is also pertinent that the Food and Drug Administration continues to vigorously oppose this legislation. They complain that they never could enforce it without neglecting almost all other important activities. We understand that Mr. George Larrick, the present Commissioner, is prepared to publicly make this statement if questioned. His telephone number is Executive 3-6300, extension 3712. Or if he cannot be reached, Mr. Don Counihan is authorized to speak for him.

Respectfully,

M. O. RYAN.

Mr. RAYBURN. Mr. Speaker, will the gentleman yield?

Mr. KLUCZYNSKI. I yield to the gentleman from Texas.

Mr. RAYBURN. It would appear to me if trout, either foreign or domestic, have any friends around here, that the worst thing on earth you could do for the trout business is to pass a law that would make the restaurant keeper afraid to serve trout at any time. Is that not the way the restaurant people feel about it?

Mr. KLUCZYNSKI. I am sure that is the way they and I feel about it. It is just legislating these people out of business.

Mr. ALLEN of Illinois. Mr. Speaker, I yield 5 minutes to the gentleman from Massachusetts [Mr. NICHOLSON].

Mr. NICHOLSON. Mr. Speaker, it is rather interesting to hear that the State Department is against this trout bill. That is nothing unusual for the State Department. Only 4 years ago they were shipping 8 million pounds of fillets into the United States, that is, salt-water fillets. Four years afterward it jumped from 8 million to 120 million pounds. But they do not think that that is bad for the fishermen or the fish handlers in the United States, so they are against it. They are against anything, in my opinion, that would help the United States if some foreigner is interested in it. With them the foreigner comes first. I know that is kind of a tough thing to say.

I believe it was said there were 525,000 restaurants or hotels who sell trout. Well, I would just like to have you Members think it over for a few moments and see how many hotels or restaurants you have been in where you have seen trout listed on the menu. This proposition here today is a proposition to protect a few raisers of trout in this country.

It is unusual to find the right locality to raise trout. You have to have the water at a certain temperature; and it has to be the same all the time. It has to be spring water. The man who runs a trout farm—and it is a trout farm—strips the trout in the spring and sells the eggs to State hatcheries, to State governments, or to anybody interested in the idea of this outdoor recreation of fishing. If you want to drive these people out of business, you will not have any

trout—that is all. They are not going to ship eggs from Japan or some other place. And what is wrong, anyway, in labeling the stuff that they are selling? It is done everywhere. In Massachusetts we have laws on the books that compel people to tell what kind of product they are selling. For instance, we sell Cape Cod scallops. They have got to be Cape Cod scallops. You cannot sell these sea scallops. Of course, Members may not know anything about that, but a bay scallop in Massachusetts is one of the sweetest, tenderest things to eat that there is in the world. But a sea scallop is fishy.

Mr. DEVEREUX. Mr. Speaker, will the gentleman yield?

Mr. NICHOLSON. I yield.

Mr. DEVEREUX. Is it not true that restaurants will label anything when it is to their advantage; but when they want to deceive the public, perhaps, then they object to labeling certain things when such labeling would work to the advantage of our American industry?

Mr. NICHOLSON. Why, certainly. Half the menus we see in some of these grand hotels do not tell us what we are ordering, anyway; and we do not know until we ask the waiter what it means.

Mr. PHILLIPS. Mr. Speaker, will the gentleman yield?

Mr. NICHOLSON. I yield.

Mr. PHILLIPS. I wanted to say briefly what the gentleman from Maryland [Mr. DEVEREUX] has already said, that anyone picking up a restaurant menu will find a number of things that are labeled, such as Hawaiian pineapple, or some other product that comes from a specific place. I see no objection to this, and I do not know the reason why there should be all this objection to it on the floor.

Mr. NICHOLSON. We have listened to the gentleman from Chicago [Mr. KLUCZYNSKI]. I do not know whether he has a restaurant or a hotel, or what he has, but if he wants to sell trout under this bill, all he has to do is to say whether it is Japanese trout or Danish trout, and it will not hurt his business one bit. But, on the other hand, not to do it will hurt the man who is raising these trout for the benefit of the whole Nation. And they certainly are doing it.

Mr. BEAMER. Mr. Speaker, will the gentleman yield?

Mr. NICHOLSON. I yield to the gentleman.

Mr. BEAMER. Is it not true that practically all manufacturers label their products? For instance, pottery makers put a stamp on the bottom of their product, manufactured in this or that country, or the product of this or that country. The same principle is applied to many food products. For instance, is it not true that restaurants serving oleomargarine must carry signs to inform the public that they are serving oleo?

Mr. NICHOLSON. That is true. All this gets back to the State Department again. There is not anything in this bill that would prohibit Japan or Norway or Denmark, or any other country, from sending in all the stuff that they want to ship in here.

The SPEAKER. The time of the gentleman from Massachusetts has expired.

Mr. ALLEN of Illinois. Mr. Speaker, I yield 5 minutes to the gentleman from Pennsylvania [Mr. GAVIN].

Mr. GAVIN. Mr. Speaker, the gentleman from New York [Mr. ROONEY], the "Isaac Walton" from Brooklyn talked about some kind of fish—the Gowanus Canal guppies, a species of fish found in the Gowanus Canal, evidently in his district. Apparently the gentleman's knowledge of fish other than that which he buys at a fish market is confined to that particular area of Brooklyn, the Gowanus Canal or Lavender Lake and the Hudson River; I do not believe he is too well qualified to talk about trout, the subject matter before us today. The gentleman from New York [Mr. FINO] also said that a great deal of pressure had been brought on Members of Congress with reference to this proposed legislation. From the remarks that I have heard from the Members opposing this legislation it is quite evident that the hotels and the restaurants have brought considerable pressure on Members who do not want this bill passed because it might affect their business and the customers might know what they were eating. Johnny Mock, a great conservationist back in my State of Pennsylvania, recently in his column in the Pittsburgh Press states this case better than I could, and I should like to read excerpts from his column, All Outdoors, about the need for trout-labeling legislation.

TROUT BUSINESS AT STAKE

"All we ask is that the other fellow be honest in his dealings."

So advised an official of the nationwide association of trout propagators—and because the other chap isn't honest, thousands of fishermen throughout the country may eventually be denied a sport now being enjoyed.

Strange as it may seem, it is the deception practiced by exporters of foreign trout, their agents and those who serve the trout to the public, which is threatening the welfare of the enterprise that supplies trout for farm ponds, fee fishing sites and privately stocked waters, thereby reducing the ever-increasing pressure on public waters. Trout for such projects are obtainable in no other way, since Federal and State hatcheries are not permitted to sell any of their production.

Continuing he states:

Because of a devalued currency, the foreign trout have been underselling the domestic trout. However, in the quality there is no comparison.

To overcome the superiority and prestige of the American-reared trout, the exporters mislabeled and misrepresented their product, passing them on to the restaurants and hotels as domestic trout—and the latter served the inferior product as one produced in this country.

As a result of this deception, those who have enjoyed eating trout, conscious of the poorer quality, blamed their dissatisfaction on our propagators and quit ordering what was once the most delicious portion of a delightful meal.

Now I might state to the Members, this is a trout-labeling bill, to correct these conditions and the restaurant proprietor will have to state exactly what he is serving his customers, foreign or domestic trout and that is as it should be.

I understand the shippers of trout export them to this country in refrigerated cases and package the trout in bunches of 12 or more. They label the packages "Rocky Mountain Trout," "Montana Trout," "Idaho Trout," or use the name of whichever State is most appealing to their trade. By this deceptive method the customer is led to believe he is eating domestic trout. All this legislation does is to label them for what they are and where they came from—Japan, Denmark, or wherever these trout do come from—so that the people will know just exactly what they are buying and eating.

My good friend Johnny Mock continues:

To remedy the situation to some extent a measure known as the trout-labeling bill was introduced in Congress last year. It is not a subsidy, a tariff, nor does it restrain the importation of foreign trout. Designed to do away with the deception, it will put an end to tricking the American public and give it the opportunity to choose between the two—domestic or foreign trout.

Specifically, the bill requires exporters to have on the package the name of the country in which the trout originated and to make the eating places identify the trout on their menus in the same manner.

In short, it merely requests the other fellow to be honest in his dealings. It it far short of the protection which should be given to the American propagators—but that's all they are asking for.

The Senate version of the bill was unanimously approved at the last session of Congress.

Given a hearing in the House, it was reported out unanimously by Congressman CHARLES A. WOLVERTON'S Committee on Interstate and Foreign Commerce. On the Consent Calendar it was objected to. The Rules Committee, after a hearing, gave it a rule. Thus after two hearings, the opposition to the bill failed to gain any committee support.

To stand by while the deception continues can result in only one outcome—the destruction of a medium which is absolutely necessary to the continuation of a national pastime and recreation, one which is of direct and indirect interest to the 17,652,478 individuals who purchased fishing licenses last year.

Charity begins at home. Let's put it into effect.

Mr. Speaker, I heartily endorse this proposed legislation. It will help the domestic producers of trout protect this growing business, a protection to which he so rightfully is entitled.

Mr. ALLEN of Illinois. Mr. Speaker, I yield the remaining time to the gentleman from Pennsylvania [Mr. SIMPSON].

Mr. GAVIN. Mr. Speaker, will the gentleman yield?

Mr. SIMPSON of Pennsylvania. I am pleased to yield to the gentleman from Pennsylvania.

Mr. GAVIN. So that it may be specifically understood, I am certainly in support of this bill and I hope the House will support it overwhelmingly.

Mr. SIMPSON of Pennsylvania. I am sure the gentleman from Pennsylvania is in support of this bill, just as I am.

I have before me a report from the committee, and I read there certain of the sponsors of this bill. They are the Isaac Walton League of America, the National Wildlife Federation, the Sports and Fishing Institute and many others, undoubtedly including the sporting associations and clubs in your own congressional districts. I might add that

those associations, if they are similar to the ones in my district, where they are strong, are made up principally of men who never get into the restaurants where this make-believe trout about which we are talking is served, but they are individuals who go out and work hard and then go trout fishing to enjoy the sporting life of a fisherman. They do not go to the high-priced restaurants and eat this fish in most instances, but they go out and catch the trout which live in the streams of our country.

Mr. HALLECK. Mr. Speaker, will the gentleman yield?

Mr. SIMPSON of Pennsylvania. I yield.

Mr. HALLECK. Members on both sides of the aisle have spoken to me about this bill, and I have looked into the matter as best I could and have come to the conclusion that I shall support the rule and the bill.

Mr. SIMPSON of Pennsylvania. I thank the gentleman. I hope the House will do likewise.

These friends of yours and mine who belong to the various sporting clubs and fishing and hunting associations all over the Nation are in favor of this bill not because, I repeat, they want to go to the high-priced restaurants and pay for trout, but because they want trout fishing within your own congressional districts improved, and to get that they know there must be in this country these independent producers, these small businessmen who raise trout, and who make the trout available for propagation in the streams of your congressional districts. Your friends at home want this bill passed so that this business can be protected and so that American-grown trout will again become prevalent in your streams. That is why I am for this bill.

I am not worried about the restaurants, because very few of the 535,000 restaurants in our country serve trout, and, if they do, it is my experience that most of them are honest enough to sell what the American citizen thinks he is buying. If the American public is going to buy foreign trout, then the restaurateur will tell him so, but if they will not, if they are honest restaurant men, sell as Rocky Mountain trout something grown somewhere else.

Mr. BURDICK. Mr. Speaker, will the gentleman yield?

Mr. SIMPSON of Pennsylvania. I yield.

Mr. BURDICK. I do not quite understand the language on lines 10, 11, and 12 on page 3. Will the gentleman tell me what that means?

Mr. SIMPSON of Pennsylvania. No, I have not translated it myself as yet. Referring to page 3, lines 10, 11, and 12, perhaps, the gentleman will tell us.

Mr. BURDICK. I do not know.

Mr. SIMPSON of Pennsylvania. They are the kinds of trout which are grown in this country, I presume, which we want to protect so that our children and their children can go out and catch American grown trout.

Mr. BURDICK. Well, I want to know if it includes suckers and bullheads. We have a lot of them.

Mr. SIMPSON of Pennsylvania. It includes anything of high American quality.

If I may complete my statement, if we are to have American industry protected here and if it is worthwhile to protect that industry and protect the growth that comes to our country as a result, in finishing I would like to bring this matter to the climax, which, I think, is the important one, namely, if we are to protect this industry and make it possible for live trout to be available for propagation in the trout streams of our country under the guidance of the local fish and game associations, we can best do it by supporting this legislation which will permit the American industry to increase in size, improve its production and, thus, increase trout fishing throughout the streams of our country.

Mr. ALLEN of Illinois. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

The question was taken; and on a division (demanded by Mr. MADDEN) there were—ayes 90, noes 86.

Mr. KLUCZYNSKI. Mr. Speaker, I object to the vote on the ground that a quorum is not present, and I make the point of order that there is no quorum present.

The SPEAKER. The Chair will count. [After counting.] Two hundred and eighteen Members are present; a quorum.

Mr. KLUCZYNSKI. Mr. Speaker, I ask for tellers.

Tellers were ordered, and the Chair appointed as tellers Mr. ALLEN of Illinois and Mr. MADDEN.

The House again divided; and the tellers reported that there were—ayes 107, noes 84.

Mr. KLUCZYNSKI. Mr. Speaker, I object to the vote on the ground that a quorum is not present, and I make the point of order that a quorum is not present.

Mr. HALLECK. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. HALLECK. I thought there was a similar objection prior to the vote and that the Speaker counted a quorum.

The SPEAKER. The gentleman from Indiana is correct.

Mr. KLUCZYNSKI. Mr. Speaker, I ask for the yeas and nays.

The SPEAKER. The Chair inquires of the majority leader if he wants to put the vote over. A sufficient number have demanded the yeas and nays.

Mr. HALLECK. Mr. Speaker, I have just discussed the matter with the minority leader, the gentleman from Texas [Mr. RAYBURN], and he tells me that he had an agreement with some of the Tennessee Members that if there was to be a record vote today it would be put off until a later date in view of the fact that the Tennessee primaries are being held today. In view of that statement of the minority leader, I have no alternative except to ask unanimous consent that further proceedings in connection with the bill now under consideration be postponed until Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

PARLIAMENTARY INQUIRY

Mr. HALLECK. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. HALLECK. Mr. Speaker, in view of the fact that a measure is to be called under discharge petition on Monday, will the vote on the pending matter be the unfinished business?

The SPEAKER. The Chair will say that the roll call on this rule will follow action on the discharge petition.

APPOINTMENT OF COMMITTEES

Mr. HALLECK. Mr. Speaker, I send to the desk a resolution (H. Res. 698) and ask for its immediate consideration.

The Clerk read as follows:

Resolved, That ELIZABETH PRUETT FARRINGTON, the Delegate from Hawaii, be, and she is hereby, elected an additional member of the following standing committees of the House of Representatives: Committee on Agriculture, Committee on Armed Services, and Committee on Interior and Insular Affairs.

The resolution was agreed to, and a motion to reconsider was laid on the table.

DIRECT HOME AND FARMHOUSE LOAN AUTHORITY OF THE ADMINISTRATOR OF VETERANS' AFFAIRS

Mr. AYRES. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 8152) to extend to June 30, 1955, the direct home and farmhouse loan authority of the Administrator of Veterans' Affairs under title III of the Servicemen's Readjustment Act of 1944, as amended, to make additional funds available therefor, and for other purposes, with Senate amendment thereto, disagree to the Senate amendment and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Ohio? [After a pause.] The Chair hears none and appoints the following conferees: Mrs. ROGERS of Massachusetts and Messrs. KEARNEY, AYRES, TEAGUE, and DORN of South Carolina.

AMENDING ATOMIC ENERGY ACT OF 1946, AS AMENDED

Mr. COLE of New York. Mr. Speaker, I ask unanimous consent that the House conferees on the bill H. R. 9757 may have until midnight Saturday night to file a report.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

UNITED STATES BUREAU OF MINES

Mr. KELLEY of Pennsylvania. Mr. Speaker, I ask unanimous consent to ex-

tend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. KELLEY of Pennsylvania. Mr. Speaker, those of us in the Congress who have worked hard over the years to build up the excellent United States Bureau of Mines, including its remarkably successful mine safety program, were simply flabbergasted last week by a report issued by the Department of Interior, parent organization of the Mines Bureau.

It was one of the most cold-blooded "get Government out of business' hair" documents I have seen in a long time, even though this administration seems to be working overtime at ridding the Government of functions which help all of the people.

In brief, the suggestions made by a survey team appointed by the Secretary of the Interior and approvingly endorsed by him include:

First. Pulling the teeth of the mine safety law by redirecting its purpose from that of policing unsafe mines to education in mine safety. When the Mines Bureau had only the power to educate and recommend, fatalities soared. Since it has had the power to close unsafe mines, and require compliance, fatalities have dropped to zero.

Second. Eliminating much of the Mines Bureau's research work in the conversion of coal to synthetic liquid fuels, while at the same time expanding the Bureau's work in the search for new petroleum reserves this looks strictly like oil industry propaganda to kill off coal-to-oil research.

Third. Getting rid of the Government's helium, zirconium, and titanium research and development operations. These materials, so vital to national defense, would never have been developed as they have been if the Government had not undertaken the heavy expense of the research work. Now the whole business is to be turned over to possible private monopolies which could place the Government at their mercy.

SABOTAGING THE MINE-SAFETY PROGRAM

To us in the coal areas, the most important and most shocking of these recommendations is the one to throw the mine-safety program back into the shape it was in prior to the passage of the new law in the 81st Congress—the one which gave the Federal inspectors the right to enforce their recommendations. As chairman of the House Labor Subcommittee which handled this legislation, I lived through the terrific fight which preceded its passage and heard over and over again all the old arguments advanced to block the bill which are now trotted out to seek to destroy its effectiveness.

The survey team, composed of a college professor, a copper company official, a coal corporation executive, a leading oil man, and an industrial materials expert, even went so far as to recommend that the United States inspectors give a mine a day's advance notice before showing up to make an inspection. The reason it gave for that tipoff suggestion was as follows:

This procedure would save the time of the inspectors, the mine-safety committee, and the mine management. When an inspector arrives unannounced, after a shift starts, time is wasted in getting together the proper people for the inspection.

What about the lives which would be wasted if these inspections came only after a day's coverup warning? This suggestion was so extreme, the Department of Interior said it would reserve judgment on that one.

But it is seeking to put into effect others to consolidate the whole eastern part of the United States, with its wide variety of diverse Mines Bureau problems, into a single region; to close down oil shale research and drastically reduce work on coal gasification or liquefaction; to drop helium, zirconium, and titanium operations, and so on.

LIKE TURNING SEC OVER TO THE STOCK MARKET

It struck me that this report was as fantastic as if the Securities and Exchange Commission were to suggest turning over to the States or to the stock exchange the policing of the laws on honesty in securities; as if the Civil Aeronautics Board were to let the States or even the airlines regulate commercial aviation; as if the Interstate Commerce Commission were to let the States or even the railroads handle all railroad safety enforcement.

Under the mine-safety program, lives have been saved that would otherwise have been lost. We cannot ridicule that kind of record.

JOBLESS MILLIONS AND FAMILIES IGNORED IN GOP RUSH TO ADJOURN

Mr. RHODES of Pennsylvania. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. RHODES of Pennsylvania. Mr. Speaker, I wish to take this opportunity to ask if the Eisenhower administration intends to adjourn this Congress without doing something about the Nation's serious economic situation. There are many areas in all parts of the country where there is considerable suffering and distress because of enforced idleness of many thousands of working people. My district is especially hard hit.

How can the Republican leadership continue to ignore the plight of these people, or to say that it is not a serious matter?

Several days ago I was shocked by the insertion in the CONGRESSIONAL RECORD by one of our Republican colleagues from Ohio. It pooh-poohed recession talk and pointed to the record profits of General Motors and other giant corporations for the first 6 months of 1954. But people in my district do not accept the administration philosophy. They do not believe that what is good for General Motors is necessarily good for the Nation. In fact, a General Motors contract caused very serious unemployment and distress in my district when a tank contract was shifted to GM.

The prosperity now being enjoyed by big monopolies is of little comfort to the millions of workers and their families who must live on inadequate unemployment insurance benefits. It means much less to those whose unemployment insurance checks are running out.

Tax advantages voted by this administration to monopoly interests have permitted increased profits to empires like du Pont, General Electric, and General Motors, despite reduced sales. Yet the Eisenhower leadership has refused to make adequate improvements in unemployment insurance benefits, or to aid the average citizen with tax relief or a public works program.

The rush by this administration to give to the special interests natural resources, tax advantages, public lands, and the people's investment in atomic secrets is a sorry contrast to its do-nothing policy on issues involving the health, prosperity, and welfare of the people.

Let us have some action before we quit.

TRADING WITH THE ENEMY ACT

Mr. ALLEN of Illinois. Mr. Speaker, I call up House Resolution 690 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (S. 2420) to amend section 32 of the Trading With the Enemy Act, as amended, and all points of order against said bill are hereby waived. After general debate, which shall be confined to the bill, and shall continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Interstate and Foreign Commerce, the bill shall be read for amendment under the 5-minute rule. It shall be in order to consider without the intervention of any point of order the substitute amendment recommended by the Committee on Interstate and Foreign Commerce now in the bill, and such substitute for the purpose of amendment shall be considered under the 5-minute rule as an original bill. At the conclusion of such consideration the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and any Member may demand a separate vote in the House on any of the amendments adopted in the Committee of the Whole to the bill or Committee substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

Mr. ALLEN of Illinois. Mr. Speaker, I yield 30 minutes to the gentleman from Indiana [Mr. MADDEN], and yield myself such time as I may desire.

Mr. Speaker, I rise to urge the adoption of House Resolution 690, which will make in order the consideration of the bill (S. 2420) to amend section 32 of the Trading With the Enemy Act, as amended.

House Resolution 690 provides for an open rule, waiving points of order with 1 hour of general debate. The rule

would also provide for the consideration of the committee substitute amendment as an original bill for purposes of amendment. A separate vote may be demanded on any of the amendments adopted in the Committee of the Whole to the bill or committee substitute. One motion to recommit with or without instructions would be in order.

Mr. Speaker, this bill would authorize the President to turn over certain property to organizations designated by the President to be used for the rehabilitation and resettlement in the United States of persecuted persons. The property involved in this bill was property owned by persecuted persons who died without heirs.

A limit of $3 million would be established by this bill regarding the total value of the property which may be turned over to these organizations.

According to the report on this bill, Mr. Speaker, efforts in this general direction have been going on for several years.

The Bureau of the Budget has approved of the objectives outlined in this bill and it has the approval of the Department of State.

Mr. Speaker, since this rule is an open one and therefore open to amendment I can see no valid objection to the House adopting the rule. I hope that the House adopts the rule so that we may proceed to the consideration of this bill.

Mr. MADDEN. Mr. Speaker, I have no requests for time.

Mr. ALLEN of Illinois. Mr. Speaker, I move the previous question.

The previous question was ordered.

The resolution was agreed to.

Mr. HINSHAW. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (S. 2420) to amend section 32 of the Trading With the Enemy Act, as amended.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill S. 2420, with Mr. BYRNES of Wisconsin in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. HINSHAW. Mr. Chairman, I yield myself such time as I may require.

Mr. Chairman, in 1946, an amendment was enacted to the Trading With the Enemy Act, which provided that the property which was vested in the Alien Property Custodian that had belonged to persons who either were persecuted or killed by the enemy forces during World War II should be returned to those persons if they were alive and to their heirs if they had died. The United States, therefore, has declared in effect that this property does not belong to the United States. This bill in effect would provide that the President of the United States should designate certain organizations to act as the heirs to that property, and provide for the disposition of the funds. There is a limit placed upon the amount of property which may be so turned over. That limit is $3 million. Through amendments to the bill we have provided that the funds would have to be expended in the United States and upon destitute persons.

Mr. Chairman, a similar bill was passed by the Senate in the 80th Congress as S. 2764; in the 81st Congress as S. 603; in the 82d Congress it was reported to the Senate but was not acted upon prior to adjournment. It was reported previously by our Committee on Interstate and Foreign Commerce, but it was not acted upon prior to adjournment.

At this time we hope that this bill S. 2420 may be finally enacted by both Houses and become law. The bill was not heard by the committee in this session of Congress because it had been heard before. There were ample hearings held in both the House and the Senate. It is merely a matter of policy to be decided in the Congress.

I believe the bill should be adopted with the amendments offered by the committee. I may state to the House that these amendments were offered by virtue of the committee first having ordered reported the bill and a minority report having been filed. Before the bill was actually filed in the House as reported it was sought to remedy these defects, those which were considered to be such defects by the minority. It was thought that the minority would be pleased with the amendments and that the bill would be acceptable to them. However, there still seems to be some objection to the bill although it was passed out of our committee by a very, very substantial majority vote and the minority opposed was greatly reduced.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. HINSHAW. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. I want to join myself with the remarks the gentleman from California [Mr. HINSHAW] has made. I think this is a fair bill, one that has been very carefully studied and with the amendments adopted it certainly ought to justify a great majority of the Members of the House voting for it. It is a bill that aims to bring justice to a certain group of persons. It should be enacted into law.

Mr. HINSHAW. I thank the distinguished former majority leader and present whip.

Mr. Chairman, I reserve the balance of my time.

Mr. KLEIN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, there is not a great deal that I can add to what the gentleman from California [Mr. HINSHAW] has said about this bill except perhaps to highlight some of the facts behind it.

First as to the objections of the minority which are set forth in the minority report. They are based mainly on the fact that the committee has not given sufficient time or study to the problem. As the gentleman from California [Mr. HINSHAW] pointed out, this bill was passed by the appropriate Senate committee on three different occasions; passed unanimously by the Senate on 2 occasions, but on 1 occasion the Senate could not get to it before adjournment. It was also reported out by the House Committee on Interstate and Foreign Commerce. As a member of the War Claims Subcommittee of that committee, of which the gentleman from California is the chairman, I may say that that committee unanimously reported out this legislation.

The principle involved, which is the important thing, is something that I believe we all know about, and with which a great majority of us agree. Certainly the bill itself has been given a good deal of study over the past number of years, both in this House and in the other body.

As you all know, I am sure, the Trading-with-the-Enemy Act provided that funds or property in this country of enemy aliens should be vested in the Alien Property Custodian. Many of the people who have been in this country were persecutees, namely, Jews who were persecuted by the Hitler regime of Germany and who came to this country to escape that persecution. Where possible, they brought their property, their money, with them. When war was declared they were enemy aliens because they were German and, therefore, their property was confiscated. The Attorney General and the Alien Property Custodian obviously could see that the law was never intended to apply to those people. They were not enemies of this country, they were enemies of the Hitler regime. They were enemies of our enemies. To help them, an amendment was passed that in such cases their money and property could be returned to them.

What is the purpose of this bill, you may say, if we have such a law—and do. Many of these people whose property was taken from them, persecutees, as I shall call them, died during the pendency of these proceedings and, therefore, cannot ask to get their money or property back. In the normal case their heirs would be entitled to it. It is no secret, everybody knows what happened to the Jewish population in Germany. Entire families, 6 million Jews, as you know, were wiped out by Hitler. Therefore, this legislation is intended to cover those people who have no heirs. Their families have been wiped out. There is nobody to ask for that money. It is being held by the Alien Property Custodian. The administration says it should be turned over.

Incidentally, may I point out that the military government law in Germany today, which was administered by General Clay, has a similar law which states that such money should be turned over to an organization which will use it for the benefit of persecutees of similar religions or similar political groups, which is all we are trying to do here. The organization which was set up at that time in Germany by the administration, and approved by General Clay, is a similar organization; in fact, the same organization as I believe will be selected by the President. But in this case this legislation says that such organization, or successor organization, shall be approved by the President and under certain safeguards will take that money or property and distribute it among persecutees but not the direct heirs of the

people from whom the money had originally been taken.

Mr. HINSHAW. Mr. Chairman, will the gentleman yield?

Mr. KLEIN. I yield to the gentleman from California.

Mr. HINSHAW. May I say to the gentleman and the Members of the House that the husband of my secretary was hired by the United States Military Government of Germany to go over to Germany and appraise the gold and jewelry which had been found in places like Buchenwald and elsewhere. That gentleman upon arriving there for his duty found large milk cans and ammunition cans filled with such things as gold teeth and inexpensive jewelry of all kinds and descriptions, and some of value, which the Germans had very carefully saved after destroying the bodies of their victims. It was a most awful sight and a horrible experience to go through. It is quite true that 6 million died at their hands and that so-called genocide was practiced in a very large way.

That property was turned over, as I understand, with such value as it had, for liquidation to apply to the resettlement of the survivors in other countries and for their transportation, and so on. It was a humane thing to do, one in which the United States participated as a military government. It is worthy of the United States to participate again in this disposition of property for which there are no heirs and no claimants.

The United States does not claim the property and no heirs claim the property.

Mr. KLEIN. I thank the gentleman. I agree with him.

Mr. O'HARA of Minnesota. Mr. Chairman, will the gentleman yield?

Mr. KLEIN. I will be glad to yield to the gentleman, but I will say before he says anything, that I respect the gentleman and have served with him a long time and have the highest regard for him. His opposition to this bill, I am certain, is an opposition which he feels as a matter of principle.

Mr. O'HARA of Minnesota. I thank the gentleman for his statement and he has stated my position. The property which the gentleman from California talks about, of course, has nothing to do with the property that is involved here.

Mr. KLEIN. That is right.

Mr. O'HARA of Minnesota. The property that is involved here is property which is owned by those people who have disappeared, and it is claimed have no known heirs and the property is located in this country. Is that correct?

Mr. KLEIN. That is correct, yes, sir.

In an endeavor, as the gentleman from California pointed out, to get this very, very worthwhile legislation out, and this is legislation which almost everybody favors, including the executive department, the President, the administration, when I learned there were certain members of our committee opposed to it and proposed to sign the minority report—I went to them and asked them what the objections were. In an endeavor to get this out by unanimous consent and get it passed by unanimous consent, I introduced in the committee four amendments which would take care of—at least I thought they would—all the objections. Let me point out just what they are. We will have an opportunity to vote on them in a few minutes. The bill was passed by the Senate and came over amended in these four instances so as to take care of the objections of some of the minority. Some of them were satisfied and some of them were not. The objections that were made were—first, that the money that was taken from the Alien Property Custodian, this heirless property, and given to the successor organization to dispose of, might be distributed by that organization to anybody who would apply and not to somebody who actually needed the money. Therefore, we wrote into the law and into the amendments an actual needs test. In other words, before a person could qualify to get any part of this money, he would have to show among other things, which I will come to in a minute, that he was actually in need and needed the money—that he had been on relief and things of that kind. That was one of the amendments.

The next objection was that some of the members of the minority felt that much, or a part of this, money might go for administrative expenses or for legal fees for lawyers representing the claimants. In order to dispose of that objection, we wrote into this legislation an amendment that no part of these funds could be used for legal fees or administrative expenses at all. This means that some of the associations and some of the charitable organizations interested in this type of legislation have agreed to pay out of their pockets, or prominent wealthy people will agree to pay the money out of their pockets, any legal fees or any administrative expenses, so that no part of this fund will be diminished by that type of expense.

The third objection was that a new organization might be set up, then for that purpose, and even though the President must approve of the organization, that it might be a fly-by-night organization. Therefore, we wrote into the law another amendment which says that the organization, in order to be eligible to be appointed, must have been in existence as of January 1, 1950. We went back that much so that it must be, and will be, a well established organization. As a matter of fact, it is contemplated it will be, as pointed out, the same organization appointed by General Clay in Germany under Military Government Law No. 59, which is almost identical with this for distribution.

The last and the fourth amendment, which we introduced and which was adopted in the committee, was to the effect that money which was obtained might be used for just a particular religion or a particular class of persons. Actually, in all fairness, and I do not think it is any secret since the hearings before the subcommittee brought it out, over 90 percent of those funds were funds from Jews. However, in order to avoid any possibility of the bill not passing, we agreed to an amendment which provides that the people must be actual persecutees. They must be in need, and they can be of any religion. They do not have to be of the same religion, they do not have to be of the same political class as the law reads in the military-government law.

Mr. O'HARA of Minnesota. Mr. Chairman, will the gentleman yield?

Mr. KLEIN. I yield.

Mr. O'HARA of Minnesota. As I understand the bill, the purpose of these funds is for the relocation and rehabilitation of persons who are in this country. I presume they have come to this country, either in some capacity or other, by reason of persecution and are displaced persons.

Now, can the gentleman tell me after a lapse of 9 years, how many persons are in the category that would be entitled to such moneys from this organization?

Mr. KLEIN. I cannot tell you how many, but I can tell you the approximate amount. It will probably be less than a million; it will be probably between $500,000 and $1 million

Mr. O'HARA of Minnesota. No. The gentleman did not understand me. I have reference to the number of persons for which this money could be used.

Mr. KLEIN. I cannot give the gentleman that figure.

Mr. JAVITS. Mr. Chairman, will the gentleman yield?

Mr. KLEIN. I yield.

Mr. JAVITS. The largest population of Hitler's persecutees is in my district. There are not less than 25,000 families in my district who have that kind of origin. It is my belief that a material portion of those families contain old and indigent people who will actually qualify under this law. I shall have an opportunity later to explain that.

Mr. KLEIN. I thank the gentleman, and I believe he has answered the question.

Mr. MADDEN. Mr. Chairman, will the gentleman yield?

Mr. KLEIN. I yield.

Mr. MADDEN. I wish to say in connection with the statement of the gentleman from New York [Mr. JAVITS] that there are a great number of persecutees in my district. I represent the great industrial Calumet region of Indiana. A great number of these unfortunate people are struggling to become established and this legislation would be a great aid for them.

The gentleman from California [Mr. HINSHAW] made a statement as to what happened to the Jews in Germany at the time of Hitler's rampage. I was in Europe a month ago with the Committee Investigating Communist Aggression which this Congress created. I had an opportunity to go through Dachau. Dachau will be one of the exhibits which will forever reveal the barbarism and criminal minds of Hitler and his cohorts. That deplorable period will rank with the barbarism, atrocities, and murders committed by Stalin and his henchmen. I think this legislation is necessary legislation. This property does not belong to the Government. It does not belong to anybody outside of the descendants of, and should be used for the welfare of, the people who were persecutees. A great number of them are living in this country in destitution. This legislation

is not only necessary legislation but it is humane legislation. It is charitable legislation.

I want to commend the gentleman from California [Mr. HINSHAW] and the gentleman from New York [Mr. KLEIN] and the members of this great Committee on Interstate and Foreign Commerce for bringing this bill to the floor of the House. I understand it has passed the Senate unanimously, and it should be passed here.

Mr. KLEIN. I thank the gentleman. Since the gentleman has mentioned the fact that this money does not belong to our Government, we have made it very clear that this is the policy, that this is not money belonging to the Government. On August 8, 1946—and I remember that date perfectly, because that is my birthday—we passed an amendment to the Trading With the Enemy Act, which provided that types of people such as this or their heirs should be able to apply to get it back. Let me read one significant sentence in the majority report:

> This amendment established a clear-cut distinction between the property of those persons who were in fact our enemies during the last war, and those who, as evidenced by their extreme persecution at the hands of their governments, were in fact the enemies of our enemies. It was thus made clear that the intention of the United States was not to profit from the assets of the latter class of individuals.

So, Mr. Chairman, this bill would simply be an act of decent justice.

The Government does not want this money; the Government is not entitled to it. What are we to do with it?

Since we cannot return it to the people who originally owned it, I think the fairest and best thing to do is to use it to alleviate as best we may the unfortunate circumstances of those we have heard about today.

Mr. Chairman, I have no further requests for time.

Mr. HINSHAW. Mr. Chairman, I yield 10 minutes to the gentleman from Minnesota [Mr. O'HARA].

Mr. O'HARA of Minnesota. Mr. Chairman, I am opposed to this bill wnich, together with its predecessors, has had quite a history.

In speaking on this bill I do not want to be at all misunderstood. I have not the slightest bit of religious intolerance in my being, as the gentleman from New York [Mr. KLEIN], my good friend, recognized when he said he knew it was a matter of principle with me that I have always opposed this legislation. That is entirely correct. I have told him that and I have told him and others who have likewise been interested in this legislation that I would feel the same way whether it was any other race or any other religion involved, and I have not the slightest desire to imply that I am opposed to it because of the type of legislation it is.

I took the position on this bill—and it has a strange history. It is true it passed the Senate three times. I do not know whether they ever held hearings of any kind; I do not know whether it was ever debated at any time. I doubt it. The last time we had this legislation before our Committee on Interstate and Foreign Commerce was 4 years ago. It is true our committee held hearings. It is true the committee reported out a bill, and the gentleman from Michigan [Mr. BENNETT] and I filed objections, or at least we appeared before the Rules Committee in objection to the granting of a rule, and a rule was denied; it was never granted by the Rules Committee.

This time, 4 years later, the bill was reported out without further hearings of any kind.

I objected to it when it was reported out, but the committee reported it out anyway because the majority of the committee was for it. Some other members of our committee filed minority views, and the bill was recalled by the committee, then rewritten, as the gentleman from New York said, with these four amendments covering objections that were raised by the minority views. Then the bill was reported out again.

I was never afforded—nor were my other colleagues who were opposed to the bill and who are absent today and not able to be here—were never notified of any hearings before the Rules Committee, so we had no opportunity to appear before the Rules Committee.

I want to make my position absolutely clear. I just do not understand where there is any justification whatsoever for this legislation. There is nothing that I can conceive of that was more inhuman than the treatment of the Jewish people by Hitler. On the other hand, there were many thousands of other people who got the same kind of treatment from Austria, particularly from Poland, from people out of Germany who were opposed, both Jews, Catholics, and Protestants, people who were liquidated.

It is claimed in this legislation that there is property in this country belonging to some of those people. This legislation is so worded that it applies and will apply to the people of the Jewish faith and of the same political and racial views. I believe it is unquestioned that at least 90 percent, if not more, of this property that is involved would go to the people of the Jewish faith. The bill as it is drawn would turn to the limit of $3 million of this property over to these 2 Jewish organizations. Originally the bill was so open it could have been possible to create ad hoc committees to which it could have gone. I make no complaint about these two Jewish organizations because they have done great work over the years in the matter of help to their own people. But this money, as I take it, and they say, it does not belong to the United States but I say it will escheat to the United States so that when we take the view that it is not property belonging to the Government of the United States, literally that may be true at the present moment but it is property which could and should well become the property of the United States and under the theory of escheat to the United States where there are no lawful heirs.

It is claimed they cannot find the heirs of these people who are the owners of this property. I suppose they have been liquidated or they have been scattered. At least it is claimed that they have not been located. But I never heard of the theory of attaching a lawful right of ownership to somebody because they were of the same race or religion or political belief and that they were likewise persecuted.

Mr. KLEIN. Mr. Chairman, will the gentleman yield?

Mr. O'HARA of Minnesota. I yield to the gentleman from New York.

Mr. KLEIN. I just want to say to the gentleman that I knew that was his objection and that is why we amended the legislation so it does not provide for application to any particular race or religion.

Mr. O'HARA of Minnesota. Of course, under the legislation as amended, as the gentleman stated, it will enure to the benefit of these 2 Jewish organizations to the extent of at least 90 percent.

Mr. KLEIN. I did not say that. I said 90 percent of the people whose money this is were Jews, but actually we have amended the proposed bill so that it does not apply to any particular group.

Mr. O'HARA of Minnesota. I think the gentleman and I agree it does mean 90 percent of this would, under the bill as amended, go to persons who would be of the Jewish faith.

Mr. KLEIN. There is no secret as to how I feel on that. Certainly they are the ones who ought to get it because it was their money; but in order to get this legislation through I was willing to offer that amendment.

Mr. O'HARA of Minnesota. Anyway, there is no question but what that is the issue. I take the position that regardless of what race it might be or what religion it might be, I cannot pursue and follow out the thinking of the majority of my committee in this regard. While there is a minority who agree with me on the committee, personally I can see no moral or consistent reason or justification for the passage of this type of legislation without hearings to bring us up to date.

I addressed an inquiry to the gentleman from New York [Mr. KLEIN] which the gentleman from New York [Mr. JAVITS] said he would speak on. We had no testimony before the committee either at the previous hearing 4 years ago or at the present time as to how many of these people who were persecutees, so to speak, were in this country and in need of assistance. There is not a particle of information on that.

Therefore I feel it would be well for this bill to be recommitted and I shall offer a motion to recommit this bill to the Committee on Interstate and Foreign Commerce for further consideration.

Mr. HINSHAW. Mr. Chairman, I yield 3 minutes to the gentleman from New York [Mr. JAVITS.]

Mr. JAVITS. Mr. Chairman, this bill provides that property in the United States which has been or may in the future be vested and which is heirless or unclaimed shall be used, through designated successor organizations, for the relief of surviving persecutees or their dependents. It requires, in the House version, that the expenditure of the funds made thus available be for the benefit of needy persons. It thus recognizes a principle which has been a basic element in American foreign policy for many years.

From the beginning of its occupation responsibilities in Germany, the United States has shown itself solicitous of the rights and the needs of surviving persecutees. It has long ago taken legislative steps to insure that the property of persecutees—religious, racial, or political—in the United States shall be returned to those persons who were regarded by the Nazis as their first enemies. The United States has repeatedly urged, as a matter of foreign policy, that measures be enacted to make heirless property available for relief of persons who were persecuted, who are in need, and who have lost their health, their property, and their livelihoods as a result of the same type of persecution under which heirless property came into existence.

Enactment of this measure will thus reinforce the foreign policy of the United States. It will underline our continued interest in the relief of the surviving persecutees, and the establishment of remedial measures where these still remain to be taken.

Much still remains to be done, for example, in Austria, where negotiations toward this end have been under way for more than a year, and where the principles recognized by the Austrian Government are still far from completely implemented—particularly as concerns heirless property. It is understood, also, that work on the problem is being done in certain neutral countries, but has not been completed. Enactment of S. 2420 will emphasize the moral basis upon which the foreign policy of the United States must and does rest.

Mr. Chairman, we are dealing with an extraordinary situation, and extraordinary situations call for extraordinary remedies. This is a technique which we have in this bill which has been utilized in connection with very much larger amounts of property which were found in Germany. In addition to that, as everyone knows, the German Government has worked out certain reparations or what might be called reparations to the tune of $700 million, some parts of which also go to relief and rehabilitation. But—and here is the big but—here is the reason for the great desirability of this bill, the utilization of these funds will be in the United States where—and I would like to urge this to the House as a fact—they are urgently needed. Let me give you some proof of that. There is an organization—and I am getting the papers from my office and I will fill in the name of the organization and the address and the fellow who heads it in the RECORD—there is an organization which has been fighting very hard for justice in this matter in bringing to me case after case after case of Nazi persecutees, older people, little people on pensions, little people whose bodies and souls were broken by the Nazis, either directly because they were in concentration camps or because they lost everything in the world, not in terms of money alone but also their families and kith and kin, and these people are too proud and from their origin and background are not the kind of people to go on relief. To them this bill is a godsend, particularly for that purpose, and in my opinion the most vital amendment put into this bill, which absolutely commends it to the House, is the provision that this money shall be spent in the United States. I do not think, for me, certainly, you need an emotional appeal upon this particular subject. I think I bespeak the views of every Member when I say that we would welcome, I think all of us regardless of faith, any means to express the type of feeling or sympathy which is in our hearts for this tremendous holocaust which has overtaken the Jewish people in connection with the Hitler persecution. I would like to say, I think, what the gentleman from New York [Mr. FINE] said about the reservation of the gentleman from Minnesota [Mr. O'HARA] was a futile thing, and I know the gentleman well enough and I would like to join with him in that tribute to him. It represents a certain amount of dedication and courage to oppose a bill of this kind, and I pay you tribute for proceeding as you did.

Mr. O'HARA of Minnesota. Mr. Chairman, if the gentleman will yield, I pay tribute to the members of the Jewish faith. They have been my doctors and many others are my close personal friends. But, speaking of these unfortunate people, of course, there are many other people in this country who were persecutees of Hitler who are not members of the Jewish faith, such as the Germans, both Catholic and Protestant, and also a great many Polish people, who fled and finally have gotten over into this country. I have them in my own area, but they get no consideration under this type of legislation.

Mr. JAVITS. As I understand, one of the amendments that the gentleman from New York [Mr. KLEIN] sponsored would see that there is consideration regardless of faith background, and I would like to say to the gentleman that to the utmost limit of my power I have always and I pledge myself now to see that this fund is used regardless of faith for those who have been hurt, and I did that at great sacrifice in connection with the problems in Europe, and I fully intend to do it in this country.

Mr. KLEIN. Mr. Chairman, I yield myself 3 minutes.

Mr. Chairman, I believe the gentleman from Minnesota [Mr. O'HARA] said something about the fact that this was something new, that we were trying to do. I want to read another portion of the majority report on page 3.

> The legislation is also in line with certain international commitments of the United States. On numerous occasions, the United States, together with the allied governments, has taken the position that the heirless assets of persecuted persons should be used for rehabilitation and resettlement of surviving persecutees. For example, the inter-allied agreement embodied in the final act of the Paris Conference on Reparations, December 1945, specifically provided that heirless assets found in neutral countries should be used for this same purpose. A specific program for carrying out this recommendation was embodied in the Five-Power Agreement of June 1946.

In other words, this is something that has been done before. We have it in the military government.

Mr. O'HARA of Minnesota. Mr. Chairman, will the gentleman yield?

Mr. KLEIN. I yield to the gentleman from Minnesota.

Mr. O'HARA of Minnesota. May I say that that refers, of course, to the resettlement agreements which immediately followed the war and were administered in Europe, not in this country. France and England and all of the other countries entered into the administration of it.

Mr. KLEIN. That is true. But the principle of using funds of that kind for the rehabilitation of persecuted persons is not new. The only thing new that we are doing in this country, that we have not done before, is that we waited all this time for the heirs of these people to ask for this money but obviously, they are dead and there is nobody to ask for it, which is the reason why we ask for this legislation.

Mr. HARRIS. Mr. Chairman, will the gentleman yield?

Mr. KLEIN. I yield to the gentleman from Arkansas.

Mr. HARRIS. I should like to say that after long and careful consideration the committee reported this bill recognizing that in this particular instance, as a matter of policy, justice was being done. What I wanted to point out, which I believe has some bearing on the matter, is included in the committee report on page 3. I do this because of its importance. This establishes a very clear policy and expresses the difference between this and some other proposals that have to do with amendments to the Trading With the Enemy Act. The committee report says this:

> This amendment established a clear-cut distinction between the property of those persons who were in fact our enemies during the last war, and those who, as evidenced by their extreme persecution at the hands of their governments, were in fact the enemies of our enemies.

That is precisely the difference between this kind of legislation that we have before us and other proposals that we have had affecting various war claims. I wanted to state that in support of this legislation.

Mr. HINSHAW. Mr. Chairman, I yield 5 minutes to the gentleman from California [Mr. JACKSON].

Mr. JACKSON. Mr. Speaker, I ask unanimous consent to speak out of order and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. JACKSON. Mr. Chairman, some months ago on the floor of the House, I called to the attention of the Congress the fact that a moving picture was being filmed at Silver City, N. Mex. The fact of its production was not in itself of any great general interest, but the composition of its backers and principals was a matter of considerable significance to those who have labored in the battle against Communist aggression and Communist propaganda activities. The picture, which was to become a center of international controversy, was titled "Salt of the Earth," and purported to tell the story of minority-group miners and their families; their relationships with their employers and each other. In subsequent reviews, Salt of the Earth

has been variously described as "delightful," "a moving love story," "a triumph of artistic beauty," "moving and dramatic," and "terrific." Other national publications have called the picture Red propaganda.

When I made my speech on the floor of the House, Mr. Chairman, I pointed out that no picture made by or participated in by fifth-amendment witnesses could conceivably be designed to further the best interests of the United States of America. In spite of the favorable reviews received by the picture in some American newspapers, the fact remains that the picture was produced in large part by those who have refused before congressional committees to state whether or not they are now members of the Communist Party.

When I made my speech on the floor of the House I said that the moving-picture production being filmed at Silver City, N. Mex., would prove to be, in fact, a new weapon for the Soviet Union. At that time and for many months thereafter I was belabored by the Communist press, fellow-traveling journalists, the artistic and scientific muttonheads who should be equipped with seeing-eye dogs, and an odd assortment of individuals who defy compartmentation. I was accused of attempting to impose "censorship" on the visual arts. This, in spite of the fact that the production, Salt of the Earth, was widely condemned throughout the moving-picture industry by producers and union leaders alike. The people who make moving pictures know well the power and the propaganda impact that can be carried on film, and in the earliest stages of discussions which were later to lead to the production of Salt of the Earth, farsighted men in the moving-picture industry anticipated exactly what has since transpired.

Again, Mr. Chairman, I charge that Salt of the Earth and other propaganda pictures of like ilk are new weapons for the Soviet Union. The People's Daily World has just reported that the picture has been awarded highest honors in the International Film Festival held in Prague, Czechoslovakia. The report of the Red kudos is as follows:

SALT OF EARTH, REVUELTAS, WIN TOP PRIZES IN PRAGUE INTERNATIONAL FILM FESTIVAL

(Special to the Daily People's World)

PRAGUE.—The independently made United States movie Salt of the Earth shared the grand prize with the Soviet film Faithful Friends in the Eighth International Film Festival just ended in Karlovy Vary (the former Carlsbad Spa) in Czechoslovakia.

Rosaura Revueltas, Mexican star of Salt, won the award for the best acting performance by a woman.

The citation to the American movie said: "It is a work of great artistic and ideological value."

Faithful Friends is Soviet humor at its best.

The countries represented in the film festival competitions included Albania, Argentina, Belgium, Bolivia, Brazil, Bulgaria, China, Denmark, Egypt, Finland, France, German Democratic Republic, Great Britain, Holland, Hungary, India, Indonesia, Iran, Japan, Mexico, Pakistan, Peru, Poland, Rumania, Sweden, Switzerland, Union of Soviet Socialist Republics, and the United States of America.

The prizes were awarded by an international jury headed by A. M. Brousil, rector of the Academy of the Dramatic Arts and Music in Prague.

The festival opened on July 11 and ended on July 24. The prizes were announced on July 25. There was a moving moment during the presentation of the grand prize when V. Meruriyev, who played the lead in Faithful Friends fervently embraced Miss Revueltas, after handing the principal festival prize to her.

The actress stopped over in Czechoslovakia on the way back from a visit to the Soviet Union. She saw the completed version of Salt for the first time in Moscow. Miss Revueltas, it will be recalled, was arrested by United States immigration officers on a manufactured charge and deported to Mexico while the movie was still in production in Silver City, N. Mex.

Salt of the Earth was a big hit at the Karlovy Vary film festival. It is now making the rounds of people's film festivals in Czechoslovakia.

Soviet and satellite film honors are not being bestowed these days on any film production which does not further enhance and glorify the Soviet system or seek to forward its purposes of economic and political aggression. It is interesting to note that the Soviet film, Faithful Friends, shared the top honors with Salt of the Earth. The faithful friends of the Soviet Union in Hollywood have been faithful indeed.

It is quite likely that the "moving love story" will net the producers a substantial profit on their investment. It is quite likely that additional productions will be forthcoming from the same source. I shall continue in my efforts to keep the Congress and the American people informed as to the activities of those "faithful friends" whose work wins such high approval behind the Iron Curtain.

It is assumed that Rosaura Revueltas, the Mexican actress who created such a furor when her deportation from the United States was ordered, had an enjoyable and productive visit in the Kremlin. Her protestations of innocence with respect to her alleged sympathy for the Communist conspiracy can now be evaluated for what they were worth at the time they were uttered.

Salt of the Earth is doing the job it was designed to do. It is carrying distortion, inaccuracy, and American-made Red propaganda to millions of human beings who are apt to accept this vehicle of hatred and bitterness as a true expression of life in the United States.

Mr. KLEIN. Mr. Chairman, I yield 1 minute to the gentleman from Pennsylvania [Mr. CHUDOFF].

Mr. CHUDOFF. Mr. Chairman, I want to take a few of the remaining seconds that I have to commend the members of the subcommittee for bringing this bill out. I understand that it passed the other body on three separate occasions, but has always been buried in the final logjam that confronts us at the end of every session. I think the bill is a fine bill and will go a long way toward restoring much of the prestige of the United States in Europe that has been lost over the past few years. I know that now when it has passed the other body, there will be no difficulty in getting it passed in the House and to the White House where the President has already signified his approval of the bill.

The CHAIRMAN. If there are no further requests for time, the Clerk will now read the substitute amendment printed in the bill as an original bill for the purpose of amendment.

The Clerk read as follows:

Be it enacted, etc., That section 32 of the Trading With the Enemy Act of October 6, 1917 (40 Stat. 411), as amended, is hereby further amended by adding at the end thereof the following subsection:

"(h) The President may designate one or more organizations as successors in interest to deceased persons who, if alive, would be eligible to receive returns under the provisos of subdivision (C) or (D) of subsection (a) (2) thereof. An organization so designated shall be deemed a successor in interest by operation of law for the purpose of subsection (a) (1) hereof. Return may be made, to an organization so designated, (a) before the expiration of 2 years from the vesting of the property or interest in question, if the President or such officer or agency as he may designate determines from all relevant facts of which he is then advised that there is no basis for reasonable doubt that the former owner is dead and is survived by no person eligible under section 32 to claim as successor in interest by inheritance, devise, or bequest; and (b) after the expiration of such time, if no claim for the return of the property or interest is pending. Total returns pursuant to this subsection shall not exceed $3 million.

"No return may be made to an organization so designated unless it files notice of claim before the expiration of 1 year from the effective date of this act and unless it gives firm and responsible assurance approved by the President that (i) the property or interest returned to it or the proceeds of any such property or interest will be used on the basis of need in the rehabilitation and settlement of persons in the United States who suffered substantial deprivation of liberty or failed to enjoy the full rights of citizenship within the meaning of subdivisions (C) and (D) of subsection (a) (2) hereof; (ii) it will transfer, at any time within 2 years from the time that return is made, such property or interest or the equivalent value thereof to any person whom the President or such officer or agency shall determine to be eligible under section 32 to claim as owner or successor in interest to such owner, by inheritance, devise, or bequest; (iii) it will make to the President, with a copy to be furnished to the Congress, such reports (including a detailed annual report on the use of the property or interest returned to it or the proceeds of any such property or interest) and permit such examination of its books as the President or such officer or agency may from time to time require; and (iv) will not use such property or interest or the proceeds of such property or interest for legal fees, salaries, or any other administrative expenses connected with the filing of claims for or the recovery of such property or interest.

"The filing of notice of claim by an organization so designated shall not bar the payment of debt claims under section 34 of this act.

"As used in this subsection, 'organization' means only a nonprofit charitable corporation incorporated on or before January 1, 1950, under the laws of any State of the United States or of the District of Columbia with the power to sue and be sued."

SEC. 2. The first sentence of section 33 of the Trading With the Enemy Act of October 6, 1917 (40 Stat. 411), as amended, is here-

by amended by striking out the period at the end of such sentence, and inserting in lieu thereof a semicolon and the following: "except that return may be made to successor organizations designated pursuant to section 32 (h) hereof if notice of claim is filed before the expiration of 1 year from the effective date of this act."

The CHAIRMAN. The question is on the committee amendment.

The committee amendment was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. BYRNES of Wisconsin, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (S. 2420) to amend section 32 of the Trading With the Enemy Act, as amended, pursuant to House Resolution 690, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

The question is on the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

Mr. O'HARA of Minnesota. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. O'HARA of Minnesota. I am opposed to the bill, Mr. Speaker.

The SPEAKER. The gentleman qualifies. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. O'HARA of Minnesota moves to recommit the bill S. 2420 to the Committee on Interstate and Foreign Commerce.

The SPEAKER. The question is on the motion to recommit.

The question was taken; and on a division (demanded by Mr. O'HARA of Minnesota) there were—ayes 18, noes 37.

Mr. O'HARA of Minnesota. Mr. Speaker, I object to the vote on the ground that a quorum is not present, and I make the point of order that a quorum is not present.

Mr. HALLECK. Mr. Speaker, I ask unanimous consent that further proceedings in connection with the passage of this bill be postponed until Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

The SPEAKER. Does the gentleman from Minnesota withdraw his point of order of no quorum?

Mr. O'HARA of Minnesota. I withdraw the point of order of no quorum, Mr. Speaker.

INTERNAL REVENUE ACT, 1954

Mr. REED of New York. Mr. Speaker, I ask unanimous consent for the immediate consideration of the resolution (H. Con. Res. 268) relating to the enrollment of H. R. 8300.

The Clerk read the resolution, as follows:

Resolved by the House of Representatives (the Senate concurring), That the Clerk of the House of Representatives in the enrollment of the bill (H. R. 8300) to revise the internal revenue laws of the United States, is authorized and directed—

(1) In section 116 (a), to strike out "to the extent" and insert in lieu thereof the following: "from domestic corporations, to the extent."

(2) In the last sentence of section 404 (d), to strike out "applies is" and insert in lieu thereof the following: "applies, is."

(3) In section 556 (b) (6), to strike out "403" and insert in lieu thereof the following: "404."

(4) In the table of sections immediately preceding section 641, to insert after "subparts" the following: "A."

(5) At the end of section 691 (b) (2), to strike out "received.—" and insert in lieu thereof the following: "received."

(6) In section 804 (a) (3), to strike out subparagraph (B) and insert in lieu thereof the following:

"(B) the reserve earnings rate, bears to a denominator comprised of the aggregate of the excess of taxable incomes (computed without any deduction for tax-free interest, partially tax-exempt interest, or dividends received) over the adjustment for certain reserves provided in section 806."

(7) In section 853 (e) (2), to strike out "sections" and insert in lieu thereof the following: "section."

(8) In section 1033 (b), to strike out "of residence," and insert in lieu thereof the following: "of the residence."

(9) In section 2513 (b) (2) (A) and in section 2513 (c) (1), to strike out "March" and insert in lieu thereof the following: "April."

(10) To add at the end of the table of sections immediately preceding section 4341 the following "SEC. 4345. Cross references."

(11) To strike out section 4551 and insert in lieu thereof the following:

"SEC. 4551. Imposition of tax.

"In addition to any other tax or duty imposed by law, there is hereby imposed upon the following articles imported into the United States, unless treaty provisions of the United States otherwise provide, a tax at the rates specified. For the purposes of such tax, the term 'United States' includes Puerto Rico.

"(1) In General: Lumber, rough or planed or dressed on one or more sides, except flooring made of maple (other than Japanese maple), birch, or beech, $3 per 1,000 feet, board measure.

"(2) Wood dowels:

"(A) Dowels made of fir, spruce, pine, hemlock, larch, or cedar (except cedar commercially known as Spanish cedar), 75 cents per 1,000 feet, board measure.

"(B) Dowels made of Japanese maple, Japanese white oak, teak, box, ebony, lancewood, or lignum vitae, $3 per 1,000 feet, board measure.

"(C) Dowels made of wood and for which no rate of tax is specified under subparagraph (A) or (B), $1.50 per 1,000 feet, board measure."

(12) In section 4601 (2), to strike out "duty." and insert in lieu thereof the following: "duty; and."

(13) In section 4601, to strike out paragraphs (3) and (4).

(14) In section 4601 (5), to strike out "(5)" and insert in lieu thereof the following: "(3)."

(15) In section 4602, to add at the end thereof the following:

"Each reference to any provision of the Internal Revenue Code of 1939 in any agreement entered into, or in any proclamation of the President made, under the authority of such section shall be deemed also to refer to the corresponding provision of this title."

(16) In section 4773, to strike out "4732 (c)" and insert in lieu thereof the following: "4732 (b)."

(17) In section 4883 (c), to strike out "4884 (a) (4)," and insert in lieu thereof the following: "4884 (a) (3),"

(18) In section 5044, to strike out "of his delegate" and insert in lieu thereof the following: "or his delegate."

(19) In section 7601 (b), to strike out "7211" and insert in lieu thereof the following: "7212."

(20) In the table of subparts preceding section 351, to strike out "Special rules" and insert in lieu thereof the following: "Special rule."

(21) In section 2031 (a), to strike out "by determined" and insert in lieu thereof the following: "be determined."

(22) In section 2038 (a) (2), to strike out "of where" and insert in lieu thereof the following: "or where."

The SPEAKER. The question is on the resolution.

The resolution was agreed to, and a motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND REMARKS

Mr. HINSHAW. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill S. 2420.

The SPEAKER. Is there objection?

There was no objection.

Mr. BYRNE of Pennsylvania. Mr. Speaker, it is my privilege today to join with many of my colleagues in supporting the amendment of the Trading With the Enemy Act, S. 2420.

This bill has for its purpose the disposition of property which belonged to men and women persecuted by our enemies during World War II. The rightful owners of this property are unknown; either they have been killed, leaving no heirs, or the property is not in such condition as to be recognized as belonging to anyone in particular. At the present time, it is in the hands of the Alien Property Custodian.

We in this body feel that the United States Government has no lawful claim to this property. Since it is impossible to return it to its owners, we are proposing, under this legislation, to arrange for it to be turned over to certain organizations which would use it for the rehabilitation and resettlement in the United States of persecuted people.

Similar bills have been introduced in both the Senate and the House several times in the past few years. However, at no time was one of these bills passed by both Houses of Congress. S. 2420 has been passed by the Senate and, if it is passed here, will go to the President to be signed into law.

It is fitting that the assets of these persecuted people be distributed among those who suffered in like measure the atrocities and tortures of war. Approximately 90 percent of the owners of the property in question were Jewish. We feel that if they were living it would please them greatly to know that the property is to be disposed of by two Jewish organizations and that a great

part of it will be used for the relief of deserving members of that proud people. Their cruel and irrational treatment by the Nazis will in part be avenged.

I would like to bring out, also, that this bill provides that such property, the value of which is not to exceed $3 million, is to be used for the relief of persecuted in need. Thus, it is not limited to members of the Jewish racial group. Knowing of similar work done under the United States Military Government in Germany, we may rest assured that this law will be administered carefully and fairly.

I heartily endorse the provisions of this bill and hope that it will soon become law.

REFERENCE OF COMMUNICATION TO JOINT COMMITTEE ON ATOMIC ENERGY

Mr. COLE of New York. Mr. Speaker, I ask unanimous consent that the Executive Communication 1783 from the Attorney General, transmitting the draft of a bill to provide rewards for information concerning illegal introduction into the United States or illegal manufacture or acquisition in the United States of special nuclear material and weapons, be re-referred from the Committee on the Judiciary to the Joint Committee on Atomic Energy.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

CONFERENCE REPORT ON H. R. 9936

Mr. TABER. Mr. Speaker, I ask unanimous consent that the managers on the part of the House may have until midnight Saturday night to file a conference report on the bill H. R. 9936.

The SPEAKER. Is there objection?

There was no objection.

TRADING WITH THE ENEMY ACT

Mr. O'HARA of Minnesota. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. O'HARA of Minnesota. Mr. Speaker, I would like to inquire what will be the situation on Monday with reference to the bill S. 2420, upon which I made the point of order that a quorum was not present.

The SPEAKER. The Chair wishes to state that the vote will have to be taken all over again on Monday next.

AMENDING THE HATCH ACT

Mr. CORBETT. Mr. Speaker, I renew my consent request for the present consideration of the bill (H. R. 7745) to amend certain provisions of the act of August 2, 1939, commonly known as the Hatch Act, relating to employees of State or local agencies whose activities are financed in whole or in part by loans or grants from the United States, with amendments.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That subsections (a), (b), and (c) of section 12 of the act of August 2, 1939, entitled "An act to prevent pernicious political activities" (5 U. S. C., sec. 118k (a), (b), and (c)), are hereby amended to read as follows:

"SEC. 12. (a) No officer or employee of any State or local agency whose principal employment is in connection with any activity which is financed in whole or in part by loans or grants made by the United States or by any Federal agency shall (1) use his official authority or influence for the purpose of interfering with an election or a nomination for office, or affecting the result thereof, or (2) directly or indirectly coerce, attempt to coerce, command, or advise any other such officer or employee to pay, lend, or contribute any part of his salary or compensation or anything else of value to any party, committee, organization, agency, or person for political purposes. All such persons shall retain the right to vote as they may choose and to express their opinions on all political subjects and candidates.

"(b) (1) If any Federal agency charged with the duty of making any loan or grant of funds of the United States for use in any activity by any officer or employee to whom the provisions of subsection (a) are applicable has reason to believe that any such officer or employee has violated the provisions of such subsection, it shall make a report with respect thereto to the United States Civil Service Commission (hereinafter referred to as the 'Commission'). Upon the receipt of any such report, or upon the receipt of any other information which seems to the Commission to warrant an investigation, the Commission shall fix a time and place for a hearing, and shall by registered mail send to the officer or employee charged with the violation and to the State or local agency employing such officer or employee a notice setting forth a summary of the alleged violation and the time and place of such hearing. At such hearing (which shall be not earlier than 10 days after the mailing of such notice) either the officer or employee of the State or local agency, or both, may appear with counsel and be heard. After such hearing, the Commission shall determine whether any violation of such subsection has occurred and whether such violation, if any, warrants the removal of the officer or employee by whom it was committed from his office or employment, and shall by registered mail notify such officer or employee and the appropriate State or local agency of such determination.

"(2) If the Commission finds that such officer or employee has not been removed from his office or employment on or before the date on which the Commission's determination becomes final, or that he has been so removed and has subsequently (within a period of 6 months) been appointed to any office or employment in any State or local agency in such State, the Commission shall make and certify to the appropriate Federal agency an order requiring it to withhold from its loans or grants to the State or local agency to which such notification was given an amount equal to 2 years' compensation at the rate such officer or employee was receiving at the time of such violation; except that in any case of such a subsequent appointment to a position in another State or local agency which receives loans or grants from any Federal agency, such order shall require the withholding of such amount from such other State or local agency: *Provided*, That in no event shall the Commission require any amount to be withheld from any loan or grant pledged by a State or local agency as security for its bonds or notes if the withholding of such amount would jeopardize the payment of the principal or interest on such bonds or notes. Notice of any such order shall be sent by registered mail to the State or local agency from which such amount is ordered to be withheld. The Federal agency to which such order is certified shall, after such order becomes final, withhold such amount in accordance with the terms of such order.

"(3) Any determination or order of the Commission shall become final upon the expiration of 30 days after the mailing of notice of such determination or order, except that if, in accordance with subsection (c), a determination or order is stayed, and thereafter such determination or order (whether or not modified) is affirmed, such determination or order shall become final upon such date subsequent to such affirmation as the Commission shall prescribe.

"(c) Any party aggrieved by any determination or order of the Commission under subsection (b) may, within 30 days after the mailing of notice of such determination or order, institute proceedings for the review thereof by filing a written petition in the district court of the United States for the district in which such officer or employee resides; but the commencement of such proceedings shall not operate as a stay of such determination or order unless it is specifically so ordered by the court. A copy of such petition shall forthwith be served upon the Commission, and thereupon the Commission shall certify and file in the court a transcript of the record upon which the determination or the order complained of was made. The review by the court shall be on the record entire, including all of the evidence taken on the hearing, and shall extend to questions of fact and questions of law. If application is made to the court for leave to adduce additional evidence, and it is shown to the satisfaction of the court that such additional evidence may materially affect the result of the proceedings and that there were reasonable grounds for failure to adduce such evidence in the hearing before the Commission, the court may direct such additional evidence to be taken before the Commission in such manner and upon such terms and conditions as to the court may seem proper. The Commission may modify its findings of fact or its determination or order by reason of the additional evidence so taken and shall file with the court such modified findings, determination, or order, and any such modified findings of fact, if supported by substantial evidence, shall be conclusive. The court shall affirm the Commission's determination or order, or its modified determination or order, if the court determines that the same is in accordance with law. If the court determines that any such determination or order, or modified determination or order, is not in accordance with law, the court shall remand the proceeding to the Commission with directions either to make such determination or order as the court shall determine to be in accordance with law or to take such further proceedings as, in the opinion of the court, the law requires. The judgment and decree of the court shall be final, subject to review by the appropriate circuit court of appeals as in other cases, and the judgment and decree of such circuit court of appeals shall be final, subject to review by the Supreme Court of the United States on certiorari or certification as provided in sections 239 and 240 of the Judicial Code, as amended (U. S. C., 1934 edition, title 28, secs. 346 and 347). If any provision of this subsection is held to be invalid as applied to any party with respect to any determination or order of the Commission, such determination or order shall thereupon become final and effective as to

such party in the same manner as if such provision had not been enacted."

SEC. 2. Subsection (e) of section 12 of such act of August 2, 1939 (5 U. S. C., sec. 118k (e)), is hereby amended by striking out "the first two sentences" and inserting in lieu thereof "the first sentence."

SEC. 3. Section 18 of such act of August 2, 1939 (5 U. S. C., sec. 118n), is hereby amended by striking out "or in the second sentence of section 12 (a) of this act."

SEC. 4. Determinations made or orders entered after February 1, 1954, by the Civil Service Commission in cases arising under section 12 of such act of August 2, 1939 (5 U. S. C., sec. 118k), shall be governed by the provisions of such section as they are amended by this act.

Mr. CORBETT. Mr. Speaker, earlier today the gentleman from Mississippi [Mr. WILLIAMS] objected to the passage of this bill because of an understandable misunderstanding about the contents of H. R. 7745. I have discussed the measure with the gentleman and he agrees that the bill does do what he would have it do.

I yield to the gentleman from Mississippi.

Mr. WILLIAMS of Mississippi. Mr. Speaker, I objected to the consideration of this bill when it was presented earlier today. I did so because, after a cursory look at the bill, it appeared to me that it extended the Hatch Act to cover State employees. However, after having the bill explained to me by its sponsor, the gentleman from Pennsylvania [Mr. CORBETT], I have found that it does exactly the opposite.

For that reason, Mr. Speaker, I am pleased to withdraw my objections to the bill.

Mr. CORBETT. Mr. Speaker, I offer several amendments.

The Clerk read as follows:

Amendments offered by Mr. CORBETT: Page 1, line 8, after the word "principal", insert the word "public."

Page 3, line 4, after the word "employee", strike out the word "of" and insert in lieu thereof the word "or."

Page 3, line 17, strike out the words "of 6 months" and insert in lieu thereof "set by the Civil Service Commission which shall not exceed 18 months."

Page 6, line 14, strike out "sections 239 and"; strike out all of line 15, and down to the period in line 16, and insert in lieu thereof "28 U. S. C. 1254."

Page 7, line 5, strike out "February" and insert in lieu thereof "August."

The amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

INTERIM AUTHORITY TO SPEAKER AND CLERK OF HOUSE

Mr. HALLECK. Mr. Speaker, I ask unanimous consent that notwithstanding the adjournment of the House until Monday next the Clerk be authorized to receive messages from the Senate and that the Speaker be authorized to sign any enrolled bills and joint resolutions passed by the two Houses and found truly enrolled.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

COMMITTEE ON HOUSE ADMINISTRATION

Mr. CORBETT. Mr. Speaker, I ask unanimous consent that the Committee on House Administration may have until midnight tomorrow night to file a report on the bill (H. R. 7745) to amend certain provisions of the act of August 2, 1939, commonly known as the Hatch Act, relating to employees of State or local agencies whose activities are financed in whole or in part by loans or grants from the United States.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

HON. LAURIE C. BATTLE

The SPEAKER. Under the previous order of the House, the gentleman from Alabama [Mr. BOYKIN] is recognized for 60 minutes.

Mr. BOYKIN. Mr. Speaker, I have asked for this time to give the Alabama delegation and any other friends in Congress here an opportunity to say a word about a great man and a good man, a wonderful soldier and statesman, just an all-around good and great American, LAURIE BATTLE, who is retiring from the Congress this session.

LAURIE BATTLE, as you know, did not run for his seat here in the House this year and he will retire to private life in Birmingham, one of the great cities not only of Alabama but of the earth.

You men here who have served so long with this wonderful and fine man will miss just as we of the Alabama delegation will miss him. But I imagine he will be coming back very often and some day he make take his seat again, who knows, because in that district they love this man who has served so well, who has worked so hard, who has done such an outstanding job not only for his district and for his State but for his Nation.

Mr. JAVITS. Mr. Speaker, will the gentleman yield?

Mr. BOYKIN. I yield to the gentleman from New York.

Mr. JAVITS. Mr. Speaker, I served with the gentleman from Alabama [Mr. BATTLE] on the Foreign Affairs Committee. He is author of the Battle Act for the control of the East-West trade. He has made magnificent contributions not only to the committee but to the policy of our whole Nation and I think the Nation owes him a debt of gratitude. I wish him Godspeed and the best in the days ahead.

Mr. BOYKIN. I thank the gentleman from New York for his contribution.

Mr. HOLIFIELD. Mr. Speaker, will the gentleman yield?

Mr. BOYKIN. I yield to the gentleman from California.

Mr. HOLIFIELD. Mr. Speaker, I had the pleasure also of serving for 2 years on the Foreign Affairs Committee of the House with the gentleman from Alabama [Mr. BATTLE]. I want to attest to his contribution to the very valuable work of that committee. His record of wise legislative accomplishments is a very fine one.

Mr. BOYKIN. I thank our friend from California.

Mr. Speaker, at this time I want to ask the gentleman from Alabama [Mr. GRANT] to say a word about our beloved LAURIE BATTLE.

Mr. GRANT. Mr. Speaker, I thank my colleague from Alabama [Mr. BOYKIN] for yielding to me. It is not so often that we stand on this floor to pay tribute to a young man, but this afternoon such is the case because LAURIE BATTLE is still a young man.

LAURIE BATTLE'S service in this House is a matter of history. I want to say that he is a self-made man. LAURIE came up the hard way; that is, in part, he worked his way through college and by his grit, by his self-determination and by his desire to better himself in life, he attended several colleges, among them being the Birmingham-Southern College in his hometown of Birmingham, the Vanderbilt University, and Scarritt College, Ohio State University, and the University of Alabama.

LAURIE soon saw the need of national defense in this country and he attempted to do something about it. He offered his services to the Alabama National Guard and served an enlistment in the National Guard of the State of Alabama. Then in World War II he enlisted as a private and by that self-determination and by his desire to serve his country and his fellow man he served with distinction in the Pacific and in other areas during that awful conflict of World War II. When he was discharged, by his integrity and by his work he was discharged with the rank of major.

He entered the 80th Congress here in 1947 and applied himself to his committee work. He soon secured membership on the Foreign Affairs Committee of the House. We all know the work that he did on legislation which I think has meant much to this Nation and to the cause of democracy in the world. The legislation that he sponsored has become known in legislative history as the Battle Act. I am not going into the history of that act, but I do believe when a final history is written of this period a great deal of credit will be given to LAURIE BATTLE for his sponsorship of the resolution and bill through the House which provided that this Nation would not sit idly by and see nations that we were helping, nations that were supposed to help us in securing democracy in this world, trade with the enemy. So this House passed the bill which, in the final analysis, meant cutting off military, and financial aid, and economic aid to nations who violated the Battle Act.

I think a rather delightful thing concerning this Battle Act was due to the fact that the day this act was passed by the House, within 24 hours of that time, Mr. and Mrs. BATTLE had born to them a little Battle No. 3, and LAURIE, in making his remarks upon the floor at that time stated that it had been suggested to him that he name the baby H. R. 4550. Since that time there has been another child born to that happy union.

LAURIE, in closing these few remarks, I want to say to you that you leave the Halls of Congress here with the admiration and the love not only of your fellow

colleagues from the State of Alabama, but I am sure that I speak the sentiments of this whole body when I say to you and your lovely family that we wish for you in the years to come every happiness, health, and prosperity.

Mr. BOYKIN. Mr. Speaker, I yield to the gentleman from Oklahoma [Mr. WICKERSHAM].

Mr. WICKERSHAM. Mr. Speaker, I should like to confirm what the gentleman from Alabama has just said about our colleague the gentleman from Alabama [Mr. BATTLE]. As chairman of the Oklahoma delegation, the Oklahoma delegation expresses its appreciation of the wonderful service the gentleman has rendered in a thorough, courteous, cooperative, and honest manner here in the House.

Mr. BOYKIN. Mr. Speaker, I yield to the gentleman from Mississippi [Mr. COLMER].

Mr. COLMER. Mr. Speaker, I should like to add my few humble words extolling the virtues of our colleague, the gentleman from Alabama [Mr. BATTLE], who is retiring from active service in this House which he has graced and honored during the brief period that he has been here.

LAURIE BATTLE comes from my adjoining State, the good State of Alabama. I have watched his record during the time he served here in the House with ever increasing approval. LAURIE BATTLE is not a politician in the sense that we speak of politicians. If he were, he might not be leaving us; he might just be transferring over to another body. I like to think of LAURIE BATTLE here in this House of Representatives as a great patriot, a man who always approached the problems that arose here on this floor from the standpoint of how that particular problem and his attitude toward it was going to affect the Nation rather than how it was going to affect LAURIE BATTLE and his political future. I think that our friend, Laurie, has done a splendid job in this House. I wish we had more and more of his kind. Like Abou Ben Adhem, may his tribe increase.

Mr. Speaker, permit me to say that I think I bespeak for the membership of this House generally on both sides of the aisle when I say that LAURIE BATTLE leaves us with the confidence, the respect, and the good wishes of all with whom he has served. You know, it is not so important how long you serve in this House but how well you perform while you are here. Measured by that yardstick, LAURIE BATTLE has done a good job.

Mr. BYRNES of Wisconsin. Mr. Speaker, will the gentleman yield?

Mr. BOYKIN. I am glad to yield to the distinguished gentleman from Wisconsin.

Mr. BYRNES of Wisconsin. Mr. Speaker, I would like to associate myself with the views expressed here in tribute to the gentleman from Alabama, LAURIE BATTLE. I personally have found it not only a great pleasure but a profitable experience to have had the opportunity to serve in the Congress of the United States with the gentleman from Alabama [Mr. BATTLE]. It may certainly be said of him that he is a scholar, a statesman, and a gentleman. We are all going to miss him very much, and I regret personally that he has seen fit to terminate his service in the House of Representatives.

Mr. BOYKIN. Mr. Speaker, I thank my colleague from Wisconsin and also thank the gentleman from Mississippi [Mr. COLMER] for the fine statement that he has made.

Mr. SMITH of Wisconsin. Mr. Speaker, will the gentleman yield to me?

Mr. BOYKIN. I am glad to yield to my friend from Wisconsin.

Mr. SMITH of Wisconsin. Mr. Speaker, I want to associate myself with those who have spoken so favorably of my colleague, a member of my own committee, the Committee on Foreign Affairs. I have had a real opportunity to know LAURIE BATTLE. While I cannot speak for the committee, I feel that I express the sentiments of the committee when I say that we are all going to miss him. I know of no individual member of that committee who has been more diligent in the tasks assigned to him. The Battle Act will stand as a monument to his work here.

Mr. Speaker, I sincerely hope that the day will come when he will again be associated with us here or in some other body, because we need young men like LAURIE BATTLE in the service of our country.

Mr. BOYKIN. I thank my colleague very much for that statement, and I am glad to yield to my distinguished friend from Mississippi [Mr. WILLIAMS].

Mr. WILLIAMS of Mississippi. Mr. Speaker, LAURIE BATTLE and I came to Congress together in the 80th Congress.

I have watched LAURIE BATTLE through the years as we have served here together. I can truthfully say that I know of no Representative in this House who has served with a more sincere determination to represent the best interests of all of his people; who has served with greater courage or greater devotion to duty than has LAURIE BATTLE.

It was my pleasure to live as Laurie's neighbor in the same apartment development here in Washington for several years, and I came to know Laurie and his family very well. They were wonderful neighbors, and his family is one of which he may well be proud.

Not only is Laurie, in my opinion, one of the finest Representatives that we have had in this Congress since I have been here, but he is also one of the finest young men I have ever known in my life. He is a Christian gentleman. He is a man of sterling character, and he has earned and deserves the respect and admiration of the people of this country, the State of Alabama, and the State of Mississippi, which I have the pleasure to represent.

I wish him well as he leaves this body. I am glad to be able to say that I can count LAURIE BATTLE as one of my friends. I hope that our friendship will continue throughout the years, even though he may not be in Congress in those years. LAURIE BATTLE is a living example of what I would wish my son to be.

Mr. BOYKIN. I thank the gentleman for that fine statement.

Mr. EDMONDSON. Mr. Speaker, will the gentleman yield to me?

Mr. BOYKIN. I am glad to yield to my friend from Oklahoma.

Mr. EDMONDSON. Mr. Speaker, it is a keen pleasure for me to have the opportunity to join with Alabama's great delegation in saluting one of its fine Members, LAURIE BATTLE. In the brief time I have been a Member of this Congress, I have come to like and to admire this fine southern gentleman. It has been a pleasure to associate with him in the baseball competition which has taken place between the two sides of the House for a very worthy cause in the District of Columbia. I have always found him, whether as a member of the Democratic baseball team or as a Member of the House, to be a great sportsman, a conscientious and able legislator, a truly fine gentleman, and, in the words of the gentleman from Mississippi, a great American. I know the House will miss him and I know that all of us wish him all success and all good fortune in the years which lie ahead.

Mr. BOYKIN. I thank the gentleman.

Mr. REES of Kansas. Mr. Speaker, will the gentleman yield?

Mr. BOYKIN. I yield.

Mr. REES of Kansas. I want to join with other Members in paying tribute to our colleague, LAURIE BATTLE. I had the honor of serving with him as a member of the House Committee on Post Office and Civil Service. He was a valued member of the committee during the 80th Congress when I was honored with being chairman of the committee.

I have respected LAURIE BATTLE for his industry, his ability, and his sincerity. His service and his contribution to the work of the committee were outstanding. He is a great American with a deep sense of justice. He is devoted to the best interests of his country and to his fellow men. Our kindest wishes are extended to LAURIE BATTLE and to his family.

Mrs. ROGERS of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. BOYKIN. I yield.

Mrs. ROGERS of Massachusetts. I have always especially liked the Members of the Alabama delegation. Several of them have served on our Committee on Veterans' Affairs and I have found them wonderfully fine and cooperative. Mr. BATTLE is a much respected friend and colleague and an able legislator. A real southern gentleman, he is everything that is splendid in Alabama and in the country. I am so sorry he and his family will leave Washington, and hope they will sometime return. I wish them great happiness and success.

Mr. BOYKIN. I thank the gentlewoman.

Mr. ANDREWS. Mr. Speaker, will the gentleman yield?

Mr. BOYKIN. I yield to the gentleman from Alabama.

Mr. ANDREWS. It has been my pleasure to know LAURIE BATTLE since he first came to Congress. Since I came to Congress I have known many Members but I can truthfully say I have never known a finer man in or out of Congress than LAURIE BATTLE. In my opinion he is one of the greatest legislators and public officials our State or

any other State has produced in many years.

LAURIE BATTLE possesses what I conceive to be the necessary qualifications and traits of character to be a good public official. First, he is ruggedly honest. Second, he has ability. Third, he has courage.

LAURIE BATTLE has done a magnificent job as Representative from the Ninth District of Alabama, which is possibly one of the most difficult congressional districts in America to represent. It has one of the biggest populations of any congressional district in America, and in that district you find groups whose interests are constantly in conflict.

LAURIE has voted his convictions from the day he got here. Many times the votes he cast here on certain bills were politically unwise. They were antagonistic to the interests of some of those groups in Jefferson County, Ala. But those people did not hold out on Laurie because of the votes he cast here. They had faith and confidence in him and in his sincerity. Year after year for four consecutive terms he came back to Congress with the biggest majority any Member of the House I have ever known has received in that congressional district that is so difficult to represent.

LAURIE has made a great contribution here to the legislation that was designed to better secure our Nation. The Battle Act has been a great help so far as the security of this Nation is concerned. It is one of the great pieces of legislation that has been passed since the end of World War II. Laurie has had the courage to vote his convictions. I have never known him to dodge a vote when he was in the city of Washington or any other time, and certainly not when he was here in Washington. He has had the courage to stand up and be counted on every issue. To say that we will miss him is very true. I hope that when he leaves here, as a Member of this House, he will have the same degree of success in whatever undertaking he applies himself to as he has enjoyed as a Member, and with him certainly will go our best wishes. I shall always treasure my friendship with LAURIE BATTLE because he is a sincere man, he is a true man, he is a dependable man and his friendship is based on sincerity which unfortunately in Washington is something that is very hard to find. Many times, we find here that friendship is based on convenience and necessity—but not so with LAURIE BATTLE. He is a true, loyal, patriotic American, and I wish for him in the future years of his life the best of everything.

Mr. BOYKIN. Thank you, Congressman ANDREWS. At this time, I yield to the gentleman from Alabama [Mr. ELLIOTT].

Mr. ELLIOTT. Mr. Speaker, I am happy to join my colleagues in giving expression to the high regard and good wishes which I hold for LAURIE BATTLE as he returns to private life.

The gentleman from Alabama [Mr. BATTLE] has served in the Congress during a very difficult period of this country's history. It has been a period when we have been faced with the problem of making the adjustments following the titanic struggle of World War II. As a member of the House Committee on Foreign Affairs he has played a most significant part in the formulation of our national policy, which has had for its objective the building of American allies on the one hand, and enunciating a position of firmness in our dealings with Russia, on the other. Over these years Russia's actions have made the conclusion inescapable that she will have it no other way than to be our enemy. A testimonial of LAURIE BATTLE's activity in the field of formulation of foreign policy is the Battle Act, the sponsorship of which gave him a national reputation.

As LAURIE BATTLE leaves the House of Representatives he has the satisfaction of knowing that he represented Alabama's largest city in such a manner that he was overwhelmingly reelected at the end of each 2-year term as long as he chose to seek the position.

The influence of his public service will live a long time. His accomplishments will continue to be a source of pride to his friends.

Again I want to express my very best wishes for the success and happiness of LAURIE BATTLE, his lovely wife Jan, and their children.

Mr. BOYKIN. Thank you kindly, Congressman ELLIOTT. At this time, I yield to the gentleman from Alabama, Congressman ROBERTS.

Mr. ROBERTS. Mr. Speaker, it has been said that a prophet is not without honor save in his own country. But that truism does not apply to a member of our delegation who is leaving the Halls of Congress—LAURIE BATTLE has honor in his own country and he has it because of the fact that people know he is a man who is sincere in purpose, a man who is fearless in action, a man who has the courage of his convictions. LAURIE BATTLE is still a young man—I say that because we are the same age—but I do not know of any man who in such a short time has attained more of the high honors in this land of ours than has our colleague and friend.

LAURIE has had excellent training and experience, and I think that he drew upon that experience and that background to make himself one of the outstanding legislators of this body. As a matter of fact, in his second term he offered a bill, as a member of the Post Office and Civil Service Committee, H. R. 1516, which brought a great deal of stability to the Post Office Department, in that it provided for the reclassification of the salaries of postmasters, officers, and employees of the postal service. It established uniform procedure for computing compensation, and for other purposes. This became Public Law No. 257. Later, the act which bears his name, "The Battle Act," was passed. To my mind, and I think to the minds of most Members of this body, that act has had much to do with strengthening our defenses against the constantly growing threat of communism.

A great many good things have been said here today about LAURIE BATTLE, and it is difficult to add to the glowing tributes that have been paid to him. Not only has he been an outstanding legislator, but he has been an outstanding patriot. Any man who enters the service as a private and in the short period of 3 years becomes a major, has an unusual amount of ability. He was overseas for about 16 months, and in that time he was awarded the Bronze Star Medal, the Philippine Liberation Medal, the Victory Medal, the American theater ribbon, the Asiatic-Pacific ribbon, and eight battle stars.

Since he has been in this body he has been cognizant of the needs of our veterans and has, on every occasion that I can recall, supported veterans' legislation that was beneficial.

LAURIE BATTLE will be missed in the Alabama delegation. He has always been cooperative. He not only represents his district but he has been willing to cooperate on anything that is for the betterment of our great State of Alabama. As he goes back to other pursuits, I hope that his efforts will be crowned with success. I know that he takes with him the love and devotion of the Members of this body on both sides of the aisle.

Mr. BOYKIN. I thank the gentleman.

I now yield to the gentleman from Alabama, Mr. SELDEN.

Mr. SELDEN. Mr. Speaker, it is a real pleasure for me to join with my colleagues in paying tribute to one of Alabama's distinguished sons, LAURIE BATTLE. It has been a high privilege to have known and worked with Laurie as a Member of the House of Representatives, and it is with sincere regret that I see him leave this great legislative body.

I am proud of the fact that LAURIE BATTLE was born in Shelby County, Ala., 1 of the 8 counties of the district I now represent. He is the son of a Methodist minister, the late W. R. Battle, who was known and loved throughout the State of Alabama. Laurie received his education in Alabama's public schools, Birmingham Southern College, Vanderbilt University, Scarritt College, Ohio State University, and the University of Alabama. His record at all of these institutions was outstanding.

Entering as a private, he served in the Air Force during World War II and was discharged with the rank of major. Only a few months after his release from active duty, Laurie was elected to the 80th Congress from Alabama's Ninth Congressional District, at the age of only 34.

Upon election to the 80th Congress, LAURIE served first as a member of the Post Office and Civil Service Committee. He was appointed to the Foreign Affairs Committee during the 81st Congress where he has served for the past 6 years. He has been an outstanding member of this great committee and is perhaps best known for the legislation that bears his name, the Battle Act.

LAURIE BATTLE'S ability, his sound thinking, and his vision and foresight have earned him the respect and the admiration of the entire membership of this House. The people of his district, the State of Alabama, and the entire Nation can be grateful that we have had a man with the ability and the character of LAURIE BATTLE to serve as a Member of Congress during these crucial times. Certainly we are indebted to him for his

years of unselfish and devoted public service.

We regret to see you leave, Laurie, but upon your retirement from the House of Representatives, we wish for you, your lovely wife, Jan, and your three fine children the very best that life can bestow. We commend you for your past accomplishments, and we wish for you a future of success and happiness.

Mr. BOYKIN. Mr. Speaker, I yield to the gentleman from Alabama [Mr. ROBERTS].

Mr. ROBERTS. Mr. Speaker, I ask unanimous consent to revise and extend my remarks, and further ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the life, character, and public service of LAURIE BATTLE.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. CHIPERFIELD. Mr. Speaker, as chairman of the House Foreign Affairs Committee, I wish to pay tribute to our colleague, LAURIE BATTLE, who is retiring as Representative from the Ninth District of Alabama which he has served so loyally, devotedly, and energetically since the 80th Congress. He served as a member of the Post Office and Civil Service Committee during the 80th Congress and was appointed to the House Foreign Affairs Committee on January 18, 1949, during the 81st Congress, and has served on that committee ever since.

During the 82d Congress, LAURIE BATTLE served as chairman of the Subcommittee on Foreign Economic Policy. Acutely conscious of his responsibilities and the importance of foreign economic policy in the foreign affairs of our Nation, he conducted a thorough study of the question of the trade of the free world with the Soviet bloc—East-West trade. As a result of this thorough and painstaking study, there emerged the Mutual Defense Assistance Control Act of 1949, which is known around the entire globe as the Battle Act, after the name of the distinguished author LAURIE BATTLE. The Battle Act has been successful in curtailing the shipment of strategic items by our allies to Iron Curtain countries. In June 1951, he served as chairman of the Economics Section of a Special Study Mission to Europe made up of members of the Foreign Affairs, Armed Services, and Appropriations Committees. Other members of this section included the Honorable Christian A. Herter, now Governor of Massachusetts, the Honorable Richard B. Wigglesworth, and the Honorable Frederic R. Coudert, Jr. He filed a report with the Foreign Affairs Committee just prior to its consideration of the Mutual Security Act of 1951. I know that much of the reorganization of the administration of our foreign aid program following the Mutual Security Act of 1951 resulted from the recommendations made by his group.

LAURIE BATTLE has always taken his responsibilities as a Member of Congress and as a member of the House Foreign Affairs Committee very seriously. To him public service is a great opportunity and a high responsibility. This fundamental philosophy of LAURIE BATTLE's has been constantly demonstrated during his service as a member of the Foreign Affairs Committee. No matter how small the bill being considered by the committee, LAURIE BATTLE has always given it just as much careful attention as he has the larger and more important measures. He brought to the Foreign Affairs Committee a sense of sincerity, a public consciousness, and a willingness to spend many arduous hours in bringing forth the best possible legislation in the public interest, all of which qualities will be sorely missed.

I know that with his retirement there go the best wishes of his friends, his colleagues in the Congress, and his associates on the Foreign Affairs Committee.

Mr. RICHARDS. Mr. Speaker, it is a great loss to the House of Representatives that LAURIE BATTLE is retiring from Congress at the end of this term. As former chairman of the Foreign Affairs Committee and now ranking minority member, I have served on that committee with LAURIE BATTLE for a number of years and have firsthand knowledge of his energy, integrity, ability, and devotion to duty. I know of no Member of Congress who has accomplished more during an equal tenure of years. He is the author of the famous Battle Act, which has done much in curbing trade with Russia and Iron Curtain countries. He was last year appointed by President Eisenhower as a member of the Foreign Economic Policy Commission, in which position he did yeoman work. Those are just two of his many achievements since he came here.

I must say, too, that I have a keen sense of personal loss in LAURIE BATTLE'S retirement. I have come to know and love him and his fine family during the years they have been in Washington, and I am sure I speak for the entire membership of our committee and of the Congress itself when I say that it will be hard to fill his place and that we shall truly miss him.

I confidently believe that Laurie has a great future no matter what activity of life he decides to enter. I hope he will decide to come back here. But in any event, our thoughts and best wishes are with him and his family always.

Mr. BOYKIN. Mr. Speaker, the gentleman from Alabama [Mr. RAINS] could not be here. He gave me a statement and asked me to read it. He says:

> Mr. Speaker, perhaps no man has ever made warmer friends among his colleagues in Congress than has our friend LAURIE BATTLE. He is loved and respected by all of us, and we wish him, as he leaves us at the end of this session of Congress, every success in all his undertakings.
>
> Laurie has made an excellent record representing the great Ninth District of Alabama. In his quiet, calm, and dignified way he has written a record here in the Congress which will be long remembered. Those of us in the Alabama delegation are going to miss him greatly.

That is the gentleman from Alabama ALBERT RAINS.

I am going to ask in a few minutes that LAURIE BATTLE take some of this time that I have, but before I do I do just want to say that he could have stayed here as long as he wanted to. Although he might have been opposed he would have defeated the opposition by a tremendous majority, because the people in that great district love and respect him. His city of Birmingham is the greatest city in Alabama, maybe in the world, but certainly in the State of Alabama at this time now, for now they are bringing in iron ore from Venezuela and will have one of the largest steel developments there in the world, and that great river system—he has helped develop everything there. Since he has been the Congressman from that district it has practically doubled in size. So I say to you that LAURIE BATTLE could keep on coming back here.

These men here, the men in the Congress of the United States, your colleagues, who represent every human being in America, hate to see you go, but whatever your undertakings happen to be they will be delighted and glad to help and work with you because we know you would never want anything except the things that would be helpful to the people of this great Nation.

I have known LAURIE BATTLE ever since he came here. I have known his wonderful wife, Jan, and his fine children. I know his brother. I know his office force. He has one little girl there who is on the job all the time. I would like to mention her by name but the only name in the world I know her by is "Pat," but she sure stands pat for Laurie and his great district and she has done a fine job, and I do not think there has ever been a better secretary in the Congress of the United States.

Mr. Speaker, I could talk forever about this young man who has done so much and is such a young fellow, and who will have so many opportunities. If he puts in the same amount of time, the same thought, the same work in his future undertakings that he has here he can go to any length that he wants.

The good Lord knows exactly what is best for all of us, and I know he knows what is best for LAURIE BATTLE. As one of our colleagues said, his father was a minister, and he said he was one of the greatest in the country. Well, I think that LAURIE BATTLE is one of the greatest Representatives, in my judgment, who has ever served in the Congress of the United States—and I have been here a long, long time.

I hate to see you go, and if you should ever want to come back I hope you will come. God bless you forever.

Mr. BOYKIN. Mr. Speaker, at this time I yield the rest of my time to my great colleague [Mr. BATTLE], of Birmingham, Ala.

Mr. BATTLE. Mr. Speaker, to say that I am grateful or overwhelmed would be an understatement. I believe the first speech I ever made on the floor of this House was about 6 o'clock one Sunday morning when we eulogized the departure of one of our friends. It is different when it happens to you.

I am most appreciative, Frank, to you as the dean of the Alabama delegation, to each and every Member of the Alabama delegation, and to my other friends in the House for this occasion today.

I have served as a Member of the House of Representatives for 8 years—at least by January 3, 1955, my 8 years will have been completed. Working day in and day out, year in and year out, so closely as we have, one gets to know his colleagues mighty well.

Mr. Speaker, I have developed a deep respect for the Members of the Alabama delegation and for those who are honoring me today, an appreciation of your ability, and a warm feeling of affection for you as persons and as friends. I have shared your joys and your sorrows, both legislatively and personally, along with your families and office staffs. As a delegation, we have always worked together in the interest of Alabama. As Members of Congress, we have always worked together for the security and well-being of our country.

Mr. Speaker, we have an able delegation from Alabama. They are always on the job, they are conscientious, and they have served our State well. I am leaving the job of representing the State of Alabama in good hands. We have had differences, of course—differences of opinion, differences of philosophy, and differences of interest—but I submit, Mr. Speaker, that this is a natural process of free government. May we ever be free enough to express our differences of opinion and settle them in an orderly way. To paraphrase one of our earlier patriots, I would like to say that it has been, and will always be, my purpose to fight for the right to differ.

Mr. Speaker, my colleagues know, I believe—I certainly hope so—that I have done my best to serve my district, to serve our State, to cooperate with the Alabama delegation and I have done, above all, what I believed to be right, irrespective of the consequences.

In conclusion, I would like to say thank you from the bottom of my heart to each and every Member here today for their kind expressions and for the expressions of those who could not be here. I want to thank especially the older Members of the delegation and of the House for their help, and I also want to thank the newer Members for their cooperation, assistance, and friendship as well.

Mr. Speaker, I shall never forget this occasion. I will always be grateful to you, each and every one of you, who have spoken here today or expressed yourselves, and to all of my friends with whom I have served in the House of Representatives during the past 8 years. I will always be deeply grateful to my staff, and to my family. I will always be deeply grateful to the people of the Ninth District of Alabama for giving me the opportunity of serving in Congress, in the House of Representatives, the greatest deliberative body in the world. May it ever be so.

Thank you very much.

FOREIGN AID IS NO BARGAIN FOR WISCONSIN TAXPAYERS

The SPEAKER pro tempore (Mr. NICHOLSON). Under previous order of the House, the gentleman from Wisconsin [Mr. SMITH] is recognized for 20 minutes.

Mr. SMITH of Wisconsin. Mr. Speaker, in matters relating to foreign policy, my friend the distinguished Senator from Wisconsin [Mr. WILEY] and I have held opposite views. On July 28, in the Senate, he opened the debate on the mutual security bill of 1954—foreign aid. It was an able presentation in support of the full amount provided in the measure and generally expressed the views of those who have supported that legislation. I respect that point of view but differ almost wholly with it in view of present world conditions. I have asked for this time to answer in part the argument that the gentleman from Wisconsin [Mr. WILEY] has made, namely, that the foreign-aid spending has been of great benefit to the people of the State of Wisconsin.

He says that Wisconsin agriculture in the past 5 years has exported $175 million worth of farm products. Industry, he states, for that same period has exported about $111 million of industrial or manufactured items, or a total of $286 million of income for business and agriculture. So much for what we received in my State, and I do not minimize the amount my State has received and the work it has provided for Wisconsin people.

But, Mr. Speaker, the Senator did not mention what the foreign aid spending is costing the taxpayers of Wisconsin. This is a glaring omission, in my opinion, because it fails to give the people in my State the true picture, but only one side of it. I shall attempt to answer the important question as to what Wisconsin is paying for this program and submit some pertinent facts.

Mr. Speaker, it is my opinion that foreign aid is no bargain for the taxpayers in my State, in spite of $286 million of goods sold under it. The record is clear.

We have engaged in foreign-aid giving from July 1945, for 9 long years, and the total net aid provided in that period has been in excess of $59 billion. For economic aid we have advanced more than $38 billion, and for military assistance more than $21 billion.

This program for the period that I have mentioned cost the taxpayers of my State $1,223,680,000. Only 11 other States paid more than Wisconsin.

Now, Mr. Speaker, what has been the charge upon Wisconsin for the 5-year period mentioned in the Senator's speech? Keep in mind that the income, according to the gentleman from Wisconsin [Mr. WILEY], amounted to $286 million.

However, the cost or charge upon the taxpayers of Wisconsin was actually $504,370,400. It is my contention that the foreign-aid program has not helped the people in Wisconsin but actually they have paid almost twice as much to support the program than they have received. I repeat again, Mr. Speaker, that the program has been no bargain for Wisconsin taxpayers.

Mr. Speaker, proponents of the foreign-spending program justify their positions with the argument that our dollars will prevent the onward march of communism in Europe and Asia.

The record is abundantly clear that the expenditure of money is not stopping aggressive communism. Here is the record and it cannot be successfully refuted.

Before World War II, the world's only Communist country was the Soviet Union, containing 170 million people in 8.1 million square miles.

During World War II, Soviet Russia swallowed up Estonia, Latvia, and Lithuania, plus parts of Finland, Poland, Czechoslovakia, Rumania, China, and Japan.

Just after World War II, Communists directed by Moscow took over all of Albania, Bulgaria, Czechoslovakia, Hungary, Poland, Rumania, and Yugoslavia. Soviet troops occupied East Germany and East Austria. Later, Yugoslavs broke with Moscow.

By 1950, Chinese Communists backed by Russia had conquered all of mainland China. In that year, Communists in North Korea attacked South Korea on Moscow's orders. Later, truce terms left North Korea in Communist hands. In 1951, Communist China conquered Tibet, on India's borders.

Now, in Indochina, Communists take over another 12 million people or more.

Net result: In 15 years, Communists have taken an additional 5.5 million square miles of territory and nearly 600 million people. The Communist empire today embraces 13.6 million square miles, one-fourth of the earth's land surface, and 800 million people, a third of the population of the earth.

In all sincerity, Mr. Speaker, these facts are a complete refutation of the argument that American dollars have stopped communism militarily or politically.

IMPORTS OF CRUDE OIL IN THE UNITED STATES ARE RUINING OUR DOMESTIC MARKET

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Kansas [Mr. REES] is recognized for 10 minutes.

Mr. REES of Kansas. Mr. Speaker, I desire to again call to the attention of the Congress the problem presented through excessive petroleum imports.

This problem is of concern to the Congress. It is of concern to the people of this country. It is not a partisan issue. The solution of it is basic to our economic well-being. It is essential to our national security.

It deserves the thoughtful attention of our national administration.

I have no desire to hamper the progress of the present administration. I want to be of help. I want to assist our administrative leaders as well as my colleagues on a subject important to our national welfare.

A few weeks ago, President Eisenhower pointed with pride to the comparative advantage the United States has over Russia in the production of oil. At the same time he suggested the influence for peace this advantage gave to the United States.

I do not want our country to lose that position. We are the one great power outside the Iron Curtain having within

its boundaries sufficient petroleum products to meet continued industrial expansion and for national security. Whether we remain in that position depends upon policies of our Government.

Whatever can be done to insure sound policies for national security and well-being should be the concern of all, whether in a legislative or administrative capacity.

I find no positive policy nor legislative or administrative program that now promises to preserve our position as to oil.

There is presently a world surplus of petroleum. Vast areas outside the United States have been opened for the production of oil, largely by American companies. This oil is valuable to the entire world and should be so developed and distributed.

We have learned in the United States that unwise development of our oil reserves results in great waste.

The impulse to find excessive markets causes waste of the producing reserves from which the oil is taken. Where this excessive production of oil is thrown onto markets, it can cause premature abandonment of older producing areas and an eventual loss of this valuable product.

Currently, oil produced from the new areas of production is from wells producing from one to six thousand barrels per day. The average per well production in the United States is less than 13 barrels per day. In my State of Kansas, our wells are producing on the average of nine barrels per well per day.

The conclusion is obvious: Unless some intervening program of restriction on the movement of this vast volume of oil now being produced at much less cost than the oil in the United States, our own ability to produce will be retarded.

When that is done, our country, and the friendly countries looking to us for petroleum supplies, will become dependent on areas outside of our own country for security.

Oil from the Middle East is becoming to an increasing extent, the source for the requirements of Europe and the entire Eastern Hemisphere. That market, once a valuable trade area for oil produced in the United States, is being lost to our producers.

Already the production in our States is being restricted. Kansas production has reached the minimum that can be imposed under our law.

Neighboring oil-producing areas have likewise been restricted. I understand that in Texas, our largest oil-producing State, production is now being restricted to a 15-day-per-month basis.

The market areas are now flooded, prices are being reduced and great concern is expressed throughout the industry.

Because the situation to which I am directing your attention is becoming more serious day by day, I invite the thinking of the Congress and the administration as well to give consideration to dealing with it before it becomes even worse.

Should other solutions fail, I will at an appropriate time again offer a proposal for congressional solution. Last year I offered a bill to restrict these oil imports to 10 percent of our requirements.

Administrative leaders urged the Congress not to take such legislative action until a more complete study had been made. The Congress responded to this request and authorized a commission, suggested by the President, to study and report on this problem.

The Commission was appointed. If they studied the question of oil imports they failed to advise or recommend to the Congress what action we should take. If they advised the administration, that advice has not been acted on or passed on to Congress.

I think it is well known that the importance of this situation is recognized at the highest level in the administrative branches of Government.

On May 28, 1953, the Secretary of the Interior, Hon. Douglas McKay, made a statement before the National Petroleum Council, in which he said be had discussed this question with the President and the National Security Council and that the statement made was concurred in by the President. That statement by the Secretary reads as follows:

For the past several weeks there has been considerable debate on those provisions of the Simpson bill to extend the Reciprocal Trade Agreements Act which would limit imports of crude oil and residual fuel oil. The nature of the issues and the merits of the arguments are well known to all of you.

I testified before the Committee on Ways and Means of the House of Representatives in opposition to those provisions of the Simpson bill which would place statutory limitations on crude oil and residual fuel oil imports into this country. I testified in opposition to those provisions because I felt that their enactment into law would be more harmful to the overall economy of the country than the benefits to be derived.

So that you may understand more fully my position, I want to quote you the following sentences from my testimony:

"I recognize the importance of domestic petroleum production to national defense and the contribution it makes to the national economy and that of the oil-producing States. I also realize that the petroleum industry is unique in that discovery and development of new reserves constitute a major and vital activity of the industry. Oil and gas produced must be replaced by a vigorous and progressive search for new reserves or the Nation's ability to produce petroleum would rapidly deteriorate.

"I recognize how important it is that the strength of the domestic industry be maintained. To maintain this strength requires an economic climate that promotes the competition, progress, and technological development that has brought the industry to its present high degree of capability. The domestic industry today is undergoing a period of readjustment. The rate of growth in demand has leveled off after the rapid gains which followed the Korean outbreak. At the same time the expansion of supply has brought about a more normal reserve capacity. Demand is now dropping seasonally at the close of warm winter. Domestic production has been reduced in recent months, and there should be a corresponding cut in imports. There is evidence that already the industry is effecting such adjustments."

My belief that the industry, acting individually, will effect such adjustments in the level of imports is based upon faith that the individual interests of each importing company will lead to that desirable level of imports necessary to preserve the health of the domestic industry and the security of this Nation more readily than can be achieved by resorting to undesirable and inflexible statutory restraints.

I am hopeful that those companies importing crude oil or products will show industrial statesmanship in this important matter and that each company, acting individually and wholly on its own individual judgment, will exercise that restraint in respect of imports necessary to the health and security of the Nation.

I have discussed this matter with President Eisenhower and the National Security Council. I can say to you that President Eisenhower concurs in these views.

For the 6 months immediately preceding the statement wherein Secretary McKay urged "a corresponding cut in imports," total petroleum imports amounted to 1,080,000 barrels per day. For a comparative 6 months ending May 1, 1954, imports have averaged 1,090,000 barrels a day.

Imports were not reduced, but domestic production was stagnated. Production of crude oil in the United States for the 6 months ending May 1, 1953, averaged 6,540,000 barrels per day; for the 6 months ending May 1, 1954, this production has been reduced to 6,375,000 barrels per day. This reduction was forced in the face of greatly increased producing capacity.

There should be a distinction in our national policy as between materials essential to our national defense and the less important commodities. For the first time, this distinction was recognized in the extension of the Trade Agreements Act, when the Senate, without objection, adopted an amendment offered by Senator SYMINGTON, which reads as follows:

SEC. 2. No action shall be taken pursuant to such section 350 to decrease the duty on any article the continued domestic production of which, in volume sufficient to meet projected national defense requirements, as determined by the President, would be threatened by such decrease in duty.

Here is not only recognition of the importance of essential materials, but, as well, a recognition of the fact that it is not a partisan issue. This amendment was offered by a Democrat and accepted without objection by the entire Senate.

On January 30, 1954, Honorable Felix Wormser, Assistant Secretary of Interior, in a speech before the Colorado Mining Association Convention at Denver, referring to a similar situation as to all minerals, stated:

In an effort to correct this situation, the President, as you know, has appointed a Minerals Policy Committee, consisting of four Cabinet members, under the chairmanship of the Secretary of the Interior. The other members are the Secretary of State, the Secretary of Commerce, and the Director of the Office of Defense Mobilization, together with the Secretary of the Treasury and the Director of the Bureau of the Budget acting in an advisory capacity.

Efforts have been made in the past to formulate a minerals policy. The National Minerals Advisory Council of recent memory, endeavored to do the job, without success. It is perhaps the most difficult task the Government can perform in the minerals sphere. I know you will be interested to learn that a vast amount of groundwork has already been done by this committee. It should not be too long before results are crystallized to

such an extent that a report can be made to the President for his consideration. But I ask you not to be impatient in awaiting the completion of this important task.

The question of remedial action as to oil imports has long been before the Tariff Commission and other agencies of Government. On May 3, 1949, the Tariff Commission dismissed an application for "escape clause" relief made by the Independent Petroleum Association of America with the following statement, in part:

The present situation with respect to inventories, which has resulted in some current scaling down of both production and imports, thus appears to have been due almost wholly to factors other than past changes in the duty. The Commission will continue to observe closely further developments in the industry, and its action in dismissing the present application for an investigation does not prejudice in any way future consideration of the question of petroleum imports as related to the escape clause.

For the 6-month period prior to the signing of that order, petroleum imports into the United States amounted to 590,000 barrels per day; for 6 months ending May 1, 1954, imports amounted to 1,090,000 barrels per day. In other words, imports have practically doubled without further action by the Commission. Here we have assurance that the Tariff Commission is continuing to be alert as to this problem.

The continuing study by the Tariff Commission, the consideration that has been given by the Interior Department, and the awareness of the problem at the Cabinet level should provide a basis for such administrative action as may be necessary.

The problem continues. We have extended the trade agreements law for another year.

The Congress has deferred action, but it cannot afford to long postpone the time this problem must be met.

How long a condition that is recognized by all as being injurious to the welfare of our country can be permitted to continue without serious threat to the security of our country, I do not know. There is little chance of legislative action now during the closing days of this Congress. There is abundant time for such administrative corrections as are within their power.

In order to bring the problem I have just discussed down to date, I call attention to a recent article that appeared in the Journal of Commerce reciting the fact that one of the large oil companies has slashed crude buying in the State of Kansas to 70 percent. Here is what the article says. It appears in the Journal of Commerce for July 28, 1954:

SOHIO TO SLASH KANSAS CRUDE BUYING TO 70 PERCENT

Effective August 1, 1954, and continuing until further notice, Sohio Petroleum Co. will reduce its purchases from leases served by Kaw Pipe Line Co. in Kansas to 70 percent of actual purchases made in June of 1954.

In common with the industry, Sohio has substantially reduced refinery runs as compared to last year.

The leveling of United States demand, carryover from the winter season of unusually large products stocks—especially gasoline, loss of some Canadian markets, and the lack of effective regulation of crude-oil production in certain areas have resulted in excessive supplies of crude oil, the company stated.

Despite maximum effort to reduce purchases in other areas, including the institution of purchase prorationing, crude-storage facilities available to Sohio continue to fill and are approaching physical capacity limits. As a result, this further action has become necessary.

So it appears that while we continue to increase imports from foreign countries, we slash crude buying in the United States.

MRS. ELIZABETH PRUETT FARRINGTON

The SPEAKER pro tempore. Under previous order of the House, the gentlewoman from Massachusetts [Mrs. ROGERS] is recognized for 10 minutes.

Mr. BATTLE. Mr. Speaker, will the gentlewoman yield?

Mrs. ROGERS of Massachusetts. I will be very glad to yield to the gentleman from Alabama, who is leaving the Congress, I hope only for a short time.

Mr. BATTLE. I thank the gentlewoman. I want to express my very deep appreciation for her kind words of a few moments ago and say that I regret leaving such a wonderful public servant as she is.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I want to express my very great pleasure that the new delegate from Hawaii, the Honorable BETTY FARRINGTON, is a Delegate in this Congress of the United States. She is a friend of long standing. I have always loved her and admired her work for the Republican Party, her work for Hawaii, and her work for the country. She and our colleague the late Joe Farrington, worked hand in hand for the same principles and for the same causes. I have never seen a warmer welcome extended to any person in all of my experience in the Congress, and that has been some 30 years, than was extended to BETTY FARRINGTON yesterday when she was sworn in as Delegate. It was a tribute to her and her work as well as a tribute to Joe Farrington. I think it means that the Delegate, BETTY FARRINGTON, will be a great success in her work as Delegate in the House of Representatives and in every way of great value to Hawaii because of her knowledge of legislative procedure and governmental procedure, and her knowledge of the Territory of Hawaii and all its problems, and of great value to our country.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. BOGGS, for today and the remainder of the session, on account of official business.

Mr. PRESTON, for today and the remainder of the session, on account of official business.

FOREIGN AID

Mr. VORYS submitted a conference report and statement on the bill (H. R. 9678) to promote the security and foreign policy of the United States by furnishing assistance to friendly nations, and for other purposes.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the RECORD, or to revise and extend remarks, was granted to:

Mr. MILLER of Nebraska in two instances and to include an editorial.

Mr. YORTY (at the request of Mr. JOHNSON of Wisconsin) in two instances.

Mr. BAILEY.

Mr. BURDICK.

Mr. CRUMPACKER.

Mr. JOHNSON of Wisconsin, the remarks he made earlier in the day and to include extraneous matter.

Mr. BARRETT (at the request of Mr. ROONEY) and to include extraneous matter.

Mr. WOLVERTON and to include extraneous matter.

Mr. JAVITS, the remarks he made in Committee of the Whole on the bill relating to trading with the enemy, and to include extraneous material.

ENROLLED BILLS SIGNED

Mr. LECOMPTE, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H. R. 2763. An act to amend the Tariff Act of 1930, so as to modify the duty on the importation of wood dowels, and for other purposes.

ADJOURNMENT

Mr. REES of Kansas. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 58 minutes p. m.), under its previous order, the House adjourned until Monday, August 9, 1954, at 12 o'clock noon.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. LECOMPTE: Committee on House Administration. House Resolution 622. Resolution providing for additional funds for studies and investigations by the Committee on the Judiciary; with amendment (Rept. No. 2623). Referred to the House Calendar.

Mr. LECOMPTE: Committee on House Administration. House Resolution 629. Resolution to provide additional funds for the expenses of the study and investigation authorized by House Resolution 22; with amendment (Rept. No. 2624). Referred to the House Calendar.

Mr. LECOMPTE: Committee on House Administration. House Resolution 631. Resolution to provide expenses for the special committee authorized by House Resolution 439; without amendment (Rept. No. 2625). Referred to the House Calendar.

Mr. LECOMPTE: Committee on House Administration. House Resolution 682. Resolution to provide necessary expenses for the Committee on Rules; without amendment

(Rept. No. 2626). Referred to the House Calendar.

Mr. LECOMPTE: Committee on House Administration. House Concurrent Resolution 218. Concurrent resolution favoring the waiver of State residence requirements in elections of Federal officials; with amendment (Rept. No. 2627). Referred to the House Calendar.

Mr. TALLE: Joint Committee on the Economic Report. Report pursuant to section 5 (a) of Public Law 304 (79th Cong.) (Rept. No. 2628). Referred to the Committee of the Whole House on the State of the Union.

Mr. WOLVERTON: Committee on Interstate and Foreign Commerce. S. 906. An act to establish the finality of contracts between the Government and common carriers of passengers and freight subject to the Interstate Commerce Act; without amendment (Rept. No. 2629). Referred to the Committee of the Whole House on the State of the Union.

Mr. HESELTON: Committee on Interstate and Foreign Commerce. S. 3379. An act to amend the Flammable Fabrics Act, so as to exempt from its application fabrics and wearing apparel which are not highly flammable; with amendment (Rept. No. 2630). Referred to the Committee of the Whole House on the State of the Union.

Mr. TALLE: Committee on the District of Columbia. H. R. 9648. A bill to amend the District of Columbia Unemployment Compensation Act to provide for unemployment compensation in the District of Columbia, and for other purposes; with amendment (Rept. No. 2631). Referred to the Committee of the Whole House on the State of the Union.

Mr. KEARNS: Committee on the District of Columbia. S. 1585. An act to amend the District of Columbia Traffic Act, 1925, as amended; without amendment (Rept. No. 2632). Referred to the Committee of the Whole House on the State of the Union.

Mr. SIMPSON of Illinois: Committee on the District of Columbia. S. 1611. An act to regulate the election of delegates representing the District of Columbia to national political conventions, and for other purposes; without amendment (Rept. No. 2633). Referred to the Committee of the Whole House on the State of the Union.

Mr. O'HARA of Minnesota: Committee on the District of Columbia. S. 3506. An act to repeal the act approved September 25, 1914, and to amend the act approved June 12, 1934, both relating to alley dwellings in the District of Columbia; with amendment (Rept. No. 2634). Referred to the Committee of the Whole House on the State of the Union.

Mr. O'HARA of Minnesota: Committee on the District of Columbia. S. 3655. An act to provide that the Metropolitan Police force shall keep arrest books which are open to public inspection; without amendment (Rept. No. 2635). Referred to the Committee of the Whole House on the State of the Union.

Mr. McCULLOCH: Committee on the Judiciary. H. R. 10158. A bill to provide for the payment of fees to counsel assigned to represent indigent defendants in felony cases; without amendment (Rept. No. 2636). Referred to the Committee of the Whole House on the State of the Union.

Mr. CHIPERFIELD: Committee of Conference. H. R. 9678. A bill to promote the security and foreign policy of the United States by furnishing assistance to friendly nations, and for other purposes (Rept. No. 2637). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ALEXANDER:

H. R. 10186. A bill to provide that the Atomic Energy Commission shall make a study and investigation with respect to the use and development of atomic energy for peaceful pursuits; to the Joint Committee on Atomic Energy.

By Mr. HOFFMAN of Michigan (by request):

H. R. 10187. A bill to amend the Federal Property and Administrative Services Act of 1949, as amended, to provide for the payment of appraisers', auctioneers', and brokers' fees from the proceeds of disposal of Government surplus real property, and for other purposes; to the Committee on Government Operations.

H. R. 10188. A bill to authorize reciprocal fire-protection agreements between departments and agencies of the United States and public or private organizations engaged in fire-fighting activities, and for other purposes; to the Committee on Government Operations.

By Mr. HOWELL:

H. R. 10189. A bill to establish a program of grants to States for the development of fine-arts programs and projects; to the Committee on Education and Labor.

By Mr. WIER:

H. R. 10190. A bill to amend the Fair Labor Standards Act of 1938 to establish a $1.25 minimum hourly wage, and for other purposes; to the Committee on Education and Labor.

By Mr. HOPE:

H. Res. 699. Resolution to amend House Resolution 161; to the Committee on Rules.

By Mrs. ST. GEORGE:

H. Res. 700. Resolution authorizing and directing the Committee on Interstate and Foreign Commerce to make a full and complete investigation and study of the procedures and practices under the Trading With the Enemy Act during the period from December 18, 1941, to the present; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BATES (by request):

H. R. 10191. A bill for the relief of Antonio Silva de Oliveira; to the Committee on the Judiciary.

By Mr. HUNTER:

H. R. 10192. A bill for the relief of Michele Constantino Pastore; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1133. By Mr. FORRESTER: Petition of Mrs. Linda C. Ewing and sundry other citizens of Ashburn, Ga., calling for passage of the Bryson bill, H. R. 1227; to the Committee on Interstate and Foreign Commerce.

1134. By Mr. GOODWIN: Resolution of the board of aldermen, city of Somerville, Mass., favoring a hydroelectric plant for New England; to the Committee on Public Works.

EXTENSIONS OF REMARKS

The Details of World Government

EXTENSION OF REMARKS
OF

HON. USHER L. BURDICK

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 5, 1954

Mr. BURDICK. Mr. Speaker, for 3 years I have been trying to alert the people of the United States to the sinister clouds of desolation now forming to destroy this great Government. I have had to weave together bits of evidence coming to light here and there which in my judgment clearly spelled out the purposes of those citizens of the United States who desire and strive to substitute for our Government a world government by placing over it a world organization which would destroy our sovereignty and make this Government subservient to it.

The excuse which these misguided citizens make for this treasonable program is that it is being done in the name of peace. Peace would be the easiest thing in this world to accomplish if we were to surrender our means of protection and kneel down before the altar of peace and surrender our freedom and liberties. People behind the Iron Curtain have this kind of peace, but where is their freedom and liberty? I am just as much an advocate of peace as anyone can be, but the peace I want is not a slave's peace, but a peace with freedom and liberty. I do not want to be driven into slavery in the name of peace.

Just what is intended by the one-worlders is now definitely outlined. The people no longer have to go over the facts we have gathered here and there to prove this treasonable act, for now directly before us is the written plan with the specifications of this sinister world government.

The American Public Relations Forum, Inc., of Burbank, Calif., in its bulletin No. 31 of June 1954, outlines the whole scheme to destroy the sovereign power of the United States.

In 1955 it is planned to amend the Charter of the United Nations, with the design, it is said, "to produce a genuine, and, as we believe, a workable scheme of world government."

Membership: Membership should be open to all states, and all must be urged to join. Once membership has been accepted, continued membership must be compulsory. There must be no right of secession.

If the United States can be lured into this snare by these sirens of world government, we cannot get out except by revolution. Do the free citizens of the United States want any such contrivance merely because misguided peace advocates tell us this is what we want?

Disarmament: The charter will provide for the complete, simultaneous, universal, en-

forceable disarmament, enforceable by the United Nation's police.

In other words, if this great Nation thinks it is best to keep prepared to defend our institutions of freedom, we are to be forced into a position of no protection and are to be subjugated by the police force of the United Nations. Do these weakminded disciples of world government believe for a single moment that here, in the cradle of liberty, where we have maintained the greatest government on earth for nearly 170 years, we are going to meekly surrender and turn our affairs over to a bastard child of the United Nations? Instead of this scheme's bringing peace it will bring war—war right here in the United States.

Judiciary: The International Court of Justice should be given jurisdiction to:

(a) Decide disputes between states.

(b) Disputes between a state and citizens of another state.

(c) Disputes involving members of the UNO and in particular its police.

(d) Any matter concerning the interpretation of the U. N. Charter, including the validity of laws passed by the world legislature.

This provision makes certain that the Supreme Court of the United States will not be permitted to pass upon the Charter of the United Nations. If this court decides that the provisions of the Charter of the United Nations supersedes the Constitution of the United States, then our courts have no power to decide the matter, and we must accept the world court's decisions.

The world legislature:

A. Shall consist of two chambers, the lower chamber shall be represented by the selection by states of the members according to population.

B. Have power to raise revenue for U. N. purposes.

Here we at once notice that Russia, Red China, and their satellites will control the lower chamber. Just where would we be in this organization with Red forces controlling the world congress? Anyone who thinks this is not a Communist-inspired scheme certainly is completely dumb or at least weakminded.

The executive:

The two chambers shall select an executive committee to run the business, so here again the Communists would control. There is to be no veto power over the legislature in any way.

World citizenship:

Every person in the world should be a citizen of the United Nations, and the charter and laws should bind each individual.

Bill of rights:

A new bill of rights is to be set up under the terms of the Charter of the United Nations. This means a new definition of free speech, a free press and free religion.

Power shall be given by the Charter of the United Nations to legislate in order that states shall be governed by international law.

Here we have the direct challenge that the United States shall henceforth be governed by this world government legislature, no matter what a citizen of this country may think of it.

The following suggestion as to how Russia will come into this organization is enlightening:

America must disarm to show we are proving democracy means what it says.

It is implied "that then Russia will be so ashamed that she will lay down her own arms and come in and be good." Did you ever hear such asinine nonsense? When has Russia ever been ashamed? If the United States disarmed as here recommended, Russia would not be ashamed, but delighted that we were naive enough to believe her, and her word would be as worthless as it has proven to be in all our dealings with the Soviet.

This is a plan of government hatched up by a band of world peace advocates who are willing to sell out their own country, lock, stock and barrel, if these peace-lovers can have peace. "Peace, peace," is their cry, and the certainty of the loss of freedom and liberty under that kind of peace has never dawned on their incompetent brains.

I want the people of this country to know just what kind of people are fomenting the sale of our sovereignty. They are intentionally trying to do it—or they are to ignorant to understand freedom and liberty.

Many good people in the United States have been captivated by this cry of peace, but here in this speech are the facts that demonstrate how demented some people can get. They are either absolutely demented or they are traitors to the Republic of the United States. In either case they should be halted in their perfidy before they can complete the sale of the free institutions of the United States of America.

These conspirators propose to have the atomic and the H-bomb, and all stockpiles of completed bombs, turned over to the United Nations. While they do not in this outline of world government say so, it can logically be inferred that the purpose of having these bombs is to awe the various states into submission.

It may well be that the taxes assessed by the world legislature would not suit the people of the United States, whose Representatives in Congress were not consulted about this tax. In that event the police force of the world government will go into action and forcibly collect the tax—that is, any tax the world government may assess. Should that police force be unable to forceably collect the tax, the possession of the atomic bombs by this police force might conceivably be used against the United States or any other state in the world government.

Thus, we see that while these skim-milk-brained advocates of world peace want peace, and peace at any price, at the same time they want weapons enough to force the people of the world into submission. They want the United States to disarm, but insist upon arming themselves. Nothing could be more cowardly than this.

I do not believe these world-peace advocates should be arrested for treason, but they should be taken before the nearest sanity court, and if as demented as they appear to be in backing this plan of world government, they should be locked up as a protection to the public.

As soon as the people of the United States fully understand what the world government plan is, the fighting spirit of the patriots who started this Government will be aroused.

My oath of office reads that "I will protect the Constitution of the United States against all enemies, foreign and domestic," and while serving into this Congress, or living in this Republic, I propose to carry out to the letter the provisions of that oath.

Crumpacker Plans Official Tour of 22 Communities in Third Indiana District

EXTENSION OF REMARKS

OF

HON. SHEPARD J. CRUMPACKER

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 5, 1954

Mr. CRUMPACKER. Mr. Speaker, following a practice established in 1950 of making the services of my office directly available to constituents at least once each year, I am planning an official business tour of 22 cities and towns in the Third Indiana District soon after the adjournment of Congress.

My 1954 grass-roots tour—the fourth in as many years—has been scheduled for August 30 through September 3 and will include visits to 7 communities in Elkhart County, 6 in La Porte County, 6 in Marshall County, and 3 in St. Joseph County.

A temporary office will be established at a central location in each community and local citizens will be afforded an opportunity to confer informally with their representative in Congress.

No formal appointment will be necessary, and I will welcome the chance to be of any possible service to any and all callers. As in past years, I will be accompanied and assisted by a member of my Washington office staff.

I have learned from experience, Mr. Speaker, that these tours are of value for many reasons. Not only do they afford me an opportunity to bring the services of my office directly to the people in their home towns, but they serve another useful purpose.

As a supplement to the opinion polls I conduct annually by mail, they enable me, through personal contact, to keep informed of the views and attitudes of my constituents on legislative issues. With this in mind I am looking forward with eagerness to my 1954 Third District tour.

The complete tour schedule follows:

MONDAY, AUGUST 30

Osceola, fire station, 9 a. m.
Elkhart, courthouse, 10 a. m.
Middlebury, First State Bank, 2 p. m.
Bristol, town hall, 3:30 p. m.

TUESDAY, AUGUST 31

Wakarusa, Exchange State Bank, 9 a. m.
Goshen, courthouse, 10 a. m.
New Paris, State Bank, 2 p. m.
Nappanee, city hall, 3 p. m.

WEDNESDAY, SEPTEMBER 1

Lakeville, town hall, 9:30 a. m.
La Paz, Farmer's State Bank, 10:30 a. m.
Bremen, town hall, 11:30 a. m.

Bourbon, News-Mirror office, 1:30 p. m.
Argos, town hall, 3 p. m.
Culver, Citizen office, 4 p. m.

THURSDAY, SEPTEMBER 2

Plymouth, courthouse, 10 a. m.
Walkerton, town hall, 1:30 p. m.
Kingsford Heights, fire station, 3 p. m.
Wanatah, H. W. Welkie office, 4 p. m.

FRIDAY, SEPTEMBER 3

Westville, public library, 9 a. m.
Michigan City, courthouse, 10 a. m.
La Porte, courthouse, 2 p. m.
Union Mills, fire station, 4 p. m.

Farm Prices

EXTENSION OF REMARKS
OF
HON. CLEVELAND M. BAILEY
OF WEST VIRGINIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, August 5, 1954

Mr. BAILEY. Mr. Speaker, in the CONGRESSIONAL RECORD for July 30, the gentleman from Illinois [Mr. VURSELL] attempted to show the American farmer that he was doing pretty well under the present administration—and if he was not doing very well it all came about because the Democrats had been running the country a couple of years ago, when the farmer was doing pretty well.

I can sympathize with the gentleman from Illinois in his attempts to make the American farmer think he is doing well under the present administration. It was an almost impossible task the gentleman undertook to accomplish.

Let me relate the experience of Mr. L. W. Boley, a cattle farmer in Nicholas County, W. Va., who also happens to be the current sheriff.

In the spring of 1952, Mr. Boley sold 31 yearling steers at $230 a head.

In the spring of 1953, Mr. Boley sold 24 yearling steers at $145 a head.

In the spring of 1954, Mr. Boley sold 24 yearling steers—bigger and fatter than the 31 sold in 1952—at $114 a head.

The man to whom Mr. Boley sold 31 yearling steers at $230 a head in 1952 still has some of those animals. He recently offered to sell them back to Mr. Boley at much less than he had paid for them, even though he has fed them for 2 years.

Mr. Boley recently wanted to buy some steaks. He went to a chain store, where the price was $1.14 per pound, a price the butcher said was the equivalent to the all-time war-period high.

The sheriff said that farmers in Nicholas County, W. Va., are paying higher-than-ever prices for fertilizer, seed, feed, and farm machinery.

This administration can explain and explain and sloganize and sloganize until its spokesmen are blue in the face, but neither Mr. Boley, nor any other farmer, looking at these realities eye to eye, will be convinced his lot is better now than it was under the Democratic regime.

H. R. 8193

EXTENSION OF REMARKS
OF
HON. WILLIAM A. BARRETT
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, August 5, 1954

Mr. BARRETT. Mr. Speaker, approximately a year and a half ago the President urged the Congress to enact emergency legislation to admit 120,000 refugees, escapees, and distressed persons in friendly European countries to the United States. The President pointed out that it is imperative that we join with other nations in helping to find a solution to the grave problem of homeless and distressed persons and population pressures. He stated:

These refugees, escapees and distressed peoples now constitute an economic and political threat of constantly growing magnitude. They look to traditional American humanitarian concern for the oppressed. International political considerations are also factors which are involved. We should take reasonable steps to help these people to the extent that we share the obligation of the free world.

The Congress promptly enacted such emergency legislation and on August 7, 1953, the President signed into law the Emergency Migration Act of 1953. We read in the newspapers daily of families arriving in the United States from various European countries as a result of this special legislation.

In Italy an unusual and unexpected situation has developed. The Emergency Migration Act of 1953—also referred to as the Refugee Relief Act—provided for the issuance of 15,000 special nonquota visas to Italian nationals who have immediate relatives in the United States—sisters, brothers, and adult children of American citizens. It also provided for the issuance of 45,000 special nonquota visas to Italian nationals who could qualify as refugees or escapees. I believe that the drafters of this emergency legislation now realize that the special nonquota allocations for Italian nationals should have been reversed. In other words, the 45,000 visas should have gone to the relatives of American citizens and the 15,000 to those who qualify as refugees or escapees. It has turned out that comparatively few Italian nationals qualify in the latter category as very few individuals who fled their homelands to escape political persecution resettled in Italy. On the other hand, many, many more relatives of American citizens have applied for nonquota visas under provisions of the Refugee Relief Act than can possibly be accommodated with the meager allotment of 15,000 visas. To date the American consular officers in Italy have on file approximately 44,000 approved petitions filed by American citizens for their relatives in Italy. Latest information from the visa office of the State Department is that only approximately 1,000 Italian nationals have applied for admission to the United States under the refugee-escapee provisions of the Refugee Relief Act.

The Senate Chamber has an opportunity to correct this situation and I sincerely hope that this will be done before the 83d Congress adjourns in the next week or so. H. R. 8193 which was approved by the House of Representatives on March 15, 1954, and reported to the Senate by the Senate Judiciary Committee on August 2, contains a provision for permitting the issuance of nonquota visas to Italian nationals who are immediate relatives of American citizens but do not qualify as refugees or escapees. In other words, it throws open to Italians with approved visa petitions on file in their behalf any portion of the 45,000 nonquota visas which are not utilized by Italian nationals qualifying as refugees or escapees.

The excerpt quoted previously from President Eisenhower's letter of April 22, 1953, gives strong evidence of the importance of opening our doors to the oppressed and needy of friendly countries.

Our Government has pledged itself time and again to aid friendly countries who are in need. We have learned that outright appropriation of funds alone cannot totally relieve economic distress and the threat of communism. One of the friendliest and most helpful gestures we can make to Italy is to ease her burden of overpopulation and arranging for the reuniting of loved ones in the United States. Italy's major problem—unemployment—is caused by overpopulation.

Of a total population of 47 million, Italy's unemployed consistently exceeds 2 million. The United States and other countries of the Western Hemisphere could absorb most of these people without disrupting their economies. In fact, they would have everything to gain by taking in these people who are renown for their special skills in arts, science, industry, culture, and spirit. The role of Italians in the heroic drama of the building of our own Nation is written across the land and in the pages of our history books.

I hope other Members here today will also urge the Senate leaders to schedule H. R. 8193 for consideration within a day or two in order to ensure enactment before the 83d Congress adjourns.

Just a Minute, What Is Costing How Much?—Or, People Who Live in Glass Houses Should Not Throw Stones

EXTENSION OF REMARKS
OF
HON. A. L. MILLER
OF NEBRASKA
IN THE HOUSE OF REPRESENTATIVES
Thursday, August 5, 1954

Mr. MILLER of Nebraska. Mr. Speaker, there are in the United States today certain groups and individuals who are severely criticizing the reclamation program on the assumption that it is costing the taxpayer a lot of money, and becomes an everlasting burden upon them.

Naturally, in these times of high cost of living anyone who talks about cost to the taxpayers finds a receptive audience whether the presentation is misleading or whether it is representative of the true situation. It has been pointed out time and time again that reclamation projects when studied in their true perspective yield benefits to the nation that are national in scope as well as local, and that the projects pay for themselves many times over in the form of newly created income and of tax revenues made possible by the reclamation project, and that these and many other benefits continue indefinitely into the future.

Critics of the Federal reclamation program, on the ground that it will constitute a burden on the Federal taxpayers, should take a good look at H. R. 9859, the omnibus river and harbor and flood control bill. Here is a bill that, under the arguments advanced by opponents of reclamation projects constitutes a real giveaway. The cost to the Federal Government is entirely nonreimbursable, and no interest is charged the beneficiaries on the original cost either.

In the case of Federal reclamation projects, interest is paid on the investment in power and municipal water features, including interest accruing during the construction period. This part of the cost of the project is, then, returned to the Federal Treasury with interest in 50 years. Interest is not charged on the costs allocated to irrigation features in accordance with reclamation law. The capital investment in irrigation features is, however, returned to the Federal Treasury in 50 years partially from the irrigation farmer, partially from taxes levied by the required conservancy-type districts, and the remainder from power revenues. After full pay out there will flow into the Federal Treasury millions of dollars per year for the life of the project, from power revenues, which may be for hundreds of years or longer.

One of the arguments currently being employed by opponents of reclamation projects in general, and of the Colorado River storage project in particular is to point an accusing finger at the interest on the amount assigned to irrigation features, the principal of which is returned from power revenues. For instance, Mr. Leslie Miller, one of the severest of critics of H. R. 4449 points out that the Nation's taxpayers will be called upon to pay interest for 44 years at 2½ percent on $231,041,900, the estimated amount assigned to irrigation and to be repaid from power sales. He further points out that this amount at interest compounded annually would grow to $780 million, and that interest on unpaid balances over the 6-year period would amount to $23 million; the total cost then being $803 million from which the principal is subtracted, because it is repaid, leaves $540 million to be paid in interest by the taxpayers.

Now, let us take a look at the cost of those projects in the omnibus rivers, harbors, and flood control bill. Remember, the figures quoted are costs to the Federal Government. They are nonreimbursable gifts. No interest is paid by the beneficiaries on the capital investment. No part of the principal is returned.

In the current omnibus bill under titles I and II, we note the following. There are:

1. 85 rivers and harbors projects at a cost to the Federal Government of	$212,915,100
2. 22 beach erosion projects	14,003,664
3. 39 flood-control projects	663,352,750
Total cost to the Federal Government	890,271,514

This $890 million is not the total cost of all rivers, harbors, and flood-control projects. It represents only the cost of projects for which authorization is sought in H. R. 9859 for this session of Congress.

To illustrate the ridiculousness of the argument of those opposed to reclamation projects on the grounds of the interest argument illustrated above, let us now apply that same argument, that someone, the taxpayer, has to stand the cost of the interest charges paid by the Federal Government on borrowed money, to the cost of those items sought for authorization in the omnibus bill. First, we should note that it is very significant that those opposed to the Colorado River storage project figured their interest for a 50-year period. This is significant because at the end of the 50-year period all of the principal is repaid and power revenues continue into perpetuity to pour $20 million per year into the Federal Treasury. In the case of the projects in the omnibus bill the interest need not be computed for only 50 years. It could be figured for any period into perpetuity—50 years, 100 years, 200 years, 1,000 years—infinity.

For the sake of this illustration it is sufficient to point out that in 50 years at 2½ percent interest compounded annually the $890 million will add $3.06 billion; in 100 years $10.5 billion; and in 200 years $124.2 billion to the current national debt.

For the city of Los Angeles, Calif., there is a flood-control plan now underway that is estimated to cost the United States taxpayers $363,265,500. By this project alone at 2½ percent interest compounded annually in 50 years there will be added to the national debt $1.25 billion; in 100 years $4.3 billion; and in 200 years $50.7 billion.

For the city of Los Angeles, Calif., and environs, there are also planned three harbor improvement programs with a total estimated cost to the Federal taxpayers of $14,071,500. At the same rate of interest in 50 years the total cost will be $48.4 million; in 100 years $166.2 million; and in 200 years $1.96 billion.

Current plans for the city of Los Angeles and environs for flood control and harbor improvements will cost the Nation's taxpayers in 50 years $1.3 billion; in 100 years $4.5 billion; and in 200 years $52.7 billion. These figures do not take into consideration the immense expenditures that have been made in these categories for the city of Los Angeles in past years, nor the fantastic nonreimbursable expenditures undoubtedly expected in the future from the Federal Treasury.

In House Report No. 2247 to accompany H. R. 9859, the omnibus bill, we note in title I that—

Cost of completed navigation program	$856,000,000
Cost of projects now underway not completed	1,409,000,000
Cost of projects authorized but not yet started	911,000,000
Total cost of active navigation programs (does not include multiple-purpose projects)	3,176,000,000
Cost of completed flood-control projects	545,000,000
Cost of projects now underway	2,945,000,000
Cost of projects authorized but not started	1,371,000,000
Total cost of active flood control projects	4,861,000,000
Total cost of active rivers, harbors, flood-control projects	8,037,000,000

To further illustrate how ridiculous this argument about interest can become at 2½ percent interest compounded annually the total cost of the active rivers, harbors, and flood-control program in 50 years would grow to $27.6 billion; in 100 years to $94.9 billion; and in 200 years would add $1,121.6 billion—over a trillion dollars—to our national debt.

In spite of the stupendous figures that can be derived by this method of considering interest we all realize the benefits to be gained from the programs in question. We realize that both the principal invested and the interest that could be computed thereon are expendable items from which benefits are derived into perpetuity and ad infinitum. We as Americans cannot condone the attitude of the man who starved himself to death because he realized that if he did not eat at the rate of $1,500 per year at the end of 50 years his $1,500 would grow to $5,155; in 100 years to $17,721; and in 200 years to $209,340.

A Basic Program for the Merchant Marine

EXTENSION OF REMARKS

OF

HON. SAMUEL W. YORTY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 5, 1954

Mr. YORTY. Mr. Speaker during the year a great deal has been spoken, and written, in support of the American merchant marine, and of the shipbuilding industry. Competent observers, imbued with the desire to promote the national interest, have urged that the Federal Government take such steps as are necessary to insure the preservation of these two allied industries.

Since the enactment of the Merchant Marine Act of 1936, such a course has

been the policy of Congress. It was clearly recognized then, just as it is now, that both the economic prosperity and the security of the United States are inextricably united with our merchant marine and shipbuilding enterprises. Part of our national strength lies in these activities.

For the purpose of insuring an adequate merchant marine and the maintenance of a nucleus of shipbuilding, there has been suggested a basic program which the Federal Government should adopt. I wish to go on record as earnestly supporting this basic program.

Some of the elements of the program have already been enacted into law. These include three separate requests by President Eisenhower totaling just over $100 million. The first is for funds to construct 10 fast tankers. The second is for funds for national defense features and construction parity for four passenger ships.

Third is the request for funds to conduct experimental work on ships in the reserve fleet. The purpose of such experiments is to determine if the slower, less efficient vessels can be modernized and speeded up to the point where they would be of use to the Nation during a national emergency. If it proves feasible to modernize these vessels, I recommend that we establish a program to extend the work to all vessels in the fleet for which such work would be practicable.

These parts of the basic program remain to be adopted: First, the Department of Commerce should be authorized to sell Government ship mortgages to provide funds for ship construction.

Second, the revolving fund authorized in the Merchant Marine Act of 1936 should be made available for use in connection with ship construction. It is expected that under such an arrangement the Maritime Board would have funds available to encourage the construction of new vessels.

Third, legislation should be enacted which would provide for accelerated rates of depreciation for new vessels.

Fourth, S. 3233 should be enacted into law. The bill, introduced by Senator BUTLER, of Maryland, requires that 50 percent of material shipped abroad under aid programs move in ships of American registry. Likewise, half of the material procured abroad for the Government's account must be carried in American merchant ships.

Finally, there should be enacted legislation which would clarify the existing language with respect to the determination of construction subsidy. Clear and specific responsibility for determining the amount of construction subsidy should be given to the Board. This would have the effect of removing the uncertainty which overshadows contract making at the present time.

These proposals have the support of Mr. Robert B. Murray, Jr., Under Secretary of Commerce for Transportation. In the interest of an adequate merchant marine and shipbuilding industry, in the interest of our national economy and national security I wholeheartedly endorse and support these proposals.

Foreign Assistance Through Export-Import Bank To Enable Foreign Producers To Compete With American Producers

EXTENSION OF REMARKS
OF
HON. CHARLES A. WOLVERTON
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES
Thursday, August 5, 1954

Mr. WOLVERTON. Mr. Speaker, when will we as a nation awaken to the fact that American industry and our own workers must be protected against foreign production and the low standard of wages paid to workers in foreign countries?

For years we have been pouring American taxpayers' money into countries all over the world to enable such countries to rehabilitate their broken-down economies In some countries the result has been to increase their production even beyond what it was before the war, but, we still keep on giving. Today, our situation is such that Congress will be asked to increase our debt limit. It seems to me it would have been more sensible to have cut down our expenditure at home and abroad and thereby eliminated the necessity at this time of increasing our debt limit to accommodate our spending program.

The foreign-aid program has added greatly to our present indebtedness of $270 billion, but even that program of spending is not all that we are doing in the line of spending. The Export-Import Bank is now expected to do its part in spreading American dollars around the world. The latest request for a loan comes from the Brazilian National Steel Company, which I understand, is controlled by the Brazilian Government.

It is my understanding that this Brazilian company is attempting to obtain a loan of $40 million from the Export-Import Bank to increase its capacity. This company was originally financed by a loan of $70 million from the Export-Import Bank. The proposed new loan would serve to make a substantial increase in the capacity of that company.

I am sure that I need not tell you that the steel industry in our own country is now operating at a rate which is considerably below its capacity; in fact, it is operating at less than 70 percent of capacity; with resultant large-scale unemployment and much part-time employment.

South America is a natural export market for the United States steel industry. The encouragement of the production of steel by South American countries in order to make those countries self-sufficient will result in serious disadvantage to the American steel industry. It is recognized that if those countries are able to obtain capital elsewhere, there is nothing we can or should do about it. However, I believe that the expenditure of American tax moneys to build up competition for American industry in foreign countries for a commodity which is already in oversupply in the world markets is not justifiable and is grossly unfair to American producers and American labor.

It is the duty of Members of Congress to use whatever influence they can exert on the Export-Import Bank to prevent the proposed loan to the Brazilian National Steel Co., and all other loans of a similar character. We owe it to American industry and our own workers to oppose all loans that enable foreign producers to compete with us on a low-wage basis.

Statement Condemning the Diversion of Veterans' Employment Funds Under the Labor Department Appropriations

EXTENSION OF REMARKS
OF
HON. SAMUEL W. YORTY
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, August 5, 1954

Mr. YORTY. Mr. Speaker, my attention has been called to the action of the Senate in changing the language in the Labor and Health, Education, and Welfare Appropriation Act, 1955—Public Law 472, 83d Congress, approved July 2, 1954—so as to make it possible to divert the funds appropriated for the Veterans' Employment Service, Bureau of Employment Security, Department of Labor, to other uses within the Bureau of Employment Security. I cannot but condemn this action; particularly as I am informed that there are now some 75,000 unemployed veterans in California. After their patriotic service to their country the least that can be done for them is to refrain from cutting down on the possibilities of employment help whereby these deserving men and women might support themselves and their families.

The specific matter in H. R. 9447, the bill which became Public Law 472, to which I refer appears in the first paragraph under the heading "Bureau of Employment Security." It provided, as reported by the House committee:

> Salaries and expenses: For expenses necessary for the general administration of the employment service and unemployment compensation programs, including temporary employment of persons, without regard to civil-service laws, for the farm placement migratory labor program; and not to exceed $10,000 for services as authorized by section 15 of the act of August 2, 1946 (5 U. S. C. 55a); $4,650,000, of which $1,100,000 shall be for carrying into effect the provisions of title IV (except sec. 602) of the Servicemen's Readjustment Act of 1944.

The appropriations for this purpose for 1954 had been $5,300,000, later adjusted to $5,273,400, with $1,100,000 thereof for the Veterans Employment Service under title IV, supra. The budget, fiscal year 1955, page 840, recommended that these figures be cut to $4,760,000 for the Bureau of which $700,000 was to be for the Veterans Employment Service. As indicated by the quotation, supra, the House committee cut the appropriation for whole Bureau

to $4,650,000 but kept the amount required to be used for the Veterans Employment Service at $1,100,000 stating in its report—House Report No. 1756, 83d Congress, page 3—that—

> The bill includes $4,650,000, a reduction of $110,000 from the request, and $650,000 from the appropriation for 1954. The amount recommended includes $1,110,000 for the Veterans Employment Service which is the same amount appropriated for 1954, but $400,000 above the amount recommended in the budget. It is the committee's opinion that the amount recommended is about the minimum necessary for an effective VES program. When the time comes that the program is not needed, it should be eliminated entirely, but to appropriate for the abbreviated and ineffective program proposed by the budget would have been a waste of funds.

The House passed the bill with the amounts recommended by the committee.

The Senate committee reported out the bill with the amounts as passed by the House but recommended that the word "shall", after the figures $1,100,000, be changed to "may." The Senate committee's report—Senate Report No. 1623, 83d Congress—does not comment upon this proposed change. The Senate accepted the word "may" and passed the bill with the total amount for the Bureau increased to $4,760,000.

The conference committee set the amount for the whole Bureau at $4,705,000 and retained the discretionary provision respecting the amount which might be used for the Veterans Employment Service—House Report No. 1988, 83d Congress, page 5—stating:

> Strikes language proposed by the House and inserts language proposed by the Senate to give the Department discretion in determining the total amount to be set aside for the Veterans Employment Service.

The result of all this is that the bill enacted as Public Law 472 appropriates $4,705,000 for the Bureau of Employment Security of which any amount up to $1,100,000 may be used for the Veterans Employment Service in the discretion of the Secretary of Labor.

Let me emphasize again my absolute opposition to this device whereby the funds needed to help make veterans self-supporting can be diverted to make up and modify cuts made in the funds for other nonveteran services of the Bureau of Employment Security.

Accomplishments of the 83d Congress

EXTENSION OF REMARKS
OF

HON. A. L. MILLER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 5, 1954

Mr. MILLER of Nebraska. Mr. Speaker, as you may remember, it has always been my policy to tell of what I thought were the major accomplishments of each Congress since I was first elected to serve in the House of Representatives in 1942. This year, I am quite proud of our accomplishments.

Friends, during my 6 terms in Congress, I have followed the policy of sending you a report of its accomplishments and giving you an account of my stewardship as your representative. I wish I could write each of you individually, but that would be impossible. However, I do hope you will take the few minutes necessary to read this; and if you have any comments or questions, I would appreciate your writing me either at Kimball, Nebr., or 1025 House Office Building, Washington 25, D. C.

This is not a political report, but rather an objective review of the accomplishments of the 83d Congress and the Republican administration. As the Representative of the Fourth Congressional District of Nebraska, it is my responsibility to represent the views of both Republicans and Democrats, realizing that what is best for Nebraska is best for both political parties and the Nation.

First off, I will tell you of a few of the actions which are of direct and primary interest to you—the people of the Fourth Congressional District of Nebraska.

SARGENT PROJECT APPROVED

The Sargent irrigation project was approved by my Committee on Interior and Insular Affairs and, at my insistence, a supplemental appropriation bill was passed containing $1 million to start actual construction of the project. This project has been hanging fire for many years and to many it is a dream come true.

Western Nebraska irrigators and REA groups are quite familiar with my efforts to get money appropriated for the Glendo multipurpose dam which would firm up the water supply in the North Platte Valley and provide critically needed hydroelectric power for the entire area.

Legislation placing the Niobrara irrigation project under the Missouri Basin plan passed my committee and the House. It is now pending before the Senate.

In another closely related field, when REA groups became uneasy about the new power marketing criteria for Federal power, I called a special meeting of my committee to study it and insure that your interest would be protected. These hearings brought out some very interesting and startling facts. Testimony pointed out that, in many instances during the past administration, public power was being sold to private power groups with complete disregard for the preference clause, and at a price below the cost of production.

Upon my recommendation, the criteria were clarified to insure that the REA's and other preference customers' position would be retained. In fact, I believe the amended criteria place them in a much better position.

ON FORT ROBINSON

When the General Services Administration announced it was selling the buildings at Fort Robinson for scrap, I introduced legislation and stopped the sale. The bill would authorize transfer of the Fort to the State. Now, the next move is up to the State—if the legislature finds a use for it (many recommendations have been made), and if the necessary funds are appropriated, I am quite confident "Fort Bob" will be transferred to Nebraska.

Now for a look at the national scene. I want to point out that on national and international questions, I have always acted in what I thought was your best interests. In order to maintain your fresh outlook, I conducted two polls on the major questions facing Congress, and held Government clinics in the county seat towns of the district. Your views guided my vote, and that is why I could not go along with the administration's foreign-aid program or its opposition to the Bricker amendment.

As for my contribution to the President's program, I introduced a bill to govern the use of new chemical additives in pesticides. The bill, recently signed into law by the President, has been hailed as one of the finest public health measures of recent years.

Another major bill which I introduced is the small projects bill which provides for Federal participation in non-Federal irrigation projects. I have been working on this bill for several years, and it has acquired national importance in the field of irrigation and reclamation. It would place more control and responsibility with the local people.

Naturally, I introduced several other so-called minor bills. One which attracted national interest was the drug addict bill. Now on the statutes, it serves as model legislation, and many States are considering it for their use.

RESULTS, 83D CONGRESS

Many of you have often asked, "Doctor, what did the 83d Congress do?" Well, I am quite proud of its accomplishments, because much far-reaching, realistic legislation has been enacted.

It stopped the war in Korea. At this writing, August 5, no war is going on any place in the world—the first time in 17 years.

Under President Ike and the Republican Congress the Nation has a much stronger economy. There has been no depression, as has been so often forecast by the prophets of gloom and doom.

More than 62 million are gainfully employed—employed in national production which amounts to more than a billion dollars a day.

The 83d Congress saved over $14 billion during the first 17 months out of the monies that Truman had planned to spend.

There was a big tax cut, the biggest in our history, amounting to nearly $7½ billion.

The tax laws, for the first time in 78 years, were given a general overhauling and revamping to remove the inequalities.

We established a new Hoover Commission, as we did during the 80th Congress, to study reorganization and the overlapping functions of State, County, and Federal Governments. I am confident this, as the first Commission did, will save billions of dollars.

Then, another thing, this business of communism has been kicked around a lot by the 83d Congress. It has already

passed some laws that make it possible to deal with communism and subversion here at home. I have been asked about Senator McCarthy. In a nutshell, while I think his methods have not always been good, I would rather have someone investigating and kicking the Communists out the McCarthy way than not to have it done at all.

More than 2,200 security risks have been removed from their Federal jobs, and many, many prosecutions and deportations which had been hanging fire for too long a time were carried out. New charges and prosecutions were also quickly disposed of.

The President supported, and the Congress passed, a broadened social-security law.

A far-reaching Federal-aid program has been enacted.

Over 180,000 unnecessary Federal jobs were abolished.

It has moved to get Government out of competition with private business.

Veterans' benefits have been increased and improved.

It provided for an adequate national defense. The armed services and the national defense have been streamlined and strengthened with much waste eliminated.

The President has insisted that outstanding men head up Cabinet posts.

Yes, it appears President Eisenhower will meet about 75 percent of his program during the first 2 years, and that is quite an accomplishment. He has an excellent program—one that is building a stronger America.

He does not want to remake America into a socialistic state with everyone dependent upon the Government. That is why the leftwing group is not supporting him—this group tied up legislation with filibusters in the Senate.

President Eisenhower realizes that no one can repeal the 20th century, yet expansion of Government in business must be halted. He is making a determined effort to get the Government out of business that private enterprise can and will do more efficiently and, at the same time, takes a realistic approach to the fundamental responsibilities which the Government cannot escape in maintaining basic programs for the general good.

WASHINGTON'S NEW ATMOSPHERE

There is truly a new atmosphere in Washington—new in recent years but old among American traditions. There has been cooperation with the President—he has not tried to jam legislation down the throat of Congress. Both parties join in passing many measures.

Yes; there is a Christian atmosphere in Washington. You know, there has not been anyone in Washington who has received a mink coat or deep freezer since the Republican 83d Congress came into being. All I can say is thank goodness we have a President who stands four square on the proposition that anyone having a Government job must give full service for the dollar received.

With the record we have compiled it will be most difficult for grafters to label this as a "do-nothing" Congress. They will try, for they do not like the investigations which are uncovering graft, corruption, and communism. They know if this Congress succumbs to those charges, it will mean they will return to power.

NO DEPRESSION IN SIGHT

On the national scene everything seems to be in pretty good shape. There was no depression as many antiadministration people almost hopefully predicted. Actually business is good, unemployment is low, and inflation has been stopped—and it did not take a war to pick up the slack.

And on the same subject, in 1950, just before Truman sent troops to Korea without the consent of Congress, about 5 million were unemployed and we were in the midst of a very strong recession, one that had all the markings of the beginning of a depression.

AGRICULTURE

On the agricultural scene at that same time prices were down 17 percent, and, to make matters worse, the slide was not being stopped. The new administration, fully realizing all new wealth comes from the soil, took positive action to stop the rapidly descending prices. And it was done without the false supports of a war economy. The bloodshed was an outrageous price, especially since nothing was gained in that stalemated war.

Contrary to the thinking in some quarters, the Republican administration is convinced that it can make the transition from an economy based on war to a lasting one based on peace without a depression. It will be difficult, but under the leadership of President Eisenhower and the enactment of his program, I feel confident this transition will be made without any financial setbacks. For this reason, the President needs a working majority in Congress.

As long as we continue to work toward a basic farm program, with a foundation of rock rather than sand on which to build our Nation's economy, I feed confident we will have real prosperity. Toward that end, I recommended that allotments be based on bushels rather than acres. We all know it is not the number of acres planted, but rather the number of bushels harvested that count.

HOME VISITS

As I have said, I am quite proud of the accomplishments of the Republican 83d Congress. When Congress adjourns, I will be out home attending county fairs and visiting with civic and church groups. I will continue my question-and-answer periods, for I feel this is the best way to learn your views.

I will want to discuss with you, in an honest, forthright manner, just what has been accomplished by the 83d Congress, and you have the right to know my views on all these subjects. The views I state and the votes I have made represent my honest thinking on what was best for the Nation and the people I represent. The only rollcalls I have missed were those which occurred when I attended the funerals of several of my colleagues, including Senators Butler and Griswold.

I regret that I have not been able to be in Nebraska more often, but I felt the legislative schedule here in Washington demanded that I be on the job. Also, as chairman of the Interior and Insular Affairs Committee, 1 of 19 committees, I had to be on the job guiding legislation through Congress.

It will be good to be back home. I am looking forward to seeing as many of you as possible. My schedule will be announced in all the local newspapers and by the radio stations of the district.

SENATE

Friday, August 6, 1954

(Legislative day of Thursday, August 5, 1954)

The Senate met at 10 o'clock a. m., on the expiration of the recess.

Rev. F. Norman Van Brunt, associate pastor, Foundry Methodist Church, Washington, D. C., offered the following prayer:

Almighty and eternal God, in Thy surety we find our courage and unto Thee would we lift up our hearts. In times that test men's souls, we would quake with fear but for the fact that, as we look unto the hills from whence our help comes, we know Thou wilt keep us and wilt not suffer us to slip or fall.

This day we would renew our trust in Thee, asking only the consciousness of Thy presence to strengthen us in our tasks. Help us ever to serve Thee that Thy will for mankind might be our first desire and all else shall be added unto us. Hear this our prayer, we beseech Thee, in the name of Him who said, *Lo, I am with you always, even unto the end.* Amen.

THE JOURNAL

On request of Mr. Knowland, and by unanimous consent, the reading of the Journal of the proceedings of Thursday, August 5, 1954, was dispensed with.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Miller, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its clerks, announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 2887. An act for the relief of Hilario Camino Moncado and Diana Toy Moncado; and

H. R. 7745. An act to amend certain provisions of the act of August 2, 1939, commonly known as the Hatch Act, relating to employees of State or local agencies whose activities are financed in whole or in part by loans or grants from the United States.

ORDER FOR TRANSACTION OF ROUTINE BUSINESS

Mr. KNOWLAND. Mr. President, I ask unanimous consent that immediately following a brief executive session and the quorum call there may be the customary morning hour for the transaction of routine business, under the usual 2-minute limitation on speeches.

The PRESIDENT pro tempore. Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. KNOWLAND. Mr. President, I move that the Senate proceed to the consideration of executive business for action on nominations under "New Reports," passing over the nominations of Harry H. Seylaz, to be postmaster of Lincroft, N. J.; and Mrs. Pearl Carter Pace, of Kentucky, to be a member of the Foreign Claims Settlement Commission.

The motion was agreed to, and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF A COMMITTEE

The following favorable reports of nominations were submitted:

By Mr. WILEY, from the Committee on Foreign Relations:

Martin W. Oettershagen, of Illinois, to be Deputy Administrator of the St. Lawrence Seaway Development Corporation;

Henry Cabot Lodge, Jr., of Massachusetts, H. Alexander Smith, of New Jersey, J. W. Fulbright, of Arkansas, C. D. Jackson, of New York, and Charles H. Mahoney, of Michigan, to be representatives of the United States to the Ninth Session of the General Assembly of the United Nations; and

Roger W. Straus, of New York, James J. Wadsworth, of New York, Mrs. Oswald B. Lord, of New York, and Ade M. Johnson, of Washington, to be alternate representatives of the United States to the Ninth Session of the General Assembly of the United Nations.

The PRESIDENT pro tempore. If there be no further reports of committees, the clerk will state the nominations on the Executive Calendar under New Reports.

FEDERAL RESERVE SYSTEM

The Chief Clerk read the nomination of C. Canby Balderston, of Pennsylvania, to be a member of the Board of Governors for the remainder of the term of 14 years from February 1, 1952.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

HOME LOAN BANK BOARD

The Chief Clerk read the nomination of Ira A. Dixon, of Indiana, to be a member for a term of 4 years, expiring June 30, 1958.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

FOREIGN CLAIMS SETTLEMENT COMMISSION

The Chief Clerk read the nomination of Whitney Gillilland, of Iowa, to be a member of the Foreign Claims Settlement Commission.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of Henry J. Clay, of New York, to be a member of the Foreign Claims Settlement Commission.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

UNITED STATES DISTRICT JUDGES

The Chief Clerk read the nomination of Cale J. Holder, of Indiana, to be United States district judge for the southern district of Indiana.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of W. Lynn Parkinson, of Indiana, to be United States district judge for the northern district of Indiana.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of Joe McDonald Ingraham, of Texas, to be United States district judge for the southern district of Texas.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

CIRCUIT JUDGE, TERRITORY OF HAWAII

The Chief Clerk read the nomination of Harry R. Hewitt, of Hawaii, to be fifth judge, first circuit, of the circuit courts of the Territory of Hawaii.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

UNITED STATES ATTORNEY

The Chief Clerk read the nomination of Lewis B. Blissard, of Hawaii, to be United States attorney for the district of Hawaii.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

COLLECTOR OF CUSTOMS

The Chief Clerk read the nomination of Frank Peska, of Illinois, to be collector of customs for customs collection district No. 39, with headquarters at Chicago, Ill.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

COMPTROLLER OF CUSTOMS

The Chief Clerk read the nomination of Lorene W. Bowlus, of Maryland, to be comptroller of customs, with headquarters at Baltimore, Md.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

Mr. KNOWLAND. Mr. President, I ask that the President be immediately notified of the confirmations.

The PRESIDENT pro tempore. Without objection, the President will be immediately notified.

LEGISLATIVE SESSION

Mr. KNOWLAND. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

Mr. KNOWLAND. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The Secretary will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDENT pro tempore. Without objection, it is so ordered.

EXECUTIVE COMMUNICATIONS, ETC.

The PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

REPORT ON TORT CLAIMS PAID BY DEPARTMENT OF THE ARMY

A letter from the Acting Secretary of the Army, transmitting, pursuant to law, a report on tort claims paid by the Department of the Army for the fiscal year 1954 (with an accompanying report); to the Committee on the Judiciary.

TEMPORARY ADMISSION INTO THE UNITED STATES OF CERTAIN ALIENS

A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, copies of orders entered granting temporary admission into the United States of certain aliens (with accompanying papers); to the Committee on the Judiciary.

DISPOSITION OF EXECUTIVE PAPERS

A letter from the Archivist of the United States, transmitting, pursuant to law, a list of papers and documents on the files of several departments and agencies of the Government which are not needed in the conduct of business and have no permanent value or historical interest, and requesting action looking to their disposition (with accompanying papers); to a Joint Select Committee on the Disposition of Papers in the Executive Departments.

The PRESIDENT pro tempore appointed Mr. CARLSON and Mr. JOHNSTON of South Carolina members of the committee on the part of the Senate.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. LANGER, from the Committee on the Judiciary, without additional amendment:

S. 2634. A bill for the relief of Mrs. William A. Curran (Rept. No. 2269).

By Mr. LANGER, from the Committee on the Judiciary, without amendment:

S. 1445. A bill for the relief of Evelyn Hardy Waters (Rept. No. 2270);

S. 3017. A bill for the relief of Thomas Barron (Rept. No. 2271);

S. 3582. A bill for the relief of Col. David W. Stonecliff (Rept. No. 2272);

S. 3666. A bill for the relief of Mary Palanuk (Rept. No. 2273);

H. R. 2874. A bill to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of Mary K. Reynolds, as successor in interest to the Colonial Realty Co. (Rept. No. 2274);

H. R. 6808. A bill for the relief of Col. Samuel J. Adams, and others (Rept. No. 2275); and

H. R. 7251. A bill to authorize the Secretary of the Interior to transfer to Vernon F. Parry the right, title, and interest of the United States in foreign countries in and to a certain invention (Rept. No. 2276).

By Mr. LANGER, from the Committee on the Judiciary, with an amendment:

S. 345. A bill for the relief of Samuel Chalut (Rept. No. 2277);

S. 1687. A bill for the relief of T. C. Elliott (Rept. No. 2278);

S. 1898. A bill for the relief of Walter H. Berry (Rept. No. 2279);

S. 2083. A bill to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of Lawrence F. Kramer (Rept. No. 2280);

S. 2316. A bill for the relief of the Birmingham Iron Works, Inc. (Rept. No. 2281);

S. 2564. A bill to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claims of Gubbins & Co., of Lima, Peru, and Reynaldo Gubbins (Rept. No. 2282);

S. 2632. A bill for the relief of the Epes Transportation Corp. (Rept. No. 2283);

S. 2801. A bill for the relief of Graphic Arts Corp., of Ohio (Rept. No. 2285);

S. 3057. A bill for the relief of the Lacchi Construction Co. (Rept. No. 2286);

S. 3110. A bill for the relief of the Portsmouth Sand & Gravel Co. (Rept. No. 2287);

S. 3494. A bill for the relief of the Central Railroad Co. of New Jersey (Rept. No. 2288);

S. 3562. A bill for the relief of the McMahon Co., Inc. (Rept. No. 2289);

H. R. 2645. A bill for the relief of Donald James Darmody (Rept. No. 2284);

H. R. 2791. A bill for the relief of Esther E. Ellicott (Rept. No. 2290);

H. R. 2881. A bill for the relief of Mrs. Rosaline Spagnola (Rept. No. 2291);

H. R. 3216. A bill for the relief of E. C. Mills (Rept. No. 2292);

H. R. 3217. A bill for the relief of Mrs. Florence D. Grimshaw (Rept. No. 2293);

H. R. 3273. A bill for the relief of Edgar A. Belleau, Sr. (Rept. No. 2294);

H. R. 3732. A bill for the relief of Catherine (Cathrina) D. Pilgard (Rept. No. 2295);

H. R. 4531. A bill for the relief of Lyman Chalkey (Rept. No. 2296);

H. R. 4580. A bill for the relief of the Florida State Hospital (Rept. No. 2297);

H. R. 5086. A bill for the relief of George Eldred Morgan (Rept. No. 2298);

H. R. 5092. A bill for the relief of Robert Leon Rohr (Rept. No. 2299);

H. R. 5489. A bill for the relief of Rocco Forgione (Rept. No. 2300);

H. R. 6332. A bill for the relief of James Philip Coyle (Rept. No. 2301);

H. R. 6562. A bill for the relief of Capt. C. R. MacLean (Rept. No. 2302);

H. R. 6566. A bill for the relief of Daniel D. Poland (Rept. No. 2303);

H. R. 7762. A bill for the relief of M. M. Hess (Rept. No. 2304);

H. R. 7835. A bill for the relief of S. Sgt. Frank C. Maxwell (Rept. No. 2305); and

H. R. 8252. A bill for the relief of the city of Fort Smith, Ark. (Rept. No. 2306).

By Mr. LANGER, from the Committee on the Judiciary, with amendments:

S. 209. A bill for the relief of Irene C. Karl (Rept. No. 2307);

S. 3375. A bill for the relief of the Elkay Manufacturing Co. of Chicago, Ill (Rept. No. 2308);

H. R. 2615. A bill for the relief of Julio Mercado Toledo (Rept. No. 2309); and

H. R. 5028. A bill for the relief of Petra Ruiz Martinez and Marcelo Maysonet Mirell and Maria Benitez Maysonet Mirell (Rept. No. 2310).

By Mr. BRIDGES, from the Committee on Appropriations, with amendments:

H. R. 10051. A bill making appropriations for mutual security for the fiscal year ending June 30, 1955, and for other purposes (Rept. No. 2268).

By Mr. MILLIKIN, from the Committee on Finance, without amendment:

H. R. 9962. A bill to increase by 5 percent the rates of pension payable to veterans and their dependents (Rept. No. 2313).

By Mrs. SMITH of Maine, from the Committee on Government Operations, with an amendment:

S. 3772. A bill to amend the Federal Property and Administrative Services Act of 1949, as amended, to provide for the payment of appraisers', auctioneers', and brokers' fees from the proceeds of disposal of Government surplus real property, and for other purposes (Rept. No. 2314).

By Mr. SALTONSTALL, from the Committee on Armed Services, without amendment:

H. Con. Res. 259. Concurrent resolution to provide for the Joint Committee on Tin (Rept. No. 2315).

By Mr. CARLSON, from the Committee on Post Office and Civil Service, without amendment:

H. R. 7398. A bill to repeal the requirement of section 3921 of the Revised Statutes that postmasters report to the Postmaster General failure to cancel postage stamps (Rept. No. 2317);

H. R. 7399. A bill to authorize the sale of postage-due stamps for philatelic purposes (Rept. No. 2318); and

H. R. 8921. A bill to establish the rate of compensation for the position of the General Counsel of the Department of Commerce (Rept. No. 2319).

By Mr. CORDON, from the Committee on Interior and Insular Affairs, with an amendment:

S. 3716. A bill to amend the act of June 30, 1948, so as to extend for 5 additional years the authority of the Secretary of the Interior to issue patents for certain public lands in Monroe County, Mich., held under color of title (Rept. No. 2320).

By Mr. DWORSHAK, from the Committee on Interior and Insular Affairs, without amendment:

H. R. 5499. A bill to provide for the construction, maintenance, and operation of the Michaud Flats project for irrigation in the State of Idaho (Rept. No. 2321).

By Mr. BARRETT, from the Committee on Interior and Insular Affairs, with an amendment:

S. 2821. A bill granting the consent of Congress to the States of Colorado, Iowa, Kansas, Minnesota, Missouri, Montana, Nebraska, North Dakota, South Dakota, and Wyoming to negotiate and enter into a compact for the disposition, allocation, diversion, and apportionment of the waters of the Missouri River and its tributaries, and for other purposes (Rept. No. 2322).

By Mr. KUCHEL, from the Committee on Interior and Insular Affairs, without amendment:

H. R. 9582. A bill to provide for the disposition of surplus personal property to the Territorial government of Alaska (Rept. No. 2323).

PROHIBITION OF CERTAIN GAMBLING INFORMATION IN INTERSTATE AND FOREIGN COMMERCE — AMENDMENT — REPORT OF A COMMITTEE

Mr. BRICKER, from the Committee on Interstate and Foreign Commerce, reported an additional amendment in the nature of a substitute to the bill (S. 3542) to prohibit transmission of certain gambling information in interstate and foreign commerce by communication facilities, which was received and ordered to be printed.

IRA T. TODD AND MAJOR C. TODD, COPARTNERS, TRADING AS TODD BROS. — REFERENCE OF SENATE BILL TO COURT OF CLAIMS — REPORT OF A COMMITTEE

Mr. LANGER. Mr. President, from the Committee on the Judiciary, I report an original resolution conferring jurisdiction on the Court of Claims to hear, determine, and render judgment on the claims of Ira T. Todd and Major C. Todd, copartners, trading as Todd Bros., and I submit a report (No. 2311) thereon.

The PRESIDENT pro tempore. The report will be received and the resolution will be placed on the calendar.

The resolution (S. Res. 308), reported by Mr. LANGER from the Committee on the Judiciary, was placed on the calendar, as follows:

Resolved, That the bill (S. 749) entitled "A bill conferring jurisdiction on the Court of Claims to hear, determine, and render judgment on the claims of Ira T. Todd and Major C. Todd, copartners, trading as Todd Bros.," now pending in the Senate, together with all accompanying papers, is hereby referred to the United States Court of Claims, pursuant to sections 1492 and 2509 of title 28, United States Code; and said court shall proceed expeditiously with the same, in accordance with the provisions of said sections, and report to the Senate, at the earliest practicable date, giving such findings of fact and conclusions thereon as shall be sufficient to inform the Congress of the nature and character of the demand, as a claim, legal or equitable, against the United States, and the amount, if any, legally or equitably due from the United States to the claimants.

G. W. TODD AND LLOYD PARKS, COPARTNERS — REFERENCE OF BILL TO COURT OF CLAIMS — REPORT OF A COMMITTEE

Mr. LANGER. Mr. President, from the Committee on the Judiciary, I report an original resolution conferring jurisdiction on the Court of Claims to hear, determine, and render judgment on the claims of G. W. Todd and Lloyd Parks, copartners, and I submit a report (No. 2312) thereon.

The PRESIDENT pro tempore. The report will be received and the resolution will be placed on the calendar.

The resolution (S. Res. 309), reported by Mr. LANGER, from the Committee on the Judiciary, was placed on the calendar, as follows:

Resolved, That the bill (S. 750) entitled "A bill conferring jurisdiction on the Court of Claims to hear, determine, and render judgment on the claims of G. W. Todd and

Lloyd Parks, copartners," now pending in the Senate, together with all accompanying papers, is hereby referred to the United States Court of Claims, pursuant to sections 1492 and 2509 of title 28, United States Code; and said court shall proceed expeditiously with the same, in accordance with the provisions of said sections, and report to the Senate, at the earliest practicable date, giving such findings of fact and conclusions thereon as shall be sufficient to inform the Congress of the nature and character of the demand, as a claim, legal or equitable, against the United States, and the amount, if any, legally or equitably due from the United States to the claimants.

INVESTIGATION OF MARKETING OF NEW CARS (AUTO BOOTLEGGING)—REPORT OF A COMMITTEE

Mr. BRICKER. Mr. President, from the Committee on Interstate and Foreign Commerce I report an original resolution to investigate the marketing of new cars, relating to auto bootlegging, and I submit a report (No. 2316) thereon.

The PRESIDENT pro tempore. The report will be received, and the resolution will be placed on the calendar.

The resolution (S. Res. 310) reported by Mr. BRICKER from the Committee on Interstate and Foreign Commerce, was placed on the calendar, as follows:

Whereas the Subcommittee on Business and Consumer Interests of the Committee on Interstate and Foreign Commerce is holding hearings on S. 3596, a bill to amend the Federal Trade Commission Act with respect to certain contracts, agreements, or franchises to enable manufacturers of automobiles and trucks and their franchise dealers to protect their goodwill in the business of manufacturing and distributing automobiles and trucks made or sold by them by restricting franchise dealers from reselling to certain unauthorized persons; and

Whereas for several decades before 1948 manufacturers of automobiles and trucks inserted a clause in their agreements with franchise dealers so restricting these dealers, but the Attorney General of the United States then intimated to the manufacturers that such a clause was in violation of the antitrust acts and this opinion has been concurred in by subsequent Attorneys General; and

Whereas counsel for new car dealers testified at the hearings held by the aforementioned subcommittee on July 20, 1954, that past Attorneys General and the present Attorney General of the United States have not cited any court cases in support of the opinion of the Justice Department which has resulted in cancellation of said clause by said manufacturers for fear of criminal prosecution; and

Whereas new car dealers have testified uniformly at the hearings against the practice of "bootlegging," which encompasses the sale of a new automobile by an authorized or franchised dealer to an unauthorized person for resale, and the subsequent resale by such unauthorized person to the ultimate consumer to the great detriment of the business of the new car dealers and the public; and

Whereas some new car dealers have testified that the practice of "bootlegging" is caused in whole or in part by the practice of certain manufacturers of new cars and trucks or their agents of directly or indirectly coercing franchise dealers to purchase more new cars than they can reasonably anticipate disposing of under existing market conditions; and

Whereas some new car dealers and other witnesses have testified at said hearings that large investments are usually made by franchise dealers in their business under agreements so drafted by the manufacturers as to allow the franchise dealer very few, if any, enforceable rights and that this situation creates an atmosphere wherein a new car dealer can offer very little resistance to the efforts of manufacturers or their agents to cause him to purchase more cars than he can reasonably dispose of; and

Whereas, as testified by new car dealers, such dealers are not solely engaged in the business of selling new cars but, also, in the greater business of selling and furnishing transportation to the American public; and

Whereas there are funds available to the Committee on Interstate and Foreign Commerce under Senate Resolution 173, approved on January 26, 1954, which authorized and directed new investigations, including specifically "domestic surface transportation"; and

Whereas the Committee on Interstate and Foreign Commerce by unanimous vote of all of its members on August 4, 1954, reported this Senate resolution: Now, therefore, be it

Resolved, That the Committee on Interstate and Foreign Commerce, or any duly authorized subcommittee thereof, is authorized and directed to make a full and complete study and investigation of any and all matters within its jurisdiction as set forth in section (1) (j) of rule XXV of the Standing Rules of the Senate and under Senate Resolution 173, 83d Congress, 2d session, and especially all matters pertaining to—

(1) The entire field of merchandising of new cars and trucks, including a study of trade practices prevailing in cross-sections of the United States.

(2) The entire field of manufacturer-dealer relationships in the automobile industry, as well as the relationship of each of these to the public, including but not limited to duress or coercion in the form of franchise agreements or otherwise.

(3) The application of the antitrust laws, fair trade laws and unfair trade practices acts (including but not limited to the Robinson-Patman Act) to the said industry and to restrictive clauses in franchise agreements, and the effect of such laws upon interstate and foreign commerce and domestic surface transportation.

SEC. 2. The committee shall report to the Senate the results of such study and investigation on or before January 31, 1955.

BILL INTRODUCED

Mr. DOUGLAS introduced a bill (S. 3843) for the relief of Maria Gabriella Byron (Maria Gabriella Michon), which was read twice by its title, and referred to the Committee on the Judiciary.

SOCIAL SECURITY ACT AMENDMENTS OF 1954—AMENDMENT

Mr. HENNINGS submitted an amendment intended to be proposed by him to the bill (H. R. 9366) to amend the Social Security Act and the Internal Revenue Code so as to extend coverage under the old-age and survivors insurance program, increase the benefits payable thereunder, preserve the insurance rights of disabled individuals, and increase the amount of earnings permitted without loss of benefits, and for other purposes, which was ordered to lie on the table and to be printed.

AMENDMENT OF TARIFF ACT OF 1930 RELATING TO EXEMPTION FROM DUTY OF CRUDE SILICON CARBIDE—AMENDMENTS

Mr. SALTONSTALL (for himself and Mr. KENNEDY) submitted amendments intended to be proposed by them jointly, to the bill (H. R. 8628) to amend the Tariff Act of 1930 to insure that crude silicon carbide imported into the United States will continue to be exempt from duty, which were ordered to lie on the table and to be printed.

AMENDMENT OF SECTION 345 OF REVENUE ACT OF 1951—AMENDMENT

Mr. BRICKER. Mr. President, I submit an amendment intended to be proposed by me to the bill (H. R. 6440) to amend section 345 of the Revenue Act of 1951. I hope to call up the amendment at the time the bill is considered.

The PRESIDENT pro tempore. The amendment will be received and printed, and will lie on the table.

HOUSE BILLS REFERRED

The following bills were each read twice by their titles, and referred, as indicated:

H. R. 2887. An act for the relief of Hilario Camino Moncado and Diana Toy Moncado; to the Committee on the Judiciary.

H. R. 7745. An act to amend certain provisions of the act of August 2, 1939, commonly known as the Hatch Act, relating to employees of State or local agencies whose activities are financed in whole or in part by loans or grants from the United States; to the Committee on Rules and Administration.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, and so forth, were ordered to be printed in the RECORD, as follows:

By Mr. HENNINGS:

Statement by himself and two articles relating to proposed amendments to the Constitution of the United States.

AN AMERICAN PATRIOT—EDITORIAL FROM NEW YORK HERALD TRIBUNE

Mr. LEHMAN. Mr. President, there appeared this morning in the New York Herald Tribune a very fine editorial entitled "An American Patriot."

I ask unanimous consent to have this editorial printed in the body of the RECORD as part of my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

AN AMERICAN PATRIOT

Attacks on Gen. George C. Marshall have been frequent and virulent since Senator MCCARTHY made his speech against him in 1951. One of the low points in this campaign of detraction was reached when the undocumented opinion of a former Secretary of War—in terms which appear to have

startled the writer when he saw them in print—was read into the Senate RECORD by Mr. MCCARTHY. To all of these charges and insinuations the general has refused to reply. He has not lacked defenders, however; the award of a Nobel prize represented the verdict of much of the free world, while the President of the United States will find overwhelming support among his countrymen for his characterization of General Marshall as typifying all that we look for in an American patriot.

President Eisenhower was sent to the White House by a large majority of the American people because they have confidence in his judgment of men and measures. He is in an excellent position to judge General Marshall's professional attainments as a soldier, his integrity as a man. The President has never qualified his admiration for his predecessor in the post of Army Chief of Staff—he did not do so during the campaign, when the insinuations against General Marshall had become an issue. He does not do so now. And all but a small fraction of the American people will agree with their President that it is a poor return for at least 50 years of service to assert that Marshall is not a fine loyal American, and that he served only in order to advance his own personal ambitions. The United States will not stoop to such ingratitude in the case of a devoted public servant who has won the respect of the world.

THE OMNIBUS TAX BILL

Mr. MARTIN. Mr. President, there has been much favorable comment on the tax bill of 1954. The chairman of the Finance Committee, the junior Senator from Colorado [Mr. MILLIKIN], and the ranking Democratic Senator, the senior Senator from Georgia [Mr. GEORGE], and the chairman of the Ways and Means Committee of the House, DANIEL A. REED, deserve the highest commendation for their work. Their long experience in tax legislation gave the Senate Finance Committee and the House Ways and Means Committee most intelligent direction in writing this new law.

The Ways and Means Committee and the Finance Committee and the conferees had the aid of a most outstanding staff. Mr. Colin Stam, head of the congressional tax staff, and Mr. Kenneth W. Gemmill, a Philadelphia lawyer, and Mr. Dan Throop Smith, a Harvard professor, representing the Treasury Department, went over the testimony of more than 150 witnesses and several hundred statements and thousands of letters and digested them for the benefit of the committees. These men were aided by a fine group of specialized tax experts.

This is the first rewriting of the tax laws in almost three-quarters of a century.

The efforts of the Finance Committee of the Senate and the Ways and Means Committee of the House were to correct a number of inequities which had found their way into the tax laws of the United States.

The members of the committees and their staffs, representing both the Congress and the Treasury Department, made an effort to make the laws easier to be understood by the taxpayer, and to achieve a simplification of administration. Incentive, a great word in the American system, will receive much encouragement by this law.

David Lawrence, in the August 6 issue of the U. S. News & World Report, comments on this law in an editorial entitled "A Great Law." I ask unanimous consent to have the editorial printed at this point in the RECORD, as a part of my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

A GREAT LAW

(By David Lawrence)

For three-quarters of a century no law has been passed to revise generally the revenue-raising procedures of our Federal Government.

Circumstances have changed substantially in that period, affecting the ways of doing business and the everyday lives of individuals.

Yet antiquated provisions of law have remained on the statute books, piling inequity upon inequity.

What the Congress has just done is to establish principles of fair play as between the Government and the taxpayer. The new law is not perfect—it still fails to cure certain inequities. But it is such a far-reaching improvement upon existing law and does so much to give a square deal to the taxpayer that it must be hailed as one of the most constructive pieces of legislation of our times.

An effort to revise the tax laws has been made again and again without success. Too often the sessions of Congress have concerned themselves with scales of rates, and each time the administrative provisions have been shunted aside.

A vast amount of work has been done on these matters by the tax experts of previous administrations, and the tax authorities have pooled their accumulated experience to make the new law what it is—a balanced application of the principles of fairness and nondiscrimination.

It isn't fair, for instance, for a man who has built up a business to find that his heirs will have to sell it to get the money with which to pay estate taxes.

It isn't fair to deny a working mother the benefit of a tax deduction, as a business expense, for paying someone to take care of her children, when a business can deduct the expense incurred by a salesman in entertaining a customer.

There are thousands of points such as these which are covered in the new law. But there are many more that remain for future action by Congress.

Perhaps the most outstanding characteristic of the new measure is the encouragement it gives the system of private enterprise.

Incentive is the key word in the American system. While the Government needs adequate revenue to pay its expenses, it must not depart from the true function of taxation by trying to apply the Socialist doctrine of "share the wealth." In other words, the Government's policy should never be "reform for reform's sake." It should never penalize success or discourage thrift.

Yet some of these very inequities have been foisted upon the taxpayer by the demagogs whose thinking is far closer to Moscow concepts than it is to the principles of free enterprise that have built up the American economic system.

For communism isn't always just a philosophy tied to the Soviet Government. There are loyal and patriotic Americans who misguidedly would do things by law to communize or socialize the American system in pursuance of a theory of government whose dangerous implications they fail to perceive.

The new law belatedly, for example, recognizes the viciousness of double taxation. For the first time dividends have a partial exemption from tax.

To their discredit, be it said that there were many Democrats in Congress who sought to make a demagogic dispute out of this. They fought the revision as "relief for the rich." But if they make such an issue in the coming campaign, it will not be an unmixed blessing. For the American people ought to become informed at last on the true facts of this controversy.

A man, for example, has an idea, builds a business, creates jobs for others, and his incorporated company pays now a 52-percent tax on all profits. Then the money which the enterprising head of the business gets out of it himself is taxed over again as income. This double taxation is unfair, especially since another man who is a lawyer or a doctor or in some other profession pays only one tax.

To raise money to expand a business requires the other fellow's capital—his savings after years of toil. He has already paid taxes on those savings, but he has been taxed a second time on the income from the same money when he risks its investment to help build a business enterprise.

The new law doesn't give much relief on dividend payments, but at least it recognizes the concept that double taxation is unfair. The late President Roosevelt was against this double taxation but he and his party never had the courage to do what President Eisenhower and a Republican Congress have just done.

The new statute should stimulate confidence in business, especially the new clauses liberalizing allowances for the wear and tear of machinery and tools.

These changes will permit the necessary capital to be raised to expand America's plant to meet the needs of a growing population. It is a landmark in legislative progress. For the new tax law is truly a great law.

OPPOSITION TO GRAZING AMENDMENT BEING ATTACHED TO FARM PRICE-SUPPORT BILL

Mr. WILEY. Mr. President, conservationists throughout our Nation are deeply and justifiably concerned about the misguided effort to attach to the agricultural price-support bill, the amended version of the so-called stockmen's grazing bill.

I join in opposition to this effort. I firmly believe that any legislation as ominous as S. 2548, the grazing bill, should be taken up on its own merits—or lack of merits. The pros and cons should be carefully analyzed. The bill should not be attached as a rider to nonrelated legislation.

I, for one, have long opposed any effort to despoil our public lands, and I am joined by hundreds of thousands of conservationist adherents in my State. Already, America has lost too much of her outdoor heritage because of greed and laxity.

I send to the desk the text of a telegram sent by national organizations rightly opposing the grazing amendment, as well as the text of two telegrams received from Isaac Walton leaders in my own State.

I ask unanimous consent that these items be printed at this point in the body of the CONGRESSIONAL RECORD.

There being no objection, the telegrams were ordered to be printed in the RECORD, as follows:

WASHINGTON, D. C., *August 5, 1954.*

ALEXANDER WILEY,
Senate Office Building,
Washington, D. C.:

Practically all national conservation organizations still opposing amended ver-

sion stockmen's grazing bill, S. 2548, and protest attaching measure affecting administration of 200 million acres of national forest and Bankhead-Jones lands as a mere rider on farm bill, S. 3052. Several State affiliates of National Wildlife Federation are strongly in opposition.

Forest Conservation Society of America, Spencer Smith, Secretary; Outdoor Writers Association of America, Michael Hudoba, Conservation Director; Izaak Walton League of America, William Voight, Jr., Executive Director; North American Wildlife Foundation, C. R. Gutermuth, Secretary; National Parks Association, Devereux Butcher, Editor; Sierra Club, Richard M. Leonard, Director; Sport Fishing Institute, R. W. Eschmeyer, Executive Vice President; Wilderness Society, Howard Zahniser, Executive Secretary; Wildlife Management Institute, Ira N. Gabrielson, President.

MILWAUKEE, WIS., *August 6, 1954.*

Hon. ALEXANDER WILEY,
United States Senator,
Washington, D. C.:

The Izaak Walton League, Wisconsin Division, requests your opposition to the National Forest grazing amendment to the farm bill. Congress has defeated in previous sessions the efforts of the western stockmen to exploit our public lands. We also deplore the effort to sneak this amendment through on a critical piece of legislation.

ARTHUR MOLSTAD,
President, Izaak Walton League, Wisconsin Division.

FOND DU LAC, WIS., *August 5, 1954.*

ALEXANDER WILEY,
Senate Office Building,
Washington, D. C.:

As a national director of Izaak Walton League of America and having given consideration to the proposed grazing on United States owned land I hope you join with conservationists in opposing an amendment offered by Senator Anderson to farm support bill that would permit destruction of United States forest in the West.

A. D. SUTHERLAND.

MORE ADEQUATE USE OF SCIENTIFIC MANPOWER

Mr. WILEY. Mr. President, I have on several occasions commented on the floor of the Senate with regard to the vital question of more efficient utilization of the Nation's scientific manpower.

From every evidence which is available, the Soviet Union is far outdistancing us in expanding the reservoir of skilled engineers, scientists, and other technicians.

Under these circumstances, for us to fail to provide adequate incentive to talented young scientists; for us to arbitrarily draft them into the Armed Forces, where they would learn "squads right, squads left"; for us to fail to utilize in any way scientists who served in military projects during the war, but who have now returned completely to civilian life—to do any and all of these things is to be committing, in my judgment, a tragic blunder.

Our scientific and industrial prowess represent our great national assets. To dissipate these assets is folly. To assume that we are going to remain perennially ahead of the Soviet Union simply because we got a head start in certain fields is absurd.

I was most interested, therefore, to receive from Mr. Joseph O. Hirschfelder, of the naval research laboratory of the University of Wisconsin, this morning, a series of specific suggestions regarding better utilization of scientific manpower.

I send to the desk this letter and ask unanimous consent that it be printed at this point in the body of the CONGRESSIONAL RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE UNIVERSITY OF WISCONSIN,
Madison, Wis., August 4, 1954.

The Honorable ALEXANDER WILEY,
United States Senate,
Washington, D. C.

DEAR SENATOR WILEY: It has been called to my attention that during the course of the past year 3,500 graduate students working along scientific lines were drafted, and the total number of graduate students in scientific subjects was reduced by 4,000 in our Nation's universities. Since only 10,000 graduate students get degrees in scientific subjects per year, this represents a very severe decrease in the number of students that our universities are training. Inasmuch as our military and industrial installations are demanding that we turn out approximately 20,000 people per year with advanced degrees in science, it would seem a shame that our training capacity is being reduced instead of expanded.

I want to make my arguments on the basis of national defense. In my opinion a man with a graduate degree in science is far more useful than one whose training has been interrupted at a halfway level. A man who has been taken out of school before completing his training cannot be expected to have developed techniques and skills to the point where he can apply them to problems of military defense. After a 2- or 3-year training term in the Army, such a man finds it extremely difficult to resume his scientific training, and usually requires at least 1 extra year to bring him back to the point where he left off. In other words, taking scientific students out of graduate studies is wasteful from many different points of view. If it is necessary to use all of our young men for old-fashioned military service it would be far better to have universal military training in which the men are drafted on the completion of their high-school training, so that after they return they can proceed with their university studies without interference.

In these days of hydrogen bombs, guided missiles, and germ warfare, I feel that a young man taking graduate studies along scientific lines can serve a far more useful purpose by receiving special instruction and training along military lines best suited to his academic training. Furthermore, I believe that graduate students in science have a great obligation to their country to help in its defense. At the present time there is no planned effort to train our scientific graduate students along scientific military lines within our universities. In each of our major universities there are Reserve officer training courses headed by competent military officers who teach students military problems at an undergraduate level. No effort has been made to extend this training to a graduate level. This could be easily done by making use of a number of members of the permanent faculty staff of these universities. Each of these universities has many staff members who are regarded as experts in various phases of military technology. I would propose that regular graduate courses be given in various phases of ordnance, chemical warfare, military health problems, etc. In addition to requiring our scientific graduate students to take such courses and thereby become trained in one or more highly specialized phases of military technology, I would suggest requiring them to spend 3 weeks each summer on a military post where they can become indoctrinated to military problems in a more concentrated fashion.

In thinking of our scientific military manpower, I am appalled at the fact that no effort is being made to maintain the interest of those scientists who served in various military technological capacities during the past war. A sharp distinction has been made between the civilian scientists and those scientists who were in uniform. The uniformed scientists have been grouped together into special Reserve officers units in each of our major universities and major cities. They meet every other Tuesday night to discuss military problems and to become indoctrinated in new developments. In contrast, the civilian scientists have been permitted to forget all that they learned about military applications. In many cases it would require months, if not years, for them to be restored to their previous status as experts along military lines. If scientists are to be kept out of uniform, as I believe most people prefer, they should still be given some sort of nominal military status and be placed under orders to carry out those functions for which they are best suited. This is being done in both England and Canada. I have repeatedly suggested to the Office of Naval Research, to the Army Ordnance Department, to the Air Corp, and to the Research and Development Board that the technical Reserve officers units be expanded to include technically trained civilians who are cleared for receiving military classified information (through either confidential or secret). Funds should also be made available to improve the quality of the meetings of these Reserve officers groups. In this way I feel that we can aid very materially in the indoctrination of our scientific manpower into the problems of warfare.

A third suggestion which I would like to offer is setting up a branch of the War College for the training of scientists in the special applications to military problems. Such a college should give regular courses very similar to graduate courses in a university. The enrollment should be made up of scientists working in military or Government defense installations or working in a private or governmental installation under contract with military services which require that these individuals become specialists in the field of the particular courses for which they enroll. As an ordnance specialist, I would suggest such courses as interior ballistics of guns and rockets; exterior ballistics of guns and rockets; blast waves and their damage to structures; the chemistry of propellants and explosives; the theory of detonations; the theory of flame propagation; the engineering design of ordnance weapons, the effects of the atomic and hydrogen bombs; the theory and design of atomic and hydrogen bombs; etc. There is a wide variety of specialized subjects, such as the above, in which there is a large amount of classified literature and the subjects could be presented in a systematic fashion. Without these courses it is very difficult for a young man starting work in a military installation to learn the background of practice and the problems of any particular military application. As a result I have noticed that a large amount of the research work being carried out in our military establishments is a duplication of work which was done during World War II, and in many cases the young personnel involved have not had access to the scientific documents describing the work of World War II.

To summarize this letter: The number of scientific graduate students in our universities have become severely depleted. Presently it appears that this depletion will become much more serious during the current

year. I propose that instead of drafting these young men, we make a serious effort to train them along military lines at the same time that they are going to school. During World War II you put such men in uniform and called the programs V–5, V–7, and V–12. There is need for a similar program in our universities at the present time. At the same time, every effort should be made to increase the military utilization of the scientific faculties of our universities and the scientific staffs of large industrial companies. I propose in this respect opening up the meetings and the technical reserve officers units to qualified civilians. And finally, I propose the setting up of a special branch of the War College to train young scientists working in our military installations in the general aspects of their particular work in order to improve the quality of our military research and reduce the number of scientists required in our military installations.

I am writing you this letter because I have the highest regard for the work which you are doing to build up our national security. Congratulations on your statesman-like efforts.

Sincerely yours,

JOSEPH O. HIRSCHFELDER.

FAMILY QUARTERS FOR MILITARY PERSONNEL

Mr. CAPEHART. Mr. President, I ask unanimous consent to have printed in the body of the RECORD a statement which I have prepared with reference to Senate bill 3818, dealing with family quarters for military personnel.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR CAPEHART

Senate bill 3818 provides an authorization of $175 million to build family quarters for military personnel. The housing to be provided by this bill will be on land acquired by the Government and it is assumed on or adjacent to the military post in question. Housing for enlisted men will cost $12,800; for company grade officers $15,200; field grade officers $20,250; and flag rank $27,000. The total number of units to be constructed under this program numbers 11,967 and it is further provided that $15 million will be used for the procurement of 5,000 trailers to be furnished to military personnel at a subsidized rate.

A companion bill to this bill has passed through the House of Representatives. This bill, S. 3818, is now on the Senate Calendar, which will be called on Saturday, August 7. There is a possibility even though a large amount of money is involved that the bill will pass on the call of the calendar.

The funds which this bill would authorize were appropriated by the Senate in the supplemental appropriations bill which passed the Senate on August 4. The bill was amended in the supplemental appropriations bill to provide: "That funds appropriated under this bill shall not be used for family housing unless the Secretary of Defense certifies that (1) it is impractical to construct family housing under the provisions of title VIII of the National Housing Act (Wherry housing); and (2) that adequate housing at reasonable rental rates is not available in the immediate vicinity of the military installation; and (3) it is impractical to acquire suitable housing under other existing provisions of law."

There was a further amendment reducing the top limit of unit construction from $27,000 to $20,000.

In both the House and Senate reports there is quoted a statement from the Department of Defense citing reasons why the Wherry Housing Act will not provide the necessary military housing. This statement is as follows:

"It is doubtful if the Wherry method will satisfy any material part of the need. On June 3, 1954, Congress amended the Federal Housing Act to require certification by sponsors as to actual cost and further required that if such cost was less than the amount of the mortgage that the difference be paid to the mortgagee as a reduction of the principal of the mortgage. Since that date only 2,690 units have been put under contract. It is also to be observed that in the month preceding the effective date of the above amendment there were 8,840 units put under contract. It is, therefore, our opinion that, except to a minor degree, the Wherry Act cannot be relied upon to meet the deficiency."

It is interesting to note that since its inception there have been constructed 64,380 units of Wherry housing; 13,611 are in the process of construction; and commitments by FHA have been issued for an additional 1,283 units. By letter of May 11, 1954, Assistant Secretary of Defense Buddeke wrote to Congressman DEWEY SHORT endorsing a bill for the authorization of military quarters, but in that letter stated that the Department of Defense advised an extension of the Wherry Act.

It should also be noted that this program requires $175 million appropriation, but it is stated by Department of Defense officials that this will satisfy only 10 percent of the ultimate need for military housing.

During the debate on this bill in the House the strongest argument made in its favor was that the armed services are having an increasingly difficult time retaining trained personnel after their enlistments expire and also preventing officers from resigning. The opinion was offered many times that the lack of adequate quarters was the major reason for this difficulty. This may be a spurious argument, but is difficult to answer politically.

SALE OF NARCOTIC DRUGS TO MINORS

Mr. PAYNE. Mr. President, on May 6, 1954, I introduced S. 3412, a bill to provide increased penalties for the sale of narcotic drugs to minors. There is a growing concern throughout the Nation in regard to the increased traffic in narcotics. At its recent annual convention the United States Junior Chamber of Commerce passed a resolution on the subject of narcotics which I believe warrants the attention of each of us. The junior chamber of commerce is one of the most outstanding and progressive organizations in the United States. It is, indeed, encouraging that this fine group of over 200,000 young men in 2,750 communities has become interested in this national problem. They are to be congratulated and commended for joining the crusade against illicit traffic in narcotic drugs.

I ask unanimous consent to have the United States Junior Chamber of Commerce resolution on narcotics printed at the conclusion of these brief remarks in the body of the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

RESOLUTION ON NARCOTICS

Whereas the postwar period has witnessed a substantial and alarming increase in the illicit supply and demand for narcotic drugs in the United States, notwithstanding strenuous efforts on the part of Federal and State authorities; and

Whereas illicit traffic in narcotic drugs for profit are the primary and sustaining sources of addiction and are of material danger to public morals, health, safety, and welfare; and

Whereas narcotic-drug addiction on the part of minors is particularly undesirable, is observed similarly to have increased in the postwar period, and is known historically to occur during periods of increased juvenile delinquency such as appears today; and

Whereas strongly deterrent penal laws, with alert enforcement, are acknowledged to be the most effective method of terminating illicit traffic and supply of narcotic drugs for profit; and

Whereas the need continues and grows for reduction of the demand for such drugs through proper treatment, cure, and rehabilitation of persons already addicted to the use of narcotics: Now, therefore, be it

Resolved by the United States Junior Chamber of Commerce in convention assembled this 18th day of June 1954, in Colorado Springs, Colo., That this corporation go on record as favoring and urging, the following program by the appropriate State and Federal authorities:

1. A reexamination of the effectiveness of existing Federal laws directed to cope with illicit narcotic drug activities.

2. The creation of a scale of punishment for profiteering traffickers and suppliers of narcotic drugs, separate and more severe than that provided for those found guilty of other violations of the Federal narcotic drugs law, to wit: for the first offense, imprisonment not less than 5 years; for the second offense, not less than 10 years; and for a third or subsequent offense, not less than 20 years to life.

3. The amendment of the penal provision of the Federal narcotic drugs law to provide especially severe punishment for the trafficker and supplier of narcotic drugs to minors.

4. The amendment of the Federal and State narcotic drugs laws to provide for the confinement in a suitable Federal or State institution for purposes of cure and rehabilitation until released by the institution for return to society to persons who are convicted of offenses which they have committed solely because of their addiction to a habit-forming narcotic drug.

5. The enactment of State legislation providing compulsory treatment of the addict after court hearing similar to the law passed by the 83d Congress and now in operation in the District of Columbia; be it further

Resolved, That the President of the United States Junior Chamber of Commerce shall transmit copies of this resolution to the President of the United States and Members of Congress urging immediate Federal action and to all State organization members urging their support of appropriate State legislation.

UNFAIR COMPETITION OF AUTOMOBILE BOOTLEGGERS

Mr. THYE. Mr. President, I wish to read to the Senate the following telegram:

MINNEAPOLIS, MINN., *August 5, 1954.*

Senator EDWARD J. THYE,
Senate Office Building,
Washington, D. C.:

This telegram is by far the most important ever sent you from Minnesota Automobile Dealers Association, representing 1,100 new car franchised Minnesota dealers. We desperately request your help in passing Senate bill 3596, companion to anti-bootlegging bill, H. R. 9769, passed yesterday by House. Although Senate may wish for unhurried overall review of factory dealer relations between sessions, we respectfully state Minnesota dealers must have relief immediately

from bootlegging evils. With about 100 dealers out of business in Minnesota because of unfair competition of bootleggers, and many more on the very brink, automobile retailing industry cannot wait for broad investigation. They need help today.

There is complete unanimity among all dealers and manufacturers as to need for passage of S. 3596.

We know you are working hard on farm bill so we are not asking our membership to take up your time in contacting you. This telegram puts the future of our new car franchised dealers squarely in your hands. We know you will take your characteristically fast and positive action to help them right now. Next session will without doubt be too late for many.

Regards,

LEO B. FRAICY.

Mr. President, there is no question that Congress should give immediate attention to the question, because it is exceedingly serious, not only in Minnesota, but in every other State of the Union.

The PRESIDING OFFICER (Mr. REYNOLDS in the chair). Is there further routine business?

If not, the Chair lays before the Senate the unfinished business.

AGRICULTURE ACT OF 1954

The Senate resumed the consideration of the bill (S. 3052) to encourage a stable, prosperous, and free agriculture and for other purposes.

FARM PROBLEM AT THE CROSSROADS—AGAIN

Mr. BRIDGES. Mr. President, again we stand at a legislative crossroads on the farm problem. We, as United States Senators, must decide which road to take. Are we to continue down the road of high, rigid price support for a few farm commodities; a road which has put the Government $6½ billion deep into the farm business; a road which puts food into storage, instead of into stomachs; a road which threatens tighter and tighter controls, to the point where our farmers will have little freedom left; a road which threatens to undermine all of agriculture, one of the very foundation stones of America? That is one road, the road we have followed for the last 5 years, in spite of a nagging conscience which warned us we were just delaying the decision, and all of the time getting farther and farther from the road on which we belonged.

Or do we here and now face the facts and take the commonsense road, one which will take us away from the wartime incentives which encourage farmers to overproduce things we do not need and cannot sell. Shall we now adopt a program which will stop the senseless raid on the taxpayers—a raid that has been indulged in to please a few. Instead, shall we adopt the program demanded by a majority of the farmers themselves, and, let me remind the Senate, a program which was voted overwhelmingly by Congress in 1948 and 1949.

Mr. President, I am counting on the good judgment of the Senate to choose this commonsense road, for such a program will strengthen agriculture, not weaken it for the long pull ahead.

On February 27, 1953, I made in the Senate a statement on agricultural policy. Senators may recall that I was very much concerned, and I warned Senators on both sides of the aisle as follows:

> These farm surpluses, which have been inherited as part of the Truman legacy, are accumulative at a shocking rate. If unchecked, they ultimately will threaten our entire agricultural program.

That was true 18 months ago. I regretfully say it is far more true today. All Senators know the facts.

Our Government has $6½ billion worth of food and fiber stored in old ships anchored in the Hudson River, piled in airplane hangars in Kansas, and jammed into bulging warehouses from coast to coast. As chairman of the Senate Appropriations Committee, I am painfully aware of the fact that recently we had to boost the Commodity Credit Corporation's borrowing power to $8½ billion; and the grim fact is that soon we may be forced to raise it again—this time to $10 billion. Our rent bill—just to pay the storage—is more than $700,000 a day. If we are interested in helping agriculture and our country, just think what our agricultural research scientists could do with that amount of money, to create new wealth for all. Yet, the fact is that we are spending four times more for rent, to store Government farm surpluses, than the total Federal bill for agricultural research. Does that make sense to anyone?

Mr. President, as one with the agricultural background of a New England farm, and educated at the agricultural college of a great university; as a former agricultural teacher; as a one-time county agricultural agent; as a former State extension specialist and secretary of a farm organization, I say to the Senate that the present course certainly does not make sense to me. Neither does it make sense to farmers, to responsible farm leaders, or to anyone else who has the welfare of our Nation at heart.

We have this terrific surplus. A continuation of high, rigid, support prices would only add to our surplus problems, as the proponents of the pending measure well know. Such action would in my judgment be the height of irresponsibility. It would be spending the taxpayers' money unnecessarily, to encourage the farmers to deplete precious soil resources, to produce surplus foods that are not wanted and cannot be sold; and it would make necessary tighter and tighter controls on the farmer.

Last year Secretary of Agriculture Benson announced acreage controls for this year's corn crop and strengthened controls on the wheat crop. But reports from the Corn Belt indicate that, despite this, we may raise increased quantities of corn; and we have another bumper wheat crop coming along.

So a few days ago Secretary Benson was again forced by law—law made here in Congress—to stipulate to the farmer what he can raise and what he can sell.

I believe anyone who is familiar with the problems well knows that high rigid support prices must mean controls—and more controls. In fact, it was the attempt by the previous administration to guarantee high prices to farmers, without attendant controls, which got us into the present mess. It was a political case of trying to have their cake and eat it too.

What will our situation be if further controls do not solve our surplus problems? They will not unless we virtually put the farmers into straitjackets? Are we to do this—to go even further down the road to a socialized agriculture—and all because of pleadings of a minority?

I say minority, for let us remember that the great livestock industry accounts for more of our Nation's farm income than do all of the basic crops. Yet the livestock industry gets no price supports, and I do not think it wants them. In dollar income the poultry industry, which we may look upon as "chicken feed," actually is more than half as big as all of the basic crops put together. Yet poultrymen get no price supports.

More than half the Nation's income comes from commodities that are not supported. It would be an injustice, even to farmers themselves, if we were to let a minority dictate the policies.

In my judgment the 90-percent support bill does not represent a cross-section of American agriculture. It most emphatically does not represent my section of the Northeast. It certainly does not represent the great corn and livestock section of the Middlewest. It does not represent the West. In short, it does not represent the majority of farmers of our Nation.

Let me also suggest that it does not represent the thinking of the Senate. Many of us will recall that in 1948 and 1949, both Republicans and Democrats voted for the principle of flexible price supports of 75 percent to 90 percent—a permanent program for agriculture, which was passed overwhelmingly by both Houses of Congress.

It has been urged that we put off the decision for 1 more year. I suggest that we are in this mess because we have done exactly that; we have put off this decision for just 1 or 2 more years, ever since the permanent legislation was passed in 1948 and 1949.

We can no longer delay. First, we must stop these wartime price supports which encourage farmers to produce crops for which we have no market—crops which the Government must then buy with the taxpayers' money, and must then store in victory ships or airplane hangars.

Only when we stop the wartime price supports can we tackle the surpluses on hand. I am told by nutritionists that if every citizen of the United States ate as well as he should, our surpluses might well disappear almost overnight. Flexible price supports would move our surpluses into consumption—into stomachs, instead of into storage.

So let us take this responsibility seriously. We can delay no longer—not if we really want to help all of agriculture, not if we want to keep this basic foundation of our country strong and adequate for any emergency in the future.

The time has come to face the facts. Here, specifically, is what I mean:

First. We must put flexibility into our price supports—flexibility that protects farmers against drastic price drops, and at the same time encourages a balanced abundance for America, with a minimum use of the taxpayers' money, and with a maximum of freedom for our farmers. By "flexible," I mean supports of 80 percent to 90 percent.

Second. We must not tie the hands of the Secretary of Agriculture by foolishly forcing him to pay for butter prices higher than the price the housewife will pay. Already we have 400 million pounds of butter in Government storage, with no buyers, and with danger that some of the butter will spoil.

Third. We must not be misled with such patchwork panaceas as the two-price system for wheat—not if we value our foreign trade, for although it may be called the two-price system over here, to countries overseas it spells "dumping." The minute we establish a two-price system for wheat, what is there to prevent the automobile manufacturers from asking for a two-price system, so they can export convertibles? Or what would there be to prevent a two-price system for one-piece bathing suits, or a two-price system so American watchmakers could export watches to Switzerland? A two-price system is not the way to increase orderly world trade or to help countries overseas.

Eighteen months ago I said:

Let us realistically appraise the situation and face the facts as they are—not as we would like them to be.

I said then, and I repeat it now:

A great deal of politics had been played with the agricultural program of the United States. Responsible members on both sides of this aisle must be aware that we cannot afford to tamper with programs which affect the security and welfare of our Nation.

Mr. President, this problem is not an easy one to solve. It will not be solved overnight. Our Secretary of Agriculture is vitally concerned that we have a law that he can administer for the best interests of farmers—and of the Nation.

In closing I would like to repeat what I said in this Chamber a year and a half ago: "Let us ignore the cries of alarm which are raised by special pleaders for political purposes and let us again reestablish under the law, a sound farm program which is in keeping with a society of freemen and free enterprise."

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr. AIKEN. Does the Senator from New Hampshire recall that at the time he was speaking a year and a half ago, and I think on that very day, Secretary Benson was announcing that he would continue the supports for the products of milk and butterfat for 1 year more at 90 percent, with the understanding that in the meantime the dairy interests would undertake to put their house in order, develop their own markets, rather than look to the Government, and would not ask the Government to continue to be the principal market for butter, cheese, and powdered milk? Does the Senator recall that?

Mr. BRIDGES. I certainly do recall it, and I recall exactly what happened in those days.

Mr. AIKEN. The Senator also recalls, does he not, that the support for butter, cheese, and powdered milk was continued for 1 year more? During that time the Government accumulated more than 1 billion pounds of those 3 commodities, and, then under the law, on April 1 of this year, the Secretary was required to drop the support price for butter, cheese, and powdered milk to 75 percent of parity. Since that time, I think it is extremely interesting to note, the dairy interests have gone ahead with a splendid promotion program and have made such progress it is now estimated, as of July 15, that the consumption of butter will increase 5 percent per capita as a minimum this year.

Mr. BRIDGES. Yes.

Mr. AIKEN. The consumption of cheese has increased 4 percent per capita, the consumption of fluid milk has increased 1 percent per capita; and when we take into consideration the 2½ percent increase in our population, the consumption of dairy products has been so increased that at the present time the Commodity Credit Corporation has to buy only from two-thirds to three-fourths as much butter, cheese, and powdered milk in order to support the price as it had to purchase a year ago.

The dairy interests have not yet reached the climax of their promotion campaign. They are regaining markets. The price is improving, and it will be only a matter of a few months, unless we become foolish and try to return to the old system, the old program of taking butter and cheese off the consumer's table and putting it in Government refrigerators, when we will find the balance between production and consumption of dairy products pretty much in line. Then we will have a really stable and prosperous dairy industry without dependency upon the Government as the principal market.

Mr. BRIDGES. I think the distinguished Senator from Vermont [Mr. AIKEN], who so ably heads the Committee on Agriculture and Forestry, has a complete grasp of the situation as the remarks he has made clearly indicate.

I commend him for the work he has done as chairman of that committee, and the vigorous way in which he has approached the problem of getting at least a semipermanent solution to the critical agricultural conditions which are developing by leaps and bounds, and which might result, unless checked in overturning the balance of our economy.

As chairman of the Appropriations Committee, when I see some of the authorizations and appropriations which come before it, I become frightened, and I feel that we have got to consider this question from the point of balance as to what is best for the country as a whole. I think, in the end, what is best for the country as a whole, in spite of the deep feelings of some of those who are for high rigid price supports, will prove to be to their advantage, as it will to the advantage of everybody else.

The Senator from Vermont is doing a very worthwhile job in the leadership he has given to the pending legislation, and I hope as the result of the action today by the Senate and of the conference committee that a permanent program will be worked out.

Mr. AIKEN. I mentioned the Senator's speech of a year and a half ago because I believe the speech he made in the Senate at that time was one of the things which started this country on the way to a permanently sound farm program and away from a program which invited and encouraged and virtually demanded dependency upon the Government.

Mr. BRIDGES. I thank the Senator.

Mr. PAYNE. Mr. President, the American poultry industry is the third highest contributor to our gross farm income; it is exceeded in economic importance to our farmers only by the meat animal and dairy industries. The growth in the consumption of poultry and eggs in the United States has been phenomenal. Per capita consumption of poultry and eggs has increased from 55.4 pounds in 1909 to 87.9 pounds in 1952. Farm income from poultry and poultry products has increased from $1,378,800,000 in 1925 to $3,804,700,000 in 1952.

The poultry industry is a national industry spread over the entire Nation. Mr. President, I ask unanimous consent to insert in the body of the RECORD at this point in my remarks a table showing cash receipts from poultry products by States and a table showing the comparative standing of the poultry industry in relation to the leading farming industries by States and regions.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

Poultry products:[1] *Cash receipts from farm marketings in 1952*[2]

[Thousands of dollars]

1. California	273,062
2. Pennsylvania	216,605
3. Iowa	175,277
4. Texas	163,953
5. Minnesota	150,950
6. New York	143,901
7. Indiana	139,689
8. New Jersey	137,167
9. Illinois	133,293
10. Ohio	132,235
11. Georgia	121,763
12. Virginia	109,175
13. Missouri	108,780
14. Wisconsin	99,087
15. North Carolina	87,175
16. Arkansas	81,381
17. Michigan	79,814
18. Maryland	76,626
19. Massachusetts	75,986
20. Connecticut	67,032
21. Delaware	65,684
22. Maine	62,712
23. Nebraska	61,100
24. Kansas	58,332
25. Washington	50,804
26. Mississippi	44,926

[1] Includes eggs, chickens, broilers, turkeys, and miscellaneous poultry.

[2] Prepared by the Poultry Branch, Commodity Programs Division, Production and Marketing Administration, Department of Agriculture, October 1953.

Poultry products: Cash receipts from farm marketings in 1952—Continued

[Thousands of dollars]

27. West Virginia	43,700
28. Alabama	42,628
29. Oregon	41,987
30. Kentucky	41,002
31. Oklahoma	39,953
32. Tennessee	38,029
33. South Dakota	37,005
34. South Carolina	36,015
35. New Hampshire	34,011
36. Utah	30,290
37. Florida	27,893
38. Louisiana	21,001
39. Colorado	19,825
40. North Dakota	18,834
41. Idaho	12,151
42. Vermont	10,879
43. Montana	9,932
44. Rhode Island	7,849
45. Arizona	5,357
46. Wyoming	4,362
47. New Mexico	4,071
48. Nevada	1,099
Total	3,444,382

Comparative standing of the poultry industry in relation to the 6 other leading contributors to the 1952 gross farm income in each State [1]

State and region	Poultry and eggs	Meat animals	Dairy products	Miscellaneous livestock	Food grains	Feed crops	Cotton	Tobacco	Oil crops	Vegetables	Sugar crops	Fruits and nuts	Forest products	Greenhouse and nursery products
Maine	2	5	3			7				1		6	4	
New Hampshire	1	4	2							3		6	5	7
Vermont	3	2	1							4	6	7	5	
Massachusetts	1	6	2					7		3		5		4
Rhode Island	2	5	1							3		6	7	4
Connecticut	1	6	2					3		4		7		5
New England	1	4	2					6		3		7		5
New York	3	4	1		7					2		6		5
New Jersey	1	5	3			7				2		6		4
Pennsylvania	2	3	1			6				4		7		5
Middle Atlantic	2	4	1			7				3		6		5
Ohio	3	1	2		5	4			6	7				
Indiana	3	1	2		6	4			5	7				
Illinois	5	1	4		6	2			3					7
Michigan	4	2	1		5	7				3		6		
Wisconsin	3	2	1			5				4		7	6	
East North Central	4	1	2		7	3			5	6				
Minnesota	3	1	2		7	4			5	6				
Iowa	3	1	4			2			5	6				7
Missouri	3	1	2		7	6	4		5					
North Dakota	7	2	4		1	5			3	6				
South Dakota	4	1	5		2	3			6	7				
Nebraska	4	1	5		2	3				6	7			
Kansas	4	1	3		2	5			6	7				
West North Central	5	1	3		2	4			6	7				
Delaware	1	5	2		7	6				3				6
Maryland	1	3	2			6		5		4				7
Virginia	1	2	3					4	6	5		7		
West Virginia	1	2	3							4		5	6	7
North Carolina	3	5	4				2	1	7	6				
South Carolina	3	4	5			7	1	2		6				
Georgia	2	3	4				1	5	7	6				
Florida	5	3	4					7		1		2		6
South Atlantic	2	4	3				5	1		6		7		
Kentucky	4	2	3			6		1		5			7	
Tennessee	5	1	3			7	2	4		6				
Alabama	4	2	3				1		6	5			7	
Mississippi	4	2	3				1		6	5			7	
East South Central	5	2	3			7	1	4		6				
Arkansas	3	2	5		4		1		6	7				
Louisiana	7	3	4		2		1			5	6			
Oklahoma	5	1	3		2	6	4			7				
Texas	4	2	3		5	6	1			7				
West South Central	5	2	4		3	7	1			6				
Montana	5	1	3	6	2	4				7				
Idaho	6	1	4		3	5				2	7			
Wyoming	7	1	5	2	3	6				4				
Colorado	6	1	4		2	5				3	7			
New Mexico	7	1	3	6		4	2			5				
Arizona	6	2	5			4	1			3		7		
Utah	2	1	3	7	4	6				5				
Nevada	6	1	3	4	7	2				5				
Mountain	7	1	5		2	6	4			3				
Washington	6	4	3		1	7				5		2		
Oregon	6	1	2		4	7				5		3		
California	6	3	4			7	5			2		1		
Pacific	5	2	4		7		6			3		1		
United States	3	1	2		5	7	4			6				

[1] Prepared by the Poultry Branch, Commodity Programs Division, Production and Marketing Administration, Department of Agriculture, October 1953.

Mr. PAYNE. I should like to discuss briefly the relationship between the poultry industry and the grain-feed industry and the way the committee bill, with its high supports, penalizes our poultrymen.

Although the midwestern Corn Belt and some of the Great Plains States produce more livestock feed than they consume, the rest of the United States, for the most part, is a deficit feed area. Dairymen, poultrymen, and livestock growers in the vast deficit area each year must buy millions of tons of grain, mixed feeds, and even hay to carry forward their operations.

Year in and year out, these farmers are the best customers the surplus pro-

ducing areas have. Many of them spend more for feed than they do for farm machinery, labor, or any other single production cost item. For many of these producers, particularly those in the poultry business, even a moderate increase in feed prices can throw their operations in the red.

The poultry industry has no price-support program. For the most part, producers want none. They had a taste of it several years ago, when the Government went into the egg business on a grand scale and wound up with a $190 million loss. They saw both prices and consumption of eggs move upward soon after the support program was terminated.

Although poultrymen sell their products in a free market, they are heavy buyers of price-supported feeds. High, rigid price supports on corn have worked a hardship upon these farmers. Now it is proposed in section 204 of the committee bill that four other feed grains—oats, barley, rye, and grain sorghums—already supported at 85 percent of parity, be tied into the corn program in such a way as to force an even higher level of support. It is proposed that farmers who must buy all or a substantial part of their feed shall now be squeezed just a little more.

In the highly competitive broiler industry, which has expanded greatly in reecnt years, profit margins are narrow at best. In fact, it is no unusual experience for the broiler producer to take substantial losses on his marketings. The casualty rate has been high in this business. Many producers operating on limited capital, including a number of war veterans, have been caught in the squeeze between high feed prices and a declining market.

Section 204 of the committee bill would seriously harm far more farmers than it could conceivably help. It would, in fact, be costly to consumers as well as to most farmers.

Much of the corn and oats produced in this Nation is fed right on the farm where it is grown. The prices of hogs, cattle, poultry, and dairy products are much more important to farmers in the surplus-feed-productions areas than the price of corn and oats. The surplus grain which these farmers sell to other farmers in the deficit-feed area does, of course, supplement their income. But a higher price of feed grains will not help the surplus producing areas very much, and it will do infinite damage to other farmers in New England, the Middle Atlantic States, the South, and the West.

In the long run, even the commercial grain growers will suffer. Higher feed-grain prices can only increase the incentive for farmers in the deficit areas to produce more of their own feed. Higher prices will also attract larger quantities of feed grains from abroad—from Canada, Mexico, and Argentina.

There is no justification whatever for bringing these other grains into the same price-support program with corn. Our corn program has been costly enough to taxpayers and to farmers who must buy feed in the open market. From July 1, 1953, through May 31, 1954, the Commodity Credit Corporation reported a net loss of $58,827,234 on its corn price-support operations. With over three-quarters of a billion bushels of corn—803,617,000 bushels as of May 31, 1954—owned outright by the Government or currently under loan, further serious losses appear likely. In view of this situation, we should certainly not embark upon a program which would invite similar losses in other feed grains.

It is my hope that section 204 of the committee bill to tie oats, barley, rye, and grain sorghums into the corn-support program will be eliminated.

Mr. HOLLAND obtained the floor.

Mr. PAYNE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. REYNOLDS in the chair). The Secretary will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. PAYNE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. YOUNG in the chair). Without objection, it is so ordered.

Mr. HOLLAND. Mr. President, I rise to discuss primarily the pending amendment, which is directed to changing the existing fixed or rigid price-support figure of 90 percent of parity to a flexible basis, as to those basics which are involved in the amendment, that is, all of the basics except tobacco.

In the first instance, however, I should like briefly to discuss what I regard as the necessity for the continuance of a reasonable support-price program for storable basic agricultural products. There never has been any doubt in my mind that there are at least three excellent reasons why it is in the public interest to maintain a reasonable support-price program as to these storable basic products.

The first of those three reasons is, of course, the necessity for maintaining an abundant supply of food and fiber for sale to consumers throughout the Nation at reasonable prices.

Mr. President, there is no doubt at all that it is in the interest of the ordinary citizen in all parts of our Nation to have available, out of the storable basic agricultural commodities, at all times, abundant supplies of the food and fiber which are represented in those commodities, so there may be available at reasonable prices all that every person and every family may need of those supplies. I regard it as fundamental to any fair approach to the whole problem that it is to the interest of the general consuming public to have such abundant supplies on hand at all times and at reasonable prices.

The second point which I think argues for the continuance of reasonable price supports for the storable basic commodities is that it is highly important to the maintenance of the purchasing power of a very large economic segment of our country, that is, the agricultural producers, so that agricultural purchasing power be maintained. Experience in the past has too frequently shown that a collapse of that purchasing power will be a precursor to more general economic trouble throughout the Nation. So far as the Senator from Florida is concerned, he subscribes to that theory.

In the third place, particularly since World War II, it seems to me that price-support programs, on a reasonable basis, on the basic storable commodities are essential to our Nation and to the world because of the importance which abundant supplies of these products have in the world picture.

I do not believe that there is any single asset which our Nation has, or which the cause of peace among all the nations of the world has, which is of more value than the maintenance, at a high rate of production, of the abundant supplies of food and fibers which can and will be produced by the farmers of our Nation under any fair support system. Supplies of food and fiber are important, not merely to us, but likewise to other peace-loving nations of the earth, and also to other nations who do not love peace, because no other asset we have is so powerful, both with our friends among foreign nations and with our enemies likewise, as the tremendous productive capacity of the soil of America.

There can be no room whatever for doubt that when most of the nations of the earth find it impossible to produce sufficient food and fiber adequately to feed and clothe their own people, they look with astonishment upon the United States, one of the greatest nations of the earth in terms of population. We are that, with a population now well above 160 million and rapidly increasing. They look with astonishment and amazement upon a nation so large as ours which not only produces enough agricultural products to feed and sustain our people on the highest standard of living known to the earth, but also has available abundant supplies so that when those who are friendly to us need from our abundance to sustain their own economy, and even, in some instances, to maintain life itself, they can look to us as they can look to no other place on the earth.

Mr. President, I think that every Senator on both sides of the aisle, regardless of how he may stand on the pending measure, will be found in accord with those three principles. It is important to have a reasonable support program for basic storable agricultural commodities, first, to maintain an abundant supply of food and fiber for sale to the general consuming public in our own Nation at reasonable prices; second, to maintain the purchasing power of a very large segment of our economy, that is those engaged in the agricultural industry; and, third, to keep up the production of abundant supplies so as to leave us in the strongest possible position to attain our full destiny as the leader of the free nations of the earth in this critical time in world affairs.

Mr. President, the difference between those who support the continuance of the present rigid support program of 90 percent and those of us who strongly argue for the replacement of that rigid program as to 5 of the basics, is, I think, a difference in interpreting the history of the price support program up to this

time, and likewise a difference in fundamental philosophy of the two groups.

I think it would be of interest first to review briefly the history of the price-support program—or programs, because there have been several in number—which we have had continuously since 1933.

Mr. President, before going into the detailed discussion of those programs which I think appropriate, I wish first to comment that while one of the first actions of the so-called New Deal when President Franklin D. Roosevelt assumed the responsibility of the executive office was to establish a price-support program, and such a program has been continuous up to this date, yet, in all the peacetime years under the so-called New Deal, while it was at its zenith, no one even dreamed of suggesting a rigid price-support structure or a price-support structure at any time applicable to peacetime conditions that even approached 90 percent of parity.

In other words, the maximum price supports under programs which were regarded as adequate at the zenith of the New Deal to meet the collapse which had earlier occurred, and was then existing, in some of our basic agricultural commodities, were nowhere near 90 percent; and up to World War II the maximum had not approached 90 percent. To the contrary, the supports which were regarded as essential to overcome the disastrous situation which existed economically at that time, and which were regarded as effective to overcome it, were, in the first instance, flexible price supports; and, in the next instance, price supports which did not even begin to reach the 90 percent figure.

The Secretary of Agriculture appeared before the Senate Committee on Agriculture and Forestry in support of the President's program in this field. I call it the President's program because he is now supporting it, although there are many of us in the Senate who supported it when the President was still in military life. The records will show, for instance, that the senior Senator from Florida supported such a program very vigorously in 1948 and also in 1949. It was during the time of the Republican control of Congress in 1948 that the flexible support price program was made available as the best type of program to meet our continuing peacetime problems.

In 1949, when there was a Democratic Congress, it was again determined that a flexible price support program was a sensible, sane, peacetime program, which the country should have. That followed a clear declaration by the Democratic Party in its platform in 1948 calling for a flexible price-support structure.

So the senior Senator from Florida has favored such a program for a long time. Although I refer to the program now as the President's program, I want it distinctly understood that the President has simply joined a good many Members of the Senate and the House, and a good many persons throughout the Nation who have a very great interest in agriculture, who for a long time have felt that a flexible price-support structure is the only sane and sound program to have in time of peace.

At the hearings of January 18 and 19, 1954, on the agricultural outlook and the President's farm program, I personally requested Secretary Benson to prepare and file for the record a statement showing the history of the various price-support programs, and he did so. I now ask that the statement filed by the Secretary of Agriculture, which is printed in the hearings on pages 94 and 95, be printed in the RECORD as a part of my statement.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

USE OF MANDATORY PRICE SUPPORT AT 90 PERCENT FOR WARTIME AND EMERGENCY PURPOSES

Mandatory support of agricultural commodities at 90 percent of parity has been required almost entirely in the past during wartime and postwar readjustment periods. This approach was first used during World War II to stimulate increased production of the 6 basic commodities and 14 nonbasic commodities, and to provide price protection in the period immediately following the close of the war while production was being adjusted downward to meet peacetime needs. It was used for the second time on a temporary basis at the height of the Korean conflict for similar purposes. The second time, however, it covered only the basic commodities for the 2 crop years 1953 and 1954.

I. PREWAR SITUATION

While price support for certain agricultural commodities was mandatory for several years prior to World War II, legislation then in effect provided for flexible support rather than rigid support at a high level. This legislation—section 302 of the Agricultural Adjustment Act of 1938, effective February 16, 1938 [1]—required corn, wheat, and cotton to be supported at levels between 52 and 75 percent of parity. Peanuts were added on April 3, 1941, with flexible support at from 50 to 75 percent of parity.

II. WORLD WAR II AND POSTWAR READJUSTMENT

The Secretary of Agriculture announced the need for increased production of many agricultural commodities to meet expanded domestic requirements and lend-lease needs under the Lend-Lease Act of March 11, 1941. Emergency action to shift price-support programs from the prevailing flexible to rigid high level support was taken by Congress in the spring of 1941 and in 1942, to assist in making the desired shifts in production effective. Initially, the level was 85 percent, but this soon was increased to 90 percent. The fixed levels were first required for only a short period, but eventually they covered a much longer period.

The several different laws in effect during World War II and in the postwar readjustment period establishing rigid high level support were as follows:

Basic commodities: Initial law which required the basics to be supported at a fixed high level was the act of May 26, 1941, which required the 1941 crops of cotton, corn, wheat, rice, and tobacco to be supported at 85 percent of parity. Shortly thereafter, on December 26, 1941, support at 85 percent was made mandatory through the 1946 crops and peanuts were added as a basic commodity for which support was mandatory at 85 percent. Section 8 (a) of the Stabilization Act of 1942 (approved October 2, 1942) raised the mandatory level of support from 85 to 90 percent of parity,[2] and extended the period in which this fixed support level was applicable until 2 years after the President declared that hostilities were terminated. Such a declaration was made on December 31, 1946, and thus the Stabilization Act had the effect of requiring rigid 90-percent support for most basics for 7 years, namely, the 1942 through 1948 crops. While rigid 90-percent support was to have expired with the 1948 crops, it was extended for 1 more crop year—the 1949 crop—under title I of the Agricultural Act of 1948.

Nonbasic commodities: The act of July 1, 1941, generally referred to as the Steagall amendment, required any nonbasic commodity for which the Secretary, by public announcement, had requested farmers to increase production to be supported during the war emergency at not less than 85 percent of parity or comparable price. This minimum level of support was raised to not less than 90 percent of parity, or comparable price,[2] and support required to be continued until 2 years after the end of hostilities, by the act of October 2, 1942. While initially this high-level mandatory support was to have expired with the 1948 crops, title I of the Agricultural Act of 1948 extended support at 90 percent for 1 additional year, through December 31, 1949, for almost half of the Steagall commodities—milk and milk products, hogs, chickens and eggs, and Irish potatoes harvested before January 1, 1949. Support also was required for the other Steagall commodities, but at a flexible level ranging from not less than 60 percent of parity to not more than their 1948 support level.

III. RECENT YEARS

Basic commodities: For tobacco, price support at 90 percent of parity has been mandatory since 1950 whenever producers approve marketing quotas. Except for tobacco, there have been two instances in recent years in which price support for the basic commodities has been mandatory at 90 percent of parity.

The first instance covered the 1950 crop year. Congress postponed for that year the operation of the 75 to 90 percent of parity flexible support provisions provided for basic commodities by the Agricultural Act of 1949, and instead required support at 90 percent of parity for any basic commodity for which marketing quotas or acreage allotments were in effect, and for which producers had not disapproved marketing quotas.

The second instance covered the 1953 and 1954 crop years. During the midst of the Korean conflict, Congress [4] again postponed the operation of flexible 75- to 90-percent supports for the basics, and instead required any basic commodity for which producers had not disapproved marketing quotas to be supported at 90 percent of parity. This provision, like the similar provision in effect during World War II, was justified primarily on the grounds that it was needed to stimulate high-level production required during the wartime emergency and to provide price protection in the readjustment period following the termination of hostilities.

Nonbasic commodities: Mandatory support for certain nonbasic commodities was continued effective with 1950 production under the Agricultural Act of 1949, as

[1] Prior to this date, all price-support operations were conducted under nonmandatory authority.

[2] Later amendments required support of the 1944 crop of cotton at 95 percent of parity, and the 1945–48 crops at 92½ percent of parity.

[3] A few of the Steagall commodities, such as flaxseed, soybeans, were supported at levels in excess of 90 percent of parity.

[4] Public Law 585 approved on July 17, 1952. See also sec. 402 (d) (3) of Defense Production Act, as amended by Public Law 429, 82d Cong., June 30, 1952.

amended, but the legislation generally provided for flexible rather than rigid 90 percent of support.

The above description refers only to mandatory support authority and it should be noted that throughout this period the Secretary of Agriculture also had discretionary authority to support the price of any agricultural commodity.

For example, nonmandatory price supports on cotton, corn, gum naval stores, and some other commodities were made available during the period October 17, 1933, until the passage of the Agricultural Adjustment Act of 1938, under the authority of the Commodity Corporation's Delaware charter. In most cases, loans were made at not more than 75 percent of parity and in many cases at levels substantially below 75 percent.

Section 302 of the Agricultural Adjustment Act, in addition to providing mandatory support for some commodities, also authorized loans on any agricultural commodity. This authority was used from time to time to support the prices of certain commodities.

Since 1950 price support on cottonseed, flaxseed, soybeans, and a number of other nonmandatory commodities has been undertaken under section 301 of the Agricultural Act of 1949, as amended. That section permits support at any level not in excess of 90 percent of parity, after considering the 8 factors specified in section 401 (b).

(Price Division, January 25, 1954.)

Mr. HOLLAND. Mr. President, although I asked the Secretary of Agriculture to prepare this brief history, and he did so, and although I have filed it in the RECORD, I think it is appropriate to make some additional remarks which I believe are not covered in the written communication of the Secretary of Agriculture in the detail to which they are entitled. Before I do so, however, I wish to state that I fully approve of the position of the Secretary of Agriculture and of his interpretation of the historical statement that the 90 percent rigid price-support program for certain commodities was entirely a wartime measure, that it was never regarded as being anything else, and that its perpetuation is an effort to continue in effect in peacetime a war measure which offered special inducements for increased and abnormal production. It was not intended to be a part of the normal peacetime production machinery.

The trouble is that just as the price-support program was offered as an inducement for abnormal production in time of war, and as it operated to produce abnormal supplies which were needed at that time, so it results in exactly the same way in time of peace, when abnormal production is not necessary, and when the continuation of abnormal production is beginning to bring surpluses which are scandalous, surpluses which are impairing the confidence of the public generally in the soundness of the agricultural support-price program, surpluses which are confronting our Government with ever-mounting problems of depreciation of food supplies and the dumping of food supplies. A surplus food problem has been created which is so great that the Government is now spending more than $700,000 a day for storage alone, for the holding in as safe conditions as may be possible the vast surpluses which exist.

I am sorry that my friend, the distinguished junior Senator from Minnesota [Mr. HUMPHREY] is not present, because yesterday he stoutly denied that there were any surpluses, particularly with reference to butter. He stated that he felt the huge supplies of butter were simply inventory, and that they had proved to be such. All I can say is that if that be true, the junior Senator from Minnesota is the first person whom I have found who is willing seriously to state that conclusion. I think all citizens of our Nation know perfectly well that butter is spoiling; they know perfectly well that butter has accumulated in such huge quantities that it has become a scandal; they know perfectly well that it is continuing to accumulate; and that the pitiful fact is that because of the 90 percent support program, which was allowed to remain in force too long, good people were encouraged to sell, not whole milk, but milk which had been diminished in its nutritive qualities, and to send much of their cream to creameries, so that the creameries have become swollen with profits because of the operation of the milk price-support program.

There is not the slightest doubt of that. The program has not redounded directly or fully to the protection of the dairy farmers; instead, it has created more and more creameries and processors, and more and more fortunes among that group.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. AIKEN. The Senator from Florida is aware, I take it, of the propaganda being circulated by those who believe so firmly in high rigid supports, and the Government as a market, and that the high costs of storage are due to the greatly increased rates which are being paid, rather than to the increased Government ownership of the commodity.

Will the Senator from Florida permit me to point out that the rates paid to commercial grain elevators have increased only 5 percent over the past 2 or 3 years? It is the volume of commodities owned by the Government which has resulted in the cost of almost $750,000 a day, and not the increase in rates of pay for storage. Storage costs are now running from $600,000 to $700,000 a day. They are a little bit less than they were in the period immediately following the wheat takeover, but they will increase drastically, it is expected, during the 2 months just ahead, as a result of the takeover of the 1953 grain-loan collateral.

But the point I wish to make is that the increased storage cost is due almost wholly to increased quantities of commodities owned by the Government, and not to increased rates of storage paid, as the advocates of Government controls and Government ownership are trying to make the country believe.

Mr. HOLLAND. I thank the Senator from Vermont for his comments, which are, of course, completely true. In order to point them up at this time, I read from what I believe to be the latest statement of the Department of Agriculture, showing the quantities of butter, cheese, and dried milk on hand, both in terms of pounds and in terms of value:

Butter, 385,363,991 pounds, having a value of $257,700,613.

Cheese, 392,276,022 pounds, having a value of $157,911,816.

Dried milk, 644,459,916 pounds, having a value of $106,250,252.

The total valuation of dairy supplies in storage, belonging to the Government as a result of price-support purchases as of May 31, 1954, is approximately $522 million.

Mr. President, that amount has accumulated in spite of many programs for the diminution of those supplies, such as the school-lunch program, under which great quantities of dairy products have been distributed for our school children; such as the program which resulted in the sending of material quantities to various institutions which otherwise would not have received them, and such as the program which resulted in the selling of a good many million pounds of butter to the Army at a price of twenty-some cents, as contrasted with the actual price of acquisition, under the price-support program, of nearly 3 times that amount.

In other words, various avenues of distribution available under the law have been utilized in the effort to diminish that tremendous supply, which even the junior Senator from Minnesota [Mr. HUMPHREY] admitted represented an 18 months' supply of butter in the Government's hands. That amount would represent what the Nation would ordinarily consume in 18 months, at the time of the preparation of the figures which he quoted, which I believe were not quite so large as the figures I have placed in the RECORD.

Mr. GILLETTE. Mr. President, will the Senator from Florida yield for a question?

Mr. HOLLAND. I yield to the Senator from Iowa.

Mr. GILLETTE. I believe no Member of the Senate has a finer record evidencing an interest in the agricultural industry than has the Senator from Florida who is now speaking. I have had occasion to sit with him in committees, and that compliment is made in all seriousness.

Mr. HOLLAND. I thank the distinguished Senator from Iowa. He certainly is one of the stanch friends of farmers, and has always thus been recognized. There is no better friend of the farmer than he.

Mr. GILLETTE. I thank the distinguished Senator for that compliment. The Senator from Florida was discussing the fact that the program of high, fixed supports for farm income was a war measure, and was intended to meet the needs of a war economy, and to stimulate production, which, under present conditions, has resulted in surpluses.

Does not the Senator from Florida believe that he is dealing with an equation, and that if one side of the equation is stimulated to a certain point, the other side of the equation must be stimulated in order to keep it in balance? If one side of the equation is lowered from 90 percent to 75 percent, or any

other percent, without corresponding adjustment of the other side of the equation, the whole situation will be thrown out of balance. Is not the situation in which our agricultural industry finds itself today—one in which there has not been a diminution in the war level of prices which the farmer is paying for goods he buys, but he finds his income lowered? Does the Senator think it is fair to deal with only one side of the equation, and attempt to let that follow the course of economic adjustment, and compel the farmer to pay the enhanced prices he has been paying since wartime?

Mr. HOLLAND. Mr. President, the Senator from Florida is greatly interested in having a permanent program which will give some measure of permanent help to the necessary agricultural producing groups. The Senator from Florida cannot help but recall that in the case of Irish potatoes, which came into the price-support picture at the same time milk did, as a part of a war measure, the scandals became so great that the public demanded that the support of Irish potatoes be entirely eliminated. The Senator knows that is the national feeling at this time.

I call to the attention of the Senator from Iowa the fact that, vast as were the losses from Irish potatoes—and they exceeded half a billion dollars—that figure will have been clearly exceeded by milk and milk products by the time we finish the year in which that program is now in operation.

As I pointed out by the figures I placed in the RECORD, the present value of the milk products now in the hands of the Government, or at least those which were in the hands of the Government on May 31, 1954, is approximately $522 million, and the accumulation has continued, and will continue piling up until the end of the present year.

The Senator from Florida is not one who feels we should interrupt the program during the course of the year. I think when the Government has given its assurance, through its duly delegated representative, the Secretary of Agriculture, as to the program for the rest of the year, and when that program is clearly in accord with existing law, it is not fair play to stop the program during the year. However, it is the deep conviction of the Senator from Florida that the persons engaged in that industry are courting disaster by failing to put their own house in order.

I wish to say for the record that the Senator from Florida was present in the Committee on Agriculture and Forestry when the present Secretary of Agriculture appeared before the committee for his first conference, more than a year ago—I believe it was in February of 1953—to get the views and the advice of the members of that committee, who had been here, of course, longer than he had, as to what he should do in the troublous field of milk and milk products price supports.

A considerable number of the members of that committee, including the Senator from Florida, advised the Secretary of Agriculture at that meeting, and in the presence of other members of the committee, and in the presence of members of the industry that they felt that the beginning of the reduction should be at that time. At that time there were assurances given by leaders in the dairy industry, made in my presence, that there was a need for them to put their house in order and they would do so, and that if they could retain the 90-percent figure throughout that year, they assured us they would have a program for the better marketing, advertising, and distribution of their products before the year was over.

Mr. President, that did not occur. There was a beginning of an effort in that direction at the end of the year, but it was only a beginning.

I call to the attention of the distinguished Senator from Iowa, who knows as much about this question as does any other Member of the Senate, that this problem was not national in scope. For instance, taking the Southland as a whole, in spite of the fact that we have large industries in the dairy field, there was practically no selling of products to the Federal Government, because we have milksheds of our own which take care of our production. That same observation can be made with respect to most other sections of the country, for instance, California and the northeastern area.

Five or six States have failed to place the production and the distribution of their dairy products in order. Most of the trouble has been occasioned, and most of the burden has been caused, by the huge oversupply which has existed in those 5 or 6 States, which oversupply has had to be purchased by the United States Government under existing law.

I call to the Senator's attention the fact that similar industries, which had similar problems that were even graver, have given attention to their problems and are marketing a greatly increased production over that which caused disaster for them but a few years ago, because they are handling for themselves the acute problems of distribution and processing of their production.

There are other such industries, but I happen to know more about the orange industry than any other. The citrus industry in Florida taxes itself in order to have an advertising program, a research program, a dealer service program, a publicity program, and a program to get fairer transportation rates for its products. I believe that the annual tax, which is levied per box on the Florida citrus industry, is approximately $6 million a year. While we have not done a perfect job by a great deal—there is still trouble in the case of grapefruit—we have, by the improvements in canned products and by the development of concentrated products, literally tripled our production since the time when we began that program, when many thought we were in a disastrous condition of oversupply.

We have a prosperous industry in spite of the fact that we have never been able to sell for prices even near to parity in the course of that development. I call that fact to the attention of the distinguished Senator. More frequently than not, our sales price has been under 50 percent of parity, rather than at any artificial level of 90 percent.

From what I hear, I think the dairy industry has finally aroused itself, and is trying to do a similar job for itself, which I think it should do. I think until the dairy industry does that job, it has not lived up to the obligation which it has as an industry.

I do not share the feeling of any Senator who believes it is incumbent upon the Nation to carry on its shoulders the burden of an inefficient or unambitious industry, which is not making every effort to take care of its own problems. That, I say with regret to the distinguished Senator from Iowa [Mr. GILLETTE], is exactly what is being done with reference to the dairy problem.

Mr. President, I should like to discuss the history of the price-support programs. The first program began in 1933, under one of the first acts of the New Deal. Under the first act only corn and cotton received price supports. The provisions for price supports varied down through the years from 1933 to 1937, from 55 to 66 percent of parity on corn and from 53 to 76 percent of parity on wheat.

I recall that that period of time was when we were merging from the disastrous collapse of 1929. Those price supports were considered to be adequate to aid agricultural industries, which were prostrate, in getting out of their difficulties, and to afford them a chance to get back into production.

Mr. President, in 1938 the next price-support program was enacted, and it was in force from that year to 1941, when the war was impending. I call to the attention of the distinguished Senators who are present the fact that that program was a flexible price-support program. That program was the result of 4 years of experimentation, from 1933 to 1937. That program was the product of the thinking of good friends of agriculture and of an administration which was a highly liberal one; and I warmly subscribe to many of the tenets of that administration. That program provided a 52 to 75 percent of parity price-support structure.

In 1941 the wartime legislation was enacted. I think the initial law of the series was passed May 26, 1941. That law required 85 percent of parity on cotton, corn, wheat, rice, and tobacco, for the 1941 crops only.

Mr. President, in that same year I happened to be serving in Florida in an executive capacity. I remember my message to the Florida Legislature, nearly 2 months earlier than that, was predicated upon the fact that war was impending, that everybody knew it, and that the State of Florida and every other State had to alter its economy to fit wartime conditions.

So the act of May 26, 1941, was a wartime act, limited to the one crop year of 1941, requiring 85 percent of parity on the five basic commodities which I have mentioned.

On December 26, 1941, which, as the Senators will recall, was after the attack on Pearl Harbor, the 85-percent of parity

provision was made mandatory by act of Congress to continue through the 1946 crops. In other words, we could see that we had a long pull ahead of us, so the legislation enacted at that time was to apply to all such crops produced, beginning in 1942 and continuing through 1946. One other basic commodity, peanuts, was added to the list of five basic commodities.

Mr. President, in 1942 section 8 (a) of the Stabilization Act, which was certainly entirely a war act, raised the mandatory support price to 90 percent and extended the time to cover a period of 2 years after the President should declare that hostilities had terminated. That Presidential declaration was made, as we all know, December 31 of 1946. With the exception of cotton, the price was fixed at 90 percent of parity. In the case of cotton the Secretary of Agriculture was permitted to go higher, and did go higher, as the Senators will recall, in 2 or more years during the war period.

Mr. President, in 1948, because the Congress felt that the period of 2 additional years after the declaration that hostilities were at an end did not give enough leeway, the Agricultural Act of 1948 was passed extending the rigid 90 percent of parity provision for one additional crop year only, for 1949.

That act was considered with great deliberation and was passed upon the recommendation of a Democratic President and a Democratic Secretary of Agriculture. By that same act, however, the flexible price-support structure was recognized as the only sound program with which we could approach the years of peace which we felt were ahead.

The extension of support prices at 90 percent of parity simply added 1 year to the 2 years which had been previously provided as the leeway years for allowing agricultural industries to overcome the shock of overproduction, which had been brought about by the deliberate inducement of the 90 percent rigid price-support guaranty during the war period.

All the comments I have made, Mr. President, up to this time relate to basic commodities. I wish to speak now for a moment about the nonbasic commodities because later we will be considering amendments which affect nonbasics.

The Steagall amendment of July 1, 1941, again a wartime measure, required the support during the war, at not less than 85 percent, of the nonbasics, which the Secretary should by public announcement request be increased in production during the war emergency. That support price, of course, was raised to 90 percent, and the support was required for 2 years after the end of hostilities, by the act of October 2, 1942.

The Agricultural Act of 1948, which I have mentioned heretofore, extended the support price at 90 percent for 1 additional year through December 31, 1949, for about one-half of the Steagall commodities, including milk and milk products, hogs, peanuts, eggs, and Irish potatoes. Support prices on other Steagall commodities were required to be on the flexible level, from not less than 60 percent to not more than their 1948 support level.

Mr. President, in other words, we have been trying to get away from the war economy and from the special inducements of war measures. Nothing could show this more clearly than the fact that when we were laying down the flexible price-support structure as the only sound one applicable to the basic commodities for the years following the war, 90 percent supports were extended for only 1 additional year, as a breathing space to be added to the 2 years of leeway following the termination of the war, which had been granted to the producers by previous legislation. When we came to the Agricultural Act of 1948 we extended for 1 year only the provisions of the Steagall amendment, but only as to a portion of the commodities which were covered thereby because we felt that the other commodities—I believe there were 14 in all—had not shown such a swollen increase of production that adjustments could not be made in the 3 years which had been allowed prior to that time.

Unfortunately there seem to be some industries which wish to continue on a war level, with the inducements which were designed to create abnormal production. We accomplished abnormal production then, are accomplishing it now, and will continue to accomplish it just so long as such inducements remain in our price support structure.

In more recent years the Agricultural Act of 1949, passed by a Democratic Congress, and pursuant to the declarations of the Democratic platform in 1948, provided price supports for the basic commodities, as follows: In the case of tobacco, price supports must be 90 percent of parity whenever marketing quotas are in effect, but insofar as other basic commodities are concerned they would be flexible except as follows: In 1950, all basics were to be supported at 90 percent of parity; in 1951, each basic commodity was to be supported at not more than 90 percent nor less than the minimum support level determined by the supply level, but in no case lower than 80 percent of parity.

Many Senators have overlooked the fact that in 1951 we were operating under a flexible program in the field of all basic commodities except tobacco, and the same thing is true for 1952, because the 1949 act provided that each basic commodity was to be supported in 1952 at not more than 90 percent or less than the minimum support level determined by the supply level, but in no case lower than 75 percent of parity.

In 1952 the Congress enacted a law requiring 90-percent supports for the basic commodities in 1953 and 1954 unless marketing quotas had been disapproved. That is the history of the price support program to date insofar as the laws affecting it are concerned.

One of the things which has been completely overlooked in checking upon that history has been the fact that we were operating under flexible price supports in 1951 and 1952, as to all the basic commodities except tobacco, and we have had quite a long experience with flexible price supports on other commodities than the basics. I have been surprised, and almost shocked to note that in spite of the fact that that is the case, and every Senator knows it is the case, repeated statements have been made upon the floor of the Senate to the effect that there is but one way for prices to go under flexible price supports, and that is to go down, that they always go down, and that the adoption of flexible price supports for the five basics will mean dooming the farmers to lower and ever lower prices.

I do not know why my good friends are taking that position, and have shut their eyes to the very clear record of the operations under previous flexible price-support programs, which clearly shows that that conclusion is not only unsound but inaccurate, because that was not the history of the operation of the flexible price supports, either in the early years or in the later years of their operation.

Yesterday, in a colloquy with the junior Senator from Minnesota [Mr. HUMPHREY], I mentioned that there have been two very clear departures from the rule which he announced, in the very recent experience of agriculture. One of them applies to a basic commodity.

In 1951, when we were under a flexible price-support program for basics, the price-support program for peanuts, which is one of the basics, was 88 percent of parity. The next year, 1952, when we were still operating under a flexible price-support program for peanuts, the figure that was set and was operative throughout that price-support year was 90 percent. In other words, the exact reverse of the claim of the Senator from Minnesota [Mr. HUMPHREY] was true. The statement which has been made with such assurance by so many Senators, that the flexible price-support program leads downward and to ruin, has been shown to be not true with reference to the basic commodity which I have mentioned during the only 2 years of recent operations of the basics under a flexible price-support structure.

The other statement I made yesterday, which is true, referred to naval stores—naval stores being resins, turpentines, and other similar products, which are the products of pine trees produced by tens of thousands of producers in a group of States extending from the Atlantic over to Texas, and in a smaller degree produced in California.

The fact with reference to that price-support program is that beginning at a little above 60, that program went up to 90 because of the need for stimulating production, and then because that industry, although it stimulated production, showed some restraint and did not create huge surpluses, it has been kept at 90. It was reset at 90 by the present Secretary of Agriculture in the spring of this year as to this year's production, and that level is in force now.

The flexible price-support program can easily remain at 90 in the case of every industry that shows any restraint or self-discipline. That was clearly shown in the case of the industry just mentioned which, by law, has been operating under a flexible program from 60 to 90 percent but which, beginning close to 60, went to 90, and has remained

there because of the restraint of the producers.

Mr. AIKEN. Mr. President——

Mr. HOLLAND. I yield to the Senator from Vermont.

Mr. AIKEN. Does not the evidence submitted by the Senator from Florida in regard to the operations of flexible price supports in the years 1951 and 1952 also disprove the contention of the high, rigid, fixed support advocates, that a lowering of price supports will not reduce production? Is it not true that peanuts were supported at 88 percent of parity in 1951 because the supply was not in line with requirements, and that it was necessary to maintain that 88 percent support only 1 year, before the peanut producers put their production in line with requirements and under the flexible support program earned 90 percent supports the following year?

Mr. HOLLAND. Of course, the Senator from Vermont is correct. The operation of the peanut growers in that regard has been duplicated by the operations of many other groups which I shall mention in a moment, showing that instead of being an unintelligent mass of humanity, which simply tries to produce more when the price goes lower, as has been suggested determinedly by some of our opponents during this debate, the exact reverse is true.

There is not any more intelligent group of citizens in our Nation than agricultural producers. When the price is low they diminish the supply in an effort to increase their price. They do that whether there is a price-support structure or not. But, in particular, in the case that the Senator has mentioned, the peanut growers did exactly what he has indicated. There was too great a surplus, too great a carryover, prior to the 1951 operation, and they saw their price-support structure go down to 88. So, they brought their production in line so that the next year, during the operation of the flexible program, their price support went up to 90.

Mr. AIKEN. Is it not also true that under the flexible program proposed by the minority members of the committee, while the Secretary could set the support of peanuts, and probably will set the support of peanuts, at 86 percent for the 1955 crop, the peanut grower, by regulating his own production, can earn 90 percent supports for the 1956 crop and, conceivably, earn 90 percent support for the 1955 crop, even though the support level is set at 86 percent at planting time, if he brings his production in line with the requirements and with the goal set for him before harvesttime; and he can raise that support from 86 percent to 90 percent to apply to the current year's crop?

Mr. HOLLAND. Of course, the Senator from Vermont is entirely correct, and the producers of peanuts can put themselves back on the 90-percent-of-parity program. He points up the fact that so long as the Government continues a situation under which it is the preferred customer of agriculture and guarantees the purchase of everything agriculture can produce at a high price, we shall always have one attitude on the part of agriculture. However, when the Government asks that agriculture enter into a cooperative arrangement with the Government, under which, by showing some restraint and self-discipline, agriculture can improve its own condition, both in the markets and with reference to the price-support structure, by controlling its production, we always find a sounder result and a sounder reaction from agriculture. That is exactly what I shall show by quoting some other statistics.

What I am about to say will be a little in detail, but I believe it is completely necessary to show for the RECORD that the conclusions—and they are unsound conclusions—which have been stated in the RECORD repeatedly, to the effect that a flexible price-support structure means a downward price structure, are completely negatived by the operation of flexible price supports during the three periods that we have had them in operation.

I quote from a document published by the Department of Agriculture, entitled "CCC Price Support Statistical Handbook." It is available to every Senator, and I presume most Senators have seen it.

I shall quote from pages 3 and 4. The table shows the percent of parity at which the Commodity Credit Corporation has supported agricultural commodities annually from 1933 to 1953.

I commend the reading of that table to all Senators. It is such a long table that I will not have it reproduced in the RECORD. However, I shall quote from it, and I shall quote all the figures pertaining to the flexible experience of the crops which I shall mention during the periods which I shall mention. Senators will look in vain for anything that shows a contrary picture in connection with other commodities.

First, with reference to the earlier price supports, which might be considered to have been in effect under the flexible program, that is, under the 1938 law, with respect to the four commodities which were covered at that time for as many as 2 years, this is the experience:

In the case of corn, in 1938 the price support was 70 percent. In 1939 it was 69 percent. In other words, it went down 1 percent. However, in 1940, which was the last year of the operation of the corn program under that particular program, it went up to 75 percent, which was the maximum permitted by law at that time.

I believe Senators will recall that the law at that time provided a support of between 52 percent and 75 percent. Therefore, during those 3 years, although in the first year corn began with 70 percent, after the end of 3 years of the application of flexible supports, corn received the maximum price support of 75 percent of parity.

Cotton began with 1938 at 52 percent, which was the lowest permitted under the act. In 1939 it went up to 56 percent, and in 1940 to 57 percent. It never attained the maximum, but the trend was upward, instead of downward, which completely negatives the position taken by some Senators to the contrary.

In the case of wheat, in 1938 the support price was 52 percent, which was the minimum. In 1939, it was 56 percent. In 1940, it was 57 percent. In other words, the trend or curve of the support under that flexible program was upward in each of the 3 years, instead of downward, as has been suggested.

In the case of mohair, which was supported for only 2 of those 3 years, in the first year, 1938, it was supported at 58 percent. In 1939, it went up to 61 percent.

In the case of wool, which is akin to mohair, in 1938 the price support was 75 percent, and in 1939 it was 78 percent. Neither mohair nor wool was price supported in 1940.

That shows completely, and with all the clarity that anyone could require, that instead of operating as a toboggan to shoot agricultural prices ever downward, the flexible program of 1938 operated in every instance to show an increasing trend of price support which approached the higher levels permitted by that law, and, in one instance, namely, in the case of corn, it attained the highest level, 75 percent.

In the case of tobacco, which was also covered in 2 years of that program, the maximum allowed by the program, 75 percent, prevailed in both 1939 and 1940.

Let us come down to the nonbasic commodities which have been supported under the 1949 law. I invite the attention of my distinguished friends, the Senator from Iowa [Mr. GILLETTE] and the Senator from South Carolina [Mr. JOHNSTON] to this point, because I believe this demonstration is completely the reverse of what some Senators have contended as to flexible supports during the course of this debate, and therefore I should like those two distinguished Senators to hear what I have to say.

Under the nonbasic history of the 1949 law, in the case of mohair, the trend is shown to be always upward, beginning with 74.1 percent in 1950, the same figure for 1951, 75 percent in 1952, and 80 percent in 1953. The trend is shown to be always upward, because with the application of a flexible price-support program, inducement is given to farmers to set their own house in order and to adjust their production to the level of demand.

With reference to honey, much the same situation is shown by the record. Beginning with a 60-percent price support in 1950, the 60 percent continued in 1951, went up to 70 percent in 1952, and again was 70 percent in 1953. So the trend was upward in the case of the price support on honey.

In the case of tung nuts, beginning with 60 percent in 1950, the program went up through 2 years at 60 percent, then up to 62 percent in 1952, and up to 65 percent in 1953. I regret that it did not go higher.

Mr. LONG. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield to the Senator from Louisiana.

Mr. LONG. Does the Senator from Florida agree with me that there are so

many factors affecting the tung oil situation that the price support which tung nuts receive is only one of a great number of factors, and therefore is not necessarily the determining factor?

Mr. HOLLAND. I agree entirely with the Senator from Louisiana. The point I am presenting—and I am sorry that the Senator from Louisiana was not in the Chamber earlier—is that, in spite of the fact that some Senators have stated rather frequently during the debate that the flexible-support structure is a downgrade toboggan and that any industry that is placed on it must go downward, I have been quoting the actual figures, which show that the flexible-support structure has operated in exactly the reverse; and that it has gone from lower to higher support prices. The reason is apparent, because instead of inducing the farmer to produce everything he can sell to the Government, which is true under the 90-percent support level, it induces him to strive for better control of production and to get his production more in line with demand. When he does so he knows that the price support structure will go up. In the case of tung nuts, which are an illustration but not one of the better illustrations, it appears that it began with 60 and has now gone up to 65. I hope, with the distinguished Senator, that it may go higher, although I recognize, as he does, that this is only one factor affecting the tung nut producer.

Mr. LONG. The main difficulty is the large production of tung oil in various areas, including Argentina and particularly Communist China, which production from time to time slips into this country even when we try to prevent it.

Mr. HOLLAND. The Senator is correct. The problem of the tung nut producer is much the same as the problem of the wool producer. We do not produce all our needs in this field. There are great masses of tung oil, just as there are great masses of wool, produced elsewhere, and at prices upon which our people cannct operate satisfactorily.

I remember that the distinguished Senator and, in fact, all Senators from the producing area, were active in having a quota applied to shipments from Argentina but a short while ago. But there are other factors involved than the price support.

The point of my comment is that under a flexible program the price support has gone upward for tung nuts just as it has for every other product which is under the flexible program.

I come now to barley. There has been a great deal of discussion about barley in the current debate. There has been what I consider to be a most unwise effort on the part of some to put barley under a mandatory high support program. Barley has been under a flexible program for the past 5 years, and I hope Senators will follow me when I read the figures of price support granted as the barley producers have been bringing their production in line with demand and getting consistently higher support prices from our Government throughout the 5-year period. Beginning in 1949 with a 72-percent price support, they found the price support increased to 75 percent in 1950. The 75 percent continued in 1951. In 1952 it went up to 80 percent, and in 1953 it went to 85 percent.

I think that is another illustration of the fact that, instead of offering a downgrade toboggan to agricultural commodities to which it is applied, a flexible price support offers an invitation to achieve order, an invitation to adjust production in line with consumptive demand. That is what we need so badly in the case of industries which in many instances have been mining our precious soil in order to produce commodities to sell to Uncle Sam, until finally he has on hand huge stocks which have become indeed a national scandal.

Let us go next to the field of edible beans. In 1950, edible beans were supported at 75 percent, and again in 1951 at 75 percent, but apparently production was adjusted to demand, because in 1952 they went up to 85 percent, and in 1953 to 87 percent price support.

Again, I reiterate that the point is that the flexible price-support programs put the agricultural industry in a position of partnership with the Government. Under a flexible price-support program the farmer is asked to restrain himself in production; to produce an abundance, but not an overabundance. It is to his own interest to produce in such measure that there will not be any heavy surpluses or heavy carryovers. It is to his interest because in the market place his prices go up. Also, in connection with the price-support structure he gets a better deal from the Government if he brings his production in line with consumption. I think that clearly appears from the various recitals which I have been making.

Mr. LONG. Mr. President, will the Senator further yield?

Mr. HOLLAND. I yield.

Mr. LONG. It occurs to me, however, that the fact that some products, such as wheat, corn, and cotton, were being supported at 90 percent might have caused those who were producing beans to shift away from bean production when beans were being supported at only 75 or 80 percent. That might account for the fact that a lesser production of beans caused the parity ratio on that commodity to rise.

Mr. HOLLAND. That possibly has some place in the picture. If it does, it bears out the statement I have repeatedly made, that the 90 percent rigid price support structure invites overproduction. It was created to do that. It was created as a war measure. It continues to invite overproduction in time of peace, and there is no justification to continue an invitation to overproduction in time of peace. If it be true, as suggested by the able Senator from Louisiana, that farmers have been called away from the production of nonbasic commodities to basic commodities because they can sell the latter to the Government for 90 percent, I say that but bears out the argument we are making that the rigid 90 percent price support structure is not in the interest of the Nation and, instead, continues to induce the production of huge surpluses which have become a national scandal.

Mr. LONG. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. LONG. I am sure the Senator would agree, however, that it is a wise policy to have on hand a large surplus of various commodities against the possibility that we might have a drought or a nationwide crop failure.

Mr. HOLLAND. I think that is true, and I have always supported the idea of strategic reserves. I have supported and I am now supporting a set-aside in this bill, provided we can adopt a flexible price-support structure. I shall never support a set-aside which is merely an artificial way of trying to forget about the billions of dollars' worth of investment resulting from 90 percent fixed supports so we can continue with unrestrained overproduction.

Various set-asides are included in both the bill of the majority of the committee, which is the pending business—and that majority consisted of 8 able Senators who are friends of agriculture—and the bill supported by the minority of 7, and I think we are just as good friends of agriculture as are the 8. While a difference is reflected in some fields, it is not reflected in the field of set-asides. We all favor substantial set-asides, but in the case of the 7 Senators, they are conditioned upon reaching a flexible price-support basis rather than offering a continuing inducement to overproduction.

I think the Senator from Louisiana has supplied a good illustration of just how overproduction is accomplished. The 90 percent rigid price-support structure has invited overproduction in fields which had the 90 percent, and has resulted in the conversion of acres which had been producing other crops to the production of the basic, 90-percent-supported crops. The Senator knows that that is wrong.

Mr. LONG. Mr. President, will the Senator further yield?

Mr. HOLLAND. I yield.

Mr. LONG. It seems to me that if we had a flexible element in our price-support program, we ought at least to try to peg the overall average of commodity prices for agriculture to a 90-percent average. If we have a major surplus of wheat, more than we can handle, perhaps we ought to shift over to other commodities.

It seems to me that we should try to maintain at least a 90 percent of parity average price for all forms of commodities, while shifting up and down on various commodities to try to assure expanded production of those that might be in less plentiful supply. However, I see nothing to be gained by the failure to produce food, because from time to time food is needed throughout the world.

Mr. HOLLAND. Of course the Senator from Florida does not advocate failure to produce food. The Senator from Florida advocates a very fine and substantial support price program for the storable basics, and he will always advocate that. He thinks that the continuation of wartime price supports has proved to be a monstrous thing, because it con-

tinues the same inducements which were designed to produce abnormal quantities in time of war which could not possibly be consumed, either by ourselves or in our foreign trade, in time of peace. It continues to offer that same inducement and to bring about the same result. It seems to the Senator from Florida that such a course is completely wrong and unjustifiable, and the Senator from Florida cannot support it.

Mr. YOUNG. Mr. President, will the Senator yield?

Mr. HOLLAND. I will yield to the Senator, but first I wish to complete my reading from the price-support record.

The flexible price-support histories completely negative the statements made by distinguished Senators that a flexible price-support structure is always a down-hill one. Quite the contrary has been shown. Anyone who would make such a statement would have to feel in the back of his head that the farmers of the Nation are unintelligent, and do not know how to go about helping themselves. My own feeling is that there is no more intelligent group in the Nation, and that when the farmers are given an opportunity to get more through price supports, not only in the market place but also as a Government guaranty against hard times, they will respond to it. The record shows that fact. I have quoted the actual figures for edible beans. I have five more items.

Mr. YOUNG. A moment ago I heard the Senator say the increase in support levels for barley was due to the flexible price-support program.

Mr. HOLLAND. No. I called attention to the fact that while the flexible price-support program was in force, barley showed a history of an increase from 75 percent to 82 percent, and then to 85 percent.

I have never contended, and do not now contend, as my colloquy with the Senator from Louisiana [Mr. LONG] with reference to tung oil will show, that there are not other factors in the picture.

I am contending that every bit of history we have shows that flexible price supports are not a down-grade toboggan, but instead they invite the cooperation of the producing industries. That cooperation has been forthcoming, and the price structure has gone up.

Mr. YOUNG. Mr. President, will the Senator further yield?

Mr. HOLLAND. I will yield in a moment, but first I should like to complete a discussion of certain points.

Mr. YOUNG. I shall have to leave the chamber in a minute.

Mr. HOLLAND. Very well. I yield.

Mr. YOUNG. I know that the Senator always desires to be fair in his statements. I think he would want to know, in the case of barley, that barley has switched over to a modernized parity formula in the past 4 years, and in so doing has lost about 30 cents a bushel in parity value. So in order to maintain the same feed ratio basis with corn, the support level for barley naturally had to be increased year by year, in order to achieve the same ratio. Corn parity being based on the 1910–14 base period formula and feed grains on the modernized formula.

The same is true of oats and, I think, 1 or 2 other commodities. That is the sole reason, as I understand, for increasing the support level percentagewise for oats and barley during the past 4 years. The actual price in dollars and cents remained the same.

Mr. HOLLAND. Since the Senator from North Dakota has mentioned oats and barley, and because they are among the commodities to which I was about to refer, if the Senator will remain in the Chamber for a moment, I shall discuss them at once.

As to oats, beginning in 1950 with a 75 percent support price, oats continued through 1951 at the same figure. The support price went to 80 percent in 1952, and 85 percent in 1953.

As to rye, the record is exactly the same. It began at 75 percent in 1950, and continued at 75 percent in 1951. It went to 80 percent in 1952, and to 85 percent in 1953.

With reference to soybeans, also raised in much of the same area, the support price began at 80 percent in 1950, went to 90 percent in 1951, stayed at 90 percent in 1952, and 1953.

As the Senator well knows, the soybean industry itself, knowing the risks of artificial overinducement, has requested in the present year, that its price-support level be cut down to 85 percent. So instead of there being a downgrade toboggan, as the Senator has mentioned, the price-support level shows an upward trend and tone.

So the Senator from North Dakota, and many others, I think, are unjustified in saying—although I do not recall that the Senator has put it just this way—that the flexible price support program is always a downgrade toboggan, and leads lower prices to the producers and industries. The history is exactly the opposite.

Mr. YOUNG. The figures which the Senator from Florida has quoted with respect to oats, barley, and rye are due to an entirely different reason; they are almost solely the result of a switchover to a modernized parity formula. The Senator has stated the soy beans have had 90 percent support for 2 or 3 years. Yet the cash price now is far above the support level. So the 90 percent support program for soy beans did not do any injustice or harm to the soy bean industry.

Mr. HOLLAND. Does the Senator deny that the representatives of the soy bean industry have recently been to Washington, asking that the support-price figure be reduced to 85 percent?

Mr. YOUNG. The soy bean industry would not need any support level at all with the present demand and adverse weather conditions.

Mr. HOLLAND. The Senator does not deny that that is a fact, does he?

Mr. YOUNG. The soy bean industry would not need a price-support program at all just now under present conditions.

Mr. HOLLAND. There are a few other commodities which I wish to mention for the RECORD. One is grain sorghums, which began at 65 percent of parity in 1950. That was the support price in that year. Under the flexible program, the price went to 75 percent of parity in 1951, to 80 percent in 1952, and to 85 percent in 1953.

No one would deny for a moment that there are factors in this history and in this record other than the mere operation of the flexible price-support structure. What I am saying—and it is an indisputable fact—is that instead of being a downgrade road to ruin, as has been claimed on the floor so repeatedly during this debate, particularly by the junior Senator from Minnesota [Mr. HUMPHREY], the flexible price-support program has shown that it is a good tool, an excellent instrument, through which the Government can seek the cooperation of producers of agricultural commodities, and under which it has been getting their cooperation, by the reduction of their production, so that there will not be huge surpluses, and so that the support-price level may move upward.

I shall have something further to say in this same field, by way of showing that the surplus on hand of various commodities supported by flexible price-support structures is negligible as compared with the surplus on hand which is supported on the nonflexible, rigid 90-percent basis.

I shall pass now to the next question: What is the present situation? I shall not dwell upon that subject in great detail, but shall merely state that as of May 31, 1954, the official report of the financial condition and operations of the Commodity Credit Corporation showed that the investment of that Corporation in price-supported commodities amounted to $6,109,295,000, consisting of loans outstanding in the amount of $2,648,244,000, and inventories on hand at a cost value of $3,461,051,000.

This amount is practically double the amount on hand as of May 31, 1953, when the total investment was $3,248,490,000, with loans outstanding in the amount of $1,357,849,000, and inventories valued at $1,890,641,000.

So the investment of $3,258,490,000 in 1953 has been increased to an investment of $6,109,295,000 in 1954. And the end is not yet, because the inventories continue to go upward, as is shown by later figures than those of May 30.

The price-support operations in four commodities accounted for the backlog of May 31, 1954, as follows:

Cotton, upland, 7,097,988 bales valued at $1,169,407,068.

Corn, 393,463,175 bushels, valued at $621,083,006.

Wheat, 205,641,606 bushels, valued at $452,724,603.

Tobacco, 606,207,666 pounds, valued at $264,034,588.

Others, all told, $140,994,660.

The three major items in inventory as of May 31, 1954, were wheat, corn, and butter.

The estimated value of wheat was $1,715,282,304; corn, $670,289,697; and butter, $257,700,613.

Earlier I read into the RECORD figures showing that the present amounts of

butter, cheese, and dried milk are valued at approximately $522 million.

The Commodity Credit Corporation had a net realized loss of $264,688,314 in carrying out the price-support program from July 1, 1953, through May 31, 1954, compared with a net loss of $61,146,358 for the fiscal year 1953.

Mr. President, I digress long enough to say that the figures show that we are losing money four times as fast now as we were last year, and that we can expect a continuation of the same situation if we continue on the senseless course of inducing overproduction, and that is what we are doing.

Price supports extended on 1953 crops alone through May 31, 1954, amounted to $4,143,900,000, including loans plus direct purchase, plus purchase agreements entered into, as compared with only $2,730,500,000 on 1952 crops through that same date.

Mr. President, I realize that in some respects these figures are wearing, so I ask unanimous consent at this time that there be printed in the RECORD at this point in my remarks a table showing the estimated total stocks of the four basic commodities owned on July 14, 1954, by Commodity Credit Corporation—wheat, corn, cotton, peanuts—plus commitments to purchase, less commitments to sell.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

	Quantity	Total cost
		Thous.
Wheat.....bushels..	757,001,000	$1,930,353
Corn.....do....	354,773,000	578,280
Cotton:		
Upland.....bales..	132,002	20,322
Linters.....do....	1,081,341	61,799
Peanuts, farmers stock.....tons..	10,303	2,485

Mr. HOLLAND. I cite these figures to emphasize the vast increase in the 1953 figures over those for 1952. As I have already stated, they are almost double, which clearly points up the fact that the cost of the rigid price-support program has skyrocketed, and will continue to do so unless corrected.

I heard a Senator say on the floor of the Senate that it was immoral for the Secretary of Agriculture to call attention to the huge surpluses and the fact that they were skyrocketing. In my judgment, it is not only moral, but a necessary part of his duties, if he is an efficient public servant, to report to the people and to the Congress those disturbing facts. Every Member of Congress who is not much disturbed by these skyrocketing surpluses would have to think, not in terms of a sound, long-range agricultural price-support program, but in terms of ever-increasing surpluses and an ever-increasing mining of the soil to overproduce so as to sell our products to Uncle Sam.

Mr. President, the carryover of basic crops this year and last year is shown by a table, which I now ask unanimous consent to have printed at this point in the RECORD as a part of my remarks.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Carryover principal basic crops

[In millions]

Commodity	This year (1954)	Last year (1953)	Carryover allowance under existing legislation (estimated)
Corn (Oct. 1).....bushels..	900	764	[1] 320
Wheat (July 1).....do....	903	563	[2] 139
Rice (Aug. 1).....bags..	3.4	1.5	[3] 5.2
Cotton (Aug. 1).....bales..	9.7	5.5	[3] 3.8
Peanuts (Aug. 1).....pounds..	296	411.2	[1] 150

[1] 10 percent of domestic consumption, plus exports.
[2] 15 percent of domestic consumption, plus exports.
[3] 30 percent of domestic consumption, plus exports.

Mr. HOLLAND. Mr. President, reference has been made to storage charges now being paid. I have a compilation of those dairy storage charges based on the April 21, 1954, inventory plus the projected takeover on April 30 of wheat and other small grains showing that the storage charge was $692,600 a day; and today it is something like $700,000.

The table also shows that the added monthly storage charges for cotton and tobacco alone, which were on loan, were $3,658,000. If that cotton and tobacco had to be taken over and the storage for those crops had to be paid by the Commodity Credit Corporation, that charge would amount to an additional $122,000 a day to be added to the practically $700,000 which we are now paying.

Another factor which shows clearly that we are moving in a direction to invite disaster is the showing with respect to the legal authority to borrow held by the Commodity Credit Corporation. Prior to March 8, 1938, that authority was handled by the RFC. On March 8, 1938, the Commodity Credit Corporation was allowed to borrow up to $500 million.

On March 4, 1939, that authority was raised to $900 million.

On August 9, 1940, it was raised to $1,400,000,000.

On July 1, 1941, it was raised to $2,650,000,000.

On July 16, 1943, it was raised to $3 billion.

On April 12, 1945, it was raised to $4,750,000,000.

On June 28, 1950, it was raised to $6,750,000,000.

Only this year, during the present session, on March 20, 1954, we increased the borrowing authority of the Commodity Credit Corporation to $8,500,000,000, to enable it to carry out the duties incident to handling the huge surpluses which we have placed upon its shoulders.

The worst of it is that it has already been said that that huge sum is not sufficient. The Committee on Agriculture and Forestry already has considered, and the committee has already authorized the chairman to report to the floor, a bill which would increase that borrowing authority, if necessary, up to $10 billion, but to any figure below that which the latest available figures might show would be sufficient to carry us through to next year. If that is not a disastrous way to spend the people's money, by deliberately inducing overproduction, the Senator from Florida would not know what to call it.

With reference to foreign markets, there can be no doubt that because of the high price-support program, because of the fact that we are supporting important products at higher prices than other countries in the world can pay, we have been cutting off our own noses insofar as foreign export of agricultural commodities is concerned. I wish I had an opportunity to read in full a statement which I prepared on that subject. However, I shall read a part of it at this time:

Agricultural producers have been particularly hard hit by the decline in United States exports in the past 2 years. Farm products exported in 1951–52—American agriculture's best year in foreign markets—were worth more than $4 billion; they fell to $2.8 billion in 1952–53, and in the 1953–54 year just ended they probably did not add up to more than $2.9 billion.

That is so despite the fact that we have been spending large amounts of section 32 funds in an effort to subsidize foreign exports of our agricultural commodities, and also large sums in carrying out our obligations under the International Wheat Agreement. We have spent many millions of dollars in subsidizing wheat production.

While farm products moved out at reduced rates, exports of nonagricultural commodities, on the other hand, were larger—rising from $11½ billion in 1951–52 to $12.3 billion in 1952–53; in the year just ended these exports settled back to $12 billion.

Farm products accounted for 20 percent of total 1953–54 exports of farm and nonfarm commodities; 19 percent in the year before. Agriculture's share of the total in the past 2 years was larger than the levels attained during the war years but well below prewar and earlier postwar years.

And so we are forced to the conclusion that we are pricing ourselves out of world markets by high, mandatory, rigid price-support levels. Anyone who reads the figures cannot help but come to that conclusion. We are doing that despite the fact that we are shipping huge amounts of wheat under the International Wheat Agreement, in spite of the fact that we have given our soldiers huge quantities of wheat, in spite of the fact that huge quantities of wheat have been shipped to India, to Pakistan, and to the inhabitants of East Berlin, and in spite of the fact that we try to find every possible outlet for the justifiable sale of our wheat at a discount or bargain price. In spite of all those factors, our wheat continues to disappear in large measure from world markets, because it is priced out of those markets.

In the case of cotton, our export market has always been a very large consumer of that commodity. It is disappointing to see that the very industries which are so hard hit by this disturbance of their export trade, and which are now having to sell such large amounts of their production to the Government, are not willing to see that they are losing popular confidence, popular support, losing the markets which formerly meant so much to them, and losing their own independence. Eventually every farmer who continues on this course will be subject

to the mandate of the Department of Agriculture which, to its great credit, does not want to continue to exercise such a mandate.

So it seems to me that a reappraisal of their own situation by our farmers must come shortly; and I hope it will come now, because it seems to me that otherwise these great industries, for which every one of us has so much affection, and in which we have such great pride, are simply courting disaster, because they are just gradually squeezing themselves out of existence.

Mr. President, farm products accounted for more than one-quarter of all exports in the earlier postwar years; a peak of 30 percent was reached in the 2 years 1948–49 and 1949–50. These figures are in striking contrast with the far greater importance of agricultural exports early in this country's history; in most years between 1840 and 1900, farm commodities accounted for 70–80 percent of all exports.

Important in the maintenance of exports of nonagricultural commodities was the considerable movement abroad of military goods under the Mutual Security program. From a total of $1.3 billion in 1951–52, military shipments rose to $3.2 billion in 1952–53; they fell to $2.6 billion in 1953–54, but still more than twice the 1951–52 level.

But, even aside from the stabilizing effect of military exports on the movement of nonagricultural products abroad, exports of civilian goods themselves showed no decline comparable in depth and effect with the drop that occurred in farm exports. Shipments of civilian goods totaled $10¼ billion in 1951–52; they fell to $9.1 billion in 1952–53, after which they rose to $9⅓ billion in 1953–54.

The primary factor underlying the sharply lowered level of farm exports in the past 2 years was the spectacular improvement in agricultural production outside the United States. Exporting countries competing with the United States in world markets had more farm products to sell, and offered them at lower prices. With world agricultural production in relation to population nearly equal to prewar, many importing countries needed to import less; they were willing to let stocks go down in anticipation of lower prices. World prices of many commodities fell—in many cases to levels below support prices in the United States.

As countries once again gained their economic footing, United States foreign economic aid was reduced. Less aid meant smaller shipments of many basic farm export products. Military spending grew and provided foreign countries with dollars, but they spent them carefully and endeavored to use them as much as possible to buy nonfarm goods. All areas did not share in the improved dollar position; Japan—our best customer for farm products—and some countries in Latin America were faced with declining gold and dollar reserves.

The commodity that suffered the most in the export drop was wheat. Exports fell from 478 million bushels in 1951–52 to 317 million in 1952–53, in spite of the International Wheat Agreement. Exports in the year just ended probably totaled only about 215 million bushels, Mr. President, as compared with the 478 million bushels in 1951–52.

Mr. President, I wonder whether people will stop, look, and listen when they see such clear evidence that we are pricing ourselves out of international world wheat markets. Furthermore, United States sales under the International Wheat Agreement were cut in half by competition from non-International Wheat Agreement sellers.

With reference to cotton, cotton exports fell from 5.8 million bales in 1951–52 to 3.1 million in 1952–53, and totaled about 3.7 million bales in 1953–54.

Mr. President, when are our intelligent farmers—and they are intelligent—going to realize that there is such a thing as pricing themselves out of the world market?

Mr. EASTLAND. Mr. President, will the Senator from Florida yield for a question at this point?

The PRESIDING OFFICER (Mr. PAYNE in the chair). Does the Senator from Florida yield to the Senator from Mississippi?

Mr. HOLLAND. I yield.

Mr. EASTLAND. Does the Senator from Florida think that 90-percent price supports caused the drop in exports in cotton?

Mr. HOLLAND. I think the major factor causing the drop in exports is the heavy price we placed upon our cotton. I know that the Senator from Mississippi has been using every effort, as a member of the Senate Committee on Agriculture and Forestry, to enlarge the machinery for subsidizing our exports, so as to rebuild our export program.

Mr. EASTLAND. I tell the distinguished Senator from Florida that the reason for the fall in cotton exports was the very liberal subsidy placed on cotton by Brazil. Regardless of what the American price was, Brazil would have undercut it, for the reason that Brazil had uneconomic support prices. In 1951, Brazil had a support price of 50 cents a pound. The National Bank of Brazil got that entire Brazilian crop.

In 1952, Brazil had a support price of 40 cents a pound, and the National Bank of Brazil again got the entire crop.

Then they worked it off, at about 2 cents a pound under the American price.

Regardless of what the support price in the United States might have been, and regardless of what our price for cotton might have been, Brazil would still have undersold us in the international market. As soon as she worked off those crops, the world price of cotton rose.

Today the United States has the cheapest cotton price in the world. Regardless of what the support price in the United States is—regardless of whether it is 90 percent, 80 percent, or 70 percent—it will not increase the exports of our cotton a bit, because, we have the cheapest cotton prices in the world.

All that a reduction in the support price will do, insofar as the American farmer is concerned, will be to reduce his income, but to increase the profits of the textile mills.

Mr. HOLLAND. Mr. President, I appreciate the sincerity of the distinguished Senator from Mississippi, although of course I do not agree with his conclusion. I believe that so long as we have the 90 percent rigid-support price-structure, and so long as controls continue with it, we are going to see the same situation which I found in the Rio Grande Valley the year before last. I was there, and I went around with some distressed Texas cotton people, and I saw what was happening there.

Whereas we are trying to bolster this artificial price by allotments of acreage, which our people were observing on our side of the river so that we were reducing our production there, greatly added acreage on the other side of the river, where the lands were exactly like the lands on our side of the river, were being placed into the production of cotton, to take the place in the world market of the cotton which we were denying ourselves the right to produce, by the allotment program, which the Senator from Mississippi well knows is a necessary program, so long as we are going to try to continue the 90 percent rigid price-support structure.

Mr. EASTLAND. Mr. President, what my distinguished friend, the senior Senator from Florida, fails to realize is that the American price has not been an artificial one. Brazil had an artificially low price, which broke the market.

Today we are exporting normal amounts of cotton, and are retaining 90 percent support prices. We can do that for the next year.

So what is the point in reducing the farmers' income, when we are doing nothing but increase the profits of the mills?

Mr. HOLLAND. Mr. President, the Senator from Mississippi knows perfectly well that under the program which is being sponsored by the seven minority members of the Committee on Agriculture and Forestry, of which he is a member, there will be no reduction in the support-price program for the next year.

Mr. EASTLAND. Well, why not write it into law, then, for the next year?

Mr. HOLLAND. He knows there will be no reduction in the support-price program for the next year, because we are trying to bring about a gradual reduction in the production, and also to decrease the huge amounts in storage. We are willing to do that, but we are not willing to see a continuation of production which results in piling up larger and larger amounts in storage—which I feel cannot be continued if we are to continue any price-support program.

If the Senator from Mississippi will remain on the floor—as I hope he will—he will have a chance to hear, in a short time, of the reactions—which I believe are correctly stated—in a State which does not produce a great amount of the basic commodities, but is a very heavy agricultural producing State—the State of Florida, which rapidly is losing all confidence in the entire price-support program, simply because the basic commodity producers, in particular, with the dairy industries added, have insisted upon continuing the 90 percent price-support structure and in mining the soil and producing for sale to Uncle Sam

these excessive and unnecessary surpluses, which have become a scandal.

Mr. President, several Senators have asked me why, of all the six basic commodities, tobacco alone is left by the pending bill on the rigid support price of 90 percent of parity. Since I think this treatment of tobacco is completely justified, I should like to discuss briefly the status of tobacco, which certainly and clearly is in a class by itself. Since 1948, when the Congress, under the so-called Hope-Aiken bill, placed tobacco in a preferred classification, I have heard no challenge from any source of the right of tobacco to maintain this separate and preferred status. That treatment was continued in the so-called Anderson bill, in 1949; and it is significant to note that none of the various proposals now under consideration would alter the tobacco program. Apparently, everyone now concedes that 90 percent rigid price support for tobacco is uniquely suited to that commodity; but I think the RECORD should show some of the reasons for that conclusion.

The operation of the price-support program for tobacco has been of no substantial cost to the Government, while at the same time tobacco has brought to local, State, and Federal governments immense revenues, through excise taxation. In the fiscal year 1952–53, the latest year for which complete figures are available, the Federal Government received in tax revenue from the sale of tobacco, $1,655,000,000; and the State governments, $468 million—for a total of $2,123,000,000. I do not have figures showing the revenue received from tobacco by municipalities; but this, of course, would add a substantial amount to the figure just cited, which in that year was $2,123,000,000, to the Federal and State Governments alone. In other words, the annual tax revenue from tobacco approximates the farm value of a 1-billion-bushel crop of wheat. I wish that fact to be emphasized for the RECORD, so that it may clearly appear that that fact pertains to tobacco, and that the tobacco industry has become one contributing so heavily to government, and that the continued production of tobacco on a somewhat level basis is a matter of tremendous governmental concern.

The value at retail—consumer expenditures—for all tobacco products in calendar year 1953 was $5.2 billion, which was divided as follows—and let us note that since the Federal and State revenue figures are on a fiscal-year basis, and the farm value and consumer expenditures are on a calendar-year basis, the figures are of necessity approximate: $2,030,000,000 in tax revenue; $2,096,000,000 to processors and retailers; and $1,074,000,000 to the farmer. The farmer receives only about one-fifth of the retail value of his tobacco. Tax revenue derived from the sale of tobacco is approximately twice as much as the farmer receives, and the processors and retailers receive almost twice as much for their efforts as does the farmer. It is a highly important matter to the Federal Government, therefore, that tobacco growers shall prosper and that there shall be a sustained abundant level of tobacco production, as free as possible from either overproduction or underproduction.

Consequently, the tobacco crop is almost completely regimented. No other agricultural commodity even approaches, or would desire to have, the strict Government control now exercised over the tobacco industry. The acreage which is planted in tobacco is controlled under a strict quota system which has been approved by the growers by an overwhelming majority. The Federal Government supplies graders, and so forth, to establish markets and carefully follows the handling, processing, and selling operations until retail sale to make sure that revenue stamps are placed on the sealed processed packages in order to protect the tremendous revenues which come into the Federal Treasury from this source.

Another feature of the tobacco industry which sets it apart from all other agricultural commodities is the stranglehold which a relatively small number of buyers representing the processors of tobacco could have upon the growers who produce tobacco. This is well illustrated by an event in a county-seat town in Florida—Jasper, in Hamilton County—which I discussed in the 1948 debate on the Hope-Aiken bill. In this town there was organized and opened a new tobacco market, with the approval of the United States Department of Agriculture which had placed in that market graders to serve it. The trade had been fully notified and it was understood that there would be an adequate number of buyers there, but the buyers chose not to come, and after a few days' operation, that market was closed and the growers of that community were put to great expense and had a near disaster visited upon them. This happened not because that county had not produced a large volume of tobacco, much more than enough to support a market; not because the USDA had not sent its graders there, because it had; but merely because the tobacco companies of the United States and elsewhere who have buyers in the markets saw fit, in their sole judgment, not to allow their buyers to come there. Manifestly, the high rigid support price and strict Government supervision of markets protects the growers against such possible mistreatment by the buyers.

In other words, in that case the Government paid off for the few days of operation, and then transferred the operation to nearby markets so that the grower could be protected on every sale he made. The sales are, of course, auction sales. Still another peculiarity in the tobacco trade is that in the export trade, which is a substantial part of the total, in most instances the tobacco business is a Government-controlled monopoly, not subject to great fluctuations of quantity or price. Since World War II exports of United States tobacco have remained steady without large fluctuations from one year to another.

Further, the tobacco crop is produced on a relatively small acreage. It is grown on approximately 600,000 farms by 850,000 farm families, and the total 1953 acreage in the continental United States was only 1,634,200 acres or less than 2 acres for each farm family. This is only slightly more than 2 percent of the more than 78 million acres planted to wheat in 1953.

It is clear, therefore, that when reductions of acreage of tobacco become necessary, no problem of consequence will arise from diverted acreage either to the individuals whose acreage would be reduced or to producers of other commodities, to whose production the quite small displaced acreage might be diverted.

Further, there are no known substitutes for tobacco and tobacco does not directly compete with other agricultural commodities.

Likewise, tobacco is storable for fairly long periods and its value is enhanced through age. Tobacco is normally stored from 1 to 3 years prior to manufacturing. Since tobacco is storable, variations in quality and supply from one year to another do not present a serious problem because there is time to make gradual adjustments in production and to balance out the grade compositions over a number of crops. The enhancement of value through aging in storage largely offsets the storage costs and interest on Government loans. This factor is not applicable to any other agricultural commodity. Furthermore, available public storage has been adequate to store tobacco held as collateral under the loan program. Therefore, no duplicating of trade facilities has been necessary.

And so, Mr. President, there can be no question whatever that the tobacco industry has no parallel in the price-support operations connected with any other agricultural commodity. The strict quota system; the regimentation of all operations; the relatively small acreage and the absence of any diverted acreage problem; the hazards of unsupported marketing; the fact that the tobacco business in most of our world markets is a Government monopoly, resulting in steady world demand and world prices; the absence of substitutes; the relative storability of tobacco, plus enhancement of its value during storage; and, above all, the tremendous amount of revenue derived from the sale of tobacco by Federal, State, and local governments certainly justify and indeed require that the tobacco farmer be given separate and preferred treatment. To do otherwise might well be killing the goose that laid the golden egg.

Mr. CLEMENTS. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield to the distinguished senior Senator from Kentucky who undoubtedly knows more about the tobacco business than any other Member of the Senate.

Mr. CLEMENTS. I appreciate the extravagant statement and flattering observation of the senior Senator from Florida. I cannot measure up to his words; nevertheless it is pleasant to hear them.

I ask the Senator from Florida if it is not a fact that the cotton program has been equally successful so far as profit and loss are concerned.

Mr. HOLLAND. No; that is not correct in recent years.

Mr. CLEMENTS. Over a period of years what has the cotton program, on

a support basis, cost the taxpayers of the country?

Mr. HOLLAND. Mr. President, the cotton program has not cost the taxpayers any appreciable sum, due largely to the fact that we had a very substantial surplus on hand at the time we entered World War II, which we held and which we marketed to good advantage when conditions permitted it at the end of the war.

Mr. CLEMENTS. Is it not a fact that the Department of Agriculture, in a late release of costs and profits on the support program, shows a figure of $268 million profit which has been reaped by the Government from the cotton program?

Mr. HOLLAND. I think that is correct. In making my answer at this time I should like to give the reasons which I regret exist, but which do exist, and to which none of us can be blind, as to why cotton cannot be handled as tobacco is handled.

Of course, it is storable indefinitely, even more so than tobacco, and it lends itself to the accumulation and holding of a large strategic reserve which is proposed in the bill offered here by the minority of the seven members of the committee. That I favor.

But the differences which make it impossible to treat cotton in the same way in which tobacco is treated are as follows:

First is the fact that in the case of cotton a tremendous acreage is involved. The Senator well knows that last year the acreage planted to cotton was more than 25 million acres, as compared with a little more than 1½ million acres planted to tobacco. I know we had to reduce that cotton acreage by a measure passed earlier this year, which brought about a smaller reduction than would have been required if the law as it existed last year had been applied, but even under the measure which we passed this spring there was involved a reduction of well over 3 million acres. As I remember it, the reduction was around 4 million acres.

The Senator will note at once that the reduction of cotton acreage this year is equal to more than twice the entire acreage of tobacco planted; and, therefore, cotton happens to be in the unenviable classification with wheat and corn, under which the problem of diverted acres comes into being as a very difficult problem of solution. That problem applies to cotton and does not apply to tobacco.

I should like to state for the RECORD the three other reasons which in my opinion substantiate the great differentiation between cotton and tobacco, and then I shall be glad to yield for questioning.

The second reason is that in the case of cotton, which is unlike tobacco, there are substitutes, both natural and synthetic. The distinguished Senator from Kentucky knows the trouble which has been occasioned in the cotton industry by the synthetics which have come into the field in recent years in very large amounts. The synthetics especially have added to the problems of the cotton industry. There is no such problem in the tobacco industry.

Third, there is no question of a vast public excise tax revenue to be safeguarded by the leveling off of production, as in the case of tobacco. When we level off production of tobacco we assure to the Federal, State, and municipal governments the continued gathering of excise taxes alone well above $2 billion a year; whereas in the case of cotton, while it contributes to the ad valorem tax picture—as tobacco does, in addition to the excise tax picture—there is no such grave tie-in between cotton production and the fiscal revenues of the Federal and State governments.

The fourth difficulty has already been referred to in my statement. It is that in some years cotton has been priced out of many world markets. Cotton is now priced out of some world markets. In an effort to meet that situation by producing cotton more cheaply, there is in process—we regret that it is true in the Southeast, but we recognize it—a shifting to some extent of the fields of production to irrigated areas in the West where 2, 3, or sometimes 5 times the volume of cotton can be produced per acre, and where the average cost is less. There is no artificial program of 90 percent rigid support prices, which must have as its concomitant a strict allocation of acreage, which can long prevent the operation of that program of shifting production. We have seen that program of shifting take place in many other fields, and we know that economic principles determine such things.

I am sorry we must lose in our southern area some of our marginal production of cotton. Of course, we are not going to lose production in areas such as the Mississippi Delta and the other areas very well suited for cotton production, but the distinguished Senator knows as well as I that the alert agricultural producers in the Southeast are perfectly aware of the problem which I am mentioning, and are trying more and more to convert acreage which is more or less borderline in this field to other types of agricultural production. That problem does not exist in the case of tobacco.

I should like to be able to say to the Senate and to the public, and the not inconsiderable cotton industry in my own State—would like to take the position that everything is well, everyone is prosperous, and we are able to sell cotton in increasing amounts on the world market and continue the traditional production of the same acreage in our State and other Southeastern States; but we know that the economic forces I have mentioned are in motion, and the alert farmers are steadying themselves so that they will be ready for their operation.

Therefore, the cotton industry is not comparable to the tobacco industry, much as I should like to say that it is.

Mr. CLEMENTS. Mr. President——

Mr. HOLLAND. I yield to the Senator from Kentucky.

Mr. CLEMENTS. The Senator from Florida has given some figures which clearly show that there is 16 to 18 times as much acreage in cotton as there is in tobacco. He would not, I take it, wish to leave the impression that there are 16 to 18 times as many farmers engaged in growing cotton as there are engaged in growing tobacco.

Mr. HOLLAND. Of course not.

Mr. CLEMENTS. The cotton acreage is much larger than the tobacco acreage.

Mr. HOLLAND. That is true. That is the precise point I was making. The cotton acreage is so much greater that when the acreage is reduced we have a diversion problem, which involves millions of acres. I had already stated that the average acreage per farm family producing tobacco is about 2 acres, and, of course, that is not true in the case of cotton.

Mr. CLEMENTS. Even though there has been a $268 million profit accruing to the Government under the cotton program, I take it my friend from Florida would say that that has not been a successful program.

Mr. HOLLAND. Yes. My feeling is that in more recent years the program has been showing a loss, and eventually we shall use up the good balance which we attained as a result of the judicious handling of the large surplus we had on hand when we entered World War II. I hope we shall never have to have another world war to make the support of cotton an advantageous thing for our Government. That is the only thing which caused that favorable showing, as the Senator well knows.

Mr. CLEMENTS. Would my friend from Florida agree that a workable surplus in all the basic commodities serves as a bank account to the Government, which is akin to the bank account of an individual?

Mr. HOLLAND. I certainly would. For that reason I have been thoroughly in support of the set-aside program, which gives a very heavy recognition to the storability of cotton and its usefulness in time of emergency. But I am not willing to close my eyes to the fact that we do not solve the problem by simply providing for that set-aside and at the same time continuing to produce much more than we can market.

Mr. CLEMENTS. Whether it is in a set-aside or not, the fact that it is here is a great consolation, I take it my friend from Florida would agree, in case there is a need for it, as we have found on two different occasions in the past 10 or 12 years?

Mr. HOLLAND. The Senator is correct. But any possible need we might have for it is more than anticipated by the approach which is made to this problem by way of a set-aside in the bill offered by the minority.

Mr. CLEMENTS. I do not fully agree with my friend from Florida. I believe he would agree that I take my position after thoughtful and considered study of the matter. I know the Senator from Florida is sincere in the position which he takes. I regret to find myself on a different side from him.

Mr. HOLLAND. I regret to be on the opposite side from the Senator from Kentucky, who I know is a strong friend of the producers of tobacco, cotton, and all other agricultural commodities. The Senator from Florida tries to be a realist when he sees huge surpluses

being created and public confidence ebbing and almost nonexistent in certain areas of the Nation which have a right to be heard, and will be heard, when it comes to the expenditure of Federal money. He hates to see a continuation of a course of action under which the soil is mined in order to sell products to Uncle Sam. He does not think that is sound economy. Holding that belief, he turns to the flexible price-support program as one which he thinks offers the greatest measure of relief to the public and at the same time a better and sounder basis for peacetime supports to the agricultural industry.

Mr. President, the very fact I have just stated, that the tobacco industry produces more than $2 billion of public revenue in excise taxes, shows more clearly than almost anything else I could say that agriculture does not come to Congress as a mendicant in asking for a fair agricultural price-support structure. Agriculture is a tremendous contributor to the economy of the Nation. I have not sought to discuss its contribution by way of ad valorem taxation and other taxation. I have mentioned that continued and abundant production is of great value to consumers, and I have mentioned other things which show agriculture's great place in the economy of the Nation from every point of view. At this time I simply wish to call attention to the fact that from the standpoint of supplying public revenue, agriculture is not a mendicant and does not need to come to Congress in that guise, because of the huge amounts of revenue which it produces.

However, Mr. President that does not change the nature of the question. The question is, What kind of price support structure is best for all concerned—best for the farmer, best for the consumer, and best for the Nation? It is in an effort to answer that question on a sound basis that 7 Senators of the Senate Committee on Agriculture and Forestry who submitted minority views offer the flexible program rather than the inflexible, rigid, fixed 90 percent price support structure now in vogue as it applies to 5 of the basic commodities—that is, as to all basic commodities except tobacco, which would not be disturbed by our proposal.

Mr. President, why do we think that the flexible price support structure will bring about a better balanced agricultural production? I have already mentioned in some detail the history of flexible price support programs and have shown that in each instance the flexible program as it has been applied has not resulted in a tobogganing of prices, but has resulted uniformly in a leveling off of supports and in increasing price supports from the minimum toward the maximum. There cannot be any question about that. I have already inserted the official figures in the course of my argument.

At present I wish to devote myself briefly to the proposition that flexible price supports will bring about better balanced agricultural production, and that they will accomplish this by stimulating consumption and removing the present incentive for overproduction now provided in the case of the 5 basics which are being discussed by the high, fixed, rigid 90 percent support.

We have only to look at our present agricultural program for evidence that surpluses pile up under fixed supports, whereas most commodities which we have been supporting under the flexible system are in relative balance with demand.

For instance, we are currently supporting oats, rye, barley, grain sorghums, flax, and soybeans on a flexible basis—and I hope that the distinguished Senators who are on the floor will follow this—at 85 percent of parity or less. The Department of Agriculture figures reveal that as of June 15, 1954, the average market price for these 6 crops was 85 percent of parity. Soybeans were bringing 124 percent of parity on that date, and the only one of the 6 crops bringing less than 77 percent was rye.

The Commodity Credit Corporation owns less than 45 million bushels of these 6 nonbasic crops, although their total annual production is approximately 2 billion bushels.

Mr. President, I repeat that because I am afraid the distinguished Senator from North Dakota [Mr. YOUNG] did not hear it, and I should like to ask the attention of my distinguished friend from North Dakota.

I shall repeat the statement I have just made, namely, that oats, rye, barley, grain sorghums, flax, and soybeans are all supported on a flexible basis at 85 percent of parity or less. The Department of Agriculture figures reveal that as of June 15, 1954, the average market price for these 6 crops was 85 percent of parity, soybeans were bringing 124 percent of parity on that date, and the only one of the 6 crops bringing less than 77 percent was rye.

The Commodity Credit Corporation owned on that date less than 45 million bushels of these 6 nonbasic crops, although they represent a total annual production of approximately 2 billion bushels.

In other words, the figures which I wanted to call to the attention of the distinguished Senator from North Dakota were that, whereas these 6 crops produce an annual volume approximately twice as large as the annual volume of wheat production, they are under flexible price-support programs, they have not had to be bought in great amounts by the Federal Government, and the total surplus on hand from those 6 crops at the present time is less than 45 million bushels, as compared with the stocks of wheat on hand which are about three-quarters of a billion bushels, with every promise, insofar as the United States Department of Agriculture estimates can indicate, that we will have approximately a billion bushels of wheat by the end of this production year.

Mr. YOUNG. Mr. President, will the Senator yield?

Mr. HOLLAND. I shall be glad to yield in a moment.

I was wondering how the distinguished Senator from North Dakota accounts for the fact that in the case of these flexible price-support programs on commodities the production of which is substantially twice as much as the whole annual crop of wheat, the Government's holdings are less than 45 million bushels as compared with more than three-fourths of a billion bushels of wheat, which has the 90 percent price support.

Mr. YOUNG. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. YOUNG. May I have time to fully answer the Senator's question now?

Corn has a rigid 90 percent price support. All the feed grains the distinguished Senator from Florida mentions are tied directly to corn support levels on a rigid basis—on a feed ratio basis, but on a rigid basis. In spite of all of the years of 90 percent support for corn, with the nationwide drought situation now, we shall probably have no surplus at all of corn. In spite of the development of hybrid corn, the pouring on of fertilizer, and very favorable crop years, we shall probably have no surplus of corn or of feed grains.

The story with respect to wheat is entirely different. Wheat is very much a war crop. In times of war we cannot produce enough. We urged our farmers in every way possible to increase their production. We limited our wheat supplies to the rest of the world. We divided our short supplies by export licenses for 9 straight years. We built up a rather abnormal production. Then after the war was over, particularly in the past year or two, we lost most of our foreign markets at a percentage rate far greater than any other surplus producing nation in the world. We maintain almost exactly the same export prices as does Canada, yet we have lost a far greater percentage of our wheat exports than Canada has. So there are many, many factors entering into the picture.

It is a fact that there have been some very favorable crop years for wheat. I think the former Secretary of Agriculture used poor judgment in not calling for quotas for wheat last year. Secretary Benson is not to blame for that, because the quotas had to be set the year before to be effective in 1953. If that had been done, there would not be the surpluses which there are now.

This year the farmers are required to reduce their acreage 21 percent. According to the last forecast for wheat, there will be a reduction of 15 percent in production compared to that of a year ago.

Probably when the next forecast is made, considering the great deterioration in the spring wheat crop, there will be at least a 20 percent reduction in the wheat supplies, as a result of the acreage reduction this year.

Mr. HOLLAND. I thank the distinguished Senator from North Dakota. I do not find his reply satisfying. The thing which dissatisfies me most is that while he has openly stated on the floor of the Senate that the use of the very inducement which encouraged the overproduction of wheat during the war was the application of the 90 percent rigid price-support structure, the Senator does not now indicate any willingness to withdraw that inducement for overproduction. That is the key to the whole difficulty. The Senator admits that the 90

percent rigid price-support structure constitutes an inducement and an invitation to the highest production possible, and that its continuation will accomplish exactly the same result. It is that result, and the continuation of the inducement, to which the senior Senator from Florida objects.

Mr. YOUNG. Mr. President, will the Senator further yield?

Mr. HOLLAND. Let me make one further comment, so that the Senator from North Dakota will know how I am thinking. Then he may reply as he sees fit to those comments, too.

I find unconvincing the statement of the distinguished Senator as to why in the case of the six nonbasic flexible price support crops which I have mentioned, which produce a crop volume substantially twice as much as does wheat, there is now a surplus, which the Government holds, of less than 45 million bushels, whereas the wheat surplus on hand, from a crop which produces one-half the volume of the 6 nonbasic crops, shows the tremendous total of 750 million bushels, which is constantly rising.

The Senator from Florida does not follow the explanation made by the distinguished Senator from North Dakota, nor does he regard it as adequate to explain that fact, which, it seems to me, shows very clearly that the flexible price support program produces more in line with the demand than does the rigid support system. I do not see any way to avoid that conclusion.

I wish to mention another factor, too. The average price in the market for the six nonbasic commodities on June 15, 1954, was 85 percent of parity; whereas on the same date the average price in the market place for wheat and corn was only 77 percent of parity for one and 82 percent for the other. Both of those commodities are subject to the rigid, so-called inflexible 90 percent price supports, which have not been really bringing that price at all to the producers. I should like to add that additional fact. How is it that the Senator from North Dakota explains that the average price for the 6 nonbasic commodities, which produced a 2 billion bushel crop in the market place was 85 percent of parity on June 15, 1954, whereas in the case of wheat and corn the average price of wheat was 77 percent, and of corn 82 percent?

Mr. YOUNG. There are several factors involved. The first is the switchover to the modernized formula of parity on grains. But I do not think it is necessary to go into that.

Mr. HOLLAND. Does the same switchover apply to all the commodities? The switchover is certainly realistic.

Mr. YOUNG. No, it does not apply with respect to the basics.

In the past several years, as the Senator knows, there has been a switch in diets in America. The people want more meat products, more poultry, and foods like that.

Mr. HOLLAND. Does the Senator from North Dakota think that by the proposed legislation that shift can be stopped?

Mr. YOUNG. Will the Senator from Florida let me answer his first question?

Mr. HOLLAND. I apologize. I am glad to yield.

Mr. YOUNG. With the tremendous increase in numbers of cattle, hogs, and poultry, the farm industry has been taxed to provide all the feed necessary to take care of the meat production. In fact, 151 million bushels of feed grains were imported last year in addition to our own production.

So far as wheat is concerned, the per capita consumption has remained approximately the same for the past 20 years. The need for feed grains has not been increased as much in wartime as is the case of wheat, cotton, and corn.

The Senator from Florida knows that in every war in which we have been engaged, there has been a shortage of wheat and cotton. There is no way in which we can produce enough of those products to meet all our requirements. Therefore, it was necessary to provide the 90 percent support price as an inducement, as the Senator knows, during the war. In fact, the cash price for wheat was above 90 percent throughout most of the war.

But the most significant factor was that the Department of Agriculture urged the farmers to produce more wheat. The Department helped the farmers to obtain the machinery with which to do that. Even more important, under the draft law, farmers' sons and hired help were deferred, when necessary, in order to bring about increased production. Every farmer, as the Senator knows, was permitted a certain number of draft exemptions with relation to the number of production units on his farm. So farmers, being patriotic, and desiring to meet the war needs, naturally increased the production of the commodities which the President desired to have produced in additional quantities.

As recently as 2 years ago, in 1952, when we were in the Korean war, the Government of the United States asked the farmers to increase their wheat production 118 percent over the previous year. Dairy producers and others were not asked to increase their production by any such percentage.

Mr. HOLLAND. I thank the distinguished Senator from North Dakota. I confess that, so far as I am concerned, I see no reason why the contrast should not be made. In fact, I think the American people are going to make the contrast. I think the producers of wheat and corn, if they are wise, will themselves make the contrast between what is happening to them and what is happening in connection with the six nonbasic commodities which I have mentioned.

On June 15, 1954, the average market price of the 6 nonbasic commodities was 85 percent of parity. However, they have only flexible price supports, the highest being 85 percent.

On the other hand, in the case of wheat, the market price on that date was 77 percent of parity, and the market price for corn was 82 percent of parity.

In spite of the 90 percent inflexible, rigid price supports for both corn and wheat, the farmer was getting less for his product in the market place, and Uncle Sam was having to buy more of the wheat and the corn. The lamentable fact is that on that date in excess of 750 million bushels of wheat were in Uncle Sam's hands, and in excess of 350 million bushels of corn were in Uncle Sam's hands; and the current harvesting seasons were just beginning to show their effects in both cases. The surpluses will go up, and the supplies to be held by Uncle Sam will go up.

It seems to me that it is unanswerable, when the facts are examined, that the six nonbasic crops, having a volume twice as great as wheat, are in a favored position as compared with wheat. They are getting an average of 85 percent in the market place. Wheat is getting 77 percent in the market place. The producers of the six nonbasic crops are not mining their land in order to sell their products to Uncle Sam, whereas the wheat farmer, in large measure, is being forced to do so.

Today the Commodity Credit Corporation owns outright some 350 million bushels of corn, and the indications are that it will acquire that much more under the current loan program. In other words, it appears that the amount of corn in Government hands will be about twice that much by the end of the present harvesting season.

The Commodity Credit Corporation owns more than 750 million bushels of wheat, as the new crop moves under loan.

There must be some significance in the fact that the Commodity Credit Corporation owns three-fourths of a year's wheat crop, and about 12 percent of a year's corn crop, but only a little more than 2 percent of a year's production of the six nonbasic crops which are supported on a flexible basis.

Which is better for the country, the program which shows Uncle Sam owning approximately 2 percent of the entire production, or the program which shows him owning 75 percent of a year's production, as in the case of wheat? Which is better for the farmer, the program which shows an average price in the market place, on June 15, 1954, of 85 percent of parity for the producer of nonbasics, or the program which shows, on the same date, an average price in the market place for the wheat producer of only 77 percent of parity?

Mr. President, it seems to me that the question can be answered only in one way, and that is that it is so obvious that those commodities which are under flexible price supports have behaved better, are doing better, and are in partnership with the Government, instead of being simply preferred producers for the Government and the Government being a preferred customer for them, which is the case of the rigid price support commodities, other than tobacco.

In passing, I should say, too, there has been no occasion for the Government to purchase rice. I shall discuss that for a moment. A rice market is a world market. The greatest producing area of rice, the Indochina area, has been disturbed by war for years. As we would expect, we find that farmers in the United States have greatly increased their acreage of rice, and have greatly increased their

production. They have more than doubled their production of rice in the postwar years. In most instances they have been selling rice at well above 100 percent of parity, and rice is still selling above 90 percent of parity. Again we see that in the case of a production area where there is an inducement for the farmer to increase his crop, he may always be found to be intelligent enough to increase it.

We are going to find that many producers will continue to produce every bit of wheat they can as long as 90 percent rigid price supports are kept in effect. That is what the wheat farmer has been doing. He has been continuing that under the program of exaggerated inducement to production which the Senator from North Dakota [Mr. YOUNG] described in his colloquy with me a few moments ago. The program was designed to give exaggerated impetus to overproduction. It did that. But what is the commonsense in continuing such an inducement in time of peace, when we know such a program will simply result in continuing the piling up of huge surpluses?

The truth seems to be that commodities under flexible price supports are produced at a level at which they are consumed, while at least some of the commodities under rigid supports are not consumed.

We are beginning to see further evidence of that fact in the dairy situation. Our efforts to support dairy products at 90 percent of parity resulted in huge accumulations of butter, cheese, and dried milk. High supports encouraged record-breaking milk production at a time when consumption of butter was being forced down as a result of this very policy.

We have got to use a little commonsense, and our producers have got to use a little commonsense. The fact of the matter is that we are not using commonsense in this field, because, to repeat the last sentence which I just uttered: "High supports encouraged record-breaking milk production at a time when the consumption of butter was being forced down as a result of this very policy."

The Secretary of Agriculture wisely reduced the level of dairy supports to 75 percent of parity at the beginning of the new marketing year. At the same time the industry and the Government cooperated in a national promotional plan to stimulate the use of dairy products.

That begins to show a more intelligent approach to the problem—promotion of sales, promotion of new products, promotion of new uses, acquisition of new customers, building up of the average per capita consumption of milk and milk products by the average child and adult. There is much to be done in that field. Until this emergency was visited upon it, the dairy industry showed precious little desire to meet the problem by better salesmanship, a better organization, and a more intelligent distribution of its products to our people.

Mr. ANDERSON. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield to the Senator from New Mexico.

Mr. ANDERSON. As the Senator from Florida has just stated, there is a need to find new uses for those products. I was just glancing at figures showing production and consumption in this country. Thirty-five years ago the acreage in wheat which was harvested was 73 million acres, as against 53 million acres harvested last year. So the actual number of acres harvested dropped 20 million in a period of 35 years. The production in those 2 periods was almost identical, namely, 950 million bushels in 1919–20, and 980 million bushels last year.

However, in spite of the greatly increased growth of population, the domestic market used 650 million bushels of wheat in 1919, and only 626 million bushels in 1954, indicating that there had not been a comparable use of that product. That bolsters the point which the Senator was making, that there is not adequate use made of certain products. The dairy industry has to start to promote new uses for its products. Only by entering into such a program will there be found consumers who will use the products of that industry. I commend the Senator from Florida for pointing out that the dairy industry has started in that direction, because if the domestic dairy industry is to sell its products, it must do so to new customers.

Mr. HOLLAND. I appreciate the remarks of the Senator from New Mexico. I am glad the dairy industry is awakening. I am only sorry that it necessitated governmental action in cutting down price supports, of which they were willing to avail themselves by selling their huge production to the Government under the 90 percent price-support program. It took a reduction of Government price supports sufficiently to awaken the industry, and to start it going in the direction it is now going, namely, seeking new markets and a greater use of a very wholesome product, which certainly is needed in greater measure and should be consumed in greater quantity by the average citizen.

Adverting for a moment to the citrus industry, and I do so simply because I know something about it, there was a time a few years ago, when we thought a production of 40 million boxes was the greatest disaster that could possibly be visited upon us. We followed every path we knew how to follow. We taxed ourselves, as I stated previously—and the tax now yields about $6 million a year—to provide an advertising fund, a dealer promotion service, research, all in an effort to bring about wider use and better prices. We also put into play compulsory standards, much higher maturity standards, than we had ever had before. We caused our research chemists to become busy, and they found better ways of canning our product. There was found a new method of concentrating the product. I wonder how many individuals know that the concentrate patents belong to the State of Florida? Anyone who will observe the standards can use them.

I am merely stating those facts to show that we tried to find ways of bettering our own situation. We have not by any means attained the millennium, but we were able to market this year more than 120 million boxes of fruit, or nearly 200 million bushels. That is twice as much as a full year's crop of apples produced in all the States of the Union. That quantity of citrus fruit came out of the State of Florida at the time of our highest production. While, as I have said, we have not reached the millennium—we are still in trouble on one front, and that is the grapefruit field—the fact remains that we would have seen orange trees and great groves going back to woods years ago if we had not devised some way to step up the consumption of our product by the people throughout the Nation.

I do not say that it is necessarily a model for all commodities, and I do not want to appear to hold it out in that way, but I think it is somewhat the same procedure that the dairy industry must follow. The dairy industry is in trouble in just a few States where there occur at the same time the two conditions of heavy production and inadequate consumptive demand in the particular milksheds which are served by those producers. We do not find that problem in great measure elsewhere, at all. The dairy industries of the 5 or 6 States which are so greatly affected should long ago have been fighting for themselves; and if it took a cutting down of their support-price structure by the Federal Government to bring them into that kind of an operation on their own behalf, I would say that is one excellent result which has come from that action on the part of the Secretary of Agriculture.

Mr. AIKEN. Mr. President, will the Senator from Florida yield to me?

Mr. HOLLAND. I yield.

Mr. AIKEN. Is the Senator from Florida aware of the fact that the store sales of dairy products in the United States—and I shall now refer to a last-minute report on the sales of dairy products; as we know, the reports from the people in the commercial business are usually a month or two ahead of the Government reports—is he aware that the store sales of dairy products in the United States for February and March were 1 percent more than the sales in the corresponding months of last year? In the case of store sales in April and May, after the support levels were adjusted, store sales were 9 percent above those in the corresponding months of last year. In the case of store sales in June and July, they were 13 percent above store sales in the corresponding months of last year.

Let me say to the Senator from Florida that those who are opposing our viewpoint, those who want the Government to own and control everything, including the farmer, know they are working against time. They are putting everything they have and every organization and every front they have into this fight, because should the dairy farmers of the United States know the extent to which the consumption of dairy products is increasing, and should the prices of dairy products in the free market continue rising for 3 or 4 months more, those who do not like our way of

life and do not like our kind of government will be licked so badly that they will never again be able to return. They are putting everything they have into this fight, and I am now stating one reason why time is working against them.

The reports I have just cited are the ones of this morning.

Mr. HOLLAND. Mr. President, I certainly appreciate the comments by the distinguished Senator from Vermont, who himself comes from, and skillfully represents, one of the heaviest dairy-product producing areas of the Nation.

As a matter of fact, I had intended to include in my remarks, as the next paragraph, a statement on the same subject. However, inasmuch as he has stated the matter so well, I shall simply say that the conclusion is manifestly true that flexible price supports are already working in the dairy industry toward an eventual solution of the dairy problem, as shown by the figures placed in the RECORD by the Senator from Vermont.

Mr. AIKEN. The point I was making is that those who want Government controls over everything, including the farmer, know they have to get the dairymen back into the clutches of the Government within the next 2 or 3 months, or else they will be licked permanently; and they have worked in some unusual places to accomplish their ends.

Mr. HOLLAND. Yes, Mr. President; I have felt that working.

I wish to say for the RECORD that, just as the Irish-potato industry in Florida sent representatives to Washington to demand that the terrible scandal which resulted from Irish-potato support prices be ended, just so, not one letter which has come to my office, indeed, not one communication of any sort which has come to my office from the dairy interests of my State—and they constitute a very large group, as a whole, and a very efficient group—has included a request that I do anything other than stand for a continuation of a flexible price-support program, which will result in having the dairy industry achieve a much better situation than that under which it has been existing, under which those in that industry have now sold to Uncle Sam approximately $522 million worth of their products in the last very short period of time.

Mr. ANDERSON. Mr. President, will the Senator from Florida yield to me?

Mr. HOLLAND. I yield.

Mr. ANDERSON. I wish to ask the Senator from Florida whether he believes that if this program is pushed—I refer to the program of developing dairy products—it will reveal that we do not have sufficient milk production in the United States. One hundred and fifteen billion pounds of milk is not too much for a Nation which wishes to have its people consume the finest type of food it is possible to obtain; and, with a reasonable culling of dairy herds, wherever a slightly out-of-balance condition exists, we can bring this problem into balance much more easily than in the case of many of the other agricultural problems confronting us.

Mr. HOLLAND. The Senator from New Mexico is entirely correct, and I thank him for his observations.

Mr. President, to return to a discussion of the citrus industry, let me say there were many defeatists who said, when we established in the citrus industry the program I mentioned a short time ago, that we might as well cut down certain varieties of our citrus trees, because we were overproducing. However, when we looked at the area which was purchasing our products, we could not come to that conclusion. We felt that health-giving, vitamin-gaining values would be withheld if we were to reduce production. So we launched the program to increse the consumption of our citrus products; and I have already indicated that we are now marketing successfully more than three times the amount which brought disaster to us a few years ago, before we instituted this program.

Mr. ANDERSON. Mr. President, will the Senator from Florida yield further to me, at this point?

Mr. HOLLAND. I yield.

Mr. ANDERSON. I wish to say to the Senator from Florida that in 1946 or early 1947, it was my pleasure to visit his State. I had a very excellent trip through some of the grapefruit-producing areas, and I saw the citrus industry at first hand. On that trip, I was taken on an airplane flight, and I had pointed out to me the new acreage which was being placed into the production of citrus fruits. A man pointed out very carefully to me that those new trees meant the absolute destruction of the citrus industry, because there was no possibility, so he said, that the production from them could be consumed. That was 8 years ago. If the course recommended by that person had been followed, the citrus industry of Florida would have been in deep trouble.

But, fortunately, the State of Florida took the position that is so well advocated by its senior Senator, and said, "We will try to move these products." I commend the people of Florida for doing so, because in doing it, they made it possible for the people of the United States and other countries to eat a food which is extremely valuable as a part of one's diet; they made it possible to upgrade the diet, as I mentioned the other day, so as to have our diet correspond to our increased prosperity.

I believe that the determination to make these products available to the people of the United States was a fine decision on the part of Florida agriculture, which I have always commended, and which I now commend.

Mr. HOLLAND. I certainly thank the distinguished Senator from New Mexico.

Mr. President, I am about to conclude my discussion of the situation in the citrus industry; but I wish to say to the distinguished Senator from New Mexico and to other Senators who may be interested that the figures which have just been announced by our citrus organizations show that the profit in the production from the orange groves in our State for the marketing season which has just come to an end was approximately $158 an acre—indicating that the industry is operating at a profit, although it is producing 3 times as much as it was producing when we thought we were about to have to fold-up and go out of business.

Mr. President, to return to the discussion of the situation as it applies to the milk industry, let me say that supply and demand are still far from being in balance. But whereas they were constantly moving wider apart under 90-percent supports, we are now beginning to close the gap, with the use of flexible supports. It will take time. But at least we are moving in the right direction now.

Mr. President, I do not think a more unwise position was ever taken—although I realize it was an honest and sincere position—than that which is being taken now by a few of the Senators from the States which produce very large quantities of dairy products. I refer to their position to the effect that they feel that the 90 percent price-support structure is correct in the case of milk and milk products, and should again be put into effect for their industry.

The old argument—that lower support prices will inspire farmers to increase production as a means of maintaining income—does no credit to the intelligence of farmers themselves. Moreover, it is not substantiated by facts.

Farmers are just as intelligent as businessmen in responding to the factor of price. Historically, they have increased production of a given commodity when the demand was strong, and, just as logically, they have reduced the output when prices weakened. A moment ago, I mentioned the situation in the rice industry, which is a perfect illustration.

In 1952, when hog prices dropped to 75 percent of parity, farmers should have proceeded to raise more hogs, under the theory which is expounded by so many advocates of high, fixed price supports. Instead, they sensibly reacted in a rational manner, and sharply reduced farrowings. Hog prices promptly started moving upward, and since last fall have averaged well above 100 percent of parity.

Now it is being demonstrated again that price does influence hog production. Farmers this spring increased their farrowings, in response to a favorable price.

We shall always find farmers doing the intelligent thing. Those who are taking the other position are selling the farmers down the river, because the farmer is as good a businessman as we have anywhere in this Nation. Those of us who represent States where potatoes are an important crop well remember the ruinous prices which prevailed last fall and winter. Again, if those who argue that low prices stimulate increased production are right, we should have seen a further expansion of potato acreage in 1954. Of course, no such thing happened. Farmers reduced their plantings and potato prices were back to 100 percent of parity by June 15.

When we sought to obtain increased farm production during World War II, we provided high price supports as an

incentive. In the bill now before us there is a provision which would increase the price support level for wool in an effort to obtain greater production. I have never heard it seriously suggested that a lower price would do the job.

Let us consider the rationale of this entire subject. Some of those who were arguing so strenuously for a higher wool support price a few months ago, are now saying that that would have been a futile measure because it would not have increased domestic wool production. We produce only about a third of our wool. But that time they were talking out of the other side of their mouths.

As we all know, increased prices mean greater production; decreased prices mean lower production. I have never heard it even suggested in the case of wool that a lower price would do the job.

That argument is reserved exclusively for the debate that arises whenever it is proposed that flexible price supports be applied to such basic commodities as wheat and corn in order to bring supplies into reasonable balance with demand.

Wheat has all but disappeared from the barnyards of America as a livestock feed. Wheat exports have fallen steadily and sharply during the last 3 years. Total wheat supplies for the current crop year are the largest of record—some 1,875 million bushels—enough to meet our domestic needs, plus our foreseeable exports, for 2 full years. Even with acreage restrictions and marketing quotas on 1954 production, we are still producing more than we can consume or export at present prices. Senators from several of the leading wheat States say that growers resent the further controls which appear necessary to prevent further build-up of a now almost unmanageable surplus.

I believe that resentment was very clearly shown in the voting in the referendum the other day by the wheat farmers in several wheat producing States. In certain States a majority voted against the continuance of controls; and in other States, the majority for controls was greatly reduced.

Unless growers are content to live with stringent controls for the foreseeable future, we must have enough flexibility in wheat prices to encourage the movement of a substantial part of this huge surplus into export and into consumption as livestock feed.

High, fixed price supports have encouraged an overexpansion of acreage in some soil-depleting crops. They have brought marginal land, which should have remained in grass, into production of such crops as wheat and cotton. They are stealing soil fertility which should be preserved for future generations. In the long run, these high price incentives even destroy many of the farmers they are supposed to help, leaving them literally high and dry in the middle of a dust bowl.

That has happened once before during my immediate period of observation, and now it is threatening to be the case in another large area. When are we going to conduct ourselves sanely in the field of agricultural production?

Flexible price supports will encourage the production of grain for livestock feed rather than for Government storage. If any trend in American agriculture is apparent today, it is the steady shift toward livestock. The changing diet preferences of the consuming public—the demand for more meat, eggs, fresh fruits and vegetables, and less cereals and starchy foods—are going to continue to force agriculture into new production patterns, even though we attempt to fight this trend with high, fixed price supports which encourage production of grain as grain rather than as livestock feed.

The adoption of flexible price supports now would recognize the existence of basic economic laws which cannot be flouted forever. We need to bring about better balanced farm production. We need to stimulate consumption. We need to emphasize production for the market rather than for a Government loan.

Flexible price supports will cushion agriculture against serious declines in both price and income. They will place the various segments of agriculture on a more nearly equal basis. They will assure consumers of an abundant supply of the kind of food they want at reasonable prices.

We have already delayed too long in making this necessary changeover which nearly all of us agreed should come within 2 years of the conclusion of World War II. We have temporized. We have said time after time, "Let's just extend 90 percent supports for another year or two." And, finally, we have reached a point where we must face reality or risk the collapse of our entire farm-price-support program.

I conclude my speech on a point to which I wish my friends who come from States in which basic agricultural products comprise the major portion of their production to listen. I hope they will listen, because I am just as sure as that I am standing here that I am right in my position that they have flouted public opinion, that they are losing public confidence; and, as a result, they are likely to lose their entire program, which would be a disaster, indeed.

In fighting for flexible price supports, I am fighting for something which I think can be sold to the people because it is right, and will give permanent and effective results to both the agricultural producer and the consumer, and will meet with satisfaction in the Halls of Congress.

I think my own State of Florida is a fairly representative State among those in which the basic, high-level supported commodities do not comprise the major portion of their agricultural production.

Our people are cosmopolitan. We have grown very fast. They come from everywhere—from North Dakota, from Mississippi, from California, from South Dakota, from Utah, and from New York. I am speaking of the States whose Senators are represented at this moment on the floor. Our people come literally from every other State in the Nation. I think they have an average and a national point of view. I think they know something of the value of agriculture, because last year the total value of agricultural products in our medium-sized State of Florida was some $528,806,000.

We value agriculture; we fight for agriculture, we support agriculture. We support agricultural producers when they are right, and we do not support them in proposals which we think are unsound for agriculture, for ourselves, and for the Nation.

I think I am just as accurate in what I say now on this particular point as it is possible for a man to be without himself speaking with people from every single precinct in the State he represents. I am very sure that the vast majority of the people of our State are not for this rigid price-support structure, but are instead for the flexible price-support structure.

Unfortunately, very large segments of my people are not for any price-support structure, because they have been disillusioned by the performance of the rigid price-support structure in the fields where it has been applied. So, I want Senators who represent States which have a large production of the basic products to hear some of the things which I am able to report to them.

In the first place we have had five mailings of questionnaires, through printing in the newspapers, in five congressional districts of our State.

In the first district, which is the district of Tampa and St. Petersburg, of the number who replied—and it was a very considerable number—90 percent favored a change from rigid to flexible supports. Incidentally, the questionnaires were sent out in a perfectly fair form, because the representatives wanted to know what their people thought on the various important questions that were included. In the first district 90 percent of the citizens replying favored a change from rigid to flexible. Ten percent were opposed.

In the fifth district, which is the central Florida district in which Orlando is the principal city, 95 percent of those who replied favored a change from rigid to flexible, whereas 5 percent were opposed.

In the sixth district—that is the West Palm Beach-Fort Lauderdale, Fort Myers district—93 percent favored a change from rigid to flexible; 7 percent opposed a change.

In the seventh district, which is the district in which Sarasota and Lakeland are the two principal cities, 91 percent favored a change from rigid to flexible; 9 percent were opposed.

In the eighth district, which would be regarded as more nearly a basic commodity district than any other district, in which there is produced a great deal of tobacco, some cotton, and some peanuts, and in which Gainesville and Lake City are the principal towns, 78 percent—notwithstanding that this is an area where basic farming is very important—favored a change from rigid to flexible support; whereas 22 percent were opposed.

Three of our Representatives did not mail out the questionnaires. One of them is from west Florida, where the average might have been a little higher in opposition than the 22 percent shown

in the eighth district. The other two Representatives are from the Miami district and the Jacksonville district, respectively.

Both of them are urban districts where, in my judgment, the majority in opposition to rigid controls would have been quite comparable to that which is shown in the other districts which so highly favored going to flexible price supports rather than remaining with rigid supports.

That is the picture as shown by a good many thousands of citizens who mailed in their votes. No greater effort was made to get one group of citizens to respond than any other group. The questionnaires were printed in the newspapers, and anyone who wanted to do so could cut them out, fill them in, and mail them to his Representative in Congress.

To go further into the showing of sentiment in my State, I invite attention to the fact that the Florida Fruit and Vegetable Association, which is the authoritative voice for the fruit and vegetable producers, the State Cattlemen's Association, and the principal citrus organizations have all gone on record in the same way.

It might be said that that is a selfish position for them to take. I do not think so. I think they have in mind the long-range prosperity of agriculture in the Nation, just as we who represent all the Nation in the Senate have it in mind.

What does the Florida Farm Bureau Federation say? I have before me a telegram from the president of the Federation, dated July 16. I shall read it into the RECORD:

MONTICELLO, FLA., *July 16, 1954.*

Senator SPESSARD L. HOLLAND,
Senate Office Building:

The board of directors of Florida Farm Bureau has by unanimous vote approved the position of the American Farm Bureau on the farm program, including price supports. Hope you will offer amendment providing for 90 percent of parity price supports during any year in which marketing quotas are instituted immediately following a nonquota year if this is not included in committee bill.

E. H. FINLAYSON,
President, Florida Farm Bureau.

Of course, the marketing-quota amendment is pending at this time, and I believe it will be adopted.

I realize perfectly well that Senators wish to know just what kind of agricultural production we have in our State. Last year we had a production, in cash value, of $528 million. That fact is correctly shown on the maps which have been circulated in the Chamber. The maps show that only 7 percent of our total production is the production of basic agricultural commodities, and that of that 7 percent, 5 percent is represented by tobacco production, leaving only 2 percent of our total value of production in the field of basic, rigid price-supported commodities, which, in this case, would be cotton and peanuts, which are produced by some of our soundest thinking people. That situation would make Florida one of a large number of States which Senators will find depicted on the maps which have been circulated, falling into the same classification, namely, small production of basic commodities and large production of nonbasic and nonsupported commodities. Therefore, I think Florida is an average State of that kind. I believe the way in which it has spoken firmly shows that there can be no question about where it stands.

Out of perhaps a hundred editorials on my desk I have selected a group which I shall ask to have printed in the RECORD because they have been taken from newspapers published in every part of the State of Florida. They have been printed in parts of the State where cotton is grown, where peanuts are grown, and where tobacco is produced. Some of the editorials have been published in parts of the State where citrus fruits are grown, where livestock is raised, and where winter vegetables and similar crops are produced.

I shall offer the editorials one at a time because I wish to read a part of each of them.

The first is an editorial from the Pensacola Journal of March 8, 1954. It is entitled "Farm-Price Cost Increase Points to Need of Change." The only excerpt I wish to read from it is the following:

> With all the good will in the world, it must be conceded that we cannot long survive the bolstering of a sagging portion of the economy at the expense of the rest, and unless some equitable scheme is worked out we soon will experience the unhappy fruits of this.

It has been pointed out that only 23 percent of the value of our agricultural production is under the basic support program. Inasmuch as tobacco would not be affected by any change which is now suggested, the figure is brought down to 19.57 percent, which is the full percentage of the agricultural production of the Nation represented by the five basic commodities, some of which are fighting for the continuation of the 90-percent rigid support program. I ask unanimous consent that the editorial be printed in full at this point in my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

FARM-PRICE COST INCREASE POINTS TO NEED OF CHANGE

House passage of a bill to increase the Government's farm price support funds by $1¾ billion to a record high of $8½ billion proves, if nothing else, the continually increasing cost of this program. The increases carry with them a warning that all concerned cannot afford to ignore. Here is inflation with not just a foot, but with a leg in the door.

The action was taken after the House was informed that the $6¾ billion now available to the Commodity Credit Corporation for price support purposes was almost exhausted, and the new money would be needed to keep farm prices at levels prescribed by the farm-price support law. How unsound these price-support levels present are may be seen in the fact that it is not known how much will be a loss to the Treasury since this is dependent upon both future production and price trends. For the Treasury may be read the general taxpaying public.

At the moment considerable controversy is being engendered by Republican proponents of more flexible farm-price supports and Democratic supporters of the present system. Under Secretary of Agriculture True D. Morse, arguing for the flexible plan before the Senate Agriculture Committee, insisted it would give farmers greater prosperity "over the long run." On the other hand, Senator MILTON R. YOUNG, Republican of North Dakota, taking a position in the opposition camp, insisted the flexible support plan would give the farm economy a "jolt it cannot take at this time."

Obviously, both cannot be right, and since we already have experienced the rigid farm system, perhaps it is time to try the other system. The fact of the matter is that the general economy is taking a jolt it cannot afford at any time, and action rather than further talk is indicated. With all the good will in the world, it must be conceded that we cannot long survive the bolstering of a sagging portion of the economy at the expense of the rest, and unless some equitable scheme is worked out we soon will experience the unhappy fruits of this.

Only commendable item to emerge from House action was the new method requiring the CCC to go direct to Congress for funds to make up losses from price support operations instead of allowing the Treasury to cancel the notes. This way we at least will be able to measure our losses.

Mr. HOLLAND. Mr. President, the next editorial is from the Tallahassee Democrat of January 25, 1954. It is entitled "Benson's Pointed Questions."

I wish I could read all of it, but I shall read only the concluding paragraph. The editorial discusses questions posed by Secretary Benson at a hearing before the Senate Agricultural and Forestry Committee concerning the present price-support program, and says, in conclusion:

> These questions did not shake the farm-belt Senators' determination to continue the present high-support program. But they must be answered if a consumer revolt is to be avoided. Benson has put his finger on the sore spot in high-level supports.

I ask unanimous consent that the editorial be printed in full in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

BENSON'S POINTED QUESTIONS

At what point will the 140 million Americans who do not live on farms rise up—as they did in the potato fiasco of a few years ago—and demand not revision but outright elimination of all direct aid to agriculture?

Secretary Ezra Taft Benson posed this and other equally searching questions to the Senate Agricultural Committee as he began the defense of President Eisenhower's plan for a gradual relaxation of price supports that have built huge surpluses of a few major crops and filled Government warehouses. He was recalling the burning of overproduced potatoes, which led to elimination of price support for that crop.

Benson also asked, how far are we prepared to go in making additional billions of dollars available primarily for the support of a few selected farm commodities? What assurance is there that the Commodity Credit Corporation's borrowing authority if increased to $8,500,000 this year, that further increases will not be required next year and the year after? And how shall we reconcile demands for a balanced budget, lower taxes, less overall Government spending and a tight rein on the national debt limitation with heavy farm price-support expenditures which give every indication of growing progressively greater?

These questions did not shake the farm-belt Senators' determination to continue the present high-support program. But they must be answered if a consumer revolt is

to be avoided. Benson has put his finger on the sore spot in high-level supports.

Mr. HOLLAND. The next editorial is from the Tampa Sunday Tribune of March 7, 1954. It is entitled "The Men of Little Faith."

I wish I could read all of it, because it is such an excellent editorial, but I read one part only:

With the farm-surplus picture growing more ominous with each passing month, it is little less than fantastic for farm politicians in Congress to talk about continuing the present idiotic and costly farm program. Failure to put into effect a more flexible price-support plan such as the administration is recommending can only result in making the present disorder chronic and progressively more serious.

I ask unanimous consent to have the entire editorial printed in the RECORD at this point.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THE MEN OF LITTLE FAITH

Nobody spoke truer words than Senator AIKEN, Republican, of Vermont, and chairman of the Senate Agriculture Committee, when he said Secretary of Agriculture Benson's congressional critics "are talking merely for political purposes and nothing else."

Senator AIKEN's comments were offered as his committee began hearings, expected to last 5 or 6 weeks, on the administration's flexible farm program.

Those critics take for granted the notion that farmers will vote against them or their party unless they back legislation to prop farm prices at very high levels.

They are men of little faith in the workings of free markets, in which price fluctuations spur or reduce production in order to bring supply and demand into better balance. After 20 years of Government price supports, these critics imply, American agriculture has become so enfeebled that even the suggestion that farm prices be permitted to play some directive role in our farm economy must bring panic.

Some of these congressional alarmists go so far as to define loyalty to the farmer's interests in terms of the farm parity index.

The inference is that if you are for flexible price supports at 75 to 90 percent of parity, as advocated by President Eisenhower, Secretary Benson, Senator Aiken, our own Senator Holland, and other clear-thinking individuals, you aren't as loyal as if you stand four-square for 90 percent.

And if you demand 100 percent or full parity, then it is implied that you are really serving the farmer's well-being.

This is pure bunk, of course.

The President, the Secretary of Agriculture and others who believe in moderate, flexible price supports are just as interested in high farm income as anybody else. They simply happen to believe in other methods of achieving it than the use of high-level props—methods which they consider better, safer, and in the best interests of both the producers and consumers of farm products.

If there are any doubts as to the need for changing the existing system they should be resolved by the action just taken by Congress boosting the amount of Government funds to be made available for price support purposes by $1.75 billion to a record high of $8.5 billion.

The Federal Govenment now owns outright or has extended loans on some $6 billion worth of surplus farm products. It has so much wheat, for example, that regular storage space has been exhausted. Some of it is stored in the holds of idle ships.

Similar conditions exist with respect to corn, cotton, and other basic crops. And everybody knows the story about surplus butter.

Yet the piles of surplus commodities have not hit their peak. As new crops are harvested this year, the Government will be forced to buy more and make additional support loans. The $6.75 billion available to the Commodity Credit Corporation for the purpose is almost exhausted, and that is why Congress had to vote the additional $1.75 billion in funds.

How does one account for this wasteful and costly situation?

It is true, of course, that growing conditions over the last decade have been most favorable. Record yields have been obtained in most of the basic crops. However, farmers have not been able to export as much in the last 2 years as they did immediately after the war. Other countries have gotten back on their feet and our farm products have had to face stiffer competition.

But the basic cause of the tremendous farm surpluses is the fixed price guaranteed to farmers under the rigid support system. It is a system which absolves them of responsibility to produce with at least one eye on what the market can absorb. In other words, they have been producing, not for consumers, but for Government larders.

The administration seeks to correct this through a sliding scale of support prices. The Secretary of Agriculture would have the authority to reduce the level of supports if supplies get too burdensome or to raise them if more production is wanted. It is power he needs and should have.

With the farm surplus picture growing more ominous with each passing month, it is little less than fantastic for farm politicians in Congress to talk about continuing the present idiotic and costly farm program. Failure to put into effect a more flexible price support plan such as the administration is recommending can only result in making the present disorder chronic and progessively more serious.

Mr. HOLLAND. The next editorial is from the Tampa Morning Tribune of April 23, 1954. It is entitled "No Time for Compromise." The editorial relates to the proposed compromise which would extend the 90 percent rigid-price supports for an additional year, and it says, in part:

The time for compromise on this issue of price supports is past. The Nation is looking to Congress to face up to the facts of the huge and mounting surpluses which have inundated the country because the problem has been mishandled. Further procrastination can only result in making the present disorder chronic and progressively more serious.

I ask unanimous consent to have the entire editorial printed in the RECORD at this point.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

NO TIME FOR COMPROMISE

Although the average American citizen may not realize it, there is more going on in Washington than the McCarthy-Army hearing and the probe into Federal Housing Administration scandals.

What, for example?

For one thing, Senators are putting on their thinking caps in preparation for a decision on the administration's farm program. The questions involved are fundamental and important. They deserve serious debate, even though they may not immediately attract headlines.

The battle to be fought in the Senate is between those who want high-level fixed price supports on the basic crops and those who intend to back Secretary of Agriculture Benson's call for a flexible-support system keyed more closely to the fluctuating prices in the natural market.

Some ardent advocates of high supports are beginning to talk about what they say is a compromise. Senator YOUNG, of North Dakota, although fully aware of the temper of many consumers who are alarmed by the size and cost of the huge surpluses of wheat, corn, butter, cotton, and other products stored in Government warehouses, nevertheless argues that the present program should be continued for just 1 more year because of the gravity of the drought in the Southwest and increasing world tension.

That isn't a compromise; it's a sellout to the high-level support bloc.

Senator YOUNG wants the Senate to follow the same old line. Congress passed reform legislation in 1948 and 1949 calling for elimination of wartime 90-percent price supports on basic crops and the substitution of a flexible plan. Yet when the time actually arrived for putting the policy into effect some excuse has always been found to postpone final action.

As for his argument about the drought it is true that estimates for the winter wheat crop have been scaled downward by about 72 million bushels from last year's total of 750 million. But the more important fact is that the Government owns outright some 426 million bushels, which it purchased under the price-support program, while it is holding another 476 million bushels under loan. These items come pretty close to adding up to a full year's supply of wheat.

Regarding his reference to increased world tensions, we hate to think what Government holdings of farm commodities would amount to if action on flexible price supports were to be postponed until world tensions have abated. The Government now has $6.5 billion worth of surpluses in storage, and it is estimated that by the end of another year the figure may have reached $10 billion.

More than 20 years ago, when Franklin D. Roosevelt became President, there was a farm emergency and an atmosphere of panic. There is no reason for similar panic today, nor for panic-inspired measures.

The time for compromise on this issue of price supports is past. The Nation is looking to Congress to face up to the facts of the huge and mounting surpluses which have inundated the country because the problem has been mishandled. Further procrastination can only result in making the present disorder chronic and progressively more serious.

Mr. HOLLAND. The next is an editorial from the Miami Herald of January 26. I read this portion:

There's a revolt brewing over high farm supports from an unexpected quarter.

It stems from city folks and customers who want to know when their Congressmen are going to give them some long overdue consideration.

* * * * *

The city folks bore the burden of farm prosperity for a long time without complaining. Now they're fed up.

I ask that the entire editorial appear in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

IT'S THE CITY FOLK'S TURN TO ASK AID

There's a revolt brewing over high farm supports from an unexpected quarter.

It stems from city folks and consumers who want to know when their Congressmen are going to give them some long overdue consideration.

Heretofore it was always the farmers that kept Washington in an uproar. But now, according to complaint mail coming in, it's

the city folks and ordinary consumers that are demanding a better break. They're fed up with high butter and coffee prices.

They know that our Government can do little about coffee prices, which are controlled outside the country. But they feel something can be done about butter, which is high because of the Government's price-support operations.

Senator JOHN WILLIAMS, Republican, from Delaware, summed up the feeling of those who have been wary of continued high, inflexible farm supports:

"I said 2 years ago that if we continued 90 percent support we'd have these surpluses, the farm program would collapse, and city people would turn on it."

What he prophesied then seems to be coming to pass. The city folks bore the burden of farm prosperity for a long time without complaining. Now they're fed up. The tenor of their remarks boils down to this:

"Either give us lower prices or, if you're going to keep farm prices jacked up, give us aid so that we can afford to buy their products."

Mr. HOLLAND. The next is from the Miami Daily News of February 16, 1954, entitled "Can't Continue Piling Up Butter; Give Secretary Benson a Chance." The editorial as a whole is good, but I read this part only:

How long can we continue this expensive folly? We've got to find out some day.

I ask that the editorial in full be inserted in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

CAN'T CONTINUE PILING UP BUTTER; GIVE SECRETARY BENSON A CHANCE

We have $350 million of surplus dairy products in storage—and we are still paying extravagant subsidies of taxpayers' money to accumulate more.

Where this folly will end troubles Secretary of Agriculture Benson, and he will slash dairy support prices on April 1 to the lowest level permitted by law. He estimates it will mean an 8-cent-a-pound cut in retail butter prices. He also "hopes" to be able to announce soon a plan to dispose of the surplus dairy products.

No one questions Secretary Benson's good purpose. No one can question his courage.

This is a time for acknowledging both—and giving the Secretary of Agriculture a chance to work his way out of his difficulties.

The difficulties are not Secretary Benson's alone. They are a Nation's difficulties. The agricultural conservation program inherited by the Eisenhower administration was not working for the Nation's lasting good. It is rare that any groups on the receiving end of Government handouts offer to give them up or have them reduced. Yet two major farm organizations have been recommending reduction in subsidy payments.

Let's give Secretary of Agriculture Benson a chance to economize to the taxpayer's benefit provided the price of butter comes down 8 cents a pound.

How long can we continue this expensive folly? We have got to find out some day.

Mr. HOLLAND. The next is an editorial headed "Here Is the Most Idiotic, Wasteful, and Scandalous Scheme Ever Dreamed Up To Enrich One Group of Citizens at the Expense of Other Americans," published in the Fort Lauderdale Daily News of February 10, 1954.

That sounds like a fairly long title, but that is the title of this excellent editorial, which I should like to place in the RECORD at this time so that Members of the Senate may understand what the publishers of this newspaper—and it is a good newspaper in a very heavy producing agricultural county of our State, Broward County—thinks about this program.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

HERE IS THE MOST IDIOTIC, WASTEFUL, AND SCANDALOUS SCHEME EVER DREAMED UP TO ENRICH ONE GROUP OF CITIZENS AT THE EXPENSE OF OTHER AMERICANS

While we realize that figures and statistics make for dull reading there are times when only through the use of figures and statistics can anyone begin to make clear the fantastically, incredible situation that has developed in this country in regard to the farm price support problem.

Most everyone today is acquainted with the fact that the Federal Government for a good many years has been buying up surplus farm products to keep farm prices on an even keel. In simpler language this means that the Federal Government has been using money contributed by all the people in taxes to force these same people to pay higher prices for a good many farm products at their grocery stores.

But what a great many people do not know is that the Federal Government today is the biggest grocery store in all the world, yet it hasn't any customers to buy the millions upon millions of dollars of products it has been stashing away all these years.

We won't quote here the exact figures on all the food items the Government has stored away in various places throughout the country, as that would take more space than we have available. But we will quote a few of these figures just to show the fantastic nature of the dilemma our vote-happy Congressmen have got themselves in.

According to figures released last month, the Commodity Credit Corporation, which is the fancy name for the Government agency which conducts our farm-price support program, owned outright or had loaned money on approximately $5 billion worth of farm commodities. As of December 16, 1953, the CCC actually had stored away some place commodities which had cost the taxpayers approximately $2½ billion.

These stored-away commodities included 440 million bushels of wheat, 338 million bushels of corn, 242 million pounds of butter (bought at 69 cents per pound), 222 million pounds of cheese, 390 million pounds of dried milk, and 68 million pounds of peanuts.

All that adds up to a pile of food in anybody's language, but if nobody ever gets a chance to eat it, what earthly good does it do to keep storing it away? Actually all this food is still costing the taxpayers a huge sum of money just while it sits rotting away. While in Chicago recently, Secretary of Agriculture Ezra Taft Benson stated that it was costing the Government $460,000 a day in storage bills at the present time and this figure was due to go considerably higher in the near future as more Government purchases keep rolling in.

One would think that even the most dimwitted Congressman would have the sense to admit that things have gone far enough to call a halt to this crazy-quilt surplus-crop buying. But votes are more important to some Congressmen than money, and especially when it's not their money they are playing around with. So let President Eisenhower, Secretary Benson, or anybody else suggest that it is time to adopt a new approach to this farm problem and the howls of anguish are mighty, indeed.

The only sensible suggestion that we have heard from anyone lately concerning what should be done with the millions of tons of surplus food that is now spoiling in Government warehouses has come from the people who run the CARE project. They would like to distribute this surplus food to the needy people of Europe, Asia, and Africa but since it would cost something like $172 million just to move a small portion of the food the Government has stashed away to areas where it can be put to good use; this is a problem the officials of this private welfare agency can't surmount.

Suggestions that the Government sell this food to other nations aren't practical because other nations don't have enough American dollars to buy the food with in the first place, and in the second place dumping all this food on the world market would break that market wide open and would cause the American Government to be harshly criticized all over the place.

So, as of now, there is little that Agriculture Department officials can do except to keep on buying more food it can't use, and rent more space to store it. The crop outlook for 1954 is such that Agriculture Department officials estimate that the Commodity Credit Corporation may have to go out this summer and fall and buy another $2,500,000,000 worth of surplus commodities to keep prices at their prescribed levels. This is your money the Government will use. It is being spent for the express purpose of making you keep on paying high grocery bills.

It is one of the most idiotic, most wasteful and scandalous schemes ever dreamed up to keep one segment of our population prosperous at the expense of all the other segments. But it still goes on and on and it probably won't stop until we either run out of places to store any more surplus food or until Congress finally screws up enough moral courage to stop this nonsensical business in its tracks as it should have done a long time ago.

Mr. HOLLAND. The next is from the Palm Beach Post of February 24, 1954. Palm Beach County was the first county in the South to receive the Army award for excellence of farm production during World War II. Fifty-seven hundred carloads, or some such fantastic amount, of beans were produced in that county. It is a very productive farm county. The title of the editorial is "Lower Farm Props." I read this paragraph:

The present system of rigid high support prices is a costly, wasteful travesty now reaching unmanageable proportions. High supports hit the citizen twice as a taxpayer and once as a consumer. As a taxpayer he feels the bite when the Government must lay out money for storage, maintenance, and the like. As a consumer, the citizen suffers in higher prices at the market.

I ask that the entire editorial be inserted in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

LOWER FARM PROPS

Secretary of Agriculture Benson acted with courage in deciding to cut support prices April 1 on butter and other dairy products, from the present 90 to 75 percent of parity. If his decision is to hold, the citizen consumer and taxpayer will have to show equal gumption. For protests against the move already are loud and heavy.

Benson made the decision because existing high supports have encouraged output of milk products not for market but for storage. A year ago Government holdings of butter, cheese, and dried milk corresponded to 1,440,000,000 pounds of whole milk. Today they total nearly 8 billion pounds, roughly 5½ times as much. These stocks are worth about $300 million.

If the support price of butter is reduced as planned, Benson said the producer will get

about 8 cents less a pound than he is now assured. He would expect this to be translated into an equivalent drop in retail prices to the consumer.

Butter would still cost more than twice what competing margarine costs, but the narrowing gap might lure more consumers back into the butter market from which high support prices have driven them.

This move is intended, of course, to discourage excess output of products for which there is obviously no ready market. It would not settle the question what to do with existing accumulated surpluses. In fact, the Government would presumably go on buying dairy products at the lower support level.

But the point is that Benson is endeavoring to make a start on one of the toughest economic problems facing the country. Including wheat, cotton, and other supported products, the United States today owns or holds on loan $6,500,000,000 worth of foods and fibers. It has literally run out of places to put these surpluses.

The protests against Benson's action center on the argument that it will reduce farmer income at a time when it is already below recent par, and will thereby accentuate what some forecasters see as a gathering economic recession.

There can be no question that, by one device or another, the level of farm income must be maintained at a point sufficient to keep the farm community a healthy element in the Nation's life. But any fair-minded citizen will acknowledge that more than one way might be found to achieve that goal.

The present system of rigid high-support prices is a costly, wasteful travesty now reaching unmanageable proportions. High supports hit the citizen twice as a taxpayer and once as a consumer. As a taxpayer, he feels the bite when the Government must lay out money for storage, maintenance, and the like. As a consumer, the citizen suffers in higher prices at the market.

If any logical defense can be made of this triple burden on the citizen, it has yet to be advanced. The object of a proper farm program is to assure the farmer adequate income, not to devise a method by which the citizen can be made to pay for that necessity 3 or 4 times over.

The men who now protest have no answer to continually mounting surpluses, nor to this triple burden on the citizen. The only answer they have is the one dictated by the fear of what the farmers will do to them at the polls if so much as a single sliver of bamboo is removed from the existing fantastic support structure.

Mr. HOLLAND. The next editorial is from the Orlando Sentinel of February 24, 1954, in one of the heaviest producing agricultural counties of our State, and I believe the second heaviest citrus-producing county in the Nation. The heaviest, by the way, happens to be the county in which I make my home, if I may be allowed to state it for the record, Polk County. This is from Orange County. The title of the editorial is "Rigid Support Not in Farmers' Interest."

I read this quotation from the editorial:

Although it is highly important for the level of farm income to be maintained, it is senseless to support it by a process which encourages excessive and wasteful production of food not for use but for storage and spoilage. This is a system which taxes the farmers' soil as much as it taxes the consumer and the taxpayer. And more and more it is becoming evident that it is a one-way street from which it is increasingly difficult to return.

I ask that the entire editorial be inserted in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

RIGID SUPPORT NOT IN FARMERS' INTEREST

Loud and bitter as is the reaction in the dairy States to Secretary of Agriculture Benson's proposal to reduce price supports on milk products from 90 percent to 75 percent of parity, thus giving the consumer an 8-cent cut in the cost of butter, these reverberations are probably no more severe than will come from the wheat and cotton States when and if these supports are similarly lowered.

Noting reports that American grocers may soon have butter running out of their ears, Secretary Benson suggests that Washington officials already have it running out of theirs. A year ago Government holdings of milk products amounted to nearly 1½ billion pounds; today they total nearly 8 billions, or roughly about 5½ times as much, in which the taxpayers have invested about $300 million.

The situation with respect to wheat and cotton and other price-supported products is better only to the extent that they are easier to warehouse than perishable milk products. The trouble is that the Government is running out of warehouses, has no place to store any more of these crops and already has some $6½ billion tied up in them trying to support prices at levels which the people cannot pay.

Testimony against the Benson plan for flexible supports shows that reducing butter price supports will not get rid of the accumulated reserves, or liquidate the Government's investment in them; that a similar reduction in wheat supports would result in cutting the price of bread only four-tenths of a cent a loaf, while costing the wheat farmers $350 million.

Although it is highly important for the level of farm income to be maintained, it is senseless to support it by a process which encourages excessive and wasteful production of food not for use but for storage and spoilage. This is a system which taxes the farmers' soil as much as it taxes the consumer and the taxpayer. And more and more it is becoming evident that it is a one-way street from which it is increasingly difficult to return.

As the issue is joined there is as much demand from the farm States for increasing the support prices to 100 percent as there is for lowering it to 75 percent. And if the practice of subsidizing the dairy farmers becomes permanent, it will be only a short time before it is applied to other crops.

As a matter of fact, the price of citrus at the moment is not all our growers would like. A Government program that would give the grower what he got 2 years ago, if it made sense, would be welcome. But it would not be to the citrus growers' long-range advantage for the Government to buy surplus citrus and put it in storage, any more than it is to buy butter for the same purpose.

It is to be hoped that saner counsel among the dairy States will prevail.

Mr. HOLLAND. The next is an editorial from the Orlando Sentinel of January 13, 1954, of which I shall read only the last paragraph:

Not all farmers agree with the Eisenhower program. Not all of them agree on any other program. But all of them know the present system cannot be continued without ruinous consequences for themselves and for the Nation.

I ask that the editorial be inserted in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

EISENHOWER FARM PROGRAM

After months of labor by the 17-member agricultural advisory committee under the chairmanship of William Myers of the Cornell College of Agriculture, President Eisenhower has submitted to Congress a farm program based on flexible price supports which it is hoped will reduce crop surpluses and at the same time provide the farmer with a fair share of the national income.

As part of this program the President has frozen $2½ billion worth of basic products such as wheat, corn and cotton. The fact that large quantities of such crops were held in Government warehouses by the Commodity Credit Corporation and might at any time be dumped on the market has tended to depress prices and to defeat the very purpose for which it was intended.

That the farm program under which the Nation has been operating is bankrupt and that something has to be done if the farmers are to escape the disastrous consequences of many years of accumulated folly is shown not only by the decline in farm prices which began more than a year before Eisenhower was elected, but also by the fact that Democratic efforts to prevent this decline have resulted in Government purchases of surplus commodities to the extent of $4.5 billion.

Stored in Government warehouses the CCC now has $160 million in cottonseed oil, $108 million in cheese, $202 million in butter, $223 million in tobacco, $529 million in cotton, $846 million in corn, $1,940 million in wheat, and $537 million in other farm products.

By next June, if the present program is continued, the Government will have more than $6 billion tied up in surplus commodities.

The way this system works, the Government is required to support prices of basic commodities at 90 percent of parity. Any time the price of one of these products falls below this figure, the farmer can take his product to the Commodity Credit Corporation and borrow on it, not just 90 percent of the market value but 90 percent of the average price over a period of previous years when the price was particularly favorable to the farmers. If the price then goes up, the farmer can pay his loan, sell his crop, and get the advantage of the increased price. But if the price goes down, the Government is stuck with the crop.

The farmer is thus encouraged to expand and intensify his operations. The Government is a guaranteed buyer of all he produces over and above what he can sell to the public at high prices. Huge surpluses are accumulated at the expense of the taxpayer, who gets for his money higher food prices. And the farmer finds himself the victim of a system which he knows sooner or later will blow up in his face.

Not all farmers agree with the Eisenhower program. Not all of them agree on any other program. But all of them know the present system cannot be continued without ruinous consequences for themselves and for the Nation.

Mr. HOLLAND. The next editorial is from the city of Jacksonville, our gateway city, not itself a heavy agricultural area—but instead an industrial area, and I think the people of that gateway city pretty well know the attitude of the people throughout the State. The newspapers there pretty well speak for the people of the State in general. From the Jacksonville Journal of January 25, 1954, I submit an editorial titled, "Con-

sumers Need a Break, Too," the sentence which I shall read is this:

One wonders how long it will be before Congress summons up its courage and frames a program that will give both the farmers and the consumers a break.

I ask that the entire editorial be inserted in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

CONSUMERS NEED A BREAK, TOO

The political sages are pretty well agreed that in a voting year the farmer, whose voting potential is concentrated to powerful effect in a number of States, will get more attention from Congress than the consumer.

We're all consumers, of course, and consequently farmers total a much smaller segment of the population. But they are organized for political action through many national federations. Their influence upon the making of laws is direct and immediate. And the results of past elections have demonstrated to trembling politicians that farmers' strength at the polls is no myth. Their uprising against the Republicans in 1948 is widely credited with accomplishing the victory of former President Truman.

In contrast, consumer organizations seem to cut little figure as pressure groups in Washington. Secretary of Agriculture Benson has received a great deal of supporting mail from individuals who favor his efforts to cope with the farm problem. But it is doubtful this will have much effect on Congress.

Similarly, consumers have to be greatly aroused before they make their numbers felt at the polls. They did in 1946, when they were disgusted with meat controls. Yet normally the irritation is not sufficient to cement them as a voting force.

Perhaps they would be more stirred than they are in this election year if they really understood what the existing farm program costs them.

As farm price supports work, they keep prices high at a triple cost to the consumer. The guaranteed price is a subsidy to the farmer. If the market won't take his crops, the Government will. Paying the farmer for the excess is one charge. But by supporting the price, the Government also forces the citizen to pay more for things in the market. So he pays once as taxpayer and again as consumer.

Is that all? Not quite. The surplus which the market can't absorb has to be stored. And it takes $14 million each month out of the taxpayers' pockets to cover the storage charge on huge supplies of grain, cotton, butter and eggs the Government buys from overproducing farmers.

The farmers deserve the protection of their Government, for they are in a hazardous business. But the present system, with its triple penalty on the consumer-taxpayer, is costly, wasteful, and impractical.

Farmers know it in their hearts, but they cling to it because they fear the unknown. Politicians know it, and they understand, too, that in the end it is up to them to devise a way to get out of the mess, while still reassuring the farmers.

One wonders how long it will be before Congress summons up its courage and frames a program that will give both the farmers and the consumers a break.

Mr. HOLLAND. There are dozens of other editorials which I could present from my State. I recognize perfectly well that editorial writers do not necessarily express the will or reflect the thinking of the people in their areas, but when we find a general expression from Pensacola to the end of the peninsula with no variation in a single daily newspaper looking in the opposite direction, and when we note the common expression that the program must be changed, many expressions to the effect that a better approach is needed, some of them particularly mentioning the flexible approach, some of them mentioning it as a fairer approach to both consumer and producer, many making it clear that they think it would be a tragedy to have the price-support structure crumble and collapse, I think no one can feel that this comment is not expressive of the views of the people of a State which is not a heavy producer of basics. I think this comment can be regarded as fair and friendly comment, coming from friendly people, who have a very definite interest in the wheat farmers, in the cotton farmers—we have a great many from that group in our State—in the peanut farmers—and we have a large group of them—in the corn farmers, and in the rice farmers. We want them all to be prosperous. We know how much they contribute to our Nation's position in the world picture, how much their buying power contributes to the prosperity of all of us, and how much their abundant production contributes to the opportunity of every consumer to provide himself and his family well with the necessities of life.

We would not be correctly stating the picture if we did not state, in such a way that we could not possibly be misunderstood, that that is the general expression of our people, coming from a great and friendly farming State which embraces among its citizenry citizens from every other State in the Union.

It seems to the Senator from Florida that the situation should cause great concern to Senators from States the major portion of whose production is of basic crops.

Mr. HUMPHREY. Madam President, will the Senator yield?

Mr. HOLLAND. I will yield after one more statement.

I noted that in the surveys reported to the Senate yesterday by the distinguished Senator from North Dakota [Mr. YOUNG], there was shown clear evidence of the fact that the people in the eastern part of the country are in favor of flexible price supports. As I remember, the leading editorial inserted, reporting the results of a questionnaire, showed that 77 percent of the persons interviewed in the eastern United States—unfortunately, it did not show how large an area was covered—favored going to the flexible price-support structure.

To make this point and to make it in a friendly way, before I yield to the Senator from Minnesota, let me say that I am distressed to see a condition under which the whole price-support structure is threatened with imminent collapse, because the people in general throughout the Nation must believe in their own consciences that the program is good before it can stand very long. The unfortunate thing is that a great many of our people do not think that the program as now constituted is fair or good, and they do not look with equanimity upon the huge supplies of surplus products now stored to such an extent that their storage is costing us $700,000 a day. Regardless of how the Senator from Minnesota may characterize those huge surpluses—I believe he calls them inventories—the people of this Nation think of them as wasteful surpluses. I do not see how they could in good conscience regard them as anything else.

I now yield to the Senator from Minnesota.

Mr. HUMPHREY. I thank the Senator for his courtesy.

My only question to the Senator is based upon the poll of public opinion conducted through daily newspapers in his State. In the State of Minnesota, the large State newspapers—in fact, so far as I know, all except two daily newspapers in the State of Minnesota—favor unequivocally the Eisenhower-Benson program of flexible price supports. I say with equal candor that while they favor this program in their editorial policy, every public-opinion poll which has been taken and every meeting that has ever been held proves that many times the editor is expressing nothing but his own opinion, and frequently that opinion is wrong.

Mr. HOLLAND. I think there is some force in what the distinguished Senator from Minnesota has said. If the Senator had been present earlier—and in my speech I expressed regret that he was not present—he would have heard me report the polls taken by Florida Representatives in Congress, to find out what the sentiment of the people of their districts was.

Mr. HUMPHREY. I heard the Senator's report.

Mr. HOLLAND. The percentages were: 90 percent in the First District; 95 percent in the Fifth District; 93 percent in the Sixth District; 91 percent in the Seventh District; and 78 percent in the Eighth District, which is a basic producing district, by the way.

Mr. HUMPHREY. May we have some population figures?

Mr. HOLLAND. The Senator from Minnesota probably would have heard me say also that the unanimous vote of the directors of the Farm Bureau Federation for our State in support of the flexible price-support program, has come to me. In addition, the official expressions of the fruit and vegetable association, the State cattlemen's association, and the important organizations in the citrus industry, which are to the same effect, have come to me. Those things being true, and in the absence of a single daily newspaper in the State, so far as I know, taking any varying position, except in the degree of opposition—some want no price supports; while most of them want a continuation of price supports, but on a more reasonable basis—surely the Senator from Minnesota will recognize that his friend from Florida is developing what ought to be a matter of considerable concern to Senators from States which are vitally affected by the 90 percent price-support program. When the great majority of a great people, now about 3.4 million, coming from all over the Nation, feel that

the present program is hopelessly wrong and should be changed in important particulars, it seems to me that the Senator would recognize that as being a red flag of warning, which no one can deny.

It is from that point of view that the Senator from Florida has presented this argument, rather than in an effort to support his own position, which he will do at home, in Florida. What I am doing here is attempting to truthfully depict to my friends in the Senate who feel otherwise than I do on this problem, the situation in a State which rather fairly reflects what can be expected in the viewpoint of States other than those relatively few—which are a good deal less than half the States—which have more than 50 percent of their farm programs under the 90-percent fixed supports.

Mr. HUMPHREY. I am sure my friend from Florida properly reflects, by the expressions of his views, the opinion of the people of his State. If the Senator from Florida feels that is a red flag, I suggest to him that there are more than 3 million people in the State of Minnesota who support the parity program. A goodly share of those people live in the cities. In fact, one-third of the total population of the State of Minnesota lives in the two cities of Minneapolis and St. Paul and their suburbs. Despite that fact, the overwhelming point of view reflected by every scientific poll—not congressional polls in which one merely writes letters—which has ever been taken shows strong support for the 90 percent of parity price-support program.

I suggest to the Senator that that is another red flag. That flag comes from the headwaters of the Mississippi. There may be a red flag on the other side, being raised in Florida; but I think it would be very important to find out the ratio of the metropolitan population in Florida to the rural population. How many people live in cities with populations of more than 5,000, as compared to the number of people who live in the country?

Mr. HOLLAND. Of course, we have a large urban population in Florida. I would not wish that any fact which was at all influential in this picture be left out of the record. I am simply telling the Senator from Minnesota that the average——

Mr. HUMPHREY. What would be the percentage, by the way?

Mr. HOLLAND. The average citizen from Florida, and I think the average citizen from any other State, including more than half the States in the Nation, realizes that the 90-percent structure was a war measure designed to accomplish overproduction. They realize, insofar as dairying is concerned, that there was no price-support structure during all the years of the New Deal, until the war came, which required overproduction.

To them and to me it seems devoid of the sane approach, which I think we should adopt for such things, to try to continue into peacetime production a program which was designed to create overproduction or excess production, because it will do the same thing now. It is doing the same thing now wherever it exists.

It seems to the Senator from Florida that it is the part of logic to adopt a procedure by which we can defend price supports, so that they will be advantageous to all the elements of our people—the consumer, the producer, and the Nation as a whole—in an effort to live up to the destiny of the United States as a leader in world affairs right now.

Mr. HUMPHREY. I respect the Senator's opinion, and he makes a very forceful case. My only comment to my distinguished colleague from Florida, who is indeed an able proponent of his point of view, is that if this administration would spend half as much time in trying to point out the good points of the price support program, and what this farm program has meant to the country, as it has spent in trying to disrupt it, we would have an entirely different point of view expressed.

A moment ago I returned to the Chamber from the reading room on the other side of the Hall. Every day for the past 2 months I have seen in that reading room practically every newspaper in America with a front-page story about the wonders of the tax bill. We hear nothing but outright propaganda to sell the tax bill to the American people.

If the administration would spend as much time in trying to sell the farm program to the people as it spends in trying to undercut the farmers, if it would spend as much time trying to sell the farm program as it does in selling the tax program, public opinion might be quite different. If the President of the United States would make one speech today in behalf of price supports, as he did in 1952, I am sure public opinion in Florida would be quite different; because, if I correctly recall, public opinion in Florida in the 1952 election was just about the same as in Minnesota. Mr. Eisenhower said what he wanted to say, and made certain promises; and since 1952 those promises have been buried in the political caves of inactivity and broken promises.

I call upon the administration to say one kind word for the price-support program or one kind word for American agriculture.

Mr. HOLLAND. To reply briefly, let me say in the first place that I am not influential with the President in getting him to say what he says from time to time; but I am, at least from the standpoint of one citizen and one public servant, able to pass my judgment upon the positions which the President takes.

It is my opinion—and it is a very deeply felt one—that both the President and his Secretary of Agriculture would have been guilty of gross immorality if they had not called to the attention of the public what is so manifestly true, if anybody cares to analyze the situation. I hope citizens throughout the Nation are now analyzing the situation with respect to the farm-price-support program because unquestionably the fact is that it did not evolve from the New Deal days. The highest support we had then—and the best program for agriculture—was a flexible-price-support program of 52 to 75 percent. The present program evolved as a war measure, with the deliberate purpose of producing abnormal production, and it accomplished it in a miraculous way.

I know perfectly well that that same method applied now gives the same results. I do not care how much we may try to reason or rationalize it, we must all come to the same conclusion.

It has resulted, and is resulting, in excessive production; and the surpluses are piling up. I say to my friend, the distinguished junior Senator from Minnesota, that I think housewives and many persons in the other great branches of agriculture are all expecting us to give relief from the situation whereby those who produce 19½ percent by value, of the agricultural products of this Nation, because tobacco is out of the picture—are receiving the benefit of a 90 percent rigid price support structure on an unrealistic parity basis, and are being led, thereby, to do exactly what they did in time of war, namely, to overproduce, to produce excessively, to mine their lands, and then to sell their products to a benevolent government, which wants them to be happy and prosperous, which wants them to produce abundantly, but which certainly is not under any obligation to pursue a course that is not a course of sanity, reason, and commonsense.

Mr. HUMPHREY. Has the Senator produced any figures at all to support his statement that the farmers have planted more acres in corn and wheat in view of the 90 percent of parity support price?

Is the Senator aware of the graphs and charts which I have in my hand, which are reprints obtained from the Department of Agriculture, showing that corn and wheat acreage does not respond to price? I think the Senator ought to know that price is only one of many factors which pertain to production and acreage.

Why are not the facts being told to the American people? As a matter of fact, the only time acreage responds to price is when the price goes down. Then acreage goes up, and production goes up.

Mr. HOLLAND. The distinguished Senator from Minnesota could not be more wrong if he tried to make an inaccurate statement. If the Senator had been present earlier today, during my presentation, he would have heard my figures. I commend to him a reading of my earlier statement, which shows that in every case in which flexible price supports have been applied—and they have been applied in many cases—the course of prices inevitably has been up, instead of down. The program has been one of betterment and balancing off production, and makes a case exactly opposite from that which the Senator undoubtedly believes to be the case, but which is just not the case.

Mr. HUMPHREY. May I ask the Senator from Florida where he obtained his figures?

Mr. HOLLAND. I obtained them from the Commodity Credit Corporation's official publication.

Mr. HUMPHREY. That is where I obtained mine. Someone ought to look into the Commodity Credit Corporation.

Mr. HOLLAND. The Senator from Minnesota did not go to the right place.

Mr. HUMPHREY. I do not have a special "in."

Mr. HOLLAND. Neither does the Senator from Florida. The Senator from Florida has already placed in the RECORD figures relating to that subject, and he shall not weary his other friends by repeating. The Senator from Florida told the Senator from Minnesota yesterday, on the floor, that in the case of peanuts, during the flexible period 1951–52, after having 88-percent supports in 1951, the support price went up to 90 in 1952.

I also advised my good friend, the Senator from Minnesota, yesterday, that in the case of naval stores the support price went from near 60 percent to 90 percent.

The Senator from Florida, however, placed in the RECORD this morning, from official documents, figures showing that in the case of rye, barley, mohair, honey, edible beans, flaxseed, grain sorghums, oats, and soybeans, during the recent years of flexible price supports, beginning with 1950, and through 1953 and 1954, the trend was up instead of down.

I also placed in the RECORD the indisputable fact that the production of 6 commodities under flexible supports, such as oats, rye, barley, soybeans, and the like, was 2 billion bushels a year, as compared with 1 billion bushels of wheat, and yet there is in the possession of the Commodity Credit Corporation less than 45 million bushels or about 2 percent. They are all under flexible price supports. On the contrary, in the case of wheat, which has rigid price supports, and which has an annual production of only 1 billion bushels, there are in the hands of the Commodity Credit Corporation three-fourths of a billion bushels, with the prospect that that amount will increase to 1 billion before the end of the year.

Mr. LONG. Madam President, will the Senator yield?

Mr. HOLLAND. I yield to the Senator from Louisiana.

Mr. LONG. I recognize that the distinguished Senator from Florida has done much toward benefiting farmers who produce tung oil and tung nuts. I do not wish to disparage his efforts in that regard, but I hope he is not telling us he would like to have imposed upon other farmers a disastrous situation such as that which has existed, and which still exists, among those who produce tung nuts. That is one of the worst situations existing in Louisiana among the farmers.

Mr. HOLLAND. That is correct. The Senator from Florida has been a party to an effort to increase price supports. He was also in favor of the quota restrictions which were imposed last year. He desires that a permanent quota be set, because the price-support program will not be the controlling factor in this matter. A solution will require that we attempt to put our producers on a parity with the heavy producers of Argentina and China. The only way in which we can do so is to have a quota system. To that extent I agree with what the Senator from Louisiana has said. The point I made is that instead of being always a downward toboggan, for tung oil as well as other commodities under the flexible price supports, the path has been upward.

With respect to many of the other commodities, the price has gone to the maximum by reason of the fact that producers of such commodities have restrained their production, and have cut their production to fit the demand.

Mr. LONG. If the Senator will yield further, I should like to suggest to my good friend from Florida that I know of no more disastrous situation among farmers in my State than that which exists among the producers of tung oil. If the farmers could cut down their entire crop of trees, forget the whole project, and call it a bad venture, they would like to do so. Unfortunately, however, they have planted the trees. It requires many years for the trees to grow, and the producers have continued to hold on, in the hope that the Government might come to their aid. If those farmers were compelled to choose as between 65 percent of parity and 90 percent of parity support prices for tung oil, they would be delighted to choose the 90 percent of parity tomorrow.

Mr. HOLLAND. I have no doubt that that is the case. The gist of their trouble is competition from cheaper sources of supply. Even if they were receiving 90-percent support prices, they still would have trouble competing with producers of a cheaper supply of tung oil.

Mr. HUMPHREY. Madam President, will the Senator yield?

Mr. HOLLAND. I yield to the Senator from Minnesota.

Mr. HUMPHREY. Is it not true that price supports on grains, such as grain sorghums, rye, oats, and barley, are related to the 90-percent price supports on corn and wheat, which are interchangeable feed grains? There exists pretty much what is called a feed equivalent ratio. Is it not true that price supports on those products have been ranging between 85 and 90 percent of parity?

Mr. HOLLAND. That is not entirely true. The point I made is borne out without question by the official report of the Commodity Credit Corporation.

In the case of oats, the support went from 75 percent in 1950, through various gradations, to 85 percent in 1953. In the case of grain sorghums, it went from 65 percent in 1950 to 85 percent in 1953.

Mr. HUMPHREY. Was the same parity formula considered in each instance?

Mr. HOLLAND. This is a flexible price-support program.

Mr. HUMPHREY. Is it the modern parity formula?

Mr. HOLLAND. Modernized parity comes into the picture.

Mr. HUMPHREY. In 1950 also?

Mr. HOLLAND. No.

Mr. HUMPHREY. There is a great deal of difference in the percentages and the arithmetic of the Commodity Credit Corporation.

Mr. HOLLAND. In the case of barley, the support price went from 75 percent in 1950 to 85 percent in 1953. In the case of dry edible beans, the price support went from 75 percent in 1950 to 87 percent in 1953. In the case of soybeans, the price support went from 80 percent in 1950 to 90 percent in 1953.

The most impressive fact the Senator from Florida brought forth, at least in his own opinion, was the fact that as to those 6 commodities the average price on June 15 of this year in the market place was 85 percent. They are all under flexible price supports. On the other hand, in the case of wheat, the average market price was only 77 percent.

Another impressive point was that the 6 commodities mentioned had produced only 2 percent of a year's crop to be handled as surpluses, and to be acquired by the Government; whereas in the case of wheat 75 percent of a year's crop was on hand as we started the harvesting season.

So there is evidently some great difference between the two groups. One difference is that, as to the six commodities which are under the flexible program, farmers have been trying to adjust their production to demand, as shown by the fact that there have been no surpluses.

In the case of wheat, there has been no such effort. Instead, the farmers have been mining the soil in some cases simply to sell wheat to the Government.

That is a policy which neither the Senator from Minnesota nor any other Senator can support. If he does support that policy, he does it in the face of popular opinion, which does not approve that policy. There must be either a correction of the program or a collapse of the program. What I am trying to bring about with all the strength I have is a correctional program rather than a collapse.

I ask the Senator from Minnesota to think over well the two alternatives which confront him and the American people at this time.

Mr. YOUNG. Madam President, will the Senator from Florida yield?

Mr. HOLLAND. I yield to the Senator from North Dakota.

Mr. YOUNG. I should like to clear the record relating to the statement regarding the increasing support level for feed grains.

While the support level increased, it was due entirely to the switching over to the modernized parity formula, and the actual cash support level remained the same each year. Even though there was an increase of approximately 5 percent each year, the actual cash level remained almost exactly the same.

Mr. HOLLAND. The Senator from North Dakota has made no comment on the fact that representatives of the soybean industry have come to Washington and have requested a reduction in the support price for soybeans from 90 percent to 85 percent, in the last few weeks. Does the Senator from North Dakota care to comment on that fact?

Mr. YOUNG. Yes; because soybeans are in worldwide demand, and the price is away above support levels, and the soybean producers do not need any support levels at all.

Mr. HOLLAND. Why does it follow, from that, that they would prefer 85 percent supports to 90 percent supports?

Mr. YOUNG. I do not know that the farmers themselves have indicated that.

Mr. HOLLAND. Is it not fair to conclude that the only reason in the world why they would prefer 85 percent supports, rather than 90 percent supports, under the circumstances, is because they believe that the program under 85 percent supports is a sound one and will keep them from getting into trouble later on?

Mr. YOUNG. Who has proposed 85 percent, on behalf of the soybean producers?

Mr. HOLLAND. My understanding is that it was a general request. I saw it in the newspapers, including the trade papers. The Senator from North Dakota does not deny that, does he?

Mr. YOUNG. Yes, I do; I know of no farm group which has requested that.

Mr. HOLLAND. Then the source of information of the Senator from North Dakota is different from mine. But I have seen it in several places, and I think it can be relied upon.

Mr. YOUNG. I think every farmer in the United States would be perfectly willing to do away with all price supports and all subsidized programs, except that to take care of soil conservation, if all the other segments of the economy were willing to do away with their subsidies, their labor contracts, and their means of controlling prices and many, many other devices and programs available to industry.

Mr. HOLLAND. I appreciate that observation on the part of the Senator from North Dakota.

My point has been, and still is, that I do not think the position of Senators who wish to have 90-percent supports continued, and to have the piling up of surpluses continue, is a reasonable one. I think it flies in the face of public opinion, and flouts public opinion and flouts the opinion of producers in other agricultural industries.

When I consider the 30 million acres which were diverted this year, and the greatly increased acreage to be diverted next year, I point out that we should remember that those 30 million acres are equal to the entire area of New England, less Maine, and plus New Jersey and Maryland; and I wish to remind my colleagues that that diversion carries an ax over the heads of many other producers in the Nation.

How does the Senator from Minnesota or how do his friends who stand with him justify a position which offers that distinct threat to the continued existence of various other agricultural industries; and how can he and his friends plead this cause in the name of all agriculture, when what he is arguing for, in connection with the basic commodities, is special protection to 19.57 percent of agriculture, aside from tobacco; and no one intends to change in the slightest the program for tobacco.

Mr. HUMPHREY. Madam President, will the Senator from Florida yield at this point?

Mr. HOLLAND. I yield.

Mr. HUMPHREY. I think one of the most interesting observations the Senator from Florida has made was his reference to soybeans. He used soybeans as a classic example of the effect of the flexible-price-support program. The truth is we had the surpluses of soybeans when we had the low price supports of soybeans; and the time when we had the shortage of soybeans was when we had the 90-percent price supports.

Mr. HOLLAND. Madam President, the Senator from Minnesota is now justifying the thinking of those who advocate the flexible price-support program. It is our position that when the price is low and the supply is large, and the support price then comes down, the farmers scratch their heads more and adjust their planting to meet that demand. That is the history of the matter, and no one can show that it is not.

Mr. HUMPHREY. Well, the price-support level on soybeans was approximately $2.35 or approximately $2.50, let us say, considering the price to the dairies and throughout the country. The cash price last fall and last summer in Minnesota was approximately $2.18, and the farmers sold about one-third of their crop at $2.18. The rest of the crop got into the hands of some of the large buyers or was put under loan. Today soybeans are selling for approximately $3.75.

At this time I look at my friend, the Senator from Massachusetts. His State is a great industrial State. I ask him how it would help his State to have a program which would permit scarcity, with the result that the price of soybean oil and soybean meal and other soybean products would rise far above what it would be if there were abundance of the product and if there were a sensible supply level. This is what constantly happens under the flexible price supports the Senator from Florida is talking about. The one who is chiefly helped is the speculator, who gets his hands on the product and holds it as long as he thinks there is a plentiful supply on the market, and then sells it at a time when there is a shortage on the market, at which time he sells it—as of today—for $3.75.

Mr. HOLLAND. Madam President, that is an interesting observation, and the Senator from Minnesota was able to pull at least one rabbit out of the hat.

Mr. HUMPHREY. Oh, I pulled out a whole horse.

Mr. HOLLAND. But when we look at another group of products, which are selling at the upper level of the price supports which are permitted, and are not being produced in surplus, and are being produced on the basis of a partnership relation between the Federal Government and the producers, under which the producers are trying to adjust their production to the demand, if the Senator from Minnesota will look at all those others, he will find a very powerful plea for flexible price supports.

Mr. HUMPHREY. Madam President, let me say to the Senator from Florida——

Mr. HOLLAND. Madam President, I wish to conclude my remarks, because I have already occupied the floor too long. After I conclude my remarks, I shall be glad to yield.

Madam President, I return to the thought that Senators who will not listen when friendly people who are fighting for agriculture, and have fought for agriculture all their lives, are trying to tell them what, in their judgment, is the commonsense approach in this matter, the result may be to bring upon those Senators and the States they represent much more disastrous results, even according to their own thinking, than the possible slight reduction in price supports and the placing of the matter on a flexible basis, inasmuch as it is the opinion, not of just a particular group of Senators here, but of many agricultural economists throughout the Nation, that the producers on the long-time basis, and the consumers on the long-time basis, and the Nation on the long-time basis are better served. So I am saying that such Senators are very likely to bring disaster upon themselves.

Madam President, I close by saying that I was born and raised in the largest agricultural county in the State of Florida, the only agricultural county in the South that, because of the value of its products, has been on the banner list of prize counties—a list issued every year by the Department of Agriculture—every year since the list has been issued. I have fought for them in the State legislature. I have fought for them during the time when I served as governor of my State. I have fought here in the Senate for them, as well as for the rest of agriculture. I tell my friends here in the Senate that not only is this my individual thinking, but it is likewise the thinking of tens of thousands of agricultural producers who are friendly to every other agriculture producer, but who think the present program is outrageous and cannot be defended, and that it is not sensible to request that a program which was devised to result in excess production in time of war, be continued as a peacetime program, when exactly the same result is being attained, and always will be. So Madam President, respectfully, cordially, and kindly I am trying to say to my friends here in the Senate—and I am trying to present the matter in the ablest way I can—that we believe they are making a most tragic mistake if they ignore public opinion and the facts of the case; and in my judgment they had better begin to reconsider their own points of view, so as to see what is likely to follow if they persist in following the existing program, rather than in acting to provide the greatest good to all those in agriculture and also to bring the fairest value to our Nation.

Mr. LONG. Madam President, will the Senator from Florida yield to me?

Mr. HOLLAND. I yield.

Mr. LONG. The point where I cannot agree on this issue with my great friend, the Senator from Florida, is that it does not make sense to me that, with people going hungry the world over, we should restrict the great, abundant capacity for food production in the United States. It seems to me that our overall program should call for expanding our production of all the agricultural commodities our Nation can produce; and I believe we should work out with the rest of the world a sensible trade program, so as to make it possible for the rest of the world to acquire what we can produce in such

abundance, and of which others have so small a supply.

Mr. HOLLAND. Mr. President, I think there is much truth in the statement of the distinguished Senator.

The Senator from Florida is a member of the Committee on Agriculture and Forestry, and has worked for and supported the measures which have now become law, which provided ,in the first instance, subsidies to agricultural exporters to enable them to rebuild their trade, and which created a fund of $500 million so as to enable them to deal advantageously in foreign exchange, and to permit them to market their commodities behind the curtains, not the Iron Curtain but the exchange curtains of countries which have different financial structures from our own and cannot buy our agricultural products because of differences in exchange.

I have supported such measures as the furnishing of wheat to India, giving wheat to Pakistan, and authorizing the President to give food to East Berlin and to others who may better deserve kind treatment at our hands.

I have supported everything I can think of which would tend to solve the problem agriculture faces. So have other Senators. All Senators have voted for such measures.

I should have added the school-lunch fund and the large sales to the Army of millions of pounds of butter at 20 cents or twenty-odd cents a pound, although the Government paid 3 times that for it.

We have done everything we could think of to help solve the agricultural problem. But butter in storage has been piled up over our heads, wheat has filled all our bins, and we are making ourselves a laughingstock to our good citizens, who would like to see, and must see, agriculture prosperous, but do not want to see agriculture so obstinate that it continues to stand for wartime production in peacetime.

Mr. LONG. Mr. President, if the Senator will yield further, it occurs to me that there are still great prospects for the stockpiling of various commodities, in addition to farm produce, for which we could trade agricultural products with our friends overseas, without placing those products on the immediate market, but simply holding them off the market against a time of war or of scarcity of supply or a nationwide strike or something of that sort.

Mr. HOLLAND. That feature is in the law now and we are doing everything we can under it. We even enlarged the powers of our officials to enable them to better pursue a plan of outright barter under a recent bill. We are doing everything we know how to build up our strategic supplies through the use of agricultural surpluses, and to do all the other sane things that can be done. But we have come to the point where we must recognize that food is spoiling, and we must recognize that farmers are mining our earth to sell agricultural commodities to Uncle Sam. If we do not recognize that, then I think we fail to see what is a very clear picture.

Mr. LONG. I regret to say, however, that nothing has been done about the proposal of the Senator from Oklahoma [Mr. KERR] whereby needy people in our own country would be able to have butter and dairy products, and other things we have in surplus, by cashing food stamps which we could make available to them and to our welfare programs; nor has anything been done about the proposal of the Senator from Minnesota [Mr. HUMPHREY] which would make available to the needy of our Nation a great quantity of dairy products; nor has anything been done to increase old-age pensions, many of which, for the most part, represent cash that would be immediately spent—probably 80 percent of it—for food. There is a great prospect of expanding the consumption of food by those who need it most.

Mr. HOLLAND. Yes. Those are interesting and perhaps valuable proposals.

The Senator, of course, does not mean to say that in many cases the needy are not getting food we have on hand. For instance, I noticed in the newspapers within the last week articles about the heavy dispositions of food being made in southern Missouri, where a serious drought has adversely affected many people. I notice things of that kind are being done.

But the point I am making is that the Senators on the Committee on Agriculture and Forestry have, with a singleness of purpose, devoted themselves to trying to find every possible outlet for the surpluses. The Senator from Minnesota [Mr. HUMPHREY] is a member of that committee, and I am sure he will bear out that statement. But with all we have been able to do, and we have been able to do a great deal, the fact remains that so long as farmers mine the soil, so long as they produce, under a war-incentive program, vastly more than we can consume, sell, or give away, apparently, surpluses are going to pile up, and the people of the United States are going to lose confidence progressively in such a nonsensical program, because they know it is the incentive provided under a war program that is resulting in excessive production, without there being a war excuse for the excessive production.

Mr. LONG. Certainly the distinguished Senator from Florida would agree with me, however, that a person trying to eke out an existence on a $30 or a $45 welfare check is not living on a protein diet.

Mr. HOLLAND. The Senator is correct.

Mr. LONG. It would be well for us to try to see that those in need at least have an adequate diet before we undertake to reduce the production of food.

Mr. HOLLAND. The Senator from Louisiana knows, of course, that numerous measures of that kind have been suggested and have been pending. We have not been able to work them out in such form as would permit their coming to the floor. They have not all come before the committee, of which I am a member, and they have not come to the floor. It is a difficult problem, as the Senator realizes perfectly well without elaborating on it, to enter into any large-scale consumption program of that kind without disrupting the normal channels of trade, and that would only make bad matters worse.

So that as yet the Congress, of which the Senator is a distinguished Member, has not been able to devise a satisfactory measure to accomplish the particular objectives which he has in mind.

Mr. KERR. Mr. President, will the Senator yield for a question?

Mr. HOLLAND. I yield.

Mr. KERR. The distinguished Senator from Florida has been talking about incentives for production in wartime, and a program being carried out now in peacetime which was designed for wartime. Was I correct in understanding him to say something to that effect?

Mr. HOLLAND. Yes; something to that effect.

Mr. KERR. The Senator is, of course, aware of the drastic controls, implemented by the Secretary of Agriculture last year and being implemented this year involving a reduction of wheat acreage? There was a large reduction last year of such acreage; there has been another large reduction this year. Likewise there is a large reduction in the acreage of cotton in the current year, and there will be a still further reduction next year. The Senator from Florida is aware of that, is he not?

Mr. HOLLAND. I certainly am familiar with those programs. I know that, in spite of the reduction in wheat acreage, we are still producing a surplus of wheat this year. I know——

Mr. KERR. Mr. President, will the Senator yield for a further question?

Mr. HOLLAND. Not at the moment. I know also that the restriction on wheat acreage, on cotton acreage, and on corn acreage in this one year alone has posed a problem which is not being coped with adequately, and which is endangering numerous other agricultural commodities. I refer to the problem of the use to be made of 30 million diverted acres. I know the problem about which we are talking now. It relates to the basics, and is not a general agricultural problem at all.

I know there are numerous other producers in the agricultural field who have been harmed rather than helped by making available for the production of other crops large areas of diverted acreage. If the Senator thinks that just because a majority of the producers in agriculture in any one State or in any group of States produce basic crops, the same situation exists generally, he is wrong; he is overlooking the fact that in most of the States the opposite is true.

As a matter of fact, the basic crops by value represent roughly 23 percent of the total agricultural production of the Nation. When we subtract tobacco from the basics, because tobacco is not involved at all in any of these programs, we have——

Mr. KERR. Does the Senator mean there is no support program for tobacco?

Mr. HOLLAND. I mean there is a 90-percent support program for tobacco, which I fully discussed, and which is not disturbed by the pending measures. I am sorry the Senator was not present when I fully discussed it.

Mr. KERR. If tobacco is not involved, why did the Senator discuss it?

Mr. HOLLAND. If the Senator will permit me to complete my statement, after subtracting tobacco, because it is not involved in any of these measures, the five basic crops affected represent 19.57 percent by value, of the total agricultural production of the Nation. It is these five basic crops, which now have a 90 percent fixed, rigid support price, that we suggest be placed on a flexible price support basis.

Mr. KERR. I appreciate the remarks of the Senator from Florida, in spite of the fact they are in no way responsive to the question I asked him. But since he did make the statement that tobacco is not involved in this bill, does the Senator tell me that it is not referred to in this bill?

Mr. HOLLAND. I said very clearly that tobacco is not involved in this bill, and that tobacco is left on the basis upon which we put it in 1948. So far as I know, not one Senator or one Representative has suggested any change of that basis, because it is so fair and supportable. I am sorry, as I stated a while ago, that the distinguished Senator from Oklahoma was not present to hear quite a detailed discussion of that point by the Senator from Florida, which was joined in by several other Senators who were then on the floor.

Mr. KERR. I appreciate the Senator's remarks about the Senator from Oklahoma not being here while he was speaking. He has been speaking several hours, and the Senator from Oklahoma has not been here all the time. I do not know what that has to do with the answering of the question I put to the Senator.

Mr. HOLLAND. It has this to do with it——

Mr. KERR. If the Senator——

Mr. HOLLAND. If the Senator will desist, I have the floor.

Mr. KERR. I beg the Senator's pardon.

Mr. HOLLAND. If the Senator will allow me to say so, this subject was very thoroughly discussed earlier by me—and if the Senator will be patient he can read my remarks in the CONGRESSIONAL RECORD, of which it will fill quite a number of pages—and the Senator from Florida, having some obligation to other Senators who were here at that time, does not propose to rehash that whole field.

Mr. CLEMENTS. Madam President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. CLEMENTS. My friend from Florida mentioned the barter program. Is it his understanding that anything has been accomplished up to date by the Department of Agriculture through the barter program in eliminating or reducing the present stockpile of commodities?

Mr. HOLLAND. I have no late information to that effect. All I know is that we have given ample and increased authority for that to be done through a measure recently passed by Congress and signed by the President.

Mr. CLEMENTS. That was merely additional authority, was it not? Has not the Department of Ariculture consistently had some authority in the field of barter?

Mr. HOLLAND. It has had some authority. I believe the distinguished Senator from New Mexico [Mr. ANDERSON], who at one time during the war served as Secretary of Agriculture, has frequently related to the Senator from Kentucky and myself details of how that power was exercised by him as Secretary of Agriculture during the war years.

Mr. CLEMENTS. Is it not a fact that while the Senator from New Mexico was Secretary of Agriculture he used that authority to the Government's good, to the producer's good, and to the profit of this country?

Mr. HOLLAND. That is correct. That was particularly true in the use of cotton surpluses.

Mr. CLEMENTS. Is it not fair to say that during the past year and a half there is no record of any accomplishment through the use of barter legislation by the present Department of Agriculture?

Mr. HOLLAND. I have no personal knowledge of it. I do know that we have been building up our strategic stockpiles in whatever way those in authority have felt to be the soundest way to help both ourselves and the friendly nations with whom we were dealing. Whether barter was involved in any case, I do not know. I certainly have no knowledge of the use of barter in connection with any such transactions.

Mr. CLEMENTS. I have no information that barter legislation has been used, and certainly it had not been used at the time of the Secretary of Agriculture's last appearance before the Committee on Agriculture and Forestry when the subject was discussed.

Mr. HOLLAND. That is my understanding. However, speaking as a member of the legislative branch of the Government, I would not be inclined, without knowledge of the facts, to criticize anyone in the executive department for not using a particular power. Various powers are given to the executive department. The question of whether powers have been properly used, or the question of which power should be used at a particular time, is of course a question which changes with the changing picture. Therefore, I have no criticism of that kind to make, because I do not have knowledge of the facts involved.

Mr. CLEMENTS. I would not want my friend from Florida to leave the impression that I was being critical. I was merely seeking information for the record. I should like to ask one more question.

Mr. HOLLAND. Then I take it the Senator from Kentucky is not being critical.

Mr. CLEMENTS. I merely wanted to keep the record straight.

Mr. HOLLAND. That is the position of the Senator from Florida.

Mr. CLEMENTS. Is it not a fact that Congress has given to the present Secretary of Agriculture the broadest authority any Secretary of Agriculture has had in the history of the country in the disposition of surplus commodities?

Mr. HOLLAND. I believe that is true. I believe it was needed legislation. I repeat that notwithstanding all the authority, both general and special, surpluses are still piling up.

Mr. CLEMENTS. Without any desire or purpose to be critical, is it not a fact that during the past 18 months little, if anything, has been accomplished in decreasing the surplus commodities by reason of this new power?

Mr. HOLLAND. That is correct. To the contrary, surpluses have been increasing. I call the attention of my distinguished friend to the fact—and I know his viewpoint is the same as mine—that increasing the supply of surplus commodities in the friendly nations, or in any particular friendly nation, by sending surplus commodities to nations, to be disposed of within those nations, certainly cannot be done without looking into and recognizing the program of commercial distribution in such countries. We do not want to attempt to help a friendly nation and, by doing so, actually hurt that nation. That is what we could easily do if we did not dovetail our action with their own economy.

Mr. CLEMENTS. The Senator from Kentucky recognizes that it must be done in such a way that it will not disrupt normal channels of distribution and trade.

Mr. HOLLAND. The Senator from Florida expresses the same attitude. However, the Senator from Florida is not able to suggest any specific method for the handling of this program which he knows to be sound. He believes that the executives, who happen to be of the party represented on the other side of the aisle are just as anxious to solve this surplus problem, and just as anxious to do the right thing in that regard to agriculture, to the consumers, and to the taxpayers, as are Senators on this side of the aisle.

Mr. CLEMENTS. I want the record to show that Congress has given all the authority for the disposition of surpluses the Secretary of Agriculture has asked for, and that Congress went further, by even giving authority that he was not willing to ask for.

Mr. HOLLAND. That is correct. I remember that the Senator from Kentucky was one of the authors of such legislation, and I believe the senior Senator from Kansas [Mr. SCHOEPPEL] also introduced legislation or perhaps the Senators joined as cosponsors. Suffice to say that Congress is doing all it can to help in the solution of this problem. However, I am forced to the conclusion that the problem is growing worse instead of better, when I see surpluses mounting instead of vanishing.

I see no other solution—and if there be another solution, I have not heard it suggested—for taking care of this situation than the one suggested by the minority group of the Senate Committee on Agriculture and Forestry, who have proposed various changes in the bill submitted by the majority of the committee of eight, of which the Senator from Kentucky is one member. The Senator from Florida happens to be a member of the smaller group, which strongly supports the flexible price-support structure on the five basic commodities involved in the proposed change.

Mr. CLEMENTS. I believe my friend from Florida will agree that certainly to a considerable extent our present surplus had its beginning at a time when no one knew what the situation was to be in Korea.

Mr. HOLLAND. I believe that is true, and I think the set-asides would not only take care of it, but very generously take care of it; and set-asides are proposed in both bills.

Mr. CLEMENTS. I believe my friend from Florida will also agree that things are not entirely peaceful in the world at the present time, and that it is not wholly without possibility that a great bank of food and fiber could be of tremendous value, and would have great safety and security value for this country in the days that lie ahead.

Mr. HOLLAND. Yes; I wish to keep a strategic reserve of storable cotton, wheat, and the like. I do not see what conceivable good purpose is being served by the piling up of $522 million worth of dairy products, especially butter, and I do not believe that the Senator from Kentucky has any defense for that particular part of the program.

Mr. CLEMENTS. I will leave that defense to my friend, the Senator from Minnesota [Mr. HUMPHREY], who is on the floor, and who will discuss the subject.

Mr. HOLLAND. Mr. President, I yield the floor.

ORDER FOR RECESS TO 10 A. M. TOMORROW

Mr. KNOWLAND. Mr. President, I ask unanimous consent when the Senate completes its labors this evening, that we stand in recess until 10 o'clock tomorrow morning.

The PRESIDING OFFICER. Without objection, so ordered.

PROBLEMS WITHIN THE CIVIL AVIATION INDUSTRY

Mr. THYE. Mr. President, the August 2 edition of American Aviation magazine contained a short statement which disturbed me greatly. I want to call that statement to the attention of my colleagues, because I believe that within the very near future, we will have to give serious consideration to certain problems within the civil aviation industry.

The statement in American Aviation reads as follows:

Top Commerce Department officials are being linked with talk of reviving interest in a "chosen instrument" policy for United States international aviation.

They're using President's civil air policy report (prepared by ACC under Robert B. Murray, Jr., Under Secretary of Commerce for Transportation) to support withdrawal of competing international services under guise of Government economy.

Two areas are now chiefly affected: Pacific and Latin America. Northwest Airlines appears to have weathered storm within CAB for Orient route renewal, but still faces fight when case goes to White House. Balboa case, key to Latin American situation, is still undecided in CAB, but promises showdown between Commerce and Justice Departments when it reaches White House.

The importance of that statement is that it merely confirms reports which have reached me in recent weeks that certain people in high positions of Government want to make the so-called chosen instrument theory a vital part of United States international aviation policy.

This policy has been rejected upon numerous occasions in the past by the executive and the legislative branches of our Government. Many assumed that it was a dead issue.

The strategy appears to be to use the civil air policy report of the President's Air Coordinating Committee of May 1954 as a springboard to the adoption of the chosen instrument policy. One reference to the policy is found on page 15 of the report, which states:

National interest factors require that many international routes be maintained, despite subsidy requirements. Route decisions in this area should recognize the necessity of avoiding or eliminating uneconomic duplication of service between United States carriers.

This statement reveals that perhaps the new drive for the chosen instrument policy will be based upon the grounds of economy.

At the moment I am specifically concerned with the Pacific area where Northwest Airlines is currently operating. If the "chosen instrument" policy were in effect, Northwest Airlines would be eliminated from the Pacific, and all United States flag carrier operations would be monopolized by Pan American.

Such action would serve to destroy free competition in a vital segment of our economy. This system of free competition has brought out the finest of man's ingenuity and is a basic part of our Nation's success. We must not destroy that which has contributed so much to the productive and progressive economy which we enjoy.

Thus, we can plainly see that to adopt the new policy would be to accept monopoly within civil aviation. I, for one, will fight any move which will serve to establish a monopoly in this area of our economy or any other.

I am calling this to the attention of the Senate at this time so that it might serve as a warning sign to those who might choose to promote a policy of monopoly in this field.

GRAZING LANDS "GRAB"

Mr. HUMPHREY. Mr. President, on Wednesday evening a discussion was held on this floor regarding the attempt to slip the stockmen's grazing bill into the farm bill via amendment.

At that time the Senator from Vermont [Mr. AIKEN] protested against assertions of myself and the Senator from Montana [Mr. MURRAY] that conservationists of the country were vigorously opposed to this move and this bill.

I tried to make clear the position of our major conservation organizations. The Senator from Vermont tried to indicate that earlier objections had been changed, and that conservation organizations were now for this amendment.

Just to keep the record straight, Mr. President, I want to ask unanimous consent to place in the body of the RECORD at this point a group of telegrams I have received indicating that my warning, and the warning of the fine Senator from Montana who has always tried to protect the interests of sportsmen and conservationists, were both well taken. I repeat and emphasize, the sportsmen of America, the conservationists of America, are against this amendment which is merely a rehash of S. 2548, which in itself is a politely worded rehash of the original stockman's bill that stirred up a battle cry of protest among conservationists of this country. I know that other Senators have received similar telegrams protesting this amendment, and invite them to make known their determination that this not be included in the farm bill now before us.

The first telegram reads:

Practically all national conservation organizations still opposing amended version stockmen's grazing bill S. 2548 and protest attaching measure affecting administration of 200 million acres of national forest and Bankhead-Jones lands as a mere rider on farm bill, S. 3052. Several State affiliates of National Wildlife Federation are strongly in opposition.

It is signed by a number of those affiliates.

I have telegrams also from the Minnesota division of the Izaak Walton League; from the executive secretary of the Forest Conservation Society of America; from the Minnesota Conservation Federation, signed by Mr. Cliff Sakry, who, by the way, is one of the officers of the organization which the Senator from Vermont said was in support of the bill, and one from the Floodwood Timber Farmers Association. I ask that these telegrams be inserted in the RECORD.

There being no objection, the telegrams were ordered to be printed in the RECORD, as follows:

WASHINGTON, D. C., *August 4, 1954.*

HUBERT H. HUMPHREY,
Senate Office Building,
Washington, D. C.:

Practically all national conservation organizations still opposing amended version stockmen's grazing bill, S. 2548, and protest attaching measure affecting administration of 200 million acres of national forest and Bankhead-Jones lands as a mere rider on farm bill, S. 3052. Several State affiliates of National Wildlife Federation are strongly in opposition.

Forest Conservation Society of America, Spencer Smith, Secretary; Outdoor Writers Association of America, Michael Hudoba, Conservation Director; Izaak Walton League of America, William Voigt, Jr., Executive Director; North American Wildlife Foundation, C. R. Gutermuth, Secretary; National Parks Association, Devereux Butcher, Editor; Sierra Club, Richard M. Leonard, Director; Sport Fishing Institute, R. W. Eschmeyer, Executive Vice President; Wilderness Society, Howard Zahniser, Executive Secretary; Wildlife Management Institute, Ira N. Gabrielson, President.

MINNEAPOLIS, MINN., *August 4, 1954.*

Senator H. HUMPHREY,
United States Senate,
Washington, D. C.:

Urgently solicit your best efforts toward defeat of Aiken amendment to farm bill.

This apparently underhand attempt to sneak stockmen's grazing efforts in.

MINNESOTA DIVISION, IZAAK WALTON LEAGUE,
GEORGE LAING, *President.*

MINNEAPOLIS, MINN., *August 4, 1954.*
Senator HUBERT HUMPHREY,
Senate Office Building,
Washington, D. C.:

Your opposition to stockman's grazing amendment in Aiken agricultural bill strongly urged. This legislation would confer private rights in public lands belonging to 160 million people. It would seriously cripple conservation regulations needed for watershed protection and selective cutting.

CHARLES H. STODDARD,
Executive Secretary,
Forest Conservation Society of America.

ST. PAUL, MINN., *August 5, 1954.*
Senator HUBERT HUMPHREY,
Senate Office Building,
, Washington, D. C.:

Minnesota Conservation Federation backing you in fight to defeat national forest grazing bill from Aiken amendment to agricultural bill, S. 3052. Your work for conservation greatly appreciated.

MINNESOTA CONSERVATION FEDERATION,
CLIFF SAKRY,
Executive Secretary.

MINNEAPOLIS, MINN., *August 4, 1954.*
Senator HUBERT HUMPHREY,
Senate Office Building,
Washington, D. C.:

Floodwood Timber Farmers' Association strongly opposes Aiken grazing amendment in agricultural bill. Transfer of national forest rights made possible by this amendment would cause serious hardship among small timber producers and ranchers. Resolution adopted at meeting in Floodwood August 2.

FRANK W. HUTCHINSON.
FLOODWOOD, MINN.

WHY WISCONSIN FAVORS FOREIGN AID

Mr. WILEY. Madam President, it has been my privilege this afternoon to have discourse with 35 or 36 of our young brethren from overseas. They are boys and girls from 9 different countries in Europe and 1 from New Zealand. They have spent a whole year in the homes and schools of my State. Mrs. Wiley and I got what could be described as a great "kick" out of meeting and exchanging ideas with them. I believe they have acquired a knowledge of America and our way of life that will bear fruit in our future international relations.

I know of no better way to meet the impact of communism than for people, especially young ladies and gentlemen, to get acquainted with the homes and institutions of America, not by reading about them but by living in the midst of them. That is what these youngsters have done.

I read in the paper today that the real issues in Senator KEFAUVER's campaign were the Bricker amendment and mutual aid, and that Senator KEFAUVER stood against the Bricker amendment and for the mutual aid, and was nominated by a vote of more than 2 to 1. That indicates to me that the heart and soul of America are all right.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. WILEY. I yield.

Mr. HUMPHREY. I thank the Senator for his remarks about our inspiring young people who are here with us today.

Mr. WILEY. Can the Senator recognize them in the gallery?

Mr. HUMPHREY. I think I see some of them up in the gallery. I have been shaking hands with many of them. Many of them spent a year in the glorious area of America known as the State of Minnesota. Perhaps they even had an opportunity to cross the St. Croix River into Wisconsin. They had a wonderful year.

Mr. WILEY. Is not the Senator running for election again? I heard something about that.

Mr. HUMPHREY. The Presiding Officer [Mr. THYE] is aware of the opportunity they had for splendid environment and good education.

Mr. WILEY. I am glad to yield to anyone who loves his home State and his own country as the Senator does; and I am glad to see sitting in the Presiding Officer's chair at this time the distinguished senior Senator from Minnesota.

After all, Minnesota has about 10,000 lakes, while Wisconsin has about 8,000. The Mississippi and the St. Croix Rivers are between us.

Both States have Lake Superior to the north; but we go Minnesota one better. We have Lake Michigan on the east. Both our States have much to be grateful for. We are a happy, resourceful people. And these young people have seen how happy and healthful and prosperous we are. But, above all, we have faith in God and in our blessed institutions. We wish our young visitors a happy return to their homelands. May they never forget America and Wisconsin's dairy products.

Mr. President, I ask unanimous consent to have printed in the RECORD a statement which I have prepared on the subject Why Wisconsin Favors Foreign Aid.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR WILEY

MUTUAL AID IS VITAL TO WISCONSIN AND THE NATION

I was interested to note in yesterday's August 5 CONGRESSIONAL RECORD, on page 13491, comments made by one of my distinguished colleagues on the House side from the Badger State.

My good friend attempted to answer certain points which I had made at the outset of the mutual security debate in the Senate.

In my opening remarks, I had pointed out the indisputable fact that the State of Wisconsin had received a good many economic benefits from the mutual aid program.

Wisconsin farmers had benefited from improved export markets; Wisconsin businessmen had benefited from increased overseas customers. These markets and customers—representing $286 million worth of Wisconsin sales—had been in a healthy position thanks to the wise American aid program.

So, I pointed out that by strengthening foreign economics we were, in effect, strengthening our own. I pointed out that military and economic aid abroad isn't a one-way street. It is a two-way street in which benefits flow back and forth across the Atlantic and Pacific.

My colleague, however, pointed out, in turn, that Wisconsin's share of the cost of the overall mutual aid program was and is considerable.

That is not stating anything new on his part. The fact of the matter is, that the public has heard for eight and more years about the costs of our economic and military aid program, but it has heard almost nothing of the economic benefits to our own country of that program.

Therefore, my colleague was simply adding repetition to repetition in a narrow view of the costs. Simultaneously he was trying to belittle important facts which have not previously been brought to the attention of the American public.

But the facts stand nonetheless. Wisconsin has benefited from the mutual aid program and so has every other State of the Union.

Wisconsin has benefited, too, from our allies' tens of billions of dollars of NATO expenditures—money which these countries have invested independently and in collaboration for mutual defense.

But all my colleague can apparently do is speak of costs.

Let me say that all of us who favor the program (and, fortunately, we are more numerous than the adherents of my colleague) are aware of these costs. We are aware of the burden on United States taxpayers, but we know that those costs and burdens could be 3, 4, or 5 times worse if mutual aid did not exist and if Western Europe, for example, were swallowed up by Russia.

Why does not my colleague point that out?

Why does he not point out that the President of the United States, the head of my colleague's own political party, the Chief Executive, who is certainly no spendthrift, is heart and soul for this aid program?

Let me say very emphatically that this is no personal dispute between my colleague and myself. We respect one another, we have been friends a long time, but we do differ on these principles.

If my colleague chooses to ignore the position of the head of his party, the position of the majority of his party in both the Senate and House, the position of his party's leadership in the executive and legislative branches, that is his prerogative.

I, in turn, simply want to point out these facts. I cite them in a spirit of clarity and friendship, and for no other purpose.

FOREIGN AID HAS NOT FAILED

The major point made by my associate is that the foreign-aid program has allegedly failed because of communism's advances since World War II. This fallacious argument also has a moth-eaten quality. It has been used year after year, over and over; and, to my way of thinking, it is completely beside the point.

The basic question is not, "Has communism grown since World War II?" Obviously, it has grown, unfortunately. The only real question is, "Would not communism have grown infinitely faster, have covered an infinitely broader area, had it not been for our aid program?"

"Would France and Italy not have succumbed to communism?" Would not Western Germany itself, into which we have poured billions, have fallen behind the Iron Curtain?"—Western Germany, from which many of Wisconsin's finest citizens are descended—Western Germany, which has so successfully rebounded to economic health, unlike the Eastern Zone, from which many of my Badger constituents are also descended, and which has unhappily suffered the dismal fate of Communist slavery?

WE PROVIDE HOPE TO ENSLAVED MILLIONS

The question is not, "Has our aid program failed because Poland, for example, has been enslaved by communism?"

No, that isn't the question. The question is, "Do we not through our mutual aid program provide a great measure of hope that one day brave, devout Poland, which has also contributed so many fine Badger folks—the Poland, of Paderewski and Kosciusko—will one day be free?" "Do we not give hope to enslaved Poland thanks to the fact that we have helped save Western Europe and have built in Western Europe a bulwark which challenges the tyrants of the Kremlin?"

But ignoring these points, the critics of foreign aid continue to moan and groan.

They remind me of individuals who try to make this sort of argument: "See the shocking crime rate in our major cities. Obviously, our police departments—which cost us a lot of money—have failed. Therefore, let us abolish all police departments."

That, to me, is an analogous mistaken argument to the one cited by my congressional colleague.

He asserts that aid has failed. Why? Because communism has grown. Therefore, let us abolish aid and thereby permit communism to grow twice or three times as fast. Is that what he wants? Does he want to surrender the rest of the world on a silver platter to the Kremlin?

Does he want to surrender our United States airbases in England, Morocco?

How far does he want us to retreat? Does he want us to give three-fifths of the world to the Reds, fourth-fifths, nine-tenths?

Does he perhaps want continued aid to Turkey, to Greece, to Western Germany, but not to France or Italy? What sort of a defense line does he propose to build? Or would he prefer that we stand alone—with no allies, no bases, no overseas sources of strategic materials, no industrial superiority?

WISCONSIN WILLING TO PAY ITS SHARE

Now, let me make one additional point. I have stated that Wisconsin has benefited economically from mutual aid. My colleague has said that Wisconsin has paid considerably for mutual aid. The fact is that in these basic facts, both he and I are right.

Wisconsin has benefited, but she has also paid a good deal.

But I say that Wisconsin and the other 47 States of the Union would be perfectly willing and are perfectly willing to bear their economic costs of this aid program, even if not a single dime flowed back to Wisconsin.

Why? Because the people of Wisconsin, including my friend from the House, value human life more than we value dollars.

If America were to be plunged into a third world war because communism had grown so strong and reckless that it felt invincible, what would be the price tag on the death of millions of Americans?

Could anyone reckon the cost to Wisconsin of an atomic bomb falling on Milwaukee or on Racine? Could anyone reckon the cost to America of millions of our citizens dying in a holocaust?

Even if one did not assume, as one should, the fact that our own country would be attacked and would suffer terrible casualties in a world war III type war, the fact is that even a World War II type of war is infinitely more costly than our whole economic and military aid program.

During World War II, we were spending at the rate of a quarter of a billion dollars a day.

I repeat, a quarter of a billion dollars a day. Has my friend stopped to figure out what world war III would cost Wisconsin in terms of dollars, let alone in human life?

He said aid is no bargain. I say it is a bargain; it is cheap compared to the loss of life of a single boy from Racine, Beloit, or Janesville.

CONCLUSION

Foreign aid is a necessity. I wish that were not the case. I wish that we could spend this money on our own country or not to spend it at all.

But we have no alternative. We are not going to be pennywise and pound-foolish. We are not going to pinch pennies and lose the world. Dollars alone will not save the world, but a spirit of collaboration will, and that is what I am for and what my colleague is apparently against.

EMILIA PAVAN

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 1702) for the relief of Emilia Pavan, which was, on page 2, line 3, strike out "in excess of 10 percent thereof."

Mr. MAYBANK. I move that the Senate concur in the amendment of the House.

The motion was agreed to.

EXTENSION OF DIRECT HOME AND FARMHOUSE LOAN AUTHORITY

The PRESIDING OFFICER (Mr. BEALL in the chair) laid before the Senate a message from the House of Representatives announcing its disagreement to the amendment of the Senate to the bill (H. R. 8152) to extend to June 30, 1955, the direct home and farmhouse loan authority of the Administrator of Veterans' Affairs under title III of the Servicemen's Readjustment Act of 1944, as amended, to make additional funds available therefor, and for other purposes, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. CAPEHART. I move that the Senate insist upon its amendment, agree to the request of the House for a conference, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. CAPEHART, Mr. BRICKER, Mr. IVES, Mr. MAYBANK, and Mr. ROBERTSON conferees on the part of the Senate.

AGRICULTURAL ACT OF 1954

The Senate resumed the consideration of the bill (S. 3052) to encourage a stable, prosperous, and free agriculture and for other purposes.

Mr. LEHMAN. Mr. President, I have wrestled long with the pending question—flexible versus firm price supports, for basic commodities and for dairy products—and have arrived at my conclusions not without difficulty.

I represent the most populous State in the Union, almost one-tenth of the population of the Nation. New York is generally conceived to be and is, indeed, largely an urban State, containing about one-eighth of all the city dwellers of the United States.

The city dwellers are, of course, the primary consumers of farm products, the principal customers of the farmers of America. Hence, as a Senator from New York, I must necessarily represent the consumer's viewpoint, as I seek to do for all other groups.

But there are also, in New York State, 2,147,000 farm and rural dwellers. New York State is not only a mighty commercial and industrial State; it is also one of the Nation's leading agricultural States. It ranks first or second as a producer of many agricultural products, chiefly, and above all, dairy products.

So I have had to consider this legislation from the point of view of the farmers of New York State, too.

Although the dairy industry is the heart of the agricultural economy of New York State, we are also among the leading producers of potatoes and other vegetables, of apples and grapes, and of eggs and poultry products.

But New York State does not figure significantly in the production of the so-called basic commodities—wheat, corn, cotton, rice, tobacco, peanuts, tung nuts, and honey. In fact, only 2 or 3 percent of the agricultural production of New York State is covered by basic commodity-price supports.

It was from the starting point of these facts that I undertook to examine the pending farm legislation, to see which of the proposals before the Senate—firm price supports, or the so-called flexible supports—would best serve the collective interests of the people both of New York State and of the Nation.

The farm bill as reported by the Senate committee includes one set of provisions extending for 1 year the firm 90 percent price supports for the so-called basic commodities, and another set of provisions establishing firm 85 percent price supports for dairy products.

The distinguished Senator from Vermont [Mr. AIKEN], on behalf of the administration, proposes to eliminate the 90 percent price supports for the so-called basic commodities and to substitute the so-called flexible parity supports for these commodities, with a minimum of 75 percent; and for dairy products to maintain the present system of supports, with the actual level at 75 percent of parity, as set by Secretary Benson on April 1 of this year.

In order for me to determine the position I should take on this legislation, I have examined first of all the administration's arguments in favor of its position.

These arguments are quite simple—far too simple, in fact. The impression is given that the administration seeks lower prices for the consumer and greater economies for the taxpayer. The impression is given that the chief obstacle to the attainment of these objectives is the intransigeance of a small and selfish minority of farmers who desire to be subsidized at the expense of the consumers and of the national economy.

On examination, this administration's position presupposes that there is a basic conflict of interest between the consumers and the farmers.

If I were to follow that line of reasoning, Mr. President, I would be forced, in regard to those provisions of the bill establishing 85 percent price supports for dairy products, to weigh the interests of the dairy farmers of New York State against the interests of the consumers of New York State, and to concede that

there is a fundamental conflict of interest between these two groups.

As far as the 90 percent support price for the so-called basic commodities is concerned, the administration's position presupposes a basic conflict of interest between the wheat, corn, and cotton farmers who want 90 percent parity on the one hand, and the New York farmers whose produce is not covered by basic price supports on the other.

So the picture we get from the administration is a picture of conflicting forces and conflicting interests, in which the interests of one group of our population are set against the interests of other groups. And I, as a Member of the Senate, am asked to choose which of the groups I wish to serve and which I wish to sacrifice.

I disagree fundamentally and violently with this entire approach to the legislation and to the problem before us. I consider it unfortunate in the extreme that the administration has undertaken to present this issue in divisive terms—terms of conflict of interests, in terms which I consider to be not only oversimplified and overdrawn, but also directly contrary to the basic economic facts of life in this country.

There should be no conflict. The interests of our entire people cannot be divided or placed in separate compartments; they must be considered as a whole.

Mr. EASTLAND. Mr. President, will the Senator yield?

Mr. LEHMAN. I yield.

Mr. EASTLAND. The Senator from New York is making a very able speech. Does not the Senator believe that the welfare of all the people of the country depends upon maintaining the American standard of living in every segment of our population, and that none of us can prosper if agricultural prices or wages are so low that the producer of agricultural commodities or the laborer in industry can be ground down into poverty?

Mr. LEHMAN. I thank the senior Senator from Mississippi. I intend to develop that point a little later in my remarks. I am in full accord with the Senator's viewpoint. That policy has actuated my every course in the Senate since I first became a Member 5½ years ago.

I believe that for the country to enjoy real prosperity there must be complete prosperity; there cannot be poverty, suffering, and misery in one part of the country, wherever it may be, without there being an effect on the entire country. That has been the reason why, time after time, I have supported proposals for the development of waterpower and the conservation of natural resources in areas of the country which had very little direct effect on New York State; but I have done so with full confidence, because I am convinced that what is good for one part of the country is good for New York State.

The people of New York will inevitably profit by the prosperity of California, Mississippi, Georgia, Minnesota, or Wisconsin. Conversely, what is bad for one part of the country necessarily has an adverse effect on the prosperity of New York.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. LEHMAN. I yield.

Mr. MAYBANK. The distinguished Senator from New York knows the South very well. Is it not a fact that most of the depressions in the United States have originated on the farms and in the rural areas, and have then spread to the cities?

Mr. LEHMAN. I am in full agreement with that statement. I shall develop that a little later in my remarks.

Mr. MAYBANK. I did not mean to lead the Senator on, but I was certain that, from his great knowledge of Alabama, for example, it would be his belief that most of the economic trouble starts when the people in the cities cannot sell their products to the farmers for cash on Saturday night.

Mr. LEHMAN. There is no doubt whatsoever about that.

Mr. President, back in the dark days of our great economic depression, I was lieutenant governor and then governor of my State. I was confronted, on the one hand, by the distress of the farmers and, on the other, by the unemployment and impoverishment of the workers. It was my belief then that unemployment in the cities was directly linked to the low level of income on the farms, and that economic recovery consisted of simultaneous measures to raise the level of income on the farms and to increase purchasing power in the cities.

Those two things in my opinion cannot possibly be safely or logically separated.

I believe with all my heart—this is a little repetitious of what I said 3 or 4 minutes ago—that the prosperity of our entire economy is dependent upon the prosperity of each segment of that economy, and that as one segment is hurt, all segments inevitably suffer. What is good for the farmers of North Dakota, Iowa, and Minnesota or Mississippi is good for business in New York.

So, Mr. President, I reject the administration's fundamental approach. I recall only too vividly when the average factory wage in New York and elsewhere was 30 cents an hour. I recall the breadlines and the soup kitchens. Today the average factory wage is over $1.60 per hour. There are no breadlines or soup kitchens.

I know that the increase in the level of farm income throughout the country has provided markets for the dresses, and suits, and overalls, and shirts, and gloves, and tools, and implements, and all that galaxy of products made in New York—and jobs at good pay for those employed in those industries. The prosperity of these industries, and the jobs available to the workers in these industries, depend in major measure on the prosperity of the farmers of our country.

Mr. YOUNG. Mr. President, will the Senator yield?

Mr. LEHMAN. I yield.

Mr. YOUNG. I commend my distinguished friend, the Senator from New York for his very good speech. Is it not a fact that the depression of the 1930's first started with the farmer?

Mr. LEHMAN. There is no question about that. I remember, possibly more vividly than does the distinguished Senator from North Dakota, because I am much older, how it started. It started with the foreclosing of mortgages, because the people on the farms did not have enough money to support their families even very inadequately and to meet the interest payments on their mortgages. That condition spread and continued to spread. It spread from the farms to the little banks in the rural sections; it spread to the factories and to the great centers of commerce such as New York, Chicago, Buffalo, and Syracuse. But it all started originally on the farms.

Mr. YOUNG. The Senator is aware, too, of a rather drastic drop in farm income over a period of the past 3 or 4 years, to the point now where it is really beginning to hurt the farm economy. Does the Senator fear that any further reduction of farm income in America may be serious to our national economy?

Mr. LEHMAN. I fear it very greatly. In my opinion, it would certainly have a very devastating effect, and would affect every industry in this country.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. LEHMAN. I am glad to yield.

Mr. AIKEN. In the interest of the American farmer, would the Senator from New York continue to restrict the importation of farm commodities from other countries?

Mr. LEHMAN. I did not understand that question.

Mr. AIKEN. I was asking, in the interests of the American farmers, would the Senator from New York continue to restrict the importation of farm commodities from other countries?

Mr. LEHMAN. I believe there are relatively few farm commodities being imported into this country. I would like to see the trade between this country and the countries abroad widened and broadened as much as possible.

Mr. AIKEN. What about trade between this country and Canada? The Senator is aware, is he not, that New York through this year has imported some 25 million bushels of oats a year from Canada, and other large amounts of wheat and barley; and that this year, under the rigid, high-support program, it has been found that the oats imported from Canada interfered with our program, and such importations have been ordered cut about 70 percent, from 65 million bushels of oats a year for the country as a whole to 23 million bushels?

The Senator from New York believes these import restrictions are in the interest of the farmers of New York, does he not, even though the New York farmers at one time used 25 million bushels of those oats a year?

Mr. LEHMAN. I am not familiar with the exact figures.

Mr. AIKEN. I was pointing out that these oats have been ordered excluded in order to protect the 90 percent, rigid price support program.

Mr. HUMPHREY. Mr. President, will the Senator yield to me?

Mr. LEHMAN. I would be glad to yield to the Senator.

Mr. HUMPHREY. Of course, the Senator from New York realizes that the argument the Senator from Vermont is making is simply non sequitur and has no relevancy at all to the question of 90 percent of parity on the basic commodities, because oats is not a basic commodity, nor is barley, rye, or grain sorghums. The truth is that the commodities the Senator from Vermont is talking about are under flexible price supports. He is undermining his own argument. He is on the wrong track.

Mr. AIKEN. Eighty-five percent supports, please.

Mr. HUMPHREY. The truth of the matter is that the program to which the Senator from New York is directing his attention is not interferring at all with the Canadian imports.

Mr. AIKEN. Oh, no.

Mr. HUMPHREY. May I further say it was this good Republican administration which blocked the importations.

Mr. AIKEN. I am sorry I cannot compete with the Senator from Minnesota in the fluent use of the English language.

Mr. HUMPHREY. I appreciate that comment, sir.

Mr. AIKEN. The Senator knows good wheat from Canada is, in effect, absolutely excluded, does he not, and that only feed wheat is permitted to come in? Does the Senator know that?

Mr. HUMPHREY. The Senator from Minnesota is very familiar with that, I may say to the Senator from Vermont.

Mr. AIKEN. I do not think the Senator is familiar with it. I do not think he is so familiar with it as he thinks.

Mr. HUMPHREY. May I say the Senator from Vermont does not have to resort to personal innuendo to win his point.

Mr. AIKEN. What personal innuendo?

Mr. HUMPHREY. If the Senator will review the record he will find that to be the case.

Mr. AIKEN. Very well.

Mr. HUMPHREY. The Senator from Vermont was talking about the importation of oats and the Senator from Minnesota merely said that the importation of oats was not involved under the 90 percent price support program.

Mr. AIKEN. But the Senator from Minnesota has secured a provision in this bill which he supports, which puts oats under a mandatory price support program away over the support given the basic commodities today.

Mr. HUMPHREY. At the feed equivalent value.

Mr. AIKEN. That puts those commodities at well over 90 percent in the commercial corn area, and less than they are getting today in the noncommercial areas. That is what I was talking about to the Senator from New York. What he is advocating is the prevention of the importation of oats, wheat, and barley from Canada to be used by the New York farmers.

Mr. YOUNG. Mr. President, will the Senator yield?

Mr. LEHMAN. I will yield in a moment.

I say to my distinguished colleague from Vermont [Mr. AIKEN] I was very much interested in the learned colloquy on a technical basis between two distinguished members of the Committee on Agriculture and Forestry, who know much more about wheat and corn than I do. But I wish to emphasize the fact that what I have been attempting to demonstrate was the need for a rigid price support of 90 percent on the basic commodities, and a rigid or firm price support of 85 percent on dairy products.

It seems to me that the Senator from Vermont has injected into this discussion a question of reciprocal trade agreements, if I understood him correctly.

Mr. AIKEN. That is very much involved.

Mr. LEHMAN. It is definitely involved.

Mr. AIKEN. Yes.

Mr. LEHMAN. I wish to make it clear beyond any question that no Member of the Senate today believes more strongly than I do in reciprocal trade agreements, and that every effort should be made to increase the peaceful trade between the free countries of the world.

I yield now to the Senator from North Dakota.

Mr. YOUNG. I believe the Senator from New York will agree that the limitation on imports of oats had nothing in the world to do with any price-support program.

Mr. HUMPHREY. Of course not.

Mr. YOUNG. I think the Senator from New York is to be commended for the position he is taking, and I think in the long range it is in the best interest of the State of New York and the Nation.

New York, as I understand, is a deficit feed area.

The very argument proponents of flexible supports have used all along is that rigid supports create surpluses, and that under flexible supports the cash price will be 82 percent, 80 percent, or 77 percent of parity. If that argument be a correct one—although I do not think it is, all the way through—but if it be correct, and if abundant supplies of feed grains are selling for 75 percent, 80 percent, or 82 percent of parity, what State of the Nation stands to gain more than the State of New York?

Mr. AIKEN. North Dakota.

Mr. LEHMAN. I think it is definitely in the interest of the State of New York; but I am taking my position on the basis that it is in the best interest of the entire Nation.

Mr. YOUNG. That is a most commendable position.

Mr. HUMPHREY. Mr. President, will the Senator from New York yield to me?

The PRESIDING OFFICER (Mr. THYE in the chair). Does the Senator from New York yield to the Senator from Minnesota?

Mr. LEHMAN. I yield.

Mr. HUMPHREY. I also favor putting the national interest above what might be called the local interest or the provincial interest.

The Senator from New York has put his finger on the Achilles heel of the flexible price-support program, with its argument that "You will get 100 percent of parity in the market place by promoting scarcity and thereby forcing up the price of grain."

Their argument against rigid price supports is that they do not work, anyway; that they simply result in having the Government obtain the grain, and that the cash price is low.

So it is apparent that in the case of the deficit feed areas, the rigid price-support system is much better.

Mr. President, I wish to thank the Senator from New York for his kindness in yielding to me. I regret the other exchange, which was beyond the point of discussion. I think the Senator from New York was talking about the Aiken amendment, which would substitute 80 to 90 percent of parity for 90 percent of parity.

Mr. LEHMAN. Yes; that was the point.

Mr. HUMPHREY. It was not a question of whether the Senator from New York was interested in reciprocal trade.

Mr. LEHMAN. Of course. Frankly, I was never able to see the connection.

Mr. YOUNG. Mr. President, will the Senator from New York yield to me?

Mr. LEHMAN. I yield to the Senator from North Dakota.

Mr. YOUNG. In recent months, much has been made of the fact that we have surpluses of grain. Proponents of flexible price supports have been bemoaning the fact that we had an expected carryover of corn in the amount of approximately 900 million bushels. We heard such complaints until about 3 weeks ago, when the drought began to spread all over the Nation, and when the new crop forecasts began to come in.

I have a recent forecast from the Chicago Northwestern Railroad, which reads as follows:

> The total United States crop has been cut appreciably in the last month. As of this writing, a 2½ billion bushel total could be the maximum produced. We estimated a 3-billion bushel total on July 1.

Or about 800 million bushels less than a year ago.

I wonder what State would stand to gain most from the surplus of corn that will be carried over. That corn, which we badly need, is the only thing that has kept corn prices from zooming. That is what would happen if the carryover was not available, in the face of the prospective deficit in the production of feed grains this year.

Mr. LEHMAN. But for the carryover, the entire country would be paying the highest prices for feed grains.

Mr. AIKEN. Mr. President, if the Senator from New York will yield to me, let me say that I notice he advocates raising the supports for dairy products to 85 percent of parity. That would mean an increase of approximately 3 cents a pound for cheese, and an increase of approximately 6 or 7 cents a pound in the retail price of butter. Does the Senator

from New York believe that an increase in the price of butter, cheese, and other dairy products to the consumers at this time would be in the interest of the dairymen of New York?

Mr. LEHMAN. In the course of my remarks I shall develop that point in some detail.

Mr. AIKEN. Then I shall await the further remarks of the Senator from New York.

Mr. LEHMAN. However, at this time time, I am glad to answer the Senator's question. Of course, we hear a great deal about the increase or decrease in the cost to the consumer; but we have heard very little about the decrease in the farmer's income. The fact remains that in the past 2 or 3 years, there has been a decrease in farm income, ranging between 15 and 20 percent. I believe it is closer to 20 percent, actually. That is a large decrease. It is enough to spell the difference between a decent standard of living and poverty and suffering. Yet the consumer, who should be helped—and I hope means will be found to help him—has been saved less than 1 percent in his food bills, over the same period.

In other words, whereas the farmer has been mulcted beyond all conscience, through a lessening of farm income, the consumer has not profited at all. Apparently all the profit has gone to the processor or the middleman.

Mr. EASTLAND. Mr. President, will the Senator from New York yield at this point?

Mr. LEHMAN. I am glad to yield.

Mr. EASTLAND. Is it not a fact that today food prices are 1 percent higher than they were 3 years ago?

Mr. LEHMAN. I am glad to have that contribution. I thought they were a little bit less than 1 percent lower, but I have no doubt the distinguished Senator from Mississippi is correct.

Mr. EASTLAND. No, Mr. President, I think the Senator from New York will find that, today, food prices are 1 percent higher than they were 3 years ago, whereas food prices at the farm level are 18.8 percent lower than they were 3 years ago.

Mr. LEHMAN. That is quite correct. I did not know they were actually 1 percent higher. I thought they were one-half of 1 percent lower. But even that would make no difference.

Mr. AIKEN. Mr. President, will the Senator from New York yield, so that I may state for the RECORD the accurate figures?

Mr. LEHMAN. I am glad to yield.

Mr. AIKEN. I have figures which were received just this morning. They show the increase or decrease of marketing margins on the farm-food basket, as follows: 1949 over 1948, an increase of 1.6 percent; 1950 over 1949, a decrease of 2.4 percent; 1951 over 1950, an increase of 7.9 percent; 1952 over 1951, an increase of 2.8 percent; 1953 over 1952, an increase of 0.7 percent; and for the first 5 months of 1954, no change over 1953.

Mr. EASTLAND. Mr. President, will the Senator from New York yield to me?

Mr. LEHMAN. I yield.

Mr. EASTLAND. According to the figures coming from the House Committee on Agriculture, food prices today are 1 percent higher than they were in 1951.

Mr. AIKEN. But the figures used by the House committee include the price of coffee, the price of cocoa, and the price of various other commodities not grown on the American farm. The increase in the price of those imported commodities is what is responsible for the increase to which the Senator from Mississippi refers.

Mr. EASTLAND. However, food prices are 1 percent higher.

Mr. AIKEN. But coffee went up terrifically in price, and cocoa also increased in price.

Mr. EASTLAND. I am speaking of the overall situation.

Mr. AIKEN. I am speaking of the American farm food basket, whereas the figures used by the House committee include various exotic foods or imported foods.

We know that although the Senate has tried twice to prevent an increase in the price of coffee, we never have been able to succeed in having such action taken by the House of Representatives.

Mr. EASTLAND. But coffee is a minor item and would not affect the overall situation.

Mr. AIKEN. Coffee is one of the most important items, in terms of the marked increase in price.

Mr. LEHMAN. But, Mr. President, the Senator from Vermont must admit that there has been a very substantial decrease in the income of the farm families.

Mr. AIKEN. But that decrease or loss to the farm families is rapidly being regained; and if we leave the situation alone for a few months, we shall find that in October farm income will be as good as it was a year ago.

Mr. HUMPHREY. Mr. President, will the Senator from New York yield at this point to me?

Mr. LEHMAN. I yield.

Mr. HUMPHREY. As I understand, the Senator from New York is directing his remarks to the relationship between the consumer and the price-support program.

Mr. LEHMAN. That is correct.

Mr. HUMPHREY. Is the Senator from New York aware of the fact that the Bureau of Agricultural Economics—at least, that was the name of the organization before its name was changed, although it still does the same work—has reported that at the present time, the pay for 1 hour of factory work will buy 289 percent more butter than the pay for 1 hour of factory work would have purchased in the period 1910–14; and today, at the prices which have existed under the program of 90 percent of parity, the pay for 1 hour of factory labor will buy 130 percent more food than could have been purchased in 1929, in that golden era, with the pay from 1 hour of factory work? The fact is that, according to the Bureau of Agricultural Economics, 1 hour of labor would buy 130 percent more butter today, or in the month of April, than it did in 1929, and 67 percent more beefsteak than it did in 1929. An hour of factory labor would buy 69 percent more bread than it did in that great golden era of Republican prosperity of 1929.

Mr. LEHMAN. I am very glad indeed to have those figures.

Mr. HUMPHREY. These are from the Bureau of Agricultural Economics, and I should be glad to have the Senator glance through them at any time he desires.

Is the Senator aware of the chart prepared by the United States Department of Agriculture relating to the subject matter of the farmer's cash receipts and the worker's income rise and fall, together with the percentage, based upon the 1935–1939 base period?

As the Senator can see, starting back in the period 1910 to 1920, to 1930, to 1940, to 1950, and up through to 1951 and 1952, the lines run parallel. When farm income is down, workers' income is down; when farm income is up, workers' income is up. So it appears to me—and I think the Senator from New York will agree—that the best interest of the consumer is a reasonable price for the producer.

Mr. LEHMAN. Of course, I have already said that. I am emphasizing it again in the course of my remarks. In my opinion, there is no doubt whatsoever that the prosperity of the consumer, who is usually a workingman or woman, depends on farm income, the prosperity of the farmers, because they represent a very substantial segment of those in our economy who buy clothing, farm implements, automobiles, trousers, shoes, construction material, and many other things which are manufactured in our country. So there is no question whatsoever in my mind that we just cannot possibly separate the prosperity of one group of our people from the prosperity of other groups of our people.

Mr. President, what are some of the other arguments of the administration in support of the so-called flexible price-support system? The administration maintains that this is a step toward a return to a free market, and the free play of supply and demand in agriculture.

Mr. President, we tried that for over 30 years, to my knowledge; it resulted in dismal failure and depression. Why should the farmer, of all groups in the population, be exposed to the vagaries and uncertainties of scarcity and surplus, of boom and bust?

Do we not have on our statute books scores of laws whose purpose is to assure a stable market for the producers of manufactured goods? Do we not have on our statute books scores of laws providing for subsidies to various segments of our economic life—merchant marine subsidies, airline subsidies, oil depletion allowances, quick tax amortizations, and depreciation writeoffs?

We have a Robinson-Patman Act against unfair competition in the marts of trade. We have a minimum wage law. We have subsidies and price protections for every segment of business and industry. Why does the administration want to deprive the farmer of his system of safeguards?

Of course, the administration proposal is not designed to do away entirely with price supports. It is just a step in that

direction. Well, what is the administration's design and purpose in this matter? In my judgment the intention of this administration is very clear. There is no doubt about it. The intention is to cut price supports and to cut back the price level of farm products and the income level of the farmer. It is as simple as that.

The administration proposes simultaneously to curtail production and to lower prices, catching the farmer between both jaws of this pincer.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. LEHMAN. I yield.

Mr. AIKEN. Would the Senator advise the Senate what he thinks the administration hopes to gain by impoverishing the farmer after the long years of agrarian struggle described in the majority report, which brought him to the peak of prosperity? What does the administration hope to gain?

Mr. LEHMAN. If the Senator will wait, I will explain what the object of the administration is.

Mr. AIKEN. Will the Senator tell us what the administration hopes to gain by impoverishing the 3 million farmers about whom we hear so frequently?

Mr. LEHMAN. I will explain that in a moment.

Mr. AIKEN. Very well.

Mr. LEHMAN. I am convinced, Mr. President, that what this administration seeks to do is to force out of business the small farmer, the so-called marginal farmer, and to leave agriculture in the hands of the big, the corporate, producer. This pattern is one with the administration's general policy in the field of business. This is the pattern of monopoly-minded men.

I have been talking about the farmer. What about the consumer? Will the consumer benefit from this proposed attack upon farm income and upon the farmers? And the taxpayers? Will the flexible price support system cut down surpluses? Will it reduce Government purchases of those surpluses?

As for the consumer, I have already indicated a major part of the answer. I do not think that any measure which depresses the income of one sector of the economy is to the advantage of the other.

As far as actual savings to the consumer are concerned, the proposed cuts in support prices will be almost inconsequential. A $4 cotton shirt has only 30 cents worth of cotton in it. A 10-percent cut in the support price for cotton would have no significant reflection in the price the consumer must pay for a cotton shirt.

The wheat farmer gets 2¼ cents for the wheat that goes into a 22-cent loaf of bread. A cut of 10 percent in the support price for wheat would carry with it no significant reduction in the price of bread.

The same is true of the proposed cuts in the support prices for corn, rice, and the other so-called basic commodities. I will get to butter in a moment.

But in each of the above cases, while the benefit to the consumer is minimal, the adverse effect on the farmer's income is not only significant, but of major proportions. Already in the past 2 years, as a result of the administration's farm policies, even under the fixed-support-price law, the farmer's income has dropped nearly 20 percent, but the retail price of food products has dropped only 1 percent.

That has been corrected by the distinguished Senator from Mississippi [Mr. EASTLAND] who says that actually it has increased by 1 percent.

The farmer is already being squeezed, without benefit to the consumer. The administration now proposes to tighten that squeeze.

The chief beneficiaries of that squeeze would be the processors and distributors of food, who always manage to get more than their share of the consumer food dollar. In the past several years the farmer's share of the food dollar has dropped from 61 percent to 45 percent. The effect of the proposed cuts in price supports would be not only to decrease the total farm income but to drive lower the farmer's percentage of the food dollar.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. LEHMAN. I am glad to yield.

Mr. AIKEN. Will the Senator be good enough to give again the dates when the farmer's percentage of the consumer's dollar dropped from 65 percent to 44 percent?

Mr. LEHMAN. I said from 61 to 45 percent.

Mr. AIKEN. Sixty-one percent?

Mr. LEHMAN. I think I was quoting from the report of the majority of the Committee on Agriculture and Forestry.

Mr. AIKEN. In what year was it 61 percent? Does the Senator recall?

Mr. YOUNG. Mr. President, will the Senator yield?

Mr. LEHMAN. I have not that information before me, but it was within a few years past.

Mr. YOUNG. That table was obtained from the Department of Agriculture.

Mr. LEHMAN. I was quoting, of course, from the majority report.

Mr. AIKEN. Does not the table show that the drop in the farmer's share of the consumer's dollar took place almost wholly before the Eisenhower administration came into office?

Mr. LEHMAN. I do not care about that.

Mr. AIKEN. I do.

Mr. LEHMAN. I am talking about the plight of the farmer. I am talking about what we are going to do today. I am not blaming anyone. I am not defending anyone. I am criticizing the substitute amendment which has been proposed by the distinguished Senator from Vermont. I believe in, and I am supporting, a rigid control of prices at 90 percent of parity for the basic commodities, and 85 percent support prices for dairy products. I do not think that the question of during what administration the decline started, or who is responsible for it, has anything to do with the question. We are legislating now for the immediate future, for next year, and that is the important question.

Mr. AIKEN. Does not the Senator from New York agree that because the drop in the farmer's share of the consumer's dollar from 61 percent to 44 percent took place while the 90-percent rigid supports were in effect, it is time we began to look around for something else, instead of watching the farmer's share of the consumer's dollar drop lower and lower, until we will not know where it will end?

Mr. EASTLAND. Mr. President, is the solution to that problem a still further lowering of the farmer's price?

Mr. AIKEN. The solution is doing something other than what we have been doing.

Mr. EASTLAND. The distinguished Senator from Vermont does not seriously say that we would assist in the solution of the problem by pushing the farmer farther down the hill, does he?

Mr. AIKEN. Oh, no. As the Senator from Florida pointed out this morning, under flexible price supports, whenever the flexible price supports have had a chance to operate, farm prices have risen, not fallen.

Mr. EASTLAND. I can give the distinguished Senator from Vermont an illustration. In 1950 we had a tremendous cotton surplus. It ran to 6,750,000 bales. When the Korean war started there was a short crop throughout the world. Whereas previous to the war the price of cotton had been 32 cents a pound, the world market price rose to 90 cents a pound, and in this country we had to impose export controls. If we retain a price that will bring about production and also provide an adequate surplus, every segment in this country will benefit from it. The doctrine of scarcity, which the distinguished Senator from Vermont is discussing, which causes prices to jump up, as the price of cotton did, from 32 cents to 90 cents a pound——

Mr. AIKEN. What did the Senator from Vermont have to do with that?

Mr. EASTLAND. It did great damage to the entire economy of the country. It caused us to have the highest textile prices in the history of the world.

Mr. AIKEN. Everyone knows that rigid prices guaranteed by the Government were bailed out by bloody war. It was war that bailed out those prices.

Mr. EASTLAND. It was not war; it was a short world crop.

Mr. AIKEN. Short of the world's needs, when half the world went to war.

Mr. EASTLAND. Our consumption of cotton during the Korean war was lower than it had been during the years of the cold war.

Mr. AIKEN. The lives of 230,000 men are not a fair and reasonable price to pay for a higher price for cotton.

Mr. EASTLAND. The Senator from Vermont is making a very unfair statement.

Mr. AIKEN. It was war that bailed out that situation.

Mr. EASTLAND. The Senator is making a very inaccurate statement. It is a statement which is not in accord with the facts. The consumption of cotton was not increased by the Korean war. The fact is that Korea had nothing to do with the imposition of the export controls.

Mr. AIKEN. Then why were price ceilings imposed?

Mr. EASTLAND. It was a short crop.

Mr. AIKEN. Why did the administration put price ceilings on everything? Price ceilings were not placed only on cotton; they were put on dairy products, and everything else.

Mr. EASTLAND. The Senator from Vermont is talking about something that is entirely outside the issue. I said nothing about price controls. I was speaking about export controls.

Mr. AIKEN. The Senator from Mississippi is not likely to discuss price controls. However, price supports inevitably go with that situation. If we were to have 100 percent price supports, as certain organizations advocate, we would have to have all sorts of controls.

Mr. EASTLAND. That is something that is not at issue here.

Mr. AIKEN. No; but what we do here will determine the direction we take.

Mr. EASTLAND. The issue is not 100 percent. The issue is whether we will have price supports at 90 percent, or flexible supports between 80 percent and 90 percent. At least, that is as I understand the issue.

Mr. AIKEN. The issue here finally is whether the farmers and our other citizens will run their Government, or whether they will become completely subservient to the Government. That is the real issue here.

Mr. EASTLAND. I believe that is true, and I believe a solution to it is a fair and reasonable income for the farmer. A 90 percent support price will give him that.

Mr. YOUNG. Mr. President, will the Senator yield?

Mr. LEHMAN. I yield.

Mr. YOUNG. Would not the Senator from New York agree that the so-called sound-economy philosophy which prevailed in the late twenties and early thirties brought on the worst depression in the history of the country? Is it not also true that exactly the same philosophy is being advocated today as was advocated then?

Mr. LEHMAN. That is certainly true; we had the worst depression in the history of our country from 1929 on.

Mr. EASTLAND. Is it not a fact that since 1941 we have had a 90 percent support price on corn, and it looks as though we will wind up with a short supply, despite new methods of farming and new developments along the line of hybrid corn, and so on?

Mr. LEHMAN. I fully agree with the Senator from North Dakota [Mr. YOUNG]. I should like to say something about shortages. We have been hearing a great deal about the horrors of surpluses. We have heard nothing in the debate about the horrors of shortages. I know what they are. I know about the shortages that developed during the war and were in existence for some years thereafter. As some of my friends may remember, I was in charge of all the foreign relief operations, on an international basis. I know that in those years, even after the end of the war, and in spite of the fact that we had made every possible plea to the farmers to increase production, there was such a great shortage that we could not find the supply of food necessary with which to feed our own people and to help feed the starving millions of people abroad.

Conditions became so serious that after I had retired from UNRRA President Truman asked former President Hoover to go abroad to survey the situation. On former President Hoover's return from Europe, a great effort was made to conserve the already greatly inadequate and greatly diminished stocks of wheat and corn and other commodities which could be used in the feeding of people abroad, to whose salvation we were pledged.

That was a shortage. I know about it. I lived through it. My heart bled on account of it. We may have a surplus now, but God forbid that conditions will ever change to the extent that it will be depleted or wiped out. But there is always that possibility. At this time, as the distinguished Senator from North Dakota has pointed out, the drought and the heat undoubtedly have greatly injured the crop and have greatly diminished the probability of even a reasonable return to the farmer.

Mr. EASTLAND. Mr. President, will the Senator yield?

Mr. LEHMAN. I yield.

Mr. EASTLAND. Does not the distinguished Senator from New York believe that because of the international situation, and because of the cold war, we need larger carryovers?

Mr. LEHMAN. There is no question about it.

Mr. EASTLAND. We need larger carryovers then we do under normal conditions; is that correct?

Mr. LEHMAN. There is no question about it, because we are always living in jeopardy.

Mr. YOUNG. Mr. President, will the Senator yield?

Mr. LEHMAN. I yield.

Mr. YOUNG. Is it not true that 2 years ago, when we were at war in Korea, we asked our farmers to increase their corn production by 115 percent over the previous year; cotton, 105 percent; wheat, 118 percent. Nevertheless, is it also true that as of July 1952 we had a carryover of wheat of only 256 million bushels?

Mr. LEHMAN. That is absolutely correct. I believe that was as recent as 1952.

Mr. YOUNG. Was it not as much a necessity to build up production and have adequate supplies of food and fiber in time of war as it was to build tanks and planes and other war matériel?

Mr. LEHMAN. There is no question about that.

Mr. YOUNG. No one is complaining about the cost of the planes and the tanks. The Federal Government is bearing all the cost. The farmers of America are being blamed unfairly because they produced the wheat, corn, and cotton that the Government urged them to produce.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. LEHMAN. I am glad to yield.

Mr. AIKEN. Does not the Senator think that the removal of acreage crop controls without any delay would be very desirable?

Mr. LEHMAN. To the Senator addressing his remarks to me?

Mr. AIKEN. Yes.

Mr. LEHMAN. I think that has already been done. As I recall, the acreage of wheat has been reduced.

Mr. AIKEN. I said "removed." In view of the Senator's fears of a world shortage of food, does he not think it would be desirable to remove acreage controls and let the American farmer produce all he can so we can partially rid ourselves of the fear of famine which seems to be bothering the Senator?

Mr. LEHMAN. I do not understand the question of the distinguished Senator from Vermont.

Mr. AIKEN. The Senator said he is worried about the shortage of food.

Mr. LEHMAN. I said I was not terrified for a moment by the prospect of maintaining a very substantial inventory of food. I know that a little fun was poked at my colleague from Minnesota [Mr. HUMPHREY] because he described the surplus as an "inventory." I think that is a very good description. We have an inventory of corn which certainly is not too large, and we have a very substantial inventory of wheat. We have an unusually large inventory of dairy products. I believe that the surplus of dairy products could be very greatly reduced if we adopted a far more humane, more farsighted policy of providing milk for a greater number of people. I consider milk the greatest single and most economical element of food. I believe the Senator from Vermont will agree with me.

Mr. AIKEN. Yes; I do.

Mr. LEHMAN. I think we could very greatly reduce our surplus and bring increased welfare and health to a very large number of people.

Mr. AIKEN. I hope the Senator from New York will be with the minority of the committee when we consider the dairy amendment to this bill, because while the majority advocates the purchase of up to $50 million worth of milk annually for the school-lunch program for a 2-year period, the amendment which the minority proposes would remove the limitation, both as to the amount and the time, and permit the Commodity Credit Corporation to make unlimited purchases to be distributed to school-lunch institutions and welfare departments, without any termination date. To that extent, I think our amendment is better than that of the majority.

Mr. HUMPHREY. Mr. President, will the Senator yield at this point?

Mr. LEHMAN. I am glad to yield.

Mr. HUMPHREY. This is a very interesting proposal, and it is amazing that it did not come out in committee, but was stated only a moment ago in a question to the Senator from New York by the chairman of the committee. I recall that in the Committee on Agriculture and Forestry we were dubious as to whether we were even going to accept the House language, which provided for 2 years. Why did not the Senator from Vermont advance this proposal in the

committee? He was the chairman. He would have received support.

Mr. AIKEN. Because the chairman had the courtesy to let the Senator from Minnesota—I forget which Senator from Minnesota—draft the proposal. The chairman voted against the dairy amendment, as the Senator may recall, and was on the losing side by a vote of 8 to 7. Thereafter, any motion made by the chairman would not have been in order.

Mr. HUMPHREY. The amendment on the dairy question was strictly on the price-support level.

Mr. AIKEN. Oh, no.

Mr. HUMPHREY. The amendment as to the disposal or use of dairy products was an entirely different matter. I agree with the proposal of the Senator from Vermont, but I am rather surprised that we did not hear about it in committee.

Mr. AIKEN. Because, if the Senator will recall, the chairman of the committee did not feel it his place to make motions and offer amendments. Other members of the committee did so, and I thought it was the proper thing to let them do it.

Mr. HUMPHREY. Does the Senator not have cosponsors of his proposals in the committee?

Mr. AIKEN. I have never asked a member of the committee to promote something for me in the committee.

Mr. HUMPHREY. But does not the Senator have cosponsors on the amendment to which he referred?

Mr. AIKEN. Yes; 6 or 7.

Mr. HUMPHREY. Are not some of those cosponsors members of the Committee on Agriculture?

Mr. AIKEN. They are.

Mr. HUMPHREY. Why could not they have advanced it in the committee? I know why. Because this is tied in, may I say to the Senator from New York, with the reduction in the price-support level. We shall support the Senator from Vermont. We shall be glad to accept that section of his bill which expands the use of milk for school lunches and public purposes. We shall include that with the 85 percent. It is a good idea.

Mr. LEHMAN. As for decreasing the surpluses and cutting down on Government purchases of those surpluses, the flexible price-support system will do nothing of the kind. Under the flexible price-support plan, the Government will still be required to buy surplus production and, according to the simple facts of agricultural experience, a decrease in price will not decrease production and will not necessarily reduce the surplus.

Experience has shown that, in respect to some commodities at least, variations in price have no effect on either production or consumption. The per-capita consumption of wheat, I am told, has remained practically constant over the past 50 years despite wide variations in price. Production of wheat has failed to follow any price pattern. There have been periods of sharply falling prices when the amount of acreage sowed to wheat has actually increased. This happened during the twenties and again during the early thirties.

Under today's conditions there is every evidence that the proposed cuts in support prices will not result in a decrease in the volume of Government purchases. In some commodities there might actually be an increase. There would, of course, be some saving to the Government in the decreased amount paid out in support prices, but that saving would be far, far less than the loss of income to the farmer. And, as I have already indicated, the saving to the consumer would be insignificant. The effect on the national economy, in terms of unemployment and gross national income, would be very significant indeed.

I turn now to the dairy industry, with which I have a somewhat closer and more intimate acquaintance than I do with the other aspects of our agricultural economy. What has been the effect of the 15 percent reduction in the support price for dairy products which Secretary Benson instituted on April 1? There has been a drop of a few cents per pound in the price of butter. There has been no decrease whatsoever in the retail price of milk But the total income of the dairy farmer in New York State has dropped 16 percent. That is gross income. The decrease in net income has been much greater.

Meanwhile, total milk production has actually increased. A couple of months ago milk production in the Nation was at the rate of 131 billion pounds a year, compared with the 1952 production of 115 billion pounds, and the 1953 production of 120 billion pounds.

There was a slight increase in the volume of butter consumption but this increase did not by any means compensate for the total increase in milk production. The volume of butter and other dairy products being purchased by the Government under 75 percent parity price support is at about the same levels as it was prior to the April 1 cut in parity price.

Farmers facing a loss of income due to lower prices have been forced to boost their production in order to meet their fixed overhead. This is axiomatic. It is inevitable that it will always occur in the production foodstuffs.

Meanwhile, what has been the effect of the cut in the dairy support price on the retail price of milk? None whatsoever. The retail price of milk remains the same. The dairy farmers are receiving 16 percent less for their total milk output, but the consumer is paying the same for milk.

I might parenthetically mention a report which I saw in the newspapers this morning, Friday, August 6, containing excerpts from a report of the National Dairy Products Corp. This is a very large, well-operated concern. I have no criticism of it. I have certainly no opposition to a concern merely because of its size.

I should like the attention, if I may have it, of my colleague, the distinguished Senator from Vermont. I was quoting from a report of the National Dairy Products Corp. I have no criticism of the concern. I know it is a very well-conducted company.

Mr. AIKEN. Does the Senator refer to the National Dairies?

Mr. LEHMAN. The National Dairy Products Corp.

Mr. AIKEN. I know what the Senator is about to say, and I think I shall agree with him before he says it.

Mr. LEHMAN. I have no doubt the Senator will agree.

Mr. AIKEN. I wish there were some way in which that situation could be handled. The big companies simply run wild with their profits in years of big surpluses. That is the best argument in the world for selling fluid milk; but it will be found that the big companies will be against the expansion of the use of fluid milk as long as possible, because they make their money on surplus milk.

Mr. LEHMAN. I thank the Senator from Vermont for his remarks, because I know how fair he always has been in his statements.

Mr. AIKEN. If the Senator from New York will permit me to say something further, I am certain he will agree with me that the same condition of excessive profits applies to almost every well-managed dairy distributor and dairy company in the country. In the year 1953, and in the first half of 1952, when there were heavy surpluses, those companies really made exorbitant profits.

I do not know how that condition can be handled by law. If Congress undertook to control their profits, a great many of the smaller companies would be put out of business. The only way to control the situation is to induce people to drink more milk.

Mr. LEHMAN. I doubt whether the condition can be controlled by law.

Mr. AIKEN. I do not think it can be.

Mr. LEHMAN. Neither do I think it would be wise to attempt to do so.

I am merely giving the figures to support the statement, which I have made on a number of occasions in the course of my remarks, that those who have gained by the decline in price have not been the consumers. Quite the opposite. It has been the distributors and the processors. I think the Senator from Vermont will agree with me that this is a very dramatic and conclusive support and demonstration of that fact.

The National Dairy Products Corp., in addition to raising its dividends, showed that its earnings for the first 6 months of 1954 were $18,960,490, as compared with profits in the corresponding 6 months of 1953 of $15,882,833.

In other words, while the dairy farmer was suffering a loss of 16 percent in his gross income, his net income was reduced even more than that, in all probability. Yet what is probably the greatest processor and distributor of dairy products in the world showed increased earnings of about 20 percent.

Mr. AIKEN. I might add that many dairy companies and creameries which have been making excess profits for the past 2 years have been able to do so because they have paid the producers the average market price for milk. They themselves have collected the full 90-percent support prices for butter, cheese, and milk powder, but have returned to the producer—in some cases last year—as little as 75 percent. The other 15

percent must have gone into the pockets of the efficient companies.

Members of the committee have discussed that condition. We should like to find a way to prevent its happening. Yet if the processors are required to certify that they have paid the full support level to the producers, a great many of the small cooperatives and small manufacturing plants, which are performing useful service in their communities, will be put out of business, because they cannot do it. They are in too thin a territory, and perhaps it is the only market they have.

I wish someone would find a way, when the Federal Government guarantees the farmers a support price for dairy products or any other commodities, to make certain that the farmer gets the money. It does not seem to me that it would work too well to go to each individual farmer. It would be necessary to have an army of Government employees to pay each farmer what was due him.

Yet I cannot go along with the proposal of making payments to processors, as some have proposed. The House bill provides for payments to processors, but I fear that a large percentage of the processors never would hand the money back to the farmers—some because they could not; some because they desired to make exorbitant profits.

Mr. LEHMAN. I am not a member of the Senator's committee, so I cannot express any opinion as to the practicability of the plan suggested by the Senator from Vermont. I only wish there could be some assurance that the farmer would receive his money, as the Senator from Vermont has suggested.

Mr. AIKEN. I should like to say to the Senator from New York, and also to the Senator from Minnesota [Mr. HUMPHREY], whom I like very much, in spite of boiling up at him sometimes, that while I am glad that we agree on some dairy problems, I disagree with the statement that the idea of raising the support level, particularly at this time of year when the price of milk naturally rises, is the answer to our problem.

I feel that since more milk is being marketed and the number of cows in the milking herds is being reduced real progress is being made toward bringing supply into line with consumption. When supply and demand are somewhere nearly in line, it will not be so easy for the dairy companies to make unwarranted profits.

Mr. LEHMAN. The dairy industry in New York and in most other parts of the country enjoys, for fluid milk, a stabilized price structure. That price structure is based on the milk marketing orders, and in New York specifically on a Federal-State accord.

I feel that if this administration is allowed to move forward with its plan of returning farm production to the free play of the market, the next object of attack will be the milk marketing orders. Then the last dike that protects the dairy industry of this country will be breached and broken.

It is a very unusual experience for me, in a discussion of milk problems and dairy problems, to be on the opposite side from my highly respected and beloved colleague, the distinguished senior Senator from Vermont. I believe it is a fair statement that he, as Governor of Vermont, and I, as Governor of New York, did more to bring about stability in the milk industry during the middle years of the 1930's, and to bring into effect milk marketing orders, than anyone else. I shall always look back with great appreciation to my association with Governor AIKEN, of Vermont.

Mr. AIKEN. The distinguished Senator was Governor of New York at the time, and we worked for a common purpose, with the best of cooperation, during the years when the dairy industry was literally threatened with extinction in our part of the country.

Having worked with the Governor, as I have called him all my life, it has distressed me somewhat to find that we have different viewpoints at this time.

Mr. LEHMAN. But they are sincere differences.

Mr. AIKEN. I shall always appreciate the help which the Governor of New York, as I shall always think of him, gave me during the years of cooperation between our two States and our administrations.

I even remember going with the Governor of New York to a White House dinner, when neither of us was certain that we might not be thrown out. That was in the days of the court-packing effort, as the Governor probably will remember.

Mr. LEHMAN. I thank the Senator for his comments, and I assure him that his sentiments toward me are very sincerely reciprocated.

It should be borne in mind that the dairy industry comprises the largest single segment of our agricultural economy. Dairy income is about one-eighth of total farm income. Dairy income is greater than wheat and corn income together.

When I said the dairy industry comprised the largest single segment of our agricultural economy, I was, of course, not referring alone to the industry in New York State, but in the entire Nation.

Yet we have heard a great outcry during the past 2 years against the Government purchases of surplus butter and other dairy products. The Government's investment in surplus dairy products over the past 2 years has been only 4 percent of total dairy income, about $425 million, compared to $12 billion of dairy income. The Government's investments in surplus wheat and surplus corn have been many times as great.

Yet, to put the problem in perspective, over the past 20 years during which price supports have been in effect, the Government's loss on the purchase of surplus products has averaged only a few million dollars a year. But the dairy industry has recently been made the whipping boy for the entire price support system.

The basic problem, of course, is the problem of surplus. There is a current problem of overproduction. Ways and means must indeed be found to handle these surpluses. There must be a way to minimize the large Government outlays of the past 2 years. But the administration's proposal does not solve that problem. It intensifies it. It is not the answer to the present situation. It is a prescription for disaster.

Mr. President, I do not think that the pending bill is a fundamental answer to the farm problem. There must surely be a sounder way of handling our surpluses, and yet of assuring a high level of income and a stable price structure for our farmers. The present price-support system is an awkward way. It can also be a costly way.

Mr. HUMPHREY. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. BEALL in the chair). Does the Senator from New York yield to the Senator from Minnesota?

Mr. LEHMAN. I yield to my distinguished colleague.

Mr. HUMPHREY. The first thing I wish to say to the Senator from New York is that, speaking as a sort of neutral in the discussion between the distinguished Senator from Vermont and the Senator from New York, I think the RECORD ought to be crystal clear that both these distinguished public servants have done wonderful work for the people in their respective States, and for the Nation. We are in a little disagreement as to how we should approach the problem. Rather than enter into a series of bitter arguments about the question, I think it would be better if we discussed it.

I should like to ask the Senator from New York a series of questions with reference to the dairy industry. We had 90-cent price supports on dairy products in 1952, did we not?

Mr. LEHMAN. I believe so.

Mr. HUMPHREY. And we had 90-percent price supports in 1953, did we not?

Mr. LEHMAN. Yes.

Mr. HUMPHREY. Does the Senator recall that there were no major surpluses of dairy products in 1952?

Mr. LEHMAN. I do not think there were any in that year.

Mr. HUMPHREY. There was somewhat of an inventory, but not what one would consider beyond the needs of the public. In 1953 the production in excess of demand grew rather rapidly, did it not?

Mr. LEHMAN. Yes; it did.

Mr. HUMPHREY. I ask the Senator if it is not fair to say that the main reasons for that growth of supply in excess of demand were as follows: The first reason was unusually good weather and pasture for two winters, springs, falls, and summers. Is that not true?

Mr. LEHMAN. That is quite true. That was one of the causes.

Mr. HUMPHREY. There was much better pasture at that time than there has been this year, was there not?

Mr. LEHMAN. The pasture was much better. We have had very poor pasture this year.

Mr. HUMPHREY. I think the record will reveal that we experienced 2 of the best years for the normal grazing of milk cows that dairy farmers ever had in the past 20 years. The best pasture years were experienced in the latter part of 1952, in 1953, and in the early part of 1954.

The next point I should like to make is that in 1953 the price of beef cattle went on the downspin almost to the bottom of the economic scale. Is that not true? Did not beef cattle prices literally collapse?

Mr. LEHMAN. Prices went down very sharply, of course.

Mr. HUMPHREY. More than $7 billion in 1 year was lost because of the collapse in cattle prices. Is that not also true?

Mr. LEHMAN. There was a very sharp decline in prices, of course, all over the country.

Mr. HUMPHREY. Is it not very possible that one of the reasons farmers did not cull their herds was that they could not get enough for them to make it worth while to haul them to market?

Mr. LEHMAN. I think there is no doubt about that.

Mr. HUMPHREY. Is it not true that when there are added together the factors of unusually good weather and pasture, and the inability to cull cows and make enough from the culling process to make it worth while hauling the cows to market, those factors tend to step up production?

Mr. LEHMAN. It is inevitable that increased production should occur. I should like to add one reason to those which have already been advanced by the distinguished Senator from Minnesota. We must not forget that all of us were interested in the successful conduct of the Korean war and the provision of sufficient food stocks for any contingency. We pleaded with the dairy farmers, as we did with other agricultural segments, to increase production so that there would be an abundance of supplies, rather than a disastrous shortage.

As my colleague, the Senator from Minnesota, so well knows, the dairy industry is quite different from other industries. Production cannot be turned on and off overnight; it requires time. If cows are giving milk or if they have been bred they continue to produce. The supply cannot be cut off 5, 10, 15, or 20 percent overnight. It takes time to do that. It takes very careful management. Because of the Korean war dairy farmers, not only in New York State, but all over the country, as well as other farmers all over the country, increased production.

Mr. HUMPHREY. Mr. President, will the Senator yield further?

Mr. LEHMAN. I yield to the Senator from Minnesota.

Mr. HUMPHREY. We also lost a good deal of our foreign markets during that period of time, did we not?

Mr. LEHMAN. We did.

Mr. HUMPHREY. Is it not possible that, if we consider the nature of the dairy industry, and the fact that there are heavy investments in equipment, blooded herds, facilities, land, and pastures involved, and if we exercise a reasonable amount of patience and do not lose our heads and make quick, unfortunate decisions, we will be able to ride out the so-called storm that is upon the economic horizon, characterized by surpluses, and get the production into reasonable balance?

Mr. LEHMAN. I think there is no question at all about that, if we do not subject the dairy farmers to a body blow from which they cannot possibly recover. I should like to read a short paragraph from the majority report under the heading "Need for Dairy Supports":

> 3. To prevent drastic fluctuations in support levels that fail to consider the fact that production of adequate future supplies of dairy products depend upon long-range planning of herd development and cannot be adjusted in the space of a few months without resulting in economic disaster to the dairy farmer or unloading of dairy cattle on the market with resultant dislocation of the beef cattle market.

That, I think, is very important.

Mr. HUMPHREY. I thank the Senator. If this Government would use a little imagination we would not be bothered with the problem of surpluses.

I make the charge in the presence of my colleagues that the Secretary of Agriculture and many of his cohorts have tried to dramatize and overexaggerate the dairy problem in order to stigmatize the whole price-support program. As the junior Senator from Minnesota said yesterday, they are trying to "potatoize," or use the potato system upon the dairy program. It is time we called a halt to that kind of nefarious activity, because dairying is the backbone of cash income for millions of people in this country. It is vital to soil conservation. It is vital to a normal, healthful diet.

If we constantly pursue a program of cutting income and driving people out of the dairying program we shall find ourselves in a most unfortunate situation.

I thank the Senator for taking the stand he has taken, calling for patience and forbearance, and calling upon those in Government today to do something instead of complaining. Why do they not sell this butter to the Army. Why do they not sell more of it overseas? They can do it. They are proving they can do it by some of the sales they have made in recent months.

Mr. LEHMAN. Mr. President, I will not approve legislation which would solve the farm problem by impoverishing the average farmer and plowing under the small family-sized farm in this country.

I propose to go along with the fixed 90 percent parity price-support program for basic commodities and the 85 percent fixed parity support for dairy products. I hope the time will soon arrive when we will have a farm program more fundamentally directed to the problems we seek to solve. I hope that the next Congress will come up with such a solution.

But, in the meantime, I shall vote against the Aiken amendment.

Mr. EASTLAND. Mr. President——

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. EASTLAND. Mr. President, it is the judgment of the Senator from Mississippi that the great prosperity of the United States since World War II has been due primarily to the 90 percent support price system and the maintenance of the purchasing power of American agriculture.

I have listened to this debate, and the only argument which has impressed me is that sometimes the 90 percent support prices will hold the price of farm commodities at uneconomic levels, and will cost us exports in the world markets or cause the use of substitutes in the United States.

Mr. President, I know of no substitute in this country which has cut down appreciably upon any American farm production. There have been instances in which the 90 percent support prices have maintained an American price which was noncompetitive with the same product when produced abroad. But I do not think that that argument should cause the destruction of the entire farm support-price program. We must meet that competition, of course. American farm production must be competitive in the markets of the world.

I think we should use the system which all other countries use. Most of the farm products in the world today, or most of the basic commodities are produced under a support-price system. But when our product is not competitive, when the 90 percent support price holds the product in international trade at fictitious or uneconomic values, I think we must subsidize the export of American farm products, as has been successfully done in the case of wheat.

The great Northwest, from which most of the wheat products are exported, has had a prosperity which has been maintained by the export subsidy system. I think the Department of Agriculture should have used that system in the case of other farm commodities.

A few years ago Brazil, under uneconomic support prices, had acquired two whole cotton crops. The National Bank of Brazil subsidized the export of Brazilian cotton into world markets at about 2 cents a pound under the selling price of the American product, and took from the farmers, who are cotton growers in the United States 50 percent of their export market. When that surplus was worked off, the result was that today the cotton prices in the United States are the cheapest prices in the world. Had we met that Brazilian competition, the American farmer would not have been faced with the grave acreage controls he faces today.

Mr. President, there is another side of this question which I desire to discuss for a few minutes. We are in a cold war, and because of conditions abroad it is absolutely essential that the United States retain stockpiles of basic farm commodities much greater than we would retain in normal times. If we were subject to air attack we would lose three cities or two cities where a great amount of farm machinery production is concentrated. This country would go hungry before we could rebuild agricultural production. I am absolutely confident that it is very essential to retain a great surplus of food and fiber, because of the international situation.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. EASTLAND. I yield for a question.

Mr. MAYBANK. The distinguished Senator from Mississippi is making a

great speech. Very few men know more about agriculture than does the Senator from Mississippi. When the Senator says the surplus of food and fiber should be so great, he is no doubt correct, because the distinguished Senator from Mississippi had a great part to play in removing the last surplus of fiber from this country, sending it to Japan and other nations which so badly needed it. It was on that surplus, which the Senator so ably assisted in moving out through the State Department and the Justice Department, that the Federal Government made a great deal of money. I congratulate the Senator from Mississippi on his statement.

Mr. EASTLAND. I thank my distinguished friend from South Carolina. But, to illustrate the point that we need a much larger surplus than normal, we have the knowledge of what happened in the year 1950.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. EASTLAND. I yield for a question.

Mr. MAYBANK. Is it not a fact that in the year 1950 there were no American products available to European countries?

Mr. EASTLAND. That is correct.

Mr. MAYBANK. We had to put embargoes on cotton.

Mr. EASTLAND. That is correct.

Mr. MAYBANK. And other items.

Mr. EASTLAND. That is exactly the point, Mr. President.

Early in 1950, we had a carryover of American cotton of 6,750,000 bales, which was a larger carryover than we would carry under normal conditions. But before that year was out, there had been short production throughout the world, there was a world price of 90 cents a pound, price ceilings were established in this country at 45 cents a pound, and we had to put on export embargoes.

That price of 90 cents a pound for world cotton production has been a disaster to the cotton producers of the United States, because it put foreign countries in competition with us.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. EASTLAND. I yield.

Mr. MAYBANK. It was a disaster to the consumers of the United States, because we had to put ceilings on the price of dresses that poor workers had to buy. It was a great disaster to the consumers temporarily, more so than it was to the farmers.

Mr. EASTLAND. Certainly. It caused the highest-priced textiles in this country in the history of the world.

I remember the promises which the present President of the United States made to the American people during the campaign. A few years ago there sat in this Chamber a Senator who had distinguished himself among his constituents for his eloquent espousal of a certain cause but who, when the time came to vote on the issue, voted against it. An outraged constituent drew the Senator's attention to his inconsistency. "Ah, my friend," said the Senator, "I see that you do not understand the art of politics."

It appears that the "art of politics" consists in making one part of the electorate happy by one's promises and the other part happy by one's votes. The Senator about whom I speak is no longer in this body. His constituents caught on to his art of politics and retired him.

Even the smallest State in the Union has nearly 3,000 farms, and I suppose there is no Senator who has not promised a square deal to the farmers of his State. I am not implying that Senators who espouse flexible price supports which, in the long run, will mean price supports of 75 to 80 percent of parity instead of 90 percent as they are today, are insincere in their posing as champions of farmers. I know they are sincere. But in my opinion they have sold themselves a bill of goods. They have rationalized a fondness for the law of supply and demand in a realm where the so-called laissez-faire capitalism can and will do great harm not only to our farmers, but to our entire economy.

If Congress were so shortsighted as to pass a flexible price support law, dress up the theory of it as we may, many Senators who have thumped their breasts for the farmers would look very inconsistent to their rural constituents when crop prices drop 10 percentage points. Farmers are a little like elephants. They have long memories.

My guess is that some of the sponsors of flexible price supports will rationalize themselves right out of this body. I know they are sincere, but they will look dangerously inconsistent.

In all seriousness, and with full respect to those who differ, I ask that Senators take a final look at what I am convinced are several fundamental fallacies in the theory of flexible price supports.

It is often said that this Nation narrowly escaped socialism. It is often said that a working majority of southern Democrats and Republicans saved American institutions.

Today there is a strong tide of reaction against statism of every sort; essentially it is a desirable reaction. But let us not permit the pendulum to swing too far. Let us not forget that 22 years ago what passed for pure laissez-faire capitalism gave us 5-cent cotton and corn in the category of fuel.

Actually, of course, it was not pure capitalism at all, because the farmers of 1932 had to buy in a tariff-protected market and sell in an unprotected market.

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator yield?

Mr. EASTLAND. I yield.

Mr. JOHNSTON of South Carolina. Was it not true at that time that the field was fertile for speculators, and they took charge and brought cotton to a very low price?

Mr. EASTLAND. What the Senator says is true. Before we had high support prices gamblers on the New York and New Orleans Cotton Exchanges could manipulate the market, and in a week's time put the price of cotton down 10 cents a pound.

They could take from a farmer the fruits of his year's labor; they could put a mortgage on his farm; they could close banks; they could break the merchants. The 90-percent support prices have cushioned the blow. They have made it impossible for speculators to rob the farmers.

When we lower support prices we are leaving a margin for the pendulum to swing back and forth and we make it much easier for speculators to manipulate the cotton market. That also holds true for wheat and other commodities.

Mr. JOHNSTON of South Carolina. Is it not also true that when we have a flexible pattern, those who are speculating will also enter the picture in some way or other, find out what is going to happen, and decide whether to push the price down or up? They will be the ones who will be on the market speculating and making money; is that not true?

Mr. EASTLAND. That is certainly true. Until we had support prices, the farmers had no money in any part of the country. The farmers were doing business strictly on credit. That was sound Republican policy. All the money was in the New York banking institutions, and in the hands of market manipulators in New York City.

The Democratic Party's 90-percent support-price system has spread wealth among all the people of this country, and it has built the greatest era of prosperity in the history of the country.

The distinguished Senator from South Carolina knows that after every great war, except World War II, there has been a serious economic depression. The thing which prevented a serious economic depression after World War II was the farm support price system which the Republican Party is now attempting, by degrees, to do away with. Does the Senator from South Carolina agree?

Mr. JOHNSTON of South Carolina. I entirely agree with that statement. If we establish flexible controls at this time, even though it is long after the war, I warn the people of the United States that we are in danger of another recession, and then a depression.

Mr. EASTLAND. All that has been done for the farmer in the last 21 years has been merely in compensation for the fundamental fact that he was buying in a tariff-protected market and selling in an unprotected market at world-price levels.

It should stand out as a beacon light of truth that the farmers of this country are entitled to 100 percent of parity with American industry. To drop farm income from 90 percent of parity to 75 percent or 80 percent would certainly be a confession of abject failure on the part of Congress.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. EASTLAND. I yield.

Mr. MAYBANK. The Senator suggests that a tariff is quite an important item to the farmer. The farmer buys his farm machinery and many other things in a tariff protected market. Beyond that, in recent years, Congress has gone into subsidizing the mailing of newspapers, and so forth, and has indirectly subsidized railroads for carrying the mail, subsidizing the merchant marine, and all other businesses. I know of none that has not been subsidized by indirection. Does the Senator know of any

that has not been subsidized by indirection?

Mr. EASTLAND. That is correct.

Mr. MAYBANK. And the Government has helped business firms through accelerated amortization. I wish everyone were helped through amortization. I am not complaining. However, the farmer is not helped by accelerated amortization.

Mr. EASTLAND. A tariff is the greatest subsidy in history.

Mr. MAYBANK. I am speaking about other subsidies than the tariff.

Mr. EASTLAND. A 90-percent support price system does not compensate the farmer for what he loses in buying in a domestic protected market, in which the price is higher than the world price. That is true because the base period of 1909 to 1940, on which parity is computed, was a period of tariff protection in this country.

Mr. MAYBANK. Of course, the Government could do away with the tariff.

Mr. EASTLAND. That is correct. When the support price is so high that it stops the export of farm products, the Government should subsidize such exports.

Mr. MAYBANK. Has it ever done that?

Mr. EASTLAND. In the case of cotton, we would have to subsidize the exports of the mills.

Mr. MAYBANK. Has the Government ever subsidized exports to that extent?

Mr. EASTLAND. In this country?

Mr. MAYBANK. Yes.

Mr. EASTLAND. Yes.

Mr. MAYBANK. The Government has subsidized cotton exports by certain payments back and by allocation of acreage.

Mr. EASTLAND. We have had an export subsidy. The distinguished Senator, together with me, was one of the authors of the legislation.

Mr. MAYBANK. It was based on controlled acreage, though.

Mr. EASTLAND. That is correct.

Mr. MAYBANK. Some people have lost sight of the fact that cotton will have to be controlled like tobacco, in the same legal fashion. Does the Senator believe that when the cotton raisers in the various States—California, Arizona, New Mexico, Mississippi—voted for control of acreage they ever thought for a moment that the 90-percent parity principle would not be continued?

Mr. EASTLAND. They voted to continue the 90-percent support system.

Mr. MAYBANK. That is what the vote was on.

Mr. EASTLAND. That is correct.

Mr. MAYBANK. The Secretary of Agriculture has the right to control the acreage. That is correct, is it not?

Mr. EASTLAND. That is correct.

Mr. MAYBANK. Therefore, if we change the law in the middle of the game does it not do a wrong to the farmers?

Mr. EASTLAND. That is correct.

It is often said that the two profoundest truths which came out of the brilliant civilization of ancient Greece—which civilization still shines like a star across the darkness of the years—were the great truth voiced by Socrates, "Know thyself," and the profound observation of Aristotle engraved on the temple at Delphi, "Nothing in excess." We can continually profit by self-analysis and moderation.

Right now I feel that in sloughing off this garment of near-socialism that was foisted on America some of our friends on the other side of the aisle are in danger of going too far—of stripping our economy down to its economic birthday clothes. Let us use a little moderation. Let us remember that if industry deserves a protective garment of tariffs agriculture is equally entitled to the protective garment of price supports.

The Senate Committee on Agriculture and Forestry voted 8 to 7 in favor of 90 percent price supports. A close vote is also anticipated here in the Senate itself. When opinion is so evenly divided on an issue, an analysis of motivation becomes helpful in ascertaining the cause of disagreement and in creating a meeting of minds.

Let us grant that we all want to do the right thing by the farmer. Is it not true, however, that a strong tide of reaction against statism is now running which makes many feel that, if we could only get back to the simple law of supply and demand, our problems would be automatically solved? Surely even the strongest tariff advocates are not going to let the mood of the moment—the spirit of the times—obscure the fact that America's farmers deserve equity with industry, that price supports merely counterbalance industry's tariff protection, that not 75 percent or 80 percent of parity, not even 90 percent, but 100 percent of parity should logically be our goal.

In my estimation, the theory of flexible price supports is born of the spirit of the times. It is a normal, typical Republican reaction to the New Deal. But it is fallacious nonetheless.

I shall not rehash at length the pros and cons of flexible supports but rather try to crystallize in as few words as possible what seem to me the fundamental fallacies on which the arguments for flexible supports appear to rest:

Fallacy No. 1: That we ought to return as far as we can toward a laissez-faire capitalism, that is, to the law of supply and demand.

As already noted, we cannot do this in the case of the farmer while industry enjoys effective governmental tariff protection.

Fallacy No. 2: That reducing crop prices to 75 percent or 80 percent of parity will automatically reduce the supply of crop commodities now in surplus.

Experience has shown that exactly the reverse is true; namely, that when prices are low, farmers are compelled to produce more heavily than ever to sustain their income and meet their obligations. Just as unduly high prices are an enticement to overproduction, so unduly low prices are a whiplash necessitating overproduction. If anything will keep crop production on an even keel, it is near parity prices.

Mr. President, what illustrates that point is the fact that back in 1930 and 1931 we accumulated tremendous agricultural surpluses because of the abnormally large crops. There were no controls in effect at any time. Because of the low price, a farmer had to expand his acreage. That was done.

The law of supply and demand does not work in agriculture as far as supply goes unless the farmer can shift from an unprofitable crop to a more profitable one, which brings us to the third fallacy.

Fallacy No. 3: That flexible support prices of 75 to 90 percent of parity will result in desirable production shifts to crops not in surplus.

The fallacy here lies in the fact that there are no crop commodities in America today which can be shifted to profitably—everything is in surplus. Lower support levels, therefore, would merely result in lower farm incomes with negligible opportunity for production shifts.

Fallacy No. 4: That 90-percent price supports have caused the surplus.

If we had had 110-percent price supports it might logically be charged that there had been an enticement to overproduction. Similarly, if crop prices had been unduly low, farmers under the whiplash of necessity would have been forced to overproduce. Ninety-percent price supports provide neither the enticement nor the coercion to cause overproduction.

The existence of crop surpluses today was caused in reality by a 30-percent drop in farm exports following the tapering off of various American postwar foreign-aid plans, and the resultant inability of foreign industrial nations to pay for our crop surpluses themselves with their deficit dollar exchange. Beyond the shadow of a doubt, the present-day crop surpluses have been caused principally by our system of tariffs which curtail foreign exports of manufactures to America to such an extent that foreign industrial nations cannot buy American crop commodities of the quality or in the quantity that they desire.

Fallacy No. 5: That 90-percent support prices are too rigid and that more flexibility is needed.

Let me remind my fellow Senators that the whole parity concept is one of flexibility—of crop prices rising or falling in harmony with industrial price levels. If any further flexibility is needed, let it be from 90 to 100 percent of parity and not below 90 percent.

Fallacy No. 6: That flexible price supports ranging down to 75 or 80 percent of parity would result in important price reductions to consumers and a substantial resultant increase in demand for crop commodities.

Actually a drop in farm prices usually gets lost before it ever reaches the grocery store. Or, if there is any drop at the retail level, it is much smaller than the price drop the farmer sustained. Our marketing system, which already takes 55 cents out of each consumer dollar spent on farm products, is so inflexible that price drops at the wholesale level are all, or nearly all, absorbed before the commodities reach the consumer.

Even if retail prices do fall, American consumers do not ordinarily buy more agricultural products, but spend their windfall savings on other things. We are already the best-fed nation in history, with obesity a national health

problem, so that it is difficult for us to consume domestically more products of the farm.

The one exception to the above principle might be such a product such as butter, but even here the increase in consumption following the recent retail price drop of about 8 cents per pound is so small that it is not impressive and the Department of Agriculture does not yet have any comparable figures to cite as evidence of increased consumption.

Fallacy No. 7: That food and clothing prices are too high and the consumer needs a break.

Actually American consumers get more food and better food today for a smaller percentage of their total income than in any period of our history. For instance the average factory worker could buy with 1 hour's earnings in 1914; 3½ pounds of bread; in 1929, 6⁴⁄₁₀ pounds of bread; in 1953, 10⁷⁄₁₀ pounds of bread.

The following table shows the amount of other major foods which 1 hour of average factory pay bought in 1914, 1929, and 1953:

I ask unanimous consent that that table be placed at this point in my remarks.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

	1914	1929	1953
Round steak.....pounds..	0.9	1.2	1.9
Pork chops.....do....	1.0	1.5	2.1
Butter.....do....	.6	1.0	2.2
Milk.....quarts..	2.5	3.9	7.5
Eggs.....dozen..	.6	1.1	2.5
Potatoes.....pounds..	12.4	17.7	32.6
Oranges.....dozen..	.....	1.3	3.6
Bacon.....pounds..	.8	1.3	2.2
Tomatoes (No. 2 cans).....	.....	4.4	10.0
Cheese.....pounds..	1.0	1.4	2.9

Mr. EASTLAND. Note that the largest reduction in the price of food in comparison with wages has occurred when the farmers received 90 percent of parity, proving that a high farm income means greater prosperity for factory workers and relatively low food costs in terms of factory wages.

A 16-cent loaf of bread contains only 2¼ cents worth of wheat. The price of wheat would have to be cut 75 cents per bushel to lower the cost of bread 1 cent a loaf.

There is only 30 cents worth of cotton in a $3.95 white shirt. Thirty cents is what the farmer gets. To cut the support price of cotton to 75 percent or 80 percent of parity would impoverish the cotton farmer but would reduce the price of a $3.95 shirt only 5 cents. More than likely the lowered price of cotton would not be reflected in the price of a shirt at all.

Fallacy No. 8: That flexible price supports, by reducing prices to 75 percent of parity, will increase exports.

This is a vain hope because exports are stymied, not by price, since section 32 funds are available for bridging price discrepancies, but by a shortage of dollar exchange abroad. Tariff barriers which prevent our acceptance of adequate foreign manufactures are the real cause of export stoppage.

In the case of cotton, there is no important price discrepancy between American and foreign cotton export prices. American cotton, as a matter of fact, is generally cheaper at the present time than cotton in the other producing areas of the world. With two exceptions American cotton prices are lower than the prices for comparable grades in all other major producing areas.

I have before me a table issued by the Foreign Agricultural Service of the Department of Agriculture under date of July 23, 1954, and I wish to read to you the price of cotton per pound, export tax included, in countries where such taxes exist, in order to prove that there is no need whatever to lower American cotton prices in order to create an export demand inasmuch as our prices are already among the lowest. I ask unanimous consent that this table be placed at this point in my remarks.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Export price of U. S. Middling 1⅛-inch cotton compared to export prices of foreign cotton of closest comparable grades as of July 23, 1954

Country	Port	Grade	Price in United States money
			Cents
United States of America....	Houston, Galveston, New Orleans....	Middling 1⅛-inch.....	34.20
Egypt.....	Alexandria.....	Ashmouni, FGF.....	35.89
India.....	Bombay.....	Jarila, Fine.....	29.86
Pakistan.....	Karachi.....	289F Punjab, SG, Fine.....	35.90
Turkey.....	Ismir.....	Acala II.....	40.50
Peru.....	Lima.....	Tanguis, type 5.....	36.96
Brazil.....	Sao Paulo.....	Sao Paulo, type 3.....	35.61
Mexico.....	Matamoros.....	Middling 1³⁄₃₂ inch.....	33.94

Mr. EASTLAND. A glance at this table immediately reveals that not the price of American cotton but the absence of dollar exchange abroad is what curtails the export of America's cotton surplus.

Americans consume approximately 30 pounds of cotton per capita annually. The British consume only 15 pounds and the nations of western Europe only 9 pounds. Only by raising the standard of living of such foreign nations as those of western Europe to the point where they consume a few more pounds of cotton per capita annually can we solve the cotton-surplus problem. This can be done only by taking more foreign manufactures so they can get adequate dollar exchange, and not by lowering the support prices for American cotton.

To lower the support prices of American cotton would have a negligible effect upon export but would impoverish the American cotton farmer.

The great wheat surplus existing in Canada creates a situation whereby the lowering of American wheat supports would in no wise expand the export market for American surplus wheat.

The notion that lower support prices will start our crop surpluses moving to foreign markets and relieve the existing glut is altogether erroneous.

Fallacy No. 9: That 90-percent price supports have cost the Government huge sums which could be saved by flexible supports at nearer 75 percent of parity.

This represents a complete misunderstanding of the facts. In 20 years our price-support program has cost $3½ billion. This represents only 1 percent of the value of crops and livestock marketed. This 1-percent expenditure has meant scores of billions of dollars additional profit for our farmers and additional wages, in turn, for our factory workers. It is doubtful whether Uncle Sam in all our history ever got a bigger bargain in terms of national prosperity than he got for this 1-percent expenditure for price supports over a period of 20 years.

Fallacy No. 10: That the great prosperity America as a whole has enjoyed in recent years has no direct relationship to the near-parity prices which our farmers have been receiving for their crops.

This is the greatest fallacy of all, because the high buying power of our rural population is one of the topmost reasons for urban prosperity.

Mr. President, I have mentioned every argument for the theory of flexible price supports at 75 to 90 percent of parity that has been presented by its sponsors. I think I have presented them fairly. Upon scrutiny and analysis, every argument falls apart. All are fallacious.

Now a few words in conclusion.

I wonder how many Senators fully realize how crucial the position of our farmers is at the present time? Net farm income has declined 18.8 percent in the past 3 years. This loss of income has already been felt by American industry. It has created a feeling of hesitation in our economy. If we deliberately wish to promote a depression, there is no surer way of doing so than by further reducing farm income. City people have just as much at stake in this issue as our farmers have. In the economic realm the welfare of one is the welfare of all.

Permit me to summarize the farmer's economic plight by a little table. Mr. President, I ask unanimous consent that the table be printed in the RECORD at this point in my remarks.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Annual farm income loss through price declines in last 2 years.....	$1,800,000,000
Prospective annual farm income decline through voluntary acreage reductions..	2,000,000,000
Additional annual farm income decline that would result from price supports at 75 percent of parity.....	1,400,000,000

Mr. EASTLAND. Altogether this would constitute a 25-percent shrinkage

in net farm income for the entire Nation. This is the equivalent to asking our factory workers, whose average income is now $1.76½ per hour, to take a cut in wages of 44 cents an hour, or $3.52 a day. That is just the sort of cut factory workers will take if rural buying power for factory products is destroyed. Let us avoid this vicious circle—this totally unnecessary invitation to a depression—by sustaining rural buying power at 90 percent of parity.

Seventy percent of American farm products were sustained by price supports of some kind in 1953. In my home State of Mississippi 86 percent of all the farm production benefited from price supports.

Let us never forget that 90 percent price supports are a powerful stabilizing factor in our economy. They have prevented a postwar depression such as we had after World War I. Why flirt with disaster?

Our farmers want 90 percent price supports. There is no question about farm sentiment. Intelligent city folks want 90 percent price supports because they know that farm prosperity is the best job insurance that city people can have.

Flexible price supports are a snare and a delusion. They will impoverish the farmer and leave the surplus problem untouched. Export alone is the final answer tc surpluses and export awaits the mitigation of our tariff barriers.

Mr. President, at the beginning of this speech I told a little anecdote about a former Member of the Senate who practiced what he called the art of politics—namely, talking one way and voting another. I seem to remember now a President of the United States who in a farm speech delivered at Kasson, Minn., on September 6, 1952, said to the farmers of this Nation, and I quote: The farmers' "fair, full share of the national income" should be "not merely 90 percent of parity" but "full parity."

If I can understand the English language, that is an implied promise to give the farmers 100 percent of parity. It was so interpreted by the farmers of this country in the presidential campaign of 1952.

The President is advocating 75 to 80 percent of parity for the farmers, because that is what flexible supports will bring in practice. I wonder if this inconsistency between promise and performance is not a classic illustration of the art of politics? I wonder whether the voters of the country are not catching on to this sort of thing and will not make themselves felt at the polls?

In 1940 the late Wendell Willkie made some rather bombastic statements during his campaign for the Presidency. Later, when testifying before a Senate committee, he tried to laugh off the promises made during his campaign by referring to them as "campaign oratory."

Mr. President, farmers have a long memory. They were promised a farm program which would give them 100 percent of parity. They are getting a program which will give them, in the long run, 80 percent of parity.

This is a question which rises above politics and rises above party. There is nothing which will prevent a depression more surely than to retain agricultural purchasing power and farm prosperity. Eighty percent of the industry of my State is agriculture. The entire prosperity of Mississippi depends upon retaining the 90 percent support price system. It is a good system. It has cost the Treasury a small sum of money. We shall be flirting with disaster if price supports are lowered.

PROPOSED UNANIMOUS-CONSENT AGREEMENT

Mr. KNOWLAND. Mr. President, I am about to propose a unanimous-consent agreement. Before doing so, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KNOWLAND. Mr. President, on behalf of the minority leader and myself, I send to the desk a proposed unanimous-consent agreement, and ask that it be read for the information of the Senate.

The PRESIDING OFFICER. The clerk will read the proposed unanimous-consent agreement, for the information of the Senate.

The legislative clerk read as follows:

Ordered, That on Monday, August 9, after the morning business, during the further consideration of S. 3052, to encourage a stable, prosperous, and free agriculture, and for other purposes, debate on the pending amendment (offered by Mr. AIKEN) and any amendment thereto or motion (including appeals) shall be limited to not exceeding 4 hours, to be equally divided and controlled, respectively, by the Senator from Vermont [Mr. AIKEN] and the minority leader or some Senator designated by him: *Provided,* That no amendment that is not germane to the subject matter of the said bill shall be received: *And provided further,* That debate upon any further amendments be limited to 2 hours each, to be equally divided and controlled, respectively, by the mover of any such amendment and the Senator from Vermont [Mr. AIKEN] in the event he is opposed to such an amendment or motion; otherwise, by the mover and the minority leader or some Senator designated by him: *Provided further,* That debate upon the bill itself shall be limited to not exceeding 3 hours, to be equally divided and controlled, respectively, by the Senator from Vermont [Mr. AIKEN] and the Senator from Texas [Mr. JOHNSON]; and that in the event of the third reading of S. 3052 the Senate shall, without debate, immediately proceed to the consideration of the bill (H. R. 9680) to provide for the continued price support for agricultural products, to augment the marketing and disposal of such products, to provide for greater stability in agriculture, and for other purposes; that it be deemed to be amended by striking out all after the enacting clause and inserting the text of S. 3052 as amended; and that the engrossment of the amendment and third reading of the said bill be deemed to be ordered, and a vote taken on the final passage of the House bill as amended; and that, if passed, S. 3052 be indefinitely postponed.

Mr. KNOWLAND. Mr. President, if I may make a brief explanation, if the Senate grants the unanimous-consent requests, it is proposed that the Senate continue in session this evening to a reasonable hour, in order that any Senators who are on the list as speakers may be heard. The Senate will continue debate on the bill on tomorrow without any limitation of debate being in effect. The Senate would then convene at 11 o'clock Monday next, at which time, immediately following the morning business to which the usual 2-minute limitation on speeches would apply, the Senate would proceed under unanimous-consent agreement, which provides for 4 hours of debate on the so-called Aiken amendment and any amendments thereto, the time to be equally divided. Furthermore, under the unanimous-consent proposal there would be 2 hours of debate on subsequent amendments, the time to be equally divided. In addition, on the bill itself, 3 hours of general debate would be allowed, the time to be equally divided.

Mr. JOHNSON of Texas. Mr. President, will the Senator yield?

Mr. KNOWLAND. I yield to the distinguished minority leader.

Mr. JOHNSON of Texas. As I understand, it is proposed to have 4 hours of debate on the Aiken amendment and on all amendments thereto, which means that that time would be divided equally between both sides. Since the Senate will reconvene at 11 o'clock on Monday, and assuming 30 minutes are consumed for morning business, there would not be a vote before 3:30 p. m. I have no doubt that Senators on this side of the aisle will use those 2 hours for debate. I ask the distinguished chairman of the committee if he thinks there is any question that Senators on his side of the aisle will use the 2 hours.

Mr. AIKEN. I would presume that the time would be largely consumed on amendments offered to my amendment, because the amendment itself should be pretty well debated.

Mr. JOHNSON of Texas. A proviso could be included in the unanimous-consent proposal that no vote would be taken on the Aiken amendment, or on the amendments thereto, prior to 3:30 p. m.; but if the Senator from Vermont thinks Senators on his side will use all the time provided—and I cannot conceive that Senators on this side will not use up the time available on the amendment and the amendments thereto—there would be no point in having such a proviso.

Mr. KNOWLAND. We are certain that the time on Monday will be used, and I certainly do not anticipate that the Senate will proceed to a vote before 3 o'clock.

Mr. JOHNSON of Texas. I understood the distinguished majority leader to say that the Senate is expected to remain in session until a reasonable hour this evening. Would he mind informing me what he means by a reasonable hour?

Mr. KNOWLAND. I would consider 7 o'clock to be a reasonable hour, unless Senators have speeches which they particularly desire to make and to get out

of the way tonight, for a particular reason, such as the fact that they would be away tomorrow; but the Senate will be in session tomorrow, and Senators who desire to speak on the bill at that time will be able to do so.

Mr. JOHNSTON of South Carolina. Mr. President——

The PRESIDING OFFICER. Does the Senator from California yield to the Senator from South Carolina?

Mr. KNOWLAND. I yield to the Senator from South Carolina.

Mr. JOHNSTON of South Carolina. I am not objecting at this time, but I reserve the right to object until I ascertain just what the procedure will be. I understand that 18 Senators have indicated a desire to speak on the bill. I know that will take some time. I wish to know whether the majority leader intends to move to lay aside the pending bill, in order to take up any other measure in the meantime.

Mr. KNOWLAND. No. Let me say we shall not have a calendar call tomorrow, and we do not plan to take up any other business tomorrow, either in the form of conference reports or in the form of bills. We do not plan to lay aside this bill for the consideration of any other measures.

Mr. JOHNSTON of South Carolina. That meets any objection I might have.

However, inasmuch as 18 Senators have signified a desire to speak on the bill—about as many Senators on one side of the aisle as on the other, I believe—I point out that there is no attempt to conduct a filibuster. The fact is that the pending bill is a very important one.

Mr. KNOWLAND. That is correct, and there is no desire to foreclose the making of speeches on the bill. That is why we do not intend to have a calendar call tomorrow, but, instead, intend to have the session tomorrow begin at 10 a. m., in order to permit as many speeches as possible to be made on the pending bill during the session on tomorrow.

Mr. JOHNSTON of South Carolina. Of course, many Senators wish to be assured that they will have an opportunity to speak on the bill tomorrow.

Mr. KNOWLAND. Yes; Senators can be assured of that.

Mr. MORSE. Mr. President, will the Senator from California yield to me?

Mr. KNOWLAND. I yield.

Mr. MORSE. Reserving the right to object, although I shall not object, I wish to make a brief statement for the RECORD, in connection with the proposed unanimous-consent agreement.

As is well known, as a matter of general policy I am opposed to unanimous-consent agreements to fix the time for voting in the Senate or to limit debate in the Senate. However, I am glad to cooperate in regard to the entering of unanimous-consent agreements, as I am doing in this case, when I am convinced there has been adequate time for debate. Let me say there is no question that when the record of this debate is closed, there will have been adequate time for debate on this measure, particularly in view of the fact that for many months past we have been debating this issue. In the RECORD for the past number of months there will be found a great many speeches by a great many Senators on the farm issue.

Furthermore, one of the reasons why, as a general policy, I object to or oppose proposed unanimous-consent agreements to limit debate in the Senate is that I always wish to make certain that the American people have had adequate time in which to make known their views on any issue before the Senate. Let me say I am certain that every Member of the Senate knows full well the views of his constituents on the farm issue, as between firm supports and flexible supports.

Therefore, because I think we have had adequate time for debate and because I believe that the American people have been heard from on this issue, and that we know their views about it, I shall not object.

Mr. KNOWLAND. Mr. President, after some discussion, I wish to modify the proposed agreement by increasing the number of hours on the Aiken amendments, or amendments thereto, from 4 to 5 hours, with the time still to be equally divided, and with the Senate session to commence at 12 o'clock noon, instead of 11 a. m., on Monday next.

Mr. HENDRICKSON. Mr. President, will the Senator from California yield to me?

The PRESIDING OFFICER (Mr. UPTON in the chair). Does the Senator from California yield to the Senator from New Jersey?

Mr. KNOWLAND. I yield.

Mr. HENDRICKSON. There are nearly 700 bills on the calendar; the exact number is between 600 and 700. Can the distinguished majority leader tell us approximately when we shall reach the calendar?

Mr. KNOWLAND. I hope we shall reach the calendar on Tuesday, if we are able to dispose finally of the agricultural bill on Monday. But the best rule of thumb I can give to the Senator from New Jersey is that we shall take up the calendar subsequent to the passage of the farm bill.

Mr. JOHNSON of Texas. Mr. President, will the Senator from California yield to me?

Mr. KNOWLAND. I yield.

Mr. JOHNSON of Texas. If the proposed unanimous-consent agreement is entered, then it is unlikely that any vote will be taken before 5 p. m. on Monday, is it not?

Mr. KNOWLAND. That is correct.

Mr. YOUNG. Mr. President, will the Senator from California yield to me?

Mr. KNOWLAND. I yield.

Mr. YOUNG. We are faced with a rather unusual situation, since the chairman of the Committee on Agriculture and Forestry is in charge of both the committee's version of the bill and the pending amendment. Who will divide the time, under the proposed unanimous-consent agreement?

Mr. KNOWLAND. The time is to be divided by the minority leader, the distinguished senior Senator from Texas [Mr. JOHNSON], and the senior Senator from Vermont [Mr. AIKEN].

Mr. YOUNG. If that procedure is to be followed, the majority of the Senate Committee on Agriculture and Forestry will have no voice in the matter.

Mr. KNOWLAND. The only problem with which I was faced—and the Senator from North Dakota will recall that I showed him the proposal, in advance—was that I did not wish to get into a position where two Republican Senators would be controlling the time.

Mr. YOUNG. Mr. President, I object.

The PRESIDING OFFICER. Objection is heard.

Mr. KNOWLAND subsequently said: Mr. President, I ask unanimous consent that the Chair put the proposed unanimous-consent agreement.

The PRESIDING OFFICER. Is there objection to the proposed unanimous-consent agreement?

Mr. KNOWLAND. As modified.

Mr. THYE. Mr. President, may we have that proposed unanimous-consent agreement read so that we know what is before us?

The PRESIDING OFFICER. The clerk will read the proposed unanimous-consent agreement.

Mr. YOUNG. Mr. President, will the Senator yield?

Mr. KNOWLAND. Yes; I yield.

Mr. THYE. The reason I am asking to have it read is that, to my regret, I was detained in my office where I had gone to be interviewed by a person. Therefore, I was temporarily absent, and did not know what the unanimous-consent agreement was.

The PRESIDING OFFICER. The clerk will read the proposed unanimous-consent agreement for the information of the Senate.

The Chief Clerk read as follows:

Ordered, That on Monday, August 9, after the morning business, during the further consideration of S. 3052, to encourage a stable, prosperous, and free agriculture, and for other purposes, debate on the pending amendment (offered by Mr. AIKEN) and any amendment thereto or motion (including appeals) shall be limited to not exceeding 5 hours, to be equally divided and controlled, respectively, by the Senator from Vermont [Mr. AIKEN] and the minority leader or some Senator designated by him: *Provided*, That no amendment that is not germane to the subject matter of the said bill shall be received: *And provided further*, That debate upon any further amendments be limited to 2 hours each, to be equally divided and controlled, respectively, by the mover of any such amendment and the Senator from Vermont [Mr. AIKEN] in the event he is opposed to such an amendment or motion; otherwise, by the mover and the minority leader or some Senator designated by him: *Provided further*, That debate upon the bill itself shall be limited to not exceeding 3 hours, to be equally divided and controlled, respectively, by the Senator from Vermont [Mr. AIKEN] and the Senator from Texas [Mr. JOHNSON]; and that in the event of the third reading of S. 3052 the Senate shall, without debate, immediately proceed to the consideration of the bill (H. R. 9680) to provide for the continued price support for agricultural products, to augment the marketing and disposal of such products, to provide for greater stability in agriculture, and for other purposes; that it be deemed to be amended by striking out all after the enacting clause and inserting the text of S. 3052 as amended; and that the engrossment of the amendment and third reading of the said bill be deemed to be ordered, and a vote taken on the final passage of the

House bill, as amended; and that, if passed, S. 3052 be indefinitely postponed.

Mr. THYE. Mr. President, first, I wish to say that I have no objection to the minority leader, the Senator from Texas [Mr. JOHNSON], being in control of the time, because I have every confidence in the world that the Senator from Texas will give those of us who advocate 90 percent support every opportunity to debate it.

But I call to the attention of the Senate the fact that this is the first time in my experience that those of us who have advocated 90 percent price supports, those of us who were in the majority and who filed the majority report in the Senate Committee on Agriculture and Forestry, which was laid before this body, are not permitted to be in control of the time. It is the most unusual procedure I have ever seen on the Senate floor in my experience here. But I say again that I have every confidence in the minority leader and, therefore, I shall not object. But I do not like the manner in which this game is being conducted on the Senate floor.

Mr. JOHNSON of Texas. Mr. President, will the Senator yield?

Mr. KNOWLAND. I yield to the Senator from Texas.

Mr. JOHNSON of Texas. I think the minority leader should say, in reply to the distinguished Senator from Minnesota, that he appreciates very much the confidence the Senator has reposed in him. The Senator from Texas feels just as does the Senator from Minnesota on the 90 percent price-support question.

Mr. THYE. I know that; therefore, I have every confidence in the Senator.

Mr. JOHNSON of Texas. The form of this agreement is identical with that of every other unanimous-consent agreement I have ever seen. When we were in the majority, Senator Wherry or the Senator from New Hampshire [Mr. Bridges] or Senator Taft, when he was here as the majority leader, always provided that the chairman of the committee or the mover of the amendment, should control the time on one side, and the time on the other side was controlled by the minority leader.

I have always felt that such time as I had at my disposal should be yielded to Senators who were taking a position opposite to that of the proponents of the amendment if they desired to speak. I do not believe we shall have the slightest difficulty. I have no pride in controlling the time.

Mr. THYE. Mr. President, I qualified my statement.

Mr. JOHNSON of Texas. The minority leader will follow the practice which has prevailed all through the years. I shall be very happy—as a matter of fact, I would prefer—to have the distinguished Senator from North Dakota [Mr. YOUNG], the distinguished Senator from South Dakota [Mr. MUNDT], or the distinguished Senator from Minnesota [Mr. THYE], or some member of the committee who represents this viewpoint actually control the time.

Before I became a party to the unanimous-consent agreement, I discussed it with the proponents of the 90 percent parity proposition. I had understood, although I did not personally discuss it, that the proposed agreement was acceptable to the Senator from North Dakota [Mr. YOUNG], and when he raised objection, we went back and pointed out that the Senator from Vermont [Mr. AIKEN] is the proponent of the Aiken amendment. The opponents of that amendment will get their time from me. I had the time increased to 5 hours so that we would have 2½ hours.

I should be gratified if, instead of providing that the minority leader control the time, the agreement were to provide that any individual Senator may do so. That would not be in the least embarrassing to me. But, in fairness to the majority leader and myself, the form of agreement which is presented is the one we have used through the years, and I think it has worked well in each instance.

Mr. KNOWLAND. Let me say to the Senator from Minnesota [Mr. THYE] that, first of all, I showed the agreement to my good friend the Senator from North Dakota [Mr. YOUNG] prior to propounding it in the Senate; also, we were faced with the problem that we might have all the time controlled on the Republican side of the aisle, which I thought might present some problems, and since the minority leader—and this is a customary procedure—has a position opposite to that of the chairman of the committee, whose amendment is the pending amendment, it seemed that in equity and fairness the suggested arrangement would be agreeable. Had any suggestion been made in advance, I certainly would have tried to make a modification.

Mr. YOUNG. Mr. President——

Mr. KNOWLAND. I now yield to the Senator from North Dakota.

Mr. YOUNG. Although an unusual situation has developed, I think it is pretty well clarified now. I wanted to be absolutely satisfied. Through no fault of his own, the chairman of the Senate Agriculture and Forestry Committee [Mr. AIKEN] is in charge of a bill which he opposes. I wanted to be sure who was dividing the time.

Mr. KNOWLAND. I desire my good friend from North Dakota to know that I want to be fair, as I have always tried to be. I merely propounded the customary form of agreement so that both sides of the argument, and preferably both sides of the aisle, would have an opportunity to present their views.

Mr. MUNDT. Mr. President, reserving the right to object——

Mr. JOHNSON of Texas. Mr. President, the proposed unanimous-consent agreement provides that the time on one side shall be under the control of the minority leader or some Senator designated by him. If the distinguished Senator from North Dakota [Mr. YOUNG] or the distinguished Senator from South Dakota [Mr. MUNDT] or the distinguished Senator from Minnesota [Mr. THYE] has any suggestions as to any one of them they might like me to designate, I shall be very happy to comply.

Mr. YOUNG. I am satisfied.

Mr. MUNDT. Mr. President, will the Senator yield?

Mr. KNOWLAND. I yield to the Senator from South Dakota [Mr. MUNDT].

Mr. MUNDT. Mr. President, I rose really to object to the unanimous-consent agreement, but I believe we have arrived at an arrangement which will be satisfactory and will avoid establishing any unfortunate precedent in connection with other amendments which may be offered. As I understand it, this arrangement provides that the senior Senator from Vermont [Mr. AIKEN] shall be in control of the time, not because he is chairman of the committee, but because he is sponsor of this particular amendment. If that is the case, it seems to me to be a perfectly reasonable relationship. We know that the senior Senator from Texas will deal fairly with us, because we are all working on the same side of this issue.

I did not desire to establish a bad precedent, for other amendments to come up. Because of his position as chairman of the committee, the senior Senator from Vermont [Mr. AIKEN] would have charge of the time.

Mr. KNOWLAND. As to the other amendments, the proposer of an amendment will control the time on one side, and the Senator from Vermont [Mr. AIKEN] will control the time of the opposition, unless the Senator happened to be in favor of the amendment, in which case the Senator from Texas [Mr. JOHNSON] would control the time.

Mr. MUNDT. In that case I have no objection.

Mr. LANGER. Mr. President, reserving the right to object, may I inquire how many more speeches are to be delivered on this subject?

The PRESIDING OFFICER. It is impossible for the Chair to give a definite answer, but judging from the list, the indications are that there will be 10 or a dozen.

Mr. KNOWLAND. I will say to the distinguished Senator from North Dakota, since I do not believe he was here when I made the announcement, that the Senate will continue in session tonight until a reasonable hour, 7 or 8 o'clock, or whatever is necessary to enable Senators who desire to do so to make their remarks tonight. The Senate will begin tomorrow morning at 10 o'clock and proceed all day tomorow, for any speeches which Senators desire to make. Then when we come in at 12 o'clock noon on Monday next we shall have 5 hours of time equally divided.

Mr. LANGER. I have some work to do for the Committee on the Judiciary which is very important, and I cannot speak until Saturday afternoon. However, I desire to be certain that I shall not be cut off Saturday afternoon, because I have a speech of about an hour and a half.

Mr. KNOWLAND. The Senator from North Dakota can be assured that no other business will be taken up, and the time on Saturday will be available for speeches.

Mr. LANGER. I remember very distinctly that we had a similar discussion about 5 or 6 years ago, and I was cut off after I came in to speak. I was allowed only a half hour. At that time I desired about an hour and a half.

Mr. KNOWLAND. There will be no limitation of time tomorrow.

Mr. LANGER. Provided I can obtain the floor.

Mr. KNOWLAND. I am sure the Senator will have no problem on that score.

Mr. LANGER. I understand that about 15 Senators have already requested time.

Mr. KNOWLAND. We will see that the Senator from North Dakota gets the floor.

Mr. LANGER. I know. I was promised that before.

Mr. WILEY. When the Senator was not permitted to finish his speech, what happened to the price of wheat?

Mr. LANGER. We got by all right with the price of wheat, but the present situation would not compare with that.

The PRESIDING OFFICER. Does the Senator from North Dakota ask to have his name included in the list? Of course, it is an unofficial list, and is not controlling, but it does commonly guide the Presiding Officer. There are approximately a dozen Senators listed who have not spoken.

Mr. LANGER. I do not wish to take advantage of any other Senator. My distinguished friend from Georgia [Mr. RUSSELL] has offered to yield to me, but I would not consider that for the world, because I know the Senator from Georgia will make a much better speech than I could possibly make. He and I are on the same side. However, I wish to be sure that I will have an hour and a half tomorrow afternoon. Unless I can be assured of that, I shall——

Mr. KNOWLAND. I think the Senator can accept the assurance of the majority leader and the minority leader that he will be recognized tomorrow afternoon and that he will have an hour and a half. I think the Senator can be reasonably assured on that point. We will hold the Senate in session to be sure he gets the time.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request?

Mr. LANGER. May I have just a moment to consult with my distinguished colleague? This is a very important matter. The Senator from North Dakota must talk this situation over.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request?

Mr. LANGER. I have no objection.

The PRESIDING OFFICER. Without objection, the unanimous-consent request is agreed to.

Mrs. BOWRING. Mr. President, on June 24 I had the honor to address my colleagues here on the Senate floor on the subject of national agricultural policy, and specifically to express my support and conviction in behalf of a flexible program of agricultural supports.

At this time, I should like to comment that my arguments in favor of the flexible-support principle do not seem to have impressed the members of the Senate Committee on Agriculture and Forestry to the extent that this junior Senator might have hoped. Of the eight-member majority of the Senate committee who voted in favor of a continued program of rigid, 90 percent supports, I have seen no indication that a single one has changed his view and been won over to the principle of flexibility, notwithstanding that I spoke with all the eloquence and persuasiveness at my command.

However, I am not one to be easily discouraged. Therefore, I rise at this time to reassert my belief that a flexible program of agricultural supports should be adopted by the Senate, and would better serve the Nation than to continue for even one more year the high, rigid-support program, as our eight friends of the Senate Committee on Agriculture and Forestry have advocated.

First, I should like to review briefly what appears to be the reasoning behind the proposal to continue the 90 percent supports on basic commodities.

As I analyze the majority report of the Senate Agriculture Committee, the adherents to continuing high, rigid supports feel that there is a national obligation to the farmers who produce our basic crops; that failure to do so would be detrimental to the prosperity of the Nation; and that flexible supports would increase, rather than reduce, production of these supported crops, which now are in great surplus and are taxing the warehouse facilities of the Nation.

At this time, Mr. President, I should like to discuss only the third of these points. I shall confine the area of my discussion today, in the interest of brevity, for I should not like it said that I am engaging in either lengthy or dilatory tactics, to say nothing of conducting a filibuster, on a measure so vital to the national interest as is the farm bill now before us.

I freely grant that those who speak in behalf of continued 90 percent price supports are sincere in their belief and convictions. But it is my honest judgment that we are deluding ourselves if we accept the argument that crop production would increase under a decline in price or a moderate reduction in the support-price level.

It has been said and written many times that if farm prices decline, farmers will dig in to increase production, in an attempt to maintain total income.

If this reasoning is not fallacious, then it follows that whenever there is a break in the price of an industrial commodity or a farm crop which is not under Government price supports, the producers will immediately speed up production, in the hope of keeping total income at a constant high level.

But who among us believes and will honestly say that it is the policy of American manufacturers to meet periods of surplus and declining price in their particular field of production by turning out more production? Why, of course, it is an elementary economic fact that in the field of industry, reduced output always follows when surpluses occur, sales fall off, and consequent declines in price occur.

Let us see if our friends who advocate continued high, rigid supports on basic farm commodities are being entirely consistent.

On April 27, the Senate adopted what was known as the wool bill. This measure was based on the premise that agricultural production is stimulated by high price. It is my observation that 7 of the 8 Agriculture Committee members, who sponsored the continuation of high rigid farm supports in the bill presently before us, also voted for the wool bill.

Is it not, therefore, logical to assume that these gentlemen favor a high support level for wool in order to increase domestic production, but that they desire high supports for wheat and cotton and the other basic commodities in order to prevent an increase in production?

Let us observe that the situation is not quite as inconsistent as it might seem.

Those who argue for high price supports to stimulate production on the one hand, and who favor high price supports for fear of stimulating even greater surpluses in another case, are absolutely consistent in that they favor high rigid price supports.

When we needed an agriculture geared to meet the demands of wartime, we were told that high price supports were the answer.

Now, when we need an agricultural program adjusted to peacetime conditions, we are still told that high price supports are the necessary instrument and the policy we must follow for the good of the Nation.

But, Mr. President, what really are the facts: What is the effect of prices on production? Does a high price really stimulate or retard production?

This problem has been studied by any number of economists and agricultural scientists. Yet, I know of no single piece of competent research that supports the contention that a declining price level stimulates greater production, in any field of free and normal commercial enterprise.

And I am confident that there is no evidence to dispute the contention that farmers behave logically and react the same as any other producer with respect to prices. They increase the production of their commodities when price rises in relation to the price of other commodities. They cut down their production when price shows a relative decline. Cattle producers or sheep ranchers behave the same as wheat farmers or cotton planters in this respect—and all farmers behave like nonfarm producers.

It is true that, in the short run, rather large changes in price are needed to bring about a given change in production. A 10 percent change in the price of wheat ordinarily leads to about a 2 or 3 percent change in the same direction in the acreage of wheat the following year. Cotton responds in about the same way. If continued over time, these price changes would have greater effect than would be found in the short run.

Corn is grown as part of the rotation and primarily for feed rather than for market. The acreage of corn in the Corn Belt responds very little to price changes from year to year. Flaxseed production, on the other hand, responds readily to price changes.

The effect of price on production is hard to see clearly because it is obscured by other things.

In the first place, production of a commodity responds not to price as such but to the price of a commodity as compared

with prices of other commodities. For example, the acreage of corn in Iowa increased from 1930 to 1932, while the price was falling. But despite this fall, the price of corn was still high enough so that corn was more rewarding to farmers than other crops. This explains the increase.

Secondly, changes in yields resulting from weather often obscure the relationship of price to production. Sometimes farmers reduce their acreage in response to a decline in price, but good weather comes along and unintended production increases result.

Finally, it takes time to change the pattern of farm production, and this takes longer for some products than for others.

The production of broilers can be increased or decreased 4 months after the intended change is undertaken.

For most crops, production cannot be changed until the next year, no matter what the price is.

Hog production can be increased or decreased a year or two after the price stimulus is given.

It takes 3 or 4 years before farmers can achieve the changes in cattle production called for by price change. During the past year we saw an increase in cattle numbers despite a decline in price. It was not this year's price to which cattle numbers were responding, but the attractive prices of 3 or 4 years ago.

Agricultural production cannot be turned off and on like a spigot, or speeded up and slowed down like an assembly line.

If farmers respond in an irrational manner to price changes, as is claimed, how is it that we have achieved as good a balance of supply and demand as we have for the nonbasic crops, the production of which is not regulated? These crops are selling at about the same price levels as are the price-supported crops, and supplies are more nearly in line with market outlets.

If the contention of the advocates of high-rigid supports is correct, a decline in the price of these commodities should lead to an increase in production, which would mean a still lower price. This would further increase the supply. By this same reasoning, in the absence of acreage controls we would soon reach a point at which production was prodigious and price extremely low. Obviously, this has not happened.

To summarize, Mr. President, farmers do respond in a logical manner to price changes. If the price of wheat should moderately decline, some land would be voluntarily shifted out of wheat. This would occur most readily where there are attractive alternative crops or livestock opportunities. It would not occur quickly and it would not be easy.

It is not proposed in the program recommended by the President that price changes would have sole responsibility for bringing about needed changes in production. Acreage allotments and marketing quotas would be retained and undoubtedly would be used if needed.

But these controls would be working along with price changes to bring about the needed adjustments. These two forces would not be working against one another as they now do. Presently, farmers are being encouraged by high prices to produce all they can; and by the device of acreage allotments and marketing quotas they are admonished to reduce their production. Small wonder that there is confusion.

Why are hogs now selling at 105 percent of parity? Because farmers reduced their production in response to the low prices of 1952. What is now happening to hog production? It is increasing in response to higher prices. What has happened to potato acreage? By their own free decisions, farmers have decreased their acreage in response to last year's low price.

Nebraska, almost more than any other State, depends upon agriculture, and Nebraska's prosperity and well-being are in direct proportion to the prosperity and well-being of its farm producers.

I am fully aware that the prosperity of agriculture in Nebraska and the agriculture of our whole Nation is enormously important. I am aware that we cannot have national prosperity without farm prosperity, and that if depression lays hold on our farm population, a like period of depression will invariably engulf the rest of our national economy.

Therefore, I want to state here and now that I do not argue for collapse of farm prices and agricultural income. I believe that our President and our Secretary of Agriculture have rightly recognized that if we continue high, rigid supports on the limited number of basic farm crops which are now being produced in such gigantic surplus, because we have continued a program of Government subsidy originally designed to boost output to the artificially high levels required in time of war, we shall threaten to collapse the entire program of Government support. If that disaster ever occurs, we will indeed be plunged into a collapse of farm prices which will drag the whole national economy into the pit of economic depression.

None of us want to see this occur. We are all working, each in the way we believe best, to assure that our economy remains on a high and prosperous level.

Therefore, I say that a moderately conceived and moderately administered program of flexible supports for basic farm commodities will better cushion the national farm output in line with the market for those agricultural commodities. It is my honest judgment that a vast majority of sincere and thoughtful farmers of the Nation recognize this principle and agree that it will best serve all of the Nation's farm producers and the Nation as a whole.

In conclusion, Mr. President, I should like to read to the Senate an editorial which appeared in the Omaha Daily Journal Stockman for Monday, June 21, which points up what I believe are some of the important angles in this issue of flexible versus high, rigid agricultural price supports.

The article is entitled "Farmers, Politicians, and Santa Claus" and reads as follows:

A breakdown of farm income recently released by the Department of Agriculture throws interesting light on the whole farm price-support question and the degree to which the American farm economy is at the mercy of the political whims of Congress.

In the first place, the report shows that, for the country as a whole, cash receipts from farm marketings of commodities that have no price support whatever amounted to 56 percent of the total, whereas cash receipts from price-supported basic commodities, including tobacco, amounted to only 23 percent. In other words, supported basic products returned considerably less than half of that returned by commodities sold on the free market without subsidies. The study shows that during the past 21 years prices of nonsupported products have averaged 7 percent higher than prices of supported products, relative to the base period.

Looking into the situation further, we find that farm income from basic commodities is concentrated in 9 Southern States, 1 Midwest State (Kansas) and 2 Northern States (North Dakota and Montana), all getting 40 percent or more of their farm income from the basics. On the other hand, many States receive a very small percentage of their farm income from this source, even down to zero. Iowa's farm income from the basics, for example, amounted to only 8 percent of its total, Missouri 14 percent, Illinois 21 percent, and Nebraska 24 percent. Excluding tobacco, we find that only seven States receive 40 percent or more farm income from high supported basics.

Actually, despite sharp declines in cattle values, nonsupported meat animals far surpassed all other sources of farm income last year, amounting to 29 percent of the total. And there is a good chance that the percentage will be even higher this year—this, despite the fact that price-supported grains and feeds are a real element of cost in meat animal production.

Such studies give the lie to lofty claims often voiced for the price-support program and the degree to which it, and it alone, is responsible for holding American agriculture together. Unfortunately, politicians find it convenient to disguise themselves as a Santa Claus to the farmer, and so long as it continues to deliver votes, they probably will continue to do so. But we feel confident that farming in this country will survive even the Santa Claus myth. The trouble is that Santa Claus in this case is exacting a high toll in taxes, time, and maladjusted agriculture for his services.

Mr. SCHOEPPEL. Mr. President, I rise to present my views today on the farm legislation that is before us.

At the outset, I wish to say that there are honest, sincere differences of opinion.

The senior Senator from Kansas happens to believe that many of the anticipated fears, dislocations, and calamitous results will not come to pass.

Mr. President, I have one very definite reason for being vitally interested in this legislation. It is that the State of Kansas is the largest wheat-producing State in the Nation.

The State of Kansas is vitally concerned with what Congress does on agriculture legislation. Kansas is a farm State—a great farm State. It is a State which throughout the years has contributed much to the agricultural economy of the Nation. It has had a leading role in filling not only the breadbasket of America but of the world.

The farm program now operating has been in effect since the beginning of World War II. The effects of the program on the major commodities of wheat and cotton, and some others, have been quite similar. The predicament of the Kansas wheat farmer is most familiar to

me, and therefore I want to use illustrations from wheat as the basis for my decisions. Keep in mind, however, that the same principles are applicable to other major crops.

Let us examine where the present program, followed for 12 years, has led us.

First. Kansas wheat farmers have lost their right to produce 5 million acres of wheat. Their opportunity to produce wheat and their ability to produce wheat have been cut a third.

Second. Rigid high price supports have subsidized competitive wheat production outside of the efficient wheat-producing areas. Wheat acreage in Illinois, Michigan, Mississippi, Arkansas, Idaho, Wyoming, Colorado, and Utah—relatively high-cost, low-quality, inefficient wheat-producing areas—has increased more than 50 percent.

I digress to say that I hope Members who are on the floor listening to me this evening, or who will read my remarks in the RECORD, will not think me presumptuous or overzealous when I discuss the Kansas picture, because I desire to point up certain factors with reference to one of the great agricultural products of my State.

I wish the Senate could take the time to analyze wheat acreage State by State according to the tables provided for me by the Department of Agriculture. They give the cold facts on the shift of acreage from efficient wheat-producing areas to the margins.

Third. Rigid high United States price supports for wheat have encouraged wheat production all over the world. Since the early postwar years the world wheat acreage has increased by an acreage equal to the domestic wheat allotment for 1955. Our policy has encouraged wheat production abroad with which we cannot now compete.

Fourth. Rigid high United States price supports for wheat have reduced the domestic wheat market for feed and contracted the export market.

For example, wheat has traditionally been an important feed crop. The high supported price of wheat has now priced wheat out of the feed market. Exports have fallen from over 400 million bushels to approximately 200 million, and the export of one-third of the 200 million bushels has been financed under foreign aid programs.

Not only has this program encouraged production abroad, but it has priced us out of the foreign market.

Fifth. Rigid high United States price supports for wheat have encouraged the domestic production of high yielding, inferior quality, nonmillable wheat which could be sold only to the Government, and which hangs over the market to depress all prices and endanger the support program. For example, the production of low-grade white wheat in 1953 was 99 percent above the 1940–44 average.

Sixth. Rigid high United States price supports for wheat have deprived the farmers in the efficient producing areas of the Great Plains from Montana and the Dakotas, through Kansas, to Texas, of the right to produce wheat in an area where there are virtually no alternatives; and their right to produce has been partially transferred to the high-cost, low-efficiency areas where there are many alternatives.

Seventh. Rigid high United States price supports for wheat have created a surplus of a full year's crop which overhangs the market. Farm storage and central storage are virtually exhausted. Even the storage in the mothball fleet is virtually exhausted.

Finally, 12 years of the present program will soon result in reduction of income to wheat farmers by one-third.

Farmers know that a continuation of this program is not the answer to their dilemma. As I said at the outset, there are honest differences of opinion.

Mr. President, I have joined with those who have a firm conviction that some change in the program is needed. I shall support a program which will guarantee to farmers a 90 percent price support, so long as they keep production in line with demand. When production is not adjusted to demand, this program will support the price at from 80 to 90 percent, depending upon the supply position.

This is a flexible high price-support program, and, let me repeat, it is a program to support basic farm products at 90 percent of parity so long as production is kept in line with demand. When production exceeds demand, the price support is to vary between 80 and 90 percent of parity, depending upon the supply position. Obviously, with a 200 percent supply position, which now exists, some adjustments are needed.

I desire to point to one of the most important and yet most misunderstood ideas about flexible price supports. The important feature of the flexibility of a price-support program is the flexibility among agricultural commodities, not the flexibility between agriculture and the rest of the economy.

Let me illustrate the importance of flexibility between farm products. I might facetiously say that the parity ratio between mules and dairy cattle in 1910–14 was 6 cows to 1 mule.

The parity relationship now is 1 cow to 6 mules. Think what would have happened had the relationship between mules and cows been frozen on the 1910–14 level.

We can be sure there would be a lot of mules by this time.

There are other illustrations. With fewer mules, less oats are needed, so the parity relationship on oats must change.

Introduction of new machinery has reduced production costs more on wheat than on cotton and tobacco. This fact changes the parity relationship between wheat and tobacco. Introduction of new seed and the use of fertilizer has reduced the cost of producing corn more than it has of wheat. These facts change the parity relationships between wheat and corn. A rigid 90 percent price support is a proposal to freeze the relationship among basic farm products at the 1910–14 level. This denies reality.

A flexible price-support program will change the relative prices between agricultural commodities from time to time as consumer demand changes between products and would not necessarily change the overall relationship between farm income and nonfarm income.

Let me explain further with relation to wheat. As the supply of wheat increases the price support for wheat would decline somewhat. This would make the income from wheat somewhat less favorable than the income from alternative crops among high-cost, low-quality wheat producers, and encourage them to switch from wheat to commodities as to which the price was more favorable.

This means that our program would encourage the production of commodities that consumers want more, rather than to continue the unlimited production of commodities that consumers obviously want less.

There will be other important effects of the flexible high price-support program which will be advantageous, not only to the efficient, low-cost, high-quality wheat producers of Kansas, but to the Great Plains wheat-producing areas generally. To state them briefly, I shall list them. A flexible program will:

First. Encourage production where it is most efficient and where alternative crops are not attractive or available.

Second. Reduce the subsidies to inefficient producers outside the Wheat Belt and in foreign countries.

Third. Give the efficient farmers the opportunity to get a fair price for their products by removing unfair subsidies to inefficient competitive producers.

Fourth. Expand the domestic market for wheat and expand the export market.

Fifth. Encourage farmers to produce for the market instead of the Government.

Sixth. Return the right to produce to the efficient producer in the wheat area.

Thus the program I want to support is a program to give the maximum net income to farmers, together with a maximum freedom of opportunity to increase their incomes.

Continuing to refer to wheat, we face a prospect of a billion-bushel carryover in 1955. Every Member of this body recognizes the need to bring about an adjustment of wheat production to wheat demand. Those who favor rigid price supports favor flexible acreage.

Under their flexible acreage program, with rigid 90 percent price supports, it has been necessary to flex the wheat acreage from 69 to 55 million acres. This will reduce wheat income to farmers by 30 percent.

A high flexible price support seeks to adjust supply to demand by using flexible price, but with more moderate acreage controls. This feature gives farmers greater flexibility and opportunity in the use of their farmland to increase income from other products for which there is greater market demand.

Let me make it clear, Mr. President. In 1955 there will be a wheat acreage allotment of 55 million acres under either the rigid high price support or the flexible high price support. Let me also make clear that this has been brought about by 12 years of a rigid, high price-support program which has resulted in a 900-

million-bushel surplus now overhanging the market.

The solution to the dilemma is not to continue the program that led us into this predicament. Rather, the solution lies in guaranteeing the right to produce to those who produce at the lowest profitable prices. This area is in Kansas and the Wheat Belt.

A lowering of the price will discourage production in high-cost areas, thus allowing wheat to be grown where it can be grown with profit at low cost.

I should like to say at this point that I am particularly interested in the small farmer. I want to be sure that the program I support will protect the interests of small farmers. Rigid high price supports provide large sums for large operators, who then buy out and absorb the small operators. Mr. President, I have seen that happen many, many times in the area. So rigid high price supports are no help. Small farmers are usually diversified farmers. In order to maintain income, they need to increase the size of the business on their farms by producing cattle, chickens, pigs, eggs, milk, and so forth.

A very small part of the income on small farms comes from the basic crops. High rigid price supports do them little good directly, but rigid high price supports do the small farmer a great deal of damage and dislocation.

Rigid high price supports result in the use of diverted acres on larger farms to subsidize livestock production in competition with the small farmer, who has diversified production. This is unfair competition for the small farmer and results from rigid 90 percent price supports.

Let me illustrate. Take a farmer whose wheat allotment is cut 100 acres. The diverted 100 acres go to feed crops. To dispose of the feed crops, he turns to the production of cattle. This cattle production is subsidized by Government support payments. The legitimate cattle producers are already in a precarious position. Continuation of the rigid, high price supports threatens these legitimate livestock producers and the small farmer whose income largely depends on cattle production with Government-subsidized competition.

I stand for a program to protect the small farmer. Somehow, some way this problem must be worked out, whether we do it now or later.

I recently asked the Commodity Credit Corporation to furnish figures on major wheat, corn, and cotton loans on the 1953 crops. I was surprised, as I know many of my colleagues will be, to know what the record of the program shows.

In Kansas, my own State, the largest wheat loan was $139,237. The second largest was $125,198. I frankly did not realize that. Perhaps my colleagues would like to know what the average wheat loan was in Kansas. It was $1,525. Now, in order to get an average like that, there had to be a vast number of loans of just a few hundred dollars to offset the loans going to the big operators.

In California the largest cotton loan was nearly one and a quarter million dollars. Yet the average cotton loan in California, I am told, was $1,731. In Missouri the largest loan was $643,993. The average loan was only $395.

In North Dakota the largest wheat loan was $67,000, and the second largest, $41,780. The average was $2,487. I will say to the distinguished Senator from North Dakota that the large wheat producers in Kansas had greater loans on some of their wheat production.

I find myself asking, Does this program preserve and encourage the family-sized farm?

Not only am I interested in protection for the small farmer, but I am also interested in protecting the cattle ranchers, the hog producers, the milk producers, and the poultry and egg producers.

Seventy-five percent of farm income is derived from such sources. Rigid, high, price supports impose subsidized competition to producers of these important farm products. Rigid, high, price supports increase the number of diverted acres which inevitably will be used to produce feed for livestock which will compete with products of these producers.

Again I say I am in favor of a program to protect livestock producers from subsidized competition from acres diverted from basic crops, due to high, rigid, price supports.

Mr. President, these are some of the reasons why I have sided with the minority of the Agriculture Committee. We are in favor of high price supports.

Eighty to ninety percent of parity is a high price support. The difference is that we favor some flexibility in the price support, and not a rigid, high, price support that is contrary, as I view it, to a dynamic society of changing costs and demands.

Since I have heard so many serious objections to a flexible price-support program, I wish to say that, if my memory serves me correctly, former President Truman was in favor of flexible price supports. In his message on May 14, 1948, when he addressed the Congress, he said:

> Now we must look ahead to a farm-price support policy geared to our improved farm economy. Many shifts in production will have to be made, and flexible price supports will help us make them in an orderly manner. This will require authority to make prompt adjustments in support levels in line with current and prospective supply and demand conditions.
>
> It will also require flexibility in the choice of methods or programs that have been designed to be most effective for individual commodities, that avoid waste, and that help bring about needed adjustments in production, distribution, and consumption.

As I view it, it is in the best interest of the Nation as a whole that we produce as economically and as efficiently as possible. That is the road to progress, to a higher standard of living.

We produce cotton in the areas best suited to cotton. We produce tobacco in the areas best suited to tobacco. We should produce wheat where quality wheat can be raised at low cost with profit to the producer. It is not economically sound to cut back acreage in areas such as the historic, good-wheat-producing parts of Kansas, so a poorer grade of wheat can be grown at greater cost in other parts of the country.

The situation is so pointedly expressed in the minority views of the Committee on Agriculture and Forestry that I should like to quote from them, as follows:

> The efficient wheat-producing farmers that were in business in 1940 have watched with growing concern the shifting of the right to produce wheat from themselves to other farmers here in the United States as well as in foreign countries. * * *
>
> They have also seen the less efficient wheat farming areas of the country that are better adapted to other types of farming, shift to the production of wheat.
>
> For example, they have seen Michigan expand wheat and go out of the production of dry, edible beans because the production of wheat for the Government was a more profitable venture.

Mr. President, I could mention other areas in similar manner.

I quote further:

> Now that we have such a tremendous surplus supply of wheat (900 million bushels—over six times the normal amount prescribed by law) which is destroying market prices and threatening to overwhelm the farm program in a manner similar to the way it destroyed the old Federal Farm Board, serious cuts in production are being called for.
>
> The new areas are claiming their right to produce wheat and the efficient producers in the old areas are being cut drastically.

For the most part, the efficient wheat-producing areas can produce wheat better than anything else; yet the support program has built up such surpluses that these areas are being deprived of their right to produce, while other areas which could more efficiently produce alternative crops are continuing to produce wheat, due to the high Government, incentive prices.

I quote further:

> The efficient western Kansas wheat farmer along with the efficient wheat-producing farmers in other States also see that the price support program has encouraged the Canadian, Argentinian, Australian, Turkish, and other wheat farmers of the world to plunge into the production of wheat in competition with him, knowing that the wheat of the United States will be the last to find its way into the world markets.

Mr. President, we are choosing between two courses. The one I oppose denies, as I view it, the right of farmers to produce for the market on an increasing proportion of their land. The program I favor provides a guaranteed, high price support between 80 and 90 percent of parity, but with sufficient flexibility to give the farmers the maximum opportunity to use all their land to increase their income and reduce the imposition of the rigid police power of the Federal Government in carrying out controlled programs.

It is unfortunate that the Nation's primary attention has been misdirected at this time to a debate on the merits of alternative methods of reducing farm production, both of which result in reduced farm income. The difference in the level of farm income support, as between these two courses, is not great, for the objective of each is the same—namely, to adjust production to the demand.

However, the methods differ very widely in their impact on both our economic and political institutions. From that standpoint, Mr. President, debate is fully justified. However, efforts should be directed toward maintaining a high level of farm income, which is the essential part of a high level of national income.

This country cannot protect its free institutions by allowing national income to contract. The real answer lies in expanding markets for production. Expanded markets have been expressed again and again as sound economic doctrine, but little has been done to expand markets for farm products. Farm income can be maintained and increased only by increasing markets to the size of the productive capacity of American farms.

Reducing production is not the kind of answer we in Kansas look for. The hub of our problem is manifest in the accumulation of surpluses.

Wheat, cotton, corn, tobacco, fats and oils, and dairy products constitute the great bulk of the surplus farm production in which your Government and mine, Mr. President, has invested more than $6½ billion. Many of these products cannot be absorbed into the domestic market before they either deteriorate or before their value is reduced by heavy storage costs. The cost of storing Government-owned commodities is approaching $750,000 a day. This cost is rising, with no end in sight.

The hope for avoiding serious consequences is to find foreign markets for these surpluses and to minimize the loss on the $6½ billion public investment. The principal hope for avoiding a very sharp drop in farm income, resulting from reducing production, is to expand the export market.

For this purpose, I originally sponsored, and was later joined by most of my colleagues on the Committee on Agriculture and Forestry in introducing the Agricultural Trade Development Act, which became law on July 10.

The export of large quantities of farm products is vital. No farm program should be accepted without a thorough consideration of its effect on foreign markets. An essential part of the farm program is the formulation of a national farm policy and a national foreign-trade policy which will facilitate the export, at profitable prices, of 4 out of 10 bushels of wheat, 4 out of 10 bags of rice, 4 out of 10 bales of cotton, 4 out of 10 bushels of soybeans, and very large amounts of other farm products.

To avoid the burden and danger of restrictive quotas, to assure healthy markets for farm products, let me repeat that we need a national farm program and a national foreign-trade policy which will facilitate the export of approximately 40 percent of the major crops, except corn, at profitable prices.

Since 1951–52 wheat exports have dropped more than one-half. One-half of the 1951 exports were given away. But we did not establish a market.

In a great wheat State like Kansas we cannot live on a domestic wheat market alone. We must have a farm program that will facilitate export. So now let us examine the program before us from this standpoint.

A 90-percent price support on wheat is $2.24 per bushel. The United States has a 210-million-bushel allotment under the International Wheat Agreement. Wheat-agreement prices range from a minimum of $1.55 a bushel to $2.05 a bushel.

Carryover stocks in the wheat-exporting countries are approximately 2 billion bushels. With this supply situation, we can expect that wheat will fall at least to the International Wheat Agreement minimum of $1.55 a bushel. Export would then require a subsidy of at approximately around 70 cents a bushel. We vitally need to gear domestic policy to export wheat at a rate of around 400 million bushels a year. But it makes no sense to build it on a subsidy from the taxpayers that would cost nearly $300 million a year.

Mr. THYE. Mr. President, will the Senator from Kansas yield to me, in order that I may ask a question at this time?

The PRESIDING OFFICER (Mr. GOLDWATER in the chair). Does the Senator from Kansas yield to the Senator from Minnesota?

Mr. SCHOEPPEL. I am glad to yield.

Mr. THYE. If we drop the producer's price, so that wheat becomes competitive in the world market, would not that in due time have a tendency to lower the entire standard of income of the American farmer to that of the world level?

Mr. SCHOEPPEL. That argument has been advanced. However, we have the troublesome situation of an oversupply and the necessity of getting rid of it. I feel that if we press for and obtain a vigorous foreign export program, it will relieve the present difficulties.

Mr. THYE. I share the conviction of the able and distinguished Senator from Kansas that we must press vigorously to develop and bring about an increased export trade.

But the other question I have in mind is this: Would there be any logic or reason to the two-price system, so that consumers in the United States would maintain a price level which for the farmers would be in keeping with the so-called standard of living, or standard of income, all other segments of our economy enjoy; and what was over and above what we could consume in the domestic market could go into the international market, to be sold at whatever price that market would pay for it? I am sure that if the domestic percentage of the Senator from Kansas, were, say, 80 percent of his crop, if he could have full parity with the rest of the Nation's economy on that 80 percent of his crop, and the other 20 percent were in surplus, the Senator would be perfectly willing to put that on the world market, whether it brought him $1 a bushel, 75 cents a bushel, or even 50 cents a bushel. That, of course, would be the two-price philosophy.

I wonder whether the Senator from Kansas has given any thought to the two-price system which has often been advocated and which some students of economics say is our only solution, our only way out, whereby the American farmer will receive for his products an equal share in the so-called domestic economy of the Nation. When they go into foreign trade he is perfectly willing to dump them.

The manufacturer of a tractor has such a pricing system, as I understand, and the manufacturer of a combine or the manufacturer of other implements has some such system as that. If he shipped to a foreign country he would drop the price on the shipment far below what he would charge the dealer who, in turn, was retailing to me or to the Senator, or someone else.

I wonder whether the Senator has given any thought to the two-price system. I might ask in the same breath if it would not be well for us to study the two-price system.

Mr. SCHOEPPEL. I will say to the distinguished Senator from Minnesota, who has been a student of the agricultural situation for a good many years and has been a very active member of the Committee on Agriculture and Forestry——

Mr. THYE. Mr. President, if I may interrupt at that point, let me say that I have been no greater student than has the able and distinguished Senator from Kansas. Minnesota is an area of diversified farming; but Kansas, of course, is a great producer of beef, and one of the greatest wheat-producing States in the Union. Therefore I would not be able to add anything to the actual experience and understanding of agriculture which is in the possession of the distinguished Senator from Kansas. I knew the Senator before he came to the Senate. I knew him when he was the Governor of his State. There was no one who understood the farm problem any better than did the distinguished Senator. That is why I ask the question as to whether the two-price system might not be a subject for serious study.

I have heard some very good students of agricultural economy say that that is the only way the farmers can remain on a par with business people, professional people, and laboring people, who are all highly organized. If we are to maintain our standard of living, we will have to operate under a two-price system, because we must compete with Denmark's butter and New Zealand's butter. We must compete with Australia in some of its own wheat production, as well as with the Argentine. So we get to the point where we must become more serious about the idea of the two-price system. I do not want my brother in the banking business to have an easier job of maintaining his standard of living than I, who have always been classified as an agriculturalist. That is the entire argument I advance when prices are discussed. That is why I advance the question of the two-price system. I put it to the Senator because he is a student of agriculture. He is well grounded in public life and in public service. He had the opportunity to obtain a college education in his youth. He has lived close to the land. He has represented the great wheat and livestock area of Kansas.

Mr. SCHOEPPEL. I have previously heard the question of the two-price sys-

tem advanced for discussion. The able Senator poses the question of whether we should not give serious consideration to it. I think it should be studied. I seriously doubt whether I know enough about it at this stage to commit a plan to writing or say what I would do or what I think about certain phases of it.

I have been told that it has some merit along certain lines, and that great administrative difficulties are involved. But I share the view of the Senator from Minnesota that the question should be studied. If we find that whatever program comes out of this session of Congress does not live up to expectations or if it does not perform as many of us hope that it will I think we should explore to the very utmost that proposal. I am sorry to say that I do not have at my fingertips the answer to the question whether a two-price system will work well enough to meet the hopeful expectation of those who advance it or whether it goes so far the other way as to operate as detrimentally as some of those who are opposed to it conceive it would.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. SCHOEPPEL. I am glad to yield.

Mr. AIKEN. I should like to say, after listening to my two colleagues discuss the two-price system, that I had felt that in the coming session of Congress our committee could well devote some time to the study of two-price systems—not merely one system, but all kinds of two-price systems.

Mr. SCHOEPPEL. The Senator from Minnesota asked me whether I did not believe that the two-price system should be studied. I fully and completely agree that we should give some thought to it and that we should study it.

Mr. AIKEN. I think it is important that it be given some study. We know that Canada has a two-price system. Of course, that is quite a different system, because the Canadian Government buys and sells all the wheat. Therefore it is relatively easy to administer.

However, there are many questions related to a two-price system that must be studied. I have heard considerable criticism—perhaps it is not criticism—with respect to the weaknesses of some provisions contained in the House bill. In fact, I see some weaknesses myself. However, that does not mean that we should give up, or say that since no two-price system will work anyway, we will not bother with it. I believe we should give it some study. As my two colleagues know, we have not had extensive testimony on the question before our committee. The milling interests, who would have to pay the costs, have not had an opportunity to testify with respect to it. The exporters would be interested in giving their viewpoint. I should be interested in their views. Producers of other food grains would be very much interested. Perhaps they would fear that they might find wheat on the market at just below the cost of the price of other grains. There are a great many angles connected with the whole subject. Of course, I am not prepared to endorse a two-price system.

I think, however, that the Senate should vote on the House provisions. I understand that an amendment will be offered which will embody a two-price system for wheat. Before the bill goes to conference we ought to have an idea of the general attitude of the Senate on the question.

Mr. SCHOEPPEL. I wish to say to the chairman of the committee that the questioning on the floor of the Senate and the thoughts which have been expressed show very definitely the need for a further study of this very important subject As I told the distinguished Senator from Minnesota [Mr. THYE], I am not ready to commit myself on the question. It might well be that we should give serious thought, consideration, and exhaustive study to the plan and go into the various and sundry ramifications of the subject. I confess I do not know all the answers.

Mr. THYE. Mr. President, will the Senator yield further?

Mr. SCHOEPPEL. I am glad to yield to the Senator from Minnesota.

Mr. THYE. In a sense, through the International Wheat Agreement, by which the Federal Government subsidized the wheat which went into International Wheat Agreement shipments, we did have a two-price system, except that the Federal Government absorbed the drop in price, and it was necessary to absorb it in order that the wheat could be competitive with the wheat of the other countries and be put on the same level, so that the countries that were importing it could afford to buy it.

The other question I should like to ask is this: I have tried to determine the number of acres we would have to restrict in the event we were on an 80-percent of parity basis as compared with the number of acres by which we would have to reduce wheat production if we were on a 90-percent basis. I have tried to weigh that question to determine whether it would make any difference in the first year, or in the next 2 years, with respect to the number of acres sown to wheat, cotton, or corn, if the supports were at either 80 percent or 90 percent. Could the Senator from Kansas foresee that in 1955 a producer would be permitted to seed to wheat a greater number of acres if we were at 80 percent than if we were at 90 percent?

Mr. SCHOEPPEL. Frankly, I do not have the figures as to wheat except those for 1955 to which I have referred in my speech, and I would not want to say that I could make a legitimate and fair guess for the next 2 years, 1956 and 1957. However, I would naturally suppose that if we had a high rigid support price, which would encourage more production, we would have a greater surplus, requiring the agricultural authorities, if they followed the law, to cut back to a greater extent on the acreage. I believe the distinguished Senator from Minnesota will agree that under either plan we shall have to restrict the acreage in 1955.

Mr. THYE. Exactly. There is no other way of getting production down, in my opinion. I thank the distinguished Senator for permitting me to ask these questions at this time.

Mr. SCHOEPPEL. I appreciate the Senator's asking his questions.

Mr. THYE. There is no one whose agricultural thinking I respect more than I do that of the senior Senator from Kansas. He is well grounded in an understanding of agriculture because of his experience in that field. I thank the Senator.

Mr. SCHOEPPEL. I thank the Senator from Minnesota.

Two vital requisites to producing farm products for export in world competition are to provide a quality product at competitive prices. The program of the past 12 years has encouraged the production of high yielding, inferior quality wheat that is not wanted at home or abroad. Foreign buyers know that on equal grades at equal prices they get more flour, with better baking quality per dollar, in Canadian wheat.

The first requirement of a farm program geared to the export need is to encourage the production of a quality wheat that can compete in world markets. The rigid high price support has not done this. It encourages farmers to produce for the Government and not for the market needs. Despite this encouragement in the wrong direction, Kansas grows some of the finest wheat in the world.

The second important requisite of competing in world markets is to price the product competitively. High rigid United States support prices have held an umbrella over the wheat markets of the world. Under that umbrella wheat acreage has increased from 400 million acres to 450 million acres, an increase approximately equal to the domestic wheat quotas for United States farmers in 1955.

This program has encouraged the production of wheat abroad, with which we are now unable to compete. Kansas wheat farmers are efficient low-cost wheat producers. They can out-compete the rest of the world in quality and price. So can the wheat producers of the Great Plains States, and of other States. They cannot as a whole out-compete the rest of the world if they have to carry the handicap of all the inefficient high-cost wheat-producing areas in the United States.

As I mentioned earlier, we need a permanent wheat export market in the neighborhood of 400 million bushels a year. If we are to gear our domestic policy to such an extent it must be done on the basis of efficient low-cost production. The flexible price support provides that opportunity. The 90 percenters' rigid support, with a flexible acreage program, precludes that opportunity. I am for a program which gives farmers the opportunity to increase their markets. I am against a program which forecloses that opportunity.

One important point I wish to make is that the problem the farmers face today is how to use the diverted acres for profit.

The issue is—who is going to produce the wheat?

Kansas, and the low-cost Wheat Belt, or the high-cost producing areas which shifted to wheat, only because of the high rigid price support. Continuation

of rigid 90 percent high-price support will lead to a political allocation of the right to produce wheat, as it has for cotton.

If the right to produce wheat is to be allocated politically, the Great Plains States will be outvoted and the right to produce wheat will be shared with the high-cost areas. If wheat is to be produced by those who can produce it at low cost, Kansas and the Great Plains will produce the wheat. I am for a program that gives the opportunity to produce to those who can produce efficiently.

One final word. As I have previously stated, I originally sponsored the Agricultural Trade Development Act. I was joined by most of my colleagues on the Senate Committee on Agriculture and Forestry. This act, if administered as it was intended, could well be one of the most important pieces of agricultural legislation enacted by this body in years.

Title I of this act authorizes the sale of United States products for foreign currencies under certain conditions and limitations.

The foreign currencies are to be used as a revolving fund to expand international trade and to promote balanced economic development and for other purposes.

The title "Agricultural Trade Development Act" was chosen advisedly. It was felt that there were three broad prerequisities to expand trade in farm products:

First. Adequate marketing facilities and services: These include adequate stocks to maintain continuous supply, adequate storage, processing, packaging, advertising, retail outlets, and supporting merchandising services to increase the demand for farm products.

Second. Capacity to pay for increased quantities of products: These include the increased production of strategic and critical materials and the production of goods and services which complement the economies of the United States and other friendly countries. Such increased economic activity should increase employment and individual demands.

Third. Opportunities to pay for increased quantities of products: These involve markets for expanded production, either directly to the United States, or through multilateral trade with the United States.

The act provides for the use of currencies in order to accomplish these three prerequisities for an expanded export market for farm products.

The high flexible price-support program which I support will facilitate the implementation of the Agricultural Trade Development Act of 1954. As between a high, rigid, price support, and a high flexible, price support, I cast my vote for a high flexible price support from 80 to 90 percent, which gives farmers a program in which they can earn a maximum net income in dollars, leaving them with the freedom of opportunity to use all of their farm land to increase their income.

And let me say that although wheat is now supported at 90 percent of parity, the price for the past year has been averaging only about 82 percent. Even those farmers who place their wheat under Government loan will not get 90 percent because of the storage charge deduction.

It protects the small farmer.

It protects the livestock farmer and the ranch man.

It operates within the framework of our present economic system, and thereby protects America's great heritage of freedom.

Mr. HILL. The majority of eight members of the Senate Agriculture Committee which voted to favorably report S. 3052 has done an outstanding piece of work in its report accompanying the bill. The report refutes one after another of the claims made for flexible farm-price supports and rests the case for firm price supports on the sound rock of reason.

The report warns that reducing farm prices as well as major crop acreage at once may result in net farm income moving "well below $10 billion to even more disastrous levels."

The majority adds:

> Such a decline in farm income will be a severe blow to the Nation's economy. The recent decline in farm prices and net income is symptomatic of the agricultural dislocation that touched off the great industrial-agricultural depressions of 1920–21 and 1929–32.

The report certainly was not overstating the case when it declared that the situation is symptomatic of the situation in the twenties. The fact is that agriculture is already back in the 1920's economically. The purchasing power of farmers is little better today than it was in the midtwenties when a depressed agriculture was gnawing away our economic foundations and unwillingly leading the Nation to its worst depression.

The last issue of the monthly publication of the Department of Agriculture, Agricultural Prices, released June 30, shows that the parity ratio—the relationship of prices received by farmers to prices paid—stood at 88.

That is worse than the parity ratio in 8 of the 10 years of the twenties. Even in 1929, when the crash came, the ratio of prices received by farmers to prices paid was 92. I offer for the RECORD a table taken from the 1953 edition of Agricultural Statistics, published by USDA, showing the ratio of the index of prices received to the index of prices paid by farmers through the twenties:

1920	99
1921	80
1922	87
1923	89
1924	89
1925	95
1926	91
1927	89
1928	92
1929	92

Only in 1921 and 1922 was the ratio lower than today. In the years preceding the great depression 1923 through 1929, it stood at 89 or higher. So the June 15 index showing that farm prices in the aggregate are now running 88 percent of parity should be an economic cyclone warning to us.

Farmers today sell more units of production than in the twenties. It might be argued that their total net income on more units is better than in the twenties. But analysis does not substantiate this. The real test of the farmers' "take home" pay is purchasing power. Does the purchasing power of his present net income exceed farm purchasing power in the predepression period in the twenties?

The answer is that when farm net income in the two periods is reduced to comparative purchasing power, we find farmers this year back very close to the levels of the middle twenties.

I ask unanimous consent to have printed in the RECORD a table showing net farm income by years since 1919, the index of prices paid by farmers in those same years based on the 1910–14 average, and the purchasing power of each year's net income based on the 1910–14 dollar.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Purchasing power of net farm income, 1919 to 1954

Year	Net income (millions)	Index of prices paid (1910–14=100)	Purchasing power in millions of 1910–14 dollars
1919	9,332	197	$4,737
1920	6,921	214	3,234
1921	3,725	155	2,403
1922	4,208	151	2,787
1923	4,951	159	3,114
1924	5,228	160	3,268
1925	6,223	164	3,795
1926	5,790	160	3,616
1927	5,766	159	3,628
1928	5,699	162	3,519
1929	6,130	160	3,831
1930	4,430	151	2,934
1931	2,829	130	2,176
1932	1,898	112	1,695
1933	2,692	109	2,470
1934	3,766	120	3,138
1935	4,500	124	3,629
1936	5,064	124	4,084
1937	5,095	131	3,889
1938	4,232	124	3,413
1939	4,261	123	3,464
1940	4,298	124	3,466
1941	6,052	133	4,550
1942	8,849	152	5,822
1943	11,540	171	6,748
1944	11,970	182	6,576
1945	12,286	190	6,466
1946	14,193	208	6,823
1947	16,774	240	6,989
1948	15,604	260	6,001
1949	13,593	251	5,416
1950	12,362	256	4,828
1951	14,644	282	5,192
1952	13,499	287	4,703
1953	12,500	279	4,480
1954	[1] 11,500	[2] 282	4,078
([3])	10,000	282	3,546
([3])	9,000	275	3,272

[1] Estimated.
[2] June 15, 1954.
[3] Assumed figures for comparison.

Mr. HILL. Using a stable dollar as the basis of comparison, we find that in 1952 farm purchasing power fell just below 1919. It was $4,737,000,000 in 1919 and $4,703,000,000 in 1952.

Last year, in 1953, purchasing power of net farm income fell another $223 million to $4,480,000,000. It will fall further this year. I have included in the table a calculation based on $11.5 billion net farm income this year, which would mean a $4 billion purchasing power in the stable dollars.

If farm income falls, as the Agriculture Committee report foresees, to $10 billion or less, then purchasing power of

farmers will actually be under their purchasing power in some of the serious years preceding our tragic economic collapse in 1929–32.

It is almost unbelievable that in the face of this situation, with the parity ratio below most of the years in the twenties, and farm purchasing power in the same levels, there should be talk from any quarter about letting farm prices and income down gradually. I am sure our farmers found poor consolation in the reassurance in President Eisenhower's agriculture message to Congress that "in no event will there be an abrupt downward adjustment in the level of farm price supports."

We ought to be considering how farm income levels can be built back up to prevent a farm-led depression. We ought to be facing in exactly the opposite direction from that which is urged by the administration today. We ought to be seeking ways and means to add $1 billion, $2 billion or more to farm income to restore prosperity rather than talking about letting the farmers down easy. We ought to be concerned, not alone about whether the farmers deserve help, but about the billions of dollars and the suffering a farm depression will cost the whole Nation.

One of the greatest differences I can find in the comparable situations existing in the postwar adjustment era of the 1920's and the postwar adjustment era today is that the Secretary of Agriculture under the Republican administration in the earlier period saw the need to restore farm income—to build it up—while the Secretary of Agriculture today, backed by the President, is literally crusading to move farm prices and farm income farther and farther down.

Henry Cantwell Wallace was the Republican Secretary of Agriculture from 1921 through 1924 under President Harding. In his book Our Debt and Duty to the Farmer, written in that period the Republican Secretary Mr. Wallace declared that farmers must be given a fair price for their products in relation to what they have to pay. I quote him:

> The waste and distress resulting from the agricultural depression have forcibly shown the need for sound long-time policy for the development of our agriculture.
>
> The fundamental trouble with agriculture is the distorted relationship between the prices of what the farmer produces and the prices of other commodities.

Mr. Wallace wrote that the situation might be partly improved by abolishing all Government subsidies to the industrial side of the economy—tariff protection and similar aids—or that we might provide aids which would lift agriculture up to parity.

Henry Cantwell Wallace was not heeded by the Republican administration in his own day. The agricultural situation was allowed to "rock along." The McNary-Haugen bills were vetoed. Officials satisfied themselves by issuing reassuring statements that farm prices had hit bottom; that they been stabilized; the very sort of statements that are being issued today.

And then the bottom fell out. Industry and business were pulled into the depression pit with agriculture, and we had violence in rural America, food lines and riots in the cities, hunger marchers and even the "battle of Anacostia," when the veterans were driven from hovels on the Anacostia flats here in Washington.

The memories of men must be short indeed when, with the farmers' parity ratio already under the parity ratio in every year from 1923 through 1929, they can propose lowering price supports during a period of acreage cuts and consider it reassuring to pledge that the downward adjustments will not be abrupt—just gradual.

After the disaster of 1929–32 we evolved the foundations of the great farm programs we have today. Price supports started low, much too low, as I shall develop in a moment. But we established a parity concept; the 1910–14 period was selected as a period in which farm prices and costs were to be regarded as a reasonably fair balance. Then we gradually raised the levels of support, as we learned that it could be done without great expense and with tremendous benefit to the whole economy. In the late thirties we were still fighting for full parity for agriculture. The concept then was for 80 or 85 percent of parity supports through the loan programs and a parity payment which would make up the difference between the loan or the market, whichever was higher, and full parity.

The war intervened. All of us know the story of the forties. Our farm programs were used as incentives to increase production. Demand held farm income high and we had an era of war prosperity, with the parity index going to 120 and above.

In the 17-year period from 1933 to 1950, when the census was taken, the status of agriculture was tremendously improved.

In 1920, 61 percent of farmer operators were owners, 1 percent were managers, and 38 percent were tenants. When the census was taken in 1930, farm ownership was down to 56.7 percent and tenancy was up to 42.4 percent. There is no way of knowing how far ownership fell in 1931 and 1932, the worst years. There was no census. Mortgage moratoriums and debt moratoriums likewise concealed the full extent of the loss of equity of men in their land. But from the recorded low in ownership of 56.7 percent in 1930 we had rebuilt farm ownership to 72 percent of operators in 1950. Tenancy had been reduced almost in half—from 42 percent to 24 percent.

A very real question we face in our action on this farm bill today is whether we want to reverse the trend—whether we want to start farm ownership and farmer equity falling again as it did in the twenties, instead of continuing to increase the stake of citizens in their farms and their homes in rural America and to build the strength of our country.

Throughout the 20 years since the farm programs were instituted, price supports have never been raised to 100 percent of parity.

Our present parity formula, based on the 1910–14 period, gives farmers something less, even when they are getting full parity, than a fair balance with other segments of the economy.

In the period that was chosen as representing a fair balance between farmers' prices and costs the average per capita income of farmers, including the value of home-grown foodstuffs and an allowance for the value of the domicile and all other perquisites, was less than 50 percent of the average per capita income of our total population.

In the war years, when farm prices averaged as high as 122 percent of parity, farm people received only 70 percent as much per capita income as the national average.

Last year, when farmers still received better than 90 percent of parity overall, their per capita income—including homegrown foods, domicile and other perquisites—was only $882 per capita—less than half the $1896 per capita income of our urban population. Actually, the per capita income of the farmers did not all come from farming. The Agricultural Marketing Administration advises me that only $615 of the total came from farming. The other $267 was from nonfarm sources.

Even at 100 percent of parity the farmers of this Nation would not have half as much per capita income as urban citizens. Farmers are not today getting 90 percent of parity, but 88 percent. This is below the 1923–29 level preceding the depression. Farmers are confronted with acreage reduction. Yet we are debating here today whether we will continue 90 percent just 1 more year, or let the supports for basic crops slide down to a minimum of 80 or 82½ percent of parity next year and 75 percent of parity after that.

The proponents of flexible supports are busy passing out assurances to cotton State senators that with a set-aside of 3 to 4 million bales of cotton, there will be no reduction in the 90 percent level of cotton price supports next year; that cotton has nothing to fear in 1955 from flexible supports.

I want to say two things to those who offer such assurance. First, my interest in cotton is not confined to the price level next November, next year, and even through 1956. It is in all the years ahead. If flexibles are allowed to come into effect and the one time set-aside has all been made and we then have a couple of bumper yields like last year, even under acreage controls cotton price supports would be flexed downward. If it is not anticipated that cotton support levels will slide down at some time, why propose to put cotton on the flexible scale?

Second, my interests are not limited to a single commodity; they extend to the whole national welfare.

Perhaps one explanation of the advocacy of imposing the sliding scale at this critical time on our economic life is that the proponents do not seem able to see the forest for the trees. They are immersed in the technicalities of acreage shifts within agriculture; they have been frightened by a bogey bear of supposed surpluses; they are looking hopefully to a stimulation of exports; they are dealing with little problems, and cannot see

that the total problem is not just adjusting one commodity, but keeping the whole of agriculture economically healthy so the Nation will not become ill.

Even with stable prices, cotton income is down in 1954, and will decline further in 1955. Cotton acreage is down 21 percent this year as compared to last year. Last year yields were 20 percent above average. With just average yields on the 1954 acreage, even at stable 90-percent supports, farmers' income from cotton will be down 40 percent as compared with last year, a tremendous blow to our southern economy and our national economy.

Looking forward to 1955, the situation is even more serious. Cotton farmers face another cut of 10 or 12 percent in their allotments.

Such facts as these convince me that we must not look down the farm-price scale, as the Administration and a minority of the Agriculture Committee propose. We should be looking up the farm-price scale to find ways to cushion the shock of the great acreage reductions.

The producers of our basic commodities have tightened their belts, and voted time and again to make the acreage adjustments necessary to control production and hold up their end of the price-support bargain with their Government. In return, they are asking only that there not be heaped upon them a second and unnecessary income reduction by reducing their supports in the time of greatest need.

I would like to deal for a few moments with some of the claimed advantages of adopting flexible supports and letting farm prices fall gradually.

A great appeal has gone out to consumers to back the price-support cuts for the asserted reason that such cuts would lower consumer prices. This appeal, coming from the source it did, was a betrayal of the farmers.

But what is the truth about consumers getting advantage from the farmers' losses?

A shirt—a $3.95 shirt made out of cotton—contains about 30 cents worth of cotton. That is all the farmer gets. Cutting the price of cotton 10 percent, or even 20 percent, would do great harm to the cotton farmer, but would not save the consumer enough to pay the District of Columbia sales tax on that shirt—even if the saving was actually passed along to him.

A loaf of bread, the 16-ounce loaf that costs us 16 to 20 cents here in the Nation's Capital, contains 2¼ cents worth of wheat, according to Government figures. If the price of wheat is cut 25 percent it would ruin tens of thousands of farmers, but it would not be a sufficient fraction of a penny to pass along to the consumer.

There has been a great deal of ado about high feed costs which other farmers must pay. But when Secretary of Agriculture Benson was before the House Agricultural Committee, and was questioned about why he cut dairy supports when feed supports were still high, he said, in effect, "Let's not exaggerate. Corn amounts to only 5 percent of dairy costs and all feed grains to only 11 percent."

The farmers get 10 or 12 cents a quart for milk that costs 24 and 25 cents at the doorstep. If the price of corn should be driven down 25 percent, effecting a saving of one-fourth cents per quart on farmers' feed costs, and it were all passed along to the consumer, it would mean a 1-percent saving on the cost of milk to consumers.

Have food prices come down proportionately with farm prices?

The prices which consumers are paying for food are down less than 1 percent in the last 2 years, according to the Department of Labor Cost of Living Index, although farm prices have come down 13 percent. The food-cost index averaged 114.6 in 1952. In May of this year it stood at 113.3—only 1.3 down from the 1952 average. The latest cost of living index for June 1954, shows a rise of 0.5 in the food index to 113.8, leaving the decline since 1952 only 0.8, in spite of the farmers' heavy losses.

The House Committee on Agriculture has just released a report on the committee's study of the relationship of farm prices to the cost of food. The report confirms that lower farm prices have little effect upon the retail price of food. In fact, the report reveals that while farm prices have fallen, food prices have gone up. In many instances, the increases have been sharp. For example, the committee points out that while the price of wheat has declined 90 cents a bushel, or 32 percent, since January 1948, the price of bread has advanced 23 percent in the same period.

Similarly, the report points out that in the last half of 1947 the farm value of corn in a 12-ounce package of corn flakes was 4½ cents, and the average retail price was 16 cents. In the first 3 months of 1954, according to the report, the farm value of the corn in a package of corn flakes had dropped to 3 cents, but the average retail price of corn flakes had jumped to 22 cents.

The processing and distributing of foods has sponged up the farmers' losses to a very large extent. In 1945 farmers got 54 cents of the consumer dollar. Now they are getting only 44 cents. Food processors and handlers got 46 cents in 1945. Now they get 56 cents.

The United States Department of Agriculture publication on marketing and transportation for May of this year reports that a selected group of leading corporations which process agriculture commodities increased their rate of profit by 12.6 percent last year. Dollarwise, the profits of this group of processors rose from $557,780,000 to $628,351,000 between 1952 and 1953. In the same period the farmers' net income dropped $1 billion.

The same report shows that the profits of 28 food chains in 1953 increased 29 percent to 12.7 percent on net investment.

These facts are not revealed in appeals to consumers to back the administration crusade for lower farm prices.

The farmers have been told that they will gain from lower prices because the consumers will buy more. The facts I have just presented illustrate the fallacy of that argument. Only a meager portion of the farmers' losses are passed along to consumers—not enough to have an effect on sales.

We have heard conflicting arguments about the effect of lower price supports on production. We have been told at one time that lower prices will permit greater production to meet growing demand, and we have been told at other times that lower prices will reduce production—that farmers will not plant as much if prices are permitted to sag.

Mr. Don Paarlberg, Secretary Benson's economic adviser, told a Minnesota audience, in February of this year, that a 10-percent change in price results in a 2- to 3-percent change in the same direction in acreage planted to wheat or cotton.

Assuming for the moment that planting does drop 2½ percent for each 10-percent price decline, if we permitted cotton to drop to 25 cents a pound, we would get a crop of 15.2 million bales. At 20 cents a pound, we would get a crop of 14.6 million bales—far larger than our allotment goals contemplate. It would take deliberate economic ruin of the South to accomplish controls by the price device.

Finally, admitting the futility of attempting to control production by price alone, Mr. Paarlberg pointed out that acreage allotments and marketing quotas are being retained in the Benson plan. It is a combination of controls and price reductions—the "double deal"—which will achieve the desired results, Mr. Paarlberg said.

Mr. President, industrialists cut their production to maintain the prices of their products. I am sure that they would regard it as complete economic nonsense if they were told that the two should be linked together.

The incentive for farmers to accept acreage allotments and marketing quotas is to maintain their price-support levels. Controls have been voted by farmers time and again for that very purpose.

But today we are told that the concept has been all wrong in the past; that the two should be imposed on the farmers at one time. Today, in spite of the national economic dangers of further deflating the farmers, we are told that we should inaugurate this new concept of making the farmers cut acreage and accept lower prices both at once, regardless of what it does to the whole economy.

Cotton farmers do not believe that price cuts will reduce cotton acreage, but rather that they would have a tendency to cause some farmers to strain against their allotments and quotas. I am sure Mr. Paarlberg must be disappointed if he was looking for a decline in milk production resulting from Secretary Benson's lower price supports and lower prices. Production has gone up.

Mr. Bob Flautt, testifying before the House Agriculture Committee for the Mississippi Cotton Councils in Missouri, Arkansas, Tennessee, and Louisiana, on behalf of 90 percent supports, pointed out this milk situation and gave some other interesting facts. Soybean supports are down from 90 percent to 80 percent of parity this year, but the Crop Report at the time he testified indicated the farmers' intention to increase plant-

ings by 12 percent. Dry edible bean supports have been reduced from 87 to 80 percent of parity, but farmers' intentions to plant were up 14 percent. Supports on corn in noncommercial areas were dropped to 67 percent of parity, and planting intentions went up 5 to 10 percent.

Cotton farmers in our area—

Mr. Flautt summarized—

are of the opinion that the only satisfactory way to control production is by allotments and quotas.

The Benson-Paarlberg theory that lower prices will mean greater consumption was similarly demolished by Mr. Flautt. The price of raw material in cotton products, like the price of wheat in bread, is such a tiny fraction of the final retail cost, as I have already recounted, that its price affects consumption but little, if any at all.

Mr. E. D. White, Deputy Director of the Food and Agriculture Division of the Mutual Security Administration, recently reported in an address:

Lowering the price of cotton is not a very effective means to increase consumption. Last season (1952) cotton sold from 40 to 65 cents a pound, and the free world consumed abut 25 million bales. This season cotton is much lower—only 30 to 35 cents a pound—but the free world is consuming only about 25 million bales. A 25 to 50 percent reduction in cotton prices—yet no increase in cotton consumption. Depressed prices are not desirable for either cotton-producing countries or cotton-consuming countries.

There is one more aspect of this matter of increased consumption I should mention. A spokesman for confectioners, during the hearings on the bill, proposed removal of the 90-percent support on peanuts. It was disclosed that a 5-cent candy bar contains about one-half cent's worth of peanuts, and it was admitted that if the confectioners got their peanuts free, it would not change the price of the 5-cent candy bar. It was argued that a few peanuts might be added.

When the weighty contention was presented that there would be a benefit to the peanut growers through increase of consumption, I regret that some member of the committee did not ask for an estimate on the number of confectioners who are going to change the size of their candy bars, the size of their wrappers, the size of their display boxes, the size of their shipping cartons, and readjust their operation, in order to give those who eat candy bars the benefit of a 1-mill reduction in the cost of peanuts by adding 3 or 4 goobers to each bar.

There is one other argument for flexibles with which I desire to deal just a moment. That is that flexibles will tend to adjust production away from farm products in surplus to those in short supply.

We know a number of commodities which need to be adjusted downward. But to what should the farmers shift? Feed grains? Dairying? Poultry? Corn?

All major products are now in ample supply. If we in the South shift from cotton to potatoes, feed grains, or vegetables we will only create burdensome supplies of commodities already in ample supply.

Flexible price supports are not an answer when all farm products are in ample supply. They will not reduce total production. They will not reduce the need for acreage controls. In fact, the Secretary himself has testified that the flexible program he advocates would not reduce the need for strict production controls in the next few years.

However one looks at them, flexible supports are ineffectual, unnecessary, and dangerous.

The final matter with which I wish to deal, Mr. President, is this matter of farm price support costs. I am deeply disturbed that the Secretary of Agriculture always mentions multibillion dollar figures when he is painting a picture of the cost of farm price supports. I am disturbed that, as the chief spokesman for the farm people in America, he has represented the cost of our farm programs as a tremendous tax burden, without putting his inflated figures in true perspective.

Our farmers and the Nation would be better served if Secretary Benson endeavored to inform the American people of such facts as we Members of the Senate and House Committees on Appropriations in their reports on the appropriation bill for the Department of Agriculture that recently passed the House and Senate. Those reports state that since 1940, agricultural appropriations have deceased 30 percent, while those for the balance of the civilian agencies of the Government have about doubled. The Senate committee report further stated that—

The committee believes it is not generally understood that all of the agricultural programs in the bill represent less than 2 percent out of each dollar requested by the President for the Government as a whole.

Our committee report showed, further, that the actual, realized losses on the basic and nonbasic commodities which received CCC price support total approximately $1,296,000,000, and that less than $95,000,000 of this total of losses over the entire 20-year life of the program was incurred in the support program for the six basic commodities—corn, cotton, wheat, rice, peanuts, and tobacco.

Such facts as these presented by the Senate and House Appropriations Committees contrast sharply with the multibillion dollar figures, not properly explained, which the Secretary quotes so freely now, as he did earlier this year when our committees were holding hearings on the price-support program, and when some members challenged his representations.

Mr. MORSE. Mr. President, will the Senator from Alabama yield at that point?

Mr. HILL. I yield for a question.

Mr. MORSE. Is it not true that when the Secretary of Agriculture appeared before the Senate committee many, many months ago, he left the impression, by the set of figures he submitted, that the farm-support program was costing the American people tremendous sums of money, whereas when the Senator from Alabama came to analyze the figures, he learned that the Secretary of Agriculture had included in them about everything, almost including the kitchen sink; and in that connection the Senator from Alabama found that what the farm price-support program had actually cost the people of the United States was approximately 35 cents a person a year?

Mr. HILL. That is exactly correct. During the years we have had the farm price-support programs, the cost to the average person in the United States has been just 35 cents. I do not believe that today 35 cents would buy 2 packages of cigarettes.

Mr. MORSE. Is it not true that at that time the Senator from Alabama issued a press release in which he pointed out that fact and said, in effect, that he thought that was a very low insurance premium for the American people to pay annually for agricultural prosperity in the United States?

Mr. HILL. I did issue such a release, and I did make that statement; and it is exactly what I am trying to say here today. This insurance not only provides the farmer with the income he must have, but it is insurance to keep a stable, strong, and healthy economy in the entire Nation. So it is just about the cheapest, lowest-cost insurance of which I know.

Mr. MORSE. Mr. President, will the Senator from Alabama yield for another question?

Mr. HILL. I yield.

Mr. MORSE. Is it not true that no one in this administration has been able successfully to contradict the statement which the Senator from Alabama made some months ago of the cost to the American people of the farm program?

Mr. HILL. I think the Senator from Oregon is correct as to that. As I recall there has been no true answer to the statement made at that time.

Mr. MORSE. Mr. President, will the Senator from Alabama yield for another question?

Mr. HILL. I yield.

Mr. MORSE. Is it not true that the Senator from Montana [Mr. MANSFIELD] not long ago, in a speech delivered by him on the floor of the Senate, brought out, for the information of the American people, the fact that some American magazines receive from this administration what amount to Government subsidies, and that they are in excess of what all the dairy farmers of the Nation obtain by way of support prices, to support the dairy industry?

Mr. HILL. Yes, Mr. President; the Senator from Montana [Mr. MANSFIELD] brought that out in a very pointed and effective way; and it has never been challenged, so far as I know.

Mr. MORSE. Mr. President, will the Senator from Alabama yield for another question?

Mr. HILL. I yield.

Mr. MORSE. Is it not also true that some of the very periodicals which are taking advantage of the subsidy supplied to them by the American people, are among the leading publications which are trying to take away from the American farmer the subsidy which is needed in order to assure agricultural prosperity upon which, in the last analysis, the wage earners are so dependent for their prosperity?

Mr. HILL. Yes, they are some of the very periodicals, which, as the Senator from Oregon says, have joined in the fight to take away from the farmers the support programs, and to take away from the entire national economy the strong underpinning the farm support-price program provides for the entire economy—not only for industrial workers, the professional people, and the so-called white-collar workers, but for all the people of the United States.

Mr. MORSE. Mr. President, will the Senator from Alabama yield for a further question?

Mr. HILL. I yield.

Mr. MORSE. Is it not also true that some of those periodicals are Life, Time, and Fortune, which we know are included among the so-called Luce publications?

Mr. HILL. Yes; and they are very "loose," I may say, in the figures they use in regard to these farm programs.

Mr. President, I once believed it would be impossible to throw into the debate any new figures on farm price-support costs. We have had stated to us everything from $95 million, as the cost of support for the basics in 20 years; $1.2 billion, for all direct supports; and up to $7.5 billion, $13.5 billion, and even $16 billion.

But I was mistaken in thinking that at that point the last figure had been submitted, for on July 3, speaking at the dedication of the Port Isabel-Padre Island Causeway, at Port Isabel, Tex., Secretary Benson came forth with a brandnew figure. On that occasion, the Secretary said:

> You may have been told that over the past 21 years, price supports on the basics have cost only a million dollars a year. The facts are that price and income support programs on the basics have averaged about $218 million a year. Currently they are running above that figure.

This brand new figure, when multiplied out, amounts to $4,578,000,000. There is no explanation of where it came from, of what it is composed—nothing more than I have just read.

The setting for the launching of this new figure seemed to me especially appropriate: The dedication of a causeway into a great gulf. The Secretary has built a causeway of his own—a bridge of figures which leaves those who follow it alarmed and completely at sea.

I regard the Secretary's use of multi-billion-dollar figures without adequate explanation—or without placing them in true perspective—a disservice to both agriculture and our Nation. As the venerable statesman, Bernard Baruch, declared:

> Every man has a right to his own opinion, but no man has a right to be wrong in his facts.

Farm programs cost money, Mr. President. Business aids—as just now suggested by the Senator from Oregon—cost money. We provide both to assure a sound and growing economy.

The House Committee on Agriculture has published a study showing that the Government has paid out $40 billion in business reconversion payments in the postwar period. This is 2½ times the cost of every conceivable expense that could be charged to agriculture—consumer subsidies, school lunch, and everything else included—over the past 20 years.

Mr. MORSE. Mr. President, will the Senator from Alabama yield for a further question?

Mr. HILL. I yield, for a question, to my friend, the distinguished junior Senator from Oregon.

Mr. MORSE. Is it not true that accelerated depreciation programs for the benefit of American big-business constitute, in fact, a subsidy paid by the taxpayers, in the sense that the saving of the interest on the loans amounts to a subsidy to big business, and that subsidy really comes out of the pockets of the American taxpayers?

Mr. HILL. Yes, it is a direct subsidy from the pockets of the American taxpayers.

Mr. MORSE. Has the Senator from Alabama heard anyone in the Eisenhower administration talk about that program as creeping socialism?

Mr. HILL. Oh, no. It is ratified, confirmed, and held up as a good example of what should be done.

Mr. MORSE. It is held up as a good example of private enterprise, is it not?

Mr. HILL. That is correct.

Mr. MORSE. In other words, if handouts are given to American big business, that is private enterprise; but if support is given to the American farmer, in order that he may be able to help sustain a prosperous economy in the Nation, that is creeping socialism.

Mr. HILL. I thank the Senator from Oregon.

Mr. President, our owned food and fiber stocks are under $3 billion worth. We have loans outstanding of another $3 million. The House committee study shows we have $129 billion worth of military materiel and a $6 billion stockpile of metals and other vital materials. The agricultural stockpile is comparatively very small, indeed.

And what will be the costs of a depression? How many billions of dollars will be lost if a depressed agriculture leads us again into a national economic decline?

Mr. President, southern farmers, western farmers, and northern farmers have, in the past, repeatedly demonstrated their willingness to cooperate with their neighbors and with their Government in all acreage-allotment and marketing-quota requirements.

The wheat farmers did so on July 23, although they do not know whether they are going to get 90 percent support, 82½ percent support, 80 percent or 75 percent.

The farmers are having to make deep reductions in acreage and therefore in farm income. Let us not force hard-pressed farmers to take a cut in both acreage allotments and prices at the same time. Let us not give them the double deal.

Let us not pile a price cut on their backs that is unnecessary, ineffectual in achieving any of our needs, and economically dangerous.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. HILL. I yield to my distinguished friend from Oregon.

Mr. MORSE. I was very much interested in the phrase the Senator used, "Let us not give them the double deal."

Does the Senator agree with me that it is about time also to stop the double-talk of this administration, such as was participated in during the 1952 campaign, when in speech after speech the Republican candidate unquestionably pledged himself to 90 percent of parity or more?

Mr. HILL. The Senator is correct. Not only in connection with agriculture were there promises which are now being repudiated with reference to agriculture, but promises were made and broken in connection with other segments of our economy, promises affecting many millions of people besides those to be found among our farmers.

We have a reconversion problem that is quite serious, but one that will not cost a tiny fraction of the expense of business reconversion in recent years. We need to look at the problem in relation to the whole economy.

We need to handle surpluses and maintain and rebuild farm income. Agricultural production is already being cut. New efforts should be directed toward expanding consumption.

We took a very constructive step a few days ago when we approved the Agricultural Trade Development and Assistance Act. That was an important and affirmative action. It will help in dealing with the whole agricultural problem. It will help to avoid the necessity of shinking farm production by whatever amount of demand it stimulates. I hope that it will be administered aggressively and constructively. It can do a great deal of good beyond agriculture in winning and holding foreign allies.

Other constructive steps should be taken.

One such constructive proposal has been neglected by this Congress—the proposed investigation and study of producer-consumer price spreads. If the farmer-distributor shares of the consumer dollar could be brought back to the 1945 level, retail prices would fall sufficiently to stimulate increased demand and increased consumption.

The pressing national need today is to bolster farm income, not force it further down under the levels of the twenties, the levels of those days, which threw us into the great depression.

It is indeed a tragedy that we are today being urged to reverse our momentum toward a "fair balance" for agriculture—a fight that was foreseen and called essential in the twenties by a Republican Secretary of Agriculture. We should be considering ways and means by which that "fair balance" will be not just a hope but a realization.

It is indeed a tragedy that instead of meeting today to consider and vote on measures to move agriculture forward and strengthen farm income in these critical times and to give strength and support to the Nation's economy, we are fighting to hold the line, striving to prevent an action that would cancel out past gains.

THE ATOMIC-ENERGY BILL

Mr. MORSE. Mr. President, it has been very interesting to note how so much of the American press, which is, by and large, reactionary, has attempted to give the impression through its editorial pages that the American people are not in sympathy with those of us in the Senate who have been fighting the Eisenhower administration's atomic-energy power-bill giveaway and the Eisenhower administration walkout on its campaign promises to the farmers of America. If one would rely upon the editorials of much of the Republican press of the country for an evaluation of public opinion on the sorry legislative record that the Eisenhower administration has made to date, he would become a victim of the false political propaganda of the alibing Republican press of the country. Fortunately, American newspaper readers generally have come to realize how untrustworthy so much of the American press has become, both in its editorial policies and in presenting both sides of highly controversial legislative issues, such as the debates on the atomic-energy power bill, the farm bill, and the other major legislative issues that have been debated during the 83d Congress.

For example, my mail shows that many people appreciated the fact that a group of us made a fight in opposition to the atomic-energy power bill, because it focused attention on the bill and forced the newspapers to at least give some space to the substance of our arguments against the bill. It also gave the public time to look into the issue and express reaction of the people to the Members of the Congress.

It is also interesting to note from my mail that many people realized that the prolonged debates which a group of us conducted on the atomic energy bill were primarily responsible for favorable action on a series of amendments which we succeeded in having adopted in the Senate. They know there is no doubt about the fact that if the atomic energy bill had been steamrollered through the Senate in the short period of time which was originally scheduled for its discussion, it would have gone to conference with few, if any, of the amendments which were adopted in the Senate.

It is also interesting to note from much of the correspondence that Senators have received on the atomic energy bill fight that many people found that the best coverage on the merits of the debate over the bill was given to them by radio and TV.

There were notable exceptions, of course. Some of the best stories went into the substance of our arguments against various sections of the atomic energy bill. However, many of the people who have written to us have pointed out that their local newspapers played up the floor strategy and tactics of the prolonged debate rather than the merits of the substantive arguments we made against the bill. However, there is no doubt about the fact that as one reads the correspondence we have received that even though many of the newspaper stories were related to the tactics employed in the debate, such stories did have the beneficial effect of focusing attention on the atomic energy bill and caused many of the readers to ask such questions as: "I wonder what is the matter with this bill?" "Why are these Senators fighting this bill?" "Maybe we should dig into this issue and see what the Eisenhower administration is up to now."

For such newspaper service of alerting the public, I think we are all indebted to the American press, even though the prevailing editorial policy during the debate was to attack and abuse those of us who ran up the signal flags of warning as to what the bill would do to the heritage of the American people in the field of atomic energy power.

I have no doubt that if newspaper policy were left to the members of the working press who sit in the Senate press gallery, a much more informative report on the issues and on the substantive nature of the arguments we made would have been printed in the newspapers and would have formed the basis for the underlying principles of the editorials which were written.

Just as in the case of the atomic energy bill fight, also in the case of consideration of the Eisenhower farm bill, we find a large segment of the Republican press engaging in a program of misrepresentation and political propaganda against those of us who believe that a violation of campaign promises to the American farmers constitutes a betrayal of the public trust. My mail shows increasing critical reaction on the part of many people against the press and against the Eisenhower administration over such a propaganda program. As evidence of the fact, Mr. President, that many Americans are not being taken in and misled by newspaper propaganda support of the Eisenhower administration, and that many people are giving their enthusiastic support to those of us who are insisting upon full debate on the merits of the national issues which have been and still are before this session of Congress. I ask unanimous consent to have printed at this point in my remarks some typical letters that I have received on the subject matter as discussed in this brief speech.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

TOLEDO, OREG., *August 2, 1954.*

The Honorable WAYNE L. MORSE,
United States Senator,
Washington, D. C.

DEAR SENATOR: I wish to comment on the fine work you are doing and the fight in the struggle during these hectic times.

Excellent stand you took on the McCARTHY hearing, I read it with great satisfaction. You have many friends—one in particular Richard Anderson, lawyer, Newport—son to Glen Anderson, Portland—who supplies the nicest smile, when we discuss your issues.

The Oregon people are very fortunate to be so ably represented by a capable statesman—for a great State.

The newspapers and peoples column are active in discussing your problems.

Your fine work was mentioned to me, in a letter received from the honorable J. E. MURRAY, senior Senator from Montana, my home State. He is admiring your spirit and ability in the effort you put forth. I have known Senator MURRAY for many years, and his sincerity is appreciated by those who know of him.

Good luck and the best wishes for your future—in gratitude for your effort.

Most sincerely yours,

ELIZABETH ROACH,
Teacher, Third Grade During 1953–54.

CHICAGO, ILL., *August 4, 1954.*

HELLO SENATOR MORSE: Have just finished reading your report of July 30. Although you may have addressed empty seats at 3:45 a. m., your efforts were appreciated.

Am enclosing a tearsheet from our neighborhood paper. You will be pleased, I'm sure, to know there are some people aware and appreciative of what you and a few others are trying to do.

Cordially,

MAURY KESLER.

WAIMANALO, OAHU, T. H.

Hon. WAYNE MORSE,
United States Senator from Oregon, Senate Office Building, Washington, D. C.

DEAR SENATOR MORSE: I have been following with keen interest the administration's AEC bill through Congress, and especially the recent filibuster in which a group of valiant Senators (you among the most valiant) endeavored to forestall the perversion of atomic power from control by the people into the hands of private industry. One of the most vicious parts of the administration's bill had to do with their attempt to destroy TVA. While I am not one of the people of the TVA power-service area, I am an American citizen and so feel that I have been indirectly betrayed by those who are attempting to destroy one of the greatest acts of a government for its people ever attempted.

The whole AEC program is a betrayal and I rejoiced at the efforts, although unsuccessful, of you and the other Senators to defeat it through the filibuster. Some day, Americans will recognize and proclaim you as the real heroes of our time. In the meantime, I urge you to continue working to salvage everything possible of atomic energy and TVA for the people and against Wall Street and the private interests.

Yours sincerely,

R. E. GIBSON.

OREGON STATE FARMERS UNION,
Salem, Oreg., August 3, 1954.

Senator WAYNE MORSE,
Senate Office Building,
Washington, D. C.

DEAR SENATOR MORSE: Realizing the danger of farm legislation not receiving proper attention in these last days of the session and the program of price supports going by default, we urge your immediate assistance.

I'm sure our thinking on the farm program is on record with you and there would be little need of taking your time in further explanation.

While we regret the necessity of filibusters, as I am sure you do, we want to commend your efforts in the defense of the public interest in the matter of atomic energy. In the time that ensued much valuable and enlightening information came to the people and will not quickly be forgotten.

Oregon with its increasing population needing new jobs—its heavy agricultural production and waterpower potential has a great deal at stake, much of which seems imperiled by proposed methods of administration not, in our opinion, in the best public interest.

We want to express our appreciation of your vigorous efforts in defense of those policies that mean the best benefits to the most people.

Very sincerely yours,

HARLEY LIBBY,
President.

COOS BAY, OREG., *August 1, 1954.*

DEAR SIR: I have been wanting to write you for quite some time and let you know that my wife and I are very proud of the fine job you are doing.

We would like to know if there is anything we can do to help you in your work.

Sincerely,

WAYNE JACKSON.

ENTERPRISE, OREG., *July 30, 1954.*

The Honorable Senator WAYNE MORSE,
Senate Office Building, Washington, D. C.

DEAR SENATOR MORSE: Enclosed is a rather trite article by Raymond Moley which appeared in the Oregon Journal. Now I know where he stands politically, and such trash does not bother me in the least. However, I am wondering how this might affect less-informed voters?

If you find time, you may desire to answer this article.

As for me, more power to you. It's too bad we don't have more Senators that know a little about what's going on. It seems that poor old Moley is jealous because his intellect and learning has not given him even a basic vocabulary of an intellectual.

Yours truly,

BERTON M. BAILEY.

ORDNANCE, OREG., *July 22, 1954.*

Senator WAYNE MORSE,
Senate Building,
Washington, D. C.

DEAR WAYNE: Thank you so very much for mailing me your bulletin of each week's Senate activity. I follow them very closely and sincerely appreciate your watchdog attitude in the current wave of giveaway legislation. Your report under the date of July 16, 1954, was of particular interest to me.

First, your reference to the 160-acre limitation attack. I was spawned during the settlement of the West under the old Cary Act, and am well aware of the dangers of land grab tactics in areas under development. Second, the reference of the Hoover Commission rape on the public power policies has been brought home so suddenly that the full import has not yet been realized by the public. With the very recent abolition of 600-plus civil-service career jobs in the Bonneville Power Administration, that agency has been crippled to the extent that it cannot function. The impact of this move will be felt stronger here than in any other section of the country.

Last night I had the privilege of hearing Dick Neuberger speak in Pendleton. He stressed the very issues you are fighting a losing battle over in Washington. After listening to him, one left with the feeling that our birthright was being threatened; and I firmly believe that it is in danger.

In my life span I have seen and experienced major changes in the United States. When I was a youngster I lived in a great cattle and sheep country in Idaho. My folks were oldtimers and big operators in the livestock industry. They believed in the rights of the free range on public domain. In competition with other stockmen we rushed to that public domain to get there first with the greatest number of animals. You well know the result of a few years of this practice, the grasslands and forests were denuded of vegetation and the watershed underwent the ravages of erosion. My ancestors screamed like gutshot panthers when that reactionary character, Teddy Roosevelt, created the national forest reserves and layed down regulatory grazing laws. The Bliss family did not go broke over the deal, but the lands were saved for my use today and for my grandchildren's use tomorrow.

Many years later the last of the public domain was put under restrictions by the Taylor Grazing Act. The same cry went up that the Government had gone socialistic. However, the results are very obvious in the few short years since its enactment.

I, who had lived my early years under the heel of the Idaho power, saw public power come into being. First in Idaho, where it had great amounts of opposition, and could not make the progress it has in Oregon and Washington. Had the private-power interests in Idaho spent the money on development of agriculture that it did in fighting rural electrification, that State would be many years ahead of its present agricultural program. I have seen agriculture develop slowly and new farms made by sheer human strength, sweat, and blisters in the State of Idaho, with 120,000-volt power lines of the Idaho power going right by the door of the laboring homesteader. He went to bed and got up by the light of a kerosene lamp. He was never assisted by electricity to pump water to his dusty acres. On the other hand, I witnessed the same breed of homesteader at Moses Lake, Wash., develop a paying farm in one season by merely pressing a button. He hardly raised a sweat and did not own a single blister. Public power was delivered to his property before he had the rust polished off the moldboard of his plow. He had lights and electric heat in his tarpaper shack the day he moved in to go to work. When his land was seeded public power furnished the energy to force the water through his pipes and distribute it to his thirsty land.

Now do I live to see this 50 years of slow progress wiped clean by the greed of money hungry and power crazy individuals? I appreciate what you are doing to prevent just this thing happening. But, dammit, there are not enough men like you that have the courage to slug it out with those who would turn our forests back to the sheep and the loggers, crowd out the little farm family and put us all to the mercy of monopolistic private utilities corporations.

Believe me, we are going to make a supreme effort to send to you some replacements to help you hold the line. I believe that this is the time for the voters of this State to take over and exercise their power to regulate national policy. We will attempt to send you men who will work with you and aid you in carrying the load.

I am sure that you are making friends every day in the way you are voting and by the way you are reporting to us your problems of the week in your bulletin. Carry on, Wayne, and we in eastern Oregon will do our best to get help to you. I also wish to thank you for your splendid response to our plea for help in the recent change of command at the Umatilla Ordnance Depot. I read with great interest the report of your finding that you mailed it to Lee Quiring.

With best personal regards, I remain

Sincerely yours,

BUD
D. W. Bliss.

STAYTON, OREG., *July 19, 1954.*

DEAR SENATOR MORSE: Congratulations for your stand against giving atomic energy to private companies. It is Senators like you who are constantly striving to maintain a proper balance of power that are subject to attacks and ridicule by those who would have private ownership overrule the basic principle of equality and fairness.

I am enclosing an editorial published in the Wednesday, July 14, edition of the Capital Journal. In my opinion, this editorial represents the thinking of asinine and unrealistic individuals. Some parts are plainly stupid. I am also sending the editor of the editorial a letter, letting him know that I, for one, do not agree with his thinking.

I take this opportunity to thank you for the personal attention that has been given to my letters. I assure you that it is appreciated and noteworthy, as you no doubt have a very rigid and heavy schedule.

Yours very truly,

NESTOR VAN HANDEL.

COOS BAY TIMES,
Coos Bay and North Bend, Oreg.,
July 28, 1954.

Senator WAYNE MORSE,
Senate Office Building,
Washington, D. C.

DEAR WAYNE: I am today writing an editorial praising you and your colleagues who led the good fight on the atomic energy bill. You will perhaps see it later, but I wanted to add a personal word of thanks.

I don't like filibusters and in an earlier editorial said so. This is one case where I can't let my desires get in the way of my principles. I think my principles were decided on filibusters when the Dixiecrats used them against civil rights legislation. But I recognize there is a difference between filibusters which merely try to kill legislation and those which have some positive action in view. The big talk on the atomic energy bill seemed more like the latter and I think the results obtained were superb in view of the opposition's strength.

I think, incidentally, that in addition to doing a great service to the country that you stand to gain politically for your action. I believe the American people has an uncommon amount of good sense and will react well toward those who look out for their interests. I only wish that I could gain as much support for my forthright statements as you do for yours.

Things politically are looking better in Oregon, I feel. I hope you will be through this area in the fall so that I can chat with you again.

Cordially,

(Mrs.) ULLA E. BAUERS,
Executive Editor.

DENVER, COLO.

DEAR SENATOR: Heard you on Youth Wants To Know. Great.

You know, sir, you have the brains it takes to be our President; as a "D" that is.

C. H. RUDEEN.

NEW YORK CITY, *July 25, 1954.*

DEAR SENATOR MORSE: It was good (and good for Americans) to hear your voice on Frank Edwards' program the other evening, and to hear a note of hopefulness and success in spite of the tiredness you must feel. It is a satisfactory fight, with the people becoming aware of what you are fighting for and not a lone fight, as some of yours have been.

I wrote at the time you left your party because of principles. I see, I mentioned that at some time—on another Frank Edwards program, or at New York Town Hall before election. You predicted some realignment in parties. I wish you and Stevenson could get a new party started, getting rid of the old groups in parties that drag and seldom help and collect the people interested in the welfare of the people.

The man next to me at Town Hall that Sunday said you should be President some day, and that he had told you so once. He must be saying the same thing these days. I would add that no better American could be found.

Sincerely,

MARITJE BABCOCK.

LOS ANGELES, CALIF., *July 25, 1954.*

Hon. WAYNE MORSE,
United States Senator,
Senate Office Building,
Washington, D. C.

DEAR SENATOR: Just because I am living pro tempora in California doesn't mean I

have forgotten Oregon; forgotten WAYNE MORSE, nor am unmindful of the yeoman job you are doing for us people who are compelled to make a living. I want to thank you. Incidentally I enjoyed your appearance yesterday on TV when you handled yourself magnificently with the youngsters who will be the leaders of tomorrow. It was inspiring.

Now, Senator, in case you have forgotten who I am—and you probably have. I was manager of the tourist department of the Portland Chamber of Commerce for 5 years, the only admitted Democrat on the staff.

May I, with Mrs. Wells at my side, repeat, "Good fortune to you in your fight for the things we as Americans don't want to lose—individual freedom, natural resources, the right to differ and yet not suffer therefor, etc., etc." And to Clan MORSE, whom we have admired at a distance, may we add "Good health, happiness, and the will to succeed."

Thanks.

Sincerely,

A. BANCROFT WELLS.

BEDFORD, IND., *July 25, 1954.*

Hon. WAYNE MORSE,
Senate Office Building, Washington, D. C.

DEAR SENATOR MORSE: This is in appreciation of your appearance on Youth Wants To Know last evening. Having been on a vacation, I have not paid much attention to the filibuster, but now have my interest stimulated. However, reasonable as your points in this regard were, there was a more interesting part: that in regard to what you would recommend doing with the surplus wheat, etc.

Ever since reading about how it costs us half-a-million dollars a day to store it (and I went back and rechecked to be sure it was that much) i. e., since realizing the enormity of the food surplus, I have been hoping and praying that some of the minds of the country could work out a plan whereby some of the hungry people of the world could have some of it. Your plan sounds good, and will be listening for more about it.

Also, your filibuster tactics seem warranted and hope the right legislation is obtained as the result, which seems to be avoidance of a monopoly in this regard.

Yours very truly,

ESTHER DOWNEY.

ROCHESTER, PA.

DEAR SENATOR MORSE: Verna and I eagerly took in every word of Youth Wants To Know which came over KDKA yesterday at 2:30 p. m. eastern daylight time. Very, very good.

It's a sin Senator, that with your grasp of our problems and the right answers those with so little to offer are calling the shots. It can't, must not always be that way.

America's great—the world's great have always stood alone—and above.

Friday at work I heard something that made by heart feel warm with love and pride that you've been able to reach the understanding of some of our less fortunate fellows. An old laborer came to me saying, "Les, that Senator 'NORSE' [he reads but not too well] he's a good man." I said, "Yes, buddy, he's a really good man, but what brings this up?" "Well, he's always fightin' them big shots who try to kick us around."

"In other words buddy, he's always with what's good for the country as against what is bad."

"Yeah," he said, "that's what I mean."

Faithfully yours,

LESTER.

MIDDLEPORT, N. Y., *July 27, 1954.*

Senator WAYNE MORSE,
Senate Office Building,
Washington, D. C.

DEAR SENATOR MORSE: I am a secretary at the University of Buffalo and have for many months and years watched with exceeding interest the current events of the day. About a month ago my sister and I were in Washington and stopped at your office hoping to see you, but unfortunately we missed you. I have heard you many times on Frank Edwards' program.

I want to express my appreciation and support of the stand you are taking against the private monopolies who are out to control not only the atomic-energy program but all publicly owned interests in our country. I am sending along the headline and story from today's Buffalo Evening News. The way current events are written up in the papers and reported on radio and television it is barely possible for people to know much about what is really going on. I felt this before, but it became much, much clearer while we were in Washington, for we spent 2 days watching the Senate debate the tax bill. Very, very little of what we heard is ever seen or heard on the air or in the papers. In the instance of this clipping, the headline immediately misleads, creates the impression that you are the cause of discord, and, among those who don't understand the facts, creates resentment against you. How far from the truth this really is.

Last Saturday we saw you on the TV program, Youth Wants To Know. You set forth very well the facts of the atomic-bill issue, and what I have always felt was the true way things are. It is wonderful to see and hear someone standing up against the powerful, greedy private interests in this country. Even if you and your supporters are in the minority, I hope you will never give in or up to the power machines that seek to rule us all. In the final analysis you will be greatly blessed for the stand for truth and decency; the stand to help the poor to have a fuller and better life.

If you can find a moment in the near future, I should very much like to hear from you. God bless you, Senator MORSE.

Sincerely yours,

ELAINE TRIPPENSEE.

MILWAUKIE, OREG., *July 25, 1954.*

Senator MORSE,
Washington, D. C.

DEAR SENATOR: I for one among the majority public, am with you on this atom giveaway. A praise for your hard fight, and hope you can beat it and will get good investment on your farm.

They know they have got to get through this session because they wouldn't have a show next session.

Thank you.

FRED FORSLUND.

INTERNATIONAL UNION OF ELECTRICAL,
RADIO, AND MACHINE WORKERS,
Washington, D. C., July 28, 1954.

The Honorable WAYNE MORSE,
Senate Office Building,
Washington, D. C.

DEAR SENATOR MORSE: I want to express to you my appreciation for your courageous and tireless efforts to alert the American people to the giveaway features of the atomic-energy bill which passed the Senate last night.

If it had not been for the small band of liberals who stood up to the steamroller tactics of the majority leader, the Senate would never have agreed to those safeguarding amendments written into the bill during the past week. The American people are indebted to you and your colleagues who against the most trying circumstances fought to protect the public interest.

Sincerely yours,

JIM
James B. Carey,
President.

PORTLAND, OREG., *July 23, 1594.*

DEAR SENATOR: After several years of supporting your struggle in the Senate by vote and argument, I have decided to write to you. I am just trying to add my moral support to your present attempt to bring the President's AEC program into public light. It is too bad that the Morning Oregonian doesn't explain this program in the three columns on the front page. This morning instead of talking in circles about filibustering, recess, etc.

Well, best of luck. Pardon the pen.

CHARLES HEALEY.

JULY 23, 1954.

DEAR SENATOR MORSE: We are so proud of you, in your fight to defeat the giveaway in the atomic deal and are with you in spirit—all the way.

Hope you can endure all the loss of sleep and fatigue, for we surely need a courageous champion of the people back there. We realize you are the leader in all the movements for our general good—and do hope you can stem this tide of giveaway in this administration.

We wish to thank you for your monthly letters and also other important data which you send us from time to time. Please keep us on your mailing list.

As we told you at the Medford Democratic dinner, "Thank God for WAYNE MORSE," and we reiterate that constantly.

Most sincerely,

Mr. and Mrs. CARL W. PETERSON.

ASHLAND, OREG.

BORING, OREG.

Mr. MORSE: Hogs pass over the Great Divide every day, and they're not all from the Chicago stockyards. An unusually large number of them are from this administration's House and Senate at Washington, D. C. Who sheds a tear of regret?

I admire and respect you for the courageous fight you are making against these terrific odds for the best interests of all the people and posterity.

Seemingly you may lose, but ultimately you are bound to win. Our Creator will see to that.

Millions of citizens and the number is growing.

GUY G. LAKE.

PORTLAND, OREG., *July 27, 1954.*

DEAR SENATOR MORSE: Just a brief word to again reiterate my confidence in, and admiration for you. You may need a few words of appreciation at this time.

I am in full sympathy with your maximum efforts to fight monopoly and try to keep public power for the people. I don't know what it will take to teach the American people that actually you are one of its greatest champions, but if man survives long enough to have a history, I am sure your name will be recorded as one of our greater Senators.

Your present courageous (and in a sense, serene, in the reflection of your certainty that what you are doing is the only right thing for an honest, God loving man) stand has firmed my intention that whenever your name is mentioned, I am calmly and firmly going to state that I am for you.

I wish I could express it more eloquently, but when it's all boiled down, there isn't anything more to say. I'm for MORSE because I recognize that he is for me, a consumer. It is my sincerest hope that despite the one-sided press, more and more people in our State will begin to see through the smokescreens and realize this same truth.

No answer to this letter is necessary.

Yours very sincerely,

CARL E. WEBER.

LOS ANGELES, CALIF., *July 27, 1954.*

DEAR SENATOR MORSE: Enclosed is an article which should be read before the Senate before it is too late.

Your profound admirer,

Mrs. SARAH KANTOR.

PALOS VERDES ESTATES, CALIF., *July 26, 1954.*
Hon. WAYNE MORSE,
Washington, D. C.

DEAR SIR: This telegram I have just sent to you:

"Do not lessen but rather increase Tennessee Valley Authority."

I judge from the reports which come over by radio that this request is not needed as to you, but you may well know that there are those who consider TVA perhaps the best example of what should be done elsewhere not only in this country but especially in the parts of the world where waterpower is going to waste. To be brief, it is a shame that the present administration is not disposed to give due recognition to the wonderful results of the TVA management from Morgan to Clapp (who should have been reappointed), results in raising the standard of living in the whole valley, and more than repaying the Federal Treasury for all it paid out, in services rendered.

Interestedly,

CLARENCE H. LEE.

GLASGOW, KY., *July 25, 1954.*
To the Honorable WAYNE MORSE,
Senator from Oregon.

DEAR SIR: I wish that politics was like professional baseball. I would then want to trade with the State of Oregon. But God bless you. We are for you all the time. Stay with them till Hades freezes over and then skate on the ice.

GEO. S. CRAIG.

DOBBS FERRY, N. Y., *July 24, 1954.*

DEAR SENATOR MORSE: May I add my words of encouragement to your stand on the AEC bill. I agree wholeheartedly that this is the most significant legislation of the session. The fight must start now so the Democratic Party, despite its own mossbacks, can return to power without the severe handicap of a Republican giveaway in this vital field.

Your stand on all issues is mighty important to me and my wife. More power to you and the good sense of the independent voters of Oregon.

Sincerely,

MILTON P. KAYLE.

NEW YORK CITY, *July 25, 1954.*

DEAR SENATOR MORSE: I salute your courage and noble struggle in Senate and those of your colleagues who fearlessly defend the public interests and resources of the United States commonwealth against the reactionaries; arrogant, predatory, vested power interests; money kings and their allies in Senate and Government. Indeed a prompt halt must come to the wholesale giveaway of public properties and natural resources of the United States commonwealth by the Eisenhower administration to vested and big business interests. Stand fast, honorable sir. The people will not forget.

Respectfully yours,

EUSTON PARRIS.

P. S.—World humanity awaits United States Government backing of a Big Five parley on outlawing atomic and hydrogen bombs, conventional war weapons, napalm (gasoline) bombs, etc., atomic and hydrogen bomb tests periling lives of millions and ending atomic and hydrogen bomb production now. Also a big power parley on German unity and Korean unity questions.

Peace-loving world humanity demands a seat for people's China in the United Nations and vast free world trade now.

Urge United States Government and Congress act on depression affecting millions.

PHILADELPHIA, PA., *July 26, 1954.*
Hon. WAYNE MORSE,
United States Senate,
Washington, D. C.

DEAR SENATOR MORSE: It is with deep regret that I note the attitude of the Eisenhower administration to force through the atomic energy giveaway act.

My view of this matter is that their actions are manifestations of desperation.

I am sure the debate belongs in the coming campaign so the voters can have a chance to judge both sides as this is vitally important to the American people.

Senator, I doubt very much that the Government has any great amount of fissionable material available for the purposes of the act. In short, I feel it is a vote-catching "pie in the sky" proposal to usher in utopia for the people. Hence the monkey business. To give any foreign country any of these data sounds shocking today.

Regrettably the special interests—always seeking favors in the market place—do not have a good record. Before action is taken, the people should be thoroughly informed on every angle. With FHA scandals ringing in our ears, now comes this giveaway plan. I really think they need a psychiatrist, because they are playing with TNT and we may all be hurt. It seems to me they are counting on the well-known gullibility of the American public. But they may get fooled. Don't give up the ship.

Sincerely,

THOMAS H. GARVIN.

ELSMERE, DELMAR, N. Y., *July 25, 1954.*
Senator WAYNE MORSE,
Senate Office Building,
Washington, D. C.

DEAR SENATOR MORSE: At the time of this writing, your marathon, sentence-by-sentence rebuttal of the atomic-energy bill, has not yet begun. But you have announced it for delivery tomorrow, and, in view of your undisputed reputation in this field, that is a promise, or a threat, not to be taken lightly. I should like to get in under the wire with a prediction that this time you will attempt to speak around the clock, a full 24 hours' worth. Unless you are going to save such a feat for some future occasion, such as the wiretapping proposal, raising the debt limit, or one of your other pet aversions. Ever since your prodigious effort against the tidelands giveaway last year I have had a hunch you would be determined to break your own record.

You have admitted that this fight you are engaged in constitutes a filibuster, although your associates still maintain it is merely a process of education. I don't know whether a filibuster to prevent a loaded bill like this from being rammed through is any more justifiable than one blocking passage of civil-rights legislation, but I do appreciate the distinction between this and the Dixiecrat type of filibuster.

Leaving the form aside and concentrating on the content, I do believe that the public, while it could probably never fully understand the meanings of all the intricate provisions of the bill, now has a far greater realization of the enormity of what is at stake. Through the unremitting efforts of you and your colleagues, this momentous issue has been given the front-page attention it deserves, and I think that on the whole the news reporting media have done a very fair job in presenting your side of the case. (Of course, editorials, commentaries, etc., are a different matter; you would be very amused, for instance, at Fulton Lewis' interpretation of the whole thing.) And, while it seems that the administration will be able to put over that, shall we say, very questionable deal involving the Dixon-Yates concern, your forces have won significant victories in the approval of the Johnson and Gillette amendments. I am still hoping that you will succeed in knocking the controversial features out of this bill, so that the committee and Congress may have more time to study and analyze their far-reaching implications.

I am not going to commiserate too much with you over the grueling ordeal of the past week, because I suspect you were having the time of your life. I can see how there could be a lot of excitement and fun in a filibuster like this, and an atmosphere reminiscent of schoolboy adventure. Nevertheless, it must have been an arduous experience for all concerned. I realize that you are the iron horse of the Senate, as you have demonstrated on more than one occasion. However, even iron horses have a breaking point, so just be careful you don't have to be carted off the floor on a stretcher.

Even your severest critic could not deny that you are a most indomitable fighter. And I am proud and grateful to have you fighting so indefatigably in the interest of the American people, of whom I am one.

Sincerely yours,

CHARLOTTE BRAUN.

Greetings and good luck.

NILS CARKEN.

EUGENE, OREG.

NEW YORK, *July 25, 1954.*
Senator WAYNE MORSE,
Washington, D. C.

DEAR SIR: I am not interested in creeping socialism, virulent socialism, or rampant socialism, but I am very conscious of the fact that the citizens of the United States have been taxed to the extent of $12 billion for atomic experiments and that all of our atomic knowledge and resources are the property of the American people, consequently the Government does not have the moral right to give these resources away.

I am also deeply conscious of the fact that this country is in debt to the extent of $275 billion, that nothing is being done to reduce this debt and that neither the Republican Party nor the Democratic Party has shown that it ever will or can be paid off.

If you believe that private industry should be permitted to use atomic power, why not provide a licensing arrangement whereby such industries would be charged a moderate royalty or fee, based upon the horsepower or kilowatts of atomic power used. Such a plan should include a provision that all revenue from this source must be applied to the national debt. It would insure rapid development of atomic power without the Government being thrown into competition with private industry, keep these resources within the hands of the people, and give them an income which would eventually pay off or materially reduce the national debt.

Respectfully,

ERNEST BUSENBARK.

IOWA CITY, IOWA., *July 29, 1954.*
Senator WAYNE MORSE,
Senate Office Building,
Washington, D. C.

DEAR SENATOR: I appreciate the efforts you have been making in the Senate to keep the American people from being robbed. With this awful giveaway that is going on in this administration, the people of this Nation are just beginning to see the light of day, and it has been through the efforts of you and other Senators including our own Senator GILLETTE who have caused the people to stop, look, and listen, and I am sure they are waking up to the facts.

We would like very much to have you come to Iowa City and speak for Senator GILLETTE in this campaign and Senator GILLETTE told me in Des Moines last Tuesday that he would see you when he got back to Washington.

Best regards,

JOE F. CRUMLEY,
Democratic Central Committee for Johnson County.

WILKES-BARRE, PA.

DEAR WAYNE: I want to write you and admire your fight along with HUMPHREY and LISTER HILL. But, you can be sure I'm letting those politicians down there know about the big-business handouts, taxes plus the oil lands, and TVA to private interest where

they can rob us and steal out our eyes. That's all these Republicans ever done. I've seen you a number of times on TV and heard you on radio and I'm a stanch admirer of you and your interest in the American people. WAYNE, its time to join great Americans like JOHN MCCORMACK, Democrat, of Massachusetts, LISTER HILL, HUMPHREY, DOUGLAS, and form an American Party. Take the good men from both parties and get us a good American party.

Never give up WAYNE, we love you.

JOHN NOVICH.

PALO ALTO, CALIF., *August 1, 1954.*

DEAR SENATOR MORSE: I saw you on Youth Wants To Know.

Please know that I feel tremendously grateful to you and reassured that there are honest, intelligent, sincere Senators representing the people.

It just made me feel so good to see a good man.

Keep up the magnificent work.

Respectfully and sincerely,

NORMAN ZELLNER.

LOS ANGELES, CALIF.

Hon. Senator MORSE,
Senate Office Building,
Washington, D. C.

HONORABLE SIR: Please accept my sincere admiration and thanks in your brilliant and courageous effort to defeat the atomic-energy bill. Although you may not have the support of most of the legislators in the Senate, the majority of the American people are with you in protecting our natural resources. We need more men of conscience like you.

Sincerely,

Mrs. LYNN SAMUELS.

STOCKTON, CALIF.

Senator WAYNE MORSE,
Senate Office Building,
Washington, D. C.

MY DEAR SENATOR: Please allow me to extend my thanks to you for the debate on the atomic bill. Keep up the good fight for the little fellow and don't let them give ever_thing away to the big boys.

Yours truly,

E. C. LANDON.

BURBANK, CALIF., *July 28, 1954.*

Senator WAYNE MORSE,
Washington, D. C.

DEAR SENATOR: May I offer a sincere personal expression of the gratitude I believe many Americans all over the country feel for the courageous and tireless effort you recently put forth in attempting to block the fantastic atomic giveway program of the Eisenhower administration.

Though your efforts failed, still much good was done in throwing the spotlight upon the undesirable features of the bill in order that the people may see the intentions of the present administration in its true perspective, devoid of the meaningless cliches and slogans of the recent campaigns.

Many of us regard you as the conscience of the United States Senate and hope and pray that you may continue to serve this country in that capacity for many years.

Most sincerely yours,

ROBERT C. MACY, D. O.

EL CENTRO, CALIF., *July 26, 1954.*

Senator WAYNE MORSE,
Oregon, Washington, D. C.

DEAR SENATOR: You and your colleagues are to be commended for the valiant fight that you have again put up on the giveaway power to the power monopolies, and by your effort you can rest assured that you have cost the present administration many votes and, along with the many other mistakes such as the McCarthy hearings, price supports, etc., Ike and his big-business cohorts deserve and will be badly beaten in the fall elections, as too many people are and have been awakened.

Sincerely,

E. J. ARROWS.

ASHBY, MINN., *July 31, 1954.*

Senator WAYNE MORSE,
Washington, D. C.

DEAR MR. MORSE: Congratulations on your recent fight against Ike's atomic energy bill. I have gotten a big kick out of watching your political battles in our Congress and I've come to the conclusion that we should have more Independents, like you, in Washington, D. C. It is what the people of this country need if the interests of public welfare are to be served, rather than the interests of the millionaires.

Of course, we here in Minnesota are proud of our representatives in the United States Senate—especially Senator HUBERT H. HUMPHREY, who, I take it, is also one of your good friends.

The majority of the farmers here in the upper Northwest are up in the air over Ike's forgotten "crusade" promises, and also over the flexible farm policies of both Ike and Benson, if they succeed in giving the farmers such a raw deal. Dairy farmers in northern Minnesota, and everywhere for that matter, are already feeling the severe pinch placed upon them April 1.

Right now I have a copy of the Wednesday, July 28. issue of Minneapolis Morning Tribune before me, showing Senator MORSE emerging from Capitol wiping sweat from his brow. Also saved picture of you sleeping on Senate cloakroom cot after the recent marathon speech. Hope you will be able to continue your good work in our Congress for many more terms. America needs men of courage, such as you and our own Senator HUMPHREY.

With best wishes for the future and deep gratitude for all that you have done, I remain, in all humility,

Your sincere admirer,

Mrs. ALMA S. JOHNSON.

JOHNSON CITY, TENN., *July 29, 1954.*

DEAR SENATOR MORSE: Thank you for your good fight in the interest of the people on the atomic energy bill. Your priceless amendments have made it an infinitely better bill.

Sincerely,

Mr. and Mrs. PRESTON HILDEBRAND.

LOS ANGELES, CALIF., *July 28, 1954.*

DEAR SENATOR MORSE: It was certainly a gallant fight that you and HOLIFIELD and the others put up against the President's atomic energy bill. Though the bill won, yet I am sure that it was in a sense a victory for us—since the fight and the filibuster dramatized the tendency of the present maladministration to drag us into war and to sell out the people's interests to private, greedy forces.

More power to you. Every such effort helps to awaken the American people to what is really happening—and must add up eventually to a change of administration and for the better.

Incidentally, I heard your radio interview with some professor on a book he had written on the direct primary, and I was delighted with your convincing, straightforward, and helpful defense of democracy and the intelligence of the people—in contrast to his petty sniping about vote getters and his snobbish intellectualism.

Sincerely,

MILDRED ROGERS.

LOS ANGELES, *July 31, 1954.*

Hon. WAYNE MORSE,
Senator of Oregon,
Washington, D. C.

DEAR SENATOR MORSE: The feelings of my heart in thanks appreciation and well wishes goes out to you for your valiant and strenuous efforts in order to counteract the giving away to big private corporations the most fruitful of all developed powers financed in a general way through taxes by the people of the United States.

You and the ones who sought to protect the interest of the people in general have done well and with all my heart I thank each and every one of those valiant gentlemen for their unselfish efforts in trying to protect the national stockholders of the atomic power for which no one should pay tribute.

If at all possible please mail me a copy of the bill for as per the enclosure you can see that the controlled press is no champion of justice.

Warmly, I thank you again and ask God to bless and protect you in your efforts.

Very sincerely yours,

ARTHUR BAUS.

REMUS, MICH., *July 30, 1954.*

Senator WAYNE MORSE,
Senate Office Building,
Washington, D. C.

DEAR SIR: As president of the Millbrook Local of the Michigan Farmers Union, I've been asked to let you know that we appreciate the fight you and others are making in behalf of Mr. and Mrs. America to save atomic energy for the good of all.

Would that the world had more of your kind.

Keep up the good work. We're for you.

Sincerely,

ALBERT L. WERNETTE,
President of Millbrook Local, Remus, Mich.

WHARTON, TEX., *July 30, 1954.*

Senator WAYNE B. MORSE,
Senate Office Building,
Washington, D. C.

DEAR SENATOR MORSE: Please let me thank you for sending me the weekly news bulletins showing part of news of proceedings in Congress. I find them very beneficial.

Let me commend you for the courageous effort that you are making to defend the public interest and preserve some of the proceeds of atomic energy and power for the public who have expended some $12 billion to develop this power.

With best wishes, I am,

Sincerely your friend,

EDWIN HAWES, Jr.

SPOKANE, WASH., *July 27, 1954.*

Senator WAYNE MORSE,
Washington, D. C.

DEAR SENATOR MORSE: I want to thank you for the superhuman effort you made to stop passage of the atomic-energy bill. I appreciate the changes you were able to get made but of course the most important ones were defeated.

Perhaps something can still be salvaged. Keep up the good work, next year you will have more help.

Sincerely yours,

FLORENCE W. MCCANNON.

An independent voter—I used to be a Democrat.

GLENDALE, CALIF., *July 29, 1954.*

Senator WAYNE MORSE,
Washington, D. C.

DEAR SENATOR MORSE: Thank you for trying to save the atom power project for us, it certainly was a shame that you were not given better support.

This is surely a give-it-away administration. Thank goodness there are a few like you to put up fight.

Sincerely yours,

Mrs. CAMILLE MCOSHAN.

THE POTTENGER SANATORIUM AND CLINIC,
Monrovia, Calif., July 29, 1954.

Hon. WAYNE L. MORSE,
Senate Office Building,
Washington, D. C.

DEAR SENATOR MORSE: I want you to count my wife and me among the many Americans who appreciated the effort you made to preserve the Government's control of private power. This is one of the things that has bothered for a long time a group who think they are the only ones favorable to private enterprise.

Private industry is perfectly willing to let the Government do the expensive things if it will let them reap the results of it. From the time they started the protective tariff they have been willing to accept anything except those things which are for the general good of the masses. It is all right for the protective tariff to aid industry, but it is all wrong for the Government to promote social security, old-age retirement, and other things that would aid the lower income group. This group really make themselves believe that anything for the lower group is socialism. Anything for the upper group is for all.

Your stand is a commendable one. More power to you.

Sincerely yours,

F. M. POTTENGER, M. D.

NATIONAL RURAL ELECTRIC
COOPERATIVE ASSOCIATION,
Centerville, Tenn., August 2, 1954.

Senator WAYNE MORSE,
Senate Office Building,
Washington, D. C.

DEAR SENATOR MORSE: We want to express our sincere appreciation to you for the fine work that you have done in our behalf with regard to the atomic energy bill. We feel that you were almost fully responsible for bringing to the attention of the other Members of the Senate the magniture of this bill. We feel that this is one of the most important bills since the TVA bill was presented and approved.

We know that we speak the sentiments of all of the people in the Tennessee Valley area, and in their behalf we say "thank you."

Sincerely yours,

P. H. TIDWELL,
Tennessee Director, NRECA.

BAIROIL, WYO., *July 27, 1954.*

DEAR SENATOR MORSE: Just a card of "thanks" from one of the underdogs. Take care of yourself.

May God bless you.

Yours truly,

MELVIN KNOTT.

ST. LOUIS, MO., *July 29, 1954.*

Senator W. MORSE,
Senate Office Building,
Washington, D. C.

DEAR SENATOR MORSE: I hope you will forgive my not providing a more expensive papyrus and my sorry typing but I thought you would like to see the comments of what I consider one of your more sorry critics.

If you will allow a suggestion from me I should say that you must continue as you have in the past. Moley's remarks, in my opinion, attempt to be judicial but border on the near side of a disparaging criticism. So far as I am concerned, all criticism should be constructive, else such called criticism is not worthy of the name.

I wish to thank you for your efforts on behalf of the common welfare in regard to the recent atomic power legislation before the Senate. Believe me your sacrifice is gratefully noted here among quite a few people.

It might be a waste of time for you to read Moley's remarks. But in a larger sense, it is a compliment. Moley has said little about what you have done and stood for. Thus, it seems a case of the unmentioned being the best elements. (I would question the investment in time and labor were you to give Moley your philosophy, political, social, economic and otherwise.)

The courge you have displayed in standing by your convictions has set quite an example for many of us. In spite of the enclosure, please know that many people out this way are convinced of your integrity, honesty and good purpose.

Cordially,

EDWARD S. RUCKER.

COTTAGE GROVE, OREG., *July 25, 1594.*

Hon. WAYNE MORSE,
Senate Office Building,
Washington, D. C.

DEAR SIR: This morning I picked up my mail at the post office and then came here to my office, where it is quiet, to sit and think.

Anyway, after I got to the office, in my mail I found your Senator MORSE Reports, No. 14, dated July 16, 1954. Immediately I began to think about the fine work you are doing in Washington for the people of this country and the great courage you display, in the face of overwhelming obstacles, in standing up and speaking out for the principles which you believe to be right.

I graduated from the law school of the University of Minnesota in June 1936. For a very short period of time (September 1942 to May 1943) I was on the law-school faculty as librarian. I recalled the month of February 1943, where at a faculty luncheon, there being present, among others, Dean Everett Fraser, Profs. Henry Rottschaefer, Maynard Pirsig (now dean of the law school), and Henry McClintock, your name came up. At that time you were, I believe, on leave from the University of Oregon law school with the War Labor Board. Dean Fraser mentioned that you graduated from the University of Minnesota law school in the middle twenties and that no student during his tenure as professor and dean of the law school had surpassed your record. He said you were a man to watch and that he believed you were "presidential timber."

In May 1943 I left the law school to become a special agent of the Federal Bureau of Investigation where I served until May 1946, at which time I resigned, moved to Oregon, and became a member of the bar here in September 1946, after examination in July of that year.

Since coming to Oregon I have heard much about you.

There is no doubt that you have enemies here. But you also have many friends who believe and trust you. It takes some enemies to make good friends.

There comes a time when a man is entitled to a sincere word of encouragement. You possess thinking and speaking talents that you must continue to use as you are now doing. You must not let the unkind and uncalled for things that are said about you deter you from making known to the world what you feel is right and proper. Your grasp of the problems confronting our people today is firmer than that of most of your colleagues in the Senate. Anyone who took the time to read your speech before the Senate on the wiretapping proposal of Attorney General Brownell cannot help but realize that you do have the interest of our people at heart.

If there comes a time when I might be of service to you, please feel free to call upon me.

God be with you.

Respectfully and sincerely yours,

RICHARD L. THWING.

PAROWAN, UTAH.

Senator MORSE.

DEAR SIR: We, the undersigned, support you in your effort to curb monopoly control of our natural resources—atomic power, etc.

A. Carson, Nell West, Walter Green, Olive Guymon, Wm. Penson, Olive Carroll, T. Thornton, T. F. Day, Ed Gunnison, Miles Heaton, Hubert West, E. Kaywood, Mr. and Mrs. E. Stephens, Alice Brice, L. Brown, Mr. and Mrs. Clark Gleason, Ella Lister, Mr. and Mrs. Fred Dolson, John Minton, Fred Orton, Mr. and Mrs. F. Fowler, Clay Parker, Nell Olds, Wilson Larson, Edmond Row, Jess Watts, O. Robenson, Winston Orson, Laura Clark, Ralph Hart, Albert Miller, Maud Whitney, Betty Wilks, Fay Matson, Mary Gleak, T. Muson, E. Leone, Tom O. White, Milton Gurr, all of southern Utah.

TOPEKA, KANS., *July 31, 1954.*

Hon. WAYNE MORSE,
Washington, D. C.

MY DEAR SIR: I just want to express my thoughts about the wonderful way you expended your energy on the atomic energy bill. The people of this country owe you and your fellow Senators who engaged in the filibuster a lot of thanks.

I believe I am on your mailing list for speeches you make and I am always interested in your views on the many current issues.

With best wishes.

Sincerely,

JAMES A. HAMLER, Jr.

MILL VALLEY, CALIF., *July 28, 1954.*

DEAR SENATOR MORSE: Although I am not your constituent, I feel that you and the men associated with you deserve the thanks of all the American people whose rights you were striving to protect.

It is my earnest hope that you will speak out as strongly against the repressive legislation sponsored by Attorney General Brownell.

Sincerely,

Mrs. FLORENCE HEYMAN.

MEMPHIS, TENN.

Senator WAYNE MORSE,
Senate Office Building,
Washington, D. C.

DEAR SENATOR MORSE: If every Tennessee citizen who appreciates your efforts in the TVA fight would take time off to say "thank you," the weight of the letters would break down your desk.

All of us consider you an honorable man who votes his convictions instead of adhering to straight party-line ideas. It is sad that all Senators are not that conscientious, and sad that there are not more WAYNE MORSE's to be spread around the Nation, instead of rubber-stamp politicians.

You fellows left a wedge in the TVA case, and the fight isn't lost yet.

You have certainly earned our utmost respect. Again, we say, thank you.

Sincerely,

Mrs. GLENN BARGER.

DALY CITY, CALIF., *July 28, 1954.*

Senator WAYNE MORSE,
Senate Office Building,
Washington, D. C.

DEAR SENATOR: I want merely to add my applause to that which I am sure you could hear from a majority of the people of this country for your action in opposing the power lobby and the administration in their giveaway program on the atomic and public power issues of the day.

You, sir, give me a feeling of real pride in the knowledge that there are still men who, in the face of overwhelming odds against them, are still willing to stand up and shout the truth to the people.

As one who once wrote a master's thesis on Federal Government Regulation of the Power Industry Under the New Deal, I can well appreciate the problem under contro-

versy, and the fight you and some of your colleagues are waging.

More applause from a California voter.

Very truly yours,

D. L. DILBECK.

GLENDALE, CALIF., *July 31, 1954.*

Senator WAYNE MORSE,
Senate Office Building,
Washington, D. C.

DEAR SENATOR MORSE: This letter is just to let you know that I, like millions of other citizens throughout the country, have great admiration for your courageous conduct in the Senate. Your stands on such issues as the TVA giveaway, tidelands oil, etc., have been heartening to all liberals. The fact that such ultraconservative forces as Time, Inc., are going out of their way to smear you is proof of your effectiveness.

Keep up the good fight. When reelection time comes, you may count on the strong support of progressive people from all parts of the country. I shall be glad to give mine.

Very truly yours,

BO H. JANSEN.

LOS ANGELES, CALIF., *July 27, 1954.*

Senator WAYNE MORSE,
Senate Office Building,
Washington, D. C.

DEAR SENATOR MORSE: We have watched with great interest the developments affecting the administration's atomic-energy bill, and would like to add our voice to the support of the position you and other Senators have taken with regard to this measure.

We admire your clear thinking in this matter, and hope that there are enough Representatives in Congress who have a similar concern for the interests of the Nation as a whole.

Sincerely,

Mr. and Mrs. JERRY SULTZER.

THE LEADER,
Bismarck, N. Dak., August 2, 1954.

Hon. WAYNE LYMAN MORSE,
Senate Office Building,
Washington, D. C.

DEAR SENATOR MORSE: This letter is prompted by something I read a few minutes ago in the New Republic: that the volume of mail generated by the true liberals' stand on the atomic-TVA giveaway was rather disappointing.

I want you to know that out here there are just a lot of people like myself who followed the battle with more than casual interest but were too lazy to wire or write. If at times you tend to be discouraged, please remember that your magnificent stand impressed the thinking people of this Nation more deeply than it may seem at first glance.

Sincerely yours,

BILL SIMONS
K. William Simons.

PORTLAND, OREG., *July 26, 1954.*

Hon. WAYNE MORSE,
Senate Office Building,
Washington, D. C.

DEAR WAYNE: Congratulations on your atomic-energy fight.

The odd thing to me is that the Oregonian has been completely silent on the subject; apparently they know darned well you are right but are afraid to say so. The Journal came out with an editorial on Friday which was half-heartedly in your favor. In other words, they said they would give it further study.

If you need the editorial I will get it for you but you probably have it by now.

Best personal regards.

Sincerely,

JIM
James Landye.

UNITED STATES SENATE,
Washington, D. C., July 28, 1954.

Hon. WAYNE MORSE,
United States Senate, Washington, D. C.

DEAR SENATOR MORSE: Now that the great debate is over—for a few months—I just want to add one more letter of thanks and congratulation to your files.

The staff that works for you must surely be the proudest on Capitol Hill.

Sincerely,

BEN REEVES,
Assistant to Senator Kefauver.

CONGRESS OF INDUSTRIAL ORGANIZATIONS,
Washington, D. C., July 26, 1954.

Hon. WAYNE MORSE,
United States Senator,
Senate Office Building,
Washington, D. C.

DEAR SENATOR MORSE: I want to thank you for your inspiring fight for our atomic future.

As I told Rod McLeish, I had long wanted to meet you. I can think of no better meeting than to sit in the gallery and watch the battle develop, as it did, when you took the floor to raise our spirit and hope. You called it a filibuster. On that one point I would disagree with you. It was the raw stuff of democracy. For all its resemblance to the mating dance of the pigeon; for all its ritualistic verbiage surrounded by heavy adjectives, the struggle on the Senate floor had a clean sense of dedication and gallantry.

At this writing, there is some doubt the liberal group will carry the day, but the conflict retains its significance. Young men, like myself, were spoiled by the long years of Roosevelt. We quickly lost the sense of what it means to fight as a minority. Thank you for cutting deep into the apathy that marks our times more than cynicism.

Sincerely yours,

JULES WEINBERG.

INTERNATIONAL ASSOCIATION OF MACHINISTS,
MOUNT HOOD LODGE, NO. 1005,
Portland, Oreg., July 26, 1954.

Senator WAYNE MORSE,
Senate Office Building, Washington, D. C.

DEAR SIR and BROTHER: We wish to convey our heartiest and warmest regards of nearly 2,000 members of the auto mechanics. Thank God for men of your caliber. Keep up the good work. We read with interest your Senator MORSE Reports.

Sincerely yours,

RALPH F. KAUFMAN,
Financial Secretary.

UMATILLA ELECTRIC COOPERATIVE ASSOCIATION,
Hermiston, Oreg., July 26, 1954.

Senator WAYNE MORSE,
Senate Office Building,
Washington, D. C.

DEAR SENATOR MORSE: I wish to take this opportunity to congratulate you upon the issuance of your mimeograph reports. Of course, we read the headlines of the news and a great many of the articles and would be remiss if we were not to express our appreciation to you for the effort which you are making currently in representing our interests at a time and place which it would be almost impossible for us to appear. As you know, through Clyde Ellis of NRECA and others of our local organizations, we feel very strongly about some of the issues which are at stake at the present time. It is very difficult for us to keep abreast of all the activities which are being taken both in our behalf and against our particular interests. We feel very grateful, therefore, for your strenuous efforts and wish to take this opportunity to express our support both for you personally and the issues which you are endeavoring to safeguard.

It seems in these days of turmoil that some individuals are confused and unable to evaluate the basic principles involved in some of these problems or they are interested in tearing apart those democratic principles which have made our country great. Of course, we are interested in the public versus private power issue and the solution which will determine whether or not our type of organizations will be able to survive. We, in this particular project and in a number of others in the State of Oregon, have made notable financial success to date in our operations to serve people, who otherwise would have had little or no electric service at this time; however, very few of us, as you know, are able to go into the problem of power generation for the relatively small volume which we require because of the prohibitive cost on a small volume basis. The Federal power program, therefore, has been a boon to our type of organization and has allowed us to operate as efficiently as would other larger organizations in providing our wholesale power supply. Anything, therefore, that tends to make the cost of our wholesale power prohibitive to economical service tends to strangle the people of our country as far as electric service is concerned.

I should like you to consider me a servant in this cause and in your own personal career as well as in solving the larger problems which are coming before us this fall. I admit I am unable to ride horses, but that need not interfere with your activities of that type.

Kindest personal regards,

R. L. WOOLLEY,
Manager.

STEVENSON, ALA., *August 2, 1954.*

Senator WAYNE MORSE,
Washington, D. C.

DEAR SIR: Recently, after listening to a political speech, I heard a man make this remark: "There is a man in the Senate who votes this way; if it's good for the people, WAYNE MORSE is for it—if it's against the people, WAYNE MORSE is against it."

I am an employee of the TVA working here on a construction job. The first dollar an hour I ever made in my life was from the TVA. May it be the Lord's will that we never have another nightmare like the Tennessee Electric Power Co.

God bless you and may you have a long, successful life in the United States Senate.

Respectfully,

W. O. JENNINGS.

SACRAMENTO HEARING AID CENTER,
Sacramento, Calif., August 3, 1954.

DEAR SENATOR MORSE: Please excuse the undoubtedly incorrect method of addressing you.

I had the pleasure of seeing and hearing you on the youth program televised Sunday afternoon. It was the first time in my life (36) that I was so impressed that I felt I should write you and tell you how much I liked your sincerity and what you had to say.

I have been one of those lax people that have never read enough or took the time to understand laws and the problems, etc., that every citizen should. Lately having just got television here (approximately 1 year) in Sacramento, I've tried to catch all of the forums possible and you are the very first that has made a very favorable impression.

May God bless your good work and you and yours. I hope that you don't feel that this is improper, but again I felt that one should voice their opinion especially to people that are doing such an important work as yours. I wish that I was a resident in Oregon so that I could vote for you and encourage others to see how lucky they were in having your representation.

Sincerely,

JOHN C. KINSTLER.

SAN FRANCISCO, *July 28, 1954.*
Senator WAYNE MORSE,
Senate Office Building,
Washington, D. C.

DEAR SIR: As one of the Americans and taxpayers for whom you put up the magnificent fight against the gigantic atomic giveaway, I thank you for your great effort. Would that we had more men of your caliber in Congress who look out for the welfare of the people.

Sincerely,

CARRIE FRIEDMAN.

SUNNYSIDE, WASH., *July 31, 1954.*

DEAR SENATOR MORSE: I want to thank you for your gallant stand in the interests of the American people in opposing Ike's atomic steal and for much other work that you are doing; Hells Canyon and other self-help measures. Senator MORSE we are very proud of you.

Thank you so much again.

Very truly,

H. H. ELLIOTT.

TACOMA, WASH., *July 31, 1954.*
Senator WAYNE MORSE,
Senate Office Building,
Washington, D. C.

DEAR SIR: I wish to extend my thanks and congratulations for your terrific efforts in opposing the administration's giveaway to private utility monopolies, our atomic energy heritage, which we as taxpayers paid to develop. I sincerely hope you and your colleagues keep up the fight.

JOHN C. MIGDULA.

FLORENCE, ALA., *August 1, 1954.*

DEAR SENATOR MORSE: Just a few words to add my voice to the many who admire and appreciate you for the wonderful stand you have made against the giveaway of our natural resources and public power by the administration and President which is being done for the benefit of so few people. It should have been used to educate our children as was suggested by Senator HILL.

Please continue your fight. Maybe something can yet be salvaged.

Sincerely,

W. H. FLIPPO.

P. S.—Enclosed is an article by Othman. I like it a lot. W. H. P.

ARLINGTON, VA., *August 4, 1954.*
Senator WAYNE MORSE,
Senate Office Building,
Washington, D. C.

DEAR SENATOR: Heartiest congratulations to you on your crusade against the administration's giveaway power bill. It is good to know that the American taxpayers have a friend like you in the Senate. I hope that you and such Senators as SPARKMAN, HILL, and DOUGLAS will continue to fight against the giveaway program of the Eisenhower administration.

I voted Republican in 1952 but will never do so again. It is too bad so many misled voters such as I fell for Candidate Eisenhower's campaign pledges. We will know better when we go to the polls this November.

Please continue your fight for the American way of life.

Sincerely,

GEORGE M. NAYLOR.

HEBRON, ILL., *July 30, 1954.*
Senator WAYNE MORSE,
Washington, D. C.

DEAR SENATOR MORSE: As a rule I feel that the practice of speaking at length to hold up votes in the Senate is unfortunate and that in the past southern Congressmen have used this practice for unfair bargaining. But allow me to extend to you my personal thanks for your valiant efforts to keep our country and its citizens from being robbed blind. I am rather pessimistic toward the present administration and feel that the American people are not through feeling the effects of big business taking them for a ride. At least through your efforts the people shouldn't be quite so blind.

It is interesting in how few newspapers one could find what each Senator's vote was on the atomic bill you opposed. Under such conditions it is difficult for the average citizen to know whether he is being fairly represented. The sad point is that big business interests don't seem to know how far to go—the average Joe was refused a greater exemption on his income tax—corporate incomes given a reduction in tax—corporations given easier depreciation terms and utilities presented with giveaways. But you know all this, and you also know that this is short-sighted capitalism, leading to lower purchasing power by the mass consumer, with all of its unfortunate results. The trickle-down theory isn't being supported by reports of unemployment over the country but corporate reports on the financial pages hardly makes readers' hearts bleed. The fact that there are a few million unemployed in the country also makes for more willing and less troublesome employed workers who not only will abstain from higher wage demands but will accept wage cuts.

I am not only offering my gratitude to you for your present work but I have been happy over your constant attempts to improve democracy. I was fortunate to hear you speak in person at Northwestern University in 1948 and felt at that time that you dealt squarely with issues and not in political platitudes.

Would it be possible for me to receive a copy of the atomic bill you opposed in its original form (S. 3690) before some slight improvements were made by amendments?

Sincerely yours,

STEPHEN STOIKOFF.

ARLINGTON, VA., *July 28, 1954.*
Senator WAYNE MORSE,
Washington, D. C.

HONORABLE SENATOR MORSE: I want you to know that you have many in these north Virginia counties who congratulate you on your stand on Tidelands oil and the recent atomic-energy giveaway bill.

I am glad we still have a few men who stand for the people.

Sincerely,

ESSA E. SMITH.

LOS ANGELES, CALIF., *July 29, 1954.*
Hon. WAYNE MORSE,
Senate Office Building,
Washington, D. C.:

Thanks for your hard work in behalf of the people even though you could not get support in fighting the atom giveaway bill.

Better luck next time, but keep up the good work.

Thanks again and best of luck.

Mrs. ANNE E. O'CONNOR.

THE PLAINS, VA., *July 30, 1954.*

MY DEAR SENATOR MORSE: May God prosper the magnificent defense you people are making in behalf of the people against the greed, selfishness, and merciless exploitation of private interests. Unless we rebuild our righteous lives our country is doomed.

Truly yours,

FLOYD TURNER.

BURLINGTON, N. C., *August 2, 1954.*
Senator MORSE,
United States Senate,
Washington, D. C.

DEAR SENATOR: Here comes a bouquet of roses, from where you probably would never expect one.

Seriously, I have read the CONGRESSIONAL RECORD most every day of this session. Time after time, I find myself admiring the stand you take, often in the face of tremendous odds. So, I know you must be a man with convictions. What we need are more men like you who are interested more in our country's welfare and less interested in politics for politics sake. I recall, in particular, the speech you made on the revision of the Atomic Energy Act of 1946; that was quite a talk, long, oh, brother; but all through it, it remained interesting and you retained your humor all the way. (And it was a giveaway.)

Now, I know for a fact that I am a southern Democrat, and since I admire you is it possible that you are leaning?

Thanks again for your good work. Good luck and God bless you and yours.

Sincerely,

HENRY C. ANDREWS, Jr.

NEW YORK, N. Y., *August 2, 1954.*
Senator WAYNE MORSE,
Senate Office Building,
Washington, D. C.:

Fight for your ideas on the atomic bill. I think it is S. 3690. President Eisenhower is ill advised. Am sorry he has not been advised that bill should be revised.

Good luck.

WM. BRADFORD.

LOS ANGELES, CALIF., *July 29, 1954.*
Senator WAYNE MORSE,
Senate Office Building,
Washington, D. C.

DEAR SENATOR: You are certainly doing a great job with regard to the bill on atomic energy. You have our wholehearted support. Let us put it this way—we thank you for doing such a tremendous job for the American people with so little support from other Senators. Please continue to hold firm.

Respectfully,

Mr. and Mrs. RALPH MORRIS.

CRESTLINE, OHIO, *August 2, 1954.*
Santor WAYNE MORSE,
United States Senate,
Washington, D. C.

HONORABLE SIR: Just a great big thank you for your courageous stand and efforts against the evils of the commonly called atomic bill and the many good things you have stood for in your senatorial office. Our hope is that you be richly rewarded for your efforts and that you may have many years in that office to keep on fighting for the little fellow who after all is an American. And I hope that the voters of Oregon reward you accordingly.

Very sincerely,

J. L. NELAN.

RIVERSIDE, CALIF., *August 2, 1954.*
Senator WAYNE MORSE,
Washington, D. C.

DEAR SIR: I appreciate your fine work in connection with the AEC legislation.

Yours truly,

Mrs. SHIRLEY CONGER.

DETROIT, MICH., *August 3, 1954.*
Senator WAYNE MORSE,
Senate Office Building,
Washington, D. C.

DEAR SIR: We wish to thank you very much for your work on TVA.

NELLIE POOLE.
E. POOLE.

CIVIL AIR PATROL,
Los Angeles, Calif.
Senator WAYNE MORSE,
Senate Office Building,
Washington, D. C.

MY DEAR SENATOR: As a citizen and taxpayer and small-business man in my com-

munity. I very heartily approve of your stand on atomic energy. It is my hope that you will have enough popular support to fortify you for a grueling Senate fight on the issue. The big monopolies have been given more than sufficient opportunity to heel themselves at the Government hog trough. The small people and workers are having a tough enough time of it.

Respectfully,

Rev. JOHN H. OWENS, Sr.,
Member Southwest Community Committee; Master Sergeant, 7th Squadron and Public Information Officer.

LOS ANGELES, CALIF., *August 1, 1954.*
Senator WAYNE MORSE,
United States Senate,
Washington, D. C.

DEAR SIR: I wish to compliment you on your recent exertions in opposition to the administration's atomic energy power bill. The attempt to protect our economy from further monopolization is a credit to you and your colleagues. I trust that you will continue to oppose the bill as it now stands.

I hope that you shall continue to give us the best of your forthright, able, and spirited statesmanship for many more years.

Sincerely,

DOMINIC B. PERELLO.

RICHMOND, CALIF., *July 30, 1954.*
Senator WAYNE MORSE.

DEAR SENATOR MORSE: The Nation owes you a debt of gratitude for your noble battle against atom power giveaway.

Gratefully yours,

J. N. MCCULLOUGH.

AMERICAN DAIRY ASSOCIATION,
Indianapolis, July 27, 1954.
Hon. WAYNE MORSE,
Senate Office Building,
Washington, D. C.

DEAR SENATOR MORSE: It was a real pleasure to see and hear you on the Youth Wants To Know program Sunday.

As a midwestern farmer I particularly appreciated the stand you took on support for the farm program at 90 percent of parity. I believe that it will be most helpful in building public understanding of the farm problems for the millions of viewers that saw and heard a Member of the Senate come out strongly for farm support. In my opinion the average man in the city does not realize how badly the farmers have been hurt by recent price declines. Here in the Midwest the only thing we produce on our farms that is paying out is hogs and they are now headed for much lower prices because of the substantial increase in numbers now going to market.

I cannot understand the philosophy of Secretary of Agriculture Benson when he preaches a flexible-support price. Farmers have fixed expenses which they must meet and the only way they can meet those expenses is to produce farm products and when these prices go down, in order to meet these expenses, they must produce more. Therefore, in my opinion flexible supports will not reduce products but will automatically increase them.

Our historical records show that every panic or depression this country has ever experienced was farm born and farm fed and I believe history is now repeating itself. The American farmers are getting in the fifties what they got in the twenties and ultimately these low farm prices will bring down our whole economy. Therefore, I am very grateful to you for your support of agriculture in this desperate hour.

Sincerely,

OSCAR A. SWANK,
Executive Secretary, American Dairy Association of Indiana.

BALTIMORE, MD., *August 1, 1954.*
Senator WAYNE MORSE,
Senate Office Building,
Washington, D. C.

DEAR SENATOR: Heartiest congratulations on the valiant fight you and your colleagues have been conducting. However, in view of the fact it met only partial success I would like to know; if the Senate came under a liberal majority, could the tidelands and atomic-energy giveaway bills (now laws) be voted out of existence and reasonable measures substituted? In short, have these bills that have been pushed through an irrevocable nature?

Yours truly,

I. BARDITCH.

SAN FRANCISCO, CALIF., *July 28, 1954.*
Senator WAYNE MORSE,
Senate Office Building,
Washington, D. C.

DEAR SENATOR MORSE: Please accept the thanks of a Californian for your efforts in behalf of the people versus the private power monopoly. Harding's Ohio gang were pikers compared to the second-hand car dealers giving away this country's resources. Please continue your present, as well as past, good deeds.

J. M. MCBRIDE.

COLUMBUS, OHIO, *July 30, 1954.*
Senator WAYNE MORSE,
Senate Office Building,
Washington, D. C.:

Thanks ever so much for your fight against the public-power giveaway.

Yours sincerely,

GEORGE A. CRAFT.

DETROIT, MICH., *July 28, 1954.*
Senator WAYNE MORSE,
United States Senate,
Washington, D. C.

DEAR SENATOR MORSE: I wish to offer my congratulations to you in your effort to protect the interests of the American people, particularly in your fight on tidelands oil and the AEC power dispute. Keep up the good work.

BOB LEE.

LOS ANGELES, CALIF., *July 26, 1954.*
Senator WAYNE MORSE,
Senate Office Building,
Washington, D. C.:

Thank you for your fight on behalf of the people for the atomic-energy bill. But for your strenuous effort along with a few Democrats, we would never have known half the facts about the bill. Keep up the good fight. The taxes I pay are a real burden to me. Would like to have some return on what has been invested in the Government expenditure on atomic energy.

E. K. BERGSTROM.

LOS GATOS, CALIF., *July 29, 1954.*
Senator WAYNE MORSE,
Washington, D. C.

DEAR SENATOR: I would like to congratulate you for your gallant stand against the present administration giveaway plan.

It is nice to know we still have some Senators that will stick up for the taxpaying public.

J. D. MERCER.

MINNEAPOLIS, MINN., *July 29, 1954.*
Senator W. MORSE,
Senate Office Building,
Washington, D. C.

DEAR SIR: Congratulations on your defense of the people's interests in the recent atomic energy debate.

B. WEATHERMAN.

LAGUNA BEACH, CALIF., *July 29, 1954.*
Senator WAYNE MORSE,
Senate Office Building,
Washington, D. C.

DEAR SENATOR: Your recent efforts in behalf of preventing the great steal are very much appreciated. We are grateful to you.

JACK MILLER and POP.

MIAMI, FLA., *July 31, 1954.*
Senator WAYNE MORSE,
Senator, State of Oregon,
Washington, D. C.

DEAR SENATOR MORSE: I congratulate you and the other Senators who fought with you.

I hope you got support from the Senators of my State.

Respectfully yours,

A. REISMAN.

DALY CITY, CALIF., *July 27, 1954.*
Senator WAYNE MORSE,
United States Senate Building,
Washington, D. C.

DEAR SIR: Thank you for your brave fight against Ike's atomic bill.

If only we had even a few more real statesmen like you with courage and decency.

Respectfully,

A. ALABONA.

REDWOOD CITY, CALIF., *July 28, 1954.*
Senator WAYNE MORSE,
Washington, D. C.

DEAR SENATOR MORSE: We appreciate very much your work in forcing recognition of the public interest in the atomic power bill recently passed.

With kindest regards,

Mr. and Mrs. WALTER LIND.

SEATTLE, WASH., *July 28, 1954.*
Hon. WAYNE MORSE,
United States Senate,
Washington, D. C.

DEAR SENATOR MORSE: Thanks for the magnificent battle you put up against proposed atomic giveaway.

Mr. and Mrs. HERMAN BOHN.

JULY 30, 1954.
Senator WAYNE MORSE,
Washington, D. C.

SENATOR MORSE: Congratulations on your brave stand against such greed. You're O. K.

A. TWARD.

SPARTA, N. J., *July 28, 1954.*
Senator WAYNE MORSE,
Senate Office Building,
Washington, D. C.

DEAR SIR: We salute you for your courageous work.

P. D. BOOTHROYD.

SAN FRANCISCO, CALIF., *July 28, 1954.*
Senator WAYNE MORSE,
Washington, D. C.

DEAR SENATOR: Although I am not one of your constituents, I want to express, for what it may be worth to you, my appreciation of your fight against the latest Eisenhower-Republican giveaway—the AEC bill.

How encouraging, in the face of so many threats to our American ways and freedoms, to see there are still Senators who are courageous and energetic rather than rubber-stamps.

G. H. PERRY.

MISSOULA, MONT., *July 29, 1954.*
Senator WAYNE MORSE,
Senate Office Building,
Washington, D. C.

DEAR SENATOR MORSE: I want to express my appreciation and admiration for the stalwart fight you made on the atomic energy bill on which the administration tried to sell out

the American people—just as they're doing on the tax-revision measure. You kept them from getting a 100-percent steal and I hope you keep up the good work.

JAMES L. C. FORD.

SEATTLE, WASH., *July 28, 1954.*

Senator WAYNE MORSE,
United States Senate,
Washington, D. C.

DEAR SENATOR: Congratulations on your efforts on behalf of the American citizens in your fight to control atomic legislation and public power.

Sincerely,

PHILLIP C. HANSEN,
ANNA J. HANSEN.

CHIMACUM, WASH., *July 29, 1954.*

Senator WAYNE MORSE,
Washington, D. C.

DEAR SIR: You have my admiration and respect on your stand 2 years ago and now on atomic power though later I think a plan to use it for industry should be employed. Hope this reaches you as if I put it off to send letter may not get done. I also admire Mr. Rhee's stand. Hope you don't wear yourself out from lack of rest and also hope they get a new investigating committee.

Sincerely,

Mrs. NEIL STARK,
Logger's Wife.

LONG BEACH, CALIF., *July 31, 1954.*

Senator WAYNE MORSE,
Senate Office Building,
Washington, D. C.

Thanks for the filibuster. Thanks, too, for the fight ever continuous to be independent when both parties lack liberal leadership. Keep up the good fight.

Sincerely,

MARION S. NICHOL.

LONG BEACH, CALIF., *July 28, 1954.*

Senator WAYNE MORSE.

DEAR FRIEND: I am entirely with you in your fight against the giveaway of the people's power. More power to the champions for the people.

VAL S. WARE.

BERKELEY, CALIF., *July 27, 1954.*

Hon. WAYNE MORSE,
United States Senate,
Washington, D. C.

DEAR SENATOR MORSE: My most heartfelt congratulations on your invaluable part in the current Senate battle against the private power giveaway.

Here in California the only detailed factual information I have been able to get on this controversy was LISTER HILL'S article in the New Republic.

I have just received your published remarks on Brownell's wiretapping proposals also.

As a fellow Minnesota graduate and a fellow political partisan, I want to assure you I intend to continue boosting MORSE.

Kindest regards.

RALPH JOHANSEN.

COLD SPRING, N. Y., *July 29, 1954.*

DEAR SENATOR MORSE: The more we see you in action, the more your stature grows.

We who admire you tend to be lazy in saying so. Even I have delayed, though I was impressed by your courageous fight in the atom bill. Guard your health, for your kind of statesmanship is too rare and greatly needed.

Sincerely,

ROSE CHERNOWITZ.

LOS ANGELES, CALIF., *July 28, 1954.*

Senator WAYNE MORSE,
Senate Office Building,
Washington, D. C.

DEAR SENATOR: I wish to extend thanks to you for your efforts on behalf of the American people.

Oregon can well be proud of their Senator.

Please keep up your splendid work, and good luck in the future.

Sincerely yours,

KENNETH HARRIS.

SAUSALITO, CALIF., *July 29, 1954.*

Senator WAYNE MORSE,
Washington, D. C.

DEAR SIR: May we thank you for your efforts to save atomic energy for the people? We admire your courage and deeply appreciate the physical strain involved. It is unfortunate that filibuster is the only method for stopping those who would give the whole country away.

We hope sincerely that you and more men like you will be in the Government to look after the interests of all of the people.

Gratefully,

REUBEN SCHUTZ.

DALLAS, TEX., *July 29, 1954.*

Hon. WAYNE MORSE,
United States Senate,
Washington, D. C.

DEAR SENATOR MORSE: Allow me to congratulate you for the splendid fight you have been putting up for the people and against the atomic giveaway.

We would have a much better country if more of the Senators had the courage and public spirit you have repeatedly displayed.

Sincerely yours,

GEORGE CLIFTON EDWARDS.

LONG BEACH, CALIF., *July 28, 1954.*

United States Senator WAYNE MORSE,
Washington, D. C.:

Thanks and congratulations on your effort in the behalf of the little people.

We need more people in the Senate like you.

Respectfully yours,

B. F. COURT.

LONG BEACH, CALIF., *July 30, 1954.*

Senator WAYNE MORSE,
Washington, D. C.

DEAR SIR: We are deeply grateful to you and the other Senators for your brave stand on the atomic-power bill. If it should come back from the joint committee the way the administration wanted it, and even with a few of your good amendments, but with the main giveaway part still intact, just hound it to death for this session. Next session the Democrats and an Independent will take care of it. For the present, we hope you will continue to fight it till doomsday, if necessary.

We can't understand why President Eisenhower and most of the other Republicans would advocate such a costly giveaway to rich concerns, and that right on top of the oil handout. After all the brave campaign words!

Here are some informative clippings, one entitled "House Kills Waterpower Bill," in the last paragraph that statement would apply to the atomic-power bill a million times over, but the Senate blithely goes ahead to railroad that vitally important bill through in nothing flat.

We want you to know, and the other Senators who stood with you, we think you are real statesmen and not merely politicians.

Sincerely yours,

Mrs. JEAN ALTMAN.

MADISON, WIS., *July 30, 1954.*

Senator WAYNE MORSE,
Senate Office Building,
Washington, D. C.

DEAR SENATOR MORSE: I was very appreciative of your efforts to prevent the passage of the atomic-energy bill. The opposition of yourself and others was sufficiently dramatic to let people know what was going on. The newspapers would otherwise have blanketed the bill in silence.

Sincerely,

ANNA MAE DAVIS.

LOS ANGELES, CALIF., *July 30, 1954.*

Senator WAYNE MORSE,
United States Senator From Orgeon,
Washington, D. C.

DEAR SENATOR MORSE: I am taking the liberty of writing to you to express my sincere thanks and appreciation for your magnificent stand against the atomic energy bill.

You are indeed a man of high principles who is constantly working for the good of the country and not for personal gains. You have my utmost respect and admiration. It is regrettable that there are so few men like you in Washington.

Best wishes and God bless you.

Sincerely,

RUTH SUSSMAN.

MILTON, WIS., *July 29, 1954.*

Senator WAYNE MORSE,
Senate Office Building,
Washington, D. C.

DEAR SIR: I wish to commend you for your perseverance with which you fought the administration's atomic bill. It is disheartening to little people to watch great big private monopolies and corporations get everything. If we start complaining about these things, they seem to regard us so suspiciously as though we have fallen for the Communist line, when our whole feeling is one of revulsion toward communism.

It is so refreshing to watch men of your caliber who really have principles and seem not to be afraid of anything. Please keep on having high standards. We will stand behind people like you and respect you. We are glad you are an independent, too.

By the way, we know Miss Marie Endres, of Madison, who speaks highly of you.

Sincerely,

Miss BETTY DALAND.

FLUSHING, N. Y., *August 1, 1954.*

DEAR SENATOR MORSE: Though you are not our New York Senator, you are like a friend whom we know well from Frank Edwards' broadcasts as well as from your Senate speeches.

Your talking re the atomic-energy program was terrific and whatever we got in of amendments is greatly to your credit, we know.

But you don't get any rest. We are looking forward to reading your resolution. We agreed with Senator FULBRIGHT'S version and were glad that you also favor specific charges with the censure and no postponement.

Keep up the good work.

Sincerely yours,

ALVIN and LOTTIE FAIRBROOK.

BERKELEY, CALIF., *July 28, 1954.*

Hon. WAYNE MORSE,
Senate Office Building, Washington, D. C.

DEAR SENATOR: Thank you for your efforts to save something for us common people. Apparently the giveaway administration in Washington is determined that the privileged few shall have our power, our water, our parks, our oil, and all other resources.

Please keep trying; maybe we will salvage something.

Sincerely yours,

LEROY SMITH.

UNIVERSITY OF ARKANSAS,
DEPARTMENT OF PHILOSOPHY,
Fayetteville, July 30, 1954.

Senator WAYNE MORSE,
Senate Office Building,
Washington, D. C.

DEAR SENATOR MORSE: Congratulations on the splendid fight you and your colleagues waged against the atomic giveaway bill.

I hope you and other fearless liberals in the Senate will speak up in favor of Senator FLANDERS' censure move when it comes to a head.

Many thanks to you for your splendid record.

Sincerely,

Dr. JOHN L. MCKENNEY, *Instructor.*

ST. LOUIS, MO., *August 1, 1954.*

DEAR SENATOR MORSE: I am very thankful that there are men in the Senate such as you. The filibuster, which you participated in, was very necessary since President Eisenhower seems to want to be known as the giveaway President.

I am renewing my offer to contribute to your campaign when you come up for reelection. The Senate certainly needs men like you very much.

Sincerely yours,

Miss HELEN R. PAUL.

PORTLAND, OREG., *July 29, 1954.*

Hon. WAYNE MORSE,
United States Senate,
Washington, D. C.

DEAR SENATOR MORSE: I want to applaud your recent action in putting up such a good fight against the administration's atomic energy bill. You have done the people of this State and the Nation a great service. It is comforting to know that there is at least one Member of the United States Senate whose vote is not for sale to the highest bidder.

Not only do the people have a multi-billion-dollar interest in the atomic energy program but it has been found on previous occasions that big business cannot be trusted. It is a sad state of affairs, but greed for more money and bigger profits speaks louder to business than the voice of responsibility for national security and national welfare.

My family and I enjoy receiving your periodic reports.

Very truly yours,

MARSH F. BEALL.

JULY 29, 1954.

DEAR SENATOR MORSE: As a member of America's younger generation, I would like to thank you for your tremendous fight against the atomic giveaway program and to say that I am very disturbed and grieved that circumstances beyond your control doubtless prevented your achieving victory. Keep fighting; you're fabulous.

Hoping to vote for you come next election, I remain,

Sincerely,

Miss BARBARA WILLETT.

SALEM, OREG., *July 28, 1954.*

Senator WAYNE MORSE,
Washington, D. C.

DEAR SENATOR: This is just a note in appreciation of your efforts of the past months to stem the tide of the moneychangers, saboteurs, and giveaway boys. No doubt it's an uphill fight with what seems like your own constituency helping the wrong people.

Let's hope by November the rank and file of voters will have awoke to what's happening to their heritage.

Most respectfully yours,

W. A. RENTSCHLER.

PORTLAND, OREG., *July 28, 1954.*

Hon. WAYNE MORSE,
Washington, D. C.

DEAR SENATOR MORSE: I appreciate your kind acknowledgment of my letter, especially during the very busy session you have been having. May I congratulate you for your very outstanding work during the last few days of a hectic debate. The end of this discussion is disappointing, to say the least, as was tidelands oil.

I admire you for your frankness; you do not placate; one knows where you stand on an issue.

I do sincerely hope you will be reelected in 1956; the country needs men like you to help run the Government. I shall certainly support you with my vote. When one takes a survey of the trend of politics during the primaries, nationally, it looks more hopeful. Texas gave Governor Shivers a surprise.

I have heard several people say they are sorry they voted for the present administration and would change in the next election. We need people in government who are for the working people as well as big business.

I attended the Democratic rally in Eugene July 10. I think everyone was very well pleased; there were between four and five thousand in the stadium. Of course Mr. Stevenson gave a brilliant speech as usual. I had the honor of meeting him at the reception held afterward in the new school building close by.

Thank you also for the booklet, received yesterday, on H. R. 7815; I am sure I will find it very interesting; also many thanks again for the monthly bulletins.

Best wishes always.

Sincerely,

CONSUELO A. WITHAM.
Mrs. FRED W. WITHAM.

PORTLAND, OREG., *July 28, 1954.*

Senator WAYNE MORSE,
Senate Office Building,
Washington, D. C.

DEAR SENATOR MORSE: Many thanks for the material sent me.

It interests and in a way amuses me to note the changing attitude toward you, sir. Now folk are beginning to say "that fellow MORSE may be darn right." In the past, while many of us do not understand the filibuster episode very well we do trust and have confidence in you and those who stood with you.

Miss JULIA NOBLE.

SALEM, OREG., *July 29, 1954.*

Senator WAYNE MORSE,
Senate Office Building,
Washington, D. C.:

Congratulations on your fight over the AEC bill. At least some of the features were removed.

Keep up the good work.

Sincerely,

ALAN R. HOLLOWELL.

COLUMBUS, KANS., *July 30, 1954.*

Hon. Senator WAYNE MORSE.

DEAR SIR: I am almost an invalid, 67 in September. Can't go anywhere, have no television, just radio. Heard you on last Sunday, July 25, on Youth Wants To Know, was thrilled to hear one Senator so brilliant and reasonable and matter of fact. Just like to scatter roses while people live. Somehow, sometimes I almost lose faith in our Congress when I read of the sellouts and self-interest. This requires no answer.

Prayers and best wishes.

Respectfully,

Mrs. MAUDE HOWARD.

"PARTNERSHIP" IN THE POWER BUSINESS

Jim Smith and I are going farming and we have a wonderful "partnership." We're going to grow peas, barley, corn, and other crops grown in this area. Jim didn't have any money to put into the business, so I furnished the capital and now we are all set to go.

Our farm has a hundred acres of tillable land with a few extra acres of hillside too steep except for the growing of trees. From this rugged hillside flow springs that empty into the river that flows by the farm, from which river we expect to irrigate our crops.

We've drawn up an agreement so each of us will know just what he is to do and what he is to get out of it. Jim is to till the soil, plant and harvest the crops, and receive for his very own the entire receipts from all crops sold. I am to fence the farm to keep out the neighbors' livestock, build roads down the hillside to the river, plant and care for many trees on the hillside to help retain the snows and rains that feed the river that irrigates our farm, and receive for my remuneration the privilege of fishing in the river. Isn't it a wonderful "partnership?" I'll soon be rich.

That is the administration's "partnership" program for power. The Government is to furnish the sites and build the roads to reach them. The Government is to maintain an adequate forest program so as to help to guarantee a water supply for the dams to be constructed. In other words, the Government is to furnish all things necessary to make permanent the plants for the generating of electricity.

Having done all this at the expense of the people, this administration is saying to the party big boys, "Now, you good fellows, come into these sites and construct great powerplants from which you can collect many, many millions. We know you don't have the money, but our little Douglas will negotiate loans from the Federal Government to give to you so that you may get rich."

Talk about "selling us down the river." This betrayal of the people is even worse than stealing from us the revenues from the tidelands oil.

LYNN GUBSER.

McMINNVILLE, OREG.

MIDDLETON, WIS., *July 27, 1954.*

DEAR SENATOR MORSE: This being my first letter to a public official, I feel somewhat inadequate in presenting my view on what seems to me to be a problem of national importance, and yet find so few people aware that it exists. Of course, I am referring to the President's atomic program against which you are now taking an active part in holding up by use of the filibuster. My only comment is, "In the name of heaven, keep it up." It is the last hope the American people have to keep big business from making a windfall from taxpayers' money. As a young graduate student here at the University of Wisconsin, I have only recently been able to expand my thinking in the area of politics to overcome childhood impressions and move to what I like to think is a liberal viewpoint. Therefore, I, too, condemned the filibuster as an obsolete method used to stop the movement of political thinking at times when it went against tradition. However, I must admit that I listen to the newscasts and read the morning paper with the hopefulness that you and the handful of others like you have not given in. I realize that political pressures must be pushing on you from all sides. Not only pressure groups but other Senators and party leaders. To separate your feelings and actions from the desires of others is a difficult thing, but in this case the fate of an unsuspecting Nation rides with you. Many people have become aware of the problem due to your efforts but your attempt is so often distorted by editors and columnists like Pegler, Lawrence, et al. The

disgust and revolting feeling that comes from reading their articles is indescribable.

Continue your good work in the knowledge that to many you represent one of the few bright stars on the current political scene, a scene that has seen too many eclipses.

Sincerely yours,

ALAN BEEMAN.

Mr. MORSE. I wish to make very clear that I am fully appreciative of the fact that some of the coverage on the atomic-energy bill fight did seek to give newspaper readers factual information on the substantive arguments of the speakers in the Senate. Such great newspapers as the St. Louis Post-Dispatch, the Louisville Courier-Journal, the Milwaukee Journal, on the national scene, and the Medford Mail-Tribune, the Coos Bay Times, the East Oregonian, the Capital Press, the Oregon Labor Press, and a few other newspapers in my State, did a very good job editorially and in their news columns in focusing attention on the merits of the debate rather than on the human-interest stories raised by the techniques of the debate.

As an example, I ask unanimous consent to insert in the RECORD at this point in my remarks a fine editorial from the July 30 issue of the Oregon Labor Press, entitled "How Not To Cover a Crucial Filibuster," which points out how reactionary newspapers in my State sought to distort the facts and mislead the people of my State in respect to my several long speeches against the atomic-energy power bill.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

HOW NOT TO COVER A CRUCIAL FILIBUSTER

Recent issues of the Portland daily papers should be required reading for students of journalism. They provide a classic example of how not to report a history-making filibuster in the United States Senate.

Seldom in the history of the newspaper business have so many words been used to describe the length of a debate without giving the reader the slightest notion of what it was all about.

You got the idea that the Senators were playing a time-wasting game for their own amusement. Never was it hinted that this was a desperate, last-ditch battle to prevent the giveaway of the American people's $12 billion investment in atomic energy.

After all, who cares about that? Skip it, boy—and give us a few more paragraphs about the flower in WAYNE MORSE's buttonhole and the crease in his suit.

Friday's Oregonian was the prize example. The paper devoted 40 column inches—more than a quarter of its front page—to two stories on the atomic debate. One of them was devoted exclusively to making MORSE look like a fool. The other used three sentences, beginning in the 22d paragraph, to tell what it was all about. And that was that.

Perhaps the fault doesn't lie entirely with the Oregonian and Journal. They depend on Associated Press for Washington coverage. But were all AP stories as empty as the ones we read in Portland?

Remember that the word "filibuster" is like the word "strike." It's loaded. A strike is always the "fault" of a union. A filibuster is always the "fault" of the Senators who try to stop passage of a bill. How many readers stop to ask what provoked them to use their last, desperate weapon?

If you'd like to know, here's a brief summary:

By their filibuster, MORSE and the other liberal Senators finally forced major changes in the administration's atomic giveaway bill. They stopped the plan to give private utility companies an exclusive, subsidized private monopoly on power development from atomic energy.

They won an amendment authorizing the Government to generate electric power from atomic energy. This will establish a "yardstick" to measure the fairness of rates charged by private power companies.

Another all-important amendment provides that any atomic-electric power plant must follow the historic preference clause, thus assuring cooperatives and municipalities of first rights to electricity produced from plants licensed by the Atomic Energy Commission.

These were major victories, protecting Americans from exploitation for generations to come. We believe that history will give credit to the filibustering Senators—even though the daily papers made them sound like a bunch of windbags.

Mr. MORSE. Mr. President, a good many of the columnists and byline writers did a remarkably fine educational job on the substantive criticisms which we made in our arguments against the bill. Some of the columnists, such as Leo A. Lerner in his column published in the August 4 issue of the North Town News, published in Chicago, discussed the prolonged debate against the atomic energy power bill from the standpoint of the longtime best interests of American consumers. The resulting mail from his column showed that readers are interested in the substance of a debate on the major issues involved in a bill as important as the atomic energy bill. I ask unanimous consent that the Lerner column just referred to be published at this point in my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

WHAT IT'S ABOUT

(By Leo A. Lerner)

A consumer is you when you are paying a bill for something you bought.

Anybody and everybody is a consumer, rich or poor, Republican or Democrat, light or dark.

And to state it most simply, the fight over the Atomic Energy Commission bill and the President's directive to make the TVA buy electric power from a private company and resell it to the AEC was a fight over whether or not we should relax our national protection of the consumer.

The filibuster by Senator MORSE and the liberal Democrats was not a contest between free enterprise and public enterprise. It was not a contest between business and Government. It was something practically no newspaper editorial or commentator said it was, a question of what is eventually going to happen to you, the consumer.

Sometimes I think others look upon consumer as a dirty word because you see it used so seldom in a sympathetic context. And yet the consumer, the eater-up, the user-up, the buyer of goods and services, is by far the most important individual in our whole economy.

I am familiar with the arguments that everything in our wonderful economy depends on the producer of goods and services, and it is he who must be helped and encouraged. Nor do I disagree with this premise altogether or with the often nice people who advocate it, but just exactly who would buy if there were no consumers and if these consumers were in trouble, such as suffering from a hardening of the income arteries or a steady chipping away of their opportunities to buy in a free and competitive market?

It is the last part of this long sentence that explained the noble filibuster of MORSE, DOUGLAS, et al. They are fighting against the chipping away of the chance of the consumer to buy in a free and competitive market, so that things and services could be plentiful and cheap.

And they won a large part of the fight by amending the administration bill so that the consumer as buyer and the consumer as taxpayer wouldn't get stuck for such a large part of the bill when private companies, most of them monopolies in their fields, were granted new privileges which give them new chances to make billions of dollars out of atomic energy patents bought and paid for with the tax dollars, which, even when paid by business, are always passed on to that nice, innocent fellow, the consumer.

But in the main, in spite of the amendments which will protect the consumer a little and save him a lot in total dollars, the consumer lost by the overall passage of an atomic energy bill which was really an omnibus carrying a few friendly passengers and a considerable number of wolves in sheep's clothing.

One thing you can be sure of now that the President has gotten through his bill which even a liberal Chicago newspaper brushed off as a great way "to bring business and government together." You can bet that you and I will not be in the atomic-energy business when the time comes that such energy will run the motors of the world. You and I won't be in the atomic-energy business and the Government won't be in it, if this kind of legislation stands. We'll be buying it, and the monopoly will be telling us how much of it we can have, how much we will pay for it and what it will cost us to install it, repair it, move it upstairs, or use it to pick a peck of pickles. You and I won't be able to say: "You keep your old energy which I need to cut down the tree or run the lawn mower; we are going to buy it from your competitor across the street who will give us a better rate and say 'pretty please.'"

It takes millions and millions to participate in this mutual atomic-energy program and you and I just haven't got the millions. We haven't even got what few millions it takes to give enough cash to a campaign fund for a President or a Senator. So how can we raise the coconuts it takes to shake them off the tree?

If you can't get Western Union on the telephone, whom can you call up to send your wire? Mercury himself? Personally, I don't know his number.

The little grocer and the little baker and the little manufacturer each has more competitors than he has dollars in the bank, but we have a group of people, nice people most of them and frank about what they are after, who call themselves free enterprisers and who are no more for a free economy than you are for a lunch of chopped ostrich livers. And it is for these smiling apostles of the false issue and the unsemantic slogan that the President created a legislative program and issued an Executive order without listening to the voices of sanity which cried, "Don't. It's not good for the consumer."

Somehow, it has become a hallucination that anybody who is for the consumer, that's you and I when we're buying and paying, is a Socialist, a New Dealer, a crawling bitter thing, repulsive and poisonous.

The Tennessee Valley Authority, by far the greatest thing we Americans have created together since the Constitution, is a protector of the consumer, a yardstick, a proof that Government can accomplish wonders without damage to the American way, but somehow this fine thing is feared and smeared and made to pay the penalty of being kind to the consumer.

It makes no more sense that a private company should sell power to TVA to resell it to AEC than for Lincoln Park suddenly to

be ordered to rent the elephant house to a private contractor who will resell to the zoo the right to see Jumbo. This kind of economic casuistry may satisfy somebody's alter ego, but there won't be any money left for peanuts.

And peanuts, my friends, is what this is all about. The kind that you and I use to spend on the things industry and service make for us to consume, with our big American appetites, for more, and better, and cheaper.

Mr. MORSE. Mr. President, I make these comments and insertions today because I want the RECORD to show that there is much evidence, as shown by our mail, that the average reader of the American press is not being misled by reactionary newspaper propaganda.

Mr. President, I now turn my attention to another subject.

The PRESIDING OFFICER. The Senator from Oregon has the floor.

THE BENSON PLAN TO FARM THE FARMERS

Mr. MORSE. Mr. President, within the past few months, three great farmer-veterans of the fight for our national farm programs have retired from the national scene.

One of them was Norris E. Dodd, an Oregonian who served as everything from chairman of a county Triple-A committee in my home State to director general of the World Food and Agriculture Organization. Mr. Dodd retired from his international post when the current administration decided to back another man for the job. Ed Dodd has served with great distinction in every post he was called upon to fill.

Next to go was R. M. "Spike" Evans, one of the members of the original national corn-hog committee, who came up through agriculture and climaxed his career as a governor of the Federal Reserve System. He has recently gone back to Arnold's Park, Iowa.

On August 1, a third of these great founders of the farm programs—William A. McArthur, for many years head of the grain branch at the Department of Agriculture—started back to his Iowa farm after a farewell dinner at which the early days of our farm programs were recounted.

Mr. THYE. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. THYE. The able and distinguished Senator from Oregon has named three men with whom I have had the good fortune to become acquainted since I came to the Senate. They were about as able men as I have ever known in the field of agriculture. There was "Ed" Dodd. Oftentimes he appeared before the Committee on Agriculture and Forestry in the various hearings which the committee conducted.

While we are speaking about men who have been leaders in agriculture, if the Senator from Oregon will permit me, I should like to refer to men like John Brandt, president of the Land O'Lakes Co., whom we lost last year. He was one of the greatest spokesmen the dairy industry and dairy processors had.

We lost another great man in the past year and a half or 2 years by the death of Harry Leonard, manager of the Twin Cities Milk Producers Association, of St. Paul, Minn.

Within the past 2 years we have also lost J. S. Jones, secretary of the Minnesota Farm Bureau. There is no man living today who understands agriculture the way J. S. Jones understood it, and there never was a greater friend of agriculture than J. S. Jones, secretary of the Minnesota Farm Bureau.

Agriculture has lost not only "Ed" Dodd and the other gentleman to whom the Senator from Oregon has referred, by retirement, but we have also lost, by death, some of the greatest agricultural leaders in the country.

Mr. MORSE. I appreciate the remarks of the Senator from Minnesota. I think it is particularly fitting, as we engage in this debate on the agricultural issue, that we pause a minute and recognize the accomplishments of the great agricultural statesmen to whom we have referred, and the magnificent contribution they have made to the American people through their work in the field of agriculture.

The retirement of these three great farmer statesmen and administrators is symbolic of what is happening in the executive branch of the Department of Agriculture and even here in the Congress.

The men who helped to found and build our great farm programs are leaving and our memory of the genesis of these programs is apparently fading too.

Our farm programs have their roots back in a period when conditions in agriculture were so bad that normally conservative, solid farm citizens engaged in rebellion. There is no less harsh word for it. Farmers upset produce trucks on the highways in the Middle West. Milk trucks were turned back or turned over in several areas. Finally some farmers became so desperate as to defy the courts. National guardsmen were called out in Iowa to preserve order.

Those were days of 10-cent corn, 3-cent hogs, wholesale bankruptcy among the farm people and of penny sales.

There has recently come to my desk a publication of the Northeast Farm Foundation by A. B. Genung on the Agricultural Depression Following World War I and Its Political Consequences which recounts two episodes in Iowa and another in New York during those dark days. Mr. Genung writes:

> A crowd of more than 100 farmers visited the courtroom of the county judge in Le Mars (Iowa), and demanded that he refuse to sign any more farm-mortgage foreclosures. The judge refused to accede to the demands, whereupon, according to the newspapers, the crowd dragged him from the bench, handled him roughly, carried him blindfolded in a truck to a crossroads out in the country, put a rope around his neck and choked him until he was only partly conscious, smeared grease upon his face, and otherwise subjected him to indignities.
>
> Earlier in the day this same crowd of farmers had stormed the O'Brien County Courthouse and attempted to prevent a mortgage-foreclosure sale there but had been held at bay by 22 armed deputies. The attorney for the mortgageholders was seized as he left the courthouse, forced to kiss the American flag, and to promise not to bring further foreclosure actions. After returning from this expedition the crowd had seized a man named as the mortgageholder in another foreclosure action, had carried him to a ball park and threatened him with a rope. It was following these exploits that the mob visited the court and subjected the judge to severe treatment.
>
> This incident had far-reaching effects, more especially, of course, in Iowa. Martial law was declared and civil courts closed in Plymouth and Crawford Counties. Several companies of the National Guard were sent into the area, where they set up military control and proceeded to arrest and incarcerate more than 100 farmers. On May 5 the militia pushed into Cherokee and apprehended certain men who were suspected of having had a part in the assault on the judge. The movements of the militia provoked local verbal attacks and much controversy and irritation. The arrests on the above date brought the total number of prisoners in the 2 districts then under martial law to 148, of these 86 being held at Le Mars and 62 at Dennison.

* * * * *

> The milk situation was also in the news, in the East, once more. The New York State Milk Control Board on May 10 ordered an increase from 10 to 11 cents a quart for home-delivered milk in New York City, in an effort to prevent the strike then being threatened by upstate farmers. This action, it may be remarked, came at the close of an exceedingly hectic day, during which some 300 dairy farmers were given a hearing before the board. The situation of milk producers was characterized at the hearing as desperate and the board was warned that the farmers were threatening to blow up milk stations and milk trains unless they received a better price.

Such was the scene in 1933 when farm leaders of the Nation were called to Washington by the new administration to write a farm law for presentation to the Congress with the new administration's backing. Bona fide farmers took the lead. The law was passed and bona fide farmers—men like Ed Dodd, Spike Evans, Bill McArthur, and many others—came off their farms and ranches to administer it.

American political life has been enriched by the fact that these men of the soil were drawn into Government and that real dirt farmers have participated in Government all the way from township committees to Cabinet and international posts.

The ink on the new farm laws written in 1933 had not dried before processors and men of great wealth began to attack them.

The processors went to court. The men of wealth—Wall Street hayseeds like Winthrop Aldrich, of Chase National Bank; Lamont Du Pont; Alfred P. Sloan; Ogden Mills; Joseph N. Pew, Jr.; Arthur Beeter, of Swift & Co.; and J. D. Coonley, of Wilson Packing—these rustics helped to organize and finance the Farmers Independence Council, which started crying "socialism," "regimentation," and telling the farmers that they would lose all their liberties under the new farm laws.

Senator Hugo Black, now on the Supreme Court, disclosed to the Nation through his Lobby Investigating Committee, that the backers of the Farmers Independence Council did all their farming in the "asphalt canyons" of Wall Street in New York and La Salle Street in Chicago. Thereafter the Independence Council withered away.

The processors succeeded in obtaining an adverse ruling from the Supreme

Court upsetting the first triple-A program, so the Nation's farm leaders met again here in Washington and drafted the Soil Conservation and Domestic Allotment Act, first adopted in 1935 and extended in 1936.

In the fight for the 1935 act the conflict between real dirt farmers and the agricultural industries reached white heat.

Ed O'Neal, president of the American Farm Bureau Federation, denounced those who "farm" the farmers. On March 9, 1935, he told the Senate Committee on Agriculture and Forestry:

> It is high time that those people who shed crocodile tears over the alleged regimentation of the farmers, and who speak of these programs we are seeking in horrified terms, should do two things:
>
> First, they should know what they are talking about, and
>
> Second, they should analyze the facts.
>
> If they can do neither, they should disclose what motivates them in speaking and writing as they do. One of the things I fail to understand is why those who are not farmers should be spiritually moved in the salvation of the farmers. The farmer can and will save himself with the aid and assistance of an intelligent and progressive Congress and a courageous and honest administration.
>
> It is time that someone told those who are opposing these programs, and who are shaken by fearful nightmares over what will happen to agriculture, despite the fact that these programs are succeeding, that the farmers of the United States, by an overwhelming margin in numbers, want to preserve the measures enacted for them by Congress, which will permit the farmers to work together by themselves, and to unite collectively in a cooperative solution of their problems.
>
> The pages of agricultural history show that opposition to farm legislation has come from the ranks of those who are not engaged in agricultural production, but who live upon it.
>
> The opponents of our program would make a much better showing, and would reflect upon themselves more creditably, if, in their opposition, they prefaced such opposition by saying that organization of agriculture for greater control over production and distribution would hurt them financially; that this is the reason for their opposition to these programs. Our opponents might just as well make their statements publicly, because everyone knows that it is a fact, and the more the fact is concealed, or attempted to be concealed, the more ludicrous is the position of our opponents. To take refuge behind any other kind of stand is laughable.

Mr. O'Neal went on to say:

> If this legislative committee of the Agricultural Industries Conference really wants to be known as farmers, they should call themselves "board-of-trade farmers," "grain-pit farmers," "livestock-exchange farmers." Their only relationship to farming is farming the farmers.

Mr. President, I thought that was such an excellent description of the opponents of the farm program of the 1930's that I adopted it, as will be seen, as a part of the title of my speech here today.

It is the background of agricultural industry hostility to our farm programs that should give us great concern about the way in which the Department of Agriculture is being administered today and its apparent lack of concern about bringing on a farm depression.

From the day that Mr. Benson came to Washington and established a temporary office, the agricultural industries group—the "pugfers" and "flakers"—have been in the ascendancy again.

Everyone of his study and many advisory committees in agriculture has been loaded with nonfarmers.

Among Benson's early appointments was an agricultural finance advisory group. On March 4, 1953, this group met here in Washington and advised the Secretary, according to a Department press release of that date, that existing credit facilities are adequate to take care of any foreseeable needs of the legitimate livestock producer. The press release added that there is little indication of distress—for credit—even in the drought area.

This was only a few weeks before the Congress had to enact emergency credit measures for livestock producers in the drought areas. It is very significant who attended the meeting. According to the press release, the members in attendance at that advisory committee meeting were:

A. G. Brown, American Bankers Association.

D. E. Crowley, vice president of the Northwest National Bank.

R. M. Evans, a member of the Board of Governors of the Federal Reserve System.

O. M. Krueger of the Prudential Life Insurance Co. of America, of Newark, N. J.

R. I. Newell of the Equitable Life Assurance Society, New York City.

John A. Reed, president of the First National Bank of Kemmerer, Wyo.

Glenn E. Rogers, Metropolitan Life Insurance Co., New York City.

Mr. R. E. Short, of the Department of Agriculture.

The 1 or 2 men of real, grassroots understanding of farm problems in that group were far overshadowed by a majority of financiers—and it is therefore not surprising that they were quickly proved entirely wrong about farm credit needs.

The National Agricultural Advisory Committee contained and still includes several names disturbing to farmers—a vice president of the Bank of America, a New York educator who is also a director in large utility and industrial concerns, and the president of the American Meat Institute, whch is made up of the packers, for example.

A joint meeting of Corn and Wheat Advisory Committee was held in Chicago October 13–14, 1953, to help draft the Eisenhower-Benson farm program.

Represented at that meeting, according to a Department press release, were the Chicago Board of Trade, Corn Products Refining Co. of New York, Cargill of Minneapolis, General Mills, Continental Grain Co. of Portland, Oreg., and Theis Grain Co. of Kansas City. While these obvious agricultural industry representatives did not constitute a majority of the joint committee meeting, their influence was clear in the joint committee recommendation of flexible supports.

I shall not take the time to explore all of these advisory groups. Concern about them was reflected during House Agricultural Appropriations Committee hearings early in 1953, and a considerable listing will be found in the agricultural subcommittee hearings on Department of Agriculture appropriations for 1954.

Inasmuch as dairy price supports are involved here, a Department of Agriculture press release on Secretary Benson's appointment of a dairy industry group to coordinate various dairy program recommendations shows the interesting composition of the panel. This group was composed of 3 men representing dairy production, 2 representing educational institutions and 15 from the distributing, manufacturing, wholesaling and retailing end of the business.

Farmer administrators at the Department of Agriculture are also disappearing and businessmen appointed instead.

The other day I noticed an announcement that MacHenry G. Schafer had been appointed director of personnel by Secretary Benson. The Department release stated that he was second vice president of the Northern Trust Co. of Chicago.

Undersecretary True D. Morse is a director in a farm management concern in St. Louis.

Assistant Secretary Earl Coke is a former vice president of the Spreckels Sugar Co. and member of the San Francisco Chamber of Commerce.

N. R. Clark, special assistant to the Secretary on Commodity Disposal, was a vice president and director of Swift & Co., prior to his retirement in 1952.

Secretary Benson had as his executive assistant D. K. Broadhead, who had been manager of Safeway Stores' egg operations in the United States and Canada. When Mr. Broadhead left, the Secretary chose Lorenzo N. Hoopes, eastern district manager of the Lucerne Milk Co., as his executive assistant.

Walter C. Berger, associate administrator of the Commodity Stabilization Service, is a former president of the American Feed Manufacturers Association—1946–52—and, since 1952, executive vice president and director of the Shea Chemical Corp.

Alex P. Davies, consultant to the President of the Commodity Credit Corporation, was Director of the Department of Livestock of the American Meat Institute, composed of the packers.

Is it any wonder, Mr. President, that the facilities of the Department of Agriculture have been used for the last 2 years to undermine and destroy the farm programs? The historic foes of the farmers are in the saddle again, and the Department mimeograph machines and the Department spokesmen have been constantly haranguing the public with exaggerated, erroneous, and frequently conflicting statements about the costs and the effects of the price support programs.

Let me say that I do not hold all the Republicans in the Congress responsible for the conduct of Secretary Benson. The agricultural bill now before the Sen-

ate, to hold off the disastrous sliding scale of price supports for another year, is recommended by a bipartisan group. I know of no one who has worked harder to change the direction of the Department of Agriculture than the junior Senator from North Dakota [Mr. YOUNG]. He was on the job even before the inauguration in 1952. His is not a preelection conversion to the farmers' side.

Another group which has been on the job are the members of the House Agriculture Committee—Republicans and Democrats alike.

On at least three occasions the House Agriculture Committee has gone to considerable trouble to expose the falsity of the processor propaganda issuing from the Department of Agriculture. The House committee's report, House Report No. 1927, flatly contradicts the elaborate maps which Secretary Benson got out a few weeks ago intended to show that farm income from price-supported crops is inconsequential in most of the States.

Benson's maps showed that in my own State of Oregon, for example, only 12 percent of agricultural income is from the 6 basic crops which have 90 percent supports. He rigged up a map to indicate that 81 percent of our products were nonsupported.

The House committee's report answered him with a map which shows that 42 percent of Oregon farm income is from price-supported crops and livestock products, and that this figure is 56 percent if the value of cattle and calves is included. The legend on the map points out that Government purchases were an important factor in stabilizing the price of beef cattle in 1953.

Benson's maps claim that 79 percent of commodities produced in Minnesota are either nonsupported, or are dairy products which he infers are nonsupported by lumping them into that class. The House committee says 55 percent of Minnesota commodities are price supported, and that the figure is 67 percent including cattle and calves.

Benson puts 69 percent of the Ohio farm products in the nonsupported class. The House committeee shows 55 percent supported, or 64 percent including cattle and calves.

I hope that the Members of the Senate will get a copy of the House committee report and study it very carefully, because it is a complete answer to the misrepresentations of Benson, as set forth in his phony statistics.

This correction in the Benson maps is not the only direct reply to the Department propaganda which the House committeee members—Republicans and Democrats alike—saw fit to issue. A whole section of their report, given the title "Popular Misconceptions," is devoted to refuting statements which have poured from the Department mimeographs.

In this section the House committeemen flatly deny and refute the claims that 90-percent supports are responsible for our surpluses, that flexible supports will discourage production, that flexible supports will result in important price reductions to consumers, that flexible supports will mean less Government controls and less expense, and that agriculture is subsidized beyond other segments of our economy.

After the issuance of this report, the House committee has produced two special studies to complete the refutation of some of Mr. Benson's propaganda.

The latest of these is a 12-page committee print on Farm Prices and the Cost of Food. I want to read just the introduction to it and to recommend that every Member of the Senate get a copy and study it in its entirety. The introduction says:

FARM AND RETAIL FOOD PRICES, 1946 TO DATE

When war-imposed (OPA) price controls were removed in the fall of 1945, both farm prices and retail food prices advanced rapidly.

Farm prices advanced 29 percent between 1946 and their peak in 1951, 5 years later. The advance in retail food prices was even greater (45 percent) between 1946 and their postwar peak in 1952. Since 1951, peak prices received by farmers have fallen 20 points, or almost back to their 1946 level. In contrast, retail food prices now hold within a fraction of their 1952 peak. In June 1954 farm prices declined 4 percent; retail food prices advanced 0.5 percent.

Thus far, almost none of the lower prices received by farmers since 1951 has been passed on to consumers in the form of lower retail food prices.

Further declines in farm prices are expected as more livestock and livestock products come to market and price-support levels are lowered. Consumers can expect little benefit, however, from these lower farm prices unless recent tendencies to increase marketing and processing charges are curbed.

The House committee had previously taken a slap at Mr. Benson's long-continued efforts to describe the farmers as panhandlers of billions of dollars from the Government in a committee print pamphlet entitled "Government Subsidy Historical Review."

This study shows that appropriated aids to agriculture from 1949 through the 1955 fiscal year will run $2 billion less than appropriations in aid of business.

It shows that our stock of foods and fibers in the Commodity Credit Corporation inventory last November 30—about which Benson expresses great alarm every time he makes a speech—amounted to $2.7 billion compared to $135 billion invested in stocks of military material and the national stockpile.

It showed that the net cost of price support operations from October 17, 1933, to November 30, 1953, was $1.2 billion—not the billions that the Department of Agriculture has attempted to make the public believe.

All this adds up to a spectacle that would be amusing if it were not for the tragic consequences in agriculture and our whole economy.

One day a Republican Secretary of Agriculture blasts the farm price support programs. The next day the Agriculture Committee of the Republican-controlled House of Representatives blasts back with a flat contradiction of the Secretary's arguments.

This intra-party strife has made one thing quite clear: That the Department is now dominated by those who—as Ed O'Neal put it—"farm" the farmers and that this Congress is the dirt farmer's only refuge—if he is to find one.

Interestingly enough, the Department of Agriculture sometimes refutes its own arguments. It has grown quite adept at talking out of both sides of its mounth.

On March 9, 1954, Under Secretary of Agriculture True D. Morse went to Dayton, Ohio, and tried to stir up the resentment of the dairy farmers against the corn farmers. Mr. Morse said in his speech to the Miami Valley Milk Producers on that occasion:

Most of the corn that is sold for cash by farmers is eventually bought by other farmers, as dairymen well know. Therefore, income for corn to one farmer becomes an expense to the farmer who buys the corn or feeds containing corn.

A large part of the expense of dairy farmers in the production of milk is feed costs. Approximtely 400 million bushels of corn, including corn in silage, is fed to dairy cattle each year.

Just a few weeks after this attempt to pit dairy farmers against corn farmers—and Mr. Benson himself has indulged in the same sort of troublemaking—the Secretary was called before the House Agriculture Committee and asked why he had reduced dairy price supports to 75 percent of parity while feed supports were still based on 90-percent corn.

What did the Secretary of Agriculture then say?

I quote from his own mimeograph and the record. He replied:

Let us not exaggerate this point. Corn comprises only about 6 percent of the cost of producing milk, and other feed grains about 5 percent.

"Let us not exaggerate," the Secretary said.

I say that is the advice which the Secretary should have given True D. Morse, Under Secretary of Agriculture. He ought to have given it to him before Mr. Morse went to Ohio to make the speech he made, which was bound to have the tendency of stirring up trouble between corn producers and dairy producers.

The only exaggeration which had occurred had been the exaggeration by the Secretary and his staff in their efforts to divide the farmers and set feeders against feed producers.

I should like to carry this one step further.

The consumers of the Nation have been led to believe that high farm-price supports are responsible for high food prices.

The House Agriculture Committee study disposes of that one. Food prices have gone up further and faster than farm prices, and they have stayed right up at the peak while farm prices fell.

But let us examine milk for a moment.

Accepting the figures which the Secretary of Agriculture used before the House committee, price-supported feeds amount to 11 percent of dairy-production costs.

Farmers get 10 cents or less a quart for milk. If they got corn and other feed grains absolutely free, it would mean a saving of about 1 cent a quart in the production of milk. That would mean 23 cents per quart milk here in Washington instead of 24 cents—a saving about 4 percent if feed grains were

supplied completely free to the dairymen.

It is about time, Mr. President, for us to point up the misrepresentations, falsifications, and phony propaganda of the Secretary of Agriculture and his mimeograph staff. It is about time for us to point out to the consumers in the large cities in America that it is not in their interest to lose the 90 percent farm-parity program, because loss of the 90 percent farm-parity program will soon reflect itself in economic disjoinders in the cities of America. After all, the cities of America are dependent for their prosperity upon the prosperity of the people who live on the soil of America.

I should like to discuss this issue in such metropolises as New York City, Boston, Mass., and Chicago, Ill., because it is time for some spokesmen for the farmers to invade those cities and explain to the consumers in those cities that, after all, their economic welfare is bound up directly with the economic welfare of the American farmer.

Let there be no doubt about it, Mr. President. If we allow the economy of the farmers to decline it will be but a short time until the economy of the city folks will decline at a more rapid rate, because once a farm depression starts to take hold we have an economic toboggan ride, very soon participated in by the residents of the cities. As the farm economy goes down the economy of the cities and industrial areas of America soon collapse.

That was the story of the 1920's, ending with the great depression. I intend to cast no vote which, in my judgment, would be a vote to bring about an agricultural depression either now or within the next few years. That is what I would be doing if I were to go along with Benson and the mimeographers who operate his propaganda machines. I would be joining the forces which are seeking to stir up a conflict between those who live in the industrial centers of America, and those who live on the farms of America.

If we reduce feed supports and prices by 15 percent, the savings will be about 1.5 mills on a quart of milk. That is about 1½ cents at the most, Mr. President. The House study of food prices shows that the consumers would not benefit a single mill from it.

Another of the fine arguments that was spun out by the Department of Agriculture spokesmen was that lower prices would permit greater production because consumption would go up.

Secretary Benson explained that, and I quote him directly, "flexible supports can produce larger income because they permit larger production." He often repeated that production times price equals income to create the impression that the proposed new farm program would start everyone eating more and permit higher farm incomes even at lower prices.

But when the Secretary came up to Congress with a statistical projection of the administration farm program, it revealed that he planned tighter acreage controls—not the lesser ones that had been held out to the farmers. His projection was for a 55-million-acre allotment on wheat for at least 3 years, and a 10-million-bale cotton production, the lowest the law allows.

The increased production which flexibles supposedly was going to make possible disappeared into the distant future, population growth undoubtedly will increase the total of foods consumed.

Mr. President, when William McArthur told his friends farewell the other evening, he recounted the number of times that our so-called surpluses of farm commodities have stood us in good stead.

They have proved a godsend to this Nation in at least 2 drought periods and 2 war periods.

We are today faced with the possibility—and I hope that neither materializes—of both drought and war.

The spare wheat and corn and cotton we have available may again prove a great good fortune, as it has before.

The Wayne Darrow Washington Farmletter for July 31 points out that drought conditions as of that date were the most extensive in history, involving virtually all of 30 States, and more than half of 35 States between the Rocky Mountains and the Atlantic.

Should this prove a drought decade like the thirties, Farmletter reports that—

> Feed-grain surpluses would be gone in 1 year, reserves would be down to the danger point in 2 years, and there would be scarcity by 1957, despite our large stocks. Without the large stocks, scarcities of feed, liquidation of livestock, soaring food prices, and similar effects would be felt sooner.

No one can predict with certainty whether there will be continued drought, or another Korea. But all of us should be thankful that we have food reserves to meet either contingency if it arises. And all of us should be representing our food reserves for what they are—great assets—in these critical times. We should not be going about the country deploring them.

The great misfortune of the past 2 misspent years in the farm field is that there has been no constructive program to use our abundance. We still have undernourished people in the United States. We might have tackled the problem of growing surpluses from the small end of our horn of plenty—the end where it comes out to the consumer—instead of the big end, where the commodities pour in. We might have tackled the distributive machinery to eliminate the bottlenecks to consumption.

The present chairman of the Senate Agriculture Committee, the Senator from Vermont, is the author of a food-allotment plan, but there have been no hearings on it.

As the RECORD will show, I supported the Senator from Vermont in this plan. Several weeks before he discussed it on the floor of the Senate I made a speech in the Senate urging that a part of our surplus food be given to charitable institutions, which are supplying food to the needy, those who are unable to purchase food. I urged an enlargement of the food program for the benefit of undernourished children. I said that we ought to take advantage of the great storehouse of surplus food to help improve the diet and nutrition of people who are living on a substandard diet.

The RECORD will show that in that speech I also came forward with what I considered to be, and still consider to be, a constructive suggestion, namely, that our State Department should recognize that our surplus food is one of the greatest weapons we have, one of the greatest national assets we have in the fight against world communism. I urged that it be used on the basis of a diplomatic exchange between our Government and countries in which thousands upon thousands of people are going hungry for want of the necessary minimum nutrition diet they ought to have.

We ought to use that food and attempt to enter into an agreement with those governments, whereby American businessmen would be afforded investment opportunities in backward areas, such opportunities to be paid for by way of surplus food, because for decades to come those people and those governments will not have the cash with which to pay for American investments.

In that speech I pointed out, and I repeat tonight, that the place where we shall have to beat Russian communism is on the economic front of the world. We shall not win the fight for freedom in a war. We shall fight a war if we are forced into it by attack by the Communist segment of the world. But I am sure we can avoid that if we keep ourselves sufficiently strong, so that the Communists will not dare attack us in a war, and if we demonstrate to the backward areas of the world our superiority over the Russian system.

But, Mr. President, we cannot "sell" those people on the idea of economic freedom, on the basis of empty stomachs. I have said many times in the past few years, in speaking in the Senate, and I repeat tonight, that Americans must wake up before it is too late, and must recognize that American foreign policy should be directed to the stomachs of millions of the people who must be won over to the side of freedom. But we are not doing that. Instead, we are scaring them almost to death by making them believe that what we stand for is the backing up of the colonialism of western powers and the economic exploitation of the backward areas of the world. We do not like to be told that, but it is true.

The fact is that in the sections of the world to which I allude, the Western Powers are feared because the millions of people there have been steeped with the propaganda that what we seek to do is exploit their economic resources. We have a tremendously effective weapon against Russian communism in Government bins filled with food and with grain; but we know that from 30 percent to 60 percent of it will, when it comes out of those bins, be unfit for consumption either by humans or by animals. That is the sorry record we are making with grain storage in the United States and with the storage of other foodstuffs in our Nation. Much of it is spoiling while it is in Government storage, and is being destroyed when it finally is removed from storage, because

at that time it is found to be unfit for either human or animal consumption.

Mr. President, we cannot square that performance with the Christianity we profess as a people, nor can we square it with the sound moral law we teach our children. We cannot square it with the very sound moral law—and, Mr. President, it is also a sound diplomatic rule—that we are our brother's keeper, and that we should keep faith with the Golden Rule.

Mr. President, those great spiritual teachings should be considered by us and applied by us in connection with all our activities, and should not be confined to meditation by us on the Sabbath. They are great spiritual teachings, and we should practice them. But we are not practicing them in the field of American foreign policy or in the handling of our surplus food.

Mr. President, I repeat that we cannot square the food program of this administration with the teachings of Christianity, because if we wish to follow those teachings, we must start to make use of the surplus food we have. We should use it for the benefit of some of our own people who lack the economic resources with which to buy adequate food supplies to keep their bodies in health, and we should also use great quantities of it in the fight against Russian communism abroad, in seeing to it that we trade such food for investment opportunities whereby American citizens can help develop the economic productive power of those countries, and also that we trade a goodly quantity of it for some good will. America sorely needs the good will of those backward areas of the world, since some of the "go-it-aloners" of this administration, some who have been threatening to follow a policy of walking out of the United Nations unless we can dictate our terms to the United Nations, some of those who have been advocating armed intervention in Asia, some of those who for the past several years have been testifying in favor of an all-out war in Asia—such persons within our country are causing in the minds of peoples in the backward areas of the world a tremendous fear of American foreign policy, because those people cannot square those suggestions with our altruistic professions. Neither, Mr. President, can they square the wasting by the Government of tens of thousands of tons of food a year with our claim that we seek only to work for peace in the world and only to better the lot of mankind, because they ask us the simple question, "Why don't you practice what you profess?"

So, Mr. President, I repeat that, in my judgment, Mr. Benson is completely wrong when he seeks to leave with the American people the impression that surplus food is a national liability. It happens to be one of the greatest national assets we have, and I shall not be a party to cutting down the so-called stockpile of surplus food in our country. I want us to have an adequate amount so as to be able to meet the possibilities I have mentioned in the course of this speech—the possibilities of either a need for such surplus food by our own people, in case of an extensive drought or in case of a war, or of making it available in whatever amount may seem wise, to the people of other lands. We must make it available to them in time, before it spoils in Government bins. I urge that it should be thus used as a part of American foreign policy in the fight against Russian communism, for, in my judgment, it is by such a course of action that we shall win the fight for freedom and shall demonstrate to the people of the rest of the world, who will have to make a choice between freedom and communism, that if they join with us they really will have the best opportunity to improve their economic lot—which is what their struggle is about, Mr. President; let us not fool ourselves by thinking to the contrary.

After all, in many sections of the world the struggle is not over political ideologies. Millions of the people in various areas of the world are illiterate, and do not know what one means when he talks to them in terms of political philosophy. But they know what it means to have the tremendous infant death rate from which they suffer. Instinctively they know what it means when they see a child die because that child has not had sufficient food. They know what it means when they see millions of their fellow men die in their early thirties. As our medical profession points out to us and to them, they do not have normal longevity, because from the time of their birth until the time of their death they seldom have enough food to eat, with the result that millions of them finally die from malnutrition. These millions of people understand that; and the American people should not be surprised when, by word of mouth, it is told from hamlet to hamlet in those countries that we Americans waste, each year, tens of thousands of tons of food which we store, knowing that it is going to come out of the storage bins unfit for human consumption.

Mr. President, we do not get very far at the council tables of the world in urging that those people support freedom, when they know of our record of failing to square our alleged Christian principles with our practices.

Mr. President, I know these words are not kind words, but I do not mean them to be kind, because, in my judgment, the time has come, in connection with this issue, for some politicians to dare tell the American people the truth about our standing in the backward areas of the world. Tonight, Mr. President, it is not a good standing. In my judgment, this is one of many causes for the fact that we are not as well liked as we should be in many parts of the world, and for the fact that millions upon millions of people in the non-Communist areas of the world—I am not talking about the people behind the Iron Curtain, but I am talking about people on this side of the Iron Curtain—do not think as well of us as we think of ourselves. We had better think about that fact in terms of the obligations we owe to American boys and girls who are to follow us on the national scene.

I will not be a party to a program which seeks to turn the farmers' fields of America into an acreage for the growing of Republican scarecrows. I think the acreage of America ought to be used for full production because, in my judgment, the world needs the full production of American farms, and America needs some statesmanship, some political courage, and some political brains to put that full production to good use in the fight against world communism.

In my opinion, there has been no investigation of the price spreads between farmer and consumer in this country, as there should have been during the course of the administration of Dwight Eisenhower. The spread widens every day, and yet the President supports a Secretary of Agriculture who talks in terms of an agricultural program of scarcity instead of abundance, and in terms of lessening production instead of full production.

I say, most respectfully, that the President ought to raise his sights; the President ought to come to an understanding of the meaning of the word "crusade"; he ought to take a position of world leadership in a crusade that seeks to benefit the welfare of the hungry in the world, who must be brought over to the side of freedom if we are to win the contest between freedom and communism.

And there has been no action on the proposal made by the Senator from Montana [Senator MURRAY] and several more of us, to establish an international food reserve and use our abundance to win the peace.

All three of these approaches to the farm problem are constructive, rather than restrictive and negative.

But the agricultural industry groups now in the ascendancy in agricultural affairs today are opposed to anything that might interfere in the slightest with their normal patterns of trade. And certainly they do not want anyone studying their growing price spreads, which are absorbing all the farmers' losses.

It is tragic that men are so shortsighted and have such short memories that they cannot remember the twenties and early thirties; that they cannot recall why the farm programs were instituted, or what lies back down the road they insist upon retracing.

More than a year ago, when Secretary Benson was just setting up his study groups and his advisory councils, I predicted in the Senate that deflation of the farmers would be a main objective of this administration.

I then read to the Senate from a report of the New York Clearing House Association, made up of the big New York banks, which came out under the title "The Federal Reserve Reexamined."

In that document, the New York bankers said, and I quote:

> The major challenge • • • is the problem of resisting those influences tending to debase the value of money and combating them effectively whenever they are in the ascendant.

The study contained a seven-point listing of the major factors that the bankers thought should be combated.

> These included rising Government expenditures for defense, expanding debt resulting from cheap money, mushroom growth of governmental credit agencies, the adoption of full employment as a major goal of economic policy, demands of labor for wage

increases exceeding productivity gains, and last, but not least, support of agricultural prices at a high parity level.

The big weakness of the bill that has been reported by the majority of the Agriculture Committee is that it extends 90-percent supports for the basics and raises dairy supports to 85 percent of parity, only for a short term.

I am not critical of the Senators who have reported such a compromise. I know they had political hurdles. But the sooner the Congress takes off the time limits and lets the speculators and processors know that they are going to have no bargain rates on farm products a few months ahead, the sooner disparities between support level and market price level will disappear.

The Secretary of Agriculture has talked a great deal about the fact that market prices of wheat and corn have gone under support level. Part of this is due to the known fact that the Secretary was crusading for lower supports. Part of this has been due to uncertainty about what Congress will do from year to year.

The sooner we serve notice that Congress is not going to yield to the pressures of the bankers and the agricultural industries who want to return to a wholly speculative market for farm products, the sooner firm price supports will work effectively again. We can always change the law if a new scheme for supports develops which will maintain farm returns, but until that day comes we would make the job much easier and supports more effective if we served notice that the level of support is going to remain at 90 percent, not for 1 year, as this bill proposes, but indefinitely, until changed by the Congress. This bill should strike a bolder blow, Mr. President, in defense of the farmers. I do not think it should have been limited to the 1-year extension.

There is a softness toward the processors and traders in this measure that I do not like.

I cannot understand why, in section 401 (b), it is necessary to give those engaged in canning or freezing grapefruit the right to veto a marketing order if the citrus growers want one, or why subsection (d) should provide for one or more representatives of processors in the membership of any agency selected to administer a marketing order applicable to grapefruit for canning or freezing. This gives the buyers of grapefruit from the producers an inside man or men on the marketing board.

The dairy title, at section 203 (c), provides that milk price support for the period ending August 31, 1956, may be provided through payments to the producers or processors.

I ask the simple question, Why? Why provide that it shall be through payments to the producers or processors? What do the producers or the processors have to do with congressional responsibility to the farmers? Why bring in the processors?

If payments are to be instituted—and I have favored testing this method of supports—they should be made to the dairy farmers direct by the Government. They should be made direct to the producer; they should be made direct to the man and woman on the farm. Why bring in the processors?

In my judgment, when we bring in the processors we sell the producer short. We ought to be sure that 100 cents out of every dollar earmarked to aid the farmers will reach the farmers. That should be our goal, and we should write a law that will guarantee it.

We cannot be certain of that if we make plants payments, instead of producer payments. Neither are we certain of it where the Department of Agriculture purchases commodities to support the market. Last year we had a beef-purchase program. The Secretary of Agriculture contracted for canned beef and gravy for delivery in mid-December. I have had complaints that some packers with contracts for beef thereupon went bargain hunting in October and November, as was to be expected, rather than paying the price for cattle intended by the Government.

I respectfully submit, Mr. President, that that will happen every time there is written into the law such a provision as is contained in the dairy title, section 203 (c), to the effect, for example, that milk-price support for the period ending August 31, 1956, may be provided through payments to the producers or processors. We ought to put a period after "producers" and strike "processors."

We have never had a careful study of the extent to which purchases at the processor level assist the farmers, or of the efficiency of Government price support dollars spent in that way. It is time that we did. If we are going to continue to funnel agricultural funds to plants rather than farmers, we ought to know very positively how much of it actually reaches those for whom it was intended by the Congress.

No one will dispute my statement that we claim that our objective is to help the producer. We claim that our objective is to see to it that the farmer at the barn lot gets the benefit of the support, knowing full well that if we maintain his purchasing power all the others above him will profit thereby.

I have no hope that such a study will be made, any more than there is hope that this Congress will order an investigation of mounting processing and marketing costs which keep food prices so high.

The distinguished Senator from Iowa [Mr. GILLETTE] has been trying to win that battle for many months past, and he has not been able to get anywhere. There is no answer to the Senator from Iowa. The study on processing ought to be made, because there is no question that the mounting processing and marketing cost is one of the primary and major causes for the high food prices in the retail stores of America.

What we are in reality deciding in this debate on the farm bill is whether we shall hold the line in the fight for equity for the farm people of the Nation, and for a sound economy, or whether we will accept the policy of low supports advocated by those who farm the farmers—a policy that will deepen an already serious farm recession.

I am very glad to stand on my record in support of the 90-percent parity program. I am very glad to say not only to the farmers of my State, but to all the people of my State, that in my judgment I best represent them when I stand for a program that will best protect the economy as a whole. I will not forget the lessons I have learned about the direct relationship between the level of prosperity of the farm income and the level of prosperity of the rest of our people.

In my judgment, voting for flexible supports, as recommended by the Eisenhower administration, would be to vote for a serious farm recession in the next few years. I intend to vote for a continued level of farm prosperity by voting for the retention of 90 percent of parity. I said so during the campaign of 1952. The Republican candidate for President also said he was for 90 percent of parity or higher. I do not forget my campaign pledges. I do not walk out on my campaign pledges. I leave that act for the President of the United States now in the White House.

I ask unanimous consent to have printed in the RECORD at this point a resolution adopted by the Clackamas County Farmers Union, in favor of 90 percent price support on all farm products, together with the letter of transmittal signed by the secretary of the Farmers Union.

There being no objection, the resolution and letter were ordered to be printed in the RECORD, as follows:

SANDY, OREG., *July 17, 1954.*

Senator WAYNE MORSE,
Washington, D. C.

DEAR SIR: Enclosed is a resolution approved by our farmers union to let you know how we stand on this issue.

Respectfully,

ALICE OLSON,
Secretary.

Whereas it has been reported that a recent order of the Agriculture Department cuts the acreage allotment of wheat by 40 percent; and

Whereas rigid allotments are being made for other cereal grains; and

Whereas acreage so restricted will not be permitted in other remunerative crops; and

Whereas the administration seeks to reduce price supports below the 90 percent level; and

Whereas such a move would seem to reduce much farm income to 50 percent or less: Now, therefore, be it

Resolved, That Clackamas County Farmers Union go on record as favoring a 90 percent price support on all farm products; and be it further

Resolved, That copies of this resolution be sent to the Oregon State Farmers Union and to the National Farmers Union and to the Farmers Union lobbyist in Washington, D. C.

Presented by:

J. EARL RHOTEN,
President, Marks Prairie Farmers Union.

Approved by Clackamas County Farmers Union at meeting of July 9, 1954.

WALTER HOUSER,
President.

ALICE OLSON,
Secretary.

Mr. MORSE. Mr. President, I ask unanimous consent to have printed in the RECORD at this point a telegram sent to me by conservation organizations of my State in opposition to the stockmen's

grazing amendment, which is attached to the pending bill.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

WASHINGTON, D. C., *August 5, 1954.*

WAYNE MORSE,
Senate Office Building,
Washington, D. C.:

Practically all national conservation organizations still opposing amended version stockmen's grazing bill, S. 2548, and protest attaching measure affecting administration of 200 million acres of national forest and Bankhead-Jones lands as a mere rider on farm bill, S. 3052. Several State affiliates of National Wildlife Federation are strongly in opposition.

Forest Conservation Society of America, Spencer Smith, Secretary: Outdoor Writers Association of America, Michael Hudoba, Conservation Director; Izaak Walton League of America, William Voight, Jr., Executive Director; North American Wildlife Foundation, C. R. Gutermuth, Secretary; National Parks Association, Devereux Butcher, Editor; Sierra Club, Richard M. Leonard, Director; Sport Fishing Institute, R. W. Eschmeyer, Executive Vice President; Wilderness Society, Howard Zahniser, Executive Secretary; Wildlife Management Institute, Ira N. Gabrielson, President.

Mr. THYE. Mr. President, I ask unanimous consent to have printed in the body of the RECORD at this point a group of telegrams dealing with the bill under discussion.

There being no objection, the telegrams were ordered to be printed in the RECORD, as follows:

CLARKFIELD, MINN., *July 22, 1954.*

Senator EDWARD THYE,
Washington, D. C.:

Keep fighting for 90 percent supports. Thank you for your good work in the past.

ORLEY MILLER.

HANLEY FALLS, MINN.

CLARKFIELD, MINN., *July 22, 1954.*

Senator EDWARD J. THYE,
Washington, D. C.:

Thank you for position taken in regard to 90 percent supports. Continue your firm stand.

WENDELL MILLER.

COTTONWOOD, MINN.

CLARKFIELD, MINN., *July 22, 1954.*

Senator EDWARD J. THYE,
Washington, D. C.:

Congratulations on your effort. Keep floor till 90 percent of parity is won.

M. C. WALLEM.

SPRINGFIELD, MINN., *July 22, 1954.*

Senator ED THYE,
Senate Office Building:

Commending you on stand for 90 percent of parity. Hope you continue for fairness to agriculture.

HUGO NACHREINER,
President, Brown County Farmers Union.

CLARKFIELD, MINN., *July 22, 1954.*

Senator EDWARD J. THYE:

Congratulations on your effort. Keep floor till 90 percent of parity is won.

JAMES STROUP.

CLARKFIELD, MINN., *July 22, 1954.*

Senator EDWARD J. THYE,
Washington, D. C.:

Congratulations on your effort. Keep floor till 90 percent of parity is won.

ERLING ANDERSON.

WILLMAR, MINN., *July 23, 1954.*

Senator ED THYE,
Washington, D. C.:

Appreciate your support of rigid price farm bill. Keep working.

CLINTON HAROLDSON.

RENVILLE, MINN.

RENVILLE, MINN., *July 22, 1954.*

Senator THYE,
United States Senate,
Washington, D. C.:

Congratulations on your work done on the farm program.

LEO DERKSEN,
Manager, Renville Farmers Elevator Co.

RUSSELL, MINN., *July 22, 1954.*

Hon. ED THYE,
United States Senate,
Washington, D. C.:

My congratulations on your stand on 90 percent supports. Continue the good work.

HENRY ARNDT.

CLARKFIELD, MINN., *July 22, 1954.*

Senator EDWARD J. THYE,
Washington, D. C.:

Congratulations on your effort. Keep floor till 90 percent of parity is won.

BOYD LONG.

CLARKFIELD, MINN., *July 22, 1954.*

Senator EDWARD J. THYE,
Washington, D. C.:

Congratulations on your effort. Keep floor till 90 percent of parity is won.

HILMER APPLEWICK AND SONS.

CLARKFIELD, MINN., *July 22, 1954.*

Senator EDWARD J. THYE,
Washington, D. C.:

Congratulations on your effort. Keep floor till 90 percent of parity is won.

CURTIS JOHNSON.

CLARKFIELD, MINN., *July 22, 1954.*

Senator EDWARD J. THYE,
Washington, D. C.:

Hold floor until 90 percent of parity is won.

ADOLPH HARTFIET.

CLARKFIELD, MINN., *July 22, 1954.*

Senator EDWARD J. THYE,
Washington, D. C.:

Hold floor until 90 percent of parity is won.

JOHN REESE.

CLARKFIELD, MINN., *July 22, 1954.*

Senator EDWARD THYE,
Washington, D. C.:

Thanks for your bold fight for 90 percent supports. Keep up the good work until we win.

JEWELL HAALAND.

HANLEY FALLS, MINN.

CLARKFIELD, MINN., *July 22, 1954.*

Senator EDWARD J. THYE,
Washington, D. C.:

Thank you for your firm stand for 90 percent supports. Keep fighting.

HENRY BROUGHTEN.

COTTONWOOD, MINN.

REGENT, N. DAK., *July 22, 1954.*

Senator THYE,
Senate Office Building, Washington, D. C.:

Your wonderful support of the farm bill greatly appreciated. Thanks.

C. E. WOODRUFF, Jr.,
President, Hettinger County Farmers Union.

CLARKFIELD, MINN., *July 22, 1954.*

Senator EDWARD J. THYE,
Washington, D. C.:

Congratulations on your effort. Keep floor till 90 percent of parity is won.

JOHN EMBLEM.

BOYD, MINN.

RUSSELL, MINN., *July 22, 1954.*

Senator ED THYE,
United States Senate:

Accept our sincere congratulations and support on the fight you are making to uphold the 90 percent supports. May you continue fight. Bring victory to agriculture is our prayer. Thanks again.

FARMERS UNION ELEVATOR CO.
(By Its Board of Directors and Management).

RUSSELL, MINN., *July 22, 1954.*

Hon. EDWARD THYE,
United States Senate:

Accept our sincere thanks in the stand you are taking in regard to the 90 percent supports for agriculture. We trust your continued support will bring victory. Thanks again.

RUSSELL FARMERS UNION LOCAL,
LAURENCE KETEL, *Secretary,*
(On behalf of its 165 members and officers).

TAUNTON, MINN., *July 23, 1954.*

Senator EDWARD THYE,
United States Senate,
Washington, D. C.:

Keep up the good fight for 90 percent of parity for American agriculture.

GEORGE NOVAK.

TAUNTON, MINN., *July 23, 1954.*

Senator ED THYE,
United States Senate,
Washington, D. C.:

Keep up the good fight for 90 percent of parity for agriculture.

TAUNTON CO-OP ELEVATOR CO.

THE MARINE BAND ON TOUR

Mr. SALTONSTALL. Mr. President, on July 20, 1954, the Senator from New Mexico [Mr. ANDERSON] and the Senator from Delaware [Mr. WILLIAMS] brought up the subject of the United States Marine Band on tour. They made note of the fact that they had received several criticisms concerning the manner in which the band conducted its finances on tour.

As I stated at the time, the subject had been investigated by the Committee on Armed Services and we had had several full reports on it. I stated I would look into the subject again. Today I received a letter from Gen. Lemuel C. Shepherd, Jr., Commandant of the Marine Corps, dated July 28, 1954. He and I have discussed the subject on several occasions.

I ask unanimous consent that the letter, addressed to me as chairman of the Committee on Armed Services, be printed in the body of the RECORD at this point. The letter is in answer to some of the criticisms that have been made, and also states the policy of the Marine Corps in regard to tours of the Marine Band in the future.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF THE NAVY,
HEADQUARTERS, UNITED STATES MARINE CORPS,
Washington, D. C., July 28, 1954.

Hon. LEVERETT SALTONSTALL,
Chairman, Committee on Armed Services, United States Senate, Washington, D. C.

MY DEAR MR. CHAIRMAN: Pursuant to our recent conversation concerning the annual concert tours of the United States Marine Band, I am writing to inform you of certain

conclusions and actions which have resulted from a careful consideration of the subject by my headquarters for the past several months. As you know, these annual tours by the Marine Band have been the subject of inquiry by several different agencies. In addition the manner in which the tours have been conducted in the past were the subject of citicism on the floor of the Senate during the proceedings of that body on Monday, July 12, 1954.

As a result of the foregoing, certain aspects of the subject stand forth. As below indicated, specific action has been taken with regard to future tours. In addition to this, other courses of action have been considered which are germane to the subject at hand.

One primary area of consideration has been the practice of engaging a civilian professional tour manager for the conduct of the Marine Band tours. It should be noted that the contract between the tour manager and the leader of the band is expressly designed to accomplish two things: (1) to insure that the best interests of the Marine Corps and the band are protected throughout and (2) to insure compliance on the part of the tour manager with all existing regulations, policies, and legal requirements which govern these annual tours.

The practice of employing a civilian tour manager is predicated upon the fact that these tours are conducted at no expense to the Government. Careful consideration has been given to the suggestion that the tours be arranged for and managed by Marine Corps personnel. This is not considered practicable if the tours are to be made at no expense to the Government. First of all, no official or representative of the Marine Corps could enter into contracts or agreements with civilian organizations. Neither could the Marine Corps itself assume the financial risk inherent in the tours. It is not possible, moreover, to so adequately predict the actual cost of a given tour to the extent that it could be prepaid by the individual local concert sponsors.

Beyond this consideration lies the purely professional problem of experience and trained personnel. The civilian tour manager who handles the tours employs a limited staff of experienced representatives and office assistants who, together with the manager, devote their full time on a year-round basis to the tours. The Marine Corps does not have personnel for assignment to such duty from the standpoint of experience or training and from the standpoint of availability of personnel. I consider that both the best interests of the Marine Corps and the civic or charitable organizations who sponsor the concerts of the band are best served by the present method of tour management. It should be noted that as a result of the present method of conducting the concert tours, each year civic and charitable organizations are benefited to the extent of many thousands of dollars. For example, during the last 3 years local organizations who have sponsored appearances of the band have reported clearing in excess of $185,000. This figure does not include approximately 35 sponsors who failed to comply with requests for final reports. In nearly all these latter cases, the best indications available point to fair to substantial profits in each instance. While it is difficult to measure the value of the excellent community relations engendered by the band's annual tour, there are literally hundreds of letters in the files of the band office from sponsors in various cities pointing out the excellent spirit and enthusiasm with which the band was received. Further, these letters point out the prestige that accrues to the Marine Corps as a whole from the tours. Reports from recruiting stations indicate that appearances by the band have a very helpful and practical effect in the procurement of personnel.

The tour manager has always been required in terms of his basic contract to conduct himself in accordance with the highest business ethics and in such a way as to reflect credit on the Marine Corps. I sincerely believe that the tour manager of recent years has honestly endeavored to carry out the spirit of this requirement.

Notwithstanding the foregoing, the terms of the annual contract between the leader of the band and the civilian tour manager have been altered in order to expressly authorize and provide that the manager be required to make equitable adjustment with local sponsors when a shortage of ticket sales results in a sponsor not being able to meet his expenses. This provision reflects the fact that while it is undoubtedly desirable that the tour be conducted on a sound business basis, the primary interest of the Marine Corps lies in promoting good public relations and that this interest must be paramount. It should be noted that to relieve a sponsor completely of responsibility for failure to meet the terms of his agreement would remove incentive for his effort. This in turn would not only be a potential cause of financial loss on concert tours but would, in addition, lessen the value to the Marine Corps of such tours. It has been amply demonstrated in the past that where concerts by major service bands are presented to the public free of charge with costs defrayed by the Government, interest and attendance are almost always less than in the case where admission is charged and an interested local organization is back of the event.

Another area explored in the aforementioned inquiries has been the right of musicians in the Marine Band to receive remuneration for their services while on concert tour. The legislative and legal bases for this practice have been repeatedly affirmed, although the practice in itself has been the subject of some criticism.

The legislative history of the authority for the Marine Band to receive remuneration reveals that it is based upon a single consideration. The professional excellence and prestige of the Marine Band rests solidly upon the quality and abilities of the leader of the band and its members. To a large extent the traditional provision for remuneration from annual concert tours has enabled the Marine Corps to maintain in its band's membership musicians of a caliber that could not otherwise be initially attracted to the band or induced to remain in it. To now deprive the career musicians of the band of a statutory benefit upon which they have relied over the years and which provides a valuable feature for procurement of new talent will obviously jeopardize the present morale and have a far-reaching effect upon the future of the band.

One aspect of this privilege has come under most particular scrutiny. I refer to the position of the leader of the band. In recent years the officer designated as leader of the Marine Band has been assigned such additional duty and responsibilities as to warrant his promotion to the rank of lieutenant colonel. This rank is considered completely justified and is commensurate with that of officers holding similar positions in other major service bands. It has augmented both the income and prestige of the officer concerned. It is considered, therefore, that the position of the leader of the band with relation to extra remuneration realized from band tours has been altered. In this regard specific action is contemplated. In future tours by the band the leader will receive only such moneys in amounts as represent reasonable expenses for his rank and position. I wish to emphasize that this decision was one which I reached with reluctance. In all fairness to the present leader of the band, it should be pointed out that his services have always been outstanding as reflected by his contributions to the band and to the Marine Corps as a whole.

I have just furnished to the Secretary of the Navy a detailed report covering the tours conducted during 3 previous years with special attention to certain engagements as requested of the Secretary by you. I wish to point out at this time that much criticism appears to be based on misunderstanding and lack of information. Regardless, I am confident that the specific actions which I have outlined above will effectively preclude any recurrence of an incident which could in any way reflect upon the Marine Corps. I trust that the foregoing will merit the approval and satisfaction of the committee.

Sincerely yours,

LEMUEL C. SHEPHERD, Jr.,
General, United States Marine Corps,
Commandant of the Marine Corps.

ADDITIONAL REPORTS OF COMMITTEES

The following additional reports of committees were submitted:

By Mr. WATKINS, from the Committee on Interior and Insular Affairs, without amendment:

H. R. 6451. A bill to provide for the conveyance of certain public lands in Utah to the occupants of the land (Rept. No. 2325).

By Mr. DWORSHAK, from the Committee on Interior and Insular Affairs, without amendment:

S. 3816. A bill to authorize the replacement of certain Government-owned utility facilities at Glacier National Park, Mont., and Grand Canyon National Park, Ariz. (Rept. No. 2329); and

H. R. 9194. A bill to provide for the conveyance of certain land owned by the Federal Government near Vicksburg, Miss., to Vicksburg, Miss. (Rept. No. 2330).

By Mr. MILLIKIN, from the Committee on Finance, with amendments:

H. R. 10009. A bill to provide for the review of customs tariff schedules, to improve procedures for the tariff classification of unenumerated articles, to repeal or amend obsolete provisions of the customs laws, and for other purposes (Rept. No. 2326).

By Mr. WILEY, from the Committee on Foreign Relations, without amendment:

H. J. Res. 565. Joint resolution to amend the joint resolution providing for the membership of the United States in the Pan American Institute of Geography and History and authorize appropriations therefor (Rept. No. 2327).

PRO RATA SHARING OF CERTAIN FOREIGN CLAIMS—REPORT OF A COMMITTEE

Mr. WILEY. Mr. President, from the Committee on Foreign Relations, I report an original bill to provide for a reciprocal and more effective remedy for certain claims arising out of the acts of military personnel and to authorize the pro rata sharing of the cost of such claims with foreign nations, and for oth-

er purposes, and I submit a report (No. 2324) thereon.

The PRESIDING OFFICER. The report will be received, and the bill will be placed on the calendar.

The bill (S. 3844) to provide for a reciprocal and more effective remedy for certain claims arising out of the acts of military personnel and to authorize the pro rata sharing of the cost of such claims with foreign nations, and for other purposes, reported by Mr. WILEY from the Committee on Foreign Relations, was read twice by its title and placed on the calendar.

EXTENSION OF GREETINGS TO THE GOLD COAST AND NIGERIA—REPORT OF A COMMITTEE

Mr. WILEY. Mr. President, from the Committee on Foreign Relations, I report an original joint resolution to extend greetings to the Gold Coast and Nigeria, and I submit a report (No. 2328) thereon.

The PRESIDING OFFICER. The report will be received, and the joint resolution will be placed on the calendar.

The joint resolution (S. J. Res. 183) to extend greetings to the Gold Coast and Nigeria, reported by Mr. WILEY from the Committee on Foreign Relations, was read twice by its title and placed on the calendar.

ADDITIONAL BILL AND JOINT RESOLUTIONS INTRODUCED

A bill and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as follows:

By Mr. WILEY:

S. 3844. A bill to provide for a reciprocal and more effective remedy for certain claims arising out of the acts of military personnel and to authorize the pro rata sharing of the cost of such claims with foreign nations, and for other purposes; placed on the calendar.

(See the remarks by Mr. WILEY when he reported the above bill from the Committee on Foreign Relations, which appear under a separate heading.)

By Mr. MAGNUSON (for himself, Mr. HENNINGS, Mr. GREEN, Mr. MANSFIELD, Mr. MURRAY, Mr. GORE, Mr. MORSE, Mr. LEHMAN, Mr. KILGORE, Mr. JACKSON, and Mr. GILLETTE):

S. J. Res. 182. Joint resolution to provide for the creation of a Commission on Security in Government and Industry; to the Committee on the Judiciary.

(See the remarks of Mr. MAGNUSON when he introduced the above joint resolution, which appear under a separate heading.)

By Mr. WILEY:

S. J. Res. 183. Joint resolution to extend greetings to the Gold Coast and Nigeria; placed on the calendar.

(See the remarks of Mr. WILEY when he reported the above joint resolution from the Committee on Foreign Relations, which appear under a separate heading.)

COMMISSION ON SECURITY IN GOVERNMENT AND INDUSTRY

Mr. MAGNUSON. Mr. President, on behalf of myself, the Senator from Missouri [Mr. HENNINGS], the Senator from Rhode Island [Mr. GREEN], the junior Senator from Montana [Mr. MANSFIELD], the senior Senator from Montana [Mr. MURRAY], the Senator from Tennessee [Mr. GORE], the Senator from Oregon [Mr. MORSE], the Senator from New York [Mr. LEHMAN], the Senator from West Virginia [Mr. KILGORE], my colleague the junior Senator from Washington [Mr. JACKSON], and the Senator from Iowa [Mr. GILLETTE], I introduce for appropriate reference a joint resolution to provide for the creation of a Commission on Security in Government and Industry. I ask unanimous consent that the joint resolution, together with a statement by me explaining the need for such a Commission, be printed in the RECORD.

The PRESIDING OFFICER. The joint resolution will be received and appropriately referred; and, without objection, the joint resolution and statement will be printed in the RECORD, as requested by the Senator from Washington.

The joint resolution (S. J. Res. 182) to provide for the creation of a Commission on Security in Government and Industry, introduced by Mr. MAGNUSON (for himself and other Senators), was received, read twice by its title, referred to the Committee on the Judiciary, and ordered to be printed in the RECORD, as follows:

Resolved, etc., That (a) there is hereby established a Commission to be known as the "Commission on Security", hereinafter referred to as the "Commission." The Commission shall be composed of 12 members, appointed by the President of the United States, one of whom, so designated by him, shall be Chairman of the Commission. The President shall select his appointees in equal number from outstanding leaders in labor, business management, and the general public.

(b) There shall be appointed, in addition to the members provided in subsection (a) of this section, 6 advisory members, who are Members of the 83d Congress, 3 of whom shall be appointed by the President of the Senate and 3 of whom shall be appointed by the Speaker of the House. Advisory members shall have all the rights and privileges of other members of the Commission, except that they shall not have the right to vote upon matters before the Commission.

(c) The members of the Commission shall serve without pay but shall be entitled to $25 per diem in lieu of subsistence while attending meetings of the Commission away from their homes, together with transportation costs and other expenses incidental to attendance upon such meetings.

(d) The expenses of the Commission, which shall not exceed $50,000, shall be paid one-half from the contingent fund of the Senate and one-half from the contingent fund of the House of Representatives upon vouchers signed by the Chairman of the Commission. Disbursements to pay such expenses shall be made by the Secretary of the Senate out of the contingent fund of the Senate, such contingent fund to be reimbursed from the contingent fund of the House of Representatives in the amount of one-half of the disbursements so made.

SEC. 2. It shall be the duty of the Commission (1) to study the prevailing practices and conditions in all branches of government and industry in the United States pertaining to security from sabotage, espionage, and other activities designed to injure the interests of the American people, the United States Government, the efficient function of the industry, and the good relationship between labor and management; (2) to report its findings on or before January 15, 1955, to the President, the President of the Senate, and the Speaker of the House of Representatives; and (3) to recommend such administrative procedures and legislation as the Commission shall deem necessary upon an analysis of its findings and in consideration of the existing internal and external danger to the security of the United States.

SEC. 3. The Commission shall terminate upon the filing of its report as provided in section 2.

The statement presented by Mr. MAGNUSON is as follows:

STATEMENT BY SENATOR MAGNUSON

The resolution I am introducing today in behalf of myself and other Senators is quite similar to a resolution reported July 19 by the House Judiciary Committee—House Joint Resolution 527.

House Joint Resolution 527 differs in that it creates a Commission on Security in Industry only. The House measure does not extend jurisdiction to government.

The resolution I am introducing broadens the scope of the Commission's responsibility. I believe this is proper and necessary because in this day activities in government and industry are so closely intertwined as to be almost inseparable.

The House committee has the following to say about its resolution:

"The purpose of this resolution, as amended, is to establish a temporary public commission entrusted with the task to study practices and conditions in all branches of industry in the United States, as they pertain to security from sabotage, espionage, Communist infiltration, and other activities designed to injure the interest of the United States; and to recommend such legislation as the Commission would deem necessary in the light of its findings and in consideration of the existing danger to the security of the United States."

As stated earlier, we propose to merely expand the jurisdiction of the Commission, giving it authority and responsibility to study security programs in government with a view to eliminating overlapping duplication, but at the same time strengthening such programs.

Mr. President, "security" is a word on everyone's lips these days. It is a word that is spoken too glibly by too many. This is a dangerous time for our country and "security" is not a word that should be bandied about lightly.

Yet it is sad, but true, that security has not been given enough clear thought and honest action. Some have tried to use the security issue not against our real enemy, but against their particular political opponents. And some have failed to think through the problem of how to conduct security programs in such a way as to protect the very rights of the individual that would be taken away by a triumphant enemy.

Even among Government agencies, no clear pattern exists for a security program. Instead there is a crazy-quilt patchwork that has been built in a hurry, clearly showing that not enough care has been taken to avoid duplication. Identical personnel locations and activities are subjected to security screenings by more than one Government agency. This duplication is not only wasteful and exasperating, but can be dangerous. It does not safeguard us—it ties our hands with redtape.

Even where duplication exists within an area of screening, other parts of the area, the same area, may not be covered at all. Time and effort are wasted in duplicate screening, while other areas are neglected.

In addition, there is evidence that some Government agencies, designed to help protect us from foreign dictators, are operated without proper regard for due process of law and other rights which are considered basic to our tradition. Not only must wasteful duplication be avoided, but freedoms and due process must apply to Government activities in the security field, too.

A recent example, showing the need for a security commission study and report, is the so-called security program proposed by the Federal Communications Commission.

Docket No. 11061 of the FCC proposes to launch a program that in some respects duplicates security programs that have been in effect for many years. In another phase of the program, the FCC proposes to screen what amounts to less than 10 percent of the people in yet unscreened fields. While doing this, the FCC also proposes to extend the security program to persons and activities that in no way, shape, or form can be considered sensitive activities, and to persons not even in defense industry or communications.

The FCC proposes to screen over 600,000 holders of commercial radio licenses and permits for security purposes, whether these persons are engaged in sensitive areas or not.

Of these license holders, many that are engaged in sensitive or security-covered work, are already screened thoroughly. Take the example of the ship radio officers who are already screened by the United States Coast Guard under the terms of the Waterfront Security Act I introduced in 1950.

What need is there for the FCC to barge into a field already preempted by the Coast Guard under Presidential directive? That sort of thing is not only wasteful duplication, but holds the threat of being worse—disruption of an established security system.

Other FCC license holders are similarly screened by the agencies already active in their own field. In each of the activities involving a license holder, numerous other persons working with him, with the same amount of access to equipment, premises, and information that could be used to injure the Nation, are screened. But the FCC proposes to screen only the license holder as a proper approach to security. The license holder is 1 man in 10, therefore the FCC proposes to screen but 10 percent of the people in these areas.

This would leave vulnerable points in our Nation's armor unprotected, though, on the surface, it might seem to be a comprehensive program.

I mention the FCC proposal, as outlined in docket 11061, because I think it demonstrates the need for greater coordination between and among Government agencies in security matters—and because I think it is symptomatic of what a security commission will find as it proceeds with its study and analysis under this resolution.

Mr. President, security is not something to trifle with. We must protect ourselves, our rights, our traditions, and our form of government against either internal or external aggression. I point out, however, that any security program must likewise protect the very liberties it seeks to preserve.

Among other things, this means that provision must be made for appeal and clearance of the innocent as well as detection and prosecution of the guilty.

We, therefore, are offering this measure which proposes a Hoover Commission approach to the security problem—in both industry and government. It will make available the experience of men most capable of giving the Nation a workable, coordinated security program, with proper safeguards for individual rights and liberties.

As I said earlier, the measure—if adopted—will create a commission to study, to analyze, and then to recommend to the Executive and the Congress a coordinated program for security screening of persons engaged in activities necessary to our defense; to eliminate duplication, conflict, and inadequacies of existing programs; to correct abuses—if there be any—against individual rights—all to the end that the people may be safe from enemies—whether domestic or foreign—without the sacrifice, or abuse, or destruction of individual rights.

ADDITIONAL EXECUTIVE REPORTS OF A COMMITTEE

As in executive session,

The following additional favorable reports were submitted:

By Mr. WILEY, from the Committee on Foreign Relations:

Executive D, 83d Congress, 2d session. A convention with Japan relating to taxes on income (Ex. Rept. No. 6);

Executive E, 83d Congress, 2d session. A convention with Japan relating to taxes on estates, inheritances, and gifts (Ex. Rept. No. 6); and

Executive H, 83d Congress, 2d session. A supplementary protocol with the United Kingdom of Great Britain and Northern Ireland relating to taxes on income (Ex. Rept. No. 6).

RECESS TO 10 A. M. TOMORROW

Mr. SALTONSTALL. Mr. President, in accordance with the order previously entered, I move that the Senate stand in recess until 10 o'clock tomorrow morning.

The motion was agreed to; and (at 8 o'clock and 36 minutes p. m.) the Senate took a recess, the recess being, under the order previously entered, until tomorrow, Saturday, August 7, 1954, at 10 o'clock a. m.

NOMINATIONS

Executive nominations received by the Senate August 6 (legislative day of August 5), 1954:

ST. LAWRENCE SEAWAY DEVELOPMENT CORPORATION

The following-named persons to be members of the Advisory Board of the St. Lawrence Seaway Development Corporation:

John C. Beukema, of Michigan.
Harry C. Brockel, of Wisconsin.
Edward J. Noble, of Connecticut.
Kenneth Merle Lloyd, of Ohio.
Hugh Moore, of Pennsylvania.

UNITED STATES MARSHAL

William C. Littlefield, of Georgia, to be United States marshal for the northern district of Georgia, vice Joe B. Harrison, resigning.

CONFIRMATIONS

Executive nominations confirmed by the Senate August 6 (legislative day of August 5), 1954:

FEDERAL RESERVE SYSTEM

C. Canby Balderston, of Pennsylvania, to be a member of the Board of Governors of the Federal Reserve System for the remainder of the term of 14 years from February 1, 1952.

HOME LOAN BANK BOARD

Ira A. Dixon, of Indiana, to be a member of the Home Loan Bank Board for a term of 4 years, expiring June 30, 1958.

FOREIGN CLAIMS SETTLEMENT COMMISSION

The following-named persons to be members of the Foreign Claims Settlement Commission:

Whitney Gilliland, of Iowa.
Henry J. Clay, of New York.

UNITED STATES DISTRICT JUDGES

Cale J. Holder, of Indiana, to be United States district judge for the southern district of Indiana; new position.

Hon. W. Lynn Parkinson, of Indiana, to be United States district judge for the northern district of Indiana; new position.

Joe McDonald Ingraham, of Texas, to be United States district judge for the southern district of Texas.

CIRCUITS, TERRITORY OF HAWAII

Harry R. Hewitt, of Hawaii, to be fifth judge, first circuit, circuit courts, Territory of Hawaii.

UNITED STATES ATTORNEY

Louis B. Blissard, of Hawaii, to be United States attorney for the district of Hawaii.

COMPTROLLER OF CUSTOMS

Lorene W. Bowlus, of Maryland, to be comptroller of customs with headquarters at Baltimore, Md.

COLLECTOR OF CUSTOMS

Frank Peska, of Illinois, to be collector of customs for customs collection district No. 39, with headquarters at Chicago, Ill.

EXTENSIONS OF REMARKS

Proposals To Amend the Constitution of the United States

EXTENSION OF REMARKS
OF
HON. THOMAS C. HENNINGS, JR.
OF MISSOURI
IN THE SENATE OF THE UNITED STATES
Friday, August 6, 1954

Mr. HENNINGS. Mr. President, I ask unanimous consent to have printed in the RECORD a statement which I made with relation to certain constitutional amendments which were proposed; and also to have printed thereafter an article from the New Yorker magazine, written by Richard H. Rovere; and also to have printed an article entitled "Congress Has 107 Proposals To Amend the Constitution," written by Tom Yarbrough, staff correspondent of the Post-Dispatch, St. Louis, Mo., written on May 29, 1954.

Mr. HENNINGS subsequently said:

Mr. President, last Friday I asked and received unanimous consent to have inserted in the RECORD an article from the New Yorker magazine with relation to certain proposed amendments to the Constitution. At that time I did not have an estimate from the Public Printer. I am now advised that the cost will be $233.75 for 2¾ pages. This is a worthwhile article which I believe will be of interest to all of my colleagues, and I ask unanimous consent to insert it in the Appendix.

There being no objection, the statement and articles were ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR HENNINGS

No Member of this body, I am sure, is unaware of the fact that in this 83d Congress we have been confronted with a spate of

proposals for amending the Constitution of the United States. Most of my colleagues are probably aware, too—perhaps because I may have occasionally seemed tedious in the process—that I have repeatedly spoken out against amending the Constitution in what I consider to be an offhand and haphazard fashion. The point I have consistently endeavored to make is that proposed amendments should be subjected to the most critical scrutiny and careful consideration before they are approved by a committee of the Senate and, further, that they should be subjected to the full give-and-take of public opinion and Senate debate before they are submitted to the States for inclusion in the basic law of our land. It is my firm conviction that the Senate of the United States is charged with an important responsibility in this regard which, unfortunately, I think we have not always lived up to.

At the risk of being repetitious, I would like to say that I made this point along with numerous other arguments against the so-called Bricker amendment that would have, in my judgment, seriously jeopardized the power of the Chief Executive to carry out his proper responsibilities in conducting our foreign affairs. I made this point in connection with the amendment to alter the composition and jurisdiction of the Supreme Court—an amendment, incidentally, that was given no more consideration than was afforded in a 1-day hearing in the Judiciary Committee before it was brought up on the Senate floor. I made the same point in connection with the amendment to extend voting rights to citizens at the age of 18.

At that time, I said that I had voted to report the amendment to the Senate for the purpose of full discussion and debate. I noted that the debate apparently was going to consume less than half a day and that I hoped we might have a more thorough discussion after what seemed to me very meager committee hearings on a matter so vital as that of amending the Constitution of the United States. I also raised the question at that time as to whether we might be trying to find an outlet for our psychological frustrations and anxieties over the tremendous world problems which confront us by taking whacks at the Constitution. And I asked further whether the Senate of the United States was to be merely a conduit or a channel through which various attempts to amend the Constitution are to be funneled, or if we do not have the solemn and definite constitutional responsibility to weigh and to determine whether an amendment should be submitted to the States.

In that connection, Richard H. Rovere, in his thoughtful article in the June 19 New Yorker, pointed out what many observers regard as a significant change in the attitude of many Senators toward their responsibility in this field. As Mr. Rovere states:

"The traditional view of Senate responsibility is the one expressed by George Washington, who, being asked by Jefferson why he favored having a Senate, countered by asking Jefferson why he poured some of his coffee into his saucer; when Jefferson replied that he wanted his coffee cooler, Washington said, 'Even so. We pour legislation in the senatorial saucer to cool it.' In what appears to be the new and spreading view here, it is the Senate's job to give the most important kind of legislation no chance at all to cool but to pass it, piping hot, directly to the States."

And he goes on to say: "As far as anyone here knows, there has never been a time in the past when Congressmen supported alterations in the Constitution with lighthearted assertions of indifference to the proposal itself and confidence in its value as a conversation piece."

I ask unanimous consent, Mr. President, to insert in the CONGRESSIONAL RECORD Mr. Rovere's letter from Washington dealing with this question.

I would also like to call the attention of my colleagues to a recent article in the St. Louis Post-Dispatch by Tom Yarbrough entitled "Congress Has 107 Proposals To Amend the Constitution." Mr. Yarbrough has presented a most informative discussion on the great scope and variety of this administration's astounding number of proposed constitutional amendments. I ask unanimous consent to have his article inserted in the RECORD.

An interesting sidelight is that the St. Louis Post-Dispatch reproduced, in connection with this article, the fine Herblock cartoon to which Mr. Rovere also referred. It depicts two legislators sitting idly before a huge stack of documents, heavy with cobwebs, labeled legislative program. One legislator, apparently weary of the game of making paper airplanes out of the bills before him, comments to his colleague: "This bores me. Let's amend the Constitution today."

I cannot deny that I was gratified to see the proposed amendment relating to the Supreme Court defeated this week in the House Judiciary Committee. The majority of the committee members voted as they did because they felt that the proposal required more careful study and consideration than could be afforded it this year.

I would like to say in conclusion, that much as I am opposed to the precipitateness with which the Senate seems to be trying to alter the basic covenant of our Nation, it would, in my judgment, be equally foolish to oppose each and every constitutional amendment merely for the sake of opposition. There may very well be some amendments, which, having emerged from the cauldron of the most careful committee hearings and consideration and public discussion and full Senate debate, we may decide are sound and necessary. But let us, I earnestly urge, recognize that we have a responsibility and let us bring to these matters the kind of mature deliberation that is expected of the United States Senate.

[From the New Yorker of June 19, 1954]

LETTER FROM WASHINGTON

(By Richard H. Rovere)

Herbert Block, the Post and Times Herald cartoonist, recently published a sketch of two statesmen, presumably Senators, seated dejectedly before an untidy heap of papers representing that part of the administration's legislative program which is not getting legislated; the pair would have looked the very soul of ennui even if Mr. Block had not caused one of them to be flying a paper airplane, presumably made from a doomed bill, and the other to be saying: "This bores me. Let's amend the Constitution today." As usual, Mr. Block, whose name appears on the latest list of Pulitzer price winners, has spotted a trend. Indeed, on this occasion he has spotted a brace of trends—one toward bored statesman, the other toward Constitution-amending as a diversion, like Scrabble. The present session, which has dragged its feet on the Eisenhower program and has shown a notable lack of interest in getting on with such essential public business as authorization and appropriation, has displayed an enormous zest for framing, debating, and recommending alterations in the basic charter of the Republic. Since the opening of this Congress, there have been brought to the floor of the Senate, which seems to be the kicking-off place for Constitutional amendments nowadays, no fewer than six proposed amendments, all of which have been supported by simple majorities and four of which have been supported by the two-thirds majority that is necessary to refer the proposals to the House of Representatives and, after that, to the State legislatures. The debate on one of these—the Bricker amendment, which evolved gradually and against the will of its author into the George amendment—compared favorably in length and wordage, if not in eloquence, with the original debate, at the State House in Philadelphia in 1787, on the document it would very likely have modified if it had not fallen one vote short of the majority needed.

(It may well be that the last has not been heard of the George amendment, for a motion to reconsider it, sponsored by Senator LENNON, of North Carolina, has much support.)

The other amendment that was brought to the floor and rejected was one to have the Federal Government extend the franchise to citizens between the ages of 18 and 21. Introduced by Senator LANGER, of North Dakota, and endorsed by President Eisenhower, it failed of passage by five votes. Of the 4 amendments that have cleared the Senate, 1 would fix the number of Supreme Court Justices at 9 and make retirement at 75 compulsory for all Federal judges except those appointed for a stipulated number of years; one would prevent Presidential seizure of property except on congressional authority; another, the so-called equal-rights amendment, is intended to end discrimination based on sex; and the fourth, introduced by Senator KNOWLAND, would provide a means whereby the State governors might fill vacancies in the House of Representatives in the event that this city was made the target of an atomic or hydrogen bomb. Senator KNOWLAND'S amendment won approval less than a week ago, by a vote of 70 to 1. The solitary naysayer was Senator STENNIS, of Mississippi; he is of the opinion that there is altogether too much amending going on here, and he opposed this amendment not so much to express dissatisfaction with its provisions as to register his disapproval of what he regards as a frivolous approach to the Constitution.

The amendments the Senate has thus far discussed are a selection from perhaps a hundred that have been introduced in this Congress and referred to committee. Some, like the one that passed last week, are merely procedural in nature; some are quaint; some are bizarre; and some are almost revolutionary. There are several proposals for repeal of the income tax; several that embody formulas for limiting nonmilitary expenditures to a fixed percentage of the national income (5, 10, 14, and 20 being among the percentages suggested); 1 to forbid the expenditure of a single dollar of Federal funds for any purpose covered by the term "general welfare"; 1 prohibiting conscripts from serving in any foreign country except in time of war; 1 prohibiting any American troops from serving in any foreign country except on the soil of the country we are fighting against; 1 to deprive new States of representation in the Senate or to limit the representation to 1 Senator (this being proposed despite the fact that the Constitution stipulates that, as the single respect in which it is never to be amended, no State without its consent, shall be deprived of its equal suffrage in the Senate); 1 to prevent interference with or limitation upon the power of any State to regulate health, morals, education, marriage, and good order in the State; 1 to redefine treason to include the activities not only of persons working for the overthrow of the Government but of those working for the weakening of it, whether or not by force or violence; 1 to give Congress control over trademarks; 1 to provide for the holding in perpetuity of patents and copyrights; and 1 to add to the Constitution the assertion that "this Nation devoutly recognizes the authority and law of Jesus Christ, Saviour and Ruler of nations through whom are bestowed the blessings of Almighty God" and at the same time to provide a new oath or affirmation for citizens whose religious scruples prevent them from giving unqualified allegiance to the Constitution as herein amended.

There is nothing out of the ordinary in either the number or the character of the

proposed amendments now in committee; there have been times in the past when the House and Senate Committees on the Judiciary, which get all the resolutions for constitutional changes, have had many more than a hundred amendments on their dockets, a good proportion of them at least as curious as some of those now pending. Over the years, it has become customary for Congressmen to cast the drollest and most dubious schemes submitted to them by friends and supporters in the form of constitutional amendments; they have done this secure in the knowledge that the proposals would be allowed to gather dust until the sitting Congress was succeeded by another. What is decidedly new about the present situation is that as many as four amendments have been reported out of committee and that as many as 2 have carried one House of Congress. In no Congress within living memory has anything of this sort happened; it is a rare Congress that seriously considers even one amendment. A number of observers here who have pondered this speed-up see behind it what they regard as a significant change in the attitude of many Senators toward their responsibilities in this field. The traditional view of Senate responsibility is the one expressed by George Washington, who, being asked by Jefferson why he favored having a Senate, countered by asking Jefferson why he poured some of his coffee into his saucer; when Jefferson replied that he wanted his coffee cooler, Washington said, "Even so. We pour legislation in the senatorial saucer to cool it." In what appears to be the new and spreading view here, it is the Senate's job to give the most important kind of legislation no chance at all to cool but to pass it, piping hot, directly to the States.

This view was given vivid and forceful expression in the course of the recent discussion over Senate Joint Resolution 53—the amendment extending suffrage to 18-year-olds. Senator DIRKSEN, of Illinois, and Senator KNOWLAND, of California, two of the most influential leaders of the 83d Congress, argued that it is less the duty of the Senate to pass upon the wisdom of a proposal for constitutional change than to give the 48 legislatures and, through them, the people of the States an opportunity to express themselves in regard to it. Senator DIRKSEN freely conceded that there were two possible views on the amendment—for and against—and that he had not decided which view he would choose for himself. He felt, however, that there was no need to tax his mind and conscience with the arguments, since it would be up to the legislatures to make the final determination and since a beneficial discussion would be bound to ensue. "I want the country to think about it," Senator DIRKSEN said. The best way to have the country think about it is to pass this proposal, send it to the House, send it to the State legislatures, and let the people of the country discuss it. * * * It will be a moot question [unless] the Congress takes action and exercises its prerogative under the Constitution of the United States by saying to the States of the Union, 'It is your baby now. Call in the people and hear from them, and then determine what in your judgment, should be done.'" He indicated that, for his part, he would be able to view the outcome with benign detachment: "If the legislatures say 'No,' that will be all right with the junior Senator from Illinois; if they say 'Yes,' it will also be all right with me."

Senator KNOWLAND, the majority leader, took substantially the same mellow, tolerant view. Although the amendment would obviously have diminished the authority of the States, since under the Constitution they are charged with determining the qualifications of voters and under this plan they would be forced to accept a uniform standard with respect to age, Senator KNOWLAND defended it not on its particular merits but, rather, as a device for according the States a rare chance to settle a broad and fundamental question of policy. He felt that, quite apart from whether or not it would be a good thing to allow 18-year-olds to vote, passage of the resolution would have "great value," because it would give "the people of the United States * * * an opportunity to express themselves on this very basic issue." Senator HENNINGS, of Missouri, several times asked Senator KNOWLAND to examine the implications of this position. "Is the Senate," he inquired, "to be merely a conduit, so to speak, or a channel through which various attempts to amend the Constitution of the United States are to be funneled so that they may be submitted to the State legislatures, or does the Senate have the solemn and definite constitutional responsibility to weigh and to determine whether an amendment should be submitted to the States?" Senator KNOWLAND made no direct reply to this question, but he asked some of his own that revealed a good deal about his point of view. "What in the world," he said, "are those who are opposing the amendment afraid of in submitting the matter to the 48 States of the Union? Why not let the States express themselves? I am willing to rely on the judgment of the States."

The attitude of the present Congress suggests that the views expressed by Senators DIRKSEN and KNOWLAND are shared by a formidable number of their colleagues. The Senate was well attended when they spoke, but objection was made to the doctrine they set forth by only a handful of states' rights southerners, and by Senator KENNEDY, of Massachusetts, who said that "reluctance to amend the Constitution is one of our most valuable safeguards and bulwarks of stability." There are more than a score of Senators, preponderantly from the administration party but numbering among them perhaps a half-dozen Members of the opposition, who have supported every one of the amendments thus far brought to the floor, and many of them have signified support for several of the proposed amendments still in committee. If a group of this size persists in the belief that the role of Congress should be essentially a permissive one, it would seem to follow that our political institutions are in for quite a round of overhauling. For there is no doubt in the mind of any qualified student of parliamentary institutions that there is less independence of judgment and a lower resistance to mobocracy in the State legislatures than in the Congress, and especially in the Senate. If any proposal that flatters a minority without offending a majority or has the surface aspect of exalting the flag, the home, the church, or strict economy, leaves Washington with the blessing of the Senate and the House, it is pretty certain to have clear sailing in most of the provincial assemblies. Had the Bricker amendment passed both Houses of Congress, either in its original form or in the form of Senator GEORGE's substitute, no amount of pleading by the President and the Secretary of State would have prevented it from becoming the 23d amendment before the end of this year. If the national legislature, which determines the expenditures that are to be met with the revenue from Federal income taxes, were to leave the question of repealing the 16th amendment up to the State legislatures, there could scarcely be any doubt of the outcome. Nor could there be much doubt, in the present atmosphere in this country, of what would happen if the Congress recommended that the States cooperate in broadening the definition of treason just a little, or in establishing a ceiling for Federal expenditures, or in praising Christianity; the State legislatures would collaborate eagerly, for their members would immediately sense the dangers of taking a position that exposed them to charges of coddling traitors, of favoring reckless and unlimited spending, or of being hostile to religion.

It is an odd, ironic circumstance that most of the recent attempts to alter the Constitution by means of amendment have been made by conservative leaders—men like Senators KNOWLAND and DIRKSEN, who have so often detected conspiracies on the part of others to flout, subvert, or evade the principles laid down in 1787. Nothing, it has been pointed out here on many recent occasions, could be more out of keeping with the language and the spirit of the Constitution than Senator DIRKSEN's it's-your-baby-now doctrine. Article V, which describes the amendment procedure, provides that an amendment may originate in the Congress "whenever two-thirds of both Houses shall deem it necessary." (Article V also provides an alternate means for amendment—a convention to be called by Congress upon a request from two-thirds of the States. No such request has ever been made, and those who admire the Constitution pretty much as it stands have uttered fervent prayers that no such request ever will be made. Conventions have a way of gathering a momentum of their own. The convention of 1787 was called to amend the Articles of Confederation, and ended by throwing out the Articles entirely and starting from scratch. It has always been feared that this is what would happen in the event of another convention, and that the laws of chance would run heavily against our getting a new constitution as good as the old.) The requirement that a sense of necessity, or urgency, exist—as it clearly did not in the minds of Senators DIRKSEN and KNOWLAND when they urged the passage of Senate Joint Resolution 53—has frequently been cited in judicial decisions and opinions. In a celebrated test of the 18th amendment, the question was raised as to whether those in Congress who voted for national prohibition were earnestly convinced that there was a need for it, and the Supreme Court held that the mere passage of the enabling resolution "sufficiently shows that the proposal was deemed necessary by all who voted for it. An express declaration that they regarded it as necessary is not essential." As far as anyone here knows, there has never been a time in the past when Congressmen supported alterations in the Constitution with lighthearted assertions of indifference to the proposal itself and confidence in its value as a conversation piece.

As Senator KENNEDY observed, this represents a profound change of temper in the Congress. But there are many people here who have pointed out that the Dirksen-Knowland doctrine is only one aspect of what appears to be a rapidly developing impatience and dissatisfaction not only with the Constitution as a written document but with the institutions that have either grown out of it or grown up alongside it. The plain fact of the matter, these people believe, is that a great many more Americans than even Senator MCCARTHY would proscribe have somewhere along the line lost their faith in what the sloganeers call the American way, or our form of government. In such a forum as the Army-McCarthy hearings, for example, the introduction of so basic a constitutional concept as checks and balances or separation of powers produces either exasperation or boredom. The feeling seems to be that if there is something in the Constitution that requires the President of the United States to protect the confidence of his advisers, then whatever it is ought to be changed, provided it cannot simply be overlooked. There is an evident feeling on the part of many that if there is some gimmick of law or custom that makes it improper for Senator MCCARTHY to be in possession of a document prepared for executive use, then the gimmick ought to be swept aside; clearly, the prevailing sentiment seems to be that it is more important for MCCARTHY to be in on the doings of the executive branch than for the Nation to preserve some archaic notion about the right and privileges

of one branch of government vis-a-vis another. Senator MUNDT has announced that he is working up a law to take care of that annoying situation. Similarly, the fifth amendment, which was regarded for over a century and a half as a guarantee of justice equivalent in importance to the right of habeas corpus, has fallen into terrible disrepute; its misuse by Communists has led to a spate of proposals for circumventing it and to some demands for outright repeal of it. No one speaks up in its defense or points out that it was always intended that it should not be misused by some people.

Many other first principles are being strenuously challenged. In the past few weeks, a movement to combine a declaration of religiosity with the pledge of allegiance to the flag has made great headway; if this would not in itself destroy secularism and the separation of church and state, the proposal to amend the Constitution by making Christianity the official state religion would greatly further the job. The Senate sponsor of this last amendment, which has been introduced in identical form in the House, is Senator FLANDERS, of Vermont, a man whose colleagues regard him as a rugged constitutionalist. Civilian control of the military is also looked upon with suspicion. When President Truman relieved Gen. Douglas MacArthur in 1951, his contention was that he was acting in accordance with the role prescribed for him by the Constitution and with the elementary doctrine that a President proposes and a general disposes, whether he likes it or not. While it was conceded that this was the custom, it was widely agreed that it was a most undesirable one and ought to be abolished.

The signs of impatience, of discontent and irritation, multiply on every hand. Sooner or later, such dissatisfaction expresses itself in changes in the structure of law and government. If the Dirksen doctrine prevails, the changes may be numerous and far-reaching.

[From the St. Louis Post-Dispatch of May 30, 1954]

CONGRESS HAS 107 PROPOSALS TO AMEND THE CONSTITUTION

(By Tom Yarbrough)

WASHINGTON, May 29.—The United States Senate has been unusually preoccupied with constitutional amendments this season, but that does not mean that the Constitution is about to be amended. Not by a long shot.

Legislative history indicates that the Senate has been wasting its time, for the odds are extremely long that the Constitution will not be amended in any way this year, next year, or the year after that.

It is a field in which many try but very few succeed.

Since the year 1789, when the first 10 amendments were ratified en bloc as the Bill of Rights, there have been some 4,000 or more resolutions in the Senate and House of Representatives proposing changes in the basic law of the land. Only 15 of them cleared Congress, and 3 of those failed of ratification by the required three-fourths of the States.

That leaves 12 amendments adopted in 165 years, and if prohibition and repeal are considered to cancel each other out in the long view, then the net is 10 amendments—an average of 1 for every 16.5 years.

At this time there are no fewer than 107 proposed amendments on the calendars of the Senate and House Judiciary Committees. Forty are on the dockets for possible action, but few of them stand a chance of action even in subcommittee. Of the total of 107, many are duplicatory, with multiple sponsors among the amending Senators and Representatives.

As the record goes, 107 is not an unduly large number. This sort of thing goes on all the time. Many of the proposals are familiar perennials, such as those demanding equal rights for women and the elimination of the electoral college. What is unusual this year is that three have been advanced to the Senate floor for debate and action. The normal fate is burial in committee.

The Bricker amendment, which would restrict the treatymaking powers of the President, was given long debate and was defeated, although it still may be reconsidered on a technical parliamentary maneuver.

An amendment fixing the number of Supreme Court Justices at the present 9—antipacking, it was called—was given 4 hours of debate and was passed.

An amendment to make 18 years the voting age was defeated quickly.

It is significant that the House of Representatives has been a great deal slower to move. Its Judiciary Committee has 75 proposed amendments on its calendar, but has not reported a single one to the floor and has no hearings scheduled for the 16 now listed on subcommittee dockets.

The Supreme Court amendment sailed through the Senate, but it is not likely to sail through the House. Representative WILLIAM M. MCCULLOCH, Republican, of Ohio, chairman of the subcommittee to which the resolution was assigned, told the Post-Dispatch he would consider scheduling hearings on that one, since the Senate had acted, but he observed that there was a notable lack of interest in the subject on the House side.

Also lacking in interest, he said, is the only other Senate-approved amendment so far sent to the House—a device to make it impossible for the Federal Government to attempt seizure of private property as in the case of the steel industry.

The Senate Judiciary Committee, headed by Senator WILLIAM LANGER, Republican, of North Dakota, only this week ordered reported to the floor an amendment providing that vacancies in the House may be filled by appointment instead of waiting for special elections, in the event that 146 or more Members are eliminated by disaster (covering the eventuality of a hydrogen bomb on the Capitol some day while Congress is in session.)

Senator LANGER is inclined to hold hearings and have pending matters threshed out. As chairman of the full committee and also chairman of the subcommittee on amendments, he called for a hearing recently on a proposal by Senator RALPH FLANDERS, Republican, Vermont, to have the Constitution "recognize the authority and laws of Jesus Christ."

Amending the Constitution is a two-way street, as provided in article 5 of the original document. One way is for Congress to propose, by two-thirds vote, and for three-fourths of the States to ratify. The other way is for two-thirds of the States to propose, by petition to Congress, that an amendment be offered for ratification by three-fourths of the States.

Under the second method one proposition is current today. Twenty-seven States have petitioned Congress to limit the Federal tax rate to 25 percent. That started in 1939, and all sorts of legal questions have been raised. Ten States rescinded their action (and were challenged on the ground that once they had said yes they could not say no), and six States later passed the petition all over again—really compounding complexity.

The only technically live proposition now awaiting ratification is the child labor amendment, but its currency is purely technical since Congress fixed no time limit for adoption or rejection. It was submitted in 1924 but there has been no action since 1937, by which time 26 of the 36 States had ratified. The need for it, however, has been vitiated by the Fair Labor Standards Act.

The long list of suggested amendments runs a full spectrum. It ranges from a redefinition of treason (to make it broader and apply for sure in time of peace), to fixing the voting age at 18 and 19 and 21 years (no one yet having declared for 20-year-olds). Others would fix the tenure of the President at one 6-year term, and that of Representatives at 4 years instead of 2.

There is quite a variety. But the Constitution, often shot at, is seldom hit.

SENATE

SATURDAY, AUGUST 7, 1954

(Legislative day of Thursday, August 5, 1954)

The Senate met at 10 o'clock a. m., on the expiration of the recess.

Rev. F. Norman Van Brunt, associate pastor, Foundry Methodist Church, Washington, D. C., offered the following prayer:

O Thou in whom and by whom we live, source of the light that never fades, the power that never fails, the life that never ends, who hast set within us a spirit that answers to Thy spirit, draw near to us, we beseech Thee, as we draw near to Thee in the moments that begin this day. Make us extremely conscious of our union with Thee, and of our dependence upon one another, that we may endeavor wisely to order all things according to Thy will. For we know that in doing Thy will is our peace, and in Thy mercy is our hope. To this end may we find the tasks of this day sacraments of service, and our performance of them always on the level of the highest and best we know. We pray in the dear Redeemer's name. Amen.

DESIGNATION OF ACTING PRESIDENT PRO TEMPORE

The legislative clerk read the following letter:

UNITED STATES SENATE,
PRESIDENT PRO TEMPORE,
Washington, D. C., August 7, 1954.

To the Senate:

Being temporarily absent from the Senate, I appoint Hon. FREDERICK G. PAYNE, a Senator from the State of Maine, to perform the duties of the Chair during my absence.

STYLES BRIDGES,
President pro tempore.

Mr. PAYNE thereupon took the chair as Acting President pro tempore.

THE JOURNAL

On request of Mr. SALTONSTALL, and by unanimous consent, the reading of the Journal of the proceedings of Friday, August 6, 1954, was dispensed with.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States submitting nominations was communicated to the Senate by Mr. Miller, one of his secretaries.

ORDER FOR TRANSACTION OF ROUTINE BUSINESS

Mr. SALTONSTALL. Mr. President, I ask unanimous consent that immediately following a brief executive session and a quorum call there may be the customary morning hour for the transaction of routine business, under the usual 2-minute limitation on speeches.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. SALTONSTALL. Mr. President, I move that the Senate proceed to the consideration of executive business, for action on nominations under "New Reports," passing over the treaties appearing on the Executive Calendar and the nominations of Harry H. Seylaz to be postmaster of Lincroft, N. J., and Mrs. Pearl Carter Pace, of Kentucky, to be a member of the Foreign Claims Settlement Commission.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGE REFERRED

The ACTING PRESIDENT pro tempore laid before the Senate a message from the President of the United States submitting sundry nominations, which was referred to the Committee on Labor and Public Welfare.

(For nominations this day received, see the end of Senate proceedings.)

PROTOCOL LIMITING CULTIVATION OF THE POPPY PLANT AND INTERNATIONAL AND WHOLESALE TRADE IN AND USE OF OPIUM—EXECUTIVE REPORT OF A COMMITTEE (EX. REPT. NO. 7)

Mr. WILEY. Mr. President, from the Committee on Foreign Relations, I report favorably, without reservation, Executive C, 83d Congress, 2d session, the protocol limiting cultivation of the poppy plant and the international and wholesale trade in and use of opium. I ask unanimous consent to submit the printed report by midnight Monday, August 9.

The ACTING PRESIDENT pro tempore. The protocol will be received and placed on the Executive Calendar; and, without objection, the request of the Senator from Wisconsin is agreed to.

If there be no further reports of committees, the clerk will state the nomination on the Executive Calendar under "New Reports."

UNITED NATIONS

The Chief Clerk read the nomination of Henry Cabot Lodge, Jr., of Massachusetts, to be a representative of the United States of America to the ninth session of the General Assembly of the United Nations to serve no longer than December 31, 1954.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of H. ALEXANDER SMITH, of New Jersey, to the same office, for the same period of time.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of J. W. FULBRIGHT, of Arkansas, to the same office, for the same period of time.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of C. D Jackson, of New York, to the same office, for the same period of time.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of Charles H. Mahoney, of Michigan, to the same office, for the same period of time.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of Roger W. Strauss, of New York, to be alternate representative of the United States of America to the ninth session of the General Assembly of the United Nations, to serve no longer than December 31, 1954.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of James J. Wadsworth, of New York, to the same office, for the same period of time.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of Mrs. Oswald B. Lord, of New York, to the same office, for the same period of time

The ACTING PRESIDENT pro tempore. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of Ade M. Johnson, of Washington, to the same office, for the same period of time.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is confirmed.

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

The Chief Clerk read the nomination of James Bradshaw Mintener, of Minnesota, to be Assistant Secretary of Health, Education, and Welfare.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is confirmed.

ST. LAWRENCE SEAWAY DEVELOPMENT CORPORATION

The Chief Clerk read the nomination of Martin W. Oettershagen, of Illinois, to be Deputy Administrator of the St. Lawrence Seaway Development Corporation.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is confirmed.

COLLECTOR OF CUSTOMS

The Chief Clerk read the nomination of Philip A. Hoghaug, of North Dakota, to be collector of customs for customs collection district No. 34, with headquarters at Pembina, N. Dak.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is confirmed.

Mr. SALTONSTALL. Mr. President, I ask that the President be immediately notified of the nominations confirmed today.

The ACTING PRESIDENT pro tempore. Without objection, the President will be immediately notified.

NOTICE OF CONSIDERATION OF CERTAIN NOMINATIONS

Mr. WILEY. Mr. President, the Senate has received the following nominations:

John C. Beukema, of Michigan; Harry C. Brockel, of Wisconsin; Kenneth Merle Lloyd of Ohio; Hugh Moore, of Pennsylvania; and Edward J. Noble, of Connecticut, to be members of the Advisory Board of the St. Lawrence Seaway Development Corporation. I give notice that these nominations will be considered by the Committee on Foreign Relations at the expiration of 6 days in accordance with the committee rule.

LEGISLATIVE SESSION

Mr. SALTONSTALL. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

Mr. SALTONSTALL. I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The Secretary will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. SALTONSTALL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Morning business is now in order.

EXECUTIVE COMMUNICATIONS, ETC.

The ACTING PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

REPORT OF CLAIMS SETTLED UNDER MILITARY PERSONNEL CLAIMS ACT

A letter from the Acting Secretary of the Army, transmitting, pursuant to law, a re-

port on claims settled under the Military Personnel Claims Act of 1945, as amended, by the Department of the Army, for the fiscal year 1954 (wih an accompanying report); to the Committee on the Judiciary.

THE CHOCTAW NATION *v.* THE UNITED STATES

A letter from the Chief Commissioner, Indian Claims Commission, transmitting, pursuant to law, a report by that Commission on the settlement of the claim of the *Choctaw Nation, petitioner, v. the United States of America, defendant* (with accompanying papers); to the Committee on Interior and Insular Affairs.

AMENDMENT OF ACT OF JUNE 3, 1916, RELATING TO FLIGHT INSTRUCTION

A letter from the Secretary of the Air Force, transmitting a draft of proposed legislation to further amend the act of June 3, 1916, and for other purposes, relating to flight instruction (with accompanying papers); to the Committee on Armed Services.

PETITIONS

Petitions were laid before the Senate and referred as indicated:

By the ACTING PRESIDENT pro tempore:

A resolution of the Legislature of the Territory of Guam; to the Committee on Armed Services:

"Resolution 156

"Resolution relative to memorializing the Congress of the United States to require that the Defense Department and contractors working for the Federal Government employ United States citizens when available before importing alien labor

"*Be it resolved by the Legislature of the Territory of Guam:*

"Whereas numerous aliens are presently employed both by the Armed Forces in Guam and by contractors doing work for the Federal Government in Guam; and

"Whereas there is an increasing number of United States citizens available for the performance of such labor; and

"Whereas military security is best served by strict limitation upon the number of aliens permitted to work in and around military installations: Now, therefore, be it

"*Resolved*, That the Guam Legislature does hereby respectfully memorialize the Congress of the United States to require both the Department of Defense and contractors employed on Federal projects in the Territories to employ citizens of the United States rather than aliens whenever the necessary supply of citizen labor is available; and be it further

"*Resolved*, That the Executive Secretary be and she hereby is directed to transmit a copy of this resolution to the Presiding Officer of the Senate of the United States, and to the Speaker of the House of Representatives of the United States, to the Secretary of Defense, to the Secretary of the Interior, and to the Governor of Guam."

A letter from the Coordinator, Office of Civil Defense, Commonwealth of Virginia, Richmond, Va., transmitting a certified copy of an Interstate Civil Defense Compact entered into by the States of Virginia and Maryland; to the Committee on Armed Services.

TELEGRAM FROM COMMANDER IN CHIEF OF UNITED SPANISH WAR VETERANS

Mr. WILEY. Mr. President, along with my other colleagues, I was glad to hear from the commander in chief of the United Spanish War Veterans, Mr. John U. Shroyer, urging that the Nation remember the heroes of 1898, their widows and dependents.

I present Mr. Shroyer's telegram, one which I am sure will strike a respondent chord in the hearts of our people; and ask unanimous consent that it be printed in the body of the RECORD at this point.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

WASHINGTON, D. C., *August 6, 1954.*

Senator ALEXANDER WILEY,
Senate Office Building,
Washington, D. C.:

Fifty-six years ago our men were sent into the swamps and jungles in Cuba, Puerto Rico, and the Philippines to stop the army of Spain from further exploiting the inhabitants of the above three countries. Our men planted the spirit of America, and this spirit has endured until this day. All three countries have maintained a spirit of loyalty to America and communism has been unable to gain foothold. Our men suffered untold hardships and in so doing have built a bulwark of loyalty among the above three countries that has been a bulwark in protecting the interests of America. America has given billions of dollars to combat communism in all the world. What would have happened to America if the Philippines cast their lot with the Asiatics and renounced the spirit of America that our men planted in their country 56 years ago? Our widows are now in the average bracket of 73 years and up. All we ask for them, that you amend 9020 and give them a cost-of-living increase of $5 per month in pension. We ask nothing for the men. During June 599 of our men died. Many of our widows must depend on relatives. Surely you do not want these old ladies placed on public relief.

JOHN U. SHROYER,
Commander in Chief, USWV.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. CORDON, from the Committee on Interior and Insular Affairs, without amendment:

H. R. 8006. A bill to authorize the Secretary of the Interior to issue patents for certain lands in Wisconsin bordering upon inland lakes or rivers (Rept. No. 2331); and

H. R. 8384. A bill to authorize the Secretary of the Interior to construct, operate, and maintain the Talent division of the Rogue River Basin reclamation project, Oregon (Rept. No. 2332).

By Mr. CORDON (for Mr. KUCHEL) from the Committee on Interior and Insular Affairs, without amendment:

H. R. 2843. A bill to authorize the Secretary of the Interior to investigate and report to the Congress on the conservation, development, and utilization of the irrigation and reclamation resources of the Waimanalo, Oahu; Waimea island of Hawaii; and Molokai projects, Territory of Hawaii (Rept. No. 2333);

H. R. 7569. A bill to authorize the removal of a restrictive covenant on land patent No. 9628, issued to the board of the Hawaiian Evangelical Association on January 18, 1929, and covering lots 5 and 6 of Waimea town lots, situated in the county of Kauai, T. H. (Rept. No. 2334); and

H. R. 8736. A bill to authorize the issuance of a land patent to certain public lands, situate in the county of Kauai, T. H., for school purposes (Rept. No. 2335).

By Mr. CORDON (for Mr. KUCHEL) from the Committee on Interior and Insular Affairs, with an amendment:

H. R. 2015. A bill to authorize the sale of certain land in Alaska to Lloyd H. Turner, of Wards Cove, Alaska (Rept. No. 2336).

By Mr. DWORSHAK, from the Committee on Interior and Insular Affairs, without amendment:

H. R. 9889. A bill to authorize the Secretary of the Interior to execute an amendatory contract with American Falls Reservoir District No. 2, Idaho, and for other purposes (Rept. No. 2337).

By Mr. SALTONSTALL, from the Committee on Armed Services, without amendment:

S. 3595. A bill to direct the Secretary of the Army to convey certain property located in El Paso, Tex., and described as part of Fort Bliss, to the State of Texas (Rept. No. 2338).

By Mr. SALTONSTALL, from the Committee on Armed Services, with amendments:

S. 3750. A bill to direct the Secretary of the Air Force to convey certain property located in proximity to San Antonio, Bexar County, Tex., to the State of Texas (Rept. No. 2339).

By Mr. WILEY, from the Committee on Foreign Relations, with amendments:

S. 3067. A bill to require that international agreements other than treaties, hereafter entered into by the United States, be transmitted to the Senate within 30 days after the execution thereof (Rept. No. 2340).

By Mr. LANGER, from the Committee on the Judiciary, without amendment:

H. R. 2358. A bill for the relief of Dr. Vahram Uluhogian (Rept. No. 2341);

H. R. 3144. A bill for the relief of Elias Y. Richa (Rept. No. 2342);

H. R. 3238. A bill for the relief of Danica Maria Vavrova (Rept. No. 2343);

H. R. 6367. A bill for the relief of Nobu Nogawa Nitta (Rept. No. 2344);

H. R. 8115. A bill for the relief of Tannous Estephan (Rept. No. 2345);

H. R. 9336. A bill for the relief of Marianne Geymeier (Rept. No. 2346);

H. R. 9671. A bill for the relief of Dr. Liang Nun Wang and his wife and child, Fa-chi Ling Wang and Eileen Wang (Rept. No. 2347);

H. R. 9814. A bill for the relief of Alfio Capizzi (Rept. No. 2348); and

H. R. 9996. A bill for the relief of Susan Ellen Heiney (Rept. No. 2349).

By Mr. McCARRAN, from the Committee on the Judiciary, without amendment:

S. 2017. A bill to revise the procedure in the district courts relating to the disposition of the wages and effects of deceased and deserting seamen, and for other purposes (Rept. No. 2350).

By Mr. McCARRAN, from the Committee on the Judiciary, with an amendment:

S. 1813. A bill to amend title 28, United States Code, so as to extend the privilege of trial by jury to certain cases arising within the special maritime and territorial jurisdiction of the United States (Rept. No. 2351);

S. 2975. A bill to amend title 28, United States Code, relating to the Customs Court (Rept. No. 2352);

S. 3131. A bill to amend title 28, United States Code, with respect to the United States Court of Customs and Patent Appeals (Rept. No. 2353); and

S. J. Res. 158. Joint resolution to amend section 84 (a) (2) of title 28 of the United States Code (Rept. No. 2354).

By Mr. McCARRAN, from the Committee on the Judiciary, with amendments:

S. 960. A bill to amend sections 1505 and 3486 of title 18 of the United States Code relating to congressional investigations (Rept. No. 2355).

AMENDMENT OF SECTION 11 OF ADMINISTRATIVE PROCEDURE ACT—AMENDMENTS

Mr. PAYNE submitted amendments intended to be proposed by him to the bill (S. 1708) to amend section 11 of the Administrative Procedure Act, and for other purposes, which were ordered to lie on the table and to be printed.

AGRICULTURAL ACT OF 1954—AMENDMENTS

Mr. AIKEN submitted an amendment intended to be proposed by him to the bill (S. 3052) to encourage a stable, prosperous, and free agriculture, and for other purposes, which was ordered to lie on the table and to be printed.

Mr. DOUGLAS submitted amendments intended to be proposed by him to Senate bill 3052, supra, which were ordered to lie on the table and to be printed.

LOCAL OPPOSITION TO DELAWARE RIVER PROJECT

Mr. WILEY. Mr. President, I commented on August 2 in the CONGRESSIONAL RECORD expressing my doubts on the procedure being followed in attempting to ram through a $91 million project for a 40-foot channel for the Delaware River, including an $18 million gift for a particular American corporation.

I send to the desk now a supplementary statement and certain materials on this same issue.

I ask unanimous consent that my statement and the material be printed in the body of the RECORD.

There being no objection, Mr. WILEY's statement and the material submitted by him were ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR WILEY

LET THERE BE PROGRESS, BUT NOT EXTRAVAGANCE

I should like to make my position perfectly clear with respect to the pending Delaware River project, involved in S. 2317, and in the amendment to the omnibus rivers and harbors bill.

Because of my concentration on work on the Senate Foreign Relations and the Senate Judiciary Committees, I do not claim to be an expert in all rivers and harbors matters, involving projects in all the various parts of our country.

In all fairness to each of these projects, to the Senate Public Works Committee, its distinguished chairman and members, the projects reported deserve careful consideration on their respective merits.

I should like to say, too, that I do not believe that the legitimate needs of the people of the Delaware River area should be denied any more than I believe that the needs of the people of Wisconsin or the Great Lakes area for 27-foot connecting channels should be denied.

But, I would not want any project for the Delaware River, or for that matter, for the lakes, to be rushed through without careful consideration, preferably on both sides of the Hill.

NO HOUSE HEARINGS HELD

For any Senate committee to approve a project for $91 million all in one swoop—and to do so within a period of but 8 short days after the legislation had been first introduced for this purpose, and without the House Public Works Committee having heard so much as 60 seconds of testimony on the costly project—all this seems to me a very questionable procedure.

TAXPAYERS' INTERESTS UNPROTECTED

Moreover, when the Senate committee chooses to ignore the sound position of the United States Corps of Engineers, the Department of the Army and the Bureau of the Budget, and to make what amounts to a free gift of $18 million to one corporation which, according to the Army should (and certainly could) bear that cost, then I say that the taxpayers' interests are not being looked after.

VENEZUELAN ORE WELCOME

I want to make it perfectly clear that I am not being personally critical of this particular corporation, United States Steel, a great company which has contributed invaluably to the strength of the American economy.

I am glad that Venezuelan ore is being made available to the United States steel industry. My high regard for our good neighbor, Venezuela, is well known. This great new source of ore is extremely welcome.

I do not want our country to be overdependent upon any one or two sources or one or two channels of communication or transportation.

That was one of the very reasons why I fought so hard for the Great Lakes seaway; for it opened up a brand new frontier, a brand new alternative channel of transportation, a brand new artery to the great Labrador ore fields which have just sent their first shipment.

And so, with consistency, I want America to get the benefit of Venezuelan ore shipments, as well, but I don't want the taxpayers to be taken for a ride of $18 million or 18 cents if we can possibly prevent it.

LOCAL OPPOSITION TO 40-FOOT CHANNEL

Since making my original comments, there have come to my attention a great many expressions from the Delaware River area.

A great many folks there have expressed their most vigorous opposition to the 40-foot project.

Many people are convinced that this costly depth is not necessary. I am going to include the text of certain materials which I have received, including the text of an editorial from the newspaper Seafarer's Log, published by the Seafarer's International Union.

It isn't my present purpose to attempt to prejudge all of the allegations made in this material.

But I do want to bring them to the attention of my colleagues so that these references will be available and so that we can study them further, and then come to the right decision.

CONCLUSION

I do not believe in a provincial, narrow approach.

I do not want any one section of our country to deny legitimate progress to another section. But neither do I want any one area to take advantage of the Federal Treasury.

I want justice for the Delaware area, but I do not want extravagance for that or any other area.

[From the Beverly (N. J.) Banner of May 14, 1954]

NO COMPARISON

Some of the interests that are persistently at work through devious ways to secure a huge Government appropriation for the purpose of dredging a 40-foot channel in the upper Delaware River have seized upon the recent approval by Congress of the St. Lawrence seaway project as an argument to justify the upper Delaware Treasury raid.

Propagandists for the Delaware River project seek to show that it is comparable in national importance to the St. Lawrence program. As a matter of fact there can be no sound comparison at all if an unbiased view of the facts is taken.

Whether or not the huge outlay of public funds for the construction of the St. Lawrence seaway is an economically sound investment is a debatable question but there can be no doubt that whatever benefits are derived will be distributed over a vast area of the country and in this respect the project fulfills one of the basic requirements for a justifiable public works expenditure.

The St. Lawrence project will open up the entire Great Lakes region to oceangoing vessels. The area benefited comprises thousands of square miles of territory in the very heart of the Nation and includes such great commercial centers as Buffalo, Cleveland, Toledo, Detroit, Chicago, and Milwaukee.

On the other hand the proponents of the upper Delaware plan would have our Government take the taxpayers' money from all parts of the country and concentrate a huge expenditure in one tiny local area for the benefit of a very few; in actual fact for the benefit of just one corporation—United States Steel—which is the only concern now located on the upper river whose business is of a nature that would permit it to make use of the extremely large type of vessels for which a 40-foot channel is required.

It must be remembered that there are very few commercial vessels in existence today large enough to require a 40-foot channel for their passage. There are relatively few ports in the world having channel depths of 40 feet. The bulk of the world's commerce is carried on by the class of vessels that can readily navigate the present upper Delaware channel, which has an authorized depth of 25 feet at low water and which, with our 6-foot tidal range, becomes a 31-foot channel at high water.

Let us not forget that the much publicized St. Lawrence seaway is to have a controlling depth of but 27 feet and that it is supposed to be a self-liquidating project, through tolls collected from the users.

A great deal of sheer nonsense has been spoken and published about this upper Delaware River channel project. Most of it has been spread about in an effort to pull the wool over the eyes of an uninformed public with the aim of disguising the fact that the plan, if carried out, would be for the benefit of a very few and would therefore simply constitute a huge Government subsidy to special private interests.

[From the Seafarers Log, Brooklyn, N. Y., of July 23, 1954]

FOREIGN-FLAG SUBSIDY

As everyone knows, American maritime has its troubles and one of the reasons is the competition suffered from runaway flag operators. As a result, the United States section of the industry has had to fight hard for some kind of Government aid so that it can keep its head above water.

It's a little astonishing then, that huge billion-dollar corporations like United States Steel can get Congress to vote millions of

dollars for their own personal port projects designed to service their giant ore-carriers under the runaway flags.

The latest word is that the Senate is considering an $87 million channel improvement project on the Delaware River that for all intents and purposes is solely for the benefit of that one corporation, while the House is set to pass on a similar, but less costly project for Mobile Harbor, also designed to accommodate these same foreign-flag ore carriers. As far as can be determined, United States ship operations have little or no need for the 40- to 42-foot channel extensions involved in these expensive projects.

As a matter of fact, at one time United States Steel was asked by the Army Corps of Engineers to pay half the cost of the Delaware project, and was outraged at the thought of paying half its own way. The result is that under the present Delaware bill, the company only has to provide a terminal and transfer facilities at its Fairless plant.

Of course, every maritime body, the SIU included, is in favor of improving our port facilities. It appears though, that if Congress is being so kind to United States Steel, the least it could ask is that the company register its ore boat subsidiaries under the United States flag.

PHILADELPHIA, PA., *August 5, 1954.*

Hon. ALEXANDER WILEY,
United States Senate,
Senate Office Building,
Washington, D. C.

DEAR SIR: It is reported in the Philadelphia papers that you have expressed opposition to the item being put before Congress providing for the dredging of the 40-foot channel in the upper Delaware River to the Fairless plant of the United States Steel Corp.

In this connection, I want to say that the local facts amply justify this opposition and I know that local people who know the facts will applaud your stand in the matter.

To emphasize some of these facts I am attaching copy of the letter which I have just written to the Committee on Public Works of the House of Representatives. There has been some confusion as to the status of the matter and, therefore, local people in opposition haven't known to whom exactly their views should be expressed, but I now understand that the project has not been completely approved even by the Senate.

I think that the enclosed letter covers most of the points that are pertinent. The main one is that it seems completely outrageous to people familiar with the scene that this very expensive project should be undertaken for the one specific purpose of tailoring the entire river to fit one specific type of ship to be used only by one corporation. Incidentally, we have it on pretty good authority that these ships are being currently built in Japan at a time when shipyards all up and down the Atlantic coast are preparing to close down for lack of business. This is a fact which does not fit in very well with the general promotion of local industry which the proponents of the channel say is their one and only object.

Another point which has not been sufficiently stressed is that concentration of more heavy industry in this Delaware Valley area, even if it came about, would be contrary to the current trend of dispersal of industry in the interest of national defense.

For myself, and in behalf of the Delaware River Valley Association mentioned in attached letter, I hope that you will continue to oppose this project and will see that it gets thorough debate so that every point for and against can be properly brought out before any final action is taken on it.

Sincerely yours,

GEORGE C. KRUSEN & SON,
G. ELLIOTT KRUSEN.

P. S.—I enclose a circular about the association because it sets forth the points of the controversy. Membership includes residents of river towns, local town officials, business concerns, and industrial plants or their officers. E. K.

Hon. GEORGE A. DONDERO,
Chairman, Committee on Public Works,
House of Representatives,
House Office Building,
Washington, D. C.

DEAR SIR: Thank you for your acknowledgment of my telegram about the 40-foot channel in the upper Delaware River. I wired because there seemed to be some confusion as to the status of the matter and I felt that time might be important. I would like, however, to amplify in this letter what was said in the telegram.

It is my understanding that your committee will be asked by the Senate Committee on Public Works to consider this matter even though it hasn't been considered yet or debated by the House, and that this consideration will be asked in a hurry when Congress is about to adjourn. The people opposed to the project feel that the considerations are entirely too important to be subject to a hurried action without proper debate and that the principles involved should not be slurred over by inclusion in the legislation covering a lot of small and miscellaneous public-works projects.

People who are familiar with the upper Delaware area are fully convinced that the 40-foot channel is not necessary as a matter of public interest and public good, and that its only important value would be to United States Steel Corp. for the use of one highly specialized type of ship which would reduce their own handling costs. There are several alternative ways to handle this, however, including the one now in use—shipping in oceangoing steamers of 8,000 to 10,000 tons which they can use and are using in the present 25-foot channel. A survey was made of all existing industrial plants on the river by the Delaware River Valley Association who are interested in the whole project because most members are residents of the river towns. The writer is an officer of this association. This questionnaire to better than 40 companies developed practically no interest in the deep channel for shipping purposes. Those who showed any interest simply said that it "might be of some value to them in the future" and the only really specific interest was based on desire to use dredged material from the river to fill in waste or swampland owned by these industrial plants.

Meanwhile, at least a half dozen new industrial plants recently established on the river between Camden and Beverly, N. J., including the Hoganaes sponge iron plant and a plant of the Air Reduction Company of America, both in Cinnaminson Township, have been built with no reference to river transportation and no contact with the river, but rather on the railroad, depending on rail and truck transportation as perfectly adequate. Our organization can find practically no manufacturing plants which are locating really on the river because they need water transportation and practically any of them who did so locate could operate perfectly well with the present channel.

The public generally gets a very false and one-sided impression of this project because of the publicity in Philadelphia and Trenton newspapers which has been inspired by bodies such as chambers of commerce and port development people who naturally want to see any local expenditures of Federal funds that they can induce Congress to provide, thus they further the plans of the steel company to get this improvement which is a real asset and necessity only for their one specific purpose.

Better than 20 years ago the present 25-foot channel was dredged because it would produce a tremendous development of the water transportation in the upper river and of the city of Trenton as a seaport. Nothing of the sort happened and even the 25-foot depth was allowed to shoal with practically no protest until the last 3 or 4 years, because no one was interested in the river from the standpoint of actual waterborne commerce. It seems very foolish to assume, therefore, that anything different will happen with a 40-foot channel because conditions in this area are not fitted to any general use of oceangoing ships to carry cargo to the up-river industries. They don't use shipload quantities of heavy material and the carrying of general cargoes is definitely not feasible.

Under these conditions, the local people who know the situation and don't simply get their impressions from boom-the-port editorials in the newspapers know that the local need does not justify the size of the project and the expenditure involved, or even the big deterioration which would ensue in the recreational value of the upper river and the reduction of land values in the river towns, which are mostly residential areas. This is not the major consideration, however. The big issue is that it amounts to a direct subsidy to one corporation and will produce no general public good to justify that much expenditure. The $91 million appropriation, incidentally, includes something like $14 million for rebuilding 2 bridges over the river which are perfectly adequate with the present channel and would be so even if it were deepened to 30 feet or so, better to accommodate general traffic. This would mean a great dislocation of road and railroad traffic over a period of at least a number of months.

Summing up, I believe that this whole project has been discussed entirely from the pro side up to now and that it should not be permitted to go through Congress as though it were just a trivial appropriation item and justified as a public need, which it is not. I hope, therefore, that your committee will see that it has been thoroughly discussed and is examined from every angle when it comes up.

Very truly yours,

GEORGE C. KRUSEN & SON,
G. ELLIOTT KRUSEN.

The ACTING PRESIDENT pro tempore. If there is no further morning business to be transacted, the Chair lays before the Senate the unfinished business.

AGRICULTURAL ACT OF 1954

The Senate resumed the consideration of the bill (S. 3052) to encourage a stable, prosperous, and free agriculture and for other purposes.

Mr. JOHNSTON of South Carolina. Mr. President, the Senate has before it at this time a very important matter. The question before the Senate is whether or not there will be granted to farmers 90 percent of parity price supports on basic commodities, or whether the Senate will adopt the amendment proposed by the Senator from Vermont [Mr. AIKEN], which provides for support prices on a sliding scale from 90 to 80 percent of

parity, or whether the Senate will not pass any bill at all, and thereby put into effect the 1949 act, which provides for a sliding scale of support prices from 90 to 75 percent. That is the important question before the Senate at the present time.

As I see it, it is very important that price supports be kept at 90 percent of parity on basic commodities, in order that proper security may be insured to the farmers and to the Nation.

Unless effective action is taken at this session of Congress, the 1949 Agricultural Act will become effective in 1955, replacing 90 percent of parity support prices for the basic crops with a system of flexible supports which would permit support levels to drop to 75 percent of parity. Failure on the part of Congress to act at this time may immediately trigger the beginning of another economic depression. That is something I fear at this time, for if we should let happen a depression such as occurred in the early thirties, probably it would be even worse now than it was at that time, simply because there is now hanging over our head a heavy indebtedness, and the Government would not be able to pay the interest on that bonded indebtedness. So there is a possibility that, if we do not protect the farmers, there will be another recession, and following that there will be a depression.

We have found in the past that preceding every recession or depression first the farmers have suffered. The farmers are certainly suffering now, as anyone will find if he travels about the United States, contacting the farmers and seeing conditions as they exist. Anyone would reach that conclusion.

The prospects for continuance of reasonably prosperous times are good only so long as the farmers remain prosperous, for the economic well-being of the farmer has always been closely linked to the prosperity of the Nation as a whole.

I am not endeavoring to protect the farmer because of political necessity or because I feel I must protect a self-seeking, self-interested group of people who are parasites by nature, who drain instead of enhance our Nation's economy. Any suggestion that I am engaged in such an endeavor is a far cry from the truth.

The interests of our farm population and of the great consumer population in the urban areas are and always have been identical. Those interests are inseparable. A healthy agricultural economy is as imperative to the welfare of the city dweller as it is to the welfare of the farmer. Any farm program which protects the purchasing power of the farmer is a means of protecting the national purchasing power, since there is a direct ratio of national income to farm income.

I should like at this point to read what Mr. H. L. Wingate, president of the Georgia Farm Bureau, had to say as to this matter, to show how inseparable the agricultural economy is from the economy of the city dweller, and how the two economies dovetail into each other. Mr. Wingate said:

> Agriculture is number one in the basics of our national economy. I am sure it would startle all of us if we knew today just how many millions of nonfarm people are living on the purchasing power of farmers. In 1952 farmers purchased over 7 million tons of steel—more than is used for a year's output of passenger cars; 16½ billion gallons of crude oil—more than is used by any other industry; 320 million pounds of raw rubber—enough to put tires on over 6 million cars; 15 billion kilowatt-hours of electric power—enough to supply Chicago, Detroit, Baltimore, and Houston for 1 year. There are owned by farmers in this Nation today 4,400,000 tractors, approximately the same number of cars, and over 2,500,000 trucks.
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> Farmers must and have produced ample food and fiber, not only in time of peace but in time of war. Agriculture is the largest industry in this Nation and its problems are somewhat different from those of other industries. All industries or businesses producing or handling either raw materials or finished goods control their production or purchases or they will not remain in business very long. Controls in all but agriculture can be geared up or down as needed all through the year. Agriculture can attempt to control only once each year. Farming has many hazards such as extreme wet weather, droughts, insects, and diseases, making our controls less effective, and for these reasons we are called upon to carry large surpluses of storable commodities for the protection of the consuming public and the security of our Nation. Farmers harvest and market all of their crops over a period of about 3 months, and carrying surpluses required of them makes it impossible to get 100 percent, 90 percent, or even 75 percent of parity without a support program.

That is so because the crops are thrown on the market all at one time.

I fear that a sliding scale will increase speculation and the farmer will become the victim of others who will make money from the commodities he produces and sells.

I feel, too, that we ought to consider what happened in the early 1930's. This is what happened: Hogs in 1931 were 5.7 cents a pound, and in 1932 were 3.3 cents a pound. Cattle in 1931 were 5.3 cents a pound, and in 1932 were 4.2 cents a pound. Cotton in 1931 was 5.6 cents a pound, and in 1932 was 6.5 cents a pound. Tobacco in 1931 was 8.2 cents a pound, and in 1932, 10.5 cents a pound. Wheat in 1931 was 39 cents a bushel, and in 1932, 38.2 cents a bushel. Corn in 1931 was 32 cents a bushel and in 1932 was 31.9 cents a bushel.

These disastrously low farm prices wrecked the economy of the United States, and brought about later what was known as the depression of the early 1930's.

If cotton were reduced to 75 percent of parity I believe it would lower the price about 5 cents a pound. The average amount of raw cotton in a shirt is a little more than a half pound. One can figure out what the cost would be if the price of cotton were lowered 5 cents a pound. How much saving would there be on one shirt? Maybe about 3 cents, or something like that. The same thing is true as to a dress made of cotton, and other goods made of cotton.

Suppose we consider wheat, to see what the possible savings are there. The value of the farmer's wheat which goes into a loaf of bread is about 2½ cents. That is about how much wheat goes into a loaf of bread. So if the price of wheat were increased or decreased 20 percent, as compared to what it is today, there would be an increase or decrease, whichever it happened to be, in the price of bread of about one-half of 1 cent, if it were passed on to the consumer. But usually the middle man takes up that slack, regardless of what happens with respect to the price of wheat.

The same thing is true with regard to tobacco. Tobacco is one of the basic commodities today. The value of the farmer's tobacco in a package of cigarettes is only about 3.3 cents. In order to save the consumer 1 cent a package on cigarettes the price of the farmer's tobacco would have to be reduced 15 cents a pound. I am trying to show how the consumer is affected if every bit of the reduction is passed on to the consumer, which is not true, as we know, from the record.

We do want to do something to protect our farm economy. Any farm program which protects the purchasing power of the farmer is a means of protecting the national purchasing power, since there is a direct ratio of national income to farm income. Thus a price-support program protects not only the agricultural segment of our population but the Nation as a whole.

Any law which would unleash upon the farmer a chain reaction of complications might paralyze every segment of the Nation's economy. The sudden decline in farm income which would necessarily result if the 1949 Agricultural Act were allowed to become effective would be a severe blow to both the producer and the consumer. The declining farm prices and net income would bring about an agricultural upheaval such as the one which touched off the depressions in 1920–21 and in 1929–32.

I remind Senators that never in the history of our country has there been a serious depression when farm prices were at or above parity. Let that sink in. There is a reason for this, a simple reason of cause and effect. There is a simple formula: farm cash income is in direct ratio to farm support levels, so the value of agricultural assets reflects the level of rural and urban business directly dependent on the farm market.

A good example of this economic interaction is the farm-implement industry which has already curtailed production. I find that today the automobile industry is in such a condition that complaints of bootlegging of new automobiles are being made because the new cars cannot readily be sold.

The low price of farm commodities, in turn, has adversely affected the steel industry.

Layoffs and unemployment are increasing. Try as they may, the party in power cannot explain this away as one more ramification of what they like to call "the rolling adjustment," which will disappear if we will only wait a while.

Mr. President, I have a definition for the administration's favorite label of recession; it is the so-called rolling adjustment. It is an economic period during which big business has its taxes adjusted downward, while the farmer and the worker get "rolled."

When we talk about taxes being adjusted downward for big business, I should like to call to the attention of the Senate an article in the U. S. News & World Report of this week. I want Senators to read what it says in regard to taxes and how some of big business may avoid the payment of taxes under the new tax bill which is at the present time rolling downward, so to speak, taxes on big business.

In any discussion of the economic prospects of this country, the significance of price supports in agriculture must be considered in relation to the contribution price supports make to the national economic policy.

There is much historic evidence that all depressions are farm bred and farm led.

If this be true, then prompt and immediate action on the farm front to curb a recession should certainly not be greeted with cries of anguish.

The farmer recently has been the whipping boy for the proponents of the flexible farm program, who blame the farmers for the high cost of living, and claim that flexible price supports would result in reduced costs to the consumer. At the moment they are claiming that we probably have too much butter and we have too much in the way of dairy products. I call to their attention the fact that to the dairy industry their flexible program now applies.

What has it done?

In other fields the flexible program has not been applied.

Just how valid then is this premise that flexible supports are desirable? Today, under the President's program, an hour's work will buy more food for a consumer than at any other time in our history. How many times have we gone into the grocery store and been shocked at the price of this or that? How many times have we said, "Oh, for the good old days." Yet the Department of Agriculture's statistics will bear me out when I say that consumers get more and better food today with an expenditure of a smaller percentage of their income than at any other time in our history.

In 1914, for example, a housewife was able to purchase 3½ pounds of bread for the same hour's earning power with which in 1953 she could purchase 10.7 pounds.

The interests of consumers and agriculture do not lie down separate paths. Rigid supports for the farmers are not responsible for the high cost of living.

Consideration must be given to current marketing margins for farm products. As I said a few moments ago in regard to the cost of the cotton that goes into a shirt or a dress, the cost of the cotton affects them very little.

The farmers lose greatly when their prices slide down a little bit. That is an entire loss to them. But when the commodity goes into a finished article it represents only a small part of the cost.

Costs to the consumer could easily be reduced by cutting back wages of workers who process, handle, and distribute such products, by slashing freight rates and handling charges, and establishing minimum margins on the distribution level. I would be the last one to advocate such extreme measures. I certainly do not want to turn back the clock on the social gains made during our past Democratic administration. Why, then, is the farmer being penalized? Why is the clock being turned back on agricultural progress?

Labor has long had its demands for minimum-wage standards answered. Labor's demands are constantly being reevaluated and the minimum standards raised, and justifiably so.

The question does not come up of lowering minimum-wage standards or returning to conditions of years past when the minimum wage had not yet arrived, and women and children slaved in factories for low wages and under inhuman conditions. I have seen such conditions with my own eyes, for I have worked with my own hands in the mills and suffered from the low wages paid, so no one knows better than I do the facts concerning that.

Why, then, is the farmer's security now to be sacrificed? Parity for the farmer is not much different from minimum-wage standards for labor. Labor is entitled to fair pay. Why should not the farmers be entitled to a fair share of the national income they help to produce?

What does 90 percent of parity mean? It means that the farmer who produces a pound of cotton or a bushel of wheat will be assured by his Government that he will get 90 percent of the cost of producing the pound of cotton or of the bushel of wheat. Is that not fair? We do not advocate minimum wages only in periods of full employment and high industrial income. We contend that a fair minimum wage is a guaranty of a decent standard to which all workers are entitled at all times. So it should be with parity.

Mr. MURRAY. Mr. President, will the Senator yield for a question?

Mr. JOHNSTON of South Carolina. I yield.

Mr. MURRAY. Is it not true that in the period when labor was seeking minimum wages a bitter fight was made against their effort; in fact, there is continuing opposition to the fixing of minimum wages for workers.

Mr. JOHNSTON of South Carolina. The Senator is entirely correct. Some people screamed then that they wanted free enterprise and wanted to let things alone, and that proposals of that kind were socialistic. But the Senator knows and I know it is necessary to have such laws upon our statute books.

Mr. MURRAY. Working people having low wages are not an asset to the country.

Mr. JOHNSTON of South Carolina. That is true.

Mr. MURRAY. They are liabilities. They have not purchasing power to keep the economic system going, and the same is true with reference to the farmers.

Mr. JOHNSTON of South Carolina. The Senator from Montana is entirely correct. The same is true today with respect to parity prices. It is necessary to assure the farmer pay parity in order to protect him.

I remember in years gone by prior to the 1930's, when the cotton producer was told, "Well, your cotton will not go down more than $10 a day." The Federal Government had a law to that effect on the statute books. Think how ridiculous it was. Then in the early 1930's the Government started to protect the farmer.

We do not advocate minimum wages only in periods of full employment and high industrial income. We contend that a fair minimum wage is a guaranty of a decent standard to which all workers are entitled at all times. So should it be with parity. Parity is a minimum guaranty which the Government, in its own interest and in the interest of all its people, insures to the farmer. It is not a program which offers the farmer a high parity when crops are in short supply and, hence, high price in the market place; and, conversely, a low price when there is a crop surplus and his need is the greatest. The flexible parity proposal is not a program designed to stabilize agricultural income. It is, rather, a calculated plan to use the farmer. That is what flexible parity is. It offers him a high parity when he does not need it, and pays him at a substandard rate when his need is the greatest.

It will take a corps of high-powered advertising men to square flexible supports with many of the campaign utterances of 1952. I, for one, do not propose to stand mute while the farmer is subjected to this shabby treatment by those who 2 short years ago posed as his friends, and who said he would be entitled not only to 90 percent of parity, but to 100 percent of parity in the market place. That was the administration speaking through its candidate at that time. I cannot for the life of me understand how the same advocates can now propose a flexible support program.

I should like, if I may, to touch for a moment on the international ramifications of the farm program which this

Congress ultimately adopts. During this period of international tension, the smallest spark, ignited in the most remote place of the world, might well be the beginning of a worldwide conflagration. It is my firm conviction that during these uneasy times we should thank God that our Nation has the ability to produce a surplus of food. I say that because it is a blessing of the Lord that we do have a surplus of food and fiber. In the Communist empire, Russia, and in practically all countries behind the Iron Curtain, there is a shortage of food.

We may be in tight competition with those nations in winning the atomic armament race, but in the race for the production of food, the United States of America will cross the finish line first.

This is, of course, a great advantage to us in times of war. Certainly it must give the Communist leaders a great deal of satisfaction to see the legislators of this Nation giving serious consideration to a program which would undermine the economic stability of our farmers and threaten the favored position we now hold in world agricultural output.

I am confident that the Members of this august body will not be swayed by the current wave of ballyhoo. They will, I am sure, enact a program which will preserve the economic well-being of our farm families.

Our country has billions of dollars invested in materials for defense, such as guns, planes, and ships. No one in a responsible position would try to find a method to scuttle this program. We recognize that defense spending is a penalty imposed upon us by aggressive international communism. We bear that burden in that spirit, and we are glad to do so, when we must.

It has often been said that an army moves on its stomach. Food is an important element in the science of logistics. Food is an essential, and the ability to maintain and supply an army may determine the course of history, as it did when Napoleon invaded Russia.

The Government's investment in food and fiber is only a small fraction of the annual military budget. The establishment of a national food reserve is a sound fiscal policy. The cost of this reserve should not be charged against a farm program, nor should it be used to depress the price of farm products.

The national food reserve is as important to the economy and security and defense of this Nation as our national stockpiles of armaments and raw materials. Tampering with this balance is like participating in a game of Russian roulette where death is the only winner. Our food and fiber abundance is our security and our farm surplus a wise and frugal investment. There is no reason to panic ourselves into a depression or even a serious farm recession by allowing the Agricultural Act of 1949 to become effective. There is a great danger in the willingness of some politicians to capitalize on the natural anxieties of the people. Those who would set one citizen against another by telling the consumer that high food prices are the result of high farm supports are, indeed, playing a dangerous game in which all of us would be the losers.

The truth is, all of our citizens have a vital stake in a healthy farm economy. The worker will not be fooled by the slogans of the flexible-support program advocates. He is well aware of the impact of the farmer-purchaser on the industrial economy. The taxpayers of this country will gladly see millions of their tax dollars allocated to the preservation of a healthy agricultural economy. If we can afford to spend $12 billion of our taxes to support a foreign-aid program, we can certainly afford millions of dollars to promote the economic interest of our own farmers. Those who would pit the city dweller against the farmer grossly underestimate the intelligence of both. City and farm families are well aware that they are partners in the future of America, and this awareness, bred in an era of black depression, will stand the test of the merchants of the catch phrase campaign to divide them.

I am deeply hurt when I see charts like those which have been placed on our desks. The only reason for putting out such charts is to divide the people of the Nation.

I should like to call attention to what is happening by showing how farm values have gone down. The value of farm assets has continuously gone down since 1952. Referring to a chart issued by the United States Department of Agriculture, I note that the value of United States farm exports of various commodities since 1952 has dropped sharply, especially exports of wheat, tobacco, and cotton.

In 1952 the value of cotton exports was approximately $1,300,000,000, and it has dropped to about $700 million. As shown here, exports of tobacco and wheat have also dropped considerably.

Another chart shows the quantity of food 1 hour of factory labor will buy. In 1929, 1 hour of labor would buy 6.4 loaves of bread; in 1939, 8 loaves; in 1954, 10.6 loaves. In 1929, 1 hour of factory labor would buy 7.8 pints of milk; in 1939, 10.4 pints; and in 1954, 16.2 pints.

Here is a chart showing farm operators' realized net income from their purchasing power. The purchasing power of the farmer from 1935 to 1939 was only about $6 billion. We notice again that the realized net income has fallen sharply.

These tables show that the cost to the farmer for the things he has had to buy during the past several years, especially during the last 3 years, has continuously gone up, but his purchasing power has continuously gone down because his net farm income has been cut.

One of the main arguments of the supporters of the administration's flexible price-support program is that it would discourage production and help remove the surplus problem. I am sure that Members on both sides of the aisle are of sufficient age and wisdom to remember the common characteristics of farm depressions. When surpluses develop and the consumer does not have sufficient capital to purchase them, market prices weaken and farmers, unless provided with a program by which they can be protected, are forced to offset lower prices by increasing production. This, of course, is done in desperation, and not only weakens agriculture's economic position, but carries over and damages the national economy as a whole.

I give a concrete illustration. Some of us remember back to 1907. I was a little country boy then. I remember what my father did when there were no supports. I remember how he planted. We were working on the farm. He increased his acreage at least 25 percent to try to make enough to feed and clothe the family at that time. That is generally true of farmers. If the price is cut down, they grow more in order to make enough money to make a living on the farm.

Do not think for a minute there are not many farmers who are right on the verge of not earning enough on the farm to make a decent living. There are a great many of them who do not have a sufficient amount even to buy shoes. We hear talk about people not wearing shoes in certain sections of the Nation. There was a good reason for that at one time. It was because they did not have any price supports. Prior to that time, the farmers did not make sufficient to supply their children with shoes.

That was prior to 1932. I do not want those times ever to come back in the United States. I am one who saw the conditions too plainly with my own eyes ever to let them come again.

As we all know, when we have a large surplus a problem arises. The only way we can remedy that is by giving higher parities and by having strict acreage controls, and that is what is proposed in the committee bill we have before us.

This is necessary at this time to prevent and to stave off a depression. A recession is already under way among the farmers of the Nation. I am warning the Senate that unless we stop the recession, we will have a depression on the farm.

Mr. President, we are already witnessing the results of the cut in support level of milk production from 90 percent to 75 percent of parity on April 1 of this year. What is that result? The result is that not only has milk production not been reduced but it has increased 4 to 5 percent above levels of a year ago—this in spite of lower prices.

Testimony before the Senate Committee on Agriculture, of which I am a member, indicates that with all farm products in ample supply farmers would naturally maintain or increase their production to protect their income in the fact of lower prices. The only evidence before the Senate Agriculture Committee in support of the thesis that flexible price supports would reduce production is a statement by the Secretary of Agriculture that certain studies—we are

becoming accustomed these days to studies rather than facts—showed that a 10-percent reduction in the price of a farm product would mean 2 percent less production of that product the following year. The reliability of that statement should be gaged to a statement made by that very same Secretary of Agriculture in Eau Claire, Wis., September 19, 1953, when he said:

> I have not become Secretary of Agriculture of the United States to sit idly by wringing my hands and let the farmer be squeezed by lower farm prices and high fixed costs.

Farmers must have a certain amount of money in order for them to hang onto their farms, to meet their fixed minimum production costs, and to maintain a living for themselves and their families. If a farmer cannot hang onto his farm and meet his production and living costs with the prices received for the products he is producing, his only alternative is to increase his production. When a farmer raising cotton or tobacco is unable to meet such fixed expenses as fertilizer, equipment, lights, taxes, fuel, and others with the production of cotton and tobacco priced at 90 percent of parity, what will he do if the price of cotton or tobacco is lowered to 80 percent of parity, as proposed by the amendment of the Senator from Vermont, or to 75 percent of parity, which would be the law if we passed no legislation?

His fixed expenses, his permanent overhead, will not decrease. He can only increase production of his cotton or tobacco crop to try to compensate for the reduced price. The principle of diminishing returns means nothing to the farmer who cannot meet his creditors. An increase in production seems far more logical to him than a bank foreclosure.

There is another danger inherent in a farm depression. The young folks will not stay on the farm. They want to go to the city, where they will not be faced with such uncontrollable factors as the wind, the weather, and the United States Department of Agriculture as it is presently administered. The farm population of the United States is on the decline, and the average age of farm operators is increasing. A further loss of farmers, skilled and trained in agricultural production, could be disastrous. Whom and what will we have to run our farms if and when we are faced with another emergency? Can the banks run a farm? I have yet to see a banker raise a single bale of cotton or a hogshead of tobacco. Skilled and trained manpower for agricultural production cannot be created overnight. We certainly cannot afford to lose this farm reserve.

There is something else which I think should be called to the attention of the people. A great hue and cry has been raised about how much it is costing the people of the United States to maintain high parities. Over the past 21 years the six basic commodities about which we are speaking at present—corn, cotton, peanuts, rice, tobacco, and wheat—which are under the 90-percent parity price support, cost the people of the United States $130 million. That is all it has cost to keep the parity price in effect on those commodities. It is less than one-tenth of the amount provided in the foreign-aid bill this year for the Indochina situation. The United States will spend 10 times as much in 1 year in Indochina as has been spent for price supports on the 6 basic commodities for 21 years. Let that sink in.

Also, $130 million is approximately one-half the amount of subsidy which the newspapers of the United States have received from the Federal Government each year. For the support of basic commodities, farmers, for 21 years, have received $130 million; the newspapers, for 1 year, have received $240 million. The Post Office has been incurring a deficit every year in the handling of second-class mail matter. But still there is the great cry, "Subsidy."

What is better than to have surplus commodities on hand for any emergency which might arise in the United States?

I should like to close by going on record unequivocally in favor of Senate bill 3052, which is the bill reported by the committee of which I am a member. The vote in the committee to report the bill was 8 to 7. But the circumstances of reporting the bill were peculiar. The chairman of the committee reported the bill, although at the same time he is against the bill. The chairman of the committee reported the bill with a report signed by him, which I hold in my hand. That report, signed by him, contains the figure of $130 million, which I have just read.

Yes, the committee bill provides for the guaranty of 90 percent of parity for the basic commodities produced by American farmers. This, to my mind, is the minimum standard which Congress should guarantee the farm operators, who play such a vital role in the American economy. I, for one, do not propose to break faith with the loyal farm families of our great land by subjecting them to an agricultural program which guarantees them 1 percentage point less than 90 percent. I shall never favor flexible supports if they are to be accomplished by placing the farmers on the rack of political expediency. No; I shall not leave the farmers when they are in need. I want them to receive parity when they need it most, and when it means, or will mean, so much, not only to the farmers, but to the economy of all the American people.

Mr. GILLETTE. Mr. President, I have not been in attendance during all of the debate, but I have been here most of the time. Naturally, as a Senator from one of the greatest agricultural States in the Union, if not the greatest, I have been tremendously interested in the discussion.

I have asked recognition for the purpose of presenting a somewhat technical matter briefly, but before presenting it, I wish to comment, in a general way, on the debate which has taken place, in which I have just stated that I have more than an academic interest.

Twenty-two years ago, this month, I became a candidate for membership in the House of Representatives from the district in Iowa in which I live. I was elected, and at the completion of this year I will have served 18 years in Congress.

During every one of the years I have been in Congress, I have heard the farm debate, the debate on the farm problem. Most of the time the arguments have followed along similar channels, but the problem is still unsolved.

At the time I came to Washington 22 years ago, the farming industry was prostrate. Not only that, but the economy of the United States was at one of the lowest ebbs in the Nation's history. I have just listened to our able colleague, the distinguished junior Senator from South Carolina [Mr. JOHNSTON], discuss that period. He spoke of the fact that cotton at that time sold for 5 or 6 cents a pound. I remember very well that during my first campaign wheat was selling at 25 cents a bushel, and was being burned because of there being no market. Corn was selling for between 8 and 10 cents a bushel. I had a neighbor at that time who hauled 50 bushels of corn to the elevator 2 months later, in November, at the time of the election, and it did not bring him enough to buy a pair of shoes for his boy.

When I came to Washington to attend the emergency session of Congress in March 1933, some of the industrialists and financiers, who are now presuming to advise the farm industry on the exorbitance of the demands of the industry, were walking up and down the corridors of the Capitol with tears in their eyes—not figurative tears, but actual tears—and saying, "For heaven's sake, do something. The country is on the rocks."

I have no intention of discussing the causes of that particular depression. There are differences of opinion, and undoubtedly many factors are involved. But every economist agrees that one of the principal factors was the thought of the financial interests, and of the Government some months before, that it was necessary to deflate the farm industry and curtail credit through governmental agencies at that time.

With the collapse of the farming industry, there followed in rapid succession the various changes that brought on the tremendous depression in which the country found itself in 1932 and 1933. However, it was recognized even then that one of the first necessities, and a basic objective to be accomplished, was some measure of stability to the farming industry.

Then there ensued debate as to whether there was overproduction or underconsumption. In those early days the debate took the line, Has this condition arisen because of overproduction or because of underconsumption? There developed three schools of thought on how to meet the situation, some of which, or perhaps all of which, exist today among a number of adherents.

The so-called production-control school said we are producing too much,

and that we must immediately take steps to curtail production. The former great Iowan, Secretary Wallace, belonged to that school. There followed legislation based on the general idea, which has been repeatedly referred to, of the slaughtering of little pigs and the plowing under of every third or fourth acre of cotton—known as production control. The first Agricultural Adjustment Act was based on the principles of that production-control school.

As a Member of the House of Representatives, I voted against the Agricultural Adjustment Act, and thereby brought much condemnation upon myself, because I believed the act was unconstitutional. The Supreme Court later, by a vote of 6 to 3, declared the act to be unconstitutional, because it flew in the face of the historical record that the production of food was basic in every civilized community. Laws had been put on the statute books in the Empires of Greece and Rome, and there exist laws on the statute books of many of the States of the Union at the present time, making it a criminal offense to cut down the production of food. The reason for that is that everyone knows that all wealth, with the exception of the limited amount that comes from the mines, is produced from the food and fiber on the farms that are distributed and procesed until they reach the ultimate consumer. The idea that conditions can be corrected by destroying the very basis on which all wealth is predicated is out of the question. The principles of the production-control school were not sound.

Then followed the legislative idea, in order to meet the Supreme Court objection, that farmers should not be paid for not producing, but that farmers would be paid for certain soil-conservation practices, which met the Supreme Court objection, but was still based on the principle of production control.

There was another school of thought besides the production control advocates, and that was the school of surplus control. Let me use a very simple illustration. The problem is not so complicated and so intricate as might appear from the extended debate which has taken place, and which will continue to take place, although every word that has been spoken is of great interest. That school believes if 100 cows are produced in a certain county, and there is a market only for 90 cows, there are 10 cows too many. The production control school said, "Cut down your production to 90 cows."

It must be remembered, as I said before, that if that wealth is not produced this year, the wealth produced next year will not take its place. The wealth which is not produced is forever lost to the world. So the surplus control school said, "Let the farmers produce without limit all they can produce, because that is wealth, but take the 10 extra cows off the market by some device."

The principle of the surplus control school, with certain limitations, changes, and deviations, are the principles we are following at the present time.

There was a third school that said, "If there is produced all that the farmers can produce under ordinary practices, and the production is gotten to the consumers who need it, then there will be no overproduction and no underconsumption. The problem is one of distribution." I may interpolate at this point and say I belong to that school.

When I first came to Washington, which was in 1933, wheat was selling for 25 cents a bushel, and the farmers were burning it. I was a farmer at that time, and there was no market for the hogs on my farm. At the same time there were people in breadlines, who were being fed at public expense, and who needed the food that was being destroyed. It was a problem of distribution.

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator yield for a question?

Mr. GILLETTE. I yield to the Senator from South Carolina.

Mr. JOHNSTON of South Carolina. Is it not true that as a result of those three different schools of thought there resulted the bill presently being considered? There are provided in the bill set-asides, parities, and also reasonable acreage control, in order that there may be produced a certain surplus which persons may need. The bill takes into consideration all the factors which have been mentioned by the Senator from Iowa, does it not?

Mr. GILLETTE. The Senator from South Carolina is eminently correct.

Mr. President, I am not going to discuss this subject at length, except to say that I belong to that school which believes that by developing new markets at home and abroad, and by eliminating unnecessary impediments and roadblocks to distribution, we can adjust the problem immeasurably, if not completely.

I advert again to the statement I made previously, that when we prevent the production of food we prevent the creation of new wealth that we must have. Every product, except, of course, forest and mineral products, encompasses three factors: the cost of the raw material, food, or fiber, the cost of processing, handling, boxing, and transporting, and the cost of the middleman between the producer and the consumer. Every time there is a rise in the cost of such products to the consumers, immediately it is said that the farmer is getting the increase. If the price of butter rises, or if the price of bread rises, it is asserted that the farmer is getting the increase in the way of price supports. The other two factors which are just as essential and necessary in the cost of the product are forgotten.

I did not intend to make these general remarks, but I shall make just one more before I proceed to my prepared manuscript, and that has to do with the question of parity. After the soil conservation acts were enacted, someone conceived the idea that the farmer's income should be placed in a fair relationship to the prices he must pay—in other words, a fair relationship between his income and his expenditures. At first they took what they considered a fair period for the base relationship, and said, "Let X equal the farmer's income, and let Y equal what the farmer has to buy." Then they developed the equation that X should equal Y; and that is parity. Every high-school student who has studied algebra knows that X should equal Y. That was the first concept of parity. On the other hand, Mr. President, X minus 10 or minus 20 or minus 25 does not equal Y. In this discussion, some say the support for X is too high, but they make no suggestion that the other side of the equation be lowered, so that X minus 10 will equal Y minus 10.

Mr. President, of course the farmers are disturbed, for their purchasing power has appreciably decreased. They fear that if the present law, which provides for X minus 25, on the first of next January, goes into effect without any commensurate relief on the Y side of the equation, they will be in great difficulty. So they are tremendously worried. The eminent Senators who are presenting this matter today, recognize it when they say, "Oh, well the law says X minus 25, but we would be satisfied with X minus 17½ or X minus 20 or X minus 4$^{17}/_{18}$." Mr. President, that is poppycock. It is simply a recognition of a condition which exists throughout our farming population today, and every economist who has studied any political economy knows that a depressed condition in the Nation's industries almost at once follows a loss of purchasing power by the farmers.

So, Mr. President, I wish to emphasize that in all this discussion, all those who are supporting a lowering of the value of X, absolutely ignore the other side of the equation, and wish to leave the farmer with decreased purchasing power, but at the same time compel him to pay the prices he has been paying in the period when there has been a parity ratio of X equals Y.

Mr. President, so much for that general discussion.

The Secretary of Agriculture has been going back and forth across this Nation, ringing out the alarm over the size of our farm surpluses. He has gone to great lengths to denounce the cost to the taxpayer for paying storage charges for these surpluses.

These surpluses are considerable, and we all worry about them. But they are not so colossal that they could not be swiftly consumed if the 1950's prove to be another drought decade like the 1930's, or if war comes. In the case of emergency, these surpluses will stand us in good stead.

As for the costs of storage, they, too, are considerable. The Secretary has been stressing the annual, daily, and even minute-by-minute charges which the Government must pay on CCC-owned stocks.

I wish today to bring to the attention of the Senate a little-known fact that

may help explain why the charges for storing surpluses are so high. I intend to cite facts which I believe will show that by his own actions, or those of his duly authorized subordinates, the present Secretary of Agriculture has made—inadvertently probably—a major contribution to increased costs of storing Government-held surpluses. This has been accomplished by simply raising the fees under uniform grain storage contracts which the department signs with warehousemen for storing CCC stocks.

The study I have made of this situation reveals that a part of the storage costs about which the Secretary complains so bitterly is his own handiwork, and that the supposedly shrewd business administrators now in charge of our farm program are either poor negotiators too closely linked with commercial interests, or are infected by the giveaway virus now epidemic here in Washington.

On March 31, of this year, the Department of Agriculture issued a new uniform grain-storage contract and schedule of rates, which will cost the Government millions of dollars every year in extra storage charges.

This contract and schedule of rates provides increases in storage fees, an annual anniversary service fee, a revision of protein tolerance from one-tenth to three-tenths of one percent, and numerous other new concessions to the warehousing industry.

The uniform grain-storage contract sets out the conditions under which Commodity Credit Corporation grains are stored by private warehousemen. Publication in full of the 1952 and 1954 contracts in the RECORD does not seem to me necessary. I have those texts here, and copies can be obtained from the Department.

All that Senators need to do to understand this situation is to look at the 1952 and 1954 schedules of rates, which I ask unanimous consent to have printed at this point in the RECORD, as a part of my remarks.

There being no objection, the schedules were ordered to be printed in the RECORD, as follows:

Schedule of rates—1952 supplement to Uniform Grain Storage Agreement No. —

(All grain to be fully insured at warehouseman's expense)

(All charges on bushel basis)

Subject to the provisions of section 21 of the Uniform Grain Storage Agreement, this supplement shall become effective as of the 1952 annual renewal date of the above numbered agreement and supersedes all previous schedule of rates as of such date and shall continue in effect thereafter until superseded.

GRAIN RECEIVED BY TRUCK

Commodity	Areas	Receiving, insuring, conditioning and storing for 1st 10 days	Storing, insuring, conditioning, and all other charges after 1st 10 days for remainder of the annual period and each succeeding annual period [1] (in cents per diem)	Loading out
		Cents		*Cents*
Oats	All	3	180 days at 1/30; balance annual period 1/40	1½
Corn:				
Commingled	do	4	150 days at 1/20; balance annual period 1/40	1½
Identity preserved	do	4	1/30 per diem	1½
Barley:				
Commingled	do	5	150 days at 1/20; balance annual period 1/40	1½
[2] Identity preserved	do	5	1/30 per diem	1½
Flax:				
Commingled	do	6½	210 days at 1/20; balance annual period 1/30	2¼
Identity preserved	do	6½	1/25 per diem	2¼
Wheat and all other grain	I [2]	6	90 days at 1/20; balance annual period 1/30	1½
	II [3]	6	120 days at 1/20; balance annual period 1/30	1½
	III [4]	6½	150 days at 1/20; balance annual period 1/30	1½
	IV [5]	7½	180 days at 1/20; balance annual period 1/30	1½

GRAIN RECEIVED BY RAIL OR WATER

Commodity	Areas	Receiving charges	Storing, insuring, conditioning and all other charges for each annual period (in cents per diem)	Loading out
		Cents		*Cents*
Oats	All	1½	First 180 days at 1/30; next 185 days at 1/40	¾
Corn:				
Commingled	do	1½	First 150 days at 1/20; next 215 days at 1/40	¾
Identity preserved	do	1½	1/30 per diem	¾
Barley:				
Commingled	do	1½	First 150 days at 1/20; next 215 days at 1/40	¾
Identity preserved	do	1½	1/30 per diem	¾
Flax:				
Commingled	do	2	First 210 days at 1/20; next 155 days at 1/30	¾
Identity preserved	do	2	1/25 per diem	¾
Wheat and all other grain	I [3]	1½	First 90 days at 1/20; next 275 days at 1/30	¾
	II [3]	1½	First 120 days at 1/20; next 245 days at 1/30	¾
	III [4]	1½	First 150 days at 1/20; next 215 days at 1/30	¾
	IV [5]	1½	First 180 days at 1/20; next 185 days at 1/30	¾

[1] Annual period begins on the date of the warehouse receipt.
[2] Area I includes Arizona, California, Idaho, Nevada, Oregon, Utah, Washington.
[3] Area II includes Minnesota, Montana, North Dakota, South Dakota, also Superior, Wisconsin.
[4] Area III includes Colorado, Illinois, Iowa, Kansas, Missouri, Nebraska, Wyoming, Wisconsin, except Superior.
[5] Area IV includes all States not listed in areas I, II, and III above.

NOTE.—Charges on flax shall be computed on a gross bushel basis.
Direct transfer 1½ cents per bushel.
Add customary port authority or mandatory charges where grain is received at port locations.

In accordance with sec. 18 (b) of the above-numbered agreement, in those cases where prepayment of charges has not been made by the producer the amount of the provisional payment with respect to each kind of grain owned by Commodity shall be an amount not to exceed the receiving charge plus the first 120 days' storage charges at the rates set out above. In the event prepayment o. storage charges has been made by the producer, the amount of the provisional payment shall not exceed the amount of receiving charges indicated above.

COMMODITY CREDIT CORPORATION,

By _____
(Title)

Accepted:

_____
(Date)

_____
(Warehouseman)

By _____

Schedule of rates—1954 supplement to Uniform Grain Storage Agreement No. —

(All grain to be fully insured at warehouseman's expense)

(All charges on bushel basis)

Subject to the provisions of sec. 21 of the Uniform Grain Storage Agreement, this supplement shall become effective as of the 1954 renewal date of the above-numbered agreement and supersedes all previous schedules of rates as of such date and shall continue in effect thereafter until superseded.

Commodity	Areas	Grain received by truck			Grain received by rail or water		
		Receiving, insuring, conditioning and storing for 1st 10 days (cents)	Storing, insuring, conditioning, and all other charges after 1st 10 days for remainder of the annual period and each succeeding annual period (in cents per diem)	Loading out (cents)	Receiving charges (cents)	Storing, insuring, conditioning, and all other charges for each annual period (in cents per diem)	Loading out (cents)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Oats	All	3	240 days at 1/30; balance annual period 1/40	1/5	1 1/3	First 240 days at 1/30; next 125 days at 1/40	3/4
Corn:							
Commingled	do	4	210 days at 1/20; balance annual period 1/30	1/5	1 1/3	First 210 days at 1/20; next 155 days at 1/30	3/4
Identity preserved	do	4	1/25 per diem	2/5	1 1/2	1/25 per diem	3/4
Barley:							
Commingled	do	5	210 days at 1/20; balance annual period 1/30	1/5	1 1/3	First 210 days at 1/20; next 155 days at 1/30	3/4
Identity preserved	do	5	1/25 per diem	2/5	1 1/2	1/25 per diem	3/4
Flax:							
Commingled	do	6 1/2	270 days at 1/20; balance annual period 1/30	3/4	2	First 270 days at 1/20; next 95 days at 1/30	3/4
Identity preserved	do	6 1/2	1/23 per diem	3/4	2	1/23 per diem	3/4
Wheat and all other grain	I	6	150 days at 1/20; balance annual period 1/30	2/5	1 1/3	First 150 days at 1/20; next 215 days at 1/30	3/4
	II	6	180 days at 1/20; balance annual period 1/30	2/5	1 1/3	First 180 days at 1/20; next 185 days at 1/30	3/4
	III	6 1/2	210 days at 1/20; balance annual period 1/30	2/5	1 1/3	First 210 days at 1/20; next 155 days at 1/30	3/4
	IV	7 1/2	240 days at 1/20; balance annual period 1/30	2/5	1 1/3	First 240 days at 1/20; next 125 days at 1/30	3/4
	V	7 1/2	260 days at 1/20; balance annual period 1/30	2/5	1 1/3	First 260 days at 1/20; next 105 days at 1/30	3/4

Listed below are the States included in each area referenced in col. (2):
Area I: Arizona, California, Idaho, Nevada, Oregon, Utah, Washington.
Area II: Minnesota, Montana, North Dakota, South Dakota (also Superior, Wis.).
Area III: Colorado, Illinois, Iowa, Kansas, Missouri, Nebraska, Wyoming, Wisconsin (except Superior).
Area IV: Arkansas, Connecticut, Delaware, Indiana, Kentucky, Louisiana, Maine, Maryland, Massachusetts, Michigan, New Hampshire, New Jersey, New Mexico, New York, Ohio, Oklahoma, Pennsylvania, Rhode Island, Texas, Vermont, Virginia, West Virginia.
Area V: Alabama, Florida, Georgia, Mississipi, North Carolina, South Carolina, Tennessee.

NOTE.—Charges on flax shall be computed on a gross bushel basis.

In accordance with sec. 18 (b) of the above-numbered agreement, in those cases where prepayment of charges has not been made by the producer the amount of the provisional payment with respect to each kind of grain owned by Commodity shall be an amount not to exceed the receiving charge plus the 1st 120 days storage charges at the rates set out above. In the event prepayment of storage charges has been made by the producer, the amount of the provisional payment shall not exceed the amount of receiving charges indicated above.

The annual periods referenced in cols. (4) and (7) of the above schedule are the periods beginning on the date the grain was deposited in the warehouse, or became subject to the terms of the agreement in store, and on each anniversary of such date that the grain remains in store. In the case of grain in store on the effective date of the above schedule of rates (1954 renewal date of the agreement), the rates set out in the above schedule shall apply, as of such effective date, beginning at the point in the rate structure which would have been reached during the current annual period if the above schedule had been in effect from the date of deposit of the grain.

The following additional rates shall apply:
1. A service charge, in the amount of the applicable receiving charge col. (6) on grain received by rail or water and in the amount of ½ of the applicable receiving charge col. (3) on grain received by truck, shall accrue as of each anniversary of the date of deposit falling after the 1954 renewal date (May 31 or June 30), and shall be payable with other charges in accordance with sec. 18 of the agreement.
2. Direct transfer 2¼ cents per bushel.
3. Customary port authority or mandatory charges where grain is received at port location.

Accepted:

(Date)

(Warehouseman)

By ---

COMMODITY CREDIT CORPORATION,

By ---

(Title)

Mr. GILLETTE. Mr. President, in a reasonable time, it is impossible to ascertain all the changes in rates which have been made in the 1954 schedule in favor of the warehousing industry. These schedules cover oats, corn, barley, flax, wheat, and other grains. There are 5 categories of grains, and under the fifth category—wheat and other grains—there are rates for 5 different regions.

I shall merely compare them in a general way, and then shall give 1 or 2 specific examples, to describe the measure of the differences.

The Commodity Credit Corporation pays the warehouseman a flat fee of a few cents a bushel for "in" charges—that is, charges for receiving, insuring, conditioning, and storing the grain for the first 10 days.

The CCC pays 3 cents a bushel in the case of oats, and from 6 to 7½ cents a bushel in the case of wheat received from trucks. If the grain comes by rail or boat, the "in" fee runs 1½ cents a bushel for all grains, except flax, on which the fee is 2 cents.

Also, there is a loading "out" charge, which is one-half cent a bushel on grains received by truck, and three-fourths cent on grains received by rail or boat.

In addition to these "in" and "out" charges, the CCC pays a daily storage fee, after the first 10 days, which is calculated in infinitesimal sums—twentieths, twenty-fifths, thirtieths, and fortieths of a cent a bushel a day.

Under the old schedules, the CCC paid one-thirtieth of a cent a day for storage of oats for the first 180 days of a given year, and a one-fortieth of a cent a day for the balance of the year.

In the Middle West region, the storage charge on wheat used to be one-twentieth of a cent a bushel a day for the first 90 days, and one-thirtieth of a cent a day for the balance of the year.

What the Department of Agriculture has done in the new 1954 uniform storage contract is to increase by 60 days the length of each of the initial periods on which the higher rate is paid.

Thus, over the initial period the CCC must pay, in the case of wheat, 1 cent more a bushel a year in storage fees.

In the case of corn, the storage fee is increased by almost 3 cents a bushel a year. The exact figures are an increase from 12⅝ cents a bushel a year to 15⅓ cents a bushel—an increase of 2 17/24 cents a bushel a year.

Mr. President, I admit that these figures are difficult to follow, when I am discussing fractions in perhaps somewhat the detail that the eminent Senators who are the proponents of the pending bill are required to discuss them, in connection with their attempts to determine parity. But, although 2 17/24 cents a bushels sounds like a small amount, yet when it is figured, as I shall later figure it, on the basis of the amounts of grain in storage, the total runs into the billions of dollars.

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator from Iowa yield to me?

Mr. GILLETTE. I yield.

Mr. JOHNSTON of South Carolina. I know the Senator from Iowa will concede that all these commodities come out of the land.

Mr. GILLETTE. Certainly.

Mr. JOHNSTON of South Carolina. I have before me a table showing the changes in the dollar value of farm land from March 1952 to March 1954. For

the United States as a whole, the average for all the States is a decrease of 6 percent. In studying the table, I notice that South Carolina's rate is the same as the average, or a decrease of 6 percent.

In the case of Texas, the decrease is 7 percent. In the case of New York, the decrease is 6 percent; California, 6 percent; Arizona, 9 percent; New Mexico, 9 percent; Oklahoma, 8 percent; Colorado, 10 percent—that much of a decrease in the value of farmland.

Is not that situation brought about by the fact that those who are living on the farms cannot make anything out of their farms?

Mr. GILLETTE. The Senator is, of course, correct, because the price of farm land must be based on its productive value, on the return it yields. That brings to mind—and I do not intend to advert further to the historical record to which I referred a little while ago—that when the destruction of the farm income had reached a point where thousands and thousands and thousands of our farms were foreclosed, and people lost the savings of their lifetime.

I may say, Mr. President, in further response to the able Senator from South Carolina, that in my office in Iowa at that time I saw more tears shed by men and women, who had lost everything they had in the world through the foreclosures of their farms, than I have seen in all the rest of my life.

It even went to the point, as some of the older Members will remember, that in my then district a judge who was signing decrees of foreclosure on the part of the mortgage holders was taken from the bench by irate farmers—normally law-abiding citizens—carried up the road, and a rope put around his neck and thrown over a tree, with the threat to hang him if he refused to agree not to sign another decree of foreclosure.

Mr. JOHNSTON of South Carolina. When we have the reduction in the price of farm lands and also the great reduction in the price of commodities sold from the farm at the same time, is there not great danger that something like that may happen again?

Mr. GILLETTE. Heaven forbid that it shall ever happen again. But the minute a capital investment in farmland fails to produce a reasonable return, the price of the farm, the value of the farm, is depreciated—there can be no question about that—and if that process shall continue, the end to which the able Senator has alluded will be right ahead of us.

Mr. JOHNSTON of South Carolina. I should like to call the Senator's attention to the fact that these are not my figures. They are figures set forth by the United States Department of Agriculture of the present administration. I have stated facts published by the Agricultural Research Service of the Department of Agriculture of the United States.

Mr. THYE. Mr. President, would the Senator yield?

Mr. GILLETTE. I am glad to yield to the able Senator from Minnesota.

Mr. THYE. Mr. President, I have been following the remarks of the distinguished Senator from Iowa very closely. Minnesota lies right to the north of Iowa, and conditions existing in Iowa and conditions existing in southern Minnesota are always very similar. The financial situation of the farmers of the two areas in the late twenties and early thirties was identical. The same situation prevails in southern Minnesota that is found in northern Iowa.

I recall very distinctly the financial plight of the farmer and how it was reflected in the towns. The difficulties with which the farmer was faced were multiplied in the towns because the merchants were carrying the credit load, not only of one farmer but of all the farmers in the community.

When the farmers were unable to pay their obligations, the merchant, whether he was a druggist or grocery-store operator or was in the clothing business, the implement dealer, the owner of the elevator, the lumberyards, and the banks were in financial distress.

The banking department had ordered all the banks to liquidate their real-estate loans.

Mr. GILLETTE. That is true.

Mr. THYE. If the Senator will permit me to make a parenthetical statement, I appraised property for the Federal land banks for a few years during that era, and I went into many communities with applications for loans. I visited the farm, made the determination of what the value was, and what recommendations would be submitted so far as a loan was concerned. Then I went into town and checked with all the merchants whom the farmer or the applicant had listed as creditors. When the loan was granted it invariably included a sufficient sum of money to cover what was needed to protect the real estate and also to pay the farmer's obligations in town in order that he could start out with a clean slate, so to speak, creditwise, and have all of his obligations embodied in that one real-estate mortgage.

There were types of loan applications calling for loans in excess of what would be a safe land-bank loan. In such instances Commissioner's loans, for which Congress appropriated funds, and authorized them to be used as second mortgages behind the land-bank loans, were permitted. It was that type of credit opportunity which not only saved the farm for the farmer but it likewise protected the local banker by permitting him to avoid undertaking the kind of land mortgage which the banking commissioners and the banking departments, both State and Federal, did not permit the bank to carry.

Referring to the accurate description of what took place in the community where a judge was threatened with lynching, conditions in the farming communities had become that difficult before the seriousness of the situation was generally recognized or believed. It had to become that critical before, finally, Members of Congress recognized it and provided what were known as Commissioner's loans, with Federal funds to supplement or to strengthen the land-bank organization in order that the land banks could grant the loans and the excessive loan applications could be taken care of by a second mortgage which was called a land-bank mortgage.

Mr. President, the situation today has the same danger signals. That is the only reason why I have broken, so to speak, with the Secretary of Agriculture and the reason I find myself in the embarrassing position of being opposed to the administration and to the President of the United States.

All one has to do is to examine the indebtedness figures recorded in the statisticians' office to see the beginnings of what I saw in the late twenties and early thirties. The farm-mortgage debt in 1945, which was the lowest in the 40-year period from 1914 to the present, was $4,760,000,000. Here is the significant danger signal. That debt has risen every year since 1945, until today it stands at an estimated $7,800,000,000, an increase of 63 percent in 8 years. Those figures represent real-estate mortgages. The short-term indebtedness, which are short-term bank loans or production credits, likewise has more than doubled.

Anyone who is at all mindful of what we were faced with in the early thirties and who recognizes this trend in agricultural indebtedness, and then does not take heed, is not thinking as correctly as I would like to see him think. I have found myself in the embarrassing position of having long-distance calls from some of the most able and distinguished businessmen in Minnesota, saying they are disappointed in me and cannot understand my action, I remind them of the financial plight the farmer is faced with and tell them of the reasons for the position I have taken, as I have indicated them here.

I have no personal feeling of animosity toward the Secretary of Agriculture. I have the greatest respect for him, and the highest regard for him personally. But I differ with him economically on the farm question, and I differ likewise with the administration spokesmen on the Senate floor.

I shall have to differ with them because I cannot forget, because the memory is so clear in my mind, of the very facts which the able and distinguished Senator from Iowa has narrated, and I still have a mental picture of the mob groups that met. There was a mob group that met at Farmington, Minn., about 100 miles north of the Iowa border. They met because prices of milk were less than $1 a hundred, and a 200-pound pig would not bring $5 at South St. Paul. They could not pay their taxes. They could not pay their interest. They could not take care of medical bills. They could not continue to live under such circumstances. They met to try to do something to raise the price of milk. They met as a group with a determination to hold milk off the Twin Cities market, even to the extent of dumping it and blockading highways. We had to meet with them. I was one who discouraged that action. There were others who discouraged it.

I will frankly say that the young county attorney of Dakota County did more than anybody else to convince those farmers that such mob action would lead only to imprisonment and embarrassment to their families, as well as financial loss, by dumping their milk. That young Dakota County attorney was

none other than Harold Stassen. He told that group of farmers standing there with clenched fists, "If you dump milk, if you block highways, if you bring about bloodshed, I, as county attorney, shall have to prosecute you even though I have full sympathy with your action."

As the old Chinese proverb says, "Look back that you may have the wisdom to intelligently look forward."

I look back to yesterday, and fully understand and realize that the same trends are occurring in the farm economy today as occurred in the late 1920's and early 1930's. I will take heed and try to be governed in my action and conduct so that we may do better in solving these problems than we did in those days.

I thank the able and distinguished Senator for yielding to me.

Mr. GILLETTE. Mr. President, I am very appreciative of the statement just made by the distinguished Senator from Minnesota. The Senator need not apologize for or feel embarrassed by the position he is taking today. No one who lived through those days can fail to remember them as the most unpleasant and dangerous period of his life, for everything we Americans hold dear.

At the same time, I cannot understand how men who are criticizing the Senator, men who are at all conversant with those conditions, can forget. That is inexplicable to me. They forget those conditions, and they fail to recognize that a flashing yellow light today might possibly become the red light of a depression. I pray that it may not happen, but the signs are there. The yellow light is flashing.

The able Senator spoke of the terrible plight in which the farmers found themselves, which was reflected almost immediately in the stores and the offices in the small towns. It passed on from them, as everybody knows. The chain reaction started. The traveling man came in to sell his merchandise, and the merchant said, "The goods are on my shelves; I cannot sell them." The traveling man reported back to his jobber, and the jobber to the manufacturer, and the manufacturer said, "They are not taking the goods. The inventories are building up. We will have to lay off some men and close down some factories." Then the purchasing power of those men was taken away, diminishing the possibility of using the food and the fiber. Those terrible circumstances resulted in the abysmal destructive situation to which the Senator has alluded and to which I refer very briefly, which will remain a scar in the memory of every man who lived through it.

Going back to the text:

No charge has been made in rates for in-and-out handling which covers the first 10 days of storage.

But, at the bottom of the 1954 rate schedule, as a footnote, so to speak, appears a provision reading as follows:

> A service charge, in the amount of the applicable receiving (in) charge column (6) on grain received by rail or water and in the amount of one-half of the applicable receiving charge column (3) on grain received by truck, shall accrue as of each anniversary of the date of deposit falling after the 1954 renewal (May 31 or June 30) and shall be payable with other charges in accordance with section 18 of the agreement.

I know this is complicated, but it is so complicated that it is important we know what this provides.

I am advised that no such annual service fee has been in any previous uniform grain storage agreement. I have not been informed of any new services which warehousemen are expected to provide in return for this added fee they are granted under the 1954 schedule.

The provision I have just quoted means that on the first day of the second year of storage of a bushel of wheat, those warehouses that have wheat which arrived by rail or barge will be paid an extra 1½ cents per bushel, over and above the regular fees, while those in the Middle West region that received it from trucks will be paid an additional 3¼ cents service fee.

This fee is not prorated over the year, it is paid on the anniversary date. Even if the grain is taken out one day after the end of a year—on the 366th day—the service fee is payable.

This increase in the fee—by a provision hidden in the footnotes—is considerably greater than the more obvious increase in annual storage charges which results from the device of extending the initial, high-rate storage period by 60 days.

In the case of corn, the added service fee will cost the Government an additional 1½ cents or 2½ cents per bushel per year, depending on origin.

This service fee is a birthday present worth several million dollars.

These two types of increases in the storage rate schedules will cost at least 2½ cents per bushel a year more on rail and barge wheat, from 4 cents to 4¾ cents per bushel on truck-received wheat, and at least 4½ cents per bushel per year on corn received by rail or barge. Remember, this is on each bushel of Government-owned corn or wheat stored by private warehouses.

I have seen no evidence to justify these new fees. They seem to be simply largess handed out to the warehousing industry by a friendly administration.

But these two types of rate increases are not the only concessions granted by the new Administrator to the warehousemen.

The provisions of the new contract itself are modified in several particulars to the advantage of the warehousemen.

While some of these concessions do not appear to be of major importance, I am not advised as to the full import of all of them. Under one of them there is a distinct possibility that the Government may be obliged to pay occupancy-guaranty charges on empty elevator space at the same time that it has millions of bushels of grain in commercial warehouses for which it is paying fees.

This provision says the CCC agrees not to discriminate against the warehousemen by loading grain out of a commercial warehouse and depositing it in warehouses constructed under the Government-occupancy guaranties.

Another provision requires warehousemen to have on hand at all times wheat which is fairly representative of the quality rather than the same quality of wheat which he is required ultimately to deliver to the CCC.

There is also more leniency about delivering fairly representative quality wheat. The warehouseman pays in cash for any minor differences in quality, so that is not of major importance.

Another provision permits an offset of cash required to pay for subquality deliveries against cash held for the warehousemen for extra-quality deliveries. This, too, appears of little consequence to the Government.

The warehousemen are relieved as guarantors and are held only to common law liability for quality deficiencies resulting from breakage of corn, soybeans or grain sorghums, or in the case of Food and Drug seizures of grain which meets the requirements of the agreement.

Also the CCC is required to obtain consent before buying commercial grain in storage in an elevator and adding it to the CCC's long-term storage in the elevator.

More important, there is a proviso increasing the protein tolerance of grain delivered to the CCC by the warehouse, from one-tenth of 1 percent to three-tenths of 1 percent.

This tolerance was reduced from one-half of 1 percent in 1940, to three-tenths of 1 percent in 1946, and on down to one-tenth of 1 percent in 1952, the last contract negotiated by the previous Secretary of Agriculture.

Now it has been raised again to where it was in 1946, apparently at the request of the warehousing industry.

In the case of wheat, premiums for 16 percent vary from year to year, depending on the supply of high-protein wheats, but requiring that they range from 40 to 50 cents per bushel in an average year.

A good, average estimate of the value of protein content, plus or minus, is 1 cent per point, a point being one-tenth of 1 percent.

Thus, two-tenths of 1 percent increase in tolerance can be worth in the neighborhood of 2 cents per bushel to the operator who makes the most of it.

I ask unanimous consent to have placed in the RECORD at this point a mimeographed memorandum, which has been supplied to me, to explain the changes in provisions between the 1952 and 1954 storage agreements.

There being no objection, the memorandum was ordered to be printed in the RECORD, as follows:

(Distribution limited)

UNITED STATES DEPARTMENT OF AGRICULTURE,
COMMODITY STABILIZATION SERVICE,
GRAIN DIVISION,
Washington, D. C., March 26, 1954.

To: Board of Directors, Commodity Credit Corporation.

From: Director.

Subject: Uniform storage agreement for grain, 1954 crop year, WCP, 154a.

The attached docket authorizes the continued use of the uniform grain-storage agreement, with certain modifications, and a revised schedule of rates to become effective with the 1954 crop year and remain in effect until superseded. Such modifications would be subject to approval by the Executive Vice President, CCC. The proposed

modifications which are substantive in nature are summarized below:

Section 5 of the agreement would be modified by adding a sentence at the end thereof providing for a limited period of storage if agreed to by CCC in writing. This provision may permit the use of some small warehouses for storage purposes which have in the past refused to make any space available for storage.

The present requirement in section 7 of the agreement that the warehouseman at all times maintain a stock of grain equal not only to the quantity, class, and grade, but also to the quality which he is obligated to deliver under the agreement, would be modified so that the warehouseman would not be in violation of the section if the stock of grain maintained was equal to the quantity, class, and grade and was fairly representative of the quality which he is required to deliver under the agreement. This modification takes into account the fact that quality factors within the numerical grades cannot always be kept at a constant level. It would not, of course, relieve the warehouseman of his obligation to deliver to CCC grain of the quality called for. The provision in this section obligating the warehouseman to maintain a stock of grain equal to the quantity, class, grade, and quality called for by all outstanding warehouse receipts (including receipts representing grain not subject to the agreement) would be modified by eliminating the word "quality." The elimination of quality as a factor in the determination of whether the warehouse is in balance is based upon the fact that, except under the agreement, the warehouseman's obligation to deliver stored grain is satisfied by the delivery of the grade called for by the warehouse receipts. Under the present wording of this section the warehouseman is required to keep all grain in the warehouse on which the warehouse receipts are issued except that grain not subject to the agreement may be held in other storage positions if provided for by State statute. Under the proposed modification, such grain could also be held in other positions if authorized either by statute or by the regulations of State supervisory bodies.

Section 10 of the agreement would be modified in a manner intended to streamline the procedure involved in the determination that grain is in danger of going out of condition, as well as in the disposition of such grain, and the determination of the extent of the warehouseman's liability with respect thereto. The proposed modification of this section also contains a new provision under which CCC would have the right to move grain into the warehouse to replace grain loaded out when determined by the warehouseman to be in danger of going out of condition.

Under section 11 of the agreement CCC presently would have the right, under certain circumstances, to reject any car of grain falling below the weighted average quality called for by the loading order, even though such car of grain was of the numerical grade called for. Under the proposed revision, such cars of grain would not be subject to rejection if they were fairly representative of the quality called for on the loading order. The warehouseman would still be liable for any market discount applicable to within grade quality differences. During recent discussions of this matter terminal warehousemen and the directors of the Commodity offices agreed that the strict right of rejection had not been exercised by CCC and that operation had been in accordance with the proposed modification. The warehousemen insisted that if such strict right of rejection were exercised by CCC they would be placed in an untenable position by virtue of the variance in quality factors of grain grown in different years and the necessity of rotating stocks in the warehouse in order to prevent deterioration of CCC grain on long-term storage.

Section 11 of the agreement would be further modified by increasing the protein tolerance from one-tenth of 1 percent to three-tenths of 1 percent. Under the original agreement issued in 1940 this tolerance was one-half of 1 percent; from 1946 to 1952 such tolerance was three-tenths of 1 percent; and since 1952 it has been one-tenth of 1 percent. In connection with this matter, the trade also takes the position that contemplated long-term storage of CCC wheat and the consequent necessity of rotating stocks makes it impossible for them to agree to continue use of the smaller protein tolerance.

The modification under section 11 contains new provisions relieving the warehouseman of liability as a guarantor and holding him to common law liability in the cases of quality deficiencies resulting from breakage of corn, soybeans, and grain sorghums and in the case of food and drug seizures of grain which meets the requirements of the agreement on the basis of the official grain standards.

Under section 13 of the agreement, premium (overdeliveries in quality by the warehouseman) are offset against discounts (under deliveries in quality) on the same kind of grain. Any excess of discounts over premiums is paid by the warehouseman to CCC in cash; any excess of premiums over discounts is dropped at the time of termination of the agreement. However, since 1950 discounts on sample grade grain (unless called for on the loading order) and on grain rejected as not fairly representative of the quality called for, have not been eligible for offset. As a result, warehousemen have been required to pay cash discounts, while accumulating unusable premium credits, even though the weighted average quality of the grain delivered over a period of time might be equal to or better than the average quality of the grain called for by the warehouse receipts. The proposed modification of this section would permit premiums to be applied against all discounts on the same kind of grain.

Two new subsections would be added to section 25 of the agreement. Subsection (b) would obligate CCC to obtain prior consent of the warehouseman before acquiring commercial grain in store in the warehouse except where such grain is being acquired for shipment. Terminal warehousemen have complained that where they have made available to the price-support program the maximum amount of space which they can spare and still carry on their normal merchandising and commercial storage activities it imposes an undue hardship for CCC to accept and convert to long-term storage, commercial grain from a depositor in exchange for CCC grain stored elsewhere.

Under subsection (c) CCC would agree not to discriminate against the warehouseman by loading grain out of his warehouse and take it out of line for the purpose of depositing it in a warehouse operated under the occupancy contract.

No press release will be issued in connection with this docket.

Recommended:

MARVIN L. MCLAIN,
Director, Grain Division.

Approved for submission to the Board of Directors, Commodity Credit Corporation:

J. A. MCCONNELL,
Executive Vice President,
Commodity Credit Corporation.

Mr. GILLETTE. Mr. President, this memorandum is a recommendation to the Board of Directors of the Commodity Credit Corporation. It indicates original signatures by Marvin McLain, Director of the Grain Division of the Commodity Stabilization Service, and by J. A. McConnell, Executive Vice President of the Commodity Credit Corporation. The memorandum is headed: "Distribution Limited."

The last sentence reads: "No press release will be made in connection with this docket."

And so far as I can determine, no press release was made which told the public of the various changes in rates and provisions favorable to the warehousing industry which I have outlined to the Senate.

This has the appearance of another multi-million-dollar handout.

Let me recapitulate:

The schedule of rates approved by the present Secretary of Agriculture increases normal storage payments on wheat by 1 cent per bushel per year, and on corn more than 2 cents.

It adds a brand new annual service of 1½ cents to 3¾ cents per bushel each anniversary date on wheat, depending on region.

It adds a brand new annual service fee of 1½ cents or 2 cents per bushel per year on corn, depending on receipt by truck, rail, or barge.

It increases the tolerance on protein content in an amount about 2 cents per bushel on the average on wheat. The protein gain, I should add, is only a one-time gain, not annual.

It has proved impossible statistically to reduce these variable increases in fees to be paid by the Government to an average annual cents-per-bushel figure.

In the case of corn they will run between 4 cents and 5 cents per bushel per year.

In the case of wheat, they may vary from 2½ cents to as much as 4¾ cents per bushel per year.

These figures do not include the protein gain. With that added to an annual storage cost increase, the warehousing industry gain can exceed 6 cents per bushel per year on wheat.

The magnitude of the cost of these increases can only be roughly estimated.

I have inquired at the Department for figures on the number of bushels of Government-owned wheat and corn stored in commercial warehouses and learned the following: Of the 347 million bushels of corn on hand as of July 1, only 10 or 12 million bushels were stored in such warehouses, but that of the 773 million bushels of wheat held by the Government, 641 million bushels are in commercial storage.

Taking the total of both wheat and corn, we see that the Government has stored with the terminals and warehouses some 650 million bushels, subject to these uniform storage agreements.

Every cent per bushel per year added to fees would cost an additional $6,500,000 a year, to be paid out of the Treasury.

A 4-cent increase per year per bushel on that quantity of stored grain would amount to about $26 million. The figures may be even higher, but as I say, it is impossible to calculate the full effect of these increases in payments.

It is quite clear, however, that millions of dollars are involved, that millions more are to be paid to the warehousemen than heretofore.

Now, I am unaware of any authority having been given the CCC by the Congress to dispose of Federal funds in this manner. If such authority exists, except in the most general language, I hope someone will point it out to me.

It may well be that such increases are really necessary, and that the warehousing industry can make a case for these higher fees. But I should like an appropriate congressional committee to determine whether there is justification or not. And in the meantime, I believe it would be wiser if the propaganda about storage costs be toned down by the Department's spokesmen, if not eliminated altogether.

In closing, may I point out that to the degree that raising the storage fees by the Government affects the storage fees charged to farmers, an additional burden will be placed on the farmers who already suffer from the current recession.

The same Department release on stocks, to which I have referred above, shows there were some 600 million additional bushels of wheat and corn under loan this past May 31. That means this grain is stored on farms, in Government bins, or commercial warehouses. To the extent that this loan wheat and corn is in commercial storage, farmers may have been further disadvantaged, along with the Federal Government, by these rises in storage costs.

In this brief statement, Mr. President, I have not dealt with other products than grain. I have not received information about changes in storage charges on dairy products, cottonseed oil, wool, cotton linters, and other items in the CCC inventory.

I am convinced, however, that the justification for these 1954 increases in payments on the grain-storage agreements should be carefully reviewed by Congress.

The least we can do for the farmer, whose program is regularly maligned in official pronouncements, is to determine the extent to which the present administration of the Department of Agriculture is itself responsible for the costs about which its spokesmen so bitterly complain to the American people.

Mr. President, in closing I refer very briefly to a statement made by the very able Senator from South Carolina [Mr. JOHNSTON] who preceded me. He referred to the repeated charges of the exorbitant expense of providing aid to the farmer, the so-called subsidy, which, as I said before, is an equation, not a subsidy.

The Postmaster General's office has furnished me these figures. I do not myself say that they are absolutely correct, but they have been given to me as the cost of some subsidies.

During the period cited with reference to the cost of the farm program, the handling of Life magazine cost the Government $3,424,000. Life magazine paid postage of $1,273,000. This is a loss to the Government for handling Life magazine of $2,151,000.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. GILLETTE. Certainly.

Mr. AIKEN. Will the Senator tell the Senate what period he is referring to?

Mr. GILLETTE. Yes. It is the same period that is listed in this article.

Mr. AIKEN. What period is that? That is very important.

Mr. GILLETTE. It is the period during which we have had price suports, during the same number of years that we have had price supports.

Mr. AIKEN. Is it not true that for the first time it has been attempted in years, the present Postmaster General is trying to get the Congress to approve raising those rates so that there will not be the subsidy to Life magazine that the Senator is now referring to as having occurred over the past 20 years?

Mr. GILLETTE. There is no doubt that the present Postmaster General is trying, but previous Postmaster Generals have tried. I hope the present Postmaster General will be more successful.

Mr. AIKEN. He has not had much success so far.

Mr. GILLETTE. I am merely citing these figures to compare them to the repeated statements of exorbitant cost to the Government of the subsidy to the farmer.

Mr. AIKEN. I merely wished to make sure. I know the Senator from Iowa would not want anyone to get the impression that he was trying to blame the present administration.

Mr. GILLETTE. Oh, no.

Mr. AIKEN. It is the first administration in a long time which has tried to do something about the so-called evil.

Mr. GILLETTE. There was nothing further from the mind of the junior Senator from Iowa than to indulge in an attack on the present administration. The able Senator from Vermont has served with me for many years, and he knows I have on many occasions differed so materially with the Democratic administrations that I have been placed in an unpleasant position.

Mr. AIKEN. I know that.

Mr. GILLETTE. I do not intend this as any reflection on Postmaster General Summerfield or this administration. Many of these magazines are bitter critics of the subsidies to farmers, and I am calling attention to the subsidies that the magazines themselves enjoy.

Mr. AIKEN. I think the Senator from Iowa is performing a very useful service. I wanted to make sure that we gave credit where credit belonged.

Mr. GILLETTE. I thank the Senator.

Mr. CLEMENTS. Mr. President, will the Senator yield?

Mr. GILLETTE. I yield to the Senator from Kentucky.

Mr. CLEMENTS. In order that the record may be clear, I am sure the Senator from Iowa would not want the statement of the Senator from Vermont [Mr. AIKEN] to stand that the present Postmaster General is the first who has endeavored to have the rate structures raised to the point that the slick magazines would pay their way. I am sure the Senator from Vermont has either forgotten or did not look at the record during the period of service of Postmaster General Donaldson, who was the first and only career Postmaster General in the history of this country. He worked before committees of both the House and the Senate in an endeavor to bring about increases in second- and third-class mail rates.

I am certain the Senator from Vermont realizes that the increased parcel-post rates were brought about through action taken by former Postmaster General Jesse Donaldson. In my service on the Committee on Post Office and Civil Service, I have never seen any person make a greater effort to get increases in the postal rates than was made by Jesse Donaldson in the 82d Congress.

Mr. GILLETTE. I thank the Senator from Kentucky.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. GILLETTE. I am glad to yield.

Mr. AIKEN. I am glad to accept the correction of the Senator from Kentucky. I might add, however, that Postmaster General Summerfield has been a little more successful than his predecessor, because I believe he was able to have a bill reported by the House committee, although it was turned down on the floor.

Mr. CLEMENTS. I do not know what the Senator from Vermont considers to be more successful. The only action which will prove anything will be when Congress passes and the President signs a bill to increase the rates.

Mr. AIKEN. I agree that the preceding administration was successful in raising parcel-post rates throughout the country. I would not agree, however, if any contention were made, that that created any undue degree of happiness in the rural areas of the United States; and perhaps a subsidy was justified.

Mr. CLEMENTS. Mr. President, will the Senator further yield?

Mr. GILLETTE. I yield.

Mr. CLEMENTS. I can assure my friend from Vermont that rural patrons everywhere have somewhat the same views on some of the increases which would be made on county newspapers and many other items which come under the two classes of mail concerned.

Mr. GILLETTE. I thank both the Senator from Vermont and the Senator from Kentucky. Nothing was further from my mind than to bring any partisan accusation into the discussion, or to credit or debit the accomplishments of one administration as against another. I was simply trying to call attention to the fact that some of the outstanding criticisms of subsidies to farmers were made during the same period when other kinds of subsid.es were being paid.

If Postmaster General Summerfield, Jesse Donaldson, Jim Farley, or anyone else, has accomplished anything, or can in the future accomplish anything, in eliminating subsidies, it will be eminently acceptable to the present speaker, regardless of whether such a proposal comes from a Democratic Postmaster General or a Republican Postmaster General.

Mr. President, I have just cited figures with reference to Life, which is an outstanding critic of subsidies to farmers.

The cost of handling the Saturday Evening Post during this period of several years was $2,321,000. The Saturday Evening Post paid postage of $690,000. The loss to the Government in the handling of the Saturday Evening Post was $1,631,000.

In the case of the Chicago Tribune, which the Senator may have heard of, the cost of handling was $601,000. The postage paid was $154,000. The cost to the Government was $447,000.

These are deficits or subsidies paid by the people for the publications, and are just one of many groups of subsidies.

I am not criticizing these particular publications, because there are hundreds of publications which benefit from this type of subsidy. I cite them because they are outstanding examples. They are illustrative of the type of subsidy, which the Government is paying.

The Government pays subsidies to the airlines and the railroads. Subsidies have been paid, through various devices, to other businesses, large and small. I am not criticizing that. But I close with this question: If those subsidies are allowed to continue with a minimum of criticism, why, in the name of all that is fair, when a suggestion is made to support a basis industry, does the cry arise that it is an unreasonable charge on the Treasury of the United States and the people of the United States?

Mr. AIKEN. Mr. President, will the Senator further yield?

Mr. GILLETTE. I yield.

Mr. AIKEN. I wish to point out that originally the legitimate purpose and use of a subsidy was to acquire either production or services for the benefit of all the people, which would not otherwise have been obtained or performed. In the beginning the railroads were subsidized, so that railroads would be built in areas where they were needed. Airlines were subsidized in order to provide service to areas which needed such service. Steamship lines were subsidized for the same reason. In the course of time, subsidies have been abused.

While the figure of $15 billion has been used as representing the amount of subsidies which the Government pays out, it is also pointed out that only $500 million is for farm subsidies. I think, to be perfectly fair, attention should be called to the fact that a major part of the $15 billion is comprised of subsidies to veterans and of relief to foreign countries. A very sizable Federal subsidy to domestic industry and manufacturers still remains.

Also there are a great many hidden subsidies, which never show up at all. Although they are available to all the people, actually they benefit certain segments more than they do others. I wish to make it clear that a subsidy is not always paid without benefit. Subsidies are supposed to provide goods or services which are needed, but which otherwise would not be available.

Mr. CLEMENTS. Mr. President, will the Senator yield?

Mr. GILLETTE. I yield to the Senator from Kentucky.

Mr. CLEMENTS. Is it not a fact that the six basic commodities which are involved in the amendment now before the Senate have been the least expensive in the entire farm program? Is it not true that over the past 20 years the total cost to the Government in that field has been a little more than $100 million?

Mr. GILLETTE. I have seen various figures at different times, and different factors frequently enter into the question, so I cannot answer categorically. But whatever the program has cost, it has been amply justified by the security and stability which the farming industry has enjoyed.

Mr. CLEMENTS. Is it not a fact that over a period of 20 years, all of the 6 commodities, according to statements by the present Department of Agriculture, have shown a profit?

Mr. GILLETTE. I think that is undoubtedly true.

Mr. CLEMENTS. Tobacco has shown a profit of more than $2 million.

Mr. GILLETTE. I think that is true.

Mr. CLEMENTS. Cotton has shown a profit, under the support program, of something like $260 million.

Mr. GILLETTE. I think that is correct.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. GILLETTE. I should like to finish my statement, because I desire to pay a compliment.

During the period I referred to earlier in my remarks, the 18 years I have spent in Congress, hearing the farm problem discussed, I have been very happily alined with the able Senator from Vermont [Mr. AIKEN] on practically every issue. He has been one of the most sincere, earnest, and able advocates of some measures of stability for agriculture.

I feel that he has reached a wrong conclusion on the present measure. This leaves me in the unhappy position of voting contrary to the way in which I believe the Senator from Vermont will vote. But I wish to pay him a tribute, because he has been a consistent and hard worker in the interest of agriculture.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. GILLETTE. I yield.

Mr. AIKEN. I point out that the cost of the farm programs over the past 20 years depends entirely on which set of figures is used by the person citing them. If the figures of the business operations of the Commodity Credit Corporation during the time that agency has been in existence are used, it will be found that cotton has shown a profit, and also that tobacco, as the Senator from Kentucky has stated, has shown a small profit.

However, if other income and price programs are cited, a substantial deficit will be shown.

It will be found that the cost of supporting wheat over a 20-year period has been $1,721,000,000. I do not begrudge that support; I think it has been good business to do it.

It will be found that tobacco has cost more than $94 million. Rice has cost almost $36 million over 20 years, which is not exorbitant. The peanut program has cost almost $138 million. Cotton has cost over $1½ billion, if the costs of other programs are included. But if only the operations of the Commodity Credit Corporation were considered, the cotton program would show, I believe, a profit of almost $238 million.

So it depends upon whether one considers the figures of the Commodity Credit Corporation, or whether one considers the costs of removing surplus commodities, the costs involved in the Sugar Act, and costs involved in other laws. Sugar, wheat, and cotton have been expensive commodities to support, but in the case of sugar, I think we have kept down the cost of sugar to the consumer in this country, and have maintained a good income to the sugar producer through subsidization. I do not complain about that. That is not an exorbitant cost. If we could support our agricultural economy by spending $500 million a year, it would be one of the best investments we could make. However, when one says that the purchases of basic commodities have resulted in a profit over the years, he is using only the figures cited by the Commodity Credit Corporation, and omitting the costs of removing surplus commodities from the market, and the costs under the International Wheat Agreement, the Sugar Act, acreage allotment payments, under which arrangements farmers are paid for not producing, and several other items of expenses.

I think too much emphasis has been placed on the cost of the program. It is not what the program costs that counts; it is what we get in return for it that counts. If we were to get a return of $1.05 for every dollar spent, theoretically, at least, the more we would spend the better off we would be.

Mr. GILLETTE. Again I thank the eminent Senator from Vermont. I repeat what I said in reply to the questions of the Senator from Kentucky and also of the Senator from Vermont, that I cannot answer categorically exactly what the cost is. But I concur with the conclusion of the Senator from Vermont, which he just voiced, that, regardless of the expense, if it brings stability to the fundamental basic industry, it is worth the money we put into it.

Mr. President, I yield the floor.

Mr. SALTONSTALL. Mr. President, I wish to speak very briefly on the amendment which has been offered by the Senator from Vermont to the pending bill, and I also wish to ask the Senator several questions. I expect to support the amendment of the Senator from Vermont, and I shall give my reasons very briefly in a moment.

While Massachusetts is regarded as being an industrial State, I know that when I was Governor agriculture constituted the second largest income-producing business in the Commonwealth of Massachusetts. I think the income from agriculture was exceeded only by that from textile manufactures.

In citing the figures I am about to mention, I call attention to the fact that they apply to New England rather than to Massachusetts alone. Seventy-four and four-tenths percent of the New

England farmers buy feed from the supported grain-crop farmer. Five thousand nine hundred and sixty-seven of those farmers are dairymen, whose annual production is worth about $200 million. Eight thousand two hundred and thirty-three farmers derive their income from the poultry and produce business, which annually amounts to more than $200 million. Two thousand eight hundred and ninety-nine farmers sell vegetables.

In Massachusetts, as opposed to New England as a whole, only 4 percent of the value of farm products sold comes from supported basic crops. In other words, the great bulk of the Massachusetts farm income comes from products that are not supported in any way by the Government. Only 4 percent of the income came from the sale of supported basic commodities.

For that reason, Mr. President, obviously, it is helpful to us in Massachusetts to support the Aiken amendment, which would give a greater degree of elasticity to the support of basic crops. Therefore, I expect to support the amendment of the Senator from Vermont.

Mr. CLEMENTS. Mr. President, will the Senator from Massachusetts yield for a question?

Mr. SALTONSTALL. I yield to the Senator from Kentucky.

Mr. CLEMENTS. Will the Senator from Massachusetts tell me whether or not considerable revenue accrues to the people of Massachusetts through maritime subsidies granted by the Federal Government?

Mr. SALTONSTALL. Very frankly, yes.

Mr. CLEMENTS. I should like to ask the Senator from Massachusetts another question. Since none of the benefits of these subsidies granted to the people of Massachusetts, through action of Congress, would accrue in any way to the people of Kentucky, would it be a sound statement for the Senator from Kentucky to make that since the people of Kentucky get no part of those subsidies, even though the maintenance of an adequate merchant marine is for the benefit of all the people, he should vote against such subsidies?

The reason I ask that question is that it has been my privilege, and it has been a pleasant privilege, to support proposed legislation along that line on more than one occasion, in order to keep the transportation systems on the high seas on a sound basis.

Mr. SALTONSTALL. I am glad the Senator from Kentucky has taken that position. I think it is a sound one. As I was about to say, before the Senator from Kentucky really made my reply for me, the maintenance of an adequate merchant marine and our commerce on the seas helps us all. I do not say I would vote against all parity supports or against any particular price supports, because I realize that some price supports are necessary at the present time. I think it is necessary to keep a proper balance between agriculture and industry. In that respect I have supported, and I expect to support, basic commodity price supports. I voted for the Aiken-Hope bill in 1948, and I expect to vote for the bill this year.

Mr. CLEMENTS. Mr. President, will the Senator from Massachusetts yield further to me?

Mr. SALTONSTALL. Yes; I am glad to yield.

Mr. CLEMENTS. Did the Senator from Massachusetts think the principle in the Hope-Aiken bill was sound at that time? Did it not cover a range between 60 and 90 percent?

Mr. SALTONSTALL. I think the Hope-Aiken bill covered a range from 75 to 90 percent, if my memory is correct.

Mr. AIKEN. Mr. President, if the Senator from Massachusetts will permit me to interrupt, let me say that in the 1948 act the flexibility ranged from 72 to 90 percent. The 60 percent, which the opposition delights in referring to, could never have been operative, but was used simply as a base from which to figure the actual minimum support, which in no case could have been below 72 percent.

I admit that the reason for the 60 percent was that at that time we felt the country might not accept 72 percent and perhaps Congress might not. We simply provided that when controls were in effect, there would be an automatic increase of 20 percent in the support level.

Mr. CLEMENTS. Then are we to understand that the Hope-Aiken bill did contain the figures 60 percent to 90 percent, although the Senator from Vermont says the minimum would not have gone under 72 percent?

Mr. AIKEN. That is correct. The 60 percent was not operative.

Mr. CLEMENTS. Is it not a fact that in 1949 Congress enacted legislation changing the spread and making it between 75 and 90 percent?

Mr. SALTONSTALL. My understanding of the detailed figures is a little vague, but I believe that is correct.

Mr. CLEMENTS. The pending amendment covers a spread from 80 to 90 percent, does it not?

Mr. SALTONSTALL. That is my understanding.

Mr. CLEMENTS. The same proponents have sponsored ranges of 60 to 90 percent, 75 to 95 percent, and now 80 to 90 percent. If the principle was sound in the first place, does not the Senator from Massachusetts think they would continue to advocate the original figures, rather than seek to change them?

Mr. AIKEN. Let me point out, if I may, that the 80-percent provision is for 1 year only, and affects only 1 commodity. No commodity other than wheat can drop below 85 percent, anyway. Because of the heavy cut in the acreage of wheat, due to the fact that the Secretary of Agriculture in office in 1952 did not reduce the acreage when he should have, under the law, we feel that we should make things a little easier on the wheat grower by fixing the minimum at 80 percent in the case of wheat, rather than let it drop to 75 percent, which it will do if there is no new law.

Mr. CLEMENTS. Mr. President, will the Senator from Massachusetts yield, to permit me to ask a question directly of the Senator from Vermont?

Mr. SALTONSTALL. Yes, provided I do not lose the floor. I ask uanimous consent for that purpose, Mr. President.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. CLEMENTS. It is very easy to second-guess what should have been done in 1952. But in that year, under the military situation which existed at that time——

Mr. AIKEN. And the election.

Mr. CLEMENTS. Very well, if the Senator from Vermont desires to get that into the RECORD——

Mr. AIKEN. I think it is already in.

Mr. CLEMENTS. If he desires to get it into the RECORD, that is perfectly all right with me. However, in view of the military situation existing in the world in 1952, if the Senator from Vermont had then been Secretary of Agriculture, would he have taken the gamble of reducing production at that time?

Mr. AIKEN. I think almost every agricultural economist in the country would have recommended reducing the acreage of wheat for the crop year 1953. I would not have recommended cutting the production of corn for 1953; neither would I, at the last minute, before the new administration took over, have fixed allotments for 2½ million extra acres—which was done in the last week of December 1952. I would not have done that. I would have left the allotments just as they were.

Mr. CLEMENTS. Is it not a fact that a far greater number of persons advocate in 1954 that that should have been done in 1952, as compared with the number who advocated such action in 1952?

Mr. AIKEN. Personally, I would not have recommended a reduction in the acreage of wheat in 1952. But the acreage set in the latter half of 1952—I think it had to be set in July, for the crop year 1953—should have been reduced; and I think nearly everyone agrees on it now, and also agreed on it at the time.

Mr. CLEMENTS. Then, as I understand, the Senator from Vermont says that if he had then been Secretary of Agriculture, he would not have recommended that it be cut for the 1952 crop.

Mr. AIKEN. I do not think so, for 1952. I forget the amount we had on hand at that time; but, as I recall, it was nearly 300 million bushels, and at that time we still did not know how the war in Korea was to go.

Mr. CLEMENTS. The reason why I ask that question of the Senator from Vermont is that, although I find myself on a different side from the Senator from Vermont, so far as the pending amendment is concerned, yet I have great respect for him; and I do not believe that either he or any other person who understood the farm and world conditions which existed at that time would have recommended that a cut be made.

Mr. AIKEN. The Senator from Kentucky may recall that in testifying before the Joint Committee on the President's economic report, Dr. Louis Bean testified that in the fall of 1952, he called the

attention of Secretary Brannan to the fact that the wheat acreage being allocated would probably get us into trouble the following year.

He also claimed that he called the attention of Secretary Benson to it, after Secretary Benson came into office. But at that time the acreage had already been set.

Mr. CLEMENTS. I am not advised as to that testimony; it was not my privilege to serve on the committee at that time.

Mr. AIKEN. I heard it.

Mr. CLEMENTS. I thank the Senator from Vermont, and I also thank the Senator from Massachusetts.

Mr. SALTONSTALL. I thank the Senator from Kentucky.

Mr. President, I have tried to state my position very briefly. I thank the Senator from Kentucky for engaging in this colloquy with me and with the distinguished Senator from Vermont, because it has enabled me to state my position even more clearly in regard to the balance between agriculture and industry and in regard to the fact that what is good for one State is very likely to be good for the Nation as a whole.

I shall not speak further at this time, except to ask several questions of the distinguished senior Senator from Vermont.

As he knows, there is one subject—and I shall mention it only briefly at this time, because it does not concern the pending bill—which I have discussed with him on several occasions, namely, the fishing industry, in which we in Massachusetts are very much interested. At the present time the Massachusetts fishing industry is in a difficult situation. Whether that should be cured by means of tariffs or a Government subsidy, or whether it can be helped by the research which Congress now has authorized, remains to be seen. Certainly it is a matter which should be considered, and should be made the subject of extensive hearings before congressional committees, and should not be dealt with at this time, on the floor of the Senate, by means of an amendment to the pending bill.

The Senator from Vermont and I have discussed that subject together, and we have also discussed it with representatives of the fishing industry. I mention it at this time because it relates to the food supply and also to an industry which is vital to Massachusetts, and which at the present time is in a difficult situation.

In Massachusetts we also have a number of candy manufacturers. The candy-making industry is a substantial user of peanuts. In 1943, the candy industry used 209 million pounds of peanuts. In 1952, the candy industry used only 120 million pounds of peanuts. In the 10-year period from 1943 to 1952—figures for 1953 are not available—the confectionery industry's usage of peanuts was thus cut almost in half. The reason given to me for the decline is that peanuts were at such a high level of cost that the confectionery manufacturers could not afford to use them to so great an extent.

I should like to ask the distinguished senior Senator from Vermont, the chairman of the Committee on Agriculture and Forestry, a question in that connection: Is it not true that although peanuts are defined by law as a basic commodity, they bring in less than one-half of 1 percent of the total cash income from farm commodity marketings?

Mr. AIKEN. I think I have the information at hand. In 1952, cash receipts from peanuts amounted to $143,619,000, while the total cash receipts from all farm commodities were $32,647,941,000. In short, the cash receipts from peanuts were, therefore, forty-four one-hundredths of 1 percent, or less than one-half of 1 percent of all cash receipts from farm commodities produced in the United States.

Mr. SALTONSTALL. I thank the Senator.

Is it not true that the old parity price of peanuts is farther out of line with the modernized parity than that of other basic commodities?

Mr. AIKEN. Yes. I think use of the old parity formula permits peanuts to get farther out of line and peanuts get greater advantages from use of the old parity formula than any other commodity.

As a matter of fact, the old parity price for peanuts is 21 percent above the modern parity price. For wheat it is 16 percent above. Wheat gets a substantial advantage, amounting to about 35 cents a bushel. For corn it is 12 percent. For cotton there is a very slight advantage in using the new parity formula.

But if the Senator will permit me, I should like to say something about the parity formula. The parity formula does not fix the value of farm commodities in relation to the income of other segments of our economy. The parity formula is designed to put each farm commodity in its proper relationship to every other farm commodity. Altogther they comprise a hundred at all times.

So when the parity formula gets out of line or we use an obsolete parity formula and give one farm commodity certain advantages thereby, those advantages and the increased price must necessarily be taken, not out of the general public, not out of industry, not out of commerce, but out of other farm commodities by putting them below the normal level of parity which properly belongs to them.

The old parity formula was based on costs of producing from the period 1909 to 1914, when all our wheat was produced by mill power and horsepower and threshing was done not by combines, but by separators, as we called them, that went from farm to farm, and the process lasted 3 or 4 months during the year. Now wheat raising has become so mechanized that by using the old parity formula the producers of wheat get a 16 percent advantage which they would not otherwise have. But on peanuts they get a 21 percent advantage.

The old parity formula gives a greater premium to the peanut grower than to the producer of any other basic commodity; wheat is next, then corn. For cotton the difference is very little.

Mr. SALTONSTALL. I thank the Senator. May I ask just one more question?

Mr. AIKEN. Certainly.

Mr. SALTONSTALL. We have heard a great deal about the butter program and its costs. As a practical matter, is not the peanut program a great deal more expensive than the butter program?

Mr. AIKEN. It is very difficult to tell what the cost of the peanut program has been.

The Senator may recall that after the war, and previous to 1950, enormous quantities of peanuts were unloaded onto the foreign-aid program and the Army.

I recall that at one time Germany wanted 50,000 pounds of lard which we had in heavy surplus. Our Government made them take peanuts instead to get the oil, and instead of the fats costing 9 cents a pound, which lard was worth at the time, the German occupation army had to procure fats at a cost of approximately 37 cents a pound. So much of the cost of the peanut program has been hidden that it is very difficult to tell what it really has been.

I think the Senator is probably correct in saying that up to this time the visible costs of the peanut program have been about double the cost of the butter program; but I would hesitate to say, after we include this year and next year, that that would hold true, because we have reached a point where the 90-percent support for dairy products has induced the production of butter for the Government until we now have, I would say 500 million pounds of butter in Government refrigerators, and 400 million pounds of cheese, and I anticipate there will be some pretty heavy losses in those commodities.

The dairy situation is improving rapidly, however. I hope Government accumulations of butter are at their peak. I believe the Government accumulation and ownership of dairy products probably is at its peak, unless the Congress should approve the unwise proposal which the majority of the Committee on Agriculture and Forestry have made to increase the support levels, putting up the price to the consumer, pricing dairy products again off the commodity market. If that is done, I venture to say that the cost of the dairy program will be somewhere between $300 million and $600 million a year, with no appreciable benefits to anybody, except processors.

Mr. SALTONSTALL. I appreciate the Senator's answers on the subject. The Senator knows, as a neighbor of Massachusetts, that our candy industry is substantial. Representatives of that industry have talked with the Senator and me relative to taking off or minimizing subsidy payments on peanuts.

I have advised them, after talking with the Senator from Vermont [Mr. AIKEN], that this matter should be given thoughtful consideration again before a committee, and it would be wiser not to offer an amendment on the subject on the floor at this time.

Mr. AIKEN. If the Senator will permit me, I should like to point out that a good many people fail to realize how important agriculture is in the Northeastern States.

While I do not have the figures before me, I venture to say that probably not more than 15 or 20 States in the Union produce a greater value of dairy products in a year than does the State of Massachusetts.

I know that the State of Vermont ranks 13th among the 48 States of the Union in value of production of dairy products.

People do not realize that the value of our dairy products is greater than the value of dairy products of any State south of the Mason-Dixon line, with the exception of Texas; and that the little State of Vermont produces a greater value of dairy products than any of the States of Idaho, Washington, Oregon, Kansas, Nebraska, and some 35 other States.

Mr. SALTONSTALL. I thank the Senator. I agree with that statement. Of course, much of the dairy products of the State of Vermont go into Massachusetts.

Mr. AIKEN. That is true.

Mr. SALTONSTALL. Also we have a poultry industry in Massachusetts of which we are very proud.

Mr. AIKEN. That is correct.

Mr. SALTONSTALL. We in Massachusetts try to keep up high standards of breeding stock so many of the other States of the Union take their growing stocks or their breeding stocks from us.

Mr. AIKEN. I had occasion to point out the other day that Massachusetts and Connecticut are two of the leading States in the development of hybrid corn, which has made other States immensely wealthy during recent years.

Mr. SALTONSTALL. I thank the Senator. For the reasons I have stated, I expect to support his amendment.

Mr. LANGER. Mr. President, will the Senator yield for a question?

Mr. AIKEN. I yield.

Mr. LANGER. I did not understand the Senator's statement on hybrid corn. My understanding is that it was developed in the Northwest. If I am incorrect, I should like to be corrected.

Mr. AIKEN. I think it will be found that the pioneer work was probably done at Connecticut State College. But the Western States caught on very fast.

Mr. LANGER. And, as a matter of fact, their acreage is much larger.

Mr. AIKEN. Much larger. It is a tremendous business out there.

I was amazed to find last fall, on visiting the State of Utah, that two of their great products out there are the Marshall strawberry and the Hale peach. They are produced to perfection. The Marshall strawberry originated about 70 miles from my home, and Mr. J. H. Hale lived about 100 miles from my home in New England. I could go on citing John Deere, Brigham Young, and all the others who went from Vermont to the West and helped to make it what it is.

I see the Senator from Missouri [Mr. HENNINGS] present in the Chamber. I believe that one of the most prominent Members of Congress from his State was Matthew Lyon, or perhaps he was from Arkansas.

Mr. HENNINGS. Does the Senator mean Nathaniel Lyons?

Mr. AIKEN. Matthew Lyon.

Mr. HENNINGS. I refer to the general killed at the Battle of Wilson's Creek.

Mr. AIKEN. I was referring to Matthew Lyon, who got out of jail in Vermont just in time to cast the deciding vote which nominated Thomas Jefferson for President. He later moved from Vermont to Kentucky and developed the Ohio River traffic. He came to Congress from Kentucky and then went to Arkansas Territory. I believe later he represented Arkansas Territory in the Congress; so he got around.

THE DROUGHT IN THE MIDWEST

Mr. HENNINGS. Mr. President, my attention has just been called to a newspaper story datelined Washington, D. C., Thursday, August 5. The story consists of three brief but significant sentences. I should like to read them to the Senate:

> President Eisenhower yesterday was reported a little vexed and somewhat irritated over what he considers unjustified appeals for Federal drought relief from sections of the country that he feels do not need it. The areas criticized were not identified. The President's attitude was described by Representative DEWEY SHORT, Republican, of Missouri, speaking for himself and three other Republican Congressmen who went to the Chief Executive's office to discuss drought conditions.

That is all there is to the story, Mr. President—a brief item that could well be lost in the shuffle. At least it could be lost here in Washington where front-page news is more likely to be investigations and counterinvestigations. This item will not be lost, however, on the thousands of farmers in my State of Missouri and in other States who are in such a precarious position because of the prolonged drought. I know that Senators from some of these other drought-stricken areas must share my concern over the President's apparent vexation with the plight of the farmers. I have no reason to believe that our friend, the distinguished chairman of the House Armed Services Committee, gave reporters anything but a completely accurate statement of the President's comments and attitude. What disturbs me is the apparent failure of the President and his White House aides to recognize that economic disaster on our farms is not even good for General Motors, much less for the rest of the country.

Mr. President, I cannot speak for all the States in the drought area, but I do know something about the situation in Missouri. A month ago, when it began to appear that day after day of temperatures soaring well over 100° and continued lack of rainfull were already causing extensive marketing of cattle because of burned-out pastures, and when it appeared that the drought this year was already worse than the serious drought of last year, and the year before, I wrote to the Secretary of Agriculture. I urged him to give immediate consideration to plans for emergency action in order to try to avert a recurrence of the 1953 disaster. Over the following weeks I sent repeated appeals to the President and to the Secretary of Agriculture. Other members of the Missouri delegation did the same thing. The Governor of our State certified the entire State—every single county in the State—as a major disaster area. The drought continued. Our pleas continued. The administration continued—to use their own words—"to watch the situation." Finally, on August 2, after almost an entire month had elapsed, the President designated 76 counties in Missouri as drought disaster areas.

I immediately telegraphed the President expressing appreciation for this action but pointing out at the same time that the continued searing heat had burned out pastures, destroyed crops and seriously depleted water reserves throughout the State. I urged him not to wait until the damage was irreparable before designating the remaining counties in our State as disaster areas and before putting into effect, for the entire State, the emergency program which had been recommended by farm leaders, by Democratic members of the Missouri delegation in Congress, and even by the chairman of the Missouri Republican State Committee.

Mr. President, I am sure we all recognize that drought is no respecter of political party affiliation. Certainly we in Missouri have had our share—indeed, far more than our share—of the ravages of nature, between the devastating floods and the repeated droughts, and we know that when disaster strikes it does not pause politely at the threshold to inquire about a family's political party. Nor do the appeals for assistance come solely from one political party. The chairman of the Missouri State Republican committee, Mr. Perry Compton, after returning from a 2,000-mile trip through the drought-stricken State with two officials of the Department of Agriculture, wired Secretary Benson a week ago as follows:

> As one who saw the conditions first hand, and also a farmer and conversant with agricultural problems, I can report to you that Missouri farmers are in a desperate plight as a result of 3 years of drought. Hot, searing temperatures of 100° and higher have burned out our crops, destroyed our pastures, and dropped water reserves to around the levels of 1934 and 1936. I urgently urge that you declare all of Missouri a drought disaster area, for while there are isolated counties now in the only fair condition, they are bound to deteriorate during the month of August which is our worst month in Missouri.
>
> There may be slight graduations between counties now but by September 1, unless there is a tremendously big break in the weather, county lines will not have any demarkation meaning insofar as crops and pastures are concerned.

Mr. Compton followed with a series of recommendations for emergency action and then he continued in his wire:

> The courage of our Missouri farmers in the face of this third consecutive year of drought is most laudatory. They do not want charity, nor handouts, but they have become victims of conditions beyond their control and need help immediately.

But the President is vexed and somewhat irritated by unjustified appeals for Federal aid.

Mr. Compton continued in his same wire to Secretary Benson:

> The action of President Eisenhower and yourself in acting swiftly to bring aid to our distressed farmers is certainly commendable and has the deep gratitude of all Missourians because it reveals your truly sym-

pathetic understanding of agricultural problems and a humanitarian approach toward those who are in distress through no fault of their own.

That wire was sent to Secretary Benson on July 31. Yet in the short space of less than a week, that sympathetic understanding and humanitarian approach to which Mr. Compton referred have apparently been displaced by another attitude. As of yesterday, the President is reported as being vexed and somewhat irritated by these appeals.

The areas criticized for unjustified appeals for Federal aid are not identified. I hope that Missouri is not included in this category because we in Missouri would consider this a most unjust and unwarranted accusation. A good many of us know that when economic disaster strikes the farmers of our Nation it has wide repercussions upon business and industry everywhere. A good many of us believe that we must have a healthy farm economy—not only because we need abundant production to meet our own domestic needs and those of our friends and allies abroad—but also to keep our entire national economy healthy and expanding. But our farmers have been caught in a price squeeze and on top of that they are suffering from the effects of the drought and now they are accused, in effect, of wanting a handout. Somewhere along the line, it seems to me, the farmer has become the forgotten man.

As I said earlier, Mr. President, I cannot speak with authority about States other than Missouri but I have here an Associated Press story which is headlined Drought-Seared Plains States Pray for Rain and United States Aid. The story quotes the agricultural commissioner of Texas, Mr. John White, as saying that "unless we assist in every possible way thousands of our rural people will have to abandon the land." Mr. White, the Associated Press continues, speaks for only one State. "But drought still rules all the Great Plains, in spite of recent rains and the Federal aid already granted to six States." According to this report five more States—Alabama, Kansas, Kentucky, Georgia, and Tennessee—have asked for Federal aid. Are these the States that are vexing and irritating the President with unjustified appeals?

The report points out that even the scattered rains of the last 10 days have not helped materially. In Kentucky, for example, there was a little rain that helped tobacco but most other crops were too far gone to save. From Pennsylvania, Indiana, Illinois, and Minnesota comes word that more rain is needed and even that would not revive some fields and pastures. From Oklahoma comes word that the recent rains gave cotton and peanuts a fair chance but were too late to help pastures and feed crops. Texas already has reported to have lost $125 million worth of cotton and more than $14 million worth of grain sorghums and so much pasture it cannot even be calculated. New Mexico complains about the delay in getting the feed program started and in deciding who is eligible for relief. Even under the subsidy program announced by the Agriculture Department—a subsidy of 60 cents per 100 pounds for corn, oats, barley, and grain sorghums—feed prices will remain higher than last year. A bushel of corn, for example, will cost almost $1.50. Under last year's emergency program the farmer could buy a bushel of corn for $1.

Moreover, in some States, only certain counties have been approved for Federal aid while the counties excluded are in just as serious condition. In Missouri, in particular, Mr. Fred Heinkel, president of the Missouri Farmers Association, declared that all of the State's 114 counties should have been included.

I think it is only fair to point out that if some areas of the country have indeed asked for Federal assistance before they have reached the point of desperation, or before the President considers their appeals entirely justified, it may well be because they know from the experience of other States how long it takes to get any assistance at all from the Federal Government. They have seen the endless delays, the dilatory procedures, the redtape, and the Federal aid that comes—if it comes at all—sometimes pitifully too little and ofttimes too late. Certainly our experience in Missouri is a good example.

In the light of all of these conditions, Mr. President, I am constrained to observe that if anyone should be vexed and irritated it should be the farmer who not only finds himself at the small end of the horn but, in effect, is accused of trying to get something for nothing in the bargain. This is generally thought by people who do not understand or know very much about this problem.

While we are talking about vexations, I believe that I have as much right as anyone to be vexed. My right relates to a month's correspondence with the United States Department of Agriculture and its uninformed or misinformed watchful waiters over the drought and cattle situation.

Early in July I received a telegraphic appeal from the head of the Kansas City Livestock Exchange to get something done about the low prices resulting from forced liquidation of cattle as a result of the drought. I was informed that cows and calves were pouring into the market and prices were falling rapidly. I checked the Livestock Market News Bulletin and verified these facts myself.

Immediately I sent a letter to Secretary Benson and received a reply from Mr. K. L. Scott, Director of Agricultural Credit Services, "that cattle prices were above those of a year ago but that they were watching the situation very carefully." He said that while cattle marketings were large, they did not greatly exceed marketings to be anticipated because of the large number of cattle on farms. The marketings did not indicate forced liquidation that would require meat buying, Mr. Scott informed me.

Mr. CASE. Mr. President, will the Senator yield?

The ACTING PRESIDENT pro tempore. Does the Senator from Missouri yield to the Senator from South Dakota?

Mr. HENNINGS. I am glad to yield to the Senator from South Dakota.

Mr. CASE. I am very much interested in the Senator's discussion of the cattle market situation. I wonder if he has checked the comparative prices of cattle today as against a year ago for the lower grades of cattle.

Mr. HENNINGS. Yes. Of course, as the distinguished and learned Senator well knows, those are the grades in which we are most interested.

Mr. CASE. I think it may well be that the prices of top grades of cattle are a little higher than they were a year ago, but the distress occurs in the lower grades, and my observation is that the price in the lower grades at the present time is weaker than it was a year ago.

Mr. HENNINGS. The Senator from South Dakota is eminently correct. He speaks with his usual penetration with respect to all problems which are presented on this floor, and not merely those relating to agriculture. I observed that about the Senator years ago when I had the pleasure of serving with him in the House of Representatives.

These figures, which have been given out generally and with attendant publicity, relate to the fine, fat beef cattle which produce some of the choicest steaks, and do not relate, as the Senator has suggested, to the lower grades of cattle. As we know, that is the category that creates our great problem.

Mr. CASE. Where the distress occurs in areas of shortage of grass and feed, those cattle are not ready to go to market, and if it is necessary that they go to market, the result is a glut of the market, with consequent depression of price.

Mr. HENNINGS. Again the Senator is exactly right. Those are cattle that should not be sent to market. If they are ultimately sent to market under distress conditions, the producer gets nothing for them. They are at present glutting the livestock markets in Kansas City, Omaha, East St. Louis, and I assume in Chicago as well.

I thank the Senator for his very important contribution to this discussion.

Mr. President, as soon as I could, after Mr. Scott informed me that there was no indication of forced liquidation which would require meat buying, I wrote to Secretary Benson about the astonishing statements in Mr. Scott's letter, quoting the markets at that time to show that cows and calves at Kansas City were selling at prices under those of a year ago, and that prices were still falling on the Kansas City market.

I cited quotations from the Department's own Livestock Market News which showed, for example, that commercial cows were down from 75 cents to $2 under the year before, and had fallen the very week Mr. Scott wrote the letter.

The statements in his letter made it obvious that no one was actually watching the Kansas City market. They just didn't know what was going on.

I have another letter from Mr. Scott which I wish to read:

DEAR SENATOR HENNINGS: This is in reply to your letter of July 21, calling our attention to an error of fact in our earlier letter where we discussed the level of cattle prices compared with a year ago. In our letter we

stated that "prices of most cattle have continued above last year."

During the week immediately prior to our letter cattle prices had become lower than a year earlier, as you indicated. However, this came about largely because of a sharp increase which occurred in cattle prices during the first half of July last year, rather than as a result of a decline in prices during that week this year. For several weeks, particularly during April, May and most of June, prices of most classes and grades of cattle continued fairly stable and above prices a year earlier.

Mr. President, that is the most classic example of what might be called bureaucratic claptrap I have yet received for my files. Prices in April, May, and June before the drought situation got bad were entirely beside the point.

Commercial cows of all weights fell from $12.88 per hundredweight in Kansas City the week ending July 3 to $12.50 the week ended July 10. They fell on down to $11.65 per hundredweight the week ended July 17. They were falling, but I was told that they were below a year earlier largely because of a sharp increase which occurred in cattle prices during the first half of July last year, rather than as a result of a decline in prices during that week this year.

Is there a United States Senator on the floor who can make sense out of that? Commercial cows fell from $12.88 the week of July 3 to $11.65 the week of July 17 in Kansas City. But that drop of $1.23 per hundredweight was unreal, says Mr. Scott. It was the rise the year before that made it look as if $1.23 decline in commercial cow prices were a decline in commercial cow prices.

Mr. President, I am not going to quote here the decline in utility, canner and cutter and calf prices because that was the same sort of illusory stuff. The prices all went down from one week to the next, but according to this letter they did not go down. It was the rise the year before that did it.

It would seem, Mr. President, the complete inability of the Department of Agriculture to grasp the fact that there is a serious cattle price situation, resulting from the drought, is revealed in the next, reassuring paragraph to me. It says:

> Most of the weakness in cattle prices in the past few weeks has been in the lower grades of cattle.

Of course, I did not need the Department to tell me that. That is what I wrote in my first letter.

Further, Mr. Scott's letter went on to say:

> Most of the complaint we have recently received on cattle has been based on prices for low-grade cows.

Of course, we all knew that, too. The situation is almost incredible. Here I am trying to get something done about the forced marketing of low-grade cattle, as the distinguished Senator from South Dakota indicated, and the Department is reassuring me.

> The cattle market is just fine. Nothing has happened except that the low-grade cattle prices have broken.

Mr. THYE. Mr. President, will the Senator yield?

Mr. HENNINGS. I am glad to yield to the Senator from Minnesota.

Mr. THYE. The only comment I wish to make at that point is that the man in a drought-stricken area who was compelled to move his cattle, considered them his foundation stock. He would have done almost anything rather than to sell that herd of cattle, but the drought has forced him to part with the herd. When he ships his cattle and receives a low return for them, it does not give him any comfort to have people refer to the fact that it was the price last year rather than the drastic low price as of today which was the real moving factor behind his action.

I could not get meaning or sense from the phrase the Senator just read from the letter about what the prices were last year and what the prices are this year.

Did the distinguished Senator from Missouri get any real common sense from that sentence?

Mr. HENNINGS. I am sure my friend from Minnesota understands this problem thoroughly. The Senator has not as yet had in his State the devastating drought which has afflicted my State for the past 3 years.

Mr. THYE. No.

Mr. HENNINGS. But the Senator has been experiencing some of these things over the years. The Senator is exactly correct. As I have indicated, I could get no meaning whatever out of that language. It is of no consolation and little solace to a farmer hanging on the ropes and about to go under, to be told that he should take comfort, that this was not really a decline but rather a reflection that prices were high last year due to certain conditions.

Mr. THYE. Mr. President, that is exactly what I understood to be the meaning of that particular paragraph in the letter. Therefore, I am glad the Senator restated the paragraph.

Mr. HENNINGS. The Senator's understanding was perfect, as I find it almost invariably to be on matters which come before this body. I have never known the Senator to misunderstand English. The Senator's confusion, I am sure, is the same as mine and for the same reason, that this letter does not make any sense.

Mr. THYE. That is true.

Mr. President, will the Senator yield further?

Mr. HENNINGS. I am glad to yield to my distinguished friend.

Mr. THYE. My belief is that in general philosophy a farm program should deal with emergencies, because everyone recognizes that the practice of agriculture is constantly endangered by hazardous conditions, over which man has no control. The farmer must contend with drought, hail, tornadoes——

Mr. HENNINGS. Floods.

Mr. THYE. The producer is subjected to everything of that kind.

In this particular instance, with an exceeding bad drought in the Southwest, there are a few things which the Government can do which will insure a farmer against being subjected to liquidation unless he has a great deal of credit or has great cash reserves. These farmers should have Government assistance. If the Government used section 32 funds to buy some low-grade canned beef such action would be of benefit. We did that a year ago, when the United States Government purchased about $100 million of low-grade canned beef, which gave stability to what we might call the foundation stock, which had to be shipped from the drought-stricken area and put on the market. It was a sacrifice sale, or what we might call a "fire sale," in the sense of comparing it with merchandising.

Mr. HENNINGS. That is correct.

Mr. THYE. We stabilized the market with respect to that type of livestock. We not only stabilized the market for the canner type of animal, but we firmed up the entire beef or meat market by the action the Government took.

The other action, of course, was the Emergency Feed Act, which brought about reduced feed costs. Though producers were able to buy hay for $15 a ton in areas where hay was available, by the time the hay was loaded and transported to the drought-stricken area it sometimes cost as much as $45 or $55 a ton. We had that experience a few years ago. The hay was bought in Minnesota and loaded on big semitrailer trucks and shipped to Oklahoma or to the Panhandle region, and by the time it arrived the producer or the man who needed it for his herd of cattle was paying anywhere from $45 to $55 a ton.

Mr. HENNINGS. That is correct.

Mr. THYE. Of course, for that reason a man could not afford to hold his stock unless the Government helped him through that time of crisis.

I thank the Senator for yielding to me. The sentence in that letter caught my attention, and I could not get any sense out of it. For that reason I asked the Senator to restate the paragraph for me.

Mr. HENNINGS. I appreciate the contribution of my friend from Minnesota, and his agreement with me that the letter I have just read from Mr. Scott of the Department of Agriculture does not make sense, because I know of no Member of this body who has a better grasp of the problems of American agriculture than has the distinguished Senator from Minnesota.

Whether we agree in all our conclusions or not is another matter, but the Senator from Minnesota certainly understands the elements of the problems relating to the American farmer which should be considered, and the necessary predicates for coming to any conclusions as to a good, sound, workable farm program.

I thank the Senator very much for his contribution.

Mr. President, last year I spent 2 months going up and down the length and breadth of my own State during the period of our last distressing drought, and observed just what the able Senator from Minnesota has described. Day after day, week after week, as I went through my State, I saw herds being decimated, and foundation herds being sold off. As the distinguished Senator's

analogy has so aptly indicated, it was like a "fire sale."

When we finally got a hay-buying program started, it was too late in many instances, but it helped. We finally got the hay to those areas, through cooperation of the Association of American Railroads and with the use of Government money which was put into the program. It all helped, of course. Unhappily, it was too late to save many cattle which might have been saved had something been done earlier.

Then we come to this part of the letter about those marketings:

Much of the marketing of such animals comes about from normal culling of worn-out breeding stock, some of which has been marketed earlier than normal because of weather and crop conditions. Dairy cast-offs comprise a substantial proportion of these old cows.

I would like to have the Senate listen to this next passage, as a model reply made to a Senator trying to get something done about a situation where farmers have to sell off their herd stock because of weather conditions. The Department of Agriculture undertakes to deliver me a little lecture. Mr. Scott writes:

Too often the condition of the cattle industry and of the cattle market is measured by price brands for those animals which bring the lowest prices. Perhaps a more appropriate measure of the health of the industry would be the price for cattle which are the primary product of the industry and from which is produced the beef so much desired by consumers and upon which the welfare of the industry depends.

Mr. President, how can I or anybody else explain to Secretary Benson and his aids that the problem is the weak price of the low-grade cattle which our Missouri farmers, hit by the drought for 3 successive years, are forced to market? How can I impress upon them that we do not have Choice and Prime steers coming out of the drought area?

Secretary Benson will not answer my letters. He refers them to Director Scott, and our friend, Mr. Scott, the Director of Agricultural Credit Services, tells me, in effect, to stop worrying about the low prices the drought-stricken farmers have to take. It is the nice fat, high grade "stuff" that makes thick, juicy steaks which really counts.

I hope I have not indicated that I am vexed. I am not vexed, Mr. President. I passed that stage long ago. As a result of a month's correspondence with Mr. Benson's Department of Agriculture, I have confirmed one fact that I knew when I started: that low-grade cattle are coming to the market early because of the weather. I have set the officials in the Department of Agriculture straight that cow prices did fall in Kansas City, although they still blame it on last year's rise. I have now only to find someone bright enough, or understanding and sympathetic enough, in the Department to grasp the fact that it is the prices for low-grade cattle, marketed because of the drought emergency, that are causing such great concern; that we are not at the moment discussing fat, sleek, Choice, and Prime grade steers which convert into thick juicy steaks.

Mr. CASE. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. CLEMENTS in the chair). Does the Senator from Missouri yield to the Senator from South Dakota?

Mr. HENNINGS. I am very happy to yield to my distinguished colleague.

Mr. CASE. I should like to ask the distinguished Senator from Missouri if, in pursuance of that inquiry, he has found any indication of a determination to put into effect any kind of buying program such as was utilized last year, beginning along about October or November, for the procurement of beef for the school-lunch program and for some of the other aid programs.

Mr. HENNINGS. I am very glad the Senator has asked that question, because I have been urging for a long time, as I am sure others have, that such a buying program be put into effect. I think it was 2 weeks ago tonight that the Senate adjourned at midnight. The senior Senator from Wyoming [Mr. BARRETT] indicated that he had understood that the school-lunch buying program was about to go into effect. At that time I read another letter from Mr. Scott, indicating that Department officials were still studying the situation, but not holding out any immediate hope, or certainly no firm commitment, that they were going to put the program in effect.

In reply to the question of the Senator from South Dakota, I have no assurance whatever that such a program will be put into effect. We have been urging for a considerable time that such a program be put into effect.

Mr. CASE. In view of the fact that such a program could be financed in part from section 32 funds, or from some of the other programs which are already financed, so to speak, it seems to me that instead of delaying those programs until the only thing to do is spend money, it would be better to put such programs into effect when they could do double duty, so to speak, by easing a distressed situation. If meat is to be secured for the school-lunch program and for some of the foreign-aid programs, pure logic would dictate that it be procured at a time when it would give relief in a distressed situation, and at the same time not create a jam in the packing plants.

Mr. HENNINGS. I thank the Senator from South Dakota for his fine suggestion. As he has indicated, putting into effect such a program would be most appropriate. I thank him for his constructive suggestion that such a program should be put into effect now, not only to help our domestic distressed areas, but in anticipation of what we are doing abroad and what we expect to do abroad.

Mr. President, the correspondence I have just been reading is to me somewhat shocking. The farmers of my State are going bankrupt in great numbers, and all I can get from the Department of Agriculture are inaccuracies and banalities. Perhaps if the Secretary and his aids knew more of what was going on in agriculture, the President would be better informed, too, and would not find himself "vexed and irritated."

Mr. President, I ask unanimous consent to have printed at this point in the RECORD my letter to Secretary Benson of July 21, 1954, and Mr. Scott's reply dated August 4, 1954.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

JULY 21, 1954.

The Honorable EZRA TAFT BENSON,
Secretary, Department of Agriculture,
Washington, D. C.

DEAR MR. SECRETARY: You will recall that I took up with you on July 9 the urgent matter of the drought in Missouri and, particularly, called your attention to the forced movement of livestock into the Kansas City market and the depressed prices, and I urged that you give immediate consideration to plans for emergency action in order to avert a recurrence of the 1953 disaster.

In reply, I have just received a letter from Mr. K. L. Scott, Director, Agricultural Credit Services. The statements in this letter are nothing short of astounding.

The letter states that the Department of Agriculture has been "closely watching conditions in the cattle industry" and that "we shall continue to watch the situation carefully." The letter also contains the following paragraph:

"Cattle marketings are large but they are not out of line with the record numbers on farms and ranches. The large marketings at this time do not indicate forced liquidation of cows or other classes of cattle in such numbers that would immediately necessitate the Department's resuming beef purchases as a surplus removal operation. Prices of most classes of cattle have continued above last year. Also, storage stocks of beef continue smaller than usual, so that there is no price-depressing influence from that factor."

The facts of the matter indicate quite the contrary. Prices are not steady and they are not above last year as Mr. Scott reports them. May I refer you to page 554 of the Department of Agriculture Livestock Market News for July 13, 1954. You will see that the prices of cattle in which marketings are affected by the drought are considerably under 1 year ago. For example, let me cite the following figures for the weekend of July 10 of this year as compared with the weekend of July 11 of last year.

The figures from the Kansas City market indicate that heifers are down from 50 cents to $1.88 under last year. Commercial cows are down from $13.28 last year to $12.50. Utility-grade cows are down from $11.95 last year to $10.40. Canners and Cutters are down from $9.72 last year to $8.38. Bulls, Utility and Commercial, are down from $13.68 last year to $12.70. Calves, Choice and Prime, are down from $18.70 to $16.94. Calves, Commercial and Good, are down from $14.75 to $13.31.

In addition, I would call your attention to the enclosed item from the Kansas City Star of Monday, July 19, 1954, which indicates that the classes of cattle affected by the drought continue to decline: Commercial grade cows brought up to $11.25, a decline from last week; Utility grades brought from $9 to $10, again down from last week; and Canners and Cutters sold mostly at $6.50 to $8.75, also a decline. That these figures indicate excess marketings of drought-distressed animals is clear from the fact that 1 month ago prices were as good or a little above 1 year ago.

There are some indications that farmers have been holding off cattle from the market a few days longer in the hope that the Government would implement its beef-buying

program. Meanwhile, Governor Donnelly has certified the entire State of Missouri as a major disaster area.

This is a situation which assistance should have been started some time ago, and should not now be delayed a single hour that is unnecessary.

Sincerely yours,

THOMAS C. HENNINGS, Jr.,
United States Senate.

DEPARTMENT OF AGRICULTURE,
Washington, D. C., August 4, 1954.

Hon. THOMAS C. HENNINGS, Jr.,
United States Senate.

DEAR SENATOR HENNINGS: This is in reply to your letter of July 21, calling our attention to an error of fact in our earlier letter, where we discussed the level of cattle prices compared with a year ago. In our letter we stated that "prices of most cattle have continued above last year."

During the week immediately prior to our letter cattle prices, generally, had become lower than a year earlier, as you indicated. However, this came about largely because of a sharp increase which occurred in cattle prices during the first half of July last year, rather than as a result of a decline in prices during that week this year. For several weeks, particularly during April, May, and most of June, prices of most classes and grades of cattle continued fairly stable and above prices of a year earlier.

Most of the weakness in cattle prices in the past few weeks has been in the lower grades of cattle. However, prices for such cattle have strengthened considerably during the past 2 weeks.

Most of the complaint which we have recently received on cattle has been based on prices for low-grade cows. Much of the marketing of such animals comes about from normal culling of wornout breeding stock, some of which has been marketed earlier than normal because of weather and crop conditions. Dairy castoffs comprise a substantial proportion of these old cows. Too often the condition of the cattle industry and of the cattle market is measured by price trends for those animals which bring the lowest prices. Perhaps a more appropriate measure of the health of the industry would be the price for cattle which are the primary product of the industry and from which is produced the beef so much desired by consumers and upon which the welfare of the industry depends.

The Department has already moved to provide assistance to farmers in several areas. In areas which have been designated drought-disaster counties, farmers and ranchers now are eligible to participate in the emergency feed program if they require assistance to maintain their basic livestock herds. The Department is prepared to join with drought-designated States in a Federal-State cooperative hay-distribution program similar to last year's. Also, loans are available through the Department to help farmers and stockmen meet their credit needs for feed, seed, replacement livestock, and other operating necessities. The Department stands ready to take steps to help the cattle industry by the resumption of a beef-purchase program if emergency conditions become such as to warrant that action.

Sincerely yours,

K. L. SCOTT,
Director, Agricultural Credit Services.

Mr. HENNINGS. Mr. President, I now yield the floor.

AGRICULTURAL ACT OF 1954

The Senate resumed the consideration of the bill (S. 3052) to encourage a stable, prosperous, and free agriculture and for other purposes.

Mr. CASE. Mr. President, whenever we consider farm legislation, I have a feeling that this is where I came in before.

The first Congress of which I was a Member was the 75th Congress. I recall that in the fall of 1937—the fall of the first year I was a Member of the House of Representatives—there was a special session of Congress, for the particular purpose of considering the farm problem and general farm legislation. That grew out of a decision by the Supreme Court of the United States holding that the original triple-A legislation was unconstitutional.

So Congress deliberated for 2 or 3 months in special session, and finally arrived at the Domestic Allotment Act. It was presented in the House of Representatives, as I recall, by a distinguished Representative from Texas, who now is chief of the courts of appeals, the Honorable Marvin Jones. That act carried us along until we got into the war. Once we got into the war, our needs changed; we then had need for maximum production.

I recall the day when Representative JESSE WOLCOTT, a very highly respected Member of the House of Representatives, came into the lunchroom and said, "We have just written a farm bill in conference." He had been attending a meeting of the conferees on the bill providing for extension of the Commodity Credit Corporation. What he referred to was what later became known as the Steagall amendment, which provided for a support program based on 90 percent of parity.

At that time the support program was intended as an inducement, to insure that we would have adequate production of food and fiber during the war. After the war was over, we ran into a different type of problem, namely, that created by the reentry of such countries as France and Italy into the production of wheat. They began to produce some of their own wheat. For a few years after the war, while the dislocation of farming existed throughout the world, we had an outlet, by means of the funds provided for operation of the so-called Marshall plan. As I recall, at one time were exporting approximately 350 million bushels of wheat. I think that was largely financed by some of the funds under the Foreign Aid Act, known as the Marshall plan or the ECA Act.

Then, in 1948–49, we found that our exports were commencing to taper off, in the case of some of the basic farm commodities. So we were confronted with a storage problem. I recall the legislation in the House of Representatives, when we were considering an amendment submitted by Representative PHILLIPS, of California. I made some contribution to that amendment, by way of an amendment to it, to encourage the storage of basic commodities on the farm. We provided that there could be paid to the farmer who stored under seal on his farm, some of the storage feeds which otherwise would have gone to speculators at the terminal markets. We felt it was much better to encourage storage of a normal reserve on the farm, where it would be more readily available in case the farmer himself needed it, rather than to glut the market at the terminals, and thereby weaken the price and let the speculators obtain advantage of the situation when the price leveled out; when the peak supply had been taken care of somewhat by the outlets in the market. I believe that was in 1949.

In the fall of 1949, I made some remarks in the House of Representatives. I looked at them just the other day. They were made on October 19, 1949. I said:

Mr. Speaker—

Of course, I was then addressing the presiding officer of the House of Representatives—

of course I am voting for the adoption of the conference report, as anyone who knows anything about the situation knows it is the only legislation which can be had at this time—and something is needed.

At the same time, this must not blind us to the need for more than a program of price supports if we are to have a truly long-range farm program.

Storage and loans help but will not solve a succession of bumper crops in hybrid corn, rustless wheat, and weevil-free cotton.

Support prices are no long-range answer to high yields in perishable fruits, vegetables, and dairy products.

Any program which depends upon an unlimited flow of money from the Federal Treasury will fall of its own weight in time. Temporary help—yes; but a solution which carries the seeds of its own destruction.

Mr. President, at this point I interpolate for a moment, to say that in 1949, the conference report to which I was referring was, of course, on the extension of the support program, which was provided for in the 1948 act. I am sure that in the debate on the bill now before us, many references have been made to the 1948 act, which carried into law for the country the proposals of the Democratic administration.

The distinguished senior Senator from Vermont [Mr. AIKEN] will recall that in 1948, in mid-June, he and his associates of the Senate and the conferees from the House of Representatives were meeting in conference on the Agricultural Act, which I think came to be known as the Hope-Aiken Act, which proposed a flexible scale of supports, but which deferred their effective date for 1 year. I see that the Senator from Vermont now nods his head, so I believe that my memory on that point is correct.

Mr. AIKEN. That is correct.

Mr. CASE. Then, in 1949, we again postponed the date when that program would be effective. It was to the conference report on that subject that, I believe, my remarks on October 19, 1949, were addressed. As I pointed out then:

Support prices are no long-range answer to high yields in perishable fruits, vegetables, and dairy products.

Any program which depends upon an unlimited flow of money from the Federal Treasury will fall of its own weight in time. Temporary help—yes; but a solution which carries the seeds of its own destruction.

Mr. President, as I have observed the debate on the bill now before the Senate and as I have followed the entire course of our discussion of agricultural legislation in the past several months, it has seemed to me they have provided many echoes of the thoughts some of us had at that time, for I then said—and I now continue to read the remarks I made in the House of Representatives on the conference report:

If anything has been learned in 30 years of war and postwar farm legislation it is this:

First. A cushion is needed when war-spurred production adjusts itself to a peacetime economy.

Second. A permanent program must be self-financing.

Third. Farmers want and deserve a continuing program of soil conservation which they themselves plan and in which they have a real voice. This most independent group of people in any country is the very soil of free institutions.

Fourth. Farmers do not demand a United States parity price for what is sold abroad but they do rightfully expect a price for what is domestically consumed that is comparable to the protected price for what they have to buy. And they do expect the American market.

I concluded then by saying:

While we do what we can today, we must continue to study and strive to work out a truly long-range farm program. We must not put it off.

That was said on October 19, 1949.

My words then can be repeated today. We seem to be in a similar situation. We must extend, and I shall vote to extend a temporary solution while we redouble our efforts to find a more enduring answer.

We should not, in my opinion, risk the jolt to our entire economy that a change in the support program could bring while the farmer still has to buy in a war-priced market.

Of course, the following spring we had the invasion of Korea, and immediately again war entered the situation and the demands of a war-shattered world changed the picture as far as agricultural surpluses were concerned, and created a different situation.

Now, the war in Korea is over, and I am one of those who will not accept the idea that we can solve agricultural surpluses only by plunging the world into war.

I am not one of those who believe that with the number of people in the world who do need food it is necessary to create the excessive shortages of food in certain places that wars do create in order to find a solution to the problem.

There are constructive solutions. I have already made reference to the attack that was made upon the storage problem in 1949, the so-called Phillips amendment, which was important in meeting that problem.

During the past year, very definite steps have been taken to meet the storage problem even when the supplies have climbed to the point they now have reached.

I have in my hand a copy of the Washington Daily News for August 8, 1954, and I have an article here by James Daniel, of the Scripps-Howard staff, in which he points out that this year and last the Republicans have added 300 million bushels of Government-owned corn-storage bins to the 500 million which they inherited, and that 50 million more were on order, if needed.

Further, that the Government has loaned farmers enough money to build 36 million bushels of storage capacity on the farms, and they have arranged for farmers to get the same fast tax write-off's given industry in deducting storage-bin costs from current tax-free income.

That is the point which I think has not been fully realized in the country yet, and that is that one of the measures of relief in the tax bill is the recognition that buildings and machinery which farmers acquire this year can be written off with the same rapid rate of depletion that is accorded business investments in plant and equipment.

Third, the Republicans have signed minimum occupancy guarantees for 201 million bushels of new commercially owned elevators. This costs the Government nothing, unless in future years the Government-owned stocks of the past years' grain fall so low that the Government cannot use all of the reserved space.

Fourth, Mr. Daniel lists more "demothballed" World War II Liberty ships on the east and west coasts to be used as floating granaries.

He lists the announcement of the Republicans early this year that they would make temporary loans on wheat stored on the ground outdoors. This opened up commercially owned storage space that was being held for speculation.

Last year, to meet a temporary emergency, the administration found it necessary to waive the weight requirements and to lend on much underweight wheat damaged by stem rust. The increase in storage facilities, of course, is a contribution. But there comes a time when we cannot continue to store. Figures have been cited as to the amount of stocks on hand of the various commodities, both perishable and nonperishable. If we break down the figures into months and days and assume that all new supplies might be cut off, some of the supplies are not very large. Yet it must be recognized that if we are to meet this problem constructively and not merely turn to the Treasury when we reach a critical situation efforts to find other answers are warranted. Basically, I have a belief that the normal increase in population in this country will bring us to a point within the next 10 or 15 years when all the present talk about surpluses will seem like a voice from a different age.

Our population is now increasing at the rate of 2,700,000 a year. It is difficult to realize just what the increase in population means in times of demand for new foodstuffs. We have had a great increase in population in the past 9 or 10 years, largely an increase in infant population.

But the babies of 1945, 1946, 1947, 1948, and 1949 are now reaching the point where they are demanding a different type of food. They will be eating more meat and more of the foodstuffs that adults consume.

We have a forecast of a population increase of 2.7 million a year for the years ahead. That means that in 15 years' time the population of the United States will increase by an amount approximately equivalent to the population of a country like France.

When that point is reached, the domestic demand will be such that what we think of as a surplus today could be a deficit then.

Mr. CARLSON. Mr. President, will the Senator yield?

Mr. CASE. I yield to the Senator from Kansas.

Mr. CARLSON. The Senator is making a very excellent statement on some of our farm problems. Inasmuch as he was kind enough to yield, I should like to discuss this subject with him for a few moments. The Senator has mentioned the fact that the present situation is such that we might well look around to see if there is some other program or other possible method of handling the ever-increasing surplus.

I sincerely regret that the pending bill does not contain a provision giving the wheat farmers an opportunity to vote on whether or not they would prefer a two-price system for the marketing of their crop, or whether they would prefer to continue the preseent programs of price support and production controls.

Every wheat grower must agree that if we are to have rigid price supports, we must have acreage or other production controls. We are now operating under that plan.

Mr. CASE. Mr. President, if the Senator will permit me to interrupt, one of the most plaintive letters I have received in a long time I received yesterday from a farmer near Carter, S. Dak. It is three pages long. In this letter he tells what the prospective cut in acreage allotments would do to farm incomes this year and next year. Thirty-eight percent of his acreage was being taken away under the curtailment of allotments, and even though prices per bushel were supported, his total income per farm would be reduced by reason of his losing 38 percent of his acreage. So he will not have a parity income.

I ask unanimous consent to insert this letter in the body of the RECORD as a part of my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

CARTER, S. DAK., *August 1, 1954.*

Hon. FRANCIS CASE,
Senate Office Building,
Washington, D. C.

DEAR SIR: In the press of work I hope that you will be able to find time to consider what I hope is constructive criticism of the manner in which the present farm program and allotments operate when it gets down to one farmer.

First, my wheat base for the coming year has been cut 38 percent over last year, and that is, of course, my immediate reason for this criticism. However, it is only the immediate reason, as I am and have been convinced for a long time that the present manner of trying to control farm production is not only apparently impractical but it is unjust and unfair to that large segment of the farm population that can be called the family farm.

First, no consideration is given to the fact that a certain basic income, derived from the farm itself, is as essential to the small farmer and his family as it is to the large. When cuts are going around the 100-acre man loses the same percent as the 1,000 farmer, and he is the man who can least afford to have his income cut. His needs and just desires short of luxury probably require the use of all of his farm while the large operator needs only a fraction of his for this purpose.

Why is not provision made in the law for this indisputable fact? Why is not the cut taken in direct relation to the ability to survive a cut?

I would like to suggest for your consideration a sliding percentage cut similar to that imposed on income-tax rates. With a basic exemption on which no cut was permissible. I would call this a basic living allotment and put increasing cuts on each multiple of this base.

Second, the farmer who has operated with care and consideration for his land is penalized in the matter of allotments. If he has farmed in a conservationally minded manner, he has a history of rotation and legume and grass, as well as wheat, but when it comes to write the allotment for that farm, he is penalized for his proper farming methods and the man who has wheated his land to death without consideration for the future has a big wheat history and a big wheat base, which, in view of present circumstances, is worth more than the land itself.

The man who has tried to go along with past farm programs and approved farming practices is left holding the bag for his effort. This is not being very fair to him. Sort of like rewarding the robber and jailing the cop.

Lastly, it begins to look like all farm commodities will eventually go under a quota system with cross compliance required. I have tried for a long time to interest anyone who would listen in consideration of an allotment in bushels rather than acres. Bushels is what we sell, it is one farmer's fair share of the market. If this were instituted then the management of surpluses would become the farmers' concern and responsibility and not that of the CCC. The need for the coming year would be set by the Secretary, this would be apportioned out to each producer. As I mentioned above, the basic allotment would not be cut, but for the increasingly larger farmer each multiple of this base would be cut more on a sliding scale. This grain would go into commercial channels exactly as it did before CCC became about the sole purchaser of farm commodities. If a producer raised more than his allotment one year he would hold it over till such time as he did not raise enough to make his allotment, eventually as it became overburdensome he would just cut his production. It would also act as a sort of self-required insurance guaranteeing him every year the sale of so much grain, not just the sale from so many acres which could be nothing.

I do not pretend to think that I have many of the answers, but to date I have not been able to find anyone that can find too much of a flaw in this idea. I am very curious to know why it has never been considered at any high level, at least to my knowledge.

I think Mr. CASE that I am reporting to you the consensus of a lot of my neighbors and fellow farmers across the Nation. Our plight is not only economic but politic. We like the kind of government we got 2 years ago. However, when self-interest becomes too strong we are apt to be more considerate of it than of our better judgment. Irresponsible persons will promise anything and sometimes one gets to the place, if he thinks he has been hurt beyond his fair share, where he believes it.

I think there is a lot of dissatisfaction in the farm country. I think a lot of it is caused, not by the necessity of taking a fair share of the cuts in production, but more so because some are penalized while another, through a quirk in the regulations, is given a bonus.

I do not think that it was intended for this to be so and I think that it is proper that it be brought to the attention of the men who make our laws. These inequities and injustices should and must be eliminated if our confidence is to remain where we would like it to.

I have tried to be constructive, not critical. I have the facts to substantiate some of the general allegations I have made but they are of personal concern only to me and I refer to them only as a basis for my suggestions as to how I think they can be corrected. The local ASC manager, Mr. A. J. Frantz, assures me that his day is a succession of farmers, like myself, who have been caught in one or more inequities in the regulations that penalize them out of all proportion to the average cuts required. Thirty-eight percent of your main source of income from the farm is too big a cut to be enjoyed or justified. I know of some larger.

Ninety percent of parity or any other percentage does not help the man who has lost his share of the acres to produce the commodity protected.

If my one small voice of protest were multiplied by all who have found themselves in the same predicament, I am sure that it would be heard, Mr. CASE, and my hope is that you will lend your influence to others from the farm States to write a better farm program that protects the small family farmer.

Yours truly,

WM. G. MATOUSEK.

Mr. CARLSON. Mr. President, will the Senator yield further?

Mr. CASE. I yield.

Mr. CARLSON. That is typical of the letters I have been receiving from my own State. The situation is especially hard on the small farm operator who has an average-acreage reduction. The reduction affects him very seriously.

I realize that there are some difficulties involved in trying to devise a two-price system for any commodity. The most important objection will be to the marketing of our wheat in the export markets at a price which the importing countries will pay, or at a price far below that of the domestic market.

One of the charges with which we shall be confronted immediately is that under our international trade agreements we are dumping our wheat into the world market on the basis of whatever price we can get for it, thereby upsetting the entire marketing system for the sale of wheat.

On the other hand, we have been subsidizing the export of our wheat to the extent of some $600 million in the past 4½ years, and on that basis we are also dumping our wheat into the world market.

Mr. CASE. And promoting the payment of export subsidies in Canada and other places in order to meet our commitments.

Mr. CARLSON. I am in thorough accord with the statement the Senator from South Dakota has just made. Under the present program, it seems to me that serious consideration must be given to the continual reductions in wheat acreage. At present we have a wheat acreage of 55 million in the United States. If we get back to the point of normal production and consumption we shall probably operate on a basis of 35 million acres. In Kansas that would mean instead of from 11 to 13 million acres in wheat we might get down to 7 million acres.

I think everyone must agree that that is not sound economy for Kansas. It is not sound for the Nation. As I have previously stated, we have some problems in that connection; but the program is one of the things I think we ought to look into. I urge the distinguished chairman of the Senate Committee on Agriculture and Forestry [Mr. AIKEN], who is now present, to go into this subject and see if some plan can be devised to give the farmers an opportunity to vote on the program.

Mr. CASE. I think the Senator from Kansas has made a constructive suggestion. The opportunity for farmers to say whether they would like to have bushel quotas instead of acreage quotas is something that ought to receive consideration. I see two members of the Committee on Agriculture and Forestry on their feet. If the Senator from Minnesota, my neighbor, will permit me, I should like to yield first to the distinguished chairman of the Committee on Agriculture and Forestry, the Senator from Vermont.

Mr. AIKEN. I thank the Senator. I am very much interested in the colloquy between the Senator from South Dakota and the Senator from Kansas. I have never ruled out a two-price system for marketing quotas as not having possibilities. In fact, if a two-price system is feasible for our farm commodities, it is probably more feasible for wheat than for any other commodity.

I am not prepared to endorse the program as it is written into the bill as passed by the House, because, frankly, I think that provision is not too well understood. I do not believe it would give the wheat grower quite as good a standing as he has today in the economic field. I realize that both the President's advisory committee and the Department of Agriculture have strongly advised against it in its present form.

The Committee on Agriculture and Forestry has not received much testimony on the subject. I believe that in the course of the hearings one witness devoted considerable time to the two-price system, and it was mentioned by some other witnesses. However, it is something we should go into thoroughly before we either make it a matter of law or give the wheat growers of the land the right to vote it into law.

For example, I believe most wheat growers understand that if they have a two-price system they will then not be restricted in their production. That is not true under the House bill. Under the House bill they might be required to comply with allotments, just as they are required to do now. The Secretary of Agriculture would fix the allotments. I do not believe that many wheat growers realize that they would have to do so.

I hope to see the time when wheat growing gets back into areas that produce the right types of wheat. During

recent years there has been a great expansion of wheat growing in the Eastern States. I believe Missouri and Illinois have greatly increased their wheat production. Illinois has expanded its production by about 50 percent, and other Eastern States have expanded their production by a smaller percentage. Unfortunately, they do not all produce the type of wheat which is needed for human consumption. In fact, they are following very closely the potato program, in trying to see how much they can produce per acre, and they do not produce a very great deal of the type of wheat which has the highest milling qualities, such as the wheat produced in the States of South Dakota, North Dakota, and Kansas, where the best wheat is grown.

I have stated repeatedly that at the beginning of next year I shall be glad to support a move to look more thoroughly into the question of a two-price system for wheat. I believe that if Congress were to enact the program at this time we would be in for considerable trouble.

For example, the corn growers are apprehensive. That is the situation today. Certainly we should know more about the subject first.

Mr. CASE. I hope when the distinguished Senator from Vermont takes up the two-price system study, the members of his committee will give serious attention to the possibility of using marketing quotas in terms of bushel allotments rather than acreage allotments.

Mr. AIKEN. We have found that acreage allotments do not necessarily reduce crops. We learned that in connection with potatoes. Every time we reduced the acreage more potatoes were produced.

Mr. CASE. That may be; but in some areas wheat is a restricted crop.

Mr. AIKEN. That is correct.

Mr. CASE. In a dry year such as this has been, that is very evident. If we made it possible for an individual farmer to have a sort of ever-normal granary on his own farm, it would perhaps tend to level out his income, and perhaps it would be much fairer than to make allotments based on acreage.

Mr. AIKEN. I readily concede that we might have to come to marketing quotas based on bushel allotments, rather than acreage allotments.

Mr. CARLSON. Mr. President——

Mr. CASE. I yield to the Senator from Kansas.

Mr. CARLSON. I appreciate the Senator's yielding to me briefly for a question. I am glad to hear the comment of the distinguished Senator from Vermont, the chairman of the Committee on Agriculture and Forestry, to the effect that he hopes to go into the question thoroughly next year. Undoubtedly it is a subject which should be studied. As I stated in my opening remarks, it presents some very serious problems, but so does the present program. When we accumulate 870 million bushels of surplus wheat and use for domestic purposes probably less than 750 million bushels, we are faced with a very serious problem. I am indebted to the distinguished chairman of the committee.

Mr. THYE. Mr. President——

Mr. CASE. I yield to the Senator from Minnesota.

Mr. THYE. I have been intrigued by the colloquy between the junior Senator from Kansas and the Senator from Vermont.

The senior Senator from Kansas [Mr. SCHOEPPEL] and I discussed briefly last night the question of the two-price system. It is my conviction that if the agricultural economy of the Nation is to be kept in balance with the other segments of our economy, we must institute a two-price system. Inasmuch as the economy of our country is higher than that of the other nations of the world, the agriculture of the United States should enjoy the same level that other segments of our economy enjoy. If that were the case, we would have to arrive at what percentage the production of wheat should be, and what should be the percentage of production of the other crops that go to supply our domestic needs. If 10 percent or 15 percent or 20 percent of any given crop production goes to supply our domestic needs, the production above that amount is the surplus or the exportable quantity. I believe that any agriculturalist would be perfectly willing to let the exportable quantity find its place in the world market, so that the rest of the world, whose monetary economy is lower than ours, could enjoy the benefit of the surplus which we export.

In that manner we could maintain stability in agriculture, and also maintain a balance as between agriculture and the other phases of our economy. At the same time, our surplus would be at a level at which it could go into the markets of the world.

I sincerely believe that we have spent too much time in the question of whether we should have 90 percent or 85 percent or 75 percent of parity. At the same time, we have been blind to the other possibilities in agriculture. As we conclude the arguments on the question before us by legislative enactment, we should focus our attention on something new and constructive.

The late John Brandt, president of Land O' Lakes, constantly advanced the theory that the dairy industry could take care of itself if only it would inaugurate a program of self-help so far as dairy producers are concerned.

I am happy that the Senator from South Dakota has raised this question. If we go into such a program, there is no reason why we cannot find a way of making our surplus a blessing to mankind instead of being confronted with a question which men will debate with so much heat and fervor on the floor of the Senate as in the case with the pending bill. I thank the Senator from South Dakota.

Mr. CASE. I am particularly grateful to the Senator from Minnesota for his contribution to the debate, with respect to dividing the crop between what we need and what is to be sold abroad. He emphasizes what I said earlier when I called attention to what I said in October 1949, namely, that if anything has been learned in 30 years of war and post-war farm legislation it is included in the four points I made at that time.

The fourth point I made was that farmers do not demand a United States parity price for what is sold abroad, but they rightfully expect a price for what is domestically consumed that is comparable to the protected prices of the things bought by them.

Mr. THYE. If the Senator will further yield, one quality I have admired in the distinguished Senator from South Dakota is his ability to make a complete analysis of a question, and his firmness and courage in carrying out his convictions. I have noted that quality in the years he has served in the House and in later years in the Senate. The Senator's statement in the House in 1948 showed conclusively that he recognized the problem which confronted us, and that we had a responsibility to try to keep farming in balance with all other phases of our Nation's economy, and find a way to use the surpluses we produce.

Mr. CASE. The Senator from Minnesota is very generous and kind in his remarks.

Mr. YOUNG. Mr. President——

Mr. CASE. I now yield to my neighbor from the north, the distinguished Senator from North Dakota, who is a member of the Committee on Agriculture.

Mr. YOUNG. I thank the Senator very much.

We have been studying the principle of a two-price system for 25 or 30 years. There is nothing new in it. The Department of Agriculture, under Secretary Benson's direction, studied it most of last year, and I understand that his wheat advisory committee recommended it unanimously.

If we really mean that we should not price ourselves out of the world market, the two-price system is desirable.

The two-price system has many other good qualities. Under the two-price system greater recognition, pricewise, is given to the quality of the wheat. We have that authority under the present law, but both the present and the past Secretaries of Agriculture have failed to give proper recognition to the quality of wheat, as authorized under the law. A little differential was made this year, but the Department of Agriculture announced recently that it will withdraw that.

As I see it, there is nothing in the flexible-price-support program that will bring the wheat acreage back to Kansas and North Dakota again. What is there in the proposal which would accomplish that? There is nothing. If we establish the right kind of price differential, which can be done under the present law, and give higher price support to high quality wheat and lower price support to lower quality wheat, much of which is not of milling quality and will never be milled, then, and only then, will the wheat acreage return where it belongs—to the wheat-producing States.

What is there in the flexible-price-support program that would put the acreage back there? If it were found possible to raise wheat in Maryland under 90-percent support, and the support

were lowered to 75 percent, Maryland would have the same rights under the reduced support program that North Dakota and Kansas would have.

I think it is high time that we give more consideration to a program that will recognize the various qualities of wheat. I think it is high time for us to give more consideration to the two-price system. The House has done a good job in that connection; and I am perfectly willing to give the farmers the right to say whether they themselves would prefer such a system to the present program.

I thank the Senator.

Mr. CASE. Mr. President, the Senator from North Dakota has rightly pointed out that not all is wheat that looks like wheat, so far as the kernel is concerned. There is a difference in the quality of wheat. One kind of wheat makes good milling wheat; another is hardly useful for much more than feed. A distinction in wheat is in order when we talk about wheat.

Addressing myself directly to the two-price system and the practical problem involved, my earliest memories on the subject of farm legislation run back to the time when, as a boy or young man, I heard discussion of the McNary-Haugen Act. That was essentially a two-price system. It was vetoed I think primarily because of the fear that it would involve the charge of dumping, as well as other problems of workability.

As we have tried, even in more recent years, to sell agricultural surpluses abroad, except for those that have been financed out of the United States Treasury, we have run into this problem: The International Wheat Agreement worked very well while there was a shortage of wheat abroad, but as soon as France and Italy got back to producing all of their wheat—I was surprised last year when I was in Turkey to learn that Turkey now is on an export basis so far as wheat is concerned—we recognize that we run into the question of dumping and competitive prices and the problem of getting the wheat where it is needed.

One problem is a technical one. How is a proper price determined under a two-price system? How much can be taken for it in dollars? When one thinks about that, his mind runs back to the fact that the primary problem of international trade has been to sell things abroad and collect dollars, and not buy anything abroad in return. In connection with those problems we have run into so much difficulty that I have tried in my poor way to find some answer to the problem. How can we make a two-price system work? How do we find some way to take what the other country can give—a country which is ready to buy, a country which needs some of our agricultural surpluses, and yet does not have the dollars to pay for them?

One clue—and I submit it merely as a clue—came to my attention in a strange way a little more than a year ago. In February of 1953, a year and a half ago, General Van Fleet was testifying before the Armed Services Committee on the situation in Korea. He happened to make the remark that the South Korean soldier who was guarding the North Korean or Red Chinese prisoners was eating a poorer diet than was being fed to the prisoners he guarded. I asked him why that was. He said it was because, under the Geneva Convention, to which the United States was a signatory, we had the responsibility of seeing that the prisoner got a fare comparable to that of the lowest grade enlisted man in our own Army. Consequently, we had to provide a diet for the prisoner which was higher in caloric value than the diet of the South Korean soldier who was guarding him.

Then it occurred to me that we had a job of rehabilitation in Korea. We had spent hundreds of millions of dollars to rehabilitate Japan and Germany, enemy countries, after the war. We could hardly leave Korea in a shambles.

I said to General Van Fleet, "Suppose we were to provide some food for South Korea, which is short on foodstuffs." He had told us of the South Korean soldier who went off to war, to his duty, leaving behind his family, not knowing how that family was to be fed. There was high inflation in Korea and a shortage of foodstuffs. It occurred to me to suggest that we sell some of our surplus foods to Korea for some of her paper currency, and then take that paper money of Korea and use it, when the time for rehabilitation came, to employ South Koreans in the rehabilitation of their own country, rather than spending dollars for that purpose.

That seems to me to be a possible answer to the problem we have always had, when we talk about selling agricultural surpluses abroad, of demanding dollars in return for what we sold. How can a 2-price system be made to work? By changing the price when we sell abroad, or by selling abroad at a price which the buyers are willing to pay and accepting their currency in return. When we receive that currency, what are we to do with it? That becomes a problem. I have addressed myself to that problem, and I wish to develop the subject at some length.

In order that full emphasis may be given to the development of the idea of using foreign currencies as the return we get for agricultural surpluses sold abroad, I asked the Library of Congress to make a review of the bills which have been introduced on that subject. I have in my hand a communication from the Library of Congress, dated July 9, 1954, prepared by Mr. Samuel H. Still, of the American Law Division of the Legislative Reference Service, under the subject: "Chronological History of Legislation Proposing the Exchange of Surplus Agricultural Commodities for Foreign Currencies."

The memorandum reads as follows:

THE LIBRARY OF CONGRESS,
LEGISLATIVE REFERENCE SERVICE,
AMERICAN LAW DIVISION,
Washington, D. C., July 9, 1954.

To: Senator FRANCIS CASE.

Subject: Chronological history of legislation proposing the exchange of surplus agricultural commodities for foreign currencies.

The first bill providing for exchange of surplus agricultural commodities for foreign currencies was S. 1230, offered in the Senate during the first session of the 83d Congress, on March 9, 1953, by Senator CASE on behalf of himself and Senator MUNDT. S. 1230 provided for the sale of surplus domestic supplies of wool, cotton, grains, dairy, poultry, and meat products to the Republic of South Korea, payment to be made in the local legal currency of that Republic.

After the original bill (S. 1230) had been introduced the idea of exchanging our surplus commodities for foreign currencies was discussed at length during the many hearings of the Agricultural Committees of both the Senate and the House. Several similar bills were introduced, and the Senate on July 1, 1953, adopted the McClellan amendment to the mutual security bill (S. 2128), which was subsequently rewritten in conference to become section 550 of the Mutual Security Act. The McClellan amendment, modified by the Case proposal to include livestock (meat and meat products), provided for the purpose of between $100 million and $250 million worth of surplus agricultural commodities to be held by the United States to friendly countries for foreign currencies (sec. 550 of the Mutual Security Act of 1951, as amended, by Public Law 118 (H. R. 5710), 83d Cong., 1st sess., July 16, 1953).

Since the introduction of S. 1230 by Senator CASE on March 9, 1953, the following bills providing for use of foreign currencies for the purchase of our surplus agricultural commodities have been introduced:

March 11, 1953: Senate Joint Resolution 56, to provide for creation of an international food reserve.

March 12, 1953: House Joint Resolution 224, to provide for the creation of an international food reserve.

March 18, 1953: S. 1396, to establish a Foreign Trading Division in the Commodity Credit Corporation in order to promote the disposal in foreign countries of surplus agricultural commodities.

March 18, 1953: H. R. 4087, to amend the Agricultural Act of 1949 to authorize the Secretary of Agriculture to sell certain agricultural commodities to the Republic of Korea, and for other purposes.

June 4, 1953: S. 2048, to provide for the use of surplus agricultural commodities in paying for offshore purchases of military supplies and other goods and services.

June 10, 1953: S. 2112, to provide for the transfer of price-support wheat to Pakistan (counterpart fund of only 5 percent of receipts by Pakistan Government from those able to pay); H. R. 5659 (companion to S. 2112); H. R. 5660 (identical to H. R. 5659); H. R. 5661 (identical to H. R. 5659).

June 11, 1953: S. 2127, to authorize the Commodity Credit Corporation to transfer certain surplus agricultural commodities to the Director for Mutual Security for sale to countries participating in the mutual security program.

June 15, 1953: H. R. 5714, to authorize the Commodity Credit Corporation to transfer certain surplus agricultural commodities to the Director for Mutual Security for sale to countries participating in the mutual security program.

June 26, 1953: H. R. 5954, to authorize the Commodity Credit Corporation to transfer certain surplus agricultural commodities to the Director for Mutual Security for sale to countries participating in the mutual security program.

June 29, 1953: the McClellan amendment to S. 2128 was presented in the Senate, formally offered and adopted with Case modification July 1, 1953. (See Public Law 118, (sec. 550 of Mutual Security Act), 83d Cong.)

July 24, 1953: S. 2475, to authorize the President to use agricultural commodities to improve the foreign relations of the United States.

August 3, 1953: H. R. 6845, to authorize the President to use agricultural commodities to

improve the foreign relations of the United States.

All of the above bills were offered during the 1st session of the 83d Congress. During the second session, the following bills have been offered: H. R. 7875, 8267, 8268, 8269, 8270, 8271, 8278, 8327, 8396, and 9389.

SAMUEL H. STILL,
American Law Division.

Mr. President, I think that memorandum indicates the development of the idea of the acceptance of foreign currencies in payment for our surplus commodities. But the problem still remains: When foreign currencies have been accepted in payment to surplus commodities, what is to be done with the currencies, so that the United States does not become charged with dumping these products abroad, and so that there will not be procured with the foreign currencies products which will be competitive with some other segment of American industry?

In Korea, the answer seemed to be simple. Korean currency could be used instead of dollars in employing Koreans for the rehabilitation of their own country. That was a direct and quick answer to the problem in Korea. It is an answer which has not been employed as much as I think it should be employed. But I am happy by these remarks to place sufficient emphasis upon it, so that such a plan will be more widely used—namely, to use foreign currencies rather than dollars, to take care of expenses which are being incurred in one way or another.

Last fall, as chairman of the Subcommittee on Real Estate and Military Construction of the Committee on Armed Services, it was my responsibility to inspect several military installations abroad as well as proposals for installations. In connection with the trip, we visited Spain and French Morocco. We visited a number of other countries, too, but I mention these two because I wish to show the development of this idea there.

We were in Spain at the very time when negotiations were being completed for the right to build bases in Spain. We were in French Morocco shortly thereafter, and were confronted with the problem of building certain bases there, and providing houses for our soldiers, and for the families of our soldiers who had, or who were entitled to have, their families there.

It occurred to me that a great deal of Spanish labor would be employed before the project in Spain was completed. It occurred to me also that in French Morocco local labor could be employed in the construction of masonry houses. We saw some examples of masonry housing constructed by native labor. So the idea suggested itself that it might be possible to expend some foreign currencies in those countries in return for surplus commodities, in the procurement of things we would need.

So early in January I called a meeting of the subcommittee, at which representatives of the Department of State, the Department of Agriculture, and the Department of Defense were requested to be present, to consider how some of the surplus commodities might be used to pay the cost of some of our military construction in Spain. At the time we were in Spain, we noted that that country had been undergoing a very severe drought. It was thought that this spring Spain would need some additional food supplies, notably wheat. So I interrogated the representatives of the three departments concerned as to whether or not any steps were being taken to arrange for the sale of wheat to Spain, in order to meet the needs of that country this spring. I must say there was considerable indifference at the hearing when this subject was first presented. There was almost a ridiculing of the idea that anything substantial could be accomplished.

The representatives of the departments pointed out the difficulties saying that the United States was not immediately ready for construction; that only a relatively small amount of labor would be used in the first $40 million of construction in Spain; that it would not amount to much, and would not make much of a dent.

I tried to pin down Rear Admiral Jelley with respect to the amount of labor which might be involved in the first increment of construction in Spain. He said that possibly not more than $2 million worth of local labor would be used.

I pointed out to the representatives of the three departments, and also subsequently to the special representatives from the Foreign Operations Administration and the Department of State, that Spain needed wheat then—this past spring—and that the United States would have use for the pesetas which would be received for the wheat. I urged that interest be taken in the matter.

I presented the problem to the President, and earlier this year I placed in the CONGRESSIONAL RECORD a letter from the President of the United States, in which he expressed his interest. I think I said to the President that I was confident that the executive departments would not pay much attention to the possibilities in this field unless the interest of the President was expressed at a high level. The President assured me that his interest would be expressed, and it was expressed.

Shortly after the receipt of the letter from the President I was called on by representatives of the Department of State and the Foreign Operations Administration, who said that, under the President's direction, they would see what could be done.

I was kept informed of the negotiations at the various stages, and was advised eventually that an agreement had finally been worked out whereby $20 million worth of wheat would be sold to Spain by the Commodity Credit Corporation, and that an equivalent amount of pesetas would be received and would be kept by the Commodity Credit Corporation until such time as the Department of Defense could use an equivalent amount of pesetas to meet its needs in Spain.

So even though the immediate construction in Spain last spring or this summer might not require more than $2 million worth of pesetas, since the entire program could use more than that, nevertheless $20 million, possibly $30 million, in pesetas would be acquired by the disposal of surplus commodities.

Mr. YOUNG. Mr. President, will the Senator yield?

Mr. CASE. I welcome any comments the distinguished Senator from North Dakota wishes to make on this point.

Mr. YOUNG. The Senator from South Dakota is to be commended for the work he has done in arranging for the exchange of surplus agricultural commodities for things which the United States needed in Spain. I was interested in the Senator's comments about the reaction of the military and other Government officials when he first proposed the plan to them, and their response was that they thought the plan was impossible and unworkable.

Mr. CASE. If the Senator from North Dakota would consult the transcript of the hearings—I do not believe they have been published, but they are available in the Committee on Armed Services—he would be a little disappointed to observe the listless attitude shown by some of the representatives of the Departments with respect to the suggestion. They thought it was too impracticable, or that it would be a little too much bother; that it would be much easier for them to write checks on the Treasury, rather than to go to the Commodity Credit Corporation with dollars and to buy some foreign currency.

Mr. YOUNG. What the Senator has accomplished there could be accomplished in many other areas. I was very much interested to note what the Argentine Government did in the past year by way of increasing wheat exports. They have greatly increased their wheat exports. Almost all of the exporting was by way of a barter arrangement, somewhat similar to the arrangement the Senator has described.

Mr. CASE. Accentuated, I believe, by these preliminary steps, the Congress has passed what is now known as the Agricultural Trade Development and Assistance Act of 1954, now Public Law 480 of the 83d Congress. That law authorizes the President to establish operations authorized by section 550 of the Mutual Security Act of 1953.

Section 550 of the Mutual Security Act of 1953, enacted last summer, authorizes the use of $250 million worth of funds for the Mutual Security Administration for the disposal of agricultural surpluses.

The Agricultural Trade Development and Assistance Act of 1954 authorizes the disposal of $1 billion of surplus agricultural commodities; $300 million at the President's discretion, for the assistance of allies, and $700 million to be disposed of for foreign currencies.

Mr. President, under the authority thereby established, I think the Congress should take aggressive steps to utilize that money in ways which will not dissipate the foreign currencies, but which will invest them in assets of value to the United States.

Suiting action to the word, so to speak, the Senate Committee on Armed Services has reported a bill which is now

pending on the calendar of the Senate, to authorize the use of $75 million worth of foreign currencies to be acquired under the authority of that Agricultural Trade Development and Assistance Act in the procurement of military housing.

Mr. President, the Subcommittee on Real Estate and Military Construction of the Committee on Armed Services was requested by the chairman of the committee, the distinguished Senator from Massachusetts [Mr. SALTONSTALL], to consider the requests of the military services for procurement of military housing. This consideration was given to the matter a few weeks ago.

During the consideration of that subject, I raised the question of the possibility of using some foreign currencies for the procurement of military housing abroad. Our committee had been called upon to issue clearance for the guaranty of rental on housing units to be built by foreign capital abroad. Our study of that subject convinced me and my colleagues on that subcommittee, the Senator from Mississippi [Mr. STENNIS] and the Senator from Pennsylvania [Mr. DUFF], that we were extending the credit of the United States too far.

An act was passed a few years ago authorizing $100 million worth of guaranties to be extended to foreign investors of capital for the building of houses in continental Europe and other parts of the world, where we would guarantee a 95-percent rental occupancy of those houses for a period of years. A very limited number of guaranties was cleared by the committee for a 5-year occupancy at some centers where it was perfectly clear that we would have United States personnel, either military or civilian, since their presence would take care of the rental guaranty. But we were approached by representatives of the Department of Defense, who asked us to guarantee 95-percent occupancy of houses in French Morocco for a period of 10 years. The committee was not certain that that would be anything other than a guaranty of a gift to the builders of those houses.

Our study has indicated that with regard to the funds which this guaranty would seek to underwrite we would be guaranteeing an interest return of 8 or 9 percent to banks which would advance the funds for that housing. I do not believe that the American people, if they knew the circumstances, would want us to guarantee an 8- or 9-percent interest return to the French banks which would be providing money to put up the housing in French Morocco.

In addition, we discovered that the cost of housing constructed in such a manner resulted in the imposition of taxes, so that about 30 percent of the cost of those houses would be represented by taxes we would be paying, in the guaranty of rental for such a period. We have declined to give that guaranty.

At the same time, in our study we were impressed by the fact that soldiers who have their families overseas are entitled to a quarters allowance, and in some cases a cost-of-living allowance for the station to which they are assigned. Those soldiers would be putting up the money to pay for this guaranteed rental housing.

The argument has been made to the committee, "What difference does it make to you or to the Congress? These quarters allowance are paid to the soldiers, who then pay them out for housing. Why should we worry about whether capitalists who put up the money to build the houses get 9-percent return on their money, or whether the foreign government collects 30 percent in taxes for the construction under that arrangement? We are going to pay out the money in quarters allowances, anyway." We said, "We do not know that such a procedure is necessary."

So in the bill we reported to the committee, which has now been reported to the Senate, we included a section which in brief provides that $75 million worth of foreign currency acquired by the United States under the Agricultural Trade Development and Assistance Act of 1954 may be used to build military housing on these bases, and that such housing may be assigned as quarters to soldiers or officers, and that instead the quarters allowances being paid to them they will be transferred to the Commodity Credit Corporation to liquidate the foreign currencies used in the construction of those houses.

That process has several advantages. In the first place, the construction will cost at least 30 percent less than it would if it were done under the other system of guaranteed rental housing. Thirty percent of the cost will be saved.

In addition, the soldiers and the officers will have better housing. One of the tragic things about this guaranteed rental housing is that at the one project which is completed, at Chateauroux, France, there is shoddy housing, with small rooms. The housing is inadequate. It is not suitable.

If the quarters allowances are used to pay for that shoddy substandard housing, it is no blessing to the soldiers to get this money and pay it out for such housing. It is no accommodation to the soldier to be given a quarters allowance which he must pay out for substandard native housing.

The soldier would be much better off if he could get housing built under United States specifications, perhaps constructed by local labor, under the supervision of the construction agencies which would be assigned to this work and paid for by the foreign currencies. His quarters allowance would enable him to acquire the housing, but the quarters allowance would be paid to the Commodity Credit Corporation.

I call attention to the provision in this bill which is now pending before the Senate. It is section 407 of the bill, S. 3818. I ask unanimous consent, Mr. President, that the exact text of section 407, which I have summarized, may appear in the RECORD in my remarks at this point.

There being no objection, the section was ordered to be printed in the RECORD, as follows:

SEC. 407. The Secretary of Defense is authorized to construct, or acquire by lease or otherwise, family housing, in addition to family housing otherwise authorized to be constructed or acquired by the Department of Defense in foreign countries, to the value of $75 million through the use of foreign currencies in accordance with the provisions of the Agricultural Trade Development and Assistance Act of 1954 (Public Law 480, 83d Cong.).

The Secretary of Defense shall furnish to the Committees on Armed Services of the Senate and the House of Representatives a quarterly report, the first of which shall be submitted 3 months subsequent to the date of enactment of this act, setting forth the cost, number, and location of housing units constructed or acquired pursuant to the authority contained in this section during the 3-month period preceding the date of such report, and setting forth the cost, number, and location of the housing units intended to be constructed or acquired pursuant to such authority during the next succeeding quarter.

Appropriations of the Department of Defense otherwise available for payment of quarters allowances of personnel occupying such family housing shall be available for reimbursement to the Commodity Credit Corporation pursuant to section 105 of the Agricultural Trade Development and Assistance Act of 1954 in an amount equivalent to the dollar value of the currencies used.

Mr. CASE. Mr. President, I ask unanimous consent that the paragraphs from the committee report on that bill which appear at pages 4 and 5 of the committee report, entitled "Procurement of Family Housing Through Use of Foreign Currencies," may appear at this point in my remarks.

There being no objection, the paragraphs referred to were ordered to be printed in the RECORD, as follows:

PROCUREMENT OF FAMILY HOUSING THROUGH USE OF FOREIGN CURRENCIES

Section 407 of the bill authorizes the Secretary of Defense to procure family housing for military personnel in foreign countries through the use of foreign currencies, in accordance with the provisions of the Agricultural Trade Development and Assistance Act of 1954 (Public Law 480, 83d Cong.). The extent of this authority is limited to the equivalent of $75 million in foreign currencies.

The Agricultural Trade and Development and Assistance Act of 1954 authorizes the President to negotiate agreements with friendly nations for the sale of surplus agricultural commodities in exchange for foreign currencies. Section 104 of the act prescribes the purposes for which the President may use the foreign currencies that accrue to the United States from the sale of surplus commodities. Section 105 of the act provides that "any department or agency of the Government using any of such currencies for a purpose for which funds have been appropriated shall reimburse the Commodity Credit Corporation in an amount equivalent to the dollar value of the currencies used."

In order that the Commodity Credit Corporation shall not be unfairly charged with the cost of military housing, section 407 of this bill provides that appropriations otherwise available for payment of quarters allowances of personnel occupying family housing acquired pursuant to this authority shall be available for reimbursement to the Commodity Credit Corporation in an amount equivalent to the dollar value of the currencies used.

The subcommittee has amended section 407 by adding a provision that the Committees on Armed Services shall be fur-

nished quarterly reports of the housing procured pursuant to the authority contained in this section.

Mr. CASE. Mr. President, I am about to conclude my remarks. I desire to express the need for aggressive action in dealing with the problem of our so-called surpluses in food, fiber, and agricultural commodities. I am convinced that whatever may be termed a surplus can be effectively used to procure things which the United States needs, which would not be competitive with other products produced in this country.

I have suggested these three specific instances in which the surplus commodities can be so used: In Korea by using the currency received in return for such surplus commodities to rehabilitate the country, which otherwise would require dollars; in Spain, to procure some of the military-base construction which we are already embarked upon and to obtain which we already have appropriated dollars to the extent that we could use Spanish currency for the procurement of local labor and supplies; and, third, in the procurement of military housing, as I have outlined.

A somewhat more imaginative project I have barely mentioned on a few occasions, and I shall not dwell on it here, except merely to mention it, namely, a sea-level canal across the Isthmus of Panama. Anyone who has looked at all into the situation at Panama must realize that the present canal—dependent, as it is, upon Gatun Lake—is vulnerable, in this day of atomic and hydrogen bombs, and that the United States must address itself to the problem of securing a sea-level canal. I am convinced, from studies I have made, that a great part of the labor which would be needed for the procurement of such a canal could be acquired by the use of foreign currencies, which, in turn, could be acquired as a result of the disposal of some of our surplus agricultural products. At a later date I expect to devote more time in addressing the Senate on that subject. In the meantime, I appreciate the indulgence of the Senate at this time.

Mr. President, I yield the floor.

Mr. LANGER. Mr. President, I desire to pay tribute to the very statesmanlike address just delivered by my distinguished colleague, the junior Senator from South Dakota [Mr. CASE]. In his approach to the subject he is most thorough, and he has gone into the matter over a very long period of time. I doubt whether any other Member of the Senate is better informed on the matter than is my distinguished friend, the junior Senator from South Dakota. It is a genuine pleasure to listen to him discuss this subject, with which he is so familiar.

I have known him for many years; and the longer I have known him, the greater has been my admiration for him and for the keen intellect he displays in dealing with the entire problem. He understands it from A to Z; and he is also most eloquent in presenting to this body his views, which he does in an extremely able and fine manner, on both the good and the bad aspects of this problem, which is so perplexing to so many of us.

Mr. CASE. Mr. President, will the Senator from North Dakota yield to me?

The PRESIDING OFFICER (Mr. LENNON in the chair). Does the Senator from North Dakota yield to the Senator from South Dakota?

Mr. LANGER. I yield.

Mr. CASE. The Senator from North Dakota is very kind in his remarks. Let me say that the first time I ever heard the distinguished Senator from North Dakota speak—I do not know whether he knows it—was at Rapid City, S. Dak., a number of years ago, before I became a Member of Congress. In that address, I heard the Senator from North Dakota tell of the personal experience he had with direct action in meeting a problem in North Dakota, when the farmers of North Dakota had a good crop of wheat, one year; but in those days they did not have adequate storage facilities, and did not have the present support program. He found that at harvest time the farmers of North Dakota were obliged to turn over their wheat either to the terminal markets or to the speculators; and he found that the farmers of North Dakota were selling their wheat for a pittance, in order to obtain money with which to pay their threshing bills.

Although I have never fully understood, and I do not now recall, the details of the steps the Senator from North Dakota took, my imagination was fired by the fact that he said, "You are not going to break the farmers of North Dakota by requiring them to sell their wheat at this price at this time"; and so he declared—by what authority of the North Dakota Constitution I have never quite known—but, at any rate, he declared an embargo on wheat, and made it impossible for the speculators to scalp the farmers of North Dakota that year.

So, in my consideration of these problems my imagination has always been fired by the idea that sometimes these problems require aggressive action and direct action and imaginative thinking.

Although I do not pretend to have, by any manner of means, the answers to all the problems, I do say to the Senator from North Dakota that his example has made me feel that these problems can be licked, and that we do not need to adopt an attitude of helplessness, or of merely turning to the Federal Treasury and saying, "We have to solve our problems by drawing on the Federal Treasury."

By imaginative thinking and resourceful action, these problems can be solved.

Mr. LANGER. I thank the Senator from South Dakota very much indeed.

Mr. President, in North Dakota the very best wheat in the world is raised. That is because of the fact a great deal of study and research has been devoted to wheat production. Every once in a while, when I hear a Senator talk about the wheat raised in his State—and today I heard the disinguished senior Senator from Vermont [Mr. AIKEN] the chairman of the Committee on Agriculture and Forestry, say that some wheat is being raised in the Eastern States—I am inclined to smile. Mr. President, although very likely you are unaware of it, and I doubt that very many Senators are aware of it, cheap wheat is raised in other parts of the Nation. It is soft wheat, which some of us in North Dakota say is not even fit for human consumption—as a matter of fact, whenever a housewife tries to bake a loaf of bread with that cheap, soft wheat, he gets her sack of North Dakota flour—I am referring to the housewives in other States, who buy sacks of North Dakota flour and, when she comes to make the dough, she uses a portion of some of the soft, cheap wheat raised in the other States, and then she reaches into the sack of North Dakota flour and takes a little, tiny pinch of it, and puts it into the dough made out of the cheap soft wheat. Then she has to be very careful, because in the other States the people find out what we in North Dakota already know, namely, that North Dakota flour causes a loaf of bread to rise so rapidly that, unless the oven is very large, the bread is likely to break the oven. So when we send to other areas our good North Dakota wheat, we send along with it a course of instruction, so the housewives will be sure not to use too much of the North Dakota wheat. It is because of that fact that North Dakota wheat is known all over the world as the very finest grade of hard, spring wheat that is raised anywhere.

Mr. President, today I shall not discuss the incident alluded to by the distinguished Senator from South Dakota [Mr. CASE], which occurred when I was Governor of North Dakota. Suffice it to say that at that time we found that the farmers had been robbed for years and years, until, in 1915, the North Dakota Legislature enacted laws establishing a State mill and elevator. Thus the farmers of North Dakota were enabled to have their own mill and elevator, owned by the State—a mill and elevator that could not go broke, because every resource of the State was behind them. It was not until then that we commenced to get for the farmers of our State what they were really entitled to. Until that time, they were not paid for the protein value of the wheat they raised. They were being robbed of a fair price for their durum wheat. In North Dakota, we raise 90 percent of all the durum wheat grown in the United States. Yet, Mr. President, until 1934, our farmers were never even paid a premium for it. It was not until we had our mill and elevator built and operated by the State of North Dakota, and not until we made a thorough investigation in connection with the operation of that mill and elevator in North Dakota, that we were able to find that for years and years and years, systematically, our farmers who had been raising durum wheat had been robbed of 20 cents a bushel. From the time we concluded that investigation, the markets in Minneapolis, Superior, and Duluth commenced to pay 20 cents or more a bushel premium, and the durum-wheat raiser has secured it ever since.

Today, Mr. President, I am not going to address myself to that subject. I am interested in the pending question. I was interested in what the distinguished

Senator from Kansas [Mr. CARLSON] said a few moments ago about the population increase.

It is true that the United States population is increasing by an average of 7,500 persons a day. Every day approximately 7,500 babies are born. That is more than 2½ million additional each year, and breaking it down, it is 5 babies a minute.

By 1975 there will be a total of nearly 200 million people in the United States, which means 56 million more than we now have.

The average adult eats his weight in food in from 6 to 8 weeks. If he weighs 150 pounds, in 6 or 8 weeks he has eaten 150 pounds of food. He eats three-fourths of a ton a year, or 1,600 pounds a year. In 1952 the United States was the best-fed Nation in all the world. Now we are interested, as the distinguished Senator from Kansas [Mr. CARLSON] stated, in what is going to be the situation in 1975.

I say that depends upon how intelligent we are, whether we maintain and improve our soils, whether farmers can earn sufficiently high incomes to maintain an increased production.

For every 3 people to be fed and clothed now, there will be 1 more in 1975.

Merely to fill that fourth plate there will be required an increase of more than the total pig production of Iowa and Nebraska; the total cow numbers of Minnesota, Oklahoma, and Texas; and all the lambs of Montana, Wyoming, Utah, and Nevada. A total of 6 billion pounds more meat will be needed; 41 billion pounds more milk; 16 billion more eggs; a total of at least 2.2 million more bales of cotton; and 109 million more bushels of wheat. Even without improving our diets, the Nation will need one-third more farm production; and we are already producing at record levels, nearly three-fourths again as much as 30 years ago, and more than half again as much as we were producing not long before World War II.

Mr. President, farm people are producing 69 percent more with three-fifths as many man-hours of labor, and only one-tenth more acres than 40 years ago.

In 1910 there were 14 million people working on farms. Today there are 5 million less—only 9 million.

To obtain the products needed for the 56 million of increased population at present yields would require 30 percent more acres, 150 million more than are being cultivated now. New land is not available, and so we will have to make each acre produce more, and each animal produce more. This the farmers have been encouraged to do and have been enabled to do in the past 20 years.

I call attention to what Mussolini did during his regime in Italy. As every man who has studied agriculture knows, Italy made the greatest advance of any country when Mussolini raised the yield from a few bushels, 5 or 6 to an acre, to 60 bushels to the acre.

Of course, we are all familiar now with developments which have taken place in Russia. They have discovered a perennial wheat, which means that they do not have to seed it every year. It is just like raising timothy in Minnesota or North or South Dakota. Timothy is planted, is taken off, and the next year without replanting, another crop is harvested, and so it goes year after year.

It is true that Russia has produced this perennial wheat, and, as nearly as we can find out—and we cannot find out all about it yet—it is a soft wheat. Maybe it is going to take them quite a while before they are able to make it a hard spring wheat, but there is not any question at all that they are on their way.

While I am on that subject, I may say that I do not know of any country, including the United States, that has made a more scientific or better study of wheat than Russia. They commenced making it 25 years ago, when they sent their scientists into every country in the world, and into every State of the Union, including, of course, North Dakota. Seventeen were in the particular squad in North Dakota, and they took samples of every kind of grain we raised, and of every kind of shrub. They went into the Black Hills, into the Bad Lands, and gathered very carefully specimens, with sufficient soil attached, so that they could be transported to Russia. Today the greatest honor that can come to a man in Russia is not conferred on a great general or a great statesman; but the highest honor that can come to a man in Russia, the Lenin prize, is conferred on the man who has done the most for agriculture.

I remember very well a meeting we held in Washington some 4 or 5 years ago when the commissioners of agriculture from every State in the Union were present. As a matter of curiosity, I went from one to the other and asked how many kinds of wheat there were.

One commissioner of agriculture guessed 30 kinds. It went as high as 300. When I got all through that evening, and when I addressed them, I said that in Moscow they have one building devoted to wheat, and in that building they have nearly 33,000 samples of different kinds of wheat.

It shows the kind of competition we will have to face sooner or later, and most certainly it will be 1985, because they have perennial wheat. I may say I have had this matter up for discussion at various times with the Department of Agriculture; I have discussed it in North Dakota with the State agricultural college, known as the State college, which has its own mill, and which has made a scientific study of agriculture, I would say, for more than 40 years. This question is of great concern to them.

As I said a moment ago, obtaining the agricultural products needed for the 56 million of increased population, will require 30 percent more acres.

How is this country going to keep up in the effort to produce enough to feed the increased population? The right combination of all of several elements is necessary. We must have the application of research—and I put that first in order to meet the competition that may come up from the Soviet Union—increased mechanization, balanced conservation, marketing services, expansion of fertilizer capacity. That is what was done by Mussolini in Italy, by using the right kind of fertilizer, and increasing the wheat acreage, as I said a moment ago, the yield was increased to roughly 60 bushels an acre.

Above the Arctic Circle, the Russians take a piece of land covered with snow, and by focusing the rays of the sun in a certain way, melt the snow, and on that piece of land, with snow all around it, they produce a crop of wheat. That is the result of research. It is the kind of competition that sooner or later the American farmer who produces wheat will have to meet.

The application of research, increased mechanization, balanced conservation, marketing services, expansion of fertilizer capacity, farm machinery, equipment and electric power, adequate credit on adaptable terms, crop insurance, rural electrification and parity farm-family income, and fair market prices, all are essential to make farm programs work.

Keeping the Nation supplied with an abundance of food and fiber is not the job of farmers alone. Of 62 million employed persons in the United States, 25 million are in agriculture and related industries, 10 million on farms, 6 million producing for and servicing farmers, and 9 million processing and distributing farm products.

If farm incomes fall, some of the 6 million will be out of jobs. If farm production drops, some of the 10 million will be out of jobs, and everyone's income will be less, and there will be less to eat and wear. That is how serious this problem is, Mr. President.

As I said the other day on the floor of the Senate, during World War I, when we were short of wheat, President Wilson appointed a commission headed by Herbert Hoover. Mr. Hoover had serving with him Bob Taft, who later became our colleague in the Senate. The cry was "Produce wheat. Produce wheat." Every acre of marginal land was sown to wheat. The land along the railroad tracks was sown to wheat. We broke up our parks in the cities and towns and villages so that we might produce more wheat.

If any man in the world did not get a square deal after the war was over, it was the farmer. After the farmer had done all that during the war, did our Government do anything for the farmer? Did our Government do what was done for the farmer in Canada? Canada said to its farmers, "You spent some money for seed and you broke up marginal land and planted it to wheat. You knew you could not make any money out of wheat after prices went down after the war." Therefore, Canada canceled every seed and feed loan that farmers had taken out. Canada canceled the loans within a year after the war was over.

Today, in the United States, the poor farmers are still paying on their seed and feed loans. Farmers who have not had very good crops, and who have had to borrow on their crops, are still paying the Government on seed and feed loans, at 6 percent interest. Some of

those loans are more than 30 years old, and the interest on some of them far exceeds the amount of the principal.

Does any Senator believe when such a man dies the widow receives any sympathy from the Government? I can cite instance after instance where the United States Government took every dollar of an estate in order to collect the seed and feed loans, and let the widow and children go without any relief.

It is only a few years ago that Senators from the Northwest got together and introduced a bill to cancel the seed and feed loans. We could not get it through the Senate. We could not get any support for it from the Department of Agriculture. We have not been able to secure any help from anyone.

When a Canadian farmer comes over to the International Peace Gardens in Bottineau County, N. Dak., and sits down with a North Dakota farmer, the North Dakota farmer must feel very foolish when the Canadian farmer says to him, "I did what you did in World War I. I raised wheat, and I borrowed money, but my Government canceled the loan. You are still paying 6 percent interest on your loan."

We were doing it at a time when we gave $3,750,000,000 to England. We took it out of the hides of our producers, while the Canadian farmer sent nothing comparable to it at all, although his debts had all been forgiven by his Government.

Great disastrous national depressions have been farm-led and farm-fed. Look at what led up to the panic of 1830, the worst depression of 1844; the big recession from 1858 to 1860; the deep trough that started in 1885 that we did not pull out of until 1910. Drop in farm prices led the fall from 1919 to 1922. They led again in 1929–32, 1937–38, in 1949, and now they are falling again.

Mr. YOUNG. Mr. President, will the Senator yield?

Mr. LANGER. I am glad to yield to my colleague.

Mr. YOUNG. I appreciate very much the comments by my distinguished colleague. He is absolutely correct in his analysis of the situation. I was particularly interested in his comments about the depression of the early thirties. As he will recall, in 1929 the goose hung high for most industries in the Nation. However, farmers were already in trouble. Their difficulties were almost completely ignored. As a result, the prices of the things that farmers had to buy remained at the same level from 1929 to about 1931. During that same period farm prices dropped drastically. While farm prices were completely demoralized, the acreage of wheat increased. In 1933 the average price of wheat in the United States was 38 cents a bushel. It would be expected that this is when a flexible system would have worked.

What happened? After the disastrously low prices, the farmers actually increased the wheat acreage by 2 million acres in 1934.

Mr. LANGER. My distinguished colleague can explain why, of course.

Mr. YOUNG. The farmers tried to recoup their losses in order to pay their bills.

Mr. LANGER. They were willing to work longer hours and farm more land, even though the price was lower, in the hope of being able to pay their debts.

Mr. YOUNG. A reading of the records of Congress, particularly the debates, will reveal that almost every argument which was used against the McNary-Haugen bill is now being used against 90 percent parity today.

Mr. LANGER. I thank my distinguished colleague.

The basic reasons for price supports are:

(a) History shows that national depressions are farm led and farm fed.

(b) History also shows, that, without price supports, prices received by farmers can fall rapidly while farm costs are still rising.

That is just as my distinguished colleague said a moment ago. After World War I—and the same thing was true after World War II—the price of everything the farmer had to buy, stayed up, and the price of everything the farmer raised went down. That is the history. I ask my distinguished colleague if that is not the situation.

Mr. YOUNG. The Senator is absolutely correct. So many people believe that a price-support program is only for the benefit of the farmers alone. If there were some other way in which the farmer could receive a fair price for his commodities and continue his purchasing power of other necessities, then, of course, farm price supports would not be justified. However, if we permit farm prices to go down, just as sure as we stand here, we will go into another depression. I believe it is in the interest of the whole Nation to maintain fair prices in order to prevent such a disaster.

Mr. LANGER. I am sure my friend will agree that the price a farmer pays today for a combine or a mower or a rake, or for any other kind of machinery, is just as high as it was at any time in the history of our country.

Mr. YOUNG. The operator of the average-sized farm, the family-sized farm in our State of North Dakota, or any other State, must have a minimum investment in machinery and livestock of between $25,000 and $40,000. I remember that back in 1929, and even in the thirties, all the farm machinery that I had was not worth more than $5,000. I operated on a little larger scale than what might be called the family-sized operation. One cannot buy a combine for that now.

Mr. LANGER. I agree fully with what the Senator says. Today a combine would cost roughly $5,300 to $5,500. Twenty-five years ago, for $5,000 you could set a man up with farm machinery sufficient to farm a half-section or three-quarters section of land.

In the national best interest, there is a floor level below which the Nation cannot afford to allow farm prices to fall. For these reasons:

(a) Adequate provision for a continuous and expanding production of food to meet the needs of an increasing population.

(b) Provision of sufficient food and fiber production to fill the needs of a dynamic foreign policy.

If any Senator disagrees with any one of these statements, I would like to have him say so. If any Senator is going to vote against this bill, I shall be delighted to have him interrupt me at any time and challenge any one of these statements that I make.

(c) Provision of an adequate safety reserve of food and fiber commodities and their products for national, health, safety, and security against natural, economic, and war hazards.

(d) To help maintain a continuously expanding and prosperous economy with rapid adoption of improved technology, increased productivity, and a high level of employment.

(e) To require no more Federal expenditures than the public good derived from the program.

(f) To supply food and fiber products to consumers at fair and reasonable prices.

(g) To promote equity and justice in distribution of national income among the different economic groups within the economy.

(h) To enable farm people to earn by their labor, management, capital investment, and financing activities, a sufficient income to obtain a desirable American standard of living, educate their children, and preserve and improve their land and water resources.

(i) Approximately 9 million town and city workers supply goods and services to farmers and are thus directly dependent upon farm purchasing power for effective demand and hence their employment and income.

(j) Approximately 6 million town and city workers market and process farm products and hence their continued employment and income are dependent upon a continuous production of food and fiber.

Without price supports, farm prices start dropping when the national economy fails to expand at a rate of at least 10 percent per year—

(a) Because farm fixed costs are high while industrial fixed costs are low.

(b) And because other segments of the economy have Government-supplied subsidies and scarcity-inducing protective devices.

(c) Result is: farming is the most easily hurt segment of the national economy. Industrialists maintain prices by laying off workers and cutting production; farm production stays up and prices received by farmers fall.

(d) Increased supply of farm products after a certain point actually reduces their total value.

Studies by the Bureau of Agricultural Economics indicate that carryover stocks of from 450 to 500 million bushels of wheat and from 900 to 1,000 million bushels of corn and other feed grains would be required to offset one very low-yield year and one moderately low-yield year in succession. On the average such

a sequence of years happens once every 10- or 12-year period. If anyone has any question about that, I suggest that he read the Bible.

Such stockpiles would not, however, tide us over a sequence of low-yield years like those of the 1930's.

Special defense contingencies, also, warrant maintaining even larger than the normal carryover stocks required by weather variations. These special contingencies include risk of hydrogen and atom-bomb destruction, biological warfare risk, disruption of seed, fertilizer, and machinery supplies, transportation, and processing facilities.

Cost of carrying a safety reserve is estimated at from 10 to 20 cents a bushel a year for storage and turning, including interest charges. Anyone who has had any experience with farm prices in the various States will verify that statement.

On the matter of price-support costs compared to other subsidies, Darrow's Washington Farm Letter said recently:

> The official United States budget for last 5 years has a breakdown table of Government subsidies and expenses by economic groups and classes of expenditures. The data is found in the special analysis section of the budget. Total given include subsidies, administrative expense, net cost of loan programs, and cost of investment-type programs.

Agricultural items covered include cost and losses on price-support programs, the expense of the International Wheat Agreement of which, by the way, I have the honor to be chairman, and with which I am very familiar—Sugar Act payments, payments for removal of surplus products, net cost of loan programs and other aids. Not included, but mentioned, is the fact farmers do not pay income tax on foodstuffs produced and consumed on the farm.

Business aids covered included a portion of the postal deficits, maritime subsidies and other aids to shipping, various aids to aid transport, and net losses on defense production aids. Not included in the total, but mentioned, are business aid from housing subsidies, protective tariffs, accelerated amortization, special depletion exemptions, flood control, and Government provision of low-cost electric power.

For the life of me, I cannot understand how any Senator who makes a study of the subject can possibly fail to vote, as the majority of the Committee on Agriculture and Forestry voted, in favor of the bill reported to the Senate.

Labor's aids are largely for unemployment compensation and public employment offices. Included is mine-safety work. Mentioned but not included are the Mediation Service and Labor Relations Board expense.

General aids include school lunch, health, and school programs.

Can any Senator who has made any study at all of the subject possibly be opposed to the school lunch program?

I ask unanimous consent to have printed at this point in my remarks a table entitled "Expenses for Aids and Special Services."

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Expenses for aids and special services

[In millions of dollars]

	Actual 1949	Actual 1950	Actual 1951	Actual 1952	Estimated 1953	Total
Agriculture	341	601	905	463	547	2,857
Business	773	789	809	1,041	1,018	4,430
Labor	175	228	197	200	206	1,006
Homeowners and tenants	−11	−111		−129	−123	−374
Veterans	5,549	5,583	4,515	4,710	4,411	24,768
International	5,554	4,392	4,311	4,596	5,516	24,369
General aids	1,091	1,264	1,327	1,364	1,539	6,576
Total	13,472	12,746	11,903	12,246	13,205	63,512

Mr. LANGER. Mr. President, much is heard about Federal farm subsidies. Are farmers the only ones who get Federal help?

I hope Senators who do not know anything about farming, but who will read the RECORD, Senators who have been yelping and yelling and screaming about the subsidies which the farmer gets, will listen to or read what I am about to say.

Representative CLIFFORD HOPE, of Kansas, has taken from the Federal budget the following figures:

Agricultural aids and services	$463,000,000
Business aids and services	1,041,000,000
Labor aids and services	200,000,000

Senators might remember this the next time some city friend lets out a squawk about Federal aid to farmers. This information was included in a speech by Representative HOPE on August 22, 1953, at Chautauqua, N. Y. Additional Federal aid has been provided to promote construction by industry.

Federal aid for private construction has been given in the form of certificates of necessity.

Mr. JOHNSTON of South Carolina. Is it not true that the——

Mr. LANGER. I have not yielded; but in view of the fact that my distinguished friend from South Carolina has been so fine and generous in yielding to me on previous occasions, I shall yield to him.

Mr. JOHNSTON of South Carolina. Is it not true that the airlines receive subsidies?

Mr. LANGER. I intend to follow that up.

Mr. JOHNSTON of South Carolina. Is it not true that the Post Office Department subsidizes the publishers of newspapers and magazines?

Mr. LANGER. My distinguished friend is anticipating my speech. If he desires to ask me about it, I shall be delighted to yield, but I hope that he will let me tell the Senate about it.

The certificates have been issued to permit rapid tax amortization of facilities whose total value is about $29 billion. Let Senators put that in their pipes and smoke it. Many of the substantial expansions in the steel, aluminum, petroleum refining, electric power, and similar industries have received this type of assistance. In addition, under the $2.1 billion borrowing authority in the Defense Production Act, loans, advances against production, guaranteed prices, and purchase contracts at higher than ceiling prices are also provided.

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator yield?

Mr. LANGER. I yield.

Mr. JOHNSTON of South Carolina. Is it not true that at present farm-machinery manufacturers are cutting back production and are laying off thousands of employees?

Mr. LANGER. I am coming to that.

Mr. JOHNSTON of South Carolina. Will not the Government fail to receive income taxes from workers who will be walking the streets?

Mr. LANGER. As usual, the distinguished Senator from South Carolina, with his keen mind, has anticipated what I am about to say.

Mr. JOHNSTON of South Carolina. Knowing the Senator from North Dakota as I do, I am not surprised that he is bringing out all these facts. He usually includes all the facts in his speech before he concludes. I hope we shall hear his attitude on matters of this kind.

Mr. LANGER. I thank the Senator from South Carolina. I am fully aware of the fact that the Senator is much more adept at citing figures than I am. I have listened to his speeches, and have marveled at the information he has procured.

In this instance, I have obtained figures directly from the Bureau of the Budget, so they cannot be questioned. I challenge any Senator to stop me at any time he desires, because, as I say, I have obtained these figures from the Bureau of the Budget.

Under the present tax laws, any construction completed or machinery purchased after December 31, 1953, can be depreciated under a rapid tax amortization program. The advantages which accrue to industry and business can be illustrated best by the following:

One-half of cost of construction, machinery, or other purchases can be charged off in one-third of its life; or two-thirds of cost of construction, machinery, or other purchases can be charged off in one-half of its life.

Under old tax laws if the life of a building or machine was 10 years, 10 percent per year could be charged off for depreciation. However, under the new law, if the life of the same item is 10 years, 20 percent per year, or nearly

double the rate possible under the old law, can be charged off for depreciation. Of the 80 percent valuation remaining, 20 percent can be charged off in the second year. This same pattern is applied to the remaining years of life of construction items or new purchases.

Compare the little bits or sums the farmers get with what is provided under the new tax law for industry.

Mr. President, I particularly invite the attention of the distinguished Senator from South Carolina [Mr. JOHNSTON] to what I am about to say, because I would not want him to miss anything.

Business expenditures for new plant and equipment totaled $27.5 billion—seasonally adjusted annual rate—in the first quarter of this year, and it is predicted by the Council of Economic Advisers that they will be maintained at or near the $27 billion level in the second and third quarters of this year. Based on these expenditures for plant and equipment, it appears that business and industrial segments of the economy will be able to realize rapid tax amortization savings on construction cost and other purchases in excess of $100 billion.

I shall now discuss business reconversion payments. Information compiled by the Legislative Reference Service of the Library of Congress—this is not merely a newspaper item. This information is not something picked out of the Washington Star, the Washington Post and Times Herald, the New York Times, or the Wall Street Journal, or even the Daily Worker, or any other newspaper; the information is from the Legislative Reference Service of the Library of Congress. It shows that business was subsidized by the Government to the extent of $40,787,864,000 following the end of World War II in what were called reconversion payments.

During the 7-year period that program was in operation the cost of reconversion payments amounted to $50 per year per person in the United States. This is in contrast to the cost of price supports for basic crops, which has been only 3.1 cents a year for every person for the past 21 years.

So the next time some of those slickers come to see my distinguished colleague, the Senator from South Carolina, and talk about what farm subsidies have cost, my colleague can inform them that the cost has amounted to 3.1 cents a year for every person, as compared to a cost of $50 a year for every person for subsidies which have been granted industry and business. My colleague can cite those figures as having come from the Legislative Reference Service of the Library of Congress. My only regret is that there are not more Senators present to hear that statement.

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator yield?

Mr. LANGER. I yield to the Senator from South Carolina.

Mr. JOHNSTON of South Carolina. I invite the Senator's attention to the fact that the dollar value of farmland depreciated 6 percent in the period from March 1953 to March 1954. If that situation continues for very long, we can imagine what will happen to the farmers.

Mr. LANGER. I thank the Senator from South Carolina for his generous contribution.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point in my remarks tables showing the cost of price-support programs.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

Realized losses on price-support programs from inception, Commodity Credit Corporation [1]

Fiscal years	Basic commodities (corn, cotton, wheat, rice, peanuts, and tobacco)	Designated nonbasic (butter, cheese, dried milk, honey, potatoes, and tung oil)	All other nonbasic (beans, eggs, flaxseed and linseed oil, grain sorghums, etc.)	Total
1934–41	$55,787,335	$176	$4,602,190	$60,389,701
1942–46	+182,568,944	41,031,385	15,944,584	+125,592,975
1947–50	80,991,915	486,147,833	134,103,927	701,243,675
1951	5,284,869	174,027,018	166,286,667	345,598,554
1952	15,417,947	1,283,599	50,650,030	67,351,576
Total 1934–52	+25,086,878	[2] 720,490,011	371,587,398	1,048,990,531
1953	45,807,809	5,324,994	10,013,555	61,146,358
1954 through Mar. 31	73,336,279	42,916,981	70,526,167	186,779,427
Total 1953–54 (Mar. 31, 1954)	119,144,088	48,241,975	80,539,722	247,925,785
Total 1934–54 (Mar. 31, 1954)	94,057,210	730,731,986	452,127,120	1,296,916,316

[1] The above table relates only to the activities of the Commodity Credit Corporation and does not include or relate to expenditures made by the Department of Agriculture under sec. 32, parity payments, or any other activities financed with funds provided by the agricultural appropriation bill.
[2] Includes $478.1 million loss on potatoes.

NOTE.—Denotes realized gain.
Source: S. Rept. No. 1429, Agricultural appropriation bill, 1955 (p. 3).

Losses on price-support programs from inception, Commodity Credit Corporation

	Total cost 1933–54 (Mar. 31, 1954)	Average total cost per year	Average cost per person per year [1]
Basic commodities (corn, cotton, wheat, rice, peanuts, and tobacco)	$94,057,210	$4,478,915	$0.031
Designated nonbasic (butter, cheese, dried milk, honey, potatoes, and tung oil)	730,731,986	35,749,142	.248
All other nonbasic (beans, eggs, flaxseed and linseed oil, grain sorghums, etc.)	452,127,120	21,529,862	.149
Total	1,296,916,316	61,757,919	.438

[1] Computed on basis of 144 million average of United States population for 1933 and 1954.

Mr. LANGER. Mr. President, I now come to the subject of second-class mail, and the hidden subsidy to publishers, to which the distinguished Senator from South Carolina called attention. For the past several years the Post Office Department deficit has been close to, or slightly more than, $600 million each year. Reduced postal rates to publishers of newspapers, magazines, and others who use second-class mail privileges have accounted for the greater portion of the Post Office Department deficit.

Mr. President, they are the same publishers of newspapers and magazines who have been telling how the farmer is being subsidized. Fortune, Time, Life, and all the other magazines, took pleasure in writing to the Senator from North Dakota, particularly when he was chairman of the Committee on Post Office and Civil Service and trying to make them pay their just share of taxes and postal rates. They never admitted the subsidies they had received. Yet they are screaming and howling against farmers and farm subsidies.

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator yield further?

Mr. LANGER. I yield to the Senator from South Carolina.

Mr. JOHNSTON of South Carolina. Not only is the deficit $240 million because of rates for second-class matter, but the deficit amounts to approximately $600 million when all the various classes of mail are considered. Is not business benefited by paying lower rates for mailing packages? That is one of the big reasons why the Post Office has had a deficit. A great many articles mailed by business go to the general public and a great many go to business. Is that not true?

Mr. LANGER. That is true, certainly, and nobody knows it better than my distinguished colleague, who was at one time chairman of the Committee on Post Office and Civil Service. He knows how this "racket" has been operated year after year, at the expense of the people. Time, Life, Fortune, and many other magazines have been writing about what poor Senators we have. They are willing to spend large amounts for advertising and propaganda, but they assert they are too poor to pay fair rates for postage, and it has cost the Government of the United States, and the taxpayers, millions of dollars, as I shall enumerate, in order that magazines and other publications may enjoy favorable rates.

Beginning with the year 1946, the Post Office Department deficit on second-class mail has substantially increased each year. In 1946, the loss or deficit was $148 million. The publishers took $148 million out of the pockets of the people so that they could mail out their magazines and newspapers second class. In 1947 the loss or deficit was $159 million; in 1948, $163 million; in 1949, $186 million; in 1950, $193 million; in 1951, $200 million; in 1952, $238 million. All subsidies. During the 1953 fiscal year the loss by reason of handling second-class mail amounted to $244,269,815.

Moreover, the accumulated loss in the Post Office Department since World War II, a period of approximately 8 years, has reached a total of—how much do Senators think? None of the Senators opposed to us could guess. These losses in the Post Office Department alone, incident to handling magazines and newspapers, have been $3.8 billion. If any Senator wants to write down that figure, he ought to do so.

The Post Office deficit, the major portion of which was brought about through reduced postal rates for second-class mail, in 8 years was about 3 times as much as the cost of the farm price-support program on basic commodities for a period of 20 years.

Mr. President, that is the record. Senators can stand on the floor and yell to high heaven as long as they want to. The cold facts are just as I have stated them. They were secured from the Library of Congress, prepared by the Legislative Reference Service.

I wish to repeat that paragraph.

Moreover, the accumulated loss in the Post Office Department since World War II, a period of approximately 8 years, has reached a total of $3.8 billion. This simply means that the Post Office Department deficit, the major portion of which was brought about through reduced postal rates for second-class mail, in 8 years was about three times as much as the cost of the farm price-support program on basic commodities for a period of 20 years.

It is a great pleasure to speak on behalf of farmers. One of the things I like about my distinguished friend from South Carolina [Mr. JOHNSTON] is that he is a friend of the farmer. He became an orphan when he was 11 years of age. He had to support a family, his little brothers and sisters, and work with his hands. He knows what it means to have a dollar, and to earn it.

That is why the Senator from South Carolina [Mr. JOHNSTON] and I, among others, have voted so consistently against this giveaway program of billions and billions of dollars to one foreign country after another.

Mr. President, wheat farmers reaffirmed their faith in the farm programs voted by Congress over the past 20-odd years in the wheat referendum vote on July 23, 1954, only a few days ago.

On that day the farmers came forth with a mandate for the continuation of the present price-support program.

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator yield?

Mr. LANGER. This is so important that I cannot yield, because I am talking about North Dakota. As soon as I have finished talking about North Dakota I will yield.

Mr. JOHNSTON of South Carolina. I congratulate North Dakota.

Mr. LANGER. The returns from North Dakota go to show how well educated those farmers out there are and how they know when they are voting for or against themselves. They are perhaps the best educated group of farmers in the world. They ought to be, because for 40 years we have had a farmer nonpartisan league out there. It meets on Lincoln's Birthday in every precinct in the State, and there are more than 3,000 precincts. There they discuss the farm problems and city problems, and problems dealing with their own State government. Delegates meet in every one of the 53 county seats; and they elect delegates and choose candidates for the legislature. They do not care whether a man is a Democrat or a Republican. They elect delegates to meet in the first week of March, and 500 of them get together and say what is good for the State of North Dakota.

Then by secret ballot they nominate candidates. A person is given a piece of paper, and he can put down on that piece of paper the name of any man or woman he thinks will make a good Governor. Next that name goes on a blackboard, and the vote is continued with those little tiny slips of paper, taking one name at a time off the blackboard, until there is only one name left. That man is the nominee for Governor. He may be a Republican. The nominee for lieutenant governor, chosen in the same manner, may be a Democrat. The nominee for secretary of state may be neither Republican nor Democrat. Nominees for the House of Representatives and the Senate are chosen in the same manner.

When all 13 nominees are selected, they get up before a microphone and pledge their mutual support one to another. They promise to go out into the political battle and fight together for the United States and for the State of North Dakota. Even when they do that they do not know whether they are running on the Republican ticket or the Democratic ticket. It is only after the pledges are all made that the convention of 400 or 500, by secret ballot, decides whether they are going to run on the Democratic ticket or the Republican ticket. Sometimes they do not like either ticket, and they run as independents. Many have had the honor of being elected as such.

The year Mr. Landon ran, they had the Republican column under Mr. Landon, and then the Democratic column under Mr. Roosevelt; then there was a Communist column and a Socialist column. All by myself over there in the fifth column I was running for Governor, among my associates. I ran for Governor of North Dakota, and I am happy to say I was elected. We had 5,000 more votes than we needed.

That is the way those people operate out there. Senators can imagine how far Mr. Benson got when he came along with this "curlicued" thing the other day and they asked them to go out and vote on the wheat referendum.

Wheat farmers out there reaffirmed their faith in farm programs voted by Congress over the past twenty-odd years in the wheat referendum vote on July 23, 1954. Farmers on that day came forth with a mandate for the continuation of the present price-support program.

The returns for North Dakota were 96.6 percent in favor of the continuation of 90 percent of parity price supports, even with the strictest controls in all the history of the United States.

I should like to have Senators write those percentages down, because we led the country. That means, Mr. President, that 96.6 out of every 100 people in North Dakota voted for support prices, and only 3.4 people out of every 100 people voted against them.

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator yield?

Mr. LANGER. That is a marvelous record. That is over 30 to 1.

Mr. JOHNSTON of South Carolina. Mr. President——

Mr. LANGER. I yield to my friend from South Carolina.

Mr. JOHNSTON of South Carolina. I congratulate the great State of North Dakota, but South Carolina did a little better, when it came to voting upon the tobacco controls. We voted 98.5 percent in South Carolina in favor of that program, not for 1 year but for 3 years. They chose to vote for 3 years instead of 1 year, and voted for the program by 98.5 percent.

Mr. LANGER. Knowing my distinguished friend as well as I know him, I know that somewhere in his statement there must be what the Senator from Montana calls a hidden something, a jigsaw.

Mr. JOHNSTON of South Carolina. No.

Mr. LANGER. Because they did not vote for a 3-year program; they voted for a 1-year program.

Mr. JOHNSTON of South Carolina. We voted for a 3-year program on tobacco.

Mr. LANGER. On tobacco?

Mr. JOHNSTON of South Carolina. Tobacco.

Mr. LANGER. Of course, I have my own ideas about tobacco.

Mr. JOHNSTON of South Carolina. Yes. I commend the State of North Dakota. I happen to be a member of a committee which visited that State, and while there heard from about 70 North Dakota farmers. We had nothing to do with calling them in, but 70 of the leading farmers in that State were called in to discuss the farm problems. I did not hear one man while I was there clamoring for any of the parity prices Mr. Benson wanted. We were in session from 6:30 at night until 12 o'clock at night, and not one person did I hear say one good thing about Benson and his program. I commend the Senator's State for that.

Mr. LANGER. Our farmers have always supported the program for cotton and tobacco and all the basic commodities included in the price-support program. The record will bear me out.

Mr. CLEMENTS rose.

Mr. LANGER. I yield to the Senator from Kentucky.

Mr. CLEMENTS. Is it not a fact they recognized that in supporting the basics, they were supporting the cornerstone of the entire program?

Mr. LANGER. Not only that, but the cornerstone of the entire national economy. At Union Station in this city there is a large sign reading, "Agriculture is the basic industry of this country."

Mr. CLEMENTS. I could not agree with my friend from North Dakota more fully.

Mr. LANGER. Mr. President, the vote was 96.6 percent, even though the Department of Agriculture failed in its

effort to get information disseminated to farmers on the complicated cross compliance regulations. In addition, farmers were forced to vote under circumstances which were grossly unfair—not knowing what the price support level of their produce would be.

The vote was held on July 23, the busiest time of the year in North Dakota. July 23 was set because it was known that all the farmers would be busy in the fields.

Senators can imagine what a sacrifice it was on the part of the farmers to leave their fields while they were cutting grain, take a chance on hail, and travel considerable distances to vote on a matter of this kind. That was the day of the Department election.

Even in the face of these adverse circumstances the farmers voted for price supports and controls — hoping and trusting, I believe, in this Congress having the foresight to see their plight. Let me say to my colleagues that to ignore the voice of farmers is to neglect the needs of farm people as they attempt to convey their interest in the preservation of 90 percent of parity.

I would like to insert at this point in my remarks an article in the National Union Farmer for August 1954 on this subject.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

WHY FARM PRICE SUPPORTS, ANYWAY?

As the farmer's prosperity goes, so goes the Nation's. American history has shown over and over again that declines in farm income and collapses in the farm economy are almost invariably followed by general panics and depressions, whether related as cause and effect or not. High farm income is good insurance against national disaster.

This lesson was brought home again in 1953 when the farmers ended up the year as the only large group of Americans who were poorer and had less income—a billion dollars less—than when the year began, but with the prosperity of the rest of the people beginning relentlessly to decline as the farm slump forced it down.

FARMER IS UNIQUE

The farmer is the only producer who is at the mercy of the elements for what he produces; and having produced it, is at the complete mercy of the market, unless he has efficiently organized to protect himself. He cannot get out of his troubles as can the businessman by waving a cigar and ordering his subordinates in traditionally brisk and decisive fashion to fire 1,200 people in Davenport or to close down the Denver branch—thus throwing his own responsibility upon the back of the community.

If the farmer goes out of business, all the people face famine. Food, moreover, is the indispensable ammunition to win wars and preserve peace. The farmer cannot strike. Yet his rewards have a way of vanishing with dizzying speed; while his costs continue to mount, he continues to feed the community, and even to pile up surpluses of food to protect its future.

TO INSURE PROSPERITY

Setting a firm floor under the prices received by the farmer—a floor high enough to give him a modest return for his work and for the use of his capital—was long ago conceived by the American people to be a very worthwhile measure to help insure the prosperity of every one of them.

Instead of spending billions of dollars to retrieve the farm economy after it had crashed; instead of picking up the pieces of the national economy after a panic or depression, the sensible spending of a relatively few million dollars yearly to keep the farm economy relatively stable, was conceived as sound business and political statesmanship.

Speaking solely of provisions to support farmers' prices, the program has to date cost only about one-third of the amount of taxpayers' money spent to subsidize the big national magazines alone, according to Postmaster General Summerfield. Never, to paraphrase Winston Churchill, have so many spent relatively so little to achieve so much, in the balanced flow of indispensable farm products into the national economy and abroad, and into a surplus of abundance that, without their perhaps realizing it, has put the American people for generations to come beyond the reach of famine, or even of shortage. Had you ever thought of the significance of the fact that our military planners, for example, absolutely never worry about a shortage of any item needed in war, that comes from the farm? They know that, as always, in any war crisis the American farmer will be there, putting out more than enough of whatever is needed. Further, they know that the American farm is capable of an enormous increase in production should that become necessary. This has been proven in two wars.

MUST DEFEND POSITION

With all this, it seems strange that the farmer is continuously having to defend his position anew from the assaults of the unthinking, or of the sheerly venomous. The historian of a century hence will look back on the policies of the past 20 years—when farmers for the first time truly came into their own as respected and indispensable partners in the Nation's economy—as evidence of broad balance and true statesmanship in the conduct of our national affairs.

Yet the first bills somewhat timidly designed back in the 1920's to check if not to cure the steady slide in farm prices that was even then becoming a cancer of the national economy, were indignantly vetoed by Presidents without broad national perspective, and who were blinded by economic provincialism and prejudge.

PROSPERITY NEEDS A FLOOR

But the American people had finally decided, even if perhaps subconsciously, that the national prosperity requires the establishment of a floor under which family-farm incomes and farm prices should not be allowed to fall. Trying to stem this oncoming tide of sentiment was like trying to stem the tide of the sea, and in 1929, the establishment of the Federal Farm Board marked the first real national effort to protect the Nation itself (not primarily the farmers) from the demonstratedly disastrous results that have always followed falling farm prices and declining farm income. It became national policy that the farmers should have parity of income with other groups of the economy—that is, that they should as nearly as possible, receive their fair share of the prosperity of the country that they were helping so much to create.

In one form or another, this endeavor has continued ever since. The Agricultural Adjustment Acts of 1933, 1934, and 1938 comprised in effect successive attempts to spell out this new national policy in clearer and less mistakable terms, and when World War II came on, the Steagall amendment providing 90 percent of parity for the producers of the major (and most needed) farm crops both broadened and deepened this policy.

There has been some attempt at retreat since. The acts of 1948 and 1949 contained provisions that would have weakened and restricted farm price supports; but Congress has until now continuously extended 90 percent of parity. The most recent amendment was in 1952, when through the Young-Russell-Cooley amendment the 90-percent provisions were extended until the end of 1954. Without further congressional action, these provisions will then expire, to be succeeded by flexible supports that will, in effect, punish the farmer for producing plentifully, but reward him for producing scantily.

UP AGAINST THE GUN

Therefore, Congress, the administration, the farmer, and the American people are alike up against the gun. Congress in this present session must decide whether or not to continue a provenly wise farm program, or if not, how to modify it. Congress' ears are being literally deafened by the propaganda cries raised against the program. These cries come almost invariably from those who think it to their short-term advantage to buy the farmers' products as cheaply as possible and resell them to the public as dearly as possible, and who during 1953 have made considerable progress in this direction, even without legal change in the support program, because of the complacence of an administration admittedly hostile to farmers' price-support program.

The Nation's minimum interest and need in an efficient and prosperous farm-production program include:

That for a continuous and expanding flow of food and fiber to meet the needs of a people increasing in number by 2.7 million yearly or 7,500 a day; and who have been continuously accustomed for 20 years to a rising standard of living.

That for such expanding production to meet the needs of a dynamic foreign policy to roll back communism; to fight for peace as it fought in war, and in the dread event of war, to insure victory.

The need of an adequate reserve of food and fiber to protect the Nation's health, safety, and growth against any manmade or natural hazard or contingency.

That for promotion of an economic structure that will enable increasing numbers of our people to build and to share in an ever-expanding economy, with increasing real income and full employment.

For economy in Government, to guard the interests of the taxpayer.

For long-term stable prices for farm products, that will require no more than a due share of the consumer's dollar, and will not unduly mulct him through scarcity.

For equity and justice in the distribution of national income among all the people, and all elements in the national economy.

Farmers have a specific interest in a national economic policy that will promote their ability as farm people to earn, through effort and not through noneffort, a sufficient income to maintain an American standard of living, nurture, and educate their children, improve their lands, and increase their resources.

COUNT IN CONSUMERS

Millions of townsfolk and city people, from the country village that draws its living almost entirely from the surrounding farms, to the metropolis, likewise have a direct interest in the prosperity of the farmer. For just one example, there are approximately 6 million nonfarm people engaged in transporting, processing, and marketing the products of the farm. There are other millions who make things directly used on the farm, such as machinery and fertilizer; beside the millions who supply the general products of civilization that 5 million farm families want and buy along with other Americans, such as automobiles, radios, TV sets, clothing, books, magazines, household furnishings, and so on ad infinitum.

Directly or indirectly every person in the United States is deeply affected by the economic tides affecting the farmer. As we have said, a drop in farm income almost invariably is a sign of a coming economic storm that hurts and worsens the prospects

of all. On the other hand, as long as farmers are prosperously producing and buying, the national economy almost invariably continues to expand at the tremendous pace of which it is capable, and which is the wonder of the world outside America.

FIVE MILLION FARM FAMILIES

Over 3 million farm families work full-time at farming, almost 2 million others spend part of their working hours on the farm. These 5 million farming families comprise that many separate small-business enterprises, with the family and home closely associated with the farming operation. Almost all the labor is done by the farm operator, members of his family, and the year-around hired hand. Crops and livestock are long-term production processes that cannot be turned on and off from day to day. Most of the farmers' costs are overhead costs that continue even if he makes no crop or raises no livestock. There is his investment in land and buildings and other improvements. He cannot fire his wife and kids, and reduce that expense.

Even though his prices drop he has no alternative but to keep right on producing as long as the fertility of the land will permit and as long as his machinery and other equipment will last. So farm production stays up but incomes drop, and farm family purchasing power tumbles.

Even if the individual farmer were able to cut production he would only lose by doing so, because his small share in the total supply would have no noticeable effect in raising prices.

Not so in industry, where overhead costs make up but a small share of the total. The big industrialist can lay off his labor and cancel orders. By doing so he can escape those costs. Thus, in concert with often not more than 3 or 4 others, he can cut costs by reducing his output while maintaining price. And that historically is just what has happened. That is just what happened throughout 1953 and is happening now.

ECONOMY IS SICK

The national economy has become ill. And so far, farm families and the business and professional people they buy from are absorbing most of the pain.

From the standpoint of equity and justice, is it fair to farm people to ask them to bear such a very large part of the economic ills of the Nation? The real incomes of nonfarm people are now the highest in all history. The purchasing power of farm people is the lowest since before World War II—down 35 percent from only 7 years ago, down more than 20 percent in the past year. Such a situation is obviously unfair, and obviously dangerous from the lessons of past experience.

The farmer learned his lesson very late, and at great cost. All other major industries in the United States had acquired by 1930, effective control over their selling prices by effective organization sometimes aided by Government policies as for example in tariff, patent, and trade-mark protection.

FARMERS HELPLESS

Every one of these devices was designed to increase the bargaining power of the groups which benefited by them. In this world of organized and armored giants, farmers were as helpless as naked men forced to fight against men in tanks. Everybody else made more money off the farmer than they allowed him to keep. Farmers tried to gain economic equality in an organized world, by joining together into cooperative associations to buy and to sell jointly. Cooperatives have helped, but have proven unable by themselves to provide the farmer with full and self-protective bargaining power. Even when they bought and sold together, farmers found themselves still paying high retail prices in markets controlled by formal or informal combinations such as in farm machinery, fertilizer, and so on through the entire list of their needs. At the same time, they found themselves competing with each other, to sell at wholesale prices on an uncontrolled market—or one in which the only vestige of control, or rather manipulation, was exercised by those interested only in playing off farmers against each other, that the products of farmers might be bought more cheaply.

All the fortunes made out of farm products have been made by speculators and processors. The inevitable result was the rapid decline of the American farmer toward peasantry, even while he worked day and night, and flogged and sometimes ruined his land to make a bare living. By 1930 again, more than 4 out of every 10 American farmers were tenants working for someone else. The wonder is that America retrieved the situation before the vast proportion of her farmers sank into peasantry or hopeless tenantry, or abandoned the farm as hopeless and moved to the cities to compete with the toiling millions there for jobs. But we did it.

CARROT AND THE STICK

Now we are faced with loud demands, largely from those who "farm the farmers"; and from income-tax farmers who have made fortunes in the city and who find farming a convenient way of setting up tax losses, that a new farm program be set up under which price supports will be lowered or withdrawn from farmers for producing plenteously; and heightened for producing scantily. The philosophy of scarcity will be enforced to the full. This is the old system of the carrot and the stick, save that in this instance, considering the farmers to be too dumb to understand, the carrot will be used to goad them, and the stick to belabor them across the nose.

This is all especially foolish considering the fact that our 7,500 new mouths to feed daily will by 1975 (only a heartbeat away in the life of a nation) require that farm production in this country increase by half, if we are not to become permanently a food-importing nation at the mercy of foreign producers—and if the teeming billions of the outside world have by that time any food left to send us. If the economists are right in their well-nigh unanimous predictions, our national income will by then afford nearly twice as much real income to each American. The Nation will have plenty to spend, as it has plenty now, for food and fiber. It is the height of thrift to spend enough of it in such a way as to keep people in farming, keep their children in farming against the pull of the cities, give the farmers enough money to farm prudently and to save their soil instead of wasting it, and to adopt the latest labor-saving and product-improving discoveries and devices. It is the height of folly to continue to shove the farmer back, cut his income and progressively starve him out as in the old fable of the miser who got his horse down to one stalk of hay a day—when the horse inconsiderably stopped breathing.

MUST HAVE RESERVE

In the interests of the national safety, and of turning to our side the undecided nations in the cold war as well as hot ones. We need for these purposes at least a year's reserve of the staples; but all the good effects of such a reserve will be canceled out if they are held as a threat ready to be thrown on the market to lower farmers' prices and to cancel out the encouraging and protective effect of price-support programs.

Mr. LANGER. Mr. President, how many people have asked me, "What do you mean by parity?" Well, it is simple.

"Parity," as applied to income, shall be that gross income from agriculture which will provide the farm operator and his family with a standard of living equivalent to those afforded persons dependent upon other gainful occupation. "Parity" as applied to income from any agricultural commodity for any year, shall be that gross income which bears the same relationship to parity income from agriculture for such year as the average gross income from such commodity for the preceding 10 calendar years bears to the average gross income from agriculture for such 10 calendar years.

That is from Public Law 897, 80th Congress, Agricultural Act of 1948, title II, section 201 (a) (2).

Mr. President, one way of measuring the degree to which farm income approaches parity as defined above is to compare the incomes received by people who live on farms.

I am not talking about the "sidewalk" farmer, the man who farms on the side. I am talking about the man who lives on the farm, the small farmer.

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator yield?

Mr. LANGER. I yield to the Senator from South Carolina.

Mr. JOHNSTON of South Carolina. The Senator does not mean the ones who deduct from their income tax what they lost on the farms.

Mr. LANGER. That is correct.

Mr. JOHNSTON of South Carolina. The Senator does not mean people who say they are farming, and who try to farm, but find out what they lost by trying to farm?

Mr. LANGER. True.

Mr. JOHNSTON of South Carolina. And the Government finds it out when it looks at the income-tax returns.

Mr. LANGER. The senior Senator from South Carolina [Mr. JOHNSTON] is exactly right.

I am talking about people who live on farms, including farm laborers, part-time farmers, farm managers, farm residents, and owners of larger than family farms as well as families on family farms, and not people who do not live on farms. Some of the income of people who live on farms—from 20 to 30 percent in various years—comes from nonfarm sources. Some of the income of the nonfarm population is receipt of rent and of interest on farm mortgages.

I request unanimous consent at this point to insert a number of tables in the RECORD on this subject because they are very explicit and go into the matter in great detail.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

Relation between parity price ratio and parity income ratio

	1910–14	1935–39	1947–49	1952	1953
Farm prices, percent of parity [1]	100	86	108	100	92
Per person income, people on farms [1]	$134	$243	$827	$905	$882
Per person income, nonfarm population [1]	$473	$599	$1,426	$1,842	$1,808
Farmers income, percent of parity [2]	28	41	58	49	46

[1] Source: Agricultural Marketing Service, formerly Bureau of Agricultural Economics.

[2] Calculated by dividing farm by nonfarm per person incomes.

Average and middle family incomes of different occupation groups

[Data from Board of Governors, Federal Reserve System; in 1953 Statistical Abstract of United States]

[In 1953 Statistical Abstract of United States]

Occupation of head of family	Average yearly income [1]			Middle income [2]	
	1949	1950	1951	1950	1951
Professional and semi-professional	$5,350	$5,630	$6,020	$4,500	$4,500
Managerial	5,960	6,580	8,960	4,950	5,350
Business	5,400	5,330	5,820	4,100	4,180
Clerical and sales	3,260	3,910	3,920	3,200	3,410
Skilled and semi-skilled labor	3,350	3,530	3,970	3,600	3,800
Unskilled and service labor	2,220	2,350	2,320	2,100	2,100
Farm operator	2,570	2,480	2,660	1,900	1,880

[1] Total income of group divided by number of families in group.

[2] Half of families in group had more income than shown and half of families had less.

The figures shown above for "farm operator" are for all farm operators, including larger-than-family units as well as part-time and residential farm units, and includes income from all sources.

For comparison purpose, the table below compares the average income in 1949 from farming and from all sources as calculated from special tabulations published by Bureau of Agricultural Economics and Bureau of Census, in cooperation.

Full-time family farms, 1949

Average per-family income from farming	$1,896
Average per-family income from other sources	725
Average per-family income from all sources	2,621

The median (middle income) family income of farm families on full-time family farms was probably close to $1,900 in 1949.

Variation of incomes among farm people and within nonfarm population

[Percent distribution of families by total money income, 1951]

	Total number	Under $3,000	$3,000–$4,999	$5,000 and over
Farm operator families	3,451,000	68.5	19.1	12.4
All other families	36,371,000	40.0	38.5	21.5
Farm laborers	613,000	86.8	9.4	3.7

Source: Bureau of Census.

Median (half got more; half less) family income in 1951 of farm, rural nonfarm, and urban families compared

Urban	$4,071
Rural nonfarm	3,365
Rural farm [1]	2,131

[1] Including farm laborers, farm managers, etc.

Source: Bureau of Census, series P–60, No. 12.

Average income per person of people who live on farms compared with that of nonfarm population, selected years

[1953 dollars]

	1935–39	1941	1948	1951	1952	1953
People on farms [1]	528	724	995	986	905	882
Nonfarm population	1,152	1,489	1,684	1,796	1,842	1,898

[Actual dollars]

People on farms [1]	243	346	925	986	905	882
Nonfarm population	599	819	1,516	1,742	1,842	1,898
People on farms from farming [2]	169	244	728	753	655	615
People on farms, other sources [3]	74	102	197	223	250	267

[1] Income per person from all sources, include farm laborers and their wages.

[2] Income derived from farming.

[3] About 80 percent of this is nonfarm wages and 20 percent return from investments.

Source: Data from Agricultural Marketing Service, formerly Bureau of Agricultural Economics.

Percent of families in different income groups, 1951

[Bureau of Census figures]

	Urban families	Rural nonfarm families	Farm families
Under $2,500	20.4	32.7	58.5
$2,500 to $4,999	45.6	44.6	29.1
$5,000 to $9,999	29.5	20.6	10.6
$10,000 and over	4.5	2.1	1.8
All	100.0	100.0	100.0

Average value of farm products sold, average total annual farm operating expenses, and average farm and family income, for different groups of family farms, 1949

	Number of families	Average per family for group				
		Value of farm products sold	Annual operating expenses	Family income from farm	Income from other source	Total family income
Relatively adequate	1,984,664					
Group X	381,151	$14,990	$10,260	$4,730	$870	$5,600
Group XX	721,211	7,060	4,030	3,030	670	3,700
Group XXX	882,302	3,670	1,920	1,750	750	2,500
Grossly inadequate	1,618,517					
Group Y	901,316	1,780	800	980	920	1,900
Group YY	717,201	1,035	485	550	425	975

The Gallup poll in 1953 found that farmers think that about $2,100 per year is the smallest amount needed for a farm family to get by on.

By the measure suggested by farmers themselves approximately 1,608,517 (45 percent) family farmers had grossly inadequate incomes, and about half (50 percent) of all people on farms had grossly inadequate incomes.

The Bureau of Labor statistics estimated that a Denver, Colo., city worker's 4-person family in terms of 1949 prices needed an income of $3,800 in order to have a modest but adequate standard of living. In terms of the lower prices farm families pay for food and rent (15 percent less) that means that a farm family should have had about $3,200 (in 1949 dollars) in total income available for family living in order to have what might be termed a modest but adequate American standard of living on the farm.

Less than one-third of America's family farmers, 1,002,372 were able to earn this much or more income in 1949. More than two-thirds (2,500,819) had less.

Percentage distribution of full-time farm operator families and all families by family income from all sources, 1949

[Source: Special cooperative study, BAE and Bureau of Census]

1949 family income	Farm operator families	All families in United States
	Percent	Percent
Under $500	13	7
$500 to $999	14	8
$1,000 to $1,999	25	14
$2,000 to $2,999	17	19
$3,000 and over	31	52
All	100	100

Index numbers of family income

	1910–14	1935–39	1947–49	1951	1952	1953
Manufacturing workers	100	215	509	621	652	687
Hired farm laborers	100	121	430	470	503	513
Income per farm family	100	181	617	736	675	658
Nonfarm population	100	127	309	368	389	401
Manufacturing workers weekly earnings	$10.52	$22.42	$53.01	$64.71	$67.97	$71.54
Annual per capita income, person on farms	$134.00	$243.00	$827.00	$986.00	$905.00	$882.00
Annual per capita income, nonfarm population	$473.00	$599.00	$1,462.00	$1,742.00	$1,842.00	$1,898.00
Farmer income, percent of parity income	28	41	58	56	49	46

How farm families are doing (1953 compared with 1952)

Item	1952	1953	Change 1952 to 1953
			Percent
Purchasing power of farm families [1] (million 1953 dollars)	$13.5	$12.8	−5
Corporation profits [2] (billion dollars)	$39.2	$43.2	+10
Corporation profits [3]	$18.6	$19.6	+5
Dividends paid by corporation [1] (billion 1953 dollars)	$9.1	$9.3	+2
Average weekly earnings of manufacturing workers [1] (1953 dollars)	$69	$72	+4
Rate of interest on corporate bonds (percent)	2.96	3.20	+8

How farm families are doing (1953 compared with 1952)—Continued

Item	1952	1953	Change 1952 to 1953
			Percent
Rate of interest on 4–6 commercial paper (percent)	$2.33	$2.52	+8
Rate of interest on new farm mortgages (percent)	4.75	5.00	+5
Everybody's personal income, after taxes [4] (billion 1953 dollars)	$235	$248	+6
Gross national income (million 1953 dollars)	348	367	+5

[1] Before paying personal income tax.

[2] Before paying corporation income tax.

[3] After taxes.

[4] Includes income received minus taxes paid of farm families, laborers, merchants, clerks, everybody.

See footnotes at end of table.

The way farm-family income has been dropping when almost everybody else in the country is doing better

	Income per person						
	1947	1948	1949	1950	1951	1952	1953
Farm people	$788	$925	$767	$818	$986	$905	$882
Nonfarm people	1,386	1,516	1,484	1,567	1,742	1,842	1,898
Income after taxes per person per year, everyone in the United States (1953 dollars)	1,392	1,442	1,424	1,509	1,508	1,516	1,553

Real income per person from all sources

[1953 dollars]

	1952	1953	Change
			Percent
Farm people	$905	$882	−2.5
Nonfarm people	1,842	1,898	+3

One result of recent downturn was: Net worth of United States farm families dropped by 7 percent from Jan. 1, 1953, to Jan. 1, 1954.

	Billions of dollars on Jan. 1	
	1953	1954
Farm assets dropped	$165	$156
Real-estate assets	92	86
Nonestate assets	51	48
Financial assets	22	22
Debts rose	16	17
Real-estate debt	7	8
Other debt	9	9
Net worth:		
Current dollar	149	139
1953 dollars	148	139

Mr. LANGER. Mr. President, in conclusion, I simply wish to say that in 2 minutes my hour and a half expires. I asked for 1½ hours yesterday. The Senate kindly and graciously granted me that hour and a half, and I am grateful to all Members of this body for not objecting to my request.

I simply wish to say in conclusion that I believe that no Senator who will take the trouble to go into this matter carefully can come to any other conclusion but that price supports should be sustained, at least at 90 percent. No one has ever convinced the Senator from North Dakota that there should not be price supports at 100 percent. What legitimate argument can there be against a farmer being treated 100 percent as well as the man in industry or business, a man who may be in the newspaper publishing business, or in any other concern which has been getting the benefit of subsidies.

I hope that every Senator will carefully investigate the question of subsidies, because it is sadly misunderstood from one end of the country to the other. Many people feel that the farmers have been getting something in the form of a subsidy, and that no one else has been getting it.

The truth of the matter is that the opposite has been the case. The man in the lumbering business, the man who operates a large airplane company, and the newspaper publisher all have subsidies, including the mining industry.

As I showed by my figures, the amount the farmer has received is far, far less than has been given to any industry in existence in the United States today.

POLITICS IN CIVIL SERVICE

During the delivery of Mr. LANGER'S speech,

Mr. JOHNSTON of South Carolina. Mr. President——

The PRESIDING OFFICER. Does the Senator from North Dakota yield to the Senator from South Carolina?

Mr. LANGER. I did not know the Senator was going to accept the invitation so quickly. I yield to the Senator from South Carolina.

Mr. JOHNSTON of South Carolina. The Senator yielded a while ago, and he was so glad to do it I thought perhaps he would be willing to yield in order that I might ask unanimous consent to insert in the body of the RECORD a series of four articles appearing in the Washington Post and Times Herald.

These articles have been written by that very able and esteemed Government reporter, Jerry Kluttz.

The first of the series appeared on June 13, 1954, entitled: "Politics Engulfing More Top-Pay Jobs."

The second appeared June 14, 1954, entitled "Political Demands Cause Difficulty for Civil Service Commission Chairman."

The third was under date of July 19, 1954, entitled "Drive for Patronage Seeks Added Jobs."

And the last appeared on August 1, 1954, entitled "Civil Service Action Opens Path to Control of Many Jobs by Patronage Forces."

Mr. President, it looks to me and others with whom I have talked that the "great crusade" has really started rolling—but after it got all warmed up, somebody headed it in the wrong direction.

I will have to say to some of the Republican spokesmen who have been using the old alibi for the inactivity of their administration by saying, "You can't undo in 18 months what it took the Democrats 20 years to build up," they certainly are not referring to the civil service merit system.

The Ace Wrecking Co. could not have done a better job, in so short a time, of destroying a civil service merit system that it took the Democrats 20 years to build up.

Mr. LANGER. Mr. President, I decline to yield further. I did not understand my distinguished friend was going to attack the Republican Party. I am not yielding for that purpose. If he wants to attack the grand old party of which I am a member, he has to do it on his own time. I certainly am not going to stand here and yield for any such purpose as that.

Mr. JOHNSTON of South Carolina. I ask unanimous consent to have these articles and a few additional comments by me printed in the RECORD.

There being no objection, the comments of Mr. JOHNSTON of South Carolina, and the articles, were ordered to be printed in the RECORD, as follows:

I have tried repeatedly on many occasions to impress the Republican members of this body of the great and urgent need for an immediate investigation to put a stop to this "rape" being accomplished by the Civil Service Commission and the Post Office Department. With the session drawing to a close it looks as though I will not be successful.

However, I want now to serve notice that next January when we again assemble in this Chamber under a Democratic majority leadership—my first request will be for necessary funds to conduct a thorough investigation of this spoils-system commission and to develop the necessary legislation that would restore integrity and security to Government.

[From the Washington Post and Times Herald of June 13, 1954]

POLITICS ENGULFING MORE TOP-PAY JOBS

(By Jerry Kluttz)

Something happened the other day which should be a danger signal to those who are genuinely interested in the already crippled career civil-service system.

Bluntly, it could be the prelude to the dumping of additional top-rung classified jobs into politics.

Briefly, here's the story:

The Senator voted to allow the Administrator of Federal Housing to set up 18 GS–16 ($12,000) jobs outside the civil-service system. The FHA chief was given the authority to make strictly political appointments to all 18 of the so-called super-grade jobs under the rider.

The significance of the action, however, is far more important than the 18 jobs in themselves. Here's some of the background on it:

Politicians of both parties have had their eyes on the grade 16, 17, and 18 jobs ($12,000 to $14,800) since they were created several years ago.

The weak argument has been made recently, by the House Appropriations Committee and by individual members of Congress, that the top classified jobs were never intended for the career civil servant but were set up to induce outsiders to enter the service for limited periods (as if no career people are qualified for the grades and the salaries and that only outsiders are deserving of them).

The Civil Service Commission itself is partly responsible for focusing political interest in the top-pay jobs. A year ago it embarked on a plan to strip civil service from those jobs it defined as either "policy" or "confidential."

CSC has stretched the meaning of "policy" and "confidential" to exempt some of the jobs from the merit system, and it isn't stretching the truth to say it has yielded to political pressures on some of the cases. Also, its use of schedule A to open up jobs for possible political appointments is also open to question.

CSC has the authority to strip civil service from Federal jobs, which makes the nonveteran career employees in them vulnerable to political firings. But it can't waive veterans' preference and the job security provisions of that act. As a result, the many veterans in schedule A and C jobs outside of civil service can't be arbitrarily removed.

Several agency heads would like to fire some of the veterans in the exempt jobs to make room for their own appointees and they are promoting legislation similar to the FHA rider to get for themselves the absolute power to hire and fire in the top classified jobs.

Meantime, there is talk of requiring Senate confirmation of appointments in many top jobs, and it is being indulged in by both Republicans and Democrats. This is their argument:

CSC says there are several hundred jobs, from grade 12 up, which don't belong in the career civil-service system and it has transferred them to its political schedule C. The Senate confirms appointments to most policy jobs, so why shouldn't it confirm those in schedule C?

It isn't an easy argument to answer, and if confirmation is required, the result likely would be more politics and less merit in the entire top layer of Federal jobs. The ceiling would be lowered on both salaries and jobs to which those employees could aspire on the basis of their own abilities and competence. It would be politics first, ability second.

It's unfortunately true that partisan political considerations already are entering into the appointments and promotions of people to civil service jobs which are supposed to be filled on a merit basis. When some agencies mix civil service and politics, Congress can't be blamed for trying to horn in on the act.

People involved, and who should know firsthand, have made these serious charges of politics in the civil service, despite agency denials in some instances:

Foreign Operations has required clearance for even stenographers and clerks. Also, civil servants up for promotions on their own merits have had to round up letters of indorsements from certain GOP sources. Reportedly, most appointments and promotions in that agency must have the prior O. K. of the patronage dispenser there.

Some displaced career employees who have spent their adult lives in Government, and who were laid off through no fault of their own, soon discovered that a GOP political clearance was the single most effective means of finding another Federal job.

Endorsements from certain political sources will help pave the way to land a middle- or high-grade job at Small Business, State, Commerce, Justice, Post Office, Agriculture, and in even some supposedly "nonpartisan" Commissions.

Political clearances are said to be required from civil servants for grade promotions to grade 13 (and upward) jobs by several agencies.

Reportedly, a CSC office in the agency set up to promote and strengthen the merit system is checked by some key agency officials for "guidance" on how to get around the civil service system legally in order to make political appointments and promotions.

Add it all up, and it isn't a pretty picture.

[From the Washington Post and Times Herald of June 14, 1954]

POLITICAL DEMANDS CAUSE DIFFICULTY FOR CSC CHAIRMAN

(By Jerry Kluttz)

Politics and civil service mix about as well as oil and water. The two are natural enemies; they are polls apart.

Nevertheless, a stout effort has been made by some top people in this administration to blend the two opposites.

In fact, several influential Republicans in Congress have tried to oust CSC Chairman Philip Young because he hasn't always been sympathetic to their patronage demands.

During Senate hearings on CSC's budget, Young was quizzed at length for details on the estimated 315,000 non-civil-service jobs in Government and how they could be made available for political appointments.

Senator DIRKSEN, Republican, of Illinois, chairman of the GOP Senate campaign committee and who is charged for unearthing patronage for his Senate colleagues, was grilling Young and at one point he said in part: Can't you break this down (the 315,000 job figure) and give us a little more data in tabular form and show us where these are? * * * If I can just transmit that information and say to the various members, 'Look, here is a job; there is a job,' it makes the task a good deal easier.

"You tell me what you can do to get me out of this difficulty; otherwise, they will be looking for your scalp and mine."

Young quickly conceded that his scalp was getting pretty worn, and when he hesitated about supplying the information, DIRKSEN commented:

"I would like to make a little deal," he said to Young, "If you whisper to me how much money you need to do this job, I will speak to our chairman over here and see what I can do about it."

Young then agreed to make a survey and to supply detailed information on schedule A and C jobs outside of civil service that could be used for patronage.

The subject was ended with this implied warning from DIRKSEN to Young:

"I must assure you that I am constrained to pursue this. I have no choice in the matter. I shall have to pursue it with a great deal of vigor. * * * I trust that before too long something concrete will materialize."

Congress should have full information on all Federal jobs; that's not the point. CSC was set up to promote and to strengthen the merit system in Government and not to be a clearinghouse on possible patronage jobs—data which is available only in the respective agencies.

CSC Chairmen and its members have been threatened in the past for their alleged failure to take steps which some people believe would have been to the best interests of the merit system, but this is one of the few times a chairman has been threatened with the loss of his job because he was reluctant to put his finger on agency jobs that could be used for patronage.

As pointed out here yesterday, a CSC office reportedly aids and abets the agency patronage officials by advising them how to get around CSC, and so forth.

CSC seems to be paying more attention to GOP politics and patronage and less to its task—the improvement of the career CS system.

Realistic Members of Congress know that no substantial number of Federal jobs can be turned over to patronage outright unless the veterans' preference and other such laws are modified. Only Congress can change these laws and it won't do it. So, some of its Members are trying to badger CSC to do its work.

Nonetheless, a political climate is being created in some agencies and career civil servants are asking: "Is it more important to get a letter of recommendation from a precinct political boss or have the qualifications and the ability to get either a job or a promotion in some agencies?"

[From the Washington Post and Times Herald of July 19, 1954]

DRIVE FOR PATRONAGE SEEKS ADDED JOBS

(By Jerry Kluttz)

The Eisenhower administration is making a determined effort to assume partisan political control over many thousands of Federal jobs both in and out of the civil-service system.

The drive for patronage is being directed from the White House.

The Republican National Committee set up an elaborate system here to clear people down to the precinct level for both Federal appointments and promotions.

Army, Navy, Air Force, Foreign Operations, and bipartisan agencies that have been more or less insulated from political patronage demands in the past are not excluded from the present drive for jobs.

It is routine, and expected, for the administration in power to exercise political control over many jobs outside the civil service and other merit systems such as those operated by TVA, FBI, etc.

But the current drive also includes some jobs under the civil-service system, jobs which are supposed to be free from partisan political considerations and to be filled on the basis of merit.

Outside the Post Office Department, where politics has been considered for years in appointments and promotions to many of its jobs, civil service and otherwise, the civil-service system in general has been relatively free of partisan political influences.

A high-ranking official says the present Civil Service Commission seems to have closed its eyes to the growing influence of partisan political considerations on appointments to some of the jobs under its merit system.

The patronage drive, now well under way, has helped to silence demands on the Eisenhower administration for jobs from GOP members of Congress and from the Republican National Committee.

Soon after the Eisenhower administration was swept into power, the Republican National Committee, as was expected, attempted to dictate appointments to many Federal jobs.

At first the committee had very little success. Its officials were told repeatedly that this or that job in question was under civil service or the person in it had either permanent civil-service status or veterans' preference rights.

Gradually, however, a few of the agencies began to "clear" appointments, including those for some civil-service jobs, with the committee. This was done through a top-level appointee in the agency whose job is to check the political angle on appointments and promotions.

A notable example of political operation along this line is Harold Stassen's Foreign Operations Agency, where even stenographers and clerks have been required to produce the "proper political clearance." No appointment or promotion can be finally approved in the Agency unless it has the approval of the lady there who is Stassen's liaison with the administration's political arm.

Other agencies, however, continued to make appointments and promotions within the civil-service process, and they did not clear them in advance with the Republican National Committee.

Somewhere along the line came a recent showdown at the White House, and the decision there was apparently cast with the patronage forces.

In recent weeks agency heads have received "confidential—not for publication" letters on White House stationery, in which they were directed to "clear" certain of their jobs with the committee before making appointments to them.

Strangely, the letters were not signed. Only a small supply was printed. Reportedly, they were delivered by hand to some agency heads for their information only. Precautions were taken to keep copies from the public eye.

However, it is reported on excellent authority that many agency heads have been instructed either by letter or orally to "clear" appointments to these jobs with the Republican National Committee:

Jobs in grade 14 ($9,600 starting salary) and upward irrespective of whether they are in or out of the civil-service system.

So-called 303 jobs, positions under civil service but which the CSC cannot fill with sufficient qualified eligibles. In such cases CSC authorizes the agencies to hire people on the open market for them. The agencies, however, are supposed to require appointees to meet minimum CS standards for the jobs, to follow veterans' preference, etc.

Jobs, such as attorneys and others, outside the civil-service system.

Even though the White House directive on jobs was unsigned, officials assume it came from the office of Sherman Adams, the assistant to the President. Adams' assistant on patronage matters is Charles F. Willis, Jr., and he is the contact man with the National Committee on most agency officials.

Despite the directive, several agency heads whose jobs are under civil service are said not to have cooperated to the point desired by the patronage forces.

One top-rank official, an Eisenhower appointee, is said to have threatened to resign with a blast at the patronage drive.

Meantime, CSC, the agency charged with strengthening the merit system, is compiling details on many thousands of non-civil-service jobs which will be turned over to the patronage forces.

[From the Washington Post and Times Herald of August 1, 1954]

CSC Action Opens Path To Control of Many Jobs by Patronage Forces

(By Jerry Kluttz)

The Civil Service Commission has, by a recent action, helped clear the path to partisan political control over many thousands of Federal jobs which are supposed to be under its merit system.

The agency was created to strengthen the merit system in Government; it is supposed to be divorced from political considerations in the appointments and promotions of Federal personnel.

In an unpublicized move, however, CSC directed each of its 10 regional offices and the 800 agency boards of examiners to send a copy of each authorized job opening to the head of the appropriate agency here. Officially, it now maintains this step was taken for another purpose—to keep a closer check on the direct hiring of agencies.

However, once the lists of civil-service jobs to be filled are sent here, political wheels begin to grind. Many of the jobs are referred to the Republican National Committee and to other GOP political sources, and candidates who are cleared politically are given preference for the appointments.

As revealed here on July 19, agency heads have been directed by the White House to clear appointments to these and to other Federal jobs with the Republican National Committee. The recent CSC action makes the task of spotting vacant Federal jobs, and of clearing them, much easier for politicians.

In fact, a top Federal official conceded to this reporter that the CSC order was for the dual purpose of supplying Federal job information to GOP patronage forces and also to provide CSC with information on the effectiveness of its job examining program.

The jobs involved are referred to as "303 authority" positions by Government people. These positions are under civil service, but are ones which CSC is unable to fill from a list of eligibles who qualified for them through competitive tests. In such cases, CSC authorizes the agencies to fill the jobs from the open market, provided the people selected meet its minimum standards for them.

An estimated 40,000 jobs were filled last year through the direct hiring, or "303 authority." Despite the slowdown in Federal hiring, the number this year could be even larger for these reasons:

1. CSC has a smaller operating budget; it has fewer dollars to spend on competitive tests, and that would indicate more CSC jobs will be filled through direct agency hiring.

2. However, there is a deep suspicion in reliable quarters that some agency officials in the field have yielded to political pressures and are deliberately not holding tests for some jobs in order to open the door for appointments to them from political sources.

The extent to which CSC will enter the partisan political arena is likely to be determined by the method used to fill its several vacant regional director positions.

Reportedly, Chairman Philip Young, who has the power over them, wants to fill them with career civil servants on a merit basis, a system followed many years by the agency which is charged with promotion of a career system in Government.

However, there are those in powerful places who are said to be insisting on GOP political clearances for the jobs. Also, the same sources are reported to be after the jobs of several CSC officials here and in the field.

Young reluctantly agreed to provide GOP members of Congress with details on the many thousands of noncivil service jobs which could be turned over to patronage after they had threatened to get his scalp.

AGRICULTURAL ACT OF 1954

The Senate resumed the consideration of the bill (S. 3052) to encourage a stable, prosperous, and free agriculture and for other purposes.

Mr. MURRAY. Mr. President, I shall detain the Senate only for a short period by the remarks I am about to make.

At the outset, I should like to say that it cannot be disputed that a majority of the farmers in the United States are in real economic trouble.

Their prices are down from 112 percent of parity in 1951 to 88 percent of parity now.

They have been required to reduce acreage of corn, wheat, and cotton, and must reduce them more next year.

The prices that farmers have to pay for supplies—their expenses—remain at peak levels.

The result is a serious farm recession that is injuring our whole economy, and we have not hit bottom yet. In 1955 further reductions in acreage must be made to shrink our production to the level of our outlets.

On top of all of this, it is now proposed that we reduce the level of price supports.

Mr. President, ever since I came to the Senate, along with a majority of my colleagues, I have fought to improve our farm price support system. Throughout these years of continuous struggle against the various predatory interests that seek to exploit the farm people, our goal has been a price support system that would prevent a farm recession, and also prevent another depression in the United States like that of the late twenties and early thirties, which was farm-led and farm-fed.

We have been preparing defenses against just such a time as the present—a program that would prevent an economic disaster in agriculture and consequent national economic difficulties.

Now that the time of greatest need for firm farm price supports is upon us, it is proposed to weaken them—to drop them from 90 percent of parity to 80 percent minimum next year and on down to 75 percent in 1956.

This is the year, with drastic acreage reductions and farm costs remaining high, when we ought to raise supports to 100 percent of parity.

In Montana this year we have taken a 24 percent reduction in wheat acreage. The loan value of our 1953 wheat crop was $252 million. This year, if yields per acre are the same as a year ago, our crop will be worth $191 million at 90 percent of parity. That means a $61 million fall in Montana wheat income this year. It will hurt business in every town and in every store in the State.

Next year, Montana wheat farmers face another 14 percent cut in wheat acreage from 4,603,000 acres to 4,025,000. With 90 percent price supports and the same yields as in 1953, that crop will be worth $165 million.

Mr. President, if the Aiken amendment to cut minimum supports to 80 percent of parity is adopted, it would knock the support value of next year's Montana wheat crop down another $15 million to $16.5 million, to $150 million or less. It would not result in any reduction in land planted to wheat by a single acre. It would not reduce bread price to consumers. It would accomplish absolutely nothing but a further reduction in farm income, a worsening of the farmers' troubles and a worsening of the perilous economic situation of the Nation.

The great tragedy of our present agricultural situation is that the administration has devoted its time to a crusade against our great farm programs, instead of constructive efforts to make worthwhile use of our abundant production.

There are hungry people in the United States and starving people in the free world who need all the food we can produce. More than a year ago I was joined by a large number of Senators in the introduction of a resolution calling for the creation of an international food reserve. Such a reserve would make it possible to use our great agricultural production to help our free world allies banish want. It would help to establish peace. It was hailed by many groups in the United States and in other parts of the world.

The international food reserve proposal has received no consideration by the administration or by the committees of this Congress. We have adopted an International Development and Assistance Act that authorizes barter, sale for nondollar currency, and sale at cut rates of a small fraction of our so-called surpluses. It may do a little good, but $1 billion in 3 years is miserly compared to the sort of program that should be initiated in view of both of our domestic agricultural problems and the free world need for food.

We are spending tens of billions of dollars every year on military preparedness. We are sending billions of military supplies abroad every year to strengthen free world defenses.

Everyone knows that food and clothing are two of the most vital weapons in mankind's struggle for a happier and more peaceful world. We can supply these in large quantities. But we are miserly about them at a moment when the farmers of this Nation need outlets and the free world needs food and clothing desperately to end unrest and halt the growth of communism among hungry peoples.

Mr. President, there are domestic outlets for food that have not been fully supplied.

The distinguished senior Senator from Oklahoma [Mr. Kerr] and other Senators introduced a bill to provide those on old-age assistance with food certificates equal to 10 percent of the funds

provided for them. It would improve their inadequate standards of living a little bit. It was a timely proposal.

A number of us have joined with the distinguished Senator from Minnesota [Mr. HUMPHREY] in a domestic food allotment proposal, but it has not been given consideration. The able and respected chairman of the Senate Committee on Agriculture [Mr. AIKEN] is the author of a similar proposal, but he has not pressed his bill.

These measures would constitute constructive steps to meet the farm problem by expanding markets and making use of our abundance to meet the needs of people here in the United States and the free world.

But instead of pressing for a great expansion in the use of our farm production, which might have lessened the necessary acreage reductions and price pressures, the administration has concentrated on shrinking farm production down to the size of present available markets.

We have been told that lower farm prices will increase food consumption.

The House Agriculture Committee has demonstrated the complete falsity of that contention in its study of farm prices and the cost of food to consumers.

Farm prices went up 29 percent when the price controls were removed at the end of World War II. But consumer food prices went up 45 percent.

Since 1951, the farmers' prices have dropped from 112 percent of parity down to 88 percent of parity. But food prices are down less than 1 percent.

In June of this year—just a few weeks ago—farm prices fell 4 percent and retail food prices advanced one-half of 1 percent.

The House committee reported that—

Thus far almost none of the lower prices received by farmers since 1951 has been passed on to consumers in the form of lower retail food prices. Further declines in farm prices are expected as more livestock and livestock products come to market and price-support levels are lowered. Consumers can expect little benefit, however, from these lower farm prices unless recent tendencies to increase marketing and processing charges are curbed.

What has been done to curb these widening marketing and processing charges? Why, we have forbidden the Federal Trade Commission to spend any of its funds for an investigation of food price spreads. And there has been no congressional investigation of these spreads, although one was promised us earlier in this session of the Congress.

An effective attack on these price spreads which actually lowered food prices to consumers might stimulate consumption somewhat and relieve the farmers of acreage reductions in some degree. But that attack upon the problem of greater consumption has been avoided. There has been an apparent determination to make the farmers' lot as hard as possible; to make him shoulder the entire burden of postwar adjustment while agricultural processing and marketing industries, and industries generally, have increased both their margins and their profits.

Mr. President, a great deal has been said about the cost of price supports. Secretary of Agriculture Benson has used multibillion-dollar figures about Commodity Credit Corporation stocks whenever he refers to what price supports are costing the taxpayers.

The fact is that actual losses on price-support operations have been only a little over $1 billion in 20 years. Budgeted aids to agriculture have been running far below budgeted aids to business. From 1949 through 1955 the budget shows that our total expenditures for agricultural aids will amount to $3.7 billion, while appropriations for aids to business will run nearly $5.9 billion.

I hold in my hand a document entitled "Government Subsidy Historical Review," a publication of the House Committee on Agriculture, from page 2 of which I have quoted the above figures.

Mr. President, our great stockpile of food, which is actually a national asset, is almost insignificant compared to our stockpiles of other defense material. A House committee report in June shows that we had $129 billion of military materiel, a $5.7 billion stockpile of scarce minerals and other comodities, compared to less than $3 billion of farm commodities in Commodity Credit Corporation inventories last November 30. If CCC inventories amount to $5 billion, or even $6 billion, today, they are still small compared to other defense materials, and they are well worth whatever is invested in them. Abundant food supplies for our armies and our civilian population are as great a deterrent to an aggressor as arms and ammunition. Our abundant supplies of wheat and other foods and fiber were a principal factor in our victories in both World Wars. The A-bomb and the H-bomb have not ended the necessity for an abundance of food in the conduct of wars.

If we adopt a lower level of price supports, it will of itself be tremendously expensive to the Nation. We will have to devalue all Commodity Credit Corporation stocks, including stocks held as collateral for nonrecourse crop loans.

The ranking minority member of the House Agriculture Committee, Hon. HAROLD COOLEY, in an addresse to the House on July 27, estimated that such devaluation losses would run $1.6 billion if the price level fell from 90 percent to 75 percent of parity. On the basis of his calculations, a drop to 80 percent of parity would mean losses of more than a billion dollars—approximately the amount we have lost in 20 years on all price-support operations.

This tremendous loss would not gain anything either for the farmers or the consumers of the Nation.

The farm value of wheat in a 1-pound loaf of bread is 2.7 cents. A 2- or 3-mill reduction in wheat cost would not be reflected in consumer prices. As a matter of fact, when wheat reached its peak value of $2.81 per bushel in 1948, bread was seling under 14 cents a loaf. The price of wheat is down now to $1.91 a bushel but bread is up to 17 cents.

The farm value of cotton in a $3.95 cotton shirt is about 30 cents. If we reduce cotton prices 10 percent, it would mean a 3-cent saving on a $3.95 shirt, which would have very little likelihood of ever reaching the consumer.

The Secretary of Agriculture has had an opportunity to experiment with his theories about lower farm prices. The Congress has stood by while he lowered dairy price support from 90 percent of parity to 75 percent of parity. Production has continued to rise. The Commodity Credit Corporation continues to acquire stocks of butter, cheese, and dried milk.

Dairy farmers have been very seriously hurt, not only in loss of current income but by the devaluation of their herds and their dairy farms.

But the dairy problem has not been solved by the Secretary's drastic action. The major net effect has been to cause suffering and economic distress among the dairy producers of the Nation.

We should have had enough of this tragic experiment by this time to restore dairy price supports to a higher level.

Mr. President, we ought to be considering the farm problem today from the standpoint of the economic welfare of the farmers, and of the Nation as a whole. We ought to be seeking out means of increasing farm income and abating the farm recession. We ought to be considering ways to build up rather than tear down.

The Joint Committee on the Economic Report warned us early this year that this is no time to hit farmers with flexible-price supports or a new parity formula that would further reduce their income.

The committee majority told us that it seems most likely "that the proposed shift at this particular time would be an unnnecessary disrupting factor."

In the two decades that I have fought to help the farm people of this Nation achieve equity and a measure of economic security, I do not remember an episode in which the forces arrayed against the farmers' programs have been so completely without a defense of their viewpoint.

In the interests of the farmers of the Nation, and of our whole economy, I hope that the Senate will stand firm for 90 percent of parity price supports and that we will increase dairy price supports through our action on this farm bill.

Last week, Mr. President, I spoke briefly in opposition to the proposal to amend the farm bill by adding the content of S. 2548, a bill to give grazers greater rights in the national forests.

The opposition to this bill, as I pointed out, arises from the multiple uses of the forest lands. Our forest lands have been set aside primarily for timber purposes. But they have great watershed values, great recreation values, as well as timber values, all of which exceed, in dollar terms, the grazing values.

I want the grazing values of our national forests conserved to the extent possible and consistent with the other values, but I oppose any measure which will tend to give grazing a paramount voice in the administration of the national forests.

A report on the timber harvest from the national forests for the year ending June 30, 1954, has just been issued by the Department of Agriculture. It was the biggest year in history, with a cut of 5.37 billion board feet, compared to 5.16 billion board feet the previous year. The value of the timber harvested exceeded $65 million.

Also, Mr. President, I have received a release from the Department of the Interior showing how use of the national wildlife refuges increased in 1953. There were 4,686,909 visitors to the 272 refuge areas, an increase of 10 percent over the previous year.

I ask unanimous consent to have this Interior Department release printed in the RECORD at this point, because it indicates the increasing use of our great natural areas by fishermen, hunters, picnickers, for swimming and nature study, and by those who are just seeking the relaxation and inspiration of the great out-of-doors.

There being no objection, the document was ordered to be printed in the RECORD, as follows:

PUBLIC USE OF FEDERAL WILDLIFE REFUGES SHOWS INCREASE

A record for the public use of national wildlife refuges was set during calendar year 1953 when 4,686,909 people visited the 272 areas administered by the Fish and Wildlife Service, Acting Secretary of the Interior Ralph A. Tudor said today.

This represents a 10 percent increase over the 1952 record of 4,260,789 persons seeking recreation on the refuge areas.

More than one-third, or 1,433,445, of the visitors in 1953 used the refuges for fishing. (Public hunting accounted for the most noticeable increase, with 347,986 visitor-days tabulated for such use, an increase of 87,648 over 1952.) Picnicking, swimming, and nature study opportunities were the principal objectives of the other visitors.

Refuges which attracted the most visitors were the Wichita Mountains, in Oklahoma, with 742,047; Crab Orchard, in southern Illinois, 714,240; upper Mississippi, extending along that river in Minnesota, Wisconsin, Illinois, and Iowa, 340,005; Wheeler, in Alabama, 291,000; Tennessee, in Tennessee, 225,000; Tule Lake, in California, 165,423; Havasu, along the Colorado River in Arizona and California, 160,000; and Horicon, in Wisconsin, 132,798.

As an important part of its overall program, the Fish and Wildlife Service administers 272 national wildlife refuges in the continental United States, Hawaii, Puerto Rico, and Alaska. These refuges are managed on a multiple-use basis, insofar as this can be accomplished without defeating the primary purpose for which each was established.

In the broadest sense, these refuges make their greatest contribution to the Nation's recreation in the production and protection of wildlife, particularly migratory waterfowl, in order to insure the perpetuation of the sport of wildfowling for several million hunters. The more tangible contributions the refuges make to recreation are the facilities available for fishing, camping, boating, picnicking, nature study, and related use.

On virtually all refuges, except during periods of waterfowl concentration, fishing is permitted in accordance with State laws and regulations. On a few refuges, which are large enough to accommodate limited hunting, the Service, in cooperation with State conservation departments has permitted public shooting on small portions of the areas.

Recreational facilities have been established, developed, and maintained on numerous refuge areas. On areas which lend themselves to recreational uses without involved development and construction, the facilities are provided by the Service. On others, the recreational facilities are developed and operated either in cooperation with local governmental or civic groups or by commercial concessioners.

Mr. MURRAY. While this release deals with wildlife refuges, all the great natural areas maintained by the Federal Government, such as the national parks and the national forests, have experienced a similar increase in visitors.

I have another Department release, which need not be printed which shows an increase in Federal revenues from concessionaries in the parks. This results from increased use of those areas.

It will be a great mistake, in view of the Nation's growing need for outdoor areas to meet these growing recreational needs, if we give a single, minor-use group a dominant position from which to control the forest areas or get a continuing vested right in them.

In Montana the vast majority of our livestock men are satisfied with the present arrangements for forest grazing. Our merchants are happy about the great flow of tourists who visit the forests and parks—they want more of them. We want to keep our outdoor areas in the finest possible shape for the city people who come to visit with us and enjoy the outdoors. They come from the Middle West and the East by tens of thousands, and from other Western States as well.

Mr. President, I would like to say to the Senators from the area east of the Rocky Mountains that this grazing lands fight is not just a Western issue. Your constituents by the thousands have as great, or even a greater, interest than anyone else in the maintenance of the forest lands in good condition.

Mr. President, I yield the floor.

Mr. JOHNSON of Colorado. Mr. President, Roscoe Fleming, a local columnist for the Denver Post, has written an unusually able article entitled "Deflating the Farmer."

He has recited facts and statistics which, if generally known and fully understood, would have settled, once and for all, most of the arguments to which the Senate has listened during the past 4 days of debate on the farm question.

Mr. Fleming points out that when and if the present price-support system is replaced, it should be replaced by some form of the Brannan plan. I agree completely with this conclusion.

I do not wish to take much of the time of Senators. They have heard so much debate on the question in recent days that they cannot be expected to absorb much more. But, I should like to make Mr. Fleming's article a part of the debate, and I, therefore, ask unanimous consent to have it printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Denver Post of July 30, 1954]

DEFLATING THE FARMER

(By Roscoe Fleming)

Business Week, a magazine friendly to the administration, says: "Eisenhower hopes to cut the GOP in on Democratic city votes. The determination to get away from high, rigid, and expensive (farm price) supports is aimed at the city workman. The idea is that food will cost less if Washington lets farm prices ease down." There's only one thing wrong with this: It's such a complete phony that no one who knows anything about American farming could advance it sincerely. The figures show that it's sucker bait for city voters, whom the administration must consider stupid or ignorant. Farmers' income has gone down steadily for 2 years, but has the price of food? Ha.

In May 1951, farm prices and farm income were close to their highest point, and city consumers were paying $11.26 for the same food they'd have paid $10 for at the 1947–49 average.

In May 1954, the farmers were getting nearly 20 percent less income than in 1951, but the city consumer was paying $11.33 for his same basketful of food, or 7 cents more than in 1951.

The total cost of living in May 1954 was at 115 percent of the 1947–49 average, nudging the alltime high of 115.4.

Here are some more facts and figures along the same line:

The total take-home pay, or net income, of all American farmers dropped from $15,600,000,000 in 1951, to $12,800,000,000 in 1953, a drop of almost one-fifth. Mr. City Feller, has your take-home pay dropped 20 percent in 2 years?

"Parity" is the concept that the farmer should break even, as between prices of what he buys, and what he sells. This is the figure you hear all the talk about. As against a high of 123 in 1946 (which means that all farmers were then more than breaking even by about 23 cents on the dollar) parity had dropped to 94 percent a year ago and stands about 90 now. (Mr. City Feller, has your income gone down 5 percent in the past year, and one-third in 8 years?)

When you spend a dollar for food, a certain proportion of it goes back to the ultimate producer, the farmer, and the rest to the processors, wholesalers, middlemen, and retailers who bring the food from the farm to you.

During World War II the farmer got his all-time high share of the consumer's dollar—54 cents. In February 1951 this share had dropped to 49 cents. In the 2 years since, it has dropped further to 45 cents.

Yet it is the farmer, who has lost out all along the line, whom this administration accuses of profiteering, in terms so direct that its propagandists might as well use the word. And whom it proposes further to deflate.

Here are some facts nearer home:

In November 1951 the average prices of Colorado farmland were at their all-time high. Now they are about 83 percent of 1951 levels. For each dollar of 1951 worth of his basic asset, the land, the Colorado farmer now finds he has only 83 cents.

(Mr. City Businessman, has your capital worth declined 17 percent in less than 3 years? Mr. Corporation Executive, does your balance sheet show a 17 percent loss in assets in 3 years?)

Again, the value of all livestock on farms, nationwide, is now approximately two-thirds of what it was 2 years ago. Colorado livestockmen have been hit even harder—on January 1, 1954, the value of all livestock

in Colorado was almost exactly one-half of what it had been on January 1, 1952.

(Mr. Corner Groceryman or other small-businessman in Denver, is your stock of goods, your inventory, worth only half as much as it was 2 years ago, though just as big?)

And what of prospects? Well, a headline in the Post said that between now and November, all farm prices are expected to go lower. Specifically in the Rocky Mountain Empire, and due to the drought, farm-income prospects are worse than the national ones.

None of this is intended to defend the present price support system, which is awkward and relatively inefficient and will some day be supplanted by a better program, based on the principles of the so-called Brannan plan.

But without the present system, bad as it may be, the Nation's farmers would already have been plunged into an economic chasm like that of the late twenties and early thirties and you can lay to that.

Mr. ELLENDER. Mr. President, I ask the indulgence of the Senate for a few minutes. I realize that the subject now under discussion has been debated rather thoroughly during the past few days; there has not been much left unsaid, but I should like to direct the Senate's attention to some facts which I consider particularly pertinent.

I have been a Member of the Senate for the past 18 years. I have always been very close to our Nation's agriculture. I am very proud of the part I played, when I first came to the Senate and through the three terms I have represented my State here, in the passage of the present farm act. Soon after I was first sworn in together with other Senators, I visited every section of the country in an effort to obtain testimony and assemble the facts necessary to enable us to draft a suitable, workable farm law. It was upon the basis of facts which this group of Senators obtained that the present basic farm act finally was drafted.

About 10 years after this act was placed on the statute books, and had been in operation for that length of time, a group of Senators again toured the country, with a view of trying to determine whether or not the law which had been enacted in 1938 could be improved. I was among that group. I well remember that everywhere we went we asked farmers how they liked the law under which they were operating. We asked them to suggest improvements, if any were needed. The vast majority said the law was a good one, and they did not want it changed, unless something better could be devised. To date, Mr. President, nothing better than the present law has been proposed. That is why I favor improving the present program rather than abandoning it. Unfortunately, there are those who would toss the work of some 18 years out the window and embark upon a new, unknown, and, I believe, unworkable program.

Mr. President, I do not mind a fair fight on any issue; but when the man at the helm of our agricultural program, the Secretary of Agriculture in the present President's Cabinet, uses, more or less, foul means, as I would term it, in presenting the issues to the people, I must draw the line. I believe the manner in which the program has been attacked is deceitful. It is my firm belief that if the act under which we are now operating had been placed before the American people in its true light, the present debate would be unnecessary, for our people would understand that the present law is a good law—and that the only way it has been administered is faulty. Unfortunately, there seems to have been a concentrated effort to discredit the present program.

For example, within a week after the 1st session of the 83d Congress had convened, efforts were made, and have continued thereafter, to blacken this great program. The first criticism lodged against the program concerned its alleged great cost to the American taxpayers. Soon after Congress convened last year, Secretary of Agriculture Benson came before the Senate Committee on Agriculture and Forestry to give his views on any changes which might be necessary in the program. Thus began the barrage of criticisms which have been levied against the program. From then, up until and including the present debate, all the criticisms launched against the present law I consider to be anything but fair or constructive.

For example, within a few days after Mr. Benson first came before our committee, he presented a table which he said showed the enormous cost of the farm program to the American taxpayers.

When a few members of the committee read the table of costs, we were astounded. We could not understand why the Secretary of Agriculture should have taken the position which he at that time assumed. What the committee was then discussing, and what is being considered today, was the question of whether or not there should be a continuation of the 90 percent of parity price-support program, instead of replacing it with a so-called flexible price-support program.

I believe Secretary Benson submitted this table in an effort to give a black eye, as it were, to the present program. The press of the Nation obtained it, and used it immediately. Personally, I saw many statements, not only in the daily press, but also in farm magazines, to the effect that the present farm program cost the taxpayers billions of dollars—to be exact, $16,214,000,000, the figure cited by the Secretary of Agriculture before the Agriculture Committee, the total of all the items contained in the complicated table submitted to us by the Secretary.

What was included in the table? Was it only the support-price program, the topic under consideration by the committee when the table was presented? In part, yes. But also contained in it was almost every sum which had ever been spent by the Department on the American farm economy, including appropriations for soil conservation, rural Electrification, the Farmers' Home Administration, the Forest Service program, and many others.

To show how far from price-support costs some of these items were, the Forest Service program contained cost item of $14,450,000 for the purchase of marginal lands. All of this and much more was included in the table in order, I presume, to poison the minds of our people against the farm program by convincing them that it had cost great sums of money.

After I had looked at the table and had noted that it included such things as wartime consumer subsidies on agricultural commodities, amounting to a little more than $4 billion, I began to ask a few questions. I did—and still do—not consider sums of that nature to be chargeable to the price-support program. The consumer subsidies were of primary benefit to consumers, not farmers. As a matter of fact there is no telling what food and fiber prices might have been during World War II if the wartime subsidies to American consumers had not been provided. During the war, as everyone knows, price controls were imposed on practically every item; and because of scarcities of many articles at the time, the Government subsidized consumers. For the Department of Agriculture to have included such a charge as that as a price-support cost indicates to me an effort to discredit the program by unfair and misleading means. As I have said on several occasions, the Department of Agriculture took that course, in my humble judgment, for no other reason than to blacken the present program.

I do not intend to place this misleading document which was presented to our committee in the RECORD, because, as I recall, that has previously been done. I emphasize the fact, however, that all the charges which appear in the chart, other than those confined to losses and gains for price supports, are simply out of order. The table never should have been submitted in the manner it was, for it has done much to unjustifiably and unfairly create the idea that the price-support program for the basics has been tremendously costly.

If Senators will look at pages 23, 24, and 25 of the report of the committee on the pending bill, they will see an accurate statement of the entire cost of the price-support program from October 17, 1933, through May 31, 1954.

They will note that the cost of the entire program, including the losses sustained on basic and nonbasic commodities, has been $1,374,825,203. That was the cost of the entire price-support program for all farm commodities from its inception in 1933 to May 31 of this year.

I wish further to point out to the Senate that the full total appearing in that table includes not only the cost of supports for basic commodities, the commodities which are the subject of the present debate, but also includes the cost of price-support operations for nonbasic commodities. Of that sum of $1,374,825,203, almost a half billion is chargeable to the potato program.

Other large costs also appear in connection with nonbasics including the

wool program and other commodities of that nature.

Let me point out that the actual losses on price supports for the basics during this same period of time were less than $131 million. Although it is in the RECORD already, I should like to be specific, so that the American taxpayer may know specifically what the losses have been on the basic commodities—the products which are the subject of debate, and which enter into the amendment now under consideration.

On page 23 of the report will be found a table which shows the following price-support gains and losses.

On corn, the entire loss for the period of 20 years was $129,737,581.

On cotton, the taxpayers have made a profit of $267,310,582.

On peanuts, the loss was $113,697,404.

On rice, the loss was $1,051,837.

On tobacco, the gain was $1,884,565.

On wheat, the loss was $125,011,861.

On the basic commodities, which form the subject matter of the debate today, the loss on price-support operations over the 21-year period October 17, 1933, to May 31, 1954, has been $130,739,501.

Just imagine that, Mr. President. Over a period of 21 years the loss on basic commodity price support has been but a pittance as Government expenditures go. If it were not for the fact that we had bountiful supplies of basic food and fiber products in our granaries during World War II and later during the Korean war, there is no telling what the consumers of our Nation would have had to pay for these items.

The PRESIDING OFFICER (Mr. CLEMENTS in the chair). Will the Senator yield to the Chair, so that, in his individual capacity as a Senator, he may ask a question?

Mr. ELLENDER. I yield.

The PRESIDING OFFICER. Does not that cost amount to about 5 cents a person a year over the 20-year period?

Mr. ELLENDER. I do not have the cost figured in that way, but I am sure it would not amount to more than that.

The PRESIDING OFFICER. The cost would be between 4 and 5 cents a person a year. I ask the Senator from Louisiana if that is not an extremely small sum for each person to pay over a period of 20 years in order to have a sound agricultural economy?

Mr. ELLENDER. As I indicated, it is a mere pittance compared to what consumers would have had to pay if we had not had supplies of these commodities on hand. I cannot understand why the whole farm program should be criticized, as it has been, when, in my humble judgment, it has worked so well.

The charge has been made that these sums are enormous and that the cost has been great. Some say that the farmers have been subsidized. The price-support program for the basic commodities does not work that way. There has not been a dime in direct payments made to producers of the basics under the program. The way the basic commodity program operates is this: Either the commodity is bought outright or money is loaned, with the commodity as collateral. There have never been any direct payments made to the farmers for basic commodities. The law was never intended to operate in that way, and it has never operated in that way.

Mr. President, I am not going to dwell on the next point too long. My good friend the Senator from North Dakota [Mr. YOUNG] has already talked about it. I refer to the enormous sums that have been paid by our Government in order to help industry, business, and to those who engage in similar nonagricultural pursuits.

Mr. President, I have before me reliable figures which show that the cost of the present farm program for basic commodities has been but a pittance when compared to the expenditures made to assist business. And there seems to be more help for business on the way. I do not begrudge these expenditures. I cite them only to refute the charge that the American farmer is the only recipient of Federal aid. Only a few days ago Secretary of Commerce Weeks announced a proposal for an expanded shipbuilding program, a $350 million program to be embarked upon in order to kind of nudge our economy. Three hundred and fifty million dollars is quite a sum and the Federal portion of that program will represent much, much money. I have no doubt but that our Government will contribute to that program an amount which will be greatly in excess of the small amounts allocated to price-support programs for our basic commodities.

It will also be recalled that President Eisenhower in the past few weeks has advocated an expanded highway building program to cost $50 billion. I am in hearty accord with the idea of modernizing our highway system, but let me point out that the loss sustained on price supports for farm commodities will be but a pittance compared to the Federal cost of some of the great projects envisioned in the programs I have just mentioned.

Now, let us turn to another benefit business has received—rapid tax amortizations. Mr. President, I have in my hand an exhibit, which shows that from 1942 to 1948 actual benefits to business, made available by way of certificates of necessity for rapid tax amortizations, amounted to $7.3 billion. From 1950 to 1954, tax amortization benefits totaled $17,500,000,000. From 1942 through March of this year, the amount of tax amortization awarded to American business has totaled $24,800,000,000. Yet we never hear much criticism of that, Mr. President. That huge sum of money—almost 23 times as much as our Government has spent on price-support operations for all commodities during the past 20 years, has never been very much criticized, so far as I have heard—at least, not to the extent we hear the farm program criticized today.

Mr. CRIPPA. Mr. President, will the Senator from Louisiana yield for a question?

The PRESIDING OFFICER (Mr. ERVIN in the chair). Does the Senator from Louisiana yield to the Senator from Wyoming?

Mr. ELLENDER. I yield.

Mr. CRIPPA. A few moments ago the Senator from Louisiana used the words "foul tactics," in referring to the Secretary of Agriculture. I have known the Secretary of Agriculture a great many years. I do not think he would understand anything that is foul. I do not think the Senator from Louisiana meant to use the word in that sense, and I doubt whether the Secretary of Agriculture ever uses a foul word. So I do not think the Senator from Louisiana meant to use the word in that sense.

Mr. ELLENDER. It may be that the Secretary of Agriculture did not use the table in the sense the Senator from Wyoming seems to have interpreted my remark. Deception was used, in my humble judgment, in trying to show, if it could be done, and it was done by the Department of Agriculture——

Mr. CRIPPA. I know that; but the Senator from Louisiana referred to the Secretary of Agriculture.

Mr. ELLENDER. It was by his agency, for which he is responsible, that the thing was done. He personally brought the table I referred to before the committee when he appeared there to testify.

As I have said on several occasions, the document to which I refer——

Mr. CRIPPA. I merely wish to be on record as objecting to the Senator's use of the word "foul" in that connection.

Mr. CLEMENTS. Mr. President, will the Senator from Louisiana yield for a question?

Mr. ELLENDER. I yield.

Mr. CLEMENTS. Is it not a fact that the table to which the Senator from Louisiana has referred was presented in person by the Secretary of Agriculture?

Mr. ELLENDER. Yes; as I have said, it was presented to the committee by him, when he came to testify. It was then said by many of the persons who were present—in fact, I saw it in the press the next day—that the document I have before me, the document which was presented by the Secretary of Agriculture, showed the enormous cost of this program, whereas as a matter of fact——

Mr. CRIPPA. Let me say——

Mr. ELLENDER. The Senator from Wyoming may have seen it himself. Let me ask him a question at this time.

Mr. CRIPPA. I still say the Secretary of Agriculture would not use foul language or foul words at any time.

Mr. ELLENDER. I did not say he used foul language, nor did I say he used foul words. I may say to the Senator that I am sure I confined my remarks to the means used by the Secretary, but I shall have the transcript checked on that point.

Mr. CRIPPA. But the Senator from Louisiana said he did.

Mr. ELLENDER. I said he used foul means.

Mr. CRIPPA. I thought the Senator from Louisiana said the Secretary of Agriculture used foul words.

Mr. ELLENDER. No. The Senator misunderstood me. I have been saying

that in trying to show the losses which may have been sustained—and I am sorry to see that the Senator from Wyoming is now leaving the Chamber——

Mr. CRIPPA. No; I shall be very happy to remain.

Mr. ELLENDER. I have been saying that in trying to discredit the program by showing the losses which he alleges have been sustained, the Secretary of Agriculture submitted the table to which I have referred. The subject matter before the committee at that time was the same subject matter now under debate before the Senate, namely, the farm price-support program of our Government as applied to basic commodities. That is what we were talking about when the Secretary of Agriculture appeared before our committee, and that is what is under discussion in the Senate at this time. So why did the Secretary of Agriculture then present his chart which included costs sustained in connection with all other parts of the agricultural program—not only the support program, but, in addition, the cost of our soil-conservation program, the rural-electrification program, and similar undertakings? It seems to me that almost anyone would say that it was done in an attempt to muddy the waters.

Mr. CRIPPA. But it still would not be "foul."

Mr. ELLENDER. The Senator from Wyoming may have his view about the matter, but I maintain mine.

Mr. CLEMENTS. Mr. President, will the Senator from Louisiana yield to me for a question?

Mr. ELLENDER. I yield.

Mr. CLEMENTS. Is it not a fact that the contents of the paper submitted at that time by the Secretary of Agriculture were carried all over the country in newspaper articles, and there was a drive to defeat the support program?

Mr. ELLENDER. There is no question about that. The Farm Bureau Federation issues a monthly paper; and those figures were published in that paper, in an effort to discredit the present program.

Mr. CLEMENTS. Mr. President, will the Senator from Louisiana yield for another question?

Mr. ELLENDER. I yield.

Mr. CLEMENTS. Is it not a fact that the release went from the Department of Agriculture to the rural press of the Nation?

Mr. ELLENDER. Certainly; and the release was based on figures taken from the document to which I have been referring.

I was so incensed at the time it was done, that I asked the Secretary of Agriculture to be more specific, and to present to the committee facts and figures as to the losses, if any, on the basic commodities, because that is what we were talking about. The next day he presented figures which were more specific. They showed that the losses at the time were about $1,100,000,000 on all commodities and only some $21 million on the basics.

I repeat that I am not attributing any foul language to Mr. Benson; but why should he have brought to the committee a table of that sort, to show the high cost of the entire agricultural program, when the only thing involved was the program as regards the basic commodities if there was no intent to discredit the program, to my mind, those were foul means, as I have indicated.

Mr. CLEMENTS. Mr. President, will the Senator from Louisiana yield to me at this time, to permit me to make a very short observation?

Mr. ELLENDER. I yield.

Mr. CLEMENTS. If the distinguished Senator from Louisiana needs any verification of his statement, I can testify to the fact that the news release from the Department of Agriculture, setting forth the $16 billion item, was carried in all the rural press of my State.

Mr. LENNON. Mr. President, will the Senator from Louisiana yield to me?

Mr. ELLENDER. I yield.

Mr. LENNON. I assume that the Senator from Louisiana is saying, then, that deception was practiced on the people of the United States, through the issuance of the press release, and that it was similar to the deception practiced by the Republican Party in its campaign pledges in 1952, in saying that 90 percent of parity would be had under the Republican administration.

Mr. ELLENDER. I suppose we could draw that comparison very adequately.

I wish to say to my good friend, the Senator from Wyoming [Mr. CRIPPA], who interrupted me a while ago, that the language I used was not "foul words." I read from the transcript of my remarks as supplied by the Official Reporter of Senate Debate. The transcript reads as follows:

> I do not mind a fair fight on any issue; but when the man at the helm of our agricultural program, the Secretary of Agriculture in the President's Cabinet, takes more or less foul means, as I would call it, in presenting the issues to the people, I must draw the line.

In connection with that statement, I presented this table. This matter was brought to the attention of the Secretary of Agriculture on the day when he appeared before our committee, as well as on the next day, when he presented a statement in line with what I suggested should be presented.

Mr. LENNON. Mr. President, will the Senator from Louisiana yield further to me?

Mr. ELLENDER. I yield.

Mr. LENNON. I know the Senator from Louisiana is familiar with the statements which were made during the Presidential campaign of 1952 by the then Republican Presidential nominee, Mr. Eisenhower, particularly in the Midwest, where he assured the farmers of America that he, as the Republican nominee, and the Republican Party were pledged to 90 percent of parity for the basic commodities; and, in addition thereto, he himself expressed the hope that they could enjoy 100 percent of parity. The distinguished Senator from Louisiana is familiar with those statements made by the now President of the United States, is he not?

Mr. ELLENDER. Yes; I have heard them. They have been presented on the floor quite a number of times. I read excerpts from newspapers which were made available to all of us.

Mr. LENNON. The Senator from Louisiana knows, does he not, that those statements, which have been attributed to the present President of the United States, have never been denied or repudiated?

Mr. ELLENDER. That is my understanding.

Mr. LENNON. Mr. President, will the Senator from Louisiana yield again to me?

Mr. ELLENDER. I yield.

Mr. LENNON. Then the Senator from Louisiana is not surprised, is he, by that press release from the Department of Agriculture, in which the Secretary of Agriculture attempts to tell the people of America that the great farm program has cost a tremendous sum of money, when, in truth and in fact, the cost of the price-support program in itself has been reasonable and comparatively low?

Mr. ELLENDER. That is correct.

Mr. LENNON. The Senator from Louisiana knows, does he not, that the figures on the cost to the taxpayers of the United States, which were issued by the Department of Agriculture, included the cost of every phase of our great farm program, including rural electrification, soil conservation, and all the many other varied programs?

Mr. ELLENDER. Yes, and including the wartime subsidies.

Mr. LENNON. Yes; all those things.

Mr. ELLENDER. Absolutely.

Mr. LENNON. I thank the Senator from Louisiana.

Mr. ELLENDER. I may say that was what I objected to then and what I object to now—that is, an effort to smear this program instead of giving the American people the true facts. Instead of doing that there is an effort underway to blacken it by showing so-called erroneous enormous costs. For example, my good friend from New Hampshire [Mr. BRIDGES] yesterday or the day before stated that this farm program was going to cost the American taxpayers $10 billion. I wonder where he gets his facts. It is true that we have about six or seven billion dollars of commodities on hand, or funds obligated, but those products are not losses. They are not going to be thrown away. They are certainly worth something. Everything would have to be destroyed or would have to spoil in order for there to be losses such as those indicated by my good friend from New Hampshire.

What I take issue with Mr. Benson on is the manner and the method used in trying to show these enormous losses, as he described them, to the taxpayers. As a matter of fact, there were no losses except those I have just pointed out, and they were small indeed as compared with results and the beneficial effects the program has had.

Mr. LENNON. Mr. President, will the Senator yield at that point?

Mr. ELLENDER. I yield.

Mr. LENNON. Will the Senator from Louisiana agree with the Senator from North Carolina that it is a part of a well-conceived plan on the part of the

Secretary of Agriculture or those in his Department to divide the Nation by turning the urban population against the rural population of our great country?

Mr. ELLENDER. That charge has been made, and it strikes me that, assuming that the charge is true, the effort has been effective, because some progress has been made by the opponents of the existing program with the city people, and with even those who live in the suburbs, in trying to get their Representatives and their Senators to vote against the program.

I wish to point out here that when Mr. Benson appeared before us in the hearings which took place on January 19 of this year, he said this, in connection with the table of alleged costs I have already discussed:

> At what point will the 140 million Americans who do not live on farms rise up—as they did in the potato fiasco of a few years ago—and demand not revision but outright elimination of all direct aid to agriculture?

That was the Secretary of Agriculture speaking to the Agriculture Committee; the subject matter before us was price supports, the same subject as we are now discussing, particularly on the basics.

Mr. LENNON. Mr. President, will the Senator yield at that point?

Mr. ELLENDER. Yes.

Mr. LENNON. Was the Senator on the floor yesterday afternoon when the distinguished junior Senator from Minnesota [Mr. HUMPHREY] read a statement or excerpts from a speech given by a member of the Department of Agriculture, a Mr. McConnell, I believe it was, in which he charged the whole price-support program with being socialistic. Was the Senator present when that statement was made?

Mr. ELLENDER. I would not be surprised that such a charge was made by those opposing this program.

Mr. LENNON. Does the Senator agree with me that that is a very strong statement and an unfair statement for a man charged with the responsibility of administering a program which represents the avowed policy of the Congress of the United States? As a member of the administration, he opposes a program which embodies the policy of the Congress, and which has been its policy for some time, to provide the farmers of America with fair prices through rigid price supports?

Mr. ELLENDER. That follows the pattern we have been discussing here and discussed a while ago. I suggested that rank misrepresentation was deliberately undertaken as to costs of this program. Now, for a member of the Secretary's official family to make a statement such as that indicated by the Senator from North Carolina, is not very surprising at all to me, because it follows the pattern I have been talking about.

Mr. LENNON. Mr. President, will the Senator yield again?

Mr. ELLENDER. I yield.

Mr. LENNON. Does the Senator believe, based on his wide experience as the ranking Democratic member of the important Committee on Agriculture and Forestry, that if we return to flexible price supports of from 75 to 90 percent, the savings, if any, will be passed on to the consumer, the person who purchases at retail prices?

Mr. ELLENDER. My good friend from North Carolina is anticipating me. I am going to show, in the course of my short talk, that the consumer will not benefit one iota by further depressing the prices of the basic commodities.

Mr. LENNON. Mr. President, if the Senator from Louisiana will yield again at this point, was the Senator on the floor—I believe it was the day before yesterday—when the distinguished senior Senator from Minnesota [Mr. THYE] gave a practical illustration of the fallacy of that argument by stating of his own knowledge that although last summer the price to the producer of milk went down as much as $1 a hundredweight, the retail prices to the housewives of the St. Paul area in Minnesota actually increased 1 cent per quart?

Mr. ELLENDER. I heard him say that, yes. As a matter of fact, I could testify myself as to that, because I happen to keep my own house, and I buy food myself, you know. I can testify to the fact that although the prices of the things the farmer produces have been going down, down, and down, the cost of what I buy in the grocery store has been either remaining stable or, more frequently, going up. There has been very little decrease, if any, in the price of any of those commodities except perhaps when a storekeeper desires to make a "leader" of one as a means of attracting customers. I think the facts show that in the past few months, the cost of living has been steadily on the increase. I do not remember the exact figures; but the cost of what the farmer buys has been going up, while the prices he receives have been falling. All that does not make sense, as the Senator realizes, I am sure. I do not believe the farmers of this country could have much cause for complaint if the consumer got the benefit of the lower prices they receive for their commodities—particularly if farmers were able to buy what they need at lower costs.

But when a farmer finds out that the consumer does not benefit by his reduced prices, but that the middlemen do, and then he finds that the price of what he needs in order to produce his crops keeps on going up, he cannot understand the Benson philosophy, and I do not blame him.

Mr. LENNON. Mr. President, will the Senator yield at that point?

Mr. ELLENDER. I yield.

Mr. LENNON. Does the Senator know of a single instance in the history of the present administration where the Secretary of Agriculture has used or attempted to use the great power and influence of his office to cause any investigation to be made to determine the great differential between what it costs to produce a commodity, food, or fiber, and what it costs the ultimate consumer to purchase the food or fiber?

Mr. ELLENDER. I do not know of any such study. The Senate Agriculture Committee conducted such studies while I was chairman of the committee. I do not know of any recent study that has been completed. Of course, the Department of Labor has charge of determining whether the cost of living is rising or falling as measured by the consumer price index and makes these facts available to our people.

Mr. LENNON. Mr. President, will the Senator yield again?

Mr. ELLENDER. I yield.

Mr. LENNON. Does the Senator from Louisiana agree with the Senator from North Carolina that one of the duties of the Department of Agriculture on a national level is to attempt to find out why there is such a wide differential or spread between what is returned to the producer of the foodstuffs and fiber and what it ultimately costs the purchaser?

Mr. ELLENDER. I do not know that to be a duty incumbent upon him. Frankly, as a matter of fact, I do not think it is. Insofar as determining what profits are to come to a farmer on a particular commodity is concerned, I do not know that is within the province of the Department of Agriculture.

Mr. LENNON. Mr. President, will the Senator yield again?

Mr. ELLENDER. I yield.

Mr. LENNON. Will the Senator agree with me that someone ought to take the responsibility of determining why the profits, or most of them, go to the processor and the distributor and not to the producer?

Mr. ELLENDER. I shall cover that subject in a moment. There is no doubt about what the Senator says, however. That is the point I shall take up after I have finished with the point I am discussing now, to determine who gets what. I understand that some investigation is now being conducted by the staff of the committee, but I have not seen any of the results.

There is no doubt but that the percentage the farmer gets of each dollar spent by the consumer for food and fiber has been decreasing from month to month.

Mr. LENNON. Mr. President, will the Senator yield once again?

Mr. ELLENDER. I yield for a question.

Mr. LENNON. This is hardly a question, but I should like to say to the distinguished senior Senator from Louisiana, the ranking Democratic member on this great committee, that North Carolina is one of the principal agricultural States of this Union. I personally wish to express to the Senator, for the people of my great State, their thanks for the leadership he is providing as the ranking Democratic member of the Committee on Agriculture and Forestry and the hope that he will continue to lead the way for a more stable farm economy in North Carolina and throughout the Nation.

Mr. ELLENDER. I wish to thank the Senator very much. He is very gracious and I appreciate his comments.

Mr. President, as I indicated a moment ago, just for one program—rapid tax amortization—from 1942 up to 1954 the cost to the Government has been $24.8 billion. Just think of that huge amount, in contrast to the pittance it has cost to maintain a stable agriculture and to maintain prices within reason for the consumer for the past twenty-odd years.

At this point, Mr. President, I ask to insert in the RECORD this document marked "Exhibit III."

There being no objection, the exhibit was ordered to be printed in the RECORD, as follows:

EXHIBIT III

Total tax-amortization certificates[1] granted under the Revenue Act of 1950 or comparable authority[2]

Fiscal years	Applications certified	Value applied for	Actual benefits
		Billions	*Billions*
1942–48	41,400		$7.3
1950	124	$1.5	.9
1951	5,576	11.1	6.6
1952	9,390	11.7	7.0
1953	3,545	4.8	2.8
1954 (as of Mar. 10)	257	.4	.2
Total 1950 to Mar. 10, 1954		[3] 29.5	[3] 17.5
Total to date			24.8

[1] From the period covering World War II, tax-amortization certification was handled by the Departments of War and Navy and by the War Production Board. A detailed breakdown is unavailable for these years. However, it is estimated that from 1942 through 1948 the emergency period, a total of some 41,400 applications for tax amortization were certified, with a total value of $7.3 billion. Of this amount, the applications were nearly all certified at 100 percent, as compared to an average of some 60 percent today. Note that on the figures given for fiscal years 1950 through the present, the applied value and the actual benefits are not equal with the latter, accounting for about 60 percent of the amount applied for, equaling the actual writeoff available.

[2] World War II (26 U. S. C. A. 124; 54 Stat. 998 (III)); Korean war, Revenue Act of 1950 (64 Stat. 939 (216); 26 U. S. C. A. Supp V. 124-a).

[3] Figures rounded.

Mr. LONG. Mr. President, will the Senator yield for a question?

Mr. ELLENDER. I yield for a question.

Mr. LONG. Is it not true that the surpluses of these commodities have, in times of short crops, assured the consumer that he would be in a position to get his food and fiber at a reasonable price? Without these surpluses, the cost of those commodities might have gone sky high in the event of a short crop.

Mr. ELLENDER. There is no telling, Senator, what the consumer would have had to pay for food during World War II, except for the fact that we had these surplus supplies of food on hand. As the Senator well remembers, we adopted price controls in order to keep inflation at a minimum, and to assist the consumer. Subsidies were also paid by the Government to help the consumer. The consumer subsidy program cost over $4 billion. Despite the fact that it had nothing to do with price supports, that sum of over $4 billion was charged against the farm program.

Mr. LONG. Secretary Benson made that charge against the farm program. No one else made such a charge that against the farm program prior to that time, did they?

Mr. ELLENDER. No. But the point I tried to make a while ago is that the Department's present leadership charged all of that cost and then some against our farm price-support program in order to make a case against it—in an effort to make our people think that the program has been enormously expensive to the American taxpayer.

Mr. LONG. When the Democrats were in control of the Senate, my senior colleague was the chairman of the Committee on Agriculture and Forestry. I wonder if he could give me the actual cost of the farm program over the last 20 years?

Mr. ELLENDER. On the basic commodities?

Mr. LONG. On the basic commodities and for the overall program, or either way.

Mr. ELLENDER. A little over $1.3 billion for all commodities.

Mr. LONG. That is not for the basic commodities alone?

Mr. ELLENDER. That is for the basics and nonbasics. That is the support program for the things we are talking about now. The price-support program for the basics cost less than $132 million during the same period through May 31, 1954.

Mr. LONG. So the entire price-support program we are discussing cost only about $1 billion over the period of the last twenty-odd years?

Mr. ELLENDER. Since October of 1933.

Mr. LONG. I am sure my colleague was in favor of the lend-lease program and various things we did to help our allies during the war. If we look at what we have given foreign countries, we find that during that same period of time we have given away more than $100 billion in money and commodities to various nations of this world. Since World War II we have given away more than $45 billion to foreign nations, including about $1 billion which has gone to nations behind the Iron Curtain.

I am sure my distinguished colleague recalls the vote just a few days ago, when I was trying to cut $1 billion from the $13 billion available for foreign aid. Some Senators were most disturbed at the prospect of cutting the foreign aid program about 7 percent. Yet some of the same Senators now view with great alarm the fact that we have done about 1 percent as much for the American farmer as we have done for foreign nations.

Mr. ELLENDER. I agree with the Senator. Of course, I do not wish to go into a discussion of the foreign aid program at this time, but the loss sustained by our Government on price-support operations for all the basics and nonbasics is but a drop in the bucket compared to what we have given away since World War II. It is just a pittance.

Mr. LONG. To use the French phrase, it is a "mere bagatelle."

Mr. ELLENDER. Yes.

Mr. President, the next nonagricultural subsidy which I desire to call to the attention of the Senate is the airmail subsidy. I have before me, Mr. President, a table indicating that between $71 million and $79 million a year is paid in the form of subsidies to the American and foreign airlines. These are direct payments. They cannot be compared with the farm price-support program for the basics, because the farmer does not get a dime in direct subsidies from the Government. What the farmer does is to either borrow money on his commodity, or have the Government purchase it from him. In other words, the Government receives value for its cash, as it were.

Now, let us compare that with airmail subsidies. In this instance our Government makes direct payments—payments which approximated $230,273,000 for the last 3 years, 1952, 1953, and 1954. That amount is almost 2½ times the amount our Government has lost on price supports for the basic commodities over a period of 21 years.

At this point I ask that this exhibit be printed in the RECORD.

There being no objection, the exhibit was ordered to be printed in the RECORD as follows:

IV. *United States air carriers—Separation of estimated service mail pay and subsidy, fiscal years 1952, 1953, and 1954*

[In thousands of dollars]

Carrier group and name of carrier	Service mail pay			Subsidy			Total mail pay		
	1952	1953	1954	1952	1953	1954	1952	1953	1954
Carrier group I:									
American	7,546	7,799	8,268				7,546	7,799	8,268
Eastern	2,556	2,583	2,670				2,556	2,583	2,670
Northwest (see group II)			1,530						1,530
TWA	5,309	4,950	5,105				5,309	4,950	5,105
United	9,329	9,450	10,012				9,329	9,450	10,012
Total, group I	24,740	24,782	27,585				24,740	24,782	27,585
Carrier group II:									
Braniff (Mid-Continent)	807	1,048	1,100	83	698	500	[2] 890	[2] 1,746	[2] 1,600
Capital	1,059	1,015	1,083	[1] −308			751	1,015	1,083
Chicago & Southern	392	456	1,598	767	517		1,159	973	1,598
Delta	997	1,034		39			1,036	1,034	
National	703	725	771				[2] 703	725	771
Northwest	1,360	1,749		1,440			[2] 2,800	1,749	
Western	732	720	753	42			[2] 774	720	753
Total, group II	6,050	6,747	5,305	2,063	[3] 215	500	8,113	7,962	5,805

See footnotes at end of table.

IV. *United States air carriers—Separation of estimated service mail pay and subsidy, fiscal years 1952, 1953, and 1954*—Continued

[In thousands of dollars]

Carrier group and name of carrier	Service mail pay			Subsidy			Total mail pay		
	1952	1953	1954	1952	1953	1954	1952	1953	1954
Carrier group III:									
Colonial	93	106	115	857	846	837	950	952	952
Continental	391	375	375	826	741	741	1,217	1,116	1,116
Mid-Continent (see Braniff)	349			1,451			1,800		
Northeast	120	108	120	1,318	1,642	1,630	[2] 1,438	[2] 1,750	[2] 1,750
Piedmont		71	83		1,579	1,467		1,650	1,550
Pioneer	89	101	114	1,811	999	986	[2] 1,900	[2] 1,100	[2] 1,100
Total, group III	1,042	761	807	6,263	5,807	5,661	7,305	6,568	6,468
Carrier group IV:									
Piedmont (see group III)	67			820			887		
Mohawk (Robinson)	28	33	37	727	874	870	755	907	907
Southwest	66	81	90	872	919	910	938	[2] 1,000	[2] 1,000
Total, group IV	161	114	127	2,419	1,793	1,780	2,580	1,907	1,907
Carrier group V:									
Allegheny	95	93	96	1,705	1,837	1,814	[2] 1,800	1,930	1,910
Bonanza	10	37	41	640	690	686	[2] 650	727	727
Empire	40			557			597		
Frontier	181	163	175	2,618	2,852	2,825	2,790	3,015	3,000
Lake Central	22	27	33	721	1,223	1,717	[2] 743	[2] 1,250	[2] 1,750
North Central (Wisconsin)	114	155	186	1,186	2,295	2,514	[2] 1,300	[2] 2,450	[2] 2,700
Ozark	50	73	98	2,030	2,034	1,877	[2] 2,080	[2] 2,107	[2] 1,975
Southern	126	127	142	1,504	1,823	1,808	[2] 1,630	[2] 1,950	[2] 1,950
Trans-Texas	86	102	117	1,579	1,548	1,533	1,665	1,650	1,650
West Coast (Empire)	15	52	53	612	1,698	1,847	627	[2] 1,750	[2] 1,900
Total, group V	739	829	941	13,152	16,000	16,621	13,891	16,829	17,562
Carrier group VI Central	70	95	116	1,480	1,605	1,334	[2] 1,550	[2] 1,700	[2] 1,450
Carrier group VII:									
Mid-West	73			342			[2] 415		
Wiggins	7	7	7	294	283	283	301	290	290
Total, group VII	80	7	7	636	283	283	716	290	290
Helicopter:									
Helicopter air service	502	516	516				502	516	516
Los Angeles	360	660	900				[2] 360	[2] 660	[2] 900
New York		700	1,250					[2] 700	[2] 1,250
Total, helicopters	862	1,876	2,666				862	1,876	2,666
Total, domestic	33,744	35,211	37,554	26,013	26,703	26,179	59,757	61,914	63,733
CARRIER GROUPING									
A. Trans-Atlantic operations:									
PAA-Atlantic	4,909	5,100	5,205	9,091	9,400	9,295	[2] 14,000	[2] 14,500	[2] 14,500
TWA-International	3,676	3,570	3,647	4,324	3,930	5,853	[2] 7,000	[2] 7,500	[2] 9,500
Total	8,585	8,670	8,852	13,415	13,330	15,148	22,000	22,000	24,000
B. Latin American operations:									
Group B-1: PAA-LAD	1,901	1,888	1,919	9,099	12,112	11,081	[2] 10,000	[2] 14,000	[2] 13,000
Group B-2:									
Braniff	327	446	484	2,173	2,060	2,016	[2] 2,500	[2] 3,500	[2] 3,500
Chicago & Southern	42	56	57	1,811	784	743	1,853	840	800
Panagra	400	353	356	1,968	2,149	2,146	[2] 2,368	2,502	2,502
Total, group B-2	769	849	897	5,952	5,993	5,905	6,721	6,842	6,802
Group B-3: Caribbean-Atlantic	17	17	15	152	146	145	169	163	163
Total, group B	2,687	2,754	2,834	14,203	18,251	17,131	16,890	21,005	19,965
C. Trans-Pacific operations:									
Northwest	1,146	938	955	3,402	4,162	4,145	[2] 4,548	5,100	5,100
PAA-Pacific	2,727	3,082	3,161	8,224	8,418	8,339	10,951	11,500	11,500
Total, group C	3,873	4,020	4,116	11,626	12,580	12,484	15,499	16,600	16,600
D. Hawaiian operations:									
Hawaiian	23	24	25	503	514	513	526	538	538
Trans-Pacific	16	16	17	213	284	383	229	[2] 300	[2] 400
Total, group D	39	40	42	716	798	896	755	838	938
E. States-Alaska operations:									
Alaska Airlines	23	87	52	777	1,063	1,244	[2] 800	[2] 1,150	[2] 1,296
Pacific Northern	71	160	188	529	829	801	600	989	989
PAA-Alaska	251	155	235	898	1,414	1,334	1,149	1,569	1,569
Total, group E	345	402	475	2,204	3,306	3,379	2,549	3,708	3,854
F. Intra-Alaska operations:									
Group F-1:									
Alaska Airlines	386	365	365	714	959	959	[2] 1,100	[2] 1,324	[2] 1,324
Northern Consolidated	224	288	288	476	1,058	1,058	[2] 700	[2] 1,346	[2] 1,346
Pacific Northern	232	284	284	418	429	429	650	713	713
Wien	263	250	284	487	900	916	750	[2] 1,150	[2] 1,209
Total, group F-1	1,105	1,187	1,221	2,095	3,346	3,362	3,200	4,533	4,583

See footnotes at end of table.

IV. *United States air carriers. Separation of estimated service mail pay and subsidy, fiscal years 1952, 1953, and 1954*—Continued

[In thousands of dollars]

Carrier group and name of carrier	Service mail pay			Subsidy			Total mail pay		
	1952	1953	1954	1952	1953	1954	1952	1953	1954
F. Intra-Alaska operations—Continued									
Group F–2:									
Alaska Coastal	108	137	137	292	305	305	400	442	442
Byers	18	21	21	27	46	46	[2] 45	[2] 67	[2] 67
Cordova	28	33	33	339	334	334	367	367	367
Ellis	50	47	47	225	252	252	275	299	299
Reeve	200	275	275	150	28	28	[2] 350	[2] 303	[2] 303
Total, group F–2	404	513	513	1,033	965	965	1,437	1,478	1,478
Total, group F	1,509	1,700	1,734	3,128	4,311	4,327	4,637	6,011	6,061
G. International "stub end" operation of domestic carriers:									
Group G–1:									
American (to Mexico)	78	83	86				78	83	86
Eastern (to Puerto Rico)	219	216	217				219	216	217
United (to Hawaii)	410	360	364				[2] 410	[2] 360	364
Total, group G–1	707	659	667				707	659	667
Group G–2: National (to Cuba)	10	8	8				[2] 10	8	8
Group G–3: Colonial (to Bermuda)	14	13	13	51	47	47	[2] 65	60	60
Total, group G	731	680	688	51	47	47	782	727	735
Total international, overseas, and Territorial	17,769	18,266	18,741	45,343	52,623	53,412	63,112	70,889	72,153
Total, industry	51,513	53,477	56,295	71,356	79,326	79,591	122,869	132,803	135,886

[1] Reflects adjustment by Post Office Department in computing mail pay in accordance with the formula contained in Capital's mail-rate order.

[2] The estimated total mail pay is not based on an outstanding final rate order in the case of the asterisked years for the respective carriers. In such instances the figures represent an estimate of the probable level of final mail pay ultimately to be established on the basis of available evidence at the time of preparation of the estimates.

Source: Fiscal year 1952 as shown in October 1952 subsidy separation report; fiscal years 1953 and 1954 as revised and furnished to the Post Office Department on Mar. 6, 1953.

Mr. LONG. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. LONG. The figures my colleague has produced, as to the airline subsidies, would indicate that the subsidies for the airlines alone during the past 20 years have been more than the entire cost of the farm program for all commodities.

Mr. ELLENDER. It can be easily figured. The losses on basics, as I pointed out, are only $132 million during the last 20 years. That is what we are talking about now. The losses to the Government on the airmail subsidies were over twice that much in just 3 years.

Mr. President, it is ridiculous.

Mr. LONG. If my colleague will further yield, there is also the fact that the airlines regard their 45-cents-per-ton mail rate as being a nonsubsidized rate—yet if they have to bid on business against someone who is in position to compete with them for it, they bid 23 cents, and sometimes as low as 18 cents per ton-mile for carrying mail.

Mr. ELLENDER. I did not want to go into the details of that program, for it is another subject. I do want to set the record straight, to show the country that direct nonagricultural subsidies—for which the people get service, but nothing more—and which are direct payments by the Government out of the Treasury to the companies that handle airmail, exceed by a great measure the aid we accord our agriculture through the price-support program.

Mr. President, I have before me an excerpt from hearings on bills providing the appropriations for the Departments of State, Justice, and Commerce, held before the Senate Appropriations Committee this year, which show that nearly $277 million in airmail subsidies have been paid out between the fiscal years 1939 and 1953. This is over twice the 21-year cost of the entire price-support program for the 6 basic commodities. Yet there are those audacious enough to charge that the American farmer is on the dole, that he is receiving special and preferred treatment which is costing our taxpayers much money in return but for few benefits.

Mr. President, I should like to place in the RECORD at this point a chart showing airmail subsidies paid during the years 1939 through 1953.

There being no objection, the chart was ordered to be printed in the RECORD, as follows:

EXHIBIT V

Summary of airmail revenues and Post Office Department costs including mail-pay subsidies, fiscal years 1939 through 1953, inclusive, domestic and foreign airmail

Fiscal year	Airmail postage revenue	Total cost to Post Office [1]	Excess expense over revenue
1939	$20,251,871	$34,876,264	$14,624,393
1940	25,037,312	40,198,633	15,161,321
1941	33,230,258	46,061,664	12,831,406
1942	45,433,231	51,961,864	6,528,633
1943 [2]	88,061,120	65,843,421	−22,217,699
1944	130,689,009	79,724,978	−50,964,031
1945	191,912,455	108,478,113	−83,434,342
1946	126,509,161	104,712,262	−21,796,899
1947	76,129,360	102,434,698	26,305,338
1948	77,402,469	136,169,278	58,766,809
1949	91,080,978	168,763,123	77,682,145
1950	101,454,162	179,930,344	78,476,182
1951	126,731,771	184,475,957	57,744,186
1952	152,634,211	201,956,842	49,322,631
1953	157,144,864	214,711,863	57,566,999
Total, 15 years	1,443,702,232	1,720,299,204	276,597,072

[1] As allocated in Post Office cost ascertainment reports with airmail service transportation costs adjusted to reflect retroactive revisions in air carrier mail rates.

[2] Published cost ascertainment report not available for 1943. Data for that year is estimated at the average of 1942 and 1944.

Source: Post Office Department cost ascertainment report and Civil Aeronautics Board records of adjusted air carrier mail pay.

Mr. ELLENDER. Mr. President, I have before me another exhibit which I should like to place in the RECORD at this point. This is the transcript of a colloquy which took place between Senator MCCARTHY, Mr. Summerfield, and other Senators during hearings held before the Treasury and Post Office Subcommittee of the Appropriations Committee this year.

There being no objection, the document was ordered to be printed in the RECORD, as follows:

EXHIBIT VI

SECOND-CLASS MAIL SUBSIDY

Senator MCCARTHY. What do you estimate the subsidy is now that we are paying in connection with the distribution of second-class mail?

Mr. SUMMERFIELD. I will give you this figure first if I may. The accumulated loss in the postal establishment since the end of the war, World War II, is approximately $3.8 billion. Of that the loss in second-class mail is $1.5 billion, for the years 1946–53.

Senator MCCARTHY. In other words, we paid a subsidy of $1.5 billion to the people who are putting out second-class mail?

Mr. SUMMERFIELD. Well, you can call it that.

Senator ROBERTSON. Is that more than we paid in subsidies to support farm prices during that period?

Mr. SUMMERFIELD. According to our records; yes.

Senator ROBERTSON. Is the subsidy on second-class mail since the war more than we have paid during that period in subsidies to agriculture that we hear so much about today and say is so terrible? Which is the greater, the subsidy on second-class mail or the subsidy to the farmers during that 10-year period?

Senator MCCARTHY. Would you be able to answer that?

Mr. SUMMERFIELD. I think I can. I can go back to 1936. The figure since 1936 on second-class mail is over $2,400,000,000.

(Source: Hearings before the subcommittee of the Committee on Appropriations, U. S. Senate, Treasury, and Post Office Departments appropriations, 1955, p. 34.)

Mr. ELLENDER. The only thing that I object to in this colloquy is the fact

that the cost of our farm price-support program is referred to as subsidy when, as a matter of fact, it does not constitute a subsidy in the true sense of the word.

Mr. LONG. Mr. President, will the Senator demonstrate to us what is meant by second-class mail?

Mr. ELLENDER. Periodicals, newspapers, and the like.

Mr. LONG. In other words, during the same period of time, the Government has spent twice as much money to subsidize the delivery of newspapers and magazines as it has spent helping the farmer.

Mr. ELLENDER. For the past 20 years, on all basics, that is exactly true.

Mr. President, I have cited to the Senate only three examples of segments of our economy receiving much more Government aid than agriculture. There are many others, more and more subsidies paid directly to business and other portions of our total economy. In order to be perfectly fair, I had my office consult with the Library of Congress in order to determine the volume of Government aids, of all kinds, to agriculture during a certain period, and also aid tendered to other economic groups, to find out just what the comparison was.

As I pointed out earlier, the subject matter we are discussing now is losses sustained by the Government on price-support operations for the basic commodities.

I have before me an exhibit, exhibit VII, which is entitled "Government Aids for Agriculture and for Other Economic Groups."

Government expenditures for aids and special services to agriculture, often called subsidies, are smaller than for several other groups. In the fiscal years 1949–53, inclusive, Government expenditures for aids and special services to agriculture totaled $2,615,000,000. During this period Government expenditures for aids and special services to business totaled $4,346,000,000, and to veterans $24,768,000,000.

For agriculture, the amount spent from 1949 to 1953 totaled $2,615,000,000. Now what does that aid consist of?

In the case of agriculture these aids and special services are predominantly losses realized on price-support programs—

Which are the amounts I have earlier indicated—

expenses of the International Wheat Agreement, Sugar Act payments—

The Sugar Act payments are not a real cost to the Treasury. The Sugar Act provides for a half-cent tax on each pound of sugar and only a part of that is used in order to make these sugar payments. As a matter of fact, the sugar program has enriched the Federal Treasury by from 14 to as much as 17 million dollars a year.

I continue to read from the report on comparative Federal aid to segments of our economy—

payments for removal of surplus commodities, and administrative expenses of loan programs and other aids to farmers. Other major expenditures for aids to farmers classified elsewhere in the budget are provided through loans at favorable interest rates, soil-conservation payments, reclamation aids, and other developmental aids. Farmers also benefit indirectly from the school-lunch program, international aids and similar Government expenditures which are intended primarily to benefit other groups.

Mr. President, so that the Senate may have the whole picture, I ask unanimous consent that this exhibit be inserted in the RECORD at this point.

There being no objection, the document was ordered to be printed in the RECORD, as follows:

EXHIBIT VII

GOVERNMENT AIDS FOR AGRICULTURE AND FOR OTHER ECONOMIC GROUPS, 1949–53

(Prepared by Library of Congress, Legislative Reference Service)

Government expenditures for aids and special services to agriculture, often called subsidies, are smaller than for several other groups. In the fiscal years 1949–53, inclusive, Government expenditures for aids and special services to agriculture totaled $2,615,000,000. During this period Government expenditures for aids and special services to business totaled $4,346,000,000, and to veterans $24,768,000,000. Preliminary figures for fiscal years 1949–55 indicate no appreciable change in the proportion of benefits. (See table below.)

Current expenses for aids and special services

[In million dollars]

Fiscal years	Agriculture [1]	Business [2]	Labor [3]	Home owners and tenants [4]	Veterans [5]	Other aids
1949	341	773	175	−11	5,549	1,091
1950	601	789	228	−111	5,583	1,264
1951	905	809	197	−160	4,515	1,327
1952	463	1,041	200	−129	4,710	1,364
1953 [6]	305	934	215	−123	4,178	1,506
Subtotal	2,615	4,346	1,015	−534	24,768	6,552
1954 [7]	609	918	204	−100	4,057	1,672
1955 [7]	549	609	216	−48	4,085	1,656
Total	3,773	5,873	1,435	−682	32,687	9,880

[1] Agriculture: In the case of agriculture these aids and special services are predominantly losses realized on price-support programs, expenses of the International Wheat Agreement, Sugar Act payments, payments for removal of surplus commodities, and administrative expenses of loan programs and other aids to farmers. Other major expenditures for aids to farmers classified elsewhere in the budget are provided through loans at favorable interest rates, soil-conservation payments, reclamation aids, and other developmental aids. Farmers also benefit indirectly from the school-lunch program, international aids, and similar Government expenditures which are intended primarily to benefit other groups.

[2] Business: In the case of business the aids and special services included in this summary are primarily portions of the postal deficits arising from air mail and 2d-, 3d-, and 4th-class mail; maritime-operating subsidies and navigation and other aids to the shipping industry; various aids to air navigation; and the net losses accruing on defense production aids. Many businesses also benefit by expenditures classified elsewhere in the budget, such as those to stimulate housing construction, to provide more economical sources of electric power, and to control floods. Numerous tax advantages also accrue, e. g., from depletion allowances given extractive industries, accelerated amortization of emergency defense facilities, and protective tariffs.

[3] Labor: In the aids to labor the largest Federal expenditure is for the Federal-State program of unemployment insurance and public employment offices. The Federal Department of Labor makes grants to the States to cover the full cost of administering these services.

[4] Home owners and tenants: Since loans and other financial aids to home owners and tenants are classified in this analysis as investment-type expenditures, current expenditures consist chiefly of grants to local authorities for low-rent public housing and for slum clearance and redevelopment. These are increasing, as the local agencies complete the projects and become eligible for the grants. However, receipts from insurance of mortgages and savings and loan share accounts, as well as from mortgage purchase and other housing loan programs, exceed gross expenditures for housing in all 3 years.

[5] Veterans: Current net expenditures for aids to veterans in the fiscal year 1955 are estimated at $4.1 billion, slightly above 1954. Compensation pension benefits account for more than half of the total estimated for fiscal year 1955. The monthly compensation payments are to veterans with service-connected disabilities and to the families of deceased veterans. Pensions are paid in nonservice cases. Hospital and medical care is provided for veterans in a Government-operated system of hospitals, through contracts with other institutions, and through outpatient services. Other important current aids to veterans are readjustment benefits for veterans of World War II and the Korean conflict, most of which are for educational purposes. Included are outlays for education and training of veterans who enroll in schools and colleges, or vocational training on the job or farm; losses under the loan-guaranty programs; and veterans' unemployment allowances.

[6] Actual.

[7] Estimated.

Mr. ELLENDER. I wish to emphasize that American agriculture is not on the dole any more than American business is on the dole, as these figures well show. Today all American agriculture asks is that the Federal Government continue for 1 more year the protection that it owes our farmers.

Much has been said of present CCC inventories—that they are large and that tremendous losses will be sustained on them. I doubt that the "tremendous losses" which have been forecast will materialize.

Mr. President, another argument that is advanced for the flexible-price plan is based on the erroneous premise that today's surpluses are the result of the 90-percent-of-parity price supports. The fact that the present CCC inventories are large is not the fault of the farmers, but a result of action of the Government which wisely sought to prepare for the worst while we were seeking an armistice in Korea.

The Senate Agriculture Committee's report on the pending bill shows at page 21 the production goals set by our Government for the 1952 crop year. These goals were set high because of the fear that all-out war would come and increased stocks of food and fiber products would be needed.

Let us study this exhibit and see exactly what the situation was in 1950, the year when the war in Korea started.

In 1950 the production of cotton was 9.9 million bales; 1951 production was 15.2 million bales; and the goal for 1952 was 16 million bales. Except for the fact that the farmers of the Nation were asked to produce additional cotton, I feel sure it would not have been planted. On the contrary, the law now on the statute books would have been put into effect. Marketing controls and acreage allotments would have been proclaimed. The farmers would not have received 90-percent support prices unless they complied with the law. Here is how that law would have worked:

As is well known, upon carryovers reaching a specified point, the Secretary of Agriculture is required to take certain action. Whenever the amount of a basic commodity on hand is above a certain level percentagewise, as outlined in the law, then the question is placed before

the farmers as to whether they are desirous of placing themselves under acreage controls and receiving 90-percent-of-parity price supports or continuing unlimited production and facing lower supports. If they vote for controls, the controls become effective. Acreage is limited; production is reduced. In that way the program operates to reduce the amount for the ensuing years, thereby avoiding the creation of huge surpluses.

Yet in 1951, in preparation for the 1952 crop year, it was decided to use emergency provisions of the law, to disregard the provision calling for acreage allotments and marketing controls when supply reached a certain point. Instead, spurred on by the Korean war, our Government did just the opposite—it called for all-out production.

For example, there was not an excessive amount of wheat on hand in 1950. There were normal carryovers, as the table shows. Yet, because of the conflict in Korea, which was then in progress, the farmers of the Nation were asked to produce more and more wheat, more and more corn, and more and more of all commodities; and they proceeded to plant large quantities of these. They are now being penalized because of the patriotism which was evidenced by them when they were asked to produce these enormous quantities of farm commodities.

As I pointed out a while ago, the Department was burdened by a fear of the shortages which might result because of the Korean War, and it was because of an effort on the part of the farmers to meet the goals that large amounts of certain commodities were produced. Because the Korean war ended, wartime needs did not materialize. Present stocks are abnormally high. Cotton farmers along with producers of other basic commodities are being punished.

All I ask now is that the present program be continued for only 1 more year, in order to give the farmer a chance to stabilize his production. It would be really cruel to the farmer to punish him now by withdrawing price supports, and penalizing him for the commodities he produced at his Government's urging.

Mr. President, at this point I desire to place in the RECORD an exhibit which indicates farm production for 1950 and 1951, and production goals for 1952. These goals were actually fixed by the Department of Agriculture itself, and they are the prime cause of our present day enormous surpluses.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

United States 1952 production goals with comparisons

Crop	Unit	Production			Percent 1952 goal is of 1951
		1950 [1]	1951 [1]	1952 goals	
Intertilled:					
Corn	Million bushels	3,058	2,941	3,375	115
Sorghum, grain	do	233	159	205	129
Soybeans, beans	do	299	281	276	98
Cotton	Million running bales	9.9	15.2	16.0	105
Potatoes	Million bushels	430	326	350	107
Sweetpotatoes	do	50	28	46	164
Dry edible beans (cleaned)	Million 100-pound bags	15	16	16	100
Truck crops:					
Fresh market (25)	Thousand tons	9,073	8,572	[2] 8,800	103
Processing (11)	do	5,303	7,506	[2] 6,383	85
Close-sown:					
Oats	Million bushels	1,410	1,316	1,307	99
Barley	do	304	255	290	114
Wheat, all	do	1,019	987	1,165	118
Rye	do	21	21	22	105
Flaxseed	do	40	34	38	112
Rice, rough	Million 100-pound bags	39	44	42	95
Hay:					
All	Million tons	102	108	105	97
Tame	do	90	96	93	97

[1] BAE Annual Summary, December 1951.
[2] Includes an assumed production for some vegetables for which no goals will be set. Separate announcements have been made of vegetable goals by types.

Mr. ELLENDER. Mr. President, we also hear that the sliding scale will lower prices and increase consumption; that the Benson plan will take food out of storage and put it into consumption. This sounds good, but the fact is, Mr. President, that the proponents of flexible price supports are flying under false colors and proceeding on the wrong track. They reason this way: Cut the prices paid to farmers. This, they claim, will reduce the prices consumers must pay for the food and fiber products they buy. Then they go one step further. They assert that lowered costs will result in increased consumption and, presto, all our surpluses are magically done away with.

The story sounds good, but the reasoning is wrong. It is wrong because the basic premise upon which it rests is false. The fact is that lowering farm costs will not appreciably affect the prices consumers must pay for food and fiber products.

The Department of Agriculture estimates that for each dollar spent on food by the average American family, only 45 cents goes to the farmer who produces the various commodities included therein. The remainder goes to pay marketing, processing, and transportation costs. This is what the Department of Agriculture's Agricultural Marketing Service had to report in its May 1954 edition of The Marketing and Transportation Situation:

> The bill for marketing farm-produced food products in 1953 was more than three times that of 1932. This increase resulted from an expansion in the quantity of food marketed, an extension in marketing services per unit of product handled, and advances in costs per unit of labor, plant, equipment, mechanical power, supplies, etc. Profits, too, were larger.
>
> Direct labor costs, the largest single item, were more than four times larger in 1953 than in 1932. The number of workers increased nearly three-fifths and average hourly earnings more than tripled. Labor costs accounted for about 53 percent of the marketing bill in 1952 and 1953 compared with an average of 47 percent in 1935–39.

Mr. President, I have before me a table which appears on pages 36 and 37 of the Senate committee report on the bill, which shows the marketing margin and farmer's share of the retail cost of farm products. Senators will note that in nearly every instance the farmer receives but a fraction of the retail cost of the food and fiber products covered therein. Thus, a so-called sliding-scale parity, particularly as applied to the basics, would not benefit the consumer, but taking money from the farmer's pocket, without lowering the prices he must pay for the necessities of life, forces our agriculture to carry an unfair burden.

The exhibit shows that, of the total price paid for the contents of an average monthly market basket, which includes meat products, dairy products, poultry, eggs, bakery and cereal products, ingredients for cooking, grains, and fruits and vegetables, in the period 1947 to 1949 the farmer received 49 percent of the total cost of all commodities in the market basket. In January 1954 he got 45 percent, which was 4 percent less. In October 1953 he got 45 percent, and he also received that amount in January and March of 1953. It will be noted that the farmers, as a whole, get very little for many of the commodities they produce.

Take evaporated milk, as an example. The farmer receives 47 percent of the retail price of that commodity. He receives 50 percent of the retail price of fluid milk. For soda crackers, which are manufactured from flour, he received but 17 percent of the retail price as of January 1953. In October of 1953 he received but 14 percent. In January 1954 he received but 15 percent. On corn flakes, the farmer receives 15 percent of the price I pay in the grocery store. For cornmeal he receives but 26 percent. The rest of the retail cost goes to pay labor, handling, transportation, and costs of that kind.

Mr. President, I do not wish to take the Senate's time to go into greater detail on this subject, but I ask unanimous consent that the table to which I have referred be printed in the RECORD at this point so that Senators may have the facts before them.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

EXHIBIT X

TABLE 4.—*Farm food products. Marketing margin and farmer's share of the retail cost, January–March 1954, October–December 1953, January–March 1953, and 1947–49 average* [1]

Product	Retail unit	Marketing margin [2]						Farmer's share			
		January–March 1954 [3]	October–December 1953	January–March 1953	1947–49 average	Percentage change January–March 1954 from—		January–March 1954 [3]	October–December 1953	January–March 1953	1947–49 average
						October–December 1953	January–March 1953				
						Percent	*Percent*	*Percent*	*Percent*	*Percent*	*Percent*
Market basket	Average quantities purchased per urban wage earner and clerical-worker family in 1952.	$551.23	[4] $552.26	$545.75	$486.85	(5)	+1	45	45	45	49
Meat products		95.08	[4] 98.97	100.14	85.09	−4	−5	65	62	61	67
Dairy products		98.59	[4] 96.76	94.22	77.49	+2	+5	47	49	50	54
Poultry and eggs		36.14	37.40	35.71	36.34	−3	+1	66	68	68	69
Bakery and cereal products:											
All ingredients		113.65	[4] 113.02	110.13	88.78	+1	+3	22	22	23	27
Grain								17	17	17	
Al. fruits and vegetables		144.81	[4] 143.46	144.53	133.98	+1	(5)	28	28	32	31
Fresh fruits and vegetables		73.75	71.54	73.62	61.72	+3	(5)	35	35	40	40
Fresh vegetables		39.27	36.99	39.38	29.37	+6	(5)	32	33	42	45
Processed fruits and vegetables		71.06	[4] 71.95	70.92	72.26	−1	(5)	20	20	20	21
Fats and oils		28.85	28.57	26.93	33.33	+1	+7	34	34	34	36
Miscellaneous products		34.11	34.08	34.09	31.84	(5)	(5)	18	18	18	18
		Cents	*Cents*	*Cents*	*Cents*						
Beef (choice grade)	Pound	24.8	[4] 23.6	27.8	20.0	+5	−11	64	66	62	71
Pork (excluding lard)	do	16.9	19.0	17.0	17.6	−11	−1	71	65	65	67
Butter	do	27.1	26.0	25.2	22.0	+4	+8	66	67	68	72
Cheese, American processed	do	29.9	[4] 28.9	28.0	20.7	+3	+7	50	51	54	61
Evaporated milk	14½-ounce can	8.0	7.7	7.9	6.6	+4	+1	44	46	47	52
Fluid milk	Quart	12.1	12.0	11.5	9.3	+1	+5	47	48	50	53
Chickens, frying	Pound	20.1	20.7	19.6		−3	+3	59	60	64	
Eggs	Dozen	17.1	17.9	17.2	18.7	−4	−1	72	74	73	72
Bread, white	Pound	14.3	14.2	13.6	10.9	+1	+5	16	15	16	19
Crackers, soda	do	23.1	23.2	21.8		(5)	+6	15	15	16	
Corn flakes	12 ounces	18.7	18.7	18.0	18.8	0	+4	15	14	17	19
Cornmeal	Pounds	9.2	9.3	8.6	8.2	−1	+7	26	26	32	31
Flour, white	5 pounds	33.1	32.4	32.1	27.9	+2	+3	38	38	39	42
Rice	Pound	12.0	12.0	9.5	11.4	0	+26	39	39	50	41
Rolled oats	20 ounces	13.3	13.4	[4] 13.3	10.7	−1	0	28	27	27	34
Apples	Pound	7.5	6.8	7.6	6.1	+10	−1	49	50	49	46
Grapefruit	Each	8.3	8.0	8.2	7.1	+4	+1	15	20	18	18
Lemons	Pound	13.3	13.9	14.9	12.0	−4	−11	29	29	27	32
Oranges	Dozen	35.1	37.5	33.0	34.0	−6	+6	25	24	27	27
Beans, green	Pound	15.1	12.4	14.6	11.8	+22	+3	43	42	48	44
Cabbage	do	5.7	5.3	5.9	5.0	+8	−3	20	22	18	28
Carrots	do	9.6	9.6	7.8	6.9	0	+23	24	31	31	38
Lettuce	Head	8.9	10.0	9.6	8.1	−11	−7	41	36	35	44
Onions	Pound	5.0	4.9	6.0	4.7	+2	−17	18	21	51	44
Potatoes [6]	15 pounds	50.3	48.2	54.3	40.3	+4	−7	24	30	44	49
Sweetpotatoes	Pound	7.8	7.3	9.9	6.5	+7	−21	40	40	45	42
Tomatoes	do	18.8	16.9	18.4		+11	+2	39	34	40	
Peaches, canned	No. 2½ can	27.8	28.0	27.8	26.2	−1	0	16	16	18	17
Orange juice, canned	46-ounce can	25.2	26.1	23.8		−3	+6	27	26	26	
Corn, canned	No. 303 can	15.9	16.0	16.1	14.0	−1	−1	15	15	16	16
Peas, canned	do	18.1	18.1	18.3	18.4	0	−1	15	15	14	14
Tomatoes, canned	No. 2 can	14.2	14.3	15.0	13.8	−1	−5	18	17	18	19
Beans with pork, canned	16-ounce can	11.6	11.6	11.6		0	0	19	19	19	
Orange juice concentrate, frozen	6-ounce can	12.9	[4] 15.2	13.7		−15	−6	30	[4] 29	26	
Strawberries, frozen	12 ounces	27.1	26.9	28.5		+1	−5	27	28	25	
Beans, green, frozen	10 ounces	19.6	19.3	19.5		+2	+1	20	20	20	
Peas, frozen	do	16.0	[4] 16.0	[4] 16.0		0	0	17	17	17	
Dried prunes	Pound	19.5	19.0	17.7	14.3	+3	+10	34	35	38	38
Navy beans	do	9.2	9.7	8.8	10.2	−5	+5	47	44	47	49
Margarine, colored	do	20.8	20.8	20.3	27.3	0	+2	31	30	31	31
Peanut butter	do	29.5	29.7	29.5		−1	0	40	40	40	
Salad dressing	Pint	27.1	26.1	25.8	27.8	+4	+5	24	25	25	26
Vegetable shortening	Pound	23.2	22.6	21.3	25.7	+3	+9	33	34	36	37
Corn sirup	24 ounces	19.9	19.9	19.8		0	+1	16	15	16	
Sugar	5 pounds	32.1	32.3	32.4	29.0	−1	−1	39	39	38	40

[1] Information concerning the calculation of the marketing margin and farmer's share are given in the supplement to the July–September 1953 issue of this situation. Product groups include more items than those listed in this table. For example, the meat products group includes lamb, veal, and lower grades of beef in addition to pork and carcass beef of Choice grade.

[2] The marketing margin is the difference between the retail cost and the net farm value, table 11.

[3] Preliminary estimates.

[4] Revised.

[5] Less than 0.5 percent.

[6] See table 14, p. 35, for revised data.

Mr. ELLENDER. Mr. President, the table points up one more salient factor I should like to discuss. Much has been made of the fact that agriculture is being given an unfair advantage—that no other segment of our American economy has a comparable standing. I disagree. The Government does not subsidize American agriculture. It either buys a commodity and gets a quantity of that commodity in return for our tax money, or it lends money to a farmer, who pledges his crop as collateral. In no instance covered by the bill under discussion today, as affects basic commodities, does our Government pay direct subsidies to our American farmer such as those paid airlines; nor does it dole out valuable and costly benefits such as those made available to large publishing concerns—benefits which have resulted in sizable postal deficits.

Our Government does not guarantee our farmers a break-even price. The Government offers to buy, or to lend money, at a base computation which would give the farmer 90 percent of the relative purchasing power he had during a specified base period. Reducing this percentage would not equalize the farmer's economic position, but would place him at a greater disadvantage. Farm operating costs have been constantly increasing; farm income has been falling. Net farm income in 1953 stood at only about 36 percent of gross income, compared with 37 percent in 1952 and nearly 43 percent in 1949.

That brings me to another exhibit, which I ask unanimous consent to have printed in the RECORD at this point.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Agricultural summary

[In millions of dollars]

Year	Realized gross farm income	Farm production expenses	Net farm income		
			Net farm income	Percentage gross income	Purchasing power in 1939 dollars
1949	31,763	18,170	13,593	42.8	6,935
1950	32,066	19,704	12,362	38.6	6,243
1951	36,962	22,317	14,645	39.6	6,780
1952	36,526	23,027	13,499	37.0	6,164
1953	35,100	22,600	12,500	35.6	5,730

Source: Economic Report of the President, Jan. 1954, p. 181.

Mr. ELLENDER. Mr. President, in 1949 realized gross farm income was a little more than $31 billion. In 1953 realized gross farm income was a little more than $35 billion. However, when there is deducted from this gross income all farm production expenses—that is, the cost of producing commodities—it will be seen that in 1949 farm production expenses were a little over $18 billion, whereas in 1953 they were over $22 billion.

Net farm income in 1949 was 42.8 percent of gross income, whereas in 1953 it was only 35.6 percent.

Reduced to purchasing power, as measured by 1939 dollars, the farm income in 1949 amounted to almost $7 billion, for a realized gross farm income of $31 billion. However, a realized gross farm income of $35 billion in 1953 gives a farmer the 1939 purchasing power of only $5,730,000,000—quite a reduction over a 4-year period.

If the present 90 percent of parity support program were now replaced with one offering less in the way of price support, it would cut farm income without affecting farm operating costs. That is important. We must not forget that the farmer must purchase equipment, clothing, processed foods and other manufactured items. The prices of these items are kept up by virtue of minimum wages paid laboring people—which none of us wished changed. For example, as I have already pointed out, hourly earnings have been steadily increasing, even as farm income has been falling.

Mr. President, I ask unanimous consent to have printed at this point in my remarks a table showing the relationships to which I have referred.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

EXHIBIT XII

Gross average hourly earnings for selected industries (1941–52)

	Manufacturing	Durable goods	Nondurable goods
1941	$0.729	$0.806	$0.640
1942	.853	.947	.723
1943	.961	1.059	.003
1944	1.019	1.117	.861
1945	1.023	1.111	.904
1946	1.086	1 156	1.015
1947	1.237	1.292	1.171
1948	1.350	1.410	1.278
1949	1.401	1.469	1.325

EXHIBIT XII

Gross average hourly earnings for selected industries (1941–52)—Continued

	Manufacturing	Durable goods	Nondurable goods
1950	$1.465	$1.537	$1.378
1951	1.590	1.670	1.480
1952	1.670	1.760	1.540
1953 (December)	1.790	1.890	1.630

Source Monthly Labor Review (February 1954), p. 1234.

Mr. ELLENDER. The table which I have just placed in the RECORD shows the gross average hourly earnings for selected manufacturing industries for the period 1941 to 1952, and was taken from the Monthly Labor Review of February 1954, page 1234. In 1941 the gross average hourly wage was almost 80 cents an hour. In 1942 it was a little more than 85 cents. From year to year, as the table shows, that wage has been increasing until, in December of 1953, the gross average hourly wage in manufacturing had increased to $1.79 an hour.

In the durable goods industry, the gross average hourly wage in 1949 was a little over 80 cents an hour. Today it is $1.89 an hour. In the nondurable goods industry, the gross average hourly wage in 1941 was 64 cents an hour. Today it is $1.63 an hour.

In other words, the table shows that the wages of the laboring man have been increasing from year to year. I do not regret that; the American worker is entitled to it. However, we must realize that the same laborer is the person who produces the goods and materials which farmers need. While the prices which the farmer receives for his commodities have been going down, the cost of the products which the farmer has to buy has been going up. There has been a continuous parade of higher wages paid to persons who manufacture and produce products which the farmer himself uses. This has placed the farmer in a squeeze between falling income and increased operating costs. The farmer's economic position has been constantly deteriorating, while the income of the workingman and the corporation—aided by minimum wages and Federal assistance of other forms—have been increasing. For instance, in 1953, farm income fell $2.4 billion, while labor income increased by $14 billion and corporate profits rose by nearly $3 billion.

Mr. President, consider the situation in 1930. At that time, farm income was $3,900,000,000; labor's income was $46,300,000,000. Gross corporate profits were $3,300,000,000.

But in 1953 gross corporate profits had increased to $41.9 billion, in contrast to labor's income of $198.9 billion, and net farm income of $12.4 billion.

In examining the table, we see that from year to year—from 1930 through 1953—in most cases there has been a gradual increase in corporate profits and in labor income; but insofar as farm income is concerned, although there has been some increase, there have been too many decreases for the farmer to break even. In other words, the increase in farm income has been far from steady, as compared with the increase in corporate profits and the income of labor.

Mr. President, I ask unanimous consent that the table to which I have been referring be printed at this point in the RECORD, as a part of my remarks.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

EXHIBIT XIII

Comparative income status of business-labor-agriculture

[In billions of dollars]

Year	Gross corporate profits	Labor income	Farm income
1930	3.3	46.3	3.9
1936	5.7	42.1	3.9
1938	3.3	42.8	4.4
1939	6.5	45.7	4.5
1940	9.3	49.5	4.9
1943	25.1	104.5	11.8
1944	24.3	116.2	11.8
1945	19.7	116.9	12.5
1946	23.5	111.1	14.8
1947	30.5	122.3	15.6
1948	33.8	134.9	17.7
1949	27.1	134.2	12.8
1950	41.0	146.5	13.3
1951	43.7	170.7	15.5
1952	39.2	184.9	14.8
1953	41.9+2.7	198.9+14	12.4−2.4

Source: Historical and Descriptive Supplement to Economic Indicators, 83d Cong., 1st sess., pp. 45 and 46; Economic Indicators, April 1954, pp. 22 and 23.

Mr. ELLENDER. Mr. President, thus we see that all the arguments for flexible price supports are fallacious. The farmer is not at an economic advantage. We are only seeking to keep farmers from going bankrupt while they adjust to peacetime production.

Second. The surpluses in some farm commodities do not result from the present farm program, but, rather, from its administration and the request of our Government that farmers strive for all-out production in the time of war or similar national emergency.

Third. Reduced farm prices would not proportionately reduce food prices to consumers. There would be no increased consumption to reduce the stocks of commodities. There would only be bankrupt farmers and perhaps richer middlemen.

I believe it would be most cruel now to further depress farm prices, to deliberately undermine the backbone of our economy—our Nation's agriculture. To do so would be to concentrate our lifeblood, food and fiber, in the hands of too few of our people. We must not make the mistake of offering the American farmer as a living sacrifice to the half truths and misrepresentations which the opponents of the present farm program have used in an attempt to discredit it. We must not, Mr. President, penalize our farmers for their patriotism in producing present stocks of cotton, corn, wheat, and other basic commodities—stocks which their Government asked them to produce, and which would have been sorely needed had a truce not been achieved in Korea. The pending bill, which gives our farmers a year of grace, which would keep farm income relatively stable while production is curtailed and stocks reduced, is the least we can do for the men and women who feed and clothe our Nation.

Mr. CLEMENTS. Mr. President, the American farmer and those who buy his

products are being subjected to malicious poison, designed to divide our people and undermine the gains made by the farmers of our Nation, during the last 20 years.

The truth is that the farmer and the city dweller are each others best customers. The farmer furnishes the urban person with his food and, at the same time, buys the products manufactured in the city. Their livelihoods are closely intertwined, and any attempt to drive a wedge between them is one of the greatest disservices to the well-being of our Nation.

Under our Constitution and laws, the President of the United States appoints his Cabinet, who serve as his advisers, in the running of the executive branch of the Government.

These advisers are responsible to the President in the conduct of the departments of Government affecting various phases of our daily life and our economy. They are regarded as experts in a particular field. They represent the interests of those who earn their living in that phase of our society, although they are charged with remembering that the strength of our Nation is the ability of 160 million Americans to pull together as a team.

One of these advisers is the Secretary of Agriculture. His job is to serve the American farmers and help them obtain the maximum productivity from the soil and the greatest measure of success from their work in the fields of our Nation.

A part of his task is explaining the farmers' problems to the President, Congress, and the people of our Nation. This does not mean that he should disregard the general welfare and become nothing but a special pleader. But, just as assuredly, it does not mean that he should be a party to placing the needs of the farmer in such a light that he promotes cleavages among our people, particularly if the disunity he spreads is hurtful to those he ostensibly is supposed to help.

A prime example of such dissension-sowing would be for the Secretary of Agriculture to pit the interests of the consumer against the interests of the farmer.

If a Secretary of Agriculture were to say to the American people, "At what point will the 140 million Americans who do not live on the farm rise up and demand, not revision but outright elimination of all direct aid to agriculture?" we would have a clearcut example of improper representation of the farmer's interest and, more importantly, a disregard of the Nation's interests.

This statement might be a figment of my imagination—a few words I had put together as an example.

The fact is that it is not imaginary. These are the actual words of the present Secretary of Agriculture before a committee of the Senate in January of this year.

This is but one statement in a long series of statements by the Secretary, designed, first, to undermine a program which has brought the farmers out of the misery and despair of foreclosure and depression and given them a measure of prosperity; and, second, designed—whether intentionally or not—to mislead the consumers into believing that the farmer is wallowing in luxury at the expense of the market basket in the food store.

In 1952 there was no warning that a new administration in Washington would preach opposition to the present farm program or to the theory of price supports and crop storage. The Republican candidate did not offer supports at 75 percent, or 80 percent, or 82½ percent. He spoke of full 90 percent of parity, and higher—with no ifs, ands, or buts. I quote from a speech of the present incumbent of the White House at Brookings, S. Dak., on October 4, 1952:

> The Republican Party is pledged to the sustaining of the 90-percent parity-price support, and it is pledged even more than that to helping the farmer obtain his full parity, 100 percent parity, with the guaranty in the price supports of 90.

Let us see what the administration has done toward accomplishing the goal of 100 percent of parity with the guaranty of price supports of 90—let us go back and compare prices then as a percentage of parity with recent prices. From the Department of Agriculture bulletins entitled "Agriculture Prices" we find that in October 1952, the average price as a percentage of the parity price on cotton was 108 percent; as of July 1954 it was 92 percent; on wheat, October 1952, 84 percent; July 1954, it was 80 percent; rice in October 1952 was 105 percent; in July 1954 it was 76 percent; corn in October 1952 was 86 percent; in July 1954 was 82 percent; for peanuts in October 1952 it was 83 percent; in July 1954 it was 82 percent; for grain sorghum in October 1952 it was 101 percent; in July 1954 it was 86 percent.

There was no indication in 1952 that the present farm program was detrimental to the consumer, or that the time would come when the interest of the farmer would be pitted against the interest of those in the urban communities. At Little Rock, Ark., on September 9, 1952, the Republican candidate declared:

> I believe that a true practice of the qualities I have mentioned already comes if leadership in our country tries to show the value of cooperation and friendship rather than to try to seek votes out of class divisions.

This was a fine statement and one received with enthusiasm by farmers, regardless of political affiliation—but wait, there was a dark cloud on the horizon, yet unseen by the farmer. Two and one-half months later, on November 24, 1952, from Morningside Heights, came the announcement that Ezra Taft Benson had been selected as Secretary of Agriculture for the Eisenhower Cabinet.

Things were different beginning in 1953. On February 5 of that year Secretary Benson declared that "price supports should provide insurance against disaster."

Two months later began the program designed to undermine the support program and sow the seeds of division. Speaking to the annual convention of the American Society of Newspaper Editors, Secretary Ezra Taft Benson said, and I read from the New York Times of April 17, 1953:

> Unless effective action is taken to cut down the cost to the taxpayers of operations entailing Government accumulation of huge stocks, the customers in the cities will turn against the program and may result in throwing it all out.

Is not this a remarkable statement for a Secretary of Agriculture to make to a group of news editors, or did he see this as a fine public forum to spread further propaganda?

There is another way in which this same disunity has been spread. This involves choosing the meeting and making a special appeal, pitting one audience against the other. There was a classic example of this during the month of September 1953.

Secretary Benson appeared as the principal speaker at the national plowing contest in Eau Claire, Wis., on September 19, and before the meeting of the American Barikers Association in Washington, D. C., 3 days later, on September 22.

To the farmers he said:

> I have not become Secretary of Agriculture to sit idly by, wringing my hands, and let the farmer be squeezed by lowered farm prices and high fixed costs.

Then he told the bankers:

> Too many Americans are calling on Washington to do for them what they should be willing to do for themselves.

Let us check this price squeeze situation and ascertain how active the Secretary has been, whether or not he has sat idly by—again I refer to the Secretary's own information facilities and quote from his publication, the Marketing and Transportation Situation. In 1952, the farmer's share of the retail cost of the farm food market basket averaged 47 percent of the cost—in May 1954, the latest available date, the share of the farmer has dwindled to 44 percent of the cost. This is quite a drop from the 1947 average of 51 percent of the retail cost of the farmer's food market basket received by the farmer.

The farmers were told:

> President Eisenhower and I are both determined to do all within our power to protect and improve the living standard of the farm people * * * to enhance farm prices in 1953–54.

Judging from the results of their protection and improvements, I would say the farmer would probably just as soon have a little less of their type of protection and a little more money if the drop in the parity ratio from an even 100 in October 1952, to 88 in July, just announced, is to be the continuing result of their benevolence.

Reversing the field again, before a different audience, he informed the bankers:

> It is generally agreed that there is danger of undue concentration of power in the Federal Government.

Back once again to the speech before the farmers:

> The present farm programs * * * don't go far enough when it comes to providing incentives for progress.

Then again to the bankers:

> It is high time we had this awakening to the dangers of undue dependence on public assistance. * * * We believe, in short, that the principles of economic freedom are applicable to farm problems.

Could it be that Secretary Benson thought he could say one thing to the farmers and another to the bankers and hide his seeds of disunity from each? It hardly seems possible. It appears more logical that he knew exactly what he was doing.

The Republican National Committee joined the sowers of disunity when it devoted part of one of its recent issues of Straight From the Shoulder to spreading the poison about the crop storage program.

This issue of the national committee's official publication reported, for example:

There is also enough pork in storage to supply each family for 6 months.

I knew this to be incorrect and I did a little checking and was informed by Mr. Benson's own Department on June 2 of this year that there was not 1 pound of pork in storage and not 1 pound of pork under loan by the Department.

The charges continue. I was disappointed to see the distinguished Vice President make the following statement less than a month ago:

My hope is that in trying to solve it [referring to the problem of surplus crop storage] that we do not get ourselves in a straitjacket, all wound up in a maze of bureaucratic controls where the Government must come out on farms to tell farmers what they can raise and what they can sell. Or another danger * * * that we ride blindly on to an inevitable clash between town and country.

I refuse to accept the view that a clash is inevitable. There has been no clash for the 20 years of the program and there is need for none now. I place my confidence in the wisdom of the American people when they have the facts. I recall, for example, the letter to the chairmen of the Agriculture Committees of the Congress earlier this year by Mr. Walter Reuther, the head of one of our great labor unions, representing millions of American workers. Mr. Reuther declared:

We denounce Secretary of Agriculture Benson's attempt to incite city workers against farmers and farmers against city workers by falsely stating that city workers are opposed to price supports for farm products.

We want the members of the Senate and House Agriculture Committees and every Member of both Houses to know that we shall not be split away from and put in opposition to the working farm families of America.

There is nothing in this statement which indicates any inevitable clash. This is the kind of statement to be expected when the facts are known and understood by the American people.

Mr. President, when we get to the core of the present attacks on the farm program, we discover there the basic crops of wheat, cotton, corn, peanuts, and rice, on which present supports are set at 90 percent.

The real villains in the play, according to Secretary Benson, are these crops which, because they are important to our bank account of food and fiber, because they are essential to our daily living, because they are major cash crops of the farmers, and because they are of storable nature, lend themselves to rigid supports.

The attack has centered on these basics, for if the support on these foundation stones of the support program can be weakened, the whole structure of supports will begin to topple.

Secretary Benson testified before the Senate Committee on Agriculture and Forestry, in January of this year, regarding changes in the farm program. During the course of his testimony, he dropped the figure of $16 billion in his statement as the cost of the farm program. This was widely heralded as the cost of the support program. Secretary Benson did nothing to correct the impression.

Mr. Benson's own Department had the true figures on the cost of the support program over the past 20 years. In actual fact, the cost of the program has not closely approximated $16 billion. The report of the Commodity Credit Corporation covering the period October 1933 to May 1954 shows that the total cost of all activities, excluding only the wartime subsidy program has amounted to $1,090,661,186.

Mr. President, I ask unanimous consent to have inserted in the RECORD at this point in my remarks the "analysis of program results from October 17, 1933, through May 31, 1954," prepared by the Commodity Credit Corporation, which contains the costs to which I have referred.

There being no objection, the analysis was ordered to be printed in the RECORD, as follows:

Commodity Stabilization Service, Commodity Credit Corporation—Analysis of program results from Oct. 17, 1933, through May 31, 1954

[Realized gains and losses (—)]

Program and commodity	Oct. 17, 1933, through June 30, 1941	July 1, 1941, through June 30, 1946	July 1, 1946, through June 30, 1950	Fiscal year ended June 30— 1951	1952	1953	Fiscal year 1954, through May 31, 1954	Oct. 17, 1933, through May 31, 1954
Price-support program:[1]								
Basic commodities:								
Corn	—$20,078,488	—$14,336,569	—$17,003,844	—$748,839	$1,783,916	—$20,526,523	—$58,827,234	—$129,737,581
Cotton	—27,401,798	218,328,306	48,587,399	28,938,218	148,924	—381,572	—908,895	267,310,582
Cotton, Puerto Rican		—126,011	—4,187					—130,198
Cotton, export differential [2]		—27,651,360	—13,709,858					—41,361,218
Cotton-rubber barter		11,055,451						11,055,451
Peanuts			—66,417,360	—14,584,837	—8,670,873	—2,975,881	—21,948,453	—113,697,404
Rice			—1,291,994	53,071	57,271	—277,861	407,676	—1,051,837
Tobacco	—2,107,589	7,074,300	378,256	71,450	—1,014,923	—2,759,676	242,747	1,884,565
Wheat	—6,199,460	—11,775,173	—31,530,327	—19,013,932	—7,722,262	—18,886,296	—29,884,411	—125,011,861
Total	—55,787,335	182,568,944	—80,991,915	—5,284,869	—15,417,947	—45,807,809	—110,018,570	—130,739,501
Designated nonbasic commodities:								
Milk and butterfat:								
Butter			—4,111,861	—44,216,443	41,571	—456,492	—22,330,484	—71,073,709
Cheese			—1,031,078	—24,040,464	31,405	14,708	—8,408,190	—33,433,619
Milk, dried			—14,066,310	—42,707,738	—1,183,459	—4,798,735	—35,832,537	—98,588,779
Honey			—874,470	—1,499	107	4,924	16,158	—854,780
Potatoes, Irish [3]		—25,197,222	—389,303,437	—63,437,281	—85,459	—73,658	—37,132	—478,134,189
Tung oil			—311,561	233,811	—1,154	—451	—1,784	—81,139
Wool	—176	—15,834,163	—76,449,116	142,596	—86,610	—15,290	86,227	—92,156,532
Total	—176	—41,031,385	—486,147,833	—174,027,018	—1,283,599	—5,324,994	—66,507,742	—774,322,747
Other nonbasic commodities:								
Barley		—40,019	—3,230,613	—1,790,903	—2,807,078	—2,195,112	—1,074,826	—11,138,551
Beans, dry edible		—179,753	—876,176	—11,746,232	—15,429,183	—6,777,410	—6,199,547	—41,208,301
Castor beans		—171,224	31					—171,193
Cotton, American-Egyptian		—538,573	43,598	14,358	175,206	294,665	38,303	27,557
Cottonseed and products			—597,728	5,506,631	2,686,612	7,701,799	—14,557,193	740,121
Eggs [4]		—224,002	—79,808,061	—76,055,947	—29,368,028	—4,256,139	90,951	—189,621,226
Flax fiber			—397,058	—55				—397,113
Flaxseed and linseed oil		—22,209	—2,558,121	—57,520,995	—4,683,190	—1,422,997	—43,508,812	—109,716,324
Fruit, dried		—109,489	—14,818,291	46,315	—855			—14,882,320
Grain sorghum		437,456	—14,094,985	—22,644,554	31,638	874,126	—752,364	—36,148,683
Grapefruit juice			—1,732,374					—1,732,374
Hemp and hemp fiber		—20,201,375	—1,256,023	21	—1,778			—21,459,155
Hops	—162,036	—792,164						—954,200
Naval stores	—4,435,579	5,997,861	—977,885	—1,974,111	3,876	30,253	8,693	—1,346,892
Oats			—455,666	15,238	—738,889	—194,938	—2,716,444	—5,090,699
Olive oil						—170	—168,672	—168,842
Peas, dry edible		—3,012	—658,012	—227,726	—655	—31		—889,436
Pecans		—3,751						—3,751
Rye	—4,575	60,751	—210,464	—34,759	18,599	7,947	—39,868	—202,369

See footnotes at end of table.

Commodity Stabilization Service, Commodity Credit Corporation—Analysis of program results from Oct. 17, 1933, through May 31, 1954 [1]—Continued

[Realized gains and losses (—)]

Program and commodity	Oct. 17, 1933, through June 30, 1941	July 1, 1941, through June 30, 1946	July 1, 1946, through June 30, 1950	Fiscal year ended June 30— 1951	1952	1953	Fiscal year 1954, through May 31, 1954	Oct. 17, 1933, through May 31, 1954
Price support program—Con.								
Other nonbasic commodities—Con.								
Seeds		—$148,193	—$433,434	$295,452	—$537,879	—$4,050,655	—$17,629,137	—$22,503,844
Soybeans			4,526,337	—139,442	1,574	—24,893	—653,086	3,710,490
Sugar, Puerto Rican and Virgin Island			23,830					23,830
Sugar beets			—16,517,269					—16,517,269
Sweetpotatoes			—134,648	—773				—135,421
Turkeys			40,255	—29,185				11,070
Vegetables, canned		—6,888	18,830					11,942
Total	—$4,602,190	—15,944,584	—134,103,927	—166,286,667	—50,650,030	—10,103,555	—88,162,002	—469,762,955
Total price support	—60,389,701	125,592,975	—701,243,675	—345,598,554	—67,351,576	—61,146,358	—264,688,314	—1,374,825,203
Supply program: [2] [3]								
Cotton and linters		1,592,551	283,648					1,876,199
Grains and seeds		23,969,000	50,416,902	722,558	437,204	405,837	—235,710	75,715,791
Oils (bulk)		29,937	830,050	42,136	6,020	9,194	—26	917,311
Tobacco		4,179,335	588,749					4,768,084
General commodities purchase [4]			186,240,037	—1,551,484	—195,564	1,314,667	1,682,295	187,489,951
Processed and packaged commodities [7]			38,800,398	118,459	162,193	23,559	324,926	39,429,525
Sugar, Puerto Rican raw			37,157	—567		9,439	13,702	59,731
Other		—3,120,517	—296,718	3,185				—3,414,050
Total supply program		26,650,306	276,900,223	—665,713	409,853	1,762,696	1,785,187	306,842,552
Foreign purchase program: [3] [5]								
Cotton		5,430,464	456,271	2,617	—2,617			5,895,735
Fats and oils		22,543,441	16,412,134	—37,417	—2,550			38,915,608
Foodstuffs		4,020,232	1,035,731	17,755	9,770	—2,616	15,867	5,696,739
Other		—274,627	21,191	24,318	53,378			—175,740
Total foreign purchase		32,328,510	17,925,327	7,273	57,981	—2,616	15,867	50,332,342
Emergency feed program:								
Corn							—11,699,229	—11,699,229
Cottonseed meal							—17,304,459	—17,304,459
Oats							—3,562,042	—3,562,042
Wheat							—1,689,397	—1,689,397
Total emergency feed program							—34,255,127	—34,255,127
Commodity export program:								
Cotton [8]		—7,098,694	—5,436,235	—3,729	1,494			—12,537,164
Wheat		—1,209,445	—618				—11,002,431	—12,212,494
Total commodity export		—8,308,139	—5,436,853	—3,729	1,494		—11,002,431	—24,749,658
Storage facilities program		—10,087,438	57,441	—498,980	—1,628,947	121,488	231,937	—11,804,499
Accounts and notes receivable (charge-offs)		11,134	—888,164	—454,137	—196,247	—253,682	—420,497	—2,201,593
Total (excluding wartime consumer subsidy costs) [10]	—60,389,701	166,187,348	—412,685,701	—347,213,840	—68,707,442	—59,518,472	—308,333,378	—1,090,661,186

[1] Allocation of losses and gains as between "Price support program" and "Supply program" for the period prior to the fiscal year 1947 was made on the basis of an analysis completed in April 1949. Since accounting records maintained prior to July 1, 1946, did not provide for this segregation, it was necessary to analyze program results in detail and in some cases make an estimate of the distribution between "Price support" and "Supply" of the total operating result as shown by the accounting records. This analysis was based on all known factors concerning the operations with respect to each commodity.

[2] Includes export differential on owned or pooled cotton only. Differential on exporters' cotton included under "Commodity export program."

[3] Includes price support loss of $2,829,639 on the 1943 and 1944 potato programs, which was formerly included under the general commodities purchase program.

[4] Includes price support loss of $11,956,386 on the 1944 egg program, which was formerly included under the general commodities purchase program.

[5] Portion of overall supply and foreign purchase program effective July 1, 1952.

[6] Includes gain of $178,697,602 carried as "Special reserve—General commodities purchase program" as of June 30, 1946, and transferred to income in May 1947. Also see footnotes 3 and 4.

[7] During the period July 1, 1946, through June 30, 1949, activity under this program was reported as general supply program.

[8] Insofar as possible, operating results have been retroactively classified to correspond with current budgetary programs. In some instances, the accounts maintained prior to July 1, 1946, did not make possible a precise segregation of the results of foreign procurement operations.

[9] Includes export differential on exporters' cotton only.

[10] Includes losses totaling $56,239,432 on price-support commodities disposed of in accordance with Public Laws 389 and 393, 80th Cong.; i. e., transferred to foreign assistance outlets at a price equal to price of a quantity of wheat having equivalent caloric value. The Corporation was reimbursed for these losses by the Secretary of the Treasury.

Mr. CLEMENTS. Mr. President, this sum of $1,374,825,203 does not get down to the core of the attack on 90-percent supports, for only a part of the $1 billion can be charged to this phase of the program.

Actually, the cost of those crops supported at 90 percent of parity has amounted to $130,739,501 according to Mr. Benson's Department. Averaging this over a period of 20 years, 90-percent supports have cost $6,536,975 a year, or 4½ cents a year for each of us.

This, Mr. President, is what is under attack—4½ cents a year for farm prosperity.

The farm program is being condemned because 90-percent supports cost us less each year than it would cost us to buy one copy of a daily newspaper.

The President, in his agriculture message to Congress in January, of this year, made no major recommendations for change on the nonbasic crops which represent the major costs of the Commodity Credit Corporation. His attack centered on the basics which are supported at 90 percent. For everyone of these, save one, he recommended flexible supports.

The administration has concentrated its charges and predicted an inevitable clash between farmer and consumer because of a program which has made it possible for rural America to hold its head up in our economic structure unfrightened by depression and foreclosure—a program which cost all 96 Members of this body $4.32 a year.

Oh, yes, Mr. President, I do not deny that there are other factors to be considered and other charges to be discussed; and I wish to shed some light on them at this point.

One of these charges concerns surpluses in storage. Two factors must be considered in discussing surpluses. In the first place, there is nothing inherently wrong in surpluses. The cotton in storage at the time of World War II made it possible for our Nation properly to clothe our fighting men and the soldiers of many of our allies. Without these stores of basic materials, our military efforts would have been handicapped.

At the time of the Korean conflict, an increased bank account of food and fiber was encouraged by the Secretary of Agri-

culture through raised production goals. It was deemed prudent at that time as a safety factor which would have been so considered by any Secretary of Agriculture under similar circumstances. Any timidity in building food and fiber stocks could have played directly into the hands of the enemy for he not only watches our military strength, but he carefully seeks weaknesses in our whole economic, industrial and social strength. If he had found our Nation with a shortage of food and fiber supply, he would have moved to take advantage of this weakness.

Surpluses take on added meaning in the face of droughts which have been prevalent in our country. Continued drought and adverse weather conditions can be better met with adequate food supplies in reserve.

Today hundreds of thousands of families in our Nation are drawing upon these surpluses to fill their daily needs of food. These are those unfortunates among our population who are without jobs to provide the requirements at the grocery store. In my own State of Kentucky, as of May 15, of this year, 175,000 people were receiving food from the surplus stocks.

I have joined in introducing a measure to give even broader powers to the Secretary of Agriculture in channeling excess farm products to areas where unemployment exists and where the need is greatest. I need not say that I am disappointed this Congress has not acted on this bill.

Our surpluses are being used in other ways for the benefit of our people. Children in the schools receive better balanced diets at a price they can afford because they can draw upon food in storage.

The surpluses have become vital weapons in fighting the cold war. The false promises of communism thrive on empty stomachs. When we can send surpluses to those who are starving in nations under the guns of communism, we have struck a blow against the Red menace. It is obvious from these facts that the surpluses in storage are in no sense a dead loss to our Nation. They are there against emergencies, they are there in times of need, and the fact they are in storage does not mean, in any sense that they are a complete financial loss. The programs on cotton and tobacco have not been a cost to the Government—they show a profit.

There is another factor. Would lower supports do away with surpluses?

There is nothing in our history to show that a reduction in supports might lead to less production by the farmers. In fact, our history shows that when farm prices begin to fall, the farmers tend to overcome the loss in income by planting more and more acres. This they do to maintain their income. Sliding supports could, in fact, result in greater production rather than less.

Mr. President, as I proceed I want it to be perfectly clear that I am asking nothing special for the farmer. He should not receive, nor would he want, treatment above and beyond his due or above and beyond that which we might provide for other segments of our population. The farmer has consistently supported the program of rigid supports with acreage controls on the six basic commodities.

Only last week, in the face of confusion caused by uncertainties, the wheat farmers of the Nation voted acreage allotments for the coming year. Last year, the cotton producers, by a vote of 458,382 to 29,071—16 to 1—voted to abide by quotas.

Marketing quotas for tobacco have been in effect continuously for 15 years, and in referendum after referendum, over 95 percent of the growers have voted for quotas.

Of course, others than farmers call upon the Federal Government for help, and throughout our history the people have supported such help to segments of our society in the interest of the general good.

An excellent publication, issued only last month by the Committee on Agriculture of the House of Representatives, discusses this matter fully.

This pamphlet is entitled "Government Subsidy, Historical Review—A Summary of the Use of Subsidies To Advance the Aims and Purposes of Government Since the First Congress to the Present Time."

I was particularly interested in one table contained in the publication, and I ask unanimous consent to have it inserted in the RECORD at this point in my remarks.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Government expenses for selected categories, 1949–55

[In million dollars]

Fiscal year	Agriculture	Business	Labor	Veterans	General aids
1949	341	773	175	5,549	1,091
1950	601	789	228	5,583	1,264
1951	905	809	197	4,515	1,327
1952	463	1,041	200	4,710	1,364
1953	305	934	215	4,178	1,506
1954 (estimated)	609	918	204	4,057	1,672
1955 (estimated)	549	609	216	4,095	1,656
Total	3,773	5,873	1,435	32,087	9,880

Mr. CLEMENTS. Mr. President, adding the figures for the years contained in this table, we find that from 1949 to 1955 Government expenses in these categories have totaled $53,648,000,000, of which agriculture expenses have totaled $3,773,000,000 for all phases—including the International Wheat Agreement, the Sugar Act, Extension Service, and general operations—about 7 percent of the total.

It will be noted, for example, that in every one of these years except one the expenses in connection with business have been greater than those of agriculture.

I do not argue against any of these expenses. I merely present the information here to place the cost of the agricultural program in relation to other expenses of a like nature carried by the Government.

Before this discussion is completed, one further and most important subject must be considered. Food prices continue high; and at the same time the farm income is decreasing.

The question which naturally arises then is: What is happening to the food dollar?

The Congress has made no exhaustive study of this important question. There is material at hand which can give us insight into the reason for this paradox.

One source of such information is a series of technical reports, prepared by the Department of Agriculture, covering many years and bearing on the costs of food and the dollar-and-cents makeup of these costs.

Another excellent document is a report issued on August 2 of this year by the House Committee on Agriculture under the title "Farm Prices and the Cost of Food."

Both these documents show clearly that the cost of marketing food is rising, that the consumer is paying more while the farmer is receiving less.

A report of the Department of Agriculture, commenting on the increased marketing costs, states:

> This increase resulted from an expansion in the quantity of food marketed, an extension in marketing services per unit of products handled, and advances in costs per unit of labor, plant equipment, mechanical power, supplies, etc. Profits, too, were larger.

The Agricultural Marketing Service of the Department of Agriculture, uses a stable basis for computing the changes in farm-to-retail price spreads. It depends on what it calls a farm-food market basket.

This average farm-food market basket had for the period January–March 1954, a value at retail of $551.23. This was a trifle lower than for the period October–December 1953, when the value of the same market basket was $552.26. However, the cost was higher than in the period 1947–49, which is the period acceptable for comparative purposes by most statistical agencies of the Government.

In the 1947–49 period the farmer received 49 cents from each dollar the consumer spent for the market basket. This figure had dropped to 45 cents in the late 1953 and early 1954 period.

The House committee report states that by June of this year the farmer's share had dropped another penny so that he now receives only 44 cents.

This drop in what the farmer receives has occurred during the same period when the cost of food has been rising. From May to June, for example, the retail cost of food rose one-half percent.

There are reasons for this; but those reasons do not lie in the level of support prices which have been a stabilizing influence and not a method of extracting an unfair share of the consumer's income.

As a matter of fact, even in the first quarter of this year the marketing margin, that is, the spread between what the consumers paid and the farmers received, moved up—being 1 percent higher than a year earlier.

The Agricultural Marketing Service, in reporting on developments of the first quarter of 1954, stated on page 5 of the report:

> Marketing margins for all major commodity groups, except meat products, were wider than in the first quarter of 1953.

Such information as one can elicit from a study of developments over a number of years indicates that, if anything, we are headed in a direction where the farmer's share of the consumer's dollar will go down—and down it will go positively, if such support—such stability as can be provided through the price-support mechanism—is destroyed or substantially weakened.

While the farmer's income is going down, let us see what the Agricultural Marketing Service, the technical branch of the Department of Agriculture, reports with respect to net income for the leading processors of farm products in 1954. I read from page 9 of its report:

Net income (after taxes) in most lines of agricultural processing was larger in 1953 than in 1952, according to data compiled by the National City Bank of New York from financial reports published so far this year (table 2).

I include table 2 from this report, and ask unanimous consent to have it inserted in the RECORD at this point in my remarks.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Net income of leading corporations processing agricultural products, 1952 and 1953 [1]

Industrial groups	Number of corporations	Reported net income after taxes: Total		As percentage of net assets [2]		As percentage of sales	
		1952	1953	1952	1953	1952	1953
		1,000 dollars	*1,000 dollars*	*Percent*	*Percent*	*Percent*	*Percent*
Baking	21	52,769	54,340	12.2	12.0	3.6	3.5
Dairy products	14	63,388	70,519	10.4	11.0	2.1	2.2
Meat packing	16	28,622	56,262	3.5	6.7	.4	.7
Sugar	21	43,238	21,813	8.1	4.0	4.4	2.3
Other food products	80	199,095	227,639	10.0	10.9	3.1	3.3
Tobacco products	23	114,073	132,055	9.2	10.0	3.4	3.9
Cotton goods	36	48,728	57,842	5.8	6.8	2.9	3.6
Woolen goods	10	[3] 7,474	[3] 9,497	3.5	4.6	2.4	3.8
Clothing and apparel	35	15,341	17,378	6.1	6.8	2.6	2.7

[1] Source: The Marketing and Transportation Situation, issued May 13, 1954, by the Agricultural Marketing Service, U. S. Department of Agriculture.
[2] Book net assets at the beginning of the year are based upon the excess of total balance sheet assets over liability.
[3] Deficit.

Compiled from Monthly Letter on Economic Conditions, Government Finance, the National City Bank of New York, April 1953.

Mr. CLEMENTS. Mr. President, another factor to be considered is the number of workers required in the marketing and processing of food. The number of workers engaged in marketing farm-produced food products has gradually increased from 3,400,000 in 1929 to 4,900,000 in 1953, although the number declined slightly during the early 1930's.

I ask unanimous consent to have this tabulation entitled "Estimated Number of Workers and Cost of Labor in Marketing Farm Food Products, 1929–53," inserted at this point in the RECORD.

There being no objection, the tabulation was ordered to be printed in the RECORD, as follows:

TABLE 1.—*Estimated number of workers and cost of labor in marketing farm food products, 1929–53* [1]

Year	Number of persons: Total	1947–49=100	Labor cost: Total	1947–49=100
	Million	*Percent* [2]	*Billion dollars*	*Percent* [2]
1929	3.4	73	4.5	39
1930	3.4	72	4.4	39
1931	3.2	69	4.0	35
1932	3.1	67	3.4	30
1933	3.1	67	3.2	28
1934	3.4	74	3.6	31
1935	3.4	74	3.7	33
1936	3.5	76	3.9	34
1937	3.7	80	4.4	38
1938	3.7	79	4.5	39
1939	3.7	81	4.5	40
1940	3.9	83	4.8	42
1941	4.0	86	5.2	45
1942	4.1	88	5.7	50
1943	4.0	86	6.1	53
1944	4.0	88	6.7	59
1945	4.2	90	7.4	65
1946	4.4	95	8.9	78
1947	4.6	99	10.6	93
1948	4.6	100	11.5	101
1949	4.7	101	12.1	106
1950	4.6	101	12.7	111
1951	4.8	103	13.9	122
1952	4.8	104	14.7	129
1953 [3]	4.9	106	15.5	136

[1] Includes number and compensation of persons engaged in assembling, processing, wholesaling, retailing, and transporting farm food products.
[2] Computed from estimates in 2 decimals.
[3] Preliminary.

Source: The Marketing and Transportation Situation, May 13, 1954, issued by the Agricultural Marketing Service, U. S. Department of Agriculture.

Mr. CLEMENTS. Mr. President, part of the increase in the number of workers is due to the expansion in the volume of food marketed. Since 1929, farm marketings of food products in the United States have increased more than 60 percent. A decrease in the average number of hours worked per week also has contributed to the increase in the number of workers.

In addition to the increasing volume, the task of marketing many farm products has been enlarged during the past quarter of a century by an extension of marketing services. More and more processing, packaging, and other marketing services have been embodied in many of the products marketed.

Although services performed by the marketing system have been extended in many directions, they have been contracted in others, notably by the introduction of self-service and by reductions in delivery service and consumer credit in food retailing. The decrease in the number of retail food stores during the past 25 years also may be regarded as a curtailment of services supplied to consumers, as many consumers no longer have stores as near their homes as formerly.

These changes in services performed by the marketing system illustrate the fact that other factors, as well as the volume of products handled, affect the magnitude of the task accomplished by that system.

Another consideration is the increased cost of labor in the food processing and marketing program as we have been able to raise wages and give a decent standard of living. Average hourly earnings of employees of firms marketing farm products and commodities made from farm products have increased steadily since the end of World War II.

I ask unanimous consent to have the tabulation entitled "Table 2.—Average Hourly Earnings of Employees of Firms Marketing Food, Tobacco, and Textile Products, and Average Hours Worked per Week, 1939 and 1947–53," inserted in the RECORD at this point.

There being no objection, the tabulation was ordered to be printed in the RECORD, as follows:

Table 2.—Average hourly earnings of employees of firms marketing food, tobacco, and textile products, and average hours worked per week, 1939 and 1947–53

AVERAGE HOURLY EARNINGS

Year	Food marketing [1]	Tobacco manufactures [2]	Textile-mill products [2]	Apparel and other finished textile products [2]	Retail apparel and accessories stores [2]
	Dollars	*Dollars*	*Dollars*	*Dollars*	*Dollars*
1939	0.62	[3] 0.48	[3] 0.46	.....	0.56
1947	1.14	.90	1.04	1.12	1.03
1948	1.24	.95	1.16	1.18	1.08
1949	1.31	.99	1.19	1.17	1.11
1950	1.37	1.07	1.24	1.20	1.12
1951	1.47	1.13	1.33	1.29	1.17
1952	1.55	1.17	1.36	1.30	1.22
1953	1.64	1.24	1.37	1.33	1.26

	Average hours per week: Number	Number	Number	Number	Number
1939	42.5	[3] 35.4	[3] 36.6	.....	38.3
1947	42.3	38.9	39.6	36.3	36.9
1948	41.8	38.4	39.2	36.2	36.5
1949	41.2	37.3	37.7	35.8	36.7
1950	40.9	38.1	39.6	36.4	36.5
1951	41.0	38.5	38.8	35.9	36.1
1952	40.7	38.4	39.1	36.5	35.8
1953	40.3	38.1	39.1	36.4	35.4

[1] Weighted composite of earnings and average weekly hours in the manufacture of food and kindred products, steam railways, wholesale trade, and retail food stores, calculated by the Agricultural Marketing Service from data published by the Department of Labor and Interstate Commerce Commission.
[2] Department of Labor.
[3] Not strictly comparable with data for 1947 and later years.

Source: The Marketing and Transportation Situation, issued May 13, 1954, by the Agricultural Marketing Service, U. S. Department of Agriculture.

See footnotes at end of table.

Mr. CLEMENTS. Mr. President, these facts show that there is a certain rigidity in marketing costs, which simply cannot be overlooked. As I have pointed out, over the past several years almost all costs of performing marketing services have increased. These increases, plus higher local, State, and Federal taxes, have widened the total margin between the farm and retail prices. Changes in marketing margins over a period of time are determined primarily by changes in the costs of all factors in marketing operations. The least rigid and the most flexible factor is farm prices.

It has been found that the cost items in the marketing margin are even more inflexible during a period of deflation than during a period of inflation. They eventually respond to any significant rise in the general price level, but do not always decline as rapidly as purchasing power contracts. The rigidity of these costs prevents substantial reductions in the marketing margin when farm prices fall as a result of weakening demand or increasing supplies.

Since World War I, marketing margins declined substantially only during the periods of severe deflation in 1920-21 and during the early 1930's. Even during these periods, the reduction in margins was slower and considerably smaller than the decline in farm prices.

The Bureau of Agricultural Economics, the forerunner of the Agricultural Marketing Service, reached this significant conclusion in a report issued October 29, 1953, on page 8:

> Probably there are more rigidities in the marketing structure now than ever before. Therefore, substantial declines in the general level of marketing margins do not appear likely in the foreseeable future.

It goes on to discuss some of the significant factors in the long-run outlook and points to the great expansion in processing and marketing services for consumers. If anything it sees that consumers are likely to demand more marketing services as their incomes rise—that we are not likely to go back to the days that preceded the present system of a wide variety of processed foods in canned, frozen, and other forms, which the housewife appears to prefer.

I am not here to argue against improved marketing or against the costs necessary to keep the food and fiber produced by our farmers flowing to the consumer.

I am only presenting facts which we must face in considering our agriculture program and in trying to arrive at a healthy and prosperous economy.

These facts on the spread in price between the farmer and the consumer are significant, in that they show clearly that it is not the farmer who is causing the rise in the cost of the market basket of the Nation. Less of the dollar spent at the grocery store today goes to the farmer than of the dollar spent a year ago. This is the important fact.

This stands in significance, along with the fact that the cost of the Government's support to agricultural products is a minor matter in the weekly expense of the average family.

This ranks in importance with the fact that the surpluses in storage in our Nation are in most cases a needed reserve against emergency of food or fiber.

These facts all add to but one conclusion. There have been efforts made in the past 2 years to drive a wedge between the farmer and the consumer to make political gain. The objective has been to undermine a farm program which has made ours the best fed country in the world and provided for the farmers of this Nation a fair share of the national income. The result of this is that the consumer is being misled and the farmer is being mistreated.

Mr. President, I strongly support the present farm program and have signed the majority report of the Senate Committee on Agriculture and Forestry, calling for a 1-year extension of support prices for the basic commodities at 90 percent of parity through 1955.

Mr. LENNON. Mr. President, I shall not long detain the Senate, for I believe the important question now before the Senate has been fully and ably debated during the last several days, as well as to a considerable extent in the last several months.

As we discuss this important legislation, I think of my late distinguished colleague, Senator Clyde R. Hoey, of North Carolina. He was a most distinguished member of the Agriculture and Forestry Committee of the Senate. His judgment was always sound. I looked to him for advice and counsel on many things, and particularly in the fields of Government finance and agriculture.

The late Senator Hoey was a supporter of rigid price supports for the basic farm crops at 90 percent of parity. It was my happy privilege to discuss quite frequently these great farm programs and problems with my late and lamented distinguished colleague.

Mr. President, Senator Hoey came from the great cotton-growing section of North Carolina, but his knowledge of agriculture did not stop with cotton. We miss his voice today as we attempt to pass legislation which would be in the best interest of the farmers and of all the other people of our great Nation.

Mr. President, North Carolina ranks first among all the States in the Union in the number of farms. The other Members of this great legislative body may be surprised to learn that fact, but it is a fact that North Carolina has the greatest number of farms of any State in the Union. They are not big farms; they are comparatively small ones—individually owned farms, which are the basis of a fine agricultural economy; farms owned by the people who live on them, and who pass them on from generation to generation.

Mr. President, it is clear that agriculture is the foundation of our economy, and that anything that cripples our agriculture, strikes at the very heart of our people.

For example, North Carolina produces 65 percent of all flue-cured tobacco grown in the United States. In 1953 the United States produced 1,272,000,000 pounds of flue-cured tobacco. Of that amount, North Carolina grew 824 million pounds. North Carolina's production of cotton, corn, and peanuts is almost equally impressive; and, as was brought out during this debate, the percentage of its cash crops subject to price supports is the highest of any State in the United States. I point out that this is true because of the especially large production of flue-cured tobacco by Tarheel farmers.

The tobacco farmers of North Carolina have demonstrated to the world that they can make and have made controls effective. It is admittedly the best managed of all programs, and this has long been recognized by the distinguished Members of the Senate and the other body of the Congress. Today there is no controversy with respect to flue-cured tobacco. Everyone recognizes that price supports at 90 percent of parity will continue on tobacco, and the pending legislation recognizes just that.

At this juncture in my remarks, Mr. President, I desire to pay tribute to the distinguished Members of the Congress for their recognition of the way that North Carolina tobacco farmers, in concert with their neighbors, have developed an effective program which, as I have said, is a model for the world.

Mr. President, I have spent much time since coming to the Senate, and particularly since the death of my colleague, Senator Hoey, in a study of the situation with respect to what is right in the field of agriculture price supports. I have concluded that it is the wisest thing at this time to support rigid 90 percent of parity on basic farm commodities, where production can be controlled at the source. I will vote against the pending Aiken amendment, and I will support the majority views of the Committee on Agriculture and Forestry.

Mr. President, the problem facing American agriculture today faces all of us. This is true, no matter whether we earn our living in the field, the factory, or the office. No one can escape the fact that all America and a large part of the rest of the world rely on the American farmer for their daily bread and also for the fiber they need. From a practical point of view, I do not believe that the American farmer can logically and equitably be asked to forsake a modest measure of protection at a time when so many other facets of our economy are protected to a substantial degree.

I have in mind the protection afforded in such programs as social security, minimum wages, tariffs, if you please, fixed transportation rates, Government subsidies on shipping and air transportation, oil, and mining depletion allowances, and more recently the provisions of the now infamous tax bill.

During the debate on this very important subject, much has been said to the effect that rigid price supports at the level we now have them were put in effect in order to encourage the farmers of America to produce more food and fiber because of our war needs. For many reasons I cannot subscribe to the philosophy offered by those who take that position. One that I recall instantly to mind is the fact that since 1950 industry generally in our great

country has been the beneficiary of what are known as certificates of necessity for accelerated tax amortization.

Mr. President, I have no quarrel with that, because if industry can be encouraged to replenish its plants with new technical methods and new equipment in order to afford a great defense potential, I have no question to raise, and no quarrel with that policy. But it is significant that since 1950, until January of this year, 17,005 certificates had been issued to the great industries of this Nation in order that they might accelerate amortization for tax purposes.

The pamphlet which I hold in my hand, which bears the date of January 22, 1954, was issued by the Office of Defense Mobilization in our Capital City. It indicates that not only have 17,000 certificates of necessity been issued to the industries of America, but that they are being issued rapidly every day. As of January of this year they involve the sum of $27 billion. I do not have the actual figures, but I am told upon very good authority that these great industries, as a potential for our defense in the future, have been granted exceedingly great tax benefits running into the billions of dollars.

It is disturbing to me that our economy has turned toward Washington in recent years on a continued accelerated scale. It is nevertheless a fact, and I cannot in good faith, deny my support to the farmers of North Carolina at a time when I sincerely believe their needs must be considered on the balance of fairness with respect to the other segments of our economy.

Mr. President, I think we must, of necessity, realize that it takes capital and time for a farmer to get into production. This biological and technological lag is another good reason for farm-price protection. During the biological period of farm production there is a great element of chance which the farmer takes.

A few days ago someone said that the farmer was the greatest gambler of all. I believe that question was raised with the distinguished senior Senator from Minnesota [Mr. THYE], and he replied by saying, "No; the farmer of America is not a great gambler. Notwithstanding the elements of chance he cannot be considered a great gambler, but he is the greatest optimist of all time, a person who is willing to believe, and who has believed at all times, that the right proportion of rainfall and sunshine would come, and that he would have a good crop."

During this time of which I have spoken, as has been pointed out so adequately here in this debate, the crops suffer from disease and pests and from the weather. The farmer is, therefore, unable to control his production at a moment's notice, as the farmer's response to any given situation facing agriculture is necessarily a delayed one. I believe that it is necessary to the interest of our country as a whole to provide a floor under agricultural incomes in times of price declines or serious market collapse.

I wonder if we need price supports when we have a shortage of crops due to pest or disease or inclement weather? Under those conditions, the law of supply and demand will certainly take care of the price condition in the free marketplaces for our commodities, with respect to both foodstuffs and fibers. It is when we have a surplus that the farmer needs price supports—and, I think, rigid price supports.

I believe that it is necessary and in the best interest not only of our own farmers, but of our country as a whole, to provide a floor under agricultural incomes in times of price declines or serious market collapse. To do so, I think, assists greatly in stabilizing our entire economy.

I believe also that this fact points out that the farm industry occupies a strategically important place both in the vicious downward spiral of depression and in the process of general recovery shown in the late thirties and early forties.

I assume that for these and many other reasons which have been enumerated here during this debate, that all of us are agreed, more or less, that it is just and proper that the farmer is entitled to some protection. It is the degree that we differ. Full parity prices are prices which give farm production in general the same purchasing power as they had in the base period 1910–14, which was certainly a favorable period for American agriculture. Thus, a bale of cotton or 100 pounds of tobacco at full parity prices today would continue to buy just as much in the way of standard production goods and tools as in the earlier period. Thus the parity price concept has come to be identified in this country by many as simply indicating a fair price for farm products.

Let me hurriedly list a number of reasons, Mr. President, why I am in favor of fixed supports on basic crops, that is, the five basics, at 90 percent rather than a sliding scale, which would let them slip as low as 75 percent. Fixed supports have been a part of our agricultural system for a number of years and have been an important factor in assuring ample supplies at fair prices to consumers here and abroad. I believe they have been successful to progress and stability at a high economic level. For example, the cash farm income of North Carolina was $98,210,000 in 1932 and was $942,169,000 in 1952.

Tobacco, our great crop, in 1952 brought North Carolina farmers $457,228,000, and cotton brought $119,125,000, as compared with—and these are significant figures—only $36,141,000 and $19,773,000, respectively, 20 years earlier.

A great many would say that the increase in tobacco consumption in the form of cigars and cigarettes had a great deal to do with the situation. There are a great many who would say that our great increase in population during that period of time naturally would provide a wider market for cotton.

Suffice it to say that those of us who are in a position to know are certain that price supports have saved the economy of North Carolina, as they have saved the economy of all the other great farm States of the Nation, as well as the general economy. I believe that the stability and economy of the United States as a whole are geared directly to the standard of living of the farmers of America.

There are those who would have us believe that if farm prices were brought down to the level that obtained during the latter part of the 1930 period, the consumers of America would get the benefit.

I should like to be able to subscribe to that philosophy, but a practical illustration which demonstrates that that is not true was given on the floor of the Senate within the past 36 hours when the senior Senator from Minnesota [Mr. THYE] told us about a personal experience—not something he read in a newspaper but something of which he had personal knowledge. He told us about what happened in the early spring when the Secretary of Agriculture reduced the parity prices on milk solids, butterfat, and cheese.

Naturally anyone would have felt that immediately the retail price of raw milk to the retail customers in the great State of Minnesota would go down. Exactly the contrary happened. The men and women who get up in the wee small hours and go out in the dark to the milk barn to milk the cows and send the milk to the big cities of Minnesota had their price reduced by as much as a dollar a hundredweight. However, in the great cities of Minnesota housewives and others paid as much as 1 cent more for a quart of milk during the same period of time.

That, to my mind, is satisfactory evidence that if farm prices are permitted to slide, under the proposed sliding scale of the Department of Agriculture, the savings, if any, will not be passed on to our friends in the great urban centers.

I should be inclined to think seriously about going along with a 75-percent to 90-percent parity program if there were any evidence, or indication, that the savings, if any, which would be made at the expense of the producer, the person through whose sweat and toil the food and fiber of America are made possible, would be passed on to the people who purchased products at the corner grocery stores over the land. However, we have seen a practical illustration that such would not be the case.

While it is certainly unwise to attribute all this progress to 90 percent supports of the five basic commodities, I believe we must recognize the contribution which the 90-percent supports have made. Overall, in spite of all the fuss and fury we have heard, we must recognize the fact that the cost of Government farm price supports has not been high when compared with the cost of Government assistance to industry in general during the past 18 or 20 years.

To substitute sliding for rigid supports at 90 percent of parity would cure few, if any, of the admittedly serious problems of agriculture. I believe this is true because, as I previously indicated, reductions in supply or increases in consumption which would result from lower support levels would be less than negligible.

I fear that prices to producers would merely go lower. Marketing quotas and

acreage allotments would not be avoided at this time. Nor do I believe that flexible supports would significantly expand the export market for our basic crops in the face of the present world supply situation and large accumulated reserves.

While I am on this subject, Mr. President, I would like to point out that the production of flue-cured tobacco in nations other than the United States has been on a great increase. The figures I have for 1953 indicate that 955 million pounds of flue-cured tobacco was grown abroad. That means that 131 million more pounds of flue-cured tobacco were produced abroad than in North Carolina. It indicates vividly to me that these recent trends in tobacco production will soon remove the United States from its dominant position in world tobacco production. I believe we must continue to do all that we can to step up the consumption of American farm production by the hungry peoples of the world. I am gratified to know that accelerated steps have been taken toward this goal.

All sections and all groups in America must of necessity and of right be strong in order to continue the struggle for freedom and for the democratic way of life. I do not wish to sell one group of the American people short at a time when I believe to do so would cause great damage not only to that particular group, but to all parts of our economy.

I believe it would be unwise to erect a building on sliding ground. I also think it would be unwise, certainly at this time, to try to base American agriculture upon sliding supports, because I fear that a drastic downhill slide would slow down to a halt the progress our nation has made.

Mr. MONRONEY. Mr. President, I rise in opposition to the pending amendment offered by the distinguished senior Senator from Vermont [Mr. AIKEN]. This amendment, which would reduce the support levels on the five basic agricultural commodities from 90 percent to 80 percent, would have a very adverse affect on the entire national economy.

Farm income is the indispensible factor in national prosperity. Historically all of our depressions have been farm-led and farm-fed. When farm income slumps, it is only a relatively short time before the national economy is in a tailspin downward to depression levels.

While most of the Nation considers the farm bill only as a benefit to the farmers in stabilizing farm commodity prices and in preventing them from reaching ruinous low levels, to me its greatest function is the stabilization of our national prosperity.

One can check the records of history and find that this primary source of income—the new wealth that comes each year from our farms—is the important factor in determining our Nation's prosperity.

Thus, as we discuss the protection of the farmer today against legislating a lower level of basic farm prices, we are in fact discussing the prosperity of all lines of American business.

It has frequently been said that historically "when the farmer's income goes down $1, the national income shrinks by $7."

I believe this rule to be approximately true. Certainly to our own experience, we have never had continuing prosperity for others when farm income slumps to less than the cost of production of farm commodities.

Certainly, we know that business was good and economic conditions booming during the period between 1910 and 1920 when the average prices received by farmers totaled 104 percent of parity.

Business fell off badly in 1921 when the low of 80 percent of parity was set and recovery by 1925 when the farmers received 95 percent of parity.

Farm prices were slipping badly by 1929, and so did business conditions. Prices received by farmers in 1927 were only 89 percent of parity. In 1930 they were 83 percent. Coming events cast their shadows before, and it was not long before this faltering farm economy brought down the house of cards on other businesses, and we entered the worst depression in our history.

The condition steadily worsened as farm bankruptcy further led the fire of economic disaster. National income dropped from $87.4 billions in 1929 to a mere $39.6 billions by 1933. Farm income in dollars declined from $6 billion in 1929 to a mere $2.6 billion by 1933.

Gradually as farm price supports began to have their effect, and we moved away from 5-cent cotton, 30-cent wheat, and 4-cent hogs—by 1941 the national income had increased by two and one-half times.

It is interesting to note how the national income followed the rising farm income and the improving parity prices received by America's farmers.

The table shows clearly how closely the national income follows the improved condition of farmers through the depression and the post-depression period:

	Percent parity	Net farm income	National income
		Millions	*Millions*
1932	58	$1,898	$41,700
1933	64	2,692	39,600
1934	75	3,776	48,600
1935	88	4,500	56,800
1936	92	5,064	64,700
1937	93	5,095	73,600
1938	77	4,232	67,400
1939	78	4,261	72,500
1940	81	4,298	81,300
1941	92	6,052	103,800
1942	101	8,849	137,100
1943	112	11,540	169,700
1944	108	11,970	183,800
1945	108	12,286	182,700
1946	112	14,193	180,300
1947	115	16,774	198,700
1948	110	15,604	223,500
1949	99	13,593	216,300
1950	100	12,362	240,600
1951	107	14,645	278,400
1952	100	13,499	291,600

Thus, I believe it can readily be seen from this table that in the years when farm prices slump, its effect automatically reduces the national income many times over the farm income loss.

Economic indicators, of course, are subject to challenge and debate, but I believe the evidence throughout our history makes the conclusion indisputable that we can have good times only when the farmers likewise are prosperous.

Federal Reserve figures also indicate the slippage in our national income since 1952 when the present farm price decline is continuing to be felt in the factories and businesses of the Nation.

Thus, when farm income fell by $2 billion in 1953 from the 1952 figure, the fuse was set for an early decline in national income which reached an all-time high of $305 billion for 1953. The effect showed up as this record figure dropped through the year 1954 by $6 billion. During this next 12-month period, farm income also continued to fall by another $1.1 billion.

If these figures, which seem to bear out the indispensable factor of farm prosperity on the national economy, are true, is the insurance of prosperity for all classes—industrial workers, small-business men; yes, even our industrial giants—worth the cost of this insurance? It seems to me that it is blanket insurance, written across the entire face of our economy.

Due, I believe, to intentional misrepresentation by the United States Department of Agriculture, the figures on the cost of this essential price-support program have been grossly misrepresented. The farmers have been charged with every conceivable cost, including many programs necessary to prosecute the war by raising substitute materials for those which could not be shipped in from overseas. These include such losses as flaxseed and linseed oil, hemp and hemp fiber, soybeans, tung oil, and fats and oils from peanuts and from dairy products.

All these war-occasioned additional costs have been lumped in, and in some cases the subsidies paid during the price-control period to stabilize consumer prices have also been dumped in to pyramid the cost of the programs.

It seems to me that the outside legitimate charge for this entire program since its inception in 1933 must, by any reasonable auditor, be placed at $1,374,825,202 as shown by the table included in the committee report.

Of this amount, the basic commodities, which is the heart of the program, have cost this Nation during these 21 fateful years a total of $130,739,501. This amounts to an average over 21 years of recovery and prosperity for all of America of $6,225,000 per year, for protection of the basic crops.

This is the very heart of the program. Cut loose these basic crops, the bellwethers of the farm-price lists and let them slide to bankruptcy levels because of a 5 or 10 percent overproduction in any good crop year, and you invite not only bankrupt levels for these five basics, but disaster for all other farm prices as well.

This insurance of national and farm prosperity—geared indivisibly to these basic crops—has cost less than seven one-hundredths of 1 percent of the total net farm income for all the years from 1933 to 1954.

Even if we consider all of the nonbasic crops to include the war-required crops and incentives for replacement of overseas supplies no longer obtainable during the war period, we find the total cost for this same 21-year period would

amount to only seven-tenths of 1 percent of the total net farm income for all of those same years.

Included in this list of nonbasics are such losses as the following:

Designated nonbasics

Butter	$71,073,709
Cheese	33,433,619
Dried milk	98,588,779
Honey	854,790
Irish potatoes	478,134,189
Tung oil	81,139
Wool	92,156,532

It will be noted that in the loss on these designated nonbasics, which totaled $774,322,747, the Irish potato program consumed 62 percent of this amount.

In the list of other crop support for nonbasics, the losses totaled $469,762,955. The larger losses in this program have been as follows:

Beans	$41,208,301
Eggs	189,621,226
Flaxseed and linseed oil	109,716,324
Grain sorghum	36,148,683
Hemp and hemp fiber	21,459,155
Soybeans	22,503,846

Adding the total losses on the designated nonbasics and on the other nonbasics, the total cost of these programs is $1,244,085,702.

The program at issue in the pending Aiken amendment, which would lower the parity supports under the five basics, has cost only $130,739,501.

It has shown a profit on two of these five:

	Profit.
Cotton	$236,874,617
Tobacco	1,884,565

It has shown losses on 3 of these 5:

	Loss
Corn	$129,737,581
Peanuts	113,697,404
Wheat	125,011,861

Thus, we are really discussing the continuance of this phase of the program and this only in the major issue of "flexible parity" supports. The flexible principle is still in the law for the commodities on which the great losses have occurred, to the extent of 83 percent of the entire cost of the farm program.

Yet, because of the remaining 17 percent of the cost attributable to the support of the basic crops, the Secretary of Agriculture is willing to wreck the cornerstone of farm price stability in order to win a token victory.

Many of us are familiar with the dangers of landslides on a sharp mountain slope. It would seem to me that the mandatory supports of 90 percent on the five basic crops may be compared to the small pines and vegetation that often holds in place the loose and shifting rock and soil on a mountain side.

Remove these small barriers and often the result can be a catastrophic landslide that will carry all structures away beneath the burden of the tons of landslide rock. Leave these small barriers there to hold back the slide and there is a good chance that the land will remain stable.

It seems to me that these bellwethers of the five basics compare to this mountain vegetation. Without them the other farm commodities which they help to protect may be swept away into the chasm. When the leaders of the farm price structure are stable and in no danger of severe decline, other commodities stabilize around them.

I have never known a time when the list of general agricultural commodities could hold firm in price when the prices of wheat, cotton, or corn were tumbling down. Nor have I ever observed a depressed agricultural condition when these leaders were selling at near parity figures.

Certainly many mistakes have been made in our farm price-support program. It has been the result of trial and error—together with compulsion to enter certain programs because of war necessity.

There is little likelihood that we will ever again undertake to support the price of potatoes which cost us for a very few years for 1 commodity nearly 4 times as much as the entire basic support program has cost for 21 years. There is little likelihood that this mistake will be again repeated, and to condemn the entire farm program because of this expenditure which cost the Treasury nearly a half billion dollars would be misrepresentation.

Nor can I feel that the Secretary of Agriculture, Mr. Benson, is confining himself to the facts when he misleads the consumers about the benefits that they will receive under his flexible-parity formula for the basic crops.

At the same time farm income has declined by 13 percent, we have seen consumers paying the highest prices for their living in all our long history. It is admitted that a decline of as much as 20 percent would result in only a reduction of about 3 percent in the prices paid by the consumers. The farmer's share of the price of the consumer's market basket which was 54 percent during the war, has declined to 45 percent at present. The consumers pay the high prices, but the profits go to the processors and middlemen and the farmer takes the loss.

Certainly we have considerable amounts of foodstuffs in storage. But in this time of uncertain world conditions when we totter between cold war and a shooting war with all of its implications of atomic and hydrogen bomb, plus bacterioligical warfare, a stockpile of food, as well as a stockpile of strategic minerals and metals, is not to be looked on as a major calamity. Should war strike, America can feel safer and more secure because we have accumulated these reserves of the most precious war resources a nation can have—food.

The great proportion of this valuable supply of farm goods is storable and if not improperly handled will preserve its food values and its fiber values from 10 to 20 years. The older grains and materials can be moved out for sale and use as the new crops move in and thus an ever-ready stockpile of food and fiber can be maintained against depreciation and spoilage.

Even in the field of perishable commodities, which are not included, of course, in the pending Aiken amendment, these stockpiles can be kept fresh and usable if the Secretary of Agriculture will carry out the mandate of Congress and make these supplies available to human use in the school-lunch program and for assistance to those on the old-age assistance roles of the States.

One bad year of nationwide drought or of pestilence could easily reduce this Nation to disaster. It would seem to me that our inventory of usable and storable food and fiber commodities has a value far exceeding their cost to the Government. To attempt to write off these valuable stores as being worthless—or an unusable burden—is to intentionally mislead the public for political purposes.

In time of disaster or war, these stores could prove more valuable to us than all the gold stored at Fort Knox.

Thus, today, as we consider this vital bill, I hope we will keep the true problem in its proper relation to our security as a nation and to the important farm income has upon the economic well-being of all.

PRESIDENTIAL ORDER ON SECURITY RISKS

Mr. MUNDT. Mr. President, I rise to discuss the pending farm bill, but before doing so I should like to take a minute or two to applaud President Eisenhower and congratulate the Chief Executive on the compelling action which he took in connection with security-risk matters, as reported in the press yesterday. I read as follows from the Washington Evening Star of August 6, 1954:

EISENHOWER ORDERS SPEEDUP IN HANDLING SECURITY RISK CASES

President Eisenhower has acted to speed up the handling of security-risk cases in the Government and assure a double check on them by the National Security Council.

An Executive order he issued late yesterday has the effect of setting a 90-day time limit for judging a security-risk suspect after completion of a full field investigation.

It provides for reports to the National Security Council on actions taken on the investigative reports, with particular attention to any lack of timely action.

The President's action followed withdrawal of proposed legislation by Senator MUNDT, Republican, of South Dakota, to set up a Federal Bureau of Internal Security in the Justice Department to evaluate FBI reports on Government employees and correct action on them

REASON FOR BILL

Senator MUNDT said earlier this week he had introduced a bill because of contentions made during the recent Army-McCarthy hearings, that some department heads had ignored what Senator MCCARTHY called FBI warnings about security risks.

Mr. President, the newspaper story was inaccurate in saying that I had introduced the bill. I had the bill prepared. I had discussed it with Attorney General Brownell, with the Department of Justice, with J. Edgar Hoover, with President Eisenhower, and with a number of other officials. It was ready for introduction, but I did not introduce it because of the fact that I learned that

this action on the part of President Eisenhower was pending.

I wish to say, so that the RECORD may be clear, that in discussing my bill I pointed out the fact that some of the FBI warnings had been ignored, but again the newspaper story is slightly inaccurate, when it implies that I had made any criticism of the Eisenhower administration. I had not, Mr. President. I had pointedly referred to the fact that in both the Alger Hiss case and the Harry Dexter White case the FBI had forwarded full field reports to the appropriate Government officials, and no action had been taken as a consequence of such reports. It was that situation which I was complaining about, and I want it clearly and definitely understood.

I point out that this is an amendment of the President's security order of April 27, 1953.

I submit that this will be one of the most constructive actions in connection with security ever taken by an American President, because for the first time a time limit of 90 days is established, at the end of which it is essential and mandatory that the Cabinet officer or the Secretary or the Department head act one way or the other on the field reports.

Had the new Executive order issued by President Eisenhower been in operation in 1948, situations such as developed in the Alger Hiss and Harry Dexter White cases would not have developed; or, if it had been in operation prior to 1948, our investigations of that year would not have uncovered the evidence they did.

I wish to point out that the order provides that the Civil Service Commission, which under the previous Executive order was required to make a report semiannually, is required under the new Presidential directive to make a report whenever any agency or department is found not to be acting promptly and effectively and with appropriate consideration of FBI reports, and it establishes a 90-day time limit, as I say, for the action to be taken.

I desired to mention that fact, Mr. President because in the welter of news coming out of Washington perhaps it has been neglected in part by some of the persons who study governmental procedures, who may have failed to realize that a very important forward step has been taken by President Eisenhower, which, as it is carried out, I am convinced will eliminate the need for a large percentage of congressional investigations which it has been necessary to hold concerning security cases.

I again congratulate the President and the National Security Council and the Cabinet on their constructive action to protect the security and safety of our country and our way of life against the aggressions of communism.

AGRICULTURAL ACT OF 1954

The Senate resumed the consideration of the bill (S. 3052) to encourage a stable, prosperous, and free agriculture and for other purposes.

Mr. MUNDT. Mr. President, as I previously stated, I rose to talk about the farm bill. As a member of the Senate Committee on Agriculture and Forestry, I have participated earlier in this debate, but I wish to set forth rather briefly tonight my comments in connection with certain phases of the proposed farm legislation.

I believe it is noteworthy to observe, after the several days of debate which have transpired, that no speaker in authority has yet risen to attack the present farm program on the basis that it is failing to provide the farmer with a price floor enabling him to enjoy another year of comparative farm prosperity. There has been no attack directed at the program based upon the fact that it has failed to do what it was intended to do, so far as supporting the prices of the producers of the basic crops is concerned.

I think that is noteworthy, as we face up to the amendment which would destroy the 90-percent price floor by making it a flexible and faltering floor, ranging from 80 percent to 90 percent.

It seems to me that those who, during the course of the debate, have attacked the extension of the 90-percent price support levels have engaged in 4 basic fictions; and those fictions, I believe, are based on rumors, inadequate studies, and conclusions which are not borne out by the facts.

This afternoon I wish to discuss primarily each of those fictions, and to point out that each is in fact a fable and a fiction, something which is perpetuated by rumor rather than something which is substantiated by fact.

The first of the fictions is that the 90-percent price support levels result in unwarranted costs to the American taxpayers. If that were true, it would be a grievous criticism of the farm support program for the basic crops. However, as has been repeatedly pointed out on the floor during the course of the debate, and as was mentioned today, very recently, by the senior Senator from Louisiana [Mr. ELLENDER], my colleague on the Committee on Agriculture and Forestry, and reiterated by the senior Senator from North Carolina [Mr. LENNON] and the senior Senator from Montana [Mr. MURRAY], the facts, figures, and records simply do not bear out the statement that 90-percent price supports on the basic commodities have in any sense imposed an unwarranted cost upon the American taxpayer.

Over and over again there has been placed in the RECORD the fact that in 20 years of price supports for the basic crops, the cost has been an average of only slightly more than $6 million a year to protect the basic price supports.

Everything in the world is relative. Six million dollars a year is a large sum of money to an individual or a corporation, or perhaps even to a State like South Dakota. But considering the multi-billion-dollar spending program in which the United States is engaged, both at home and abroad, $6 million is not an astronomical figure.

The price support program can be compared with other programs. It can be compared with the cost of $8,500,000 a year to subsidize slick-paper national weekly magazine alone, in order that their publishers may deliver copies of the magazine through the mail at less than it would cost the company if it had to pay the actual cost of mailing, which would return to the post office the expense of delivering the magazines to the publishers' readers and subscribers.

Certainly an elaborate support program which has shored up the farm economy and the national economy should be worth $2 million a year less than it costs to subsidize the sending of a single national magazine through the mails.

So I think the first picture is clear. In terms of cost to the taxpayer, on a comparable basis, relating the cost of the support price program to other costs to which the taxpayer is subjected, I think very few Senators or Representatives will be found who will be willing to destroy or weaken a farm price support program on the basis of cost alone.

Let us consider the second fiction which has crept into the argument—a fiction which I believe is based on rumor. Rumor repeated twice, and even thrice, tends to become authoritative, until someone goes to the record to check the basic or source information. The second fiction is that 90-percent price supports on the basic crops—and that is all that is being considered in the amendment; that is the basis of the controversy in which the Senate is at present engaged—result in high costs to the consumer. The fiction has gone out, and the rumor has been accepted by some, that if the price which the farmer receives is forced below 90 percent of parity, below 90 percent of justice, in some magic way the consumer will find himself very much the beneficiary.

Every fact and figure which can be found belies that argument. Those who support such an argument are unable to find any evidence to justify the belief that the consumer receives material benefits or aid by forcing down the prices which the farmer receives for his products.

In the first place, what is being dealt with is only 45 percent of the food dollar. This is what the farmer receives. The costs are pyramided by the handling and processing of the products.

Many areas may be found in which the farmers' prices are actually being reduced, while the cost to the consumer for the products fabricated from products is steadily increasing. Consequently, I submit that this contention is a fiction, and no Senator should vote for the amendment to supplant the 90-percent price support for basics with an 80 to 90 percent faltering, flexible system, on the assumption that by so doing a direct benefit will be conferred upon the consumer.

Actually, this situation was brought out one day when a witness was being interrogated before the Committee on Agriculture and Forestry with respect to

the cost of wool which goes into the fabrication of a man's suit. The case was finally reduced to figures, and it was admitted by those who made the suits that one could steal or take from a rancher all the wool required to make a man's suit, or give him nothing for it, and still the cost of a man's suit would be $45 to $50. Obviously we are working at the wrong end of the problem when we suggest decreasing farmers' income in order to decrease the cost of the family's market price. If costs are inordinately high, some other way must be found to make savings which will be beneficial to the person who has to pay the costs of merchandise on the shelves or in the grocery stores of America.

There is a third fiction, and that is based on the assumption that, somehow or other, 90 percent price supports for the basic farm crops of America would put the farmer on a preferred basis, or in a preferential status, and give him some kind of special treatment as against the laboring man, the manufacturer, and workers generally in this country.

Again we find that the facts do not bear out that contention. When the facts are reduced to the revealing statistics which come from a study of the arithmetic, the mathematics, and the records which are available, actually it will be found that for the past 15 or 16 years the farmer has been losing ground in our national economy as compared with the industrial worker, the manufacturer, and enterprisers generally. He finds himself with a steadily sliding income in comparison with the costs of things he is compelled to buy. So we can conclude certainly that the farmer, who is struggling along, trying to succeed, needs some kind of consideration by this Congress to keep him from becoming the victim of a program which has permitted his income to drop too sharply and too far.

Personally, I am a believer in free enterprise. I believe in the free enterprise system. However, it seems to me that those who argue that under present circumstances we should single out the farmer to "go it alone" overlook the fact that the Government subsidies and guaranties to other segments of our economy have had a big impact in raising the prices of products the farmer has to buy. Regulated transportation rates, wage rates, interest rates, cost-plus-fixed-fee contracts, taxes, fair trade procedures, and other related matters, culminate in rigid high prices which the farmer must pay. Farm prices must not be permitted to fluctuate dangerously at a time when the prices the farmer must pay for the articles he purchases are rigidly fixed by Government action.

When we consider the fact that while making rapid conversions from peacetime to wartime, and back to peacetime again, the Government increasingly has taken steps to protect labor and industry against excessively sharp declines in income. It is only common justice that the American farmer should receive the same kind of treatment. An extension of our price-support legislation would accord it to him. Such common justice would not result from the adoption of the Aiken amendment, substituting price supports of from 80 to 90 percent on a sliding scale in the place of the assurance which the farmer has had, and to which he is entitled. This program is in the interest of giving the farmer the kind of protection which he is entitled to expect from his Government, and which his associates have received from the Government, whether they work in shops, in mills, on production lines, in banks, in factories, whether they fly planes in the sky for the subsidized aviation industry, or sail ships on the seven seas in a maritime industry subsidized by the same taxpayers, and subsidized more than 10 times as much as the total cost of shoring up prices and reinforcing prices at 90 percent of parity for the 6 basic agricultural commodities.

We are confronted with a fourth fiction and that is that the establishment of a flexible parity formula will in some magic way eliminate the problem of agricultural surpluses. That is an appealing argument; it has an intriguing sound. But like the others, it is based on a false foundation, because we cannot find the facts in the record to substantiate the view that if the price which the farmer receives for a bushel of wheat or corn, or a pound of beef, is reduced, ipso facto, he will reduce his production, there will be no surpluses, and there will be a perfect balance between supply and demand.

The Department of Agriculture publishes facts, statistics, and records to demonstrate exactly what happens under conditions of that kind. Time after time when we consider what has happened in the past 20 to 50 years, when the price of a bushel of corn dropped it will be found that the following year the farmers raised more of that kind of grain. The reason is that farmers need to increase the number of units as the price per unit becomes smaller. The farmers still have fixed charges to meet, families to support and educate, farm machinery to pay for, interest to pay, and taxes to pay. What would anybody who is receiving less for each unit do under those circumstances? He would plow harder, plant more feverishly, and fertilize more, in an attempt to raise a few extra units, so that 10 or 15 times a given price unit can produce for him in income what 8 or 10 normally would produce in terms of income.

The records show that in 1932 the price of wheat reached the all-time low of 38 cents a bushel, farmers nevertheless increased their planted acres the very next year. From 1929 through 1932, each year saw an increased planted acreage of corn, in spite of the fact that the price of corn dropped in each of those years.

From 1929 through 1932 the price of oats suffered annual decreases; yet farmers increased their planted acreage in each of those years.

So we find that if curtailment of agricultural surpluses is the goal, the method certainly is not to try to starve the farmers into submission and into going along with a certain formula. The program at present in operation of providing for acreage control and marketing quotas, regulates surpluses and reduces production, and moves in the direction of a balance between supply and demand.

In addition, Congress enacted many wise and helpful measures this year and last year. The Eisenhower administration has cooperated in enacting many constructive measures involving novel, exciting, adventuresome, and daring methods of dealing with the problem of agricultural surpluses. I congratulate the President, the Department of Agriculture, the administration, and the Congress for working together to meet head on the problem of agricultural surpluses. The way to whip the surplus problem is to utilize our abundant production in an economic way, rather than to pauperize the producers of the products which we have.

The fourth big argument that is used by those who would destroy the present program falls for lack of evidence. Until a better program is developed, the 90-percent support prices should be continued, because the figures which have been compiled fail to bear out the argument of those who would destroy the present program.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point in my remarks a table which shows the relationship between planted acreage, prices received by farmers, and retail prices of bread and flour, because those figures have a bearing on the problem facing us.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Wheat—Planted acreage, price received by farmers, and retail price of bread and flour, United States, by years, 1919–53

Crop year	Planted acreage	Average price per bushel received by farmers	Bread, white, per pound[1]	Flour, wheat, per pound[1]
	Thousand acres		*Cents*	*Cents*
1919	77,440	$2.16	10.0	7.2
1920	67,977	1.83	11.5	8.1
1921	67,681	1.03	9.9	5.8
1922	67,163	.966	8.7	5.1
1923	64,590	.926	8.8	4.7
1924	55,706	1.25	8.9	4.9
1925	61,738	1.44	9.3	6.1
1926	60,712	1.22	9.3	6.0
1927	65,661	1.19	9.2	5.5
1928	71,152	.998	8.9	5.3
1929	67,177	1.04	8.8	5.1
1930	67,559	.671	8.6	4.6
1931	66,463	.391	7.7	3.6
1932	66,281	.382	7.0	3.2
1933	69,009	.744	7.1	3.9
1934	64,064	.848	8.3	4.9
1935	69,611	.831	8.3	5.0
1936	73,970	1.02	8.2	4.8
1937	80,814	.962	8.6	4.8
1938	78,981	.562	8.6	4.0
1939	62,802	.691	7.9	3.8
1940	61,820	.682	8.0	4.3
1941	62,707	.944	8.1	4.5
1942	53,000	1.10	8.7	5.3
1943	55,984	1.36	8.9	6.1
1944	66,190	1.41	8.8	6.5
1945	69,192	1.50	8.8	6.4
1946	71,578	1.91	10.4	7.1
1947	78,314	2.29	12.5	9.6
1948	78,345	1.99	13.9	9.8
1949	83,905	1.88	14.0	9.6
1950	71,287	2.00	14.3	9.8
1951	78,048	2.11	15.7	10.4
1952	78,337	2.09	16.0	10.5
1953	[2] 78,741	[2] 2.01	16.4	10.5

[1] Straight calendar year average.
[2] Preliminary.

Source: Agricultural Marketing Service. Compiled from Crop Production, Agricultural Prices, and Bureau of Labor Statistics reports.

Corn—Planted acreage and price received by farmers, United States, by years, 1929–53

Crop year	Planted acreage	Average price per bushel received by farmers
	Thousand acres	
1929	99,130	$0.799
1930	103,915	.598
1931	109,364	.321
1932	113,024	.316
1933	109,830	.520
1934	100,563	.815
1935	99,974	.655
1936	101,959	1.04
1937	97,174	.518
1938	94,473	.486
1939	91,639	.568
1940	88,692	.618
1941	86,837	.751
1942	88,818	.917
1943	94,341	1.12
1944	95,475	1.09
1945	89,261	1.27
1946	88,898	1.56
1947	85,038	2.16
1948	85,522	1.30
1949	86,745	1.25
1950	82,858	1.53
1951	83,283	1.66
1952	82,658	1.52
1953 [1]	81,800	1.45

[1] Preliminary.

Source: Agricultural Marketing Service. Compiled from Crop Production and Agricultural Prices.

Oats—planted acreage and price received by farmers, United States, by years, 1929–53

Crop year	Planted acreage	Average price per bushel received by farmers
	Thousand acres	
1929	40,534	$0.418
1930	42,608	.322
1931	44,483	.213
1932	45,549	.157
1933	43,774	.335
1934	40,467	.481
1935	43,599	.264
1936	41,934	.449
1937	39,827	.302
1938	39,390	.238
1939	38,203	.310
1940	39,315	.303
1941	41,841	.411
1942	43,018	.488
1943	43,467	.722
1944	44,141	.709
1945	46,025	.667
1946	46,515	.809
1947	42,058	1.05
1948	43,838	.723
1949	43,318	.657
1950	45,464	.791
1951	41,682	.823
1952	42,975	.786
1953 [1]	43,765	.734

[1] Preliminary.

Source: Agricultural Marketing Service. Compiled from Crop Production and Agricultural Prices.

Rye—Planted acreage and price received by farmers, United States, by years, 1931–53

Crop year	Planted acreage	Average price per bushel received by farmers
	Thousand acres	
1931	5,345	$0.341
1932	5,401	.280
1933	4,714	.627
1934	5,453	.720
1935	6,210	.398
1936	6,446	.812
1937	7,235	.686
1938	6,654	.338
1939	7,206	.439
1940	5,514	.420
1941	6,142	.542
1942	6,371	.603

Rye—Planted acreage and price received by farmers, United States, by years, 1931–53—Continued

Crop year	Planted acreage	Average price per bushel received by farmers
	Thousand acres	
1943	5,311	$0.982
1944	4,415	1.09
1945	4,157	1.35
1946	3,396	1.92
1947	3,678	2.26
1948	3,725	1.46
1949	3,293	1.21
1950	3,632	1.32
1951	3,579	1.53
1952	3,127	1.73
1953 [1]	3,298	1.19

[1] Preliminary.

Source: Agricultural Marketing Service. Compiled from Crop Production and Agricultural Prices.

Barley—Planted acreage and price received by farmers, United States, by years, 1929–53

Crop year	Planted acreage	Average price per bushel received by farmers
	Thousand acres	
1929	14,703	$0.539
1930	13,581	.405
1931	13,820	.328
1932	14,555	.221
1933	14,200	.434
1934	12,024	.686
1935	13,956	.379
1936	12,837	.782
1937	12,346	.542
1938	12,171	.368
1939	15,513	.405
1940	15,689	.397
1941	15,857	.529
1942	19,686	.632
1943	17,474	.991
1944	14,352	1.02
1945	11,745	1.02
1946	11,467	1.36
1947	11,981	1.70
1948	13,063	1.15
1949	11,032	1.04
1950	13,100	1.18
1951	10,869	1.24
1952	9,385	1.35
1953 [1]	9,482	1.12

[1] Preliminary.

Source: Agricultural Marketing Service. Compiled from Crop Production and Agricultural Prices.

Mr. MUNDT. This table has a direct bearing on the problem facing us.

Mr. President, we must look ahead, in dealing with the agricultural program. Certainly I am not one who says we now have a Utopian program. I do not think the march of human progress ever comes to a dead halt. I do not think the creative thinking of America was turned off when we created the present program. But it is a good program, and has served us well. We know of nothing better in the offing, at the moment. We know of nothing else which can assure us that the American farmer will continue to be prosperous while we study the problems which confront us.

I also wish to call attention to the fact that we are dealing with this farm legislation in a most unusual time. This is approximately the 10th day that we are enjoying world peace for the first time in a quarter of a century. We hope that world peace becomes enduring and permanent. If it does, it will necessitate a great many changes in our economic thinking, in our financing, in the help we give our friends abroad, and in our production patterns and other economic activities here at home. We cannot deduce too much from a 10-day experience of peace, out of a quarter of a century, Mr. President. I think it would be prudent on our part to defer attempting to arrive at too many conclusions in that connection in this highly unusual and unhappily unprecedented era of peace.

Perhaps if we could extend for another year the present program, which we know has worked rather well, we shall then have had some experience upon which to base some new thoughts and new ideas, and upon which to start when we come to evolving a new farm program.

Mr. President, I suspect that ultimately our new farm program must evolve in such a way as to meet the specific problems in connection with specific crops. We have already started in that connection. We now have suitable programs for the protection of tobacco, sugar, and rice. In that connection, our machinery has been developed rather well. We saw brilliant and courageous action taken by the President and the Department of Agriculture to turn back the serious drop in livestock prices which confronted us about a year ago, as a result of drought, the consequent reduction in the size of the herds, the change from a controlled to an uncontrolled economy, the elimination of the OPS, and various other changes. During all that period we saw the administration and Congress working together with programs of loans, purchasing, slaughtering, shipping hay, and shifting cattle. We saw the drop in cattle prices stopped.

Mr. President, we have had a comparatively prosperous livestock industry. The machinery has been set to work again. If, unhappily, there should be another drop in livestock prices, we have assurances from the Department of Agriculture, the Department of Defense, and the Director of the Foreign Operatons Administration, that they are ready to go into the market at the first sign of a serious drop in livestock prices, and purchase cattle and work out the problem—thus evolving a rather satisfactory program for the livestock industry, and a program which does not provide floors under the prices of livestock. Of course, attempts to provide floors under the prices of livestock were opposed by both Secretary Brannan and Secretary Benson.

We find that section 32 funds have been satisfactorily employed and have buttressed the income of our fruit and vegetable farmers. The Senator from Florida [Mr. HOLLAND] informs us that the Florida growers are happy. They are not concerned about having the 90 percent program extended. Section 32 funds have worked satisfactorily for them, and that is good.

Just a few of our crops are in serious difficulties. For our basic crops, we have no suitable alternative for the 90 percent price floor. Our dairy industry cannot be permitted to struggle, stumble, and succumb. We have found no satisfactory answer to that problem. But providing them with a decent and responsible price floor will enable them to continue to struggle with the problem; and

we can find an answer to it, just as we found one to the problem facing the sugar growers, the tobacco raisers, and other segments of our agriculture which now are pleasingly removed from the hazards of an immediate farm problem.

So, Mr. President, I submit that our basic crops, our dairy industry, and our poultry business continue to present problems in the overall farm picture. We shall have to work out some solutions. We shall have to continue to struggle with the problems.

In my own opinion, given another year, the excitingly new adventures in the disposal abroad of our surplus farm products will go a long way toward solving the surplus problem, and may in fact justify a permanent continuation of the 90 percent price support program for basic crops. In fact, they may go further than that, and may justify increasing beyond 90 percent that price support program.

After all, Mr. President, 90 percent is not 100 percent. If you, Mr. President, were fishing from a rowboat in one of the wonderful lakes of Minnesota, of which there are more than 10,000, as will be testified by the distinguished senior Senator from Minnesota [Mr. THYE], who now is presiding over the Senate, and if your companion fell from the boat, and was in need of help, if you threw him a 9-foot length of rope when he was 10 feet away from the boat, you would not help him very much. Similarly, if you threw him a rope 8 feet 2½ inches long, while he was still 10 feet away from the boat, you would not help him very much. What he would need in that case would be 100 percent of 10 feet of rope.

But, Mr. President, the sturdy people of the farm belt, inhabitating Minnesota, South Dakota, and that area of the Nation, have a great deal of initiative and a great deal of drive, determination, and enthusiasm; and we suspect that if we can throw them a rope 9 feet long, perhaps they can stretch out far enough to reach across the extra foot, and reach the end of the rope, and be able to get along.

On the other hand, if we attempt to make the rope shorter than that, we shall be jeopardizing the economic life of the farmer.

Mr. President, I believe the surplus-disposal program has tremendous possibilities.

Earlier in the debate it has been said that the surplus disposal program may well take care of our surplus agricultural commodity situation entirely, and may well provide a new economic method of utilizing our surplus farm products and of bringing to this country services and materials and other products that we need—products, services, and materials which are not competitive with our own, and which it is possible for us to obtain from abroad. I hope every American who reads this debate will read Public Law 480, chapter 469, of the 83d Congress, 2d session, growing out of Senate bill 2475, entitled "An act to increase the consumption of United States agricultural commodities in foreign countries, to improve the foreign relations of the United States, and for other purposes." It was my happy privilege to join with the Senator from New Mexico, the former Secretary of Agriculture [Mr. ANDERSON], in introducing the initial version of that measure. When it was introduced that day on the floor of the Senate, approximately 15 or 17 of our colleagues associated themselves with us in sponsoring the bill. The bill was then referred to, and was considered by, the Senate Committee on Agriculture and Forestry, where hearings were held, and testimony from representatives of various farm organizations was taken, and the bill was revised and rewritten, and finally was reported by the committee as a committee product, Senate bill 2475, setting up for the first time in the United States a concept regarding surplus agricultural commodities which says, "They are a blessing; they are a treasure; they are something eminently worthwhile, that we can use to purchase air strips, harbors, housing projects, factories, planes, metals, and other products from other countries; and we can also use these surplus agricultural commodities to purchase services abroad. They are not a liability to worry about."

Mr. President, the way to solve the farm problem is not to worry because we have a little extra wheat on some ships anchored in the Hudson River. The way to solve the farm problem is to utilize the machinery we now have to send that surplus to places such as Spain, where we have found we can purchase from the Spaniards airbases vital to our national defense and security, and can pay for them in golden wheat, instead of golden ore.

I am happy to say that, as the Senator from Minnesota [Mr. THYE] who now occupies the chair, well knows, and as the distinguished Senator from Massachusetts [Mr. SALTONSTALL] who sits in the chair of the majority leader, well knows, the other day our Appropriations Committee, at the instance of, and in response to the persuasive rhetoric of the senior Senator from Nevada [Mr. MCCARRAN], recommended the appropriation of $50 million extra for economic aid to Spain, and it was passed with an amendment which I suggested at the time, and which was sponsored by three of us. It is all right to give Spain economic aid; they are our friends; but let us give it to them in surplus agricultural commodities.

It was agreed that that should be done; and that out of the mutual-aid funds there should be paid back to the Commodity Credit Corporation the $54 million in extra economic aid so that it would not be charged off as a part of the farm program, but would be charged off as a part of the mutual-aid program, as it should be.

The good people of Spain certainly are as glad to get wheat, bread, grains, and other products from this country as they would be to get the money which, in turn, they would have to spend for such products.

If we concentrate on that problem in this year, and obtain an extension of the present price-support program so as to give ourselves an opportunity to see what can be done about surpluses while, at the same time, giving our farmers the assurance that what they raise will be purchased at a price which will enable them to maintain a level of prosperity, it may well be that we shall not need as many innovations in the farm program as some now think. If we do need innovations we can achieve them through evolution and study.

I should like to insert in the RECORD at this point, Mr. President, an index of prices received by farmers as related to the costs of food to the consumer, the cost of transportation, and the general consumer's price level. This information is taken from the Department of Labor, and has a bearing on the fact that the price the farmer receives is not necessarily related to an increased price paid by the consumer.

There being no objection, the index was ordered to be printed in the RECORD, as follows:

Index of price received by farmers as related to the cost of food to the consumer, the cost of transportation and the general consumer price level

	Farm products	Transportation	Consumer prices	Food prices
1951 monthly average	113.4	118.4	111.0	112.6
1952 monthly average	107.0	126.2	113.5	114.6
1953 monthly average	97.0	129.7	114.4	112.8
1954—January average	97.8	130.5	115.2	113.1
February average	97.7	129.4	115.0	112.6
March average	98.4	129.0	114.8	112.1
April average	99.4	129.1	114.6	112.4

1947–49=100.

Source: Department of Labor.

Mr. MUNDT. Mr. President, I have another table which I would like to insert at this point, which deals with the net farm income compared to farm expenses and average weekly wages of workers in the manufacturing industries.

I think this is a pretty clear-cut answer to those who may feel that in some way or other the farmer is being singled out for preferential treatment. If he is, it is the wrong kind of preferential treatment. He is singled out because he has not had the steady rise in income that has gone to the laboring man and to those in factories, in the publishing business, and in other areas.

This table comes from the Bureau of Agricultural Economics, Farm Credit Administration, and from the Bureau of Labor Statistics, and is compiled from

those sources. I should like to have the table inserted in the RECORD at this point.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Net farm income compared to farm expenses and average weekly wages of workers in the manufacturing industries

	Realized net income of farm operators (millions)	Prices paid by farmers 1910–14=100	Manufacturing industry average weekly wages	Taxes per acre index 1909–13=100	Interest rates Federal land banks (percent)
1946	$14,193	197	43.82	237	4.00
1947	16,774	230	49.97	276	4.00
1948	15,604	250	54.14	298	4.02
1949	13,593	240	54.92	320	4.08
1950	12,362	246	59.33	335	4.08
1951	14,645	271	64.88	353	4.11
1952	13,499	273	----------	371	4.17

Source: Bureau of Agriculture Economics, Farm Credit Administration, Bureau of Labor Statistics.

Mr. MUNDT. I have another table, Mr. President, which I have compiled from the Survey of Current Business dated July 1954. It shows the prices received by farmers, the prices paid by farmers, and the parity ratio. It points out that the farmer is not moving upward and forward in his relationship as we hoped he would, but has reached a point where we need to prop up his prices and maintain them under our present legislation, if the discrepancy existing between him and his friends and neighbors in the city is not to grow worse. I ask unanimous consent to place that table in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Prices received and paid by farmers

	Prices received by farmers	Prices paid by farmers	Parity ratio
1953—May	263	263	94
June	257	260	93
July	260	261	93
August	255	262	91
September	257	259	93
October	249	258	90
November	249	259	90
December	254	260	91
1954—January	259	263	92
February	258	264	91
March	256	264	90
April	257	265	91
May	258	267	91
1910–14=100.			

Source: Survey of Current Business, July 1954.

Mr. MUNDT. Mr. President, I expect to have something further to say on the subject of the Aiken amendment and other phases of the pending farm bill during the course of the debate on Monday and early next week. I do not desire to detain the Senate further at this time.

I conclude by stating that it is extremely important, it seems to me, for Senators to think over the debate which has taken place thus far, read the debate in the CONGRESSIONAL RECORD over Sunday, and prepare to come to the Senate on Monday to cast their votes on this very important issue. I ask Senators to keep in mind that all those of us representing the majority viewpoint in the Senate Committee on Agriculture and Forestry, those of us who wrote and prepared the bill, those of us who are resisting the amendment to substitute the 80- to 90-percent sliding formula for the extension of the 90-percent price supports for another year, are asking is that at a time when in addition to the kind of criticism that has been leveled against the farmer, we find many other segments of our economy receiving considerations, subsidies, price props, and guarantees, and assurances from the Government, the farmer, the producer of raw wealth, a fabricator of the basic products in our whole economy, shall not be singled out and told, "Sucker, you go it alone. You have no union of any kind; you have no bargaining agent of any kind. You have no wage-hour contract of any kind. You have no minimum-wage law of any kind. You have no fixed interest rate of any kind. Go ahead and try it out alone, and if you survive, we shall probably expand the experiment into the field of labor, into the maritime industry, or into the aviation industry."

Perhaps we shall let the railroads compete with one another by reducing the cost of transporting the farmer's product to the farm instead of maintaining it with an Interstate Commerce Commission regulation at a high rate; but we will try it out on the farmer.

Mr. President, the farmer raises guinea pigs, but he does not like to be one. He prefers, if possible, to walk down the great economic avenues of this country hand in hand with his cousins in the city, those who labor in the shop, and those in the front office who receive good salaries.

If it is good for the farmer to start the three great independent fife and drum corps men marching all over again, with the old flag flying above and every one walking in step toward a completely free and unrestricted economy, it is good for the man in the shop, and the man in town. The farmer will be glad to walk at the flank to the left or to the right, or in the center, if they can all walk down the economic avenue together. But he does not like to be the breastworks all the time.

The farmer does not like to be out in front all the time. He does not like to be an animated experimental laboratory. I think he is entitled to the same kind of consideration and protection that we seem to feel are essential in other industries. How in heaven's name can anyone justify giving to the publisher of a single magazine in this country $2 million a year more than we give to all the 30 million farmers in support of their basic commodities? I should like to hear some Senator eloquent enough to convince his colleagues of the justice of that.

Why do we select one lone publisher and give him more than we give all the farmers in support of all the basic commodities for an entire 12-month period?

I am not here to rant and rave against the fact that this particular publishing family gets this rich bonanza. I simply point out the gross inequality and the iniquity of saying that it is bad for the farmer to get $6½ million a year insurance against disaster, insurance against impoverishment, insurance that he will have an opportunity to succeed, without even mentioning the fact that the magazine criticizes the farmer for getting his $6½ million; but no one points out the fact that the publisher is doing something which should merit criticism. It is not my purpose to criticize the magazine, the publisher, the publishing business, or the subsidy, but it is my purpose to point out that there should be some reason, some rationality, and some relationship in the method by which the Government moves in to help its citizens or its industries.

Secondly, accepting, as we do, the other aids, props, and guaranties for other segments of labor and industry, I urge my colleagues, when they vote on Monday, to give the farmer another year's extension of 90 percent of parity—not 100 percent this time, but 90 percent—so that during the ensuing year we can develop experience tables which will help evolve programs and permit us to determine what next is best to be done to assure continuing farm prosperity in America.

AN APPRAISAL OF THE NATION'S AIRPOWER PROGRAM

Mr. SALTONSTALL. Mr. President, I wish to speak at this time on another subject, which has been on our minds for some time.

Recent events in the Far East underscore the necessity for steady nerves and the long view if the United States is to maintain effectively its position as leader of the free world. Fundamental to our ability to adopt such an attitude and to hold it with firmness and confidence is public understanding of where we are and whither we are going. In no field is this more true than that of our national defense. Within that field, public understanding is nowhere more important than with respect to the rate and direction of build-up of the Nation's airpower program. Now that the Defense Department appropriation bill for the fiscal year 1955 has been enacted into law, I believe the time opportune for a calm and objective appraisal of the present status and future prospects of that program.

Just about a year ago, in connection with the Senate debate on the fiscal year

1954 Defense Department appropriation bill, I took the floor to present my views on the administration's air program. There had been much public discussion at that time of the difference between the Air Force budget proposed by President Truman and that proposed by President Eisenhower. Now, a year later, although criticism of the administration's air program appears to have subsided, major differences in viewpoint still exist.

Last year I said, "Let me first state just as emphatically as I can state it that I am first and foremost for a strong Air Force, an Air Force both offensively and defensibly that can protect and maintain our national security." Events of the last year have strengthened this conviction. That is why I welcome informed public discussion of the Nation's airpower policies. That is why I have listened very carefully and attentively to the remarks of my colleagues in the Senate on this subject, and to the testimony of Defense Department officials before the Senate Armed Services Committee and the Senate Appropriations Committee.

At no time in the history of this country has the problem of military policy been of more direct concern to the average citizen than it is now. All of us, both individually and collectively, have a very vital stake in the successful solution of this policy problem. This is the time for calm and objective discussion, for clear thinking and for considered judgment. Partisanship in national defense should always be avoided. Partisanship is not my purpose in these remarks.

The most important element in national defense at this time is airpower. This has been recognized by both military and civilian leaders concerned with our national security. President Eisenhower, in his message transmitting the fiscal year 1955 budget to the Congress, stated very clearly that this budget "points toward the creation, maintenance, and full exploitation of modern airpower. Our military planners and those of the other nations of the free world agree as to the importance of airpower." Admiral Radford, Chairman of the Joint Chiefs of Staff, said in his statement explaining the New Look:

> Today there is no argument among military planners as to the importance of airpower. Offensively, defensively, and in support of other forces, it is a primary requirement. Its strength continues to grow, both through increases in combat air units and through better equipment.

I do not believe there is any real disagreement in this country as to our airpower objectives. The differences between the proponents and opponents of the administration's air program appear to lie in the manner in which it is proposed to attain these objectives.

Last year the basic difference was how much money should be appropriated for fiscal year 1954 to meet the needs of the program, based on how much money could wisely be placed under contract. The ultimate size of the Air Force was not the issue, since the 120-wing program was specifically stated to be an interim goal pending a reappraisal of the entire military situation by the newly appointed Joint Chiefs of Staff.

This reappraisal was completed in December of 1953 and the new airpower goals unanimously recommended by the Joint Chiefs of Staff were incorporated in the fiscal year 1955 budget. What are these new airpower goals and how well do they provide for the defense of the United States and for our role in the collective defense of the free world?

The new airpower program provides for a steady buildup of the Air Force to 137 wings by June 30, 1957, together with necessary support units, both flying and nonflying. It also provides for the continued modernization of our 16 Navy carrier air groups, 15 Navy carrier antisubmarine warfare squadrons, 34 patrol aircraft squadrons, 4 airship and 4 helicopter antisubmarine warfare squadrons, and 3 marine air wings, together with their appropriate support elements. It further provides for the continued rebuilding of the reserve components of all three of these elements of our airpower.

All too often in the discussion of national airpower, Naval and Marine aviation are overlooked and ignored, yet in terms of active aircraft our Naval and Marine aviation represent more than one-third of our total airpower. Many people would be surprised to learn that as late as June 30, 1953, Naval and Marine aviation operated about the same number of fighter-type aircraft as the Air Force. Admiral Radford in his statement before the Senate Appropriations Committee on March 15, put the matter very well when he said:

> Some people do not fully comprehend the true magnitude of today's United States national airpower, and I would like to state unequivocally that it is superior to that of any other nation. Furthermore, the United States has so developed certain segments of its airpower as to achieve a strategic air force and a naval carrier striking force which are without peer in this world.

In all, the new air program provides for a total of almost 40,000 Air Force and Navy active aircraft, an increase of approximately 6,000 over the number on hand at this time. The new program also provides for the continued modernization of this aircraft inventory so that by the end of fiscal year 1957 the entire force will have reached a very high level of modernization.

The new air program also places increased emphasis on continental defense. In this connection there appears to be some misunderstanding as to the nature of the 137-wing Air Force program. I have heard it said that in terms of combat wings this program is just the same as the earlier 143-wing program. This is not the case. The number of combat wings is the same, but the composition of the force has been significantly altered. The number of air defense wings has been substantially increased in the new program, and the capabilities of our bomber and tactical wings vastly increased by the availabilities of new weapons.

The increased emphasis on air defense does not end with this increase in the number of air defense wings. Major improvements are being made, and will continue to be made, in our radar defense, on the ground, in the air, and at sea. Not only will the size and scope of our radar defense and early warning system be expanded but the quality and effectiveness of the equipment will be vastly improved as new devices are integrated into this system. All three of the services have an important part in this vital mission. To coordinate this joint effort, a new continental air defense command has just been announced.

As I have stated, the new air program provides for a steady increase in the size and capability of the Air Force. The rate of buildup is slower than that claimed but not achieved for the original 143-wing program, but it is a rate which is reasonably sure of attainment, one that can be accomplished without reducing the combat readiness of the force in the process, one that can be accomplished efficiently and economically, and one that will enable us to maintain a strong aircraft manufacturing industry. I might say parenthetically that if the Air Force has the capability to attain its goal more rapidly, it has every possibility to do so. Certainly funds are not the limiting factor.

The issue has been raised as to whether the proposed rate of buildup is fast enough in the light of the existing threat to our national security. This is a matter of military judgment. The completion date for the 137-wing Air Force was unanimously recommended by the Joint Chiefs of Staff and was approved by President Eisenhower. There are some persons with extensive experience in military affairs who nevertheless feel that the buildup is not fast enough; who feel that if necessary we should push the program on a crash basis regardless of cost, regardless of efficiency, and regardless of the effect on our mobilization base.

This difference in viewpoint is essentially the difference between the long-pull concept and the former D-day or year-of-crisis concept. The Joint Chiefs of Staff, the National Security Council, and the President have decided to gear the military program for the long pull. Since it is impossible to forecast precisely the year and the amount of maximum military danger, it was decided to provide a sturdy military posture which could be maintained indefinitely over an extended period of cold war. As I have said, this is a matter of military judgment, and having heard the arguments pro and con, I take my position with the Joint Chiefs of Staff, the National Security Council, and the President.

Aside from the question of military judgment, the long-pull concept appears to me to have great advantages over the year-of-crisis concept represented by the original 143-wing Air Force program. It is not generally realized how big and how rapid a buildup the original 143-wing program called for. The program presented to the Congress in January and February 1952 called for the activation, manning, basing, and equipping of 96 combat wings by June 30, 1953; 120 combat wings by June 30, 1954; and the full 126 combat wings by June 30, 1955. These combat wings comprise the

bomber, fighter, and combat reconnaissance elements of the Air Force. The 143-wing program, of course, also included 17 troop carrier wings. All 126 combat wings were to be fully manned, equipped, and properly based by June 30, 1955, and fully modernized by December 31, 1955. During the same period of time the Air Force was to have rebuilt its Reserve forces from practically nothing to a total of 57 wings plus a variety of support units.

In the very first year of the program, the Air Force buildup fell short by six combat wings. Instead of 96 combat wings, the Air Force had only 90; and of these, 8 were reported as having a very low degree of combat capability because of extreme shortages of aircraft, other equipment, personnel, and/or facilities.

When the Air Force came before the Congress last year, the 143-wing program reflected in the Truman budget had already been slowed down. Instead of 120 combat wings by June 30, 1954, the revised program called for 116. The Air Force had already recognized by the time that it could not meet the original buildup schedule and had cut the June 30, 1954, goal by 4 combat wings. But this left a total of 26 new combat wings to be activated, manned, equipped, and based in fiscal year 1954, plus some twenty-odd combat wings of the existing 90 to be converted to new equipment and the manning and equipping of the 8 combat wings carried over from fiscal year 1953 to be completed. In addition, the rebuilding of the Air Force Reserve and the Air National Guard was to be continued at an accelerated rate.

It is difficult for the layman to grasp the magnitude of the task represented by these few simple numbers and facts. In an effort to provide some basis for comparison, it may be useful to review briefly the actual experience of the Air Force during the fiscal years 1951 through 1953.

The Air Force had in being on June 30, 1950, 42 operational combat wings in the regular Air Force and 32 combat wings in the Air National Guard and the Air Reserve. One year later the regular Air Force had 72 combat wings in being and the Air National Guard and Air Reserve only 5. In effect, the 30-wing buildup during fiscal year 1951 was almost completely at the expense of the Reserve components. The resources of the Reserve units, both men and materiel, were absorbed by the regular Air Force and reflected in the 30-wing increase. But this was a one-time gain. The next year, fiscal year 1952, the Air Force gained only 8 combat wings, and in fiscal year 1953, the third year of the Korean buildup, it gained only 10 more, making a total of 90 combat wings on June 30, 1953. Of these 90, as I have said before, 8 had little or no combat capability.

It may be argued that the Air Force during the entire 3-year period was engaged in active combat operations in Korea. This no doubt had some bearing on the slow rate of buildup during that period, but only to a limited degree. Combat losses of modern, as distinguished from older types, aircraft during the entire Korean war were quite nominal. The fact remains that a large part of the 126 combat wing buildup still remained to be accomplished at the beginning of fiscal year 1954.

One very important aspect often overlooked in the discussion of the original 143-wing Air Force program is the effect of the projected rapid buildup on the combat effectiveness of the force as a whole. The activation, manning, equipping, and training of a new wing or the conversion of an existing wing to entirely new equipment requires a tremendous effort and a considerable period of time before the newly activated or newly converted wing is brought to a level of full combat effectiveness.

It may not be generally realized that a new wing cannot be activated entirely with new people. A cadre of trained personnel must be detached from an existing wing to provide the nucleus around which the new wing can be organized, equipped, and trained. The withdrawal of these trained cadres from existing wings unavoidably reduces the combat effectiveness of those wings. The wing from which the trained cadre is detached then requires a period of time to rebuild it before it can regain full combat effectiveness. We have been told by the Air Force that 8 to 13 months are required, on the average, from the time a new wing is activated to the time when it achieves full combat readiness. It can readily be seen that the activation of 26 new wings in a single year, in itself, would have had a major effect on the combat effectiveness of the existing wings.

It is perhaps even less well known that the conversion of an existing wing such as a B–50 or a B–29 wing to radically new equipment such as the B–47 aircraft completely eliminates the combat effectiveness of that wing for a period of 3 to 6 months and that it requires 6 to 9 months or longer for that wing to regain full combat readiness. When the conversion is started, the wing has to be grounded. The mechanics are sent to the technical training command to be retrained to the new equipment. The engine mechanics obviously must undergo extensive retraining but so do the electronics personnel. The electronics system of the B–47 is much more extensive and complicated than that of the B–29 and B–50. I am relating this fact simply to provide some indication of the magnitude of the task involved.

At the same time, the air crews must also be retrained to fly the new airplane. The B–47 is radically different from the B–50 or B–29 and the familiarization training required is quite extensive. Then, too, the B–47 takes a much smaller crew than the reciprocating-engine medium bomber. This means that each of the 3 men in a B–47 crew must master a wider range of knowledge and skill. All of this takes time and during that time the wing being converted to new equipment has little or no combat effectiveness.

As the retrained personnel are brought together again with their new equipment, unit training is commenced. Several months of such training are required before the wing is again an operational and combat-effective unit.

It is entirely improbable that the Air Force could have activated, manned, equipped and trained 26 new combat wings and converted to entirely new equipment some twenty-odd existing combat wings all in a single year. If the attempt had been made, it would have seriously reduced the overall combat effectiveness of the Air Force.

The new 137-wing Air Force program minimizes this threat to the current readiness of the force. In terms of combat wings, the new program provides for a steady buildup of some 8 to 10 combat wings each year, fiscal years 1954 through 1957. This is a rate of buildup which experience indicates is reasonably attainable without causing an imbalance in the Air Force program and without diluting the combat effectiveness of the existing force. This realistic rate of buildup will permit the Air Force to properly man, train, equip, and base the new wings as they are activated, and to increase its combat effectiveness concurrently with the increase in number of wings.

Another distinct advantage of the new Air Force program over the old is that it places the emphasis on quality rather than mere quantity. The presently planned rate of buildup reduces the pressure for numbers. It reduces the pressure on the Air Force to accept equipment with less than the desired performance characteristics. It provides time for the orderly development, testing, production, and integration into the force of the latest and most advanced types of equipment. It should do much to eliminate the endless rounds of modification of equipment after it is delivered to the Air Force and the extra costs and delays resulting therefrom.

Those of us in this Chamber who have been intimately concerned with airpower problems and programs during the last 3 or 4 years will immediately recognize the value of the benefits promised by this new approach. For years we have been faced with disappointments, with slippages, production problems, delays, and with requests for more funds for projects the cost of which far exceeded the original estimates. We have appropriated literally billions of dollars over the last 5 years for engineering changes to equipment still in production and for modification of equipment already delivered to the services.

I do not say this simply to criticize. I am well aware that the situation today is quite different from what it was 3 or 4 years ago; that our military posture is now much stronger than it was in the summer of 1950. But I do want to say in the most emphatic manner possible, that the time was ripe for a drastic change in our approach to the problem of building our airpower. Now that we have achieved national airpower which the Chairman of the Joint Chiefs of Staff states unequivocally is superior to that of any other nation, there is less urgency to rush the completion of our planned buildup on a crash basis, regardless of the effect on the quality of our airpower.

This leads me to the third advantage of the new Air Force program as compared with the old. The rate of build-up projected in the 137-wing program should be attainable without extraordinary actions or improvisations. Economy and efficiency need no longer be sacrificed for speed. The Air Force can now conduct its affairs in an orderly businesslike manner with due consideration for costs. Program elements can be kept in balance—activations, aircraft deliveries, personnel procurement, personnel training, base construction, and so forth. Slippages in individual elements of the program can be absorbed without significant delay to the program as a whole.

The Air Force, in the last year, has been energetically putting its house in order, examining its inventories and disposing of those items which are obsolete or excess to its foreseeable needs, as are the Army and Navy. This task is long overdue.

In the procurement area, the Air Force can now do its contracting on a businesslike basis. Negotiations can be completed before contracts are let and moneys obligated. This should enable Air Force buyers to obtain better deals for the Government. It will also assure that all the terms of the contract are worked out before the Government is obligated, and specifications are available before contracts are signed and production is started.

There is one more important advantage in the new program which I would like to talk about before I leave the subject. The rate of build-up projected in the 137-wing program has permitted an extensive revision of the aircraft procurement program. It has permitted the Air Force to give attention to manufacturers' capabilities to produce new jet aircraft and to the very difficult problem of sustaining a vigorous aircraft manufacturing industry. Had the original 143-wing Air Force program been possible, an early production peak followed by a sudden and drastic reduction in aircraft production, to the point of practically closing down the industry, could not have been avoided. Under the new program, the peak has been leveled out. Both the industry and the Air Force now have programs, projected well into the future, which provide for an orderly transition from build-up rates of production to sustaining rates of production. It will preserve an industrial base capable of meeting the contingencies of the future.

The maintenance of a steady level of aircraft production is important under any conditions, but it is crucial when our military plans are focused on the long pull. In these circumstances, we cannot tolerate sharp expansions and contractions in the aircraft manufacturing industry since we may have to call on it for all-out production at any time during a long period of uneasy peace. I need not stress the fact that by so stabilizing the aircraft manufacturing industry we are laying the foundation for efficient production and decreasing costs to the Government.

To sum up: Our new airpower program calls for building solidly every step of the way; for a progressive increase not only in the number of wings but in the combat effectiveness of the force as well; for quality rather than mere quantity; and for an orderly progression which will facilitate the economical and efficient management of the program. It also provides a much firmer foundation on which to expand or accelerate our airpower programs should this become necessary in the immediate or more distant future.

In the case of the Navy, although there has been no increase in the number of carrier air groups and antisubmarine warfare, patrol, and helicopter squadrons during the last 2 fiscal years, there has been an increase of 25 percent in the number of planes on hand with these units. Also, in the 3 Marine air wings during the same period the number of combat planes on hand has increased 40 percent.

Parallel with the modernization and reequipping of combat units with higher performance type aircraft, the Navy and the Marine Corps have made great progress in increasing the effectiveness of other units, such as the integration of helicopters into antisubmarine warfare forces, and forces for amphibious assault operating from Navy aircraft carriers.

Several large Navy aircraft carriers have been modernized for more effective antisubmarine warfare, fast convoy escort, and close air support tasks. These aircraft carriers provide, by virtue of their speed and size, a more effective antisubmarine weapon than the light-escort class carrier that they replace. Incorporating the angle, or canted deck, improved higher capacity catapulting, and stronger plane arresting equipment, they have a capability of operating the newer types of antisubmarine warfare aircraft. More recently, a new carrier conversion program was initiated to incorporate steam catapults and increased elevator capacity. By using the angle deck for aircraft carriers, the capacity of the ship for handling aircraft on and off the flying deck is approximately doubled. The angle deck development will also make possible savings of $3 million in the construction cost for each new carrier. These improvements are being incorporated in the new *Forrestal* class carriers now under construction, and we planned for all new carriers to be constructed.

I would like to turn now to the accomplishment of our airpower program during the last year. Significant progress has been made in converting our air forces to jet aircraft. Inventories of jet airplanes have been increased about 50 percent. During the last 18 months the new increase in total Defense Department airplane inventories has been more than double that achieved during the previous 2½-year period, from the beginning of Korean hostilities to the end of 1952. Modernization of our air forces has proceeded at a rapid pace. Obsolete World War II types of Navy and Marine aircraft have been replaced by the newest type patrol, attack, search, and jet fighter aircraft. Most of the World War II Air Force airplanes, except for a few wings of B–29's, have been eliminated from the frontline combat inventory of the regular Air Force. In fact, the first operational jet fighter, the F–80, has already been eliminated from our frontline combat inventory. The Air Defense Command's present fighter-interceptor force has been substantially modernized.

Last year I said, "By June 1954, the new budget will produce 114 Air Force wings." Actually, the Air Force had 115 wings activated by June 30, 1954. This is an increase of 12 wings over the 103 on hand in March 1953. All 12 of these are combat wings—bombers, fighters, and reconnaissance. By the end of fiscal year 1954 the Air Force had 70 percent more wings in the highest category of readiness than it had in March 1953. The number of wings in the lowest category of readiness was reduced during the same period to one-third the number in that category in March 1953. Security considerations preclude a more specific statement as to our present level of readiness, but I believe the figures I have cited convey the fact that significant progress has been made in increasing the combat effectiveness of the Air Force as well as the number of wings.

This improvement in the strength of our regular Air Force has been paralleled by a notable improvement in the strength of the Air National Guard and Air Force Reserve. The number of planes in the hands of the civilian components of the Air Force has more than doubled since March 1953; and 44 fighter, light bomber, reconnaissance, and troop-carrier wings have been organized. Of the Air National Guard's 87 tactical squadrons, 62 were partially jet equipped on May 1, 1954.

The quality of the planes and equipment being made available to the Reserve forces, Air Force, Navy, and Marines, is improving in consonance with the increasing availability of modern equipment in the Regular forces. The Reserve programs of the several military departments, which will be financed by the funds we have recently appropriated for fiscal year 1955, call for improved training of Reserve forces and for their closer integration into the overall military plan. The Department of Defense is giving substantially increased attention to these programs in fiscal year 1955 and will continue to do so in the future, with the aim of assuring that this most necessary element of our mobilization base is properly organized, adequately trained, and efficiently utilized. The Armed Services Committee last year conducted an on-the-spot survey of the training activities being carried out under the Reserve program and on January 29, 1954, published a report on it. Just as soon as the Department of Defense has completed its recommendations for this program, our committee will conduct hearings to determine what legislation is necessary or desirable.

In the meantime, intensive work is being done to hasten the development of pilotless missiles and other weapons of the future. The facts presented to the Senate by the junior Senator from Missouri the other day underline the urgency of this program. They do not demonstrate that less is being done than can practicably be accomplished or realistically aimed at. I cannot, of course,

make public the amounts that have been obligated or programed for research and development in this field. But I can and do emphatically assert that what is being done and what is being aimed at do not in the slightest fall short of the attainable because of any failure to provide the necessary funds. In fact, the Committee on Appropriations has requested a report by next January on progress made on this program.

I would like to speak now of certain problems that have been encountered in aircraft production and to report that production difficulties during the past year have been narrowed to 3 or 4 important types of aircraft. Almost all production schedules for heavy bombers, medium bombers, attack planes, transports, trainers, liaison, and helicopters are being met 100 percent. The strike at North American has temporarily delayed the F–86. Difficulties with the B–57 and F–84F, problems of long standing, are now being overcome. The difficulties which gave rise to the long delays in the deliveries of these two aircraft are precisely what we hope the new program will avoid in the future. The only other problem combat airplane is an antisubmarine warfare plane. Helicopter production problems involve only one major model.

Production of new models of aircraft, such as the F–100, F3H, B–66, and B–52, is proceeding satisfactorily. It is hoped the new policy of holding production of new aircraft to low initial rates until the aircraft has been thoroughly tested and has fully demonstrated its ability to meet service requirements, will preclude a repetition of the F–84F type of experience after full production is started.

Another major accomplishment in developing our national airpower during the last year has been the complete reprograming of the Air Force buildup. Secretary of Defense Wilson, in his statement before the Senate Appropriations Committee on the fiscal year 1955 budget, reminded us that there are three distinct methods of achieving economy in military affairs: First, economy in planning or, as some call it technically, economy in forces; second, economy in programing; and third, economy in operation. Programing is the area in which forces, weapon systems, and strategy are translated into requirements for manpower, combat materiel, construction resources, and so forth; which, in turn, determine the amount of money to be spent. Economy in programing is achieved first by providing only for essential activities and programs and by eliminating the marginal and merely desirable; and second, by maintaining flexibility and balance among all activities and programs—men, materiel, bases, activations and conversions of units, training rates, operating rates, deployment, and so forth.

The Air Force program, by the end of 1952, was sadly out of balance. The details of this imbalance have already been recounted numerous times, and I shall not dwell on them now. What I wish to report is that major strides have been made within the last year to bring the Air Force program back into balance. The more realistic rate of buildup provided in the new 17-wing force goal has greatly facilitated this rebalancing of program elements and has greatly enhanced the possibility of keeping the program in balance in the future.

The Air Force personnel, materiel, and base construction programs have been rephased, first to bring them into alinement with the 137-wing buildup schedule, and second to bring them into balance with one another. The results of this major program adjustment have apparently created a misleading impression in some quarters. It is obvious that when a program is already seriously out of balance, the only way to rebalance it is to adjust those elements which are out ahead and speed up those which are lagging. This is exactly what the Air Force has been doing during the last year.

The program element which has lagged the most has been base construction. A major effort has been made and is continuing to bring this program abreast of the new 137-wing buildup schedule. There is every indication that this can be substantially accomplished. The adjustment in the force buildup will greatly facilitate the proper basing of units as they are manned and made ready to function.

A very extensive rescheduling of procurement has been required to bring the materiel program into balance with the other major program elements and the new 137-wing buildup. This has involved the modification or cancellation of some aircraft contracts and the cancellation or adjustment of numerous contracts for aircraft components and other major procurements. During the first 11 months of fiscal year 1954 the Air Force deobligated $1,800 million in the aircraft and related procurement appropriation alone, and for the year as a whole deobligations may total $2 billion. These deobligations, in general, reflect a reassessment of requirements in the light of more stringent standards of need or more recent operating experience. For example, increased engine life expectancy and the cessation of combat operations in Korea enabled the Air Force to cancel about $500 million worth of engines and engine parts. The cancellation of the T–36 trainer contract produced a deobligation of about $120 million. The reduction in the heavypress program resulted in the deobligation of about $52 million, and so forth.

This rescheduling of procurement was also required by the inauguration of the new Air Force forward-purchasing policy which is designed to time the placing of follow-on contracts so as to maintain uninterrupted production while at the same time holding down the further accumulation of unfilled orders in the hands of manufacturers.

This is one of several actions taken by the Air Force to place its buying operations on a more businesslike basis. By letting new contracts at the latest time possible, without creating gaps in the production lines, the Air Force retains maximum flexibility in its procurement program. More time is available to make changes in the program or in the aircraft to be procured. Furthermore, this policy provides a much-needed incentive for the contractors to meet their production schedules. No new contracts will be placed with a manufacturer until he has satisfactorily performed on the contracts he already has.

This appears to me to be a very sound business practice. The inauguration of this new policy tended, temporarily, to reduce the rate of new obligations, but it has not reduced the rate of production. The placing of follow-on contracts earlier than required to maintain uninterrupted production merely increases the industry's backlog of unfilled orders and not the number of aircraft and other materiel delivered to the Air Force.

The small amount of Air Force obligations for aircraft and related procurement during the first 10 months of fiscal year 1954 has given rise to considerable conjecture and comment. Let me state, without reservations, that this lag in obligations does not imply a delay in currently programed aircraft deliveries. Neither does it imply a sudden drop in future aircraft deliveries.

There are a number of very cogent reasons why Air Force obligations for aircraft and related procurement were so small during the first 10 months of the last fiscal year. First of all, the only obligation figures regularly reported by the services are net obligations, that is total new obligations less deobligations. In fiscal year 1954 the Air Force estimates that approximately $3.7 billion of aircraft funds were obligated. Since de-obligations in that year were about $2 billion, net obligations amounted to only $1.7 billion.

Second, the Air Force has been making an intensive effort to get its procurement program on a sound controlled basis, to eliminate practices which have been criticized by the Congress and the General Accounting Office and, in general, to introduce more businesslike buying procedures. Many of the actions taken in this effort, such as the forward purchasing policy which I have already discussed, have had the effect of temporarily postponing the placing of new contracts and in some cases causing the deobligations of funds.

The Air Force has just completed a rather detailed study of the factors contributing to the delay in new obligations during fiscal year 1954. The unobligated balance in the aircraft and related procurement appropriation at the end of that fiscal year is now estimated to be $4,490,000,000. Of this, $1,645,000,000 is reserved for application against the fiscal year 1955 program. The balance, $2,845,000,000, represents funds which were originally planned for obligation in fiscal year 1954, and which are still required for fiscal year 1954 and prior year programs.

The study indicates that almost two-thirds of this "unplanned" unobligated balance of $2,845,000,000 on June 30, 1954, was ascribable to 2 factors, the forward purchasing policy, to which I have just adverted, and the new spares procurement policy which I shall discuss in a moment. The fact that these funds remained unobligated at the end of the fiscal year should offer no cause for alarm since their obligation in fiscal year 1954 was not required under the new procurement policies.

With respect to the spares policy, it had been the practice of the Air Force in the past to include in aircraft contracts a lump sum amount to cover the total estimated cost of future engineering changes, spare parts, training equipment, special tools, and so forth. The General Accounting Office pointed out that the contractual provisions setting up these lump sum amounts did not authorize performance by the contractor but required subsequent action by the Government contracting officer, when the requirements for engineering changes, spares, and so forth, were finally determined. In effect, these lump sum amounts recorded as obligations were not a true liability of the United States Government and, therefore, were not true obligations.

The new policy discontinues this practice. Funds for engineering changes will not be obligated until the changes have been determined and directed by the Air Force. Spare parts moneys will not be obligated until the spare parts requirements have been determined both as to items and quantities and placed on order. The net effect of this action was to reduce the amount of new obligations in fiscal year 1954 below the original estimate which included this type of pseudo obligation. This same policy resulted in the deobligation of $350 million, of the $2 billion total, during fiscal year 1954, representing the reduction or cancellation of spares contracts for which definitive lists of items to be procured were not available.

Again I want to point out that this more businesslike practice will not in any way delay the actual production of spare parts or the introduction of necessary engineering changes.

Another new policy introduced by the Air Force within the last year precludes, as a general rule, the placing of new contracts with a contractor where contract finalization or price redetermination is past due on existing contracts. This action was taken to provide an incentive to both the Air Force buying personnel and the contractor to bring up to date all contracts on which price redeterminations or contract finalizations were delinquent, another matter criticized by the General Accounting Office. This action also contributed to the reduction in new obligations during fiscal year 1954, but it was not allowed to delay production. Now that most delinquencies have been corrected, the placement of new contracts can proceed on schedule.

I was pleased to note in the Air Force study that $90 million of the amount deobligated in the aircraft appropriation during fiscal year 1954 was the result of such price redeterminations.

The Air Force in the past year has greatly reduced the use of letter contracts for the procurement of aircraft and other major items of equipment. Finalized contracts are now the rule, and the letter contract is used only in exceptional cases. This is as it should be. The letter contract was never intended in Government procurement as a substitute for a finalized contract. It is to be used only in exceptional cases and in times of emergency. Where used, it is to be replaced at the earliest possible time by a definitive contract.

The Air Force action tightening up on the use of letter contracts was long overdue, but it has served to reduce, temporarily, the obligation of aircraft funds. The Air Force buyer must now complete his contract negotiations, including specifications and all other terms of the agreement, before the money is obligated, rather than after, as is the case where a letter contract is used. I feel confident that in the long run this return to sound business practices will speed up the procurement of aircraft and other aviation equipment, rather than delay it. Both the Government and the contractor will know better where they stand, and the possibilities for misunderstandings and disputes will be reduced.

One final point in this regard. Purchases by one military department through another military department will no longer be reported as obligations until the funds are actually placed on contract and the Government incurs a liability. This change in policy also contributed to the recent reduction in the rate of obligations. It is estimated in the Air Force study that two-thirds of the "unplanned" unobligated balance of $640 million in the major procurement account on June 30, 1954, represented Air Force purchase requests transmitted to one of the other services but not yet reported back as being placed on contract.

I believe it is quite clear that the relatively low level of Air Force net obligations for aircraft and related procurement during the first part of the past fiscal year reflects, essentially, the introduction of more businesslike buying practices in Air Force procurement. Now that the transition to the new procurement ground rules has been substantially completed, the rate of obligations is beginning to rise sharply. Net obligations of aircraft funds in May, $450 million, were 20 percent higher than the total net obligations in the first 10 months of fiscal year 1954. Final June figures are not yet available but the Air Force estimates that net obligations of aircraft funds in that month will total $800 million, almost twice the May figure. Navy obligations are also showing an upward trend. Net obligations in June are estimated at $300 million compared with $460 million recorded for the first 11 months of the fiscal year 1954.

The adjustments in procurement programs and improvements in procurement procedures, which I have described, have not, and will not, delay the 137-wing buildup. Indeed, I am firmly convinced that the actions taken in the last year will assure the successful accomplishment of that goal.

Great progress has also been made by the Air Force during the last year in realining its military-personnel program. Personnel requirements have been given a very careful scrutiny. The Air Force now feels it can man the new 137-wing program with 975,000 military personnel. Two years ago the Air Force stated to the Congress that it would require 1,210,000 military personnel to man a slightly larger force of 143 wings.

This reduction in military-personnel requirements has been achieved without detracting from the combat effectiveness of the Air Force. Reductions have been made in many of the areas repeatedly criticized by the Congress—Air Force bands, air police, headquarters personnel, training personnel, military personnel in jobs which can be done by civilians, and so forth. With respect to the last item, the Air Force "Native Son project" alone promises ultimately to reduce military-personnel requirements overseas by some 43,000. More than two-thirds of this reduction has already been realized. It is planned also to extend this concept to the continental United States by substituting civilians for military personnel in areas where such interchange is feasible and economical.

The early release of airmen whose terms of enlistment were close to completion and who had no intention of reenlisting, together with the early release of those airmen of marginal value to the service, has placed the Air Force in a much better position to meet the large-scale turnover anticipated in fiscal year 1955. The Air Force, however, still faces a very difficult recruiting problem. It now has a total of about 950,000 officers and airmen. The end fiscal year 1955 goal is 970,000 men, an increase of 20,000. Because of the very high number of separations expected in fiscal year 1955, this net gain of 20,000 cannot be assured without a major recruiting effort. To assist the Air Force in meeting this problem, the Secretary of Defense has recently authorized a separate recruiting service for the Air Force. The Defense Department feels that the greater emphasis being placed on airpower warrants this action.

Mr. President, may I close by saying that the Air Force has been engaged in a rigorous reexamination of all phases of its program and is making drastic changes in its way of doing business. These changes are now receiving the wholehearted backing of all Air Force personnel. The new program is being pushed with a vigor and determination which is certain to assure its success. The new manning and procurement policies are being rapidly implemented and loyally supported from top to bottom of the Defense organization. The people of this country have every reason to feel secure in the knowledge that our Nation's defense is in good hands.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. SALTONSTALL. Mr. President, I ask unanimous consent that the order for quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AGRICULTURAL ACT OF 1954

The Senate resumed the consideration of the bill (S. 3052) to encourage a stable, prosperous, and free agriculture, and for other purposes.

Mr. LONG. Mr. President, on next Monday, the Senate will vote on the crucial decision for the farm legislation

to guide this Nation during the next year. This is one of the most important decisions of the 83d Congress. The decision we make on Monday will perhaps determine the course of American agriculture for many years to come.

To me, it is a decision that any experienced public servant should be able to make without hesitation. For my part, my decision is merely a matter of doing what I promised I would do when I was a candidate for office. I submit that for Democrats, it is merely a question of keeping one's word.

In 1952, the Democrats met in convention at Chicago to draft a platform for our party and to nominate a candidate for President. Here is what our platform said:

Under the present farm program, our farmers have performed magnificently, and have achieved unprecedented production. We applaud the recent congressional action in setting aside the sliding scale for price support through 1954, and we will continue to protect the producers of basic agricultural commodities under the terms of a mandatory price-support program at not less than 90 percent of parity.

We continue to advocate practical methods for extending price supports to other storables and to the producers of perishable commodities, which account for three-fourths of all farm income.

Lest I confuse Senators by the use of too many words, let me pick out the controlling words, insofar as our farm policy is concerned. Our party said:

We will continue to protect the producers of basic agricultural commodities under the terms of a mandatory price-support program at not less than 90 percent of parity.

Mr. President, I supported an honorable man, Adlai Stevenson, for President of the United States. Mr. Stevenson ran upon that platform. He stood upon it firmly, without equivocation, and those of us who campaigned for Adlai Stevenson pledged our party to carry out that program.

Now let me refer to the Republican platform. It was a masterpiece of doubletalk. It promised everything in general terms and nothing in specific terms. It read as follows:

We favor a farm program aimed at full parity prices for all farm products in the market place. Our program includes commodity loans on nonperishable products, on-the-farm storage, sufficient farm credit, and voluntary self-supporting crop insurance. Where Government action on perishable commodities is desirable we recommend locally controlled marketing agreements and other voluntary methods. (P. 41 of Factual Campaign Information, a document compiled under the direction of J. Mark Trice, Secretary of the U. S. Senate.)

Now, Mr. President, nobody in his right mind would campaign for farm votes on such a platform, especially if he had first read the Democratic platform. As a matter of chronology, the Republican platform was adopted in early July 1952, and being the down-to-earth politicians that we are, we Democrats had a chance to see what the Republicans were proposing before we drafted our own platform later in July. We promised the farmers a better deal and we promised it in specific terms. We said we would guarantee 90 percent of parity for all basic commodities.

When President Eisenhower undertook to solicit the farm vote he found himself at a disadvantage with the vague language of the Republican platform. He sought to remedy that problem by committing himself in specific terms to a program at least as good and perhaps better for the farmers than the Democratic program. He supplied the specific language that the Republican platform lacked.

Here is what he said on September 6, 1952, at Kasson, Minn.:

I firmly believe that agriculture is entitled to a fair full share of the national income, and a fair share is not merely 90 percent of parity but full parity.

Here is what he said on September 30, 1952, at Columbia S. C.:

I believe wholeheartedly and without any ifs or buts in Federal programs to stabilize farm prices, including the present program insuring 90 percent of parity on all basic commodities.

Here is what he said on October 4, 1952, at Brookings, S. Dak.:

The Republican Party is pledged to the sustaining of the 90 percent of parity price supports, and it is pledged, even more than that, to helping the farmer obtain his full parity, 100 percent of parity, with the guaranty in the price supports of 90 percent.

Now, Mr. President, the speeches at Kasson, Minn., Columbia, S. C., and Brookings, S. Dak., left no doubt whatever in the minds of the listeners.

Note, Mr. President, that the Republican candidate for President used the words "90 percent of parity for basic commodities," and he said that he was pledging himself to this program, with no ifs or buts. However, since then I have listened with interest to apologies for the Republican Party and their farm program. They say that although Dwight D. Eisenhower said he promised 90 percent of parity, with no ifs or buts, there were weasel words woven into his speech. They say that other passages gave him out and escape devices.

Mr. President, I am not concerned with what a man might have mumbled during a burst of applause, when his words did not fall upon the ears of the audience. I am not concerned about some passage that did not come to the attention of those who came to be enlightened. If there are weasel words to be found in the pledges of the Republican candidate for President, Dwight D. Eisenhower, I submit that it is wrong to mislead the public. It is wrong to say that you are for 90 percent of parity, with no ifs or buts; and then attempt to break your word, relying upon some complicated passage that was meaningless to the listeners.

I am frank to say that I have not had my attention directed to any language that would excuse the President for failing to keep his pledged word to the farmers of our Nation. As far as I am concerned that should be the end of it. Either we keep our word or we break it. The public has a way of disposing of politicians who are unfaithful to their pledged word.

At this moment we have before us a choice between two proposals. One is a proposal supported by a majority of the members of the Committee on Agriculture and Forestry to maintain price support for the basic commodities at 90 percent of parity. The other is the proposal for a flexible price-support program to permit price support to decline from 90 percent to 80 percent in the next year as advocated by Eisenhower and Benson today.

Implicit in the so-called flexible program is the fact that there is no guaranty that prices for agricultural commodities will not decline even more in the years to follow. Unfortunately, this flexible price-support program means nothing, more or less, than lower prices and lower farm income for those who make their living in agriculture. It is a direct breach of faith on the part of those who guaranteed the farmers that they would receive 90 percent of parity for basic commodities.

For my part, I shall vote to continue to support basic commodities at 90 percent of parity. Based on prices of July 15, 1954, this means a firm Federal guaranty of 31½ cents per pound for cotton, $4.89 per hundredweight for rice, $1.64 per bushel for corn.

In justice to myself, let me say that I believe the Democratic Party was right when it pledged itself to 90 percent of parity and that Dwight D. Eisenhower, speaking for the Republican Party, did not make an unwise promise, even though he might not have known what he was talking about when he pledged himself to the same proposal.

Our parity ratio is nothing more or less than a proposal to assure a farmer that he will make an income as favorable as a laboring man. Full 100 percent of parity is a concept upon which farm income could be presumed to be in line with the income received by labor and business. Ninety percent of parity places the farmer in a position 10 percent below those in other lines of endeavor.

A farmer is not necessarily producing his product for less than cost when he is selling at 90 percent—no more than a businessman is selling below cost when he knocks 10 percent off his regular price. Nevertheless, he is not making the profit which American standards would expect him to achieve.

Now, Mr. President, let me say here and now that I do not subscribe to a theory that there is any benefit to flow from hunger or scarcity of food. I do not favor the economics of scarcity. My attention has been directed to years in which the farmers have produced much less food than in certain other years and yet made more money due to high prices resulting from a scarcity of food throughout the world.

Such a situation is bad for our country. It causes widespread hunger. It causes food to cost altogether too much. Far better for all concerned that we should have a constant and plentiful supply of food at a fair price, than that the farmer should receive far too little in one year with a prospect of receiving an unusually high price in another.

The history of agriculture has been that the farmer does not benefit from

the old bust-and-boom way of adjusting prices. He goes bankrupt—he loses his farm, and goes into debt beyond any hope of ever paying it. That was the result of leaving the farmer to the complete mercy of the economic laws of supply and demand in the complicated economy that is American capitalism.

We all know how interdependent the American economy is. It is not entirely true, of course, to say that anything which is good for one group is necessarily good for all, but there is a great deal of truth in it, nevertheless.

One of the most enlightened groups in this matter is the Congress of Industrial Organizations. The CIO represents the laboring men of the automobile and steel industries, as well as many others. These men realize that farmers cannot continue to purchase automobiles, trucks, tractors, and other farm equipment, if they do not have adequate income. The CIO today is aware of the effect that low-farm income under Eisenhower has played the greatest single role in increasing unemployment from 1,250,000 in August a year ago to over 3,500,000 today.

The officers of the CIO know as well as anyone that their members are not getting the overtime pay which they enjoyed a year ago. They know that far from working overtime at time-and-a-half pay, their members are not even achieving a 40-hour workweek.

Mr. Walter Reuther, president of the CIO, and many able economists, including Leon Keyserling, former Chairman of the President's Economic Advisory Committee under the Truman administration, have pointed out that if partial unemployment were added to the 3½ million who are unemployed today, the unemployment figure would exceed 5 million workers.

The quickest way to reduce unemployment would be to restore farm prosperity. The quickest way to increase unemployment would be to pass this ridiculous Eisenhower-Benson scheme to reduce farm income even further.

As one who believes in abundance, rather than scarcity, I would point out that we still have people hungry in this land of plenty. I have a bill before the Senate Finance Committee to increase old-age pensions by $10 for every aged person.

There is a need for increasing social-security benefits to a minimum of $75 for a retired worker, instead of the proposed $30 minimum as proposed in the administration's social-security bill.

Taxes on the average family should be reduced by at least $80 as proposed by the Democrats on the Finance Committee.

If those proposals were to pass, I doubt that there would be enough food to meet the demand. Certainly a man or woman living on a pension check of $50 per month or less eats very few sirloin steaks. There is very little protein in a diet of a person who can afford no more than 75 cents worth of food each day. If every American family were in position to afford the minimum diet, as recommended by the United States Department of Agriculture, there would not be adequate food production in this entire Nation to provide for the needs of our people.

During the last 3 days, I have heard Senators argue on this floor that we should reduce farm income in the hope that by reducing the income of the farmer, we would be able to reduce the production of our food. Why on earth should we waste our time here trying to find a way to cut the production of our food, when we have tens of millions across our own land who are not receiving the minimum diet to sustain the human body properly?

Why should we undertake to reduce the income of our farmers on the Eisenhower-Benson theory that by driving inefficient farmers out of agriculture, we could reduce the production of food, when two-thirds of the people of the earth go to bed hungry every night?

The Senator from Iowa [Mr. GILLETTE] sometime ago inserted several articles in the RECORD, showing that the philosophy which dominates our Department of Agriculture emanates from Cornell University, and that its advisors draw big salaries from Wall Street banks. I suspect that it must be true.

Described in simple terms, what those persons advocate is the economics of scarcity. It is the theory that a smaller supply of food will bring higher prices for food. The theory of pure economics is not always the best answer. Commonsense should tell us that a program to achieve abundance is better than one of scarcity. The only time surpluses ever hurt anybody in this Nation was at a time when we permitted our thinking to regard surpluses as a bad thing instead of a good thing.

Those who want to reduce the income of American farmers today say that farmers will expand production if they receive an adequate price for their commodities. I do not deny it. The only difference between their thinking and mine is that we reach the opposite conclusions. I regard a surplus of food as a good thing. They regard it as a bad thing.

Somewhere in this world there should be an abundance of food with granaries overflowing. Somewhere in this world there should be people, devoted servants of a charitable God, ever ready to go to the aid of the hungry, the needy, and the distressed.

America is achieving such leadership, and I predict that the Christian acts that demonstrate our love and friendship for less fortunate human beings on this earth will, in the long run do more to advance our standing with the masses of this earth than all the rifles and 90-millimeter guns we could give away in the next century.

We would do well to see to it that our surpluses of food should be in those commodities which can be stored. That is the difference between our basic commodities and many of our nonbasic commodities. Cotton can be stored for 100 years without noticeable deterioration. Wheat can be stored up to 5 years without substantial loss. Corn can be stored 3 or 4 years without substantial loss. Peanut oil can be stored for many years. Rice can be stored up to 2 years.

For that reason, it makes good sense that the Government should channel our surpluses into those commodities that can be stored, rather than commodities that will perish in short order. We cannot afford to encourage surplus production of eggs, strawberries, or other perishables to the same degree that we can afford to encourage a surplus of the basic commodities, because of the inability to keep them on hand indefinitely. For this reason, we should have a higher support level for basic commodities than we are able to provide for perishables.

It is unfortunately true that we are plagued today with a Secretary of Agriculture who has no desire to make our agricultural program work. Mr. Benson does not believe in the program. He has undertaken to destroy it and make it unpopular. He has made every effort to pit farmer against farmer—and housewife against all farmers.

He has attempted to sell the theory that farmers in some parts of our land receive a better break from 90 percent of parity for basic commodities than others. He has distributed pamphlets calculated to show that the southern part of the Nation is most benefited by a program that guarantees 90 percent of parity for basic commodities.

One of Mr. Benson's charts demonstrates that 50 percent of cash income for the Louisiana farmers is derived from the six basic commodities, while none of the income from Vermont, New Hampshire, Maine, or Rhode Island is derived from wheat, corn, cotton, peanuts, rice, or tobacco, which are supported at 90 percent of parity. This is calculated to incite farmers from States which produce very little basic commodities to vote against the interest of those States which produce large quantities of basic commodities.

If it is a crime to be benefited by a farm program, we of Louisiana already plead guilty.

Mr. President, since Ezra Taft Benson became Secretary of Agriculture, farm conditions have grown steadily worse. Prior to the time Mr. Benson assumed his position, farm prices had declined drastically. Any Secretary with the interest of agriculture at heart would have undertaken immediate measures to boost farm income rather than cut it. Instead, Mr. Benson chose to undertake a program of reduced farm income.

Mr. Benson has attempted to sell the housewife the theory that low farm incomes will mean low prices for the workingman and his wife. Well, the housewife is entitled to know who is responsible for the cost of food, so let us place the entire matter in its proper perspective.

The fact is that the farmer must buy the products that the laboring man produces and the laboring man must buy the products that the farmer produces. It has been our experience in this Nation that one part of the Nation cannot long be prosperous while another part of our Nation is in distress. If we have prosperity, it must be shared by all. If we have depressions we all suffer, regardless of whether we are farmers, laborers, or businessmen.

Let us see how the laboring man has fared, insofar as his wages are concerned. In the prosperous year 1929, 1 hour's average factory pay brought a worker enough income to buy 6.4 pounds of bread. In 1953, 1 average hour's factory pay brought enough income to purchase 10.7 pounds of bread.

The average hour's wage in 1929 would buy 1 pound of butter. In 1953 it would buy 2.2 pounds of butter.

In 1929, the average hour's factory pay would buy 3.9 quarts of milk. In 1953, it would buy 7.5 quarts of milk.

In 1929 the average hour's factory pay would buy 1.4 dozen eggs. In 1953 it would buy 2.5 dozen eggs.

In 1929 the average hour's factory pay would buy 17.7 pounds of potatoes. Today it will buy 32.6 pounds of potatoes.

In 1929, the average hour's factory pay would buy 4.4 No. 2 cans of tomatoes. In 1953 it would buy 10 cans of tomatoes.

Many people fail to realize that for every dollar spent by the housewife for domestically produced food, 56 cents goes for processing, marketing, and transportation charges. The farmer received 44 cents. Of this 44 cents, approximately 30 cents goes to purchase tractors, trucks, plows, gasoline, fertilizer, and other supplies required for farming. The farmer and his family have about 14 cents out of every consumer dollar to spend for their own food and to buy for themselves the various necessities and comforts of life.

Thus, Mr. President, the farmers have done an admirable job for our Nation. With a steadily declining number of persons working on farms, they have produced ever more food. In 1932, there were 24.9 percent, or one-quarter, of our people working on farms. In 1952 there were 15.9 percent, or one-sixth. Farm income cannot be regarded as high. The average income for every person living in a city today is $1,850 cash income per year. The average person living on a farm has $850 in cash income per year.

Thus, it will be seen that farm income on a per capita basis is about one-half as much as the income of persons living in cities. Thus, far from receiving too much income, the farmer is not receiving enough. Far from giving him a program that will permit his prices to decline further, it is our duty to give him a program that will increase his income to parity—not the 90 percent of parity that we Democrats wish to guarantee the farmer, but the full 100 percent which Eisenhower promised and failed to deliver.

Now let us see whether the reduction in farm income has meant lower prices to the housewife. Here are the over-all figures:

From 1951 to 1953, farm prices went down 14 percent. During this same period of time food prices increased by two-tenths per cent. Despite the fact that farm prices have now fallen 20 percent since their 1951 peak, retail food prices are still within a fraction of a percent of their 1952 high.

Last month was the third consecutive month during which prices received by farmers went down while the price of food for the housewife went up. While farm prices went down 4 percent from May to June of this year, retail food prices advanced by five-tenths percent in a single month.

Thus far our farmers have not had a single month under Eisenhower as good as the worst month under the Democratic administrations during the last 12 years. It is necessary for us to go back to the depression days prior to World War II to find a month in which the farmers fared as poorly as they have done during every month under Eisenhower and Benson. This is the point that most people do not understand.

Today the farmers' parity ratio is 88 percent. I predict without the slightest doubt that if we take this Eisenhower-Benson proposal being advanced by the distinguished Senator from Vermont, the chairman of the Committee on Agriculture and Forestry, for himself and six other members of his committee, farm income will be even lower next year.

True, it sounds like good logic to say that lower farm prices mean lower costs of food for housewives. Why has it not worked out that way? The reason is that 56 cents out of every dollar spent for food now goes for processing, marketing, and transportation charges. Labor has had steadily increased wages. Management has had greater profits. The public has demanded better processing, improved sanitation, and more convenient and attractive packages. All of these things have reflected themselves in the increased cost of food.

Let us look at a few individual cases. In 1948 the price of wheat was $2.81 per bushel. In June of this year the price of wheat was $1.91 per bushel. Yet the average price of a loaf of bread in January 1948 was 13.8 cents for a 1-pound loaf. In June of this year the average price of a loaf of bread was 17 cents. Thus, the price of bread had gone up more than 3 cents, while the cost of wheat had gone down by one-third, or 90 cents per bushel.

In 1947, it cost 4½ cents to buy enough corn to manufacture a 12-ounce package of corn flakes. In 1954, it cost 3 cents for the same amount of corn. Yet the package of corn flakes, instead of costing 1½ cents less, had gone up from 16 cents to 22 cents during the same period of time, an increase of 6 cents.

While the cost had gone up 7½ cents from the time the farmer sold his corn to the time the housewife bought it in the grocery store, the price received by the farmer had gone down 1½ cents.

There is less than 30 cents worth of cotton in a $3.95 cotton shirt. A 10-percent reduction in the income of cotton farmers could only reduce the cost of a shirt by 3 cents—less than 1 percent—while it would perhaps destroy the majority of small cotton farmers.

Farm prices for milk and butterfat in June 1954, were 10 percent below the 1947–49 average, while the retail prices were 3 percent higher than the earlier period.

I do not ask Senators to take my word for these facts; they are set forth clearly and persuasively by Mr. CLIFFORD HOPE, the Republican chairman of the House Agriculture Committee, in a recent release by that committee.

Thus, Mr. President, if we wish to do anything about the cost of food, we should direct our attention to the processor and the middleman instead of the farmer. The farmer's income has been cut until he cannot afford to produce any cheaper. He is entitled to make more, rather than less.

He is entitled to a program that guarantees him at least as much income as he is receiving today and he ought to be given reasonable assurance that his income will be greater next year.

Already my friends inform me that there is a surplus of common labor in the cities of Louisiana. Much of this unskilled labor consists of farmhands who have come to town seeking employment because acreage limitations and low prices for cotton and other commodities have forced farmers to get by with less farm labor.

All of these things do not help the laboring man. It is difficult to maintain a union scale of wages when there are large numbers of unemployed unorganized laboring men pleading for jobs. This may be what some contractors would desire, but even if a businessman were selfish, his good judgment would tell him that such a trend cannot long continue before this Nation would be subjected to another economic depression.

Most depressions have started on the farms. If this present recession develops into a full scale depression, it will be following the usual pattern.

Already we see the farmers going deeper into debt. In 1952, farm mortgages totaled $6,588,000,000. This year farm mortgages have risen to $7,659,000,000. This is an increase in indebtedness of 16 percent in 2 years. It is an increase of more than $1 billion of indebtedness.

It is not always a bad sign when farm mortgages increase. In some cases, it might indicate that the farmers are buying more machinery and expanding their operation. No such thing is true at the present time. All industrial figures show that every factory that produces farm machinery and equipment is producing far less this year than they produced last year, and last year they produced far less than the year before. Thus, the farmer is spending less money and still going deeper into debt day by day.

There are solutions that could benefit our farmers as well as our entire Nation and our allies if there was the leadership and the determination to get them done.

I am one of those Democrats who did everything possible to try to force this administration to adopt a forward-looking reciprocal trade program. Unfortunately, this administration insists upon permitting our foreign trade to wither away, notwithstanding very good advice from every board and commission that has been appointed to study this problem.

In 1952, we exported 42 percent of our cotton to our friends and allies throughout the world. In 1952, we exported 48 percent of our wheat. Last year, we only

exported 20 percent of our cotton and 24 percent of our wheat.

To put it another way, a vigorous effective trade program would cause us to export 40 bushels out of every 8 bushels of wheat, and 4 bales out of every 8 bales of cotton produced in America. This year we are exporting only 2 bushels of wheat where we should be exporting 4, and only 2 bales of cotton where we should be exporting 4. The result is reflected by the enormous surpluses that are piling up in this Nation.

This is one field in which President Eisenhower has received good advice. Unfortunately, while he chooses to follow the bad advice of Benson, he fails to heed the very fine advice of the Randall Commission, which spent a year studying the foreign-trade problem at the request of the Republican President.

A second solution of the farm problem would be to increase the purchasing power of the average American citizen. Statistics will prove that the average person in the low-income brackets spends about 65 percent of his income for food. Since January this administration has pursued a policy that has seen enormous tax reductions for the well-to-do, while the masses have hardly been benefited at all.

Let us take an example: On January 1 the excess-profits tax expired, reducing corporation taxes by $1.6 billion. The personal income tax went down by 10 percent, reducing the Government's revenue by another $3 billion. That same day the social-security tax was increased by five-tenths of 1 percent on both employers and employees.

Let us see how that affected the average person. The average individual worker makes $3,700 per year. The increase in his social-security tax cost him $17.50 while the reduction of his income tax saved him $16.50. Thus he was paying $1 per year more taxes than before. Obviously, he was in no position to buy more butter or more milk for his children.

On the other hand, a man making $50,000 per year had his taxes reduced by $1,850. His social-security tax was increased by $17.50. Thus, his net income had been increased by $1,832.50.

General Motors Corp. alone was saved approximately $400 million per year in taxes. The result is that during the first 6 months of this year, General Motors has produced 6 percent less automobiles and made a net profit after taxes of $100 million more than the year before.

Unfortunately, less than 10 percent of American families own any stock in corporations. More than 70 percent of corporation stock is owned by 1 percent of the people of this Nation. Most of those fortunate people have no desire to eat more food. As a group, they are inclined to shop at the low-calorie counter. Their waistlines will not permit them to increase the amount of food that they eat.

They were already buying all the clothes and automobiles for which they had any need. Although there continues to be an increase in the demand for Cadillacs, we have seen the general shortage of purchasing power in the hands of the masses reflected by the fact that the manufacturer of every other automobile except Cadillac has cut back on production.

If the January 1 tax reduction had been spread evenly among all Americans it would have meant a savings of $100 each year for the average American family. That in itself would have logically meant the purchase of an additional $2 billion worth of food and clothing. Of this amount, additional farm income would have been about $1 billion. In spite of the first failure to boost the purchasing power of our masses, this administration chose to send us a second tax reduction bill, benefitting the well-to-do with very little benefit for the average family.

As a matter of fact, the third year cost of the Eisenhower tax relief bill of 1954 will cost this Nation another $3.4 billion loss of revenue. If the full cost of these two rounds of tax relief had been spread evenly among all taxpaying families, then every family would have had an additional $180 each year to spend. Yet more than 50 percent of American families will not receive any tax savings at all.

Many of us made the argument that the masses of our people were entitled to some tax relief when the administration's tax bill was before the Senate. Unfortunately, the Republican majority was successful in beating down every effort by Democrats to afford tax relief to those who are in need of additional purchasing power.

A third way to increase the consumption of food is to increase welfare payments and social-security benefits. I have before the Senate Finance Committee a bill to increase old-age pensions by $10 for every needy, aged person. The Republican majority on that committee has not seen fit to even consider the bill.

The Senator from Oklahoma [Mr. KERR], has been joined by myself and several other Senators in sponsoring a bill to give every needy person $10 each month in food stamps in order that those persons may buy food which is in surplus in this country. Yet that provision, too, while receiving the support of a majority of Democrats on the Senate Finance Committee, will not be reported to the floor of the Senate because of the failure of support from the Republican side of the committee table.

The Senator from Minnesota [Mr. HUMPHREY] has been joined by myself and several other Senators in introducing a bill to provide additional milk and other dairy products to needy persons throughout this land. That proposal, too, has been turned down by the Republican majority in the Congress.

I have attempted to persuade the Finance Committee that the social security bill should contain a feature that would guarantee that the proposed $6 increase in social security checks would not be deducted from an aged person whose social security payments are so small that he is compelled to seek assistance from the State welfare departments. Yet again this proposal was turned down by the Finance Committee with only one Republican voting in favor of it.

In addition, Mr. President, I recently fought on the floor of the Senate to increase the appropriation for our school-lunch program by, to me, a ridiculously small amount of $10 million, in order that our school children could receive a better diet in their lunches. Nevertheless, this proposal was voted down by a very small margin of only three votes.

I think that what I have just been saying, Mr. President, proves that the present administration does not choose to adopt any of these three general solutions. Having refused to do any of these, it is now proposed to pull the rug from under the farmer by taking away even the price supports which he has had for many years.

Mr. President, the Republican Party will have to answer to the farmers for its failure to provide a sensible farm program during its first 2 years in office. It will be no answer to shout about economy. I have supported this administration in every major economy effort that has been undertaken. Unfortunately, this administration is proving to be just as wasteful as its predecessor.

Only a few days ago, I offered an amendment to reduce the foreign giveaway program by $1 billion. Although Mr. Harold Stassen and his Foreign Operations Administration already have on hand more than $9½ billion of foreign-aid money which has not been spent, the majority of Republicans were successful in beating down my amendment to trim $1 billion from the $13 billion which this Congress will appropriate for the foreign giveaway program this year. Fortunately I was successful in reducing that program by $500 million with my second amendment.

Since World War II, our Nation has given away $45 billion of economic aid and military aid to the other nations of the world. More than $1 billion of this figure has been given to nations which are now Communist and behind the Iron Curtain. Yet when we are confronted with the $1,195 million that the entire price-support program for all commodities has cost this Nation during the last 20 years some Senators throw up their hands and echo Mr. Benson's charges that the public will revolt if we continue to impose upon them the expense of our farm program.

At the same time the Postmaster General goes merrily on his way losing $750 million a year, running the Post Office. In 1 year and 4 months the Postmaster General will lose for us as much money as it has cost to provide for the support of all agricultural commodities during the last 20 years.

In 2 months, Mr. Harold Stassen will give away to foreign nations products costing more money than the entire farm program has cost this Nation in 20 years.

Sometimes I think we should have our heads examined when I hear some of the arguments advanced here on the floor of the Senate. What in the world can Senators be thinking about when they fight to the end against an amendment to reduce the foreign-aid program and proceed to shout and proclaim that it will bankrupt the Nation if we should do 2 percent as much for our farmers of

America as we have done for the other nations of the earth.

I have recently seen a little book called the Fifth Plate. This book has recently pointed out that for every four persons who sat down to a meal in 1950, there will be a fifth plate at the table in 1975.

On present estimates, by 1975 there will be 38 million more mouths which will have to be fed in this country. We have always been a rich and productive agricultural Nation, but who can foretell what will happen if we should allow the condition of agriculture to deteriorate as a result of indifferent or hostile attitudes. There would be danger that farming will become so unattractive as an occupation that not enough of our people will be willing to stay on the land to conserve and develop this precious resource.

This is a most harsh thought to me, Mr. President, but lest it be considered frivolous, may I remind Senators that there are many countries in the world today in which such events have come to pass.

Mr. President, the farmers are going to insist that the President and the Congress keep their pledged word. Those who break their promises will not be reelected.

The Eisenhower-Benson flexible price-support program is no program at all. It is little better than a mirage to deceive the vision. It is like leaning upon a rubber cane or chasing after moonbeams.

Farmers are down to earth and straightforward with their thinking. When they build a floor upon their home, it will bear the weight of a human body for more than 100 years. Most farmers are devoutly religious; they believe in constructing a building after the concept of the Sermon on the Mount, in which our Saviour referred to the man who built his home on a rock rather than on the sand.

Farmers do not want their program constructed on sand. That is all the Eisenhower-Benson program offers us today. It amounts to no more than the breach of one promise in the hope that some flimsy half-hearted fulfillment of a lesser promise will be offered in the future.

Too many cattlemen have gone broke already. We have had enough of this foolish talk about driving the doctors and dentists out of the cattle business. The doctors and dentists are the only ones who could afford to stay in it. Let us hear no more of this suggestion that bankruptcy for agriculture today will bring riches in the future for those who can survive the crash.

Let us do for the farmers what we promised when we ran for office. Then let us adopt a national policy based upon plentiful food for all Americans and a foreign policy that will permit others through legitimate trade to share in the vast abundance that a merciful Creator bestowed upon America.

RECESS

Mr. LONG. Mr. President, if there be no further business to come before the Senate, I move that the Senate stand in recess until 12 o'clock noon Monday next.

The motion was agreed to; and (at 7 o'clock and 8 minutes p. m.) the Senate took a recess until Monday, August 9, 1954, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate August 7 (legislative day of August 5), 1954:

UNITED STATES PUBLIC HEALTH SERVICE

The following candidates for personnel action in the Regular Corps of the Public Health Service:

I. FOR APPOINTMENT, EFFECTIVE DATE OF ACCEPTANCE

To be senior surgeons

Joseph H. Gerber
Donald S. Martin
Arthur S. Osborne

To be surgeons

Shih Lu Chang
Walter C. Clowers
Robert C. Lam

To be senior dental surgeon

Toyo Shimizu

To be sanitary engineer

Frederick K. Erickson.

To be senior scientist

Malcolm S. Ferguson.

To be scientists

Hewitt G. Fletcher, Jr.
Max M. Levin

To be senior veterinarian

Frank A. Todd

To be veterinarian

Robert D. Courter

To be nurse officers

Josephine T. Krok
Anne H. MacNeill

CONFIRMATIONS

Executive nominations confirmed by the Senate August 7 (legislative day of August 5), 1954:

UNITED NATIONS

The following-named persons to be representatives of the United States of America to the ninth session of the General Assembly of the United Nations, to serve no longer than December 31, 1954:

Henry Cabot Lodge, Jr., of Massachusetts.
H. Alexander Smith, of New Jersey.
J. W. Fulbright, of Arkansas.
C. D. Jackson, of New York.
Charles H. Mahoney, of Michigan.

The following-named persons to be alternate representatives of the United States of America to the ninth session of the General Assembly of the United Nations, to serve no longer than December 31, 1954:

Roger W. Straus, of New York.
James J. Wadsworth, of New York.
Mrs. Oswald B. Lord, of New York.
Ade M. Johnson, of Washington.

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

James Bradshaw Mintener, of Minnesota, to be Assistant Secretary of Health, Education, and Welfare.

ST. LAWRENCE SEAWAY DEVELOPMENT CORPORATION

Martin W. Oettershagen, of Illinois, to be Deputy Administrator of the St. Lawrence Seaway Development Corporation.

COLLECTOR OF CUSTOMS

Philip A. Hoghaug, of North Dakota, to be collector of customs for customs collection district No. 34, with headquarters at Pembina, N. Dak.

SENATE

MONDAY, AUGUST 9, 1954

(Legislative day of Thursday, August 5, 1954)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

Rev. F. Norman Van Brunt, associate pastor, Foundry Methodist Church, Washington, D. C., offered the following prayer:

We would ever turn to Thee, our Father God, to confirm our faith, renew our hope, and increase our love. In the world of markets and machines, we are drained of our inner resources, but always in turning to Thee we find the spring of living water which restores us. So in the moments of this new day, we pray that Thou wilt keep our souls alive with vision, our minds alert with wisdom, and our hearts aglow with goodness in order that we might be equal to any event or exigency which confronts us on our path.

Hear this our prayer in the name of Jesus Christ our Lord. Amen.

THE JOURNAL

On request of Mr. SALTONSTALL, and by unanimous consent, the reading of the Journal of the proceedings of Saturday, August 7, 1954, was dispensed with.

MESSAGE FROM THE PRESIDENT—APPROVAL OF BILLS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that on today, August 9, 1954, the President had approved and signed the following acts:

S. 2371. An act to extend emergency foreign merchant vessel acquisition and operating authority of Public Law 101, 77th Congress, and for other purposes; and

S. 3589. An act to provide for the independent management of the Export-Import Bank of Washington under a Board of Directors, to provide for the representation of the bank on the National Advisory Council on International Monetary and Financial Problems and to increase the bank's lending authority.

CALL OF THE ROLL

Mr. SALTONSTALL. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore (Mr. PAYNE in the chair). The Secretary will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Ervin	Hickenlooper
Bowring	Fulbright	Ives
Carlson	George	Jenner
Clements	Gillette	Johnson, Colo.
Dirksen	Green	Johnson, Tex.
Dworshak	Hendrickson	Lennon

Mansfield	Pastore	Schoeppel
Maybank	Payne	Smith, N. J.
McClellan	Potter	Thye
Millikin	Robertson	Wiley
Murray	Russell	Young
Neely	Saltonstall	

Mr. SALTONSTALL. I announce that the Senator from New Hampshire [Mr. BRIDGES] and the Senator from Vermont [Mr. FLANDERS] are necessarily absent.

Mr. CLEMENTS. I announce that the Senator from Tennessee [Mr. KEFAUVER] and the Senator from Alabama [Mr. SPARKMAN] are necessarily absent.

The ACTING PRESIDENT pro tempore. A quorum is not present.

Mr. SALTONSTALL. Mr. President, I move that the Sergeant at Arms be directed to request the attendance of absent Senators.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the motion of the Senator from Massachusetts.

The motion was agreed to.

The ACTING PRESIDENT pro tempore. The Sergeant at Arms will execute the order of the Senate.

After a little delay, Mr. ANDERSON, Mr. BARRETT, Mr. BEALL, Mr. BENNETT, Mr. BRICKER, Mr. BURKE, Mr. BUSH, Mr. BUTLER, Mr. BYRD, Mr. CAPEHART, Mr. CASE, Mr. CHAVEZ, Mr. COOPER, Mr. CORDON, Mr. CRIPPA, Mr. DANIEL, Mr. DOUGLAS, Mr. DUFF, Mr. EASTLAND, Mr. ELLENDER, Mr. FERGUSON, Mr. FREAR, Mr. GOLDWATER, Mr. GORE, Mr. HAYDEN, Mr. HENNINGS, Mr. HILL, Mr. HOLLAND, Mr. HUMPHREY, Mr. JACKSON, Mr. JOHNSTON of South Carolina, Mr. KENNEDY, Mr. KERR, Mr. KILGORE, Mr. KNOWLAND, Mr. KUCHEL, Mr. LANGER, Mr. LEHMAN, Mr. LONG, Mr. MAGNUSON, Mr. MALONE, Mr. MARTIN, Mr. MCCARRAN, Mr. MCCARTHY, Mr. MONRONEY, Mr. MORSE, Mr. MUNDT, Mr. PURTELL, Mr. REYNOLDS, Mr. SMATHERS, Mrs. SMITH of Maine, Mr. STENNIS, Mr. SYMINGTON, Mr. UPTON, Mr. WATKINS, Mr. WELKER, and Mr. WILLIAMS entered the Chamber and answered to their names.

The ACTING PRESIDENT pro tempore. A quorum is present.

TRANSACTION OF ROUTINE BUSINESS

Mr. SALTONSTALL. Mr. President, I ask unanimous consent that there may be the customary morning hour for the transaction of routine morning business, under the usual 2-minute limitation on speeches.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

REPORT OF CIVIL SERVICE COMMISSION—MESSAGE FROM THE PRESIDENT—(H. DOC. NO. 489)

The ACTING PRESIDENT pro tempore laid before the Senate the following message from the President of the United States, which was read, and, with the accompanying report, referred to the Committee on Post Office and Civil Service:

To the Congress of the United States:

Pursuant to the provisions of section 1102 of the Classification Act of 1949, I am transmitting herewith the report of the Civil Service Commission under that act for the period January 1, 1951, to June 30, 1953.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *August 9, 1954.*

REPORT OF NATIONAL ADVISORY COUNCIL ON INTERNATIONAL MONETARY AND FINANCIAL PROBLEMS—MESSAGE FROM THE PRESIDENT—(H. DOC. NO. 490)

The ACTING PRESIDENT pro tempore laid before the Senate the following message from the President of the United States, which was read, and, with the accompanying report, referred to the Committee on Banking and Currency:

To the Congress of the United States:

I transmit herewith for the information of the Congress, a report of the National Advisory Council on International Monetary and Financial Problems, submitted to me through its Chairman, covering the operations and policies of the International Monetary Fund and the International Bank for Reconstruction and Development from April 1, 1952, to March 31, 1954, and the participation of the United States in the fund and the bank from October 1, 1953, to March 31, 1954. This report has been prepared in accordance with the requirements of sections 4 (b) (5) and 4 (b) (6) of the Bretton Woods Agreements Act.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *August 9, 1954.*

MESSAGE FROM THE HOUSE—ENROLLED BILLS SIGNED

A message from the House of Representatives, by Mr. Bartlett, one of its clerks, announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Acting President pro tempore:

S. 53. An act for the relief of Lewis Roland Edwards;

S. 65. An act for the relief of Joseph Flury Paluy;

S. 120. An act for the relief of Gerasimos Giannatos;

S. 231. An act for the relief of Otmar Sprah;

S. 233. An act for the relief of Jeno Cseplo;

S. 354. An act for the relief of Inger Larsson;

S. 384. An act for the relief of Robert H. Webster;

S. 431. An act for the relief of Joseph Di Pasquale;

S. 447. An act for the relief of Vasiliki Tountas (nee Vasiliki Georgion Karoumbali);

S. 670. An act for the relief of John Doyle Moclair;

S. 771. An act for the relief of Anni Wolf and her minor son;

S. 810. An act for the relief of Jan E. Tomczycki;

S. 914. An act for the relief of Mark Vainer;

S. 946. An act for the relief of Mona Lisbet Kofoed Nicolaisen, Leif Martin Borglum Nicolaisen, and Ian Alan Kofoed Nicolaisen;

S. 974. An act for the relief of certain Chinese children;

S. 992. An act for the relief of Apostolos Savvas Vassiliadis;

S. 997. An act for the relief of Chuan Lowe and his wife;

S. 1158. An act for the relief of Stayka Petrovich (Stajka Petrovic);

S. 1165. An act for the relief of Paul E. Rocke;

S. 1212. An act for the relief of Alice Masaryk;

S. 1216. An act for the relief of Karl L. von Schlieder;

S. 1321. An act for the relief of Michajlo Dzieczko;

S. 1434. An act for the relief of William B. Baker and Don P. Fankhauser;

S. 1520. An act for the relief of Andre Styka;

S. 1600. An act for the relief of Esther Saporta;

S. 1609. An act for the relief of Mrs. Robert Lee Slaughter, nee Elisa Ortiz Orat;

S. 1615. An act for the relief of Lt. Col. George P. Price;

S. 1634. An act for the relief of Alton Bramer;

S. 1702. An act for the relief of Emilia Pavan;

S. 1757. An act for the relief of Clair F. Bowman;

S. 1795. An act for the relief of Fred and Bernice Ehlers;

S. 1798. An act for the relief of Charles Peroulas;

S. 1858. An act for the relief of Sister Antonella Marie Gutterres (Thereza Maria Gutterres);

S. 1883. An act for the relief of Dr. Takeo Takano;

S. 1889. An act for the relief of Margot Goldschmidt;

S. 1902. An act for the relief of Theresa Elizabeth Leventer;

S. 1925. An act for the relief of Lt. Col. Carl E. Welchner, United States Air Force;

S. 1940. An act for the relief of Michela Aurucci;

S. 2067. An act for the relief of Anthony Benito Estella, Natividad Estella, Antonio Juan Estella, and Virginia Araceli Estella;

S. 2135. An act for the relief of Fernando A. Rubio, Jr.;

S. 2176. An act for the relief of Maly Braunstein and Aurelia Rappaport;

S. 2204. An act to provide that United States commissioners who are required to devote full time to the duties of the office may be allowed their necessary office expenses;

S. 2210. An act for the relief of Frank (Franz) Homolka, Olga Homolka (nee Mandel), Adolf Homolka, Helga Maria Homolka, and Frieda Homolka;

S. 2214. An act for the relief of Peter James Copses, Beatrice Copses, Victoria Copses, and James Peter Copses;

S. 2222. An act for the relief of Lucia Mezilgoglou;

S. 2240. A act for the relief of Mrs. Carl Dobratz;

S. 2257. An act for the relief of Luigi Cicchinelli;

S. 2287. An act for the relief of George Scheer, Magda Scheer, Marie Scheer, Thomas Scheer, and Judith Scheer;

S. 2295. An act for the relief of Irma Mueller Koehler Cobban;

S. 2340. An act for the relief of Alphonsus Devlin;

S. 2363. An act for the relief of Dr. Mien Fa Tchou and his wife, Li Hoei Ming Tchou;

S. 2411. An act for the relief of Ruth Berndt;

S. 2448. An act for the relief of Frantisek Vyborny;

S. 2455. An act for the relief of Mrs. S. Eugene Lamb;

S. 2469. An act for the relief of Francisco Vasquez-Dopazo (Frank Vasquez);

S. 2493. An act for the relief of Ingeborg Bogner Johnson;

S. 2504. An act for the relief of Elisa Albertina Cioccio Rigazzi or Elisa Cioccio;

S. 2510. An act for the relief of Paul Lewerenz and Margareta Ehrhard Lewerenz;

S. 2512. An act for the relief of Jeannette Kalker and Abraham Benjamin Kalker;

S. 2542. An act for the relief of Glicerio M. Ebuna;

S. 2594. An act for the relief of Paolino Berchielli, his wife Leda, and daughter Alba;

S. 2607. An act for the relief of Faustino Achaval Aldecoa and his wife, Carmen Achaval (nee Cortabitarte);

S. 2635. An act for the relief of Nadeem Tannous and Mrs. Jamile Tannous;

S. 2745. An act to provide for the termination of Federal supervision over the property of the Klamath Tribe of Indians located in the State of Oregon and the individual members thereof, and for other purposes;

S. 2746. An act to provide for the termination of Federal supervision over the property of certain tribes and bands of Indians in western Oregon and the individual members thereof, and for other purposes;

S. 2823. An act for the relief of Joseph H. Hedmark, Jr.;

S. 3062. An act for the relief of the American Surety Company of New York and certain other surety companies;

S. 3126. An act for the relief of Waltraut Claassen;

S. 3306. An act for the relief of Kang Chay Won;

S. 3433. An act for the relief of Andreja Glusic;

S. 3514. An act for the relief of Mrs. Oveida Mohrke and her son Gerard Mohrke; and

H. R. 9077. An act to amend section 405 of the District of Columbia Law Enforcement Act of 1953, to make available to the judges of such District the psychiatric and psychological services provided for in such section.

PETITION

The ACTING PRESIDENT pro tempore laid before the Senate the following concurrent resolution of the Legislature of the State of Louisiana, which was referred to the Committee on the Judiciary:

House Concurrent Resolution 28

Whereas the 82d Congress (2d sess.) after many years of careful study enacted the McCarran-Walter Immigration Act (Public Law 414) in 1952; and

Whereas this omnibus act represents the first comprehensive and integrated law on naturalization and immigration that this country has ever had; and

Whereas the McCarran-Walter Immigration Act has been and is being subjected to vicious Communist-inspired attacks by the Moscow press and radio, as well as the Daily Worker and other Communist-controlled newspapers published in the United States; which attacks are being supported and maintained by other organizations, groups, and individuals of known Communist-front origin or subject to question as to their American loyalty; all such attacks and propaganda urging repeal of the entire act; and

Whereas legislation has been introduced into the present Congress which would nullify or repeal the security safeguards and other protective measures of Public Law 414, including the national origins quota system, and suppiant the present law with a policy of immigration by administrative regulation, thus subjecting our Nation to the manipulations and special interests of numerous political and minority pressure groups in this vital field of public safety and welfare: Now, therefore, be it

Resolved by the house of representatives and the senate of the 1954 regular session of the Louisiana Legislature, duly convened at Baton Rouge, La., That they do deplore the attacks being made on the McCarran-Walter Immigration Act and oppose any and all attempts now being made to repeal in toto said Public Law 414, or to materially weaken, destroy, or amend said law so as to change any of the following essential principles and safeguards of the present law:

(a) A thorough screening, especially of security risks.

(b) Exclusion of undesirable applicants for immigration.

(c) Deportation procedures to remove immigrant failures and subversives.

(d) A system of selective immigration within the national origins quota system, and geared to the needs of the United States; be it further

Resolved, That a copy of this resolution duly signed and certified be sent to the President of the United States, the Vice President of the United States, the Speaker of the House of Representatives of the United States, and to each of the Senators and Representatives of the State of Louisiana in the Congress of the United States, to the Attorney General of the United States, and to the United States Senate Judiciary Committee.

C. E. BARHAM,
Lieutenant Governor and President of the Senate.

C. C. AYCOCK,
Speaker of the House of Representatives.

Certified:

W. CLEGG COLE.

PUBLIC-WORKS PROGRAM FOR CITY OF MILWAUKEE, WIS.—RESOLUTION OF MILWAUKEE COMMON COUNCIL

Mr. WILEY. Mr. President, I have received today from the city clerk of Milwaukee a resolution which was adopted by the common council on July 27 dealing with a reserve program of public works. To the resolution is attached a listing of the numerous projects which the city of Milwaukee is considering and in which Federal participation is sought.

I present the resolution and ask unanimous consent that it be printed at this point in the RECORD and be thereafter appropriately referred to the Senate Public Works Committee.

There being no objection, the resolution was referred to the Committee on Public Works, and ordered to be printed in the RECORD, as follows:

Resolution relative to approving a list of projects for an emergency public-works program for the city of Milwaukee, urging the Federal Government to create a reserve of plans for future projects, and to appropriate funds to participate in the costs of construction in the event of an increase in unemployment or economic recession

Whereas the President of the United States has indicated his interest and desire to reduce the severity of any possible recession by appointing under his Council of Economic Advisers, a coordinator of public-works planning covering Federal, State, and local public-works projects; and

Whereas both Houses of Congress have approved the Housing Act of 1954 (H. R. 7839) containing provisions for interest-free public-works planning loans; and

Whereas the board of estimates has considered a statement and report concerning Federal financing of an emergency public-works program and advance-planning loans for the city of Milwaukee as prepared for it by a special committee appointed by his honor the mayor; and

Whereas this statement reads as follows:

"Unemployment in the Milwaukee area and in many other large cities of the Nation had increased during the past winter season to the point where methods of countering a reoccurrence of such increase should be undertaken. The problem is national in scope and, therefore, requires Federal action rather than State or local action alone to be effective.

"The construction industry enters significantly into the whole problem of the national economy. In boom times it tends to lead the business procession, and in a depression it usually falls the hardest and intensifies the recession.

"Public works ordinarily account for nearly one-third of all construction. A well-developed public-works program can contribute greatly to the stability of the construction industry.

"City property owners are already burdened with high property taxes and cannot be expected to bear the added cost of an intensified public-works construction program without material assistance from Federal sources.

"A program of advance planning loans to local units of government would encourage and enable local communities to prepare construction plans well in advance of planned physical construction.

"Acquisition of land is as much a part of the preliminary processes involved in public works planning as are other phases of the work. It is economically advantageous to purchase sites for many projects well in advance of actual construction during planning stages at something near its unimproved value. Such advance acquisition of land from loan funds would enable projects to get under construction quickly during any regular or emergency public-works program"; and

Whereas the attached list of projects which could be advanced for early construction under an emergency public-works program contemplated by the Federal Government, totaling $140,295,000, has been prepared by the capital-improvements committee and reviewed by the special committee and by the board of estimates: Therefore be it

Resolved by the Common Council of the City of Milwaukee, That the following statements properly reflect the opinion of this body relating to the responsibility of the Federal Government to prepare an emergency public-works program:

1. The Federal Government should prepare immediately a program of needed Federal public-works projects which can be constructed in urban areas where critical employment has already occurred or is imminent.

2. The Federal Government should encourage State and local governments to initiate programs of public-works construction which can be undertaken immediately, and during the next 2 or 3 year period with Federal participation in construction costs.

3. The Federal Government should provide a sufficient appropriation to make possible a 65-percent or 75-percent participations of such project in the costs of construction.

4. There be created a reserve of projects on which plans and specifications are in readiness for construction, and the Federal Government should provide an appropriation under the advance planning loans law and encourage local governments to contract for the preparation of construction plans and specifications for public-works projects under the terms of such interest-free loan funds.

5. That provision should be made to enable cities to purchase land for project sites from advance planning loan funds, so that construction plans and specifications can be definitely related to a particular site and long delays avoided later when funds are made available for actual construction; and be it further

Resolved, That the attached list of projects totaling $140,295,000 be, and hereby is, approved for submission to the proper Federal officials to indicate the type of work projects scheduled for construction within the next 10-year period, which could be advanced for early construction under an emergency public-works program contemplated by the Federal Government; and be it further

Resolved, That copies of this resolution and of the list of the approved projects be transmitted to the proper Federal officials or departments and to the Members of the House and the Senate representing Milwaukee residents as indicative of the kind of legislation required and the projects possible of construction.

Suggested projects for an emergency public works program for the city of Milwaukee

	Year presently	Estimated cost
Fire department, new buildings:		
North 8th St., West Michigan St.	1955	$300,000
North 60th St. and West Silver Spring Dr. combined with police department	1956	350,000
Vicinity of South 84th St. and West Howard Ave.	1957	155,000
Repair shop	1957	250,000
Far south side	1958	155,000
Total		1,210,000
Harbor commission:		
1,872 feet of retaining wall to reclaim 21 acres of submerged shoreland	1955	500,000
New drainage system for South Harbor, raise tracks, etc.	1955–60	150,000
		650,000
Museum: New building	1963	7,167,000
Police department:		
New garage	1956	200,000
New southwest side station	1957	200,000
		400,000
Bureau of bridges and public buildings:		
New city hall annex	1955	3,900,000
South 35th St. Bridge, south of West Lincoln Ave.	1955	925,000

PROHIBITION OF TRANSPORTATION OF ALCOHOLIC BEVERAGE ADVERTISING IN INTERSTATE COMMERCE—PETITION

Mr. LANGER. I present a petition signed by sundry citizens of Williston, N. Dak., praying for the enactment of Senate bill 3294, to prohibit the transportation in interstate commerce of alcoholic beverage advertising. I ask unanimous consent that the petition be printed in the RECORD, together with all the signatures attached.

There being no objection, the petition, together with the signatures attached, was ordered to be printed in the RECORD, as follows:

To the Honorable Senator WILLIAM LANGER:

We the undersigned voters of Williams County, are in favor of, and urge the passing of the Langer bill, S. 3294, to prohibit the transportation in interstate commerce of alcoholic beverage advertising in newspapers, periodicals, etc., and its broadcasting over radio and TV.

We respectfully ask that you present these petitions to the Senate and have a note made of it in the CONGRESSIONAL RECORD.

Silas Langager, Orlando V. Ellington, Rasmus Sker, Ed Overlie, Melvin Skarphol, Ivar Roudkiev, Einar J. Erlandsen, Frank Bar, Richard Pederson, Emil K. Skardal, Mrs. Gens Aafrdl, Ed Lee, E. O. Hamberg, Edna E. Fritland, Elaine Hamberg, Elsie L. Hamberg, Zelpha Overland, Mrs. Olaus Kjos, Olaus Kjos, Mrs. Walter I. Aamoth, Oscar J. Hanger, Mrs. Oscar O. Hanger.

STATEHOOD FOR HAWAII—LETTER AND RESOLUTION

Mr. LANGER. Mr. President, I am in receipt of a letter from Duane Tollefson, secretary of the North Dakota Junior Chamber of Commerce, transmitting a copy of a resolution adopted by that organization, relating to Statehood for Hawaii. I ask unanimous consent that the letter and resolution be printed in the RECORD.

There being no objection, the letter and resolution were ordered to be printed in the RECORD, as follows:

NORTH DAKOTA JUNIOR CHAMBER OF COMMERCE,
July 3, 1954.

Senator BILL LANGER,
Washington, D. C.

HONORABLE SENATOR BILL LANGER: The North Dakota Junior Chamber of Commerce has instructed me to send you a copy of the following resolutions for your consideration passed by the North Dakota Junior Chamber of Commerce at convention assembled in the city of Williston, N. Dak., on the 16th day of May, 1954.

Sincerely,

DUANE TOLLEFSON,
Secretary.

RESOLUTION FAVORING STATEHOOD FOR THE TERRITORY OF HAWAII

Whereas the North Dakota Junior Chamber of Commerce board of directors in January 1954 announced its support of the statehood bill for Hawaii; and

Whereas Hawaii has served honorably and well in the Korean fighting, and has paid millions of dollars in taxes to the United States Treasury; and

Whereas the members of the junior chamber of commerce feel that a government should be of laws rather than of men: Now, therefore, be it

Resolved, That the North Dakota Junior Chamber of Commerce at convention assembled in the city of Williston, N. Dak., this 16th day of May A. D. 1954, does favor the immediate passing of the Hawaiian statehood bill, and our secretary is instructed to send copies of this resolution to appropriate Representatives in the United States Congress.

AMENDMENT OF PACKERS AND STOCKYARDS ACT RELATING TO BRAND INSPECTION SERVICES—LETTER AND RESOLUTION

Mr. LANGER. Mr. President, I am in receipt of a letter from R. M. Miller, secretary of the North Dakota Stockmen's Association, Bismarck, N. Dak., transmitting a resolution adopted by that organization, relating to the amendment of the Packers and Stockyards Act as it deals with brand inspection services. I ask unanimous consent that the letter and resolution be printed in the RECORD.

There being no objection, the letter and resolution were ordered to be printed in the RECORD, as follows:

NORTH DAKOTA STOCKMEN'S ASSOCIATION,
Bismarck, N. Dak., July 13, 1954.

WILLIAM LANGER,
United States Senator,
Senate Office Building,
Washington, D. C.

DEAR HONORABLE SENATOR LANGER: We wish to call your attention to a bill which has recently been introduced into both the Senate and House dealing with the administration of brand inspection services at the federally posted markets.

At a recent national meeting of the National Brand Conference, of which the North Dakota Stockmen's Association is a member, a resolution was adopted calling for certain changes in the existing provisions of the Packers and Stockyards Act and the administrative interpretation thereof.

The principal objective sought to be accomplished by the amendment to the Packers and Stockyards Act is the removal from the application of the act the activities of brand inspection authorities within their own State boundaries, subject to certain exceptions.

It is proposed to amend section 301 (b) so as to exclude the activities of brand inspection authorities within their own States from the definition of stockyard services, except as otherwise provided in section 317, as proposedly amended.

It is proposed to amend section 317 so as to provide: (a) That activities of brand inspection authorities within their own States are not subject to regulation except as expressly provided in paragraphs (c) and (d). (b) That the Packers and Stockyards Act administration may authorize private associations to make inspections and collect fees therefor at posted markets in those States wherein no agency is authorized by laws of such State to make inspections. Such associations would continue to be subject to regulation under the act substantially in the same manner and to the same extent as is now the case. (c) Permits brand inspection authorities of a State to be authorized to inspect cattle shipped from such State to posted yards in foreign States, subject to all existing regulations. (d) That the federally authorized agency or association of the State from which cattle are shipped to a posted market in a foreign State shall have a preferred right to make the inspection and collect a fee therefor; within certain limits.

The proposed amendment of this paragraph continues to leave out-of-State inspections under the regulation of the act, and gives the State of origin a preferred right to inspect, but places upon such State the burden of furnishing purchasers an adequate clearance. (e) That no more than one authorization shall be issued with respect to cattle shipped from any one State and a statement of the criterion for selection in case of more than one application substantially the same as provided in the present section 317 (a). Paragraphs (f), (g), and (h) of the amendment contain the same provisions as are now set out in paragraphs (b), (c), and (d) of section 317, respectively.

Under the proposed amendment no State will lose its right to obtain authorization to make out-of-State inspection; and such inspections will remain under Federal jurisdiction. However, in case a State of origin does not elect to inspect its cattle at foreign yards, the State in which such yards are located may inspect and collect a fee, without any Federal authorization and regulation.

We believe that it is important that these changes be made.

A copy of the resolution as adopted by the State livestock inspection agencies at the

National Livestock Brand Conference is enclosed.

The bill is being sponsored by Senator BOWRING, in the Senate, and Representative A. L. MILLER of Nebraska in the House.

We will certainly appreciate receiving your support for the passage of this bill. Should you wish additional information, we will be glad to supply it. With best regards.

Sincerely,

R. M. MILLER,
Secretary.

Whereas it is believed that some of the existing provisions of the Packers and Stockyards Act and the administrative interpretation thereof unduly hamper the legitimate functions of local State brand inspection authorities; and

Whereas it is believed that the best interests of the livestock industry, in particular, and the Nation in general, will be promoted by certain revision and clarification of said Packers and Stockyards Act: Now, therefore, be it

Resolved by the National Livestock Brand Conference, in regular session assembled, at Clovis, N. Mex., this 22d day of June 1954, That said conference favors and urges the enactment by Congress of substantially the following changes in the Packers and Stockyards Act:

I

That brand inspections by any department, agency, or instrumentality of a State, authorized by the laws of such State to inspect livestock as a means of determining ownership, shall not be subject to the Packers and Stockyards Act with respect to inspection within such State of any and all livestock, regardless of the origin or destination of such livestock except as otherwise hereinafter provided.

II

That in those States wherein no department, agency, or instrumentality of State is authorized by State law to inspect livestock as a means of determining ownership, private associations may be authorized under the regulations of the Packers and Stockyards Act to make such inspections at posted markets and collect a reasonable and nondiscriminatory fee or tax therefor.

III

That all out-of-State inspections remain under the packers and stockyards authorization and regulation.

That in the case of livestock shipped directly from one State to a posted market in another State the authorized department, agency, or instrumentality of State, or private associations, as the case may be, of the State of origin shall have a preferred right to inspect such livestock at such market; provided that such department, agency, instrumeutality, or association must declare its intention to inspect such livestock by giving notice in writing to a representative of the brand inspection authority of the State within which such market is situated a reasonable time prior to the time such livestock is offered for sale: *And provided further,* That in the event the inspection authority of the State of origin of such livestock elects to inspect such livestock, such inspection authority shall cause to be furnished to the purchaser an appropriate clearance certificate containing positive identification as to description of each animal and showing brands or marks appearing thereon and the location thereof.

In the event the inspection authority of the State of origin fails or neglects to declare its intention or fails or neglects to inspect such livestock after having declared such intention, the authorized inspection authority of the State wherein such market is situated may proceed to inspect such livestock and collect a reasonable nondiscriminatory fee or tax therefor. In no event shall an inspection fee or tax be collected by more than one inspection authority with respect to the same consignment of livestock.

FLEXIBLE PRICE SUPPORTS—RESOLUTION OF NATIONAL ASSOCIATION OF REFRIGERATED WAREHOUSES, WASHINGTON, D. C.

Mrs. BOWRING. Mr. President, Philip G. Kuehn, vice chairman, legislative committee, National Association of Refrigerated Warehouses, Washington, D. C., has written me a letter transmitting a copy of a resolution adopted by that organization relating to the flexible price-support program. I ask unanimous consent that the letter and resolution be printed in the RECORD and appropriately referred.

There being no objection, the letter and resolution were ordered to lie on the table and to be printed in the RECORD, as follows:

NATIONAL ASSOCIATION OF
REFRIGERATED WAREHOUSES,
Washington, D. C., August 2, 1954.

DEAR SENATOR: You are being approached from all sides on the matter of price-support legislation. We think you'll find the attached resolution a refreshing and unselfish approach to this problem by an industry close to agriculture. We hope it will be helpful to you at this time, when you thoughts must be full of this important issue.

Sincerely yours,

PHILIP G. KUEHN,
Vice Chairman, Legislative Committee.

RESOLUTION OF NATIONAL ASSOCIATION OF REFRIGERATED WAREHOUSES

The following resolution was unanimously adopted April 29, 1954, at the 63d annual meeting of the National Association of Refrigerated Warehouses at Boca Raton, Fla.:

"The public refrigerated warehousing industry is a direct beneficiary of the present high rigid price-support program for agricultural commodities because it stores millions of pounds of perishables procured by the Government under this program.

"It is apparent to us that high rigid supports are creating huge surpluses—many of which are stored in our warehouses—which can have no other result than chaos for agriculture or a thoroughly regimented agricultural economy: Be it therefore

"Resolved, That the public refrigerated warehousing industry stands ready, unequivocally and positively, to sacrifice its pecuniary interests for a return to a flexible price-support program which will not create huge surpluses and which will return American agriculture to a free and healthy economy in the true American tradition; be it further

"Resolved, That the NARW commend Secretary of Agriculture Ezra Benson for his courageous statesmanship and farsighted wisdom in recommending a flexible price-support program, and, further, that the Congress of the United States be urged to adopt the Secretary's proposal."

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. MILLIKIN, from the Committee on Finance, without amendment:

H. R. 7508. A bill for the relief of James Dore, Jr. (Rept. No. 2357).

By Mr. SALTONSTALL, from the Committee on Armed Services, with amendments:

S. 3822. A bill to authorize the conveyance to the State of Texas of approximately 9 acres of land in Houston, Tex., to be used for National Guard purposes (Rept. No. 2358).

By Mr. MCCARRAN, from the Committee on the Judiciary, without amendment:

S. 29. A bill to provide for the payment of lump-sum death benefits to the survivors of certain employees of contractors with the United States during World War II (Rept. No. 2359); and

S. 3429. A bill to authorize the assessment of costs and reasonable attorneys' fees against the United States in certain appellate proceedings (Rept. No. 2360).

By Mr. MCCARRAN, from the Committee on the Judiciary, with an amendment:

S. 221. A bill to amend subsection (a) of section 6 of the War Claims Act of 1948, as amended, to include claims of certain American citizens who served in the Armed Forces of any Government allied with the United States during World War II and who were taken prisoner of war (Rept. No. 2361).

OFFICE OF COMMISSIONER OF REFUGEES—REPORT OF A COMMITTEE

Mr. LANGER. Mr. President, from the Committee on the Judiciary, to which was referred the amendments of the House to the bill (S. 1766) to establish the Office of Commissioner of Refugees, I report favorably amendments to the House amendments, and I submit a report (No. 2356) thereon. The committee recommends the adoption of the House amendments as amended by the amendments just reported.

The ACTING PRESIDENT pro tempore. The report will be received and printed.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. LANGER:

S. 3845. A bill for the relief of Reginald Theodore Jones; to the Committee on the Judiciary.

By Mr. EASTLAND:

S. 3846. A bill authorizing the exchange of certain properties for purposes of the Vicksburg National Military Park; to the Committee on Interior and Insular Affairs.

S. 3847. A bill to provide that certain land acquired for flood-control purposes which is suitable for agricultural use be disposed of as surplus property; to the Committee on Public Works.

HOUSE BILL REFERRED

The bill (H. R. 9988) for the relief of the Federal Republic of Germany, was read twice by its title, and referred to the Committee on the Judiciary.

SOCIAL SECURITY ACT AMENDMENTS OF 1954—AMENDMENTS

Mr. DOUGLAS submitted amendments intended to be proposed by him to the bill (H. R. 9366) to amend the Social Security Act and the Internal Revenue Code so as to extend coverage under the old-age and survivors insurance program, increase the benefits payable thereunder, preserve the insurance rights of disabled individuals, and increase the amount of earnings permitted without loss of benefits, and for other purposes, which were ordered to lie on the table and to be printed.

FLOOD CONTROL ACT OF 1954—AMENDMENT

Mr. DOUGLAS (for himself and Mr. KENNEDY) submitted an amendment intended to be proposed by them, jointly, to the bill (H. R. 9859) authorizing the construction, repair, and preservation of certain public works on rivers and harbors for navigation, flood control, and for other purposes, which was ordered to lie on the table and to be printed.

AMENDMENT OF CIVIL AERONAUTICS ACT, AS AMENDED—AMENDMENTS

Mr. McCARRAN submitted amendments intended to be proposed by him to the bill (H. R. 8898) to amend section 401 (e) (2) of the Civil Aeronautics Act, as amended, which were ordered to lie on the table and to be printed.

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on today, August 9, 1954, he presented to the President of the United States the following enrolled bills:

S. 53. An act for the relief of Lewis Roland Edwards;

S. 65. An act for the relief of Joseph Flury Paluy;

S. 120. An act for the relief of Gerasimos Giannatos;

S. 231. An act for the relief of Otmar Sprah;

S. 233. An act for the relief of Jeno Cseplo;

S. 354. An act for the relief of Inger Larsson;

S. 384. An act for the relief of Robert H. Webster;

S. 431. An act for the relief of Joseph Di Pasquale;

S. 447. An act for the relief of Vasiliki Tountas (nee Vasiliki Georgion Karoumbali);

S. 670. An act for the relief of John Doyle Moclair;

S. 771. An act for the relief of Anni Wolf and her minor son;

S. 810. An act for the relief of Jan E. Tomczycki;

S. 914. An act for the relief of Mark Vainer;

S. 946. An act for the relief of Mona Lisbet Kofoed Nicolaisen, Leif Martin Borglum Nicolaisen, and Ian Alan Kofoed Nicolaisen;

S. 974. An act for the relief of certain Chinese children;

S. 992. An act for the relief of Apostolos Savvas Vassiliadis;

S. 997. An act for the relief of Chuan Lowe and his wife;

S. 1158. An act for the relief of Stayka Petrovich (Stajka Petrovic);

S. 1165. An act for the relief of Paul E. Rocke;

S. 1212. An act for the relief of Alice Masaryk;

S. 1216. An act for the relief of Karl L. von Schlieder;

S. 1321. An act for the relief of Michajlo Dzieczko;

S. 1434. An act for the relief of William B. Baker and Don P. Fankhauser;

S. 1520. An act for the relief of Andre Styka;

S. 1600. An act for the relief of Esther Saporta;

S. 1609. An act for the relief of Mrs. Robert Lee Slaughter, nee Elisa Ortiz Orat;

S. 1615. An act for the relief of Lt. Col. George P. Price;

S. 1634. An act for the relief of Alton Bramer;

S. 1702. An act for the relief of Emilia Pavan;

S. 1757. An act for the relief of Clair F. Bowman;

S. 1795. An act for the relief of Fred and Bernice Ehlers;

S. 1798. An act for the relief of Charles Peroulas;

S. 1858. An act for the relief of Sister Antonella Marie Gutterres (Thereza Maria Gutterres);

S. 1883. An act for the relief of Dr. Takeo Takano;

S. 1889. An act for the relief of Margot Goldschmidt;

S. 1902. An act for the relief of Theresa Elizabeth Leventer;

S. 1925. An act for the relief of Lt. Col. Carl E. Welchner, United States Air Force;

S. 1940. An act for the relief of Michela Aurucci;

S. 2067. An act for the relief of Anthony Benito Estella, Natividad Estella, Antonio Juan Estella, and Virginia Araceli Estella;

S. 2135. An act for the relief of Fernando A. Rubio, Jr.;

S. 2176. An act for the relief of Maly Braunstein and Aurelia Rappaport;

S. 2204. An act to provide that United States commissioners who are required to devote full time to the duties of the office may be allowed their necessary office expenses;

S. 2210. An act for the relief of Frank (Franz) Homolka, Olga Homolka (nee Mandel), Adolf Homolka, Helga Maria Homolka, and Frieda Homolka;

S. 2214. An act for the relief of Peter James Copses, Beatrice Copses, Victoria Copses, and James Peter Copses;

S. 2222. An act for the relief of Lucia Mezilgoglou;

S. 2240. An act for the relief of Mrs. Carl Dobratz;

S. 2257. An act for the relief of Luigi Cicchinelli;

S. 2287. An act for the relief of George Scheer, Magda Scheer, Marie Scheer, Thomas Scheer, and Judith Scheer;

S. 2295. An act for the relief of Irma Mueller Koehler Cobban;

S. 2340. An act for the relief of Alphonsus Devlin;

S. 2363. An act for the relief of Dr. Mien Fa Tchou and his wife, Li Hoei Ming Tchou;

S. 2411. An act for the relief of Ruth Berndt;

S. 2448. An act for the relief of Frantisek Vyborny;

S. 2455. An act for the relief of Mrs. S. Eugene Lamb;

S. 2469. An act for the relief of Francisco Vasquez-Dopazo (Frank Vasquez);

S. 2493. An act for the relief of Ingeborg Bogner Johnson;

S. 2504. An act for the relief of Elisa Albertina Cioccio Rigazzi or Eliza Cioccio;

S. 2510. An act for the relief of Paul Lewerenz and Margareta Ehrhard Lewerenz;

S. 2512. An act for the relief of Jeannette Kalker and Abraham Benjamin Kalker;

S. 2542. An act for the relief of Glicerio M. Ebuna;

S. 2594. An act for the relief of Paolino Berchielli, his wife Leda, and daughter Alba;

S. 2607. An act for the relief of Faustino Achaval Aldecoa and his wife, Carmen Achaval (nee Cortabitarte);

S. 2635. An act for the relief of Nadeem Tannous and Mrs. Jamile Tannous;

S. 2745. An act to provide for the termination of Federal supervision over the property of the Klamath Tribe of Indians located in the State of Oregon and the individual members thereof, and for other purposes;

S. 2746. An act to provide for the termination of Federal supervision over the property of certain tribes and bands of Indians in western Oregon and the individual members thereof, and for other purposes;

S. 2823. An act for the relief of Joseph H. Hedmark, Jr.;

S. 3062. An act for the relief of the American Surety Co. of New York and certain other surety companies;

S. 3126. An act for the relief of Waltraut Claassen;

S. 3306. An act for the relief of Kang Chay Won;

S. 3433. An act for the relief of Andreja Glusic; and

S. 3514. An act for the relief of Mrs. Ovelda Mohrke and her son, Gerard Mohrke.

NOTICES OF MOTIONS TO SUSPEND THE RULES—AMENDMENTS TO MUTUAL SECURITY APPROPRIATION BILL

Mr. BRIDGES submitted the following notice in writing:

In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 10051) making appropriations for mutual security for the fiscal year ending June 30, 1955, and for other purposes, the following amendment, namely: On page 5, line 16, after "migrants": insert the following: "*Provided*, That no funds appropriated in this act or any other act shall be used to assist directly or indirectly in the migration of any person to any nation in the Western Hemisphere who shall not first have been thoroughly screened for security in accordance with standards identical with those standards contained in the United States Immigration and Nationality Act."

Mr. BRIDGES submitted the following notice in writing:

In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 10051) making appropriations for mutual security for the fiscal year ending June 30, 1955, and for other purposes, the following amendment, namely: On page 14, after line 7, insert the following:

"SEC. 108. Of the $700 million in surplus agricultural commodities authorized to be disposed of under provisions of the Agricultural Trade Development and Assistance Act of 1954, not less than $55 million shall be provided to Spain during the current fiscal year: *Provided*, That 95 percent of the foreign credits generated hereunder shall be used to strengthen and improve the civilian economy of Spain: *Provided further*, That the Commodity Credit Corporation shall be reimbursed for the assistance furnished under this section from unexpended balances available under the Mutual Security Act of 1954."

Mr. BRIDGES submitted the following notice in writing:

In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 10051) making appropriations for mutual security for the fiscal year ending June 30, 1955, and for other purposes, the following amendment, namely: On page 14, beginning in line 19, substitute the following for the committee amendment:

"SEC. 109. Funds heretofore or hereafter allocated to the Department of Defense from any appropriation for military assistance (except funds obligated directly against any such appropriation for offshore procurement or other purposes) shall be accounted for by geographic area and by country solely

on the basis of the value of materials delivered and services performed (such value to be determined in accordance with the applicable provisions of law governing the administration of military assistance) and said funds so allocated shall be transferred to the Department of Defense. Such funds shall be considered obligated on written orders issued by the Secretary of Defense to the military departments for the procurement or delivery of supplies and services, when receipt of such orders has been acknowledged in writing. Within the limits of amounts so transferred, the Department of Defense is authorized to incur, in applicable appropriations, obligations to be paid from such amounts which shall, when required, be transferred to such applicable appropriations. No funds so allocated shall be withdrawn by administrative action unless the Secretary of Defense shall certify that they are not required for liquidation of obligations so incurred. In the event that the President shall decide that the military supplies and materials so obligated for are needed for the defense of the United States the amount obligated for supplies and materials subject to such decision shall be reimbursed to the original funds from which allocated. Reimbursement from such allocation shall be made in accordance with the applicable provisions of law."

Mr. BRIDGES also submitted amendments intended to be proposed by him to House bill 10051 making appropriations for mutual security for the fiscal year ending June 30, 1955, and for other purposes, which were ordered to lie on the table and to be printed.

(For text of amendments referred to, see the foregoing notices.)

ADDITIONAL FUNDS FOR JUDICIARY COMMITTEE—RESOLUTION REFERRED TO COMMITTEE ON RULES AND ADMINISTRATION

During the debate on S. 3052, the Agricultural Act of 1954,

Mr. LANGER. Will the Senator from Vermont yield me a half-minute for a privileged matter?

Mr. AIKEN. I yield to the Senator from North Dakota 1 minute on the bill.

Mr. LANGER. Mr. President, on August 2, 1954, there was reported from the Committee on the Judiciary, Senate Resolution 305, Calendar No. 2062, providing an additional $10,000 for the same use and for the same purpose as provided in section 134 (A) of the Legislative Reorganization Act of 1946. I ask unanimous consent that Senate Resolution 305, to provide additional funds for the Committee on the Judiciary, be referred to the Committee on Rules and Administration.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

LABRADOR ORE

Mr. WILEY. Mr. President, I was interested in noting in the current issue of Time magazine an article entitled "Ore by 1954." It tells of the visit by the Secretary of the Treasury, Mr. Humphrey, to Seven Islands, on the St. Lawrence River, at which time the Secretary of the Treasury called attention to the fact that ore is now coming out of the mines in Labrador. The article goes on to relate:

The whole Ungava production is ready. Soon nine 100-car trains a day will be rolling down from the mines to the Seven Islands docks. Some ore will go by sea to Baltimore and Philadelphia. The rest will go in shallow-draft ships down the St. Lawrence to the steel mills of Cleveland and Pittsburgh and inland Canada. When the St. Lawrence seaway is ready, oceangoing freighters can do all the carrying. By 1957 about 10 million tons of ore a year will be coming out of Ungava's veins, and the world's mightiest industrial nation need not worry about iron to feed its factories.

I ask unanimous consent that the entire article be published in the RECORD at this point in my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

ORE BY 1954

"Gold is for the mistress—silver for the maid—
"Copper for the craftsman, cunning at his trade."
"Good!" said the Baron, sitting in his hall,
"But Iron—Cold Iron—is master of them all."

—*Rudyard Kipling.*

Wealthy and influential men from all over Canada and the United States gathered last week in the fishing village of Seven Islands, on the bleak north shore of the St. Lawrence River. United States Secretary of the Treasury George Humphrey, Quebec Premier Maurice Duplessis, and Newfoundland Premier Joseph Smallwood flew into town. A cruise ship brought 275 presidents, board chairmen or top executives of 6 major United States steel companies, United States and Canadian banks, insurance and trust companies, and mining firms. The visitors assembled on Seven Islands' rain-drenched waterfront. A button was pushed, and rumbling machinery dumped carloads of red rock into a freighter's hold. When the hold was full, the ship sailed for Philadelphia to deliver to United States steel mills the first iron ore from Canada's remote Ungava iron fields, as rich as and perhaps vaster than the once great Mesabi Range.

The pushbutton ceremony climaxed one of the great hands-across-the-border industrial ventures of modern times. As long as half a century ago, geologists were sure that iron ore lay buried beneath the lichens of barren Ungava, but there seemed no practical and profitable way of moving it from the subarctic wilderness. In 1942 Jules Robert Timmins, Montreal goldmining magnate, decided to take the challenge. Last week, as he watched the first boatload of Ungava ore leave for the United States, Jules Timmins, 66, could claim success. "It is the realization of my dreams, hopes, and plans," he said.

IRON POCKETS

It took 12 years, more than $250 million and a labor force that grew to 7,000 men to make Timmins' dreams come true. He raised more than $10 million just to survey the property to prove that the ore was sufficiently high-grade (50 percent or more iron content) to be attractive to steelmakers. Here and there, like almonds in a chocolate bar, prospectors found pockets of some of the richest iron ore ever mined in North America. They were able to block out 400 million tons assaying nearly 60 percent iron.

Once he had proved he had a commercial ore body, Timmons had to sell it to the steel industry. He had already formed a partnership with M. A. Hanna Co. of Cleveland and enlisted the help of Hanna's then president, George Humphrey, to promote the Ungava project in the United States. Steelmen in the United States were beginning then to realize how seriously two world wars had depleted the United States Mesabi Range. Humphrey and Timmins managed to convince some of them that Ungava could be a new Mesabi. Six steel companies (Republic, Armco, National, Youngstown, Wheeling, Hanna) agreed to finance the project and buy Ungava ore.

ROADS, DOCKS, DEATHS

With ample capital and an assured market, the newly formed Iron Ore Co. of Canada pulled out all the stops to get Ungava into production. I. O. C. President Humphrey coined the slogan "Iron Ore by '54" and geared operations to meet it. A 17-plane airlift flying as many as 96 flights a day began lugging men and freight into the Ungava wilderness to lay out town sites, build powerplants and dig ore pits. At a cost of more than 20 lives, a 357-mile private railroad was pushed across rivers and through mountains from Seven Islands northward to the mine sites.

Now the whole Ungava production is ready. Soon nine 100-car trains a day will be rolling down from the mines to the Seven Islands docks. Some ore will go by sea to Baltimore and Philadelphia. The rest will go in shallow-draft ships down the St. Lawrence to the steel mills of Cleveland and Pittsburgh and inland Canada. When the St. Lawrence Seaway is ready, oceangoing freighters can do all the carrying. By 1957 about 10 million tons of ore a year will be coming out of Ungava's veins, and the world's mightiest industrial Nation need not worry about iron to feed its factories.

PROPOSED INCREASE OF THE CEILING ON THE NATIONAL DEBT

Mr. MANSFIELD. Mr. President, last year when Congress was very near the end of its 1st session of the 83d Congress, the administration asked the legislative branch to approve an increase in the national debt limit, from $275 billion to $290 billion, an increase of $15 billion. The request was turned down. Now, this year, as adjournment is almost upon us, Secretary of the Treasury Humphrey is again asking Congress to increase the present ceiling on the national debt.

I have given considerable thought to the proposal to increase the national debt limit and I do not believe that the existing situation warrants an increase. Lifting the debt limit is a matter of grave concern to many people. Legislation of such magnitude needs full-dress hearings and debate early in the session, not when we are about to complete our work for the year.

The national debt is now about $274 billion. Budget receipts for the new year, which started July 1 are expected to be about $62.6 billion. Spending will amount to $65.6 billion. It means that the Government is expected to go $3 billion more in debt.

I understand the United States Treasury had a cash balance at the end of the 1954 fiscal year of approximately $6.8 billion which is deposited in 12,000 banks throughout the Nation. An interesting observation in this regard is that the Government receives no interest on these deposits. It seems rather peculiar that we pay the banks interest on loans and at the same time no interest on our deposits is paid to the Federal Government. These bank deposits and the

money we are still able to borrow under the debt limit certainly should be enough to take care of the estimated deficit for the fiscal year without having to increase the debt limit.

While there is always a possibility of an emergency it is not a sufficient enough reason at this time to merit an increase in the debt limit even on a temporary basis as proposed by the Finance Committee. The Treasury will have to keep close tabs on the administration's expenses. There is nothing wrong with that as it promotes more efficient business.

The principal reason for the debt limitation is as a goal and reminder and it should not be arbitrarily used. An increase in the debt limit at this time, in my opinion, is unnecessary.

ATOMIC ENERGY BILL

Mr. LANGER. Mr. President, I ask unanimous consent to have printed in the body of the RECORD a telegram which I have received from the executive secretary of the North Dakota Association of Rural Electric Cooperatives with reference to the atomic energy bill.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

BISMARCK, N. DAK., *July 30, 1954.*

Senator WILLIAM LANGER,
Washington, D. C.:

We, the board of directors of North Dakota Association Rural Electric Cooperatives, in meeting assembled, Bismarck, July 30, representing 65,000 member families do resolve following:

"Respectfully urge and recommend all Congressmen and Senators support and vote for all amendments to atomic energy bill passed by Senate. Wish to point out that without Senate amendments bill constitutes biggest giveaway in history to small group of private citizens of precious natural resource. Believe twelve billion invested by Government means benefits should go first to nonprofit bodies per preference clause, which is half-century old. Further believe no reason for haste in matter which will concern unborn generations. Request you put this resolution before conference committee as per our conversation."

R. G. HARENS,
Executive Secretary, North Dakota Association Rural Electric Cooperatives.

The ACTING PRESIDENT pro tempore. Morning business is concluded.

EXECUTIVE SESSION

Mr. SALTONSTALL. Mr. President, I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE REPORTS OF A COMMITTEE

The following favorable reports of nominations were submitted:

By Mr. LANGER, from the Committee on the Judiciary:

James C. Connell, of Ohio, to be United States district judge for the northern district of Ohio;

Robert Vogel, of North Dakota, to be United States attorney for the district of North Dakota, vice Powless W. Lanier, resigned;

Theodore E. Munson, of Alaska, to be United States attorney for division No. 1, District of Alaska, vice Patrick J. Gilmore, resigned;

Herbert G. Homme, Jr., of North Dakota, to be United States attorney for Guam, vice James G. Mackey, resigned; and

Harry R. Tenborg, of North Dakota, to be United States marshal for the district of North Dakota, vice Chester M. Forseman, resigned.

The ACTING PRESIDENT pro tempore. If there be no further reports of committees, the clerk will state the nomination on the executive calendar for the Foreign Claims Settlement Commission.

FOREIGN CLAIMS SETTLEMENT COMMISSION

The legislative clerk read the nomination of Mrs. Pearl Carter Pace, of Kentucky, to be a member of the Foreign Claims Settlement Commission.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is confirmed.

Mr. SALTONSTALL. Mr. President, I ask that the President be notified of the confirmation of the nomination of Mrs. Pearl Carter Pace.

The ACTING PRESIDENT pro tempore. Without objection, the President will be immediately notified.

LEGISLATIVE SESSION

Mr. SALTONSTALL. Mr. President, I move that the Senate return to the consideration of legislative business.

The motion was agreed to; and the Senate resumed consideration of legislative business.

AGRICULTURAL ACT OF 1954

The ACTING PRESIDENT pro tempore. The Chair lays before the Senate the unfinished business.

The Senate resumed the consideration of the bill (S. 3052) to encourage the stable, prosperous, and free agriculture and for other purposes.

Mrs. BOWRING. Mr. President, I wish to read into the RECORD some excerpts from an editorial appearing in the Nebraska Cattleman, for June 1954. They are as follows:

There will be a number of important questions to come before the committees for consideration, none will have a more far-reaching effect than the farm-price situation. Most stockmen and farmers have not been in sympathy with rigid price supports. Neither do they want the Federal Government to dominate the fields of production and prices. It has long been the policy of stockmen to rely very largely upon their own ability and efforts to develop and carry out their own farm and ranch programs with a minimum of participation by the Federal Government. Cooperation with Federal agencies—yes—but a minimum of participation except in emergency situations beyond their control.

Stockmen and farmers are concerned that their welfare becomes involved in politics. This being election year farm problems will come in for some lively discussion, the objective, of course, being to gain favor with farm and ranch folks. They are not much concerned with promises made during political campaigns. They do not ask, do not expect, any special favors. For the most part, as usual, stockmen and farmers rely very largely upon their own efforts for results. Given fair consideration they can maintain and improve their situation. They have long felt that what they need most is markets and not price supports.

In spite of all that has happened during the more than 2 years—with prices going down and down and production costs continuing to rise—they have faith in their business. They watch the efforts of the so-called "farm block" in Congress with much concern.

* * * * *

Because the farm situation dominates Washington thinking—and that of politicians everywhere—it behooves members to attend the convention this year and help formulate the policies of the association. It is an occasion for some sound thinking and courageous action.

Mr. SALTONSTALL. Mr. President, a parliamentary inquiry.

The ACTING PRESIDENT pro tempore. The Senator will state it.

Mr. SALTONSTALL. Is the Senate now operating under the unanimous-consent agreement?

The ACTING PRESIDENT pro tempore. It is.

Mr. LANGER. Mr. President, a parliamentary inquiry.

The ACTING PRESIDENT pro tempore. The Senator will state it.

Mr. LANGER. May amendments still be offered?

The ACTING PRESIDENT pro tempore. Amendments may be offered.

The Clerk will read the unanimous-consent agreement for the information of the Senate.

The legislative clerk read as follows:

Ordered, That on Monday, August 9, after the morning business, during the further consideration of S. 3052, to encourage a stable, prosperous, and free agriculture, and for other purposes, debate on the pending amendment (offered by Mr. AIKEN) and any amendment thereto or motion (including appeals) shall be limited to not exceeding 5 hours, to be equally divided and controlled, respectively, by the Senator from Vermont [Mr. AIKEN] and the minority leader or some Senator designated by him: *Provided*, That no amendment that is not germane to the subject matter of the said bill shall be received: *And provided further*, That debate upon any further amendments be limited to 2 hours each, to be equally divided and controlled, respectively, by the mover of any such amendment and the Senator from Vermont [Mr. AIKEN] in the event he is opposed to such an amendment or motion otherwise, by the mover and the minority leader or some Senator designated by him: *Provided further*, That debate upon the bill itself shall be limited to not exceeding 3 hours, to be equally divided and controlled, respectively, by the Senator from Vermont [Mr. AIKEN] and the Senator from Texas [Mr. JOHNSON]; and that in the event of the third reading of S. 3052 the Senate shall, without debate; immediately proceed to the consideration of the bill (H. R. 9680) to provide for the continued price support for agricultural products, to augment the marketing and disposal of such products, to provide for greater stability in agriculture, and for other purposes; that it be deemed to be amended by striking out all after the enacting clause and inserting the text of S. 3052 as amended; and that the engrossment of the amendment and third reading of the said bill be deemed to be

ordered, and a vote taken on the final passage of the House bill as amended; and that, if passed, S. 3052 be indefinitely postponed.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Vermont [Mr. AIKEN].

The Senator from Vermont has 150 minutes and the Senator from Texas [Mr. JOHNSON] has 150 minutes.

Mr. JOHNSON of Texas. Mr. President, a parliamentary inquiry.

The ACTING PRESIDENT pro tempore. The Senator will state it.

Mr. JOHNSON of Texas. The Senator from Vermont has an hour and a half on the bill, and the Senator from Texas has an hour and a half on the bill. Is that correct?

The ACTING PRESIDENT pro tempore. That is correct.

Mr. JOHNSON of Texas. May I yield time on the bill at this stage of the proceedings?

The ACTING PRESIDENT pro tempore. The Senator from Texas has control over the time he desires to yield.

Mr. JOHNSON of Texas. Mr. President, I yield to the Senator from West Virginia [Mr. NEELY] 15 minutes on the bill.

NEWSPAPER COLUMNISTS' PRICELESS WARNING TO THE ADMINISTRATION TO SPEED PREPARATION TO DEFEND THE NATION AGAINST RUSSIA'S HYDROGEN BOMBS

Mr. NEELY. Mr. President, the most notable of all the historic warnings of impending danger ever given the American people was that carried to the embattled farmers of Massachusetts by a midnight horseback rider known to the world as the immortal Paul Revere. The most momentous warning of dire disaster ever given to the American people was that carried on the 28th day of last month not by a horseback rider but by the popular Washington Post and Times Herald. The famous columnists Joseph and Stewart Alsop are the authors of this alarming message. It is entitled the "Meaning of Peril."

It is my hope that all Senators present will lend their ears to the reading of this unforgettable article, except its second paragraph which will be omitted for reasons which appear to me to be sufficient. The Alsop brothers' startling words are as follows:

> The sudden renewal of tension in the Far East ought to serve as a warning. If the warning is taken, which it probably will not be, the country will begin to object to the high percentage of fraud in our foreign and defense policymaking.
>
> * * * * *
>
> So far as one can judge, the leaders of this administration are bamboozling the country because they have achieved a happy state of self-bamboozlement. They do not want to believe that efforts must be made, money must be spent, and risks must be run. By a kind of official Coueism, made possible by concealing all the basic facts from the country, most of the policymakers have ended by concealing the basic facts from themselves.
>
> The main point about which the great men of the National Security Council have so wonderfully bamboozled themselves is their own inevitable reaction to a time of total peril.
>
> Two events of the last 12 months insure that the time of total peril for America is now not very far away. The Soviet hydrogen bomb and the new Soviet long-range jet bombers radically change the whole picture. The danger to this country is no longer to be calculated in terms of a slowly accumulating Soviet atomic stockpile, and a Soviet strategic air army equipped with slow, rather short-range TU-4's.
>
> The big, economy-sized H-bomb with lithium hydride cores can be turned out rather rapidly. The new Soviet bombers, the TU-37 and TU-39, already are in quantity production. We have no air defense, and we are building no air defense, to protect this country against the Kremlin's modernized strategic airpower and hydrogen bombs.
>
> Thus the moment is fairly near—the official estimates vary from 18 to 36 months—when the NSC planning papers will begin with the grim sentence:
>
> "Assumed that the Soviet Union has the capability to destroy the United States."
>
> The key question is, very simply, how our highest policymakers will behave when they see that ugly sentence in official black and white. In the abstract, they know already that they are going to see it fairly soon. But the facts have been hidden from the country. There is no public pressure on the policymakers to think about the facts. So they have shoved the whole ugly problem under the rug.
>
> Meanwhile, the key question already has been answered, not in Washington but in London. Last December one of these reporters passed through London on the way home from Indochina. At that time the leaders of the British Government plainly understood the uncontainable dangers of a far eastern Munich. And they were ready to take great risks to prevent it, if this country would only give the lead.
>
> Instead, this spring, the British leaders rejected our tentative lead, and actively worked to bring about a far eastern Munich. The reason was simple. Between December and March, the British Government suddenly had become aware of the total peril of the British Isles.
>
> How this happened is a curious but long story. It is enough to say that two trivial accidents—a speech by Representative STERLING COLE and the hydrogen-bomb fallout on the Japanese fishing boat, *Fortunate Dragon*—suddenly waked up the British Cabinet.
>
> They, too, had closed their ears to the experts. They, too, had shoved the problem of their peril under the rug. But when they abruptly faced the fact that the Soviet could quite literally destroy the British Isles—which already is the case—they went all out for appeasement at any cost. Thus, their peril paralyzed their policy.

Mr. President, let me digress for a moment to observe that Britain, in her present clearly manifested indifference to the United States and her ardent courtship of Red China for her commerce, has apparently become heedless of her greatest author's admonition:

> The friends thou hast, and their adoption tried,
> Grapple them to thy soul with hoops of steel;
> But do not dull thy palm with entertainment
> Of each new-hatch'd, unfledged comrade.

If Britain should, to the prejudice of the United States, continue to increase her cooperation with power-hungry, bloodthirsty, warring Communist China to such an extent that the Kremlin would conclude that this country would not help to rescue the British from destruction, as it did in the First and Second World Wars, Britain would, in my opinion, be confronted with the dilemma of submissively becoming one of Red Russia's enslaved nations, or having England blown to oblivion with atom and hydrogen bombs overnight. Such a disaster would be much more than a fulfillment of Macaulay's melancholy prediction that a "future traveler from New Zealand would, in the midst of a vast solitude, take his stand on a broken arch of London Bridge and sketch the ruins of St. Paul's Cathedral." No free nation can afford to have this appalling calamity descend upon that former great world power of which Webster said:

> Her morning drumbeat, following the sun and keeping company with the hours, circles the earth with one continuous and unbroken strain of the martial airs of England.

Let us fervently hope that whatever conflicts of policy or differences of opinion have strained, as they certainly have, the long existing friendship between the United States and Great Britain, they will soon be composed and forever forgotten, and that in behalf of the preservation of the liberty of the human race and the establishment of permanent universal peace the Americans and the British will reunite and thereafter continue to be the impregnable global fortresses of democracy and the never-ending, successful joint defenders of democratic faith for all the world.

Mr. President, the rest of the Alsop article is as follows:

> It may be unmannerly to say so; but there is no reason in the record to believe that President Eisenhower and the members of his Cabinet are much braver and tougher than Prime Minister Churchill and his colleagues. Hence there is every reason to expect that the specter of total peril, when it is upon us, will have the same paralyzing effect on American policy as it has already produced in Britain.
>
> Meanwhile, it is already clear that even a partial paralysis of American policy is going to be desperately dangerous. The ink was hardly dry on the Indochinese treaty, when Ho Chi Minh announced his determination to grab the rest of Indochina for communism. If there is no push in Indochina, there will be a push somewhere else in Asia; and if not in Asia, then somewhere in the Middle East or in Europe.
>
> And what will the American policymakers do, if the push comes after the beginning of the time of total peril? Will they say: "Yes, we are willing to risk the destruction of the United States for the Burmese, or the Berliners, or whoever it may be?" or will they duck the challenge, and so permit the Kremlin to begin gobbling up the free world on a piecemeal system?
>
> There are other ways of phrasing the key question. Whether the idea of "massive retaliation" is a serious answer to this question, deserves careful study in a subsequent report.

Mr. President, a copy of this invaluable warning should be posted in the office of our Commander in chief, in the offices of the Secretary of Defense, the Secretary of the Army, the Secretary of the Navy, the Secretary of the Air Force, the Secretary of the Treasury, and in every office in the Pentagon building. This posting should be done at once, and this warning should be heeded without a moment's delay. If it arouses the

Eisenhower administration and the present administration of Britain sufficiently to impel them to avert the unspeakable calamity with which they and the world are face to face, the people everywhere should eventually commemorate Joseph and Stewart Alsop by erecting in their honor a monument more imposing, beautiful and lasting than any storied urn or animated bust ever raised in country churchyard by loving hearts and lavish hands.

The ACTING PRESIDENT pro tempore. The time of the Senator from West Virginia has expired.

Mr. JOHNSON of Texas. Mr. President, I yield to the Senator from West Virginia 3 additional minutes.

Mr. NEELY. The watchwords for this administration and the present administration of Britain should be, "Awake, unite and save mankind from the agonizing threat of communistic aggression, destruction and the resulting abomination of desolation spoken of by Daniel the prophet before it is too late."

Golden opportunity, which "knocks unbidden once at every gate," corroborates the Alsops' warning with this clarion call to Britain and the United States:

If sleeping, wake—if feasting, rise before
I turn away. It is the hour of fate,
And they who follow me reach every State
Mortals desire, and conquer every foe
Save death; but those who doubt or hesitate
Condemned to failure, misery, and woe,
Seek me in vain and uselessly implore.
I answer not, and I return no more!

AGRICULTURAL ACT OF 1954

The Senate resumed the consideration of the bill (S. 3052) to encourage a stable, prosperous, and free agriculture and for other purposes.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Vermont [Mr. AIKEN].

Mr. JOHNSON of Texas. Mr. President, I yield to the distinguished Senator from Arkansas [Mr. FULBRIGHT] 5 minutes to speak on the amendment.

Mr. FULBRIGHT. Mr. President, as a part of my remarks, I ask unanimous consent that at the end thereof there be printed an Associated Press dispatch, headed "Farm Prices Drop," published in a recent edition of the Arkansas Gazette.

The ACTING PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

(See exhibit 1.)

Mr. FULBRIGHT. Mr. President, I wish to read the first sentence of the news article:

A sharp drop in prices received by Arkansas farmers for their commodities was attributed yesterday by Federal officials to the drought that has gripped the State this summer.

The article goes on to discuss the plight of the farmers in my State. I may say that the same conditions apply to that whole region, including southern Missouri, Oklahoma, and Texas.

The administration's proposals for American agriculture suggest only one important change—the flexible price-support system. It is a change for the worse.

It is a change for the worse in the face of the fact that the farmers have already suffered more from the decline in the economy than has any other group.

The farmers' per capita income is now lower, compared to the per capita income of the rest of the population, than at any time since the beginning of World War II. In 1953 farmers' per capita income was $882; for nonfarmers it was $1,898, more than twice as much.

In the face of this inequality, the administration proposes a further reduction in farmers' income.

This is being done in face of the fact that our present system, with all its faults, has saved us from a severe farm depression.

None of us know whether we are going to have a further economic recession or not. That this possibility has been of concern to the Congress is evidenced by some of the legislation we have passed to strengthen the economy.

We have had the excise and corporation tax reduction. We have provided tax relief for persons receiving dividends. We have passed a program of unemployment compensation and highway construction. We will enact legislation increasing social-security benefits. We have liberalized the housing program. We have continued subsidies to airlines, shipping, newspapers, magazines, and all the other aspects of our economy.

Only the farm economy—the group which has felt the worst of the recession—is asked to take a further cut.

This change for the worse, proposed by the administration, will not produce the economic effects which the administration claims. It will not materially reduce production, nor will it increase consumption.

On the contrary, although industry can cut production when prices fall, the farmer must keep on producing in the face of falling prices. In fact, he must even try to increase production if he is to meet his fixed expenses. Today the parity ratio, what farmers pay as compared with the prices they receive, is at the lowest point in 13 years. Recently it fell from 91, in May, to 88, in the middle of June. How else is the farmer to meet this problem, except by increasing production?

A reduction in farm prices does not bring about a comparable increase in consumption. Perhaps the principle reason is that a reduction in farm prices does not bring about a comparable reduction in consumer prices. For example, a $3 shirt contains about 45 cents worth of raw cotton. If raw cotton prices drop 5 cents a pound, or 15 percent, the decline will be reflected in a 7-cent drop in the price of the shirt. So the shirt could be sold at $2.93, but the cotton farmers would lose $350 million.

One of the principal reasons for falling farm prices has been the decline in export market for agricultural commodities.

The President said, in his message on foreign economic policy:

Perhaps no sector of our economy has a greater stake in foreign trade than American agriculture. In recent years, for example, one-third of our wheat, 40 percent of our cotton and rice, and one-fourth of our soybeans have been exported. It is highly important to maintain foreign markets for our agricultural products.

In the same message the President said that 40 million acres, amounting to from 10 to 12 percent of our agricultural acreage, have to find their markets in exports.

He also gave a great deal of attention, as did his Commission on Foreign Economic Policy, to the necessity of harmonizing our agricultural and foreign economic policies.

The President's foreign trade policies were inadequate, particularly from the standpoint of maintaining foreign markets for farm products. He himself said that they were a minimum program.

He withdraw even this minimum program, in the face of the power of the protectionist members of his own party. At the same time he is insisting that his program of lower farm price supports go into effect immediately.

This is the equivalent of asking the farmer to pay the price of the administration's delay, indecision, and inability to deal with the problem of our foreign economic policy.

Only a few days ago we read the announcement of the increase in tariff on Swiss watches. That is an indication of the way our President is implementing the foreign policy which he announced with regard to foreign trade. That increase will cost American agriculture an incalculable amount, because Switzerland, in particular, as well as certain other countries, has traditionally bought much of its flour, tobacco, wheat, and cotton in this country, and paid for such commodities from receipts obtained from the sales of watches here. So the imposition of increased tariffs will further harm the agricultural economy of the United States.

EXHIBIT 1

FARM PRICES DROP

A sharp drop in prices received by Arkansas farmers for their commodities was attributed yesterday by Federal officials to the drought that has gripped the State this summer.

The Federal-State Crop Reporting Service said yesterday that prices received by the State's farmers dropped an average of 1 percent during the month ended July 15. This compared to a national average decline of four-tenths of 1 percent.

A decline of 9 percent in meat prices and 3 percent in feed grains led the overall drop. Milk cow prices fell $14 a head.

The Service said the drought was responsible for all of the lower prices.

Price increases were reported for poultry and eggs, up 6 percent; dairy products, 1.15 percent; and cotton, 0.4 percent.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Vermont [Mr. AIKEN].

Mr. AIKEN. Mr. President, I yield 10 minutes to the Senator from Iowa [Mr. HICKENLOOPER.]

Mr. HICKENLOOPER. Mr. President, the pending amendment, which provides for a flexible parity formula for the basic agricultural commodities, with supports ranging from 80 to 90 percent of parity, in my judgment is a thoroughly sound and proper approach to the fundamental

and basic problems which confront agriculture so far as surpluses and the programing of agriculture are concerned.

I have been interested in this matter for a good many years. No one is more interested or more zealous than I am in maintaining the sound, long-range prosperity of the farmer. My State is completely dependent for its economic well-being upon the prosperity of the farmer. But, Mr. President, for many, many years we have gone through a sort of game in this country. I have called it to the attention of the public, even before I came to the Senate. The farm problem has been, each year—regardless of whether we have been engaged in war—a political football. It has maintained itself, on political manipulations, in a state of uncertainty, in a state in which the farmer himself did not know from year to year what the program was going to be, until—usually in the closing days of a congressional session—some device would be adopted to continue temporarily a farm program for the purpose of giving a sop, if you please, to the agricultural economy.

After World War II, in 1947 and 1948 be began to approach this problem on a basis of a long-range, peacetime solution. In the bill passed at that time flexible parity became a principle, and it was established as the basis for a fundamental approach to the surplus problem and to the arrangement of the farm program. However, as you know, Mr. President, the flexible parity idea and formula were never given a chance to operate. The Steagall amendment, which became law, temporarily continued from year to year a rigid, 90-percent formula for the basic commodities.

The first bill, following the war, was the Hope-Aiken bill. It was modified by the Anderson bill, in the 81st Congress. But, still, the rigid, 90-percent supports were operative under the Steagall amendment.

Then came the Korean war; and—perfectly justifiably, in my opinion—for the purpose of stimulating the largest possible amount of production, to meet the war demands, the rigid, 90-percent parity formula was continued—as a war measure, as a measure to encourage the greatest possible production, in order to meet the emergency situation brought upon us by war.

Many of us went along with that idea, as a war measure. That was true of many of us who had supported the fundamental principles of a flexible-parity approach.

Now, however, Mr. President, a war emergency is not upon us. So I think it is time that American agriculture be given a reliable, peacetime formula—not temporarily, for this year, or not necessarily for a 2-year period, but as a basic part of our approach to the question of the farm economy and its prosperity.

The pending amendment, contrary to the statements of a great many persons, is not a devastating amendment to the farm economy. I am quite sure that the formula provided in the Aiken amendment, will not result in parity being a sliding parity, as the detractors of the amendment attempt to argue, but will be a formula under which anticipated programs from year to year can be announced in advance, and the prices at which crops will be supported can be determined. It will be a formula under which a farmer can plan his operations, not necessarily one-crop operations, but his diversified operations. The calculations of surplus, carryover, and all the other factors which enter into the establishment of parity prices for the support of certain farm products can be made available long in advance; and the programing for a free and diversified agriculture can be put into effect, meanwhile carrying the assurance that collapse in prices cannot occur, and that there will be a reasonably adequate floor under the basic commodities.

As I said a moment ago, Mr. President, I think it is time the American farmer and American agriculture were given some kind of peacetime program, instead of the uncertain, wartime, forced programs which have been the order for the past several years.

Mr. President, I am thoroughly convinced that if we give this flexible parity formula and theory a chance to work—something it never has had in the past—we shall begin to realize, after it has been in effect for a year or two, that it is the most sound, the most sensible, and the most stable approach to the economic problems of agriculture we have ever had.

Mr. President, statistics in reams have been placed in the RECORD in the course of this debate. Facts, figures, and quotations fill the pages of the CONGRESSIONAL RECORD. I shall not burden the RECORD further by repeating statistics which already have been inserted in it. I think some of the statistics do not tell an accurate story. Others, based upon facts, do tell the story of what will happen to agriculture and how its stability will be served if a flexible program is put into effect.

At this time, Mr. President, I urge that the Senate adopt this amendment, and thus establish a peacetime program of long range for American agriculture, designed to give it stability, protection, and assurance of economic soundness.

Mr. AIKEN. Mr. President, at the moment I do not see on the floor any other Senator who desires to speak on the pending question.

However, I am not yielding back any of the time. Under the circumstances, I yield 5 minutes to myself.

The PRESIDING OFFICER (Mr. WELKER in the chair). The Senator from Vermont is recognized for 5 minutes.

Mr. AIKEN. Mr. President, frequent reference has been made during this debate to President Eisenhower's speech at Kasson, Minn., in September 1952 when the campaign was at its height. It has been said that President Eisenhower at that time had promised 100-percent price supports. That is quite contrary to the facts. President Eisenhower, in his speech at Kasson, was very careful not to promise high, rigid price supports after the crop year 1954.

The people who are today making charges that the President has betrayed his promise at that time had a very different idea of what he said in the fall of 1952.

I have here, Mr. President, a copy of the Agricultural Progress News Letter for October 1952, published by the Democratic Party and placed in the mailbox of virtually every farmer in the United States. I read some excerpts from this Democratic publication which was distributed to the farmers of the United States in October 1952:

> The Republicans passed their price-support law in 1948 during the GOP-controlled 80th Congress. It was the notorious 60 to 90 percent sliding scale, with a new parity formula. The 1948 act is defended in the present Republican platform. Although agreeing to keep the present supports for 2 years, General Eisenhower has not moved from his party's long-time, low-support position.

I quote again from the same publication:

> The Republican Party's farm record was thrown into the political campaign by Gen. Dwight D. Eisenhower when he made the claim at Kansas City that the GOP has overwhelmingly supported the present farm programs.
>
> * * * * *
>
> The general tried again to create this impression when he declared at Kasson, Minn., that he and the Republican Party "stand behind the price-support laws now on the books," a statement widely misinterpreted as endorsement of 90 percent supports. Actually it means sliding scale after 1954.

Again I quote from this Democratic publication:

> Beyond defense of the 60 to 90 percent law, the Republican platform makes no Federal price support commitment.
>
> General Eisenhower has himself avoided a basic statement on his price support views by declaring that he and the Republican Party support the present farm law. The present farm law, unless amended, will slide farm price supports down into the basement after 1954.

That was what the Democrats told every farmer in the United States in October 1952.

I quote once more from the Democratic publication:

> The Republican 80th Congress passed a farm law with a 60 to 90 percent sliding scale of price supports. Under that law, mandatory supports for wheat would be down $1.27 per bushel today. Corn price supports could go as low as 97 cents a bushel. Cotton supports could drop to 20 cents. * * * The Republican 1952 platform defends this sliding-scale law, laden with economic disaster for the farmers.

So the Democratic Party in October 1952 did everything possible to impress upon the voters that General Eisenhower had not endorsed 90-percent rigid supports after the crop year 1954.

If we want to look further, let us look into the publications of the National Farmers Union, which is anything but a Republican organization.

The PRESIDING OFFICER. The 5 minutes allotted to the Senator has expired.

Mr. AIKEN. I yield myself 5 minutes more.

The PRESIDING OFFICER. The Senator yields himself 5 minutes more.

Mr. AIKEN. In the Weekly Report of the National Farmers Union, the Farmers Union in Washington, volume 5, No. 19, published September 12, 1952, we find this statement:

Eisenhower did not commit himself at all to a Government guaranty of full parity, as many newsmen reported. On the contrary his crack at "earning" their fair share was a direct slur at the very principle of price supports.

Let us look at what the Farmers Union Herald had to say in its issue of October 6, 1952, just 4 weeks before election:

It is becoming clear that General Eisenhower has had to go beyond his party's platform to some extent on the question of price supports and on the issue of punitive taxes against farm co-ops.

In the case of price supports he has said he is in agreement with the action of Congress last June in continuing 90 percent farm price supports until the end of 1954. He has not said that he would favor 90 percent or higher supports after that date.

Let us look again at the National Union Farmer, volume 30, No. 9, October 1952:

General Eisenhower promised in his speech in Kasson, Minn., to back the 2-year 90 percent of parity law, but specified that would hold good only until 1954.

If my colleagues wish any further evidence that there was no misunderstanding among the Democratic Party or the Democratic fronts which served the Democratic Party at that time, they need only go through the publications of October 1952. If the Senate needs further evidence that there was no misunderstanding as to what General Eisenhower said, they can look in the Farm Bureau publication of October 1952, wherein they plainly stated that General Eisenhower had endorsed 90-percent supports only through the crop year of 1954.

I make these insertions in the RECORD at this time to show conclusively, Mr. President, that those who now charge the President with double-dealing are simply double-talking themselves.

Mr. EASTLAND. Mr. President, will the Senator yield for a question?

The PRESIDING OFFICER. The Senator from Vermont has used only 2 minutes of his time.

Mr. AIKEN. I yield to the Senator from Texas.

Mr. JOHNSON of Texas. Mr. President, I yield to the distinguished Senator from Mississippi 2 minutes of my time on the bill.

The PRESIDING OFFICER. The distinguished minority leader yields 2 minutes to the distinguished Senator from Mississippi on the bill.

Mr. EASTLAND. Will the distinguished Senator from Vermont tell me what the support price for cotton would be in the year 1955 under his amendment?

Mr. AIKEN. Under the Eisenhower program, with the amendment which I am offering for the minority members of the committee, the support price for cotton would be 90 percent of parity for the crop years 1955 and 1956. In the event there should be no legislation at all, if we cannot get together on farm legislation, the minimum support price for the 1955 crop of cotton under the 1949 act would be 86 percent. In the event the amendment which I am offering under the Eisenhower program should be adopted, the support price for cotton would be 90 percent for next year. The amendment which I offer actually makes no difference from the committee amendment in the support level for cotton.

Mr. EASTLAND. I thank the Senator.

The PRESIDING OFFICER. Does the Senator from Vermont yield for a further question?

Mr. EASTLAND. That is all. I yield back the remainder of the time.

The PRESIDING OFFICER. The Senator from Mississippi has yielded back 1 minute.

Mr. JOHNSON of Texas. Mr. President, I yield 5 minutes to the distinguished Senator from South Carolina [Mr. JOHNSTON].

Mr. YOUNG. Mr. President, will the Senator yield me 2 minutes on the bill?

Mr. JOHNSON of Texas. Does the Senator desire to speak now?

Mr. YOUNG. I should like to ask a question of the Senator from Vermont.

Mr. JOHNSON of Texas. How much time?

Mr. YOUNG. Two minutes on the bill.

Mr. JOHNSON of Texas. I yield to the distinguished Senator from North Dakota 2 minutes on the bill.

The PRESIDING OFFICER. The Senator from North Dakota has 2 minutes on the bill.

Mr. YOUNG. I should like to ask a similar question of the distinguished Senator from Vermont [Mr. AIKEN], with respect to wheat. What would the support level for wheat be next year if the Anderson Act took effect, or if the bill, including the amendment as proposed by the Senator from Vermont, were passed?

Mr. AIKEN. It is difficult to tell what the support level would be. We could tell what the minimum supports might be.

Under the amendment which I offer the minimum support for wheat would be 80 percent of parity. If Congress should fail to enact any farm legislation at all, I believe the minimum support for wheat would be 75 percent of parity for the first year and presumably 78 percent of parity for the second year.

Mr. YOUNG. If a special provision is not written into the bill, limiting the minimum to 80 percent, the minimum support level would then be 75 percent under the minimum set-aside and 78 percent under the maximum set-aside. Is that correct?

Mr. AIKEN. I believe the Senator from North Dakota is correct. However, the Secretary of Agriculture has already stated he did not anticipate setting an actual support level below 80 percent. The minimum could drop to 75 percent with a 400 million bushel set-aside, or 78 percent with a 500 million bushel set-aside.

Mr. YOUNG. Yes. The Secretary of Agriculture would not have any authority to go beyond 78 percent, would he?

Mr. AIKEN. Yes.

Mr. YOUNG. What authority would the Secretary have?

Mr. AIKEN. He would have to fix the support level for wheat somewhere between 78 percent of parity and 90 percent of parity, in his discretion.

Mr. YOUNG. If he used the minimum set-aside the support level would be 75 percent?

Mr. AIKEN. If the Secretary insisted on the minimum set-aside, 75 percent would be the minimum support level under wheat, and the Secretary would then have to fix the actual level somewhere between the minimum fixed by law and 90 percent of parity.

Mr. YOUNG. What reason does the Senator have for believing the Secretary would place the wheat support at above 75 percent of parity, when the Secretary did not do it on dairy products when he had a chance to do so?

Mr. AIKEN. Under the law the Secretary was required to fix a rate of 75 percent of parity for dairy products. He is not required to fix the support at 75 percent of parity for wheat.

The PRESIDING OFFICER. The time of the Senator from North Dakota has expired. The Chair admonishes Senators to ask for recognition.

Mr. JOHNSON of Texas. Mr. President, I yield 5 minutes on the bill to the distinguished Senator from South Carolina [Mr. JOHNSTON].

The PRESIDING OFFICER. The Senator from South Carolina is recognized for 5 minutes on the bill.

Mr. JOHNSTON of South Carolina. Mr. President, I believe it is all important that we stop, look, and listen before we vote upon the Aiken amendment. I make that statement because the amendment would affect not only the farmers of the Nation but every individual who lives within the United States.

At the present time we have a large surplus of all of the basic commodities. I have heard it said on this floor and in other places that if we provide flexible supports—that is, from 90 to 80 or 80 to 90—such action will not encourage the farmer to plant the commodities which are now in surplus.

I invite the attention of Senators to the fact that at the present time certain commodities are under the sliding scale of price supports.

Soya-beans have been flexed from 90 to 80 percent, the same percentages as are provided by the Aiken amendment, and despite this the Department of Agriculture estimates that this year there will be a 12-percent increase in acreage planted to soya-beans.

The support of corn in the noncommercial areas was flexed from 90 to 75 percent. I find that the estimated acreage to be planted to corn for this year represents an increase of from 5 to 10 percent.

Supports for dry edible beans were flexed from 87 to 80 percent. We find there is an estimated increase in the acreage in that field of 14 or 15 percent.

Flaxseed supports have been flexed from 80 to 70 percent. We find, however, that the estimated increase in acreage planted for this year is 18 percent.

Under the present 90-percent parity prices for wheat and cotton we are cut-

ting back the acreage this year, under a control system, which I find is working very well.

Let us not be so foolish as to believe that when we cut the parity prices on the basic commodities, the selling prices of those particular commodities will not be affected. They will be affected. When the price is affected the farmer is affected directly, and not the man who consumes the commodity.

When the price of milk which the farmer sells is reduced the consumer does not benefit in every instance from such reduction. In most instances the consumer does not benefit in any way whatsoever.

As to cotton, it might be interesting to note that in a $3 or $3.50 shirt there is only a little more than half a pound of cotton. If cotton is selling for 35 cents a pound it is easy to figure the cost of the cotton in a shirt. Such cost is approximately 16, 17, or 18 cents. So if we were to increase the price of cotton 5 cents a pound to the farmer, which would mean a great deal to the cotton farmers, how would that affect the man who purchases a shirt? Probably it would change the price of the shirt 2, 2½, or 3 cents. However, it might not affect the price at all. I doubt whether the man in the store would even think about adding that small amount, and the shirt would sell for the same amount as before.

The PRESIDING OFFICER. The time of the Senator from South Carolina has expired.

Mr. JOHNSON of Texas. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. JOHNSON of Texas. How much time have we consumed on this side on the bill?

The PRESIDING OFFICER. Twenty-five minutes on the bill.

Mr. JOHNSON of Texas. How much time have we consumed on this side on the amendment?

The PRESIDING OFFICER. Five minutes on the amendment.

Mr. JOHNSON of Texas. I thank the Chair.

Mr. AIKEN. Mr. President, may I ask how much time we have consumed on our side?

The PRESIDING OFFICER. Nineteen minutes on the amendment; nothing on the bill.

Mr. AIKEN. Nineteen minutes only on the amendment.

The PRESIDING OFFICER. Time is running.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that we may have a quorum call, and that the time be not charged to either side.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KNOWLAND. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the order for the call of the roll be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. AIKEN. Mr. President, will the Senator from California yield?

Mr. KNOWLAND. I yield to the Senator from Vermont.

Mr. AIKEN. Mr. President, I was about to suggest that the minority leader and I can split the time and sit this out if no Senator wishes to speak.

Mr. KNOWLAND. Mr. President, first of all, I ask unanimous consent, in case there is any question, that the time taken by the quorum call be not charged to either side.

The PRESIDING OFFICER. The Chair understands that; but the little discourse between Senators will have to be charged to someone.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that we may have another quorum call, with the understanding that the time shall not be charged to either side.

The PRESIDING OFFICER. Very well. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JOHNSON of Texas. I yield 5 minutes to the distinguished senior Senator from Minnesota on the amendment.

Mr. THYE. Mr. President, the reason why I am definitely in support of the continuance of 90 percent price supports is not on the basis of endeavoring to win a political argument; it is strictly on the basis that the price supports are the factors which are holding up farm prices at present.

With the huge surpluses of wheat, corn, cotton, feed grains, such as oats and barley, and dairy products, a lowering of the supports would simply mean that the price to the farmer would be dropped to whatever level was established for the support price.

When our overall agricultural picture is examined, it will be found that the Nation is confronted with a dangerous situation. The agricultural economy must not be lowered, because what affects farmers will, in only a matter of months, affect business establishments and the smaller communities or centers. Then the results will begin to reflect themselves in the industrial plants, through the concellation of orders for merchandise, including groceries and clothing, but more especially in the heavy-machinery industry.

When the farm-income figures are examined, it will be found that even though the gross national income for agriculture was higher in 1953 than it was in 1947, the farmer received less in net income for 1953 than he did in 1947. So it behooves Congress to give the situation serious thought.

I shall read into the record certain figures. In the calendar year 1947, when the realized gross income of farm operators was slightly more than $34 billion, the net income was $16,774,000,000.

Last year the realized gross farm income was almost $35 billion, a billion dollars higher than it was in 1947. But the net income of the farmer was only $12,800,000,000, a drop of $4 billion as compared with the net income in the 12-month period just 7 years earlier.

That is too great a drop for any group to have to suffer, when it is considered that such a decline will reflect itself in the industrial plants of the Nation, and thus commence to reflect back into the Nation's overall economy.

Last night I heard a radio broadcast by a national grocery representative, who spoke about the farm supports being the factor which is causing the high cost of living. If one who listens to statements of that kind will examine the reports of statisticians, he will find that in the past 8 or 10 years the farmer has lost 9 cents of the consumer's food dollar. That fact should make us realize that the consumer is not receiving any advantage in savings or otherwise, because of the drop in the producer's prices.

In the year 1947 the farmer was receiving 53 and a fraction cents of the consumer's food dollar; in 1953 he was receiving only 45 cents of the consumer's food dollar. The consumer was paying at the same rate, but the producer was losing money. The Department of Agriculture, because of the unwise speeches by the Secretary of Agriculture and his Under Secretary about the terrible situation connected with the support-price program, to the effect that the support price of 90 percent was pricing commodities off the consumer's food table, was aiding and encouraging greater profits to be made on the part of the retailer as well as the processor. That argument has been made. But when one examines the financial situation of the American farmer or producer, he will observe a warning signal, which he had better recognize. The farm-mortgage debt in 1945, which was the lowest in a 40-year period from 1914 to the present, was $4,760,000,000. The debt has risen every year until today it stands at an estimated $7,800,000,000, an increase of 63 percent in 8 years.

The PRESIDING OFFICER. The time of the Senator from Minnesota has expired.

Mr. THYE. Will the Senator from Texas yield me an additional minute, so that I can complete my statement?

Mr. JOHNSON of Texas. I am glad to yield 2 additional minutes to the Senator from Minnesota.

Mr. THYE. The short-time indebtedness in connection with anual production of the farmer likewise has more than doubled.

Mr. President, when a situation like this is occurring throughout the agricultural economy of the Nation, Congress had better take heed, because it is the same trend which occurred in the 1920's, and which led in the early 1930's to the economic depression which affected the entire United States. Before it was possible for the Nation to lift itself out of the depressed economy of the 1930's, it was necessary to expend untold millions of dollars in an endeavor to strengthen the economy of the country. That is why I say we should take heed and gird ourselves against another terrible drop in the agriculture economy.

Mr. AIKEN. Mr. President, I yield myself 2 minutes on the bill, in order to call attention to what is happening to the income of farmers, particularly in the area represented in part by my friend, the distinguished senior Senator from Minnesota [Mr. THYE].

According to a release by the Department of Agriculture dated June 16, 1954, in the West North Central region, comprising the States of Minnesota, Iowa, Missouri, North Dakota, South Dakota, Nebraska, and Kansas, there was, for the first 4 months of the year, an income of $2,450,228,000, compared with $2,418,073,000 in the same 4 months' period of last year, representing an increase of approximately $32 million.

I particularly call the attention of the Senator from Minnesota to the fact that in the State of Minnesota farmers' income for the first 4 months of the year increased from $413 million last year to $429 million this year.

In Iowa, the farmers' income increased from $776 million to $811 million.

In Missouri, the farmers' income increased from $270 million to $290 million.

In South Dakota the farmers' income increased from $152 million to $170 million.

In Nebraska, the farmers' income increased from $368 million to $384 million.

There were losses in income as follows:

In North Dakota, farm income decreased for the first 4 months of this year as compared to the first 4 months of 1953, from $116 million to $103 million.

In Kansas, the farm income decreased from $320 million to $259 million.

I read these figures for the reason that they show that the only two States in this great agricultural region where there was a decrease in farm income——

The PRESIDING OFFICER. The time of the Senator from Vermont has expired.

Mr. AIKEN. Mr. President, I yield myself an additional minute.

In the only two States where there was a decrease in farm income the farmers depend upon 90 percent of parity price supports, and in the other States, including the State of Minnesota, where there is a balanced agricultural economy, farmers showed great progress in the first 4 months of this year as compared with a similar period in 1953.

Mr. President, I yield 15 minutes to the Senator from New Mexico [Mr. ANDERSON].

Mr. JOHNSON of Texas. Mr. President, if the Senator from Vermont will yield, I should like to say that I have conferred with the distinguished Senator from New Mexico [Mr. ANDERSON], and it is agreeable to him that he follow the Senator from Oklahoma [Mr. KERR]. In fact, he would prefer doing so. If the Senator from Vermont will withhold his request, I should like to yield to the Senator from Oklahoma.

Mr. THYE. Mr. President, I should like to request 5 minutes.

Mr. JOHNSON of Texas. Mr. President, I yield to the distinguished Senator from Minnesota 5 minutes. I may not be present on the floor at the conclusion of the 5 minutes, but I desire to yield 10 minutes to the Senator from Oklahoma [Mr. KERR] to speak on the Aiken amendment.

Mr. AIKEN. Mr. President, I yielded myself time to speak on the bill and to make my comment with regard to farm income in the North Central farm States.

The PRESIDING OFFICER. The Senator from Minnesota is recognized for 5 minutes to speak on the bill.

Mr. THYE. Mr. President, to find that I am debating an issue with colleagues whom I respect and consider my friends is just about as unpleasant an undertaking as I have experienced during my entire service in the Senate. The reason I desire a little additional time to speak on the question is that Minnesota is a great dairy State, Wisconsin is a great dairy State, and northern Iowa, and the eastern border of the Dakotas are great dairying areas. I shall now place in the RECORD facts from the records of the Twin City Milk Producers Association.

The Twin City Milk Producers Association is a cooperative organization of farmers in an area of about a 35-mile radius of the Twin Cities. They furnish approximately 90 percent of all the fluid milk consumed on the Twin City markets.

In checking back over the records—and I did this with Mr. Peterson, the manager of the Twin City Milk Producers Association—I find that in the calendar year of 1953, the month of January, the Twin City milk prices—this is for grade A base milk—the top price was $3.99 a hundredweight, 3½ percent butterfat; in February, $3.88; in March, $3.88; in April, $3.76; and in May, $3.66.

In the calendar year of 1954, January, for the grade A base, 3½ percent butterfat, the price was $3.61. My colleagues will note that is a drop of 38 cents a hundredweight in 1 year.

In the month of February the price had dropped further to $3.56; in March, to $3.50; in April, to $3.26; and in May, to $3.15. This price paid the producer of the Twin City milk in the year 1954 is practically comparable to the price that the producer received in the year of 1946 prior to the Korean war inflation.

The Korean war inflation still exists insofar as what the producer has to pay in his operating expenses is concerned, but Senators can note the drastic drop that the producer has suffered; and the unexplainable situation is that, appearing in the St. Paul Pioneer Press as of Saturday, August 7, there is an article which reads:

> Retail price of milk will go up a cent a quart in St. Paul within a week, it was indicated Friday night.
>
> The rise will follow a similar increase made by Minneapolis distributors about a month ago. This followed a boost of about nine-tenths of a cent a quart ordered in the price paid to farmers by dairies.
>
> There has been another raise—this one only 1.7 cents a hundredweight—in the price to farmers in August.
>
> One St. Paul distributor is reported to have scheduled a retail boost of a cent a quart for Sunday, but a spokesman for the firm denied this. He said, however, that an increase "is bound to come within a week, perhaps only a few days."

Notwithstanding the fact that the producers' price for the milk decreased from 40 to 80 cents a hundredweight, the distributors are now charging the consumers—the housewives who must buy milk for their babies—a cent more a quart.

I could very easily agree with my distinguished colleague from Vermont, who quotes from the Department of Agriculture release, that there has been progress. However, southern Minnesota, and some of the other States, had an abundance of corn. There was one of the largest crops of corn in the history of the North Central States, and a part of the income which the Senator from Vermont has cited, from statistical charts, resulted from increased corn production, and the fact that, for the first time in 2½ years, pork has been selling at nearly 100 percent of parity.

The only reason the price is that high is that a great many farmers went broke handling hogs 2½ years ago and went out of business. The few who stayed in business have been receiving about 100 percent of parity on pork. That is the reason for some of the figures cited by the Senator from Vermont from the statistics of the Department of Agriculture.

The PRESIDING OFFICER. The time of the Senator from Minnesota has expired.

The Senator from Oklahoma [Mr. KERR] has been allowed 10 minutes to speak on the amendment.

Mr. KERR. Mr. President, I wish again to speak against the amendment of the Senator from Vermont. In the course of the discussion the other day the Senator from New Mexico [Mr. ANDERSON] rose and read into the RECORD what he indicated was evidence to him that President Eisenhower's position of being for flexible price supports was known and accepted by certain Democratic groups during the 1952 campaign. The distinguished Senator from New Mexico read from a statement by the National and State Committee for Agricultural Progress which he indicated was broadcast far and wide, as follows:

> General Eisenhower has himself avoided a basic statement on the price-support views by declaring that he and the Republican Party support the present farm law. The present farm law, unless amended, will slide price supports down into the basement in 1954.

The distinguished chairman of the committee [Mr. AIKEN], who, by the way, acts as though he were speaking for the committee on the floor, when, in reality, he is taking a position opposite to that which the committee has taken, has also indicated that, in his judgment, anybody who was well informed should know, especially after the statement purportedly made by the National and State Committee for Agricultural Progress, that Candidate Eisenhower did not mean what he said at Columbia, S. C., and at Kasson, Minn., as quoted in the Senate the other day by the Senator from Oklahoma.

I now wish to read what Candidate Eisenhower himself said with reference to the statement quoted by the distin-

guished Senator from New Mexico and referred to by the distinguished Senator from Vermont, the chairman of the committee. General Eisenhower said at Chicago, Ill., on October 31, 1952:

I was outraged to hear recently that the Committee for Agricultural Progress, which is allied with the Democratic National Committee, published an illustrated tabloid filled with deliberate falsehoods. They placed it in every rural mailbox in selected States. This folder was cleverly designed to frighten farmers into believing that our new administration would pull the rug out from under them. It tried to frighten farmers by misrepresenting the facts when it said that our crusade is opposed to price supports, rural electrification, soil conservation, and other farm programs.

Mr. President, that makes it very clear. If the distinguished Senator from Vermont [Mr. AIKEN] and the distinguished Senator from New Mexico [Mr. ANDERSON] are correct now, in referring to C. A. P. statements, in saying that everyone knew that Eisenhower was against 90-percent supports, then I wish to say their statements indict the candidate himself either of not knowing what he was saying or of speaking falsely.

Also with reference to the accusation by the National and State Committees for Agricultural Progress, the distinguished candidate for the Vice Presidency on the Republican ticket, when speaking in Iowa on October 23, referred to that pamphlet or tabloid issued by the Committee for Agricultural Progress, as a publication "for the purpose of frightening farmers into believing that a Republican administration would permit farm prices to decline."

The New York Times quoted Mr. NIXON as saying that this scheme was "malicious."

Subsequent to the Kasson, Minn., speech, in Brookings, S. Dak., on October 4, Candidate Eisenhower reiterated his position, referred to the Kasson speech in Omaha, and to what he said in a number of back-platform speeches:

I have tried to make my position clear. The Republican Party is pledged to the sustaining of the 90 percent parity price support and it is pledged even more than that to helping the farmer obtain his full parity, 100 percent parity, with the guaranty in the price supports of 90 percent.

Mr. President, the distinguished Senator from Vermont circulated on this floor a group of charts relating to the various States. By means of them, he sought to divide and conquer the representatives in the Senate of the various groups of farm people. By means of those charts, he purported to show that almost everyone in the United States, except 4, 5, or 6 State groups, would be adversely affected by price supports of the basic commodities.

I wish to refer to a chart issued by the Department of Agriculture, showing the changes in dollar value of farmland, percentagewise, from March 1953 to March 1954. I should like to have the distinguished Senators who think that the welfare of their farm groups is being served by the present administration to examine this chart. It shows that farm values in every State in the Nation declined between March 1953 and March 1954; and Senators know that the decline had set in prior to that time, and that it has continued since that time.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD a tabulation of the percentage of decline in the dollar value of farmland, in the case of each of the States, as shown by the chart to which I have referred. The chart has been prepared by the Department of Agriculture, and it discloses that the overall average decline in the United States has been 6 percent.

There being no objection, the tabulation was ordered to be printed in the RECORD, as follows:

Changes in dollar value of farmland [1]

[Percentages, March 1953 to March 1954]

	Decrease
Alabama	7
Arizona	9
Arkansas	6
California	6
Colorado	10
Connecticut	2
Delaware	2
Florida	6
Georgia	5
Idaho	6
Illinois	5
Indiana	5
Iowa	7
Kansas	6
Kentucky	7
Louisiana	3
Maine	9
Maryland	2
Massachusetts	5
Michigan	4
Minnesota	5
Mississippi	6
Missouri	8
Montana	5
Nebraska	7
Nevada	7
New Hampshire	3
New Jersey	2
New Mexico	9
New York	6
North Carolina	5
North Dakota	1
Ohio	4
Oklahoma	8
Oregon	7
Pennsylvania	5
Rhode Island	2
South Carolina	6
South Dakota	4
Tennessee	7
Texas	7
Utah	6
Vermont	5
Virginia	6
Washington	5
West Virginia	6
Wisconsin	5
Wyoming	8
United States decrease	6

[1] Based on index numbers of value per acre, including improvements.

The PRESIDING OFFICER. The Chair informs the Senator from Oklahoma that his time has expired.

Mr. KERR. Mr. President, I ask for 1 additional minute.

Mr. CLEMENTS. Mr. President, I yield 1 more minute to the Senator from Oklahoma.

The PRESIDING OFFICER. The Senator from Oklahoma is recognized for 1 minute more.

Mr. KERR. Mr. President, at this point I wish to refer to a petition signed by approximately 175 Oklahoma farmers, and reading as follows:

Whereas we, the undersigned, believe that all good things derived from a common source should be distributed equally; and

Whereas certain Members of the Congress favor farm prices based on 80 percent of parity; and

Whereas we have been informed of their intention to give the farmers a fair deal: Therefore we petition said Members of the Congress to appropriate for their salaries only 80 percent of the amount paid to them in the last fiscal year.

Mr. President, the signers of the petition call upon the membership of Congress to reduce their own salaries in like amount to any reduction in parity. I must say that would be a hard way for Senators to learn their lesson; but I believe it would be an effective way for them to learn the meaning of what they are trying to do to the farmers, if at the same time all Members of Congress had to impose a similar penalty upon themselves.

Mr. President, I yield the floor.

Mr. KNOWLAND. Mr. President, acting for the Senator from Vermont [Mr. AIKEN], I yield 15 minutes to the distinguished junior Senator from New Mexico [Mr. ANDERSON], the former Secretary of Agriculture.

The PRESIDING OFFICER. The Chair inquires whether the Senator from California is yielding to the Senator from New Mexico 15 minutes on the bill or on the amendment.

Mr. KNOWLAND. On the amendment, Mr. President.

The PRESIDING OFFICER. The Senator from New Mexico is recognized for 15 minutes on the amendment.

Mr. ANDERSON. Mr. President, I realize we could argue for days as to what the Republican Party's candidate said or did not say. I merely wish to say to my very distinguished friend the Senator from Oklahoma [Mr. KERR] that I am sure the only thing he and I will ever agree upon in connection with the candidate for the Republican Party is that we thought he should have been defeated; and we did our best to bring that about. [Laughter.] Nonetheless the Republican candidate succeeded in winning the election; and there are those of us who think his agricultural program helped him to that end.

Mr. President, the Agricultural Newsletter to which reference has been made carried some very interesting statements. Among others are some to which I wish to refer. It discussed the Republican Party, and said the Republicans passed their price support law in 1948 through the GOP-controlled 80th Congress:

The 1948 act is defended by the present Republican platform. Although agreeing to keep the present supports for 2 years, General Eisenhower has not moved from his party's long-time support position.

The other day I quoted from the statement that—

General Eisenhower has himself avoided a basic statement on his price-support views by declaring that he and the Republican Party support the present farm law.

And—

The present farm law, unless amended, will slide supports down into the basement in 1954.

Those were the things being said in the campaign.

I remind the Senate that when the President came forward with his message to the Congress with reference to agricultural legislation, he suggested that our current agricultural legislation should be based upon the 1948 and 1949 laws.

On page 5, or possibly page 7, of this document, the Agricultural Newsletter, there is a dissertation on the able Senator from Alabama [Mr. SPARKMAN] and how he had helped build the farm law; and, in contrast, it quotes from the present Vice President, crediting him with saying:

I am in favor of placing the farm-parity program on a flexible basis, so the parity price will be adjusted when huge surpluses are created.

So, Mr. President, it seems quite clear to me that the Democrats who were running that 1952 campaign seemed to feel that is what the Republicans advocated.

Mr. KERR. Mr. President, will the Senator from New Mexico yield?

Mr. ANDERSON. Yes, indeed; I yield.

Mr. KERR. The Senator from New Mexico knows that after the statement to which he has just referred was made, the President made the statement which I mentioned, wherein the President said he "was outraged to hear recently that the Committee for Agricultural Progress" had published a "tabloid filled with deliberate falsehoods."

Mr. ANDERSON. Yes; but that is not the tabloid to which he is referring.

Mr. KERR. Does not the Senator from New Mexico know that the President was talking about attempts of the Committee for Agricultural Progress "to frighten the farmers by misrepresenting the facts, when it said that our crusade is opposed to price controls"?

Mr. ANDERSON. Yes; I do not think the Republicans in the campaign were opposed to price controls.

Let me say that I was very much interested in the opening statements made by the two candidates. I had been at Springfield, Ill., a short time prior to the time when the Democratic candidate for the Presidency spoke at Kasson, Minn. At the time the so-called policy committee was meeting with the Democratic candidate for President at Springfield, 2 or 3 items under discussion were very dear to my heart. One of them was the question of the declaration he would make on the subject of oil in the submerged lands. I suggested to the Democratic candidate for President a possible statement he might use which I thought would put this problem in proper perspective before the American people.

Subsequently, the question of a farm statement arose, and I presented to him as strongly as I could the position which I thought he ought to take. I pointed out to him that the candidate for the Presidency on the Democratic ticket in 1948 had campaigned openly, vigorously, and actively for a modernized parity which would have dropped prices for a great many commodities, and had advocated the modernized law which had been presented to the Congress and which had included, among other things, flexible price supports. Those flexible price supports were from 60 to 90 percent, and the President of the United States, in his speech at Dexter, Iowa, was strongly in favor of that bill. He referred to it again at Omaha. He referred to it by name in his press conference in Los Angeles. It seemed to me only reasonable that the President had succeeded in carrying some of the farm States because he had been open and forthright in his advocacy of what he believed to be a good farm program.

I remind my Democratic colleagues that when the Democratic candidate for President campaigned in 1948 on a program of flexible price supports, he carried the agricultural States; and in 1952 when another Democratic candidate campaigned on a system of high-rigid price supports, he lost every agricultural State north of the Mason and Dixon's line. I think that will happen repeatedly when candidates try that sort of thing. Rigid and regulated agriculture is an unpopular program, and is bound to be, when people understand what is going on.

I wish to refer to 1 or 2 things that have occurred to me.

The very able junior Senator from Oklahoma [Mr. MONRONEY]—we have two very able Senators from Oklahoma, both of whom have my deep affection—put into the RECORD at page 13651 a table with reference to the national income, showing how "the national income follows the improved conditions of farmers through the depression and the post-depression period." Those are his words. That table shows that farm income, starting in 1932 at $1,898,000,000, went up to as much as 15 or 16 billion dollars. In 1947, the income of farmers reached the high figure of $16,774,000,000. At that time the national income was $198 billion.

If it be true that national income follows farm income when it rises and drops, we should read the table put into the RECORD by the junior Senator from Oklahoma, which shows what happened the next year. The next year, farm income dropped a billion dollars, and national income went up $25 billion.

The long-range experience of the statisticians who have studied the question of farm income is that farm income generally keeps fairly well in pace with national income; that generally the farmer gets a fair fraction of the national income, but he does not always succeed in getting it; and that national income can continue to rise even when farm income is falling. That is a fact which has been developed time after time by the statisticians of the Department of Agriculture, and is shown by the table inserted in the RECORD by the able Senator from Oklahoma.

Mr. MONRONEY. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield.

Mr. MONRONEY. I am sorry that my distinguished colleague and friend did not follow out his analysis to the 1949 figure, which shows that the drop which began in 1948 affected the national income, which slumped to $216 billion, with the farm income slippage.

Mr. ANDERSON. I was about to say that in the next year farm income dropped an additional $2 billion, and national income dropped some $8 billion. But the following year, to show that there is no set pattern, farm income dropped another billion dollars, and national income jumped up $24 billion. The next year farm income went up a little, $2 billion, and national income went up to $278 billion; then farm income dropped, and national income went up to $298 billion.

National income does not necessarily follow the pattern of farm income; not only is that true of this analysis, but an analysis of 100 years would show that to be the fact.

Mr. MONRONEY. Mr. President, will the Senator further yield?

Mr. ANDERSON. I yield.

Mr. MONRONEY. The junior Senator from Oklahoma not only quoted figures going back to 1932, but elsewhere in his speech he cited figures going back to 1910 and 1920, when farm income was stable and satisfactory and ranged on an average of 104 percent of parity. We then enter the succeeding economic period in 1921 and find that farmers were getting only 80 percent of parity. In 1925, with recovery, farmers were receiving 95 percent of parity. Coming down to the year 1953, which the distinguished Senator from New Mexico has mentioned, there was an exceedingly high national income.

Coming events cast their shadows before. Farmers lost more than $2 billion in that year. The national income did not then reflect the loss, but if the distinguished Senator from New Mexico will look up the quarterly figures from the Federal Reserve Board, he will find that as agricultural income slipped, and was continuing to slip, the national income dropped by $6 billion in that year.

I believe if the Senator will chart the progress of the two lines on the graph, "farm income versus national income," he will find that always national income follows, as the night follows the day, the slippage after the farmers have first been hit. I believe it is a well-established fact that our depressions have been farm led and farm fed.

Mr. ANDERSON. I say only that I have analyzed the figures many, many times, and I do not think farm income and national income follow that pattern completely. Normally farm income would have followed national income as it jumped to $240 billion, to $278 billion, to $298 billion, but farm income did not follow that rise because an enormous surplus was hanging over the market, which drove down the farm market and destroyed farm income. So long as we continue to have such a surplus, it will continue to have the same effect.

What have we been doing? We have been spreading an umbrella around the world and saying to people in all parts of the earth, "If you will just allow us to do so, we will hold an umbrella over your agricultural economy and give you

an opportunity to expand your crops." I do not want to use all the figures, but let me refer to a publication called the Land. I read it because I love the land and because I love the people who are interested in the conservation of the soil. This is one of their great publications.

In their last issue there is an article entitled "Can Russians Turn Their Rivers?" Any person who is interested in the ultimate agricultural welfare of this country should read that item. It points out that in 1950, the Soviet Government announced that it intended to build 2 dams on the Volga River, the power stations proposed at the 2 sites being designed to generate 20 billion kilowatt-hours a year—just under the total 1946 production of all powerplants in Sweden and Switzerland combined.

What will happen to the water when these 2 rivers are turned? The water will then be diverted to irrigate some 30 million acres.

Think of it, Mr. President. We all know the tremendous productive capacity of irrigated land. The distinguished and able senior Senator from Arizona [Mr. HAYDEN] knows what happened in the Salt River Valley when areas in his State were taken out of the condition they were in, dry and dusty mesas, and put under the water that came from that project. Today one can fly around the beautiful airport at Phoenix and see mile after mile of the finest dairying land in America, in the Salt River Valley of Arizona.

But the Russians propose a project that can irrigate 30 million acres of land. Do Senators know how many acres of land there are under irrigation in all of continental United States? There are 25,787,000 acres.

That is about 6 percent of all the cropland in this country. After Russia completes this one project alone it will have more land under irrigation in that one area than is under irrigation in all the United States.

What will Russia do with that land? I understand that Turkestan will irrigate 3 million acres of its useless land so that it can increase its cotton production 7 or 8 times over the present figures. That cotton will flow into the world market to push our cotton out.

One of the interesting things I witnessed in the Department of Agriculture when I was in the Department was the showing of colored photographs of cotton being grown in Russia. The photographs showed that dye had been put into the cottonseed. Therefore, when the cotton blossomed on the stem it blossomed in variegated colors. It was pink, blue, and red. That is something the scientists in this country have never tried to do. Russian scientists are producing cotton in all the colors of the rainbow.

Do we want Russia to bring in 30 million more acres of cotton while we put an umbrella of 90 percent parity over them so that the Russians can say, "We do not have to worry about what you do about prices. We know where we can sell cotton. We can sell our cotton a few cents under your loan figure so long as America puts this umbrella over the market."

If anyone wants to know the story of cotton, let him go back to the days when this country floated most of our cotton across the water. All of us have heard the songs about the rivers of the South and the cotton.

Does that cotton move abroad now? Let us find out where the people abroad get their cotton now.

The PRESIDING OFFICER (Mr. POTTER in the chair). The time of the Senator from New Mexico has expired.

Mr. KNOWLAND. I yield 10 more minutes to the Senator from New Mexico.

Mr. ANDERSON. Cotton is no longer coming from the United States. It can come from other areas throughout the world. It can come from every place where we have put an umbrella over the production of cotton, and from every place where, with this high rigid price-support program, we have told people exactly what they can do to compete successfully.

I have before me a table which shows the production of cotton in Mexico in bales. Starting with the period 1935 to 1939, such production averaged 334,000 bales. During the next 5-year period, it was 425,000 bales. The next year it was 472,000 bales. It continued to increase until today the production of cotton in Mexico, 15 years from the time I first mentioned, is nearly 5 times as much as it was in the first period.

How did Mexico attain such production? It was made possible by the fact that we placed a protective umbrella over Mexico's production. We called it a 90 percent of parity program. That made it possible for the people of Mexico to go into the production of cotton, and for their acreage to expand as our acreage shrunk.

When the Russians succeed in turning 30 million acres of land into the production of cotton, what will it do to the prosperity of this country?

If we want to know what is happening, let us find out what has been done across the line in Mexico in the case of tomatoes. Let us take a look at wheat. Production of wheat in Mexico was 14 million bushels in 1935, and 26 million bushels last year. That is the story of what is taking place, and we should realize that all through the world the figures have been going the wrong way for us.

Let us look at the figures representing exports of wheat. I can remember when we were trying very hard to find enough bottoms in which to ship our wheat abroad. I recognize the fact that that condition was due to the war. It was necessary to bring a special man down from New York whose job was to have on hand enough ships so that we could have ships at dockside at all times, in order to avoid loss of time in turning the ships around. In that way we were able to ship 500 million bushels of wheat abroad in 1 year.

In 1946–47 we sent 397 million bushels abroad. In 1948–49 we sent 486 million bushels abroad.

Mr. THYE. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield.

Mr. THYE. The Senator from New Mexico is not trying to convey to us the thought, is he, that there is any relation between the agricultural situation which existed then and the present situation? The time the Senator is speaking of was a time of war. We were doing all we could to help our allies. There is no relationship whatever between those two periods.

Mr. ANDERSON. I believe I knew what was going on, because I was shipping the wheat. I do not believe there was a war going on in 1948. We were in a relative state of peace in 1948. Of course, there was hunger in the world. I know that the situation was abnormal.

When we got those markets in our hands, what did we do with them? We hung on that year to high rigid price supports. That was the year in which the Aiken law was supposed to go into effect. It did not go into effect. It did not go into effect in 1949. In 1949 we shipped 297 million bushels of wheat abroad. Then our exports went down to 205 million bushels. If we want to shut the American farmer out of the wheat markets of the world, this is the way to do it.

We find the same thing to be true of many other agricultural products. We have been trying to ship cotton for a long time. Yet shipments have suddenly stopped. When do we want that situation to apply to tobacco? When do we want it to apply to rice? All we have to do is to say that whenever a new area of the world comes to the point where it may start new agricultural production, we will hold an umbrella over it until its particular agricultural industry is established to the point where it can destroy our agricultural industry.

I do not want that to happen. I have tried to do my best toward giving the American farmer his chance at the world market. When he does not have it, the very thing which the Senator from Oklahoma pointed out in his table happens. It happens every time. Although the national income goes up tens of billions of dollars, the income of the farmer falls off billions of dollars. It falls off because he does not have a chance at that rich, prosperous foreign market.

I hope we shall not continue to treat the farmers of this Nation in such fashion. Our wheat exports are down. Our cotton exports are down. Our dairy exports are down. When do we want that to happen to our peanut exports?

There will come a day when the people of this country will require all the food developed by our great increases in the production of all agricultural goods. That day is not yet here. That day may be here in 20 or 25 years from now. It is not here yet. With the development of new agricultural science, that day may be 50 years off. We have found that we can now obtain from our land twice as much agricultural production as we once thought was the maximum of our production. That development may continue. Agricultural science may keep pace. However, for the present we need markets abroad and we need to be extremely careful, or we shall take away entirely our agricultural markets from our farmers.

Only the other day a group of people who produce long staple cotton in the State so ably represented by the Senator from Arizona, and in the State of Texas, and in the State of New Mexico came in to ask—for what? Not for 90-percent supports, but for the lowest possible limit in the flexible chart. Why? Because they were losing their market to Egyptian long-staple cotton. They knew they could not pile up 30,000 bales of long-staple cotton every year in the Treasury, and not have the program fail some day.

All of us are familiar with the potato program. We had flexibility in the production of potatoes. We were permitted to support potatoes anywhere from 60 percent to 90 percent. We tried it at 90 percent, and then we tried it at 60 percent, but even at that lower figure we could not possibly support the market. We had to do away with it by law. We knew we could not have a potato-support program. No Secretary of Agriculture could be stuck again on $500 million worth of potatoes.

Mr. SYMINGTON. Mr. President, will the Senator yield?

Mr. ANDERSON. Does anyone believe that the American people will continue to take steady losses on other commodities? I do not think so. I now yield to the Senator from Missouri.

Mr. SYMINGTON. I have very high respect for the knowledge of the distinguished Senator from New Mexico with respect to the program under discussion and with respect to this particular subject. After the pending bill has been disposed of, it is my understanding that the Senate will very shortly discuss how many billions of dollars this country will furnish to other countries in the form of mutual security or foreign aid.

Based on my experience in Missouri, it would seem that much of that money which it is possible for us to give to foreign countries will come from taxes paid by the farmers in more prosperous times.

I am wondering if my good friend, the distinguished Senator from New Mexico, does not believe that inasmuch as most of the countries which receive our foreign aid funds also need food, it would be possible for us, instead of sending them dollars, to send them a part of the surpluses of our agricultural products, as some of our Senators advocate.

Mr. ANDERSON. Yes; I wish to say to the Senator from Missouri that there is no question about my attitude on that subject. I do not like the set-asides that are being proposed, because I would like to take every bit of the surplus and move it to another part of the world. I think it ought to be moved.

I think this surplus can be used to buy more good will than it would ever accumulate in storage anywhere. I fully subscribe to all the programs which come along for moving the surplus quickly. However, we cannot make much of a claim for getting rid of the surplus wheat when under controls we add 100 million bushels to the surplus this year.

Mr. SYMINGTON. Mr. President, will the Senator yield for another question?

Mr. ANDERSON. I yield.

Mr. SYMINGTON. As I understand, foreign trade is based primarily upon multilateral currencies. Does not the Senator from New Mexico agree that when we provide all the money for foreign aid—taking cotton as an example, which the Senator mentioned, and which often is the largest cash crop in Missouri—and when we find countries which, after they take our aid, make bilateral soft currency agreements with other countries for the purchase of cotton and cotton goods, such procedure should interest us from the standpoint of foreign trade?

The PRESIDING OFFICER. The time of the Senator from New Mexico has expired.

Mr. KNOWLAND. I yield an additional 5 minutes to the Senator from New Mexico.

Mr. SYMINGTON. May I repeat the question?

Mr. ANDERSON. Just the end of it, please.

Mr. SYMINGTON. Does the Senator from New Mexico not agree that, after we have used the money of our taxpayers to provide benefits to other countries, when we find those very countries are not trying to buy our cotton, for example, but rather are entering into soft currency bilateral agreements with other countries, which makes it impossible for our cotton producers to sell cotton in their markets, something should be done about that type and character of transaction, if we are to continue to give aid in dollars?

Mr. ANDERSON. Yes. I think that is just as wrong as it can be.

The Senator from Missouri knows that at one time the Department of Agriculture notified certain people in other parts of the world that if they wanted various commodities, they had to take delivery at the same time of certain other commodities. At that time here at home we had a rule against tie-in sales, but that did not apply to the Department of Agriculture. We tied them in anyhow, and we made people take things we had to sell, because the American farmer was putting up his tax dollar.

I am not opposed to benefits for American farmers. I am not worried about subsidies for American farmers. I have heard all the discussion about how large the subsidies are for newspapers and magazines. That does not bother me a bit. I have only one thing to say: The American farmer will never have an opportunity to obtain his share of the national income so long as we hang over his head the burden of a billion bushels of wheat, 10 million bales of cotton, 450 million pounds of butter, and heaven knows how much cheese and various other things. He does not have a chance while that is happening. The only hope he has is to bring controls into these programs and make it possible once again to see to it that a reasonable amount is available.

I have said many times that the tobacco program is a great program, because it does not cost the Treasury of the United States anything and it treats the farmer well. But it does it, not by producing surpluses, but by producing what the market needs.

Mr. SYMINGTON. Mr. President, will the Senator yield for one more question?

Mr. ANDERSON. I yield.

Mr. SYMINGTON. Based on the Senator's vast experience in the field of agriculture, does the Senator from New Mexico not agree there should be a closer relationship between foreign aid or mutual security and the question of the farm surplus in this country?

Mr. ANDERSON. Not only do I agree but many times I have bumped my head against that stone wall trying to bring about such a relationship.

Mr. SYMINGTON. I thank the Senator.

Mr. ANDERSON. I regret that very frequently our Government forgets its responsibility to the farmers of the Nation.

After all, the Secretary of Labor is supposed to look after the welfare of the laboring man. No one blames the Secretary of Labor if he goes out and does far more than what might be regarded as his simple duty in trying to protect the rights of labor, because that is his responsibility. That is his field.

In the field of agriculture, I think, it is equally the responsibility of the Secretary of Agriculture to look after the interests of the farmers of the Nation. If the State Department has a policy which is not aimed at looking after the farmers' interests, the Secretary of Agriculture should bring up the subject for consideration at every Cabinet meeting.

I hope that will happen. That, I may say, is why I have not been enthusiastic about the set-aside program. I want the entire problem to be given constant consideration by the Secretary of Agriculture. When he comes to his desk every morning, I want him to observe the fact that we have on hand a billion bushels of wheat, or whatever amount we may have on hand. I want him to look at the figures representing the enormous supplies of butter and various other supplies we have on hand.

The Secretary of Agriculture may find that he can ship some of those dairy products to Japan or Korea. He may find a concession now looking after the milk supply of the people of Japan; but I think he can throw that concession out the window and move some of his own commodities over there, and he ought to do that.

I have never been, and I am not now, opposed to seeing American farmers get along well. I sincerely believe that the American farmer should prosper at all times. But these mountains of goods should not be piling up, and there should be only a reasonable surplus. It does not bother me when the surplus of wheat gets up to 300 million or 400 million or 500 million bushels. To be sure, we managed to reduce it to 87 million bushels at one time, but it required pretty tight housekeeping; we ought to have 200 million bushels of wheat on hand for good housekeeping. It would not hurt anyone to have 400 million or even 500 million bushels of wheat on hand, but when the wheat surplus reaches a billion bushels, when every warehouse is filled with surplus commodities, to the point where we cannot hold things on the tracks, then the farmer takes a loss.

Then the farmer has to take what the elevator man is ready to give him, unless he can store his wheat himself.

That is why even when we have the 90 percent support program we get reports that the price of wheat is at 77 percent of parity. That is why we heard the other day that the farmer, even though there is a 90 percent support program for dairy products, was taking 71 percent in many places. We cannot completely get around the law of supply and demand, try as we will, until and unless we get rid of these heavy surpluses. Until we stop incentive production, until we stop saying to the people, "Reach out and produce all you can for awhile," farmers in this country will be in trouble. I believe we will be far better off if we do not raise umbrellas over all parts of the world in an effort to give people who want to grow cotton in Mexico, Russia, and all over the world an opportunity to compete against our own farmers.

The PRESIDING OFFICER. The time of the Senator from New Mexico has again expired.

Mr. SYMINGTON. I thank the Senator from New Mexico.

Mr. AIKEN. Mr. President, I do not know whether the other side has a speaker ready at this time.

The PRESIDING OFFICER. The Chair is waiting for a speaker.

Mr. AIKEN. I find we have used 45 minutes on the amendment, and the other side has used 21 minutes.

The PRESIDING OFFICER. The Chair informs the Senate that the time is running, and that the time will be charged equally to both sides of the question.

Mr. AIKEN. We do not yield the time, Mr. President.

The PRESIDING OFFICER. No one is using the time. The time is running, and will be charged to both sides of the question.

Mr. AIKEN. It will be charged equally?

The PRESIDING OFFICER. Yes.

Mr. CLEMENTS. Mr. President, I yield 3 minutes to the Senator from Montana [Mr. MURRAY].

The PRESIDING OFFICER. The Chair recognizes the Senator from Montana for 3 minutes. Is he taking time on the bill or on the amendment?

Mr. CLEMENTS. On the amendment.

NATIONAL FOREST GRAZING

Mr. MURRAY. Mr. President, in the colloquy on August 4 with regard to the national forest grazing bill, which is now before the Senate as a section of the substitute bill for S. 3052, the Senator from Vermont [Mr. AIKEN] must have confused others besides myself when he kept referring to alleged provisions providing for 30-year leases on the national forests, and for the leasing of forest lands for fur farms, ski runs, and other possible uses that could be made of forest lands.

I have studied the grazing bill, S. 2548, and it does not apply to those things to which the Senator from Vermont [Mr. AIKEN] kept referring. It was a bit confusing to me for the moment to have the author of the pending bill and the amendment relating to national forests make repeated statements that were not covered by the measures under consideration.

The grazing amendment would make drastic changes of a questionable nature in the administrative procedure of the United States Forest Service in the exercising of its custodial responsibilities in regard to the grazing permits that are issued for this one kind of use that is made of Federal lands. The proposal would deprive the Secretary of Agriculture of his present discretionary authority which many of us feel is needed to meet emergencies and changing conditions. An enviable record has been made in the administration of the 180 million acres of national forest lands, and we should proceed cautiously in making any changes in the time-proven policies, especially when those modifications would negate parts of the Administrative Procedures Act that was enacted by Congress after long deliberation.

The amendment which is being proposed would make major changes in the appeal procedures that have worked most successfully for more than two-score of years. There has been no showing that there is any real justification for those changes. At least, such an important move should not be taken until the proposed plan has been studied more carefully. There is grave doubt that the privileged users of the Federal land should be given court review on the administrative determinations of the Secretary of Agriculture, whose first and primary duty is to manage the national forest and Bankhead-Jones lands for the greatest good of all the people.

Grazing is a secondary use of the national forest lands. It is unwise to give priority rights to any one class of users, especially no more than 18,000 grazing permittees, when the timber production and watershed values of those lands must always receive first consideration.

This measure would give certain rights—legal rights—to grazing permittees. They would be urged to make fixed improvements to the national forest lands, and as a result would be given a legal equity in the Federal property. Range improvements by the permittees can be made under the present law, and such improvements actually are being made now by many of the good ranchers throughout the West who are using the national forest lands in a commendable manner. Those improvements are being done under a fair and equitable procedure, but it is with the consent and permission of the Secretary. Settlements for unused equities are possible when a permittee is obliged to discontinue grazing for reasons beyond his control.

The conservation forces throughout the country have registered strong opposition to hasty changes in the administration of the national forest lands. It would be most unfortunate if any such legislation were rushed through during the closing hours of this Congress.

The distinguished Senator from Vermont [Mr. AIKEN] has raised the question as to which organizations were supporting this measure. I believe that the Senator from Minnesota [Mr. HUMPHREY] has, since the original colloquy, introduced in the RECORD a list setting forth the various conservation groups which are still definitely opposed to the bill.

On Wednesday, the Senator from Vermont [Mr. AIKEN] commented that the Senate Committee on Agriculture had modified the original bill, S. 2548, to conform to or reflect certain changes which had been suggested by my colleague from Montana, Representative LEE METCALF.

Merely to keep the RECORD clear, Mr. President, I ask unanimous consent to have printed at this point in my remarks a letter dated August 4, 1954, which I have received from Representative METCALF on this subject, and also an editorial entitled "End Run on Grazing," published in the Washington Post and Times Herald.

There being no objection, the letter and editorial were ordered to be printed in the RECORD, as follows:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D. C., August 4, 1954.

Senator JAMES E. MURRAY,
Senate Office Building,
Washington, D. C.

DEAR SENATOR MURRAY: I note in the CONGRESSIONAL RECORD at page 12711 in a colloquy between Senator HUMPHREY and Senator AIKEN it was stated that S. 2548 was modified to meet the objections raised by me in my appearance before the committee.

I appreciate Senator AIKEN's statement and I am grateful that he feels that some of my suggestions were good ones. I agree with him that those that were accepted improved the bill.

However, I do not want any misunderstanding. I am still opposed to S. 2548 as amended. On last Monday I inserted in the Appendix of the CONGRESSIONAL RECORD the same editorial from the Denver Post you read to the Senate yesterday.

My chief objection to this grazing bill is that it is piecemeal and special-interest legislation. Piecemeal because it treats only one phase of a complex multiple-use problem. Special interest because it gives special consideration to the grazing use of forest lands as against other and more important uses.

S. 2548 as amended is a better bill than it was when it was introduced. As it is now before you as a proposed amendment to the Agricultural Act of 1954 it is better legislation than was S. 1491. But it is not yet good legislation.

This problem of grazing and other uses of public lands needs more consideration and more thought than it has been given. Integrated legislation is needed that will protect and safeguard the interests of all the users of public lands—the lumbermen, the miners, the sportsmen, the water users, etc., as well as the grazing interests.

Either as an amendment or as legislation in its own right S. 2548 has not received that kind of consideration.

Very truly yours,

LEE METCALF.

[From the Washington Post and Times Herald]

END RUN ON GRAZING

Spokesmen in the Senate for a small group of western stockmen have pulled a fast one by tacking the Hope-Thye-Aiken grazing bill onto the farm bill. The Hope-Thye-Aiken bill is the measure that would give cattle

raisers who have been granted permits to graze their stock in national forests what amounts to property rights in those lands. It is a thoroughly unnecessary bill, and one which would make more difficult the equitable administration of the forest lands in the interest of other national objectives—watershed and timber protection and recreation, in addition to grazing. The large majority of stockmen who must pay higher grazing fees on private lands would not benefit at all from the bill. This is clearly a case in which Congress is being asked to place a narrow private interest above the broad public interest.

Although the Hope-Thye-Aiken bill passed the Senate last spring, opposition to it became so intense that action in the House has been stopped cold. Promoters now hope to slide it through in conference over farm price supports. The bill instead deserves an early death, not only because of its undesirable features, but also because it furnishes a graphic example of the vicious practice of attaching nongermane riders to important legislation.

Mr. AIKEN. Mr. President, I yield myself 2 minutes in order to comment on the statement just made by the distinguished Senator from Montana [Mr. MURRAY].

The bill referred to in the colloquy on a recent evening, with relation to 30-year leases on sites in the national forests, was H. R. 2762, which passed the House sometime ago with only one short public hearing, and, I understand, with the tacit support of those who are so vigorously and, in some ways, unfairly opposed to S. 2548.

House bill 2762 provides for 30-year leases and, in effect, might give vested rights over strategic sites in the national forests to private commercial interests, if approval should be given by the Secretary of Agriculture. I have no fear that the present Secretary of Agriculture would approve this action, which is permitted by H. R. 2762.

However, I very strongly object to the passage of any bill of this nature without the public rights being safeguarded.

I also understood from the Senator from Montana the other night that all the conservation and wildlife groups in his State were opposed to the bill (S. 2548), which passed the Senate almost unanimously.

I ask unanimous consent to have printed at this point in the RECORD 2 telegrams which I have received, 1 from A. A. O'Claire, State game warden, Montana Fish and Game Department, Helena, Mont.; the other from Tom Messelt, secretary, Montana Wildlife Federation, Great Falls, Mont.

There being no objection, the telegrams were ordered to be printed in the RECORD, as follows:

HELENA, MONT., *August 7, 1954.*

Senator GEORGE AIKEN:

The Montana Fish and Game Department supports Senate bill 2548 as amended and recommended for passage by the Western Association of State Fish and Game Commissioners at the Las Vegas meeting.

A. A. O'CLAIRE,
State Game Warden, Montana Fish and Game Department.

GREAT FALLS, MONT., *August 7, 1954.*

Senator GEORGE D. AIKEN,
Senate Office Building:

Montana Wildlife Federation approves grazing bill as amended.

TOM MESSELT, *Secretary.*

AGRICULTURAL ACT OF 1954

The Senate resumed the consideration of the bill (S. 3052) to encourage a stable, prosperous and free agriculture, and for other purposes.

The PRESIDING OFFICER. The Chair seeks additional speakers.

Mr. AIKEN. I suggest that the time run equally to both sides, until speakers appear.

The PRESIDING OFFICER. The time will run, and will be charged equally to both sides.

Mr. CLEMENTS. Mr. President, I yield 30 minutes to the distinguished junior Senator from Georgia [Mr. RUSSELL] on the amendment.

Mr. RUSSELL. Mr. President, it has been stated many times, and truly, that the bill deals with one of the most vital issues which Congress will be called upon to determine. This bill has a direct effect upon the livelihood, the income, and the standard of living almost 6 million farm families in the United States. It so happens that this group of 6 million farm families constitutes the one segment of our population which is essential to the survival of us all. This group produces the food and the fiber which are necessary for our daily existence.

We hear much said about the surplus farm commodities—and there are some troublesome surpluses—but let us not lose sight of the fact that if all the farmers of the United States were to strike for one crop year, and refused to produce for one crop year, the effects upon our civilization would be more devastating than any hydrogen bomb attack, however large and fiendishly contrived it might be.

Our civilization, as we know it, would perish if the farmers of the United States refused to plant their fields, and to go about their daily work for a period of 12 months. We owe a great deal to the farmers of the Nation.

Ours is the highest standard of living which any people has ever enjoyed. We have heard much said about the remarkable achievements in production by our great industrial plants, which enabled us to emerge victorious from World War II. We recall that the plants which reached certain standards of production were given various trophies and citations by the Government in appreciation of their efforts. The industrial plants of the Nation turned out the greatest quantities of planes, tanks, trucks, troop carriers, and all the other various implements of war, which any nation had ever produced.

But let us not lose sight of the fact that all of that production would have been absolutely useless had it not been possible to feed and clothe the men who operated the machinery of war. One of the factors which contributed to our victory was that our troops were the best fed and the best clothed of any which had ever been sent into battle; and we were able to make a similar contribution to the nations which were associated with us in that gigantic effort. So we have some obligation and responsibility to those who have contributed so magnificently in war, and who in these times of relative peace provide us with the necessary wherewithal that we may eat and be clothed.

One would think that this group of almost 6 million farm families, essential as they are to our daily existence, would, at least, have a standard of living equal to that enjoyed by the average American, in whatever walk of life he may be. One would think that this group would enjoy a fair share of our national income. One would think that they would have been remembered in every line of the momentous social legislation which has been enacted by Congress during the past 20 years. But such is not the case. Let us consider some of the great strides forward which have made our civilization the envy of men everywhere.

We know that Americans enjoy more recreation than do any other peoples beneath the canopy of God's Heaven. That is due very largely to the enactment of what is known as the 40-hour week law. The law provides that 40 hours shall be the normal weekly time of labor; and that for any time of employment in excess of 40 hours the worker shall be entitled to either time and one-half or double time in his paycheck.

By the very nature of his calling and vocation, the farmer cannot enjoy the 40-hour week. It is nothing unusual for him, in carrying on his agricultural operations, which involve the greatest amount of drudgery known to man, to work 50, 60, 70, and 80 hours a week. He receives no overtime, no time and a half, no double time for his efforts.

One of the great landmarks in recent legislative history has been the enactment of a law providing an old-age retirement system. Mr. President, in the price of every article the farmer buys he pays ever-increasing social-security taxes, which provide the fund from which will be derived retirement pay by other American toilers who may look forward to retiring in the sunset of their lives. There is no retirement pay for the farmer. I shall not go into the many reasons and the complexities embodied in that fact, but the stark truth is that the farmer is compelled to pay, in the prices of the products he buys, into the retirement funds for other groups, the benefits of which fund he is not permitted to share. He must work beyond the age of 65. He works until death calls him to his last reward.

The farmer is also taxed, in the price which he pays for every article, to contribute to the fund that goes to make up the unemployment compensation funds from which other Americans benefit during the periods they are unemployed. Make no mistake that the tax for that fund is included in the price of every article the farmer is compelled to buy in order to live and to carry on his vocation.

Moreover, the farmer is very often deprived of the opportunity to engage in productive work because of great disasters such as flood and drought. Today we all know that drought is ravaging large sections of our country. We all are aware of the fact that there are periods when insects, pests, and disease strike down that which the farmer has planted and cultivated so assiduously.

The crop is destroyed. But he cannot share in any unemployment compensation fund, though he has contributed to the taxes to establish that fund.

The Congress passed what is known as the minimum wage law. That law benefits nearly all the workers of America, whatever may be their vocation or their walk in life. The farmer helps pay for those benefits. We know that the act was much more far-reaching in its effect than merely fixing a 75-cent-an-hour minimum wage. The law causes price increases all along the line, because when a minimum wage is fixed, all wages above the minimum are increased and the additional cost is reflected in the prices of all articles which the farmer must buy. Yet he does not share from the benefits of any minimum-wage law.

Let us consider the lowest beneficiary under the minimum-wage law, the man who earns only the very minimum, while working 40 hours a week for 50 weeks. He receives take-home pay of $1,500 a year. Now let us consider the income of the farmers of the United States. They have no social security. They do not benefit from unemployment compensation, nor have they the advantage of a 40-hour-a-week law. How does their income rank with the incomes received by other workers?

Mr. President, in spite of his wonderful record of production, as a result of all the benefits which have been provided for every other group of workers in the Nation, as a result of benefits derived from tariffs, and benefits accruing to the recipients of many subsidies, with respect to which statistics have been put into the RECORD by Senators who have informed themselves on the subject, the farmer is still at the bottom of the economic heap. I hold in my hand a study entitled "Farms and Farm People—Population, Income, Housing Characteristics by Economic Class of Farm."

These are not my figures. This is a special cooperative study by the United States Department of Agriculture, Bureau of Agricultural Economics, Bureau of Home Nutrition and Home Economics, United States Department of Commerce, and the Bureau of the Census. It is not a New Deal publication; it was published in Washington, D. C., in June 1953. Let us compare the farmer with the other groups in our national economy.

Here is a summary of farm income:

Low family incomes appear to be a chronic problem along many operator families on small farms. Three-fifths, or over 3 million, of the farms in the United States in 1949—

That is the last year for which figures are available—

produced farm products for sale valued at less than $2,500.

That is not net, Mr. President; that is the gross income. That is all they received. I return to the study:

Many of the operator families on these low-production farms were dependent entirely upon this income for family living expenses, after the deduction of cash farm-operating costs.

In other words, from that $2,500 came all the costs of operating the farm.

For others, the farm is largely a place to live and provides only a supplementary source of income. They depend largely upon off-farm sources of income. But even when farm and off-farm incomes of operator and families are combined, total cash income in 1949 was often small. Two-fifths reported a family income of less than $1,000; more than 80 percent reported less than $3,000.

Mr. President, I referred a few moments ago to the lowest minimum earnings possible under the wage-and-hour law. I ask Senators to heed what I am now reading from the report published in 1953:

Altogether, nearly 1,400,000 farm-operator families in the United States reported total income from all sources amounting to less than $1,000 in 1949.

This is significant—

The operators who reported family incomes of less than $1,000 were somewhat older than all farm operators. In more than a fourth of the cases the operator was 65 years or older.

Mr. President, I repeat, in nearly one-fourth of the cases the farm operator was 65 years and older, an age when other workers were entitled to the benefits of the social security and retirement laws to which the farmer has contributed.

Mr. President, all statistics I have ever seen—whether they come from Government sources or from private sources—still show that the American farmer continues to occupy his time-honored, but unenviable, position at the very bottom of our economic heap, although without him the people of this land could not live, much less enjoy the high standard of living they now enjoy.

The low economic position of the farmer is not due to inefficiency on his part. Today, the proportion of our population engaged in farming is the smallest in our Nation's history. However, farm workers are efficient; indeed, the farm group has become, perhaps, one of our most efficient groups.

In 1910, for example, 34.7 percent of our total population—or more than one-third—were farmers. In that year, it took approximately 1 man out of every 3 in the population to feed and clothe the other 2.

In 1953, only 14.5 percent of our people were farmers, or about 1 in every 7. In other words, 1 farmer was able to feed and clothe 6 other persons in our population. That shows that the farmer had more than doubled his efficiency.

In the present good year, the farmers of the United States have made the words "hunger" and "starvation" obsolete in the United States. That is due to the efficiency of production of those who till the soil. They have produced such a great abundance that we are not only envied by the rest of the world because we enjoy such vast resources of food and clothing, but we have been able to share our bounty with the other nations of the world.

In 1953, the 14½ percent of our total population who lived on the farms received from farming only 5.5 percent of the total national income. But farm income has declined in 1954, as compared with farm income in 1953. The RECORD will reflect that in the course of their remarks, other Senators have adverted to the fact that the per capita income of those who live on the farms was $822, as compared with the per capita income of $1,898, or practically $1,900, of those who do not live on the farms. In other words, the per capita income of the farmers was about half the national per capita average income of $1,751.

Mr. KERR. Mr. President, will the Senator from Georgia yield for a question?

Mr. RUSSELL. I should like to yield to my friend, the Senator from Oklahoma; but my time is limited. If I were to yield to him now, I might not be able to complete my remarks. If, by hastening, I am able to complete my remarks within the time allotted to me, I shall be very glad to yield to the Senator from Oklahoma.

Mr. KERR. I thank the Senator from Georgia.

Mr. RUSSELL. Mr. President, at this time I shall not refer further to all the indisputable statistics, from every source, which demonstrate that our farmers are the most underprivileged class in the Nation in the matter of income. That is summed up more effectively than I could express it in an analysis coming from the Census Bureau, which gives the various ratings of the various farm groups and also gives the average throughout the Nation. I read from that analysis:

Highest earnings are drawn by professional and technical men; then executives and independent businessmen; then craftsmen and foremen; then clerks and laborers; then factory operatives; then service workers; then laborers; and, finally, farmers.

Mr. President, I emphasize the words "finally, farmers."

When that statement by the Bureau of the Census, analyzing the income of the various groups in the Nation, uses the words "finally, farmers," it states more eloquently than I could state it, the fact that the group composed of farmers, upon which we rely for our day-to-day existence, is at the bottom of the economic heap.

Mr. President, the pending bill will determine whether we will, by legislative enactment, tell the American farmer that we intend to increase the disparity between his income and the income of the other groups of the Nation.

Mr. President, Congress has passed various farm bills. Today, we are operating under a farm law which guarantees, along with many controls, limitations, and restrictions, nine-tenths of what is said to be a fair price—not 100 percent, not ten-tenths, but nine-tenths of a fair price—to the producers of the basic commodities, commodities which are storable, commodities whose production can be controlled at their source. That law provides for parity supports of from 75 to 90 percent for nonbasic commodities. The law gives a great deal of discretion to the Secretary of Agriculture in dealing with such commodities.

Mr. President, I wish to reimpress upon the Senate that the issue now before us is solely related to the basic commodities. I wish to say, further, that

when we pull down the price of the basic commodities, we pull down the price of every other agricultural commodity, I care not whether it be spinach, lettuce, or country-cured ham. We cannot pull down, by way of legislative enactment, the price of the great basic commodities, without eventually pulling down all other farm commodity prices; and Senators who are not interested in the basics may well bear that in mind.

Mr. President, the committee, which has studied this bill very carefully, has, by a majority vote, proposed a continuation of 90 percent supports for 1 year, in the case of the basic commodities. When we speak of continuing 90 percent supports for 1 year, in what kind of a situation do we find the farmer? Senators have already shown that the farmer's take-home pay has been reduced by approximately 20 percent. We know that his income is still further being reduced as a result of limitations on the acreage planted to the basic commodities. The farmer's income will be reduced still further under drastic controls in the year 1955. That is an attack upon his income. It is an attack which is made necessary by the law as a result of the surpluses which were created. They were not created because of any fault of the farmer, for he merely responded to the request of his Government for increased production, but the farmer is being blamed for them. However, under the law it is necessary to bring the surpluses into line.

In the committee bill we find amendments which will reduce still further the farmer's income. The parity formula has been rewritten. I was opposed to it when it was first proposed several years ago, and I do not believe in it now. I believe that the proper parity relationship should represent the relationship between the price of the commodities the farmer produces and the price of the articles he has to buy. But in rewriting the parity formula all farm commodities have been tied together, and it has been determined that parity shall be determined in that way. Under such an arrangement the price of even the smallest and most insignificant commodity can pull down by 3 or 4 points the price of the most important commodity. So there is a flank attack to reduce the farmer's income further by means of rewriting the old parity formula.

Furthermore, it is proposed that the farmer's acreage be decreased next year, thereby still further reducing his income. The farmer's income would be reduced still further under the proposed new parity formula. However, the pending amendment would attack the farmer in the rear by still further reducing, by congressional enactment, his income, which, already in the past 2 years, has been cut 3 times.

Mr. President, there are those who denounce the support system as being a subsidy. I do not consider it to be a subsidy. It is a method whereby the farmers are joined together in their effort to protect themselves from those who, by manipulating the market, would impose upon them. The support system enables the farmers to produce in accordance with the consuming requirements of the Nation. The support system is not a subsidy. For the sake of argument, let us say it is a subsidy. There would be no great cost in connection with the basic commodities that are involved in this amendment. All we need is a Secretary of Agriculture who is sympathetic with the program and has some sympathy for the American farmer. These surpluses could be worked off in a period of 2 years. Such an operation would not cost the taxpayers of this country any considerable amount of money.

Even conceding that the support is a subsidy, I think it is unfortunate that those who are now denouncing a subsidy start to eliminate subsidies by going to the very bottom of the economic heap and picking up the farmer—the man on the bottom—and saying, "You have a subsidy and we are going to take it away from you." I cannot understand why, instead of going down to the cliffs of Wall Street and striking down real subsidies, they must go out to the 3 million farm homes where the total income, not the net income but the total income, is less than $2,500 and say, "You have a subsidy and we are going to cut your price still further and reduce your income still more and take it away from you."

Mr. President, the American farmers deserve better at the hands of the Department of Agriculture. They deserve better at the hands of the American Congress than to be held up as a piratical group exploiting the consumers, bleeding the public. Three-fifths of them have a total income of less than $2,500 a year. The attempt is to array farmer against farmer, and the consuming group against the farmer, despite that pitiful income. Today the farmer is receiving the smallest percentage of the consumer's dollar that has gone to him for the past 12 or 14 years.

I have not been able to understand the terrific dismay and alarm over surpluses, although I admit that with respect to some commodities they have reached the point where they should be brought down through the control of acreage. We are going about that now and are bringing them down. If we extend 90 percent 1 year more and do not make a fourth attack on the income of the farmer, the surpluses will be worked off. I do not feel that they are a great liability. I consider millions of bushels of wheat and thousands of bales of cotton to be an asset. What do the people of the world think about us here in the United States when we express great horror and frantic alarm because we have more wheat than we can eat tomorrow, because we have more cotton than we can wear as shirts next week? They are looking to us with envy because of what we have.

I do not share the frantic fear about a storehouse full of food and fiber accumulated, I reiterate, by the farmer as a result of the request of his Government. He voted to cut it down in 1950 and to go under controls, and the controls were lifted, after he voted for them, on the outbreak of the Korean war.

The idea of the ever-normal granary is not too bad, Mr. President, wherever it originated. It is much better to have a little more than we need than not to have quite enough.

Those who have gone out on the subsidy hunt starting with the farmer, apparently abide by the Biblical injunction, "For whosoever hath, to him shall be given, and he shall have more abundance: but whosoever hath not, from him shall be taken away even that which he hath."

While they are studying the Bible they might look back to the 7 fat years and the 7 lean years. The way the weather is acting now, we could have a very great need for these commodities.

Mr. President, we lose sight of the fact——

The PRESIDING OFFICER. The time of the Senator from Georgia has expired.

Mr. JOHNSON of Texas. Mr. President, I yield to the distinguished Senator 10 additional minutes on the amendment.

The PRESIDING OFFICER. The Senator from Georgia is recognized for 10 additional minutes.

Mr. RUSSELL. Mr. President, we lose sight of the fact that the taxpayer has a stake in the commodities which are under loan. What is to happen if the value of these commodities and their market price is reduced by cutting the support price? One thing will be assured. Every bale of cotton, every bushel of wheat or corn, and all the tobacco produced this year will go in under the 90 percent loan that will be in effect until the 1st of January. When the support price is cut down, what happens? The values that are there, in which the Government has an investment, are taken away. It is much better to work off the surplus in the normal course of events without trying to apply a theory which is so fantastic that I cannot follow it—the theory that the farmer, whose income already has been cut 3 times and who is already at the bottom of the heap, will be benefited by applying the ax to him again and cutting him another 10 percent.

The decrease in the value of the commodities which will be in the hands of the Government, if it applies the flexing theory, will cost the American taxpayers hundreds of millions of dollars in basic commodities, whereas there is no necessity for its costing them one dime if the surplus is worked off in an orderly manner.

Mr. President, time will not permit me to deal with all the fictions which have been raised in the debate, in the all-out effort by the administration to disadvantage the American farmer still further. One is the fiction that the farmer himself wants flexible supports. I read in Sunday's newspaper that Secretary Benson, in addressing a college group, had gone back to the assertion that the farmers want the decreased income which comes with flexible supports. Senators should get away from the operators of factory type farms where they have been visiting, where they have been swimming in the swimming pool in the front yard, enjoying the bounty of their table, and admiring

the little bar in the basement, and go out and talk with the 3 million farmers who are getting less than $2,500 a year, and find out whether the American farmer wants his income cut still further.

I can see how the autocracy of agriculture might want it cut, but the little marginal operators would be put out of business. The factory-type farmer would be permitted to take over. Talk to the farmers who live down at the forks of the creek and off the paved roads, and ask them how they feel about this plan.

I said to the Secretary when he was before the Appropriations Committee, "Let us submit the question to the farmers, if you are so confident that is what they want. They voted to put on controls, to get 90 percent supports. Let us submit the decision to the farmer."

The Secretary did the most beautiful job of trimming, and dodging, and hedging that I have ever seen. Finally, he said we would have to let the consumers vote, too, because they were interested.

That is one fiction—that the farmer wants this flexible program.

Another fiction is all the figures that have been given out on the cost of the program. One can pay his money—he does not even have to pay his money; he can do it free—and take his choice of any one of numerous tables that have been submitted. The fact remains, as is clear, from the able addresses which have been made by my colleagues on this issue and the tables they have submitted, that the basic program involved in this amendment has not been unduly expensive, but has cost a very small amount.

The consumer subsidy, and all that, cannot be charged to the farmer. It would be just as bad to go back and charge the WPA appropriation up to labor, because we had to appropriate twelve or fifteen billion dollars for WPA back in the days of distress and unemployment.

Mr. President, another fiction is that to maintain free enterprise and a free market we must have the flexible program. All the tariffs have no been eliminated yet. Not a single subsidy has been abolished yet. They are being increased. None of the other artificial supports for anybody else's income have been taken away. I shall not consent by my vote to start on the man at the very bottom of the ladder. Let us start at the top and work down in this drive for free enterprise and to abolish subsidies. A few years ago I was told that it was possible to buy a binder manufactured in the United States at a much lower price in Stockholm, Sweden, than in the United States. I do not know whether that is true. I assume it is.

Let us change that condition first. Let us first bring into line what the farmer has to buy, before we make this further drastic attack on his income.

It is said by the proponents of the amendment that they want to have fewer controls over the farmer. They say they want to do away with bureaucratic controls.

Mr. President, whether the support is fixed at 75 percent, 80 percent, or 90 percent, the farmer will never know the difference so far as controls are concerned. Whether it be 90 percent, 75 percent, 80 percent, 82½ percent, or 85 percent, the average farmer will still have exactly the same acreage, and he will have exactly the same cost of storage. The only difference will be that we shall take another considerable chunk out of his already small and diminishing income. That is what the amendment would do. It would not do away with one bureaucratic control. It would not do away with one item of cost of storage, or one element of control.

Another fiction is when the proponents say, "Let us change the farmer's crop to other commodities. Let us get him out of the production of the basic commodities into something else, as we impose the limitations and controls."

The Secretary of Agriculture has issued an executive order, which is substantially written into both these bills, to the effect that the farmer cannot do anything with the land that he is taking out of cultivation so far as the salable agricultural commodities are concerned—and the acreage will be reduced further in 1954. He cannot plant it in marketable commodities, he must plant it to grass, or it will have to be plowed and permitted to lie fallow.

The proponents talk about getting the farmers into something else. That cannot be done because an executive order is in existence under which the farmer cannot go into production of anything else. That is what is happening. All that has been said along that line is complete fiction. All that has been said in support of flexible controls is just so many balloons that have been blown up to confuse the public, by setting the farmer against the consumers, and one group of farmers against another group of farmers. When we put the searchlight of truth on those balloons, they explode. Those arguments are the poorest justification I have ever seen for further cutting the pathetic income of the average American farmer.

How about applying that line of reasoning and technique to something else? How about applying it to another segment of the American economy? In other words, if we get a surplus in any other commodity, let us cut the price. Suppose we were to go into an area of surplus labor and tell a group of laboring men, "There is a surplus of labor here. The only thing for you to do is to take a 25 percent reduction in your pay, and work 60 hours a week without getting time and a half for overtime." That is what we are telling the farmer, in effect. We would not dare tell that to any other group of labor or to any other group of producers. We would not dare say to one group, "You are producing too many electric fans. We will pass an act in Congress compelling you sell the fans at 20 percent below what they cost you to manufacture them." What kind of rebellion would we have in this country if we said anything like that to any other group of labor or industry? Yet we are saying that to the American farmer. It is utterly fantastic.

I shall not go into the question of what the Republican Party promised the farmer. I have witnessed the exercise in semantics that has been indulged in on the floor of the Senate, as to what the President meant. I know what I thought he meant. I heard two of his speeches. One of them he delivered at Brookings, S. Dak., and the other at Kasson, Minn. I listened to them on the radio. I became somewhat concerned as I listened to those speeches. I got the impression—and I am sure some farmers got the same impression—that he was not merely for 90 percent of parity, but that he was for 100 percent. I got the impression that if he could not get it in any other way, he would do it with supports. I was worried, Mr. President, because I could not vote for 100-percent supports. I decided the situation would be very anomalous. I, who had been supporting farm legislation all these years, would be forced to vote against the guaranty of 100 percent of parity, which the President was advocating in the campaign.

The PRESIDING OFFICER. The time of the Senator from Georgia has expired.

Mr. JOHNSON of Texas. I yield 5 additional minutes to the Senator from Georgia.

Mr. RUSSELL. In this country the basic commodities are storable and can be controlled at the point of production. We have never had the requirement of 90-percent supports without having available the means to control production. Every farmer, whatever he may be producing, and wherever he may live, has a stake in the vote on this bill. A vote in favor of the amendment will be interpreted as meaning that the way to help the farmer's income is to still further cut the price of what he sells.

I do not have the time to go into all the arguments that have been made to the effect that to cut the farmer's income would help the consumers. I merely wish to make one prediction. Even if the 80-percent amendment is adopted—and I do not claim to be a prophet or the son of a prophet, but I have watched farm trends—and even if the reduction pulls down with it some of the commodities other than the bonus, the consuming public in the United States will never know the difference.

I will still stand on my prediction, that the consumer will not know the difference. The reductions will be absorbed by the processors and handlers but they will be disastrous to the farmer.

The farmer has already had his income cut from three sides, and now it is proposed to cut it again. I have some figures which come from the Department of Agriculture relating to this issue. I asked the Department of Agriculture to give me the relative values of the total assets of all the farmers of America over a period of years. I do not have the time to go into the figures thoroughly, but from 1952 through the preliminary study of 1954, the total assets of the American farmer—has land, his house, his machinery, his herd of cattle, his commodities and all that he has—have come down in the 2 years since 1952 a

total of almost $14 billion. That is the figure supplied by the United States Department of Agriculture. His income has been cut three ways. His total assets are off $14 billion. His acreage will be cut again next year. Now it is proposed in this amendment to cut it again. I say it is not fair. I do not want to be critical of any Senator, because I assume every Senator is honest in his position, but it seems to me to be almost un-American to tell 3 million farm families that their income is too high and that it will have to be cut still further. This amendment should be rejected.

Mr. KERR. Mr. President——

Mr. RUSSELL. Mr. President, I yield for a question to the Senator from Oklahoma, if I have time.

Mr. KERR. Mr. President, the distinguished Senator made a statement a little while ago which was most impressive. He said that in 1953 the farmers' percentage of the total national income had been reduced about 5½ percent.

Mr. RUSSELL. That is from farming. His total income from all sources was about 7 percent of the total but income from farming was 5 percent of the total national income.

Mr. KERR. It would be still further reduced this year, would it not?

Mr. RUSSELL. That is correct.

Mr. KERR. I ask the Senator from Georgia if it is not a fact—and it is my impression that it is a fact—that that represents a smaller percentage of the national income than the farmer received from the same source in 1932. Is that correct?

Mr. RUSSELL. It is smaller by four-tenths of 1 percent than in that disastrous, calamitous, depression, and privation year of 1932.

Mr. KERR. In other words, what it would mean would be that the farmer's percentage of the national income from that source would be forced down this year, and forced down still lower next year, when it is already below what it was in the midst of the Hoover depression?

Mr. RUSSELL. It seems to me that conclusion is inescapable.

Mr. SYMINGTON. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. SYMINGTON. I know that the distinguished Senator from Georgia mentioned the importance of having a surplus of food. I am reminded that he also knows about it because of his membership on the Armed Services Committee.

The PRESIDING OFFICER. The time of the Senator from Georgia has expired.

Mr. JOHNSON of Texas. I yield one additional minute to the Senator from Georgia.

Mr. SYMINGTON. He knows about the stockpile of many millions of dollars of materials, some of which are critical and some of which are not critical. Based on the distinguished Senator's knowledge of modern atom- and hydrogen-bomb warfare, would he not say that in the event of war one of the most important stockpiles in the world for the American people would be a stockpile of food which was not perishable when stored?

Mr. RUSSELL. There can be no question about that. As I said earlier in my remarks, no amount of military equipment will avail us unless we have the necessary food and clothing for our troops and also the people behind the machines on the home front.

Mr. SYMINGTON. In addition, in the event of attack and the disruption of transportation facilities, would not one of the most important stockpiles in the world be the stockpile of food?

Mr. RUSSELL. There can be no question about that. I thank the Senator for his suggestion.

The PRESIDING OFFICER. The time of the Senator from Georgia has expired.

Mr. SCHOEPPEL. Mr. President, in the absence of the Senator from Vermont [Mr. AIKEN] I yield 10 minutes to the junior Senator from California [Mr. KUCHEL].

Mr. JOHNSON of Texas. Mr. President, will the Senator from California yield?

Mr. KUCHEL. I yield.

Mr. JOHNSON of Texas. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. JOHNSON of Texas. How much time remains on each side?

The PRESIDING OFFICER. The Senator from Texas has 80 minutes on the amendment; the Senator from Vermont has 98 minutes.

Mr. JOHNSON of Texas. And on the bill?

The PRESIDING OFFICER. On the bill the Senator from Texas has 60 minutes, and the Senator from Vermont has 87 minutes.

THE ISSUE BEFORE US

Mr. KUCHEL. Mr. President, the question now before the Senate is not the elimination of price supports for those commodities which have been found by the Congress to be basic. The question before the Senate is, Shall it be the policy of the Government of the United States to continue a system of guaranteeing an unwanted surplus of those basic commodities at 90 percent of parity, or shall the Congress establish a policy of flexible price supports and permit the Department of Agriculture to determine the basis as between 90 percent and 80 percent of parity?

I suppose there is a third part to the question. If the Congress takes no action whatsoever, a law previously adopted by the Congress, the Agricultural Act of 1949 will automatically become effective next January first. If that contingency should arise and the act of 1949 should go into effect, we shall have in this country a flexible price-support base, under that statute, of between 90 percent and 75 percent of parity.

THE DAIRY PICTURE

I remember 2 years ago the Secretary of Agriculture was quoted in the public press as being gravely concerned with the situation in the dairy industry of America. So were all of us. He took no action at that time, although under the law he had this authority. With respect to perishable products, such as dairy products, he had authority to vary the 90 percent price support which that industry had enjoyed, and to reduce it. He permitted a year to elapse, and this year, displaying courage—and even those who disagree with the basis on which he made his decision will grant him courage—the Secretary of Agriculture, Mr. Benson, announced that he was going to lower the price support for dairy products from 90 percent to 75 percent.

I speak as a non-farmer in this instance. My family and I have a few acres of oranges in California. We do not enjoy price supports for our products. But, as a layman, I know what happened when that action on dairy products was taken, because I read it in the newspapers. I listened to what transpired. Until the Secretary took that action, the consumption of butter in America was steadily going down. Some of the members of my family were refusing to buy butter at the grocery stores in the town in which we live. So were some of you and so were thousands of families across the land. When the Secretary of Agriculture took the step to cut price supports on dairy products from 90 percent to 75 percent, the consumption of butter in America started climbing. That was a good thing.

So it seems to me, Mr. President, that in this instance there is considerable reason why we should follow the recommendations of Mr. Eisenhower and the Secretary of Agriculture by adopting a flexible price-support program.

In my view, the idea that rigid supports are essential to prosperous conditions for the farmers is completely fallacious and without foundation. The fallacy behind this contention is shown clearly by Agriculture Department statistics. An analysis of farm income figures for the year 1952 reveals that less than half of the cash receipts of American farmers came from crops for which the Federal Government provided price supports.

The so-called basic crops enjoying price support accounted for only 23 percent—less than one-quarter, Mr. President—of total United States farm income. And the assortment of nonbasic commodities, which includes dairy products about which so much commotion occurred early this year, account for an even smaller proportion, only 21 percent.

The question whether continuance of rigid supports is essential to the well being of American agriculture is highlighted by the figures for my own State. California is one of the most important agricultural States of our Nation. In instance after instance, it ranks near the head of the list as a producer of different crops. Even thickly settled Los Angeles County is disclosed by Census of Agriculture figures to be a major agricultural production area.

RIGID PRICE SUPPORTS AS THEY EFFECT CALIFORNIA

I should like to cite to my colleagues the figures for my State of California. In 1952, only 13 percent of the income of California agriculture came from the six basic commodities. Receipts in my

State, which produces an important quantity of only 1 of the 6 basic crops, cotton, amounted to $365 million. On the other hand, Mr. President, the earnings from nonsupported commodities were roughly five times as great. California producers of nonsupported crops received $1,825,000,000 in 1952. Thus, Mr. President, 67 percent of the farm receipts in the important agricultural State of California came from products which do not enjoy—or demand—artificial props.

There is another aspect of this imbalance which I wish to point out with direct reference to California. Everybody knows that the price-support program has boosted the cost of feeds for meat animals, poultry, and dairy herds. The impact of the rigid supports on California agriculture can best be realized by a reference to the 1952 farm-income figures I have been mentioning. In California, 38 percent of the cash receipts of agriculture, which amounted to $1,026,000,000, was derived from this source, meat animals, dairy and poultry products, the cost of production of which was materially higher because of the level to which price supports had boosted feed grains. In final effect, Mr. President, the rigid support program has penalized the branch of agriculture which accounts for well over one-third of the total farm cash receipts in my own State.

If these few illustrations are not sufficient to refute the claim that rigid supports are imperative to overall farm prosperity, let me point to a comment in the minority report from the Committee on Agriculture. My colleagues of the committee who refused to go along with the continuance of the rigid support policy noted that the citrus industry—which, as everyone knows, is a vital part of California agriculture—gets along without artificial props. Listen to these sentences from the minority report:

> To those who insist that producers must have 90 percent of parity supports in order to obtain a fair price, we call attention to the fact that today the average price of grapefruit is about 22 percent of parity. Yet we do not have the grapefruit producers insisting that they need a price-support program. Oranges have consistently averaged in the neighborhood from 40 to 60 percent of parity, yet the orange industry does not believe the answer is price support.

DANGERS INHERENT IN A RIGID PRICE-SUPPORT POLICY

Mr. President, I wish my colleagues who are committed to the principle of rigid price supports would contemplate a few illustrations of this weakness in our recent policy. If not a single bushel of wheat were harvested this year on American farms, the July 1 carryover of grain previously produced would be enough to fill domestic needs and take care of all foreseeable export demands for more than a whole year. The same is true with another of the favored crops, cotton. The carryover at the beginning of the new crop year starting August 1 is estimated at 9.6 million bales, much of which almost certainly will end up in storage with the taxpayers footing the bill for rent. An all-time record carryover of corn, something near 900 million bushels, is forecast for the crop year beginning October 1.

To emphasize what this policy of rigid supports has cost, I wish to point out that the valuation on Uncle Sam's investment in farm products as of last March 31 has hit an all-time high of $6,229,000,000. This is an amazing figure. It means that every single person in the Nation has an investment of $38.90 in the commodities already owned outright by the Government or pledged as security for Government loans.

The terrifying danger implicit in continuing the program of rigid price supports lies in the fact that in the last year there was a jump of $2,800,000,000 in Commodity Credit Corporation holdings. In a single period of 12 months, the amount of added loans and inventories mounted $17 for each individual in the national population.

Can the United States continue putting up granaries and warehouses, storing commodities in caves and mothballed ships, until another war pulls the CCC out of its financial distress? Two wars in 15 years brought on the conditions known as farm problems, and the failure to readjust practices and methods since the end of World War II has intensified the acuteness of the difficulty with which we now are wrestling.

The studies that have been made in recent months, during the search for a sounder policy, a more promising remedy for our economic illness have brought out further evidence that the treatment we have been using no longer suits the patient.

Under present law, preferential treatment has been given to certain crops regarded as basic commodities. Yet of the total cash receipts from farming, only 23 percent comes from those particular articles. The Federal Government has been pumping out dollars to keep up to 90 percent of parity the price of wheat, corn, cotton, rice, peanuts, and tobacco despite the fact that only 23 cents out of every dollar of agricultural income can be credited to the production of these commodities.

There is another side to this question which should make it plain the fixed price principle will not solve the problem. Looking at this other side, I want to point out that during the past 21 years the market prices of products which have not been favored by rigid supports have averaged 7 percent higher than the prices of the favored commodities. This suggests quite strongly that a law of supply and demand, assisted by a flexible support program, would be a more dependable and more effective means of insuring better returns to agriculture as a whole than the rigid support system.

One phase of the farm problem as I have said has received a good deal of attention, probably because it is one that consumers understand and appreciate better than the other aspects. This is the matter of dairy prices and their supports. The Federal Government, which lowered the floor under butter, milk, and cheese early this year has on its hands, already in the tremendous inventories, enough butter and cheese to furnish every single American with 2 pounds of each. If the price is to be forced higher and retail costs to the consumer bound upward again, a decline in demand is bound to result. The city-dweller will be unable to keep consuming at present levels, with the result our Federal holdings necessarily will mount. And, the tragic result would be the ultimate end of the dairy industry as we have known it.

Along this line, I have been intrigued by the merchandising campaign which has been going on recently to stimulate the consumption of milk. I am sure many of my colleagues have heard on the radio and television the messages to drink a glass or a quart or some other amount of milk daily. Instead of putting a high floor under dairy products and make it more difficult for the American people to purchase and consume, we should give a hand to this effort.

I feel a good deal of the farm problem might partially be solved by methods of this kind. A suggestion has been sent me that if the men in the armed services had an extra ration of milk daily the excess volume that has brought demands for a return to higher support levels would be greatly reduced. Every one of us has seen or heard of men in uniform just returned from duty at some foreign post or on leave from a remote installation trying to fill up on milk they have been craving. Perhaps if the armed services installed dispensing machines, similar to those which supply soft beverages, the clamor for a higher Government flood under dairy prices would quiet down.

From virtually every point of view, it has become clear that the agricultural problem we are trying to solve is one of unbalanced production that will continue to plague the Nation as long as our policies encourage surpluses. A flexible support system, which will supplement and bulwark the law of supply and demand, will apply commonsense to the situation we cannot endure indefinitely.

I am convinced that those who believe fixed supports are essential, that they are the only way of curing the farm problem, are victims of a mirage. They see only a false vision of dollar signs shimmering over a desert of Government purchases, or beyond a shining sea of loans. I believe the best way to treat the situation is to get our eyesight off the artificial parity props that are holding up a farm structure which is fast showing signs of toppling under its own weight.

In the interest of time, Mr. President, I wish to point out the perfectly astonishing fact which the American people do not seem to be aware of, that every single day it costs the Government of the United States $700,000 merely to pay the cost of storage for the surpluses which have been accumulating.

REACTIONS IN MY STATE

An hour or so ago I returned from the State of California. Yesterday I spoke with a number of people who were gathered together at the Capital of my State. Many of them were farmers. A number of them were dairy farmers. I thought

it was incumbent upon me to indicate my thinking on the issue which would be before the Senate this afternoon. I told them candidly that as I had sat in the Senate and listened to Senators on both side of the aisle debating pro and con the question of continuing the rigidity of price supports, or on the contrary, accepting the Eisenhower philosophy of flexible price support, I had concluded that it was in the interest of the consumers, the taxpayers, and the farmers of America that I should support the program of the present national administration.

After making that statement, I was perfectly delighted to have not one, but a number of people in the dairy industry in California, come to me and tell me they were in favor of the Eisenhower program and that they approved the action of the Secretary of Agriculture in reducing support prices on the products which they make, and that they did not want to have a condition in which they would be spoon-fed by a statutory narcotic, and at the same time see the consuming public of America forget all about butter and purchase instead butter substitutes for the tables of American families.

So, Mr. President, I intend to vote not to eliminate this governmental guaranty to the farmer on these basic crops. That question is not before us. I propose to follow the recommendations which will permit the Secretary of Agriculture to determine in his sound discretion between nine-tenths of parity price and eight-tenths of parity price, what the support shall be, and make that determination in the interest of all the people of the United States.

The PRESIDING OFFICER. Does the Senator from Vermont [Mr. AIKEN] wish to yield additional time?

Mr. AIKEN. I yield 10 minutes to the Senator from New Jersey [Mr. SMITH].

The PRESIDING OFFICER. The Senator from New Jersey.

Mr. SMITH of New Jersey. Mr. President, I certainly do not rise to speak on this subject as an expert in agriculture, but, representing in part, as I do, a State which is known as a farm State, I feel that I should make a few remarks on the pending bill, and especially on the amendment of the Senator from Vermont [Mr. AIKEN]. Our farm bureau is naturally very much interested in all these problems, and we in New Jersey are concerned about our truck gardening, which is one of our most important agricultural endeavors. I have had prepared for the RECORD a brief statement which I wish to present to my colleagues, regarding one of the problems confronting a State such as mine, which is engaged in the important truck farming business.

Mr. President, I wish to make a brief statement in opposition to S. 3052 as amended by the majority of the Senate Agriculture Committee. I intend to support the senior Senator from Vermont in his fight to enact the President's farm program with its provisions for flexible price supports. I believe that a continuation of rigid price supports, as recommended by the committee majority, will have an adverse effect on our foreign affairs by continuing present impediments to trade and thus aggravating our relations with our friends in the free world. Mandatory 90 percent rigid supports make it impossible for us to meet export competition and force other countries who are unable to pay the price of American exports to turn to nations outside the dollar area.

On the domestic side, the result of rigid price supports has been tremendous surpluses which depress the market, and an increase in the cost of food to the consumer.

But what I wish to discuss more specifically at this time is the relationship between the rigid price-support program and diverted acreage. I am very much concerned that continued rigid Government price supports and the cutting of production of some basic commodities will result in diverting that acreage into production of other commodities such as vegetables. By the operation of the price-support laws and the adjustment programs, millions of acres are being released from the production of wheat, cotton, corn, tobacco, and peanuts for production of other commodities. In the case of several basic commodities, farmers must restrict their acreage devoted to these crops in order to obtain price support. As the minority report of the Senate Agriculture Committee points out, supporting the price of basic commodities and diverting acreage from the production of those crops does not solve the farm problem. As a matter of fact, it just shifts it.

The American vegetable grower has been producing efficiently on a basis of supply and demand. But if more vegetables are produced than the demand requires, the effect on the present growers of vegetables would be disastrous.

In the State of New Jersey, we are keenly interested in the production of fresh and processed vegetables. In 1953 about 173,000 acres were devoted to vegetable and potato production in my State. During the same year about 6 million acres of land throughout the entire country was devoted to the production of vegetables and potatoes for the fresh and processed markets. Of this amount, approximately 2,200,000 acres were devoted to the production of fresh vegetables, and about 1,800,000 acres to the production of processed vegetables. When it is considered that more than six times that amount of acreage is being diverted from the basic crops, it becomes quite apparent that the threat to the vegetable industry, which neither has, nor seeks price supports, is a very serious matter. According to the testimony of Mr. A. Lee Towson, president of the Vegetable Growers of America, he said:

> If 1 percent of these 30 million diverted acres for 1954 should go into vegetables, we would have an increase of nearly 10 percent in our vegetable acreage—a disastrous surplus.

The farmers of my State derive 14.6 percent of their total income from truck crops. This amounts to $50 million. If acreage formerly devoted to basic crops is diverted to vegetable production, there will be a serious cut in such income of New Jersey farmers. To the extent that price supports encourage excess production, the problem of diverted acreage is increased.

Are we thus to initiate another program in surplus crops, this time in vegetables? Are we to witness a flood in the vegetable market similar to that which has occurred in the market for our basic commodities? We certainly have a serious enough problem on our hands in regard to our basic crops, without encouraging in this proposed legislation a potentially disastrous problem for the American vegetable grower.

We must not permit the use of diverted acres in a way that would be damaging to that half of our agricultural economy which is operating under the law of supply and demand. A flexible price support program which will allow shifts to be made without undue subsidization would be a vast improvement as far as New Jersey farmers are concerned, and, in my opinion, as far as farmers throughout the country are concerned. Continued rigid price supports will only further aggravate the problem facing American farmers today.

We should at least make it clear to the Secretary of Agriculture that we do not expect the acreage diverted from the basic crops to be used to destroy the producers of other commodities who are not obtaining and who do not want price supports.

We certainly should not create a new problem for the vegetable growers and other farmers, so that the old problem created by rigid price supports may be continued.

For this reason, and others, I shall support the pending amendment of the distinguished chairman of the Senate Agriculture Committee [Mr. AIKEN] and any other amendments designed to enact the flexible price support program recommended by President Eisenhower.

Mr. President, I yield the floor.

The PRESIDING OFFICER (Mr. BUSH in the chair). The question is on agreeing to the amendment of the Senator from Vermont.

Mr. AIKEN. Mr. President, I yield 15 minutes to the Senator from Wyoming.

Mr. BARRETT. Mr. President, I should like to address a question to the distinguished chairman of the Committee on Agriculture and Forestry.

On page 37 of the Senate bill, the following provision is found:

> SEC. 703. The Secretary of Agriculture shall, through the Commodity Credit Corporation, support the prices of wool and mohair, respectively, to the producers.

Unfortunately, the bill does not define the word "producers."

On page 38, line 9, of the bill, there appears the following:

> The support prices for pulled wool and for mohair shall be established at such levels, in relationship to the support price for shorn wool.

It is my understanding, Mr. President, that it was the intention of the committee to leave to the determination of the Secretary of Agriculture the matter of the payments on pulled wool. It is fair to assume that, with respect to shorn wool and mohair, the producer, as is the

case under previous loan and purchase programs, would be the owner of the sheep or goats at the time of shearing. With reference to pulled wool, the original producer markets his wool as a part of the live animal. That presents a new problem.

I understand that the Committee on Agriculture and Forestry intended by the bill to permit the Secretary to continue to treat the wool puller as the producer, or he may, if he finds it more practicable, make payments to a prior producer who marketed the live animals with the wool thereon. The amount of payment in such instances could be determined on a calculated basis, or on such other basis as the Secretary would deem practicable, without reference to the subsequent pulling of the wool.

I should like to ask the distinguished chairman of the committee if that is his understanding of the intention of the committee in writing this proposed legislation.

Mr. AIKEN. Mr. President, I will say to the Senator from Wyoming that that is my understanding of the intention of the committee in writing the proposed legislation. While the Secretary could continue to treat the puller of the wool as the producer, nevertheless, he may also, if he finds it more practicable—and in the opinion of many of us he would find it more practicable—make the payments to the actual raiser of the sheep. He would, in certain circumstances be permitted to make payments to the processor or the puller. Nevertheless, payments directly to the grower of the sheep or the lamb would be permissible if the Secretary found it more practicable.

Mr. BARRETT. That was my understanding.

Mr. AIKEN. The understanding of the Senator from Wyoming is correct.

Mr. BARRETT. Mr. President, the subject matter of this debate presents a massive problem. There are no easy answers. Farm prices reached a peak in 1951, after the impact of the Korean war made its mark upon our farm economy.

However, during the last 2 years of the Truman administration and during the nearly 2 years of the Eisenhower administration, farm income has declined steadily. Farm income dropped from an all-time high of $33 billion, in 1951, to $31 billion at the end of the Truman administration, and it dropped to $29 billion after nearly 2 years of this administration. The total decline of $4 billion in as many years is bad news, not only to the farmers of America, but to all Americans. It means that the farmers' purchasing power is reduced; and thus, of course, he cannot buy the automobiles, the tractors, and the countless other products of the manufacturing industries of our country. It was inevitable that, in the long run, the bad effect on the agricultural community would adversely affect the economy of the country as a whole.

The total decline in farm income was 12 percent; but the income from cattle declined over 20 percent during the same period. Any reasonable man would be forced to admit that in the light of these facts, the present farm-commodity-support program has broken down and has failed completely to do the job it was designed to do. It may well be, Mr. President, that the program of flexible supports will not be the complete answer, but the administration program seems to be a step in the right direction.

The proposal to set aside a substantial part of our burdensome stocks and to eliminate them from the computations in arriving at price supports should have a salutary effect on the support program. Only 20 percent of our farm income is obtained from the basic commodities, save tobacco. Only 7 percent of Wyoming's farm income, Mr. President, comes from the basic commodities. It seems to me, Mr. President, that a moderate change from the rigid 90-percent-support price to a modest flexible program, along with the set-aside provisions of the administration bill, in addition to the administration plan to expand exports of American farm products, should provide a sound basis for a prosperous agricultural economy.

Mr. YOUNG. Mr. President, will the Senator from Wyoming yield to me?

Mr. BARRETT. I am glad to yield to the distinguished junior Senator from North Dakota.

Mr. YOUNG. I think the Senator from Wyoming realizes that corn and most other feed grains are selling at around 80 to 85 percent of parity. Does the Senator from Wyoming feel that feed grain prices should be lower, in the best interests of the cattle growers?

Mr. BARRETT. I feel that the price of corn and other feed grains should be kept in proper relationship to the price of the finished steer that goes on the market. I think it is economically impossible to raise a steer and sell it to a feeder in the Midwest; and expect that feeder to feed out the steer on $3 corn and sell it on the market at present prices. In other words I think the producer on the range would have to sell the steer to the feeder at less than the cost of production.

I can make myself clear by saying that the price of everything the cattle feeder in the Middle West must take into consideration in arriving at the price that he must get for the finished steer is fixed, except the price of the feeder steer on the range in the West. In other words, the price of corn is fixed at 3 cents a pound, by reason of the support price of $1.60 a bushel. All the costs to the cattle feeder are fixed—including the shipping costs, labor costs, and the costs of practically every other item going into the cost of the finished steer when it is ready for slaughter—except the price of the feeder steer that is produced on the western range. So if the price of prime beef is such that a feeder cannot pay $1.60 a bushel for corn to feed the steer and bring it into finished condition, it is natural that he will expect the producer in the West to reduce the price of the steer from the range so that the feeder will be able to feed it profitably. That is the dilemma in which the cattlemen find themselves at the present time, as the Senator from North Dakota well knows.

Mr. YOUNG. Would it not naturally follow that if there were cheap corn and if other feed prices over an extended period of time were low, there would be greater production of animals and more surplus of beef, hogs, and poultry at prices ruinous to those producers?

Mr. BARRETT. No; I do not think that would follow, because I think the people of the United States have become accustomed to eating prime beef. Until recently we have not had an adequate supply of good, prime beef on the market for a long time. It is true we have a surplus of cattle at the present time. As of last January we had approximately 95 million head of cattle, an all-time high. But at the same time the people of the United States have shown that they can and they will consume beef—particularly the better grades of beef—if it is offered to them at fair prices.

The cattle population increased about a million head last year. Over the last 3 years, the cattle growers of the West have suffered a drop of 30 percent in their income.

Let me call the attention of the Senator from North Dakota to the fact that although we have an all-time high of cattle numbers in the United States that last year we slaughtered 36,700,000 head of cattle, the highest slaughter in the history of the Nation. The people of the United States consumed about 75 pounds of beef on a per capita basis. They were glad to get it when they could get it at a reasonable price. The only reason why the price of beef was down was that thousands upon thousands of producers in the Southwest and the West were compelled to ship their cattle because of the fact that we had adverse weather conditions and because the drought was rather widespread.

Nevertheless, this year we find that as of this date, we are slaughtering approximately 2 million more cattle than were slaughtered as of this date a year ago. The serious inroads of drought, forcing many stockmen to liquidate their herds or to reduce them materially in size, has resulted in an increase in the number of cattle and calves slaughtered so far this year, as compared with the number slaughtered in the same period a year ago.

So it seems to me the people of the United States have demonstrated quite clearly that they will and they can consume the beef, if it is available to them at reasonable prices.

During the first 5 months of this year, the number of cattle slaughtered totaled 9,806,000 head, as compared with 8,717,000 slaughtered in the same period last year, or an increase of 1,089,000 head. In the same 5-month period, the slaughter of calves amounted to 4,901,000 head, as against 4,156,000 a year ago. That is an increase of 745,000 head over a year ago. For the first 6 months of this year, the total slaughter of cattle and calves exceeded that of the same period a year ago by 2,111,000 head.

Mr. President, I may say it is ridiculous to believe that the people of the United States condone the production of

corn in such tremendous quantities and then putting it in storage until some of it spoils rather than to let it go into the normal channels of trade, to produce meat, as it was designed to do by a beneficent Creator.

Mr. President, let me refer specifically and concisely to the relationship of one of the basic commodities to the cattle industry—a vital link in the balance of the agricultural industry. Despite all our theorizing, the ultimate consumer is the one who fixes the prices of our agricultural products. Corn reaches him in the form of meat. The only sound way to establish the price for corn is through cattle. Anything other than a proper correlation of the values between corn and livestock is injurious to both corn and cattle.

In the beef raising industry the two big items in the final cost of beef are the price of feeder cattle and the price of the feed itself. A fair balance among all these prices must be preserved in the interests of ranchers, feeders, and consumers. It seems to me to be unsound to maintain a floor under feed grains beyond the point where the cattlemen can utilize them. High supports slow down the normal marketing of livestock and permit the accumulation of dangerous surpluses of commodities. Our Western and Southwestern cattle raisers are just as dependent upon the maintenance of a favorable cattle feeding ratio as are the feed-lot operators in the Middle West. The demand for feeder cattle from the ranges rises and falls with this feeding ratio. Feeder cattle bring favorable prices only when it is possible to make a fair profit in finishing them for the market.

So it seems to me that the support of corn prices on a flexible basis, rather than on a rigid, 90 percent basis, will maintain the historic relationship between corn and beef. Then, and only then, will corn find its true value, as reflected by the price of the livestock that consume it. There always has been, and there always will be, a close relationship between the price of livestock and the price of corn. It has always been considered that prime beef should bring approximately 10 times the price of corn. With corn supported at nearly 3 cents a pound, choice steers should sell for at least 30 cents. Unfortunately, that is not the case; and because of that, many growers and feeders have gone broke. At the same time, we have built up the greatest surplus of corn in history, largely because high, rigid supports have often made it more profitable to deliver corn to the Government rather than to feed it to livestock.

Department of Agriculture figures show that our carryover of corn as of next October 1 is estimated at nearly 1 billion bushels—950 million bushels, to be exact. This carryover will be more than twice what it was several years ago, when the supply was about normal.

But with the high price of corn at the present time, the corn is going into storage, and the fat animals are being sold on the market for considerably less than would be indicated by the normal price ratio.

Mr. President, the worst thing, it seems to me, is the fact that although the price of corn has adversely affected the cattle growers and feeders of the country, now there is an attempt to put other feed grains on approximately the same basis. It would seem to me that would compound the problem which, in the case of corn, for quite some time has confronted the cattle growers of the West and of the Midwest.

Mr. YOUNG. Mr. President, will the Senator from Wyoming yield again to me? I regret to ask him to yield, because I know his time is limited. However, I think it is important to develop one point in connection with the statement he has been making.

Mr. BARRETT. I yield to my distinguished colleague.

Mr. YOUNG. All we are asking with respect to feed grains is a continuation of what the Government has been doing for many years, namely, to support feed prices on a feed ratio basis with corn; and that is all our amendment does.

Mr. BARRETT. I realize full well that such is the intention. If it were not for the fact——

The PRESIDING OFFICER. The time of the Senator from Wyoming has expired.

Mr. BARRETT. Mr. President, will the Senator from Vermont yield me an additional 5 minutes?

Mr. AIKEN. I yield an additional 5 minutes on the bill itself to the Senator from Wyoming.

Mr. BARRETT. Mr. President, as I said before, the two big items in the final cost of beef are the price of feeder cattle and the price of feed itself. In the interests of ranchers, feeders, and consumers, we need to preserve a fair balance among all these prices. With corn supported currently at $1.62 a bushel, or around 3 cents a pound, we cannot blame the corn-belt farmer for not feeding steers that averaged at 8 markets, a month ago, around 15 to 13 cents a pound. At that ratio, he can lock up his corn, and go off on a vacation, and do pretty well; but if he buys the feeders and expect to get 30 cents for his fat prime steers, no doubt he will find that it is more likely he will be lucky to get around 24 cents a pound.

If the American people had had the chance, they would have consumed a larger production of choice foods without any difficulty. However, instead of letting the public consume the kind of food our people have shown they want, we have locked up 410 million bushels of surplus corn in Government warehouses, with mounting storage costs and spoilage.

Continuation of corn at a high price-support level on a rigid basis, and with the attempt to drag a similar arrangement, under such a falsely founded theory of economy, other feed items, such as oats, barley, grain sorghums, and rye, would result in higher feed grain prices and new surplus problems. That would be harmful to ranchers and feeders, and would work against the production of an abundant supply of meat at reasonable prices for consumers. A look at the situation as it now stands will show that no unmanageable surpluses of oats, barley, grain sorghums, and rye have been built up. That is so because, since they are not basic commodities, they have moved into the channels of consumption.

The proposal to bring other feed grains into the same unrealistic price-support program with corn is a double-barreled blast against both cattle growers and cattle feeders. The move to blanket oats, barley, grain sorghums, and rye into the corn price-support program in effect would make them basic commodities. It would result in higher feed-grain prices and new surplus problems. It would inevitably be harmful to ranchers and feeders. It would work against the production of abundant supplies of meat at reasonable prices for consumers. In my opinion, this proposal to tie these other feed grains to the corn program is the most dangerous section of the committee bill. It could only compound our present problems. Its effect upon ranchers, feeders, and taxpayers generally would be nothing short of disastrous. It seems absurd to me, Mr. President, that we should now consider placing oats, barley, rye, and grain sorghums in a price-support program which would encourage their production for storage, rather than for livestock feed.

My distinguished colleague is entirely correct, but, unfortunately, the position that we find ourselves in, so far as growers in the West and feeders in the Middle West are concerned, is this: The price support on corn at about 3 cents a pound has forced corn into storage and made it impossible for feeders economically to feed their corn to cattle. Consequently, we do not have the market for our feeder stock coming off the ranges of the West that we should expect under those conditions.

The Senator is entirely correct when he says that the proposal before us is to put other grains on the same basis as corn, but, as I see it, that would make our problem that much worse.

Mr. YOUNG. Mr. President, will the Senator yield once more?

Mr. BARRETT. I am glad to yield.

Mr. YOUNG. Top prime cattle are selling in Chicago at around $25.50, and on the St. Paul market at about $22.50. I do not see how the Senator figures that feed prices should be lower. How would a feeder come out if the prices were lower? He would have to buy corn for, say, $1 a bushel, and corn is now selling for 82 percent of parity; far below a fair price. I do not think the cattlemen of this Nation want to prosper at the expense of deflated prices for the rest of our agricultural economy.

Mr. BARRETT. No; I am quite sure they do not want to do that, either; but, at the same time as I said before, the cattle growers find themselves in this situation. Corn is supported at 90 percent of parity, and now it is proposed to support the other feed grains on the same basis as corn, at such a high price that the grower of the West finds that the feeder steer that he produces is the only item in the entire meat-production program which is not on a fixed basis and

he must do all the giving. Consequently, the price of feeder cattle goes down. There is no point in the farmer, in the farm program, taking less than $1.60 a bushel when he can borrow that amount from the Government and let it go to storage.

The Senator from North Dakota [Mr. YOUNG] has just said that the best steers are selling for 24 cents. Under any formula that we have ever known, with corn at $3 a hundred, the steer ought to bring $30 instead of $24. That is precisely the trouble that the feeder finds himself in when he buys his steer from the grower in the West. The grower is forced to take a price that is below the cost of production. That is the whole difficulty, in a nutshell.

Mr. YOUNG. Mr. President, will the Senator yield once more?

Mr. BARRETT. I yield.

Mr. YOUNG. Does not the fact that prime cattle are selling at from 22½ to 25½ cents a pound, which is certainly a low enough price, mean that we must have a pretty good supply of prime meat on hand? If we had a greater supply, the price would be lower, and of course that lower price would naturally be reflected later in lower range cattle prices.

Mr. BARRETT. I do not think that follows, because the people of the country indicated very clearly last year that they could consume more beef than they ever had before if it is high quality. The slaughter, as I indicated a moment ago, was 36,700,000 head last year and the prospect is that this year it will run up to 40,000,000 head. So there is no question that the people will eat good prime beef.

They are getting it at what I consider a very reasonable price. The cattlegrower is forced to make a jolt year after year because of the fact that the feeder steer produced on the ranges of the West is the only item in the entire field of costs of price beef that is not on a fixed cost basis.

Mr. YOUNG. It seems to me the Senator is suggesting that when corn prices are at 82 percent of parity, they should be lower. I never heard the cattlemen say, when they were getting around 130 percent of parity and the corn farmers 90 percent of parity, that the corn farmers should get more for their corn.

Mr. BARRETT. No. Human nature being what it is, I do not think they would come out and say so. I think the producers in the West have always wanted the feeders to make money. I myself have produced feeder stock over a period of years.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. BARRETT. Will the Senator give me 1 minute more?

Mr. AIKEN. I yield 2 minutes more to the Senator from Wyoming.

Mr. BARRETT. I never saw the time when the producers of the West wanted the feeders to lose money, because the feeder is the customer they want to come back year after year.

Mr. President, I realize, as I said in the very beginning, that this is a massive problem. It is one which is not easily susceptible of solution. I think we must be realistic, and we must admit that under the situation as it is, the people of this country will not stand for our spending millions of dollars for support prices and putting into storage products which Almighty God intended should be used for the benefit of the people.

Livestock is the basic industry of our western States, as everyone knows, and grass is the main crop which is harvested on 90 percent of the West's 800 million acres. The economy of 200 counties in the West depends upon a stable and prosperous livestock industry. As I said earlier, Mr. President, one would be foolish to think that for a long period of time one segment of our industry could exist on practically a bankrupt basis, and at the same time all other segments and branches of our national economy could be operating on a highly prosperous basis.

Only if we can maintain a sound and prosperous agriculture can we hope for prosperity on a national basis. The objective of all of us, therefore, is a sound and prosperous agriculture in America.

It seems to me that rigid high supports have not achieved that objective. We have had a drop in our agricultural income year after year for the past 4 years under high rigid supports. It seems to me that we have no alternative except to accept the program of the administration, looking forward to a prosperous agriculture based on an extended——

The PRESIDING OFFICER. The Senator's time has expired.

Mr. AIKEN. I yield 1 minute more to the Senator from Wyoming.

Mr. BARRETT. I think we have no alternative except to rely on the program of the administration, based on the expansion of our agricultural output in foreign trade, a set-aside of a substantial proportion of our agricultural surpluses, and a moderate, flexible support program. That program I propose to support, Mr. President.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Vermont [Mr. AIKEN].

Mr. THYE. Mr. President, this is the situation I was fearful of the other day. There is no one present to allocate any time to our side of the question.

Mr. RUSSELL. Mr. President——

The PRESIDING OFFICER. Does the Senator from Vermont yield time to the Senator from Minnesota?

Mr. RUSSELL. Can the Senator from North Dakota yield any time to the opponents of the amendment?

Mr. HUMPHREY. Will the Senator from North Dakota yield me 10 minutes?

Mr. YOUNG. I yield the Senator from Minnesota 10 minutes.

The PRESIDING OFFICER. Ten minutes on the amendment?

Mr. HUMPHREY. Mr. President, my time will be used in firm opposition to this amendment.

First of all, it was, indeed, alarming to me today to hear the report of the distinguished Senator from Georgia [Mr. RUSSELL] who pointed out that farm assets in this Nation have decreased by $13,600,000,000 since 1952. That is a tremendous loss of economic value. The loss is being felt all over the national economy.

Secondly, it was quite alarming to hear that the farmers' percentage of national income in 1953, according to the Department of Agriculture, was lower than in 1932. In 1932, their income, as a percentage of the national income, was 5.5 percent. In 1953, it was 5.1 percent. I think it is fair to say that in 1954 it is even less, because of lower farm prices.

Thirdly, Mr. President, it was alarming to hear that in 1953 the net income on farms in relation to the total income of this Nation was lower than in 1934. In 1934 the net income on farms, as a percentage of the total net income of the Nation, was 9.9 percent. In 1953 it was 7.3 percent. We must add to that the fact that the farm parity ratio as of June 1954 stood at 88 on a national average, and in the great Midwestern State of Minnesota it stands today at 80. We must add to that, also, the fact that the farmer's share of the consumer's dollar is far lower than it has been for years, and far lower than it has been at any time since 1950.

We must also add to that the fact that the cost of living was within one-tenth of 1 percent of the all-time high in the middle of June 1954. The cost of living is off only one-tenth of 1 percent from the all-time high. Farm income has gone down some 20 percent since 1952.

This morning I boarded a plane at Minneapolis to fly back to my responsibilities in the Senate. Last evening I was out among our farmers in Waseca, Minn. Later at Kasson, Minn., I attended the Dodge County fair. It was my privilege to speak to a rather large audience of farmers from the grandstand at the fair. While I was at Kasson, Minn., the county seat of Dodge County, I was privileged to meet again the hosts of President Eisenhower in 1952. We have talked a great many times about 1952, when almost 150,000 people heard the candidates of the two major political parties speak at Kasson. Sometimes we talk on this floor about the time when the Republican candidate for President and the Democratic candidate for President were the guests of Mr. and Mrs. Henry Snow. Last night I had the privilege of visiting with Mr. and Mrs. Snow. They are fine people, the salt of the earth, from good, hearty stock. They are good, honest, hard-working people, who love their country and who never have indulged in too much partisanship. In fact, it is quite well known that up to very recently Mr. Snow has not been a partisan in any way.

Today Mr. Snow is a candidate for the State legislature. He has also joined the Democratic Party, and has become an officer of the county committee. Last night, at 11 p. m., as I was leaving his home, Mr. Snow said to me, "Senator HUMPHREY, as a farmer and as a citizen, I ask you to do everything in your power to make sure that 90 percent of parity upon the basic commodities is continued as a part of the basic agricultural law of this land." I quote Mr. Snow's words as accurately as memory can make them.

I thought they would fit very appropriatly into the discussion here today.

What does 90 percent of parity mean to the entire agricultural economy? I have heard it said again and again that only a small share of the agricultural income is involved in the 90 percent of parity support program on basics. I charge this afternoon that the claim that 90 percent of parity affects only a small percentage of the farm income is false. It is misleading, and it is intended to be misleading. It is an outright misrepresentation.

Why do I say that? I say it because 90 percent on basics is a controlling factor upon all nonbasic commodities. The price support program with respect to feed grains, from soybeans to grain sorghums to barley to rye—the traditional feed grains—is based primarily upon their feed-equivalent ratio to corn. If we cut the price support on corn we also cut the basic cash income of producers of rye, barley, grain sorghums, and so on down the line.

No one should be deluded into believing that we are talking only about 90 percent parity for the basic crops. We are talking about a yardstick with which to measure all other crops. If we cut that yardstick down on the basics, we cut it down also on the nonbasics.

When we talk about reducing the parity price support for corn and wheat, for example, from 90 percent to 80 percent, we are also talking about lowering the price supports for oats, barley, rye, grain sorghums, and other grains.

What is one of the main arguments that has been made with reference to price supports?

The Senator from New York [Mr. IVES] said very candidly the other day that New York farmers want cheap feed grains.

Let us see what would happen to the feed grains used in dairying, for example, on the eastern seaboard we were to cut the price supports on the basic commodities. I listened to the remarks of the Senator from California [Mr. KUCHEL]. Do Senators know how little effect the price of feed has on the price the consumer pays for milk?

We hear a great deal of talk about cheaper feed. The Secretary of Agriculture, Mr. Benson, himself has stated that feed costs amount to only 11 percent of the cost of producing milk. Let us say that a bottle of milk costs the consumer 20 cents. The farmer's share of that 20 cents would be about 10 cents. His cost of producing it is around 8 cents. According to Secretary Benson's own figures, the cost of feed needed to produce 1 quart of milk would be less than 1 cent.

In other words, if we gave our feed away to the eastern dairymen—not if we sold it at 90 percent of parity, 80 percent of parity, or 75 percent of parity, but if we literally gave it away for nothing to the eastern dairymen, the cost of the milk to the consumer still would not go down by more than 1 cent a quart. Of course, to do so would wreck the entire basic structure of American agriculture, and diversified farming in particular.

Therefore, I say that the charts which the Secretary of Agriculture has prepared and which have been placed on the desks of Senators through the chairman of the Committee on Agriculture and Forestry, purporting to show that only 7 percent, for example, of Minnesota's income was directly related to the basic commodities, are false and misleading. The truth is that 90 percent of parity on corn is the yardstick, the measurement, and the level by which we judge other price supports.

Let me direct my attention for a moment to the matter of surpluses, and the purposes of the loan and storage program.

The PRESIDING OFFICER. The time of the Senator from Minnesota has expired.

Mr. JOHNSON of Texas. I yield 5 additional minutes to the Senator from Minnesota.

Mr. HUMPHREY. What is the purpose of our loan and storage program? First of all, the purpose is orderly marketing. Why is that? It is so that the farmer does not have to dump on the market at harvesttime the entire substance and total of his crop, but that he may be permitted over a long period of time to feed his crop into the market in an orderly manner, thereby stabilizing prices, stabilizing income, and stabilizing the market.

What is the second purpose of the loan and storage program under the price-support operation? Food reserves. I say again that the food reserves are of essential importance to the security of the Nation. Twelve or thirteen States are today affected by drought.

I hold in my hand a telegram from one of the leading producers of corn and corn seed in Iowa. The telegram contains some very important information, inviting the attention of the Senate to the fact that if the Secretary of Agriculture would use the surplus commodities we have in storage as they should be used in the drought areas, which are severely affected, there would literally be little or no surplus left to be talked about.

Let me show some figures which I think are very revealing. According to the Department of Commerce, sales by manufacturers, wholesalers and retailers, during June, amounted to $47,600,000,000. For the same months the Nation's total inventories of stocks on hand were valued at $79 billion.

The Department of Commerce says the inventory of farm products and processed foods amounted to about $8 billion worth, leaving $71 billion worth of inventory stocks of durable goods and other merchandise.

For sales, the Department estimates that $10 billion were transactions in farm products and processed foods, leaving $37.6 billion for total sales of other merchandise.

These figures give us some interesting comparisons.

Our business community finds it necessary to keep a running inventory of $71 billion worth of stocks on hand to provide for sales amounting to $37.6 billion, a ratio of almost 2 to 1.

What about these farm surpluses? Adding the entire $6 billion holdings owned by or pledged to the Commodity Credit Corporation to the $8 billion private inventory of both farm products and processed foods—and that includes all the food supplies on the retailer's shelves, as well as the reserves in our grain bins—we still get smaller inventories of farm products and food sales in relation to sales than we have for other segments of the business economy.

The ratio of inventory of farm products and processed foods to sales is about 1.4 to 1. The ratio of inventory to sales for all other products and merchandise is 1.9 to 1.

So I say, Mr. President, that this talk about surplus is misleading, and, rather than being factual, it has been used as a propaganda weapon to split farmers amongst themselves, to set farmer against worker, and to set the consumer against the farmer.

Finally, Mr. President, I ask my colleagues in the Senate who is going to be hurt the most if we cut farm income?

I ask unanimous consent to have a tabulation of loans to veterans by the Farmers' Home Administration, cumulative through December 31, 1953, incorporated in the RECORD at this point.

There being no objection, the tabulation was ordered to be printed in the RECORD, as follows:

Loans to veterans by Farmers' Home Administration cumulative through Dec. 31, 1953

UNITED STATES TOTALS

Type of loan	Number of borrowers	Amount advanced	Principal and interest payments
Production and subsistence	131,387	$300,102,986	$197,739,148
Farm ownership [1]	20,267	171,700,940	40,609,030
Farm housing [2]	8,004	41,782,180	
Water facilities	2,779	7,149,764	2,628,281
Emergency	18,488	35,056,829	25,927,624
Special livestock	425	4,058,593	90,138
Fur	116	1,170,127	900,843
Orchard	9	106,650	82,924

MINNESOTA

Production and subsistence	3,231	$10,031,864	$6,678,874
Farm ownership [1]	862	6,095,739	1,498,883
Farm housing [2]	106	404,185	
Water facilities	0	0	0
Emergency	122	100,235	99,569
Special livestock	0	0	0
Fur	3	15,800	16,458
Orchard	0	0	0

[1] Number of borrowers and amount advanced as of June 30, 1954. Payments as of Mar. 31, 1953; later figures on payments by veterans not available.

[2] Number of borrowers and amount advanced as of June 30, 1954. These figures do not include grants, of which there were 27 for $10,780 in connection with loans and 56 for $26,790 advanced as grants alone. Separate figures on payments by veterans not available. As of Dec. 31, 1953, principal and interest payments were 21.4 percent of advance for all borrowers.

[3] Number of borrowers and amount advanced as of June 30, 1954. These figures do not include grants of which there was one for $500. Separate figures on payments by veterans not available. As of Dec. 31, 1953, principal and interest payments were 20.5 percent of advances for all borrowers.

Mr. HUMPHREY. Mr. President, there are more than 150,000 of these veteran-borrowers. These, Mr. President, are the men and women who are going to be hurt first. They are the ones who will be driven off their farms because of lower income on farm production, these men and women who have borrowed money from their Government and who will not be able to make their repayments. They borrowed money in high-cost times; they borrowed money

when commodities were selling at a good price. They cannot repay these amounts, Mr. President, in low-priced commodities.

The farm program, Mr. President, is not a program only for farmers. The farm program is a program for the Nation. It is a program for national prosperity.

I have in my hand, and I ask unanimous consent to have it printed in the RECORD, a news item from the Minneapolis Star of July 20, 1954, headed "Harvester Plans To Lay Off 5,125."

There being no objection, the news item was ordered to be printed in the RECORD, as follows:

HARVESTER PLANS TO LAY OFF 5,125

CHICAGO.—The International Harvester Co. plans to lay off 5,125 employees this month.

A spokesman said the move stems from a drop in the company's sales of motor trucks and farm implements.

The company said the layoffs would affect employees in plants in 11 cities, but gave no breakdown.

Mr. HUMPHREY. Mr. President, who is being hurt by low farm prices and reduced farm income? Not simply the farmers. The International Harvester Co. is one of many manufacturing establishments whose business is being injured, along with other businesses on the rest of Main Street, including every bank where loans are going by default. It would be nothing short of economic lunacy, nothing short of economic irresponsibility, for the Congress of the United States to deliver another death blow, another telling blow, may I say, against our farm economy. Not only would it hurt farmers, but it would also literally hurt the entire economic structure, lowering revenues for the Government at the Federal level, lowering revenues for State and local governments, and, more importantly, affecting general industry. Make no mistake about it, farm income and factory jobs go hand in hand. Farm income and business prosperity go hand in hand. I am quite amazed to see this administration proposing a plan of operation which will reduce income, reduce jobs, and finally put this economic system of ours in serious and complicated trouble.

The PRESIDING OFFICER. The time of the Senator from Minnesota has expired.

Mr. JOHNSON of Texas. Mr. President, I yield 1 minute to the distinguished Senator from Wisconsin [Mr. WILEY].

AMENDMENT OF SECTION 413 OF THE FOREIGN SERVICE ACT OF 1946—DISCHARGE OF COMMITTEE

Mr. WILEY. Mr. President, on July 16 I reported from the Committee on Foreign Relations Senate bill 3778, amending section 413 of the Foreign Service Act of 1946. The bill is now calendar No. 1963.

On August 4, the House of Representatives passed a similar bill (H. R. 9910) which was referred to the Committee on Foreign Relations. I ask unanimous consent that the Committee on Foreign Relations be discharged from the further consideration of the House bill and that it be placed on the Senate Calendar.

The PRESIDING OFFICER. Without objection, it is so ordered.

AGRICULTURAL ACT OF 1954

The Senate resumed the consideration of the bill (S. 3052) to encourage a stable, prosperous, and free agriculture, and for other purposes.

Mr. JOHNSON of Texas. Mr. President, I yield 5 minutes to the distinguished Senator from South Dakota [Mr. MUNDT] on the amendment.

Mr. MUNDT. Mr. President, I rise once again to urge my colleagues to vote against the proposal of the chairman of the Committee on Agriculture and Forestry to substitute a flexible, faltering, and sliding scale in place of the 90 percent firm price-supports recommended by a majority of the committee.

We have heard a great many arguments in the past few days directed against the 90-percent price support, but we have not heard any arguments directed against them from the standpoint of the fact that they were not doing the job for which they were designed, namely, to protect the producers of farm commodities. We have heard arguments that if we continue to price the American farmer out of the markets abroad we shall not be able to sell our American products in foreign countries at a price level which represents 90 percent of parity to the producer. It is recognized that the American farmer does not propose to adopt the standard of living prevailing elsewhere in the world. The American farmer is as much entitled to the American standard of living as is the American producer of manufactured products, or as is the American workingman. We recognized that fact when we passed and enforced a national minimum wage law. We recognized it when we passed and enforced legislation protecting us against uncounted hordes of immigrants. We recognized it when we adopted the American educational system, and when we provided for the electrification of farms, and for an automobile for every American family; and even to suggest that we depart from a farm program which has resulted in the maintenance of farm prosperity in the areas producing basic commodities, and upset or substantially decrease the income of farm families in order that they can sell their products abroad at a reduced price, it seems to me, is contrary to our entire American concept of justice and fair dealing.

Carrying it to its logical conclusion, we can dispose easily enough of the surplus problem if we produce commodities and give them away without the necessity of appropriating money, through the complicated machinery of the Foreign Operations Administration.

The farmer is asking for next year only 90 percent of that which is recognized to be adequate in the Nation. We find our basic producers today much in the position of a man who is trying to build a bridge across a 90- or 100-foot chasm through which are flowing some very rough and dangerous waters. It is proposed that the producers bridge be built at least 90 percent of the way, at least 90 feet across the chasm, in the hope that the farmer can improvise some kind of floor, some kind of rigging, to carry him across to the other side. But certainly if the theory is adopted of reducing the length of the bridge to 80 feet across a 100-foot chasm, it is made impossible for the farmer ever successfully to try to fabricate or improvise some device to carry him over to the other side.

Today, the farmer, as he moves from a wartime economy to a peacetime economy, stands between two great cliffs, and he needs a bridge at least 90 percent of the way across. I think he is entitled to have it 100 percent of the way across. Certainly he cannot get by with a bobtail bridge, which will carry him across 80 feet of the way, while he is expected to jump the rest of the distance.

Mr. YOUNG. Mr. President, will the Senator yield?

Mr. MUNDT. I yield.

Mr. YOUNG. The proponents of flexible price supports claim that the farmers are pricing themselves out of foreign markets, especially with respect to wheat. Last year wheat sold for less than 80 percent of parity.

The PRESIDING OFFICER. The time of the Senator from South Dakota has expired.

Mr. JOHNSON of Texas. I yield to the Senator from South Dakota 5 minutes on the bill.

Mr. YOUNG. Wheat has been selling for less than 80 percent of parity. Now the proponents of the flexible price program claim that such a program will bring the farmers 100 percent of parity. If such a dream ever should come true, would not the 100 percent cash price, rather than the 80 percent of parity, price American farmers out of the foreign markets?

Mr. MUNDT. It most certainly would. It would be like running around in circles. It seems to me that those who are supporting the 80 or 90 percent proposal are beginning to recognize its inequity and unpopularity, as they move from 82½ to 90 percent, and are grasping for straws, because if their theory were correct, it would drive the American farmers out of the foreign markets much more quickly.

I recall the argument made by the Senator from New Jersey [Mr. SMITH], who said he intended to vote against the 90-percent floors, because of the fear that the farmers are going to use their diverted acres to raise vegetables. If they do so, they will decrease production, and will have more acres to be diverted; consequently, they will increase the hazard, if there be one, that the farmers are going to raise vegetables on their diverted acres.

Those false arguments, it seems to me, are not justified by some kind of rationalization that the farmer should be singled out as the only one to have price floors of that kind. It is quite easy to talk approvingly of surveys which we hear about concerning the use of storage facilities for wheat. Still we find ourselves at the same time importing 500 million bushels of Canadian wheat, which has to be stored. Today about

one-fourth of the cost of the so-called wheat surplus in this country is cost attributable to imports of wheat from Canada. If we decrease imports and increase exports, we can find readily enough consumption for the cotton, corn, and wheat products which are raised in the United States.

I wish to say a word or two about the argument concerning prices paid by consumers, because we have heard much on that subject. If ever there was a glittering shibboleth brought into a parliamentary situation, to try to confuse the voters, it is the theory—and it is only a theory, refuted by facts—that by forcing the farmer to accept pulverizing prices, the consumer is given an opportunity to make savings on the cost of commodities which go into his market basket.

In January 1948, wheat was selling for $2.41 a bushel. At that time bread cost 13.8 cents a loaf. Last year wheat had dropped to $1.91 a bushel in June, while the average price of a 1-pound loaf of bread had gone up almost 4 cents, to 17 cents. Since 1948 wheat has declined 32 percent, while the cost of bread has advanced 23 percent. What can be demonstrated with respect to wheat can be demonstrated with respect to the cost of cotton and almost all other products.

The prices paid by consumers may well be increasing, but they are increasing because other segments of our economy are receiving better incomes or larger profits, not because the farmer is receiving better income. The farmer's income is only as much as he was making a few short years ago.

So I urge my colleagues, in the interest of justice to our national economy, in the interest of meeting a critical situation as we move from an era of war to an era of peace, to continue the 90-percent-price supports at least for 1 additional year.

The joint economic report was published not by the Committee on Agriculture and Forestry, but under the leadership of Representative WOLCOTT, of Michigan, and the Senator from Vermont [Mr. FLANDERS]. In their findings—and this is the 1954 report—they pointed out specifically that it would be most hazardous and undesirable to change from the present 90-percent parity supports to a sliding parity program. I quote from page 10 of the report:

> The effect of adopting the sliding scale of flexible supports for basic commodities, as well as "modernized parity," inevitably is to reduce the level of supports, with the prospect of further reductions in future years, at the very time when we are concerned with avoiding a serious recession.

This is a statement by a joint committee selected by the Senate and the House to study the economic picture with respect to facts in order to protect the economy of the country. They caution us against making a change in this new era of peace, which is still in its swaddling clothes, an era so new that we scarcely recognize it sufficiently to be able to talk about it.

Mr. President, this is not the time to be gambling unnecessarily with the economic future of the United States and discarding or imperiling a price-support program which has proved conclusively, for 20 years, that it has within it the ingredients to maintain farm prosperity and national prosperity at a high level.

Mr. LANGER. Mr. President, I desire to emphasize and reiterate in the strongest terms everything said by my colleague, the senior Senator from South Dakota. I agree fully and completely with everything he has said.

We have heard much said about subsidies. On Saturday I quoted figures given by Representative HOPE, of Kansas, who obtained them from the Federal Bureau of the Budget. The figures are as follows:

> Agricultural aids and services, $463 million.
> Business aids and services, $1,041,000,000.
> Labor aids and services, $200 million.

Most certainly I cannot see why agriculture should have to accept 90 percent of parity. The Marshall plan in its entirety was a subsidy, and was frankly conceded to be such by Mr. Stassen when he appeared before the Committee on Foreign Relations. The cost of the Marshall plan ran into many billions of dollars.

I intend to offer an amendment to provide 100 percent of parity, not 90 percent. There is no reason why the farmer should be penalized 10 percent, in view of the record which has been so carefully prepared by the Bureau of the Budget itself.

As I said recently, during World War I the farmers of the Northwest were asked to raise wheat, wheat, and more wheat. The land along the railroad rights-of-way and in city parks was plowed up, so that additional wheat might be grown.

When the war was over, after hundreds of thousands of farmers had borrowed money from the Government for seed and feed, did the United States Government do what the Canadian Government did? No. Within a year after World War I had ended, Canada cancelled the feed and seed loans which had been made to Canadian farmers. But the United States farmers are still paying back their loans at 6 percent interest. When an attempt is made to have those loans cancelled, the legislation cannot be put through the Senate, even though all the Senators from the States of the Northwest have joined in offering a bill to accomplish that purpose.

For the life of me, I cannot understand the policy of the Republican Party, in view of the campaign speeches and other speeches made by every candidate for President. They have not learned what took place when they were in power before. It was a Republican President who vetoed the McNary-Haugen bill, and then vetoed it a second time, laying the groundwork for what took place thereafter. At this time we have a Republican President, yet the Republican Party is moving right along the same old line.

For this reason I intend to offer an amendment, before the debate is concluded, to provide for 100 percent of parity, in order to place the farmers on an absolute equality with industry. Workers engaged in industry have had one pay raise after another.

Mr. JOHNSON of Texas. Mr. President, I yield myself 5 minutes.

The PRESIDING OFFICER. On the amendment?

Mr. JOHNSON of Texas. On the amendment.

Mr. President, I have no intention of going into an extensive analysis of the issue that is before us.

The facts have been developed so well by Senators expert on this subject that I do not think there is very much to add.

There is one part of this debate, however, that concerns me very much. It is the divisive nature of the campaign that has been launched throughout our country to put across the Agriculture Department's flexible price support bill.

It is not difficult to understand the true nature of the Department's proposal once the antifarm advertising has been stripped from it. In essence, the administration is saying that the solution to the problems of agriculture is to lower farm income—and lower it at a time when the farmer is facing difficulties.

We are told that lowered farm income will reduce farm surpluses.

We are told that lowered farm income will mean better prices for city folks.

We are told that lowered farm income will solve many of the ills that accompany the shrinking markets of the cold war.

In short, Mr. President, the nonfarm people of our Nation are being told that they can prosper if the farmers suffer; they will reap benefits if the farmer loses.

I have no intention of questioning the motives of those who have adopted this theory. I learned long ago that honest men can differ and that even when one is wrong, he is not necessarily dishonest.

But the fact remains that the advertising campaign which has accompanied the effort to sell this theory has divided our people. It has turned, or sought to turn, city folks against country folks.

Even more important, for the first time in more than 20 years, it has convinced many of our farmers that the Agriculture Department is their enemy, and not their friend.

This was an inevitable development. It followed as naturally as night follows the day when the high-powered press agents went to work to sell the theory of flexible farm price supports.

It would be amusing, if it were not so tragic, to trace the development of this campaign.

Until 2 years ago, 90 percent of parity was generally considered 90 percent of a fair price. Today, 90 percent of parity is usually described as a high, rigid price support—and the words are spoken with a sneer.

Until 2 years ago, the carryover from a year's production was considered a prudent reserve against emergencies. Today, in the dictionary of the flexible-support advocates, the carryover has become a burdensome surplus which must be liquidated at all costs.

Until 2 years ago, farmers were considered basic producers of the goods essential to life. Today, they are quite likely to be classified as "marginal producers," with the strong inference that

the margin should be eliminated as rapidly as possible.

It is no secret that the Agriculture Department is quite ready to prove at any time that farmers are—and apparently should be—a shrinking element within our population, shrinking both in numbers and influence.

Mr. President, when an agency of Government adopts an attitude of this kind, certain results are bound to follow. Metropolitan magazines and newspapers pick up their cue. The propaganda mills start grinding, and they grind exceedingly fine.

In the cartoons and the editorial columns, the farmer suddenly becomes a bloated plutocrat, driving into the city in his gold-plated Cadillac to pick the pockets of the consumer. In the minds of many, he becomes a profiteer—a man who sells and sells at fantastic, exorbitant prices.

The PRESIDING OFFICER. The time of the Senator from Texas has expired.

Mr. JOHNSON of Texas. I yield myself 2 additional minutes, Mr. President.

The PRESIDING OFFICER. The Senator from Texas is recognized for 2 additional minutes on the amendment.

Mr. JOHNSON of Texas. I should like to take some of the editorial writers and the cartoonists down to my own section in the Central Hill country of Texas. I would like to lead them through the South High Plains or the Panhandle.

They will not find very many gold-plated Cadillacs or coupon-clipping plutocrats. What they will find is drought—drought, insects, and falling prices. They will also find a people deeply uneasy about the future—a people who are beginning to wonder whether they must fight their own Government to survive.

Mr. President, the passage of a flexible price support measure will do more than strike a blow at the farmer. It will also strike a blow at national unity. It will leave in its wake a people divided against each other.

I have no intention of retracing ground that has been so ably covered by other Senators.

The evidence in this record in my opinion is convincing that flexible price supports will not solve the problem of surpluses.

The evidence in this record in my opinion is convincing that flexible price supports will not mean lower consumer prices.

The evidence in this record in my opinion is convincing that flexible price supports will not mean prosperity.

Their immediate effect would be to lower farm income—to take away the floor upon which agriculture relies to prevent disaster and hardship.

Their long-range effect would be to set a dangerous precedent that could be harmful to every segment of our economy.

The PRESIDING OFFICER. The time of the Senator from Texas has expired.

Mr. JOHNSON of Texas. Mr. President, I yield myself an additional 3 minutes.

The PRESIDING OFFICER. An additional 3 minutes on the amendment.

Mr. JOHNSON of Texas. Mr. President, we have a minimum-wage law designed to provide a floor for the income of our working men. Is the next step to be a flexible minimum wage law which lowers the floor whenever there is a surplus of labor?

I can hear the propagandists now crying that 75 cents an hour is a high, rigid wage level.

We have numerous laws on the statute books designed to protect and foster small business. Is the next step to be a flexible small business law which withdraws the protections whenever there is a surplus of small businesses?

I can hear the propagandists now crying that there is a "burdensome surplus" of small businessmen which must be liquidated.

Mr. President, there is a basic assumption behind this "flexible" price support theory with which I cannot agree. It is the assumption that there are economic problems which can be solved by lowering the income of one segment of our population.

I cannot agree with this theory. I do not believe that rural recession will promote urban prosperity any more than I believe that a low income for industrial workers promotes farm prosperity.

It is my deep-seated conviction that prosperous farmers mean prosperous workers just as prosperous workers mean prosperous farmers. It is also my deep-seated conviction that prosperity in the fields and in the workshops promotes the prosperity of business.

The flexible price support concept as applied to the basic crops runs directly counter to these convictions. It means only that when the farmer does not need it we will guarantee him 90 percent of a fair price. It means only that when the farmer does need help we will lower his income floor to 82½ or 80 or 75 percent of a fair price.

Mr. President, I cannot cast my vote in support of such a theory. I will cast my vote for the committee bill and against the amendment.

I yield back the remainder of my time.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Vermont [Mr. AIKEN].

Mr. JOHNSON of Texas. Mr. President, in the absence of the distinguished chairman of the committee [Mr. AIKEN], I am authorized by him to yield 2½ minutes of his time to the Senator from Wisconsin [Mr. MCCARTHY], and I yield 2½ minutes from the time of the minority.

The PRESIDING OFFICER. The Senator from Wisconsin is recognized for 5 minutes.

Mr. JOHNSON of Texas. Mr. President, at the conclusion of the speech of the Senator from Wisconsin, I shall yield to the Senator from Illinois [Mr. DIRKSEN] 15 minutes, on behalf of the chairman of the committee.

The PRESIDING OFFICER. Does the Chair correctly understand that, in each case, the Senator from Texas is yielding time on the amendment?

Mr. JOHNSON of Texas. That is correct.

The PRESIDING OFFICER. The Senator from Wisconsin is recognized for 5 minutes.

Mr. MCCARTHY. Mr. President, I thank the distinguished minority leader and the distinguished Senator from Vermont.

Mr. President, I send to the desk a series of amendments, some to the amendment of the Senator from Vermont to the committee amendment, and some to the committee amendment itself. I ask that the amendments be considered en bloc, to save time, and that they be read at this time.

The PRESIDING OFFICER. The amendments submitted by the Senator from Wisconsin will be stated.

The LEGISLATIVE CLERK. In line 3 of Mr. AIKEN's amendment it is proposed to strike out "subsection (c) and."

In line 5 of Mr. AIKEN's amendment, it is proposed to strike out "90" and insert "100"; and to strike out "80" and insert "90."

Beginning with the semicolon in line 8 of Mr. AIKEN's amendment it is proposed to strike out down through the word "section," in line 13.

On page 21, in lines 16 and 17 of the committee amendment, it is proposed to strike out "90 percent" and insert "not more than 100 percent and not less than 90 percent."

On page 22, in lines 15 and 16 of the committee amendment, it is proposed to strike out "not in excess of 90 percent nor less than 75 percent" and insert "not in excess of 100 percent nor less than 90 percent."

On page 23 of the committee amendment, beginning with the word "Effective," in line 24, it is proposed to strike out all through the period in line 3, on page 24.

Mr. MCCARTHY. Mr. President, simply stated, these amendments provide——

The PRESIDING OFFICER. The Chair wishes to remind the junior Senator from Wisconsin and the Senate that because the amendments of the Senator from Wisconsin modify a part of the committee amendment, as well as the amendment of the Senator from Vermont, it is not now in order, except by unanimous consent, to consider all the amendments of the Senator from Wisconsin.

Mr. ANDERSON. Mr. President, this question will come up in connection with both the Aiken amendment and succeeding amendments to the committee amendment. So I think we should consider at this time, if we can, all the amendments of the Senator from Wisconsin; and I so request, Mr. President.

The PRESIDING OFFICER. Is there objection to the request of the Senator from New Mexico?

Mr. AIKEN. Will the Chair restate the proposal?

Mr. MCCARTHY. If I may state it, Mr. President, it is that my amendments be considered en bloc. They provide for a change from 90 percent to 100 percent, not only for the commodities covered by the amendment of the Senator from Vermont, but also for dairy products. Thus, unanimous consent will be required, in

order to have my amendments considered en bloc at this time.

The PRESIDING OFFICER. The Chair advises the Senator from Vermont that the amendments of the Senator from Wisconsin modify both the amendment of the Senator from Vermont and the committee amendment itself. Therefore, unanimous consent would be required for the present consideration of all the amendments of the junior Senator from Wisconsin, en bloc.

Mr. AIKEN. Mr. President, do I correctly understand that the request is to have all the amendments of the Senator from Wisconsin considered at this time, en bloc, including his amendment providing for a change from 90 percent to 100 percent, in the case of the supports——

Mr. McCARTHY. Yes, all of them.

Mr. AIKEN. I have no objection to having the amendments considered en bloc, Mr. President.

The PRESIDING OFFICER. Is there objection?

Without objection——

Mr. YOUNG. Mr. President, I wish to object.

The PRESIDING OFFICER. Does the Senator from North Dakota have objection?

Mr. YOUNG. Yes, I do. I object. I should like to state the reason for my objection. I would have no objection to having these amendments considered en bloc at this time; but later on we shall have a whole series of amendments including, probably, one providing for 82½ percent to 90 percent price support on basics—all in an effort to sidetrack the pending amendment calling for 80 percent to 90 percent supports.

For that reason, I shall have to object to this request, and also to similar requests regarding other amendments, until we vote on the amendment now pending.

Mr. McCARTHY. Mr. President, I wonder whether the Senator from North Dakota understands my request. Under the parliamentary rules, I have a right to submit to the amendment of the Senator from Vermont amendments calling for a change from 90 percent to 100 percent, in the case of the commodities covered by the amendment of the Senator from Vermont. I merely wish to add those amendments to the amendment of the Senator from Vermont, amendments relating to dairy products, which are not covered by the amendment of the Senator from Vermont.

I am sure that in each case the vote will be the same. I do not believe any damage will accrue to anyone by allowing my amendments which relate to dairy products to be considered en bloc with my amendments relating to the other commodities.

Mr. YOUNG. Mr. President, I should like to go along with the request of my friend, the junior Senator from Wisconsin. However, to do so would establish a precedent which would be difficult to overcome later.

Mr. McCARTHY. Then, Mr. President, in view of the objection, at this time I withdraw my amendments dealing with commodities not covered by the amendment of the Senator from Vermont.

Let me inform the Senate that after the amendment of the Senator from Vermont is disposed of, I shall then offer my amendments having to do with dairy products.

The PRESIDING OFFICER. The Chair understands that the amendments of the Senator from Wisconsin relating to the committee amendment itself, rather than to the amendment of the Senator from Vermont, are withdrawn at this time.

Is there objection to the consideration en bloc of the amendments of the Senator from Wisconsin to the amendment submitted by the Senator from Vermont [Mr. AIKEN], on behalf of himself and certain other Senators?

Without objection, the amendments of the Senator from Wisconsin to the Aiken amendment will be considered en bloc.

Mr. ANDERSON. Mr. President, I think the Senator from North Dakota objected.

The PRESIDING OFFICER. The Chair heard no objection.

Mr. YOUNG. Mr. President, I have already objected.

Mr. ANDERSON. Yes, Mr. President; the Senator from North Dakota objected.

The PRESIDING OFFICER. The Chair understood that the objection of the Senator from North Dakota was to another matter, or on a different basis.

Mr. AIKEN. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Vermont will state it.

Mr. AIKEN. My amendment to the committee amendment is subject to amendment, is it not?

The PRESIDING OFFICER. It is.

The Chair stated that the amendments originally offered by the Senator from Wisconsin [Mr. McCARTHY] modified not only the amendment offered by the Senator from Vermont, on behalf of himself and other Senators, but also the committee amendment itself, and, for that reason the amendments of the Senator from Wisconsin relating to the committee amendment itself were not now in order.

The Chair now understands that the Senator from Wisconsin has temporarily withdrawn his amendments relating to the committee amendment itself, and now offers only his amendments which would modify in three places the amendment offered by the Senator from Vermont, on behalf of himself and other Senators.

The question is whether there is objection to having these amendments of the Senator from Wisconsin considered en bloc.

Is there objection? The Chair hears none, and it is so ordered.

Mr. McCARTHY. Mr. President——

The PRESIDING OFFICER. The Chair regrets to advise the Senator from Wisconsin that his time has expired. [Laughter.]

Mr. JOHNSON of Texas. Mr. President, I yield to the Senator from Wisconsin an additional 2½ minutes, from the time available to this side, if it will be possible to have 2½ minutes yielded from the time available to the other side, thus making a total of 5 minutes.

Mr. AIKEN. Mr. President, I yield to the Senator from Wisconsin 2½ minutes of the time available to our side on the committee amendment.

The PRESIDING OFFICER. The Chair understands that each side yields to the Senator from Wisconsin 2½ minutes, making a total of 5 minutes.

The Senator from Wisconsin is recognized for 5 minutes further.

Mr. McCARTHY. Mr. President, my amendments which now are before the Senate relate only to the amendment of the Senator from Vermont [Mr. AIKEN] to the committee amendment. My amendments dealing with dairy products will subsequently be offered separately.

Mr. President, stated very simply, my amendments which now are before the Senate, and which related to the amendment of the Senator from Vermont propose to change the sliding scale of 75 to 90, to 90 to 100. We should keep in mind that during the past 100 years, for every dollar the farmer has made, those who do not live on the farms have made $7.19. So when the income of the farmer is dropped $1, the income of the city dwellers has dropped $7.19.

Mr. President, recently in the financial publication Barron's Weekly, there appeared some very soothing remarks by a professor at Johns Hopkins University, who is advising the Department of Agriculture. His name is Professor Wotinsky. In his advice in regard to farm income, he said some things which are rather new to me. He said that nobody need worry about the break in farm prices and the outlook for depressed conditions on the farm, for, he said, after all, if city people have to pay less for what they get from the farm, that only means they have more to spend on goods made in the city.

Mr. President, too much of such sentiment is widespread today, and too much of it is behind the pending bill; I refer to the idea that if we cut the farmer's income, the city dweller will have more to spend.

As I have said, the statistics show that during the past 100 years, for every dollar the farmer has made, the city dweller has made $7.19; and whenever the farmer's income is cut $1, the income of the city dweller is cut $7.19.

Mr. President, the workingman in the city is, for some strange reason, being conditioned for something; and we have seen it happen before.

The workingman in the city is being told by the cartoonists, the editorial writers, and the fancy columnists—whom I do not need name—that the farmer is his enemy, and that the farmer has been riding on his back, or has been picking his pocket, and has been depriving his children of butter, lamb chops, and milk.

Statistics have broken out on all sides, almost like a fever rash, to prove, first, that the farmer is not losing money, but only thinks he is; second, that the farmer is getting more than his fair share of the Nation's income dollar; third, that the farmer gets it, not by

hard work, but by Government subsidy; fourth, that the dirtiest word in the language suddenly has become surplus; and, fifth, anyway, if the farmer goes broke, he is no longer a potent force in politics, because people are leaving the farms as fast as they can; and, besides, as an economic force, the farmer is even less important than he is politically.

Mr. President, that was the theme song of 1953, and it has been over the past number of months.

The same newspapers and magazines that are subsidized every day of their lives by the second-class mailing privileges, damn the farmer as a grafter on the taxpayer. The same newspapers and magazines that almost break their backs to prevent the imposition of tariffs on newsprint, almost squall the house down in complaining about American farm-commodity price subsidies and calling them criminal.

Mr. President, I have taken the floor today, I repeat, not to criticize the present administration, for it did not make the present farm prices. President Eisenhower and Secretary Benson are not the authors of the problem; they inherited it. I think it is up to the Senate to do all it can to help them solve the problem they inherited.

I rise today to do what I can for the sake of the whole Nation—both the farmer and the workingman. Most definitely, I want to help us avoid a ghastly and disastrous miscalculation, on which we are asked to place our stamp of approval.

No one in his right mind, if he is interested in the continued welfare of our free society, can honestly believe that the welfare of the farmer is minor and not important to the welfare of the city dweller. Poor farmers cannot make rich subway contractors, and bankrupt tractor operators in Kansas are no help to a machine-tool maker in Connecticut.

The PRESIDING OFFICER. The time of the Senator from Wisconsin has expired.

Mr. McCARTHY. I wonder if I may have 2½ minutes more from each side.

Mr. JOHNSON of Texas. I yield the Senator from Wisconsin 2½ minutes.

Mr. McCARTHY. The automobile worker now pounding the streets in Detroit will do well to think about the cotton picker in Georgia. They have something in common. When one starves the other starves.

Let me repeat the statistics. Every dollar the farmer loses means a loss of $7.19 to the city dweller, according to the average of the past 100 years. In other countries, depression and economic wreckage come from inability to produce. The reasons are many—bad government, weak leadership, ignorance, natural blight, and lack of raw resources. However, the United States has never had a depression because of lack of production or lack of resources. Our depressions have resulted from a drop in the price of goods and services produced.

In conclusion, I point out that for a considerable number of years, we have been living in a wartime prosperity. It will be a tremendous task to get from the top of the barn down to the floor without breaking our legs. We must go from wartime prosperity to peacetime prosperity. If we can spend $360 billion for wartime prosperity, we can spend a few billion dollars now to insure peacetime prosperity on the farm, which means prosperity throughout the economy.

I strongly urge the Senate seriously to consider the 90- to 100-percent sliding scale rather than 75 to 90 percent.

The PRESIDING OFFICER. The Senator's time has expired.

The question is on the amendments offered by the Senator from Wisconsin, en bloc, to the amendment of the Senator from Vermont.

Mr. AIKEN. Before yielding to the Senator from Illinois, I wish to read into the RECORD, a telegram I received a few minutes ago from Skaneateles, N. Y.

The PRESIDING OFFICER. Does the Senator yield himself that time?

Mr. AIKEN. I yield myself sufficient time to read the telegram.

SKANEATELES, N. Y., *August 9, 1954.*

Hon. GEORGE AIKEN,
Senate Office Building:

The New York State Grange for the dues-paid membership of 140,000 members wishes to urge your support of a program of flexible price support as opposed to rigid high support prices. We are convinced that high-priced supports will lead our Nation into chaos as it stimulates production to the extent that controls must be enacted. This means the end of our form of government. Flexible supports permit supply and demand to work out a program which is fair to all segments. We believe that this is the only way to maintain efficient production for the welfare of the public and producer alike; we urge you to support flexible price supports and to vote against rigid high price support.

NEW YORK STATE GRANGE,
H. M. STANLEY, *Secretary*
(By authority of executive committee).

I read this telegram into the RECORD for the reason that there has been too much spreading of false rumors to the effect that the granges are for high, rigid supports. With the exception of possibly 3 or 4, nothing could be further from the truth. Every grange in the northeastern section, and I think in most of the rest of the country, has adhered strictly to sound farm programs until this year, when some of their high officials have been leading them off on a path which is entirely contrary to the practices and traditions of the grange. I hope that situation will be straightened out as soon as possible. The New York State Grange feels this way, and I believe most of the other State granges feel likewise.

I now yield 15 minutes to the Senator from Illinois.

Mr. DIRKSEN. Mr. President, it may be considered a little out of date and old-fashioned to consider a party platform a covenant with all the people, but if it is not a covenant, I do not know what it is or what its purpose is.

In my opinion, probably the best platform the Democratic Party has promulgated in the past 50 years was the platform of 1932. Oddly enough, good and sound as it was, it was never fulfilled, and, in fact, scarcely used.

It contained a very appealing statement to the effect that the party platform was a covenant with the people, to be kept faithfully by the party entrusted with power. I think that is good political gospel, and good, sound common sense and good moral doctrine. The Republican Party is confronted with the same challenge in 1954.

In July of 1952, we met in Chicago, and there we adopted a platform which contained an agricultural plank. Among other things, we said that a farm program to benefit farmers must serve all the people, not merely one group. We said that the goal was full parity in the marketplace.

We have heard much about the speech of the President's at Kasson, Minn. I know nothing about it, because I was not there to hear it, but I can read the English language, and I know what we wrote in the platform in July 1952. That becomes my textbook and gospel as a member of the Republican Party.

Finally, we said that commodity loans should be made at such levels as to maintain balanced production.

Mr. President, there are three fundamental elements in a sound farm program. It takes in producer and consumer alike; it looks at the marketplace as the arena where the goal of full parity is to be achieved, and it emphasizes the need for a balance between production and consumption.

A sound farm program standing by itself is not quite enough, because it must also be soundly used.

During wartime, when the demand for food, feed, and fiber was so great, there was, I think, a justifiable reason for fixed high-level support prices, but when the program continues beyond the time of need, it will exhaust our soil, waste the resources of the taxpayer, waste dollars, and create fears in other lands that we may undertake an overall dumping program and disrupt the farm economy and the price structure of other countries. There is possible an invitation to disaster and to the restoration of rigid and severe controls that will hobble the farmers of our country.

Mr. President, in respect to sound farm policies, frankly, I believe—and this is a humble opinion, indeed—that we have been on the wrong road too long and too continuously. It has not brought a lasting solution, for if it had, we would have no farm policy measure on the floor of the Senate this afternoon.

Twenty-five years ago—I remember this rather generally—when Alexander Legge was the Chairman of the Federal Farm Board, he had a man in the wheat pit in Chicago buying for Government account for the purpose of bringing stability to agriculture. But it did not bring stability, Mr. President, as everyone familiar with the period which followed that experience in our economic life knows.

The Agricultural Adjustment Act was placed upon the statute books in 1934 while I was a Member of the House of Representatives. After 6 years of experience we still found that farm prices were below the coveted goal. When the war came, with all its distress, and when the cry arose that food would win the war and write the peace—and it was a

ringing clarion call—it was understandable enough that we should fix a high level of supports.

The needs of our people at home, the needs of the tremendous Military Establishment, diffused into every corner of the earth, and on all the blue waters of the world, and the need of other nations that were engaged in a common cause made a great claim upon the maximum production of food and fiber.

To stimulate that maximum production, one can well understand why we went in for a high level of fixed price supports.

Moreover, Mr. President, it was understandable that Congress should want to allay the fears in that transitional period after the war, the transition from a war- to a peace-time basis, by preserving the high level of supports for a 2-year period after hostilities ceased. I believe we arbitrarily set the date toward the end of the year 1946. We believed that 2 years from that time would be ample. Therefore we felt that until December 31, 1948, that high level supports should continue and we should operate under them. However, Congress also understood that there would have to be a return to a balanced program.

In July 1948, both Houses approved the flexible support principle in the Hope-Aiken Act. I remember that we were in session in the House of Representatives until half past two in the morning, as the conferees moved back and forth. We finally approved the flexible principle.

Later in the year in October 1948, we reaffirmed that principle in the Anderson-Gore Act. However the Korean conflict and certain other factors intruded, and a return to the flexible basis was postponed. We have been on that basis ever since.

The party leaders and the parties themselves certainly understand, in the same degree as we understand in Congress, the necessity for going back to a solid, sound foundation of flexible price supports. In the platform of 1948 the Democratic Party expressed itself in favor of a permanent flexible system of price supports, while the Republican Party declared for effective protection of reasonable prices through flexible supports. Therefore it might be said, in the light of the viewpoint which has been expressed since World War II, and the pledges which have been made, that the spirit was willing, but the flesh was weak.

We had a certain appreciation, I believe, of the problem, but at the same time there was an indisposition in many quarters to apply the necessary and heroic solution. What happened? What has been the result of this deviation from a sound flexible principle?

Actually, full parity has been achieved only in periods when we have had inflation, as a result of war or postwar relief, or postwar needs. We have towering stockpiles of surpluses today, and they have become unmanageable. We have billions of bushels of farm commodities in storage, and the Federal Government owns three-fourths of the surplus. We see it in the form not only of Government ownership, but we see it in bulging tanks and bins and ships and buildings, all of which are rather mute but eloquent testimony to our surplus problem.

Nor is that all. It is something like the song about the shrimp boats. A new crop is coming.

There is also the force of competition from other countries, such as Canada, where there is a tremendous wheat crop. Canada will be bidding for the world market in competition with our own country.

Finally, Mr. President, bad as the situation is, the surplus flood has not reached its crest. We will see it in 1955, or perhaps in 1956.

In the face of this situation, what should be our course of action? We can continue, with great cost to the public treasury, in a manner that I think will be wasteful of our resources, and even invite disaster. It is always a rather dubious undertaking to prophesy disaster. However, this could invite disaster.

We can endeavor to force this glut upon other countries. I remind Senators that the Agricultural Trade and Development Act, which was passed by this Congress, already directs the President to use $700 million in surpluses for a variety of purposes, such as stockpiling of critical materials, and so forth, in our intercourse with other countries.

In the Foreign Aid Appropriation bill, on which we completed action in committee a few days ago, there is an estimated $350 million market for the disposition of farm surpluses. However, I must remind Members of the Senate that other nations also depend upon agriculture for a way of life. To try to dump what we have in a major degree on other countries, without their being able to absorb it and without destroying their price structure, would compound the evil with which we are wrestling.

Of course, we could regiment the American farmer by establishing sharp controls, but it would not last. Farming is not only a business, and a hard business, which requires earnest and sustained effort, but it is also a way of life for millions of American people to whom regimentation is intrinsically an alien thing. That is why I say that regimentation and sharp controls will not last.

We can look to voluntary reductions in production and voluntary efforts for marketing controls. But experience indicates that such a course is at best only partially effective, and it has never, insofar as I am familiar with it, ever followed an orderly pattern.

There remains, then, only one course that I see, and that is the prudent and reasonable and logical course of flexible supports at levels which will achieve the object of balanced production.

From the days of ancient Rome until this good day the only device I know anything about, and the only device all mankind knows anything about, that will achieve that kind of balance is a price mechanism. That price mechanism can operate effectively only in an atmosphere where there is flexibility. Moreover, it gives us a chance to keep a toe in the door so far as the world market is concerned. Certainly we will have to meet strong competition both as to price and as to quality in the world market. So there must be a price mechanism, and it must operate under conditions of flexibility, such as those proposed by the Aiken amendment, which is presently before the Senate.

In my judgment the abandonment of fixed high level supports in the face of efficient farm production is inevitable. All the speeches which have been made and will be made are not going to ameliorate the condition which has been forced on our country by the surplus problem. Whether the hen came first or the egg came first, whether farm prices go down before consumer prices go down, or which one goes up first, is beside the point. We are faced with a surplus problem. It is not a theory; it is a condition.

We can make up our minds to spend billions of dollars, but there will come a day of accounting at the moral level for the waste that kind of program involves.

I hope that when we come to vote we will meet the challenge before us by supporting the Aiken amendment. It is the prudent thing to do.

I have only one thing more to say. It is rather amazing to me how the angry humors which sometimes spring from politcial fears and sometimes from a group interest, as distinct from a national interest, can cause us to indict the motives of officials of the Government who seek just as earnestly as we do for the truth. I refer particularly to the unkind remarks which have been uttered about a fine Christian citizen who serves as the Secretary of Agriculture, Mr. Ezra Taft Benson.

By every rule of reason should he not have an equal or even a greater interest in the national well-being and the well-being of American agriculture as any of us? He was born in this land. He has 6 children, who will be future citizens and trustees of this Republic. He has a son who is in the uniform of his country. His interest in America is no less than ours. He was born in the farm area of Idaho. His devotion to farming does not derive from law, in which I was educated, or from medicine, or from industry, or from a business of some kind. His interest in agriculture derives from the fact that he is a farmer and engages in farming. The only major interests in the life of Ezra Taft Benson have been his church and the land. He was a missionary for his church, and he served his church well. He served abroad in that capacity. As a farmer and as a former county agent and as a farm economist and as a marketing specialist, his one material interest has been the well being of agriculture. What he has said and done and what he proposes now to do in order to put the farm policy on a sure footing has been the result of restraint, not passion, and of devotion to the whole national interest, not to any group or sectional interest, and his efforts have been characterized by a complete selflessness and by the utmost of good temper.

I believe that Ezra Taft Benson, in his admonition and in his advice to Congress, is on the right road. I for one, coming from a State which takes great pride in what it has achieved in the field of soybean production and in the field of hog production and in the field of corn production, am content to follow his advice, because I think he is on sound ground, and the policy he suggests is a sure road to the ultimate salvation of agriculture.

The PRESIDING OFFICER. The time of the Senator from Illinois has expired.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, its reading clerk, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 9678) to promote the security and foreign policy of the United States by furnishing assistance to friendly nations, and for other purposes.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 9757) to amend the Atomic Energy Act of 1946, as amended, and for other purposes.

AGRICULTURAL ACT OF 1954

The Senate resumed the consideration of the bill (S. 3052) to encourage a stable, prosperous, and free agriculture, and for other purposes.

Mr. AIKEN. Mr. President, how much time have I remaining?

The PRESIDING OFFICER. The Senator from Vermont has 26 minutes remaining.

Mr. AIKEN. Mr. President, I yield 6 minutes to the senior Senator from Kansas.

Mr. SCHOEPPEL. Mr. President, I shall not use all that time. I have an amendment at the desk which I ask to have stated.

The PRESIDING OFFICER. The secretary will state the amendment.

The LEGISLATIVE CLERK. On page 1, line 5, it is proposed to strike out "80" and insert in lieu thereof "82½."

Mr. SCHOEPPEL. Mr. President, the amendment is being offered by myself and by the Senator from New Mexico [Mr. ANDERSON], the senator from Oregon [Mr. CORDON], and the Senator from Idaho [Mr. DWORSHAK]. It proposes on page 1, line 5, to strike out "80" and to insert "82½."

I will say to my colleagues in the Senate that the House passed on this measure, and as we all know, arrived at a parity figure of from 82½ percent to 90 percent. We all know that the Senate is behind schedule, and it looks as though we will have many other important pieces of legislation to come before us, including conference reports and various and sundry bills.

In order to expedite the business of the Senate, and in order to reduce the extended time in conference, which would delay other matters of legislation, I and my colleagues thought it advisable to offer an amendment which would set the parity figures at from 82½ percent to 90 percent. It so happens that inasmuch as the House has passed such an amendment, that I believe it is important to consider it in connection with the important farm bill which is now before the Senate. I hope timely consideration will be given to this amendment.

Mr. JOHNSON of Texas. Mr. President, I yield 10 minutes to the Senator from North Dakota [Mr. YOUNG].

Mr. YOUNG. Mr. President, I take it that those who favor flexible supports concede a partial defeat by the amendment just offered. A difference of 2½ percent would not make much difference to farmers. I shall oppose it as strongly as I would oppose 80 percent. After all, what is involved is the issue of flexibility of 75 to 90 percent as compared to 90-percent supports. Whether it is lowered to 10 percent this year and 5 percent next year would make little difference since the effect upon the farm economy is adverse in any event. I oppose the whole idea of lowering supports.

The distinguished Senator from Illinois made reference to the Republican platform. I did not intend to go into it, but since he has done so, I should like to quote from President Eisenhower. I concede that the Republican platform adopted in Chicago in 1952 did favor flexible supports. If President Eisenhower had not taken the position he did, the vote in November would have been far different.

President Eisenhower apparently recognized that the Republican platform was not all that it should have been, because he went to extreme lengths in tellings the people that he was for 90-percent price supports. Let me read again one paragraph of the President's speech in Brookings, S. Dak.:

> At Kasson, Minn., some weeks back, later in Omaha, and in a number of so-called back-platform speeches, I have tried to make my position clear. The Republican Party is pledged to the sustaining of the 90-percent parity price support and it is pledged even more than that to helping the farmer obtain his full parity, 100-percent parity, with the guaranty in the price supports of 90.

If this administration had intended to sponsor flexible supports now, it seems to me the right thing to have done would have been to talk about flexible supports at some time during the last campaign.

During the campaign of 1952 I debated with the Under Secretary of Agriculture McCormick at Fargo, N. Dak. He contended that the Republican Party was not for 90-percent support prices, and I contended that it was. Shortly thereafter the Republican National Committee asked me to campaign in California and I spent 4 days there. In every way I could I counteracted Democratic propaganda that the Republican candidates were for flexible supports.

At this point let me read another statement from the Kasson, Minn., speech of President Eisenhower:

> As provided in the Republican platform, the nonperishable crops so important to the diversified farmer—crops such as oats, barley, rye, and soybeans—should be given the same protection as available to the major cash crops.

I wrote to Secretary Benson and asked for his interpretation of that plain statement by President Eisenhower. Do any of the Senators here suppose I could get a reply? I defy any Member of the Senate to get an interpretation of those few words from Secretary Benson.

Wheat seems to be the villain in the whole argument with reference to farm price supports. Only 2 years ago, on July 1, 1952 there was a carry-over of 256 million bushels of wheat. That was a rather low carry-over, considering that the United States was at war on July 1, 1952. In that year the Secretary of Agriculture asked wheat farmers to increase the production of wheat to 118 percent of the previous year's production. That was a greater percentage increase in production than was asked of any other major commodity group.

The farmers patriotically complied with the request made by the Government of the United States. As a result, surpluses now exist. Farmers are abiding by the request of the Department of Agriculture to reduce their production. They approved quotas a year ago, and they approved them recently.

According to most recent crop forecasts there will be at least a 15-percent reduction in the wheat crop this year. If the crop reports of the big railroads and other authoritative sources hold up, there will be a reduction of more than 20 percent.

The cotton report issued by the Federal Government today indicates a reduction of 23 percent in the cotton crop. The major railroads and other sources have predicted a great decrease in corn production this year. Therefore sizable reductions are occurring in crop production.

The entire history of agricultural production proves conclusively that lower or flexible price supports will not reduce production. Let me tell you what happened from 1929 until 1935. The prices of farm commodities dropped drastically from 1929 through 1934; but during exactly the same period the acreage of wheat seeded actually increased.

My friend, the distinguished Senator from Kansas [Mr. SCHOEPPEL] in a speech he made last week, tried to prove the point that the 90-percent price-support program is not in the best interests of the family-sized farm families. He said:

> In North Dakota the largest wheat loan was $67,000, and the second largest $41,780. The average was $2,487. I will say to the distinguished Senator from North Dakota that the large wheat producers in Kansas had greater loans on some of their wheat production.
>
> I find myself asking, Does this program preserve and encourage the family sized farm?

Mr. President, I think the figures placed in the RECORD by the Senator from Kansas prove conclusively that the 90 percent price-support program has maintained the family sized farm in North Dakota in a remarkable way.

The top loan of any farmer was $67,000, and the second largest was $41,780. The average loan made was $2,487.

The biggest wheat producer in the United States is Mr. Campbell, of Montana, who at one time produced as much as a million bushels in a single year. But Mr. Campbell got his start like many other big farmers. In the depression years, he picked up cheap land. He built his empire when there were flexible price supports.

One of the biggest farming operations in the Nation is the King Ranch, in Texas. A $60,000 wheat operation in North Dakota would hardly buy feed for the bulls on the Texas cattle ranch.

One apple grower produces about one million bushels of apples a year and that is a nonsupported crop. One will find that the great dairy empires all over the Nation, were built on flexible supports or with no price supports. I think the entire record proves conclusively that the 90 percent price-support program is in the best interest of the small farmer and the family type farmer.

The VICE PRESIDENT. The time of the Senator from North Dakota has expired.

Mr. YOUNG. I hope the Senate will reject the amendment providing for 82½ percent of parity.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Vermont [Mr. AIKEN] to the committee amendment.

Mr. AIKEN. I yield 2 minutes to the distinguished junior Senator from New Hampshire.

Mr. UPTON. Mr. President, in my State the farm program put forward by Secretary of Agriculture Benson was enthusiastically received. We recognize that rigid supports have not solved the farmers' problems. We hold that the farmer is entitled to a full share in the Nation's prosperity, and that this can best be assured by flexible price supports, and by the expansion of markets for farm products.

Our two great farm organizations stand together in supporting the program put forward by Secretary Benson. Today I received a telegram from the master of the New Hampshire State Grange, reading as follows:

> State Grange favors flexible and not 90-percent rigid price supports.
>
> THORNTON TRIP, *Master.*

The New Hampshire Farm Bureau Federation, the other great farm organization, early adopted resolutions favoring Secretary Benson's farm program.

Resolutions similar to those adopted by the State organizations were adopted also by the county farm bureau federations. The sentiment in New Hampshire is practically unanimous in support of Secretary of Agriculture Benson's farm program, based on flexible price supports.

Mr. AIKEN. Mr. President, I yield myself 2 minutes.

I appreciate the support of the distinguished junior Senator from New Hampshire [Mr. UPTON]. The Senator from New Hampshire is known as one of the stanch friends of New Hampshire agriculture. Since he has come to Congress, he has made his position clear as a friend of all American agriculture. I appreciate the remarks he has just made.

I desire to say a word in regard to the amendment offered by the distinguished senior Senator from Kansas [Mr. SCHOEPPEL]. I shall speak very frankly. Many of us had expected that we might be engaged in conference with the House on the proposed agricultural legislation for possibly a week. Now the time is growing very short. We had expected to come out of conference with the level of support which the President has indicated would be very satisfactory, namely, 82½ percent for 1 year.

The difference between 82½ percent and 80 percent for 1 year amounts to 6¼ cents a bushel in the support price for wheat. No other commodity would be affected in any way.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. AIKEN. I yield to the Senator from Florida.

Mr. HOLLAND. In the event the Schoeppel amendment should be adopted, is my understanding correct that the 75 to 90 percent of parity provision would go into effect in the second year?

Mr. AIKEN. That is entirely correct. Many persons have the misunderstanding that the 80 to 90 percent, or the 82½-to-90-percent program, would be permanent. It would not be permanent; it would be for 1 year only; and it would affect only one commodity—wheat. Under the President's program, no other basic commodity would have a minimum support level of less than 85 percent, anyway.

Mr. President, I desire to ask the Senator from Florida whether he wishes to make any further remarks. He has been very diligent in helping prepare not only the proposed legislation under consideration, but also other pieces of proposed legislation. He is one of the best informed Members of the Senate on agricultural subjects. I have always found him sound in his thinking.

Therefore, as we near the close of the debate on the pending amendment, I think it perfectly fitting, if the Senator from Florida desires to make any further remarks, that time on the amendment be yielded to him for that purpose.

The VICE PRESIDENT. The time of the Senator from Vermont has expired.

Mr. AIKEN. Does the Chair refer to the 2 minutes which I yielded to myself?

The VICE PRESIDENT. The Senator is correct.

Mr. AIKEN. How much time have I remaining on the amendment?

The VICE PRESIDENT. The Senator from Vermont has 16 minutes remaining.

Mr. AIKEN. I yield to the Senator from Florida such time as he may desire.

Mr. HOLLAND. Mr. President, how much time remains?

The VICE PRESIDENT. There are 16 minutes remaining.

Mr. HOLLAND. I thank the distinguished Senator from Vermont for the wholly unmerited kindness he has shown me in his remarks.

Mr. President, before we start voting I should like to invite the attention of the Senators to two facts. The first fact was just brought out in the answer given by the distinguished Senator from Vermont to the question which I had addressed to him, namely, that if the Schoeppel amendment to the Aiken amendment should be adopted, it would place in effect for the five basic commodities which are affected the flexible rates of support from 82½ percent to 90 percent for 1 year only, that is, for the next crop year, and that following that, the 1949 law would go into full force and effect. In other words, the issue which will be before the Senate in voting on the Schoeppel amendment, and on any additional amendment to the so-called Aiken amendment which may follow, will be the question as to whether or not we are to embark upon a program of flexible supports for the next crop year for the five basic crops which are involved, and going further in succeeding years than is suggested by the amendment offered by the Senator from Kansas [Mr. SCHOEPPEL], the Senator from New Mexico [Mr. ANDERSON], the Senator from Idaho [Mr. DWORSHAK], and the Senator from Oregon [Mr. CORDON].

It is well known that, insofar as I am personally concerned, I would rather have seen greater flexibility given in the first year; but I have studied the subject carefully, and I find there is only one basic crop that would have been affected in a greater degree in the next year than the 82½ percent which would be permitted under the amendment which we are discussing. That crop, wheat, would have come just barely under the 82½ percent. If the dire predictions made by the junior Senator from North Dakota [Mr. YOUNG] as to the reduction of this year's wheat crop should be realized, the 82½ percent provision might not even make any reduction in the flexible rates for that first year, 1955.

Since the net effect is so small, and since I think those of us who are supporting flexible price supports are interested primarily in getting the principle underway, I shall support the Schoeppel amendment.

To what does the amendment apply? Since tobacco is not affected, it applies to five basic crops, namely, wheat, corn, cotton, rice, and peanuts, which have a total value equal to 19.57 percent of our annual cash receipts from agriculture, based on the last full year's report which we have, the year 1952.

I think every Senator knows that the support of those five basic commodities, totaling less than 20 percent of the total value of our agricultural production, involves by no means a national question or a total agricultural question.

I am speaking with complete confidence that I am making a true statement when I say to the Senate that I am sure that the producers of many other crops feel they have been adversely affected by the limited 90 percent rigid price-support program, effective as it is only to a few basic crops, and unaccompanied by any well-worked-out program either for set-aside, which would allow for the years of heavy production during the Korean catastrophe, or for diverted acreage. As every Senator knows, we have the problem of diverted acreage,

involving 30 million acres from only 3 crops, namely, corn, wheat, and cotton, which have been displaced from that huge area and for which area the owners have been trying to find a use.

It is unthinkable that we should continue the operation without any more reasonable handling of diverted acreage than is possible under present law. The law which is now proposed would provide better handling for diverted acreage and a liberal set-aside, which takes out of the calculation any amount of the surplus on hand which may be regarded as a sound and strategic reserve.

I wish to make only three points and then I shall take my seat. The first is that the arguments which I have heard made this afternoon so eloquently by those who want to continue rigid price supports are, in nearly every instance, a complaint against present conditions, without the offer of any cure or corrective measures.

The distinguished Senator from Georgia [Mr. RUSSELL] who is probably the strongest advocate in the Senate for the rigid price-support structure, made it very clear that he felt that a large proportion of agricultural producers are in a very abject economic situation at this time. The figures he used were to the effect that the average income of those in agricultural production was $822 a person a year, and that many people were making much less than a scanty living out of agricultural production. He compared the figure of $822 with the $1,900 average income of those persons not engaged in agriculture.

It seems to me that the distinguished Senator, ardently as he loves agriculture and agricultural producers, was making the best argument for a needed change that could possibly be made, because it so happens that that kind of situation, if it be correctly portrayed by his figures, has followed after 12 years of support of the basic commodities at 90 percent of parity. If such support has brought about a condition as poor as the Senator from Georgia mentioned, it seems to me it is about as sound an argument as could be made to establish the necessity for a change.

The next argument the Senator from Georgia made was that in the past 2 years, when surpluses have been piling up, the total assets of the agricultural producers of the Nation were shown by his figures to have been reduced by more than $14 billion. Could the Senator from Georgia have made any stronger argument in support of the proposition that we are not following the right course at this time to bring about prosperity for agriculture?

Those of us who feel very strongly that such is the case are supporting the flexible program, because as we look at the great field of flexible-support commodities, which is a very, very large field, indeed, as a rule we find the producers of flexible-support commodities more prosperous than are the producers of the basic commodities. We find that many of the producers of commodities which have flexible supports, or no supports at all, are in a highly prosperous condition, because under flexible price supports there is a partnership arrangement between the producers and the Government, under which producers try to bring their production in line with demand. It apparently has worked, because the level of prosperity for producers in the flexibility-supported crops is higher than is the case with producers of basic crops.

In closing, I wish to say that there is one Senator who has a peculiar grasp and a unique understanding of the entire problem, and who is doing something he rarely does, and that is oppose the majority of Senators who sit on his side of the aisle, because he thinks he is right. So far as I am concerned, I know he is right. I refer to the distinguished Senator from New Mexico [Mr. ANDERSON], who bases his conclusions on his activity in the House of Representatives, his years of activity in agriculture in South Dakota and New Mexico, and his years as head of the Department of Agriculture. He certainly made a fine record in the highly important post of Secretary of Agriculture, a record of which we are all proud. The Senator from New Mexico has told us as clearly as anyone could—and I am sorry every Senator was not present in the Chamber to hear him—that we are deliberately pricing ourselves out of the international market; that we are doing the very things we should not do by the maintenance of 90 percent rigid price supports; and that, in short, although he did not put it this way, we are cutting our own throats in the markets of the world by insisting on a continuance of 90 percent price supports, under which we have had such a lack of prosperity that it has called for the comments of the distinguished Senator from Georgia [Mr. RUSSELL] which I mentioned a while ago.

Mr. President, there could be no better evidence of that fact than what has happened in the case of the long-staple cotton producers, who but a little while ago came in to Washington and requested that in the new law they be allowed the benefit of the flexible price support structure at the lowest figure permitted under the provisions of the Aiken law. Strange as it may seem, the Senators will find that treatment of long-staple cotton provided for in both the majority and the minority bills.

Mr. President, those people are very intelligent people. They are high-grade people, who are producing in competition with Egypt and India. We all know what their situation is. They have seen their products priced out of the international market. They have come forward and made that statement, and have taken the position which I have stated and which has been called to our attention by the distinguished Senator from New Mexico [Mr. ANDERSON] and other Senators.

Mr. President, how long are we going to continue this program which has brought not prosperity but the greatest surpluses we have ever known; which has brought scandal upon the whole effort of Congress to provide a better program for our agricultural people; and which bids fair to do more of the same if we continue it in force?

Mr. President, I strongly hope Senators from every part of the Nation will support the effort to begin to put into effect a program which has been approved under both Democratic and Republican administrations, and by both a Democratic and a Republican Senate. Insofar as the Democrats are concerned, that action in 1949 was the result of the deliberate inclusion in the 1948 platform of the commitment to go into a program of flexible price supports.

Mr. President, I strongly support, therefore, the adoption of the Schoeppel-Anderson - Dworshak - Cordon amendment, and then the adoption of the amendment offered by the Senator from Vermont [Mr. AIKEN] as so modified.

Mr. AIKEN. Mr. President, have I any time left?

The VICE PRESIDENT. The Senator has 3½ minutes.

Mr. AIKEN. I yield to the Senator from Utah [Mr. WATKINS] such part of the 3½ minutes as he may desire.

Mr. WATKINS. Mr. President, I ask unanimous consent that I may have printed in the body of the RECORD a statement I have prepared on the bill which is now before the Senate.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR WATKINS

AGRICULTURE'S BASIC PROBLEM—OVERPOPULATION

The latest figures indicate that a farm population of some 23 million—about 16 percent of our total population—is actively engaged in farming as a vocation.

These people live on approximately 5½ million farms, more than two-thirds of which are tenant-operated.

In 1940 there were more than 3 million farms—over one-half of all the farms in the country—from which the average value of products produced was only $700.

In 1945, 80 percent of our marketable crop value was produced by one-third of our farms, 16 percent by the middle third, and the remaining 4 percent by the lowest one-third.

If adjustments are made for inflationary effects, the picture on this score has not altered much during the past 10 years.

In 1948, almost 43 percent or over 2½ million farms were too small to yield a satisfactory level of living for their occupants, producing only 6 percent of the gross farm income. This condition, mind you, existed in a period in which farmers generally never received better prices for their products nor higher incomes for their efforts.

Today, over 70 percent of colored farmers are still tenants. In the South, balanced farming has been achieved by only a portion of small farmers, white and colored. The majority of these people earn less than $1,000 a year.

Figures released last week by the Department of Agriculture reveal that in 1953, the per capita average income of our farm population was $882, compared with a per capita average income of nonfarm population of $1,898. Nonfarm per capita average income therefore more than doubles that of our farm population. Here is the basic problem confronting American agriculture today—too many small, inefficient farming units. Its cause does not have one thing to do with whether farm prices are supported or not. Why? Let me explain.

The chief beneficiaries of the nearly $7,500,000,000 that farmers have received under

price and other types of support programs have been the upper one-third of our farmers—some 9 million farmers living on 2 million of the most efficient and well operated farms. These farms produce nearly 80 percent of our annual marketable crop value.

For every dollar that the small farmer receives through price support, many more dollars come to the big operator, and the competitive advantage of the big operator is thereby increased.

For example, in Kansas, for the 1953 crop, the average wheat loan was $1,525 and the average of the 5 largest loans was $106,963. In Mississippi the average cotton loan was $372 and the average of the 5 largest loans was $479,535. In Iowa, the average corn loan was $2,154, while the average of the 5 largest loans was $98,535.

For wheat, corn, and cotton in the above States the 5 largest loans averaged 25, 46, and 1,290 times as great, respectively, as the State averages.

It should immediately become obvious that the problems associated with lifting the levels of living of about two-thirds of our farm people who live on farms which, for one reason or another, are uneconomic units, have not been and can never be solved through price-support programs.

It helps a farmer very little to have prices go up if he has little or nothing to sell, which is just about the size of it for two-thirds of our farmers.

From the foregoing, therefore, it is evident that the average "family sized farm"—which we hear so much about the need for preserving these days, from some vocal quarters—is really not much of a farm at all.

I do not deny that the few extra dollars which might come to these people—the 66 percent of our farmers who produce but 20 percent of our annual marketable crop value—through price support, and Agricultural Conservation Program payments are important. But they are at best of only short-run value—"effect-treating" in nature, so to speak, rather than of a "cause-removing" nature, and, therefore, of little permanent value to these people in particular and the country in general.

Such payments have, however, provided some politicians with the opportunity of exploiting these people by offering them a paltry little payment in return for their vote. This is done under the guise that such programs will solve their problems.

In other words, instead of legislating ameliorative programs which would treat the cause of their poverty—such as better education, including technical and vocational training in nonfarm employment, and the encouragement and development of local industry as well as relocation of industry in rural areas—these advocates of high rigid price supports have been devoting their efforts mainly to capturing the farm vote. It is now evident that these "captured" farm voters, like their urban brethren, are largely ignorant of why, how, and for whom price support programs operate.

Whenever the present Secretary of Agriculture and his assistants have called attention to this basic problem of overpopulation in agriculture—too many small and inefficient farms which will not return their operators a decent living—they have been accused by their noisy and politically inspired critics of serving only the interests of the large, wealthy farmers.

On the contrary, it is true that today we have a Secretary of Agriculture who, time and time again, has demonstrated his love and concern for the small rural farmer and his family. It is also apparent that today we have a Secretary of Agriculture, who in the face of terrific criticism and bitter partisan political pressure, has the courage and character to give the American people the true facts about the condition of our agricultural industry. He is a man who loves people, whose every move is made with care and concern for their welfare, and who has a deep faith in the ability of the common man to make the right decision when given the facts.

As previously noted, these people on two-thirds of the Nation's farms produce less than 20 percent of the annual marketable crop value and receive less than 18 percent of the total net cash income of agriculture. This fact alone explains why the bulk of our farmers—nearly 70 percent—do not belong to any general farm organization, and why all the major farm organizations draw the largest part of their membership from farmers of high economic status, as one recent scholarly study reveals. (Dr. Grant McConnell, The Decline of Agrarian Democracy, Berkeley: University of California Press, 1953.)

It should be obvious that it is the commercial farmer—the one-third who receive over 80 percent of the total net cash income of agriculture—who seeks membership in farm organizations. Not only that, but these rigid price-support programs have been concocted by the Congress at the insistence of their pressure group representatives—the general farm and commodity organizations.

It is easy, therefore, to understand why such organizations not only have not been concerned with solving the problems of the prostrate portion of agriculture, but also why they have limited their interest concerning price supports to but a few favored commodities. These are called "basic" commodities, but, as I shall show, they are, of course, intrinsically no more important or basic than any other commodity; in fact, not as much so.

Sales of the 6 basic crops that have mandatory 90 percent of parity price support account for only 23 percent of the cash farm income in the United States. Never, except in specialized cases involving political self-interest, have these people made any serious pretense that the parity concept should give prices of comparable generosity at 100, 90, 80, or 70 percent of parity, through the market or otherwise, for the nonbasic crops. Yet these nonbasic crops account for nearly 77 percent of the annual cash farm income.

It becomes evident to the impartial observer that opposition to the President's flexible-price-support program is not opposed so much on economic principle as it is because of the obvious self-interest of many vocal and well-organized pressure groups in agriculture.

Viewing the farm problem in this setting, one cannot help suspecting that a great deal of the so-called aid to agriculture in the form of high fixed supports is, in fact, a great political bluff engineered by farmers, who not only are wealthier but also are the most politically active. They hope to obtain general acceptance of a policy of high fixed price supports on the grounds that farmers are poor, but the assistance, as I have shown, goes not specifically to the poor farmers—the two-thirds who produce 20 percent of the marketable crop value and receive 15 percent of the annual net cash income of agriculture—but primarily to those farmers who already are in the most advantageous economic position.

Under these circumstances, it is not too difficult to understand why agricultural spokesmen have exhibited little awareness of basic agricultural problems outside the two orbits of price and credit. From a practical point of view, it is only being realistic to recognize that we cannot help all the small farmers to find their niche in farming. As our economy grows, agriculture's part will become relatively smaller, that is, a smaller percentage of the total population will be needed to produce our food. Our conclusion, based upon cold economic fact, is not that we should have less agricultural policy, but rather that in speeding the improvement of productivity, marketing, and consumption through basic research, we must also make adequate provision for expediting the migration out of agriculture which that improvement necessitates.

In other words, the economic and social answer to agricultural poverty is not price support, not the small dole, but mobility—a gradual movement of the displaced farm people into other areas and occupations where they can make a living and find opportunity. No specialist of the United States Department of Agriculture, or professor of the great land-grant colleges and universities of this country, or, for that matter, no Member of the Congress can, for example, make 2½ acres of share-cropped tobacco, or 15 acres of hillside, bottomland, or alkali soil produce a reasonable living. The harsh truth is that the solution to many a small farmer's economic problem is not to be found in agriculture at all, even with the most generous price-support program that could be devised by a heedless government headed for national bankruptcy.

For these underprivileged farm people—nearly two-thirds of our farm population—who are actually in the greatest need of governmental aid, programs other than price support are needed. The present administration, I am glad to report, has not let this alternative need go unheeded. Mr. John H. Davis, Assistant Secretary of Agriculture, early last summer told the public:

"We must remember the special problems of the small-income farmer. There are many small farmers in this country who do not have the necessary resources, such as land and credit, that will enable them to operate with a reasonable degree of efficiency and thus provide a decent standard of living for the farm family. For these small farmers special measures need to be developed in order to provide them with the assistance they need to broaden their opportunities for improving their circumstances."

One of the proposals of the new farm program is to study this situation and make recommendations for actions to be taken to improve the conditions of these small operators. During 1954, the President's National Agricultural Advisory Commission is giving paramount attention to this problem.

This administration is to be complimented, not criticized, for having brought this problem to the attention of the general public, for exploding the myth that all farmers are wealthy, and for having taken concrete steps to provide this Congress with recommendations for eventual elimination of the basic agricultural problem—overpopulation.

THE INDIAN PROGRAM

Mr. WATKINS. Mr. President, there has been much misinformation circulated on the far-reaching Indian program being pursued by the 83d Congress and the administration.

Actually, there has been more progress made toward full liberation for the American Indian during the past 2 years than has been attained over many years in the past. After decades of mismanagement of Indian affairs, this Nation is at long last seeking to assimilate its fine Indian people and to give them the same opportunities and privileges accorded to their white brothers. There is no doubt that 1953–54 will go down in the history books as the beginning of a period of new progress and new hope for the Indian peoples of this Nation.

This progress was recently recognized in an article in the New York Times of July 18. I hereby request unanimous consent to introduce this article as a part of these remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

PROGRAM TO FREE INDIANS ADVANCES—BILLS TO TERMINATE UNITED STATES RULE OVER 11 TRIBES OFFERED—WATKINS IS ENCOURAGED

(By Bess Furman)

WASHINGTON, July 17.—Congress this session has made noticeable progress on its program to free the Indians from Federal supervision.

This aim was announced last session in a concurrent resolution, No. 108. It recommended broad legislation to end various aspects of Indian segregation, and also listed certain tribles considered culturally and educationally ready to run their own affairs. Bills to free 11 tribes were introduced.

One tribal termination bill has become law—that for the Menominees of Wisconsin. Under so-called termination legislation the Federal Government relinquishes all supervision over Indian lands and property.

Similar bills on the small tribes of Utah and the Indians of Texas and of Oregon have been voted by the Senate and await action by the House of Representatives. Joint hearings of House and Senate Indian Affairs Subcommittees have been held on many other termination and allied bills that would carry forward the liberation program.

WOULD SHIFT HEALTH SERVICES

One bill, which would transfer Indian health services from the Indian Bureau of the Interior Department to the Public Health Service of the Department of Health, Education, and Welfare, has been voted by both Houses.

Today the Senate-House conferees agreed to make July 1, 1955, the effective date for the transfer of some 60 hospitals.

A bill that would turn the Indian Extension Service, now under the Indian Bureau, over to the Extension Service of the Department of Agriculture, has passed the Senate and awaits House action. Already through cooperative arrangements, the report on this bill said, 5,000 Indian boys and girls have been enrolled annually in the 4–4 program in recent years.

"By providing extension service through the county agent system," the report added, "the Indians will be encouraged to participate in home demonstration work, county fairs, achievement days, farms tours, and short courses. By learning to work with non-Indian neighbors and with State and county employees, the Indians will also be encouraged to look less frequently to the Federal Government for services which have inevitably tended to be paternalistic."

Senator ARTHUR V. WATKINS, Republican, of Utah, and chairman of the Senate Indian Affairs Subcommittee, said that because of Congress' interest, more progress had been made by the Indians in the last few years than in the previous 25.

He cited the vocational school in Brigham City, Utah, now training 2,300 Indian youths, as an example of recent educational moves to speed up the termination program. He said that a special appropriation was putting trailer schools all over the Navaho Reservation.

"By next fall," he said, "the 14,000 Navaho children who have had no access to education will be in school."

WATKINS SEES PROGRESS

Senator WATKINS said that ending supervision would cause the Indians to progress "under the spur of necessity" like other Americans; and that they would become taxpaying citizens rather than looking for "Federal windfalls."

A different position has been taken by the Association on American Indian Affairs and by the National Congress of American Indians. These groups have opposed the termination bills as "abdication" of Government responsibility and violation of treaties and agreements.

Some of the treaties date back to 1794, notably that of the New York Indians under which cotton cloth has been distributed annually since the days of Washington.

Each termination bill is drawn to fit a special situation.

Under the Termination Act for the Menominees, a specified period is allowed for closing of tribal rolls. The Federal Register then will publish the names of final membership. On the publication day, each member will get a certificate of his interest in the tribal property. The tribe is required to obtain the services of management specialists, including tax consultants, to complete the arrangement for independent conduct of tribal affairs, corporately or by division among members.

Mr. WATKINS. Mr. President, an important factor in this program has been the administrative energy and ability shown by Glenn L. Emmons, Commissioner of Indian Affairs. His role in planning and implementing this program, in cooperation with the Congress, is aptly described in an editorial appearing in the Washington Daily News of July 27. As chairman of the Senate Subcommittee on Indian Affairs, I have had many contacts with Commissioner Emmons and his staff, and I can vouch for the estimate of Mr. Emmons as presented in the Daily News. He is stamping himself as both an able administrator and an individual who feels keenly his responsibilities in putting into effect a broad new program affecting the economic and social future of the Indians.

I request unanimous consent to have this editorial printed in the RECORD as a part of these remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

POINT 4 AT HOME

Our treatment of the American Indians has ranged from cruelty to maudlin paternalism to neglect. But seldom have the Indians been regarded simply as people and real efforts been made to bring them into the mainstream of American life.

The many Indians who have become assimilated through their own efforts prove, however, there is no significant difference between the innate capabilities of redskinned Americans and those of other colors. All that most Indians need is simply equality of opportunity.

The new Commissioner of Indian Affairs, Glenn L. Emmons, is demonstrating a real understanding of the basic problems of the Indians and is launching a program that promises to do something about them.

What it amounts to is a modest "point 4" program at home—and no people better deserve that kind of aid.

The program intends to bring sanitation, health, and education to the long-neglected Navahos and to offer their young people and other reservation Indians opportunity for jobs in the outside world. A relocation program headquarters will be opened next week in Denver for the latter purpose. Commissioner Emmons also feels that all-Indian schools are not desirable.

He is quite correct. The reservation system itself is outmoded, as is every policy that sets the Indian apart from his fellow Americans.

The Government has an obligation to the Indians, but it can best discharge it by helping them to help themselves.

AGRICULTURAL ACT OF 1954

The Senate resumed the consideration of the bill (S. 3052) to encourage a stable, prosperous, and free agriculture, and for other purposes.

Mr. AIKEN. Mr. President, I yield to the Senator from Idaho [Mr. DWORSHAK] 4 minutes on the bill.

Mr. DWORSHAK. Mr. President, in 1952 at the time of the political campaign we were engaged in the Korean war. The then Secretary of Agriculture, Mr. Brannan, had made an appeal for expanded production of food and fiber. At that time the 90 percent rigid price support program which was in effect resulted in increasing the production of essentials needed at that time.

Near the end of the Korean war it became apparent that 90 percent price supports would result in the creation of huge surpluses of food and fiber. It was obvious that Secretary Brannan in 1952 should have proposed acreage controls on the 1953 wheat and other crops.

Every Senator who has participated in this debate has stressed the fact that his objective is to stabilize agriculture and to make farmers prosperous; but the record shows that the 90 percent rigid price supports for the basic crops did not solve the farm problem. The 90 percent rigid price supports resulted in control from Washington.

We have witnessed drastic reductions in the past 2 years in wheat allotments.

To illustrate, in my State there are many wheat farms of about 400 acres, and the farmers follow the practice of summer fallowing, which means planting 200 acres to wheat annually. In a specific instance, the 200 acres have been cut back in the current year to 127 acres planted to wheat. Obviously a farmer with 400 acres of wheatland cannot be restricted to the planting of 127 acres and still be able to make a living.

Mr. President, unless we adopt some reasonable compromise with respect to flexible price supports it is possible that the provision for 90 percent rigid supports now in force, and which was recommended by the Senate Committee on Agriculture and Forestry, would result in a veto by the President, with the inevitable result that there would be a return to the provisions of the 1949 act, with 75 to 90 percent price supports on the basic crops.

In view of the fact that the House of Representatives has adopted a bill providing price supports for basic crops at from 82½ to 90 percent I think this is a reasonable compromise, particularly in view of the fact that the President said that the House version of the price-support bill with respect to the basic commodities reflects the principle of flexible price supports. The President said that was a "great victory."

I can see no logical reason why we should contend here either for the 80

to 90 percent supports or the 90 percent rigid supports, in view of the fact that the President has indicated that he is willing to accept the House version of the bill, with 82½ to 90 percent supports.

Another vital factor is that if the Senate adopts the same provision on the basic commodities as the House adopted, when the bill goes to conference there will be no opportunity for the conferees to engage in a long-drawn-out controversy, with contentions over whether we are to have 90 percent rigid price supports or whether we are to have 80 to 90 percent flexible price supports.

Therefore, Mr. President, I think we are about to vote on a compromise which is reasonable, which probably has the support of the farm leaders, and which especially has the support of the President. I do not know whether this proposal has been approved by the Secretary of Agriculture, Mr. Benson, but in view of the parliamentary situation confronting the Senate at this time, and in view of the action already taken by the House of Representatives on the price supports for basic commodities, it seems to me this is a reasonable and realistic compromise. I think it is a compromise which we should approve at this time, and thus eliminate unnecessary, long-drawn-out controversy over what should be done to stabilize the agricultural industry.

The VICE PRESIDENT. The time of the Senator from Idaho has expired.

Mr. JOHNSON of Texas. Mr. President, I yield to the distinguished Senator from North Dakota [Mr. YOUNG] 1 minute.

The VICE PRESIDENT. The Senator from North Dakota has 1 minute.

Mr. YOUNG. Mr. President, 2 telegrams which were received from 2 of the State grange organizations have been inserted in the RECORD. Some of the remarks made during the time of their introduction for the RECORD indicated that Mr. Herschel D. Newsom, Master of the National Grange, was out of line in opposing the provisions of the 90 percent amendment.

I should like to have inserted in the RECORD a letter from Mr. Herschel D. Newsom to the Honorable CLIFFORD R. HOPE, chairman of the House Committee on Agriculture, dated June 30, 1954, in which he clearly sets forth the position of the National Grange.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

NATIONAL GRANGE,
Washington, D. C., June 30, 1954.

Hon. CLIFFORD R. HOPE,
New House Office Building,
Washington, D. C.

DEAR CONGRESSMAN HOPE: H. R. 9680 contains many provisions that point the way toward a permanent solution to the farm problem through a commodity-by-commodity approach which we could not hope to achieve if all commodities were put under a single flexible price-support plan through a return to the provisions of the Agricultural Act of 1949. We believe the Agricultural Act of 1954 embodies real progress in the right direction, and sincerely hope that it will be passed by the Congress and approved by the President.

The Grange realizes that changes must be made in the present farm program, since segments of it do not serve agriculture and the Nation well. The current surplus situation is untenable and new approaches are necessary. It is our feeling, however, that basic price moves should be made rather gradually, and that this bill embodies essential elements of such gradualism.

It is the feeling of the Grange, furthermore, that the present controversy over the level of price supports for the basic six farm commodities is being magnified all out of true proportion. This is for the reason that high fixed versus flexible price supports is not the heart of the farm problem. The heart of the farm problem at the present time is bringing supply into balance with demand. This process is currently going forward, and H. R. 9680 adds impetus to this movement.

Those who would admittedly like to see the Agricultural Act of 1949 become effective by default of any new legislation being approved; or those who have persistently insisted on moving rapidly and almost exclusively to flexible price supports for the basic six farm commodities as the only solution to the farm problem, have refused to take into full account the drastic changes in our farm income and supply situation that have taken place since 1949. Over the long pull, it is the feeling of the Grange that flexible price supports are basically valuable and desirable. On the other hand, flexible price supports right now would do little to increase consumption of most commodities here at home. They would not lower prices enough in most cases to enable the American farmer to compete for his fair share of the world's market at the world market price level; flexible price supports at this time would do little to discourage production of those commodities in burdensome supply, since flexibility of production can be attained only when some other crop is more profitable or less unprofitable. There are few crops currently in this category.

The differences in points of view by the various groups involved in this price support struggle seem to us to be predicated largely on a difference of appraisal of the effect that a further decline in farm income might have upon our total national economy. The Grange is dedicated to the proposition of bringing about a situation whereby agriculture may shift from a wartime level of production to peacetime requirements without its having to suffer a period of severe deflation, which it has always had to do in the past following periods of war-born inflation.

H. R. 9680 also gives expanding recognition to competitive price mechanisms, while at the same time cushioning farm-price problems until new measures can become operative.

Very sincerely yours,
HERSCHEL D. NEWSOM,
Master.

Mr. JOHNSON of Texas. Mr. President, I yield 3 minutes to the distinguished Senator from Oregon [Mr. MORSE].

Mr. MORSE. Mr. President, I am not in favor of compromising the American farmer. It seems to me that all these last-minute pleas for compromising a piece of legislation overlook the fact that the adoption of the legislative compromise would compromise the American farmer.

It is very interesting to note that in the dying minutes of the debate on the pending amendment there has been offered an amendment to the amendment, seeking to increase the minimum parity support from 80 to 82½ percent. I say most respectfully that it is a confession of voting weakness on the part of the proponents of the original Aiken amendment.

On last Friday I made my major farm speech in support of fixed parity in contrast to flexible parity, and in these closing minutes I wish to focus attention on the farmer's legitimate interest in a fixed parity in contrast with a flexible parity.

A flexible parity, in my judgment, would expose the American farmer to great uncertainty so far as farm planning is concerned. In voting against flexible parity I am voting against granting to mere men—in this instance in the Department of Agriculture—an arbitrary discretion. I think American farmers are entitled to legislation which fixes the parity at a definite level, and 90 percent of parity does exactly that.

I have listened with great interest to the charge that this parity program discriminates against other products, but I think it is perfectly clear from the record that the fixed-parity program has resulted in a remarkable degree of stability in farm prices. It is when the flexible principle is brought in, as it has been brought in with respect to the dairy industry in recent weeks, that confusion and chaos overtake the dairy industry.

There has been discussion throughout the debate about an overabundance of farm supplies in this country. I repeat what I have said before: We do not have an overabundance of foodstuffs. So-called surplus food is one of the greatest national assets we have from three different fronts. First, from the front of a check so far as meeting our needs is concerned, in case of sudden war—and who among us can say that danger is not present?

Second, a check, Mr. President, from the standpoint of drought——

The VICE PRESIDENT. The Senator's time has expired.

Mr. MORSE. Will the Senator yield me 1 more minute?

Mr. HUMPHREY. I yield 1 additional minute to the Senator from Oregon.

Mr. MORSE. Third, from the standpoint of going forward with a dynamic program to meet the threat of Russian communism in the field of ideology on the international front. We ought to be using surplus food in our contest economically with Russian communism in the backward areas of the world.

I close by saying that I shall vote for fixed parity, because I do not propose either to compromise the American farmer or to run the risk of starting a movement in this country that will lead to a farm recession, which I think flexible supports would do, thereby jeopardizing the economic prosperity of the consumers of the country generally.

Mr. JOHNSON of Texas. I yield 2 minutes to the distinguished Senator from Minnesota [Mr. THYE].

Mr. THYE. Mr. President, I hold in my hand a letter I received from Warren, Minn., signed by two gentlemen, Orrin C. Kruger and Neil Kruger. I shall read one paragraph and then ask unanimous consent that the entire letter be inserted in the body of the RECORD.

I want you to know that I am a member of Farm Bureau, president of the unit, and

neither I nor the unit members support the policy of our organization. Furthermore, I have talked with Farm Bureau members from all over the State and I have yet to find anyone who is pleased about flexible supports besides our State president and board members.

Mr. President, I ask unanimous consent to have the entire letter printed in the body of the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

WARREN, MINN., *August 2, 1954.*

Hon. EDWARD J. THYE,
Washington, D. C.

DEAR SENATOR: Just a few lines to let you know we are for you on the farm bill legislation. I know that the administration is getting its support from the Farm Bureau.

I want you to know that I am a member of the Farm Bureau, president of the unit, and neither I nor the unit members support the policy of our organization. Furthermore I have talked with Farm Bureau members from all over the State and I have yet to find anyone who is pleased about flexible supports besides our State president and board members.

Especially bad for Minnesota farmers is 75 percent dairy supports now in effect. At that price we are on depression prices right now. Even though we may not win this fight I want to thank you for your efforts in our behalf and let you know that we are wholeheartedly behind you.

Sincerely yours,

ORRIN C. KRUGER,
NEIL KRUGER,
President of Alma Loldahl Farm Bureau Unit.

Mr. THYE. Mr. President, I wish to refer to and read a few paragraphs appearing in an article in the Indiana Farmers Guide of August 1, 1954. The article is entitled "Inside Washington," and is written by John C. Davis:

Look for some speedy action in the business of disposing of Commodity Credit dairy stocks once the farm bill issue is resolved by Congress. There is not much doubt but that the administration has delayed action in the hope of building up support for its position in the fight of 90 percent versus flexible supports.

A domestic butter-disposal program was all ready to go on June 1 but was delayed for this purpose. The program would have given the housewife a pound of butter at about 45 cents, just a few cents higher than the bargain that is now being given to export buyers. It should be ready by September 1.

You can also expect an abrupt reversal in the administration's farm position. The theme that has been played for the benefit of the 90 percent versus flexible fight, to wit: that farm prices are too high and must come down, will be soft-pedaled and the new approach will be to the effect that farm prices have gone as low as is safe, not only safe for farmers but for the entire economy.

The PRESIDING OFFICER (Mr. PAYNE in the chair). The Senator's time has expired.

Mr. JOHNSON of Texas. I yield 2 minutes to the distinguished senior Senator from Wisconsin [Mr. WILEY].

Mr. WILEY. Mr. President, I shall not take the time of the Senate to comment in detail with regard to the pending amendment, known as the Aiken amendment, or the overall farm parity bill. I am interested in seeing that the farmers of this country get at least the cost of production plus a reasonable return for the commodities they produce.

In recent months and in preceding years, I believe I have made my position clear. I do not believe any one of the suggestions which will shortly come before us will be the solution. However, I believe that it is our duty to see that we do not endanger the economy of this country or start it into a tailspin. I do not believe, either, that it is our function to endanger the farm economy, which is a great segment of the national economy. Let us stop, look, and listen before we take this step.

In my judgment, the Aiken amendment would unfortunately impair farm purchasing power. On the floor of the Senate I have spoken heretofore of the effect subparity prices for milk have already had on farm machinery manufacturing plants and labor. The result of the lowered purchasing power would be felt immediately, even to a greater extent than has already been the case. It would be felt in every village, town and city of the Nation, in lowered sales of farm machinery, in idle labor, and in lowered purchases of products needed by farm families.

I believe, therefore, that, at least for the present, a lowering of farm parity is contrary to the best interests of and to the economic well-being of the Nation.

I completely understand the thinking behind the position of the distinguished sponsors and supporters of this amendment. They are concerned about the problem of farm surpluses. I, for one, feel that by a program of heightening consumption and by other disposal means which have been suggested on the floor—a resolution will be found of the surplus problem. We had better have surpluses than lack and a sick economy.

The ACTING PRESIDENT pro tempore. The Senator's time has expired.

Mr. JOHNSON of Texas. Mr. President, I yield an addition minute to the distinguished Senator from Wisconsin.

Mr. WILEY. We have provided $350 million in the mutual security bill for the purpose of reducing farm surpluses. I believe we can lick the problem of surpluses without resorting to the dangerous method of lowering farm parity.

In my own State of Wisconsin, dairying, which is the backbone of the livelihood of 3½ million people, has already suffered reverses. Why? Dairy farmers getting from 5½ to 6 cents a quart for their milk.

I heard what the distinguished Senator from Vermont [Mr. AIKEN] said about the Grange in Vermont. In New England dairy farmers are getting 9 or 10 or 11 cents a quart for milk. They can produce it at that price and make a profit, but in Wisconsin—and I am a member of the Grange—we cannot produce milk at 5½ cents and make a profit. That is the reason I believe we should be sure that the farmer gets at least the cost of production on what he produces. Ninety percent of parity will assure him of that.

To endanger that small return would, in my judgment, be totally unjustified and dangerous. I shall vote, therefore, against the Aiken amendment.

The ACTING PRESIDENT pro tempore. The Senator's time has expired.

Mr. JOHNSON of Texas. I yield half a minute to the Senator from West Virginia.

Mr. KILGORE. Mr. President, I come from a State which is not an agricultural producing State, but a State which buys agricultural products. On the other hand, we in West Virginia do not want agriculture to fail. Therefore I expect to vote against the Aiken amendment, because it is a nonstabilizing amendment, and it would upset a definite program.

Mr. JOHNSON of Texas. Mr. President, I yield 5 minutes to the distinguished junior Senator from Minnesota [Mr. HUMPHREY].

Mr. HUMPHREY. Mr. President, we have witnessed a very peculiar and most unusual performance in the Senate. I have come to the conclusion that our friends on the other side of the aisle, including the Republican leadership, are experts in arithmetic, but are flunking in agricultural economics. They are experts in multiplication. They multiply all the misrepresentations on farm principles that they can possibly multiply. They are experts on division. They have divided the farmer from the city man, and they have divided the producer from the consumer. Finally, they have divided the farmers. They are experts in subtraction. They have reduced farm income by 20 percent. They have reduced the parity ratio to 88. Now they have become experts in fractions. They have come up with 82½ percent of parity to 90 percent as the cure-all—the magic formula.

We have been told that the Republican Party was a party of principle. I can understand that men may stand up and battle for 75 to 90 percent of parity levels. I can understand how men can fight for that principle. However, principle is out the window, and so is interest in the welfare of the American farmer.

Principle has been sacrificed, and interest in American agriculture has been sacrificed. What a shameful episode.

For months I have heard the Secretary of Agriculture come to Congress with pontifical piety and tell us that the moral fiber of the farmer must be protected, and that he must be readjusted 15 points down the river of economic disaster. Then the Secretary reconsidered. He thought perhaps that was a long, long drop. Therefore he was willing to compromise and readjust the farmer 10 points down the river next year, with no prediction as to the possibilities of the future.

So we have the Aiken amendment offered, providing for 80 to 90 percent supports. They dropped the 75-percent-to-90-percent provisions somewhere along the road. Now they have the proposed Schoeppel amendment, and are going to higgle and jibble the so-called adjustment, and make it 82½ percent. Perhaps if we keep the Senate in session long enough our Republican friends will make it 88 to 90 percent. Perhaps then we can start with fractions again, and

perhaps make it 88½ to 90 percent. Later perhaps we can make it 89⅞ to 90 percent. Possibly later principle will triumph, and we shall get 90 percent of parity, and a fair price will be established.

We speak about fractions. We are dividing the people with multiplications of misrepresentations. This is a most unbelievable performance. It proves but one thing. It proves that those who are opposed to a fair price, or 90 percent of parity, have no argument. All they have is an arithmetic book. I suggest that they appeal to the logic of agricultural economics. What do they have to say about lowered farm income? What do they have to say about depressed conditions among farm families? Will 82½ percent of parity do anything about it? Will it do good in meeting these problems? I know the purpose of the 82½ percent figure. Its purpose is to get enough votes in this Chamber to win for the "flexers" and to cut the farmer's income and weaken the farm program which we have worked for so many years to establish.

The President of the United States has a responsibility as the leader of this country. I spoke earlier about his pledges to the American people on the farm issue and on farm economics.

I want my Republican friends on the other side of the aisle—and I praise those who have seen the light—to examine every speech that President Eisenhower ever made. They will hunt in vain through all of them for the figure of 82½ percent. They will find the figure 90 percent, and they will find full parity. We do not get full parity by going in reverse.

If there needs to be some extra flexing, I suggest that the flexing be done on the McCarthy amendment which has just been proposed, and Senators who want to do some flexing upward can vote for that amendment. It is the amendment providing for 90 percent to 100 percent of parity.

Apparently we are supposed to write a bill that will please the White House. Mr. President, I am not voting for a bill to please the White House. I will vote for a bill that will meet the needs of the American people and of the American agricultural economy. What is good for the agricultural economy will be good for the White House. It will be good for the Senate, and it will be good for the Nation.

Let us make no mistake about it. No other part of the American economy is being fractionized. No one is proposing to make freight rates 6½ or 16½, instead of 20. No one is proposing that we reduce by 6½, 7½, or 2½ percent the price of tractors, airplanes, or tanks which we buy with our appropriations under the defense bill.

What we see here is a spectacle of political higgle and jiggle. That is what it is. I say to Senators that they may make it 82½ to 90 in this Chamber, but a day of reckoning will come in this land. The American people do not ask for special privilege. They ask for integrity. They ask for fulfillment of promises. I remind every Senator, with respect to the 2½ percent they have just bargained away in order to get another vote, that the votes that are important are not only the votes to be cast on this amendment, on the bargaining for 2½ percent, but also the votes that will be cast on November 2. On November 2 the American farmer will know those who are his friends, and those who bargained him out of parity in the marketplace.

Is this full parity in the marketplace? How do we get full parity by 2½ point jumps every time an amendment is brought before the Senate? Yes, principle has been thrown out the window. The interest of America has been sacrificed.

What the proponents of the Aiken amendment are doing is making a cut-rate deal. I want to see established fair standards for our people. This cut-rate parity deal will do only one thing. It will cut agricultural incomes. I remind Senators who are willing to bargain with principle that they may find that they are cutting their lifeline of political tenure. I remind Senators that promises and pledges were made, and those promises and pledges must be redeemed.

The PRESIDING OFFICER. The time of the Senator from Minnesota has expired.

Mr. AIKEN. Have I any time remaining?

The PRESIDING OFFICER. The time of the Senator from Vermont on the amendment has expired. He has time remaining on the bill.

Mr. AIKEN. Mr. President, I yield myself 2 minutes on the bill, because I am sure that Senators who just listened to the voice of the prophet will be interested in what became of one of his prophecies. On page 1771 of the RECORD, on February 16, 1954, the junior Senator from Minnesota made this prophecy:

> I shall make another prediction on the floor of the Senate, without being an expert in these matters. With the very large surplus of corn in storage, the price of corn will be down next spring. By next spring there will be little pigs coming out of our ears, and the surplus of corn will disappear in a short time. The great surplus of corn which is being talked about will have become a thing of the past.

The prophecy was fine, but the facts are that corn prices went up during the spring. The corn surplus has gone up from 764 million bushels to an estimated 900 million bushel surplus expected this fall. Otherwise the prophecy was entirely correct.

Mr. JOHNSON of Texas. Mr. President, I yield to the Senator from Minnesota two additional minutes.

Mr. HUMPHREY. Mr. President, I wish to answer the Senator from Vermont. I am interested in his prophecy—his estimate of the corn surplus in the fall of 1954. With drought in 14 States, if the Secretary of Agriculture would do as he should do in order to meet the drought condition, the corn surplus could be handled at reasonable prices so that the drought condition would be met. I say that every farmer in America will hold accountable the Senate for the cut-rate bargain-counter politics being played here with farm parity.

Make no mistake about it, we do not need to have any prophetic wisdom to see that. When the roll is called I wish every Member of the Senate to realize that we are not voting upon what was once called a great issue or principle, 75 to 90 percent of parity. We are voting upon the bargain-counter proposition to get votes in this Chamber to kill 90 percent of parity. That is what we are voting upon.

I think this is a most unusual performance. Let the roll call be read and let it be reported in every weekly and daily newspaper in this land, so that people may compare the roll call with the pledges and the statements which have been made by the leaders of the Republican administration before they got in office and after they got in office.

SEVERAL SENATORS. Vote! Vote!

Mr. AIKEN. Mr. President, I yield a minute to the Senator from Idaho [Mr. DWORSHAK].

Mr. DWORSHAK. Mr. President, on October 19, 1949, there was a vote in this body on a motion to agree to the conference report on the Anderson farm bill. The report was a compromise between the high support of the House bill and the sliding scale of supports passed by the Senate. It embodied the principle of flexibility as a long-range peacetime policy, but assured high prices for basic commodities during a 4-year transitory period.

The vote resulted in 46 yeas and 7 nays, with 43 Senators not voting. Senators who did not vote included the Senator from Minnesota, who was listed as being in favor of flexible supports as provided by the Anderson bill approved on October 19, 1949.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the junior Senator from Wisconsin [Mr. MCCARTHY] to the amendment of the Senator from Vermont [Mr. AIKEN].

Mr. YOUNG. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. YOUNG. I believe there is some confusion as to what the next vote will be on. Will it be on the so-called 82½-percent amendment?

The VICE PRESIDENT. The question is on the amendment of the Senator from Wisconsin to the amendment of the Senator from Vermont.

Mr. YOUNG. If no further amendments were offered, the amendment providing for the 82½ percent would come first, would it not?

The VICE PRESIDENT. That, of course, will depend upon which Senator calls up an amendment to the amendment. The first vote will be on the amendment of the junior Senator from Wisconsin, providing for 90 to 100 percent price reports. The next vote will be on an amendment called up by whatever Senator is on his feet and who desires to offer an amendment. If no other amendment is called up, the amendment offered by the Senator from Vermont [Mr. AIKEN] will be in order.

Mr. YOUNG. The 82½-percent amendment would be an amendment to the committee amendment; is that correct?

The VICE PRESIDENT. The 82½-percent amendment is an amendment to the amendment of the Senator from Vermont, and it is to be in order.

Mr. YOUNG. It would provide for 82½ percent as against 90 percent. Is that correct? If the amendment should prevail, the provision in the bill would then be 82½ percent instead of 90 percent.

The VICE PRESIDENT. That would depend on whether the amendment of the Senator from Vermont, as amended by the 82½-percent amendment, is agreed to by the Senate.

Mr. YOUNG. There is a 90-percent provision in the bill now. Any 80-percent or 82½-percent amendment would be an amendment to reduce that level.

The VICE PRESIDENT. That is correct.

The question is on agreeing to the amendment offered by the junior Senator from Wisconsin [Mr. McCARTHY] to the amendment of the Senator from Vermont [Mr. AIKEN].

Mr. JOHNSON of Texas. Mr. President, I yield 2 minutes to the Senator from Minnesota [Mr. HUMPHREY].

Mr. HUMPHREY. Mr. President, I do not wish to take any more time of the Senate except to say that it is apparent that the Republican Senatorial Campaign Committee is not only interested in bargaining away the party program, but also in stigmatizing certain Senators in this Chamber. I listened to the Senator from Idaho on the way that 90 percent of parity was voted in the Chamber of the old Supreme Court room, when the junior Senator from Minnesota was absent at his father's home. His father was not to live. I lost my father. I voted for 90 percent of parity in 1949. I didn't have to wait for election year. I believed in it at that time and I still believe in it, and I am not going to higgle and jiggle with fractions.

Mr. DWORSHAK. Certainly the Senator from Minnesota is not making the charge that I did not accurately quote the RECORD of October 19, 1949.

Mr. HUMPHREY. I am sure the Senator is always accurate, but the facts are sometimes surrounded by circumstances, and those circumstances were known to the Chamber on the day I voted for the Senate bill. May I say that I did not only vote for the extension of 90 percent of parity in 1952, but for 90 percent through the Russell-Young amendment in 1949.

Mr. DWORSHAK. I was merely calling attention to the vote on the Anderson bill, which is in the CONGRESSIONAL RECORD of October 19, 1949.

Mr. HUMPHREY. There will be attention called to the rollcall of this day, August 9, 1954, because it is the rollcall which will determine the basic agricultural legislation of this country. This is the rollcall which will separate those who believe in full parity for farmers and those who believe in bargaining it away.

SEVERAL SENATORS. Vote! Vote!

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the junior Senator from Wisconsin [Mr. McCARTHY] to the Aiken amendment.

Mr. KNOWLAND. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. KNOWLAND. Has all time expired?

The VICE PRESIDENT. All time on the amendment has expired.

Mr. KNOWLAND. I ask that the yeas and nays be ordered on the McCarthy amendment.

The yeas and nays were ordered.

Mr. KNOWLAND. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	George	Maybank
Anderson	Gillette	McCarran
Barrett	Goldwater	McCarthy
Beall	Gore	McClellan
Bennett	Green	Millikin
Bowring	Hayden	Monroney
Bricker	Hendrickson	Morse
Bridges	Hennings	Mundt
Burke	Hickenlooper	Murray
Bush	Hill	Neely
Butler	Holland	Pastore
Byrd	Humphrey	Payne
Capehart	Ives	Potter
Carlson	Jackson	Purtell
Case	Jenner	Reynolds
Chavez	Johnson, Colo.	Robertson
Clements	Johnson, Tex.	Russell
Cooper	Johnston, S. C.	Saltonstall
Cordon	Kennedy	Schoeppel
Crippa	Kerr	Smathers
Daniel	Kilgore	Smith, Maine
Dirksen	Knowland	Smith, N. J.
Douglas	Kuchel	Stennis
Duff	Langer	Symington
Dworshak	Lehman	Thye
Eastland	Lennon	Upton
Ellender	Long	Watkins
Ervin	Magnuson	Welker
Ferguson	Malone	Wiley
Frear	Mansfield	Williams
Fulbright	Martin	Young

The VICE PRESIDENT. A quorum is present.

The question is on agreeing to the amendment of the junior Senator from Wisconsin [Mr. McCARTHY] to the amendment of the senior Senator from Vermont [Mr. AIKEN].

Mr. KNOWLAND. Mr. President, may the amendment be read, for the information of the Senate?

The VICE PRESIDENT. The clerk will state the amendment.

The LEGISLATIVE CLERK. In line 3, in the Aiken amendment, it is proposed to strike out "subsection (c) and."

In line 5, it is proposed to strike out "90" and insert "100", and to strike out "80" and insert "90."

Beginning with the semicolon in line 8, it is proposed to strike out down through the word "section" in line 10.

The VICE PRESIDENT. On this question, the yeas and nays have been ordered. The clerk will call the roll.

Mr. McCARTHY. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. McCARTHY. A "nay" vote is a vote against the 90-percent provision; and a "yea" vote is a vote for that provision? Is that correct?

The VICE PRESIDENT. That is not a parliamentary inquiry.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. SALTONSTALL. I announce that the Senator from Vermont [Mr. FLANDERS] is necessarily absent.

If present and voting, the Senator from Vermont [Mr. FLANDERS] would vote "nay."

Mr. CLEMENTS. I announce that the Senator from Tennessee [Mr. KEFAUVER] and the Senator from Alabama [Mr. SPARKMAN], both of whom are necessarily absent, would vote "nay" if present.

The result was announced—yeas 12, nays 81, as follows:

YEAS—12

Chavez	Langer	Morse
Gillette	Magnuson	Mundt
Humphrey	Mansfield	Murray
Kerr	McCarthy	Young

NAYS—81

Aiken	Ferguson	Martin
Anderson	Frear	Maybank
Barrett	Fulbright	McCarran
Beall	George	McClellan
Bennett	Goldwater	Millikin
Bowring	Gore	Monroney
Bricker	Green	Neely
Bridges	Hayden	Pastore
Burke	Hendrickson	Payne
Bush	Hennings	Potter
Butler	Hickenlooper	Purtell
Byrd	Hill	Reynolds
Capehart	Holland	Robertson
Carlson	Ives	Russell
Case	Jackson	Saltonstall
Clements	Jenner	Schoeppel
Cooper	Johnson, Colo.	Smathers
Cordon	Johnson, Tex.	Smith, Maine
Crippa	Johnston, S. C.	Smith, N. J.
Daniel	Kennedy	Stennis
Dirksen	Kilgore	Symington
Douglas	Knowland	Thye
Duff	Kuchel	Upton
Dworshak	Lehman	Watkins
Eastland	Lennon	Welker
Ellender	Long	Wiley
Ervin	Malone	Williams

NOT VOTING—3

Flanders	Kefauver	Sparkman

So Mr. McCARTHY's amendment to Mr. AIKEN's amendment was rejected.

Mr. SCHOEPPEL. Mr. President, on behalf of the Senator from New Mexico [Mr. ANDERSON], the Senator from Oregon [Mr. CORDON], the Senator from Idaho [Mr. DWORSHAK], and myself, I offer an amendment to the amendment proposed by the Senator from Vermont [Mr. AIKEN], for himself and other Senators.

The VICE PRESIDENT. The clerk will state the amendment.

The CHIEF CLERK. On page 1, line 5, it is proposed to strike out "80" and insert in lieu thereof "82½."

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Kansas [Mr. SCHOEPPEL], for himself and other Senators, to the amendment of the Senator from Vermont [Mr. AIKEN].

Mr. SCHOEPPEL. I ask for the yeas and nays.

The yeas and nays were ordered, and the Chief Clerk called the roll.

Mr. SALTONSTALL. I announce that the Senator from Vermont [Mr. FLANDERS] is necessarily absent.

On this vote the Senator from Vermont [Mr. FLANDERS] is paired with the Senator from Alabama [Mr. SPARKMAN]. If present and voting, the Senator from Vermont [Mr. FLANDERS] would vote "yea" and the Senator from Alabama [Mr. SPARKMAN] would vote "nay."

Mr. CLEMENTS. I announce that on this vote the Senator from Tennessee [Mr. KEFAUVER], who is necessarily absent, would vote "nay" if present.

I announce further that on this vote the Senator from Alabama [Mr. SPARKMAN], who is necessarily absent, is paired with the Senator from Vermont [Mr. FLANDERS]. If present and voting, the Senator from Alabama would vote "nay" and the Senator from Vermont would vote "yea."

The result was announced—yeas 49, nays 44, as follows:

YEAS—49

Aiken	Dworshak	Millikin
Anderson	Ferguson	Pastore
Barrett	Goldwater	Payne
Beall	Gore	Potter
Bennett	Green	Purtell
Bowring	Hayden	Reynolds
Bricker	Hendrickson	Robertson
Bridges	Hickenlooper	Saltonstall
Butler	Holland	Schoeppel
Byrd	Ives	Smathers
Capehart	Jenner	Smith, Maine
Carlson	Kennedy	Smith, N. J.
Cordon	Knowland	Upton
Crippa	Kuchel	Watkins
Daniel	Malone	Welker
Dirksen	Martin	
Duff	McCarran	

NAYS—44

Burke	Hill	McCarthy
Bush	Humphrey	McClellan
Case	Jackson	Monroney
Chavez	Johnson, Colo.	Morse
Clements	Johnson, Tex.	Mundt
Cooper	Johnston, S. C.	Murray
Douglas	Kerr	Neely
Eastland	Kilgore	Russell
Ellender	Langer	Stennis
Ervin	Lehman	Symington
Frear	Lennon	Thye
Fulbright	Long	Wiley
George	Magnuson	Williams
Gillette	Mansfield	Young
Hennings	Maybank	

NOT VOTING—3

Flanders	Kefauver	Sparkman

So Mr. SCHOEPPEL's amendment to Mr. AIKEN's amendment was agreed to.

Mr. AIKEN. Mr. President, I move that the vote whereby the amendment was agreed to be reconsidered.

Mr. KNOWLAND. Mr. President, I move to lay on the table the motion of the Senator from Vermont.

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from California to lay on the table the motion of the Senator from Vermont.

Mr. AIKEN's motion to reconsider was laid on the table.

The VICE PRESIDENT. The question now is on agreeing to the amendment of the Senator from Vermont, as amended, to the committee amendment.

On this question, the yeas and nays have previously been ordered, and the Secretary will call the roll.

The Chief Clerk called the roll.

Mr. SALTONSTALL. I announce that the Senator from Vermont [Mr. FLANDERS] is necessarily absent.

On this vote the Senator from Vermont [Mr. FLANDERS] is paired with the Senator from Alabama [Mr. SPARKMAN]. If present and voting, the Senator from Vermont [Mr. FLANDERS] would vote "yea" and the Senator from Alabama [Mr. SPARKMAN] would vote "nay."

Mr. CLEMENTS. I announce that on this vote the Senator from Tennessee [Mr. KEFAUVER], who is necessarily absent, would vote "nay" if present.

I announce further that on this vote the Senator from Alabama [Mr. SPARKMAN], who is necessarily absent, is paired with the Senator from Vermont [Mr. FLANDERS]. If present and voting, the Senator from Alabama would vote "nay" and the Senator from Vermont would vote "yea."

The result was announced—yeas 49, nays 44, as follows:

YEAS—49

Aiken	Dworshak	Pastore
Anderson	Ferguson	Payne
Barrett	Frear	Potter
Beall	Goldwater	Purtell
Bennett	Green	Reynolds
Bowring	Hendrickson	Robertson
Bricker	Hickenlooper	Saltonstall
Bridges	Holland	Schoeppel
Bush	Ives	Smathers
Butler	Jenner	Smith, Maine
Byrd	Kennedy	Smith, N. J.
Capehart	Knowland	Upton
Carlson	Kuchel	Watkins
Cordon	Malone	Welker
Crippa	Martin	Williams
Dirksen	McCarran	
Duff	Millikin	

NAYS—44

Burke	Hennings	Maybank
Case	Hill	McCarthy
Chavez	Humphrey	McClellan
Clements	Jackson	Monroney
Cooper	Johnson, Colo.	Morse
Daniel	Johnson, Tex.	Mundt
Douglas	Johnston, S. C.	Murray
Eastland	Kerr	Neely
Ellender	Kilgore	Russell
Ervin	Langer	Stennis
Fulbright	Lehman	Symington
George	Lennon	Thye
Gillette	Long	Wiley
Gore	Magnuson	Young
Hayden	Mansfield	

NOT VOTING—3

Flanders	Kefauver	Sparkman

So Mr. AIKEN's amendment, as amended, to the committee amendment was agreed to.

Mr. AIKEN. Mr. President, I move that the Senate reconsider the vote by which my amendment, as amended, to the committee amendment was agreed to.

Mr. KNOWLAND. Mr. President, I move to lay on the table the motion of the Senator from Vermont to reconsider.

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from California to lay on the table the motion of the Senator from Vermont to reconsider.

Mr. AIKEN's motion to reconsider was laid on the table.

The VICE PRESIDENT. The committee amendment, in the nature of a substitute for the bill, is open to further amendment.

Mr. AIKEN. Mr. President, on behalf of myself and certain other Senators, I offer to the committee amendment the amendment which I now send to the desk and ask to have stated.

The VICE PRESIDENT. The amendment to the amendment will be stated.

The LEGISLATIVE CLERK. In the committee amendment beginning on page 22, line 11, with the words "by amending", it is proposed to strike out through line 3 on page 24 and insert the following: "by amending subsection (c) by revising the words 'the products of milk and butterfat' in the last sentence of subsection (c) to read 'milk and the products of milk and butterfat'."

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Vermont [Mr. AIKEN] for himself and other Senators to the committee amendment.

Will the Senator indicate to the Chair how much time he desires to yield to himself?

Mr. AIKEN. I yield to myself whatever part of 10 minutes I may require.

This amendment, Mr. President, strikes out the support provisions relating to dairy products beginning in line 11 on page 22 and continuing through line 3 on page 24 of the bill.

The bill as it came from the committee fixes a support level for dairy products at 85 percent of parity for a year beginning September 1.

This amendment would strike out the provisions of the committee amendment relating to price support for dairy products, and would substitute a provision authorizing price support under the present law through loans on or purchases of milk as well as the products of milk and butterfat.

Inasmuch as whole milk is a nonstorable commodity, it is likely that most of the milk purchased will be immediately disposed of to eligible recipients under section 416 of the Agricultural Act of 1949.

Also, this amendment contemplates, in view of the practical difficulties involved in handling fluid milk, that the Commodity Credit Corporation may make such provisions as the Secretary deems practicable for local purchases. For example, purchases could be made by county committees, the milk being delivered directly to the eligible recipient, or purchases could be made by means of advances, reimbursements, or otherwise, to the eligible recipients.

"Eligible recipients" would mean school lunch programs, relief welfare programs, institutional programs, and other recipients designated in section 416 of the Agricultural Act of 1949.

This authorization for the Secretary to conduct purchase operations with respect to whole milk through the Commodity Credit Corporation would not, of course, affect his authority to use section 32 funds, within the limitations of that section, to increase the domestic consumption of milk.

The committee bill as reported provides for changing the marketing year for dairy products for a certain period, and provides for price support for dairy products at 85 percent of parity for the next 12 months, until September 1, 1955.

Mr. President, last year dairy products were supported at 90 percent of parity. The Commodity Credit Corporation proved to be one of the biggest purchasers of dairy products in the country. Processors all over the country produced butter, cheese, and powdered milk to sell to the Federal Government to go into Federal refrigerators. At the beginning of the marketing year, April 1 this year, we had more than a billion pounds of dairy products stored away. At that time, under the law the Secretary was required to reduce the support level for

dairy products, which could be supported only through purchase of or loans on the products of milk and butterfat, from 90 to 75 percent of parity. The use of dairy products began to expand almost immediately, whereas during February and March store sales were only 1 percent above the corresponding months of last year.

In April and May, according to the report which I received a couple of days ago, the increased sales amounted to 9 percent over the months of April and May 1953.

In June and July it is reported that store sales were 13 percent above last year.

Production of milk is coming rapidly into line with consumption. In some of the States herds are being reduced through the culling and marketing of cows, which probably should have gone to slaughter before they did, but which the farmers continued to keep and to milk.

Mr. McCARTHY. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. McCARTHY. I am not fully aware of what the Senator's amendment would do. We have 82½ percent on staple products. What would the Senator's amendment do to dairy products?

Mr. AIKEN. It would leave the price support for dairy products at a level between 75 and 90 percent of parity which would secure the necessary production.

Mr. McCARTHY. I wonder if the Senator does not agree with me that, if the farmer is paying 82½ percent for the feed which he feeds the cattle, he is entitled to at least 82½ percent for his milk? I know that dairying is not too important in the Senator's State, but it is important to the economy of the country. I will say to the Senator from Minnesota that it is also very important in his State. In my State it is estimated that farmers have lost $9 million annually because of the reduction in the parity formula. I assume that is true also of the Senator's State.

Mr. AIKEN. I did not yield for a speech on my time, Mr. President, so I decline to yield further.

Dairying is about twice as important per capita in the State of Vermont as it is in Wisconsin. There are only 12 States in the Union which produce as much dollar value of dairy products as does the State of Vermont, in spite of the small size of the State.

The dairy industry of this country has started a campaign of culling herds, expanding markets, and bringing production into line with consumption; and remarkable progress is being made in that direction. As of July 15, the Department of Agriculture reports that the per capita consumption of cheese in this country was 4 percent above last year. The per capita consumption of butter was 5 percent above last year. The per capita consumption of fluid milk has also increased. Add that to the increase in the population, and we find that we are using a greatly increased amount of dairy products as compared with the past year.

If we can continue the progress we are making for 3 or 4 months more, the dairy farmer of this country will find himself in a very much better situation than he has been in up to now.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. HOLLAND. In the first place, am I correct in my understanding that this amendment would change the substitute reported by the 8-member majority of our committee by reducing the 85 to 90 percent support price to the 75 to 90 percent support price which is in the present law?

Mr. AIKEN. That is correct. Eight members of the committee wrote into the bill a provision for 85 percent supports for dairy products for 1 year. Seven members of the committee, including the Senator from Florida [Mr. HOLLAND], recommended that the law be left as it is, which provides for a level high enough between 75 and 90 percent of parity to secure adequate production.

Mr. HOLLAND. Mr. President, will the Senator yield for another question?

Mr. AIKEN. I yield for a question.

Mr. HOLLAND. Am I correct in my understanding that this proposed amendment would remove from the committee substitute the provision to change the marketing year for milk?

Mr. AIKEN. That is true. I have had letters and telegrams from creameries and milk handlers all over the country stating that a change in the marketing year from April 1 until September 1 would create chaos in the industry.

Mr. HOLLAND. Mr. President, will the Senator yield for another question?

Mr. AIKEN. I yield.

Mr. HOLLAND. Am I correct in my understanding that instead of merely permitting the support of dairy products, such as dried milk, cheese, and butter, which are supported under the present law, the proposed amendment would likewise permit the support of whole milk?

Mr. AIKEN. That is true. The reason for that is that last year, 1953, when there was a heavy surplus of milk, processors all over the country sold their products to the Commodity Credit Corporation at 90 percent of parity, but that process averaged a return to the producers, I believe, of only 84 percent of parity. So far we have found no way of making sure that the full amount of the support gets back to the producer.

We believe that if we give the Department of Agriculture the right to support the price of fluid milk—to purchase it and to turn it over to the school-lunch programs, to eleemosynary institutions, to welfare departments, to needy people, and to other beneficiaries designated by section 416 of the act of 1949—we shall find that the law of supply and demand will come into operation so far as the processing plants are concerned, and the processors will, because of competition, have to pay the farmer the full amount of the support.

Mr. HOLLAND. Mr. President, will the Senator yield for one more question?

Mr. AIKEN. I yield.

Mr. HOLLAND. I recall that the Senator from Vermont in his principal argument the other day made a statement which I think was to the effect that since the reduction in the support price ordered by Secretary Benson, the increase in the sales of butter had been, at the last figure, 4 percent or more. Is that correct, or am I in error in that regard?

The PRESIDING OFFICER. The time of the Senator from Vermont has expired.

Mr. AIKEN. I yield myself as much more time as I may need to finish the colloquy with the Senator from Florida.

The Department of Agriculture found on July 15 that the per capita consumption of cheese had increased 4 percent, and the per capita consumption of butter had increased 5 percent. It is believed that that percentage is increasing constantly, week by week, and that the American people are today using a great deal more dairy products than they did a year ago.

We know for a fact that in many parts of the country supply is coming into line with demand, price is improving, and promises to improve continually over the next few months.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. HOLLAND. Is it the opinion of the Senator from Vermont, coming as he does from a State where dairying is important, that the enactment of the committee substitute bill, as it now stands—that is, at the 85-percent support price—would mean that the reduction in the price of butter during the past few months would be wiped out, and butter would go back to approximately the price level which existed prior to the order of Secretary Benson?

Mr. AIKEN. If that measure were enacted, there is no question that the great promotion program by the dairy interests which is underway at this time would come to an end, that butter would again start to disappear from the consumers' tables, and that the farmer would come to depend more and more and more upon the Federal Government as the only market for his dairy products.

Mr. HOLLAND. Mr. President, I thank the distinguished Senator. I certainly hope the amendment of the Senator from Vermont will be adopted.

Mr. AIKEN. Mr. President, reference was made to the relative value of dairy herds in certain States. The State of Vermont depends upon dairying for 78.9 percent of its farm income. The State of Wisconsin depends upon dairying for 66.8 percent of its farm income.

I do not undertake to belittle the State of Wisconsin, because it is a State much larger than Vermont. However, acre for acre, Vermont has more cows. I noticed the other day that someone in Vermont was boasting that at least we have more people than cows. I think the people exceed the cows by 6,000, according to the latest estimate.

Mr. President, the Department of Agriculture has taken a very strong position against disrupting the dairy

program as it is now, although so far as I know they have no objection to our authorizing the support of dairy products by means of the purchase of fluid milk.

President Eisenhower has expressed himself very vigorously to the effect that the dairy program which is now underway ought not to be disturbed.

Mr. WILEY. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. WILEY. Can the Senator from Vermont tell me what is the average price paid to the farmers of this State for milk containing 3.5 percent butterfat?

Mr. AIKEN. I cannot tell exactly, because it depends on whether it is sold for fluid milk or whether it is surplus. We sell milk with 3.7 percent butterfat in the Boston market.

Mr. WILEY. How much is obtained for that milk?

Mr. AIKEN. We will get, for August, I believe, about $3.99 a hundred, for 3.7 percent butterfat milk. That would be a little more than $4 for 4.95 percent butterfat milk. It would be about $3.75 for 3.5 percent butterfat milk.

Mr. WILEY. Is the Senator talking about the fluid milk sold in Vermont?

Mr. AIKEN. I am talking about the blended price.

Mr. WILEY. The overall price would then be approximately $5 a hundredweight?

Mr. AIKEN. I think that would be the class 1 price, roughly. It would be something under that, or about $4.77.

I may say to the Senator from Wisconsin that the difference between the class 1 and class 2 milk—manufactured milk and fluid milk used in the household—is greater in New England, and I think throughout the East generally, than it is in the central States. We do not have the processing plants.

Mr. WILEY. It is not true that the majority of the committee recommended, as found on page 24 of the report, that 85 percent of parity be given for milk and butterfat?

Mr. AIKEN. That is absolutely true. Eight members of the committee recommended 85 percent price supports for dairy products.

Mr. WILEY. Is it not also true that the dairy interests of Vermont would not need 85 percent of parity, or even 90 percent of parity? They would not need even 75 percent of parity, would they?

Mr. AIKEN. I think it costs much more to produce milk in New England than it does to produce milk in Wisconsin. We have to buy a higher percentage of feed than the farmers of the Midwest have to buy. We do not have farms which produce milk for manufacturing purposes only.

In fact, if anyone wanted to go into the dairying industry, for the purpose of producing milk for the Boston and New York markets, it would cost him thousands of dollars even to equip the barns.

Mr. WILEY. Let me put it this way: In Vermont dairy farmers do not need 85 percent of parity nor do they need 90 percent of parity to protect the people. They are getting that much.

Mr. AIKEN. That is right. We hope to.

Mr. WILEY. Mr. President, will the Senator yield further?

Mr. AIKEN. I yield.

Mr. WILEY. I think the committee recognized that fact, as to the eastern markets where fluid milk could be sold. I understand the farmer is getting from 12 to 13 cents a quart for his milk in some places, such as Washington.

In Wisconsin many factors must be considered. We produce approximately 17 billion pounds of milk a year. We can not ship our milk into Washington. We have plenty of milk, and plenty of people want to drink it. I disagree with the statement that the cost of producing milk in Wisconsin is less than it is in Vermont. Our farmers are receiving between 5 and 6 cents a quart. From the standpoint of purchasing power, that is approximately 2½ cents a quart, assuming the dollar to be worth about 50 cents in purchasing power.

Mr. AIKEN. Mr. President, I wonder in whose time the Senator from Wisconsin is speaking.

Mr. WILEY. I should like to have a little time. I did not mean to interrupt.

Mr. AIKEN. I was speaking on my own time.

Mr. HUMPHREY. Mr. President, will the Senator from Vermont yield so that we may request the yeas and nays?

Mr. AIKEN. Mr. President, I ask for the yeas and nays on the pending amendment.

The yeas and nays were ordered.

Mr. AIKEN. Mr. President, the reason why Wisconsin milk cannot be sold in eastern markets is that transportation costs too much. The thing that amazes me is that some of the Western States do not establish marketing agreements. They could do so if they produced butter and cheese as well as fluid milk. But they do not do it. I think that would be one solution of their problem.

Mr. THYE. Mr. President, will the Senator from Vermont yield for a question? If he does not wish to yield, I am confident that I can find the necessary time to answer his statement.

Mr. AIKEN. I yield.

Mr. THYE. The question I should like to ask the distinguished Senator from Vermont is what good a milk control order would be with reference to a cooperative association where there is no consuming population to speak of? What good would do it do in a little town in Wisconsin or in Minnesota, where there is not a large population? It is all right to speak of marketing control for the eastern area, where there are large metropolitan centers, but what good would such control be in Nebraska, Minnesota, or northern Iowa?

Mr. AIKEN. They have to produce on a different plan for primary markets. One of the difficulties besetting some of the States in the West is that, for example, in Wisconsin there are perhaps 1,500 processing plants, and a great many in Minnesota.

Mr. President, how much time have I remaining?

The PRESIDING OFFICER. The Senator has consumed 20 minutes.

Mr. HUMPHREY. Mr. President, if the senior Senator from Minnesota wishes time, I yield whatever time he may desire.

Mr. THYE. I thank my colleague.

Mr. THYE. I have asked the clerk of the Senate Committee on Agriculture and Forestry to prepare an amendment. That amendment proposes to amend the amendment offered by the Senator from Vermont [Mr. AIKEN]. As soon as it has been prepared I shall offer it.

But, Mr. President, after the vote on the amendment proposing an 82½ percent support price for the basics, which amendment was adopted, this is absolutely a useless effort. I can see that before we start. But I wish every Senator to realize that we are reducing the supports not only on the commodities basic but on dairy products as well. It will not be serious to the man who has the money and the ability to weather a few bad years, so to speak. He can stand it, and he may be the beneficiary in connection with buying out a young chap who has to sell under a forced sale because his creditors cease to carry him any longer. When that young man has sold out, he will be a disillusioned young man, starting down the road looking for a job. Who is he most likely to be? Mr. President, these are economic questions which we should ask one another. Who is that young man most likely to be? He is most likely to be a World War II veteran who came back in 1945 or 1946 or early in 1947, with only one thought in mind, and that was, first, to get married if he was not already married. That is the thought we had in mind when we came out of World War I. Our thought was to settle down and have homes of our own. Mr. President, I have visited such young men. I know their financial situation pretty well.

The youth who returned from World War II bought on the market machinery at inflationary prices, and he bought cows which cost him from $350 to $400 a head. If he sold one of those cows today he would receive approximately 11 cents a pound. Let Senators figure out how much a cow weighing 1,400 pounds and sold for 11 cents a pound would return to the owner in the way of money—$154. That is what a good Holstein would bring. A Jersey cow would not bring that much.

The Senator from Vermont has said that we are selling off dairy cows and culling the herds. If it were not so serious I could almost laugh at his statement.

The young man about whom I was speaking has had to take a drop in the price of his milk. I have before me four bulletins of the Twin Cities Milk Producers, a cooperative organization consisting of farmers, which furnishes about 90 percent of the fluid milk consumed in Minneapolis and St. Paul. There are literally hundreds of members of this organization who are veterans of World War II. The area referred to is a dairying area in Minnesota. One bulletin is dated December 1951. This is a cooperative organization, and every penny it receives is returned to the producers. This group of farmers in December 1951, for grade A milk, received $4.30.

From that point we can consider three other bulletins, the first of which was in May 1954. If I had any others, I would refer to all of them. But these happened to be lying in my desk, and I picked them up as I started to speak on the question.

In May 1954, the price of grade A milk in the Twin Cities Milk Producers Association was $3.32. Subtract $3.32 from $4.30, in the period from 1951 to 1954, and it will be seen that the same group of producers in the Twin Cities market lost 98 cents a hundred pounds on their milk. Bear that in mind.

From May we go to June 1954. The price dropped from $3.32 to $3.20. If we examine the statement for the month of July it will be seen that the price for July was the same as the price for June.

I call attention to the fact that the price dropped 98 cents—almost a dollar—between 1951 and May 1954. It has dropped about 60 cents a hundredweight since the early part of this year, when the new price order went into effect on February 15, 6 weeks in advance of the time it actually was ordered to be effective, which was April 1. That gave the processors, the retailers, the wholesalers, and the packers 6 weeks in order to knock down the farmer's price, and to enjoy the windfall which they did enjoy.

The St. Paul Pioneer Press for last Saturday, August 7, stated that milk prices jumped 1 cent. The article reads:

Retail price of milk will go up a cent a quart in St. Paul within a week, it was indicated Friday night.

The rise will follow a similar increase made by Minneapolis distributors about a month ago. This followed a boost of about nine-tenths of a cent a quart ordered in the price paid to farmers by dairies.

There has been another raise—this one only 1.7 cents a hundredweight—in the price to farmers in August.

Imagine that, Mr. President. We are now considering fractions. There has been an increase of 1.7 cents a hundredweight in the price to the farmers in the month of August.

Mr. YOUNG. Mr. President, will the Senator yield?

Mr. THYE. I shall be delighted to yield in a moment.

Mr. President, I might laugh if this were not so serious a situation; if I did not know how it was affecting the youth who bore the brunt of the battles in World War II, and then returned to start life anew, but whom the Government is now helping to liquidate.

I yield to the Senator from North Dakota.

Mr. YOUNG. I wonder if the Senator from Minnesota realizes that the Under Secretary of Agriculture last year encouraged farmers to go more and more into dairying. Let me read a part of the Under Secretary's speech at the National Feed Dealers Convention at Galveston, Tex., last September. It was a great speech.

Dairying again looks more attractive as compared with beef cattle. More farmers will apparently be seeking the stability and security of income which milk cows produce under good management. New farmers and those who have not established a financial position should be encouraged to consider dairying. It is an enterprise especially adapted to family-operated farms.

Does the Senator from Minnesata think that it was good advice to the young men of America to tell them, a year ago, to go into the dairying businesss; and then, a few months later, to cut the props out from under them?

Mr. THYE. There have been so many advices given in the past year, which could be held up or referred to with an equal amount of questioning, such as the one to which the Senator from North Dakota has just referred.

I simply say, in all sincerity—and no one has given the situation any more thought, I believe, than I have—that there is only one way in which the surplus can be solved, unless it is desired to destroy the person with limited capital, and that way is to cut down on the acreage which is planted; to make certain, when an acre of wheat, cotton, or corn is laid out, that the acre shall not be diverted into a competitive crop, which may be grown in some area of the Nation which would be competitive with another. For instance, corn grown in the delta of Mississippi would become competitive with corn grown in Illinois, Iowa, or Indiana. Corn can be grown in Mississippi, unless the acreage is controlled and diversion is denied.

The same would be true if barley and oats were permitted to be grown in the northern region, for then it would become a competitive feed with corn and with low-grade wheat.

The fact is that if the Department had come forward with a realistic, positive, administratively sound farm program, relative to diverted acres, there would be no need for surpluses; but such a program has been delayed and delayed, and now the Department comes forward on the pretense that it is necessary to reduce by the economic squeeze on the farmer. If the price is reduced low enough, the farmer will go out of business. In theory, the program sounds good. But in reality, a price war could be started, and if one was in the coal business or the lumber business, unless he had sufficient capital, he could not survive. The result would be to starve out the man with limited capital, and that could be done in farming, too. Then the man with plenty of capital would be the beneficiary of a "fire sale," by being able to buy out a business at a sacrifice sale value.

What is being proposed to be done is to put the price so low that farmers will be forced out of the business of producing milk. This means that only the man with modern barns and a hundred head of cattle, with the kind of milking parlor which requires only 1 man to milk hundreds of head of cattle, can survive; but that the man on a family-sized farm, milking 25 or 30 cows by manual labor, will not be able to milk his cows at that price, so he will have to go out of business at a "fire sale," so to speak, or a foreclosure sale.

Mr. President, do we want to have a group of broke young World War II and Korean war veterans? These young farmers are operating still on the Korean war inflation with respect to everything they must buy or have bought. What did we do for the feed dealers; we gave 3½ cent a pound powdered milk, which cost the Government 16 cents a pound, for their mix feed. If ever there was a windfall, that was it.

I will defy anyone to examine the statistics, to see whether any reduction came in the high protein feeds, after that "fire sale" was made.

We are getting down to facts which are not pleasant, but they will appear in the RECORD.

Mr. YOUNG. Mr. President, will the Senator yield?

Mr. THYE. I yield.

Mr. YOUNG. I think the facts which the Senator from Minnesota are bringing out now will also be brought out more vividly after the farmers have had a chance to vote in the next election.

I wish to joint with him as a sponsor of the amendment he is offering as a substitute for the dairy provision in the House bill, which has been presented by the distinguished Senator from Vermont [Mr. AIKEN]. The net effect would be this: The Senate bill provides for an 85 percent dairy support. The amendment offered by the Senator from Vermont provides, as I understand, for from 75 to 90 percent—a reduction from 85 to 75. The House bill provides for an 80-percent support.

I have no doubt that the action taken a while ago by the Senate, in setting support levels for basic farm commodities at 82 percent of parity, means that dairy price supports should be at 82½ percent of parity, or 80 percent as approved by the House.

I wish to join with the Senator as a cosponsor of his amendment.

Mr. THYE. I am delighted to have the distinguished Senator from North Dakota join with me as a cosponsor in the offering of the amendment which I am offering.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. THYE. I yield.

Mr. HUMPHREY. May I ask the distinguished senior Senator from Minnesota if in his amendment the low figure remains at 80 percent, or is it at 82½ percent?

Mr. THYE. The amendment I am proposing is the same amendment as is to be found in the House bill, where the support is set at 80 percent of parity, beginning September 1, 1954. So it is not 82½ percent, but 80 percent. It is identical with the House provision. Therefore, there would be supports of 82½ percent on the basic commodities, the same as were provided by the House; 80-percent supports on dairy products, the same as were provided in the House; and the provisions of the House bill would be embodied in the dairy amendment.

Mr. HUMPHREY. In other words, in the House bill provisions for disposal, the words "other operations" occur.

Mr. THYE. That is correct. In fact, I have taken two pages from the House bill and inserted them as the amendment, and the amendment will read:

"In lieu of the matter proposed to be inserted, insert the following"; and then the amendment sets forth the language

on those pages of the House bill, which will become part of the amendment.

Mr. HUMPHREY. Will the senior Senator from Minnesota yield, so that we may clarify the record?

Mr. THYE. I yield to my colleague.

Mr. HUMPHREY. Does the Senator intend to offer his amendment following the vote upon the Aiken amendment to the committee bill?

Mr. THYE. My amendment will be to the amendment of the Senator from Vermont [Mr. AIKEN]. I am proposing to amend the Aiken amendment, which strikes everything out of the bill reported by the Senate Committee on Agriculture and Forestry, which, of course, provided for supports for dairy products at 85 percent of parity. The Aiken amendment strikes that completely out of the bill, and provides for supports of from 75 to 90 percent of parity, leaving it to the discretion of the Secretary of Agriculture as to the support to be applied. I propose to amend the Aiken amendment by inserting the House language, which provides that the supports shall be fixed at not less than 80 percent.

Mr. HUMPHREY. I should like very much to associate myself with my senior colleague in this matter. We were in agreement on the amendment in the committee. However, I hope we can preserve the committee amendment, because that is a much more equitable proposal. If the senior Senator from Minnesota will permit me, I should like to join with him in trying to substitute his proposal for the Aiken proposal, because that of the senior Senator from Minnesota is a much more desirable one.

Mr. YOUNG. Mr. President, will the Senator yield?

Mr. THYE. I yield to the Senator from North Dakota.

Mr. YOUNG. I would much prefer to vote on supports of 85 percent as against 75 percent, but I understand, under the parliamentary rules, that if the Aiken amendment, which provides for 75 percent should prevail the amendment proposing 80 percent would not be in order.

Mr. HUMPHREY. Mr. President, may we clarify the situation for the RECORD?

Mr. THYE. I should like to have the Presiding Officer give us an explanation of the parliamentary situation.

Mr. YOUNG. Mr. President, the question I raised was that the Aiken amendment to the committee bill provides for supports of from 75 to 90 percent of parity. The committee bill provides for 85 percent of parity for dairy products. The Aiken amendment would reduce those supports to 75 to 90 percent of parity. My question is, Should the Aiken amendment prevail, would an amendment providing for 80 percent supports be in order?

The PRESIDING OFFICER. The amendment offered by the Senator from Vermont [Mr. AIKEN] proposes to strike out all the language on page 22 after the words "by amending" on line 11, all of page 23, and the first 3 lines on page 24. If that amendment were agreed to, there would be nothing left to amend.

Mr. YOUNG. That is the reason why I am joining with the Senator from Minnesota. If the Aiken amendment should prevail there would be no way to offer an amendment to it.

The PRESIDING OFFICER. The Aiken amendment is to strike out what the Chair has just indicated so there would be nothing left to amend.

Mr. THYE. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. THYE. If my amendment, which proposes an amendment to the Aiken amendment, should prevail, would that reestablish within the committee bill the language of the House bill which I am proposing to substitute?

The PRESIDING OFFICER. It would depend entirely on what is involved in the amendment of the Senator from Minnesota.

Mr. THYE. I should like to read from the House report, which will explain precisely what my amendment proposes to do. I can offer it as a substitute for the amendment offered by the Senator from Vermont, or as a separate amendment. All I am proposing to do is put the House language in the committee bill.

The PRESIDING OFFICER. If the Senator from Minnesota will send his amendment to the desk, the Chair will rule on it.

Mr. THYE. Mr. President, I read from the House report what I propose to do:

> The amendment establishes the level of price support for milk and its products at 80 percent of parity for the balance of this marketing year, beginning September 1, 1954, and ending March 31, 1956. Thereafter the level of price support will be set by the Secretary between 75 and 90 percent of parity on the basis of the certain considerations. In lowering the support price of milk to 75 percent of parity on April 1 of this year, the Secretary said that he was forced to set the price at this low level because of the terms of the existing law which provide that the only factor to be taken into consideration in determining the price-support level is that of setting the price support at a level which will "assure an adequate supply." While the Secretary indicated that he had great sympathy for milk producers in having to take a cut of 15 percent in their price-support level, he had no other alternative under the terms of existing law. It is reasonable to assume that the Secretary might not have reduced dairy supports to the lowest possible level, 75 percent of parity, had he had any other alternative under the provisions of the law. Since those provisions are being changed in this amendment and may possibly permit the Secretary to establish a support level somewhere above the minimum for the next marketing year, it is consistent with this action, with the expressed views of the Secretary, and with the principle of "gradualism" which the President has repeatedly urged be applied to price-support actions, that the price-support level for the balance of this marketing year be established at 80 percent of parity.

Mr. KNOWLAND. Mr. President, will the Senator from Minnesota yield?

Mr. THYE. I yield to the majority leader.

Mr. KNOWLAND. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from California will state it.

Mr. KNOWLAND. Against whose time is the present discussion being charged? I ask that question since we are operating under controlled time.

Mr. HUMPHREY. I yielded time to the senior Senator from Minnesota.

Mr. KNOWLAND. Mr. President, how much time is left?

The PRESIDING OFFICER. There are 38 minutes remaining to the opposition, and 36 minutes remaining to the proponents.

Mr. THYE. Mr. President, the parliamentary inquiry of the majority leader should not be charged to me.

Mr. KNOWLAND. I am sure the Senator from Vermont will permit it to be deducted from his time.

Mr. THYE. I continue reading:

> At the same time, new authority is included in this amendment for handling surplus dairy products in such a manner that the increase from 75 to 80 percent of parity support level on September 1 need not be reflected in any increase in the cost of dairy products to consumers. The amendment includes these words:
>
> "Such price supports shall be provided through loans on, or purchases of, or for the period ending March 31, 1956, other operations in connection with milk and the products of milk and butterfat."
>
> The words "other operations" will authorize the use of a sell-back or payment plan to plants producing butter and other dairy products to make up the difference between the support level on those products and the market price at which they can be sold. This authority is limited to the period ending March 31, 1956. If this authority is used by the Secretary in the manner which has been outlined to the committee by officials of the Department of Agriculture, the increase in the support level from 75 to 80 percent of parity on September 1 will not result in any increase in the cost of butter and other dairy products to consumers.
>
> The amendment also provides for the next 2 years an entirely new and extremely beneficial method of supporting dairy prices by providing for increased fluid milk consumption by children in nonprofit schools of high-school grade and under. At the present time, the CCC is not authorized to purchase milk and sell it to schools or donate it for school-lunch programs and similar uses. This will authorize CCC to use not to exceed $50 million of its funds for such disposal activities during each of the next 2 years.

Mr. President, my amendment to the Aiken amendment is taken from the House bill, and the explanation I have given of my amendment is taken from the report of the House committee. In short, my amendment to the Aiken amendment is identical with the language of the House bill.

Therefore, Mr. President, I urge that my amendment to the Aiken amendment be adopted.

Before closing, I wish to call attention to the fact that the reduction imposed during the past spring, from February 15, first to April 1, was from 90 percent to 75 percent. It was stated that that reduction would result in a decrease in the price of butter. It did substantially decrease the price of butter, although not in the amount which had been predicted. On the other hand, in the case of cheese, it lowered the price of cheese only one-half of what the reduction which was made in the support price on milk should have caused; and it did not lower the price of condensed milk or

the price of powdered milk. Neither did it lower the price of fluid milk. In fact, in some cases, the price of fluid milk rose, as I have shown by reading various newspaper reports.

In conclusion, Mr. President, I wish to say that if all the proposed reductions in the support price are placed into effect, they will absolutely destroy the opportunity of young farmers with limited capital to continue in business, without the hazards of possible foreclosures or possible forced sales.

Mr. President, the Nation's economy cannot withstand the suffering that a lowering of the supports would entail, because today the Nation's agriculture economy is already down to a dangerously low point, and is in a situation somewhat similar to that which existed in the early 1930's when the great depression began.

Mr. LANGER. Mr. President, will the Senator from Minnesota yield to me?

Mr. THYE. I yield, but I desire to point out that I am speaking in limited time.

Mr. LANGER. I understand that, and I merely wish to ask a question.

In view of the fact that both the Senators from Minnesota are now on the floor, and that both of them were at Kasson, Minn., when Dwight Eisenhower made his speech there, during the 1952 campaign, I wish to ask whether the House committee report is in accordance with the promises Dwight Eisenhower made at Kasson, Minn.

Mr. THYE. Mr. President, that matter has been discussed a great many times, and I wish to avoid engaging in such a discussion. I simply do not wish to comment on that point, for I have tried to state the facts relative to prices and the effect on the Nation's economy.

Mr. LANGER. I would not wish to embarrass the distinguished Senator from Minnesota. But, being a Republican, I wish to live up to the promises made by Dwight Eisenhower at Kasson, Minn. That is why I rose to inquire whether the plan now proposed is the Eisenhower plan or the Brannan plan.

Mr. THYE. Mr. President, I wish to say that the lowering of supports will not in any manner benefit the consumers in the great eastern city markets, where the price of milk is regulated by milk-control boards. In those areas, the price of milk is insured, by Federal order; and nothing we may do here will affect those milk prices or will permit a milk producer outside the milk-producing areas of Washington, Baltimore, New York, or Boston, even to bring a can of milk into those areas, because competitively such producers are shut out.

Mr. President, in connection with my amendment to the Aiken amendment, I have received requests from various Senators to have their names included as cosponsors. In that connection I mention the junior Senator from North Dakota [Mr. YOUNG], my colleague from Minnesota [Mr. HUMPHREY], and the distinguished junior Senator from New York [Mr. LEHMAN]—all of whom wish to join in sponsoring this dairy amendment.

Mr. LANGER. Mr. President, I should also like to be included as a cosponsor.

Mr. THYE. Mr. President, the senior Senator from North Dakota [Mr. LANGER] now has requested that he, too, be permitted to join as a cosponsor of the amendment.

Mr. ELLENDER. Mr. President, will the Senator from Minnesota yield to me?

Mr. THYE. I yield.

Mr. ELLENDER. As I understand the proposal of the Senator from Minnesota, it does not provide for direct subsidies to producers; but the matter would be handled as now provided by law—in other words, through loans on milk and milk products.

Mr. THYE. According to the interpretation of the amendment, the school-lunch programs, the recipients of aid under the welfare program, and similar groups or persons could be assisted by a reduced price, in which case, of course, the Federal Government would have to pay the difference. But as regards actual subsidies to producers under the milk program, there would not be such subsidies, and that is not my intention. I am sure the language does not direct the administrator to pay a subsidy to the producer.

The only difference will be in the case of the school-lunch programs, the recipients of aid under welfare programs, and the like. They will receive the benefit of the amendment; and there is to be set aside, in connection with the program, a fund of $50 million, for such disposal activities during each of the next 2 years. That is my understanding of the provision as contained in the House bill, and I have merely lifted out that provision and placed it in this amendment. So the House committee report likewise reports on my amendment, and does so in the manner in which I have endeavored to describe my amendment.

Standing near me are the two legal experts on the staff of the Senate Committee on Agriculture and Forestry, and they have given me the advice both as to the effect of my amendment and as to what is to be found in the report of the House committee.

Mr. HUMPHREY. Mr. President, will my colleague yield to me?

Mr. THYE. I yield to my colleague.

Mr. HUMPHREY. While it is true that the language of the House bill does not spell out production payments or payments to processors, the words "other operations," as I understand them, are permissive, in that they would permit the Secretary of Agriculture to do what may be necessary for the appropriate disposal or proper utilization of surplus dairy products. Is that an adequate and proper interpretation of the words "other operations"?

Mr. THYE. On page 22 of the House bill, in line 13, we find the words "other operations in connection with milk and the products of milk and butterfat, except,".

Those words do not spell out such an effect; but when we examine the report of the House Committee on Agriculture, we find that it says:

> The words "other operations" will authorize the use of a "sell-back" or payment plan to plants producing butter and other dairy products to make up the difference between the support level on those products and the market price at which they can be sold.

That is stated in the report of the House Committee on Agriculture, and it shows the intent of the bill as passed by the House.

I have lifted the language from the House bill, and have placed it in my amendment. If my amendment is adopted and becomes a part of the bill, the House bill and the Senate bill will be identical in this respect.

Mr. ELLENDER. Then, as I understand the language of the amendment, it would be permissive to the Secretary of Agriculture to make direct subsidy payments to the producers of milk, if he saw fit to do so.

Mr. THYE. That is exactly as set forth in the report of the House committee, and I have lifted the language of the amendment from the House bill, and have embodied it in the amendment I have sent to the desk.

Mr. President, I now yield the floor, because I do not wish to take up all the time that is available at this time.

Mr. HUMPHREY. Mr. President, how much time remains to this side?

The PRESIDING OFFICER. Twenty-six minutes.

Mr. HUMPHREY. Mr. President——

Mr. LEHMAN. Mr. President, will the Senator from Minnesota yield to me?

Mr. HUMPHREY. I yield to the Senator from New York 6 minutes, or if he needs more, I shall yield more time to him.

Mr. LEHMAN. Mr. President, I rise to oppose the amendment of the distinguished Senator from Vermont to the committee amendment. I have always felt, as I have heretofore pointed out, that we must consider agriculture as a whole; that we cannot put one segment of agriculture in a compartment quite separate and distinct from the other segments which make up the agricultural economy.

I have also pointed out at great length, in the remarks I have previously made, that there is a close relationship between the interests of the consumer and the interests of the farmer; that, after all, the consumer can not possibly prosper if the farmer is not prosperous.

After all, New York State—and every other State, as a matter of fact—produces a great quantity and variety of goods—clothing, hats, shoes, farm implements, equipment, automobiles, and various other things. The purchasing power of the farmer is a very great factor in encouraging and providing employment to millions of people.

As the bill now stands, after the adoption of the Aiken amendment an hour ago, it provides for a flexible support price of from 82½ percent to 90 percent of parity. If the pending amendment is adopted, we know that the support price for dairy products will be only 75 percent. We know that because that is the figure at which it stands now. That is the figure which was put into effect by the Secretary of Agriculture on April 1 over the protests of the dairy industry. That is the figure which is causing

untold suffering and loss to the dairy industry not only of New York, but of the entire country.

The claim has been made that the lower price support we are now discussing, and which the distinguished chairman of the Agriculture Committee wishes to put into effect, will help the consumer. That claim, of course, has been proved to be almost completely erroneous. The decline in the support price for dairy products from 90 percent to 75 percent did not result in any substantial gain to the consumer. The price of butter dropped a very few cents; milk did not drop by a cent. The people of New York City and the people of other sections of the country are paying identically the same price for milk that they paid 6 months ago.

That is true also with respect to the price of bread. The price of bread has not dropped a bit, even though wheat has declined in cost.

The income of the dairy farmer has dropped nearly 20 percent since this unjustified cut in the support prices by the Secretary of Agriculture was put into effect on April 1. While the dairy farmer's income has dropped 20 percent, the housewives have not profited in any substantial way.

Mr. President, whatever profits may have come because of this unjustified cut by the Secretary of Agriculture have accrued to the processors or distributors.

I wish to point out again, as I did last Friday when I spoke at length, that the report of the National Dairy Products Co., the largest processor and distributor of dairy products in the world, very definitely, clearly, and incontrovertibly shows that what I have just said is a fact. In the face of a 20-percent loss of income by the dairy farmers, the National Dairy Products Co. has increased its earnings by a full 20 percent in the past 6 months.

The PRESIDING OFFICER (Mrs. SMITH of Maine in the chair). The time of the Senator from New York has expired.

Mr. LEHMAN. Madam President, will the Senator give me 1 more minute?

Mr. HUMPHREY. I yield 2 more minutes.

Mr. LEHMAN. In the face of a decline of 20 percent in the income of the dairy farmers, the profits of the National Dairy Products Co. have increased the same amount, 20 percent. Their profit has gone up from $15,500,000 in 1953 to $18,500,000 in 1954. Virtually all other great processing companies show exactly the same record.

As I said on the floor of the Senate last week, the present administration is trying to bring about elimination of small family-sized farms. I believe the administration desires to get rid of the marginal farms and to build up and give a monopoly to the large farm. That is the policy of the administration, not only in agriculture, but I believe it is shown very clearly to have been the policy and the aim of the administration in many other economic activities that are carried on in this country.

We cannot afford to lose the small family farm. We cannot afford to lose the marginal farms. They are, in my opinion, the very backbone of the national economy, and the country will lose and suffer a great setback if we permit the elimination of the small family farm.

The PRESIDING OFFICER. The time of the Senator has expired.

The question is on agreeing to the amendment submitted by the Senator from Minnesota [Mr. THYE], on behalf of himself and other Senators, to the amendment of the Senator from Vermont to the committee amendment on pages 22 to 24.

Mr. HUMPHREY. Madam President, does the Senator from Vermont wish to use some of his time now?

Mr. AIKEN. Has the Senator finished with his time? Does he wish to yield the remainder of his time?

Mr. HUMPHREY. Madam President, how much time have we left?

The PRESIDING OFFICER. The Senator from Minnesota has 18 minutes; the Senator from Vermont has 36 minutes.

Mr. AIKEN. I yield 5 minutes to the Senator from Delaware.

Mr. WILLIAMS. Madam President, I rise in opposition to the amendment of the Senator from Minnesota [Mr. THYE]. I do not think there is any better argument to use in support of the proposal to reduce the support price on these products than to quote some of the figures showing that which has happened under the existing program.

According to the report of May 31, 1954, we had on hand 644 million pounds of dried milk at a cost of $106,250,000; we had 385 million pounds of butter at a cost of $257,700,000; we had 392 million pounds of cheese at a cost of $158 million. Altogether we have around $520 million as of May 31, 1954, of the taxpayers' money invested in dairy products.

Reducing this to terms of 50-ton cars, it is interesting to note that this would furnish more than 14,000, 50-ton carloads of dairy products, or enough to make a train about 120 miles long—or approximately the distance from Washington to Philadelphia. That would make a solid trainload of dairy products on hand as of May 31 long enough to reach from Washington to Philadelphia.

In this same report the Commodity Credit Corporation pointed out that we had lost during the first 11 months of fiscal 1954, $661,584,126 in supporting these agricultural products. That represents $60 million a month. That is $2 million a day, $83,000 an hour, or $1,400 a minute. While the Congress is debating this bill we are losing $1,400 for every minute this debate continues, in support of agricultural products at the present support level.

I have reduced these inventories down to terms of carloads and find that we have on hand stored in Government warehouses agricultural products the equivalent of over 1 million 50-ton carloads all stored at the expense of the American taxpayer.

That is enough to make a solid train 8,400 miles long, or enough to make two trains, one reaching from Seattle, Wash., to Miami, Fla., and the other one from Los Angeles to Portland, Maine.

As of May 31, 1954, we had $6,109,000,000 invested in these products. Based upon the percentage of the revenue of our Government which comes from each of the 48 States, I have broken this $6 billion figure down to show how much each of the 48 States had invested in agricultural products as of May 31, 1954. I ask unanimous consent that the chart showing this breakdown be printed in the RECORD at this point as a part of my remarks.

Mr. LANGER. Madam President, reserving the right to object, may we have a little further explanation about the chart?

Mr. WILLIAMS. The chart shows how the $6,109,000,000, which the taxpayers of this country have invested in agricultural products as of May 31, 1954, broken down by States, and based upon figures supplied by the Treasury Department showing the percentage of our income coming from each State.

Mr. LANGER. Does it show the figures for all the States?

Mr. WILLIAMS. That is correct; it does.

Mr. LANGER. I have no objection.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Breakdown by States of inventory of agricultural commodities as of May 31, 1954

Alabama	$36, 600, 000
Arizona	12, 200, 000
Arkansas	18, 300, 000
California	427, 000, 000
Colorado	42, 700, 000
Connecticut	122, 000, 000
Delaware	61, 000, 000
Florida	54, 900, 000
Georgia	61, 000, 000
Idaho	122, 000, 000
Illinois	549, 000, 000
Indiana	122, 000, 000
Iowa	54, 900, 000
Kansas	48, 800, 000
Kentucky	122, 000, 000
Lousiana	48, 800, 000
Maine	18, 300, 000
Maryland	183, 000, 000
Massachusetts	183, 000, 000
Michigan	488, 000, 000
Minnesota	61, 000, 000
Mississippi	12, 200, 000
Missouri	183, 000, 000
Montana	12, 200, 000
Nebraska	54, 900, 000
New Hampshire	12, 200, 000
New Jersey	183, 000, 000
New Mexico	12, 200, 000
New York	1, 098, 000, 000
North Carolina	183, 000, 000
North Dakota	6, 100, 000
Ohio	427, 000, 000
Oklahoma	61, 000, 000
Oregon	42, 700, 000
Pennsylvania	428, 000, 000
Rhode Island	30, 500, 000
South Carolina	24, 400, 000
South Dakota	61, 000, 000
Tennessee	42, 700, 000
Texas	244, 000, 000
Utah	12, 200, 000
Vermont	6, 100, 000
Virginia	122, 000, 000
Washington	61, 000, 000
West Virginia	30, 500, 000
Wisconsin	122, 000, 000
Wyoming	6, 100, 000
Total as of May 31, 1954	6, 109, 295, 000

Mr. WILLIAMS. According to this chart the largest State, on a per capita basis, is the State of New York. The people of the State of New York on May 31, 1954 had $1,098,000,000 invested in agricultural products. On that same date the State of Delaware had $61 million invested as our part of the cost of this program.

Our country cannot afford a continuation of any such expensive program, and unless the Congress recognizes that fact the entire agricultural program will break down under its own weight.

It is unfair to the many farmers who derive no benefits from these support programs.

I also ask unanimous consent to have incorporated in the RECORD at this point a breakdown of the more than 1 million carloads of agricultural products which were in Government warehouses as of May 31, 1954.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Commodity	Unit of measure	Amount	Carloads	Cost	Commodity	Unit of measure	Amount	Carloads	Cost
Cottonseed meal [1]	Pounds	171,651,106	1,716	$5,314,617.56	Milk, dried [1]	Pounds	644,459,916	6,444	$106,250,252.31
Do [2]	do	80,557,982	805	1,534,744.23	Butter [1]	do	385,363,991	3,853	257,700,612.56
Wheat [1]	Bushels	672,978,331	448,652	1,715,282,303.86	Cheese [1]	do	392,276,022	3,922	157,911,816.13
Do [3]	do	205,641,606	137,094	452,724,603.38	Linseed oil [1]	do	342,893,851	3,428	66,517,183.06
Do [2]	do	777,696	518	1,745,980.97	Seeds, winter cover crop [1]	do	39,051,523	390	4,884,938.39
Oats [1]	do	6,579,744	2,193	5,652,633.78	Do [2]	do	3,841,625	38	526,864.05
Do [3]	do	30,197,642	10,065	23,314,729.38	Seeds, hay and pasture [1]	do	77,354,270	773	37,378,361.86
Do [2]	do	1,352,154	450	1,054,368.31	Soybean oil [1]	do	14,432,770	144	1,937,143.94
Corn [1]	do	410,154,072	205,077	670,289,697.44	Tung oil [1]	do	5,770,105	57	1,566,849.36
Do [3]	do	393,463,175	196,731	621,083,006.38	Do [3]	do	22,328,510	223	5,336,497.31
Do [2]	do	6,920,832	3,460	9,934,644.99	Peanuts [3]	do	133,479,656	1,334	14,785,730.53
Edible beans [1]	Hundredweight	1,681,044	1,681	15,877,480.39	Do [1]	do	22,807,933	228	2,751,101.91
Do [2]	do	369,244	369	2,918,980.47	Honey [3]	Pounds	687,649	6	75,904.67
Barley [1]	Bushels	9,812,983	4,906	12,866,053.64	Beef and gravy [1]	do	1,493,165	14	718,262.01
Do [2]	do	18,393,257	9,196	21,592,628.29	Fruit, dried [1]	do	488,592	4	81,211.40
Grain sorghum [1]	Hundredweight	19,901,434	19,900	54,020,603.91	Tobacco (all kinds) [3]	do	606,207,666	6,062	264,034,587.85
Do [2]	do	2,150,824	2,150	5,184,193.89	Tobacco [1]	do	4,183,707	41	1,189,769.73
Rye [1]	Bushels	1,615,895	807	2,374,406.26	Rosin [3]	do	35,438,900	354	2,664,227.74
Do [2]	do	2,934,616	1,467	4,036,544.18	Do [1]	do	311,594,183	3,115	23,442,958.88
Rice [3]	Hundredweight	1,070,204	1,070	5,283,373.32	Turpentine	Gallons	2,178,259	16	1,172,646.12
Cottonseed oil, refined [1]	Pounds	951,215,056	9,512	169,814,314.61	Kenaf fiber [1]	Pounds	656,622	6	193,852.68
Castor beans [1]	do	3,234,982	32	421,842.65	Kenaf seed [1]	do	1,517,700	15	980,501.39
Cotton linters [1]	do	631,821,419	6,318	60,182,056.35					
Wool [1]	do	122,617,593	1,226	85,784,612.82	Total			[4]1,095,690	
Do [3]	do	12,857,044	128	8,860,872.30					

[1] Commodity inventories and commodities under contract to purchase as of May 31, 1954.
[2] Emergency feed program.
[3] Loans outstanding as of May 31, 1954.
[4] 130 cars to a mile—this figure represents 8,428 miles.

The PRESIDING OFFICER. The time of the Senator from Delaware has expired.

Mr. HUMPHREY. Madam President, I yield 1 minute to the Senator from North Dakota.

Mr. LANGER. Madam President, speaking in answer to the distinguished Senator from Delaware, who spoke about how much each State is assessed under the agricultural program, let me say that earlier today I placed in the RECORD figures which show that for every dollar paid for agricultural products, the subsidy paid to businessmen was 2½ times as much. So if the taxpayers of the State of New York have invested $1,098,000,000 in agricultural products, it has cost them about $2,100,000,000 in subsidies for businessmen. That is true of every one of the figures shown on the statement. If we are to give business and industry 2½ times what we give the farmers, I think it is about time for the farmers to get a break.

Mr. HUMPHREY. Madam President, I yield myself 5 minutes.

The senior Senator from Minnesota has presented an amendment to the Aiken amendment, which would amend the Aiken amendment in several respects.

First of all, the Aiken amendment would affect that portion of the pending bill which is found on pages 22 and 23 and on the first part of page 24, down through lines 3 on that page.

The Aiken amendment would strike out the provision for 85 percent of parity as a minimum figure, and would substitute in lieu thereof 75 percent of parity. In other words, the Aiken amendment would return us to what we have now. The present law provides the Secretary of Agriculture with authority to adjust price supports on dairy products from 75 percent to 90 percent of parity.

The senior Senator from Minnesota and those of us who have joined in sponsoring the amendment would substitute the language of the House bill, which would provide a minimum price support for dairy products of 80 percent. In that way there would be a flexibility of from 80 percent to 90 percent, instead of from 75 percent to 90 percent.

There are other important provisions also. I believe the best way to describe the provisions of the Thye amendment is by reading from the House committee report. Because a reading of that language would obviate any misunderstanding whatever as to what we are voting on, I shall read the pertinent language from the House report. It is found on page 2 of the House report, to accompany H. R. 9680, 83d Congress, 2d session, Report No. 1927, dealing with subsection (b) on page 2. It is entitled "Dairy Products," and reads as follows:

> Increase in the support level from the present 75 percent of parity to 80 percent, beginning September 1, 1954, for the balance of this marketing year, with a new set of factors for the Secretary of Agriculture to use in determining the support level for the marketing year beginning April 1, 1955. Authority for the Secretary to use other operations as well as loans and purchases until April 1, 1956, was added to give the Secretary the widest possible leeway for dealing with existing dairy product surpluses.
>
> With this authority he may use—

I call this particularly to the attention of Senators—

> he may use direct payments to plants or producers as a means of price support if he desires. Increased domestic utilization of dairy products is provided by donation of surpluses to the military services and authorization for increased utilization of milk in schools.

Mr. President, that language makes it quite clear that one of the prime objectives of the amendment offered by the senior Senator from Minnesota, of which I am a cosponsor, is to provide a sensible means of disposal of the surpluses of dairy products which we now have in storage. It provides the widest leeway, as the committee report shows, to the Secretary of Agriculture. It not only authorizes what is traditional, namely, loans and purchases through the Commodity Credit Corporation facilities, but it also authorizes "other operations." These "other operations" appear in the basic 1949 act in other sections, as I have been told by the staff. I believe I am correct in that statement.

However, those words mean something different in the basic act of 1949 than they do here. I want my interpretation of the words "other operations" to refer expressly, exclusively, and unqualifiedly to this section, which relates to dairy price supports, so that there will be no doubt as to the legislative history. In other words, if there is a reference to "other operations" in any part of the basic Agricultural Adjustment Act, what I have said here in terms of the dairy price support language, including other operations, has no reference to other portions of the basic act. We are being explicit with reference to the dairy price support program.

A great hue and cry has been heard in this Chamber and throughout the Nation about the so-called tremendous surpluses of dairy products. It seems to me to be rather strange, if it is such a burdensome problem, that the Department of Agriculture has been so hesitant about making recommendations as to what ought to be done about the problem. There have been suggestions of food stamps, for example, to utilize the

surpluses. Bills have been introduced, such as the one introduced by the Senator from Oklahoma [Mr. KERR], to supplement the income of social-security recipients.

The PRESIDING OFFICER. The time of the Senator from Minnesota has expired.

Mr. HUMPHREY. Madam President, I yield myself an additional 5 minutes.

The junior Senator from Minnesota has presented what he considers to be a fair, practical, and comprehensive plan in connection with his dairy diet dividends to utilize a type of food certificate in connection with social security, specifically for surplus dairy products.

Let the record be clear. No one is recommending that the Government continue forever and ever to buy up products and to put them in storage facilities, and then give them away. That is not what is being considered. What the Senator from Minnesota is speaking about is that we now have a situation in which temporarily, for the first time in 25 years, we have a real surplus of dairy products. I desire to have that perfectly clear. This is the first time in a quarter of a century that we have had what is called a problem of surplus in this area. Therefore, we ought not do anything in terms of basic legislation which would fundamentally change the pattern of dairying in this country. What we ought to do is to legislate on the basis of the long period of history, example, and experience; we should attempt to provide a means and a method of disposing of what is a current and temporary and most unusual surplus.

Mr. EASTLAND. Madam President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. EASTLAND. Does the Senator realize that the Committee on Agriculture and Forestry reported an 85-percent support price for dairy products?

Mr. HUMPHREY. That is correct.

Mr. EASTLAND. What is the provision for production payments or subsidies under the amendment offered by the distinguished Senator from Minnesota?

Mr. HUMPHREY. The Senate committee bill is quite clear.

Mr. EASTLAND. What is that provision?

Mr. HUMPHREY. The Senate bill provides for payments to producers or processors of milk and butterfat, and for products of milk and butterfat. Such support price shall be provided through loans on, and purchases of, milk and butterfat; and, for the period ending August 31, 1956, payments to the producers or processors of milk, butterfat, and products of milk and butterfat.

Mr. EASTLAND. That is a subsidy payment?

Mr. HUMPHREY. That is the so-called production payment included as one of the alternative means the Secretary of Agriculture could use.

Mr. EASTLAND. I understand; but it is a subsidy payment?

Mr. HUMPHREY. That is correct.

Mr. EASTLAND. What is the difference between the amendment the Senator has proposed and the House provision?

Mr. HUMPHREY. In the opinion of the junior Senator from Minnesota—I must be very candid with the Senator—there is really no basic difference.

Mr. EASTLAND. What is the basic difference between the distinguished Senator's proposed amendment and the Brannan plan?

Mr. HUMPHREY. There is a considerable difference. The Brannan plan would exercise some controls and imposes certain quotas, and would set up a certain size of farm, with a kind of regulated production which this proposed amendment does not do.

Mr. EASTLAND. This amendment, then, is the Brannan plan without production controls?

Mr. HUMPHREY. So far as I know, this is the compensatory payment which was in the 1948 act, which I believe both the Senator from New Mexico [Mr. ANDERSON] and the Senator from Vermont [Mr. AIKEN] have at times suggested as one of the means for supporting perishable commodities.

Mr. EASTLAND. I understand; but it is compensatory payments without controls; is it not?

Mr. HUMPHREY. That is correct. However, the control period or the use period is limited to 1956 for the purpose of price supports and disposal of commodities.

I wish to explain to my colleagues what the proposed amendment provides, because I do not think there should be any misconception. I know some Senators disagree with this method. There is a possibility that the words "other operations" could be interpreted otherwise, but if we accept the interpretation of the House committee report, I think the interpretation which the junior Senator from Minnesota has placed upon those words is fair and accurate.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. HOLLAND rose.

Mr. HUMPHREY. I yield to myself additional time, Madam President, to answer any questions the Senator from Florida [Mr. HOLLAND] may have.

Mr. HOLLAND. Madam President, I thank the Senator from Minnesota. As I understand the comments of the distinguished Senator from Minnesota, he is explaining the provisions of his proposed amendment.

Mr. HUMPHREY. In the proposed amendment of the senior Senator from Minnesota [Mr. THYE].

Mr. HOLLAND. The junior Senator from Minnesota is explaining the provisions of the amendment of the senior Senator from Minnesota with reference to production payments, which are quite similar to those provided in the so-called Brannan plan, with the exception that under the Brannan plan the producing unit was limited to the family-sized unit, whereas under this proposal there would be no limitation, and large producers and small producers and all kinds of producers would have the same kind of treatment. Is that correct or not?

Mr. HUMPHREY. That is the interpretation of the Senator from Florida. I shall give my interpretation.

What I am saying is that the House committee made certain recommendations which were included in the House bill which was passed. The language which is now in the House bill constitutes the amendment offered by the senior Senator from Minnesota to the amendment of the Senator from Vermont. That amendment provides for loans, purchases, and "other operations." I am only saying that the "other operations" have been explained quite clearly in the committee report to the House of Representatives.

Rather than call this the Brannan plan, I think I would call it the "Hope plan" in the House, or perhaps the "Aiken plan" in the Senate or the "Anderson plan."

I do not think there is any secret about this. Insofar as compensatory payments are concerned, Mr. Brannan did not conceive that idea. I think he more or less lifted it from somebody else.

I believe the difference between the Brannan plan and the compensatory payments is the matter of overall policy of production controls and units established. I think the compensatory payment idea is a good one, and I commend the authors of it.

Mr. HOLLAND. Madam President, will the Senator yield again?

Mr. ANDERSON rose.

Mr. HUMPHREY. I should like to yield to the Senator from New Mexico [Mr. ANDERSON].

Mr. ANDERSON. If the Senator from Florida will indulge me, I only wished to commend the Senator from Minnesota for making clear the fact that compensatory payments are not always to be identified with the Brannan plan.

Mr. HUMPHREY. Of course not.

Mr. ANDERSON. Compensatory payments were used in the Department of Agriculture in 1935. Chester Davis tried them. They were recommended by the Department in connection with eggs at an earlier date. They were in the Agricultural Act of 1948.

Secretary Brannan came along later and added some features which the Senator from Minnesota spoke about, which dealt with units.

Mr. HUMPHREY. Yes.

Mr. ANDERSON. That plan set up an entirely different situation from that which was involved in the simple principle of compensatory payments.

I think it is a fine thing if once in a while we can recognize that we must not say with reference to everything that it falls under the pattern of the Brannan plan, even though I do not like this particular language, because I think it does not provide some of the things which ought to be established for a true control of dairy production.

Mr. HUMPHREY. I thank the Senator from New Mexico.

I do not wish to enter into any labeling contest. I do not care whether it is the "O'Malley plan" or "Joe Smaltz plan," or whose plan it is. I am only trying to explain what we propose to insert in the bill.

If there is to be such a frenzy over the so-called surplus, I suggest to my colleagues that we should think of a way to dispose of the surplus. Butter will not

grow any fresher by reason of being stored longer. Powdered milk will not become any dryer by reason of being stored longer.

The PRESIDING OFFICER. The additional 5 minutes of the Senator from Minnesota have expired.

Mr. HUMPHREY. Madam President, I yield myself 1 more minute, so that I may place in the RECORD a letter I have received from the National Milk Producers Federation commenting on the provisions of S. 3052. I ask unanimous consent that it be printed in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

WASHINGTON, D. C., *July 19, 1954.*

Hon. HUBERT H. HUMPHREY,
Senate Office Building,
Washington, D. C.

DEAR SENATOR HUMPHREY: Our dairy farmer members support the provisions of S. 3052 as reported by the Senate Committee on Agriculture and Forestry.

In respectfully urging you to vote for the proposed legislation and oppose amendments designed to modify the provisions relating to price supports, we recognize that you may not be in complete agreement with our position. If you agree with us, your support is very much appreciated. If you differ with our views, we respect your right to do so.

However, there is one factor involved in this controversy that outweighs all others, namely, the unity of agriculture. Above all other considerations, all segments of agriculture must stand together and not permit one commodity to be pitted against another commodity. Neither producers nor consumers gain when agricultural ranks are divided.

Every vote in support of the recommendations of the majority of the Senate Committee on Agriculture and Forestry will contribute toward maintaining a united agriculture. We earnestly ask your help in achieving this important objective.

We repeat, we support the provisions of S. 3052 as reported.

Sincerely yours,

E. M. NORTON,
Secretary, National Milk Producers Federation.

Mr. HUMPHREY. I also request to have printed in the RECORD a letter I have received from the National Creameries Association, which relates to the matter of the surplus we have on hand, or, as I think I appropriately termed it, "the inventory."

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

WASHINGTON, D. C., *July 28, 1954.*

Senator HUBERT H. HUMPHREY,
Senate Office Building,
Washington, D. C.

Attention: Mr. Herbert Waters.

DEAR SENATOR HUMPHREY: I am sending you the following information regarding the dairy stock position of the Commodity Credit Corporation in order that you will have the information showing the dire necessity for the Congress to enact the language in S. 3052, which would permit the Secretary of Agriculture to support prices through either direct payments to producers or to producers through payments to plants.

As of July 21, 1954, the CCC had available for sale, i. e., commodity for which no program outlet exists, the following volumes:

	Pounds
1. Butter	464,000,000
2. Cheese	422,000,000
3. Nonfat dry milk solids	286,000,000

Purchases of butter and cheese have shown some tendency to decline in the last couple of weeks, but still are running at high levels. It is probable that uncertainty as to whether the price will be raised September 1, as provided in the House and Senate bills, is contributing to the reduced volume of sales to the Government.

In any event, it is imperative that the Congress enact the language you sponsored in the Senate bill, or similar language giving the Secretary of Agriculture authority to conduct such a program. As you will no doubt recall, I advised the Congress that the Attorney General has ruled that, under existing law, the Secretary does not have authority to conduct the payment or purchase resale program. Therefore, unless the Congress enacts the appropriate legislation the Department of Agriculture cannot liquidate the CCC stocks inasmuch as foreign sales at world prices and grants of one kind or another do not offer outlets of sufficient scope to dispose of the CCC stocks.

Frankly, I have been quite disturbed by rumors that there may be a logjam on the bill, and no legislation would be enacted, whereupon the Agricultural Act of 1949 would take effect. While there are many fine features in the act of 1949, the fact remains that, under the ruling of the Attorney General, the act does not provide appropriate techniques for the disposition of such large surpluses of dairy commodities as those now held by the Commodity Credit Corporation. We feel that failure of the Congress to enact the language you have sponsored in the Senate bill, or similar language, will spell the end of the dairy price support program. After all, the commodities are somewhat perishable, and if any significant spoilage of such commodities takes place, it is to be expected that the public will see to it that the program is discontinued.

In connection with fluid milk orders, I am attaching hereto copy of the brief which I have filed in connection with the proposed marketing agreement and proposed order regulating the handling of milk in the Corpus Christi, Tex., marketing area. This brief is somewhat voluminous, but I believe sets forth clearly the major portion of our case against the manner in which these orders are promulgated and administered. It is indeed small wonder that fluid milkshed producers like the orders. As administered, they give them a practically ironclad monopoly of the local milk business, and shield them from legitimate competition from our area.

With best wishes, and hoping you will call upon me at any time for any facts and information regarding these matters which I can furnish, I am,

Sincerely yours,

OTIE M. REED,
Washington Representative, National Creameries Association.

Mr. HUMPHREY. Madam President, I also request that there be printed in the RECORD a telegram I have received from the Minnesota Creameries Association, and the reply thereto; as well as a telegram from the Minnesota Farmers Union.

There being no objection, the telegrams were ordered to be printed in the RECORD, as follows:

ST. PAUL, MINN., *August 3, 1954.*

Senator HUBERT H. HUMPHREY,
Senate Office Building:

Dairy farmers are much concerned and seriously object to the AIKEN, SCHOEPPEL, ANDERSON, and others amending S. 3052 which does not provide for a disposal program of dairy products. Our association represents more than 70,000 Minnesota producers who request the disposal program included in the original bill.

MINNESOTA CREAMERIES ASSOCIATION,
HERMAN OLSON, *Executive Secretary.*

SENATE OFFICE BUILDING,
August 4, 1954.

HERMAN OLSON,
Executive Secretary,
Minnesota Creameries Association,
St. Paul, Minn.:

Assure your producer-members I shall vigorously oppose Aiken substitute neglecting dairy disposal program, and fight for original bill containing my amendment authorizing payments for moving butter stocks.

HUBERT H. HUMPHREY.

ST. PAUL, MINN., *July 28, 1954.*

Hon. HUBERT H. HUMPHREY,
Senate Office Building,
Washington, D. C.:

Your amendments on mandatory feedgrain supports and for dairy-production payments are worthy of vigorous effort in the Senate debates. Dairy support to producers should be made mandatory so there would be no necessary increase in retail dairy prices. No windfall to processors and no additional Government purchases and storage. Impact of June price break and crop prospects due to weather and insects make it increasingly important to maintain price level for the farmer. Minnesota farmers appreciate your alertness and tireless efforts on behalf of a decent farm program.

EDWIN CHRISTIANSON,
President, Minesota Farmers Union.

Mr. HUMPHREY. I also desire to have placed in the RECORD, Madam President, a discussion of parity on milk, which I have entitled, "Juggled 'Parity' on Milk," showing what has really happened to the parity-price formula.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Juggled "parity" on milk

Actual prices received by farmers for manufacturing milk in April and May averaged only 74 and 72 percent of parity respectively. However, the actual prices were slightly above 75 percent of the new, reduced "parity" announced by Benson to take effect on the same day as the cut in supports on dairy products. Here, based on the May 28 report on Agricultural Prices of the Department of Agriculture, are the figures:

Month	Average price per hundredweight received by farmers	Benson parity per hundredweight for 3.95 percent manufactured milk	Original parity per hundredweight for 3.95 percent manufactured milk	Percent of Benson parity of actual price	Percent of original parity of actual price
April	$3.10	$3.99	$4.20	77.7	73.8
May	3.05	4.02	4.23	75.8	72.1

Source: Excerpt from the weekly report of the National Farmers Union, June 4, 1954.

Mr. HUMPHREY. Madam President, I should also like to have inserted in the RECORD, an article entitled, "The Middlemen's Bite."

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE MIDDLEMEN'S BITE

The middlemen's bite out of the prices paid for dairy products increased enormously in 1953. The table below contrasts the share of the retail prices for various dairy products that was received by farmers, and the share that went to middlemen, in 1952 and 1953. The prices show what the farmers got for 100 pounds of milk used in making the various products, contrasted with what the middlemen got for products manufactured from 100 pounds of milk above and beyond the price they paid the farmers for the milk. All figures are from Department of Agriculture reports:

Shares received by farmers and middlemen of retail prices paid for dairy products produced from 100 pounds of milk

Year	Butter		American cheese		Evaporated milk		Fluid milk	
	Farmers	Middlemen	Farmers	Middlemen	Farmers	Middlemen	Farmers	Middlemen
1952	$4.07	$1.25	$4.07	$2.47	$4.16	$3.61	$5.63 [1]	$5.11
1953	$3.65	$1.28	$3.55	$2.92	$3.51	$4.13	$5.18 [1]	$5.39
Comparison	Down 42 cents.	Up 3 cents.	Down 52 cents.	Up 45 cents.	Down 65 cents.	Up 52 cents.	Down 45 cents.	Up 28 cents.

[1] Based on national average price in December of respective years.

Source: Excerpt from the weekly report of the National Farmers Union, June 4, 1954.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Vermont [Mr. AIKEN] to the committee amendment.

Mr. HUMPHREY. Madam President——

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. HUMPHREY. Unless there is time to be yielded, I shall suggest the absence of a quorum.

Mr. WILLIAMS. I think the Senator from New Mexico [Mr. ANDERSON] desired some time.

The PRESIDING OFFICER. That would not be in order, unless further amendments to this amendment were offered.

Mr. AIKEN. Madam President, the Senator from Minnesota does not have time to call for a quorum, does he? I do not desire to have the Senator call a quorum and use up my time.

Mr. HUMPHREY. Madam President, am I to be informed that a Senator cannot have the privilege of suggesting the absence of a quorum, for the purpose of doing business in the Senate?

The PRESIDING OFFICER. Not until the Senator from Vermont has used his time.

Mr. HUMPHREY. Indeed; I understand that.

Mr. AIKEN. I did not want the Senator from Minnesota to suggest the absence of a quorum while using my time.

Madam President, I yield 15 minutes to the distinguished Senator from New Mexico.

Mr. ANDERSON. Madam President, I shall oppose the amendment which has been offered by the distinguished senior Senator from Minnesota [Mr. THYE], and shall urge the adoption of the amendment offered by the Senator from Vermont [Mr. AIKEN] for himself and on behalf of other Senators.

In the beginning, let me say that one of the difficulties in connection with the dairy amendment is that there is no method of control. One thing which Members of the Senate have said time after time, and with which I find myself in agreement, is that we are not in very much difficulty with respect to the tobacco program; we are not in too much difficulty concerning the cotton program. That is because there are methods of control.

Mr. HUMPHREY. Madam President, I ask for order in the Senate, so that it will be possible to listen to the remarks of the distinguished Senator from New Mexico.

The PRESIDING OFFICER. The Senate will be in order.

The Senator from New Mexico will proceed.

Mr. ANDERSON. Today the newspapers carry the story that the cotton crop will run to about 12,600,000 bales. The cotton acreage was allotted on the basis of about 12 million bales. If the cotton crop runs to 13 million bales, as I think it may, it will not be any great violation of the farm program. Fundamentally, it is always possible to store cotton. It is a commodity which can be put away and kept for 10 or 15 years, without any difficulty at all. Therefore, while there may be additional surpluses, while there may be occasional circumstances under which an additional million bales of cotton will come onto the market, over and above what the Department of Agriculture has calculated, that will not do any damage to anyone.

The same reasoning applies to the tobacco program. In some years a little too much tobacco may be produced; in other years too little may be produced. But, year by year, the tobacco program has been carried on without damage to the country, economically, because the tobacco program is subject to very careful control.

The same holds true, I may say to the able Senator from Louisiana, with respect to rice. There are years when rice production may get out of hand, while in other years the production of rice may drop. But over a long period of years, I do not think the country has been damaged by an overproduction of rice.

So we could go through the list of agricultural commodities. That is why there has been set up a table of basic commodities. The basic commodities are storable and controllable.

Those factors do not apply to the dairy program. Many persons think it is far wiser to allow the dairy price supports to remain at the levels fixed by the Secretary of Agriculture as of April 1, at from 75 to 90 percent, and not to change them any more, because there cannot be stability unless a program can be continued for a substantial period of time.

I did not agree with the Secretary of Agriculture, 3 or 4 months ago, when he fixed the dairy support level below 90 percent. But that was his function and privilege. He put the price there, and it should stay there for a solid year. I did not come in the next month and say I thought he ought to change it. I thought in the beginning that he should not have changed it, and I said so. But he having embarked on a 75 percent program, I did not say he should change it; I thought he should carry it through the entire year, even though there may be strong reasons and feelings why the program should be changed.

At the new dairy support price level of 75 percent of parity, which became effective April 1, a better balance of production and consumption gradually is being achieved.

When dairy products were supported at 90 percent of parity, production progressively outran consumption, exceeding utilization by 3 percent during the marketing year ending March 31, 1953, and 10 percent during the marketing year recently ended. Indications are that this trend is being reversed.

The stimulus of past high prices continues to have its effect on production, since adjustments in dairying, a biological enterprise, cannot come rapidly. Nevertheless, there are indications that downward adjustments in production are being made, even during the lush pasture season. United States milk production in June, historically the month of peak production, was down 3 percent from May, In the important Midwestern States of Wisconsin, Minnesota, and Iowa, June production was down 4, 3, and 2 percent, respectively, from the levels of the preceding month.

In 4 of 6 major dairy regions, production per cow on July 1 was below that of a year ago. The percentage of cows in the herd which were being milked, was likewise down, reflecting the lessened incentive to strive for high production.

While total milk production was still running high, the excess above a year ago had diminished from 5 percent in early 1954 to 2 percent in June.

These downward adjustments in milk production, though slight, are a refutation of those who have said that the response to a lower price would be increased production.

Meanwhile, household consumption of butter has increased slightly. Consumption in April, stimulted by a price drop of 9.4 cents a pound, was about 7 percent greater than last fall. This gain appears to have been maintained through May and June. Margarine consumption has decreased slightly.

Commodity Credit Corporation acquisition of butter thus far this marketing year is running slightly less than a year

ago, 137 milion pounds, as compared with 148 million pounds. The acquisition of cheese is down sharply. These downward changes are the more significant in view of the fact that milk production, though adjusting downward, has still been above that of a year ago.

As dairy production declines seasonally in the months ahead, further improvements in balance of production and consumption seem likely.

I think, therefore, that we are moving in the right direction. I believe the dairy industry is doing the job of trying to adjust its surplus stocks.

In connection with the amendment now before the Senate, I think it is important to point out that there is strong objection to the provision of the House bill, which is included in the amendment offered by the able senior Senator from Minnesota, suggesting that the term "other operations" be used in connection with milk and the products of milk and butterfat.

I do not know exactly what that may lead to, but I know that the sentiment throughout the country seems to be that great care should be taken before entering upon a system of production payments.

My attention has been directed to the press conference held by the President on July 28, 1954, in which he was asked certain questions about the Brannan plan. The President said he had taken his stand on the dairy situation, and had announced it. The dairy situation, the President said, has been improving very markedly in different respects since the rigid price supports were broken down on the first of April and the market for dairy products has been growing. Then he used these words, which I regard as significant:

> I personally believe that the dairy program should not be disturbed as it now is.

I can only say that I have to agree with that sentiment, because I believe it would be extremely unfortunate if the Secretary of Agriculture, having started on a program for a year, suddenly should be confronted with a change in the program, involving price supports of 80 percent, 85 percent, or any other figure.

As a matter of fact, some of us, in looking at the different dates, have discovered that there might be windfall provisions, which would result in profits to individuals who might have stocked large inventories, and then have unloaded them on the Government at a later time. That was not the purpose of the individuals who offered the amendment. Nothing could have been further from the minds of the Senators who offered the amendment.

To indicate how these things can occur, I should perhaps place in the RECORD a table showing that the individual profits can run to about $42 million in the few months this program would be in effect, if 85 percent of parity should be adopted as of September 1.

Madam President, I ask unanimous consent to have printed at this point in my remarks the table and the few supplementary remarks in connection with the table, dealing with prices and price-support purchases of creamery butter.

There being no objection, the statement and table were ordered to be printed in the RECORD, as follows:

POSSIBLE WINDFALL PROFITS ON COMMERCIAL INVENTORIES OF DAIRY PRODUCTS

The following are estimates of the gain which might be realized by holders of commercial inventories of dairy products should price supports be raised to 85 percent of parity on September 1, as would be required by the Senate version of S. 3052:

Estimate of payments which would be made on commercial inventories of dairy products held on Sept. 1, 1954

Product	Probable commercial stocks Sept. 1, 1954	Rate of payment	Unit of payment	Total payment
	Million pounds	*Cents*		*Millions*
Butter	185	7.65	Lb.	14.2
Cheese (cheddar)	255	5.6	Lb.	14.3
Nonfat dry milk	255	2.1	Lb.	5.4
Total, products currently being purchased				33.9
Milk equivalent of other manufactured dairy products [1]	1,300	56.0	Cwt.	7.3
Milk equivalent of storage cream	200	56.0	Cwt.	1.1
Total				42.3

[1] Principally evaporated and condensed milk and cheese other than cheddar.

The above estimates are based on commercial holdings as of May 31, 1954, and take into account probable production in June, July, and August, expected movements into current consumption, and expected sales to the Government under the price-support program, including quantities already purchased through July 9.

In estimating sales to the Government between now and September 1 it was considered that the present levels would continue through most of July, but that on or about the end of the month the price-support bill would be passed and commercial interests would then be certain of the price increase to be expected September 1.

The following is a record of the experience with butter price supports in a similar situation in 1949:

Prices and price-support purchases of creamery butter, April to September 1949

Month	Butter			Butterfat in farm separated cream price
	Support price	Actual price [1]	U. S. Department of Agriculture purchases	
	Cents	*Cents*	*Pounds*	*Cents*
April	59	58.95	1,827,382	61.4
May	59	58.90	793,830	60.7
June	59	58.84	5,176,201	59.2
July	[2] 59	[3] 59.87	2,347,933	59.1
August	62	61.86	50,681,009	60.7
September	62	61.93	21,757,856	61.8

[1] Monthly average of wholesale prices of grade A butter at Chicago reported by U. S. Department of Agriculture Market News Service.

[2] A seasonal price increase, originally announced to cover the cost of storing butter from the beginning of the storage season, Apr. 1 to Sept. 1, was made effective July 28 because wholesale market prices had failed to advance as the carrying charges to Sept. 1 became less.

[3] Prices ranged from 59¼ to 59¾ cents, July 1 to 25; 59¾ to 60 cents, July 26 to 27; and 61½ to 62 cents, July 28 to 29.

Mr. ANDERSON. Madam President, finally, I may say that one of the difficulties is in reference to providing for the constant use of the byproducts of milk and the products of butterfat, which have to be handled very carefully. I have another list, comprised of 3 or 4 pages, setting forth all the products of milk and the products of butterfat. It is a very substantial list. Once in a while it is surprising, when trying to handle a dairy-products program, to have someone ask, "What are you going to do with ice cream mix and a dozen other products?"

I believe the present program is working in the right direction. The old dairy program, in my opinion, did not work in the right direction. We had testimony from the representatives of creameries as to how the dairy program had not worked for them.

We had testimony from the dairy farmers, who were not getting 90 percent of parity support. We had testimony from many parts of the country that the supports had fallen to 70 percent. We had some testimony that across the country, during one period, the dairy-support program was averaging 77 percent of parity.

We know that in certain well-regulated milksheds, where there were marketing agreements, there was bound to be a 90 percent parity. But if the dairy industry, nationwide, were to come down to 77 percent average, it could well be understood that many farmers would receive less than 70 percent.

While we were having our examination of witnesses, I asked some questions as to the how the creameries had gotten along during this period, because it seemed to me that they had been profiting very substantially by the program if they were buying milk at less than 70 or 75 percent, and selling their manufactured products at 90 percent. I noticed one company which in 1946 had made $50 million before taxes; in 1950, $65 million; in 1951, $67 million; in 1952, $73 million; and in 1953, $81½ million. That was possible because they did not incur the ordinary burdens of advertising. They had an opportunity to make extraordinary profits.

I believe the Department of Agriculture is correct when it says the program should be left alone; and I, therefore, would oppose an amendment which would substitute the House language, and I would support the amendment offered by the Senator from Vermont, which would put into the bill a provision only that dairy products shall be supported at from 75 to 90 percent.

Madam President, I yield the floor.

Mr. AIKEN. Madam President, I know I have some time left. The Senator from Minnesota has offered an amendment, as to which I believe each side would be entitled to 1 hour of debate. I have discussed the matter with the Senator from Minnesota. We feel that many Senators who are not present on the floor at this time who might come in to vote would have little idea of what they were being asked to vote on. Therefore, we have discussed the possibility of yielding back all our time except for about 5 minutes on each side, and asking for a quorum call.

Mr. THYE. Madam President, the Senator from Vermont has stated the situation. If it is agreeable to the Senator from Vermont to give up all his time except 5 minutes on my amendment, I shall yield back all the time available to this side except 5 minutes. A quorum call would then be asked for, which would be charged to the time of both sides. That would permit us briefly to explain to Senators who came to the Chamber in response to the quorum call what the amendment I have sent to the desk proposes to do, and the Senator from Vermont could then state his objection to the amendment. I think that would expedite the proceedings, and permit Senators who have not been present to listen to explanations for and against the amendment.

Mr. McCARTHY. Madam President, I have an amendment which would perfect the section which the Senator from Vermont wishes to strike. I assume that would take the precedence over his amendment to strike.

The PRESIDING OFFICER. The Chair will state to the Senator from Wisconsin that the proposed agreement would not affect his amendment.

Mr. THYE. Madam President, if I believe the parliamentary situation is that, insofar as my amendment to the amendment of the Senator from Vermont is concerned, it would have no effect upon the amendment of the Senator from Wisconsin and would have no effect on the time to debate that amendment. If the Senator from Wisconsin wishes to offer an amendment, there will be a total of 2 hours debate available, 1 hour on each side. Is that correct?

The PRESIDING OFFICER. That is correct.

Mr. THYE. But we would have to dispose of the amendment which I have sent to the desk before the amendment of the Senator from Wisconsin would be in order. Is that correct?

The PRESIDING OFFICER. The statement of the Senator from Minnesota is correct, except that he has not offered his amendment as yet.

Mr. THYE. I was only making a parliamentary inquiry. If the Senator from Vermont and I yielded back the remaining time, except for 5 minutes on each side, then I would ask unanimous consent to take up my amendment, so that the amendment would be before the Senate. The absence of a quorum would then be suggested, and after the explanations the remainder of the time would be yielded back.

The PRESIDING OFFICER. Is there objection to the present consideration of the amendment of the Senator from Minnesota? The Chair hears none.

Mr. THYE. Madam President, on behalf of the senior Senator from North Dakota [Mr. LANGER], the junior Senator from North Dakota [Mr. YOUNG], the Senator from Minnesota [Mr. HUMPHREY], and the Senator from New York [Mr. LEHMAN], I offer the amendment which I send to the desk.

The PRESIDING OFFICER. The clerk will state the amendment.

The CHIEF CLERK. In lieu of the matter proposed to be inserted by Mr. AIKEN, it is proposed to insert the following:

(c) The price of whole milk, butterfat, and the products of such commodities, respectively, shall be supported at such level not in excess of 90 percent nor less than 75 percent of the parity price therefor as the Secretary determines necessary in order to assure an adequate supply. Such price support shall be provided through loans on, or purchases of, or for the period ending March 31, 1956, other operations in connection with milk and the products of milk and butterfat, except that, beginning September 1, 1954, and ending June 30, 1956, not to exceed $50 million annually of funds of the Commodity Credit Corporation shall be used to increase the consumption of fluid milk by children in nonprofit schools of high school grade and under. In determining the level at which such price support for the marketing years beginning April 1, 1955, and April 1, 1956, respectively, shall be provided the Secretary shall take into consideration: (1) the declared policy of this act, (2) the estimated supply of milk and dairy products for the marketing year, (3) the estimated demand for milk and dairy products for the marketing year, (4) the price level for feed crops which affect the cost of milk production, (5) the estimated costs of producing, processing, and marketing milk and dairy products, (6) estimated returns to farmers from alternative crops and commodities, and (7) other economic conditions which affect the market supply and demand for milk and dairy products. For the purpose of determining the level of price supports, the parity equivalent of manufacturing milk shall continue to be computed on the 30-month base July 1, 1946, to December 31, 1948, at 88½ percent of parity for all milk sold wholesale by farmers until 10 full years shall have elapsed since July 1, 1946; thereafter the parity equivalent for manufacturing milk for any marketing year shall be computed on the basis of the average ratio which the prices received by farmers for manufacturing milk bears to the prices received by farmers for all milk sold wholesale during the most recent 10-year period ending July 1 of the previous year. Effective on milk and butterfat and the products thereof produced on and after September 1, 1954, the level of support for milk and butterfat for the marketing year ending March 31, 1955, shall be not less than 80 percent of the parity price therefor.

Mr. KNOWLAND. Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Ervin	Langer
Anderson	Ferguson	Lehman
Barrett	Fulbright	Lennon
Beall	George	Long
Bennett	Gillette	Magnuson
Bowring	Goldwater	Malone
Bricker	Gore	Mansfield
Bridges	Green	Martin
Burke	Hayden	McCarran
Bush	Hendrickson	McCarthy
Butler	Hennings	McClellan
Byrd	Hickenlooper	Millikin
Capehart	Hill	Monroney
Carlson	Holland	Morse
Case	Humphrey	Mundt
Chavez	Ives	Murray
Clements	Jackson	Neely
Cooper	Jenner	Pastore
Cordon	Johnson, Colo.	Payne
Crippa	Johnson, Tex.	Potter
Daniel	Johnston, S. C.	Purtell
Dirksen	Kefauver	Reynolds
Douglas	Kennedy	Robertson
Duff	Kerr	Russell
Dworshak	Kilgore	Saltonstall
Eastland	Knowland	Schoeppel
Ellender	Kuchel	Smathers
Smith, Maine	Thye	Wiley
Smith, N. J.	Upton	Williams
Stennis	Watkins	Young
Symington	Welker	

The PRESIDING OFFICER (Mr. BUSH in the chair). A quorum is present.

The question is on agreeing to the amendment proposed by the Senator from Minnesota [Mr. THYE], on behalf of himself and other Senators, to the amendment of the Senator from Vermont.

Mr. THYE. Mr. President, for the information of all Senators, let me say that the Senator from Vermont [Mr. AIKEN] and I have agreed to surrender all time on both sides on my amendment, except for 5 minutes to a side.

My amendment proposes to amend the amendment of the Senator from Vermont so as to provide 80 percent supports on dairy products, in a manner similar to that by which 85 percent supports would be provided for in the committee amendment.

My amendment proposes certain language taken directly from the House bill (H. R. 9680), to be found in it, beginning on page 32, in line 6, and continuing through line 21, on page 33.

Primarily, that will give support to dairy products at 80 percent. My amendment is exactly like the corresponding part of the House bill, providing for 80 percent support on dairy products, and providing that the Secretary of Agriculture shall have $50 million annually which he can use to increase consumption of milk by school children. Mr. President, in that connection I shall read from the amendment:

Beginning September 1, 1954, and ending June 30, 1956, not to exceed $50,000,000 annually of funds of the Commodity Credit Corporation shall be used to increase the consumption of fluid milk by children in nonprofit schools of high school grade and under.

Mr. President, primarily what I am seeking to do is establish the support of dairy products at 80 percent. The Senator from Vermont proposes to strike the dairy price support provisions from the committee amendment, so there would be no supports except those provided by existing law, which would be supports from 75 percent to 90 percent of parity, as the Secretary of Agriculture might find necessary.

Mr. President, having explained the effect of my amendment, I surrender all time remaining to my side on my amendment to the amendment of the Senator from Vermont.

Mr. KNOWLAND. Mr. President, on the question of agreeing to the amendment of the Senator from Minnesota to the amendment of the Senator from Vermont, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. AIKEN. Mr. President——

The PRESIDING OFFICER. The Senator from Vermont is recognized for 5 minutes.

Mr. AIKEN. Mr. President, let me say briefly that I hope the amendment of the Senator from Minnesota, which is the language of the House bill on this subject, will not be adopted by the Senate.

Since April 1, we have made great progress in expanding the use of dairy products in the United States. We have made great progress in bringing production into line with our requirements.

In the past 6 months there has been no increase in the number of dairy cows in the United States. In the last 12 months there has been an increase of only 1.4 percent, which is less than the increase in population, and that increase occurred last fall, rather than this spring.

The Commodity Credit Corporation's purchases of dairy products have been dropping steadily since the new program went into effect on April 1, showing conclusively that more dairy products are finding their way onto consumers' tables.

During July 1954 the Commodity Credit Corporation purchased only 35 million pounds of butter, as compared with its purchases of 50 million pounds in the corresponding month last year. Of course, I am stating the figures in round numbers. Similarly, during July 1954 the Commodity Credit Corporation purchased only 22 million pounds of cheese, as compared with its purchases of 42 million pounds in July last year. Those figures show conclusively that more dairy products are going upon consumers' tables, and smaller amounts are being placed in Government refrigerators.

On July 15, the price of milk and dairy products, countrywide, was 84 percent of parity in the case of milk, and 76 percent of parity in the case of butterfat. So it is clearly apparent that if we let things alone, in the natural course of events, throughout the Nation dairy products will have a higher level of support for the entire year than would be provided by the amendment of the Senator from Minnesota to my amendment.

Mr. President, we cannot afford to interrupt the great progress we are making today in the dairy world. The Secretary of Agriculture has said that the dairy provisions of the House bill are the most objectionable parts of the entire bill. President Eisenhower himself has stated that he is strongly opposed to those provisions. The amendment I am offering, which the Senator from Minnesota seeks to amend by means of his amendment, permits the Secretary of Agriculture to support the price of fluid milk. My amendment imposes no restriction upon the amount of fluid milk the Secretary of Agriculture can purchase; neither does it impose a time limitation of 2 years, as is provided by the House bill.

I believe that if we accept the amendment which I have offered on behalf of six members of the Agriculture Committee and myself, and reject the amendment offered by the Senator from Minnesota, we shall have made great progress in the dairy industry.

Mr. THYE. Mr. President, does not the Senator's amendment propose to strike out any reference to the subject, except go back to the old act which provides 75 to 90 percent?

Mr. AIKEN. No.

Mr. THYE. Then the Senator had better explain his amendment because that is my understanding.

Mr. AIKEN. The amendment which I offer for six colleagues on the Agricure Committee and myself would permit the support of dairy products through the purchase of fluid milk. That provision is not found in the present law. I guarantee that that is so.

Mr. WILEY. On what basis?

Mr. AIKEN. It provides for 75 to 90 percent support.

Mr. WILEY. Of fluid milk?

Mr. AIKEN. The Secretary is now restricted, in supporting the price of dairy products, to the purchase of or loans on products only; that is, products turned out by processors. This amendment which we offer authorizes him, in addition, to support the price of fluid milk itself, which he can then dispose of under section 416 of the Agricultural Act of 1949.

Mr. McCARTHY. Mr. President——

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Minnesota [Mr. THYE] to the amendment of the Senator from Vermont [Mr. AIKEN].

Mr. McCARTHY. I have a parliamentary inquiry, Mr. President.

The PRESIDING OFFICER. The Senator will please state it.

Mr. McCARTHY. I have an amendment to the original bill, an amendment to the section which would be stricken out by the amendment of the Senator from Vermont.

May I have the attention of the Senator from Minnesota [Mr. THYE]?

The PRESIDING OFFICER. The attention of the Senator from Minnesota is requested.

Mr. THYE. I beg the Senator's pardon. I was answering a question.

Mr. McCARTHY. Am I correct, Mr. President, that the first vote will be upon the amendment of the Senator from Minnesota [Mr. THYE] to the proposed amendment of the Senator from Vermont [Mr. AIKEN], and that then my amendment would take precedence over the amendment of the Senator from Vermont?

The PRESIDING OFFICER. The Senator is correct. Does the Senator wish to offer his amendment now?

Mr. McCARTHY. Yes, I send it to the desk.

The PRESIDING OFFICER. The clerk will state the amendment offered by the Senator from Wisconsin.

Mr. AIKEN. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. AIKEN. The amendment offered by the Senator from Wisconsin cannot be considered until the amendment offered by the Senator from Minnesota is disposed of, can it?

The PRESIDING OFFICER. The Senator is advised that the amendment can be considered now, because it is an amendment to the part which it is suggested be stricken out.

The clerk will state the amendment proposed by the Senator from Wisconsin.

The LEGISLATIVE CLERK. On page 22 it is proposed to strike out lines 15 through 17 and insert "90 percent."

On page 23, beginning with the word "Effective" in line 24, it is proposed to strike out over through the period in line 3 on page 24.

The PRESIDING OFFICER. Does the Senator from Wisconsin desire the amendments to be considered en bloc?

Mr. McCARTHY. Yes.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is now on agreeing to the perfecting amendment offered by the Senator from Wisconsin [Mr. McCARTHY].

Mr. KNOWLAND. Mr. President, a parliamentary inquiry. Is not the amendment of the Senator from Wisconsin [Mr. McCARTHY] a perfecting amendment which will have to be voted on before the Senate proceeds to a yea-and-nay vote on the amendment of the Senator from Minnesota?

The PRESIDING OFFICER. The Senator from California has stated the situation correctly.

Mr. KNOWLAND. Does the Senator from Wisconsin [Mr. McCARTHY] desire a division on his amendment?

Mr. McCARTHY. I am not sure I understand the parliamentary procedure. I understood that before I could bring up my perfecting amendment to the original bill, the amendment of the Senator from Minnesota [Mr. THYE] to the amendment of the Senator from Vermont [Mr. AIKEN] would first be voted upon, but that then, before voting upon the amendment of the Senator from Vermont, I would have the right to submit my perfecting amendment. Is that incorrect?

The PRESIDING OFFICER. The Chair will state the question again. The amendment of the Senator from Wisconsin which is now pending must be voted on first. Therefore, the question now is on agreeing to the perfecting amendment offered by the Senator from Wisconsin to the committee amendment.

Mr. McCARTHY. How much time have I on that amendment, Mr. President?

The PRESIDING OFFICER. The Senator has an hour.

Mr. McCARTHY. I shall not take it. I shall take only about 1 minute.

The PRESIDING OFFICER. The Senator may proceed.

Mr. McCARTHY. Very simply stated, Mr. President, my amendment provides that dairy products shall be supported at 90 percent. My original amendment as drafted provided 90 to 100 percent. I lost the amendment for 90 to 100 percent on staple products by such a sizable vote that I discussed the matter with some of my friends in the Senate and they suggested we make it 90 percent.

Very simply stated, it merely provides that dairy products shall be supported at 90 percent rather than 75 percent to 90 percent.

It is estimated that our farmers in Wisconsin alone will lose $9 million a year with the new formula of 75 percent support. Applying that formula to the average of the past 100 years means that the people in the cities of Wisconsin would lose 7.19 times that much income. If we adopt the 75 to 90 percent formula which Mr. Benson has adopted, it means

poverty to our dairy farmers and a certain degree of poverty to the people in our cities.

I strongly urge that the Senate adopt the provision for 90 percent of parity. There is no reason on earth why our dairy farmers should pay for grains at the rate they are paying and have a formula for parity for dairy products which is much lower.

I am not sure whether the senior Senator from Wisconsin [Mr. WILEY] desires some time to discuss this amendment. If so, I yield him whatever time he desires.

Mr. WILEY. Mr. President, I spoke a little while ago in relation to the Aiken amendment, and I wish to repeat what was developed in that discussion. It was developed very clearly, without any contradiction, that the milk producers or farmers in the East have really no need for the 90-percent guaranty. They are getting all of that and more, too.

The Middle West, which is the dairyland of this country, is producing between 16 and 17 billion pounds of milk. The Government asked us to bring about that production, and we did so.

Something has been said about the impact of smaller dollar purchases. Definitely, under the formula of the law as it is now, we have not had 90 percent of parity. I think the distinguished Senator from Vermont [Mr. AIKEN] said that what the farmer got was a little over 80 percent of parity. Am I correct?

Mr. AIKEN. Eighty-four percent for milk, and 76 percent for butterfat, but that is during July the low-priced month of the year.

Mr. WILEY. The low-priced month of the year, as the Senator calls it, is now. We are getting between 5½ cents and 6 cents a quart for our milk.

Mr. President, Wisconsin is a State which has never asked anything of the Federal Government. It has been one of the most independent States, and has developed a dairy industry that outranks that of any other State in the Nation. Minnesota and Iowa produce more butter than we do because our milk goes largely into the manufacture of cheese and ice cream and cream, and, of course, the milk itself is also consumed.

About 3 or 4 weeks ago, in discussing this subject, I stated that a loss of 60 cents a hundred pounds would mean a loss, if it were averaged throughout the 17 billion pounds, of approximately $200 million a year to the economy of my State.

However, the State of Wisconsin buys from every State in the Union. Two hundred million dollars out of the economy of Wisconsin and out of the blood stream of Wisconsin means that every State will lose.

That is not all. We who are familiar with the history of this country know that depression always start in the farm areas. There are on the books laws guaranteeing minimum wages to the laborer, and other laws which set import duties giving certain guarantees to the manufacturer. The farmer, who has brought his manufacturing plant up to the point where he produces to a maximum, will be penalized, because of inability to distribute the products and will be forced to sell off his cattle in an effort to meet his mortgage payments, and will be compelled to discharge the hired man. He cannot operate if he is to receive only 5½ to 6 cents for his milk.

The consumer of milk pays from 19 to 21 cents a quart. That is not the fault of the farmer. As I said, the farmer is getting a minimum of from 5½ to 6 cents. I happen to know something about the subject, because I am a producer. I am not interested only in ALEC WILEY. I am interested in the great State of Wisconsin, which has produced so many independent people, who have learned to dig and delve for themselves, to create wealth, and to pay taxes, so that this Nation may carry on.

Recently we had before us the mutual aid authorization bill, and soon we shall have the appropriation bill. We have been talking about self-defense. The billions of dollars which we will spend on foreign aid will create a demand upon our economy. We are about to ask the Senate to appropriate approximately $3 billion for that purpose.

Mr. LONG. Mr. President, will the Senator yield?

Mr. WILEY. Not at this time. We are doing it because it is in the interest of national defense.

Mr. LONG. Mr. President, will the Senator yield?

Mr. WILEY. No; I said I will not yield at this point.

The PRESIDING OFFICER. (Mr. BUSH in the chair). The Senator from Wisconsin declines to yield.

Mr. LONG. Why does not the Senator from Wisconsin say $13 billion? If he does, I will agree with him. We are authorizing $13 billion for foreign aid.

Mr. WILEY. That is a matter of dispute. It is a question of whether we speak about authorization or reauthorizations. I am not talking about that. I am talking about new appropriations and new authorizations.

Let us make it plain that we are doing all of that in the interest of national defense. In the interest of national defense we must maintain stability in our own economy at home. We cannot let 20 million or 25 million of our people get into such a condition that they cannot sustain themselves, or at least cannot sustain themselves to the same extent that they have been able to sustain themselves heretofore.

I repeat that in my State the farmers are leaving their farms, and farms are being sold. I am talking in the interest of maintaining a sound economy. We started out with the idea of a 90-percent parity for milk and milk products. The majority of the committee voted for 85 percent. Now we are being asked, through one of these amendments to cut that support price down to the point where we shall not know just what the farmer will get for his products or what he will get for his milk. I believe that in the interest of common sense and in the interest of maintaining the economy of not only the farmer, but in the interest of a sound economy in America, we should vote against an amendment that would make such a reduction.

If we strike the backbone of a person, we injure him, and he cannot carry on. When we strike at the backbone of the country, which is the farmer, the country cannot carry on.

As I previously stated, history shows that depressions have always started on the farm, when the farmers could not receive their cost of production plus a reasonable return for their products. What has happened every time? The farmer could not get into the village to buy his needs. He had no money to deposit in the bank. The merchant could not get his money, and he could not sell his wares. The manufacturer could not sell his products to the merchant, because the merchant could not sell to the farmer. In that way a chain reaction was started.

I trust we shall recognize the significance of 90 percent. That is why I am in favor of the amendment.

The PRESIDING OFFICER. The question is on agreeing to the perfecting amendment offered by the junior Senator from Wisconsin [Mr. MCCARTHY] to the amendment offered by the Senator from Minnesota [Mr. THYE].

Mr. MCCARTHY. Mr. President, I shall not ask for the yeas and nays, but I do ask for a division.

On a division Mr. MCCARTHY's amendment was rejected.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the senior Senator from Minnesota [Mr. THYE] to the amendment of the Senator from Vermont [Mr. AIKEN]. On this amendment the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. SALTONSTALL. I announce that the Senator from Vermont [Mr. FLANDERS] is necessarily absent.

On this vote the Senator from Vermont [Mr. FLANDERS] is paired with the Senator from Alabama [Mr. SPARKMAN]. If present and voting, the Senator from Vermont [Mr. FLANDERS] would vote "nay" and the Senator from Alabama [Mr. SPARKMAN] would vote "yea."

Mr. CLEMENTS. I announce that the Senator from Delaware [Mr. FREAR], the Senator from South Carolina [Mr. MAYBANK], and the Senator from Alabama [Mr. SPARKMAN] are necessarily absent.

I announce further that on this vote the Senator from Alabama [Mr. SPARKMAN] is paired with the Senator from Vermont [Mr. FLANDERS]. If present and voting, the Senator from Alabama would vote "yea," and the Senator from Vermont would vote "nay."

The result was announced—yeas 44, nays 48, as follows:

YEAS—44

Burke	Hennings	McCarran
Capehart	Hill	McCarthy
Case	Humphrey	McClellan
Chavez	Jackson	Monroney
Clements	Johnson, Colo.	Morse
Cooper	Johnson, Tex.	Mundt
Daniel	Johnston, S. C.	Murray
Douglas	Kefauver	Neely
Dworshak	Kerr	Russell
Eastland	Kilgore	Stennis
Ellender	Langer	Symington
Ervin	Lehman	Thye
Fulbright	Long	Wiley
George	Magnuson	Young
Gillette	Mansfield	

NAYS—48

Aiken	Ferguson	Millikin
Anderson	Goldwater	Pastore
Barrett	Gore	Payne
Beall	Green	Potter
Bennett	Hayden	Purtell
Bowring	Hendrickson	Reynolds
Bricker	Hickenlooper	Robertson
Bridges	Holland	Saltonstall
Bush	Ives	Schoeppel
Butler	Jenner	Smathers
Byrd	Kennedy	Smith, Maine
Carlson	Knowland	Smith, N. J.
Cordon	Kuchel	Upton
Crippa	Lennon	Watkins
Dirksen	Malone	Welker
Duff	Martin	Williams

NOT VOTING—4

Flanders	Maybank	Sparkman
Frear		

So Mr. THYE's amendment to Mr. AIKEN's amendment was rejected.

Mr. AIKEN. Mr. President, I move that the vote by which the Thye amendment to the Aiken amendment was rejected be reconsidered.

Mr. KNOWLAND. Mr. President, I move to lay on the table the motion of the Senator from Vermont.

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from California to lay on the table the motion of the Senator from Vermont.

The motion to lay on the table was agreed to.

The VICE PRESIDENT. The question is now on agreeing to the amendment of the Senator from Vermont [Mr. AIKEN] to the committee amendment. On this question the yeas and nays have been ordered.

Mr. HUMPHREY. Mr. President, has all time been consumed on the amendment?

Mr. JOHNSON of Texas. Mr. President, I yield 1 minute to the Senator from Minnesota.

Mr. HUMPHREY. Mr. President, my statement is simply this. The amendment we are to vote upon would continue the downward spiral of the income of the dairy farmers of the country. It provides no system at all for the disposal of the surplus on hand. The dairy farmers are deserving of 90 percent of parity, as are any other group of farmers in America. We have already emasculated the farm bill by a hit-and-miss approach, and the amendment on which we are to vote is another evidence of the mistake we will make in driving American agriculture further down the ladder of recession and depression.

I am unalterably opposed to the amendment of the Senator from Vermont [Mr. AIKEN], which is a repudiation of the majority of the Senate committee. I desire the Senate to know that it is a repudiation of a majority of 8 to 7. The amendment proposed does not meet the standards of the House of Representatives. It meets nothing that has been recommended to this body. The proposed amendment now before us has been conceived in recent days without any hearing and without any background.

The PRESIDING OFFICER. The time of the Senator has expired. The question is on the amendment——

Mr. WILEY. Mr. President, a point of order.

The PRESIDING OFFICER. The Senator will state it.

Mr. WILEY. I notice on page 24 of the bill which was reported by the Committee on Agriculture and Forestry that there is a provision for 85 percent of parity. The amendment of the Senator from Vermont [Mr. AIKEN], as I understand, would strike the provision for 85 percent of parity from the bill, but I do not know what percentage would remain. Am I correct in my conclusion that the amendment would strike the provision for 85 percent of parity, which the majority of the committee has recommended in the bill reported to the Senate?

The PRESIDING OFFICER. That language would be removed by the amendment.

Mr. WILEY. Yes. Is there a possibility of voting separately on the provision for 85 percent of parity?

Mr. AIKEN. Mr. President, the amendment would leave it at 75 to 90 percent.

The VICE PRESIDENT. The answer is "no." The question is on agreeing to the amendment of the Senator from Vermont [Mr. AIKEN] to the committee amendment. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The Chief Clerk called the roll.

Mr. SALTONSTALL. I announce that the Senator from Vermont [Mr. FLANDERS] is necessarily absent.

On this vote the Senator from Vermont [Mr. FLANDERS] is paired with the Senator from Alabama [Mr. SPARKMAN]. If present and voting, the Senator from Vermont [Mr. FLANDERS] would vote "yea" and the Senator from Alabama [Mr. SPARKMAN] would vote "nay."

Mr. CLEMENTS. I announce that the Senator from Delaware [Mr. FREAR], the Senator from South Carolina [Mr. MAYBANK], and the Senator from Alabama [Mr. SPARKMAN] are necessarily absent.

I announce further that on this vote the Senator from Alabama [Mr. SPARKMAN] is paired with the Senator from Vermont [Mr. FLANDERS]. If present and voting, the Senator from Alabama would vote "nay" and the Senator from Vermont would vote "yea."

The result was announced—yeas 49, nays 43, as follows:

YEAS—49

Aiken	Ferguson	Pastore
Anderson	Goldwater	Payne
Barrett	Gore	Potter
Beall	Green	Purtell
Bennett	Hayden	Reynolds
Bowring	Hendrickson	Robertson
Bricker	Hickenlooper	Saltonstall
Bridges	Holland	Schoeppel
Bush	Ives	Smathers
Butler	Jenner	Smith, Maine
Byrd	Kennedy	Smith, N. J.
Carlson	Knowland	Upton
Crippa	Kuchel	Watkins
Dirksen	Lennon	Welker
Duff	Malone	Williams
Dworshak	Martin	
Ellender	Millikin	

NAYS—43

Burke	Ervin	Johnston, S. C.
Capehart	Fulbright	Kefauver
Case	George	Kerr
Chavez	Gillette	Kilgore
Clements	Hennings	Langer
Cooper	Hill	Lehman
Cordon	Humphrey	Long
Daniel	Jackson	Magnuson
Douglas	Johnson, Colo.	Mansfield
Eastland	Johnson, Tex.	McCarran
McCarthy	Murray	Thye
McClellan	Neely	Wiley
Monroney	Russell	Young
Morse	Stennis	
Mundt	Symington	

NOT VOTING—4

Flanders	Maybank	Sparkman
Frear		

So Mr. AIKEN's amendment to the committee amendment was agreed to.

Mr. AIKEN. Mr. President, I move that the vote by which my amendment was agreed to be reconsidered.

Mr. KNOWLAND. Mr. President, I move to lay on the table the motion of the Senator from Vermont.

The motion to lay on the table was agreed to.

LEGISLATIVE PROGRAM

Mr. KNOWLAND. Mr. President, for the information of the Senate, I wish to say that it is not proposed to have any further yea-and-nay votes this evening. I am prepared to withhold the motion to recess until 10 o'clock tomorrow morning so that requests may be made to have matters printed in the RECORD, or, if there are what might be called noncontroversial amendments, such as perfecting amendments of any kind, they might be acted on.

When action is completed on the bill now before the Senate, it is expected that there will be a calendar call. If the Senate meets at 10 o'clock tomorrow morning, and if action is completed at a reasonable hour on the bill now before the Senate, it is expected to have a call of bills on the calendar as to which there is no objection. If action on the bill is not completed by a reasonable hour, it may be necessary to consider certain conference reports ahead of the call of the calendar, because the House has acted on the conference reports on the mutual security bill and the atomic energy bill. Senators interested in either of those conference reports may obtain printed copies of them. I have copies of both the atomic energy conference report and the mutual security conference report. They are now available to Senators on both sides of the aisle.

If there is very much delay in final action on the farm bill now before the Senate, it may be necessary to consider the conference reports, which are privileged matters, before there is a call of the calendar.

On the calendar there is a series of so-called anti-Communist bills, namely, Calendar No. 1720, a bill (S. 3706) to amend the Subversive Activities Control Act of 1950 to provide for the determination of the identity of certain Communist-infiltrated organizations, and for other purposes; Calendar No. 1834, a bill (S. 3428) to authorize the Federal Government to guard strategic defense facilities against individuals believed to be disposed to commit acts of sabotage, espionage, or other subversion; and Calendar No. 1833, a bill (H. R. 9580) to revise and extend the laws relating to espionage and sabotage, and for other purposes, which had previously been announced as the bills next to be considered by the Senate after the call of the calendar.

It is also desired to act as early as possible on the social security bill and the unemployment reserves bill.

In addition, I might inform the Senate that it is not expected to bring up the resolution for adjournment sine die until after we shall have disposed of the conference reports on the atomic-energy bill and on the mutual security bill, both the authorization bill and the appropriation bill. The adjournment resolution will require an amendment providing that the House shall adjourn sine die while the Senate continues in session or takes a recess, as might be determined by the Senate, in order to solve its own problems, as distinguished from problems that should be solved by both Houses of Congress.

Mr. JOHNSON of Texas. Mr. President, will the Senator yield?

Mr. KNOWLAND. I yield to the distinguished minority leader.

Mr. JOHNSON of Texas. As I understand, the Senator plans to have a call of the calendar when action is completed on the farm bill, or is that indefinite?

Mr. KNOWLAND. No; I had intended to have a call of the calendar as soon as action is completed on the farm bill. I had hoped that action on the farm bill would be completed last week, and then I hoped it would be completed today. Discussions I have had with Members on both sides of the aisle indicate that unless the Senate were kept in session until an unusually late hour, we could not finish action on the bill today. I do not feel that keeping the Senate in session to as late as 1 or 2 o'clock in the morning is warranted.

Mr. THYE. Mr. President, will the Senator yield?

Mr. KNOWLAND. I shall yield to the Senator from Minnesota as soon as I have answered the question of the minority leader.

If action on the farm bill can be completed at a reasonable hour tomorrow, the Senate could then proceed to a call of bills on the calendar as to which there is no objection. If discussion on the bill should continue through tomorrow and tomorrow evening, it may be necessary to take up the social-security bill, the conference report on the atomic-energy bill, and the conference report on the mutual-security bill, before proceeding to a call of the calendar.

Mr. JOHNSON of Texas. Mr. President, I wish to say publicly what I said privately to the majority leader. The Senate has facing it the call of the calendar, the social-security bill, and the conference report on the mutual-security bill, which we are prepared to proceed to consider. I hope the Senator from California will not insist that the Senate proceed to the consideration of the conference report on the atomic-energy bill until some of the other matters are acted on, such, perhaps, as the subversive bills which have been reported by the Committee on the Judiciary. I think there should be an opportunity to examine into what the conference committee has done in respect to the atomic-energy bill. There is no reason why the Senate cannot proceed to the consideration of other matters, before we launch into another discussion on atomic energy, and before Senators are familiar with the contents of the conference report.

Mr. KNOWLAND. I merely wanted to call to the attention of Senators the fact that the report of the conferees was available. The House has acted on both the mutual security bill and the atomic energy bill. That is a part of the program it was expected to complete before the Senate adjourned sine die. In fairness to the House, we cannot act on the resolution to adjourn until we have at least completed action on these major conference reports. That being so, I hope Senators will study the reports to which I have called attention.

I hope that by tomorrow we can dispose of the call of the calendar, and perhaps some of the other bills which have been discussed, but I do not wish to delay consideration of the atomic energy conference report for 3 or 4 days, and then find that the Senate is faced with an adjournment deadline.

Mr. JOHNSON of Texas. Of course, the Senator from California realizes that the House must also act on the social security bill and on the subversive bills, if they should go to conference. It seems to me there is no reason why the Senate could not proceed to the consideration of the social security bill, the mutual security conference report, and the subversive bills, and give some of us an opportunity to explore the very controversial field of atomic energy sufficiently perhaps to determine what ought to be done about it.

Mr. HICKENLOOPER. Mr. President, will the Senator yield?

Mr. KNOWLAND. I yield to the Senator from Iowa.

Mr. HICKENLOOPER. I suggest to the majority leader that this afternoon the House, by a voice vote, and without the necessity for extensive debate, and apparently satisfactorily to the House, adopted the conference report on the atomic energy bill. It therefore would seem, if the judgment of the House merits any consideration, that no extensive debate is required, in view of the extensive discussion the Senate had on the original passage of the bill. So I see no particular reason for anticipating extensive discussion or debate. I think a reasonable amount of discussion is in order, but it seems to me the Senate has ample precedent in the action of the other body, to which we might give credit for having used good judgment.

Mr. JOHNSON of Texas. If the Senate were to accept the judgment of the House, it would never be necessary to debate any measure once the House passed it. If we followed the suggestion of the Senator from Iowa, the matters to which the Senator has alluded could be brought up, and we could merely say that the House has already discussed them, and that that fact gives us good precedent for agreeing to them, and that we do not have to discuss or digest them, but should pass them in toto.

Mr. KNOWLAND. Of course, the language in the conference report which the House adopted is considerably different from the language passed by the Senate. Modifications of the amendments passed by the Senate are included in the conference report. I know Senators will want to study the conference report.

Mr. JOHNSON of Texas. I know my distinguished friend, the majority leader, does not subscribe to the theory that, because the House has passed certain measures overwhelmingly, the Senate ought to do likewise.

Mr. KNOWLAND. I did not suggest that, and I do not think the Senator from Iowa suggested that the Senate should agree to the conference report on that basis alone. He referred to my earlier remarks with reference to the House action, and he was merely calling my attention to the fact that the House had acted on the conference report.

Mr. HICKENLOOPER. Mr. President, if the Senator from California will yield, let me say that apparently the Senator from Texas misunderstood my statement of a moment ago, because I did not predicate it upon any such assumption as the one he raised. By no stretch of the imagination should he assume that I said that merely because the House of Representatives has adopted the conference report, the Senate should adopt the report without discussion. I clearly said that the House had adopted the conference report by a voice vote, but that undoubtedly the Senate would desire to discuss the conference report; and I think it is perfectly proper for the Senate to do so.

Mr. JOHNSON of Texas. That is correct.

Mr. HICKENLOOPER. So the Senator from Texas has misapprehended my position. I submit that I said no such thing. I think it perfectly proper for the Senate to discuss the conference report. I merely said that the other body had seen fit to adopt the conference report this afternoon by a voice vote, and I think that is a precedent which we might well consider, and that the judgment of the other body should be taken into consideration; and therefore I thought there was no reason to have in the Senate a long, thorough discussion of every jot and tittle of the conference report, such as occurred in the Senate a few days ago in connection with the bill.

Mr. THYE. Mr. President, will the Senator from California yield to me?

Mr. KNOWLAND. I yield.

Mr. THYE. I regret that the Senator from California does not intend to have the Senate pass the farm bill tonight, but is willing to put over the bill until tomorrow. I do not think it possible to emasculate the bill any further than has already been done. So why does not the majority leader have the Senate take final action on the bill tonight? There is only one other provision of the bill about which I would raise any question, and it is on page 36, continuing to page 37, and relates to plant and animal diseases and pest controls and brucellosis. That is the only provision of the House bill in which there is any interest, and we could just as well act upon it tonight, instead of postponing until tomorrow final action on the bill.

Mr. KNOWLAND. Let me say that, as majority leader, I have certain responsibilities; and I am informed that

there are still at the desk approximately 22 amendments. Furthermore, I have been informed by Senators on both sides of the aisle that there will be considerable discussion of the amendments which remain to be acted upon. I do not think I violate any confidence when I say that the distinguished minority leader indicated that some Senators would wish to engage in considerable discussion on the so-called grasslands amendment. Having that information about those amendments, and having received similar suggestions from Senators on the other side of the aisle, as well as from some Senators on this side of the aisle, I felt that under the circumstances, it now being approximately 10:15 p. m., it might be preferable that we take a recess until tomorrow, and return tomorrow, at 10 o'clock in the morning after a good night's sleep, and then make progress on the bill, rather than continue now until perhaps 3 or 4 o'clock tomorrow morning, as no doubt would have to be done if we were to remain in continuous session until final action was taken on the bill.

Mr. THYE. Mr. President, I wish to refer for a moment to what the Senate has done this afternoon and this evening in amending the committee amendment. I understand that the next proposal will be to strike from the House bill all the text after the enacting clause, and to insert the Senate committee amendment as it will have been amended. However, in the committee amendment there is not at this time any grasslands amendment, such as is to be found in the substitute which the Senator from Vermont [Mr. AIKEN] and other Senators have joined in sponsoring. That is why I say that if the committee amendment, as it has been acted on this afternoon and this evening, is considered, it will be found that there is very little more in it for the Senate to be concerned with, because the committee amendment as it now stands is practically a shell, and it might be just as well for the Senate to take final action now, instead of waiting until tomorrow to act on it.

AGRICULTURAL ACT OF 1954

The Senate resumed the consideration of the bill (S. 3052) to encourage a stable, prosperous, and free agriculture, and for other puposes.

Mr. YOUNG. Mr. President, will the Senator from California yield to me?

Mr. KNOWLAND. I yield.

Mr. YOUNG. I desire to submit an amendment, and to explain it very briefly. The amendment is controversial.

Mr. KNOWLAND. I yield.

Mr. YOUNG. Mr. President, I send to the desk an amendment which is proposed to be offered by me, on behalf of myself, the Senator from Georgia [Mr. RUSSELL], the Senator from South Dakota [Mr. MUNDT], and the Senator from Mississippi [Mr. EASTLAND]. I ask that the amendment be printed and lie on the desk.

Briefly, the amendment will do this: For 1955, we shall have 82½ percent parity. In the years following we shall have flexible supports, as the administration calls them—supports from 75 percent to 90 percent.

This amendment provides that for 1956 and 1957 the support price shall be 90 percent of parity whenever the Secretary of Agriculture calls for or imposes either acreage allotments or quotas.

In short, the amendment says that from now on there will be an opportunity to prove whether flexible supports will solve the surplus problem. Of course, the proponents of flexible supports claim they will solve the surplus problem, and we are willing to give them a trial. However, whenever it is found necessary for the Secretary of Agriculture to impose either acreage allotments or quotas, 90 percent supports will be effective, under the provisions of this amendment.

Mr. HUMPHREY. Mr. President, will the Senator from California yield to me?

Mr. KNOWLAND. I yield.

Mr. HUMPHREY. I send to the desk two amendments, to be printed and lie on the table. I shall call them up tomorrow.

The PRESIDING OFFICER. The amendments will be received and printed, and will lie on the table.

Mr. JOHNSON of Texas. Mr. President, will the Senator from California yield to me?

Mr. KNOWLAND. I yield to the distinguished minority leader.

Mr. JOHNSON of Texas. Mr. President, to the committee amendment I offer an amendment on behalf of myself and my colleague, the junior Senator from Texas [Mr. DANIEL].

Let me say that I have discussed the amendment with the chairman of the committee, with the Senator from North Dakota [Mr. YOUNG], and with various Senators on this side of the aisle.

It is my understanding that the amendment is identical in nature with an amendment adopted when the cotton acreage allotment bill was before the Senate.

This amendment merely provides that if there is any part of the 1955 wheat acreage allotment on which wheat will not be planted, and if it is voluntarily surrendered to the county committees, it shall be deducted from the allotment to such farms, and may be reapportioned by the county committees.

The language of this amendment is the same as the language of the amendment to the Cotton Allotment Act, and some persons felt that there might be certain small farms with small allotments which the farmers would not desire to use. If they did not desire to use such allotments, they could be returned to the county committees, which could redistribute them.

I hope the amendment will be satisfactory to the distinguished chairman of the committee and that he will agree to accept it.

Mr. AIKEN. Mr. President, this amendment does for wheat what we have already authorized for cotton. The provisions, as they relate to cotton acreage, have not been harmful for the year 1954, and we do not expect them to be harmful for 1955. It is against human nature to give up something, even if the one having it does not wish to use it. Furthermore, the number of acres that have been turned back has been comparatively small.

So I see no objection to the amendment, and it will give to wheat under acreage controls the same provisions we have already given to cotton without doing any particular harm.

The VICE PRESIDENT. The question is on agreeing to the amendment submitted to the committee amendment by the Senator from Texas [Mr. JOHNSON], for himself and his colleague [Mr. DANIEL].

The amendment to the committee amendment was agreed to, as follows:

On page 30 of the committee amendment, after line 19, insert:

"SEC. 310. Section 334 of the Agricultural Adjustment Act of 1938, as amended, is amended by adding at the end thereof a new subsection, as follows:

"'(f) Any part of any 1955 farm wheat acreage allotment on which wheat will not be planted and which is voluntarily surrendered to the county committee shall be deducted from the allotment to such farm and may be reapportioned by the county committee to other farms in the same county receiving allotments in amounts determined by the county committee to be fair and reasonable on the basis of past acreage of wheat, tillable acres, crop-rotation practices, type of soil, and topography. If all of the allotted acreage voluntarily surrendered is not needed in the county, the county committee may surrender the excess acreage to the State committee to be used for the same purposes as the State acreage under subsection (c) of this section. Any allotment transferred under this provision shall be regarded for the purposes of subsection (c) of this section as having been planted on the farm from which transferred, rather than on the farm to which transferred, except that this shall not operate to make the farm from which the allotment was transferred eligible for an allotment as having wheat planted thereon during the 3-year base period: *Provided*, That notwithstanding any other provisions of law, any part of any 1955 farm acreage allotment may be permanently released in writing to the county committee by the owner and operator of the farm, and reapportioned as provided herein. Acreage surrendered, reapportioned under this subsection, and planted shall be credited to the State and county in determining future acreage allotments.'"

Mr. AIKEN. Mr. President, to the committee amendment, I call up an amendment, which is submitted on behalf of myself and six other members of the Committee on Agriculture and Forestry, and I ask that our amendment to the committee amendment be stated as the pending question.

The VICE PRESIDENT. The amendment to the committee amendment will be stated.

The CHIEF CLERK. On page 24 of the committee amendment, it is proposed to strike out lines 4 through 12, inclusive.

The VICE PRESIDENT. The question is on agreeing to the amendment of the Senator from Vermont to the committee amendment.

Mr. KENNEDY. Mr. President, I wonder whether the Senator from Vermont will accept the amendment I previously discussed with him, and which now is at the desk. The amendment authorizes the Secretary of Agriculture to make a full and complete study of the prices of

agricultural commodities and products thereof, with a view to ascertaining whether there is an unjustifiable spread between the prices received by the producers of such commodities and the prices paid by consumers of such commodities or products thereof, and whether legislation with respect thereto is needed in the public interest, and the Secretary of Agriculture is authorized and directed to report by March 1, 1955, his recommendations relative to such legislation, if any.

Mr. AIKEN. Mr. President, I believe the Secretary of Agriculture already has authority to do what the amendment would direct him to do.

I do not see any particular harm in the amendment. The Committee on Agriculture and Forestry had hoped to be able to do more itself, but it simply does not have the staff.

Mr. KNOWLAND. Mr. President, I do not like to object to the amendment being accepted at this time. I should like to make an inquiry as to whether or not this amendment has been printed and lies upon the table.

Mr. KENNEDY. I sent the amendment to the desk earlier in the evening, and I intended to offer it tomorrow. I discussed it with the Senator from Vermont, and I believe it to be unobjectionable.

Mr. KNOWLAND. I suggest to the Senator from Massachusetts that he have it printed and laid upon the table, because when the amendment purports to direct the Secretary to do something with respect to which he now has authority, I think we are at least expanding the situation somewhat, and since a good many Senators are absent pursuant to the prior announcement of the majority leader that we would not be taking up additional amendments, at least any which might involve any question, I should like the opportunity at least to have them look over the amendments.

Mr. AIKEN. Mr. President, I have not had an opportunity to discuss this amendment with any other members of the committee, which I think I probably should do. Neither have we discussed the subject with the Department of Agriculture. Perhaps it would be desirable that the Senator have his amendment printed so we can look at it in the morning, and we can then tell better what procedure we should follow.

Mr. ELLENDER. The Secretary now has the authority.

Mr. KENNEDY. Yes.

Mr. AIKEN. I think the Secretary has the authority now.

Mr. KNOWLAND. Now apparently the authority is permissive.

The PRESIDING OFFICER. The amendment offered by the Senator from Massachusetts will be received and printed, and will lie on the table.

Mr. KNOWLAND. I now yield to the Senator from Minnesota.

PRESERVATION OF THE DINOSAUR NATIONAL PARK AS A NATIONAL HERITAGE

Mr. HUMPHREY. Mr. President, it has recently come to my attention that the Senate Committee on Interior and Insular Affairs has reported favorably to the Senate S. 1555, a bill to authorize the Secretary of the Interior to construct, operate, and maintain the Colorado River storage project and participating projects. The bill is now on the calendar, order No. 2000. I rise to inform the Senate and the majority leader that I am opposed to the bill, and hope that he will not request the Senate to act on this very crucial and highly controversial bill during the closing days of the 83d Congress. The bill is opposed by all the conservation and sportsmen's groups in the Nation, as well as by all who are sensitive to the need for preserving our natural resources.

My term of office in the Senate of the United States has amply demonstrated that I am a strong advocate of the flood-control and hydroelectric programs of the Bureau of Reclamation. However, the Bureau is now planning the construction of two dams which I cannot support because the price of those projects is too high—and I refer to a cost to the American people much more than the amount of money appropriated by Congress. It would be a cost paid in the ruination of one of our most magnificent national parks. It would be a cost marked by a frightening reversal of 80 years of national conservation policy and the first successful invasion of our parks and monuments since the National Park Service was created in 1916.

It is well worth-while, I believe, to take a few minutes of the Senate's time for a presentation of the facts concerning this controversy which deeply concerns many of my constituents, and, I am certain, also deeply concerns the constituents of every other State.

The bill would authorize the Bureau of Reclamation to construct two dams—Echo Park and Split Mountain Dams in Dinosaur National Monument. They would be two units of the upper Colorado River storage project.

They would, however, be much more than that. They would be the ruination of a monument which is unique in its beauty, grandeur, and river trips. Once they were built, these two dams would be the precedent, the excuse for going into other national parks and monuments to construct still more dams, to cut down trees, to deface, to desecrate, to ruin.

Dams in Dinosaur National Monument might well be the Trojan horse in our world-famous, immensely popular national parks and monuments.

To some people, the national uproar over the prospect of building storage and hydroelectric dams in Dinosaur National Monument may seem peculiar and unexpected—perhaps even astonishing. To the naive, the project might appear remote from most of our citizens. The monument is in Colorado and Utah, and the Colorado River seems terribly far from Maine, or Florida, or even Minnesota.

Actually, there is nothing astonishing about nationwide opposition to dams in Dinosaur National Monument. There is, however, a great deal about it which is gratifying and encouraging. The opposition is indisputable proof that Americans know the value of their parks and monuments, and that they realize the vigilance necessary to protect them from destruction.

Public determination in every State to protect the national park system is healthful. As our civilization becomes more complex and artificial, more burdensome to mind and spirit, we Americans in ever greater numbers turn to the natural grandeur of our country for relaxation, for spiritual rejuvenation. It is no trivial sightseeing that takes millions of us to the parks and monuments of our country each year; it is, instead, a compelling desire to know at first hand the magnificence and the glory of this country as it has been through millions and millions of years.

And by the same token, the opposition to dams in the canyons of our parks and monuments is not trivial either. It is a sincere and informed opposition, intelligent and determined.

I was impressed recently by a contrast in human attitudes offered by a famous conservationist when he was speaking about the Dinosaur Monument situation. He reminded me that during a war, when bombs are falling out of the sky, even the most barbarous and despicable enemy will hide its paintings and its statues deep in caves to protect them. It will camouflage its famous buildings in the hope they may be spared destruction. But we, without any justification of necessity or inevitability, whack away at the spectacular monuments which nature has designed—monuments which are supreme and rare, and which never can be replaced.

The contrast is not a compliment to those responsible for it.

There is no reasonable doubt but that Dinosaur National Monument deserves every protection which Congress and the people can give it. Once better roads are built into the monument and other minimum facilities are available, it will become one of the most popular and prized units of the park system. And it will also be a permanent, valuable economic asset to the business interests of the area.

There is ample expert testimony as to the importance of Dinosaur National Monument. Newton Drury, the respected former Director of the National Park Service, has testified that it is "one of the great places of America" and that "there is no other place just like it." After a boat trip through the canyons of the monument, Frank Setzler, of the Smithsonian Institution, said of them: "Not only spectacular, but in several respects unique, and the finest of their kind in the whole of America." Frederick Law Olmsted, the famous landscape architect, spent may weeks in the monument, and concluded that the canyons of the Green and Yampa Rivers are "highly spectacular, beautiful, and of great variety." He goes on to say that the loss of values which would result from the construction of Echo Park Dam would be "catastrophically great."

Proponents of the dams in the monument do not generally deny that it is a glorious place. Instead, they skitter somewhat precariously from argument to argument as to why they must have

the dams, or why the dams would not really affect the monument adversely after all. I must say that I find all their arguments peculiarly unconvincing, and I share the haunting, worrisome wonder as to why the more rabid advocates of Echo Park Dam really insist on it.

The proponents say that the need to store water on the Colorado River and its tributaries must take precedence over anything else, but they fail to convince anyone except themselves that the two units in Dinosaur National Monument are necessary or desirable parts of the project for the upper Colorado. I firmly believe that the Bureau of Reclamation has never made an adequate, impartial study of alternative sites, with a genuine will to save the monument.

So far as I know, the Bureau has paid scant attention to the qualified advice from independent sources that the dams in the monument are not necesary for regulation of the river, not necessary for adequate hydroelectric power, and not necessary for irrigation. It has paid scant attention to the carefully worked-out alternatives of Gen. U. S. Grant III, an eminent retired officer of the Army Corps of Engineers—alternatives which the general, with a lifetime of engineering experience behind him, says will store more water and produce more annual firm power at a saving of almost $60 million. I might add that the Bureau of Reclamation is not in a very good position to attack the general's figures—he has used the Bureau's.

Also, the Bureau of Reclamation and the other proponents of the upper Colorado River storage project have other and most impressive sources of opposition to any immediate congressional authorization on the basis of present knowledge and planning. It is well known that the distinguished water policy task force of the Hoover Commission is strongly in favor of a cautious approach to this project, and the Engineers Joint Council—the most authoritative voice in American engineering—takes precisely the same position.

These authorities, Mr. President, do not represent societies of bird watchers or fossil fanciers. I respect these activities, incidentally, but I recognize many of our colleagues do not. Rather they constitute qualified expert advice. It is advice which reiterates the fact that these dams are not necessary for regulation of the river, not necessary for hydroelectric power, and not necessary for irrigation.

During the last year or so, whenever the Bureau has attempted to answer its critics, it has used the contention that extra evaporation at alternative sites was too great, and that therefore it must continue to favor Echo Park Dam as the first unit of the first phase of the project, and Split Mountain Dam for inclusion in a later phase. During hearings before a House committee just last January, Under Secretary of the Interior Tudor went so far as to say that—

> The increased losses of water by evaporation from alternative sites is the fundamental issue upon which the Department has felt it necessary to give any consideration to the Echo Park Dam and Reservoir.

Without being harsh, I think I can say that if the evaporation argument is the best that the proponents can come up with as their excuse for going into the monument, it is an indication of the poverty of their excuses. In the first place, the whole question of evaporation is most controversial and debatable among qualified engineers. In the second place, evaporation data for the areas involved in this particular situation are so meager as to be highly questionable. And, in the third place, the Department of the Interior has just about talked itself out of its own argument. When Under Secretary Tudor was originally testifying, he objected to the so-called high Glen Canyon Dam as an alternative to Echo Park and Split Mountain Dams because, he said, high Glen Canyon would mean a loss of 165,000 acre-feet of water. Then, in March of this year, he corrected the 165,000 figure to 70,000 acre-feet—still a lot of water. And finally—or finally, so far as we now know—he again corrected the figure. This time he said that the alternative to Echo Park Dam would evaporate only 25,000 more acre-feet.

Obviously, if the Bureau of Reclamation, in preparing testimony for a congressional hearing on a major project, first says 165,000, then 70,000, and next 25,000, we can only conclude that the evaporation factor is truly unreliable. As an excuse for building dams in the monument, and for threatening the laws and traditions which protect the entire park system, evaporation may turn out to be only a sad illusion.

Dinosaur National Monument was first established as an 80-acre tract by President Wilson for the purpose of safeguarding a remarkable concentration of dinosaur fossils. Then, as the years went by, it was realized that the adjacent canyons of the Green and Yampa Rivers were spectacular, and that the river trips down these canyons were unique. The result was the enlargement of the monument to 209,744 acres by President Roosevelt, for the precise purpose of protecting the canyons which Echo Park and Split Mountain Dams would now flood. To claim, as some do, that we should not object to these dams because they would not flood the dinosaur fossils is to ignore the intent and purpose of enlarging the monument.

In an effort to keep the record straight, I would like also to make one additional comment on the Presidential proclamation enlarging the monument. The proponents of the dams sometimes claim that they were promised reclamation projects in the monument at the time it was enlarged, and that the proclamation so provides. As one studies the pertinent documents, it is quite apparent that no such promise could have been authoritatively made, since the letter of instructions from the Secretary of Interior, dated June 8, 1936, expressly prohibited the National Park Service from making commitments on the subject of water development. It could not conceivably commit the Government to reclamation projects in the national monument, since that is the exclusive province of Congress.

The 1938 proclamation allows for one reclamation withdrawal, which goes back to 1904. It is a specific reference to the Brown's Park site, which is near the northern edge of the monument, and 45 miles up the river from the now proposed Echo Park site. Insofar as the people of the area wanted the proclamation to allow for a reclamation project, which Congress might or might not later authorize, we can only assume that the Browns Park site was the answer satisfactory to them. However, it is a total distortion to claim now that allowance for a reservoir at Browns Park, which could easily be excluded from the monument without destroying the national park value of the area, is justification for the Bureau of Reclamation to build dams many miles way in the very heart of the monument.

I am sure that there is no Member of the Senate who does not wish that the great States of the upper Colorado Basin may grow in all the riches and good things of the American life. And I am sure that all of us recognize that this growth is dependent on the wise use of the available water. When the time comes to authorize the best possible program for the Colorado River, I believe that the States most directly involved will happily discover how many friends they have in Congress.

But in their planning for the development of their water resources, I beg the congressional representatives of these States to take into consideration the factors involved which are of great concern to all the other States—and, indeed, to the United States as a Nation, of which the Colorado States are themselves such an important part—and I address myself exclusively to the issue of keeping Dinosaur National Monument and all the rest of the national park system inviolate, as a sacred trust for the enjoyment of all the people.

I fervently hope that the final answer will be a sound, admirable project in operation on the upper Colorado, and an unimpaired—indeed, an ever stronger—national park system ready to meet the growing desire of the American people to find their rest and recreation in the midst of our unparalleled heritage of natural splendor.

COMMITTEE SERVICE

Mr. JOHNSON of Texas. Mr. President, I have suggested the appointment of the junior Senator from Massachusetts [Mr. KENNEDY] to the Select Committee on Small Business. This appointment should meet with the enthusiastic approval of all who are interested in the problems of small business. The junior Senator from Massachusetts has displayed a high degree of knowledge of the problems facing small business, and a deep devotion to the principles of free enterprise. It was the opinion of all those whom I consulted

that he would make a genuine contribution to the deliberations of this important committee. He is an active, vigorous member of the minority, and I have every confidence that this appointment will be a valuable addition to the minority side of the committee.

The PRESIDING OFFICER. The Chair appoints the Senator from Massachusetts [Mr. KENNEDY] to fill the vacancy on the Committee on Small Business occasioned by the death of the Senator from Wyoming, Mr. Hunt.

TRANSACTION OF ADDITIONAL ROUTINE BUSINESS

The following additional routine business was transacted:

ADDITIONAL REPORTS OF A COMMITTEE

The following additional reports of a committee were submitted:

By Mr. LANGER, from the Committee on the Judiciary, with an amendment:

S. 1887. A bill to amend sections 3182 and 3183 of title 18 of the United States Code so as to authorize the use of an information filed by a public prosecuting officer for making demands for fugitives from justice (Rept. No. 2362); and

H. R. 9785. A bill to provide a method for compensating claims for damages sustained as the result of the explosions at Texas City, Tex. (Rept. No. 2363).

By Mr. LANGER, from the Committee on the Judiciary, with amendments:

S. 675. A bill to amend section 2312 of title 18 of the United States Code so as to extend the punishment of the transportation of stolen motor vehicles in interstate or foreign commerce to trailers or semitrailers, and for other purposes (Rept. No. 2364).

ADDITIONAL BILLS INTRODUCED

The following additional bills were introduced, read the first time and, by unanimous consent, the second time, and referred as follows:

By Mr. HUMPHREY:

S. 3848. A bill to amend the Agricultural Marketing Agreement Act of 1937 so as to remove domestic trade barriers affecting milk and milk products; to the Committee on Agriculture and Forestry.

By Mr. KENNEDY:

S. 3849. A bill for the relief of Giovanni De Bilio; and

S. 3850. A bill for the relief of Frank Bertolino; to the Committee on the Judiciary.

AGRICULTURAL ACT OF 1954—AMENDMENTS

Mr. SCHOEPPEL submitted an amendment intended to be proposed by him to the bill (S. 3052) to encourage a stable, prosperous, and free agriculture and for other purposes, which was ordered to lie on the table and to be printed.

Mr. KENNEDY submitted an amendment intended to be proposed by him to Senate bill 3052, supra, which was ordered to lie on the table and to be printed.

Mr. DOUGLAS submitted an amendment intended to be proposed by him to Senate bill 3052, supra, which was ordered to lie on the table and to be printed.

Mr. HUMPHREY submitted an amendment intended to be proposed by him to Senate bill 3052, supra, which was ordered to lie on the table and to be printed.

Mr. YOUNG (for himself, Mr. RUSSELL, Mr. MUNDT, and Mr. EASTLAND) submitted an amendment intended to be proposed by them, jointly, to Senate bill 3052, supra, which was ordered to lie on the table and to be printed.

REVISION OF INTERNAL REVENUE LAWS—AMENDMENT

Mr. MCCARRAN submitted an amendment intended to be proposed by him to the bill (H. R. 6440) to revise the internal revenue laws of the United States, which was ordered to lie on the table and to be printed.

AMENDMENT TO SENATE RESOLUTION 301 TO CENSURE THE JUNIOR SENATOR FROM WISCONSIN

Mr. MORSE. Mr. President, it appears that my amendment with reference to Senate Resolution 301 has never been printed in the RECORD. I ask unanimous consent that it be printed in the RECORD.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

On page 1, lines 4 and 5, strike out the words "and such conduct is hereby condemned.", and insert in lieu thereof the following: "because the said Mr. MCCARTHY—

"(a) declined to comply with a request made by letter on November 21, 1952, by the chairman of the Subcommittee on Privileges and Elections of the Senate Committee on Rules and Administration, that he appear before the subcommittee to supply information concerning certain specific matters involving his activities as a Member of the Senate;

"(b) unfairly accused his fellow Senators GILLETTE, MONRONEY, HENDRICKSON, HAYDEN, and HENNINGS of improper conduct in carrying out their duties as Senators;

"(c) as chairman of a committee resorted to abusive conduct in his interrogation of Gen. Ralph Zwicker, including a charge that General Zwicker was unfit to wear the uniform, during the appearance of General Zwicker as a witness before the Permanent Subcommittee on Investigations of the Senate Committee on Government Operations on February 18, 1954;

"(d) received and made use of confidential information unlawfully obtained from a document in executive files upon which document the Federal Bureau of Investigation had placed its highest classification; and offered such information to a lawfully constituted Senate subcommittee in the form of a spurious document which he falsely asserted to the subcommittee to be 'a letter from the FBI';

"(e) openly invited and incited employees of the Government to violate the law and their oaths of office by urging them to make available information, including classified information, which in the opinion of the employee would be of assistance to the junior Senator from Wisconsin in conducting his investigations, even though the supplying of such information by the employee would be illegal and in violation of Presidential order and contrary to the constitutional rights of the Chief Executive under the separation-of-powers doctrine;

"(f) attempted to invade the constitutional power of the President of the United States to conduct the foreign relations of the United States by carrying on negotiations with certain Greek shipowners in respect to foreign trade policies, even though the executive branch of our Government had a few weeks previously entered into an understanding with the Greek Government in respect to banning the flow of strategic materials to Communist countries; and

"(g) permitted and ratified over a period of several months in 1953 and 1954 the abuse of senatorial privilege by Mr. Roy Cohn, chief counsel to the Permanent Investigations Subcommittee of the Senate Committee on Government Operations of which committee and subcommittee the junior Senator from Wisconsin is chairman, Mr. Cohn's abuse having been directed toward attempting to secure preferential treatment for Pvt. David Schine by the Department of the Army, at a time when the Army was under investigation by the committee.

"SEC. 2. It is the sense of the Senate that such conduct is hereby condemned."

LETTER ADDRESSED BY SENATOR BYRD TO THE ADMINISTRATOR OF THE HOUSING AND HOME FINANCE AGENCY

Mr. BYRD. Mr. President, I ask unanimous consent to have printed in the body of the RECORD a letter I have addressed to the Honorable Albert M. Cole, Administrator of the Housing and Home Finance Agency.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

AUGUST 6, 1954.

Hon. ALBERT M. COLE,
Administrator, Housing and Home Finance Agency, Washington, D. C.

MY DEAR MR. COLE: The Washington Post and Times Herald of Sunday, August 1, 1954 (p. 3–R), quotes Mr. Norman P. Mason, Federal Housing Administrator, as saying:

1. The Government will not blackball all companies which made windfall profits on federally insured mortgages.

2. Some companies will be permitted to build new public housing projects if they were not involved in sharp practices.

3. The Shelby Construction Co., Inc., New Orleans, is the first company to benefit from the policy.

4. FHA field offices have been ordered to resume the processing of this company's applications to build projects in Louisville, Kansas City, Cincinnati, Columbus, Indianapolis, New Orleans, Shreveport, and Philadelphia.

5. The Shelby Co. was listed last month as having made a windfall profit of $1,273,500 on the Claiburne Towers project at New Orleans.

6. Three officers of the company—Jemile Bluestein, Lewis Leader, and Paul Kapelow—also were listed as having made a windfall of $3,477,000 on the construction of the Parkchester apartment development at New Orleans.

Your attention is invited to the Housing and Home Finance Agency's statement of June 11, 1954 (HHFA–OA No. 675), releasing an interim report on the investigation of section 608 FHA-insured mortgages on

rental-housing developments, from William F. McKenna, Deputy HHFA Administrator, in charge of the investigation into FHA.

This statement, in part, said:

1. The report contained names and amounts of over 200 corporations, involving about 70 section 608 developments, in which FHA-insured mortgage loans exceeded costs, resulting in windfalls to sponsors of approximately $40 million.

2. All cases have been or are being referred to the Department of Justice for such civil or criminal proceedings as may be indicated by the circumstances in each case.

3. Many, if not most, of these cases involved other substantial windfalls not reflected in the $40 million total.

4. The HHFA investigation disclosed various methods whereby other monetary gains were obtained by owners over and above authorized earnings from actual project investments, including padding of cost figures by using excessive prices for the cost of construction and for the purchase of land.

5. Various devices were also used for the distribution of windfalls, including "the declaration of 'dividends' out of mortgage proceeds," and redemption of stock at inflated prices, exorbitant management fees, excessive payments for services to corporations owned by the sponsors, and loans by the corporations to their principals which will be paid when and if the principals who dominate the corporations decide.

6. The $40 million windfall figure did not include rents collected before first payments on FHA-insured loans, long-term land leases between sponsors and principal stockholders as individuals, or use of multiple corporations with the same owners.

7. Certain promoters were aided and guided by former top FHA officials in windfall practices.

As chairman of the Joint Committee on Reduction of Nonessential Federal Expenditures, and acting under authority of section 601 of the Revenue Act of 1941, I am requesting at your earliest convenience the following information with respect to current FHA policies and related matters:

1. A statement as to whether the article in the Washington Post and Times Herald of August 1 (p. 3–R) accurately reported the current FHA policy; and if so, a copy of any official promulgation of such policy would be appreciated.

2. A statement of FHA's distinction between any kind of a windfall made by a company under an FHA-insured construction loan and "sharp practices," if it makes such a distinction.

3. A statement as to whether, in accordance with the HHFA release of June 11 (HHFA–OA No. 675), the cases of any or all of the following have been referred to the Department of Justice for such civil or criminal action as may be indicated by the circumstances in each case: Claiborne Towers, Inc., Governor Claiborne Apartments, Inc., Parkchester Apartment Development, Little Street Homes, Inc., Emile Homes, Inc., Shelby Construction Co., Paul Kapelow, Lewis Leader, Emile Bluestein.

4. A statement summarizing Department of Justice reports received to date by FHA on all of the above-mentioned cases.

5. A statement as to whether any or all of the above corporations, companies, developments, or their officers have been connected with any project for which loans have been insured by FHA, where:

(a) Cost figures were padded by using excessive prices for cost of construction and purchase of land;

(b) "Dividends" were declared out of mortgage proceeds;

(c) Stock was redeemed at inflated prices;

(d) There were exorbitant management fees;

(e) There were excessive payments for services to corporations owned by the sponsors;

(f) Loans were made by the corporations to their principals to be paid when and if the principals who dominate the corporations decide;

(g) Rents were collected before first payments on FHA-insured loans were made;

(h) There were long-term land leases between sponsors and principal stockholders as individuals;

(i) Multiple corporations with the same owners were used; or

(j) Promoters were aided and guided by former top FHA officials in windfall practices.

6. A list of all corporations, companies, developments, and their officers found by HHFA, or any other official investigation reported to you, to have made windfalls from any loan insured, guaranteed, or made by any Federal agency, along with:

(a) A statement in each case as to whether it has been referred to the Department of Justice for such civil or criminal proceedings as may be indicated; and

(b) A statement summarizing any Department of Justice report on each case.

7. A list of all corporations, companies, developments, and their officers, for which FHA, since April 12, 1954, has approved applications for loan insurance, indicating the amount of insurance involved and giving for each the information requested in question No. 5 and its subquestions 5 (a) through 5 (j).

Very truly yours,

HARRY F. BYRD, *Chairman.*

RESOLUTION OF VETERANS OF FOREIGN WARS OF THE UNITED STATES IN FAVOR OF OUTLAWING COMMUNISM

Mr. HUMPHREY. Mr. President, I ask unanimous consent to have a resolution adopted by Post 7704 of the Veterans of Foreign Wars, of Renville, Minn., printed in the body of the RECORD and appropriately referred.

The VICE PRESIDENT. The resolution will be received and will lie on the table, and, without objection, will be printed in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

VETERANS OF FOREIGN WARS,
OF THE UNITED STATES,
RENVILLE POST, NO. 7704,
Renville, Minn.

DEAR SENATOR HUMPHREY: At a meeting of Renville Post, No. 7704, VFW, held July 20, the members assembled voted unanimously for the following motion:

"Moved that we urge our Senators and Representatives to support any measure that would lead to outlawing communism."

Communists are criminals and should be punished, not protected. Communists today enjoy the same privileges as others do. We feel this is not fair nor just and the party should definitely be outlawed.

Sincerely yours,

ELMER G. KEMNITZ,
Adjutant.

Attest:

LEA VERNE HANSON,
Commander.

DALE D. HAEN,
Third District Quartermaster.

RECESS TO 10 A. M. TOMORROW

Mr. KNOWLAND. Mr. President, if there be no further business to come before the Senate, I move that the Senate stand in recess until 10 o'clock tomorrow morning.

The motion was agreed to; and (at 10 o'clock and 25 minutes p. m.) the Senate took a recess until Tuesday, August 10, 1954, at 10 o'clock a. m.

CONFIRMATION

Executive nomination confirmed by the Senate August 9 (legislative day of August 5), 1954:

FOREIGN CLAIMS SETTLEMENT COMMISSION

Mrs. Pearl Carter Pace, of Kentucky, to be a member of the Foreign Claims Settlement Commission of the United States.

HOUSE OF REPRESENTATIVES

MONDAY, AUGUST 9, 1954

The House met at 12 o'clock noon.

Rabbi Morris Teller, D. D., spiritual leader of the South Side Hebrew Congregation, Chicago, Ill., offered the following prayer:

Our Heavenly Father, in these soul-stirring times we need Thy guidance and Thy blessing. Serious is the challenge that freedom-loving America faces. We seek peace but we must muster all available forces to safeguard life and liberty from possible onslaughts of godless, ruthless, unprincipled aggressors. We must develop superior military might and diplomatic dexterity. But we must also be filled with Thy holy spirit. To win friends among wavering nations and to influence those that are on our side to continue to side with us we must manifest by our own righteous conduct the superiority of the American way of thinking and living.

Bless Thou our glorious land, our leaders and representatives. Endow them with insight and foresight, religious faith, and moral fortitude. May America under God remain a citadel of freedom and a watchtower from which rays of light and hope shall be beamed to those who are now living in darkness and despair.

Hasten the day when the millennial hope of universal, lasting peace will prevail throughout the world with justice and freedom for all people. Amen.

The Journal of the proceedings of Thursday, August 5, 1954, was read and approved.

MESSAGES FROM THE PRESIDENT

Sundry messages in writing from the President of the United States were communicated to the House by Mr. Miller, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills and a joint resolution of the House of the following titles:

On July 26, 1954:

H. R. 7434. An act to establish a National Advisory Committee on Education;

H. R. 7601. An act to provide for a White House Conference on Education; and

H. R. 9040. An act to authorize cooperative research in education.

On July 27, 1954:

H. R. 1067. An act to authorize the Supreme Court of the United States to make and publish rules for procedure on review of decisions of the Tax Court of the United States;

H. R. 2846. An act authorizing the President to exercise certain powers conferred upon him by the Hawaiian Organic Act in respect of certain property ceded to the United States by the Republic of Hawaii, notwithstanding the acts of August 5, 1939, and June 16, 1949, or other acts of Congress;

H. R. 4854. An act to authorize the Secretary of the Interior to construct, operate, and maintain the irrigation works comprising the Foster Creek division of the Chief Joseph Dam project, Washington;

H. R. 4928. An act to authorize the Secretary of Agriculture to convey a certain parcel of land to the city of Clifton, N. J.;

H. R. 6786. An act authorizing the Secretary of the Interior to purchase improvements or pay damages for removal of improvements located on public lands of the United States in the Palisades project area, Palisades reclamation project, Idaho;

H. R. 6882. An act to amend the act of September 27, 1950, relating to construction of the Vermejo reclamation project;

H. R. 7466. An act to authorize the Secretary of the Interior to execute an amendatory repayment contract with the Pine River irrigation district, Colorado, and for other purposes;

H. R. 7664. An act to provide for the development of the Priest Rapids site on the Columbia River, Wash., under a license issued pursuant to the Federal Power Act;

H. R. 8549. An act granting the consent of Congress to the Breaks Interstate Park Compact; and

H. R. 9242. An act to authorize certain construction at military and naval installations and for the Alaska communications system, and for other purposes.

On July 28, 1954:

H. R. 8983. An act to provide for the conveyance of certain lands by the United States to the city of Muskogee, Okla., and

H. R. 5731. An act to authorize the Secretary of the Interior to construct facilities to provide water for irrigation, municipal, domestic, military, and other uses from the Santa Margarita River, Calif., and for other purposes.

On July 29, 1954:

H. R. 130. An act to amend the act approved June 27, 1947 (61 Stat. 189);

H. R. 6725. An act to reenact the authority for the appointment of certain officers of the Regular Navy and Marine Corps;

H. R. 8026. An act to provide for transfer of title to movable property to irrigation districts or water users' organizations under the Federal reclamation laws;

H. R. 8571. An act to authorize the construction of naval vessels, and for other purposes; and

H. J. Res. 594. Joint resolution to authorize the Secretary of Commerce to sell certain war-built passenger-cargo vessels, and for other purposes.

On August 2, 1954:

H. R. 7839. An act to aid in the provision and improvement of housing, the elimination and prevention of slums, and the conservation and development of urban communities.

On August 3, 1954:

H. R. 7128. An act to amend the act entitled "An act to provide an immediate revision and equalization of real-estate values in the District of Columbia; also to provide an assessment of real estate in said District in the year 1896 and every third year thereafter, and for other purposes," approved August 14, 1894, as amended.

On August 4, 1954:

H. R. 6788. An act to authorize the Secretary of Agriculture to cooperate with States and local agencies in the planning and carrying out of works of improvement for soil conservation, and for other purposes.

On August 5, 1954:

H. R. 303: An act to transfer the maintenance and operation of hospital and health facilities for Indians to the Public Health Service, and for other purposes; and

H. R. 5173. An act to provide that the excess of collections from the Federal unemployment tax over employment security administrative expenses shall be used to establish and maintain a $200 million reserve in the Federal unemployment account which will be available for advances to the States, to provide that the remainder of such excess shall be returned to the States, and for other purposes.

On August 9, 1954:

H. R. 6080. An act to authorize the appropriation of funds for the construction of certain highway-railroad grade separations in the District of Columbia, and for other purposes.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Ast, one of its clerks, announced that the Senate had passed, with an amendment in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 8152. An act to extend to June 30, 1955, the direct home and farmhouse loan authority of the Administrator of Veterans' Affairs under title III of the Servicemen's Readjustment Act of 1944, as amended, to make additional funds available therefor, and for other purposes.

The message also announced that the Senate insists upon its amendment to the foregoing bill and requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. CAPEHART, Mr. BRICKER, Mr. IVES, Mr. MAYBANK, and Mr. ROBERTSON to be the conferees on the part of the Senate.

The message also announced that the Senate agrees to the amendments of the House to bills of the Senate of the following titles:

S. 1702. An act for the relief of Emilia Pavan;

S. 2745. An act to provide for the termination of Federal supervision over the property of the Klamath Tribe of Indians located in the State of Oregon and the individual members thereof, and for other purposes; and

S. 2746. An act to provide for the termination of Federal supervision over the property of certain tribes and bands of Indians located in western Oregon and the individual members thereof, and for other purposes.

The message also announced that the Vice President has appointed Mr. CARLSON and Mr. JOHNSTON of South Carolina members of the joint select committee on the part of the Senate, as provided for in the act of August 5, 1939, entitled "An act to provide for the disposition of certain records of the United States Government," for the disposition of executive papers referred to in the report of the Archivist of the United States numbered 55–5.

PROCEEDINGS AGAINST FRANCIS X. T. CROWLEY

The SPEAKER laid before the House the following communication:

AUGUST 5, 1954.

Hon. JOSEPH W. MARTIN, JR.,
Speaker of the House of Representatives, Washington, D. C.

In re Francis X. T. Crowley, cited for contempt of the House by House Resolution 541, 83d Congress.

DEAR MR. SPEAKER: On May 12, 1954, pursuant to House Resolution 541, 83d Congress, you certified to me the contempt of the above individual for refusing to answer questions before the Committee on Un-American Activities on June 8, 1953.

On July 23, 1954, that committee by Report No. 2472, reported that Crowley on June 28, 1954, appeared voluntarily before it in public session and answered all questions which he had previously refused to answer and, in addition, voluntarily gave extensive information concerning the operation of the Communist conspiracy in this country. That committee further reported that it was the sense of the committee that Crowley had thereby purged himself of his previous contempt of the House of Representatives.

House Resolution 681 of July 23, 1954, resolved that the Speaker certify to the United States attorney House Report No. 2472, referred to above, "to the end that legal proceedings based upon the matter certified by the Speaker pursuant to House Resolution 541, 83d Congress, 2d session, against the said Francis X. T. Crowley may be withdrawn and dropped in the manner and form provided by law."

In my opinion this action by the committee and by the House has the effect of withdrawing the original citation of Crowley to my office and of relieving me of the statutory duty to put the matter before th grand jury, as provided by title 2, United States Code, section 194.

Inasmuch as Crowley has purged himself, and in view of the wish of the House, expressed in House Resolution 681, that contempt proceedings against Crowley be dropped, I shall not present the matter to the grand jury and I shall close the prosecution on my records.

Sincerely,

LEO A. ROVER,
United States Attorney.

(Copy to Hon. HAROLD H. VELDE, chairman Committee on Un-American Activities, House of Representatives, Washington, D. C.)

SPECIAL ORDER GRANTED

Mrs. ROGERS of Massachusetts asked and was given permission to address the House for 10 minutes today, following any special orders heretofore entered.

WHAT IS OUR FOREIGN POLICY?

Mr. EDMONDSON. Mr. Speaker, I ask unanimous consent that the gentleman from Massachusetts [Mr. MCCORMACK] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. McCORMACK. Mr. Speaker, I make the following remarks in no partisan sense. The danger that confronts the free world calls for unity. If we are to be listened to by our friends as well as our foes, we must speak with one voice. And that voice must be the autochthonous, the genuine American voice.

In all earnestness I ask, What is our present foreign policy? With this question I make vocal what many of our fellow citizens and even our allies would like to ask themselves. I will not say that there is confusion. I will not say that there is lack of leadership. I will not say that there is no coordination. If I made any such accusation, I would at once be assailed as partisan, but with many other Americans. I seek enlightenment. I need information. Our people need both light and guidance.

We reduced our appropriations for national defense. We were made to believe that there was no danger to our national security in the reduction because we could counter with massive retaliation. Subsequently, however, we were told by our military and others that we could not depend on the efficacy of such massive retaliation.

Before the fall of Dien Bien Phu we were told that if Dien Bien Phu fell, we would be faced by a grave danger in southeast Asia and the parallel of the "falling dominoes" was made by the President. Dien Bien Phu fell and then we were told that the fall was expected and that it did not necessarily mean that all of French Indochina would also fall.

We went to Korea to fight on the basis of United Nations principles, and Korea is to us a United Nations question. Suddenly we pull the Korean question out of the United Nations and allow ourselves to be drawn into another conference, first in Berlin, and then in Geneva. Why did we not insist that the Korean question be taken up by the United Nations?

We went to Berlin with the promise that we would not, under any circumstance, recognize Red China. But in Geneva we sat across the table with Red China. We listened to the vitriolics of Chou En-lai. We were in the same conference room with the delegates of Red China. To the peoples of Asia who do not understand the nuances of diplomacy, Red China is now one of the Big Five, and in the psychological warfare now raging in Asia we must chalk this up as another Communist victory.

We consented to a conference in Geneva in order that we could make demands on Soviet Russia and Red China. But we consented to a political conference on Indochina while military operations in Dien Bien Phu were decidedly going against France. How did we expect to make demands on a victorious enemy? Could a man who is down and held by the throat say to his opponent who is on top, "I demand that you release your hold"?

We certainly knew that nothing would come out of Geneva. But we went there, and after having failed we gathered our marbles and left. But when England and France threatened us with a possible rift in western unity, we rushed back to Paris and then sent our Under Secretary of State, whom I admire very much, upon instructions, went back to Geneva to do what? To sanction with his presence whatever France and England had already presumably agreed to with Red China and Soviet Russia in advance.

We are against the admission of Red China in the United Nations. This is a settled policy—or at least we thought it was. That is, until Churchill and Eden came to Washington, and to checkmate them we make the threat that, if they insist on Red China's entry in the U. N., we will get out the back door as Red China enters through the front door. Are we getting ready again to gather our marbles when we are defeated and then again as in Geneva come back crestfallen and discredited?

In southeast Asia we need the friendship and the support of the Asian peoples. We underscore the fact that we believe in equality. But a series of military talks are held to study and discuss the defense of southeast Asia and we consent to an exclusive meeting of five western powers, excluding loyal allies like the Philippines and Thailand, and making the Asian peoples believe what Peiping and Moscow tell them that the white man is preparing to invade Asia.

As a nation we are reared in the principle that all men have the inalienable right to be free. But with our actions in southeast Asia as well as in Africa we weaken the faith of the liberty-loving peoples of the world in us. By supporting France we place ourselves in the equivocal position of supporting colonialism, the same colonialism that our forefathers fought and which is repugnant to every true American.

On the one hand we have our NATO commitments and we must live up to them by not opposing the colonial policies of the European colonial powers. On the other, we have our history and our tradition, and we must make the Asian peoples feel that we are supporting their libertarian ideals. One attitude clashes with the other and as a result of our mamby-pamby stand we run the risk of alienating both the Europeans and the Asians. Shall we always try to carry water on both shoulders or should we not now decide to strike out a policy that is morally unassailable and in keeping with American tradition and history?

There must be a way out of this maze of contradictions. Our people want direction. There is a crying need for more clarity in the enunciation of our foreign policy. We must know where we are going. Our objective is clear and unmistakable: our national security. But someone must tell us how best to achieve it. There must be one voice, not many and different. Those who are in the majority must tell us whose voice it is that has the authority of leadership and the finality of authority. Let them agree on one direction and let them decide whose voice it is that they want the people to hear and heed. Leadership that is hydraheaded and multilingual is not leadership. It is confusion.

America, today, riven by dissensions, weakened by suspicion, confused by mutual recriminations, stands as it were before our leaders in search of answers to so many questions that baffle its mind and gnaws at its heart. I am one of the millions, Mr. Speaker, and for and in their behalf I ask: Whither are we going? What is our definitive foreign policy?

DELIVERY OF MAIL TO KOREA

Mr. JONES of Missouri. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. JONES of Missouri. Mr. Speaker, I have here in my hand a letter from a soldier in Korea. In fact, it is a letter signed by 11 soldiers who are serving their country. I do not know these men—some of them may be constituents of any Member of Congress, perhaps some of the Members will recognize these names as being young men from their own home communities.

But I do recognize the seriousness of the situation to which they are calling my attention, and your attention. And that is the reason why I am directing the attention of the House of Representatives to a situation which needs correcting, and I am calling upon other Members to join with me in seeing that this situation is changed—soon.

Let me read you this letter. It tells the story, and I might add a story that anyone who has ever been away from home can understand. This letter is dated July 27, 1954, and comes from APO 25, care of Postmaster, San Francisco, Calif. It reads:

DEAR MR. JONES: I am writing for myself and for some other men in this organization to bring to your attention some facts about the very poor mail situation in Korea. It's like this. The mail just isn't coming through. We don't think too much about it being delayed but much of it never reaches here. It is the same with my letters going to the States, in that they also do not receive a large portion of my letters. This has been the situation for some time. It seems as though we can't do anything about it over here.

Myself, I have been in Korea 1 year. I have used the number system since I first came to Korea. There have been many letters that I never received and many of mine which aren't received at home. In the last 2 months I am missing about 20 letters of which no trace will ever be found. Some of the guys may be missing more than that. I have never written to my Congressman before. I feel that this matter is worthy of being brought to your attention and we would appreciate whatever help you could give us in clearing up this matter. If the morale of the Army in Korea is to remain high this matter should be given someone's attention at once. Thanking you, we remain,

Sincerely yours,

S/Sgt. Thomas J. Taylor, Pfc. Nathaniel Wingo, Cpl. Stanley S. Rogers, Pfc. James A. Bibbins, Pfc. Ray E. Frogge, Pfc. Harold E. Miner, Cpl. William C. Leak, Pfc. Darrell D. Kurth, K. J. Mattman, Sgt. Tony Carter.

That is the story, friends. Not important to some, including perhaps those people who are responsible for seeing that the mail does get through, but tremendously important to those young

men who are looking forward to letters from loved ones at home; and to those loved ones at home who are anxious to hear from these young men.

I am calling this matter to the attention of the Office of the Secretary of Defense trusting that they can place the responsibility where it belongs, and also to the Office of the Postmaster General requesting that a proper investigation be made and a report furnished to my office. If I may have the cooperation of other Members of Congress who are interested in seeing that conditions are made as favorable as possible for our boys in the service, I feel certain that this situation can be cleared up in short order.

NATIONAL ADVISORY COUNCIL ON INTERNATIONAL MONETARY AND FINANCIAL PROBLEMS—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 490)

The SPEAKER laid before the House the following message from the President of the United States, which was read and, together with the accompanying papers, referred to the Committee on Foreign Affairs and ordered to be printed with illustrations:

To the Congress of the United States:

I transmit herewith, for the information of the Congress, a report of the National Advisory Council on International Monetary and Financial Problems, submitted to me through its Chairman, covering the operations and policies of the International Monetary Fund and the International Bank for Reconstruction and Development from April 1, 1952, to March 31, 1954, and the participation of the United States in the fund and the bank from October 1, 1953, to March 31, 1954. This report has been prepared in accordance with the requirements of sections 4 (b) (5) and 4 (b) (6) of the Bretton Woods Agreements Act.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *August 9, 1954.*

REPORT OF CIVIL SERVICE COMMISSION—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 489)

The SPEAKER laid before the House the following message from the President of the United States, which was read and, together with accompanying papers, referred to the Committee on the Post Office and Civil Service and ordered to be printed:

To the Congress of the United States:

Pursuant to the provisions of section 1102 of the Classification Act of 1949, I am transmitting herewith the report of the Civil Service Commission under that act for the period January 1, 1951, to June 30, 1953.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *August 9, 1954.*

CALL OF THE HOUSE

Mr. DOLLINGER. Mr Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Obviously, a quorum is not present.

Mr. ARENDS. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll and the following Members failed to answer to their names:

[Roll No. 136]

Barden	Hays, Ohio	Prouty
Belcher	Hill	Rains
Bentley	Hillings	Regan
Bentsen	Hruska	Rivers
Boggs	Kilburn	Roosevelt
Boykin	Lantaff	Scrivner
Busbey	Latham	Secrest
Chatham	LeCompte	Sheehan
Clardy	Lucas	Sutton
Condon	Lyle	Thompson, Mich.
Cotton	McCormack	Thompson, Tex.
Cretella	Machrowicz	Vinson
Curtis, Nebr.	Mailliard	Wainwright
Dies	Mason	Weichel
Dolliver	Nelson	Wheeler
Dorn, S. C.	Norblad	Withrow
Evins	O'Brien, Mich.	Wolcott
Golden	Patten	Yates
Gubser	Patterson	
Gwinn	Powell	
Halleck	Preston	

The SPEAKER. On this rollcall 368 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

TEMPORARY SALARY INCREASES AND RECLASSIFICATION STUDY OF POSTAL FIELD SERVICE EMPLOYEES AND POSITIONS

Mr. HAGEN of Minnesota. Mr. Speaker, under rule XXVII of the House, I call up motion No. 9, to discharge the Committee on Rules from the further consideration of House Resolution 590, providing for the consideration of the bill (H. R. 9245) to establish a joint committee of Congress to study postal field service reclassification, to increase the rates of basic compensation of postmasters, officers, and employees in the postal field service pending reclassification pursuant to recommendation of such joint committee, and for other purposes.

The SPEAKER. Did the gentleman from Minnesota [Mr. HAGEN] sign the petition?

Mr. HAGEN of Minnesota. Yes, Mr. Speaker; I was No. 1.

The SPEAKER. The Clerk will report the resolution.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution, the Speaker shall recognize the Representative from Minnesota, HAROLD C. HAGEN, or the Representative from Pennsylvania, ROBERT J. CORBETT, or the Representative from Wisconsin, GARDNER R. WITHROW, to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 9245) to establish a joint committee of Congress to study postal field service reclassification, to increase the rates of basic compensation of postmasters, officers, and employees in the postal field service pending reclassification pursuant to recommendations of such joint committee, and for other purposes, and all points of order against said bill are hereby waived. After general debate, which shall be confined to the bill and continue not to exceed 1 hour to be equally divided and controlled by a Member of the House requesting the rule for consideration of said H. R. 9245, and a Member who is opposed to said bill to be designated by the Speaker; the bill shall be considered as having been read for amendment. No amendment shall be in order to said bill except those offered by direction of the Committee on Post Office and Civil Service. Amendments offered by direction of Committee on Post Office and Civil Service may be offered to any part of bill but shall not be subject to amendment. At the conclusion of such consideration, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit. This special order shall be a continuing order until the bill is finally disposed of.

The SPEAKER. Under the rule, the gentleman from Minnesota [Mr. HAGEN] is recognized for 10 minutes.

Mr. ALLEN of Illinois. Mr. Speaker, I ask recognition for the 10 minutes in opposition to the resolution.

The SPEAKER. As the chairman of the committee which the House is being asked to discharge from further consideration of this resolution, the gentleman is recognized for 10 minutes.

The Chair recognizes at this time the gentleman from Minnesota [Mr. HAGEN].

Mr. HAGEN of Minnesota. Mr. Speaker, as author of the discharge petition No. 9, I am grateful to 217 Members of the House who signed it, to others who were ready and willing to sign it, and to most of the rest of the Members who wanted to or would have liked to sign. So I say thanks to all of you.

Because of the situation as it is, and as it has been clarified or may be clarified, many of you will and perhaps you should forsake the Corbett bill and vote for some new so-called compromise bill if one should be offered, either later today, or in a motion to recommit, or in a conference report, if one is later brought to the House floor.

You all are, of course, masters of your own decision and you vote here, subject only to your conscience.

You need not any word from me, or anyone else, to release you from your commitment to the Corbett bill. However, if anyone here feels that he, in view of his loyalty to me in this long and sometimes arduous fight to secure this petition and this vote wants to change, then I say, I do release you.

Perhaps some of you are more practical than I am. Yet some of you may not be as familiar with the pressures pro and con on this bill and can more readily shift your vote to the new compromise which may be more acceptable to the leadership. If there is no acceptable further compromise, of course, the bill after it is passed will go to the Senate and to later conference. If the leadership so desires and is willing, a new compromise bill will come back here later for further consideration and action.

Regardless of how you may vote, I want to assure you of my good will and my appreciation of your help in these successful efforts to finally get an opportunity to vote for this small pay increase for postal workers.

Furthermore, by the success of these efforts today, the road will be paved for

those of us who also want to give a pay raise to all Federal workers and to our own loyal hard-working employees here on Capitol Hill. Therefore, I think a pay bill for classified workers should follow right behind this measure.

However, as for myself, being the father of the so-called Corbett bill and discharge petition and as the captain, so to speak, of the ship which has had a rough voyage through perilous seas and sometimes treacherous waters, I shall stay with the Corbett bill to the last minute and until such time as an acceptable compromise may be offered by the leadership, or anyone who may be interested in getting through this Congress an acceptable pay bill for postal workers.

I want to thank you for your wonderful support and assistance in making it possible to bring up here today this opportunity for a vote on a postal pay bill. This is the first and only time we have had an opportunity to get a straight and clear vote on a pay bill. Your support and help have been most valuable to us during the past many weeks.

So I say let us approve this rule and this bill, which will be explained in full, of course, during the 1 hour of debate. Let us approve now overwhelmingly this rule, so that we can show everybody who may be concerned that this House strongly desires and insists that a postal pay bill be approved in the Congress, without reservation and without conditions.

Therefore, I plead with you to support and vote for this rule and for the bill.

Mr. ALLEN of Illinois. Mr. Speaker, I yield myself 4 minutes.

Mr. Speaker, I know of no Member of this body that is opposed to a reasonable postal pay increase bill. Only 2 weeks ago I voted and I think nearly every Member of this body voted for a postal pay increase bill which would have given postal workers a 5-percent increase with a $200 minimum, and hourly rate employees a 5-percent increase. It would have given a $100 longevity increase for each period of service of 13, 17, 21, and 25 years. It would have increased the allowance per diem for employees in the Transportation Service to $9 per day, considerable above the present rate. It would have provided for a uniform allowance of $100 annually for those required to wear a uniform. It modified the Whitten rider, which presently restricts the number of permanent appointments. It provided for 25 paydays instead of 24. The bill would have gone into effect the first full pay period following the enactment of this law.

These provisions would have been permanent, not temporary, as the bill of the gentleman from Minnesota [Mr. HAGEN] provides. I say that the postal workers would have received those benefits immediately. I do not think anyone questions me when I say there is considerable doubt whether the Corbett bill will become enacted into law.

Recently, Mr. Speaker, this body voted for a 5-percent increase for disabled veterans and their widows and orphans. The classified Federal workers bill, I understand, was for 5 percent. Why should the postal workers insist upon more?

I believe if you go back to your own districts you will find that there are many, many workers there working in stores and otherwise who would be very much pleased to receive a $200-a-year increase, with $100 allowance for uniforms and other benefits.

Let us not be unmindful of this, that since the last time we gave the postal workers a raise the cost of living has gone up but 3.8 percent. The bill we voted down 2 or 3 weeks ago would have given the workers a 5-percent raise which would have more than adequately taken care of the added living costs.

I want to comment briefly on this matter of the postal deficit. I congratulate the Postmaster General, Arthur Summerfield, for doing everything within his power to bring about a lower deficit in the Post Office Department. Since 1946, the Post Office Department has had a $4 billion deficit. I know some will say, "Well, the Post Office Department is a service for the people." I think everyone will admit, however, that water which you receive in your cities and your municipalities is something that people certainly are entitled to. But when it comes into your homes, does the city give it to you free? They charge you a monthly water rate for this thing that many will contend people are entitled to. So, again, I say, Mr. Speaker, I hope that this body will vote down the Corbett bill and perhaps we can go along, as the gentleman from Minnesota [Mr. HAGEN] has just said on some compromise bill, which I did not know was contemplated until the gentleman from Minnesota [Mr. HAGEN] mentioned it a moment ago. I repeat, I hope the Corbitt bill will be voted down.

Mr. HAGEN of Minnesota. Mr. Speaker, I yield 3 minutes to the gentleman from California [Mr. MOSS].

Mr. MOSS. Mr. Speaker, I urge adoption of this resolution in order that the House may have an opportunity to vote for the first time on the question of a pay increase for postal workers. I recognize the fact that we were accorded the opportunity of voting upon a bill which carried with it the question of postal rates. I maintain that the two are not related, particularly when the proposal would have imposed an additional tax of $150 million upon the only class of mail presently paying its own way and in addition paying a $105 million profit to the Department. Our committee has spent a number of months in a diligent effort to arrive at a compromise, and the majority of us on the committee believe that the Corbett bill represents an acceptable compromise. It is a compromise within the limits of the ability of the Government to pay and a compromise which will accord some measure of equality of treatment to the postal workers. If you vote for this resolution, you will have an opportunity to listen to the full facts upon the question of the postal service. Following that, I would join the gentleman from Minnesota in hoping that you would also vote an increase for the classified workers of our Federal service.

Mr. FULTON. Mr. Speaker, will the gentleman yield?

Mr. MOSS. I yield.

Mr. FULTON. Actually, the Corbett bill has been approved by the Committee on Post Office and Civil Service itself; has it not?

Mr. MOSS. That is correct.

Mr. OLIVER P. BOLTON. Mr. Speaker, will the gentleman yield?

Mr. MOSS. I yield.

Mr. OLIVER P. BOLTON. The gentleman used the word "compromise." Would the gentleman care to mention the vote in committee on a bill which was passed out by the committee by a unanimous vote?

Mr. MOSS. I was just going to do that.

Mr. OLIVER P. BOLTON. I thank the gentleman.

Mr. MOSS. I thank the gentleman for calling it to my attention.

On the question of compromise, I want to say we did vote a compromise bill in a sincere effort to bring up a piece of legislation which could be considered. We were given the impression that if it was reported out, we would have a rule. That rule was denied us. That would have made it possible for this body to consider a bill which could be debated on its merits, a bill which would permit the House to work its will. We were denied that opportunity after acting in good faith. In the absence of that opportunity to discuss the so-called Rees compromise, I think we should now take this last opportunity to discuss the Corbett bill.

Mr. ALLEN of Illinois. Mr. Speaker, I yield the remainder of the time to the gentleman from Illinois [Mr. ARENDS].

Mr. ARENDS. Mr. Speaker, in my many years of service in this House I have never found myself in a position where I find myself at this time, rather unhappy. Yet I feel a duty and responsibility that is ours from which I cannot see any possible way of escape.

Mr. Speaker, I have no illusions as to what will be the final result of the vote on this bill. Nor do I have any illusions whatever as to its prospects of becoming law.

A basic principle of this administration's program has been, and is, fiscal responsibility. To this principle the President and his Postmaster General are dedicated. They are determined that the Post Office Department, and every other department and agency of Government, be placed on a realistic budgetary basis. Only in this way can we have a sound fiscal policy so important to the country as a whole.

To fiscal responsibility most of us, particularly those on my side of the aisle, profess faithful adherence. We campaign on that principle. We tell our people how important it is that we place every department of Government on an efficient, businesslike basis. We repeatedly point out to them how necessary it is that we reorganize every department to improve its efficiency and reduce costs.

To me, this vote today is the test of our individual sense of fiscal responsibility. The issue here is not whether there should be any pay raise for postal employees. On that, we are generally agreed. I supported the bill that was before us on July 21 to grant them an

increase. Over the last several years I have supported a number of such bills.

The issue this particular bill presents is whether we propose to grant another salary increase to postal workers without taking into account the huge deficit under which the Post Office Department has been operating and the existing unrealistic postage rates. Since 1945 we have accumulated a deficit of $4 billion in the operation of the postal service. Through the introduction of good business methods and economies Postmaster General Summerfield has reduced the annual postal deficit from that of over $700 million in 1952 to around $400 million this past year.

To place our postal service on a realistic budgetary basis is something which the Postmaster General cannot do alone. He cannot do it if fiscal responsibility is to be sacrificed for political expediency. Certainly he will never be able to do it if we continue to add to the costs of operation without being willing, at the same time, to face up to the necessity of providing means to raise additional revenue.

It is easy to spend. It is hard to tax. Are we so lacking in our individual sense of fiscal responsibility that we will do only that which is easy? Are we so lacking in political courage that we are unwilling to do the hard but necessary things for the best interests of the people as a whole?

The bill before us would add over $200 million to the annual cost of operating the Post Office Department, but it contains absolutely nothing to provide the money. Let me repeat: Are we so lacking in our sense of fiscal responsibility and so lacking in political courage that we are willing to add to the cost of an operation without even attempting to provide the means to defray the cost?

On July 21 we had before us a bill which would grant postal employees a 5-percent salary increase, with a minimum of $200, together with certain other benefits, such as longevity pay and uniform allowances. That same bill provided for a long overdue change in postage rates, some of which have not been changed in several years in spite of the constantly increasing handling and transportation costs. That bill had my support. If it had passed, there is no doubt but that it would have become law.

The pending bill may pass the House, but from the best information I have it will not become law. I am convinced that to pass this bill is but an idle gesture. It is a political gesture without substance and without meaning.

To vote for this bill is to say, as loudly as anyone can say, it does not make any difference how much it costs or where the money comes from. A vote for this bill may appear to be a politically expedient vote. I do not want my record to show that I lack a sense of fiscal responsibility and an obligation to the people as a whole. I shall vote against this bill.

Mr. HAGEN of Minnesota. Mr. Speaker, I yield the remainder of my time to the gentleman from Pennsylvania [Mr. CORBETT].

The SPEAKER. The gentleman from Pennsylvania is recognized for 3 minutes.

Mr. CORBETT. Mr. Speaker, I would like to direct my remarks primarily to the issue presently before us, namely, whether or not this resolution shall pass and the bill H. R. 9245 be brought up for action.

If I know anything about the rules of this House it is that without exception they are designed to allow the majority to work its will. That is the reason we have a discharge petition proceeding to make it possible that when any minority group in the exercise of its rights or privileges blocks the will of the majority that legislation can be brought to the floor.

I do not know why anyone who is in favor of majority rule and democratic processes should vote against this resolution to give this body a chance to work its will.

I want to say further that my relations with the gentleman from Illinois have been among the finest I have enjoyed in this House; but if there ever was a clear-cut example as to why the Rules Committee should be stripped of some of its arbitrary power we have it in this instance.

We have here a situation where the legislative committee has reported a bill favorably, but the Rules Committee would not consider it. Hence it was required that we get 218 Members, a certified majority, to come down here in the well and sign a petition in order to even have an opportunity to vote on a matter which affects the welfare of tens of thousands of our employees. Getting 218 signatures on a discharge petition is a tremendous undertaking as you all know.

I will talk about the merits of the bill when the proper time comes during the hour debate allowed; but the issue here involved is whether or not any individual or any minority group has the power to prevent the House of Representatives of the United States from exercising its proper functions.

Mr. MOSS. Mr. Speaker, will the gentleman yield?

Mr. CORBETT. I yield to the gentleman from California.

Mr. MOSS. Is it not true that our committee some 5 months ago reported a bill on postal rates and that the bill has never come to the floor under a rule to permit discussion?

Mr. CORBETT. That is correct, and there are many among us who feel that had that bill been brought up as an individual title it would have passed.

I sincerely hope that this resolution will be adopted. It will make in order action on a postal salary bill which has much merit and which was only compromised because some of us recognize the legislative situation and felt we had to adopt a realistic position. This bill should not be confused with the bill that was brought in here last week married to the rate bill. That bill under the same title and number was my bill, with the head cut off, the arms and legs cut off, and the torso discarded. There was nothing remaining of it but the name and number. It was an unjust transformation done without my knowledge or consent.

Mr. Speaker, I urge the adoption of this resolution.

The SPEAKER. The time of the gentleman from Pennsylvania has expired. All time has expired.

Mr. WILSON of California. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. WILSON of California. Under the rule under consideration provided we have full committee acceptance for such amendment would an amendment be in order to include a pay increase for the military?

The SPEAKER. The Chair would state that this bill deals only with the pay of postal employees and none others; it would not therefore be germane under the procedure provided under the special rule.

Mr. WILSON of California. Mr. Speaker, I ask unanimous consent to extend my remarks at this point.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. WILSON of California. Mr. Speaker, I have been attempting to find some means of amending the postal pay raise bill in order to include a large segment of Government workers—the men and women of the armed services of the United States. I realize that this is an unusual approach toward effecting a pay raise for this vast body of people who so desperately need an adjustment in their pay status to bring them somewhat nearer to a decent standard of living. It was the last way left open to us, and it is obviously not possible, in this session of Congress, to secure action on a military pay increase.

There can be no question that the armed services today are suffering through an alarming attrition caused by trained servicemen leaving their positions to accept employment in the outside world. They do this primarily to enable them to keep their families from suffering the effects of low pay, long separations, and other hardships of service life.

I do not want to give the impression that I think a pay raise is the only thing that is standing between an efficient military force and an inefficient one. Many more things than pay alone total up to what is considered good morale in the services or in any large organization. Fortunately, I believe that we have taken many constructive steps forward in this 83d Congress to improve the conditions that are necessary for an alert, strongly motivated defense force. Congress this year has reversed the 10-year trend, for example, that has seen a whittling away of many of the fringe benefits that had accrued to service personnel in lieu of pay. This session of Congress has increased the household-goods shipping allowance, increased educational allowances, removed restrictions on promotions and retirement, and has provided 13,000 units of family housing. In addition, the 83d Congress has made it possible for servicemen remaining in the service to enjoy the advantages of mortgage guaranties, more favorable terms for home purchases, and many other improvements.

The important point, I believe, is the fact that the trend has been reversed. We are now deeply cognizant of the recklessness of cutting away these benefits that have long been regarded as necessary to the morale of the services.

In addition to congressional action, the services themselves have recognized the ominous trend of low reenlistment rates and lowered morale. They are correcting objectionable travel regulations, are trying to stabilize the living conditions for service families, lengthening the time between transfers and rotation, and allowing servicemen to live a more normal family life.

Service families, along with the general public, have, of course, benefited from the income-tax reductions and other beneficial tax legislation that this Congress has passed. Being below the scale of the standard cost-of-living index, the services, on a fixed pay, have also benefited from a leveling-off of the heretofore rising cost-of-living index factor.

Nevertheless, the problem of adequate comparative pay has not been solved by this session of Congress. Many of my colleagues have joined in attempting to get action on legislation that would increase the base pay of service personnel, active and retired, this year. Earlier, there were indications that the Defense Department would strongly press for a pay raise, along with the anticipated favorable action on classified and postal employees. Perhaps due to the lateness with which classified and postal pay legislation is being acted upon, there has been no real support from the Pentagon on such an increase for service personnel. I hope the Secretary of Defense and his entire Department will, early in the next session, recommend an immediate increase to correct the obvious injustice and inequity of this situation.

Personally, I intend to press vigorously again early in the next session in the hopes that we can take immediate steps to remedy this intolerable and unfair condition.

I spoke a moment ago about the cost-of-living index. It perhaps would be interesting to my colleagues at this time to look at the figures as they relate to civilian compensation as compared to military compensation. The compilation from Department of Labor statistics and other authoritative sources for the period from October 1949 through April 1954 indicates clearly that whereas military compensation rates continue to remain well below the advancing cost of living, industrial compensation rates have advanced steadily and sharply to levels as high as 23.5 percent above the May 1954 cost-of-living index and 37 percent above the 1949 index. The average rate of increase in the fields which are comparable to enlisted technical skills is 27 percent above the 1949 levels as of May 1954. In looking at the figures for civilian executives and professional personnel, we find the same trend to levels as high as 10 percent above the cost-of-living index in May 1954 and 23.5 percent above the 1949 index.

I should like also to compare military-pay figures with those of civil-service pay. I do this not in an attempt to suggest that civil-service pay is out of line; civil-service workers have also felt the need for a pay increase, and I have heartily supported all measures introduced this year to bring the pay of Federal employees up to a more normal level. Civil-service pay was increased by 10 percent in 1951 because of the pressure from the rapidly increasing cost of living. The current indications are that an increase of approximately 5 to 7 percent will be approved this session. This will result in a total increase of around 15 percent for Federal employees since 1949. During the same period military compensation has been increased only 5.7 percent since the enactment of the Career Compensation Act in 1949. The contrast between pay increases accorded industrial and Federal workers in the period since 1949 is vivid testimony to the need for immediate action on the pay increase for service personnel.

In addition to the healthy advances in the industrial pay ranges, there has been a somewhat revolutionary increase in the so-called fringe benefits in industry. A comprehensive study this year by the National Industrial Conference Board, Inc., reveals that labor contracts for compensation practices in 444 companies, spanning all the major industrial fields, provide for a variety of 44 supplemental compensatory elements which produce benefits over and above basic wages. This innovation in industry comes at a time when the trend, up until this year, has been toward a reduction of such benefits for the military.

It has seemed logical to me that a concurrent pay raise of the same percentage for military could be enacted to go along with the civil-service pay increase, and the increases granted recipients of social security and disabled veterans. This figure seems pretty well crystalized at 5 percent. If we were to apply the 5-percent figure to an immediate military pay increase, we would find that the total cost would be $340 million per year. The 5-percent increase in base pay would be a substantial boost for military personnel, but I would be remiss if I failed to point out that it would still fail to bring military compensation up to the present cost of living, as compared with 1949.

The 5-percent increase for the military would not mean a net additional cost to the Government. Secretary of the Air Force Talbott, Assistant Secretary of Defense John Hanna, and many others, have effectively pointed out the tremendous cost, totaling millions of dollars per year, of replacing and retraining those servicemen who are required to keep our defense forces strong in this time of world peril.

No real estimate as to the total cost of this musical-chairs type of defense force has ever been made, but the ultimate cost to the Nation must be figured in billions of dollars when total veterans' benefits and other compensations are computed. The increased number of veterans resulting from a rapid rotation of forces must obviously add to the indebtedness of the Government.

In these days of awesomely devastating weapons and supersonic means of delivering them, we need a professional defense force that knows and appreciates its job. It is high time for Congress to take a serious and realistic view toward the establishment of a full-time career defense force, which will be more efficient, offer us more protection and, in the long run, cost us less than the hodgepodge system now in effect. It is time for Congress to recognize the necessity for a career service, and to be prepared to lay it on the line, in our own enlightened self-interest. If necessary, we must prod the Pentagon to a full realization of the need for a long-range program aimed toward full-time career military forces. Problems of pay, medical benefits, housing, and service morale must be successfully solved, if we are to remain strong.

George Washington said:

> If we desire to be secure, it must be known that we are at all times ready for war.

Those words were never more applicable than they are today.

The SPEAKER. The question is on the motion of the gentleman from Minnesota to discharge the Committee on Rules from the further consideration of House Resolution 590, providing for the consideration of the bill (H. R. 9245), to establish a joint committee of Congress to study postal field service reclassification, to increase the rates of basic compensation of postmasters, officers, and employees in the postal field service pending reclassification pursuant to recommendations of such joint committee, and for other purposes.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. FOGARTY. Mr. Speaker, I ask for the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 346, nays 29, not voting 57, as follows:

[Roll No. 137]

YEAS—346

Abbitt	Bramblett	Davis, Ga.
Abernethy	Bray	Davis, Tenn.
Adair	Brooks, La.	Dawson, Ill.
Addonizio	Brooks, Tex.	Dawson, Utah
Albert	Brown, Ga.	Deane
Alexander	Brown, Ohio	Delaney
Allen, Calif.	Brownson	Dempsey
Andersen, H. Carl	Broyhill	Derounian
	Buchanan	Devereux
Andresen, August H.	Buckley	D'Ewart
	Budge	Dingell
Angell	Burdick	Dodd
Ashmore	Burleson	Dollinger
Aspinall	Bush	Dolliver
Auchincloss	Byrd	Dondero
Ayres	Byrne, Pa.	Donohue
Bailey	Campbell	Donovan
Baker	Canfield	Dorn, N. Y.
Barrett	Cannon	Dowdy
Bates	Carlyle	Doyle
Battle	Carnahan	Durham
Beamer	Carrigg	Eberharter
Becker	Celler	Edmondson
Bender	Chelf	Elliott
Bennett, Fla.	Chenoweth	Ellsworth
Bennett, Mich.	Chiperfield	Engle
Berry	Chudoff	Fallon
Betts	Church	Feighan
Bishop	Clevenger	Fenton
Blatnik	Cole, Mo.	Fernandez
Boland	Colmer	Fine
Bolling	Cooley	Fino
Bolton, Frances P.	Coon	Fisher
	Cooper	Fogarty
Bolton, Oliver P.	Corbett	Forand
	Coudert	Forrester
Bonin	Crosser	Fountain
Bonner	Crumpacker	Frazier
Bosch	Cunningham	Frelinghuysen
Bow	Curtis, Mass.	Friedel
Bowler	Dague	Fulton

Gamble	Kluczynski	Rhodes, Ariz.
Garmatz	Knox	Rhodes, Pa.
Gary	Krueger	Richards
Gathings	Landrum	Riehlman
Gavin	Lane	Riley
Gentry	Lanham	Roberts
George	Lesinski	Robsion, Ky.
Goodwin	Lipscomb	Rodino
Gordon	Long	Rogers, Colo.
Graham	Lovre	Rogers, Fla.
Granahan	McCarthy	Rogers, Mass.
Grant	McConnell	Rogers, Tex.
Green	McCulloch	Rooney
Gregory	McDonough	Sadlak
Gross	McGregor	Saylor
Hagen, Calif.	McIntire	Schenck
Hagen, Minn.	McMillan	Scherer
Hale	McVey	Scott
Haley	Mack, Ill.	Scudder
Hand	Mack, Wash.	Seely-Brown
Hardy	Madden	Selden
Harris	Magnuson	Shafer
Harrison, Nebr.	Mahon	Shelley
Harrison, Va.	Mailliard	Sheppard
Harrison, Wyo.	Marshall	Short
Hart	Martin, Iowa	Shuford
Harvey	Matthews	Sieminski
Hays, Ark.	Meader	Sikes
Hébert	Merrill	Simpson, Ill.
Herlong	Merrow	Small
Heselton	Metcalf	Smith, Miss.
Hess	Miller, Calif.	Smith, Wis.
Hiestand	Miller, Kans.	Spence
Hillelson	Miller, Nebr.	Springer
Hinshaw	Miller, N. Y.	Staggers
Hoeven	Mollohan	Stauffer
Hoffman, Ill.	Morano	Steed
Holifield	Morgan	Stringfellow
Holmes	Morrison	Sullivan
Holt	Moss	Talle
Holtzman	Moulder	Teague
Hope	Multer	Thomas
Horan	Mumma	Thompson, La.
Hosmer	Natcher	Thornberry
Howell	Neal	Tollefson
Hunter	Nicholson	Trimble
Hyde	Norrell	Van Pelt
Ikard	Oakman	Van Zandt
James	O'Brien, Ill.	Velde
Jarman	O'Brien, N. Y.	Vursell
Javits	O'Hara, Ill.	Walter
Jenkins	O'Hara, Minn.	Wampler
Jensen	O'Konski	Warburton
Johnson, Calif.	O'Neill	Watts
Johnson, Wis.	Osmers	Westland
Jonas, Ill.	Ostertag	Wharton
Jonas, N. C.	Passman	Whitten
Jones, Ala.	Patman	Wickersham
Jones, Mo.	Pelly	Widnall
Jones, N. C.	Perkins	Wier
Judd	Pfost	Wigglesworth
Karsten, Mo.	Philbin	Williams, Miss.
Kean	Pilcher	Williams, N. J.
Kearney	Pillion	Williams, N. Y.
Kearns	Poage	Willis
Keating	Poff	Wilson, Calif.
Kee	Polk	Wilson, Ind.
Kelley, Pa.	Price	Wilson, Tex.
Kelly, N. Y.	Priest	Winstead
Keogh	Prouty	Wolverton
Kersten, Wis.	Rabaut	Yates
Kilday	Radwan	Yorty
King, Calif.	Ray	Young
King, Pa.	Rayburn	Younger
Kirwan	Reams	Zablocki
Klein	Reed, Ill.	

NAYS—29

Allen, Ill.	Hoffman, Mich.	Robeson, Va.
Andrews	Jackson	St. George
Arends	Laird	Simpson, Pa.
Byrnes, Wis.	Miller, Md.	Smith, Kans.
Cederberg	Mills	Smith, Va.
Cole, N. Y.	Murray	Taber
Curtis, Mo.	Phillips	Tuck
Davis, Wis.	Reece, Tenn.	Utt
Ford	Reed, N. Y.	Vorys
Harden	Rees, Kans.	

NOT VOTING—57

Barden	Dorn, S. C.	Lucas
Belcher	Evins	Lyle
Bentley	Golden	McCormack
Bentsen	Gubser	Machrowicz
Boggs	Gwinn	Mason
Boykin	Halleck	Nelson
Busbey	Hays, Ohio	Norblad
Chatham	Hill	O'Brien, Mich.
Clardy	Hillings	Patten
Condon	Hruska	Patterson
Cotton	Kilburn	Powell
Cretella	Lantaff	Preston
Curtis, Nebr.	Latham	Rains
Dies	LeCompte	Regan
Rivers	Taylor	Welchel
Roosevelt	Thompson,	Wheeler
Scrivner	Mich.	Withrow
Secrest	Thompson, Tex.	Wolcott
Sheehan	Vinson	
Sutton	Wainwright	

So the motion was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. McCormack for, with Mr. Halleck against.

Until further notice:

Mr. Cretella with Mr. Boykin.
Mr. Busbey with Mr. Chatham.
Mr. Hillings with Mr. Bentsen.
Mr. Taylor with Mr. Rains.
Mr. Wainwright with Mr. Vinson.
Mr. LeCompte with Mr. Preston.
Mr. Mason with Mr. Wheeler.
Mr. Curtis of Nebraska with Mr. Rivers.
Mr. Wolcott with Mr. Boggs.
Mr. Sheehan with Mr. Dorn of South Carolina.
Mr. Bentley with Mr. Dies.
Mr. Belcher with Mr. Evins.
Mr. Clardy with Mr. Regan.
Mr. Nelson with Mr. Roosevelt.
Mr. Patterson with Mr. Thompson of Texas.
Mr. Kilburn with Mr. Lantaff.
Mr. Withrow with Mr. Machrowicz.
Mr. Scrivner with Mr. Barden.
Mr. Cotton with Mr. Hays of Ohio.
Mr. Welchel with Mr. Patten.
Mr. Hill with Mr. Lucas.
Mr. Golden with Mr. Lyle.
Mr. Gwinn with Mr. Powell.
Mr. Norblad with Mr. Sutton.
Mr. Gubser with Mr. Secrest.
Mr. Latham with Mr. O'Brien of Michigan.
Mr. Hruska with Mr. Condon.

The result of the vote was announced as above recorded.

The SPEAKER. The Clerk will report the resolution (H. Res. 590) providing for the consideration of the bill H. R. 9245.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution, the Speaker shall recognize the Representative from Minnesota, HAROLD C. HAGEN, or the Representative from Pennsylvania, ROBERT J. CORBETT, or the Representative from Wisconsin, GARDNER R. WITHROW, to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 9245) to establish a joint committee of Congress to study postal field service reclassification, to increase the rates of basic compensation of postmasters, officers, and employees in the postal field service pending reclassification pursuant to recommendations of such joint committee, and for other purposes, and all points of order against said bill are hereby waived. After general debate, which shall be confined to the bill and continue not to exceed 1 hour to be equally divided and controlled by a Member of the House requesting the rule for consideration of said H. R. 9245, and a Member who is opposed to said bill to be designated by the Speaker; the bill shall be considered as having been read for amendment. No amendment shall be in order to said bill except those offered by direction of the Committee on Post Office and Civil Service. Amendments offered by direction of Committee on Post Office and Civil Service may be offered to any part of bill but shall not be subject to amendment. At the conclusion of such consideration, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit. This special order shall be a continuing order until the bill is finally disposed of.

The SPEAKER. The question is on the resolution.

The resolution was agreed to.

The SPEAKER. Pursuant to the provisions of House Resolution 590, the Chair designates the gentleman from Tennessee [Mr. MURRAY] to control the time in opposition to the bill H. R. 9245.

Mr. HAGEN of Minnesota. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 9245) to establish a joint committee of Congress to study postal field service reclassification, to increase the rates of basic compensation of postmasters, officers, and employees in the postal field service pending reclassification pursuant to recommendations of such joint committee, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 9245, with Mr. FORD in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from Minnesota [Mr. HAGEN] will be recognized for 30 minutes, and the gentleman from Tennessee [Mr. MURRAY] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Minnesota [Mr. HAGEN].

Mr. HAGEN of Minnesota. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, on June 15 our committee reported to the House the bill H. R. 9245, the so-called Corbett bill.

This bill was the result and work of almost daily hearings and executive sessions beginning February 16. There were many views in the committee as to just what should be done with respect to postal employees' salaries and also with respect to a general overhauling of the classification and pay schedules of postal employees.

Taking into consideration that there are more than 500,000 postal employees, it can readily be seen that we had a major job and that this is a major bill.

The bill itself represents a compromise. Postal employee organizations in their testimony requested a flat $800 across-the-board salary increase, and presented a substantial amount of testimony in justification of their position. The committee itself first adopted a 10-percent increase. Later this was reduced and modified to 7 percent, which is now a part of the Corbett bill.

At the same time the committee was faced with a request by the administration to approve a bill calling for a reclassification of postal employees' salaries. This proposal, in my judgment, was vague and full of loopholes, and, in fact, was not introduced as a bill until March 31. When it did appear in legislative form, it was clear to most of us that it represented a marked change from the policy that had been followed historically in the case of postal em-

ployees' salaries; that is, they have been set by Congress previously. There is no issue taken with the question that there should be a readjustment, reevaluation, and realinement of the salary schedules in the postal service. Most of the postal employee witnesses were in agreement on that score. However, there was equal agreement on the part of postal employee organizations and others that this adjustment, reevaluation, and realinement of positions and salaries should have the direct approval of Congress.

This approach is distinguished from the establishment of a salary schedule and authorizing the Postmaster General to decide where within the salary schedule specific jobs will be placed. H. R. 9245 provides for a joint congressional committee to study the postal field service classification and to report back to the Congress by May 1, 1955. The recommendations of this joint committee would then be considered and enacted affirmatively under the regular legislative processes.

It should be kept in mind by those who want classification, including the Post Office Department, that unless this bill or a similar bill is passed, there will be no opportunity for reclassification for perhaps a long time to come. So we must pass this bill in order to get some consideration to reclassification later. Inasmuch as it will take some time to be done properly, it is the view of our committee that some consideration must be given to a temporary increase in salary for postal workers because it was so clearly justified by the testimony we had received.

This bill therefore does provide for a temporary pay increase to October first of next year. It provides this increase effective the first day of the month after this bill is enacted. This salary increase would be 7 percent of the basic rates with a minimum increase of $240 and a maximum increase of $480 a year except in the case of postmasters of the fourth class who are eligible for only the straight 7 percent increase.

Hourly employees would be given a 10-cent-per-hour increase.

The bill also provides other permanent benefits to postal employees such as—an additional longevity grade; increased travel allowance for postal transportation employees assigned to road duty from the present $6 per day to $9 per day.

It provides for a $100 uniform allowance for those postal employees who are required by law to wear them.

It eliminates also the ceiling restrictions of the Whitten amendment so that more permanent appointments in the postal service can be made.

It provides for a biweekly pay period for postal employees.

In my judgment, Mr. Chairman, this is a fair and good bill from the viewpoint of the administration. It provides a start on reclassification of postal employees, which is so much needed, the Post Office Department tells us.

It provides for a salary increase so that less hardship will accrue to the postal employees while the reclassification program is being considered.

I was glad to file the discharge petition on this Resolution 590. It was signed by 217 other Members of the House. Without that action the membership here today would not have had the opportunity to vote on a straight unadulterated salary and reclassification bill for postal employees. I have every confidence that H. R. 9245 or some modification of it will ultimately become law. There may be some reasonable amendments, changes, and modifications; there also may be some reductions or eliminations of some portions of the bill, which may be adopted along the legislative road that it still must travel. However, we will, in the end, I hope, finally approve some legislation which will be acceptable.

I believe, all in all, that the bill provides a basic pattern of salary reclassification and other benefits for postal employees to which we can all subscribe. It is a sound measure from most viewpoints.

So there should not be much opposition to this bill; it should be passed with a big vote and sent to conference. There and then, of course, it will be up to the House and Senate leadership to handle the problem and the situation. We hope that some final action can be taken on this bill or some postal pay bill before Congress recesses now within another week or two.

Mr. MURRAY. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, I am opposed to this legislation for numerous reasons. I wish I had the time and opportunity to explain in detail the many objections I have to this bill. I consider it a legislative monstrosity.

I realize that my opposition to this bill is hopeless and futile; I know that the Members have already indicated by signing the discharge petition and by the vote on the resolution a few minutes ago that they are going to vote overwhelmingly for this bill, but I cannot in all good conscience support this measure.

I feel that this bill is bad legislation and should be defeated. I realize the enormous pressure that has been brought upon the Members of this House by certain postal groups. I have said on many occasions that the heads of these postal unions have been going entirely too far in their high-handed tactics and unusual pressure which are used upon Members of Congress.

I, for one, am not afraid of the pressure or the threats of the heads of these dictatorial postal union officials. I have had the honor of serving on the Committee on the Post Office and Civil Service for 12 years. I have had the privilege of serving as chairman of this fine committee for 4 years and today I am the ranking Democrat on the committee. I have been a friend of the postal employees and the classified employees for many years. I have supported their requests when I thought they were fair, reasonable and just, but I have refused time and again to go along with them when I thought their demands were unreasonable and unjust. In the past 12 years I have successfully sponsored much beneficial, helpful legislation for Federal employees. In this instance the pending bill is unjust, it goes entirely too far and, in my opinion, when it is passed by the House today it will never become the law of the land and it should not.

What are some of the reasons for my opposition to this bill? First, it provides for a 7 percent increase with a floor of $240 and a maximum of $480. The Commissioner of the Bureau of Labor Statistics appeared before our committee and testified that since the last increase given the postal employees the cost of living has only increased 4 percent; yet the committee voted a 7 percent increase. This bill will cost $200 million. Today we are already paying over $1 billion in salaries to postal employees.

When I first became a member of the Committee on the Post Office and Civil Service the top salary of a city letter carrier and a city clerk was $2,100. Today the top salary for a city clerk or a carrier is $4,370. This bill will give to the letter carrier with 25 years service an increase of $505, making the salary of a city letter carrier who has had 25 years' service a total of $4,875.

Mr. Chairman, we must hold these salaries in line. I cannot subscribe to the philosophy of continuously increasing our expenditures, increasing our appropriations, and reducing taxes at the same time. If we keep up this kind of practice we will soon realize it is going to be absolutely impossible to put our fiscal affairs in order and to balance our budget. I fear for the economic security of our country in these troubled times.

Mr. Chairman, I am not afraid to stand up here and oppose this bill, because I know it is not right, it is not fair. The Congress has been most generous with the postal employees ever since I have been a member of the committee. The employees should not make these excessive demands upon the Congress.

Another reason I am against the bill is because it does not pay equal wages for equal responsibility. It bases wages upon length of service and not upon the responsibility of the various jobs.

The most crying, desperate, and urgent need today in the Post Office Department is for a modern reclassification and evaluation of all postal jobs. The present personnel system of the Post Office Department is outmoded, antiquated, and out of date. The Postmaster General has been asking the Congress to give him power to reevaluate these jobs and to install a modern reclassification system, but Congress has not given him such authority. The postal unions have opposed at every opportunity the Postmaster General in his effort to get a real reclassification system.

Now, Mr. Chairman, the postal unions are all right in their place, but they have no right at attempt to control and hamstring the management of the Post Office Department. I had the pleasure of serving for about 9 years with the Post Office Department. I served under Postmaster General James A. Farley and Postmaster General Frank Walker,

They were my good friends and were outstanding executives. I think I know something about the postal service and about the operation of the Post Office Department. I tell you that in all of my experience and my knowledge of the various Postmasters General we have had since I was first connected with the Post Office Department beginning in September 1933, I do not believe the Department ever had an abler, a more courageous, and a more fearless or a more capable Postmaster General than your present Postmaster General, Arthur E. Summerfield, and I think that Congress should cooperate with and support him. It is highly unfortunate that these postal unions, instead of cooperating with the Postmaster General, instead of giving him a helping hand in trying to reorganize the Department and trying to institute a modern reclassification system, do all in their power to block the plans of the Postmaster General. I have never witnessed a Postmaster General who has worked harder and longer hours in his effort to put business methods into the Department than General Arthur E. Summerfield. While he belongs to the opposite party from me, I feel that I should pay tribute to him, because when I see any official, be he Democrat or Republican, who is doing a constructive, worthwhile job, I think it is my duty to pay my compliments to him. It is highly regrettable that Postmaster General Summerfield is not receiving more support and more cooperation than he has to date. He is a brilliant executive, and he will eliminate the postal deficit if we stand behind him, but when we keep increasing the postal salaries and keep refusing to raise postal rates, how can you expect the postal deficit ever to be erased? It just cannot be done.

Mr. Chairman, this bill ought to be defeated not only because of the 7-percent increase, when the cost of living has only increased 4 percent, but it should also be defeated because it provides additional longevity pay raises. Who ever heard of a business institution giving four longevity pay raises? After a postal employee has served 13 years, he gets $100 bonus. After he has served 17 years, he gets another $100 bonus. After he has served 21 years, he gets a third $100 bonus, and this bill provides that after he has served 25 years, he gets still another bonus of $100. So, you are giving the postal employee $400 longevity pay as a maximum regardless of the character of work he is doing.

Mr. ANDREWS. Mr. Chairman, will the gentleman yield?

Mr. MURRAY. I yield to the gentleman from Alabama.

Mr. ANDREWS. I want to commend the gentleman for the courage he is displaying. I would like to ask the gentleman if he can give us some idea how the salaries of post office employees compare with the salaries paid the schoolteachers of this country.

Mr. MURRAY. The salaries of post office employees, including the messengers and the elevator operators, not to say the salaries of clerks and carriers, which are much higher, exceed the salaries paid to schoolteachers, to policemen, and to firemen, to salesmen, and bookkeepers in my home city and in my district.

I will show you one comparison. Today, elevator operators in the postal service receive a starting salary of $2,970 a year. In other Federal departments they receive a starting salary of $2,420 or $550 less a year. The messengers in the postal service receive a starting salary of $3,170, while in other Federal departments they receive $2,552, or $618 less. Cleaners and charwomen receive a starting salary in the postal service of $2,870, and in the rest of the Federal service they receive $318 less a year, or $2,552. So I say that postal salaries are today higher than comparable positions in other branches of the Federal Government. I wish the Members had the opportunity to read the minority report against this bill submitted by the gentleman from Kansas [Mr. REES], chairman of our committee, by the gentlewoman from New York [Mrs. ST. GEORGE], and by myself, which would show you what a monstrosity and how absurd and unfair this bill is.

Mr. ANDREWS. I would like to say this, that the average schoolteacher's salary in Alabama is $2,640 a year. As I understand the gentleman's statement, the average starting salary of charwomen is $2,800.

Mr. MURRAY. That is correct, and they get $240 per annum increase under this bill.

Mr. ANDREWS. That is why I cannot conscientiously vote to increase these salaries until something is done for the schoolteachers who have a far greater responsibility than do the postal employees.

Mr. MURRAY. Mr. Chairman, my conscience is clear. I know I am right in this fight. I have no apology to make for it even though I fully realize that my opposition is in vain.

This bill will cause dissatisfaction and lowered morale because of its many inequities. It is not in the best interest of the efficient operations of the postal service and does not give the Postmaster General the authority to place in operation a sound, modern reclassification system which is so deperately needed. I deeply regret that the House recently failed to suspend the rules and pass a 5-percent salary increase for all employees and supervisory officials and a postal-rate increase for just second- and third-class mail. In my opinion, the passage of this bill today will be a serious mistake.

Mr. HAGEN of Minnesota. Mr. Chairman, I yield 5 minutes to the gentleman from California [Mr. Moss].

Mr. MOSS. Mr. Chairman, I think it is common knowledge to most American people that one of the most shocking scandals in this Nation is the grossly inadequate salary paid the public schoolteachers. If that is to be a measure of how much to pay labor, then certainly we are going down grade in many, many fields. I do not think it is our desire to bring living standards down to the deplorable level at which the public schoolteacher is forced to live.

Another point; that is not the responsibility of this House nor of this committee. That is the responsibility of the individual States and the individual school districts. I hope they will search their consciences.

The bill before us represents a fair bill in every respect, a minimum fair bill. To assume that because the Bureau of Labor Statistics shows only a 4-percent increase in the cost of living since the last postal pay increase was granted, to assume that is the measure of justice, is to say that at the moment of the passing of the last salary increase we gave full justice to the Federal employee and to the postal worker. That is not true. We did not do so. I hope that in the enactment of this legislation we will come just a little closer to achieving the degree of equality in salary to which the postal worker is entitled.

We had a great deal of talk about the postal deficit. That is a deficit arising because of the policies of Congress extending over the last century—a deficit resulting because of free services provided and because of subsidized services. It is rather interesting to note that only in the Post Office Department do we refer to it as a deficit. For the State Department or the Departments of Commerce or Justice or Agriculture we do not call it a deficit. We call it a cost of Government. And it is a cost of Government for the Post Office Department in exactly the same measure. To the extent that we have, by wise policies, provided for a business operation of the postal establishment, we should expect it to pay its own way. We cannot expect to have business efficiency when the laws under which the Department operates are completely unlike anything you would ever encounter in any business. Business cannot give a major portion of its services at less than cost and make a profit. Neither can government. There is no man on earth with enough ability to bring about that happy situation.

When the Government enters the labor market in the role of an employer of labor, it should pay a fair wage. That is the thing that concerns us here today. What is a fair wage? It is a wage which reflects a just relation to the wages paid other workers in State and municipal government and in industry. If you take that as your yardstick, then the postal worker is entitled to every dime provided in the legislation before us. I maintain that is the principal issue involved here. It is not a question of a clash of personalities between the leaders of the unions and the Postmaster General. We must remember that the postal workers can only go to Congress, through their representatives, for just consideration of their demands. If these employees worked in private industry, they would have the right to strike; they would have the right to enforce consideration of their demands and their grievances.

As employees of the Federal Government that right is denied them—and I believe properly so. Thus, they must petition the Congress for justice. I think we should listen and should consider entirely on its merits the request they present to us. We did that in our

committee. The majority of the members of the committee, after very exhaustive hearings, determined that the Corbett bill was a fair bill, that it did meet the needs of the employees. I urge the Members of the House to concur in our decision. Enact this bill and send it to the other body. I am positive the President will not veto it.

Mr. HAGEN of Minnesota. Mr. Chairman, I yield 1 minute to the gentleman from Pennsylvania [Mr. FULTON].

Mr. FULTON. Mr. Chairman, I approve the Corbett postal pay raise bill and strongly urge the immediate passage of this necessary postal pay raise legislation. We in Congress do have the duty to provide a good wage scale for the postal workers as well as for the general Federal employees. We ought to adopt the policy of a good day's wage for a good day's work. This will insure efficient employees, and prompt and efficient service.

I wish to answer the argument against this bill on fiscal responsibility. We in this House have separated the Ways and Means Committee of this House from the Appropriations Committee. We keep those functions separate. The functions likewise should be kept separate on a postal pay raise bill.

The Post Office and Civil Service Committee reported out the postal pay raise bill separately. But the House Rules Committee without the legislative committee authorization, and without even the consent of the sponsor of the bill reported a rule for House action joining the pay raise bill and the postal rate raise bill.

If that policy were adopted in foreign relations, and I am on the Foreign Affairs Committee and so have had experience in that field, we would have to pass a tax right with the Foreign Aid bill, and we never have done it. There has been no claim of fiscal irresponsibility on these other large appropriations and budgets. Then why the claim on this relatively small authorization for the proposed postal employees' pay raise that is not even one-half of 1 percent of this year's total Federal budget?

May I say in opposition to the gentleman from Tennessee [Mr. MURRAY], whom I respect but whom I oppose sincerely here, that the mere reason that certain groups of workers are underpaid in this country is no reason that other workers groups likewise should be underpaid as a class, such as the postal workers, or the other Federal employees. Two wrongs should not make a right.

We in Congress should strive to see that no economic group is left behind the general progress of the people of the United States. And particularly should Congress see that Federal and postal employees are adequately safeguarded who have no right to strike and whose very existence depends on fair treatment from the Congress. The willingness and quiet cooperation of these employees and their families should not be held against them. In my estimation the postal employees' unions are well run, and their officers have always been capable and friendly in their representation with my congressional office.

Mr. HAGEN of Minnesota. Mr. Chairman, I yield 1 minute to the gentleman from Pennsylvania [Mr. RHODES].

Mr. RHODES of Pennsylvania. Mr. Chairman, I rise to support this postal pay bill. It is unfortunate that important legislation like this must come before the House during the rush period so near adjournment time. Because of opposition and pressure from the Post Office Department the majority opinion was sidetracked by all sorts of parliamentary maneuvering and delay.

The Post Office Committee after long hearings and debate voted out months ago, rate and pay bills. But the House never got the opportunity to pass on the bills in a normal way. That is administration responsibility. I am not impressed by those who picture national bankruptcy every time a proposal is made to lift the level of living for the average American citizen. There was no thought of bankruptcy when this Congress voted costly tax benefits and other favors which were so beneficial to high-income groups and big financial and monopoly interests.

There are some who may think that the way to solve the problems of the Nation is to adjust ourselves downward and backward. Destroying labor unions would be one way to do this. I believe we should look in the other direction. The challenge of abundance which baffles this administration should be met by improving the opportunities for good living for all of the American people.

Let us not be influenced by the hollow charge of irresponsibility. That charge comes with poor grace from opponents of this bill. Is it irresponsibility when Members refuse to yield to the pressure of the executive department and the corporate interests who have been using their influence for the Summerfield bill? Is it irresponsibility to vote for the Corbett bill which a majority of the committee adopted after rejecting the administration measure and after lengthy hearings on pay legislation?

Who the irresponsible are depends very much on viewpoint and philosophy. It seems to me that it is gross irresponsibility to support the vast giveaway program of the Eisenhower administration. The refusal of this administration to take positive action on an antirecession program is tragic irresponsibility which ignores the waste of real wealth in human and natural resources.

Yet some supporters of these policies have been most vocal in charging irresponsibility to those who differ with them on the bill now before us.

Those who now cry irresponsibility are those who voted for the package postal rate and salary bill which would have put a more disproportionate burden in postal rates on those who now pay more than their share. They would also continue the big subsidy handouts which contribute so much to the postal deficit.

They would put in a pay bill a so-called reclassification proposal which would weaken or destroy the merit system and employee unions. Is that what they mean by responsibility?

I do not question the sincerity of those who oppose this bill, but I cannot see where it takes much courage to be on the side of the powerful forces which oppose this pay bill.

It does not take courage to shift more of the cost of mail service on the helpless average citizen who is the big user of first-class mail. If there be such a thing as courage it is not on the side of those who have praised each other so highly today.

If there is any irresponsibility associated with postal legislation in this Congress those who have blocked orderly procedure must be the ones to answer. Postal and Federal employees are entitled to a salary increase. If you agree then vote for this bill.

Mr. MURRAY. Mr. Chairman, I yield such time as he may desire to the gentleman from Michigan [Mr. HOFFMAN].

Mr. HOFFMAN of Michigan. Mr. Chairman, political expediency, the wish to be reelected, and a sincere conviction that postal employees are entitled to an increase in pay might induce me to vote for this bill if it carried a provision whereby the money to meet the additional expenditure might be obtained, were it not for the fact that practically every Member of this House knows that the passage of the bill is a futile gesture. This bill will not be passed by the Senate.

This bill was, in a sense, written by the union representatives of postal organizations.

It would create an additional deficit and increase the national debt by some $200 million.

While it provides for appropriations, it makes no provision for obtaining the tax dollars necessary to put it in operation.

It means additional borrowing.

It means additional interest charges on an ever-increasing national debt.

Our action here today is futile, for we have been advised that this bill, if adopted by the Senate, will be vetoed by the President.

The fondest hope of its advocates seems to be that, by sending it to the Senate, back will come a bill, not this bill, but a bill which the House might and would have accepted a month ago and which was acceptable to the rank and file of postal employees.

Why have we not been realistic? Is it because Mr. Dougherty, head of one of the unions, has sat in the gallery and called the signals for House action? That has been charged. I doubt the accuracy of that view, but I cannot lend support to any legislation which seems to be the result of pressure groups rather than the sound judgment of my colleagues.

Permit me to repeat as I have many times stated to representatives of postal employees from my own district, I will vote for a fair, moderate increase of compensation to postal employees, but I will not, just to obtain the political favor of representatives of postal employee organizations, blindly follow their orders. An official statement, which throws at least some light on the present situation,

is that carried in full page advertisements in some of the larger dailies. It reads as follows:

LET'S TAKE A SQUARE LOOK AT WHAT IT WILL COST TO DO RIGHT BY POSTAL EMPLOYEES

(This advertisement is published by the National Association of Postmasters, representing 33,000 postmasters, and the National Association of Postal Supervisors with a membership of 20,000 in the interest of fair play for postal employees and for American taxpayers)

We are sure that the people of the United States do not want to see postal employees underpaid.

Neither do we. For we are the men responsible for postal service in our local communities and for the morale of the half million loyal men and women who do a great job in handling the mail.

We believe that what the men and women of the postal service want is what most Americans want. They want a pay level that lets them live in self-respect among their friends and neighbors, the people they serve.

They want the feeling that they can get ahead in their jobs, that they can work their way up as they gain skill and experience, that good work will win promotions and salary increases, which for years has been lacking in the postal operation.

We postmasters and postal supervisors believe we know something about the communities we serve. We are citizens of those communities. We take part in their social and business life. We have an obligation to them, as postmasters and supervisors and as American citizens.

It is against this background that we say there is an urgent need for the new rewards provided in the administration proposal, H. R. 8648, known as the Rees bill.

WHAT IS THE PRESENT WAGE PATTERN?

At the present time the average regular letter carrier and postal clerk receives $4,067 a year.

That is $1.96 an hour, or 17 cents more than the average pay of industrial production workers, including lead foremen.

It is above the level of pay for thousands of schoolteachers and many school principals.

It is higher than the pay of thousands of other white-collar workers in private business, who clerk in stores or work in offices.

Throughout the postal service, a similar level of pay exists, a pay level which for the most part is higher than that for comparable work in other branches of Federal service.

On this basis, we believe it is fair to say that what is most needed now is not a blanket pay increase—but a program which will supply what always has been lacking in postal service—the opportunity for advancement and increased pay—and the pride and satisfaction of winning recognition for extra skill.

WHAT THE ADMINISTRATION BILL—REES BILL—PROVIDES

Contrary to general belief—no postal employee will receive less than he now gets, under this bill—and the great majority will receive some immediate increase by adjustment of their present salaries to new step rates.

The overwhelming majority of employees will receive about $100 a year increase, either because the top rates for their positions will be increased, or because the new entrance salaries and step rates are higher.

The present longevity schedule will continue unchanged. A most important result of the proposed pay plan will be the upgrading of thousands of positions to be filled by promotion from within at higher rates of pay.

The estimated cost of this program to the Post Office Department would be $80 million. But we believe this added cost will be reflected in better service.

WHAT'S THE ALTERNATIVE?

For many years, postal pay increases have followed the familiar pattern of the same-for-everybody—a flat increase in the hourly rate.

There are some who think that this pattern should be repeated—and the figure discussed is 40 cents per hour. That would mean $800 a year increase for half million postal employees—which figures out to $400 million in total.

It would hardly be fair to grant such an increase in one branch of service without providing for other Government employees—and when the adjustments are made across the board, the bill to the taxpayers would come to $1,200,000,000.

We cannot believe the American public wants to take on this added burden at this time. And we cannot believe that the men and women in postal service would want their friends and neighbors to feel that they had a part in adding this burden to their tax bill—when there's a way to reward loyal service and good work at a more reasonable cost, as promised in H. R. 8648.

WHAT THIS PAY ADJUSTMENT AND INCENTIVE PLAN (H. R. 8648) DOES

It provides equal pay for equal work—and more pay for more responsible jobs.

It corrects injustices in the wages paid postal employees.

It provides opportunities for advancement and greater earnings.

It fairly grades all postal jobs by duties and responsibilities.

It provides badly needed rewards for promotion.

It increases starting salaries generally to aid recruiting.

It gives pay increases, on the average, of 5 cents an hour to 4 out of 5 postal employees.

DOES NOT DO

It does not increase the power of the Postmaster General to change salaries. Actually it limits his powers by requiring him to classify jobs on the basis of difficulty and responsibility.

It does not remove employees from the protection of civil service or veterans' preference laws.

It does not reduce the salary of any employee now on the payroll.

It does not give any employee a $5,000 increase. The postmasters of the few largest cities could receive increases of $1,030 a year.

It does not continue the present injustices in the wage structure by giving all employees the same increase in dollars, irrespective of their duties and responsibilities.

It does not affect the average of 4 weeks paid vacations, 13 days sick leave, and 8 paid holidays for all postal employees.

NATIONAL ASSOCIATION OF POSTMASTERS OF THE UNITED STATES, NATIONAL ASSOCIATION OF POSTAL SUPERVISORS.

P. S.—We think it's only fair to let you know that the average salary of all postmasters is now $3,143 per year. Excluding fourth-class postmasters the average salary of all first-, second-, and third-class postmasters who are appointed by the President and confirmed by the Senate and who supervise the work of other postal employees is $4,340 a year. This figure is less, by $30, than the average salary of 25-year service letter carriers and postal clerks who earn $4,370 yearly.

Mr. MURRAY. Mr. Chairman, I yield 5 minutes to the gentleman from Wisconsin [Mr. BYRNES].

Mr. BYRNES of Wisconsin. Mr. Chairman, I want first to pay a tribute to the gentleman from Tennessee [Mr. MURRAY] who addressed us a few moments ago. His remarks were the remarks of a person with long years of experience in Post Office Department matters, and his remarks were those of a statesman and a man of courage. I want him to know I agree thoroughly with the opinion he expressed as to the fine work of Postmaster General Summerfield, and I join in the position he is taking on this particular bill.

Mr. Chairman, I am going to vote against this bill, and I am going to do so because I think it is bad legislation. In fact, if you will review the remarks of the gentleman from Minnesota [Mr. HAGEN] earlier in the day, where he advised that those Members who had signed the discharge petition were released, as far as he was concerned, from voting for this particular bill, you will find he admitted there were defects in the Corbett bill which is now before us and on which it is not possible for the House to work its will because there is no possibility for amendments to be considered.

Mr. Chairman, I never have, and I will not now, vote for what I believe to be unsound legislation for the sake of expediency. Any legislator, of course, and particularly as election times approach likes to vote for legislation that will please a particular group of voters. I would point out, however, that our responsibility is not to particular groups, but it is to the public generally. Our responsibility is to vote for the public good and an election or no election is not going to sway my judgment in that respect.

Is this bill justified and is it in the interest of the general welfare? That is the question, it seems to me, we should ask ourselves. So far as my answer is concerned, it is that it is not justified and not in the interest of the general welfare. In the first place, it will increase the cost of postal service to the taxpayers of this country by over $200 million a year without 1 cent of additional revenue. It will do so at a time when the Department is already operating in the red. I voted for an increase, as did the majority of the Members of the House, for postal workers a few weeks ago when we considered a bill to increase postal pay coupled with an increase in postage rates. That approach was fair to the general public and fair to the postal workers. Certain leaders of the postal unions, however, defeated that bill.

Besides not being in the public interest this bill is not in the interest of the postal service. It will increase and intensify the inequities which we all know exist in our present postal pay system. The pay differential between the supervisory and nonsupervisory personnel today is unbalanced, and we all know it. This bill will aggravate that particular problem. This bill does not even treat two employees who are doing the same job on an equal basis. Permanent employees will get a minimum increase of $240 and a full-time substitute, a person working every day, of which there are about 70,000, will be increased by about $200. So that even the same job receives different treatment in this particular bill. This bill does not insure

early reclassification of postal positions based on job responsibilities. In fact, the earliest we could expect reclassification would be 1957.

Mr. Chairman, in my opinion, this bill has three major defects. First, it raises the cost of the postal service without providing any revenue to help meet these additional costs. Second, it aggravates existing inequities in postal pay; and, third, it makes a badly needed reclassification of postal positions improbable and most difficult of accomplishment.

This bill should be defeated. We should support the chairman and ranking minority member of the Post Office and Civil Service Committee.

Mr. JACKSON. Mr. Chairman, will the gentleman yield?

Mr. BYRNES of Wisconsin. I yield.

Mr. JACKSON. Mr. Chairman, during my years as a Member of this great body, I have had to stand up and be counted on many occasions when I had to choose between the popular vote and the right vote. None has been more difficult than the vote I shall cast today.

Today we vote on the discharge petition signed by 218 of my colleagues. I was not one of those who signed this petition. I did not sign for several reasons.

First, I did not sign the discharge petition because I refuse to bow to the pressure and coercion of the leadership of the postal unions.

I know the postal workers in my district. They are my friends and they come to me with many problems and together we talk the matter over. Even when we do not agree, we usually come to a mutual understanding of our problems. It is not to this group of workers whom I know and work with in my home district, that I direct this complaint of pressure tactics.

Seldom since I have been a Member of the Congress have I seen 2,000 people walking the halls of the office buildings as they did the other week.

Never before have I seen the halls outside this Chamber crowded by a group that was captained and generaled by labor-union leaders. As you remember, they were at every entrance of this Chamber stopping and trying to pressure every Member to sign the petition that today is being discharged.

Every citizen of the United States has the right to petition. No one denies that. But I, for one, resent the brutal pressure that was put upon me and my colleagues by a group of labor leaders who have no desire to do anything but to rule or ruin.

Secondly, I did not sign this discharge petition because it provides for legislation under gag rule, and Members have no chance to amend its many inequities.

Thirdly, I did not sign the discharge petition because the Corbett bill, in my opinion, is not a sound bill. It will cost the American people $200 million and it does not correct any of the present salary inequities in the postal service.

In the fourth instance, I did not sign this discharge petition because I am going to vote against this bill. I cannot in good conscience vote for spending all that money when there is no provision to raise the money.

There are those who are Members of this body who resist the raising of the postal rates because they think it is politically expedient this election year to leave the rates alone.

But given the facts, I think the American public would applaud our courage.

One of my colleagues has stated, and I understand that it is true, that since World War II the Post Office Department has shown a deficit of more than $4 billion.

My colleague further stated that that money is part of the national debt of $275 billion.

My colleague further stated that that interest alone on that $4 billion amounts to $100 million annually—$100 million to be paid by the taxpayer this year and I am afraid for many years to come in order to pay the interest on the $4 billion which we already owe on our postal bill.

I cannot justify a vote for this Corbett bill if I have to go home and tell the taxpayers, and my postal workers, that I am adding $200 million annually from here on out to an ever growing postal deficit.

Mr. Chairman, I am in favor of granting a wage increase to the postal workers. But, Mr. Chairman, I would like to be placed on record that today—though I shall not vote for this bill—I hope that before this Congress adjourns I will be given another chance to vote a postal pay bill and a rate bill which will pay the cost.

Mr. Chairman, today I choose the right vote—even though it not be the popular vote.

Mr. LAIRD. Mr. Chairman, will the gentleman yield?

Mr. BYRNES of Wisconsin. I yield.

Mr. LAIRD. Mr. Chairman, the gentleman from Wisconsin [Mr. BYRNES] has made a splendid statement. Due to the fact that this bill was brought up under a discharge petition prohibiting any amendments, it is impossible for us today to act upon a bill which has any possibility of becoming a law. The conversation off the floor of the House is "go ahead and vote for this bill as it doesn't have a chance of becoming law." We are told that it will either be amended to a lower figure by the Senate or vetoed by the President. The vote here on the floor this afternoon means absolutely nothing as it is a purely political vote. The heads of the postal unions here in Washington and the sponsors of this bill know that it is not acceptable to the President. By voting for this bill today, we are deceiving every postal worker in our country. We are raising false hopes in his mind for a 7 percent postal raise when a majority of us on the floor of the House today know that this will never take place. This action will be perhaps the greatest display of political demagoguery which we have witnessed this year. If the bill does reach the White House in its present form, those who voted for it today must accept the responsibility for the workers not receiving a pay increase in 1954.

On July 21, 1954, I supported and voted for a postal pay increase bill which would have been signed by President Eisenhower. It provided for:

First, a 5 percent postal wage increase with a $200 minimum;

Second, one additional longevity grade of $100;

Third, $100 allowance for uniforms;

Fourth, a raise for transportation employees' expense allowance from $6 to $9 a day;

Fifth, a reorganization and reclassification provision which provided that the Congress would retain control of reclassification by approving or disapproving by a simple majority vote any reclassification plan submitted by the Postmaster General; and

Sixth, an increase in postal rates to finance a large portion of the increased expenses of the Post Office Department;

If the bill we are acting upon today is not amended to bring it in line with these provisions which the executive department feels are absolutely necessary in order to maintain some semblance of fiscal responsibility in the operations of our Federal Government, the postal workers will receive no increase until the next session of Congress. It is because I believe that these postal workers are entitled to consideration that I am taking the position I am today.

There undoubtedly will only be a handful here on the floor of the House that will take this position, because it is not a popular position. It will be the popular position if this bill does reach the White House in its present form. Even the postal union leaders here in Washington will recognize their mistake, but it will be too late after it has been vetoed.

It is vital that Members of this House consider these facts carefully before taking action on this bill. At this very moment our Federal Government owes nearly $275 billion, and we are at the ultimate limit of our national debt ceiling. Since the end of World War II the postal deficit has amounted to more than $4 billion. The taxpayers are paying $100 million a year just as interest on that postal debt.

It is true that the Post Office Department is a service organization. It is also true, however, that our highway, city water, and sewer systems, just to mention a few, are also service facilities. For these facilities we expect to pay and do pay taxes through our water bills, sewage bills, or gasoline taxes and license fees. Is it not logical that if we are going to continue to increase the expenses and give necessary salary increases to postal workers that we should also be willing to assume the responsibility for increasing postal rates to take care of these services?

How can we face the voters back home and tell them we voted for this legislation which will cost the taxpayers an additional $200 million a year but we are unwilling to vote for a single red cent of revenue to meet the additional costs? By passing this legislation today we will merely be deciding to pass the bill on to our children and grandchildren in the form of a still larger national debt to be paid for by them sometime in the future.

Mr. Chairman, every Member of this House would like to give the postal employees a raise in pay. I have this year voted to give them a raise in pay myself, but as responsible legislators we must be able to pay for these salary increases. The only way we can pay for them is to provide additional revenue through higher postage rates. The voters of this country decided in 1952 that we wanted fiscal responsibility restored to Washington, D. C. I do not believe they have changed their minds. I am sure President Eisenhower has not changed his.

Mr. CEDERBERG. Mr. Chairman, will the gentleman yield?

Mr. BYRNES of Wisconsin. I yield.

Mr. CEDERBERG. Mr. Chairman, I want to state so far as I am concerned, I will have no part of the fiscal irresponsibility of this bill. It is fiscally irresponsible to add $200 million to the postal deficit and not provide some income to the Department.

Mr. BYRNES of Wisconsin. I thank the gentleman.

Mr. HAGEN of Minnesota. Mr. Chairman, I yield 3 minutes to the gentleman from Louisiana [Mr. MORRISON].

Mr. REAMS. Mr. Chairman, will the gentleman yield?

Mr. MORRISON. I yield to the gentleman from Ohio.

Mr. REAMS. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. REAMS. Mr. Chairman, I rise to support this bill. I would have preferred that this matter come before the House under normal circumstances so that there might be a rule and open debate on the bill. Since that was denied the membership by the Committee on Rules, I am glad to have this opportunity to vote on a bill which has genuine merit.

It was voted out of the Post Office and Civil Service Committee after a total of 55½ hours of hearings. Everyone who asked to be heard was give that opportunity. Some came back to testify the second time. This was true of representatives of the employees and also of the Postmater General's staff. It was then considered in executive session through many hours. Many amendments were offered. Some were rejected and others became a part of this bill. It was reported out of the committee by a decisive majority of the total membership of the committee.

This bill has in it all of the elements which I announced at the beginning of this session of Congress I would favor in a post-office bill. These elements are—first, a fair pay raise for postal workers; second, a plan for re-classification of employees; third, some fringe benefits, particularly uniform allowance for those required to wear uniforms.

This bill complies with these three requirements and the pay raise is on a percentage basis which lends itself to a proper job reevaluation. It offers the incentive of more pay to those carrying greater responsibility and more difficult work. This, I believe, has all the elements of a good bill.

I voted recently, with many of you, here in the House for the combined pay raise and postal rate bill. Although I did not like the manner in which that bill was brought before the House, I was in favor of both a pay raise for the employees and a postal rate bill. So I was not willing to refuse to cast my vote for the measure merely because it did combine two features which should not be joined together in order that one may secure votes for the other.

During 1953 we had committee hearings on the subject of postal rate raises through many long hours. Everyone who desired to be heard on that subject was heard fully. It was reported out of committee in February of this year. There was no action on this until it was brought into the House 2 weeks ago combined with the employees' pay raise bill. The reasons for holding up the action of the postal rate bill for 6 long months were not given. Whatever they were, these reasons were not sufficient to justify those who now come before you and tell you that these employees of the postal service cannot have a pay raise because you have not passed a rate increase. If those who seek to defeat this bill before you today had busied themselves in February, there could be a rate bill in effect today.

I urge you not to penalize the postal workers because we have not moved promptly, wisely, and courageously on the matter of the rate bill.

Mr. GRANAHAN. Mr. Chairman, will the gentleman yield?

Mr. MORRISON. I yield to the gentleman from Pennsylvania.

There was no objection.

Mr. GRANAHAN. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

"BLITZ" CAMPAIGN TO SIDETRACK FAIR POSTAL WAGE RAISES

Mr. GRANAHAN. Mr. Chairman, practically every trick in the parliamentary book has been used in recent months to prevent the House of Representatives from voting on the simple issue of giving postal workers a fair raise in pay.

Even though the House Committee on Post Office and Civil Service reported out a postal pay increase bill on June 15—after the most intense pressure from the Post Office Department to sidetrack the Corbett bill—this is the first opportunity we are having to vote on its merits. And we have that opportunity only because 218 Members of the House—a majority of the entire membership—took the extremely unusual step of signing a discharge petition to force it to the floor for action.

Otherwise, it would have been buried in the House Rules Committee, under a parliamentary grave-digging procedure. Had we not succeeded in getting 218 of of the Members of the House to sign that petition, we could never have brought this bill up for debate.

But even after the discharge petition was signed by sufficient Members to make it effective, we had two parliamentary tricks attempted to prevent the bill from actually coming up.

First was the leadership maneuver to call up this bill under suspension of the rules, knock out all of its provisions and substitute for it the administration's watered-down postal pay measure, and then combine it with a bill to raise the rates on mailing first-class letters out of town from 3 to 4 cents.

In other words, in order to give the postal worker an inadequate raise in pay, we would also have had to make the people of this country pay extra for first-class mail, even though this is about the only kind of mail which pays its own way through revenues and which even shows a profit for the post office.

This maneuver did not succeed, thanks to Democratic votes plus some help from some Republicans. We were determined to hold out until today so that, under the Rules of the House, we would finally have an opportunity to vote on the merits of the Corbett bill. Therefore, the attempt to substitute Postmaster General Summerfield's bill for the Corbett bill and then join it with the postal rate increase bill and pass them both together failed to receive the necessary two-thirds vote required under suspension of the rules procedure.

WHEN ONE DEVICE FAILS, TRY ANOTHER

Following that defeat on July 21, the House leadership came up with a new technique for blocking the Corbett bill. That was an attempt to jam through a resolution calling for the adjournment of Congress on July 31. If the Congress adjourned July 31, why, obviously, we would never reach the Corbett bill since under the rules it could not come up until August 9. Even if the Congress were still in session today, however, the idea in passing an adjournment resolution was to set an adjournment date so close after August 9 that it would again be impossible under our strict rules to call up this bill. Bills called up under discharge petition procedure cannot be considered in the final days of a session—and that was the whole idea.

That attempt failed once—on July 29. But it was tried again, on July 30, and this time the House did pass an adjournment resolution calling for a July 31 adjournment. Of course, everyone knew we could not possibly adjourn by July 31 in view of the mass of bills still awaiting action, but there was a trick to that, too. The idea was the Senate would amend the concurrent resolution on adjournment to include a date too soon after August 9 to allow for House consideration of the Corbett bill.

Again, the best laid plans went astray, because the Senate itself was so jammed up it never got around to amending and passing the adjournment resolution and still has not done so.

Consequently, the order of business today is automatically the Corbett bill. But the House leadership here does not give up easily, I will say that. The only way the Corbett bill can be amended on the House floor under the discharge petition procedure is if the House Com-

mittee on Post Office and Civil Service, as a committee, recommends some change. And so this committee was called into session at 11 o'clock this morning to be high pressured into proposing an amendment to its own bill, a fair and reasonable bill providing a far from generous increase to postal workers. It does not go nearly as far as my own bill, but apparently it is still too generous by the Postmaster General's standards.

If all of this has sounded confusing and complicated, Mr. Chairman, it is only because that is just what it is. There has been an all-out drive here, inspired by the administration, to sidetrack the Corbett bill at all costs. Well, Mr. Chairman, I am for the Corbett bill—as far as it goes—and I shall vote for it. I am strongly in favor of similar raises for the classified employees, for whom I have also introduced an $800 a year increase bill.

Mr. MILLER of Kansas. Mr. Chairman, will the gentleman yield?

Mr. MORRISON. I yield.

Mr. MILLER of Kansas. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. MILLER of Kansas. Mr. Chairman, I rise in support of H. R. 9245 which is a step in the direction of doing plain justice to the postal workers of the United States. It is justice already too long postponed. I disapprove of the effort to tie in the provision of a just recompense for service rendered with the questionable effort to increase the first-class postal rates to pay the cost of the increase. The justice of the claim of the postal employees does not depend upon the income from postal service but rests solely upon quality and quantity of the service rendered. I shall vote for the bill.

Mr. MORRISON. Mr. Chairman, as a member on the Democratic side of this committee, I am in the same degree in support of this bill as my distinguished colleague from Tennessee [Mr. MURRAY] is opposed to it.

I would like to say at this time when we speak of compromises I do not think we have ever had a bill in this House that represented more of a compromise than this Corbett bill does. It was not all the postal workers wanted; it was not all that the Department wanted; it was not all that everybody wanted, but the committee, after holding long hearings, heard the Postal Department first, the postal associations came in next, then the departments were allowed to come back. If there ever was a committee hearing that was open to everyone, this committee did it on this particular bill and gave everybody an opportunity to be heard.

In my humble opinion, I do not see any unusual pressure from any postal organization. They came in like the other people did, who were interested in this bill and gave their side of the picture. The postal representatives made an excellent case. Almost a 2 to 1 vote in our committee, 14 to 9, out of 25 members, came out for this Corbett compromise. This other bill, the Rees bill which was voted down recently, was not a compromise. It was a compromise to a compromise. I say you have a fair compromise to vote on today. Let us not vote for any other compromise by recommitting this bill.

The Rules Committee could have reported this bill to the House, subject to amendment, but they saw fit not to do so. So we have no other recourse but to vote it up or down. You all have respect for your committee and I think you have respect for our committee, and I think you can rely to a great extent on all of the members of our committee giving this bill a tremendous amount of study and hearings on all sides and reporting the best bill possible.

Mr. HAGEN of Minnesota. Mr. Chairman, I ask unanimous consent that all Members who have spoken may extend their remarks at this point in the RECORD.

The CHAIRMAN. Is there objection?

There was no objection.

Mrs. ST. GEORGE. Mr. Chairman, the bill is a perfect example of demagogy in action.

Almost everyone is for the measure, knowing it would never become law. They will vote for it simply to be able to go home and say: I voted for a pay raise. We have indeed fallen on evil times if such things are the order of the day.

I have noted the great concern of the postal employees, and others, over the situation in which the so-called Corbett bill finds itself. From the first it has been clear to those of us who have made a study of the problem and who wanted to be fair and forthright, as far as the pay for postal employees were concerned, that the Corbett bill had no chance of becoming law. Even if it passed, according to the best information I could obtain, it would be vetoed by the President. I may say that on this question, my source of information is as good as anyone's.

Some time ago, in an effort to bring out a bill which would have general agreement, Mr. REES, the chairman of our committee, the author of the Corbett bill, and other leaders including the Speaker and the majority leader, attempted to work out a bill which would be acceptable to the President. An agreement was reached, and the report filed. The bill was then ready to be voted on under a suspension of the rules and passed by the Congress, if two-thirds of the membership voted in the affirmative. I voted for the bill, but it lacked a two-thirds majority by exactly six votes. This substitute bill would have cost the Government, namely the taxpayers, $152 million per annum, yet this was considered entirely too little by the employee leaders.

More than a million employees paid under the Classification Act insist on equal treatment. The Secretary of Defense has said he felt he had an obligation to request a similar increase for the more than three million in the Armed Forces. Veterans who receive benefit checks are of the same mind.

Looking at this whole picture and realizing that several billion dollars are involved in the increase of 5 to 7 percent for all of the groups I have mentioned, perhaps it will be easier for you to understand why, as a matter of policy, the only approach for the postal employee's salary increase was one which included an informative beginning on reclassification.

Much as some of the employees have been led to believe it was not desirable, it is really the only justification for a salary increase, taking into consideration the fiscal situation of our Government.

Since I have been in the Congress I have worked to the best of my ability for the postal employees, and all other Federal employees, to help them with their problems in relation to the Government, and of course I realize that the question of salaries is of paramount importance to them all.

I am, however, a firm supporter of the President and his program and, in my opinion, we have come to the time where we must decide whether the Government of the United States is to be run by a few willful leaders and their well-paid lobbyists, or whether it is to be governed by an administration put into office by the overwhelming majority of all our people.

Mr. JOHNSON of California. Mr. Chairman, I am in favor of H. R. 9245, which we are considering today.

Considerable controversy has been indulged in as to the merits of this particular bill. Also as to whether other bills, which were considered by the Committee providing for pay raises for postal employees, a reclassification of employees, to be made and submitted to the House Committee on Post Office and Civil Service, would be better bills than the one now before us.

This is a good illustration of the statement frequently made that practically every legislative proposal finally winds up as a compromise. It is obvious to anyone that the postal employees are having a difficult time in maintaining their present standard of living. This is especially true in larger cities, say of 50,000 or over, where the cost of living is much higher than in rural areas. These employees are devoting their life to this work, and I am hoping that we can compensate them adequately so they will continue in the service. I believe in postal workers who are career employees. It is obvious that some of these, especially in great urban centers, are having an extremely difficult time.

There is no clear-cut yardstick as to what is adequate compensation. But it does seem true that there should be some increase in the pay, especially for those in the lower pay brackets.

We are hoping that a good classification report may be submitted to the committee, so it may write a more scientific pay bill for our postal workers. We should, of course, adjust the pay to the responsibilities of the respective groups involved. That is done in private industry and I see no reason why we could not apply that principle with a broad degree of equity to our postal service. Those who are trained in this field of governmental endeavor have told us that it is feasible to place such a principle in

a law. That would give adequate incentive to beginners to work hard, learn the skills required, and gradually continue to rise into more responsible positions as they get older.

I realize that this bill will cost money but I can think of no more worthy group in the governmental structure of the Nation than the postal workers. These in brief are the reasons that impel me to vote for this bill. The fact that it was impossible to get it out of the Rules Committee made it necessary to bring it to the floor by the method of a discharge petition. Since I felt that the bill was bottled up, although it had been reported by the committee, I was one of those who signed the discharge petition which finally brought the bill to the floor. Ordinarily I do not sign this kind of petitions, but in this case, I was committed to support a reasonable pay increase, and the only way that I could carry out my promise was to help get the bill to the floor of the House for consideration, which I did by signing the petition, that finally brought it up before us for consideration.

I sincerely hope that the President will not veto this bill.

Mr. BYRNE of Pennsylvania. Mr. Chairman, it is with pleasure that I today cast my vote in behalf of H. R. 9245, which has for its purpose a salary increase and other benefits for our postal workers.

Our previous efforts to secure these well-deserved benefits have been deadlocked. After signing the discharge petition which would have permitted H. R. 9245 to be considered on the floor, the bill was brought out of Committee with two very objectionable clauses, which, it was felt, would hinder rather than help the employees of our Post Office Department. One of these clauses limited the salary increase to 5 percent; the other boosted postal rates on first, second, and third class mail and on airmail. It is to the credit of this Congress that the bill failed to receive the two-thirds majority vote which it needed to pass.

It appeared for a time that Congress would adjourn before H. R. 9245, in its original form, would be brought before us for a vote. We now have the opportunity and must make every effort to see that it is passed.

It has come to my attention that this legislation will not be looked upon favorably by the administration. Failure to sign it into law will be a gross injustice to the postal employees. It has been 3 years since these faithful workers have received a pay increase. During that time the cost of living has risen steadily while their salaries have remained static. Many postal workers' wives have found it necessary to leave their children during the day and seek outside employment in order to bring the family income to a reasonable standard. In addition, many employees hold part-time jobs after working a full day for the Post Office Department. Debt and hardship are no strangers to them, yet they continue to operate efficiently and willingly in one of the most tedious and least-appreciated fields in the Federal service.

Surely, we would be helping not only the 500,000 postal employees, but also all those whom they serve, if we stand united behind this legislation. Let us endeavor to see that it is enacted into law as soon as possible.

Mr. BARRETT. Mr. Chairman, once again I rise in support of a pay raise for postal employees. It is the postal employees who have compromised in accepting the provisions of H. R. 9245 in lieu of the flat $800 increase they originally requested. They have also abandoned their requests for other benefits to which they are rightfully entitled, with the hope of obtaining a 7-percent increase.

The fact that 218 Members of Congress signed the petition to discharge H. R. 9245 from the House Rules Committee is ample evidence of the support for this measure. I hope that all of those Members are here today to vote for the approval of this bill.

The President in his state of the Union message emphasized the importance of remunerating all Federal employees adequately in order to secure and retain competent people. He also pointed out the importance to the morale of Government workers of paying them decent and equitable wages.

I am firmly convinced that the postal employees are entitled to a flat $800 annual salary increase, and I know that this figure was not picked at random. It was recommended after a careful survey of the salary scales of post-office employees as compared with private industry throughout the past 15 years. A comprehensive comparison of average weekly earnings of production workers in manufacturing industries during this period was presented to the House Committee on Post Office and Civil Service.

It is quite difficult to compare the salary of postal employees with other production employees as the former, after several years of training, acquire skills which are unique to the postal service and do not lend well to mechanization. Speedy delivery of letters and packages is dependent largely upon the trained eye and memorized schemes of the postal employee. The specialized knowledge of a postal employee is salable only to the Post Office Department. If after contributing 5, 10, or more years of his life tc the postal service an employee is unable to provide adequately for his family, he cannot seek other employment on the basis of previous experience. Consequently, most postal employees merely sweat it out and supplement their meager incomes with outside employment that taxes their physical energy and mental alertness. It should not be necessary for postal employees to engage in other employment and it would not be necessary for them to do so if the Congress authorized pay increases to adequately compensate these Federal employees who have served us so well and faithfully over the years.

From 1945 to 1951 mail volume increased 27.7 percent, while personnel increased only 14.3 percent. This, of course, reflects a great increase in individual productivity. It cannot be denied that the postal employee is entitled to share in the benefits of increased production and a salary based on the American way of life. Throughout history the postal employees have shown their faith in our Government's recognition of services rendered well and above the call of duty. It is admirable that they have maintained this faith and I sincerely hope that the 83d Congress will not let them down.

If we are going to build up and maintain a postal service that provides an incentive for the best qualified and most productive employees to make it their life's work, we must maintain pay at reasonable levels. For that reason, and to alleviate the hardships that so many postal employees are facing with rising prices in recent years, I believe this Congress should approve the measure before us today, H. R. 9245.

Mr. SIKES. Mr. Chairman, we in the House of Representatives welcome the opportunity to vote for a pay raise for postal employees. We recognize the fact that costs of living still are increasing; that they probably are higher now than ever before; that no effective steps are being taken or even planned to reduce living costs. Therefore most of us are glad to accept the responsibility of providing more adequate compensation for Government employees.

I consider it unfortunate that we cannot under the parliamentary situation here today include amendments to increase compensation for all Government employees and for military personnel as well. Theirs is a serious problem also and their plight is one deserving of consideration and action.

This is not a perfect bill. But it has many good provisions, and its shortcomings should not prevent action today. Only by action today is there a chance during this session of Congress to help a large and deserving group who need our help. Therefore I support the measure now before us and I hope it can be followed within a short time with broader legislation to complete the job for postal employees, for other Government employees, and for military personnel.

"SOAK THE PUBLIC" MAIL RATE BILL DIES SLOW BUT SURE DEATH AS HOUSE BACKS AWAY FROM "BUM DEAL"

Mr. LESINSKI. Mr. Chairman, some months ago I called to the attention of the House the fact that we had a very important bill on the calendar which seemed to be stuck there without being brought up on the floor for debate. It was the bill to raise postal rates—to raise the cost of mailing a letter from 1 city to another from 3 to 4 cents.

I asked at that time, "Why the delay?" I pointed out that for months during which time this bill was on the calendar, the House has been meeting only a few days a week because no important legislation seemed to be ready. And yet here was this bill on the calendar all the time.

Here was a bill, I said, which was entitled to much consideration. The House, I said, should have opportunity to debate it at length, because it was my view then—and of course it is still my view—that there was no excuse whatsoever to raise rates on first-class mail from 3 to 4

cents, or 33⅓ percent, because first-class mail already paid for its own costs of handling and even made some extra money for the post office to help meet losses on other types of mail.

But since the Postmaster General was insisting on a raise in first-class rates, and since a majority of the members of the House Committee on Post Office and Civil Service had agreed to go along with him with reservations on that and had reported out his bill to raise postal rates on first-class and other mail, I felt it was an important enough matter to be brought up under regular order and be accorded full and complete consideration.

But the bill just sat on the House calendar untouched, while we held many short sessions of the House and some days did not meet at all for lack of legislation before us.

And so I asked several months ago, Mr. Chairman, "why the delay" on that bill? I reported a rumor I had heard and said I hoped it was not true—that it sounded to me too much like legislation by blackmail.

THE FANTASTIC RUMOR THAT TURNED OUT TO BE TRUE

The rumor was that the mail rate bill was being held up pending committee action on a bill to raise postal wages; that the two bills would be tied together on a take-it-or-leave-it basis, and that we would be asked to raise first class mail rates unnecessarily and unfairly in order to raise postal wages at all.

We all know now, Mr. Chairman, that that rumor I cited several months ago turned out to be amazingly accurate. Rumors often turn out to be false, but this one was a bull's-eye right on the target of fact. For the House leadership attempted exactly the kind of double play I had reported was being rumored several months previously.

Thanks to most of the Democrats and a few of the Republicans here in the House, the double play attempt did not succeed. We defeated the combined bill. We are now getting our opportunity to vote on the postal wage increase bill separately.

And what is happening to that other bill—the one to raise postal rates? It has been on the calendar, as I said, since February 25. It is the only bill reported out by any House committee during this entire year to sit on the calendar so long and remain untouched. Only 21 other bills reported out of House committees have been hanging on the calendar longer than this one—and they are all dead ducks from the first session of this Congress last year. One of them, of course, is the Alaska statehood bill. That got on the calendar real fast—in June 1953—and it is still there, dying on the vine like many of the other Republican platform and campaign pledges of 1952.

HIGHER MAIL RATES COULDN'T PASS BY THEMSELVES

Why the delay on the postal rate bill? The answer is now all too clear; the Republicans do not dare pass such a measure unless it is tied up with and married to and disguised by some popular and worthwhile measure—tied together like a Siamese twin so that the Republicans could say they were really against it but had to vote for it in order to get something else through that everyone wanted.

The double-play failed, as I said, and so the bill to raise postal rates is not going to be called up by itself because it is a bad bill and few Members would want to go on record for a bad bill which soaked the public as this one would do.

I just wonder why such a bad bill ever got on the House calendar if no one really supports it and will stand up and vote for it by itself. Did Postmaster General Summerfield push the Republicans too hard on that one? Did he push them around?

THE "BUM DEAL" POSTAL RATE BILL IS DYING

After all, Mr. Chairman, when you look at the résumé of House action this year, you find that from January through July we were in session 111 days, for a total of 478 hours and 37 minutes, using up nearly 5,000 pages of the CONGRESSIONAL RECORD just on the debates; that we enacted into law 187 public laws aad 210 private bills; that we passed 1,117 measures altogether.

What I am driving at is that if Mr. Summerfield's bill to force the public to pay 4 cents to mail a letter had any merit at all, we would have had plenty of opportunity to take it up and discuss it between February 25 and today, and if it was any good at all we could have passed it the same way we considered and passed nearly 1,200 other bills.

But it was no good—it was a bad bill—and so it is being killed by hanging on the House calendar. And good riddance to it. It was not new deal, fair deal, square deal, or no deal legislation, but just a Summerfield "bum deal" bill.

It would have been a shame if the double-play attempt to hook that measure onto the postal pay raise bill had succeeded. The public would have been soaked by higher mail costs under a maneuver intended to slip it through on the coattails of another bill.

The Members who fell for Mr. Summerfield's strategy will have a hard time, I am afraid, explaining to their constituents why they voted for the 4-cent letter-rate bill when it was not necessary at all to do that in order to raise postal wages.

For here today the House is going to raise postal wages and we are not socking the public with a 4-cent first-class mail rate either. The Summerfield strategy backfired.

Mr. MERROW. Mr. Chairman, H. R. 9245 establishes a joint congressional committee to make a study of the postal field service reclassification. It increases the rates of basic compensation of postal employees pending reclassification recommendations. There is a $100 uniform allowance in the measure; certain changes are made in longevity grades; part of the Whitten rider affecting postal employees is changed; and provision is made for increasing the daily travel allowance for postal transportation service employees on road duty. The method of salary payments is changed; under this measure there will be 26 payments a year.

RECLASSIFICATION

This legislation sets up a committee to make a thorough study of the question of reclassification. This is to be a joint committee composed of seven members each of the House and Senate Committees on Post Office and Civil Service, including the chairmen of both committees. This, the Joint Committee on Postal Field Service Classification, is to report its findings to both Houses on or before May 1, 1955.

The report accompanying H. R. 9245 states in reference to this joint committee:

It is strongly emphasized that the creation of this joint congressional committee does not in any sense close the door on participation by the Post Office Department in the investigation and study of such joint committee of matters relating to position classification and salaries in the postal field service. On the contrary, it is intended that this joint committee conduct its investigation and study to the greatest possible extent on a cooperative basis with the Post Office Department. Specific language is written into the bill to carry out this intent. It is expected that the joint committee will make full use of the wide and valuable experience of the Post Office Department and it is contemplated that representatives of the Department will work with and assist the joint committee on a continuing basis. The joint committee should place great reliance on the advice and assistance of the Post Office Department, both in carrying on the investigation and study and in reporting the results thereof. In addition, the joint committee should and could well avail itself of the wide experience and familiarity of the Postal Union representatives with the many problems involved. This procedure, it is felt, will provide the joint committee with all reasonably available information and evidence needed to assure a fair and objective report.

SALARY INCREASES

H. R. 9245 provides a salary increase of 7 percent for postal employees, setting a maximum of $480 per annum and a minimum of $240 per annum. The rates of hourly or part-time employees are increased by 10 cents an hour. Postmasters of the fourth-class offices will have rates increased by 7 percent.

I am glad that the House is considering this measure. I have long been in favor of an increase in wages for postal employees. This is well deserved and long overdue. The postal service is essential to the welfare of the Nation, and the employees in this organization are to be congratulated on the fine way in which they perform their duties in all kinds of weather and under a variety of conditions. There is no finer group of people in the Government service. Their compensation needs to be increased and I hope that this measure passes the House overwhelmingly and soon becomes a law of the land.

STATEMENT BEFORE COMMITTEE

On March 25, 1954, I appeared before the House Committee on Post Office and Civil Service for the purpose of speaking in favor of an increase in compensation for postal employees. At that time I presented the results of a survey made in New Hampshire. I said to the committee:

„A few months ago the letter carriers in New Hampshire conducted a survey in an

effort to ascertain the general economic situation in which the carriers of the State find themselves. This survey represents 323 New Hampshire families and 1,262 individuals. The results of the survey are as follows:

1. Thirty-one percent of all New Hampshire letter carriers have part-time work outside of the post office.

2. Seventy-three percent of the letter carriers' wives are working.

3. The average debt of a New Hampshire letter carrier is $650. (Does not include home mortgages).

4. One hundred percent said their debts have increased since the last pay raise.

5. Seventy-eight percent had to borrow from a bank or loan association.

6. Forty-eight percent borrowed or cashed in their insurance policies.

It is my understanding that the conditions shown as a result of this survey conducted in New Hampshire are similar throughout the country.

Mr. Chairman, the salaries of postal employees and classified civil-service employees have not kept pace with the cost of living. Therefore, a salary raise is deserved and the Congress should do something as soon as possible to alleviate the economic situation in which thousands of faithful and devoted employees find themselves. I am more than happy to have the opportunity of appearing before this committee in favor of legislation to increase the salaries of postal employees and classified civil-service employees.

I am glad that this measure is on the floor of the House. It is essential that a salary increase be effected before the close of this session of Congress. I shall support the bill and I hope that it passes with a decisive vote.

Mr. WOLVERTON. Mr. Chairman, the bill now before us, H. R. 9245, known as the Corbett bill, to increase postal workers' pay, deserves the favorable consideration of the Congress and approval by the President.

This bill, in my opinion, has the overwhelming support of this House. It is regrettable that the failure of the Rules Committee to grant a rule for its consideration has delayed its passage until this late day in the session.

In order to bring the bill before the House it was necessary, for those of us who favored the enactment of the bill, to sign a petition to discharge the Rules Committee of further consideration of the bill. This discharge resolution was favorably acted upon by the House today. This action now makes it possible for the House to consider the bill, the purpose of which is to increase the salaries of our postal workers. It is my opinion that the bill will be passed by an almost unanimous vote. It should be so passed, as it has real merit.

The situation that has arisen because of divergent views as between the majority of the committee and the Post Office Department has created considerable confusion in the minds of Members of Congress as to what is best to be done. This arises not only because of different views as to what the percentage of increase in salaries should be, but also because of the insistence upon the part of the Post Office Department to impose a method of reclassification of employees, and to attach a postage increase provision in the wage bill. The situation becomes more complex by reason of the charge made by certain leaders in the Congress that if the Post Office Department plan is not adopted then there will be no wage increase for the postal workers.

In my opinion it is unfair and unwise for the Post Office Department to take such a stand. First, with respect to the reclassification of employees as proposed by the Post Office Department. This plan is the work of an outside agency, a sort of so-called efficiency engineers. It is very unsatisfactory to the postal workers. It is my considered opinion that with respect to this idea of reclassifying our postal workers and salary rates, the Members of the United States Senate and House of Representatives and the appropriate committees thereof are in a better position than any other group or individual to be responsive to, and to give the fundamental consideration to, the public interest, the national economy, the problems of efficiency in the postal service, the welfare of the approximately 500,000 employees therein, and the many other factors necessary to be considered in making a final decision.

Thus, I am in full accord with the action taken by the majority of the committee, by providing in the bill now before us for the establishment of a joint committee of the Congress for the specific purpose of conducting the necessary investigation and study of all the elements that enter into a proper classification of employees and salary system based thereon. The report of the committee and its recommendations is to be made to Congress by May 1, 1955.

This joint congressional committee will be expected in the course of its investigation and study to confer with, and cooperate with, the Post Office Department. It will thus avail itself of the wide and valuable experience of the Post Office Department. The joint committee will likewise place great reliance on the advice and assistance of the postal union representatives. These organizations through many years have learned much as to the problems confronting the workers; consequently can be a valuable aid in performing the investigation and study to be undertaken by the joint committee.

And, with respect to the salary increases the committee has provided what may be termed an interim increase awaiting the report and recommendations of the joint committee. This interim salary increase will be: first, 7 percent of basic rates of compensation of per annum employees of the postal field service with a minimum of $240 and a maximum of $480 per year—except postmasters in fourth-class post offices—second, 10 cents per hour added to the rates of basic compensation of hourly or part-time employees; and, third, a flat 7 percent of the per annum salary rates of postmasters in post offices of fourth class.

This interim salary increase is essential to prevent any hardship which otherwise might result from the necessary delay in completion of the investigation and study of the joint committee and the establishment of such new general classification and salary system for the postal service as may result therefrom.

The overwhelming weight of testimony and evidence at recent salary hearings conclusively demonstrated the urgent need of postal employees—and particularly those in the lower salary groups who will be affected by the $240 minimum increase—for an immediate and substantial salary increase pending action by the Congress to settle the classification and salary problem. There is no question that the pay of these employees, who rely on the Congress for fair and equitable compensation, has lagged behind that of many workers in private business and industry who perform work of comparable difficulty, responsibility, and importance.

In addition to the above there are longevity increases. The bill includes provision for acceleration of promotions to the existing longevity steps and the addition of a new one. These additional increases will be earned upon completion of 13, 17, 21, and 25 years of service.

In addition to the above increases, both regular and for longevity service, employees for whom a uniform dress is prescribed, the Post Office Department will be required to assume the cost thereof but not in excess of $100 per year per employee.

There are many other benefits provided for in the bill which will greatly enhance the welfare of the postal workers.

Our postal workers have established a record of service that entitles them to this consideration. Their honesty, integrity, and ability has placed them in a most enviable and highly honored position in the Federal Government. Their faithfulness should be rewarded. I trust this bill will have the wholehearted support of the Congress and the President.

Mr. DONOHUE. Mr. Chairman, I am happy to rise in support of and to urge prompt approval of this measure to increase the rates of basic compensation of all postal employees and thus attempt to somewhat bring them into line with positions of comparable responsibilities and service in private industry.

This bill, H. R. 9245, was, as you all know, reported favorably by a majority of the House Committee on Post Office and Civil Service, was held up in the Rules Committee, and comes before us now as the result of over 218 signatures of House Members on a discharge petition. It is thus seen that a majority of the House desires to have the measure brought in here so that it can be fully discussed and acted upon.

The bill in its entirety embodies certain broad and fundamental principles which the Post Office Committee deemed essential to a fair and lasting solution to the problem of classification of positions and determination of basic salary rates of personnel in the postal service.

It has been my privilege to repeatedly appear before the House and Senate committees, during these past few years, to testify on the various bills to eliminate the salary injustices prevailing among the Postal Department's employees, as well as all Federal employees, whose wage scales have so seriously lagged be-

hind the advances granted in the comparable fields of industry.

I was among the first signers of the discharge petition because I deeply believed the request of the postal employees for an equitable salary readjustment should have the particular sympathy of all of us. They form a large group of our most reliable public servants. The service they render is fundamental and essential to the Nation. The security they enjoy is paid for by themselves. There are no more loyal people in our Government than those working in the Postal Department.

Now whenever the cost of living rises, as it has been doing for the past several years, we all know that persons with fixed incomes suffer the most. Some workers can obtain raises to offset at least a portion of the increased cost of living, but those whose incomes are stationary or whose salaries are set by law have serious trouble trying to keep up with rising prices and maintain their family on a decent living scale.

The postal employees' salaries are set by law, and it takes action by the Congress to raise their compensation. An important consideration in this connection is that while postal employees are organized, they are not allowed to strike and, to have the record present the truth on this subject, let us remind ourselves that they have never shown any disposition to strike. They have been content to rely upon a sense of fair play on the part of Congress and the general public. Unfortunately, there were many trying years during which this reliance must have seemed misplaced, but nevertheless the postal employees never wavered in their loyalty, devotion, or efficiency in duty.

I feel that it is pertinent to remind you that, if this Government is to uphold the tradition of honest service administered by loyal personnel, it must offer our employees wages comparable to other occupations of the same nature in private industry. By that I do not mean only a living wage, but a wage that will enable a postal and Federal employee to put something aside for the education of his children and the acceptance of such household emergencies as sudden sickness in the family without falling into staggering, discouraging debt.

May I also remind you that the best insurance against any misguided reception of false Communist propaganda by our Government employees is to wisely and practically extend them adequate salary compensation.

It is only ordinary commonsense and recognition of the facts of life that if our Government employees are sufficiently compensated to enable them to meet their personal and family obligations with confidence and a high morale, then there will be no doubt of their loyalty as good Americans and their repudiation of Communist ideas.

I urge you, therefore, in simple justice, to promptly and favorably approve this measure.

Mr. VORYS. Mr. Chairman, an amazing thing is happening here today. Members are voting for and against this bill with the clear understanding, repeated not only in the cloakrooms and the lobbies, but openly on the floor, that this bill is not going to become a law.

I voted for a postal pay raise, along with an overwhelming majority of this House, back in July. It was tied to a postal-rate raise so as not to increase our national debt. The postal employees' organizations favor a raise in postal rates. That permanent 5-percent pay raise was in line with the cost-of-living increases we have voted for disabled veterans and the increase the administration would approve for other civil-service employees. That bill also provided for reclassification. Today many who voted for that bill are also voting for this bill, not because they have changed their minds, but because they think this bill will never become law. It is to be taken care of at the other end of the Capitol, or by the White House.

I am voting against this bill because I think it ought not to become law; not in its present form, and under the gag rule provided in the discharge petition, we all must vote for or against this bill in its present form, because we cannot amend it.

I do not believe in government by discharge petitions. This bill and its gag rule is a good example of bad legislating that results from this procedure.

I have voted for every postal pay raise since I came to Congress 16 years ago. I think that shows my appreciation of the postal employees. But this time they are insisting on another raise, a 7-percent cost-of-living raise, when the cost of living has increased less than 4 percent since their last raise.

I will not take time to discuss the discriminatory provisions in this bill granting special privileges to favored groups within the postal service. I will merely refer to its general effect.

There are about 1,500 postal employees in my district. I want to represent them fairly. But there are about 24,000 other Federal employees in my district—13,000 civil service and 11,000 military. What about them? They would like a raise, too. The increased cost from this bill would be about $250 million. The postal workers are about one-tenth of those on the Federal payroll, military and civil combined. A similar raise for all of them might cost 10 times as much, and add about $2.5 billion to our national debt.

But all these Federal workers in my district are but a small fraction of the workers there who are not employed by the Federal Government. What about them? They would like pay raises, too, and lower taxes and less national debt. Many of them would like Federal jobs, postal jobs, at the present rates of pay. I try to think of all of these people, as well as the postal employees, in a matter like this.

The gentleman from Minnesota [Mr. HAGEN], in his remarks on the rule, referred to himself as the captain of the ship in this matter. He is not my captain. If there is any one man with such overall responsibility in this matter, President Eisenhower is captain of the ship of state. We are all aboard. He has the responsibility for steering a course of fiscal safety, with fairness to all. I am not taking orders from him, or the gentleman from Minnesota [Mr. HAGEN], but as between the two, I am following the President's recommendations as to what we can afford to do now for the postal workers in fairness to everyone else.

That may not be good politics, but I think it is good government.

Mrs. KEE. Mr. Chairman, when a bill such as this comes before the House, to increase the wages of postal workers, we tend to look at it in terms of a mass of figures and statistics. We ask—and, of course, properly—how much it will cost and what the average benefits will be and how many persons will be benefited, and so on.

But it seems to me, Mr. Chairman, that in a case like this, on legislation of this kind, we have an obligation to look at it in terms of people we know back home in our own post offices and substations. These are not blurred masses of people but individuals with faces we recognize, with names we know, with problems we are personally familiar with.

We are considering today the need for providing more adequate pay scales for the mail carrier who comes to the front door each day, rain or shine, in good weather or bad, who is one of the most reliable individuals any of us will ever know and who never fails to get around on his route no matter what.

On a very cold day, we feel sorry for the fellow trudging through the snow and ice or leaning against the biting wind, his hands so cold he can hardly get the letters and packages out of the heavy pack he carries. On very hot days, we also pity the poor fellow and do not envy at all the hot and aching feet he certainly must have after walking those torrid pavements.

The rest of the time, if we think of the carrier at all, it is only to wonder what he will bring. For he is such a reliable public servant we know he will certainly drop by if he has anything at all addressed to us.

This feeling of reliability is extended to the whole postal service. We know they will get through on their rounds, no matter what the difficulties.

Now, Mr. Chairman, all I want to do at this moment is remind the House that these are the individual friends and fellow townspeople—these very reliable public servants—we are talking about when we take up a postal pay-rate bill.

Let us not get lost in the statistics and the figures of millions or billions. Let us not look upon this as some afterthought measure applying to some strangers.

The Corbett bill, while certainly not overly generous by any means, will provide these friends and neighbors whom we know and respect and admire for their reliability with a fair and helpful raise in pay—one which is long overdue.

I sincerely urge the House to support it and pass it and to insist that the Senate also accept this measure as a minimum. To pass a bill providing a smaller increase than the Corbett bill proposes would be far from deserved treatment for our postal workers.

Mr. SPRINGER. Mr. Chairman, H. R. 9245, known as the Corbett bill, to increase postal workers' salaries, is a worthy bill and deserves the support of this Congress and the approval of the President. It is too bad that we could not have had a rule from the Rules Committee to hear this matter weeks ago. This has delayed the passage of this bill in the House until today.

It is regrettable that it was necessary for those of us who wanted to vote on this bill to sign a petition to discharge the Rules Committee from further consideration of the bill. It is true that all of us have not been in complete agreement as to the kind of a bill that should be passed in this Congress for postal employees. However, I do believe that it is the sentiment of this Congress on such an important issue, that we should have been able to hear it before today. This bill received approximately 55 hours of hearing in the committee. It was thoroughly debated there. Everyone who wished was given an opportunity to be heard. Some witnesses came back to testify a second time.

Some time ago I told the people of my district that I would support a post office bill providing that it contained certain basic requirements for improving postal service and the status of postal employees. These included a reasonable pay raise for postal workers, study of a plan for reclassification of employees, and some fringe benefits which employees have been needing for a good many years. This bill contains those three primary requisites.

There has been some information going out that postal employees generally would be opposed to a study of a plan for reclassification of employees. All postal workers that I know of have backed the Corbett bill, H. R. 9245, which does include a plan for reclassification of postal employees. To me there is considerable merit in the present bill in that it provides for definite improvements of the postal workers' status. Let me outline these one by one.

First, it provides a 7-percent pay raise within a $240 minimum and a $480 maximum on any single increase. This pay increase will go into effect the first full pay period after it is enacted.

Second, the bill provides for a joint Senate-House committee which would be set up immediately. This committee, between now and October 1, 1955, will make a thorough study of the postal job reclassification and come up with recommendations to the Congress. After thorough debate at that time, the Congress will have an opportunity to enact reclassification in the light of experience and the recommendations themselves.

Third, the bill provides for an allowance of up to $100 a year for postal employees who must wear a uniform on the job. Almost all of private industry that requires uniforms are now paying the cost of those uniforms for the employees. Most business union contracts now call for those extra expenditures not ordinarily required of the general employee. By this bill the postal department is merely matching private industry in this respect.

Fourth, a $100 longevity increase is provided for employees with more than 25 years of service. This is certainly a modest longevity to which, I am sure, there would be no general objection from anyone.

Fifth, for a long time postal employees have been objecting to the manner in which they have been paid. This bill provides for a pay day every other week, or 26 times a year, for all postal employees. This is merely a correction of a long-standing objection.

Sixth, for several years now, the Whitten rider has been in effect for all Government employees. This rider prevented additional permanent job appointments. The present bill modifies the Whitten rider to allow additional permanent job appointments where actually needed.

Seventh, there will be an increase from $6 to $9 a day in the travel allowance of postal transportation-service employees. The postal service must have been the last group in America to still be on the old $6 a day travel allowance. It is difficult to see how anyone could travel in recent years on that kind of allowance per day. The $9 per day at least will correct the situation partially.

The divergent views on this bill between the Post Office Department and the employees have chiefly arisen over the method of reclassification of employees, generally. The Post Office Department has had its survey made by an outside agency of what are ordinarily known as efficiency engineers. It does not appear to me to be unreasonable to have had such a survey made by an outside group. However, it does seem to me important that the members of the House and the Senate and the appropriate committees concerned with this legislation should go over these reports and give consideration to them. After this is done, however, the ultimate decision of what kind of reclassification should be made is up to the Congress itself. In this, I am sure, that Congress will give consideration to the public interest, the national economy, the problems of efficiency in the postal service and the welfare of postal employees in the postal system.

To me, the matters set out in this bill are much needed improvements for personnel in the postal field, generally. It has been 3 years since there has been any increase of salary to postal people. This increase is needed at this time, and something should be done about it before this Congress adjourns.

I think all the members of the House have realized for some time that in the civil-service system there exists a wage scale that keeps employees living on a marginal basis from year to year. This is now one of the more important matters under consideration by Personnel Boards here in an attempt to work some equity into the situation.

If we are to bring any realism into this situation we are going to have to get this bill passed today. I believe that it is a reasonable bill and in the best interest of everyone concerned. These are my reasons for supporting this bill today.

Mrs. BUCHANAN. Mr. Chairman, I am very happy to be able to cast my vote today for the bill H. R. 9245, calling for a 7-percent increase in the salaries of postal employees, with a minimum of $240 and a maximum of $480 a year.

The effort to obtain a vote on an adequate postal salary increase bill has been one of the hardest fights in the session now drawing to a close. It has been only through resort to the discharge petition that this bill is before us today. This procedure was forced upon us because of the adamant and bitter opposition of the Postmaster General and administration supporters who expressed their firm determination that this legislation would not pass.

I was an early supporter of the bills H. R. 2344 and H. R. 2297 introduced by the gentleman from Michigan and the gentleman from Pennsylvania. These bills, as you will recall, provided for a postal salary increase of $800. As I pointed out to the Post Office and Civil Service Committee during the hearings last March, the postal workers of my district along with their fellow workers throughout the country are in urgent need of an adequate pay raise. The many letters received by me from postal employees in the 30th Pennsylvania District relate the difficulties they face in trying to maintain a decent standard of living on their present inadequate salaries. When it became apparent that we were never going to have an opportunity to vote on H. R. 2344 I accepted the compromise contained in the bill here today.

To those who are opposing the pending bill I ask, Are you proud of the present situation in which many employees of the Post Office Department, one of the largest businesses in the world, are forced to supplement their inadequate salaries with outside work in order to meet the increasing cost of living today? The Postmaster General has talked loud and often about his determination to decrease the deficit in his Department and it is obvious from his efforts to defeat this bill that he wishes to do so at the expense of the loyal and hard-working postal employees. There is no finer group in the Federal Service than the postal workers and they have waited long and patiently for a decent adjustment of their salaries. Such an adjustment is long overdue and so I say we should pass this bill without further delay and make this minimum increase a reality.

Mr. MURRAY. Mr. Chairman, I yield 4 minutes to the gentleman from Wisconsin [Mr. DAVIS].

Mr. DAVIS of Wisconsin. Mr. Chairman, just 6 weeks ago President Eisenhower said:

> We cannot permit the deliberate operation of our postal department at a gigantic loss. Of course we must have a classification and promotional procedure for postal personnel that will serve the best interests of the Government, the public, and the postal workers themselves.

If I understand the President's program, and there are many Members in this Chamber who will be campaigning on the basis of the support of the President's program, that program is comprised basically of three points.

First, that he approved of a moderate wage and salary increase for the postal workers;

Second, that there was to be reclassification of jobs within the Postal Department; and

Third, there should be a postal rate increase to substantially compensate for the cost of the postal wage increase. If that is true, and I am satisfied that it is true, how can Members of this House justify voting for legislation that would add approximately $200 million a year to the overburden deficit of the Postal Department and that would not provide one penny to meet that additional deficit?

How can we explain to the people back home that we voted to spend $200 million a year on this measure that would accentuate the injustices now existing in the postal service?

I know there has been great pressure in support of this measure, but I submit to you that a vote in favor of the measure is the path of irresponsibility, and I think it will be a mistake for the Members to underestimate the basic intelligence and integrity of the American people. They will recognize that this philosophy, this pattern which the old professional politicians used, is so true, that the way to be reelected as a Member of this House is to be for all the commitments for new spending of money and against the tough thing, the wherewithal that will meet the new commitments that will be made. I am happy to state that that is not the pattern of this administration; it is not the pattern which I as an individual can follow.

I voted for the bill that was under consideration on the floor a couple of weeks ago, but a majority of the Members failed to vote for it, it being called up under a rule requiring a two-thirds favorable vote, and the bill did not become law.

I predict that this measure now before us will never become law, because the President is a man of responsibility. He has stated the type of measure he will accept. I predict that he will not accept this unhealthy compromise that fails to measure up to the standards which he has set. If this happens, and I am satisfied it will happen, there will be no postal wage increase. Further, the responsibility will not lie with us who are opposing this measure here today; it will not lie with us who voted for the other measure that was before us a couple of weeks ago; it will lie with those who flaunted the will of a majority of the Members of this House and defeated the only measure that had a chance to become law in this session of Congress.

I am proud to join with two responsible, experienced statesmen, the chairman of this committee and the ranking minority member of this committee, who are opposing this legislation on the floor of this House today.

Mr. HAGEN of Minnesota. Mr. Chairman, I yield 2 minutes to the gentleman from Virginia [Mr. BROYHILL].

Mr. MURRAY. Mr. Chairman, I yield 2 minutes to the gentleman from Virginia [Mr. BROYHILL].

The CHAIRMAN. The gentleman from Virginia [Mr. BROYHILL] is recognized for 4 minutes.

Mr. BROYHILL. Mr. Chairman, I rise in support of this measure before us today, even though I have no fear but what it will pass this body overwhelmingly. I do hope, however, that we can work out the objectionable features in conference in order that it may become law.

I did not sign the discharge petition which brought this measure before us, nor did I, as a member of the Committee on the Post Office and Civil Service, vote for the measure when it was offered as a substitute by the gentleman from Pennsylvania [Mr. CORBETT].

The fact, however, that I did not sign the discharge petition or vote for the substitute does not mean that I was not in favor of an increase for the postal employees; on the contrary, I supported and favored an increase even more liberal than provided in this bill. I think I can say without fear of contradiction that no one has worked harder as a member of the committee to get favorable pay legislation out than I did. Further than that, I am interested in and am supporting a pay increase for all the classified employees. I know that by precedent and tradition we do not have a chance of getting a pay increase for the classified employees unless we first pass a pay increase for the postal employees; but, as a member of the committee, and I feel I can speak for the other members of the committee as well as for many other Members of this body, the reason I opposed the substitute was because I felt conscientiously and sincerely that the bill did not have a Chinaman's chance of ever being enacted into law. Some Members feel that the threat of a veto is a bluff. I realize that some Members feel that, even though the President should veto the bill, there would be enough votes in this body to override the veto. It is nothing but sheer political demagoguery and intellectual dishonesty to vote for a measure you know would never result in an increase of money into the pockets of the postal employees.

Actually, one reason it does not have a chance to become law whether or not it is tied in with an increased postal rate, is that it does not make provision to permit the Postmaster General to go through with his original proposed reclassification plans. This reclassification proposal was not included even though we held exhaustive hearings on the reclassification plan. When the committee went into executive session we did not give any thought or consideration to that reclassification plan and went right to the proposition offered by the gentleman from Pennsylvania [Mr. CORBETT].

Mr. JAVITS. Mr. Chairman, will the gentleman yield?

Mr. BROYHILL. I yield to the gentleman from New York.

Mr. JAVITS. I voted for this package bill to increase the postal rates. I have an opportunity to vote for this bill today and I shall vote for it because justice withheld from the post-office employees is justice denied.

A 7-percent increase with a minimum of $240 a year and a maximum of $480 a year for postal employees will not bear an adequate relationship either to increases in the cost of living or to competitive compensation in private employment for postal employees. It is a compromise on the low side but this compromise has such enormous support that it should be accepted, for postal workers want the broadest backing in the Congress for a pay increase. They know that it is the justice of the Congress that they depend upon both for today and for tomorrow. Giving them something of the pay increase they need will help to avoid as much as possible the need for wives of postal employees to work and for unusual borrowings by postal employees in order to meet living costs. That is our job in our responsibility to them, our responsibility to increase post-office income—which I have supported—cannot be discharged at their expense.

Also, the postal workers have traditionally carried the ball for the classified Federal service. We must recognize this and follow through with appropriate consideration for the other Federal classified employees as well.

Mr. BROYHILL. We are winding up the closing days of this session with the postal and classification employees bills in serious jeopardy. The unfortunate thing about it is that the vast and overwhelming majority of the Members of Congress feel that all Federal employees are entitled to a pay increase. The reason these bills are in jeopardy now is because we disagree with some of the provisions, or we disagree as to the methods or strategy used and yet we have a tendency to try to show that we as individuals are for the increase but we place the blame on some other Member or on the other political party for its failure to pass.

As one Member, I am not interested in going on record in favor of this particular proposal and blaming someone else for failure of passage. I believe if we are interested in an increase for these employees, and if we are in favor of the increase we should all work together and arrive at some compromise that will result in putting money into the pockets of these deserving postal and Federal employees and not be satisfied with just blaming the other party or the other Members for failure to enact the bill into law. I have confidence in the leadership, and I hope that the conferees will get together and work out some compromise either in conference or in the other body so that the law can be passed putting money into the pockets of the postal and classified employees. This is much better than just telling the postal employee that you were for him but he did not get an increase due to someone else's fault.

Mr. HAGEN of Minnesota. Mr. Chairman, I yield 3 minutes to the gentleman from Georgia [Mr. DAVIS].

Mr. DAVIS of Georgia. Mr. Chairman, I rise in support of the Corbett bill. I voted for it when it was reported out of committee.

Mr. Chairman, I join the distinguished gentleman from Tennessee in commending our Postmaster General for the improvements he has made in the Department since he has become Postmaster General. I feel, however, that this bill should pass. The various items and sections of the bill were voted upon one by one in committee. Some of them I did not vote for as they were adopted, but after the bill had been carefully considered section by section and the changes made, then I voted to favorably report the bill which is now before the Committee for action.

Subsequent to the time this bill was reported out, our committee was led to believe that a compromise could be effected in this matter. Provisions were submitted to the committee and a bill was reported out which had the unanimous support of the committee. That bill, which we thought would be a compromise proposition, did not get a rule and it has not yet been presented to the House for consideration. This bill, upon which we are acting today, is the only chance we will have to legislate on this matter.

Mr. Chairman, the pending bill contains some very excellent features. In the first place, this raise of 7 percent, with its floor and with its ceiling which has been criticized so severely here, is provided as a temporary measure only by the terms of the bill. It will expire by the terms of the bill approximately October 1955. The whole question of salaries and reclassification can then be revised on a permanent basis.

The other bill which the committee reported favorably carried a permanent provision. This bill provides for a study of the classification system by a joint committee of 7 Members from the House and 7 Members of the Senate and provides that the committee shall make a report back to the House and the Senate by May 1, 1955. So, there is orderly provision here, first, for a temporary increase, then for a reclassification study, and report to be made back to the House and the Senate by May 1, 1955. The House and the Senate then will have the opportunity to vote upon a proper reclassification measure which I think is good congressional procedure, rather than for a plan to be submitted by the Postmaster General which would become law if it is not turned down in 60 days by a vote of either the House or Senate.

Mr. Chairman, this bill has other good provisions which I think are in order. One of them is that it increases travel allowance to a figure which is in keeping with the actual cost of travel. It provides for uniform allowance not to exceed $100, and that is in order and should have been granted long ago. There are many other good features in it, and I hope the bill will be passed.

Mr. HAGEN of Minnesota. Mr. Chairman, I yield 1 minute to the gentleman from Minnesota [Mr. JUDD].

Mr. JUDD. Mr. Chairman, I did not sign the discharge petition on the Corbett bill because I did not think that was the best way to get legislation actually passed. I voted for the Rees bill, and I very much regret that the Rees bill, providing a 5-percent salary increase and a rate increase to take care of the postal-pay increase, did not pass. That would have become law and would have put money into the pockets of the postal workers.

But here we are with a practical situation where we either have to vote for this bill and get the legislative process started again or else do nothing at all. I do not believe it is right to penalize the employees of the Federal Government because the Congress either does not have the wisdom or the fortitude to pass a bill to raise postal rates. That is, it is not right to take out of the hides of the men carrying the mail this failure on the part of the Congress to be fiscally responsible when it did not pass the Rees bill. I want fiscal responsibility. The way to get it is not by holding down the salaries of our employees below what they deserve on the basis of a 5-percent rise in living costs, but by raising the postal rates to those who use the service the post office provides.

It is not the fault of the postal employees that the Congress was not fiscally responsible. Let those who voted against the Rees bill take the blame for that.

So I feel this bill should be passed. I doubt that it will become law with the 7-percent increase, but it will go to the Senate, and out of action there and between the two Houses I hope will come a bill that will give the postal employees and later the Federal employees what I believe is their just desert.

Mr. HAGEN of Minnesota. Mr. Chairman, I yield 1 minute to the gentleman from Massachusetts [Mr. BOLAND].

Mr. BOLAND. Mr. Chairman, I rise in support of H. R. 9245. As a member of the great Committee on Post Office and Civil Service, I was one of the 14 who voted to report the bill to the House some weeks ago. The issue of a postal pay increase has been one of the most contentious matters that has been before this chamber in this session. Few resolutions have bucked such stormy weather before finally arriving at the home port—the floor of this House. Its rough journey was preordained from the moment it was considered in executive session of the committee. After days of argument and compromise, it was finally voted out 14 to 9. And then the proposal really ran into trouble. For a storm of comparative gentleness was whipped up into one of hurricane proportions by winds of opposition that blew from the direction of the leadership of the administration. It is today reaping the harvest of its no compromise attitude.

Mr. Chairman, the postal employee organizations have, I believe, compromised all along the line. From a resolute stand favoring the many bills filed by many of the Members for an $800 across-the-board increase, the organizations attempted to reach a compromise. I compliment them for their spirit of cooperation. When an impasse was reached, they went along on $400 across the board, then 15 percent, then 10 percent, then 7 percent, and finally 5 percent. They emphatically demonstrated their willingness to cooperate but were rebuffed. Compromise embraces a desire on both sides to give and take and finally come up with a solution that is acceptable to opposing factions. I regret that agreement was not reached. However, Mr. Chairman, the bill now before us deserves the support of this House. It makes provision for a much-needed salary increase and fringe benefits and does provide for a study of the controversial reclassification problem.

I further point out that if favorable action is not taken today on this bill, the resolution affecting a salary increase for the classified Federal employees is endangered. This group of loyal and faithful Federal employees are entitled to consideration.

Mr. HAGEN of Minnesota. Mr. Chairman, I yield 3 minutes to the gentleman from Texas [Mr. RAYBURN].

Mr. RAYBURN. Mr. Chairman, I suppose I am one of those who falls in the class designated by our friend, by the gentleman from Illinois, the whip of the House, which class he mentioned as those who were escaping fiscal responsibility and did not have political courage. Now, I fall, I guess, in that class this afternoon, because I am supporting this bill. The gentleman from Wisconsin [Mr. DAVIS] said that there were many in the Chamber who were going out this fall running on the platform of supporting the President of the United States. Well, that is not the ticket I am going to run on this fall. And, further than that, I supported the President of the United States every time I thought he was right, and I have opposed him when I thought he was wrong.

I think he and the Postmaster General are both wrong about this matter. I think this increase for these thousands of postal employees is justified and overdue. Therefore, it is my purpose to vote for the bill and against any motion to recommit, or against any crippling amendment, even though it may come from the great Committee on the Post Office and Civil Service.

Mr. HAGEN of Minnesota. Mr. Chairman, I yield for a unanimous-consent request to the gentleman from Ohio [Mr. OLIVER P. BOLTON].

Mr. OLIVER P. BOLTON. Mr. Chairman, I ask unanimous consent to revise and extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. OLIVER P. BOLTON. Mr. Chairman, I have asked for this time to express my feelings on this bill. My position has been consistent. I have stated for many months that I would support as good a bill as I could which I felt had a chance to become law. I have said for many months that I did not believe the Corbett bill had a chance to become law. It was for that reason, as well as other reasons of substance, that I did not support it in committee, and that I did not sign the petition to discharge it from the Rules Committee. I worked hard for a compromise bill which did have a chance to become law—and as a result of

that work, and the efforts of many other colleagues of mine including our distinguished and fair chairman, the gentleman from Kansas [Mr. REES], and the leadership on our side of the aisle, we got a compromise bill which was unanimously accepted by our committee.

This bill was combined with a rate bill and bought up under a suspension of the rules which required a two thirds vote. This vote was not obtained, and thus this opportunity to get a postal employee raise was lost because of the vote of those across the aisle.

I still do not like some of the provisions of this bill. I still do not believe that it can become law—certainly not in its present form. But even so, I am going to vote for it because I think that it is the only remaining chance this session to get action on the question of a raise for postal employees, as well as the question of reclassification and the institution of a modern personnel system within the Post Office Department.

In brief, I agree with the overall sentiments expressed by the gentleman from Minnesota [Mr. JUDD] that the employees should not suffer for our failure to face up to the rate question. We have a double responsibility—and as I have said before on this floor, we should face up to the needs of our employees—whose cost of living has risen over 4 percent since their last pay raise—entirely separate and apart from whether we face our responsibility for fiscal sense.

As I said before, I have done all I could to get a bill which was fair and which had a chance to become law. I fear for the future of this bill—but support it as a last chance to have this important matter worked out.

Mr. HAGEN of Minnesota. Mr. Chairman, I yield to the gentleman from Iowa [Mr. GROSS] for a unanimous-consent request.

Mr. GROSS. Mr. Chairman, I ask unanimous consent to revise and extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. GROSS. Mr. Chairman, it is amazing to hear certain Members of the House deride those of us who support this legislation as lacking in "fiscal responsibility," and "doing absolutely nothing to provide the money" for this modest pay increase for postal workers.

At least two of those who have talked in this vein only recently voted for the spending of $12 billion to $13 billion on giveaway programs to foreigners in the present fiscal year. Not once, when the so-called foreign-aid bill was before the House, did those gentlemen raise the question of "fiscal responsibility"—what effect that huge expenditure would have on the Federal debt and deficit—where the money would be obtained.

It is indeed strange to see these same individuals now bemoaning the passage of legislation that will have at least some effect toward sustaining the economy of the United States.

In a few minutes this measure will pass the House by an overwhelming vote, thus serving notice upon the leadership that this measure should have been brought to the floor long ago in the course of normal procedure.

The vote that is to come will also serve notice on all others who care to look and listen that the House is in no mood to temporize on this issue.

Mr. HAGEN of Minnesota. Mr. Chairman, I yield 2 minutes to the gentleman from Indiana [Mr. MADDEN].

Mr. MADDEN. Mr. Chairman, the Committee on Rules was mentioned by several speakers here today. As a member of the Committee on Rules I want the RECORD to show that I was very much in favor of the Corbett bill. The Committee on Rules was not unanimous in its opposition to the Corbett bill which would give the postal workers a fair increase considering the increased cost of living.

I might say further that my heart goes out to the gentleman from Wisconsin [Mr. BYRNES] who is pleading the economic policy of this administration. He stated that this raise to postal workers would be too much of a drain on the budget. The 4 percent windfall his committee and this administration gave to coupon clippers in the tax bill would give postal workers and all Federal employees a fair increase multiplied by 10. As a member of the Committee on Ways and Means he had a wonderful opportunity to eliminate the 27 percent oil depletion allowance given to the oil monopolies. This took billions out of our tax receipts and would have taken care of the postal employees salary increase almost 50 times over.

I might further state that the gentleman from Wisconsin and his side of the House only 2 weeks ago voted to authorize an appropriation of $172 million for the Fryingpan porkbarrel project out in Colorado. That would have taken care of half this raise for the postal employees.

Several other drainage and water projects have been authorized by the Republican leadership in the last 2 weeks which would cover the cost of this bill by several times the amount involved. These projects were mostly without merit but would help Republican Congressmen in these western areas in the coming election. Postal workers in the industrial Calumet region have needed a substantial raise for several years. I hope this bill is passed and signed by the President.

Mr. MURRAY. Mr. Chairman, I yield the balance of my time, 8 minutes, to the gentleman from Kansas [Mr. REES].

Mr. OSTERTAG. Mr. Chairman, will the gentleman yield for a unanimous-consent request?

Mr. REES of Kansas. I yield to the gentleman from New York.

Mr. OSTERTAG. Mr. Chairman, I ask unanimous consent to revise and extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. OSTERTAG. Mr. Chairman, although I did not sign the discharge petition to bring this bill, H. R. 9245, to the floor for consideration, I intend to support it for several reasons. First of all, I want to state that I did not sign the petition because I do not believe in this method of bringing legislation to the House for action. I have never signed a petition since I have been a Member of Congress, and I hope that circumstances will never be such as to require me to break this rule and principle which I have established for my own guidance.

Mr. Chairman, I recognize that there are many issues and factors involved in the consideration of legislation to provide salary increases for our postal workers. The need for reclassification is involved and the method to achieve is a subject of controversy. Postal rates has found its way into the consideration of this matter, and there is also the degree or percentage increase to be determined. As previously stated when this matter was before the House under a suspension of the rules, I favor a postal-rate increase and believe such legislation to be in order. I also feel there is room for a change in the organizational structure of the Post Office Department. I would favor any bill to achieve all these purposes if presented on a reasonable basis.

Perhaps this bill, when under consideration in conference, will bring about an improvement of its provisions. In any event, I strongly favor a salary increase for our postal workers, and I intend to support this bill in its present form. If an improved measure or conference report finds its way to the House before adjournment, I shall support it too.

Mr. REES of Kansas. Mr. Chairman. Let me say at the beginning that I regret that such important legislation should come to the floor under what is really a "gag" rule. The thing that disturbs me is that after spending weeks and months on legislation, that if enacted into law, should be considered for a little more than an hour. Not only that but the enactment of this measure will, I am informed, cost approximately $200 million.

Mr. Chairman, during the years I have been a member of this important committee of Congress, the House Post Office and Civil Service Committee, I have enjoyed and appreciated the friendship of those employed in the postal service. I have respected their views and opinions. I have appreciated their service to the people of this country. There are no finer, better, or more loyal group of citizens than the 500,000 people who are responsible for the greatest mail service in the world. Incidentally, it was while I had the honor of being chairman of this great committee in the 80th Congress, the postal employees received the biggest single raise in its history.

Before going further, I want to pay tribute to the members of this committee for their attendance during the long hearings held on this and other bills upon which hearings were held, including the postal increase and the classified pay bills.

Mr. Chairman, I will discuss this bill later but I think this committee should know that most controversy is with respect to reclassification. That is where there is argument between the Post Office Department on the one hand, and

the Postal Union representatives on the other. The proposal I submitted is a compromise that I think is fair. I will discuss it later, also.

I feel this committee should know that most of the testimony in respect to pay increases was in support of legislation providing for $800 across the board for all employees in the postal service, and notwithstanding that fact, no member in executive session asked that a bill for $800 increase be reported. No such motion was even offered. I do not believe a proposal for $400 was proposed.

The 7 percent in this bill is a compromise. I remind you, too, it is temporary and expires next fall. I understand the sponsor will offer a committee amendment to strike out the provision that makes the payday effective as of July 1, 1954, and have pay begin on a payday after this bill is enacted into law. The bill I submitted provides for 5 percent permanent increase. Other provisions in the Corbett bill are taken from the bill I submitted except as to reclassification. The Corbett bill says on that subject, "We will study the problem."

Mr. Chairman, there are several reasons why I am not in position to support this legislation. I have made my position clear in signing the minority views contained in the report on this bill. These minority views develop in detail the objections to this measure.

They point out the discriminations that will result if it is enacted into law. They point out that, although this bill costs nearly $200 million annually in additional payroll expense to the postal service, it does not solve any of the very pressing problems relating to personnel administration, pay and a job evaluation in the postal service.

This bill, while it purports to make a beginning on a postal classification system, has really as its underlying principle the continuance of the establishment of pay for specific jobs by act of Congress. In other words, Congress will continue to be called upon to decide exactly what each individual employee shall be paid for what he does. This decision must be made even though as Members of Congress we cannot possibly know what each job is worth as compared to other jobs in the postal service.

We do know this, that as a result of the present method that job classifications have gotten completely out of line in many categories as compared to the pay of other Federal employees. For example, the minority views on this bill point out that stenographers in the postal service, by and large, cannot even pass the stenographic test given for a grade 2 stenographic position in the Federal service. Some of the stenographers in the postal service are being paid more than $5,000 a year, yet cannot qualify for a grade 2 stenographic job, according to the standards of the rest of the Federal service, paying $2,750 a year.

The reason, of course, is that they are selected from persons who qualify on a postal clerk and carrier register but who never have nor never could qualify as stenographers. They may be well qualified for other postal work but not as stenographers.

It is significant, that the largest single group of employees in the postal service, the letter carriers, will still be letter carriers under any reclassification program. There is no way in the world that they can be affected adversely by the proposal which I made with regard to reclassification. They could receive nothing but benefits.

Summed up, it all boils down to this—it is not a question as to whether the jobs in the postal service will be reclassified, but it is a desire on the part of some individuals to continue exactly the same type of pay setting in the postal service as we have had up to now.

Our committee held hearings and executive sessions from February 16 until May 25 when this bill was reported and we heard a great deal of complaint from employee organizations that they had not been consulted by the Postmaster General with respect to his recommendations.

Our committee consulted the employee groups for 4 months. Most of that testimony was a succession of statements attempting to justify a $800 flat across-the-board salary increase. They would not try to work out a reclassification.

To justify this $800 increase, they complained about the increases that had been granted to postal employees since 1939, saying they had been inadequate. Yet, at the same time, they said that they did not in any way want to change the manner in which those increases had been granted—that is, by Congress itself.

Now the sponsors of this bill and the employee groups say the way to handle reclasification, which they now say is the desirable thing and which they strongly support in the report on this bill, is to have a joint committee make a study and report back by May 1, 1955. I dare say there is not a one of these Members who did or has made any plans to give up the time between now and the time Congress meets next January to study this problem. That being the case, they will have less time between January 1 of next year and May 1 to come forth with a recommendation on reclassification than our committee has already spent on the problem this year.

As a matter of fact, a subcommittee of our committee in May of 1953 recommended that there be a reclassification in the postal service and a study of a job-evaluation program was begun as far back as May 1953.

It seems to me the proposal contained in this bill can mean but two things. First, a delay; and second, that Congress will be pressured again for an additional pay increase which is always necessary when a job-evaluation program is put into effect. In order to put a job-classification program into effect, it is necessary, of course, to adjust salary rates. There is no one who is willing to adjust them downward—I, for one, am not. In fact, in my proposal, I wrote in every known safeguard to prevent downgrading of employees' salaries who are on the rolls. I do not think there is any Member of the House who wants to approach it from the standpoint of reducing salaries to make adjustments.

Congress was not set up to be a body to conduct wage and salary bargaining.

I do not think there is anybody who can stand up and argue against a job evaluation program based upon equal pay for equal work and greater pay for greater responsibility. I have tried my best to let the employees know what I have proposed for them in the way of a salary-adjustment program.

I proposed a 5-percent increase in the salary schedules with a beginning on the reclassification program. My proposal would have given Congress an additional look at this program before it finally went into effect, and they could have voted it down if they so desired.

My proposal would have done the following:

First. A permanent 5-percent increase for all postmasters, officers, and employees in the postal field service with a minimum of $200, except in the case of fourth-class postmasters and hourly rate employees. The Corbett bill provides a temporary and not permanent increase.

Second. A reclassification for all postmasters, officers, and employees in the postal field service by requiring that the Postmaster General submit to Congress by March 15, 1955, a proposal for job evaluation of the positions of postal field service personnel. This proposal must contain schedules which set forth grades and salaries of postal field service positions, and provisions assuring postal employees (a) of the right to appeal their classification to the Civil Service Commission; (b) that those on the rolls when the plan, or any part thereof, becomes operative will not suffer any loss in salary; and (c) that they will not be downgraded. This plan will take effect unless disapproved within 60 days by a majority of either House of Congress.

Third. An increase in the allowable per diem for employees in the transportation service to $9 per day from the present rate of $6 per day.

Fourth. A uniform allowance of $100 annually for those employees required to wear uniforms.

Fifth. A modification of present law which restricts the number of permanent appointments in the Federal service. This will permit the granting of permanent appointments to a large number of temporary and indefinite employees in the postal field service.

Sixth. A biweekly pay period for employees in the postal field service.

You will find many of these benefits to postal employees in H. R. 9245, except it contains a 2-percent higher pay increase, one nearly doubling the increased cost of living as shown by the Bureau of Labor Statistics since the last salary increase given postal employees, and postpones indefinitely action on job reevaluation.

I wish there were some way of letting the postal employees know that all of these benefits that I have listed above were proposed by me in our executive sessions and they now appear in H. R. 9245. The terms of H. R. 9245 had not even been set down on paper but the benefits which I proposed for postal em-

ployees were gobbled up and lumped into this bill.

Nothing, of course, has ever been said about that in the thousands of issues of postal employee magazines that have gone throughout the Nation. I do believe, however, that those back in my own district are aware of what has happened and of what I have done for postal employes.

As far as I am concerned, I am just as interested in postal employees now as I was when I was the sponsor of the largest single pay raise that was ever given postal employees. This was in the 80th Congress. I should also like to say that I have done everything in my power this Congress to get to the desk of the President a bill which he could and would sign. Do not believe he intends to sign a bill that does not provide for classification and for some additional revenue.

Following the best advice that I could get as to the President's views on this problem, I moved to suspend the rules on July 21 to bring to the floor a combined postal rate and postal employees salary bill—one that I understood would be acceptable to the President.

I want to thank the Members of the majority side who, almost to a man, supported that measure. In fact, it was supported by a substantial majority of the House itself. Republicans do not like to raise postal rates any more than Democrats, but we were willing to assume that responsibility in order that postal employees might have a pay raise and secondly, that it would be paid for by those who use the postal service in proportion to their use of the service. Certainly this is more fair than putting it on the taxpayers generally or through deficit spending.

I still hope that there will be an opportunity to work out a salary adjustment along with reclassification. Based on the best information I can obtain, it must be combined with a postal rate increase to pay for it. I am prepared to again seek to have the rules of the House suspended to approve a bill such as I submitted July 21, this bill to include the recommendations of our committee on postal employees' salaries as contained in H. R. 9836 and provisions for postal rate increases as contained in H. R. 6052. This cannot be done, however, with any chance of success unless it has the wholehearted cooperation of the postal employees organizations some of whom testified favorably for the rate bill.

Mr. Chairman, since there is no opportunity, under the rules, to amend this bill, I cannot in good conscience support it. It will pass the House by a big majority. I am convinced, under all circumstances considered, it will not be enacted into law.

Mr. HAGEN of Minnesota. Mr. Chairman, I yield the remaining time to the gentleman from Pennsylvania [Mr. CORBETT].

Mr. CORBETT. Mr. Chairman, we arrive here at the conclusion of another long extended controversy over the proper compensation for our employees. I want to say to all of you that since I have been a member of this committee, starting in January of 1945, we have never once sat down as a group with representatives of the department, the Budget Bureau, the committee, and the employees' associations to discuss and consider. Every year someone comes around and says, "We know what is best for the employees." They say this, that, the other thing. They consult everybody but the employees and the committee members. They come to us with bills and they tell us, "Well, we know what is best for you to pass." We report a bill out after careful study and somebody then tells us, "We know what is best to bring to the floor." So generally nothing proper happens and the fight is on. I submit to you that these repeated annual tests of strength have no place in the orderly conduct of business, and if some individuals did not throw their weight across the path of the majority, this sort of thing would not occur. Likewise, I think it is a shame to come in here and complain about a bill which we have not had an opportunity to amend because the orderly procedures were not followed. The gentleman who has just concluded did correctly point out that one of the main issues was not the question of salary, but the classification program. I submit to you we did face that issue. We faced it squarely and we refused to make the most arbitrary grant of power over personnel to a department head that has ever been requested in the history of this Government. We faced it and we said, "No, the Congress is going to retain that power itself." And the great Committee on the Post Office and Civil Service in the other body has answered with a similar, "No" by a unanimous vote. I submit to you of the committee that H. R. 9245 is a good compromise bill. It is not as good as we could have had it, but I must report that the gentleman from Tennessee insisted that he would not agree to any amendment which would make the bill more palatable, not even a reduced salary raise after he said the raise was too big. So we find that the enemies of the postal salary increase were refusing to let us improve this bill lest it be passed by a bigger majority, and eventually become law. That is something which ought to be kept in mind as events move on.

There are too many things that I might go over in this debate, but I hope that this is the last time we will have to engage in a contest of strength as to what is proper compensation for Federal employees. I think the time has come when we should resort to some modern personnel practices and consult everybody whose welfare is at stake, and then come in here with an answer that represents intelligent and mature thinking.

There is an important fact that has not been mentioned in this discussion. It is most significant. The records of the Post Office Department show that during the 5-year period ending with 1952 that the volume of mail increased 33 percent and its total weight increased 29 percent. Meanwhile the number of man-hours worked in the service increased only 9 percent. This evidence of the increased productivity of workers in the postal field service certainly indicates that these fine workers are as deserving as they are needy. And lest someone contends that technological improvements are responsible I would remind them that no machine can sort the mail and that no mechanical man has yet delivered it.

Finally, I want to say that nobody knows what the postal deficit is, but everybody who has thought it through has agreed that the money to maintain the standard of living of families should not be determined by the revenue of the Post Office Department.

I said earlier in my remarks that I think a rate bill can be passed. Though I cannot associate myself with the great statesmen who are against this bill, I want the record to show I voted for the rate bill in the committee. Also, I was the only Representative from western Pennsylvania, on either side of the House, that voted for the last income-tax increase. Also, I voted against certain proposed relief that might have been granted in the tax bill this year. Therefore, I cannot be charged with not providing the money to pay for the necessary and deserved financial relief to our employees particularly those in the high-cost-of-living districts, 71 percent of whom are engaged in dual employments or have their wives working. I submit to you that this bill is a good bill which should be passed by the House, improved by the Senate and signed by the President.

The CHAIRMAN. The time of the gentleman has expired. All time has expired.

Under the rule, the bill is considered as having been read. No amendments are in order except amendments offered by direction of the Committee on Post Office and Civil Service.

The bill is as follows:

Be it enacted, etc., That it is the sense of the Congress that—

(1) it is both necessary and desirable that an equitable system should be established for the classification of positions and the determination of salaries of postmasters, officers, and employees in the field service of the Post Office Department;

(2) such classification and salary system should be established after a study of all problems relating thereto conducted by a joint committee of the Congress, with the assistance and cooperation of the Post Office Department, and through the enactment of appropriate legislation pursuant to recommendations submitted to the Congress by such joint committee following the completion of such study; and

(3) pending the completion of such study by the joint committee and the enactment of such legislation, all postmasters, officers, and employees in the postal field service should receive increases in their respective rates of basic compensation.

SEC. 2. (a) The rates of basic compensation, other than rates referred to in subsection (b), for postmasters, officers, and employees in the postal field service whose rates of compensation are prescribed by the act entitled "An act to reclassify the salaries of postmasters, officers, and employees of the postal service; to establish uniform procedures for computing compensation; and for other purposes," approved July 6, 1945 (Public Law 134, 79th Cong.), as amended, are hereby increased by 10 percent, except that no such rate shall be increased by more than $600 per annum.

(b) The rates of basic compensation of employees in the postal field service paid on an hourly or part-time basis are hereby increased by 15 cents per hour.

(c) This section shall not apply to skilled-trades employees of the mail-equipment shops, job cleaners in first- and second-class post offices, and employees who are paid on a fee or contract basis.

SEC. 3. (a) The first sentence of the first section of the act entitled "An act to provide uniform longevity promotional grades for the postal field service," approved May 3, 1950 (Public Law 500, 81st Cong.), as amended, is amended by striking out "longevity grades A, B, and C" and inserting in lieu thereof "longevity grades A, B, C, and D."

(b) Subsection (b) of the first section of such act of May 3, 1950, as amended, is amended to read as follows:

"(b) Each such postmaster or employee who is serving in a regular position on the date this amendatory subsection takes effect or who is appointed to such a position at any time thereafter, shall be assigned to longevity grade A at the beginning of the quarter following the completion of 13 years of service, to longevity grade B at the beginning of the quarter following the completion of 17 years of service, to longevity grade C at the beginning of the quarter following the completion of 21 years of service, and to longevity grade D at the beginning of the quarter following the completion of 25 years of service."

(c) Section 2 of such act of May 3, 1950, as amended, is hereby repealed. Each employee to whom such section applied immediately prior to the effective date of this act shall be placed in the longevity grade to which he may be eligible under subsection (b) of the first section of such act, as amended by this act, on the basis of all his creditable service. The rate of basic compensation of any such employee who is not eligible for longevity grade A or is placed in a lower longevity grade than the longevity grade he occupied under such section 2, shall not be reduced by reason of the enactment of this act, but such employee shall not receive an additional longevity increase when he is advanced to longevity grade A or to a higher longevity grade, if he has earned a corresponding longevity increase under such section 2.

SEC. 4. Section 16 (r) of such act of July 6, 1945 (Public Law 134, 79th Cong.), as amended, which relates to travel allowances for employees in the Postal Transportation Service who are assigned to road duty, is amended by striking out "$6 per day" and inserting in lieu thereof "$9 per day."

SEC. 5. Section 3867 of the Revised Statutes is hereby amended to read as follows:

"SEC. 3867. The Postmaster General may prescribe a uniform dress to be worn by city and village delivery letter carriers, special-delivery messengers, motor-vehicle employees, custodial guards, elevator operators, and watchmen. The Postmaster General shall furnish uniforms to each such employee for whom a uniform dress is so prescribed, at a cost not to exceed $100 per annum with respect to each employee, except that, in any case where in his judgment it is in the interest of the postal field service, he may authorize any such employee to purchase uniforms, at such times and at such costs, not to exceed $100 per annum, as he may prescribe and shall reimburse such employee purchasing uniforms pursuant to such authorization for the cost thereof."

SEC. 6. So much of section 1310 (a) of the Supplemental Appropriation Act, 1952 (Public Law 253, 82d Congress), as precedes the first proviso therein shall not apply to the total number of permanent employees in the field and departmental service of the Post Office Department; except that no employee shall be given a permanent appointment by reason of the enactment of this act who has not qualified therefor under normal civil-service procedures.

SEC. 7. Any increase in rate of basic compensation by reason of the enactment of this act shall not be considered as an equivalent increase in compensation within the meaning of section 701 of the Classification Act of 1949, as amended, in the case of postmasters, officers, and employees in the postal field service who transfer or are transferred to positions within the purview of the Classification Act of 1949, as amended.

SEC. 8. In the exercise of the authority granted by section 81 of title 2 of the Canal Zone Code, as amended, the Governor of the Canal Zone is authorized to grant, as of the effective date of this act, additional compensation to postal employees of the Canal Zone government, based on the additional compensation granted by this act to similar employees in the field service of the Post Office Department of the United States.

SEC. 9. (a) (1) There is hereby established a Joint Committee on Postal Field Service Classification (hereinafter referred to as the joint committee, to be composed of 7 top ranking members (including the chairman) of the Committee on Post Office and Civil Service of the Senate, and the 7 top ranking members (including the chairman) of the Committee on Post Office and Civil Service of the House of Representatives. Of the 7 ranking members of each committee, 4 shall be members of the majority party and 3 shall be members of the minority party.

(2) The chairman of the joint committee shall be the chairman of the Committee on Post Office and Civil Service of the House of Representatives, and the vice chairman shall be the chairman of the Committee on Post Office and Civil Service of the Senate. Vacancies in the membership of the joint committee shall not affect the power of the remaining members to execute the functions of the joint committee, and shall be filled in the same manner as the original selection. Five of the members of the joint committee shall constitute a quorum for the transaction of business. The joint committee shall fix the number of members who shall constitute a quorum for each subcommittee thereof.

(b) The joint committee, acting as a whole or by subcommittee, shall conduct or cause to be conducted a thorough investigation and study of various methods for the classification of positions and the determination of rates of basic salary in the postal field service and all matters relating thereto (including personnel and pay benefits and administration), in order to provide a basis, through the enactment of appropriate legislation following the submission to the Congress of the recommendations of the joint committee, for the establishment of a uniform, integrated, and equitable classification and pay system for all postmasters, officers, employees, and positions in the postal field service. At the request of the joint committee, the Postmaster General and all officers and employees of the Post Office Department shall provide the joint committee with such assistance in connection with its investigation and study as the joint committee deems advisable or appropriate. Such assistance shall include, if so requested, the preparation and submission to the joint committee of specific recommendations for legislation (prepared with due regard for the legislative forms and procedures of the Congress) to establish for the postal field service an equitable classification and pay system which contains, among other matters, proposals designating the specific grade in which each position shall be placed and providing appropriate safeguards, through appeal provisions and otherwise, for the individual postmaster, officer, and employee in the postal field service.

(c) (1) The joint committee, or any duly authorized subcommittee thereof, is authorized to hold such hearings; to sit and act at such places and times; to require, by subpena or otherwise, the attendance of such witnesses and the production of such books, papers, and documents; to administer such oaths; to take such testimony; to procure such printing and binding; and to make such expenditures, as it deems advisable. The cost of stenographic services to report such hearings shall not exceed 25 cents per hundred words. The provisions of sections 102 to 104, inclusive, of the Revised Statutes shall apply in the case of any failure of any witness to comply with a subpena or to testify when summoned under authority of this section.

(2) The members of the joint committee shall be reimbursed for travel, subsistence, and other necessary expenses incurred by them in the performance of the functions of the joint committee, other than expenses in connection with meetings of the joint committee held in the District of Columbia during such times as the Congress is in session.

(c) The joint committee is authorized to appoint and fix the compensation of such personnel as it deems necessary to assist it in the performance of its functions. The chairman and the vice chairman of the joint committee are authorized to assign from time to time the members of the staff of their respective committees to duties and responsibilities in connection with the operation of the joint committee.

(d) The joint committee shall report to the Senate and the House of Representatives, on or before May 1, 1955, the results of its study and investigation, together with such recommendations as it deems advisable.

(e) There are hereby authorized to be appropriated such sums as may be necessary to carry out this section, to be disbursed by the Clerk of the House on vouchers signed by the chairman and vice chairman of the joint committee.

SEC. 10. This act shall have the same force and effect within Guam as within other possessions of the United States.

SEC. 11. This act shall take effect on July 1, 1954.

The CHAIRMAN. The Clerk will report the committee amendments.

The Clerk read as follows:

Committee amendments:

Page 2, line 12, insert before the word "increases" the word "temporary."

Page 2, line 15, strike out "for" and insert in lieu thereof "of."

Page 2, line 22, strike out "10" and insert in lieu thereof "7."

Page 2, lines 23 and 24, strike out "$600 per annum" and insert in lieu thereof "$480 per annum or less than $240 per annum."

Page 2, line 25, insert "(1)" after "(b)."

Page 3, line 2, strike out "15" and insert in lieu thereof "10."

Page 3, after line 2, insert the following:

"(2) The rates of basic compensation of postmasters at post offices of the fourth class are hereby increased by 7 percent."

Page 3, after line 6, insert the following:

"(d) The increases in rates of basic compensation provided by this section shall not apply to longevity salary increases earned on or after the effective date of this section."

Page 3, line 20, strike out "quarter" and insert in lieu thereof "first complete pay period."

Page 3, line 22, strike out "quarter" and insert in lieu thereof "first complete pay period."

Page 3, line 24, strike out "quarter" and insert in lieu thereof "first complete pay period."

Page 4, line 1, strike out "quarter" and insert in lieu thereof "first complete pay period."

Page 4, strike out lines 3 to 17 inclusive, and insert in lieu thereof the following:

"(c) Section 2 of such act of May 3, 1950, as amended, is hereby amended by striking out 'and thereafter shall be promoted to longevity grades A, B, and C at the beginning of the quarter following the completion of 3, 5, and 7 years of service, respectively, in the next lower grade, except that if prior thereto any such employee becomes eligible for promotion under subsection (b) of section 1 of this act, such employee shall be promoted in accordance with the provisions of such subsection,' and inserting in lieu thereof 'and on and after the effective date of this amendatory provision shall be assigned to longevity grades in accordance with subsection (b) of the first section of this act, as amended.' "

Page 4, immediately after amendment No. (13) and before line 18, insert the following:

"(d) No employee shall be reduced in compensation by reason of the amendments made by this section."

Page 5, line 14, insert before the quotation marks the following: "Uniforms furnished to, or purchased by, an employee under this section shall become the property of such employee."

Page 6, line 11, strike out "act" and insert in lieu thereof "section".

Page 6, strike out beginning with line 16 through line 2 on page 7, and insert in lieu thereof the following:

"SEC. 9. (a) (1) There is hereby established a Joint Committee on Postal Field Service Classification (hereinafter referred to as the 'joint committee'), to be composed of 7 members (including the chairman) of the Committee on Post Office and Civil Service of the Senate, to be appointed by the President of the Senate, and 7 members (including the chairman) of the Committee on Post Office and Civil Service of the House of Representatives, to be appointed by the Speaker of the House of Representatives. Of the 7 members appointed from each committee, 4 shall be members of the majority party and 3 shall be members of the minority party."

Page 7, line 3, strike out beginning with the word "The" through the period in line 7, and insert in lieu thereof the following: "The chairman and the vice chairman of the joint committee shall be elected by the members of the joint committee."

Page 9, line 13, strike out "(c)" and insert in lieu thereof "(3)".

Page 10, after line 7, insert the following:

"SEC. 11. (a) Section 7 of the act entitled 'An act to reclassify the salaries of postmasters, officers, and employees of the postal service; to establish uniform procedures for computing compensation; and for other purposes,' approved July 6, 1945 (Public Law 134, 79th Cong.), as amended, is amended to read as follows:

"'METHOD OF PAYMENT

"'SEC. 7. (a) The compensation of postmasters and per annum rate employees shall be paid in 26 installments. Each such installment shall be the compensation for a pay period of 2 weeks. The compensation of hourly rate substitute employees and other hourly rate employees shall be computed for each pay period of 2 weeks on the basis of the number of hours of work performed by such employees during such pay period.

"'(b) To compute an hourly rate for postmasters and per annum rate employees, the per annum rate shall be divided by 2080.

"'(c) To compute a daily rate for postmasters and per annum rate employees, the hourly rate shall be multiplied by the number of daily hours of service required.

"'(d) Subsections (b) and (c) of this section shall not apply to carriers in the rural delivery service. Whenever, for pay computation purposes, it is necessary to convert the basic annual rate of compensation of carriers in the rural delivery service to a basic daily or biweekly rate, the following rules shall govern:

"'(1) An annual rate shall be divided by 312 to derive a daily rate.

"'(2) A daily rate shall be multiplied by 12 to derive a biweekly rate.

"'(e) All rates shall be computed to the nearest cent, counting one-half cent and over as a whole cent.

"'(f) When a pay period for any postmaster or employee begins in one fiscal year and ends in another, the gross amount of the earnings of such postmaster or employee for such pay period may be regarded as a charge against the appropriation or allotment current at the end of such pay period.'

"(b) Section 8 of such act of July 6, 1945, as amended, is amended by adding at the end thereof a new subsection (d) to read as follows:

"'(d) The salaries of postmasters, assistant postmasters, and supervisors paid under the provisions of this section shall be readjusted at the beginning of the first complete pay period in each fiscal year.'

"(c) Section 9 (b) of such act of July 6, 1945, as amended, is amended by adding at the end thereof a new sentence to read as follows: 'The salaries of superintendents and assistant superintendents of classified stations shall be readjusted at the beginning of the first complete pay period in each fiscal year.'

"(d) Section 11A of such act of July 6, 1945, as amended, is amended by striking out 'and shall be promoted successively at the beginning of the quarter following one year's satisfactory service in each grade to the next higher grade until they reach the top automatic grade' and by inserting in lieu thereof 'and shall be promoted successively at the beginning of the first complete pay period following 52 weeks of satisfactory service in each grade to the next higher grade until they reach the top automatic grade.'

"(e) Section 13 of such act of July 6, 1945, as amended, is amended by adding immediately after subsection (a) thereof a new subsection (b) to read as follows:

"'(b) The salaries of employees paid under the provisions of this section shall be readjusted at the beginning of the first complete pay period in each fiscal year.'

"(f) Section 14 of such act of July 6, 1945, as amended, is amended by adding immediately after subsection (a) thereof a new subsection (b) to read as follows:

"'(b) The salaries of employees paid under the provisions of this section shall be readjusted at the beginning of the first complete pay period in each fiscal year.'

"(g) That part of subsection (1) of section 14 of such act of July 6, 1945, as amended, which precedes the first proviso is amended to read as follows:

"'(1) Temporary employees in the custodial service paid on an annual basis shall be paid at the rates of pay of grade 1 of the position in which employed and shall, at the beginning of the first complete pay period following 52 weeks of satisfactory service in each pay status, be advanced successively to the rates of pay of the next higher grade of such position; and temporary employees in the custodial service paid on an hourly basis shall be paid at the rates of pay of grade 1 of the position in which employed and shall, at the beginning of the first complete pay period following 52 weeks of satisfactory service in each pay status, be advanced successively to the rates of pay of the next higher grade of such position.'

"(h) Section 15 (b) of such act of July 6, 1945, as amended, is amended by striking out "and shall be promoted successively at the beginning of the quarter following 1 year's satisfactory service in each grade until they reach grade 8," and by inserting in lieu thereof "and shall be promoted successively at the beginning of the first complete pay period following 52 weeks of satisfactory service in each grade until they reach grade 8."

"(i) That part of section 18 (f) of such act of July 6, 1945, as amended, which precedes the first proviso is amended to read as follows:

"'(f) Each temporary employee in the mail equipment shops paid on an annual basis shall be paid at the rate of pay of the lowest grade provided for a regular employee in the same type of position in which such temporary employee is employed, and shall, at the beginning of the first complete pay period following 52 weeks of satisfactory service in each pay status, be advanced successively to the rates of pay of the next higher grade of such position.'

"(j) The first section of the act of April 15, 1947 (Public Law 35, 80th Cong.), as amended, is amended by striking out "shall be promoted successively at the beginning of the quarter following 1 year's satisfactory service in each grade' and by inserting in lieu thereof 'shall be promoted successively at the beginning of the first complete pay period following 52 weeks of satisfactory service in each grade.'

"(k) All laws or parts of laws inconsistent with the amendments made by this section are hereby repealed or modified to the extent necessary to carry out the purposes of and conform to such amendments."

The committee amendments were agreed to.

The Clerk read as follows:

Page 16, line 24, strike out all of line 24 and insert the following:

"SEC. 12. (a) This act shall take effect as follows:

"(1) The first section, sections 9 and 10, and this section shall take effect on the date of enactment of this act;

"(2) Sections 2, 7, and 8 shall take effect on July 1, 1954;

"(3) Sections 4, 5, and 6 shall take effect on the first day of the first calendar month following the calendar month in which this act is enacted; and

"(4) Sections 3 and 11 shall take effect on the first day of the second calendar month following the calendar month in which this act is enacted.

"(b) The increases in basic compensation provided in section 2, and any additional compensation granted by the Governor of the Canal Zone to postal employees of the Canal Zone Government under section 8, of this act, shall not be in effect on and after the first day of the first pay period which begins after September 30, 1955."

Mr. HAGEN of Minnesota. Mr. Chairman, I offer an amendment to the committee amendment.

The Clerk read as follows:

Committee amendment: Page 17, lines 4 and 5, strike out "July 1, 1954" and insert "Beginning with the first pay period which begins following the date of enactment."

The amendment was agreed to.

The committee amendment as amended was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. FORD, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 9245) to establish a joint committee of Congress to study postal field service reclassification, to increase the rates of basic compensation of postmasters, officers, and employees in the postal field service pending reclassification pursuant to recommendations of such joint

committee, and for other purposes, pursuant to House Resolution 590, he reported the bill back to the House with sundry amendments adopted in the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not the Chair will put them en bloc.

The amendments were agreed to.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

Mr. MURRAY. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. MURRAY. I am.

The SPEAKER. The gentleman qualifies. The Clerk will report the motion.

The Clerk read as follows:

Mr. MURRAY moves that the bill H. R. 9245 be recommitted to the House Committee on Post Office and Civil Service.

Mr. HAGEN of Minnesota. Mr. Speaker, I move the previous question on the motion to recommit.

The previous question was ordered.

The SPEAKER. The question is on the motion to recommit.

Mr. FULTON. Mr. Speaker, I demand the yeas and nays.

The yeas and nays were refused.

The motion to recommit was rejected.

The SPEAKER. The question is on the passage of the bill.

Mr. FULTON and Mr. MORRISON demanded the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 352, nays 29, not voting 51, as follows:

[Roll No. 138]

YEAS—352

Abbitt	Brooks, La.	Dawson, Ill.
Abernethy	Brooks, Tex.	Dawson, Utah
Adair	Brown, Ga.	Deane
Addonizio	Brown, Ohio	Delaney
Albert	Brownson	Dempsey
Alexander	Broyhill	Derounian
Allen, Calif.	Buchanan	Devereux
Andersen, H. Carl	Buckley	D'Ewart
	Budge	Dingell
Andresen, August H.	Burdick	Dodd
	Burleson	Dollinger
Angell	Bush	Dolliver
Ashmore	Byrd	Dondero
Aspinall	Byrne, Pa.	Donohue
Auchincloss	Campbell	Donovan
Ayres	Canfield	Dorn, N. Y.
Bailey	Cannon	Dowdy
Baker	Carlyle	Doyle
Barrett	Carnahan	Durham
Bates	Carrigg	Eberharter
Battle	Celler	Edmondson
Beamer	Chelf	Elliott
Becker	Chenoweth	Ellsworth
Bender	Chiperfield	Engle
Bennett, Fla.	Chudoff	Fallon
Bennett, Mich.	Church	Feighan
Berry	Clevenger	Fenton
Betts	Cole, Mo.	Fernandez
Bishop	Cole, N. Y.	Fine
Blatnik	Colmer	Fino
Boland	Cooley	Fisher
Bolling	Coon	Fogarty
Bolton, Frances P.	Cooper	Forand
	Corbett	Forrester
Bolton, Oliver P.	Coudert	Fountain
	Crosser	Frazier
Bonin	Crumpacker	Frelinghuysen
Bonner	Cunningham	Friedel
Bosch	Curtis, Mass.	Fulton
Bow	Curtis, Mo.	Gamble
Bowler	Dague	Garmatz
Bramblett	Davis, Ga.	Gary
Bray	Davis, Tenn.	Gathings
Kluczynski	Rhodes, Pa.	Sheehan
Gavin	Knox	Richards	Sutton
Gentry	Krueger	Riehlman	Thompson, Mich.
George	Landrum	Riley	
Goodwin	Lane	Roberts	
Gordon	Lanham	Robsion, Ky.	
Graham	Latham	Rodino	
Granahan	Lesinski	Rogers, Colo.	
Grant	Lipscomb	Rogers, Fla.	
Green	Long	Rogers, Mass.	
Gregory	Lovre	Rogers, Tex.	
Gross	Lucas	Rooney	
Hagen, Calif.	McCarthy	Sadlak	
Hagen, Minn.	McConnell	Saylor	
Hale	McCulloch	Schenck	
Haley	McDonough	Scherer	
Hand	McGregor	Scott	
Harden	McIntire	Scudder	
Hardy	McMillan	Seely-Brown	
Harris	McVey	Selden	
Harrison, Nebr.	Mack, Ill.	Shafer	
Harrison, Va.	Mack, Wash.	Shelley	
Harrison, Wyo.	Madden	Sheppard	
Hart	Magnuson	Short	
Harvey	Mahon	Shuford	
Hays, Ark.	Mailliard	Sieminski	
Hays, Ohio	Marshall	Sikes	
Hébert	Martin, Iowa	Simpson, Ill.	
Heriong	Matthews	Small	
Heselton	Meader	Smith, Miss.	
Hess	Merrow	Smith, Wis.	
Hiestand	Metcalf	Spence	
Hillelson	Miller, Calif.	Springer	
Hinshaw	Miller, Kans.	Staggers	
Hoeven	Miller, Nebr.	Steed	
Hoffman, Ill.	Miller, N. Y.	Stringfellow	
Holifield	Mollohan	Sullivan	
Holmes	Morano	Talle	
Holt	Morgan	Taylor	
Holtzman	Morrison	Teague	
Hope	Moss	Thomas	
Horan	Moulder	Thompson, La.	
Hosmer	Multer	Thornberry	
Howell	Natcher	Tollefson	
Hruska	Neal	Trimble	
Hunter	Nicholson	Utt	
Hyde	Norrell	Van Pelt	
Ikard	Oakman	Van Zandt	
James	O'Brien, Ill.	Velde	
Jarman	O'Brien, N. Y.	Vursell	
Javits	O'Hara, Ill.	Wainwright	
Jenkins	O'Hara, Minn.	Walter	
Jensen	O'Konski	Wampler	
Johnson, Calif.	O'Neill	Warburton	
Johnson, Wis.	Osmers	Watts	
Jonas, Ill.	Ostertag	Westland	
Jonas, N. C.	Passman	Wharton	
Jones, Ala.	Patman	Whitten	
Jones, Mo.	Pelly	Wickersham	
Jones, N. C.	Perkins	Widnall	
Judd	Pfost	Wier	
Karsten, Mo.	Philbin	Wigglesworth	
Kean	Pilcher	Williams, Miss.	
Kearney	Pillion	Williams, N. J.	
Kearns	Poage	Williams, N. Y.	
Keating	Poff	Willis	
Kee	Polk	Wilson, Calif.	
Kelley, Pa.	Price	Wilson, Ind.	
Kelly, N. Y.	Priest	Wilson, Tex.	
Keogh	Prouty	Winstead	
Kersten, Wis.	Rabaut	Wolverton	
Kilday	Radwan	Yates	
King, Calif.	Ray	Yorty	
King, Pa.	Rayburn	Young	
Kirwan	Reams	Younger	
Klein	Reed, Ill.	Zablocki	

NAYS—29

Allen, Ill.	Merrill	Robeson, Va.
Andrews	Miller, Md.	St. George
Arends	Mills	Simpson, Pa.
Byrnes, Wis.	Mumma	Smith, Kans.
Cederberg	Murray	Smith, Va.
Davis, Wis.	Phillips	Stauffer
Ford	Reece, Tenn.	Taber
Hoffman, Mich.	Reed, N. Y.	Tuck
Jackson	Rees, Kans.	Vorys
Laird	Rhodes, Ariz.	

NOT VOTING—51

Barden	Dorn, S. C.	Mason
Belcher	Evins	Nelson
Bentley	Golden	Norblad
Bentsen	Gubser	O'Brien, Mich.
Boggs	Gwinn	Patten
Boykin	Halleck	Patterson
Busbey	Hill	Powell
Chatham	Hillings	Preston
Clardy	Kilburn	Rains
Condon	Lantaff	Regan
Cotton	LeCompte	Rivers
Cretella	Lyle	Roosevelt
Curtis, Nebr.	McCormack	Scrivner
Dies	Machrowicz	Secrest
Thompson, Tex.	Withrow
---	---
Vinson	Wolcott
Weichel	
Wheeler	

So the bill was passed.

The Clerk announced the following pairs:

On this vote:

Mr. McCormack for, with Mr. Halleck against.

Until further notice:

Mr. Cretella with Mr. Boykin.
Mr. Kilburn with Mr. Rivers.
Mr. Busbey with Mr. Bentsen.
Mr. Mason with Mr. Lyle.
Mr. Golden with Mr. Rains.
Mr. Gubser with Mr. Dies.
Mr. Withrow with Mr. Vinson.
Mr. Sheehan with Mr. Preston.
Mr. Hillings with Mr. Wheeler.
Mr. Bentley with Mr. Boggs.
Mr. Clardy with Mr. Evins.
Mr. Gwinn with Mr. Regan.
Mr. LeCompte with Mr. Roosevelt.
Mr. Scrivner with Mr. Lantaff.
Mr. Weichel with Mr. Machrowicz.
Mr. Nelson with Mr. Dorn of South Carolina.
Mr. Cotton with Mr. Thompson of Texas.
Mr. Walcott with Mr. Chatham.
Mr. Hill with Mr. Barden.
Mr. Curtis of Nebraska with Mr. Powell.
Mr. Patterson with Mr. Patten.
Mr. Norblad with Mr. O'Brien of Michigan.
Mr. Belcher with Mr. Condon.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. HAGEN of Minnesota. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. CRETELLA. Mr. Chairman, early this afternoon, the House voted on H. R. 9245, the postal salary increase bill. I had voted in favor of this bill in the Post Office and Civil Service Committee of which I am a member. I also signed the discharge petition to bring this bill onto the floor for action. However, on rollcall today, I was unable to be here in time to record my vote, but was paired generally and had I been here I would have voted "Aye." I think it proper to explain my inability to be here. I was scheduled to fly from New Haven, Conn., this morning at 10 a. m. The weather was extremely foul and as a result the plane could not land for over 2 hours and it became necessary to drive 20 miles to Bridgeport, Conn., where we finally got into the air. Flight time for this trip is normally 1½ hours.

Foul weather persisted and we were then sent to western Pennsylvania, and with the help of God arrived in Washington a little after 3 p. m.

I naturally was disappointed by this turn of events, and want to assure all postal employees of my interest in the legislation, having conscientiously attended almost all hearings when testi-

mony was being taken, and had concluded that a postal salary increase was justified.

AMENDING TRADING WITH THE ENEMY ACT

The SPEAKER. The unfinished business is the vote on the motion of the gentleman from Minnesota [Mr. O'HARA] to recommit the bill (S. 2420) to amend section 32 of the Trading With the Enemy Act, as amended.

Without objection, the Clerk will again report the motion to recommit.

There was no objection.

The Clerk read as follows:

Mr. O'HARA of Minnesota moves to recommit the bill S. 2420 to the Committee on Interstate and Foreign Commerce.

The SPEAKER. The question is on the motion.

The motion to recommit was rejected.

Mr. KEATING. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. KEATING. This bill, S. 2420, seems so obviously fair and just and desirable that the only question is why we did not get around to doing it sooner. When Congress set up the program for impounding the property of enemy nationals during the last war, it was inevitable that the exigencies of the situation would lead to the expropriation of the properties of some of Hitler's victims of enemy nationality, along with that of our true enemies. It is our duty to set this right, and the instant bill would help do so by taking care of the property left in our hands because its former owners either lost their lives or have since died without heirs. There is not a great deal of money involved, but the principle is most important and I hope we will act promptly in affirming the purpose of this measure.

The SPEAKER. The question is on the passage of the bill.

The bill was passed, and a motion to reconsider was laid on the table.

Mr. SCOTT. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. SCOTT. Mr. Speaker, all of us are aware of the persecution practiced by Hitler and the Nazi regime and those of us who have at first hand had the opportunity to observe results thereof are especially solicitous for those who were fortunate enough to survive.

In 1946 legislation was enacted providing that property vested in the Alien Property Custodian which had belonged to persons who either had been persecuted or killed by enemy forces in World War II should be returned to such persons if alive or to their heirs if they had died. Accordingly it was declared such property does not belong to the United States. Difficulties have been encountered in the distribution of these assets due mainly to the fact heirs cannot be found inasmuch as Jewish families in great numbers were completely wiped out by Hitler. Therefore, it is essential provision be made for the distribution and use of these funds in an appropriate and just manner. It is proposed that certain approved organizations be designated to act as heirs and provide for disposition of the funds, which would have to be expended in the United States, and upon destitute persons. A similar law is in effect in Germany, under which such money is to be turned over to an organization which will use it for the benefit of persecutees of similar religious or political groups.

This pending legislation has been the subject of thorough committee consideration. The Bureau of the Budget has indicated approval of the objectives, as has the Department of State. I, too, join in urging passage of this worthy legislation.

MANPOWER PROBLEMS

Mr. PHILBIN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. PHILBIN. Mr. Speaker, Dr. Hannah's plan for military manpower is apparently not yet available for perusal and study. From press reports I have read it appears that this plan would utilize selective service to build up a reserve. This would be nothing new since all who currently serve, upon their release, become part of the Reserve and hence are available for service if necessary.

The trouble is that many such reservists, in the event of emergency or war, might be subject to a second call to service. This would be most unfair unless we were engaged in all-out war when, of course, everyone would have to serve, probably for an extended period.

It is contemplated by Dr. Hannah's plan, I understand, to federalize the National Guard and require all boys upon completion of their 2 years' service to serve for an additional period of years in the National Guard subject to regular drill and training. It is my opinion that such a proposal is likely to meet with strong objection from the Governors and adjutants general of the several States and those interested in the National Guard as essentially a State institution except in war.

Admittedly our military manpower problems are sizable and complex, but I do not believe we can afford to experiment with them. I think we should stick as closely as possible to the patterns which we have used in the past—broadening and perfecting them when we can to meet current and future contingencies. It is important to eliminate inequities and discriminations, of which we have had so many since the Korean war began, but it is also important to have our Armed Forces properly staffed and manned.

One fundamental difficulty is that some people have the idea that there is a cheap way to fight a great war, that the A-bomb and H-bomb coupled with jet planes, guided missiles, and rockets will minimize manpower problems. Nothing could be further from the truth. Scientific gadgets alone cannot win a war. Manpower is required. Armed forces are vital to that end.

While we are developing all these modern weapons with reasonable speed and while some of the weapons are undoubtedly not only incredibly destructive but also calculated to deter and shorten war, if it should come, we should not lose sight of the fact that in the last analysis manpower is imperative to implement all our Armed Forces. This must be trained manpower and must be always available—sizable numbers of permanent professional personnel not only to train recruits but to handle effectively the many complicated weapons which our Armed Forces must utilize in the event of war. There is no short cut to victory in modern war. Unfortunately and regrettably, American boys will have to fight just as they have done in the past to defend the Nation. That is why we should make intensive efforts to keep the peace if that can be done without bartering away our liberties.

I noted Secretary Wilson's comment to the effect, in substance, that if our Reserve situation were known it would create a scandal which would shock the American people, or words to that purport. It must be stated that our present lack of Reserves can be attributed to the Armed Forces themselves.

Congress has repeatedly given all branches of the service funds to build up large Reserves and to strengthen the National Guard, but in a surprising number of instances these funds have not been substantially used, indicating that there was no real wholehearted effort to build up the Reserves. The reason for this is plain. There were some in the military who were so intent upon putting UMT across that they were not interested in building up a Reserve.

I do not believe that we can match our potential enemies in manpower, but we can match and outmatch them in know-how, specialization, training, and productivity.

Getting adequate Reserves should be a relatively simple task if the Congress would tackle it. If a program were considered to train young men in military installations, schools, and colleges as fairly close to home as possible during 3 months of the summer season for a period of 2 years, then enroll them in the Reserves for some additional period, with the requirement that they serve in refresher training for about a month every summer for an additional 4 years, that might be a good start at trying to build up a sound Reserve. It would minimize some inconveniences and objections, but such a plan is too simple and too rudimentary and workable for the military. Only a far more complicated one would satisfy them—one which will insure larger numbers of high-ranking officers and rapid promotion possibilities.

The Congress must forthwith assert its prerogatives and give immediate careful attention to the Reserve problem. Congress can and should take

practicable measures to raise a necessary Reserve. It is a serious problem we can not defer or sidetrack. It must be promptly faced.

RELIGIOUS PERSECUTION BEHIND THE IRON CURTAIN

Mr. PHILBIN. Mr. Speaker, I have been recently privileged to read an excerpt of the testimony of Rev. Bishop W. Fierla, vicar of the Lutheran congregation in London, before the Committee on Communist Aggression, presided over by my good and very able friend from Wisconsin, Congressman CHARLES J. KERSTEN, which was given before the committee Friday, June 18, at London.

This eminent divine testified that in April 1950, by command of Marshal Rokossowski, Russian commander:

> The spiritual care of Lutheran members of the Polish forces was discontinued, the chief Lutheran chaplain, Col. F. Gloeh, was sent into retirement, and the remaining chaplains were released from the army.

The testimony continues to the effect that "in 1950 the regime confiscated the monumental Holy Trinity Church in Warsaw without any compensation." This church was known as the Lutheran Cathedral of Poland, and could accommodate 5,000 communicants. It was built during the reign of the last King of Poland, Stanislaw August, in the years 1778 to 1781. During the period 1939–45 it was destroyed and burned by enemy attack but has since been rebuilt at great cost and sacrifice by Polish Lutherans.

At present, however, in view of the 1950 confiscation, it is used for concerts and meetings of the Communist Party.

The synod of the Lutheran Church in Poland refused to surrender its prerogatives and introduced various changes into the church constitution of 1936, which were incompatible with the provisions of the new constitution, which, in substance, permits the regime to exert pressure on the synod and exercise control over church affairs. In 1951 the regime refused to permit the election of a bishop of the Lutheran Church in Poland despite the fact that the proposed bishop-designate, Prof. Dr. J. Szeruda, had been performing the duties of bishop since 1945, and had the full confidence and support of members of the synod.

It will be recalled that former Bishop Burshe was brutally killed in a German concentration camp.

According to the further testimony before the committee, the printing and publishing of religious literature has been prohibited and the authorities have refused to authorize the issue of paper to the church for this purpose.

Furthermore, the church has been refused permission to accept a gift of 40,000 copies of the church hymn book comprising 648 pages offered to the church by a Swedish organization known as Polenhjelpen.

The bishop further stated that at the present time the pastors of his churches are being arrested and persecuted by the state secret police of the new regime and declared that religious instruction in schools has been forbidden. Church buildings and property are being confiscated together with belongings of associated colleges and schools.

Permission to reopen the Lutheran Hospital in Warsaw has been refused by the regime. A number of homes for orphans and old people have been closed.

Difficulties are put in the way of students wishing to enroll at universities of theology, by directing them to Red army recruiting centers in the provinces.

Lutheran pastors are spied on at services, at social and religious gatherings, and even in their private lives.

The Polish Lutheran Youth Association has been dissolved.

The Lutheran ministers must obtain licenses from the authorities. Sometimes these licenses are granted for a year, sometimes for 6 months, but frequently they are refused altogether.

Bishop Karol Kotula has been refused permission to continue in office on the ground that he has reached the age of 70 years. Bishop Fierla states categorically that religion as a whole is persecuted in Communist-dominated Poland.

It is obvious from the foregoing that the Communist regime is an enemy of religion in Poland as it is in every other country. A cardinal Marxist principle is hostility and irreconcilable enmity to all religion and to the idea of God and to the concept of a Divine Being. Communism is not only atheistic in the philosophical sense but it is actively atheistic, actively opposed to any form of religious philosophy and worship, actively engaged in prohibiting religious ceremonies, actively seeking to disrupt, cripple, and abolish religious organizations, and actively carrying out not only opposition to the Christian religion but every other religion as well.

There is said to be just one Evangelical Christian Church in all Russia. The property of this church has been confiscated by the Soviet and its activities interdicted. It is intended to serve Catholics in Moscow in a small parish drawn from the native population and members of the Foreign Diplomatic Corps. Great restrictions have been placed upon its operations and ceremonial functions. It is practically defunct by Red regime orders.

When are the American people going to wake up to the fact that communism is the enemy of all religion and that it is militantly engaged in uprooting all religion? Will we not take note also of the fact that it is militantly engaged in uprooting all free democratic institutions beginning with the family unit, continuing through our educational and social life and crowning its nefarious efforts with continuing exertions to destroy all free economic and political systems?

The statesman who believes that it will long be possible for the free world to live in peaceful coexistence with those who are plotting and feverishly working for the destruction of freedom and the extension of universal slavery in this world certainly is not perusing either past history or the history of this current era. There can be no truly peaceful coexistence in such a world.

We will accept the challenge of this enemy now, or we will delay and wait until this monstrous enemy has gained such strength that he will be able to overwhelm us. I am not advocating a preventive war. I am not advocating provocation of the Soviet. I am merely stating that this Nation must become aroused to the realities and great dangers which surround us. Instead of caviling, truckling, and appeasing this great insidious force, instead of shuddering over the awesome effects of the atomic and hydrogen bombs this Nation must speedily move to lay out a course of international action backed up by the great strength and power which we have and announce to the Soviets that we do not propose to stand by while freedom is destroyed, that she will stop her depredations against free nations and her threats to our own security or suffer the consequences. To show weakness in this crisis is to invite doom for freedom in the world, destruction of America.

We have a great deal of unlimited internationalism in this Nation today, but I submit it is time for us to have more militant Americanism, more militant concern for the safety and security of our own country and, above all, unswerving determination to protect it from the evils of Communist infiltration, Communist propaganda, Communist conspiracy, and potential Communist aggression. We will be vigilant in preserving our liberties or we will lose them before we realize it. That is an outstanding fact of present-day history. It is an urgent warning. Will we heed it?

COMPETITIVE ATHLETICS AND NATIONAL VITALITY

Mr. PHILBIN. Mr. Speaker, under unanimous consent to revise and extend my remarks in the RECORD, I include therein a recent article by Tom Whitney, former A. P. staff member in Moscow, which recently appeared in the Worcester Sunday Telegram.

The steady progress of Russian athletics in the past few years has been noted before. At the last Olympic games, the Soviet made a noticeable showing. As this article indicates, the Soviet is steadily gaining higher ranking at world athletic competition in almost every field.

According to this article, during the half year just passed, the Soviet seized world supremacy in skiing and speed skating both for men and women. In some events they excelled the Scandinavians, who are regarded as being among the world's best skiers. They captured the women's world speed skating championship; also the world hockey championship, defeating Canada in the final game, although this was their debut on the world hockey stage.

They established new records in weight lifting. Soviet women bettered the world record for the javelin throw and the broad jump. In wrestling they made an impressive record. In basketball they won against all European competition by taking the Milan cup. They bettered eight world records in sharpshooting. The Soviet women's basketball team won the European championship at Belgrade. Both Soviet men and women gymnasts won 10 of 14 gold med-

als in the world championships at Rome for both men and women and team champions of the world. The Soviet captured several prizes at the Henley Regatta in England, winning 3 out of 5 events.

This is the record in brief for only the half year just passed. There is apparently intense Soviet activity in developing proficiency in figure skating, water polo, riding, cycling, fencing, swimming, and other sports. They are popularizing tennis. They are promoting a lively interest in competitive athletic sports. Although they were behind the United States at the Helsinki Olympics they made better than a good showing and have reputedly attracted a great deal of attention in European countries for their victories.

What is the meaning of this rapid advancement of Russia in the world of sports? Does it mean that Russian young people are spending more time in developing their athletic skills and hence improving their bodily strength and health and greatly improving their competitive position in sports?

A great statesman once said that British victories in war were won on the playing fields of Harrow and Eton. This meant in effect that strength, agility of body, and keenness of mind developed by sport and competitive athletics played an essential part in winning great historic battles. Our own Nation has had many confirmatory examples of this fact.

To what extent is superiority in competitive athletics tied in with national success, prosperity, and invincibility in warfare? I am not contending, of course, that athletic superiority alone might be a determining factor in developing a great nation or winning a war.

Any game worth playing is worth winning. If we cannot keep alive the competitive spirit among young people, what is the long-range prospect for vigorous social, economic, and political systems? What is our prospect in time of war?

These are questions which the American people should carefully consider because scientific gadgets, powerful explosives, fast traveling planes and missiles alone cannot defend this Nation. In the last analysis men of strength, courage, and high purpose will be required for that vital task.

It well may be that through increased participation in athletic competitive sports by the nations, that the Iron Curtain can be lifted a bit or possibly be swept aside for just a while. I hope that will be the case.

[From the Worcester (Mass.) Sunday Telegram of August 8, 1954]

RUSSIAN ATHLETES MAKING IMPRESSIVE SERIES OF TRIUMPHS

(Tom Whitney, who was an AP staff member in Moscow at the time Russia broke its athletic isolationism in the 1952 Olympics, writes about the post-Olympic feats of the Russians.)

(By Tom Whitney)

NEW YORK.—This year Russian athletes have been meeting more and better foreign competition than ever before—and piling up an extremely impressive record of triumphs.

Under the present regime it's no longer the general rule as it was under Josef Stalin that Soviet teams are permitted to compete with foreigners in general only when it is absolutely certain that they will win.

Now they have the right to lose, apparently. But, in fact, this year at least in international games and meets, they have not lost very often.

Here's what Soviet athletes have done just since the beginning of this year:

RUSSIANS SHINE IN SKIING

Boris Shilkov, speed skater, captured the world championship in a meet in Japan in January. He and his colleagues swept most of the races in the competition and firmly established Soviet supremacy in this sport.

In February the Russians for the first time entered their skiers in a big international meet against the world's best in Sweden. The Russians won the biggest event when Vladimir Kuzin took the 50-kilometer race. Previously he had won the 30-kilometer race. Y. Skvortsov surprised the Scandinavians by taking second place in the jump, while 3 of his colleagues took places in the first 10.

Among the women, the 10-kilometer race was won by a Russian girl. The women's relay was won by the Russians and they took second place in the men's relay.

Overall, they made an excellent showing—in many events proving superior to the Scandinavians, who are among the world's best skiers.

In the same month, Lydia Selikhova successfully defended her title of world champion women's speed skater.

CANADA'S HOCKEY TEAM FALLS

In March the Russians won the world hockey championships in Sweden, defeating Canada in the final game, 7–2. This was their debut on the world hockey stage.

In April Soviet lifters, touring the Middle East, stressed their well-known ability in this sport by establishing a pair of new world records.

In May Soviet women track athletes bettered the world records for the javelin throw (previously held by the U. S. S. R.) and the broad jump.

The same month a Russian wrestling team went to Tokyo, where it made an excellent showing in world championship competition. In three weight classes the Soviet team captured the title and finished second in team points—right on the heels of the Turks, who have been supreme in this field for a long time.

The Soviet men's basketball team stressed its supremacy against all European competition by winning a cup in Milan the last day of May.

At a marksmanship contest in Lvov, in which 4 countries participated, Soviet riflemen bettered 8 world records.

June 13 a Soviet women's basketball team won the European championship in Belgrade.

In track, Soviet men and women made an excellent showing at Helsinki in July.

Also in July Soviet men and women gymnasts swept the field in the world championships at Rome. They won 10 of 14 gold medals, including the title of absolute champion of the world for both men and women and team champion of the world.

Again last month the Russians entered the Henley regatta in England for the first time. They took home 3 out of 5 prizes, including the chief one.

It's clear from this listing that the Russians, during this half year alone, have invaded successfully a number of international sports in which they had not previously participated, including hockey, men's speed skating, and skiing.

Reports from Russia further indicate the Russians are readying themselves to enter other sports as well.

Figure skating is a sport which the Russians have neglected for many years. Now they are showing intense interest. Polish figure skaters came to Russia to give some pointers during the early months of the year. There is every evidence the Russians are going to go in for this in a big way.

There are Soviet moves in the direction of international experience in water polo, riding, cycling, fencing, swimming, and other sports—some of them Olympic sports and some not.

The Russians, it appears, are going to go in for almost every important international sport. Even in tennis, in which they are quite backward, the Russians have had editorials calling for popularization of the game.

SOCCER MOST POPULAR

Golf apparently remains an exception. So far the Russians have not built any golf courses or shown any interest in the game.

The most popular sport in Russia for spectators is soccer (football, as the Russians call it). For some reason or other the Russians did not send any team to participate this year in the world soccer championships in Switzerland.

Other Communist teams competed, however, including the powerful Hungarians, but the Russians stayed home. Perhaps, by not entering, the Soviet Government was punishing the Soviet soccer team for its defeat in the 1952 Olympics in Helsinki at the hands of the Yugoslavs.

At the same time the Soviet soccer elevens have been playing many outstanding European teams at home and abroad in what seems to be clearly an effort to acquire plenty of experience in international play.

EUROPE PAYING ATTENTION

By the end of the summer it will be much easier to judge how much progress the Russians have been making over their 1952 performances in Helsinki in men's track and field events. The Russians themselves are stressing this sector of sport in which, though they scored some successes in Helsinki, they showed themselves to be far behind the United States. It seems likely the great efforts of Soviet sport organizations to improve performance will get some results and the United States faces stiffer competition in this branch of sports in the future. The Soviet women continually are improving their already strong positions, in a large number of track and field events.

Soviet sports successes do not seem to be attracting much notice in the United States. They are, however, getting a great deal of attention in Europe. The meets in which Russians are winning medals are being held frequently in European countries. And the sports in which they are winning are sports which are popular in Europe.

Soviet sports triumphs, as the Soviet Government well knows, have done much to increase the prestige of the Soviet Union outside Soviet borders.

LEAD AND ZINC TARIFF

Mrs. PFOST. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentlewoman from Idaho?

There was no objection.

Mrs. PFOST. Mr. Speaker, President Eisenhower's statement that he will require more than the traditional 60 days to decide whether to accept or reject the Tariff Commission recommendations on lead and zinc indicates the tough spot he is in.

The President personally favors free trade—or the nearest thing to it he can manage without explosive political repercussions. It will also be remembered that

when the House considered the Simpson sliding-scale tariff bill last year, Canada threatened reprisals by raising tariffs on such vital items as nickel and asbestos. Mexico might well indulge in reprisals also. Hence it is easy to understand the President's reluctance to approve the lead-zinc tariff increases recommended by the Tariff Commission despite pressure on him to do so.

To date there has been no long-term directive issued for lead-zinc stockpile purchases. Last week one of the month-to-month directives was issued. It called for the purchase of lead and zinc in quantities large enough to keep the bottom from falling out of the market, but too small to allow any shutdown mines to open. The market continues to weaken, and futures are selling at below the current market price in both New York and London. The need for further action is obvious.

It is clear that the White House staff and associated agencies have not yet come up with a solution to the lead-zinc problem which will be sound both politically and economically. Otherwise, why did not the President reject the Tariff Commission recommendations and in the same breath announce a plan which would pull the rug from under the high tariff advocates, as he did in the case of wool?

Why is it so hard for the White House economic wizards to come up with the answer? Possible solutions seem limited and each, from the administration standpoint, has its drawbacks.

One solution would be unlimited open-end market purchases of all metal offered until the price rises to a point where most shutdown mines could reopen. Such a program, however, would be enormously expensive. For one thing there would have to be assurance of a longtime, firm operation before most producers could be induced to reopen. Then an operation of this sort would accumulate vast quantities of metal.

One result, however, would please the administration. The mining industry—worldwide—would be stimulated.

A cheaper solution would be to give floor price contracts of several years' duration to United States producers. Prices would have to be set to allow a majority of the mines to operate. When the market price rose above the contract price, the metal could be sold into trade channels. When the market price fell below the individual floor, the Government would buy the metal—or it could be dumped on the market and the Government would pay the producer the difference between the current market and the floor price.

Under this plan it would not be necessary to buy all metal tendered on the open market and the money would go where it was needed. If the Government did not buy the metal, its sale on the open market probably would depress prices and automatically reduce imports to where they balanced our needs. The administration would not like this—and neither would the importers—but the cost of the plan would be relatively low. Since lower metal prices would reduce the cost of consumer goods, labor would probably approve of this plan.

Provided there were firm commitments for several years' operation, there are two kinds of subsidy plans that could be tried:

(a) Across-the-board subsidies: These would be easiest to administer. The producers would be paid directly the difference between a price which would be fixed high enough and established for a long enough period, and the current market price. Allowances would, of course, have to be made for a reasonable profit. This plan might suit the administration since ceilings established high enough to put high-cost producers back in the business would inevitably give big windfalls to large, low-cost producers. However, the political repercussions might be severe. Unless the Government bought all the subsidy metal this plan would also probably depress market prices.

(b) This leaves the individual incentive payment subsidy along the lines of the Murray-Pfost incentive payments bill plan. Our bill would be the most equitable and cheapest method of supporting lead-zinc and other strategic domestic mining industries. It has two major drawbacks. The first is that the mining industry has been carefully indoctrinated with the idea that such a plan would result in too close supervision by the Government. The second is the fear that it would lead to the nationalization of industry.

Anyone who carefully studies the reports of the very successful operation of the premium price plan from 1942 to 1947 will see immediately that these arguments are absurd. They are only a smokescreen. The real objection is that the Murray-Pfost plan would act as an automatic antimonopoly device and also prevent the gravy from going to the pets. This is a fact that Representative Harless of Arizona once pointed out on the floor of this House.

After carefully considering the possible alternatives to a tariff increase, it is easy to understand President Eisenhower's dilemma. A decision could be and has been put off from month to month. The delivery of the Tariff Commission's recommendations to the White House has brought the matter to a head. The decision may be put off for a few days or weeks, but it has to be made—one way or another. I cannot see how a rejection can be made unless at the same time a plan can be found which will be acceptable from the standpoint of both politics and economics.

The President is indeed on the spot.

RABBI MORRIS TELLER, D. D.

Mr. O'HARA of Illinois. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. O'HARA of Illinois. Mr. Speaker, I know that I express the sentiment not only my own, but that of the entire membership of the House, in giving expression to our appreciation of the spiritual strengthening given us today in the opening prayer of Dr. Morris Teller, rabbi of the South Side Hebrew Congregation of Chicago. I also wish to express my appreciation and that of my colleagues from Chicago for the graciousness of the beloved Chaplain of the House, Dr. Bernard Braskamp, in joining in the invitation to Dr. Teller and in the reception of welcome to him.

Dr. Teller in his many years of self-abnegating service has made to the city of Chicago a spiritual contribution of transcending value. He is a former president of the Allied Jewish School Board, of the Chicago Rabbinical Association, of the Chicago branch of the Rabbinical Assembly of America, corresponding secretary of the Rabbinical Assembly of America, and president of the South Shore Ministerial Association. He has worked with the members of his own congregation, with those of others of Jewish faith, and with the spiritual leaders of the great churches of Christianity for the advancement of the purposes of God in the activities of men on earth.

Among the members of his congregation is the Honorable Barnet Hodes, whose long and distinguished career in public life was brilliantly climaxed by his tenure for 12 years of the office of corporation counsel of the city of Chicago during which time through the prodigious efforts of Mr. Hodes the office was made the national pattern for the public law offices of the United States.

Dr. Teller has been a vital force in the life of Mr. Hodes as he has been in the lives of the many other fine men and women who are members of his congregation.

LABELING OF PACKAGES CONTAINING FOREIGN-PRODUCED TROUT

The SPEAKER. The unfinished business is the question on House Resolution 687, providing for consideration of the bill (S. 2033) relating to the labeling of packages containing foreign-produced trout sold in the United States, and requiring certain information to appear on the menus of public eating places serving such trout.

The yeas and nays were ordered on Thursday last.

The question is on the resolution.

The question was taken; and there were—yeas 209, nays 159, not voting 64, as follows:

[Roll No. 139]

YEAS—209

Adair	Bolton, Oliver P.	Cole, N. Y.
Addonizio	Bonin	Coon
Allen, Calif.	Bosch	Cooper
Allen, Ill.	Bow	Corbett
Andersen, H. Carl	Bramblett	Cretella
Andresen, August H.	Bray	Crumpacker
Angell	Brown, Ohio	Curtis, Mo.
Arends	Broyhill	Dague
Aspinall	Buchanan	Davis, Ga.
Auchincloss	Budge	Davis, Tenn.
Ayres	Burdick	Davis, Wis.
Bates	Bush	Dawson, Utah
Beamer	Byrnes, Wis.	Dempsey
Becker	Canfield	Derounian
Bender	Carnahan	Devereux
Bennett, Mich.	Carrigg	D'Ewart
Berry	Cederberg	Dodd
Betts	Chenoweth	Dolliver
Bishop	Chiperfield	Dondero
Bolton, Frances P.	Church	Donohue
	Clevenger	Doyle
	Cole, Mo.	Ellsworth
		Engle

Fenton	Kelley, Pa.	Riehlman
Fernandez	King, Calif.	Rodino
Fogarty	King, Pa.	Rogers, Colo.
Ford	Knox	Rogers, Fla.
Frazier	Krueger	Rogers, Mass.
Frelinghuysen	Laird	Sadlak
Fulton	Lane	Saylor
Gamble	Lipscomb	Schenck
Gathings	Lovre	Scott
Gavin	McDonough	Scudder
George	McIntire	Seely-Brown
Goodwin	McVey	Shafer
Graham	Mack, Wash.	Sheppard
Gross	Mailliard	Short
Hagen, Calif.	Marshall	Sieminski
Hagen, Minn.	Martin, Iowa	Simpson, Ill.
Hale	Meader	Simpson, Pa.
Harden	Merrow	Small
Harris	Miller, Calif.	Smith, Kans.
Harrison, Nebr.	Miller, Kans.	Smith, Wis.
Harrison, Wyo.	Miller, Md.	Springer
Hart	Miller, N. Y.	Stauffer
Harvey	Morgan	Stringfellow
Hays, Ohio	Morrison	Taber
Heselton	Moss	Talle
Hiestand	Moulder	Taylor
Hillelson	Mumma	Thompson, La.
Hinshaw	Nicholson	Tollefson
Hoeven	Oakman	Trimble
Hoffman, Ill.	O'Brien, N. Y.	Van Pelt
Hoffman, Mich.	O'Hara, Minn.	Van Zandt
Holmes	O'Konski	Velde
Holt	Osmers	Vorys
Hope	Ostertag	Wainwright
Horan	Pelly	Walter
Howell	Pfost	Wampler
Hunter	Philbin	Warburton
Hyde	Phillips	Westland
James	Poff	Wharton
Jenkins	Priest	Widnall
Johnson, Calif.	Prouty	Wigglesworth
Johnson, Wis.	Ray	Williams, N. J.
Jonas, Ill.	Reams	Williams, N. Y.
Jonas, N. C.	Reed, Ill.	Wilson, Calif.
Kean	Reed, N. Y.	Wolverton
Kearney	Rees, Kans.	Yorty
Kearns	Rhodes, Ariz.	Young
Keating	Rhodes, Pa.	Younger

NAYS—159

Abbitt	Gary	Mills
Abernethy	Gentry	Mollohan
Albert	Gordon	Morano
Alexander	Granahan	Multer
Andrews	Grant	Murray
Ashmore	Green	Natcher
Bailey	Gregory	Neal
Barrett	Haley	Norrell
Battle	Hand	O'Brien, Ill.
Bennett, Fla.	Hardy	O'Hara, Ill.
Blatnik	Harrison, Va.	O'Neill
Boland	Hays, Ark.	Passman
Bolling	Hébert	Patman
Bonner	Herlong	Perkins
Bowler	Hess	Pilcher
Brooks, La.	Holifield	Pillion
Brooks, Tex.	Holtzman	Poage
Brown, Ga.	Hosmer	Polk
Brownson	Ikard	Price
Buckley	Jarman	Rabaut
Burleson	Javits	Radwan
Byrd	Jensen	Rayburn
Byrne, Pa.	Jones, Ala.	Richards
Campbell	Jones, Mo.	Riley
Cannon	Jones, N. C.	Roberts
Carlyle	Judd	Robeson, Va.
Celler	Karsten, Mo.	Robsion, Ky.
Chelf	Kee	Rogers, Tex.
Chudoff	Kelly, N. Y.	Rooney
Cooley	Keogh	Scherer
Coudert	Kersten, Wis.	Selden
Cunningham	Kilday	Shelley
Curtis, Mass.	Kirwan	Shuford
Deane	Klein	Sikes
Delaney	Kluczynski	Smith, Miss.
Dingell	Landrum	Smith, Va.
Dollinger	Lanham	Spence
Donovan	Lesinski	Steed
Dorn, N. Y.	Long	Sullivan
Dowdy	Lucas	Teague
Durham	McCarthy	Thomas
Edmondson	McConnell	Thornberry
Elliott	McCulloch	Tuck
Fallon	McGregor	Watts
Feighan	McMillan	Whitten
Fine	Mack, Ill.	Wickersham
Fino	Madden	Wier
Fisher	Magnuson	Williams, Miss.
Forand	Mahon	Wilson, Ind.
Forrester	Matthews	Wilson, Tex.
Fountain	Merrill	Winstead
Friedel	Metcalf	Yates
Garmatz	Miller, Nebr.	Zablocki

NOT VOTING—64

Baker	Gwinn	Reece, Tenn.
Barden	Halleck	Regan
Belcher	Hill	Rivers
Bentley	Hillings	Roosevelt
Bentsen	Hruska	St. George
Boggs	Jackson	Scrivner
Boykin	Kilburn	Secrest
Busbey	Lantaff	Sheehan
Chatham	Latham	Staggers
Clardy	LeCompte	Sutton
Colmer	Lyle	Thompson, Mich.
Condon	McCormack	Thompson, Tex.
Cotton	Machrowicz	Utt
Crosser	Mason	Vinson
Curtis, Nebr.	Nelson	Vursell
Dawson, Ill.	Norblad	Weichel
Dies	O'Brien, Mich.	Wheeler
Dorn, S. C.	Patten	Willis
Eberharter	Patterson	Withrow
Evins	Powell	Wolcott
Golden	Preston	
Gubser	Rains	

So the resolution was agreed to.

The Clerk announced the following pairs:

Mr. LeCompte with Mr. Boykin.
Mr. Busbey with Mr. Rivers.
Mr. Wolcott with Mr. Evins.
Mr. Weichel with Mr. Preston.
Mr. Hillings with Mr. Vinson.
Mr. Baker with Mr. Lantaff.
Mr. Reece of Tennessee with Mr. Bentsen.
Mr. Kilburn with Mr. Boggs.
Mr. Utt with Mr. Lyle.
Mr. Sheehan with Mr. Eberharter.
Mr. Belcher with Mr. Roosevelt.
Mr. Vursell with Mr. Thompson of Texas.
Mr. Latham with Mr. Wheeler.
Mr. Jackson with Mr. Willis.
Mr. Clardy with Mr. Machrowicz.
Mrs. St. George with Mr. Dies.
Mr. Patterson with Mr. Patten.
Mr. Scrivner with Mr. Regan.
Mr. Hill with Mr. Rains.
Mr. Mason with Mr. Staggers.
Mr. Hruska with Mr. Dorn of South Carolina.
Mr. Withrow with Mr. Colmer.
Mr. Bentley with Mr. Chatham.
Mr. Curtis of Nebraska with Mr. Dawson of Illinois.
Mr. Cotton with Mr. Crosser.
Mr. Nelson with Mr. Powell.
Mr. Golden with Mr. O'Brien of Michigan.
Mr. Norblad with Mr. Sutton.
Mr. Dawson of Utah with Mr. Barden.
Mr. Gubser with Mr. Secrest.
Mr. Gwinn with Mr. Condon.

Mr. ADDONIZIO changed his vote from "nay" to "yea."

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

SPECIAL COMMITTEE TO INVESTIGATE CAMPAIGN EXPENDITURES

The SPEAKER. Pursuant to the provisions of House Resolution 439, 83d Congress, the Chair appoints, as members of the Special Committee To Investigate Campaign Expenditures, the following Members of the House: Mr. BISHOP, Mr. KEATING, Mr. BAKER, Mr. BOGGS, and Mr. KARSTEN of Missouri.

ATOMIC ENERGY ACT OF 1954

Mr. COLE of New York. Mr. Speaker, I call up the conference report on the bill (H. R. 9757) to amend the Atomic Energy Act of 1946, as amended, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. Rept. No. 2639)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 9757) to amend the Atomic Energy Act of 1946, as amended, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "That the Atomic Energy Act of 1946, as amended, is amended to read as follows:

"'ATOMIC ENERGY ACT OF 1954

"'*Chapter 1. Declaration, findings, and purpose*

"'Sec. 1. Declaration.
"'Sec. 2. Findings.
"'Sec. 3. Purpose.

"'*Chapter 2. Definitions*

"'Sec. 11. Definitions.

"'*Chapter 3. Organization*

"'Sec. 21. Atomic Energy Commission.
"'Sec. 22. Members.
"'Sec. 23. Office.
"'Sec. 24. General Manager.
"'Sec. 25. Divisions and Offices.
"'Sec. 26. General Advisory Committee.
"'Sec. 27. Military Liaison Committee.
"'Sec. 28. Appointment of Army, Navy, or Air Force Officers.

"'*Chapter 4. Research*

"'Sec. 31. Research Assistance.
"'Sec. 32. Research by the Commission.
"'Sec. 33. Research for Others.

"'*Chapter 5. Production of Special Nuclear Material*

"'Sec. 41. Ownership and Operation of Production Facilities.
"'Sec. 42. Irradiation of Materials.
"'Sec. 43. Acquisition of Production Facilities.
"'Sec. 44. Disposition of Energy.

"'*Chapter 6. Special nuclear material*

"'Sec. 51. Special Nuclear Material.
"'Sec. 52. Government Owership of All Special Nuclear Material.
"'Sec. 53. Domestic Distribution of Special Nuclear Material.
"'Sec. 54. Foreign Distribution of Special Nuclear Material.
"'Sec. 55. Acquisition.
"'Sec. 56. Fair Price.
"'Sec. 57. Prohibition.

"'*Chapter 7. Source material*

"'Sec. 61. Source Material.
"'Sec. 62. License for Transfers Required.
"'Sec. 63. Domestic Distribution of Source Material.
"'Sec. 64. Foreign Distribution of Source Material.
"'Sec. 65. Reporting.
"'Sec. 66. Acquisition.
"'Sec. 67. Operations on Lands Belonging to the United States.
"'Sec. 68. Public Lands.
"'Sec. 69. Prohibition.

"'*Chapter 8. Byproduct material*

"'Sec. 81. Domestic Distribution.

" 'Sec. 82. Foreign Distribution of Byproduct Material.

" 'Chapter 9. Military application of atomic energy

" 'Sec. 91. Authority.
" 'Sec. 92. Prohibition.

" 'Chapter 10. Atomic energy licenses

" 'Sec. 101. License required.
" 'Sec. 102. Finding of Practical Value.
" 'Sec. 103. Commercial Licenses.
" 'Sec. 104. Medical Therapy and Research and Development.
" 'Sec. 105. Antitrust Provisions.
" 'Sec. 106. Classes of Facilities.
" 'Sec. 107. Operators' Licenses.
" 'Sec. 108. War or National Emergency.
" 'Sec. 109. Component Parts of Facilities.
" 'Sec. 110. Exclusions.

" 'Chapter 11. International activities

" 'Sec. 121. Effect of International Arrangements.
" 'Sec. 122. Policies Contained in International Arrangements.
" 'Sec. 123. Cooperation with other Nations.
" 'Sec. 124. International Atomic Pool.

" 'Chapter 12. Control of information

" 'Sec. 141. Policy.
" 'Sec. 142. Classification and Declassification of Restricted Data.
" 'Sec. 143. Department of Defense Participation.
" 'Sec. 144. International Cooperation.
" 'Sec. 145. Restrictions.
" 'Sec. 146. General Provisions.

" 'Chapter 13. Patents and inventions

" 'Sec. 151. Military Utilization.
" 'Sec. 152. Inventions Conceived During Commission Contracts.
" 'Sec. 153. Prior Art.
" 'Sec. 154. Commission Patent Licenses.
" 'Sec. 155. Compensation, Awards, and Royalties.
" 'Sec. 156. Monopolistic Use of Patents.
" 'Sec. 157. Federally Financed Research.
" 'Sec. 158. Saving Clause.

" 'Chapter 14. General authority

" 'Sec. 161. General Provisions.
" 'Sec. 162. Contracts.
" 'Sec. 163. Advisory Committees.
" 'Sec. 164. Electric Utility Contracts.
" 'Sec. 165. Contract Practices.
" 'Sec. 166. Comptroller General Audit.
" 'Sec. 167. Claim Settlements.
" 'Sec. 168. Payments in lieu of Taxes.
" 'Sec. 169. No Subsidy.

" 'Chapter 15. Compensation for private property acquired

" 'Sec. 171. Just Compensation.
" 'Sec. 172. Condemnation of Real Property.
" 'Sec. 173. Patent Application Disclosures.
" 'Sec. 174. Attorney General Approval of Title.

" 'Chapter 16. Judicial review and administrative procedure

" 'Sec. 181. General.
" 'Sec. 182. License Applications.
" 'Sec. 183. Terms of Licenses.
" 'Sec. 184. Inalienability of Licenses.
" 'Sec. 185. Construction Permits.
" 'Sec. 186. Revocation.
" 'Sec. 187. Modification of License.
" 'Sec. 188. Continued Operation of Facilities.
" 'Sec. 189. Hearings and Judicial Review.

" 'Chapter 17. Joint Committee on Atomic Energy

" 'Sec. 201. Membership.
" 'Sec. 202. Authority and Duty.
" 'Sec. 203. Chairman.
" 'Sec. 204. Powers.
" 'Sec. 205. Staff and Assistance.
" 'Sec. 206. Classification of Information.
" 'Sec. 207. Records.

" 'Chapter 18. Enforcement

" 'Sec. 221. General Provisions.
" 'Sec. 222. Violation of Specific Sections.
" 'Sec. 223. Violation of Sections Generally.
" 'Sec. 224. Communication of Restricted Data.
" 'Sec. 225. Receipt of Restricted Data.
" 'Sec. 226. Tampering with Restricted Data.
" 'Sec. 227. Disclosure of Restricted Data.
" 'Sec. 228. Statute of Limitations.
" 'Sec. 229. Other Laws.
" 'Sec. 230. Injunction Proceedings.
" 'Sec. 231. Contempt Proceedings.

" 'Chapter 19. Miscellaneous

" 'Sec. 241. Transfer of Property.
" 'Sec. 251. Report to Congress.
" 'Sec. 261. Appropriations.
" 'Sec. 271. Agency Jurisdiction.
" 'Sec. 272. Applicability of Federal Power Act.
" 'Sec. 273. Licensing of Government Agencies.
" 'Sec. 281. Separability.
" 'Sec. 291. Short Title.

" 'CHAPTER 1. DECLARATION, FINDINGS, AND PURPOSE

" 'SECTION 1. DECLARATION.—Atomic energy is capable of application for peaceful as well as military purposes. It is therefore declared to be the policy of the United States that—

" 'a. the development, use, and control of atomic energy shall be directed so as to make the maximum contribution to the general welfare, subject at all times to the paramount objective of making the maximum contribution to the common defense and security; and

" 'b. the development, use, and control of atomic energy shall be directed so as to promote world peace, improve the general welfare, increase the standard of living, and strengthen free competition in private enterprise.

" 'SEC. 2. FINDINGS.—The Congress of the United States hereby makes the following findings concerning the development, use, and control of atomic energy:

" 'a. The development, utilization, and control of atomic energy for military and for all other purposes are vital to the common defense and security.

" 'b. In permitting the property of the United States to be used by others, such use must be regulated in the national interest and in order to provide for the common defense and security and to protect the health and safety of the public.

" 'c. The processing and utilization of source, byproduct, and special nuclear material affect interstate and foreign commerce and must be regulated in the national interest.

" 'd. The processing and utilization of source, byproduct, and special nuclear material must be regulated in the national interest and in order to provide for the common defense and security and to protect the health and safety of the public.

" 'e. Source and special nuclear material, production facilities, and utilization facilities are affected with the public interest, and regulation by the United States of the production and utilization of atomic energy and of the facilities used in connection therewith is necessary in the national interest to assure the common defense and security and to protect the health and safety of the public.

" 'f. The necessity for protection against possible interstate damage occurring from the operation of facilities for the production or utilization of source or special nuclear material places the operation of those facilities in interstate commerce for the purposes of this act.

" 'g. Funds of the United States may be provided for the development and use of atomic energy under conditions which will provide for the common defense and security and promote the general welfare.

" 'h. It is essential to the common defense and security that title to all special nuclear material be in the United States while such special nuclear material is within the United States.

" 'SEC. 3. PURPOSE.—It is the purpose of this Act to effectuate the policies set forth above by providing for—

" 'a. a program of conducting, assisting, and fostering research and development in order to encourage maximum scientific and industrial progress;

" 'b. a program for the dissemination of unclassified scientific and technical information and for the control, dissemination, and declassification of Restricted Data, subject to appropriate safeguards, so as to encourage scientific and industrial progress;

" 'c. a program for Government control of the possession, use, and production of atomic energy and special nuclear material so directed as to make the maximum contribution to the common defense and security and the national welfare;

" 'd. a program to encourage widespread participation in the development and utilization of atomic energy for peaceful purposes to the maximum extent consistent with the common defense and security and with the health and safety of the public;

" 'e. a program of international cooperation to promote the common defense and security and to make available to cooperating nations the benefits of peaceful applications of atomic energy as widely as expanding technology and considerations of the common defense and security will permit; and

" 'f. a program of administration which will be consistent with the foregoing policies and programs, with international arrangements, and with agreements for cooperation, which will enable the Congress to be currently informed so as to take further legislative action as may be appropriate.

" 'CHAPTER 2. DEFINITIONS

" 'SEC. 11. DEFINITIONS.—The intent of Congress in the definitions as given in this section should be construed from the words or phrases used in the definitions. As used in this Act:

" 'a. The term "agency of the United States" means the executive branch of the United States, or any Government agency, or the legislative branch of the United States, or any agency, committee, commission, office, or other establishment in the legislative branch, or the judicial branch of the United States, or any office, agency, committee, commission, or other establishment in the judicial branch.

" 'b. The term "agreement for cooperation" means any agreement with another nation or regional defense organization, authorized or permitted by sections 54, 57, 64, 82, 103, 104, or 144, and made pursuant to section 123.

" 'c. The term "atomic energy" means all forms of energy released in the course of nuclear fission or nuclear transformation.

" 'd. The term "atomic weapon" means any device utilizing atomic energy, exclusive of the means for transporting or propelling the device (where such means is a separable and divisible part of the device), the principal purpose of which is for use as, or for development of, a weapon, a weapon prototype, or a weapon test device.

" 'e. The term "byproduct material" means any radioactive material (except special nuclear material) yielded in or made radioactive by exposure to the radiation incident to the process of producing or utilizing special nuclear material.

" 'f. The term "Commission" means the Atomic Energy Commission.

" 'g. The term "common defense and security" means the common defense and security of the United States.

"'h. The term "defense information" means any information in any category determined by any Government agency authorized to classify information, as being information respecting, relating to, or affecting the national defense.

"'i. The term "design" means (1) specifications, plans, drawings, blueprints, and other items of like nature; (2) the information contained therein; or (3) the research and development data pertinent to the information contained therein.

"'j. The term "Government agency" means any executive department, commission, independent establishment, corporation, wholly or partly owned by the United States of America which is an instrumentality of the United States, or any board, bureau, division, service, office, officer, authority, administration, or other establishment in the executive branch of the Government.

"'k. The term "international arrangement" means any international agreement hereafter approved by the Congress or any treaty during the time such agreement or treaty is in full force and effect, but does not include any agreement for cooperation.

"'l. The term "Joint Committee" means the Joint Committee on Atomic Energy.

"'m. The term "operator" means any individual who manipulates the controls of a utilization or production facility.

"'n. The term "person" means (1) any individual, corporation, partnership, firm, association, trust, estate, public or private institution, group, Government agency other than the Commission, any State or any political subdivision of, or any political entity within a State, any foreign government or nation or any political subdivision of any such government or nation, or other entity; and (2) any legal successor, representative, agent, or agency of the foregoing.

"'o. The term "produce", when used in relation to special nuclear material, means (1) to manufacture, make, produce, or refine special nuclear material; (2) to separate special nuclear material from other substances in which such material may be contained; or (3) to make or to produce new special nuclear material.

"'p. The term "production facility" means (1) any equipment or device determined by rule of the Commission to be capable of the production of special nuclear material in such quantity as to be of significance to the common defense and security, or in such manner as to affect the health and safety of the public; or (2) any important component part especially designed for such equipment or device as determined by the Commission.

"'q. The term "research and development" means (1) theoretical analysis, exploration, or experimentation; or (2) the extension of investigative findings and theories of a scientific or technical nature into practical application for experimental and demonstration purposes, including the experimental production and testing of models, devices, equipment, materials, and processes.

"'r. The term "Restricted Data" means all data concerning (1) design, manufacture, or utilization of atomic weapons; (2) the production of special nuclear material; or (3) the use of special nuclear material in the production of energy, but shall not include data declassified or removed from the Restricted Data category pursuant to section 142.

"'s. The term "source material" means (1) uranium, thorium, or any other material which is determined by the Commission pursuant to the provisions of section 61 to be source material; or (2) ores containing one or more of the foregoing materials, in such concentration as the Commission may by regulation determine from time to time.

"'t. The term "special nuclear material" means (1) plutonium, uranium enriched in the isotope 233 or in the isotope 235, and any other material which the Commission, pursuant to the provisions of section 51, determines to be special nuclear material, but does not include source material; or (2) any material artificially enriched by any of the foregoing, but does not include source material.

"'u. The term "United States", when used in a geographical sense, includes all Territories and possessions of the United States, and the Canal Zone.

"'v. The term "utilization facility" means (1) any equipment or device, except an atomic weapon, determined by rule of the Commission to be capable of making use of special nuclear material in such quantity as to be of significance to the common defense and security, or in such manner as to affect the health and safety of the public, or peculiarly adapted for making use of atomic energy in such quantity as to be of significance to the common defense and security, or in such manner as to affect the health and safety of the public; or (2) any important component part especially designed for such equipment or device as determined by the Commission.

"'CHAPTER 3. ORGANIZATION

"'SEC. 21. ATOMIC ENERGY COMMISSION.—There is hereby established an Atomic Energy Commission, which shall be composed of five members, each of whom shall be a citizen of the United States. The President shall designate one member of the Commission as Chairman thereof to serve as such during the pleasure of the President. The Chairman may from time to time designate any other member of the Commission as Acting Chairman to act in the place and stead of the Chairman during his absence. The Chairman (or the Acting Chairman in the absence of the Chairman) shall preside at all meetings of the Commission and a quorum for the transaction of business shall consist of at least three members present. Each member of the Commission, including the Chairman, shall have equal responsibility and authority in all decisions and actions of the Commission and shall have one vote. Action of the Commission shall be determined by a majority vote of the members present. The Chairman (or Acting Chairman in the absence of the Chairman) shall be the official spokesman of the Commission in its relations with the Congress, Government agencies, persons, or the public, and, on behalf of the Commission, shall see to the faithful execution of the policies and decisions of the Commission, and shall report thereon to the Commission from time to time or as the Commission may direct. The Commission shall have on official seal which shall be judicially noticed.

"'SEC 22. MEMBERS.—

"'Members of the Commission shall be appointed by the President, by and with the advice and consent of the Senate. In submitting any nomination to the Senate, the President shall set forth the experience and qualifications of the nominee. The term of office of each member of the Commission taking office after June 30, 1950, shall be five years, except that (1) the terms of office of the members first taking office after June 30, 1950, shall expire, as designated by the President at the time of the appointment, one at the end of one year, one at the end of two years, one at the end of three years, one at the end of four years, and one at the end of five years, after June 30, 1950; and (2) any member appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed, shall be appointed for the remainder of such term. Any member of the Commission may be removed by the President for inefficiency, neglect of duty, or malfeasance in office. Each member, except the Chairman, shall receive compensation at the rate of $18,000 per annum; and the member designated as Chairman shall receive compensation at the rate of $20,000 per annum.

"'No member of the Commission shall engage in any business, vocation, or employment other than that of serving as a member of the Commission.

"'SEC. 23. OFFICE.—The principal office of the Commission shall be in or near the District of Columbia, but the Commission or any duly authorized representative may exercise any or all of its powers in any place; however, the Commission shall maintain an office for the service of process and papers within the District of Columbia.

"'SEC. 24. GENERAL MANAGER.—There is hereby established within the Commission a General Manager, who shall discharge such of the administrative and executive functions of the Commission as the Commission may direct. The General Manager shall be appointed by the Commission, shall serve at the pleasure of the Commission, shall be removable by the Commission, and shall receive compensation at a rate determined by the Commission, but not in excess of $20,000 per annum.

"'SEC. 25. DIVISIONS AND OFFICES.—There is hereby established within the Commission—

"'a. a Division of Military Application and such other program divisions (not to exceed ten in number) as the Commission may determine to be necessary to the discharge of its responsibilities, including a division or divisions the primary responsibilities of which include the development and application of civilian uses of atomic energy. Each such division shall be under the direction of a Director who shall be appointed by the Commission and shall receive compensation at a rate determined by the Commission, but not in excess of $16,000 per annum. The Director of the Division of Military Application shall be an active member of the Armed Forces. The Commission shall require each such division to exercise such of the Commission's administrative and executive powers as the Commission may determine;

"'b. an Office of the General Counsel under the direction of the General Counsel who shall be appointed by the Commission and shall receive compensation at a rate determined by the Commission, but not in excess of $16,000 per annum; and

"'c. an Inspection Division under the direction of a Director who shall be appointed by the Commission and shall receive compensation at a rate determined by the Commission, but not in excess of $16,000 per annum. The Inspection Division shall be responsible for gathering information to show whether or not the contractors, licensees, and officers and employees of the Commission are complying with the provisions of this Act (except those provisions for which the Federal Bureau of Investigation is responsible) and the appropriate rules and regulations of the Commission.

"'SEC. 26. GENERAL ADVISORY COMMITTEE.—There shall be a General Advisory Committee to advise the Commission on scientific and technical matters relating to materials, production, and research and development, to be composed of nine members, who shall be appointed from civilian life by the President. Each member shall hold office for a term of six years, except that (a) any member appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed, shall be appointed for the remainder of such term; and (b) the terms of office of the members first taking office after August 1, 1946, shall expire, as designated by the President at the time of appointment, three at the end of two years, three at the end of four years, and three at the end of six years, after August 1, 1946. The Committee shall designate one of its own members as Chairman. The Committee shall meet at least four times in every

calendar year. The members of the Committee shall receive a per diem compensation for each day spent in meetings or conferences, and all members shall receive their necessary traveling or other expenses while engaged in the work of the Committee.

"'SEC. 27. MILITARY LIAISON COMMITTEE.—There is hereby established a Military Liaison Committee consisting of—

"'a. a Chairman, who shall be the head thereof and who shall be appointed by the President by and with the advice and consent of the Senate, who shall serve at the pleasure of the President, and who shall receive compensation at the rate prescribed for an Assistant Secretary of Defense; and

"'b. a representative or representatives from each of the Departments of the Army, Navy, and Air Force, in equal numbers, as determined by the Secretary of Defense, to be assigned from each Department by the Secretary thereof, and who will serve without additional compensation.

The Chairman of the Committee may designate one of the members of the Committee as Acting Chairman to act during his absence. The Commission shall advise and consult with the Department of Defense, through the Committee, on all atomic energy matters which the Department of Defense deems to relate to military applications of atomic weapons or atomic energy including the development, manufacture, use, and storage of atomic weapons, the allocation of special nuclear material for military research, and the control of information relating to the manufacture or utilization of atomic weapons; and shall keep the Department of Defense, through the Committee, fully and currently informed of all such matters before the Commission. The Department of Defense, through the Committee, shall keep the Commission fully and currently informed on all matters within the Department of Defense which the Commission deems to relate to the development or application of atomic energy. The Department of Defense, through the Committee, shall have the authority to make written recommendations to the Commission from time to time on matters relating to military applications of atomic energy as the Department of Defense may deem appropriate. If the Department of Defense at any time concludes that any request, action, proposed action, or failure to act on the part of the Commission is adverse to the responsibilities of the Department of Defense, the Secretary of Defense shall refer the matter to the President whose decision shall be final.

"'SEC. 28. APPOINTMENT OF ARMY, NAVY, OR AIR FORCE OFFICERS.—Notwithstanding the provisions of any other law, any active officer of the Army, Navy, or Air Force may serve as Director of the Division of Military Application without prejudice to his commissioned status as such officer. Any such officer serving as Director of the Division of Military Application shall receive in addition to his pay and allowances, including special and incentive pays, an amount equal to the difference between such pay and allowances, including special and incentive pays, and the compensation prescribed in section 25. Notwithstanding the provisions of any other law, any active or retired officer of the Army, Navy, or Air Force may serve as Chairman of the Military Liaison Committee without prejudice to his active or retired status as such officer. Any such officer serving as Chairman of the Military Liaison Committee shall receive, in addition to his pay and allowances, including special and incentive pays, or in addition to his retired pay, an amount equal to the difference between such pay and allowances, including special and incentive pays, or between his retired pay, and the compensation prescribed for the Chairman of the Military Liaison Committee.

"'CHAPTER 4. RESEARCH

"'SEC. 31. RESEARCH ASSISTANCE.—

"'a. The Commission is directed to exercise its powers in such manner as to insure the continued conduct of research and development activities in the fields specified below, by private or public institutions or persons, and to assist in the acquisition of an ever-expanding fund of theoretical and practical knowledge in such fields. To this end the Commission is authorized and directed to make arrangements (including contracts, agreements, and loans) for the conduct of research and development activities relating to—

"'(1) nuclear processes;

"'(2) the theory and production of atomic energy, including processes, materials, and devices related to such production;

"'(3) utilization of special nuclear material and radioactive material for medical, biological, agricultural, health, or military purposes;

"'(4) utilization of special nuclear material, atomic energy, and radioactive material and processes entailed in the utilization or production of atomic energy or such material for all other purposes, including industrial uses, the generation of usable energy, and the demonstration of the practical value of utilization or production facilities for industrial or commercial purposes; and

"'(5) the protection of health and the promotion of safety during research and production activities.

"'b. The Commission may (1) make arrangements pursuant to this section, without regard to the provisions of section 3709 of the Revised Statutes, as amended, upon certification by the Commission that such action is necessary in the interest of the common defense and security, or upon a showing by the Commission that advertising is not reasonably practicable; (2) make partial and advance payments under such arrangements; and (3) make available for use in connection therewith such of its equipment and facilities as it may deem desirable.

"'c. The arrangements made pursuant to this section shall contain such provisions (1) to protect health, (2) to minimize danger to life or property, and (3) to require the reporting and to permit the inspection of work performed thereunder, as the Commission may determine. No such arrangement shall contain any provisions or conditions which prevent the dissemination of scientific or technical information, except to the extent such dissemination is prohibited by law.

"'SEC. 32. RESEARCH BY THE COMMISSION.—The Commission is authorized and directed to conduct through its own facilities, activities and studies of the types specified in section 31.

"'SEC. 33. RESEARCH FOR OTHERS.—Where the Commission finds private facilities or laboratories are inadequate to the purpose, it is authorized to conduct for other persons, through its own facilities, such of those activities and studies of the types specified in section 31 as it deems appropriate to the development of atomic energy. The Commission is authorized to determine and make such charges as in its discretion may be desirable for the conduct of such activities and studies.

"'CHAPTER 5. PRODUCTION OF SPECIAL NUCLEAR MATERIAL

"'SEC. 41. OWNERSHIP AND OPERATION OF PRODUCTION FACILITIES.—

"'a. OWNERSHIP OF PRODUCTION FACILITIES.—The Commission, as agent of and on behalf of the United States, shall be the exclusive owner of all production facilities other than facilities which (1) are useful in the conduct of research and development activities in the fields specified in section 31 and do not, in the opinion of the Commission, have a potential production rate adequate to enable the user of such facilities to produce within a reasonable period of time a sufficient quantity of special nuclear material to produce an atomic weapon; or (2) are licensed by the Commission pursuant to section 103 or 104.

"'b. OPERATION OF THE COMMISSION'S PRODUCTION FACILITIES.—The Commission is authorized and directed to produce or to provide for the production of special nuclear material in its own production facilities. To the extent deemed necessary, the Commission is authorized to make, or to continue in effect, contracts with persons obligating them to produce special nuclear material in facilities owned by the Commission. The Commission is also authorized to enter into research and development contracts authorizing the contractor to produce special nuclear material in facilities owned by the Commission to the extent that the production of such special nuclear material may be incident to the conduct of research and development activities under such contracts. Any contract entered into under this section shall contain provisions (1) prohibiting the contractor from subcontracting any part of the work he is obligated to perform under the contract, except as authorized by the Commission; and (2) obligating the contractor (A) to make such reports pertaining to activities under the contract to the Commission as the Commission may require, (B) to submit to inspection by employees of the Commission of all such activities, and (C) to comply with all safety and security regulations which may be prescribed by the Commission. Any contract made under the provisions of this paragraph may be made without regard to the provisions of section 3709 of the Revised Statutes, as amended, upon certification by the Commission that such action is necessary in the interest of the common defense and security, or upon a showing by the Commission that advertising is not reasonably practicable. Partial and advance payments may be made under such contracts. The President shall determine in writing at least once each year the quantities of special nuclear material to be produced under this section and shall specify in such determination the quantities of special nuclear material to be available for distribution by the Commission pursuant to section 53 or 54.

"'c. OPERATION OF OTHER PRODUCTION FACILITIES.—Special nuclear material may be produced in the facilities which under this section are not required to be owned by the Commission.

"'SEC. 42. IRRADIATION OF MATERIALS.—The Commission and persons lawfully producing or utilizing special nuclear material are authorized to expose materials of any kind to the radiation incident to the processes of producing or utilizing special nuclear material.

"'SEC. 43. ACQUISITION OF PRODUCTION FACILITIES.—The Commission is authorized to purchase any interest in facilities for the production of special nuclear materials, or in real property on which such facilities are located, without regard to the provisions of section 3709 of the Revised Statutes, as amended, upon certification by the Commission that such action is necessary in the interest of the common defense and security, or upon a showing by the Commission that advertising is not reasonably practicable. Partial and advance payments may be made under contracts for such purposes. The Commission is further authorized to requisition, condemn, or otherwise acquire any interest in such production facilities, or to condemn or otherwise acquire such real property, and just compensation shall be made therefor.

"'SEC. 44. DISPOSITION OF ENERGY.—If energy is produced at production facilities of the Commission or is produced in experimental utilization facilities of the Commission, such energy may be used by the Commission, or transferred to other Government agencies, or sold to publicly, cooperatively, or

privately owned utilities or users at reasonable and nondiscriminatory prices. If the energy produced is electric energy, the price shall be subject to regulation by the appropriate agency having jurisdiction. In contracting for the disposal of such energy, the Commission shall insofar as practicable give preference and priority to public bodies and cooperatives or to privately owned utilities providing electric utility services to high cost areas not being served by public bodies or cooperatives. Nothing in this Act shall be construed to authorize the Commission to engage in the sale or distribution of energy for commercial use except such energy as may be produced by the Commission incident to the operation of research and development facilities of the Commission, or of production facilities of the Commission.

"'CHAPTER 6. SPECIAL NUCLEAR MATERIAL

"'SEC. 51. SPECIAL NUCLEAR MATERIAL.—The Commission may determine from time to time that other material is special nuclear material in addition to that specified in the definition as special nuclear material. Before making any such determination, the Commission must find that such material is capable of releasing substantial quantities of atomic energy and must find that the determination that such material is special nuclear material is in the interest of the common defense and security, and the President must have expressly assented in writing to the determination. The Commission's determination, together with the assent of the President, shall be submitted to the Joint Committee and a period of thirty day shall elapse while Congress is in session (in computing such thirty days, there shall be excluded the days on which either House is not in session because of an adjournment for more than three days) before the determination of the Commission may become effective: *Provided, however,* That the Joint Committee, after having received such determination, may by resolution in writing, waive the conditions of or all or any portion of such thirty-day period.

"'SEC. 52. GOVERNMENT OWNERSHIP OF ALL SPECIAL NUCLEAR MATERIAL.—All rights, title, and interest in or to any special nuclear material within or under the jurisdiction of the United States, now or hereafter produced, shall be the property of the United States and shall be administered and controlled by the Commission as agent of and on behalf of the United States by virtue of this Act. Any person owning any interest in any special nuclear material at the time when such material is hereafter determined to be a special nuclear material shall be paid just compensation therefor. Any person who lawfully produces any special nuclear material, except pursuant to a contract with the Commission under the provisions of section 31 or 41, shall be paid a fair price, determined pursuant to section 56, for producing such material.

"'SEC. 53. DOMESTIC DISTRIBUTION OF SPECIAL NUCLEAR MATERIAL.—

"'a. The Commission is authorized to issue licenses for the possession of, to make available for the period of the license, and to distribute special nuclear material within the United States to qualified applicants requesting such material—

"'(1) for the conduct of research and development activities of the types specified in section 31;

"'(2) for use in the conduct of research and development activities or in medical therapy under a license issued pursuant to section 104; or

"'(3) for use under a license issued pursuant to section 103.

"'b. The Commission shall establish, by rules, minimum criteria for the issuance of specific or general licenses for the distribution of special nuclear material depending upon the degree of importance to the common defense and security or to the health and safety of the public of—

"'(1) the physical characteristics of the special nuclear material to be distributed;

"'(2) the quantities of special nuclear material to be distributed; and

"'(3) the intended use of the special nuclear material to be distributed.

"'c. The Commission may make a reasonable charge, determined pursuant to this section, for the use of special nuclear material licensed and distributed under subsection 53 a. (1) or subsection 53 a. (2) and shall make a reasonable charge determined pursuant to this section for the use of special nuclear material licensed and distributed under subsection 53 a. (3). The Commission shall establish criteria in writing for the determination of whether a charge will be made for the use of special nuclear material licensed and distributed under subsection 53 a. (1) or subsection 53 a. (2), considering, among other things, whether the licensee is a nonprofit or eleemosynary institution and the purposes for which the special nuclear material will be used.

"'d. In determining the reasonable charge to be made by the Commission for the use of special nuclear material distributed to licensees of utilization or production facilities licensed pursuant to section 103 or 104, in addition to consideration of the cost thereof, the Commission shall take into consideration—

"'(1) the use to be made of the special nuclear material;

"'(2) the extent to which the use of the special nuclear material will advance the development of the peaceful uses of atomic energy;

"'(3) the energy value of the special nuclear material in the particular use for which the license is issued;

"'(4) whether the special nuclear material is to be used in facilities licensed pursuant to section 103 or 104. In this respect, the Commission shall, insofar as practicable, make uniform, nondiscriminatory charges for the use of special nuclear material distributed to facilities licensed pursuant to section 103; and

"'(5) with respect to special nuclear material consumed in a facility licensed pursuant to section 103, the Commission shall make a further charge based on the cost to the Commission, as estimated by the Commission, or the average fair price paid for the production of such special nuclear material as determined by section 56, whichever is lower.

"'e. Each license issued pursuant to this section shall contain and be subject to the following conditions—

"'(1) title to all special nuclear material shall at all times be in the United States;

"'(2) no right to the special nuclear material shall be conferred by the license except as defined by the license;

"'(3) neither the license nor any right under the license shall be assigned or otherwise transferred in violation of the provisions of this Act;

"'(4) all special nuclear material shall be subject to the right of recapture or control reserved by section 108 and to all other provisions of this Act;

"'(5) no special nuclear material may be used in any utilization or production facility except in accordance with the provisions of this Act;

"'(6) special nuclear material shall be distributed only on terms, as may be established by rule of the Commission, such that no user will be permitted to construct an atomic weapon;

"'(7) special nuclear material shall be distributed only pursuant to such safety standards as may be established by rule of the Commission to protect health and to minimize danger to life or property; and

"'(8) the licensee will hold the United States and the Commission harmless from any damages resulting from the use or possession of special nuclear material by the licensee.

"'f. The Commission is directed to distribute within the United States sufficient special nuclear material to permit the conduct of widespread independent research and development activities to the maximum extent practicable and within the limitations set by the President pursuant to section 41. In the event that applications for special nuclear material exceed the amount available for distribution, preference shall be given to those activities which are most likely, in the opinion of the Commission, to contribute to basic research, to the development of peacetime uses of atomic energy, or to the economic and military strength of the Nation.

"'SEC. 54. FOREIGN DISTRIBUTION OF SPECIAL NUCLEAR MATERIAL.—The Commission is authorized to cooperate with any nation by distributing special nuclear material and to distribute such special nuclear material, pursuant to the terms of an agreement for cooperation to which such nation is a party and which is made in accordance with section 123.

"'SEC. 55. ACQUISITION.—The Commission is authorized to purchase or otherwise acquire any special nuclear material or any interest therein outside the United States without regard to the provisions of section 3709 of the Revised Statutes, as amended, upon certification by the Commission that such action is necessary in the interest of the common defense and security, or upon a showing by the Commission that advertising is not reasonably practicable. Partial and advance payments may be made under contracts for such purposes.

"'SEC. 56. FAIR PRICE.—In determining the fair price to be paid by the Commission pursuant to section 52 for the production of any special nuclear material, the Commission shall take into consideration the value of the special nuclear material for its intended use by the United States and may give such weight to the actual cost of producing that material as the Commission finds to be equitable. The fair price, as may be determined by the Commission, shall apply to all licensed producers of the same material: *Provided, however,* That the Commission may establish guaranteed fair prices for all special nuclear material delivered to the Commission for such period of time as it may deem necessary but not to exceed seven years.

"'SEC. 57. PROHIBITION.—

"'a. It shall be unlawful for any person to—

"'(1) possess or transfer any special nuclear material which is the property of the United States except as authorized by the Commission pursuant to subsection 53 a.;

"'(2) transfer or receive any special nuclear material in interstate commerce except as authorized by the Commission pursuant to subsection 53 a., or export from or import into the United States any special nuclear material; and

"'(3) directly or indirectly engage in the production of any special nuclear material outside of the United States except (A) under an agreement for cooperation made pursuant to section 123, or (B) upon authorization by the Commission after a determination that such activity will not be inimical to the interest of the United States.

"'b. The Commission shall not distribute any special nuclear material—

"'(1) to any person for a use which is not under the jurisdiction of the United States except pursuant to the provisions of section 54; or

"'(2) to any person within the United States, if the Commission finds that the distribution of such special nuclear material

to such person would be inimical to the common defense and security.

"'CHAPTER 7. SOURCE MATERIAL

"'SEC. 61. SOURCE MATERIAL.—The Commission may determine from time to time that other material is source material in addition to those specified in the definition of source material. Before making such determination, the Commission must find that such material is essential to the production of special nuclear material and must find that the determination that such material is source material is in the interest of the common defense and security, and the President must have expressly assented in writing to the determination. The Commission's determination, together with the assent of the President, shall be submitted to the Joint Committee and a period of thirty days shall elapse while Congress is in session (in computing such thirty days, there shall be excluded the days on which either House is not in session because of an adjournment of more than three days) before the determination of the Commission may become effective: *Provided, however,* That the Joint Committee, after having received such determination, may by resolution in writing waive the conditions of or all or any portion of such thirty-day period.

"'SEC. 62. LICENSE FOR TRANSFERS REQUIRED.—Unless authorized by a general or specific license issued by the Commission, which the Commission is hereby authorized to issue, no person may transfer or receive in interstate commerce, transfer, deliver, receive possession of or title to, or import into or export from the United States any source material after removal from its place of deposit in nature, except that licenses shall not be required for quantities of source material which, in the opinion of the Commission, are unimportant.

"'SEC. 63. DOMESTIC DISTRIBUTION OF SOURCE MATERIAL.—

"'a. The Commission is authorized to issue licenses for and to distribute source material within the United States to qualified applicants requesting such material—

"'(1) for the conduct of research and development activities of the types specified in section 31;

"'(2) for use in the conduct of research and development activities or in medical therapy under a license issued pursuant to section 104;

"'(3) for use under a license issued pursuant to section 103; or

"'(4) for any other use approved by the Commission as an aid to science or industry.

"'b. The Commission shall establish, by rule, minimum criteria for the issuance of specific or general licenses for the distribution of source material depending upon the degree of importance to the common defense and security or to the health and safety of the public of—

"'(1) the physical characteristics of the source material to be distributed;

"'(2) the quantities of source material to be distributed; and

"'(3) the intended use of the source material to be distributed.

"'c. The Commission may make a reasonable charge determined pursuant to subsection 161 m. for the source material licensed and distributed under subsection 63 a. (1), subsection 63 a. (2), or subsection 63 a. (4), and shall make a reasonable charge determined pursuant to subsection 161 m., for the source material licensed and distributed under subsection 63 a. (3). The Commission shall establish criteria in writing for the determination of whether a charge will be made for the source material licensed and distributed under subsection 63 a. (1), subsection 63 a. (2), or subsection 63 a. (4), considering, among other things, whether the licensee is a nonprofit or eleemosynary institution and the purposes for which the source material will be used.

"'SEC. 64. FOREIGN DISTRIBUTION OF SOURCE MATERIAL.—The Commission is authorized to cooperate with any nation by distributing source material and to distribute source material pursuant to the terms of an agreement for cooperation to which such nation is a party and which is made in accordance with section 123. The Commission is also authorized to distribute source material outside of the United States upon a determination by the Commission that such activity will not be inimical to the interests of the United States.

"'SEC. 65. REPORTING.—The Commission is authorized to issue such rules, regulations, or orders requiring reports of ownership, possession, extraction, refining, shipment, or other handling of source material as it may deem necessary, except that such reports shall not be required with respect to (a) any source material prior to removal from its place of deposit in nature, or (b) quantities of source material which in the opinion of the Commission are unimportant or the reporting of which will discourage independent prospecting for new deposits.

"'SEC. 66. ACQUISITION.—The Commission is authorized and directed, to the extent it deems necessary to effectuate the provisions of this Act—

"'a. to purchase, take, requisition, condemn, or otherwise acquire supplies of source material;

"'b. to purchase, condemn, or otherwise acquire any interest in real property containing deposits of source material; and

"'c. to purchase, condemn, or otherwise acquire rights to enter upon any real property deemed by the Commission to have possibilities of containing deposits of source material in order to conduct prospecting and exploratory operations for such deposits.

Any purchase made under this section may be made without regard to the provisions of section 3709 of the Revised Statutes, as amended, upon certification by the Commission that such action is necessary in the interest of the common defense and security, or upon a showing by the Commission that advertising is not reasonably practicable. Partial and advanced payments may be made under contracts for such purposes. The Commission may establish guaranteed prices for all source material delivered to it within a specified time. Just compensation shall be made for any right, property, or interest in property taken, requisitioned, condemned, or otherwise acquired under this section.

"'SEC. 67. OPERATIONS ON LANDS BELONGING TO THE UNITED STATES.—The Commission is authorized, to the extent it deems necessary to effectuate the provisions of this Act, to issue leases or permits for prospecting for, exploration for, mining of, or removal of deposits of source material in lands belonging to the United States: *Provided, however,* That notwithstanding any other provisions of law, such leases or permits may be issued for lands administered for national park, monument, and wildlife purposes only when the President by Executive Order declares that the requirements of the common defense and security make such action necessary.

"'SEC. 68. PUBLIC LANDS.—

"'a. No individual, corporation, partnership, or association, which had any part, directly or indirectly, in the development of the atomic energy program, may benefit by any location, entry, or settlement upon the public domain made after such individual, corporation, partnership, or association took part in such project, if such individual, corporation, partnership, or association, by reason of having had such part in the development of the atomic energy program, acquired confidential official information as to the existence of deposits of such uranium, thorium, or other materials in the specific lands upon which such location, entry, or settlement is made, and subsequent to the date of the enactment of this Act made such location, entry, or settlement or caused the same to be made for his, or its, or their benefit.

"'b. In cases where any patent, conveyance, lease, permit, or other authorization has been issued, which reserved to the United States source materials and the right to enter upon the land and prospect for, mine, and remove the same, the head of the Government agency which issued the patent, conveyance, lease, permit, or other authorization shall, on application of the holder thereof, issue a new or supplemental patent, conveyance, lease, permit, or other authorization without such reservation. If any rights have been granted by the United States pursuant to any such reservation then such patent shall be made subject to those rights, but the patentee shall be subrogated to the rights of the United States.

"'c. Notwithstanding the provisions of the Atomic Energy Act of 1946, as amended, and particularly section 5 (b) (7) thereof, or the provisions of the Act of August 12, 1953 (67 Stat. 539), and particularly section 3 thereof, any mining claim, heretofore located under the mining laws of the United States, for or based upon a discovery of a mineral deposit which is a source material and which, except for the possible contrary construction of said Atomic Energy Act, would have been locatable under such mining laws, shall, insofar as adversely affected by such possible contrary construction, be valid and effective, in all respects to the same extent as if said mineral deposit were a locatable mineral deposit other than a source material.

"'SEC. 69. PROHIBITION.—The Commission shall not license any person to transfer or deliver, receive, possession of or title to, or import into or export from the United States any source material if, in the opinion of the Commission, the issuance of a license to such person for such purpose would be inimical to the common defense and security or the health and safety of the public.

"'CHAPTER 8. BYPRODUCT MATERIAL

"'SEC. 81. DOMESTIC DISTRIBUTION.—No person may transfer or receive in interstate commerce, manufacture, produce, transfer, acquire, own, possess, import, or export any byproduct material, except to the extent authorized by this section or by section 82. The Commission is authorized to issue general or specific licenses to applicants seeking to use byproduct material for research or development purposes, for medical therapy, industrial uses, agricultural uses, or such other useful applications as may be developed. The Commission may distribute, sell, loan, or lease such byproduct material as it owns to licensees with or without charge: *Provided, however,* That, for byproduct material to be distributed by the Commission for a charge, the Commission shall establish prices on such equitable basis as, in the opinion of the Commission, (a) will provide reasonable compensation to the Government for such material, (b) will not discourage the use of such material or the development of sources of supply of such material independent of the Commission, and (c) will encourage research and development. In distributing such material, the Commission shall give preference to applicants proposing to use such material either in the conduct of research and development or in medical therapy. Licensees of the Commission may distribute byproduct material only to applicants therefor who are licensed by the Commission to receive such byproduct material. The Commission shall not permit the distribution of any byproduct material to any licensee, and shall recall or order the recall of any distributed material from any li-

censee, who is not equipped to observe or who fails to observe such safety standards to protect health as may be established by the Commission or who uses such material in violation of law or regulation of the Commission or in a manner other than as disclosed in the application therefor or approved by the Commission. The Commission is authorized to establish classes of byproduct material and to exempt certain classes or quantities of material or kinds of uses or users from the requirements for a license set forth in this section when it makes a finding that the exemption of such classes or quantities of such material or such kinds of uses or users will not constitute an unreasonable risk to the common defense and security and to the health and safety of the public.

"'SEC. 82. FOREIGN DISTRIBUTION OF BYPRODUCT MATERIAL.—

"'a. The Commission is authorized to cooperate with any nation by distributing byproduct material, and to distribute byproduct material, pursuant to the terms of an agreement for cooperation to which such nation is party and which is made in accordance with section 123.

"'b. The Commission is also authorized to distribute byproduct material to any person outside the United States upon application therefor by such person and demand such charge for such material as would be charged for the material if it were distributed within the United States: *Provided, however,* That the Commission shall not distribute any such material to any person under this section if, in its opinion, such distribution would be inimical to the common defense and security: *And provided further,* That the Commission may require such reports regarding the use of material distributed pursuant to the provisions of this section as it deems necessary.

"'c. The Commission is authorized to license others to distribute byproduct material to any person outside the United States under the same conditions, except as to charges, as would be applicable if the material were distributed by the Commission.

"'CHAPTER 9. MILITARY APPLICATION OF ATOMIC ENERGY

"'SEC. 91. AUTHORITY.—

"'a. The Commission is authorized to—

"'(1) conduct experiments and do research and development work in the military application of atomic energy; and

"'(2) engage in the production of atomic weapons, or atomic weapon parts, except that such activities shall be carried on only to the extent that the express consent and direction of the President of the United States has been obtained, which consent and direction shall be obtained at least once each year.

"'b. The President from time to time may direct the Commission (1) to deliver such quantities of special nuclear material or atomic weapons to the Department of Defense for such use as he deems necessary in the interest of national defense, or (2) to authorize the Department of Defense to manufacture, produce, or acquire any atomic weapon or utilization facility for military purposes: *Provided, however,* That such authorization shall not extend to the production of special nuclear material other than that incidental to the operation of such utilization facilities.

"'SEC. 92. PROHIBITION.—It shall be unlawful for any person to transfer or receive in interstate commerce, manufacture, produce, transfer, acquire, possess, import, or export any atomic weapon, except as may be authorized by the Commission pursuant to the provisions of section 91. Nothing in this section shall be deemed to modify the provisions of subsection 31 a. or section 101.

"'CHAPTER 10. ATOMIC ENERGY LICENSES

"'SEC. 101. LICENSE REQUIRED.—It shall be unlawful, except as provided in section 91, for any person within the United States to transfer or receive in interstate commerce, manufacture, produce, transfer, acquire, possess, import, or export any utilization or production facility except under and in accordance with a license issued by the Commission pursuant to section 103 or 104.

"'SEC. 102. FINDING OF PRACTICAL VALUE.—Whenever the Commission has made a finding in writing that any type of utilization or production facility has been sufficiently developed to be of practical value for industrial or commercial purposes, the Commission may thereafter issue licenses for such type of facility pursuant to section 103.

"'SEC. 103. COMMERCIAL LICENSES.—

"'a. Subsequent to a finding by the Commission as required in section 102, the Commission may issue licenses to transfer or receive in interstate commerce, manufacture, produce, transfer, acquire, possess, import, or export under the terms of an agreement for cooperation arranged pursuant to section 123, such type of utilization or production facility. Such licenses shall be issued in accordance with the provisions of chapter 16 and subject to such conditions as the Commission may by rule or regulation establish to effectuate the purposes and provisions of this Act.

"'b. The Commission shall issue such licenses on a nonexclusive basis to persons applying therefor (1) whose proposed activities will serve a useful purpose proportionate to the quantities of special nuclear material or source material to be utilized; (2) who are equipped to observe and who agree to observe such safety standards to protect health and to minimize danger to life or property as the Commission may by rule establish; and (3) who agree to make available to the Commission such technical information and data concerning activities under such licenses as the Commission may determine necessary to promote the common defense and security and to protect the health and safety of the public. All such information may be used by the Commission only for the purposes of the common defense and security and to protect the health and safety of the public.

"'c. Each such license shall be issued for a specified period, as determined by the Commission, depending on the type of activity to be licensed, but not exceeding forty years, and may be renewed upon the expiration of such period.

"'d. No license under this section may be given to any person for activities which are not under or within the jurisdiction of the United States, except for the export of production or utilization facilities under terms of an agreement for cooperation arranged pursuant to section 123, or except under the provisions of section 109. No license may be issued to any corporation or other entity if the Commission knows or has reason to believe it is owned, controlled, or dominated by an alien, a foreign corporation, or a foreign government. In any event, no license may be issued to any person within the United States if, in the opinion of the Commission, the issuance of a license to such person would be inimical to the common defense and security or to the health and safety of the public.

"'SEC. 104. MEDICAL THERAPY AND RESEARCH AND DEVELOPMENT.—

"'a. The Commission is authorized to issue licenses to persons applying therefor for utilization facilities for use in medical therapy. In issuing such licenses the Commission is directed to permit the widest amount of effective medical therapy possible with the amount of special nuclear material available for such purposes and to impose the minimum amount of regulation consistent with its obligations under this Act to promote the common defense and security and to protect the health and safety of the public.

"'b. The Commission is authorized to issue licenses to persons applying therefor for utilization and production facilities involved in the conduct of research and development activities leading to the demonstration of the practical value of such facilities for industrial or commercial purposes. In issuing licenses under this subsection, the Commission shall impose the minimum amount of such regulations and terms of license as will permit the Commission to fulfill its obligations under this Act to promote the common defense and security and to protect the health and safety of the public and will be compatible with the regulations and terms of license which would apply in the event that a commercial license were later to be issued pursuant to section 103 for that type of facility. In issuing such licenses, priority shall be given to those activities which will, in the opinion of the Commission, lead to major advances in the application of atomic energy for industrial or commercial purposes.

"'c. The Commission is authorized to issue licenses to persons applying therefor for utilization and production facilities useful in the conduct of research and development activities of the types specified in section 31 and which are not facilities of the type specified in subsection 104 b. The Commission is directed to impose only such minimum amount of regulation of the licensee as the Commission finds will permit the Commission to fulfill its obligations under this Act to promote the common defense and security and to protect the health and safety of the public and will permit the conduct of widespread and diverse research and development.

"'d. No license under this section may be given to any person for activities which are not under or within the jurisdiction of the United States, except for the export of production or utilization facilities under terms of an agreement for cooperation arranged pursuant to section 123 or except under the provisions of section 109. No license may be issued to any corporation or other entity if the Commission knows or has reason to believe it is owned, controlled, or dominated by an alien, a foreign corporation, or a foreign government. In any event, no license may be issued to any person within the United States if, in the opinion of the Commission, the issuance of a license to such person would be inimical to the common defense and security or to the health and safety of the public.

"'SEC. 105. ANTITRUST PROVISIONS.—

"'a. Nothing contained in this Act, including the provisions which vest title to all special nuclear material in the United States, shall relieve any person from the operation of the following Acts, as amended, "An Act to protect trade and commerce against unlawful restraints and monopolies" approved July second, eighteen hundred and ninety; sections seventy-three to seventy-seven, inclusive, of an Act entitled "An Act to reduce taxation, to provide revenue for the Government, and for other purposes" approved August twenty-seven, eighteen hundred and ninety-four; "An Act to supplement existing laws against unlawful restraints and monopolies, and for other purposes" approved October fifteen, nineteen hundred and fourteen; and "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes" approved September twenty-six, nineteen hundred and fourteen. In the event a licensee is found by a court of competent jurisdiction, either in an original action in that court or in a proceeding to enforce or review the findings or orders of any Government agency having jurisdiction under the laws cited above, to have violated any of the provisions of such laws in the conduct of the licensed activity, the Commission may suspend, revoke, or take such other action as it may deem necessary with respect to any license issued by the Commission under the provisions of this Act.

" 'b. The Commission shall report promptly to the Attorney General any information it may have with respect to any utilization of special nuclear material or atomic energy which appears to violate or to tend toward the violation of any of the foregoing Acts, or to restrict free competition in private enterprise.

" 'c. Whenever the Commission proposes to issue any license to any person under section 103, it shall notify the Attorney General of the proposed license and the proposed terms and conditions thereof, except such classes or types of licenses, as the Commission, with the approval of the Attorney General, may determine would not significantly affect the licensee's activities under the antitrust laws as specified in subsection 105 a. Within a reasonable time, in no event to exceed 90 days after receiving such notification, the Attorney General shall advise the Commission whether, insofar as he can determine, the proposed license would tend to create or maintain a situation inconsistent with the antitrust laws, and such advice shall be published in the Federal Register. Upon the request of the Attorney General, the Commission shall furnish or cause to be furnished such information as the Attorney General determines to be appropriate or necessary to enable him to give the advice called for by this section.

" 'SEC. 106. CLASSES OF FACILITIES.—The Commission may—

" 'a. group the facilities licensed either under section 103 or under section 104 into classes which may include either production or utilization facilities or both, upon the basis of the similarity of operating and technical characteristics of the facilities;

" 'b. define the various activities to be carried on at each such class of facility; and

" 'c. designate the amounts of special nuclear material available for use by each such facility.

" 'SEC. 107. OPERATORS' LICENSES.—The Commission shall—

" 'a. prescribe uniform conditions for licensing individuals as operators of any of the various classes of production and utilization facilities licensed in this Act;

" 'b. determine the qualifications of such individuals;

" 'c. issue licenses to such individuals in such form as the Commission may prescribe; and

" 'd. suspend such licenses for violations of any provision of this Act or any rule or regulation issued thereunder whenever the Commission deems such action desirable.

" 'SEC. 108. WAR OR NATIONAL EMERGENCY.—Whenever the Congress declares that a state of war or national emergency exists, the Commission is authorized to suspend any licenses granted under this Act if in its judgment such action is necessary to the common defense and security. The Commission is authorized during such period, if the Commission finds it necessary to the common defense and security, to order the recapture of any special nuclear material distributed under the provisions of subsection 53 a., or to order the operation of any facility licensed under section 103 or 104, and is authorized to order the entry into any plant or facility in order to recapture such material, or to operate such facility. Just compensation shall be paid for any damages caused by the recapture of any special nuclear material or by the operation of any such facility.

" 'SEC. 109. COMPONENT PARTS OF FACILITIES.—With respect to those utilization and production facilities which are so determined by the Commission pursuant to subsection 11 p. (2) or 11 v. (2) the Commission may (a) issue general licenses for activities required to be licensed under section 101, if the Commission determines in writing that such general licensing will not constitute an unreasonable risk to the common defense and security, and (b) issue licenses for the export of such facilities, if the Commission determines in writing that each export will not constitute an unreasonable risk to the common defense and security.

" 'SEC. 110. EXCLUSIONS.—Nothing in this chapter shall be deemed—

" 'a. to require a license for (1) the processing, fabricating, or refining of special nuclear material, or the separation of special nuclear material, or the separation of special nuclear material from other substances, under contract with and for the account of the Commission; or (2) the construction or operation of facilities under contract with and for the account of the Commission; or

" 'b. to require a license for the manufacture, production, or acquisition by the Department of Defense of any utilization facility authorized pursuant to section 91, or for the use of such facility by the Department of Defense or a contractor hereof.

" 'CHAPTER 11. INTERNATIONAL ACTIVITIES

" 'SEC. 121. EFFECT OF INTERNATIONAL ARRANGEMENTS.—Any provision of this Act or any action of the Commission to the extent and during the time that it conflicts with the provisions of any international arrangement made after the date of enactment of this Act shall be deemed to be of no force or effect.

" 'SEC. 122. POLICIES CONTAINED IN INTERNATIONAL ARRANGEMENTS.—In the performance of its functions under this Act, the Commission shall give maximum effect to the policies contained in any international arrangement made after the date of enactment of this Act.

" 'SEC. 123. COOPERATION WITH OTHER NATIONS.—No cooperation with any nation or regional defense organization pursuant to section 54, 57, 64, 82, 103, 104, or 144 shall be undertaken until—

" 'a. the Commission or, in the case of those agreements for cooperation arranged pursuant to subsection 144 b., the Department of Defense has submitted to the President the proposed agreement for cooperation, together with its recommendation thereon, which proposed agreement shall include (1) the terms, conditions, duration, nature, and scope of the cooperation; (2) a guaranty by the cooperating party that security safeguards and standards as set forth in the agreement for cooperation will be maintained; (3) a guaranty by the cooperating party that any material to be transferred pursuant to such agreement will not be used for atomic weapons, or for research on or development of atomic weapons, or for any other military purpose; and (4) a guaranty by the cooperating party that any material or any Restricted Data to be transferred pursuant to the agreement for cooperation will not be transferred to unauthorized persons or beyond the jurisdiction of the cooperating party, except as specified in the agreement for cooperation;

" 'b. the President has approved and authorized the execution of the proposed agreement for cooperation, and has made a determination in writing that the performance of the proposed agreement will promote and will not constitute an unreasonable risk to the common defense and security; and

" 'c. the proposed agreement for cooperation together with the approval and the determination of the President, has been submitted to the Joint Committee and a period of thirty days has elapsed while Congress is in session (in computing such thirty days, there shall be excluded the days on which either House is not in session because of an adjournment of more than three days).

" 'SEC. 124. INTERNATIONAL ATOMIC POOL.—The President is authorized to enter into an international arrangement with a group of nations providing for international cooperation in the nonmilitary applications of atomic energy and he may thereafter cooperate with that group of nations pursuant to section 54, 57, 64, 82, 103, 104, or 144 a.: *Provided, however,* That the cooperation is undertaken pursuant to an agreement for cooperation entered into in accordance with section 123.

" 'CHAPTER 12. CONTROL OF INFORMATION

" 'SEC. 141. POLICY.—It shall be the policy of the Commission to control the dissemination and declassification of Restricted Data in such a manner as to assure the common defense and security. Consistent with such policy, the Commission shall be guided by the following principles:

" 'a. Until effective and enforceable international safeguards against the use of atomic energy for destructive purposes have been established by an international arrangement, there shall be no exchange of Restricted Data with other nations except as authorized by section 144; and

" 'b. The dissemination of scientific and technical information relating to atomic energy should be permitted and encouraged so as to provide that free interchange of ideas and criticism which is essential to scientific and industrial progress and public understanding and to enlarge the fund of technical information.

" 'SEC. 142.—CLASSIFICATION AND DECLASSIFICATION OF RESTRICTED DATA.—

" 'a. The Commission shall from time to time determine the data, within the definition of Restricted Data, which can be published without undue risk to the common defense and security and shall thereupon cause such data to be declassified and removed from the category of Restricted Data.

" 'b. The Commission shall maintain a continuous review of Restricted Data and of any Classification Guides issued for the guidance of those in the atomic energy program with respect to the areas of Restricted Data which have been declassified in order to determine which information may be declassified and removed from the category of Restricted Data without undue risk to the common defense and security.

" 'c. In the case of Restricted Data which the Commission and the Department of Defense jointly determine to relate primarily to the military utilization of atomic weapons, the determination that such data may be published without constituting an unreasonable risk to the common defense and security shall be made by the Commission and the Department of Defense jointly, and if the Commission and the Department of Defense do not agree, the determination shall be made by the President.

" 'd. The Commission shall remove from the Restricted Data category such data as the Commission and the Department of Defense jointly determine relates primarily to the military utilization of atomic weapons and which the Commission and Department of Defense jointly determine can be adequately safeguarded as defense information: *Provided, however,* That no such data so removed from the Restricted Data category shall be transmitted or otherwise made available to any nation or regional defense organization, while such data remains defense information, except pursuant to an agreement for cooperation entered into in accordance with subsection 144 b.

" 'e. The Commission shall remove from the Restricted Data category such information concerning the atomic energy programs of other nations as the Commission and the Director of Central Intelligence jointly determine to be necessary to carry out the provisions of section 102 (d) of the National Security Act of 1947, as amended, and can be adequately safeguarded as defense information.

" 'SEC. 143. DEPARTMENT OF DEFENSE PARTICIPATION.—The Commission may authorize any of its employees, or employees of any contractor, prospective contractor, licensee or prospective licensee of the Commission to permit any employee of any agency of the Department of Defense or of its contractors,

or any member of the Armed Forces to have access to Restricted Data required in the performance of his duties and so certified by the head of the appropriate agency of the Department of Defense or his designee: *Provided, however,* That the head of the appropriate agency of the Department of Defense or his designee has determined, in accordance with the established personnel security procedures and standards of such agency, that permitting the member or employee to have access to such Restricted Data will not endanger the common defense and security: *And provided further,* That the Secretary of Defense finds that the established personnel and other security procedures and standards of such agency are adequate and in reasonable conformity to the standards established by the Commission under section 145.

" 'SEC. 144. INTERNATIONAL COOPERATION.—

" 'a. The President may authorize the Commission to cooperate with another nation and to communicate to that nation Restricted Data on—

" '(1) refining, purification, and subsequent treatment of source material;

" '(2) reactor development;

" '(3) production of special nuclear material;

" '(4) health and safety;

" '(5) industrial and other applications of atomic energy for peaceful purposes; and

" '(6) research and development relating to the foregoing:

Provided, however, That no such cooperation shall involve the communication of Restricted Data relating to the design or fabrication of atomic weapons: *And provided further,* That the cooperation is undertaken pursuant to an agreement for cooperation entered into in accordance with section 123, or is undertaken pursuant to an agreement existing on the effective date of this Act.

" 'b. The President may authorize the Department of Defense, with the assistance of the Commission, to cooperate with another nation or with a regional defense organization to which the United States is a party, and to communicate to that nation or organization such Restricted Data as is necessary to—

" '(1) the development of defense plans;

" '(2) the training of personnel in the employment of and defense against atomic weapons; and

" '(3) the evaluation of the capabilities of potential enemies in the employment of atomic weapons,

while such other nation or organization is participating with the United States pursuant to an international arrangement by substantial and material contributions to the mutual defense and security: *Provided, however,* That no such cooperation shall involve communication of Restricted Data relating to the design or fabrication of atomic weapons except with regard to external characteristics, including size, weight, and shape, yields and effects, and systems employed in the delivery or use thereof but not including any data in these categories unless in the joint judgment of the Commission and the Department of Defense such data will not reveal important information concerning the design or fabrication of the nuclear components of an atomic weapon: *And provided further,* That the cooperation is undertaken pursuant to an agreement entered into in accordance with section 123.

" 'SEC. 145. RESTRICTIONS.—

" 'a. No arrangement shall be made under section 31, no contract shall be made or continued in effect under section 41, and no license shall be issued under section 103 or 104, unless the person with whom such arrangement is made, the contractor or prospective contractor, or the prospective licensee agrees in writing not to permit any individual to have access to Restricted Data until the Civil Service Commission shall have made an investigation and report to the Commission on the character, associations, and loyalty of such individual, and the Commission shall have determined that permitting such person to have access to Restricted Data will not endanger the common defense and security.

" 'b. Except as authorized by the Commission or the General Manager upon a determination by the Commission or General Manager that such action is clearly consistent with the national interest, no individual shall be employed by the Commission nor shall the Commission permit any individual to have access to Restricted Data until the Civil Service Commission shall have made an investigation and report to the Commission on the character, associations, and loyalty of such individual, and the Commission shall have determined that permitting such person to have access to Restricted Data will not endanger the common defense and security.

" 'c. In the event an investigation made pursuant to subsections a. and b. of this section develops any data reflecting that the individual who is the subject of the investigation is of questionable loyalty, the Civil Service Commission shall refer the matter to the Federal Bureau of Investigation for the conduct of a full field investigation, the results of which shall be furnished to the Civil Service Commission for its information and appropriate action.

" 'd. If the President deems it to be in the national interest, he may from time to time cause investigations of any group or class which are required by subsections a. and b. of this section to be made by the Federal Bureau of Investigation instead of by the Civil Service Commission.

" 'e. Notwithstanding the provisions of subsections a. and b. of this section, a majority of the members of the Commission shall certify those specific positions which are of a high degree of importance or sensitivity and upon such certification the investigation and reports required by such provisions shall be made by the Federal Bureau of Investigation instead of by the Civil Service Commission.

" 'f. The Commission shall establish standards and specifications in writing as to the scope and extent of investigations to be made by the Civil Service Commission pursuant to subsections a. and b. of this section. Such standards and specifications shall be based on the location and class or kind of work to be done, and shall, among other considerations, take into account the degree of importance to the common defense and security of the Restricted Data to which access will be permitted.

" 'SEC. 146. GENERAL PROVISIONS.—

" 'a. Sections 141 to 145, inclusive, shall not exclude the applicable provisions of any other laws, except that no Government agency shall take any action under such other laws inconsistent with the provisions of those sections.

" 'b. The Commission shall have no power to control or restrict the dissemination of information other than as granted by this or any other law.

" 'CHAPTER 13. PATENTS AND INVENTIONS

" 'SEC. 151. MILITARY UTILIZATION.—

" 'a. No patent shall hereafter be granted for any invention or discovery which is useful solely in the utilization of special nuclear material or atomic energy in an atomic weapon. Any patent granted for any such invention or discovery is hereby revoked, and just compensation shall be made therefor.

" 'b. No patent hereafter granted shall confer any rights with respect to any invention or discovery to the extent that such invention or discovery is used in the utilization of special nuclear material or atomic energy in atomic weapons. Any rights conferred by any patent heretofore granted for any invention or discovery are hereby revoked to the extent that such invention or discovery is so used, and just compensation shall be made therefor.

" 'c. Any person who has made or hereafter makes any invention or discovery useful (1) in the production or utilization of special nuclear material or atomic energy; (2) in the utilization of special nuclear material in an atomic weapon; or (3) in the utilization of atomic energy in an atomic weapon, shall file with the Commission a report containing a complete description thereof unless such invention or discovery is described in an application for a patent filed with the Commissioner of Patents by such person within the time required for the filing of such report. The report covering any such invention or discovery shall be filed on or before whichever of the following is the later: either the ninetieth day after completion of such invention or discovery; or the ninetieth day after such person first discovers or first has reason to believe that such invention or discovery is useful in such production or utilization.

" 'd. The Commissioner of Patents shall notify the Commission of all applications for patents heretofore or hereafter filed which, in his opinion, disclose inventions or discoveries required to be reported under subsection 151 c., and shall provide the Commission access to all such applications.

" 'SEC. 152. INVENTIONS CONCEIVED DURING COMMISSION CONTRACTS.—Any invention or discovery, useful in the production or utilization of special nuclear material or atomic energy, made or conceived under any contract, subcontract, arrangement, or other relationship with the Commission, regardless of whether the contract or arrangement involved the expenditure of funds by the Commission, shall be deemed to have been made or conceived by the Commission, except that the Commission may waive its claim to any such invention or discovery if made or conceived by any person at or in connection with any laboratory under the jurisdiction of the Commission as provided in section 33, or under such other circumstances as the Commission may deem appropriate. No patent for any invention or discovery, useful in the production or utilization of special nuclear material or atomic energy, shall be issued unless the applicant files with the application, or within 30 days after request therefor by the Commissioner of Patents, a statement under oath setting forth the full facts surrounding the making or conception of the invention or discovery described in the application and whether the invention or discovery was made or conceived in the course of, in connection with, or under the terms of any contract, subcontract, arrangement, or other relationship with the Commission, regardless of whether the contract or arrangement involved the expenditure of funds by the Commission. The Commissioner of Patents shall forthwith forward copies of the application and the statement to the Commission.

" 'The Commissioner of Patents may proceed with the application and issue the patent to the applicant (if the invention or discovery is otherwise patentable) unless the Commission, within 90 days after receipt of copies of the application and statement, directs the Commissioner of Patents to issue the patent to the Commission (if the invention or discovery is otherwise patentable) to be held by the Commission as the agent of and on behalf of the United States.

" 'If the Commission files such a direction with the Commissioner of Patents, and if the applicant's statement claims, and the applicant still believes, that the invention or discovery was not made or conceived in the course of, in connection with, or under the terms of any contract, subcontract, arrangement, or other relationship with the Commission entitling the Commission to take

title to the application or the patent, the applicant may, within 30 days after notification of the filing of such a direction, request a hearing before a Board of Patent Interferences. The Board shall have the power to hear and determine whether the Commission was entitled to the direction filed with the Commissioner of Patents. The Board shall follow the rules and procedures established for interference cases and an appeal may be taken by either the applicant or the Commission from the final order of the Board to the Court of Customs and Patent Appeals in accordance with the procedures governing the appeals from the Board of Patent Interferences.

" 'If the statement filed by the applicant should thereafter be found to contain false material statements any notification by the Commission that it has no objections to the issuance of a patent to the applicant shall not be deemed in any respect to constitute a waiver of the provisions of this section or of any applicable civil or criminal statute, and the Commission may have the title to the patent transferred to the Commission on the records of the Commissioner of Patents in accordance with the provisions of this section.

" 'SEC. 153. PRIOR ART.—In connection with applications for patents covered by this Chapter, the fact that the invention or discovery was known or used before shall be a bar to the patenting of such invention or discovery even though such prior knowledge or use was under secrecy within the atomic energy program of the United States.

" 'SEC. 154. COMMISSION PATENT LICENSES.—The Commission shall establish standard specifications upon which it may grant a patent license to use any patent held by the Commission. Such a patent license shall not waive any of the provisions of this Act.

" 'SEC. 155. COMPENSATION, AWARDS, AND ROYALTIES.—

" 'a. PATENT COMPENSATION BOARD.—The Commission shall designate a Patent Compensation Board to consider applications under this section. The members of the Board shall receive a per diem compensation for each day spent in meetings or conferences, and all members shall receive their necessary traveling or other expenses while engaged in the work of the Board. The members of the Board may serve as such without regard to the provisions of section 281, 283, or 284 of Title 18 of the United States Code, except insofar as such sections may prohibit any such member from receiving compensation in respect of any particular matter which directly involves the Commission or in which the Commission is directly interested.

" 'b. ELIGIBILITY.—

" '(1) Any owner of a patent licensed under section 156 or subsection 182 d., or any patent licensee thereunder, may make application to the Commission for the determination of a reasonable royalty fee in accordance with such procedures as the Commission by regulation may establish.

" '(2) Any person seeking to obtain the just compensation provided in section 151 shall make application therefor to the Commission in accordance with such procedures as the Commission may by regulation establish.

" '(3) Any person making any invention or discovery useful in the production or utilization of special nuclear material or atomic energy, who is not entitled to compensation or a royalty therefor under this Act and who has complied with the provisions of section 151 c. hereof may make application to the Commission for, and the Commission may grant, an award. The Commission may also, upon the recommendation of the General Advisory Committee, and with the approval of the President, grant an award for any especially meritorious contribution to the development, use, or control of atomic energy.

" 'c. STANDARDS.—

" '(1) In determining a reasonable royalty fee as provided for in section 156 or subsection 182 d., the Commission shall take into consideration (A) the advice of the Patent Compensation Board; (B) any defense, general or special, that might be pleaded by a defendant in an action for infringement; (C) the extent to which, if any, such patent was developed through federally financed research; and (D) the degree of utility, novelty, and importance of the invention or discovery, and may consider the cost to the owner of the patent of developing such invention or discovery or acquiring such patent. In no event shall any royalty determined under this subsection be less favorable than royalties fixed by the owner or by the Commission for similar licensees for comparables uses.

" '(2) In determining what constitutes just compensation as provided for in section 151, or in determining the amount of any award under subsection 156 b. (3), the Commission shall take into account the considerations set forth in section 156 c. (1) and the actual use of such invention or discovery. Such compensation may be paid by the Commission in periodic payments or in a lump sum.

" 'SEC. 156. MONOPOLISTIC USE OF PATENTS.—Whenever the owner of any patent hereafter granted for any invention or discovery of primary use in the utilization or production of special nuclear material or atomic energy is found by a court of competent jurisdiction to have intentionally used such patent in a manner so as to violate any of the antitrust laws specified in subsection 105 a., there may be included in the judgment of the court, in its discretion and in addition to any other lawful sanctions, a requirement that such owner license such patent to any other licensee of the Commission who demonstrates a need therefor. Such licensee shall pay a reasonable royalty fee, to be determined in accordance with section 155, to the owner of the patent.

" 'SEC. 157. FEDERALLY FINANCED RESEARCH.—Nothing in this Act shall affect the right of the Commission to require that patents granted on inventions, made or conceived during the course of federally financed research or operations, be assigned to the United States.

" 'SEC. 158. SAVING CLAUSE.—Any patent application on which a patent was denied by the United States Patent Office under section 11 (a) (1), 11 (a) (2), or 11 (b) of the Atomic Energy Act of 1946, and which is not prohibited by section 151 or section 153 of this Act may be reinstated upon application to the Commissioner of Patents within one year after enactment of this Act and shall then be deemed to have been continuously pending since its original filing date: *Provided, however,* That no patent issued upon any patent application so reinstated shall in any way furnish a basis of claim against the Government of the United States.

" 'CHAPTER 14. GENERAL AUTHORITY

" 'SEC. 161. GENERAL PROVISIONS.—In the performance of its functions the Commission is authorized to—

" 'a. establish advisory boards to advise with and make recommendations to the Commission on legislation, policies, administration, research, and other matters, provided that the Commission issues regulations setting forth the scope, procedure, and limitations of the authority of each such board;

" 'b. establish by rule, regulation, or order, such standards and instructions to govern the possession and use of special nuclear material, source material, and byproduct material as the Commission may deem necessary or desirable to promote the common defense and security or to protect health or to minimize danger to life or property;

" 'c. make such studies and investigations, obtain such information, and hold such meetings or hearings as the Commission may deem necessary or proper to assist it in exercising any authority provided in this Act, or in the administration or enforcement of this Act, or any regulations or orders issued thereunder. For such purposes the Commission is authorized to administer oaths and affirmations, and by subpena to require any person to appear and testify, or to appear and produce documents, or both, at any designated place. No person shall be excused from complying with any requirements under this paragraph because of his privilege against self-incrimination, but the immunity provisions of the Compulsory Testimony Act of February 11, 1893, shall apply with respect to any individual who specifically claims such privilege. Witnesses subpenaed under this subsection shall be paid the same fees and mileage as are paid witnesses in the district courts of the United States;

" 'd. appoint and fix the compensation of such officers and employees as may be necessary to carry out the functions of the Commission. Such officers and employees shall be appointed in accordance with the civil-service laws and their compensation fixed in accordance with the Classification Act of 1949, as amended, except that, to the extent the Commission deems such action necessary to the discharge of its responsibilities, personnel may be employed and their compensation fixed without regard to such laws: *Provided, however,* That no officer or employee (except such officers and employees whose compensation is fixed by law, and scientific and technical personnel) whose position would be subject to the Classification Act of 1949, as amended, if such Act were applicable to such position, shall be paid a salary at a rate in excess of the rate payable under such Act for positions of equivalent difficulty or responsibility. The Commission shall make adequate provision for administrative review of any determination to dismiss any employee;

" 'e. acquire such material, property, equipment, and facilities, establish or construct such buildings and facilities, and modify such buildings and facilities from time to time, as it may deem necessary, and construct, acquire, provide, or arrange for such facilities and services (at project sites where such facilities and services are not available) for the housing, health, safety, welfare, and recreation of personnel employed by the Commission as it may deem necessary, subject to the provisions of section 174;

" 'f. with the consent of the agency concerned, utilize or employ the services or personnel of any Government agency or any State or local government, or voluntary or uncompensated personnel, to perform such functions on its behalf as may appear desirable;

" 'g. acquire, purchase, lease, and hold real and personal property, including patents, as agent of and on behalf of the United States, subject to the provisions of section 174, and to sell, lease, grant, and dispose of such real and personal property as provided in this Act;

" 'h. consider in a single application one or more of the activities for which a license is required by this Act, combine in a single license one or more of such activities, and permit the applicant or licensee to incorporate by reference pertinent information already filed with the Commission;

" 'i. prescribe such regulations or orders as it may deem necessary (1) to protect Restricted Data received by any person in connection with any activity authorized pursuant to this Act, (2) to guard against the loss or diversion of any special nuclear material acquired by any person pursuant to section 53 or produced by any person in connection with any activity authorized pursuant to this Act, and to prevent any use

or disposition thereof which the Commission may determine to be inimical to the common defense and security, and (3) to govern any activity authorized pursuant to this Act, including standards and restrictions governing the design, location, and operation of facilities used in the conduct of such activity, in order to protect health and to minimize danger to life or property;

"'j. without regard to the provisions of the Federal Property and Administrative Services Act of 1949, as amended, except section 207 of that Act, or any other law, make such disposition as it may deem desirable of (1) radioactive materials, and (2) any other property, the special disposition of which is, in the opinion of the Commission, in the interest of the national security: *Provided, however,* That the property furnished to licensees in accordance with the provisions of subsection 161 m. shall not be deemed to be property disposed of by the Commission pursuant to this subsection;

"'k. authorize such of its members, officers, and employees as it deems necessary in the interest of the common defense and security to carry firearms while in the discharge of their official duties. The Commission may also authorize such of those employees of its contractors engaged in the protection of property owned by the United States and located at facilities owned by or contracted to the United States as it deems necessary in the interests of the common defense and security to carry firearms while in the discharge of their official duties;

"'l. secure the admittance free of duty into the United States of purchases made abroad of source materials, upon certification to the Secretary of the Treasury that such entry is necessary in the interest of the common defense and security;

"'m. enter into agreements with persons licensed under section 103 or 104 for such periods of time as the Commission may deem necessary or desirable (1) to provide for the processing, fabricating, separating, or refining in facilities owned by the Commission of source, byproduct, or other material or special nuclear material owned by or made available to such licensees and which is utilized or produced in the conduct of the licensed activity, and (2) to sell, lease, or otherwise make available to such licensees such quantities of source or byproduct material, and other material not defined as special nuclear material pursuant to this Act, as may be necessary for the conduct of the licensed activity: *Provided, however,* That any such agreement may be canceled by the licensee at any time upon payment of such reasonable cancellation charges as may be agreed upon by the licensee and the Commission: *And provided further,* That the Commission shall establish prices to be paid by licensees for material or services to be furnished by the Commission pursuant to this subsection, which prices shall be established on such a nondiscriminatory basis as, in the opinion of the Commission, will provide reasonable compensation to the Government for such material or services and will not discourage the development of sources of supply independent of the Commission;

"'n. assign scientific, technical, professional, and administrative employees for instruction, education, or training by public or private agencies, institutions of learning, laboratories, or industrial or commercial organizations and to pay the whole or any part of the salaries of such employees, costs of their transportation and per diem in lieu of subsistence in accordance with applicable laws and regulations, and training charges incident to their assignments (including tuition and other related fees): *Provided, however,* That (1) not more than one per centum of the eligible employees shall be so assigned during any fiscal year, and (2) any such assignment shall be approved in advance by the Commission or shall be in accordance with a training program previously approved by the Commission: *And provided further,* That appropriations or other funds available to the Commission for salaries or expenses shall be available for the purposes of this subsection;

"'o. delegate to the General Manager or other officers of the Commission any of those functions assigned to it under this Act except those specified in sections 51, 57 a. (3), 61, 102 (with respect to the finding of practical value), 108, 123, 145 b. (with respect to the determination of those persons to whom the Commission may reveal Restricted Data in the national interest), 145 e., and 161 a.;

"'p. require by rule, regulation, or order, such reports, and the keeping of such records with respect to, and to provide for such inspections of, activities and studies of types specified in section 31 and of activities under licenses issued pursuant to sections 53, 63, 81, 103, and 104, as may be necessary to effectuate the purposes of this Act, including section 105; and

"'q. make, promulgate, issue, rescind, and amend such rules and regulations as may be necessary to carry out the purposes of this Act.

"'SEC. 162. CONTRACTS.—The President may, in advance, exempt any specific action of the Commission in a particular matter from the provisions of law relating to contracts whenever he determines that such action is essential in the interest of the common defense and security.

"'SEC. 163. ADVISORY COMMITTEES.—The members of the General Advisory Committee established pursuant to section 26 and the members of advisory boards established pursuant to section 161 a. may serve as such without regard to the provisions of sections 281, 283, or 284 of Title 18 of the United States Code, except insofar as such sections may prohibit any such member from receiving compensation in respect of any particular matter which directly involves the Commission or in which the Commission is directly interested.

"'SEC. 164. ELECTRIC UTILITY CONTRACTS.—The Commission is authorized in connection with the construction or operation of the Oak Ridge, Paducah, and Portsmouth installations of the Commission, without regard to section 3679 of the Revised Statutes, as amended, to enter into new contracts or modify or confirm existing contracts to provide for electric utility services for periods not exceeding twenty-five years, and such contracts shall be subject to termination by the Commission upon payment of cancellation costs as provided in such contracts, and any appropriation presently or hereafter made available to the Commission shall be available for the payment of such cancellation costs. Any such cancellation payments shall be taken into consideration in determination of the rate to be charged in the event the Commission or any other agency of the Federal Government shall purchase electric utility services from the contractor subsequent to the cancellation and during the life of the original contract. The authority of the Commission under this section to enter into new contracts or modify or confirm existing contracts to provide for electric utility services includes, in case such electric utility services are to be furnished to the Commission by the Tennessee Valley Authority, authority to contract with any person to furnish electric utility services to the Tennessee Valley Authority in replacement thereof. Any contract hereafter entered into by the Commission pursuant to this section shall be submitted to the Joint Committee and a period of thirty days shall elapse while Congress is in session (in computing such thirty days, there shall be excluded the days on which either House is not in session because of adjournment for more than three days) before the contract of the Commission shall become effective: *Provided, however,* That the Joint Committee, after having received the proposed contract, may by resolution in writing, waive the conditions of all or any portion of such thirty-day period.

"'SEC. 165.—CONTRACT PRACTICES.—

"'a. In carrying out the purposes of this Act the Commission shall not use the cost-plus-percentage-of-cost system of contracting.

"'b. No contract entered into under the authority of this Act shall provide, and no contract entered into under the authority of the Atomic Energy Act of 1946, as amended, shall be modified or amended after the date of enactment of this Act to provide, for direct payment or direct reimbursement by the Commission of any Federal income taxes on behalf of any contractor performing such contract for profit.

"'SEC. 166. COMPTROLLER GENERAL AUDIT.—No moneys appropriated for the purposes of this Act shall be available for payments under any contract with the Commission, negotiated without advertising, except contracts with any foreign government or any agency thereof and contracts with foreign producers, unless such contract includes a clause to the effect that the Comptroller General of the United States or any of his duly authorized representatives shall, until the expiration of three years after final payment, have access to and the right to examine any directly pertinent books, documents, papers, and records of the contractor or any of his subcontractors engaged in the performance of, and involving transactions related to such contracts or subcontracts: *Provided, however,* That no moneys so appropriated shall be available for payment under such contract which includes any provision precluding an audit by the General Accounting Office of any transaction under such contract.

"'SEC. 167. CLAIM SETTLEMENTS.—The Commission, acting on behalf of the United States, is authorized to consider, ascertain, adjust, determine, settle, and pay, any claim for money damage of $5,000 or less against the United States for bodily injury, death, or damage to or loss of real or personal property resulting from any detonation, explosion, or radiation produced in the conduct of the Commission's program for testing atomic weapons, where such claim is presented to the Commission in writing within one year after the accident or incident out of which the claim arises: *Provided, however,* That the damage to or loss of property, or bodily injury or death, shall not have been caused in whole or in part by any negligence or wrongful act on the part of the claimant, his agents, or employees. Any such settlement under the authority of this section shall be final and conclusive for all purposes, notwithstanding any other provision of law to the contrary.

"'SEC. 168. PAYMENTS IN LIEU OF TAXES.—In order to render financial assistance to those States and localities in which the activities of the Commission are carried on, and in which the Commission has acquired property previously subject to State and local taxation, the Commission is authorized to make payments to State and local governments in lieu of property taxes. Such payments may be in the amounts, at the times, and upon the terms the Commission deems appropriate, but the Commission shall be guided by the policy of not making payments in excess of the taxes which would have been payable for such property in the condition in which it was acquired, except in cases where special burdens have been cast upon the State or local government by activities of the Commission, the Manhattan Engineer District or their agents. In any such case, any benefit accruing to the State or local government by reason of such activities shall be considered in determining the amount of the payment.

"'SEC. 169. No SUBSIDY.—No funds of the Commission shall be employed in the construction or operation of facilities licensed under section 103 or 104 except under contract or other arrangement entered into pursuant to section 31.

"'CHAPTER 15. COMPENSATION FOR PRIVATE PROPERTY ACQUIRED

"'SEC. 171. JUST COMPENSATION.—The United States shall make just compensation for any property or interests therein taken or requisitioned pursuant to sections 43, 52 (with respect to the material for which the United States is required to pay just compensation), 66, and 108. Except in case of real property or any interest therein, the Commission shall determine and pay such just compensation. If the compensation so determined is unsatisfactory to the person entitled thereto, such person shall be paid 75 per centum of the amount so determined, and shall be entitled to sue the United States in the Court of Claims or in any district court of the United States for the district in which such claimant is a resident in the manner provided by section 1346 of Title 28 of the United States Code to recover such further sum as added to said 75 per centum will constitute just compensation.

"'SEC. 172. CONDEMNATION OF REAL PROPERTY.—Proceedings for condemnation shall be instituted pursuant to the provisions of the Act approved August 1, 1888, as amended, and section 1403 of Title 28 of the United States Code. The Act approved February 26, 1931, as amended, shall be applicable to any such proceedings.

"'SEC. 173. PATENT APPLICATION DISCLOSURES.—In the event that the Commission communicates to any nation any Restricted Data based on any patent application not belonging to the United States, just compensation shall be paid by the United States to the owner of the patent application. The Commission shall determine such compensation. If the compensation so determined is unsatisfactory to the person entitled thereto, such person shall be paid 75 per centum of the amount so determined, and shall be entitled to sue the United States in the Court of Claims or in any district court of the United States for the district in which such claimant is a resident in a manner provided by section 1346 of Title 28 of the United States Code to recover such further sum as added to such 75 per centum will constitute just compensation.

"'SEC. 174.—ATTORNEY GENERAL APPROVAL OF TITLE.—All real property acquired under this Act shall be subject to the provisions of section 355 of the Revised Statutes, as amended: *Provided, however,* That real property acquired by purchase or donation, or other means of transfer may also be occupied, used, and improved for the purposes of this Act prior to approval of title by the Attorney General in those cases where the President determines that such action is required in the interest of the common defense and security.

"'CHAPTER 16. JUDICIAL REVIEW AND ADMINISTRATIVE PROCEDURE

"'SEC. 181. GENERAL.—The provisions of the Administrative Procedure Act (Public Law 404, Seventy-ninth Congress, approved June 11, 1946) shall apply to all agency action taken under this Act, and the terms "agency" and "agency action" shall have the meaning specified in the Administrative Procedure Act: *Provided, however,* That in the case of agency proceedings or actions which involve Restricted Data or defense information, the Commission shall provide by regulation for such parallel procedures as will effectively safeguard and prevent disclosure of Restricted Data or defense information to unauthorized persons with minimum impairment of the procedural rights which would be available if Restricted Data or defense information were not involved.

"'SEC. 182. LICENSE APPLICATIONS.—

"'a. Each application for a license hereunder shall be in writing and shall specifically state such information as the Commission, by rule or regulation, may determine to be necessary to decide such of the technical and financial qualifications of the applicant, the character of the applicant, the citizenship of the applicant, or any other qualifications of the applicant as the Commission may deem appropriate for the license. In connection with applications for licenses to operate production or utilization facilities, the applicant shall state such technical specifications, including information of the amount, kind, and source of special nuclear material required, the place of the use, the specific characteristics of the facility, and such other information as the Commission may, by rule or regulation, deem necessary in order to enable it to find that the utilization or production of special nuclear material will be in accord with the common defense and security and will provide adequate protection to the health and safety of the public. Such technical specifications shall be a part of any license issued. The Commission may at any time after the filing of the original application, and before the expiration of the license, require further written statements in order to enable the Commission to determine whether the application should be granted or denied or whether a license should be modified or revoked. All applications and statements shall be signed by the applicant or licensee under oath or affirmation.

"'b. The Commission shall not issue any license for a utilization or production facility for the generation of commercial power under section 103, until it has given notice in writing to such regulatory agency as may have jurisdiction over the rates and services of the proposed activity, to municipalities, private utilities, public bodies, and cooperatives within transmission distance authorized to engage in the distribution of electric energy and until it has published notice of such application once each week for four consecutive weeks in the Federal Register, and until four weeks after the last notice.

"'c. The Commission, in issuing any license for a utilization or production facility for the generation of commercial power under section 103, shall give preferred consideration to applications for such facilities which will be located in high cost power areas in the United States if there are conflicting applications for a limited opportunity for such license. Where such conflicting applications resulting from limited opportunity for such license include those submitted by public or cooperative bodies such applications shall, insofar as practicable, be given preferred consideration.

"'d. The Commission, in issuing any license within five years after the date of enactment of this Act for the manufacture of any utilization or production facility shall, if issued under section 103, or may, if issued under subsection 104 b., give preference to persons applying therefor who agree as a part of the license application to issue nonexclusive patent licenses for any patents or interests therein, owned or acquired by such applicant within five years after the date of enactment of this Act which are of primary use in production or utilization facilities, to any other licensee of the Commission who demonstrates need therefor upon payment by such other licensee to the owner of the patent of a reasonable royalty fee to be determined pursuant to section 155.

"'SEC. 183. TERMS OF LICENSES.—Each license shall be in such form and contain such terms and conditions as the Commission may, by rule or regulation, prescribe to effectuate the provisions of this Act, including the following provisions:

"'a. Title to all special nuclear material utilized or produced by facilities pursuant to the license, shall at all times be in the United States.

"'b. No right to the special nuclear material shall be conferred by the license except as defined by the license.

"'c. Neither the license nor any right under the license shall be assigned or otherwise transferred in violation of the provisions of this Act.

"'d. Every license issued under this Act shall be subject to the right of recapture or control reserved by section 108, and to all of the other provisions of this Act, now or hereafter in effect and to all valid rules and regulations of the Commission.

"'SEC. 184. INALIENABILITY OF LICENSES.—No license granted hereunder and no right to utilize or produce special nuclear material granted hereby shall be transferred, assigned or in any manner disposed of, either voluntarily or involuntarily, directly or indirectly, through transfer of control of any license to any person, unless the Commission shall, after securing full information, find that the transfer is in accordance with the provisions of this Act, and shall give its consent in writing. The Commission may give such consent to the creation of a mortgage, pledge, or other lien upon any facility owned or thereafter acquired by a licensee, or upon any leasehold or other interest in such property, and the rights of the creditors so secured may thereafter be enforced by any court subject to rules and regulations established by the Commission to protect public health and safety and promote the common defense and security.

"'SEC. 185. CONSTRUCTION PERMITS.—All applicants for licenses to construct or modify production or utilization facilities shall, if the application is otherwise acceptable to the Commission, be initially granted a construction permit. The construction permit shall state the earliest and latest dates for the completion of the construction or modification. Unless the construction or modification of the facility is completed by the completion date, the construction permit shall expire, and all rights thereunder be forfeited, unless upon good cause shown, the Commission extends the completion date. Upon the completion of the construction or modification of the facility, upon the filing of any additional information needed to bring the original application up to date, and upon finding that the facility authorized has been constructed and will operate in conformity with the application as amended and in conformity with the provisions of this Act and of the rules and regulations of the Commission, and in the absence of any good cause being shown to the Commission why the granting of a license would not be in accordance with the provisions of this Act, the Commission shall thereupon issue a license to the applicant. For all other purposes of this Act, a construction permit is deemed to be a "license".

"'SEC. 186. REVOCATION.—

"'a. Any license may be revoked for any material false statement in the application or any statement of fact required under section 182, or because of conditions revealed by such application or statement of fact or any report, record, or inspection or other means which would warrant the Commission to refuse to grant a license on an original application, or for failure to construct or operate a facility in accordance with the terms of the construction permit or license or the technical specifications in the application, or for violation of, or failure to observe any of the terms and provisions of this Act or of any regulation of the Commission.

"'b. The Commission shall follow the provisions of section 9 (b) of the Administrative Procedure Act in revoking any license.

"'c. Upon revocation of the license, the Commission may immediately retake possession of all special nuclear material held by the licensee. In cases found by the Com-

mission to be of extreme importance to the national defense and security or to the health and safety of the public, the Commission may recapture any special nuclear material held by the licensee or may enter upon and operate the facility prior to any of the procedures provided under the Administrative Procedure Act. Just compensation shall be paid for the use of the facility.

" 'SEC. 187. MODIFICATION OF LICENSE.—The terms and conditions of all licenses shall be subject to amendment, revision, or modification, by reason of amendments of this Act or by reason of rules and regulations issued in accordance with the terms of this Act.

" 'SEC. 188. CONTINUED OPERATION OF FACILITIES.—Whenever the Commission finds that the public convenience and necessity or the production program of the Commission requires continued operation of a production facility or utilization facility the license for which has been revoked pursuant to section 186, the Commission may, after consultation with the appropriate regulatory agency, State or Federal, having jurisdiction, order that possession be taken of and such facility be operated for such period of time as the public convenience and necessity or the production program of the Commission may, in the judgment of the Commission, require, or until a license for the operation of the facility shall become effective. Just compensation shall be paid for the use of the facility.

" 'SEC. 189. HEARINGS AND JUDICIAL REVIEW.—

" 'a. In any proceeding under this Act, for the granting, suspending, revoking, or amending of any license or construction permit, or application to transfer control, and in any proceeding for the issuance or modification of rules and regulations dealing with the activities of licensees, and in any proceeding for the payment of compensation, an award or royalties under sections 156, 182 d., 186 c., or 188, the Commission shall grant a hearing upon the request of any person whose interest may be affected by the proceeding, and shall admit any such person as a party to such proceeding.

" 'b. Any final order entered in any proceeding of the kind specified in subsection a. above shall be subject to judicial review in the manner prescribed in the Act of December 29, 1950, as amended (ch. 1189, 64 Stat. 1129), and to the provisions of section 10 of the Administrative Procedure Act, as amended.

" 'CHAPTER 17. JOINT COMMITTEE ON ATOMIC ENERGY

" 'SEC. 201. MEMBERSHIP.—There is hereby established a Joint Committee on Atomic Energy to be composed of nine Members of the Senate to be appointed by the President of the Senate, and nine Members of the House of Representatives to be appointed by the Speaker of the House of Representatives. In each instance not more than five Members shall be members of the same political party.

" 'SEC. 202. AUTHORITY AND DUTY.—The Joint Committee shall make continuing studies of the activities of the Atomic Energy Commission and of problems relating to the development, use, and control of atomic energy. During the first sixty days of each session of the Congress, the Joint Committee shall conduct hearings in either open or executive session for the purpose of receiving information concerning the development, growth, and state of the atomic energy industry. The Commission shall keep the Joint Committee fully and currently informed with respect to all of the Commission's activities. The Department of Defense shall keep the Joint Committee fully and currently informed with respect to all matters within the Department of Defense relating to the development, utilization, or application of atomic energy. Any Government agency shall furnish any information requested by the Joint Committee with respect to the activities or responsibilities of that agency in the field of atomic energy. All bills, resolutions, and other matters in the Senate or the House of Representatives relating primarily to the Commission or to the development, use, or control of atomic energy shall be referred to the Joint Committee. The members of the Joint Committee who are Members of the Senate shall from time to time report to the Senate, and the members of the Joint Committee who are Members of the House of Representatives shall from time to time report to the House, by bill or otherwise, their recommendations with respect to matters within the jurisdiction of their respective Houses which are referred to the Joint Committee or otherwise within the jurisdiction of the Joint Committee.

" 'SEC. 203. CHAIRMAN.—Vacancies in the membership of the Joint Committee shall not affect the power of the remaining members to execute the functions of the Joint Committee, and shall be filled in the same manner as in the case of the original selection. The Joint Committee shall select a Chairman and a Vice Chairman from among its members at the beginning of each Congress. The Vice Chairman shall act in the place and stead of the Chairman in the absence of the Chairman. The Chairmanship shall alternate between the Senate and the House of Representatives with each Congress, and the Chairman shall be selected by the Members from that House entitled to the Chairmanship. The Vice Chairman shall be chosen from the House other than that of the Chairman by the Members from that House.

" 'SEC. 204. POWERS.—In carrying out its duties under this Act, the Joint Committee, or any duly authorized subcommittee thereof, is authorized to hold such hearings or investigations, to sit and act at such places and times, to require, by subpena or otherwise, the attendance of such witnesses and the production of such books, papers, and documents, to administer such oaths, to take such testimony, to procure such printing and binding, and to make such expenditures as it deems advisable. The Joint Committee may make such rules respecting its organization and procedures as it deems necessary: *Provided, however,* That no measure or recommendation shall be reported from the Joint Committee unless a majority of the committee assent. Subpenas may be issued over the signature of the Chairman of the Joint Committee or by any member designated by him or by the Joint Committee, and may be served by such person or persons as may be designated by such Chairman or member. The Chairman of the Joint Committee or any member thereof may administer oaths to witnesses. The Joint Committee may use a committee seal. The provisions of sections 102 to 104, inclusive, of the Revised Statutes, as amended, shall apply in case of any failure of any witness to comply with a subpena or to testify when summoned under authority of this section. The expenses of the Joint Committee shall be paid from the contingent fund of the Senate from funds appropriated for the Joint Committee upon vouchers approved by the Chairman. The cost of stenographic service to report public hearings shall not be in excess of the amounts prescribed by law for reporting the hearings of standing committees of the Senate. The cost of stenographic service to report executive hearings shall be fixed at an equitable rate by the Joint Committee. Members of the Joint Committee, and its employees and consultants, while traveling on official business for the Joint Committee, may receive either the per diem allowance authorized to be paid to Members of Congress or its employees, or their actual and necessary expenses provided an itemized statement of such expenses is attached to the voucher.

" 'SEC. 205. STAFF AND ASSISTANCE.—The Joint Committee is empowered to appoint and fix the compensation of such experts, consultants, technicians, and staff employees as it deems necessary and advisable. The Joint Committee is authorized to utilize the services, information, facilities, and personnel of the departments and establishments of the Government. The Joint Committee is authorized to permit such of its members, employees, and consultants as it deems necessary in the interest of common defense and security to carry firearms while in the discharge of their official duties for the committee.

" 'SEC. 206. CLASSIFICATION OF INFORMATION.—The Joint Committee may classify information originating within the committee in accordance with standards used generally by the executive branch for classifying Restricted Data or defense information.

" 'SEC. 207. RECORDS.—The Joint Committee shall keep a complete record of all committee actions, including a record of the votes on any question on which a record vote is demanded. All committee records, data, charts and files shall be the property of the Joint Committee and shall be kept in the offices of the Joint Committee or other places as the Joint Committee may direct under such security safeguards as the Joint Committee shall determine in the interest of the common defense and security.

" 'CHAPTER 18. ENFORCEMENT

" 'SEC. 221. GENERAL PROVISIONS.—

" 'a. To protect against the unlawful dissemination of Restricted Data and to safeguard facilities, equipment, materials, and other property of the Commission, the President shall have authority to utilize the services of any Government agency to the extent he may deem necessary or desirable.

" 'b. The Federal Bureau of Investigation of the Department of Justice shall investigate all alleged or suspected criminal violations of this Act.

" 'c. No action shall be brought against any individual or person for any violation under this Act unless and until the Attorney General of the United States has advised the Commission with respect to such action and no such action shall be commenced except by the Attorney General of the United States: *Provided, however,* That no action shall be brought under sections 222, 223, 224, 225 or 226 except by the express direction of the Attorney General.

" 'SEC. 222. VIOLATION OF SPECIFIC SECTIONS.—Whoever willfully violates, attempts to violate, or conspires to violate, any provision of sections 57, 92, or 101, or whoever unlawfully interferes, attempts to interfere, or conspires to interfere with any recapture or entry under section 108, shall, upon conviction thereof, be punished by a fine of not more than $10,000 or by imprisonment for not more than five years, or both, except that whoever commits such an offense with intent to injure the United States or with intent to secure an advantage to any foreign nation shall, upon conviction thereof, be punished by death or imprisonment for life (but the penalty of death or imprisonment for life may be imposed only upon recommendation of the jury), or by a fine of not more than $20,000 or by imprisonment for not more than twenty years, or both.

" 'SEC. 223. VIOLATION OF SECTIONS GENERALLY.—Whoever willfully violates, attempts to violate, or conspires to violate, any provision of this Act for which no penalty is specifically provided or of any regulation or order prescribed or issued under section 65 or subsections 161 b., i., or p. shall, upon conviction thereof, be punished by a fine of not more than $5,000 or by imprisonment for not more than two years, or both, except that

whoever commits such an offense with intent to injure the United States or with intent to secure an advantage to any foreign nation, shall, upon conviction thereof, be punished by a fine of not more than $20,000 or by imprisonment for not more than twenty years, or both.

"SEC. 224. COMMUNICATION OF RESTRICTED DATA.—Whoever, lawfully or unlawfully, having possession of, access to, control over, or being entrusted with any document, writing, sketch, photograph, plan, model, instrument, appliance, note, or information involving or incorporating Restricted Data—

"'a. communicates, transmits, or discloses the same to any individual or person, or attempts or conspires to do any of the foregoing, with intent to injure the United States or with intent to secure an advantage to any foreign nation, upon conviction thereof, shall be punished by death or imprisonment for life (but the penalty of death or imprisonment for life may be imposed only upon recommendation of the jury), or by a fine of not more than $20,000 or imprisonment for not more than twenty years, or both;

"'b. communicates, transmits, or discloses the same to any individual or person, or attempts or conspires to do any of the foregoing, with reason to believe such data will be utilized to injure the United States or to secure an advantage to any foreign nation, shall, upon conviction, be punished by a fine of not more than $10,000 or imprisonment for not more than ten years, or both.

"'SEC. 225. RECEIPT OF RESTRICTED DATA.—Whoever, with intent to injure the United States or with intent to secure an advantage to any foreign nation, acquires, or attempts or conspires to acquire any document, writing, sketch, photograph, plan, model, instrument, appliance, note, or information involving or incorporating Restricted Data shall, upon conviction thereof, be punished by death or imprisonment for life (but the penalty of death or imprisonment for life may be imposed only upon recommendation of the jury), or by a fine of not more than $20,000 or imprisonment for not more than twenty years, or both.

"'SEC. 226. TAMPERING WITH RESTRICTED DATA.—Whoever, with intent to injure the United States or with intent to secure an advantage to any foreign nation, removes, conceals, tampers with, alters, mutilates, or destroys any document, writing, sketch, photograph, plan, model, instrument, appliance, or note involving or incorporating Restricted Data and used by any individual or person in connection with the production of special nuclear material, or research or development relating to atomic energy, conducted by the United States, or financed in whole or in part by Federal funds, or conducted with the aid of special nuclear material, shall be punished by death or imprisonment for life (but the penalty of death or imprisonment for life may be imposed only upon recommendation of the jury), or by a fine of not more than $20,000 or imprisonment for not more than twenty years, or both.

"'SEC. 227. DISCLOSURE OF RESTRICTED DATA.—Whoever, being or having been an employee or member of the Commission, a member of the Armed Forces, an employee of any agency of the United States, or being or having been a contractor of the Commission or of an agency of the United States, or being or having been an employee of a contractor of the Commission or of an agency of the United States, or being or having been a licensee of the Commission, or being or having been an employee of a licensee of the Commission, knowingly communicates, or whoever conspires to communicate or to receive, any Restricted Data, knowing or having reason to believe that such data is Restricted Data, to any person not authorized to receive Restricted Data pursuant to the provisions of this Act or under rule or regulation of the Commission issued pursuant thereto, knowing or having reason to believe such person is not so authorized to receive Restricted Data shall, upon conviction thereof, be punishable by a fine of not more than $2,500.

"'SEC. 228. STATUTE OF LIMITATIONS.—Except for a capital offense, no individual or person shall be prosecuted, tried, or punished for any offense prescribed or defined in sections 224 to 226, inclusive, of this Act unless the indictment is found or the information is instituted within ten years next after such offense shall have been committed.

"'SEC. 229. OTHER LAWS.—Sections 224 to 228 shall not exclude the applicable provisions of any other laws.

"'SEC. 230. INJUNCTION PROCEEDINGS.—Whenever in the judgment of the Commission any person has engaged or is about to engage in any acts or practices which constitute or will constitute a violation of any provision of this Act, or any regulation or order issued thereunder, the Attorney General on behalf of the United States may make application to the appropriate court for an order enjoining such acts or practices, or for an order enforcing compliance with such provision, and upon a showing by the Commission that such person has engaged or is about to engage in any such acts or practices, a permanent or temporary injunction, restraining order, or other order may be granted.

"'SEC. 231. CONTEMPT PROCEEDINGS.—In case of failure or refusal to obey a subpena served upon any person pursuant to subsection 161 c., the district court for any district in which such person is found or resides or transacts business, upon application by the Attorney General on behalf of the United States, shall have jurisdiction to issue an order requiring such person to appear and give testimony or to appear and produce documents, or both, in accordance with the subpena; and any failure to obey such order of the court may be punished by such court as a contempt thereof.

"'CHAPTER 19. MISCELLANEOUS

"'SEC. 241. TRANSFER OF PROPERTY.—Nothing in this Act shall be deemed to repeal, modify, amend, or alter the provisions of section 9 (a) of the Atomic Energy Act of 1946, as heretofore amended.

"'SEC. 251. REPORT TO CONGRESS.—The Commission shall submit to the Congress, in January and July of each year, a report concerning the activities of the Commission. The Commission shall include in such report, and shall at such other times as it deems desirable submit to the Congress, such recommendations for additional legislation as the Commission deems necessary or desirable.

"'SEC. 261. APPROPRIATIONS.—There are hereby authorized to be appropriated such sums as may be necessary and appropriate to carry out the provisions and purposes of this Act except such as may be necessary for acquisition or condemnation of any real property or any facility or for plant or facility acquisition, construction, or expansion. The Acts appropriating such sums may appropriate specified portions thereof to be accounted for upon the certification of the Commission only. Funds appropriated to the Commission shall, if obligated by contract during the fiscal year for which appropriated, remain available for expenditure for four years following the expiration of the fiscal year for which appropriated.

"'SEC. 271. AGENCY JURISDICTION.—Nothing in this Act shall be construed to affect the authority or regulations of any Federal, State, or local agency with respect to the generation, sale, or transmission of electric power.

"'SEC. 272. APPLICABILITY OF FEDERAL POWER ACT.—Every licensee under this Act who holds a license from the Commission for a utilization or production facility for the generation of commercial electric energy under section 103 and who transmits such electric energy in interstate commerce or sells it at wholesale in interstate commerce shall be subject to the regulatory provisions of the Federal Power Act.

"'SEC. 273. LICENSING OF GOVERNMENT AGENCIES.—Nothing in this Act shall preclude any Government agency now or hereafter authorized by law to engage in the production, marketing, or distribution of electric energy from obtaining a license under section 103, if qualified under the provisions of section 103, for the construction and operation of production or utilization facilities for the primary purpose of producing electric energy for disposition for ultimate public consumption.

"'SEC. 281. SEPARABILITY.—If any provision of this Act or the application of such provision to any person or circumstances, is held invalid, the remainder of this Act or the application of such provision to persons or circumstances other than those as to which it is held invalid, shall not be affected thereby.

"'SEC. 291. SHORT TITLE.—This Act may be cited as the "Atomic Energy Act of 1954".'

"SEC. 2.—

"a. Section 1 (d) of the Act of December 29, 1950 (64 Stat. 1129), is amended by inserting before the period at the end thereof a semicolon and the following: 'when such order was entered by the Atomic Energy Commission, "agency" means that Commission,

"b. Section 2 of the Act of December 29, 1950 (64 Stat. 1129), is amended by inserting before the period at the end of the first paragraph thereof a comma and the following: 'and (d) of the Atomic Energy Commission made reviewable by section 189 of the Atomic Energy Act of 1954, as amended'.

"SEC. 3. There is hereby retroceded to the State of New Mexico the exclusive jurisdiction heretofore acquired from the State of New Mexico by the United States of America over the following land of the United States Atomic Energy Commission in Bernalillo County and within the boundaries of the Sandia base, Albuquerque, New Mexico.

"Beginning at the center quarter corner of section 30, township 10 north, range 4 east, New Mexico principal meridian, Bernalillo County, New Mexico, thence south no degrees twenty-three minutes thirty seconds west one thousand nine hundred forty-seven and twenty one-hundredths feet, thence north eighty-nine degrees thirty-six minutes forty-five seconds east two thousand sixty-eight and forty one-hundredths feet, thence north eighty-nine degrees three minutes fifteen seconds east five hundred forty-six feet, thence north no degrees thirty-nine minutes no seconds east two hundred thirty-two and seventy one-hundredths feet, thence north eighty-nine degrees twenty-one minutes no seconds west eight hundred fifty-two and twenty one-hundredths feet, thence north no degrees thirty-nine minutes no seconds east five hundred and sixty one-hundredths feet, thence along the back of the south curb of West Sandia Drive, Sandia Base, Bernalillo County, New Mexico, eight hundred sixty-five and sixty one-hundredths feet, thence north no degrees thirty-nine minutes no seconds east one thousand three hundred thirty-five and three-tenths feet to a point south eighty-nine degrees twenty-seven minutes forty-five seconds west a distance of thirty feet from the quarter corner common to sections 30 and 29, township 10 north, range 4 east, thence south eighty-nine degrees, twenty-seven minutes forty-five seconds west two thousand six hundred twenty-three and forty one-hundredths feet to the point of beginning.

"This retrocession of jurisdiction shall take effect upon acceptance by the State of New Mexico."

And the Senate agree to the same.

W. STERLING COLE,
CARL HINSHAW,
JAMES E. VAN ZANDT,
CARL T. DURHAM,
Managers on the Part of the House.

BOURKE B. HICKENLOOPER,
WILLIAM F. KNOWLAND,
JOHN W. BRICKER,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 9757) to amend the Atomic Energy Act of 1946, as amended, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The Senate struck out all of the House bill after the enacting clause and inserted a substitute amendment. The committee of conference has agreed to a substitute for both the House bill and the Senate amendment. Except for technical, clarifying, and conforming changes, the following statement explains the differences between the House bill and the substitute agreed to in conference.

DIVISIONS OF THE COMMISSION

The House bill continued in effect the provision of existing law which establishes within the Atomic Energy Commission a Division of Military Application and such other program divisions, not exceeding 10, as the Commission may determine (subsec. 25 a.). The Senate amendment added to the House bill a requirement that there be within the Commission "a division or divisions the primary responsibilities of which include the application of civilian uses". The conference substitute retains the substance of the language added by the Senate amendment.

DISPOSITION OF ENERGY PRODUCED AT COMMISSION FACILITIES

The House bill provided for the disposition of energy produced in the production of special nuclear material at production or experimental utilization facilities owned by the United States (sec. 44). It also provided for a preference to public bodies and cooperatives in the disposition of such energy, and prohibited the Commission from engaging in the sale or disposition of energy for commercial use except in the case of energy produced incidental to the operation of research and development or production facilities of the Commission.

The Senate amendment retained the provisions relating to disposition of energy produced by the Commission, but added a preference for high-cost power areas and a new section 45 which would authorize the Commission to engage in the production of electric power in its own facilities. It also would authorize other Federal agencies to be licensees of the Commission.

The committee of conference eliminated the Senate section 45 and revised section 44 so as to make it applicable to the disposition of energy produced at facilities of the Commission. It retained the requirement that, insofar as practicable, the Commission give preference to public bodies and cooperatives and to utilities in high-cost areas. It also retained the provision prohibiting the Commission from engaging in the sale of energy for commercial use except in the case of energy produced by the Commission incident to the operation of research and development facilities of the Commission and of facilities of the Commission for the production of special nuclear material.

The committee of conference amended section 31 a. (4) so as to clarify the authority of the Commission to build or contract for the building of large-scale atomic energy utilization facilities for the purpose of demonstrating the practical value of such facilities in the generation of electric energy, or for other industrial or commercial purposes. The construction of such large-scale demonstration facilities would require specific authorization by the Congress as provided in section 261.

For the purpose of clarity, sections 103 and 104 (which relate to the licensing of production and utilization facilities) were amended by the committee of conference so as to include the authority to issue licenses to "persons applying therefor" instead of to "applicants". The effect of this amendment is to make it clear that Government agencies are on an equal footing with all others before the Commission with respect to obtaining licenses from the Commission, since the definition of "persons" (subsec. 11 n.) specifically includes Government agencies (other than the Commission). In order to make this effect even more specific, a new section 273 was added to the bill to incorporate the substance of the final sentence of section 45 as added by the Senate amendment. This new section states that nothing in the act shall preclude any Government agency authorized by law to engage in the production, marketing, or distribution of electric energy from obtaining a license under section 103, if qualified under the provisions of section 103, for the construction and operation of production or utilization facilities for the primary purpose of producing electric energy for distribution for ultimate public consumption.

Since there was no thought that the Commission, in carrying out its obligations under this act, should not be required to get congressional approval for its operations, the amendment made by the Senate to section 261 which exempted the Commission from the necessity of obtaining congressional approval for certain construction and acquisition projects was deleted by the conference substitute.

NOTICE OF LICENSES

The House bill contained a provision requiring the Commission to give notice of proposed licenses under section 103 to those within transmission distance who might be engaged in the distribution of electricity. The Senate amendment required that notice be given to private utilities as well as to those persons included within the House provision. The conference substitute retains the Senate language with a minor amendment.

LICENSE PREFERENCES

The House bill contained a provision requiring the Commission to give preferred consideration in issuing licenses under section 103 to facilities which will be located in high cost power areas where there is a limited opportunity for such licenses (sec. 182 c.). The Senate amendment added a provision requiring that in such situations applications submitted by public and cooperative bodies were also to be given preferred consideration. The conference substitute follows the Senate amendment but requires such preference to be given "insofar as practicable."

APPLICABILITY OF FEDERAL POWER ACT

The Senate amendment added to the House bill a requirement that licensees under section 103 transmitting electric energy in interstate commerce or marketing such energy at wholesale in interstate commerce are to be subject to the Federal Power Act. The conference substitute retains the substance of the provision added by the Senate amendment and makes it a new section (sec. 272) in the bill.

SOURCE MATERIAL

In connection with the leasing of lands belonging to the United States for prospecting for or mining of deposits of source material, the House bill provided for the award of leases or permits on a competitive bidding basis after notice has been published in a newspaper in the county in which the lands are situated (sec. 67). The Senate amendment deleted this provision, and the conference substitute follows the Senate amendment.

The problems involved in issuing leases on the basis of competitive bidding require further study. It was decided by the committee of conference that this matter should be taken up in the next session of Congress if the Commission does not itself institute such methods of procedure after holding hearings specifically on the point.

ADVICE OF ATTORNEY GENERAL ON LICENSES

In connection with the issuance of licenses for utilization and production facilities, the House bill provided certain requirements with respect to the antitrust laws (sec. 105). Among these was the requirement that the Commission obtain the advice of the Attorney General before issuing any such license. The Senate amendment required that the Commission follow the advice of the Attorney General unless the President made a finding that the issuance of such a license was essential to the common defense and security and the finding was published in the Federal Register. This amendment in effect made the advice of the Attorney General a decision binding upon the Commission and the applicant without hearing. The conference substitute deletes the portion of the provision added by the Senate amendment which required that the advice of the Attorney General be followed, but requires that the advice of the Attorney General be published in the Federal Register.

INTERNATIONAL ACTIVITIES

The House bill provided that agreements for cooperation (sec. 123) were to be submitted to the President by the Commission or the Department of Defense, whichever was responsible for the initiation of the agreement. The Senate amendment required in addition that the Commission or the Department of Defense favorably recommend the agreement for cooperation. The corresponding provision in the conference substitute requires that the Commission or the Department of Defense submit the agreement for cooperation to the President together with its recommendation concerning the agreement.

The House bill provided for the termination of agreements for cooperation by the President or by the Congress (sec. 123 (2) and (3)). A similar provision in section 54 of the House bill provided for the termination by the Congress of agreements for cooperation for the foreign distribution of special nuclear material. The Senate amendment eliminated these provisions, and the conference substitute follows the Senate amendment. In view of the requirement in section 123 that each proposed agreement shall include "the terms, conditions, duration, * * * of the cooperation," the committee of conference believed that the agreements themselves would provide for termination conditions which would be most suitable under the special circumstances in each case.

ELECTRIC UTILITY CONTRACTS

The House bill contained an authorization for the Commission to enter into contracts for electric utility services in connection with the construction and operation of facilities at Oak Ridge, Paducah, and Portsmouth. The Senate amendment authorized

the Commission to enter into contracts to provide for replacement to the Tennessee Valley Authority of electric utility services furnished by TVA to the Commission in accordance with the basic authority, and also required any contract hereafter entered into to be submitted to the Joint Committee for a period of 30 days before becoming effective. The conference substitute follows the Senate amendment.

CONTRACT PRACTICES

The Senate amendment added to the House bill a provision (sec. 170) prohibiting the Commission from entering into a contract providing for the direct payment by the Commission of Federal income taxes on behalf of any contractor or for any payment to such contractor as reimbursement for any Federal income taxes paid by such contractor. The conference substitute limited the prohibition to the direct payment or direct reimbursement by the Commission of any Federal income tax, and made the prohibition as so limited a part of section 165. It was the intention of the committee of conference to prohibit the direct payment of Federal income taxes to contractors of the Commission, but it was not the intention of the committee of conference to bar inclusion of such taxes in the computation or adjustment of the base rate or cost structure of the Commission contract.

PATENTS

The House bill and the Senate amendment both provided, as does the Atomic Energy Act of 1946, as amended, that there shall be no patents issued in the field of atomic weapons. With respect to other areas in the atomic energy field the House bill permitted normal patents. However, it required that inventions or discoveries made under contract or other arrangement with the Commission shall be deemed to have been made by the Commission and patents therefor shall be the property of the Government unless the Commission either waives its claim or its claim is not held valid by the Board of Patent Interferences. The House bill provided a procedure for testing out the question of whether or not inventions were made or conceived under contract with the Commission, using the Board of Patent Interferences as the deciding tribunal. Each applicant for a patent in the atomic energy field would be required to file with the application for such patent a statement under oath setting forth the facts surrounding the making or conceiving of the invention. The Atomic Energy Commission would then be provided an opportunity to review the statement, and if it believed that the invention was made under a contract or other arrangement with the Commission, the Commission would be authorized to direct the Commissioner of Patents to issue the patent to the Commission. If the applicant should not concur, he would be given an opportunity for a hearing before the Board of Patent Interferences. This Board would then have to decide when the invention was made and whether, under all the circumstances, the Commission's claim was valid. The resolution of any question of when an invention is made or conceived is, of course, a normal function of the Board of Patent Interferences.

The Senate amendment did not have this protective device to insure that the Commission would receive all of the patents which properly belonged to it. Instead it authorized the Commission to require compulsory cross-licensing of inventions of primary importance in the field. It also provided for the use by others of patents found by the Government to have been used by their owners in violation of the antitrust laws.

The committee of conference chose a somewhat different approach to the problem so as to avoid as far as possible doubt as to the constitutionality of the licensing system. Therefore, the committee of conference accepted provisions requiring the Commission to give preferred consideration for commercial licenses in the next five years to those applicants who agree to make their atomic energy patents available to all other Commission licensees who demonstrate need therefor upon payment of a reasonable royalty to be determined in accordance with the provisions of the Act. In addition the committee of conference retained the House provision affording protection of the Commission's interest in patents conceived under contract or other arrangement with the Commission.

Furthermore, the committee of conference accepted the Senate amendment which would require those licenses given by patent owners under the circumstances above to be nonexclusive. It also accepted the Senate amendment that the royalty determined in connection with such licensing shall not be less favorable than royalties levied by the owner of the patent or by the Commission to similar licensees for comparable use.

The committee of conference also retained the substance of the Senate amendment dealing with the use of any patents in the atomic field in a manner so as to violate the antitrust laws.

By the provisions selected by the committee of conference it is thought the interest of the public and of the Government are protected in a constitutional manner and to the greatest extent possible without interfering unduly with the incentives inherent in the established patent system.

W. STERLING COLE,
CARL HINSHAW,
JAMES E. VAN ZANDT,
CARL T. DURHAM,
Managers on the Part of the House.

Mr. COLE of New York. Mr. Speaker, I yield myself 10 minutes.

Mr. Speaker, I thought a verbal explanation of the conference report might be more readily understood than if the Members had to listen to the reading of the statement by the reading clerk. After continuous deliberations and negotiations, which lasted the better part of the week, the conferees have finally come into agreement, reached on Friday last in which the differences between the positions of the two Houses have been reconciled to the satisfaction, at least, of a majority of the conferees representing the two Houses. It will be recalled that there were two major differences of position between the bill, as adopted by the Senate, and the one adopted here in the House.

The first area of difference was with respect to public versus private power issue. The other body had put in a provision authorizing, if not directing, but at least authorizing the Atomic Energy Commission to build atomic energy plants for the purpose of generating commercial electricity. On the other hand, a provision was considered in the House which directed that the Commission should not participate in that very thing. It was argued that there was some uncertainty as to whether the Commission, under the bill originally reported to the two Houses, would have had the authority to build an atomic reactor of sufficient size to prove its feasibility and practicability as a commercial atomic plant. There were some of us who took the position that that was implicit in the authority of the Commission. However, in order to resolve that uncertainty, a provision has been adopted by the conferees which makes it very certain that the Commission may, if it obtains funds from the Congress, embark upon an atomic power reactor of whatever size it may feel is desirable, but it must be on the basis of a research and development project and not for the pure and sole purpose of generating commercial electricity.

There was a provision adopted by the House prohibiting the Commission from engaging in the generation of commercial electricity which has been retained. The provision was adopted in both bodies, which is characterized as a preference clause with respect to the distribution of Federal power. The substance of that amendment was retained by the conferees so that now, if this conference report is adopted, in the event that the Commission has any surplus byproduct electrical energy, it may use it itself, or it may sell it to another public body, or to private institutions. But, insofar as it is practicable the Commission must give preference to public bodies and to cooperatives in the sale of that surplus or byproduct power.

Furthermore, there was question as to whether other public bodies could apply and receive a license to generate electricity from an atomic reactor. In order to clarify that, a provision has been inserted making clear and unequivocal what was implicit in the original bill to the effect that any Federal agency or any public agency which may be otherwise empowered by law to do so, and which may have the funds, may apply to the Atomic Energy Commission for a license the same as any individual may. So that now we can assure our rural electrification people and those interested in what is called public power, that any public body, any REA organization may apply for a license to use atomic energy to generate electricity. Furthermore, we can assure them that if there is for some unforeseen reason a circumstance which requires the Commission to limit licenses, then the Commission must give preference to the public bodies and the cooperatives.

The other area of dispute was with respect to the action taken by the House which included a provision in connection with the authority to enter into international agreements. The House adopted a provision which would make it possible for any international agreement arrived at under the procedures set forth in the proposed law, to be canceled at any time by concurrent resolution or under certain circumstances by the President. That was not in the measure passed by the Senate. The conferees were in complete agreement with the purposes and objectives of that amendment. However, there are certain phases of this program which are of great importance, in which it is highly desirable that this limitation should not apply. There are certain types of contracts—and I may indicate what they are—it has to do with the importation of the source material from which atomic weapons are made—that it is very important that these agreements be made as permanent and settled and dependable as possible. So the conferees have elminated that provision. I have discussed the matter with the 2 Members of

the House who were most active in presenting that matter and have indicated to them the full implication of this position, and they appear to be satisfied.

The other major point of difference was with respect to patents and what should be done in this field. The present law prohibits patents in the nonweapon field. This bill for the first time opens the door to private activity in the nonweapon phase of atomic development. As originally presented to the House, the bill contained a provision authorizing the compulsory licensing of any patent which might flow from this private operation for the next 5 years, irrespective of the association which that patent owner might have had with a publicly sponsored program.

After some discussion, the House accepted the amendment which was offered by myself, eliminating the compulsory feature, the basic argument against it being that it is of such doubtful constitutionality as to make it unwise for its adoption at this time.

At any rate, the House eliminated that provision and inserted in place of it the requirement that all patents which are conceived during the course of any association which an individual may have with the Government—employees of these large contractors, or small contractors—all of the people who have been in this program from the beginning or any persons who may become identified with the program—patents which flow from that association become the property of the United States. All other patents acquire the same status as normal patents. That was the substance of the amendment adopted by the House by a substantial margin.

The conferees took somewhat of a middle course. It retained the House provision on patents, so that we can be assured there will be no windfall to people who have been engaged in this program up to this time or in the future. The patents which those folks may discover are the property of the United States, unless the Commission may be willing to surrender its claim to a particular patent.

The conferees also accepted a revised version of the principle of compulsory licensing of patents. Section 182 (d) of the pending report directed that the Commission shall, in issuing licenses for the manufacture of production or utilization facilities of a commercial nature, or it may, in issuing licenses of a research nature, give preference to those persons applying for these licenses who agree to make their atomic energy patents available to other Commission licensees. We have removed the element of compulsion. There is still some discretion on the part of the individual who may anticipate developing a patent. If he applies for a license but is unwilling to expose his possible patents to a system of cross-licensing, he refuses to make that agreement. It does not require that the Commission limit its licenses to those people, but simply to give preference to persons who apply for licenses who will agree to make available for general use, at a royalty which may be fixed by the Commission, whatever patents may flow from the participation.

Mr. Speaker, I think that covers the major points I had to discuss. If anything further occurs to me I will yield myself more time.

I now yield to the gentleman from North Carolina [Mr. DURHAM] 10 minutes.

Mr. DURHAM. Mr. Speaker——

Mr. RABAUT. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include therein an exchange of letters between the chairman of the Commission and myself.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. RABAUT. The letters follow:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D. C., August 7, 1954.

Hon. W. STERLING COLE,
Chairman, Joint Committee on Atomic Energy, House of Representatives, Washington, D. C.

DEAR COLLEAGUE: As one of the conferees on the Army civil functions aspect of the bill, H. R. 9936, making supplemental appropriations for 1955, it has been my concern that I might not be present in the House at the time the conference report on the atomic energy bill is brought to the floor. Consequently, I desire to make known at this time my interest in the matter.

As I see it, it is important that the meaning of the term "interstate commerce" as used in section 183e be perfectly clear. I know that there is no intention in this act to broaden the interpretation and application of this term to include public utility companies now held to be intrastate by reason of their operation within a single State. There was considerable discussion in the Senate debate on this amendment offered by the junior Senator from Minnesota, and while this debate helped to clarify the sense in which "interstate commerce" was used in section 183e, I believe we should discuss it further to avoid any remote possibility of ambiguity or misunderstanding with respect to the application of the term "interstate commerce" in this act.

I therefore would appreciate having you, as chairman of the joint committee and a lawyer, who fully understands the importance of avoiding any possible misunderstanding or misinterpretation of this term as it is used in this bill, please advise me as to the answers to these questions:

1. Would an electric utility company acting as a licensee under the Atomic Energy Act, as amended, and not now subject to the regulatory provisions of the Federal Power Act and having no license to transmit electrical energy across that State's borders to a sister State, but serving customers within its own State, such as manufacturers of steel, automobiles, drugs, stoves, furniture, and other products, who are themselves engaged in interstate commerce, would such electric utility company become engaged in interstate commerce by reason of its supplying electrical energy to such customers within its own State and thus become subject to the regulatory provisions of the Federal Power Act?

2. Is there any intention whatsoever in this act to broaden the application of the term "interstate commerce" to include public utility companies not now in interstate commerce so as to bring them under the provisions of the Federal Power Act simply by reason of their becoming licensees under section 103 of the Atomic Energy Act?

Your generous attention to this inquiry is most appreciated and I earnestly await an early reply.

Very sincerely yours,
LOUIS C. RABAUT,
Member of Congress.

(Copy to Hon. CARL T. DURHAM, House of Representatives, Washington, D. C.)

CONGRESS OF THE UNITED STATES,
JOINT COMMITTEE ON ATOMIC ENERGY,
August 9, 1954.

Hon. LOUIS C. RABAUT,
House of Representatives,
Washington, D. C.

DEAR MR RABAUT: This is in reply to your letter of August 7 regarding the intent of the phrase "interstate commerce" in the Senate version of H. R. 9757, section 183e.

The committee of conference has modified this language and placed it in a separate, new section 272. The modified provision is as follows:

"SEC. 272. Every licensee under this act who holds a license from the Commission for a utilization or production facility for the generation of commercial electric energy under section 103 and who transmits such energy in interstate commerce or sells it at wholesale in interstate commerce shall be subject to the regulatory provisions of the Federal Power Act.

This language in no way requires licensees generating or selling electric energy solely in intrastate commerce to be construed as being subject to the regulatory provisions of the Federal Power Act. It was the intention of the committee of conference to insure that the authority of the existing regulatory bodies—State, local, or Federal—continue to have exactly the same authority with regard to electric energy generated from atomic energy as from any other fuel. In other words, electric utility companies generating and selling electric energy and using atomic energy will be subject to exactly the same regulatory authorities as they would be if they used any other fuel.

Your first question relates to the regulation of purely intrastate electric utility companies which may become licensees of the Commission for the operation of atomic energy utilization or production facilities. If such companies do not actually expand their services to neighboring States or take any other action which would otherwise bring them under interstate commerce regulations, there is nothing in the conference bill which could possibly bring such companies under any regulatory authority to which they are not now subject.

Your second question inquires as to whether or not the conference bill in any way broadens the present definition of "interstate commerce" in the electric utility field. It does not.

I shall be pleased to assist you in clarifying any other questions on the revision of the Atomic Energy Act.

Sincerely yours,
STERLING COLE,
Chairman.

Mr. DURHAM. Mr. Speaker, I probably should not be here in the well of the House today. At this time in the session tempers are short, the temperature is hot, and politics is in the air.

It grieves me somewhat to find myself in a position today which requires that I oppose some of my good friends on the committee. But there are times when one necessarily has to take a position in matters pertaining to the security and the national defense of our country. I place this measure in the forefront of that category today.

I do not like everything that is in this measure. I said so previously here on the floor of this House. I do not agree

with every word in the measure. But I can assure you, Mr. Speaker, that all the members of this committee, both Democrats and Republicans, have worked long and hard to bring to this body a measure which would lead to a sound domestic program, one that would produce the necessary weapons material for the Defense Department and at the same time carry out the request of the President on international cooperation and carry out the commitments we have in NATO.

I believe the committee has worked out and brought to the House a measure which is sound.

The charge which has recently been made on the radio and in the press that this bill constitutes a giveaway program simply is not true; this legislation does no such thing. It authorizes a program which, if properly executed and carried out by the executive branch of the Government, in time could give to this country just what the existing act has given to us before. There will be some who will argue that it is a giveaway; but as long as this Government owns and controls every gram of fissionable material, the DuPonts, or any other concern in this country can build a reactor to the sky, and it is not worth 2 cents without that material. Do not forget that the Government controls all of it, even that which is produced by a licensed reactor under this bill. We own it continuously. I do not think the time has yet arrived when we can turn that ownership loose. So it is a continuing Government monopoly. We have provided under this measure for more control of this operation than has ever been done before. We have required authorization under this measure for everything that the Commission builds from now on. I do not think you will ever again experience the difficulty that we faced here in the last measure due to some contracts.

We have prevented the AEC from going into the power business. I do not believe any Member of the House wants the Atomic Energy Commission in the power business. We have made it possible for any REA or for any agency of the Government other than the AEC to come in and qualify and secure a license to operate a reactor just the same as anybody else. Any cooperative and any duly authorized Government agency can produce and sell atomic power if it gets the license to do so. But the AEC can only build a full-scale reactor in connection with its basic research programs. Of course they can sell what comes from that, if necessary, or use it themselves. That is about as far as the bill allows the AEC to go into the power field. You have heard otherwise, but the problem is rather simple, and this is just what the bill does.

Some people have said that this patent provision in here will give to the people who have had the inside on contracts for the past few years a monopoly in the patent field. Personally, I do not like the present patent law. The Government today, as we all know, requires of every individual who takes a little job with the Federal Government, and there are thousands of them, Mr. Speaker—scientists working for the Government—that everything that comes from his brain must belong to the Government. On top of that, the industry of this country has followed suit. So where do we find ourselves with that kind of a policy?

For many, many thousands of years science in Europe was free to operate as it saw fit. But men came along, men like Hitler, Mussolini, and Stalin, who said the state must own your minds. What happened? I recommend and I urge that the House and the executive branch of the Government look at patent practices today. For thousands of years we did not have the kind of scientific personnel that we have today. We are now in a different era; we are in a different atmosphere; we have to depend on these men; and we have to take the leadership. It is important that these young men have a free rein. Why should the individual Members here invest forty or fifty thousand dollars in order that their sons may get a doctor of philosophy degree, then have him go into industry or into his own Government and have them say: "You will not get the benefits." That is not right. That is what I do not like; but that is what the present patent practices result in. This same patent practice prevails to a certain extent in this act. To the extent it does, I do not like it.

The bill gives preference to public bodies, cooperatives, and high-cost power areas in the sale of all power distributed by the AEC if and when there is any. That is written into the act.

Let us look into the international aspects a minute. I would support this measure if it were only for one thing. That is the problem we face today in the international field. We all know what the relations are between ourselves and England pretty well. We know that Churchill did not come over here and advocate coexistence except for the fact that he had some problem at home. What was it? It is a political problem, as we all know. Probably Attlee and Bevan are likely to get more votes than he did. An election will be coming along shortly, probably within the next 2 years. What can we expect of Bevan? Although he is not a Communist, we know whose camp he would be in. It has been said, and I think rightly so, that seven atomic weapons would destroy the British Isles. That is probably true, so you can see why those people worry.

What do we do under this act to give them some assurance that we are back of them? It is peculiarly natural that America and England should stand together, regardless whether they ever develop the security of a European pact which they are talking about but have not yet signed. NATO is in existence today, and it is one body we can cooperate with and assure the people of England that they have some protection, some back up from this tremendous power that we have. We have the delivery capacity, and we all know that we have enough atomic weapons to destroy any country in the world. That is well known. That is a fact. I think under this provision for cooperation with NATO, we say to England and we say to our allies here that we stand back of them with this tremendous power. And this even though some people say they have not cooperated. I would like to give you an idea of the valuable assistance that came to us through source material from Belgium and England. We would not have had much, if they had not cooperated with us. Therefore, it is nothing but commonsense and decency to cooperate with them in this respect. That is what we are trying to do here in this bill, and we do exactly that under this measure. If there was not one other thing in the bill other than that, I would vote for it.

Now, as to the other aspects of the international field, I think the President can do what needs to be done under this bill. It does not go as far as I would like to have it go, but I think he can at least make a beginning in the field of international peacetime cooperation. We do not give them any dangerous secrets; it is simply cooperation. We hand some information to them, much of which is probably pretty well known at the present time. There is nothing of a secret nature, nothing in the nature of weapons, or anything of that sort.

Now, this House has always been dignified in its position when it comes to national defense measures and when cooperation regarding the security of the country is involved; politics are forgotten. That is the reason I am particularly proud to be a Member of the House. I have seen on many occasions the great leader we have today walk down into the well of this House at crucial times and say to us "This thing must be done." Personally I would like to see that today on my side of the aisle. Politics has entered into this, unfortunately, and I plead with this body to dignify its position and not put politics into the atom. We have no control over the other body, but, may I ask you one time again, do not put politics into this. This program has been carried out efficiently. It has been a laborious task. We Members on the joint committee have tried to serve you as well as we could. We have given you all the information that we possibly could give you without divulging any secrets. We know what we have done, and we know what we can do under this measure. I do not hesitate to urge this House to adopt this conference report today.

Mr. COLE of New York. Mr. Speaker, I yield myself 2 minutes.

Mr. Speaker, I hesitate to single out any one member of the joint committee for particular mention, because all of the members of that committee have devoted a great amount of time and energy and sleepless nights in working on this problem. As I indicated when this matter was under discussion, this bill is the culmination of 2 years of effort by the joint committee, and that effort was initiated originally by the gentleman from North Carolina [Mr. DURHAM] who has just spoken. My only reason for singling him out at this time is to verify the fact that he, with us, has labored long and hard, but he had the added impediment of having to endure the pain and suffering of ill health. I want just to mention a word of respect and compliment to him for his faithfulness in

this work. He first became acquainted with atomic energy in 1946 as a member of the Committee on Military Affairs. That experience, that knowledge has been of great benefit to us on the joint committee in considering the bill known as the Atomic Energy Act of 1954. Mr. DURHAM has been a pillar of strength, wisdom, and vision in the consideration of the vital legislation and he deserves the plaudit and gratitude of the House of Representatives.

Now I turn to the bill under consideration. There is a section of this conference report which I feel should be clarified, section 152, that provision imposing public ownership upon any patent derived in the course of any association with the commission whatever. The question has been raised as to whether that association might cover a licensing arrangement between the commission and an individual. It is not intended that section 152 should cover licensees unless in some other respects they do have an association with the commission by reason of being a contractor or subcontractor or having money given to them by the Commission. But the mere fact of a person having a license does not mean necessarily that the product of his operation, if a patent should flow, would become publicly owned.

While section 152 clearly prohibits the granting of patents on any invention or discovery in the atomic field "made or conceived under any contract, subcontract, arrangement, or other relationship with the Commission," it would be necessary to strain this language to blanket within the prohibitions those persons whose sole relationship with the Commission is a license granted by the Commission or the use under license of some special nuclear material owned by the Commission. It is the intent of section 152 to make sure that ideas and inventions which flow from Commission-financed activity do not give rise to any private patents which might be used contrary to the best interest of the public. In order to make sure that this very broad definition does not work to the detriment of both free enterprise and the public, the Commission is specifically granted the authority to "waive its claim to any such invention or discovery," if that invention or discovery has been privately financed in either licensed facilities, or in Commission facilities, as provided in section 22, or under any other circumstance which "the Commission may deem appropriate." It would be a serious misinterpretation of the intent of section 152 to turn the strength of its protective language against the stimulus which patents provide for private initiative.

Mr. Speaker, I now yield 10 minutes to the gentleman from California [Mr. HOLIFIELD].

Mr. HOLIFIELD. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include additional material.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. HOLIFIELD. Mr. Speaker, I am sorry to find myself in disagreement with my chairman [Mr. COLE] and my esteemed friend [Mr. DURHAM]. But I believe that it is the duty of a member of the committee to present his views upon the bill as he sees them. As I see it, the atomic energy bill, as reported by the conferees, is a worse bill in many instances than it was when it left the House. The conferees have largely sterilized the constructive amendments adopted in the House and Senate, but have retained three adverse amendments adopted by either the House or the Senate.

The three amendments retained by the conferees which render the bill far more of a threat to the public interest than the original bill are:

First. The amendment to section 164, introduced by Senator FERGUSON and adopted by the Senate, which would authorize the Atomic Energy Commission to enter into a series of contracts of the Dixon-Yates variety, opening the TVA to private power supply to an extent limited only by the total power supply which TVA is under contract to deliver to the atomic program. The AEC might conceivably replace the entire 2.9 million kilowatts it gets from TVA on the Dixon-Yates basis if granted the authority in this bill, or in the Ferguson amendment. The Dixon-Yates contract only replaces 600,000 kilowatts and leaves 2,300,000 to be replaced by similar arrangements.

Second. The amendment to section 44 introduced by Representative COLE and adopted by the House, which would preclude the AEC from selling or distributing any power not produced incident to the operation of its research, development, and production of nuclear material facilities. This effectively eliminates the Commission as an important participant in supplying atomic power to municipal and rural cooperative electric systems.

Third. The amendment to section 153 introduced by Representative COLE and adopted by the House, giving the AEC discretion to allow private patents on inventions and discoveries made or conceived under Commission contracts, subcontracts, or other arrangements; making possible reinstatement of patent applications denied under the present act; and eliminating altogether the provision for compulsory or even discretionary licensing of others to use private patents during an adjustment period, following the new act.

You will remember that the President in his February 17 speech said that it was necessary to have a 5-year compulsory patenting period in order to protect the rest of private industry from those people who have participated in the program.

The conferees left just enough of the language of constructive amendments, adopted during the debate, to mislead the people into believing that some protection would be afforded. But the substance has been effectively removed. This is particularly true of two amendments that were originally designed to incorporate the preference for public bodies and cooperatives; the new section 45 which would have established the basis for a sound Federal atomic power program; and the amendment which would have brought all licenses for atomic power development under the same regulation as applies to licensees for waterpower development.

What was done to emasculate these constructive amendments may be briefly summarized as follows:

The amendment to section 44, introduced by Representative JONES and Senator GILLETTE, providing a preference to public bodies and cooperatives in connection with the marketing of electrical energy produced in AEC facilities, was qualified by insertion of the words "insofar as practicable." Lawyers will recognize this as rendering the preference virtually unenforceable, particularly where a private company is the only electric system adjacent to the Commission's facilities.

The amendment to section 182 (c), introduced by Senator HUMPHREY, providing a preference for public bodies and cooperatives in securing licenses where conflicting applications are involved, received the same treatment. Here again, insertion of the words "insofar as practicable" left it within the discretion of the Commission to refuse to implement the preference. So the preference clause that are in the conference report are meaningless.

The amendment adding a subsection 183 (e), designed to subject atomic power licensees to the same Federal Power Commission regulation as waterpower licensees, got trimmed in the Senate before it was adopted.: It was modified to apply only to those licensees which would come under the Federal Power Act anyway as interstate utilities, and so lost its effect.

The conference damage to the two preference amendments and to the Federal atomic power program amendment is very serious in terms of Federal power policy. The insertion of "insofar as practicable" in the preference provisions would establish a dangerous precedent which could aid the administration drive to undermine this principle. In the case of the Federal atomic power program amendment, it materially reduces the chance for municipal and cooperative rural electric systems to get their share of atomic power supply without paying high rates to the neighboring private monopoly.

Fundamentally, the bill represents a complete reversal of the Federal power policy which has been evolving since the administration of President Theodore Roosevelt. In spite of some empty language taken from that power policy, it leaves atomic power development, so far as the public interest is concerned, about where water power was before enactment of the Federal Water Power Act at the end of the Wilson administration.

The Conferees also struck the heart out of the two important Senate amendments, designed to strengthen the antimonopoly provisions of the bill, including (a) Senator HUMPHREY's amendment to section 105 (c), prohibiting the Commission from issuing a license, except on a presidentially-approved finding that it is essential to defense, if the Attorney General advises that it would result in

a situation inconsistent with the antitrust laws; and (b) Senator LANGER's amendment inserting a new subsection 105 (d), providing for the possible forfeiture, in the discretion of the court, of any atomic patent found by any court of competent jurisdiction to have been intentionally used by the owner for violation of the antitrust law.

The bill as returned by the conferees is thus a thoroughly bad bill from the standpoint of farm, labor, rural electric co-op, public power and consumer organizations. It reflects the objectives of the drive of powerful private interests to oust the Federal Government from future development of the new atomic industry and take over. Provision is made for the Atomic Energy Commission to continue the real pioneering work while private capital, without assuming the risk, gets the fruits.

The conferee's product provides for an AEC setup which overweights military, as against civilian, activities. Its provisions covering patents, atomic power development, other atomic industrial development, and private exploitation of atomic source materials in public lands, play into the hands of unrestrained monopoly at every point. Its antitrust provisions are wholly inadequate. It provides for possible hidden subsidy to private power monopoly, while foreclosing AEC participation in atomic power development. It strikes out retroactively the reservation to the United States of uranium and other source materials in public lands, patented, conveyed, or leased to private interests.

The provisions which purport to implement the President's plan for international cooperation, in the peaceful use of atomic energy, actually have the opposite effect of imposing obstacles to the exercise of powers he now has to undertake the negotiation of treaties or executive agreements. The Bricker amendment distrust of the President's treaty-making powers is written into this phase of the bill. For those reasons, I am going to vote against the conference report. I have worked long and hard for several months on this bill. I want to pay tribute to the members of the committee on both sides of the aisle for the work they have done. We have worked without heat and acrimony and we have worked hard to produce a good bill. I wish I could vote for the bill, but these things weigh so heavily on my conscience, I must take the opposite position to that taken by my friend, the gentleman from North Carolina [Mr. DURHAM] and the gentleman from New York [Mr. COLE] on this matter. I realize that unless this bill is very, very carefully administered, there are giveaway provisions in it which far outweigh anything that I have known of in the past in the patent field. It is my opinion that within the next few months after the President signs this bill, private corporations and individuals who have worked for private corporations can file private patents by merely saying that they did not think of those patents while they were working on a Government contract. The Ferguson amendment provision provides for a series of 95 percent funding operations for private utilities, which is in controvention of regulations under the Private Utility Holding Company Act of 1937, which provides that private utilities shall put up at least 35 percent to 40 percent equity investment and fund the balance of it to the public on a 60 to 65 percent basis. This Dixon-Yates formula cuts that down and provides that the speculators can put up 5 percent of the total capital investment and that they can sell the bonds to the company on the basis of 95 percent. We remember what happened under the old Insull utility empire through the use of the blue-sky financing operations. In my opinion, the provisions of this act under the Dixon-Yates contract type, which is authorized and legalized by the Ferguson amendment provides a way of breaking down one of the most important prohibitions against speculative funding in private utility financing. Because of these reasons I shall vote against the bill.

CONFERENCE REPORT ON ATOMIC ENERGY LEGISLATION—STATEMENT OF CONGRESSMEN CHET HOLIFIELD AND MELVIN PRICE

AUGUST 9, 1954.

The atomic energy bill, H. R. 9757, as worked out in conference, still contains many serious defects and is disappointing to us in its final formulation. Mr. HOLIFIELD, as a conferee, withheld his vote from the conference report, and we shall not vote for the conference bill.

From the very beginning we objected strongly to tying together in a single package legislation on the domestic and international aspects of atomic energy. Not only may such single-package legislation cause our objectives in the international and domestic fields to work at cross purposes, but there is far less urgency to grant private ownership and patent rights in atomic energy than to seek ways and means of promoting peace and protecting the free world.

However, the majority did not allow Congress the opportunity to consider and vote separately the international and domestic provisions relating to atomic energy.

Attempts were made to "sell" this bill as implementing legislation for President Eisenhower's international atomic pool proposal. The President never has advised the Joint Committee on Atomic Energy or the Congress what implementing legislation is needed. Furthermore, the pending atomic energy bill, instead of preparing the way for an international atomic agency, actually ties the President's hands in negotiating agreements with other countries.

We believe the restrictive provisions of the bill relating to international atomic activities are shortsighted; they are based on the narrow, selfish, and false premise that the reservoir of atomic information lies wholly within the United States. The bill will not encourage a two-way flow of information and may deprive our Nation of the benefits of technological advances in other countries. The philosophy of this legislation is to keep the atomic pool empty.

We serve notice here and now that we will watch very carefully how the provisions of this bill are interpreted and administered by the Atomic Energy Commission. It contains no effective measures for preventing monopoly control of atomic industry. There are many legislative loopholes which can work to the advantage of the large corporations already possessing inside information in the atomic energy field.

If the Atomic Energy Commission is not zealous in protecting the public investment in atomic energy and in promoting a wide distribution of the benefits of that investment, drastic legislative action will have to be taken in the near future.

We are hopeful that a change in the congressional majority next year will cause the Congress to re-examine the atomic energy legislation, plug the loopholes against monopoly, and make it plain that the Federal Government as well as private industry should undertake to produce electrical power from atomic energy.

In failing to assert clearcut Federal responsibilities in the atomic power field, the majority have shown a timidity which will defeat their professed objective to insure American leadership in the peacetime development of atomic energy. The profit-making opportunities in atomic enterprise are years distant. Unless the United States Government strikes out boldly in a comprehensive program of reactor development and undertakes to produce and distribute electrical power derived from nuclear fission, we will soon find other countries forging rapidly ahead in this field.

We believe that the United States has arrived at a point in atomic-weapons development and production where greatly increased attention can be given to the peacetime uses of atomic energy without impairing our national security. Indeed, an effective demonstration of American leadership in developing such peacetime uses will do more to gain the friendship of other people throughout the world than any demonstration of superiority in atomic weapons.

Accordingly we propose that the United States undertake a billion dollar "crash" program for peacetime atomic-energy development to let the whole world know that we are serious about putting the atom to work for peace.

This billion-dollar program, spread over the next 5 years, would represent about five times the expenditures now planned for atomic reactor development. Compared with the $40 billion or $50 billion that we are spending yearly for military purposes, $200 million a year for the next 5 years would be a modest investment for peace and well within our budgetary capabilities. The Nation would soon receive dividends on this investment in the form of advancing technology, new industrial and employment opportunities, and substantial additions to the Nation's energy resources.

We have warned repeatedly against the danger of creating a twilight zone of inaction, where the Federal Government fails to take responsibility and private industry is not prepared to assume it. That philosophy of inertia has shown itself in the budget policies of the Eisenhower administration and in the administrative policies of the Atomic Energy Commission. The advice of the private utility lobby, which prevails in the present administration and is reflected in the atomic energy bill, is not adequate to lay the foundations of American leadership in the peacetime development of atomic energy.

The majority have been unwilling to accept an amendment which was offered to the atomic energy bill proposing to establish a division in the Atomic Energy Commission specifically devoted to civilian power application, coordinate in status with the Division of Military Application.

The majority have been unwilling to accept an amendment establishing an Electric Power Liaison Committee which would serve to integrate atomic power policies with other power policies of the Federal Government.

The majority have been unwilling to accept amendments establishing clearly and unequivocally the historic preference clause for public agencies and cooperatives in acquiring electric power from atomic sources. By the insertion of the clause "so far as practicable" the preference clause has become a legal nullity.

The majority have been unwilling to accept amendments which would provide safe-

guards in the licensing of atomic facilities similar to those now contained in the Federal Power Act.

The majority have been unwilling to prevent the abuse of the independence of the Atomic Energy Commission involved in the so-called Dixon-Yates utility contract ordered by the President. By adopting the Ferguson amendment, the majority have not only given the stamp of approval to the Dixon-Yates contract, but have invited further assaults on the TVA.

The majority have been unwilling to accept an amendment maintaining the affirmative responsibility of the Atomic Energy Commission to exercise its licensing power so as to prevent monopoly and other restraints of trade.

The majority have been unwilling to accept an amendment which would provide a seat for labor and management in the advisory councils of the Atomic Energy Commission.

The majority have been unwilling to accept amendments which would firmly insure against patent monopoly bottlenecks in the development of atomic industry. They have not followed the President's requirement of a 5-year compulsory patent licensing clause until a wider industrial participation occurs.

The majority have been unwilling to accept an amendment preserving the organizational integrity of the Atomic Energy Commission by guaranteeing that all Commissioners will have equal access to information relating to atomic affairs.

The majority have been unwilling to require the Atomic Energy Commission to make the comprehensive report to Congress contemplated in section 7 (b) of the existing act.

The majority have been unwilling to accept amendments facilitating the establishment of an international atomic agency.

Amendments along these and other lines to improve the atomic-energy bill and to protect the public interest were voted down.

Our efforts, however, have not been altogether in vain. The bill is improved over the original version.

We have prevented an effort to weaken the research responsibilities of the Atomic Energy Commission.

We have compelled some recognition of the threat of monopoly combinations.

We have obtained a few procedural safeguards for municipalities, cooperatives, and other agencies in the licensing of atomic reactors.

We have obtained some recognition of the preference rights of such agencies in the event atomic power is produced as a byproduct in Atomic Energy Commission facilities.

We have managed to keep the door open for other agencies of the Federal Government to obtain licenses for the production and distribution of electric power from atomic sources even though the Atomic Energy Commission has been barred by the majority from commercial power production.

We have prevented the Atomic Energy Commission from directly reimbursing private utilities for Federal income-tax payments, which payments were contemplated in the so-called Dixon-Yates contract.

Various other improvements were written into the bill by our efforts even before it reached the stage of amendment.

As we said at the outset, we are hopeful that a new Congress with a new mandate from the people will finish the job of legislative improvement that some of us have begun in the face of such overwhelming opposition.

The process of reexamination must be undertaken not only by the Congress but by those agencies of the executive branch that are alert to the electrical power possibilities of the atom. We must say that the Federal Power Commission has shown a great deal more concern for the public interest in this regard than the Atomic Energy Commission.

Since the Federal Power Commission already has jurisdiction in the electric power field, including responsibility for making surveys and investigations as a basis for legislative recommendations to the Congress, we will introduce a House concurrent resolution expressing the sense of Congress that the Federal Power Commission undertake such a survey project under existing authority. This report would serve to compensate for the failure of the Atomic Energy Commission to provide the Congress with the comprehensive report required under section 7 (b) of the Atomic Energy Act.

Of course we do not expect that the Congress will have time to vote upon this resolution in the closing days of the session. However, we intend to reintroduce the resolution promptly at the opening of the new session in January. In the meantime we take this means of serving notice that we do not intend to let the matter of atomic power policy fall by the wayside.

Mr. COLE of New York. Mr. Speaker, I yield 5 minutes to the gentleman from Illinois [Mr. PRICE].

Mr. PRICE. Mr. Speaker, I am in much the same position as my colleague, the gentleman from California [Mr. HOLIFIELD] on this matter. I dislike the necessity of registering opposition to this bill. It was difficult for me to vote against the bill when it was originally considered here in the House for I recognize there were avenues which needed revision to permit the implementation of the President's program for international cooperation, and particularly in the weapons field. Personally, I am not one of those who feels that this bill is at all adequate to permit the cooperation which the President may be compelled to seek in this particular field. But I could have supported the bill originally, and I would now support the conference report, were I not in such violent disagreement with the patent provisions. In that regard, I find myself pretty much in the same position as the President himself, who advocated and urged protection in this law against any possible monopolistic practices.

I want at this point to compliment the Members who served on the conference committee. I concede that they had a difficult job. I am in agreement with my colleagues Mr. DURHAM, Mr. COLE, and Mr. HOLIFIELD in expressing the opinion that the committee on both sides of the aisle did a monumental job in working on this bill over the past several months, but I have the feeling that the committee discarded a very crucial protective feature of the bill and that was the provision for compulsory licensing of patents.

STATEMENT OF CONGRESSMAN MELVIN PRICE ON PATENT PROVISIONS OF CONFERENCE BILL

In taking this unwise action, the majority of the conference committee ignored the recommendations of President Eisenhower, ignored the recommendations of the Joint Committee on Atomic Energy, ignored the recommendations of some very able patent attorneys, and rejected the decision of the other body.

When President Eisenhower submitted a message to the Congress on February 17 of this year, proposing certain amendments to the Atomic Energy Act, he said that it was necessary to continue "for a limited period the authority to require a patent owner to license others to use an invention essential to the peacetime applications of atomic energy".

The President was proposing, in other words, that a system of compulsory licensing of patents be established to prevent any patent holder from imposing a monopoly bottleneck on the development of atomic energy. In elaborating his proposal, the President said:

"Until industrial participation in the utilization of atomic energy acquires a broader base, considerations of fairness require some mechanism to assure that the limited number of companies, which as Government contractors now have access to the program, cannot build a patent monopoly which would exclude others desiring to enter the field. I hope that participation in the development of atomic power will have broadened sufficiently in the next 5 years to remove the need for such provisions."

The Joint Committee on Atomic Energy, in working out the detailed provisions of the atomic energy bill, took heed of the President's recommedation. Provisions for compulsory licensing of patents for a 5-year period were written into the bill. The Committee report said in this context:

"We are mindful of the fact that in the immediate future, relatively few firms may be involved in this effort. We acknowledge that dangers of restrictive patent practices are present, though not inherent, in such a situation. Accordingly, we recommend to the Congress that holders of patents on inventions of primary importance to the peacetime uses of atomic energy be required to license such patents to others in return for fair royalties. This requirement of compulsory licensing will apply to all patents in the field which are sought in the next 5 years. (83d Cong., 2d sess., H. Rept. No. 2181, p. 9.)"

Although Congressman HOLIFIELD and I, in a separate statement of our views on the committee bill, criticized the restrictions that were written around the compulsory-licensing provisions, nevertheless we felt that the principle of accessibility to patents at least had been recognized and we commended the committee majority for accepting it. Unfortunately the House majority threw out those compulsory patent licensing provisions and adopted the Cole amendment instead. The other body, in contrast, accepted the compulsory patent licensing provisions and went a step further by adopting the Kerr amendment extending the period of such licensing to 10 years.

The conference committee version contains the Cole amendment with a modification to the effect that the Atomic Energy Commission would give preferred consideration for commercial licenses in the next 5 years to those applicants who agree to make their licenses available to other Commission licensees upon demonstration of need and payment of reasonable royalties.

The conference language on patents is a makeshift. It would not guarantee access to patents. There is no reason to suppose that any industrial applicant would make such agreement, in which case the preference provision would be meaningless. Furthermore, the Commission is not compelled to give preferred consideration to license applicants in the research and development field under section 104 (b). The mandatory preference applies only to applicants under section 103, and it is doubtful that any licenses would be granted under this section within the 5-year period of the preference conditions. Finally, it is too much to expect that license applicants would agree as a general proposition to make licensing concessions regarding patents long in advance of specific requests by those seeking access to the patent.

I regret to say that the conferees, in adopting this makeshift and meaningless patent language, placed an insurmountable obstacle in the way of my voting for the conference bill.

Mr. COLE of New York. Mr. Speaker, I yield 3 minutes to the gentleman from Texas [Mr. KILDAY].

Mr. KILDAY. Mr. Speaker, while I am a member of the Joint Committee on Atomic Energy, I was not a member of the conference committee on this bill.

I do feel that the conference report should be adopted. It happens that when we first began to legislate on the subject of atomic energy, the legislation was referred to the former Committee on Military Affairs, of which I was a member. I therefore know thoroughly that the existing Atomic Energy Act was written in an atmosphere of hysteria; that we were not able to get the type of consideration which a bill of that nature should have had. That is easily understandable, because it was so soon after the explosion of the first atomic bomb. As a matter of fact, the atmosphere was such that the normal committee processes of the other body could not function; and a special committee had to be appointed in the other body, which finally wrote the legislation.

This bill has been under consideration by the joint committee for a little more than a year, and has come here after having gone through the processes of legislation and through a conference committee. I am positive that at no time in the reasonably near future, certainly not for a period of years and perhaps never, will it be possible to get a unanimous report on a bill affecting atomic energy, and particularly the participation of private industry in the atomic program.

I do not think there is anything in this bill that should cause concern on the part of any Member of the House. I think it has been prepared with due care. While I appreciate the fact that there are circumstances involved in this legislation which will prevent some from voting for it, I think a vast majority of the Members of the House are thoroughly justified in voting for this conference report.

Mr. COLE of New York. Mr. Speaker, I yield 3 minutes to the gentleman from California [Mr. HINSHAW].

Mr. HINSHAW. Mr. Speaker, in order to set at rest the thoughts on the part of some Members of the House and various members of the press that there is anything in this bill or that there was anything in this bill before, that precluded Government agencies other than the Atomic Energy Commission, from going into the business of the production of electric power through the use of atomic energy, that simply is not so.

There is nothing to preclude an agency of Government from going into this business if it is otherwise qualified.

I want to say for the benefit of the Members of the House that this business of producing power from atomic energy is something of tremendous size. It means a plant of tremendous size. The people who deal in reactor techniques think that a reactor producing 250,000 to 300,000 kilowatts is probably in the future an economic size of reactor.

Those who talk about putting an REA into the business do not quite realize the nature of reactors. An REA, if it used atomic energy at all, would probably use what they call a package reactor which would produce at very high cost per kilowatt, and therefore probably would not be used at all. REA's, as I understand them, usually operate on from 10,000 to 15,000 or 20,000 kilowatts and not 250,000 to 300,000 kilowatts.

So, Mr. Speaker, this bill is designed to promote eventually such things as the production of electric power from atomic heat, and other peaceful uses and peaceful arts in connection with atomic energy.

I am glad that we have come to the end of the consideration of the bill. I trust it will receive unanimous support of all present or, I might say, as nearly unanimous support as possible to show that we have dealt with this subject for the time being in a way that is thoroughly satisfactory to everyone concerned. In the meantime we, and in turn the public, should realize that this act can be amended at any time if it is found that it is in anywise wrong or fails to accomplish its purpose.

Mr. COLE of New York. Mr. Speaker, I yield myself 3 minutes.

Mr. Speaker, in concluding the discussion of this bill, which to my mind is of transcendant importance, I feel impelled to express very briefly and entirely inadequately a thought or two on the general subject involved.

We all know, of course, that atoms have been with us from the time of creation. It was only recently, however, that man has learned to split the atom and how to wed the atom, and in that act bring about terrific force and terrific energy. It was about 9 years ago—exactly 9 years ago this month, that this new force was used in warfare when the two bombs were dropped in Japan causing casualties amounting to approximately 150,000 human beings. Since that time the efforts of this Government have been directed toward improving the use of this great force for weapon purposes, but that effort was required, not because of any desire on the part of this Government to maim and kill and to destroy, but because of the conditions in the world. It was announced at the very beginning and has been reiterated continuously since that our effort in this direction has been toward creating a stockpile of atomic weapons that could be used against Communist aggression, against the threat of invasion of free people wherever it might become advisable or necessary.

Weapons have been improved. The expression is now used that the weapon of Nagasaki and Hiroshima used 9 years ago is now outmoded and called a "model T." They have become bigger, bigger, and ever bigger. All this has been done to the point where the world now lives in mortal constant and continuous fear of atomic energy. The hearts of the people in this country and people throughout the world are distraught and discouraged and filled with despair as they contemplate the future with nothing involving the use of the atom except death and destruction.

The appeal of this bill, as I view it, is that the door to a different use of the atom is about to be opened. When that door is opened, it will prove the fact that there is nothing essentially or inherently sinister, baneful, or evil in atomic energy; there is nothing wrong or sinful in the energy itself; as a matter of fact lightning is more baneful and sinister than atomic energy because we cannot predetermine where or when it will strike nor what the consequences will be. Not so with atomic energy.

The effects of this new energy, whether it is directed to the destruction of man or for the creation of good, depends upon the hearts of the people who control that energy. We have learned that this energy can be controlled. The experts have indicated that through the control of this energy a field of unlimited possibilities is laid before us. This bill, Mr. Speaker, is the key to that door, opening into an Elysian era of unknown proportion.

I am confident that those Members of this body who vote for this bill today, if they could remain Members of this House 25 years from now, possibly 50 years from now, will, in looking back over their record, point to this one vote as being the outstanding one of their entire career. At long last the bright hope of the future is being lighted by making available for the use of man this new force, not only for generating electricity but for improving the bodies of people, for making the things that people want and need, the absence of which are the causes of war itself.

For my own part, and I am sure this feeling is shared by all members of the joint committee whether they vote for or against this conference report, our goal has been the same; we are proud of the part we have played in this effort to make the use of this energy available to mankind, not only for this country but for people throughout the world, for good, for creation, rather than for devastation. We can now begin to turn from fear to hope, from despair to delight, from destruction to creation, from being animals of the jungle to creatures of God. Only the future and the hearts of men will determine the eventual outcome.

The detailed arguments and discussions, the debates which have gone on about patents, public power, and other important matters of national policy have tended to conceal the really major contribution which this bill will make. As important as atomic weapons and thermonuclear weapons are to the defense of our country, they can do no more than preserve the uneasy peace of the cold war. The NATO and international exchange provisions of the bill will go a long way toward insuring the absence of an all-out holocaust. But the real contribution of this bill lies in the promise it offers for a way to bring the cold war itself to an end. Most of the evils of the world have their roots in misery, hunger, and want. The peacetime applications of atomic energy can

do much to destroy these roots of war. Cheap atomic power for the underdeveloped nations of the world can make men more resistant to the evil ideas contained in any form of totalitarian government Radioactive isotopes offer the world its first real hope for raising world food production to a level adequate to bring hunger to a halt. The fields, the forests, and even the oceans themselves can be made to supply a good life for all people. The great strides which have already been made in the war against cancer and many, many other scourges of mankind do no more than show the way toward the elimination of the physical and mental ills from which mankind has suffered too long.

No legislative act of any Congress can bring utopia to our people or to any part of the world. But if there was ever a bill passed by any Congress which brought utopia nearer, which freed men's minds to work for human betterment, which promised not to win war but to eliminate war, this is such a bill. We should all be proud of the fact that despite our constant vigilance in military matters, we have found time and have had the vision to take these steps toward a better future. The absence of war itself is certainly to be worked for, but we cannot rest until the cold war itself has been replaced by a prosperous and healthy free world in which the roots of war no longer exist.

The SPEAKER. The time of the gentleman from New York has expired.

Mr. COLE of New York. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the conference report.

The conference report was agreed to, and a motion to reconsider was laid on the table.

FILING OF CONFERENCE REPORT

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent that the conferees on the bill H. R. 8152 may have until midnight tonight to file a conference report.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

POSTAL PAY RAISE INCREASE

Mr. CRETELLA. Mr. Speaker, I ask unanimous consent to proceed for 1 minute, to revise and extend my remarks, and that they may appear after the vote today on the postal pay increase bill.

The SPEAKER. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

MODERNIZATION AND IMPROVEMENT OF MERCHANT-TYPE VESSELS

Mr. TOLLEFSON submitted a conference report and statement on the bill (S. 3546) to provide an immediate program for the modernization and improvement of such merchant-type vessels in the reserve fleet as are necessary for national defense.

MUTUAL SECURITY ACT OF 1954

Mr. VORYS. Mr. Speaker, I call up the conference report on the bill (H. R. 9678) to promote the security and foreign policy of the United States by furnishing assistance to friendly nations, and for other purposes, and I ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

Mr. GROSS. Mr. Speaker, reserving the right to object, is this the proper point to reserve a point of order against the conference report?

The SPEAKER. It is.

Mr. GROSS. The gentleman from Iowa then wishes to reserve a point of order against the conference report and to be recognized on that point of order at the proper time.

The SPEAKER. The gentleman reserves a point of order and he may be recognized when the statement is read.

Is there objection to the request of the gentleman from Ohio?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. NO. 2637)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 9678) to promote the security and foreign policy of the United States by furnishing assistance to friendly nations, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "That this Act may be cited as the 'Mutual Security Act of 1954.'

"TITLE I—MUTUAL DEFENSE ASSISTANCE

"Chapter 1. Military assistance

"SEC. 101. Purpose of chapter: The Congress of the United States reaffirms the policy of the United States to achieve international peace and security through the United Nations so that armed force shall not be used except in the common defense. The Congress hereby finds that the efforts of the United States and other nations to promote peace and security require additional measures of support based upon the principle of continuous and effective self-help and mutual aid. It is the purpose of this chapter to authorize measures in the common defense, including the furnishing of military assistance to friendly nations and international organizations in order to promote the foreign policy, security, and general welfare of the United States and to facilitate the effective participation of such nations in arrangements for individual and collective self-defense. In furnishing such military assistance, it remains the policy of the United States to continue to exert maximum efforts to achieve universal control of weapons of mass destruction and universal regulation and reduction of armaments, including armed forces, under adequate safeguards to protect complying nations against violation and evasion.

"The Congress reaffirms its previous expressions favoring the creation by the free peoples of the Far East and the Pacific of a joint organization, consistent with the Charter of the United Nations, to establish a program of self-help and mutual cooperation designed to develop their economic and social well-being, to safeguard basic rights and liberties and to protect their security and independence.

"The Congress hereby reiterates its opposition to the seating in the United Nations of the Communist China regime as the representative of China. In the event of the seating of representatives of the Chinese Communist regime in the Security Council or General Assembly of the United Nations, the President is requested to inform the Congress insofar as is compatible with the requirements of national security, of the implications of this action upon the foreign policy of the United States and our foreign relationships, including that created by membership in the United Nations, together with any recommendations which he may have with respect to the matter.

"SEC. 102. General authority: Military assistance may be furnished under this chapter on a grant or loan basis and upon such other appropriate terms as may be agreed upon, by the procurement from any source and the transfer to eligible nations and international organizations of equipment, materials, and services or by the provision of any service, including the assignment or detail of members of the Armed Forces and other personnel of the Department of Defense solely to assist in an advisory capacity or to perform other duties of a noncombatant nature, including military training or advice.

"SEC. 103. Authorizations: (a) There is hereby authorized to be appropriated to the President, in addition to appropriations authorized by section 104, not to exceed $1,270,000,000, to carry out the purpose of this chapter; and, in addition, unexpended balances of appropriations for military assistance under each paragraph of the Mutual Security Appropriation Act, 1954 (including the appropriation for mutual special weapons planning), are hereby authorized to be continued available for the purpose of this chapter and to be consolidated with the appropriation authorized by this subsection; all of which is hereby authorized to be continued available through June 30, 1955.

"(b) Funds made available pursuant to subsection (a) of this section shall be available for the administrative and operating expenses of carrying out the purpose of this chapter including expenses incident to United States participation in international security organizations.

"(c) Funds made available pursuant to subsection (a) of this section may be used for the procurement of equipment or materials outside the United States unless the President determines that such procurement will result in one or more of the following conditions:

"(1) Adverse effects upon the economy of the United States, with special reference to any areas of labor surplus, or upon the industrial mobilization base, which outweigh the strategic and logistic advantages to the United States of procurement abroad;

"(2) Production of such equipment or materials outside the United States under inadequate safeguards against sabotage or the release to potential enemies of information detrimental to the security of the United States;

"(3) Unjustifiable cost in comparison with procurement in the United States, taking into account transportation costs for delivery overseas; and

"(4) Delays in delivery incompatible with United States defense objectives.

"SEC. 104. Infrastructure: (a) The President is authorized to make contributions to infrastructure programs of the North Atlantic Treaty Organization, in accordance with agreements already made between the member nations, out of funds made available pursuant to this section, or section 103, or chapter IX of the Supplemental Appropriation Act, 1953, of amounts totaling not more than $780,000,000, less amounts already contributed for such purpose. There is hereby authorized to be appropriated to the President for such purpose, in installments prior to June 30, 1958, not to exceed $321,000,000, to remain available until expended. Such contributions by the United States shall not exceed its proportionate share, as heretofore agreed upon, of the expenses of such programs.

"(b) When the President determines that it is in the interest of the security of the United States to participate in programs for the acquisition or construction of facilities in foreign nations for collective defense other than programs of the North Atlantic Treaty Organization, he may use for such purpose funds made available under section 103 or local currencies made available under section 402 in amounts totaling not more than $50,000,000.

"(c) Notwithstanding section 501 of this Act, no funds other than those referred to in subsections (a) and (b) of this section may be expended for the purposes of this section. No funds shall be expended under this section for rental or purchase of land or for payment of taxes.

"SEC. 105. Conditions applicable to military assistance: (a) Military assistance may be furnished under this chapter to any nation whose increased ability to defend itself the President shall have determined to be important to the security of the United States and which is otherwise eligible to receive such assistance. Equipment and materials furnished under this chapter shall be made available solely to maintain the internal security and legitimate self-defense of the recipient nation, or to permit it to participate in the defense of its area or in collective security arrangements and measures consistent with the Charter of the United Nations. The President shall be satisfied that such equipment and materials will not be used to undertake any act of aggression against any nation.

"(b) In addition to the authority and limitations contained in the preceding subsection, the following provisions shall apply to particular areas:

"(1) In order to promote an integrated defense of the North Atlantic area and to support concrete measures for political federation, military integration, and economic unification in Europe, equipment and materials of the value programed for fiscal years 1954 and 1955 for nations signing the treaty constituting the European Defense Community shall, pending the coming into force of the treaty, be delivered only to such of these nations as have ratified the treaty, and have joined together in or are developing collective defense programs in a manner satisfactory to the United States as determined by the President.

"(2) Military assistance furnished to any nation in the Near East, Africa, and South Asia to permit it to participate in the defense of its area shall be furnished only in accordance with plans and arrangements which shall have been found by the President to require the recipient nation to take an important part therein.

"(3) In furnishing military assistance in the Far East and the Pacific and in carrying out the provisions of section 121 of this Act, the President shall give the fullest assistance, as far as possible directly, to the free peoples in that area, including the Associated States of Cambodia, Laos, and Vietnam, in their creation of a joint organization, consistent with the Charter of the United Nations, to establish a program of self-help and mutual cooperation designed to develop their economic and social well-being, to safeguard basic rights and liberties, and to protect their security and independence.

"(4) Military assistance may be furnished to the other American Republics only in accordance with defense plans which shall have been found by the President to require the recipient nation to participate in missions important to the defense of the Western Hemisphere.

"(c) The Secretary of Defense shall insure that the value (as determined pursuant to section 545) of equipment, materials, and services heretofore furnished under military assistance programs authorized by Acts repealed by this Act or hereafter furnished pursuant to section 103 (a) to nations or organizations in each of the four areas named in this subsection shall not exceed the total of the funds heretofore made available for military assistance in that area pursuant to Acts repealed by this Act plus the amount herein specified for that area:

"(1) In the European area (excluding Greece and Turkey), $617,500,000.

"(2) In the Near East (including Greece and Turkey), Africa, and South Asia, $181,200,000.

"(3) In the Far East and the Pacific, $583,600,000.

"(4) In the Western Hemisphere, $13,000,000.

"(d) Whenever the President determines it to be necessary for the purpose of this title, equipment, materials, and services of a value not to exceed 15 per centum of the sum of (1) that portion of the unexpended balances referred to in section 103 (a) which was available on June 30, 1954, to furnish assistance in any of the areas named in subsection (c) of this section, and (2) the amount specified in the applicable paragraph of subsection (c) of this section for additional assistance in such area, may be furnished in any other such area or areas, notwithstanding the limitations set forth in subsection (c) of this section. Funds heretofore obligated or programed or hereafter made available solely for the purpose of section 104 (pertaining to infrastructure) shall not be included in the total fixed for each such area. Funds heretofore appropriated for military assistance in a particular geographic area but transferred from such use under section 513 of the Mutual Security Act of 1951, as amended, or under section 408 (c) of the Mutual Defense Assistance Act, shall be included in the total for the area for the benefit of which such transfer was made, and not in the total for the area from which the transfer was made.

"SEC. 106. Sale of military equipment, materials, and services: (a) The President may, in order to carry out the purpose of this chapter, sell or enter into contracts (without requirement for charge to any appropriation or contract authorization) for the procurement for sale of equipment, materials, or services to any nation or international organization: *Provided*, That prior to the transfer of any such equipment, materials, or services to any nation which has not signed an agreement under section 142 of this Act or joined with the United States in a regional collective defense arrangement, the President shall have received commitments satisfactory to him that such equipment, materials, or services are required for and will be used by such nation solely to maintain its internal security, its legitimate self-defense, or to permit it to participate in the defense of the area of which it is a part, or in collective security arrangements and measures consistent with the Charter of the United Nations, and that it will not undertake any act of aggression against any other state.

"(b) Whenever equipment or materials are sold from the stocks of or services are rendered by any United States Government agency to any nation or international organization as provided in subsection (a), such nation or international organization shall first make available the fair value, as determined by the President, of such equipment, materials, or services before delivery or, when the President determines it to be in the best interests of the United States, within sixty days thereafter or, as determined by the President, within a reasonable period not to exceed three years. The fair value for the purpose of this subsection shall not be less than the value as defined in subsection (h) of section 545: *Provided*, That with respect to excess equipment or materials the fair value may not be determined to be less than (i) the minimum value specified in that subsection plus the scrap value, or (ii) the market value, if ascertainable, whichever is the greater. Before a contract for new production is entered into, or rehabilitation work is undertaken, such nation or international organization shall (A) provide the United States with a dependable undertaking to pay the full amount of such contract or the cost of such rehabilitation which will assure the United States against any loss on the contract or rehabilitation work, and (B) shall make funds available in such amounts and at such times as may be necessary to meet the payments required by the contract or the rehabilitation work in advance of the time such payments are due, in addition to the estimated amount of any damages and costs that may accrue from the cancellation of such contract or rehabilitation work.

"(c) Sections 105, 141, and 142 shall not apply with respect to assistance furnished under this section.

"SEC. 107. Waivers of law: (a) The President may perform any of the functions authorized under this chapter without regard to (1) the provisions of title 10, United States Code, section 1262 (a), and title 34, United States Code, section 546 (e); and (2) such provisions as he may specify of the joint resolution of November 4, 1939 (54 Stat. 4), as amended.

"(b) Notwithstanding the provisions of Revised Statutes 1222 (10 U. S. C. 576), personnel of the Department of Defense may be assigned or detailed to any civil office for the purpose of enabling the President to furnish assistance under this Act.

"SEC. 108. Transfer of military equipment to Japan: In addition to any program of military assistance for which funds may be appropriated pursuant to this Act, the President is hereby authorized to transfer to the Government of Japan, until June 30, 1955, upon such terms and conditions as he may specify, and upon its request, United States military equipment and supplies programed for Japan to meet its internal security requirements for which Department of Defense appropriations were obligated prior to July 1, 1953. No appropriation shall be requested to replace the military equipment and supplies so transferred, and no funds heretofore or hereafter appropriated for the purpose of this chapter shall be available for reimbursement to any United States Government agency on account of any transfer made pursuant to this section.

"Chapter 2—Southeast Asia and the Western Pacific, and direct forces support

"SEC. 121. Southeast Asia and the Western Pacific: There is hereby authorized to be appropriated to the President for the fiscal year 1955, to be made available on such terms and conditions, including transfer of

funds, as he may specify, not to exceed $700,000,000 for expenses necessary for the support of the forces of nations in the area of Southeast Asia, including the furnishing, as far as possible, of direct assistance to the Associated States of Cambodia, Laos, and Vietnam as well as to the forces of other free nations in the area including those of France located in such Associated States and for other expenditures to accomplish in Southeast Asia and the Western Pacific the policies and purposes declared in this Act. In addition, the unexpended balances of funds allocated from appropriations made pursuant to sections 304 and 540 of the Mutual Security Act of 1951, as amended, for the purpose of support of the forces of the Associated States of Cambodia, Laos, and Vietnam and the forces of France located in the Associated States, are hereby authorized to be continued available for the purpose of this section through June 30, 1955, and to be consolidated with the appropriation authorized by this section. Assistance under this section shall be made available subject to the provisions of sections 141 and 142, except that (1) in the case of assistance to the Associated States of Cambodia, Laos, and Vietnam, and (2) in the case of assistance (not to exceed in the aggregate 10 per centum of the amount appropriated pursuant to this section, excluding unexpended balances of prior appropriations) to other nations, the President may waive specific provisions of section 142 to the extent he may deem necessary in the national interest to carry out the purposes of this Act. The President or such officer as he may designate shall report each instance of such waiver to the Foreign Relations, Appropriations, and Armed Services Committees of the Senate and the Foreign Affairs, Appropriations, and Armed Services Committees of the House of Representatives within thirty days.

"It is the sense of the Congress that no part of the funds appropriated under this section shall be used on behalf of governments which are committed by treaty to maintain Communist rule over any defined territory of Asia.

"SEC. 122. Production for forces support: There is hereby authorized to be appropriated to the President for the fiscal year 1955, to be made available on such terms and conditions, including transfer of funds, as he may specify, not to exceed $35,000,000 for manufacture in the United Kingdom of military aircraft required by United Kingdom forces for the defense of the North Atlantic area. In addition, unexpended balances of appropriations made pursuant to section 102 of the Mutual Security Act of 1951, as amended, are hereby authorized to be continued available for their original purposes through June 30, 1955, and the unexpended balance of the appropriation made pursuant to the second clause of that section is authorized to be consolidated with the appropriation authorized by this section.

"SEC. 123. Common use items: There is hereby authorized to be appropriated to the President for the fiscal year 1955 not to exceed $60,000,000 for the provision of any common-use equipment, materials, commodities, or services which are to be used by military forces of nations receiving assistance under chapter 1 of this title. Programs authorized by this section shall be administered in accordance with the provisions of chapter 1 or chapter 3 of this title.

"Chapter 3—Defense support

"SEC. 131. General authority: (a) The President is hereby authorized to furnish, to nations and organizations eligible to receive military assistance under chapter 1 of this title, or to nations which have joined with the United States in a regional collective defense arrangement, commodities, services, and financial and other assistance designed to sustain and increase military effort. In furnishing such assistance, the President may provide for the procurement and transfer from any source of any commodity or service (including processing, storing, transporting, marine insurance, and repairing) or any technical information and assistance.

"(b) There is hereby authorized to be appropriated to the President for the fiscal year 1955 to carry out the provisions of this section, not to exceed—

"(1) $46,000,000 for Europe (excluding Greece and Turkey);

"(2) $73,000,000 for the Near East (including Greece and Turkey), Africa, and South Asia; and

"(3) $80,098,195 for the Far East and the Pacific.

In addition, unexpended balances of appropriations heretofore made pursuant to section 541 of the Mutual Security Act of 1951, as amended, are hereby authorized to be continued available for the purpose of this subsection through June 30, 1955, and to be consolidated with the appropriation authorized for the same area by this subsection: *Provided*, That portions of such unexpended balances which have been allocated for assistance for Greece and Turkey shall be consolidated with the appropriation authorized by paragraph (2) of this subsection.

"SEC. 132. Korean program: (a) There is hereby authorized to be appropriated to the President for the fiscal year 1955 not to exceed $205,000,000 to be expended, upon terms and conditions specified by the President, for defense support, relief and rehabilitation, and other necessary assistance (including payment of ocean freight charges on shipments for relief and rehabilitation, without regard to section 409 of this Act) in those parts of Korea which the President shall have determined to be not under Communist control. In addition, unexpended balances of funds heretofore allocated for the purpose of relief and rehabilitation in Korea pursuant to the paragraph entitled "Relief and Rehabilitation in Korea", chapter VII, Supplemental Appropriation Act, 1954, and unobligated balances of the appropriation for "Civilian Relief in Korea", title III, Department of Defense Appropriation Act, 1954, are hereby authorized to be continued available for the purposes of this subsection through June 30, 1955, and to be consolidated with the appropriation authorized by this subsection.

"(b) (1) Notwithstanding the provisions of any other law, the President is authorized, at any time prior to twenty-four months from the date of enactment of this Act, to transfer to the Republic of Korea, by sale or charter and on such terms and conditions as he may specify, not more than eight C1–M–AV1 vessels. Any agency of the United States Government owning or operating such vessels is authorized to make such vessels available for the purpose of this subsection: *Provided*, That if after investigation it is determined by the President that there are privately owned C1–M–AV1 vessels offered and available for sale by American citizens as defined in section 2 of the Shipping Act, 1916, as amended, at prices equal to or less than those provided for in subsection (b) (2) below, such vessels shall be acquired by an owning or operating agency designated by the President for the purpose of this subsection. Funds made available pursuant to subsection (a) of this section shall be available for the purpose of this subsection.

"(2) Such transfers shall be made at prices determined under section 3 of the Merchant Ship Sales Act of 1946 (50 U. S. C., App. 1736): *Provided*, That such vessels shall be placed in class in accordance with minimum requirements of the American Bureau of Shipping by the owning or operating agency, and the expense of placing in class shall be reimbursed to such agency.

"(c) There is hereby authorized to be appropriated for the fiscal year 1955 not to exceed $3,452,615 for making contributions to the United Nations Korean Reconstruction Agency or expenditure through such other agency for relief and rehabilitation in Korea as the President may direct. In addition, the unexpended balance of the appropriation made pursuant to the last sentence of section 303 (a) of the Mutual Security Act of 1951, as amended, is hereby authorized to be continued available for the purpose of this subsection through June 30, 1955, and to be consolidated with the appropriation authorized by this subsection. Sections 141 and 142 of this act shall not apply with respect to assistance furnished under this subsection.

"(d) To the extent necessary to accomplish the purposes of this section (1) assistance may be furnished under this section without regard to the other provisions of this title and (2) the authority provided in section 307 may be exercised in furnishing assistance under subsection (a) of this section.

"Chapter 4—General provisions relating to mutual defense assistance

"SEC. 141. Conditions of eligibility for assistance: No assistance shall be furnished under this title to any nation or organization unless the President shall have found that furnishing such assistance will strengthen the security of the United States and promote world peace. No such assistance shall be furnished to a nation unless it shall have agreed to the provisions required by section 142, and such additional provisions as the President deems necessary to effectuate the policies and provisions of this title and to safeguard the interests of the United States.

"SEC. 142. Agreements: No assistance shall be furnished to any nation under this title unless such nation shall have agreed to—

"(1) join in promoting international understanding and good will, and maintaining world peace;

"(2) take such action as may be mutually agreed upon to eliminate causes of international tension;

"(3) fulfill the military obligations, if any, which it has assumed under multilateral or bilateral agreements or treaties to which the United States is a party;

"(4) make, consistent with its political and economic stability, the full contribution permitted by its manpower, resources, facilities, and general economic condition to the development and maintenance of its own defensive strength and the defensive strength of the free world;

"(5) take all reasonable measures which may be needed to develop its defense capacities;

"(6) take appropriate steps to insure the effective utilization of the assistance furnished under this title in furtherance of the policies and purposes of this title;

"(7) impose appropriate restrictions against transfer of title to or possession of any equipment and materials, information, or services furnished under chapter 1 of this title, without the consent of the President;

"(8) maintain the security of any article, service, or information furnished under chapter 1 of this title;

"(9) furnish equipment and materials, services, or other assistance consistent with the Charter of the United Nations, to the United States or to and among other nations to further the policies and purpose of chapter 1 of this title;

"(10) permit continuous observation and review by United States representatives of programs of assistance authorized under this title, including the utilization of any such assistance, or provide the United States with full and complete information with respect

to these matters, as the President may require; and

"(11) in cases where any commodity is furnished on a grant basis under any provision of this Act other than chapter 1 of title I under arrangements which will result in the accrual of proceeds to the recipient nation from the import or sale thereof, establish a Special Account, and—

"(i) deposit in the Special Account, under such terms and conditions as may be agreed upon, currency of the recipient nation in amounts equal to such proceeds;

"(ii) make available to the United States such portion of the Special Account as may be determined by the President to be necessary for the requirements of the United States: *Provided*, That such portion shall not be less than 10 per centum in the case of any country to which such minimum requirement has been applicable under any Act repealed by this Act; and

"(iii) utilize the remainder of the Special Account for programs agreed to by the United States to carry out the purposes for which new funds authorized by this Act would themselves be available.

Any unencumbered balances of funds which remain in the Account upon termination of assistance to such nation under this Act shall be disposed of for such purposes as may, subject to approval by Act or joint resolution of the Congress, be agreed to between such country and the Government of the United States.

"TITLE II—DEVELOPMENT ASSISTANCE

"SEC. 201. Authorization: (a) There is hereby authorized to be appropriated to the President for the fiscal year 1955, not to exceed—

"(1) $115,000,000 for assistance designed to promote the economic development of the Near East and Africa, and for other types of assistance designed to help maintain economic and political stability in the area;

"(2) $75,000,000 for assistance designed to promote the economic development of South Asia and to assist in maintaining economic and political stability in the area; and

"(3) $9,000,000 for assistance designed to promote economic development in the other American Republics and non-self-governing territories of the Western Hemisphere.

Such assistance may be furnished on such terms and conditions as the President may specify, except that 30 per centum of the funds appropriated pursuant to this subsection shall be available only for furnishing assistance on terms of repayment in accordance with section 505.

"(b) In addition, unexpended balances of appropriations heretofore made pursuant to sections 206 and 302 (b) of the Mutual Security Act of 1951, as amended, and unexpended balances of funds allocated to the emergency economic aid program for Bolivia are hereby authorized to be continued available for the purposes of this section through June 30, 1955, and to be consolidated with the appropriations authorized by paragraphs (1), (2), and (3) of subsection (a) of this section, respectively.

"SEC. 202. Administration: Except as necessary to accomplish the purposes of section 201, programs of assistance authorized by that section shall be administered in accordance with sections 303 and 308 (relating to technical cooperation).

"TITLE III—TECHNICAL COOPERATION

"SEC. 301. Declaration of purpose: It is the policy of the United States and the purpose of this title to aid the efforts of the peoples of economically underdeveloped areas to develop their resources and improve their working and living conditions by encouraging the exchange of technical knowledge and skills and the flow of investment capital to countries which provide conditions under which such technical assistance and capital can effectively and constructively contribute to raising standards of living, creating new sources of wealth, increasing productivity and expanding purchasing power.

"SEC. 302. General authority and definition: the President is authorized to furnish assistance in accordance with the provisions of this title through bilateral technical cooperation programs. As used in this title, the term 'technical cooperation programs' means programs for the international interchange of technical knowledge and skills designed to contribute primarily to the balanced and integrated development of the economic resources and productive capacities of economically underdeveloped areas. Such activities shall be limited to economic, engineering, medical, educational, labor, agricultural, forestry, fishery, mineral, and fiscal surveys, demonstration, training, and similar projects that serve the purpose of promoting the development of economic resources, productive capacities, and trade of economically underdeveloped areas, and training in public administration. The term 'technical cooperation programs' does not include such activities authorized by the United States Information and Educational Exchange Act of 1948 (62 Stat. 6) as are not primarily related to economic development, nor activities undertaken now or hereafter pursuant to the International Aviation Facilities Act (62 Stat. 450), nor activities undertaken now or hereafter in the administration of areas occupied by the United States Armed Forces.

"SEC. 303. Prerequisites to assistance: Assistance shall be made available under section 302 of this Act only where the President determines that the nation being assisted—

"(a) pays a fair share of the cost of the program;

"(b) provides all necessary information concerning such program and gives the program full publicity;

"(c) seeks to the maximum extent possible full coordination and integration of technical cooperation programs being carried on in that nation;

"(d) endeavors to make effective use of the results of the program; and

"(e) cooperates with other nations participating in the program in the mutual exchange of technical knowledge and skills.

"SEC. 304. Authorization: There is hereby authorized to be appropriated to the President for the fiscal year 1955, $88,570,000 for technical cooperation programs in the Near East, Africa, South Asia, and Far East and Pacific, and $28,500,000 for such programs in Latin America. In addition, unexpended balances of appropriations heretofore made pursuant to section 543 of the Mutual Security Act of 1951, as amended, are authorized to be continued available for the purposes of this section through June 30, 1955, and to be consolidated with the appropriation authorized by this section.

"SEC. 305. Limitation on use of funds: Funds made available under section 304 may be expended to furnish assistance in the form of equipment or commodities only where necessary for instruction or demonstration purposes.

"SEC. 306. Multilateral technical cooperation: As one means of accomplishing the purposes of this title, the United States is authorized to participate in multilateral technical cooperation programs carried on by the United Nations, the Organization of American States, their related organizations, and other international organizations, wherever practicable. There is hereby authorized to be appropriated to carry out the purpose of this section, in addition to the amounts authorized by section 304, not to exceed—

"(a) $17,958,000 for making contributions to the United Nations Expanded Program of Technical Assistance;

"(b) $1,500,000 for making contributions to the technical cooperation program of the Organization of American States.

"SEC. 307. Advances and grants; contracts: The President may make advances and grants-in-aid of technical cooperation programs to any person, corporation, or other body of persons or to any foreign government agency. The President may make and perform contracts and agreements in respect of technical cooperation programs on behalf of the United States Government with any person, corporation, or other body of persons however designated, whether within or without the United States, or with any foreign government or foreign government agency. A contract or agreement which entails commitments for the expenditure of funds appropriated pursuant to this title may, subject to any future action of the Congress, run for not to exceed three years.

"SEC. 308. International Development Advisory Board: There shall be an advisory board, referred to in this section as the 'Board', which shall advise and consult with the President, or such other officer as he may designate to administer this title, with respect to general or basic policy matters arising in connection with the operation of programs authorized by this title, title II, and section 413 (b). The Board shall consist of not more than thirteen members appointed by the President, one of whom, by and with the advice and consent of the Senate, shall be appointed by him as chairman. The members of the Board shall be broadly representative of voluntary agencies and other groups interested in the programs, including business, labor, agriculture, public health, and education. All members of the Board shall be citizens of the United States; none except the chairman shall be an officer or an employee of the United States (including any United States Government agency) who as such regularly receives compensation for current services. Members of the Board, other than the chairman if he is an officer of the United States Government, shall receive out of funds made available for the purpose of this title a per diem allowance of $50 for each day spent away from their homes or regular places of business for the purpose of attendance at meetings of the Board or at conferences held upon the call of the chairman, and in necessary travel, and while so engaged they may be paid actual travel expenses and not to exceed $10 per diem in lieu of subsistence and other expenses.

"TITLE IV—OTHER PROGRAMS

"SEC. 401. Special fund: Of the funds made available under this Act, not to exceed $150,000,000 may be used in any fiscal year, without regard to the requirements of this Act or any other Act for which funds are authorized by this Act, in furtherance of any of the purposes of such Acts, when the President determines that such use is important to the security of the United States. Not to exceed $100,000,000 of the funds available under this section may be expended for any selected persons who are residing in or escapees from the Soviet Union, Poland, Czechoslovakia, Hungary, Rumania, Bulgaria, Albania, Lithuania, Latvia, and Estonia or the Communist-dominated or Communist-occupied areas of Germany and Austria, or any Communist-dominated or Communist-occupied areas of Asia and any other countries absorbed by the Soviet Union, either to form such persons into elements of the military forces supporting the North Atlantic Treaty Organization or for other purposes, when the President determines that such assistance will contribute to the defense of the North Atlantic area or to the security of the United States. Certification by the President that he has expended amounts under this section not in excess of $50,000,000, and that it is inadvisable to specify the nature of such expenditures, shall be deemed a sufficient voucher for such amounts. Not more than $20,000,000 of the funds available under this section may be allocated to any one nation in any fiscal year.

"SEC. 402. Earmarking of funds: Of the funds authorized to be made available pursuant to this Act not less than $350,000,000 shall be used to finance the export and sale for foreign currencies of surplus agricultural commodities or products thereof produced in the United States, in addition to surplus agricultural commodities or products transferred pursuant to the Agricultural Trade Development and Assistance Act of 1954, and in accordance with the standards as to pricing and the use of private trade channels expressed in section 101 of said Act. Foreign currency proceeds accruing from such sales shall be used for the purposes of this Act and with particular emphasis on the purposes of section 104 of the Agricultural Trade Development and Assistance Act of 1954 which are in harmony with the purposes of this Act. Notwithstanding section 1415 of the Supplemental Appropriation Act, 1953, or any other provision of law, the President may use or enter into agreements with friendly nations or organizations of nations to use for such purposes the foreign currencies which accrue to the United States under this section.

"SEC. 403. Special assistance in joint control areas: The President is hereby authorized to furnish commodities, services, and financial and other assistance to nations and areas for which the United States has responsibility as a result of participation in joint control arrangements where found by the President to be in the interest of the security of the United States. There is hereby authorized to be appropriated to the President for the fiscal year 1955 not to exceed $25,000,000 to carry out this section.

"SEC. 404. Responsibilities in Germany: Upon approval by the Secretary of State, a part of the German currency now or hereafter deposited under the bilateral agreement of December 15, 1949, between the United States and the Federal Republic of Germany (or any supplementary or succeeding agreement) shall be deposited in the GARIOA (Government and Relief in Occupied Areas) Special Account under the terms of article V of that agreement, and currency which has been or may be deposited in said account, and any portion of funds made available for assistance to the Federal Republic of Germany pursuant to section 403 of this Act, may be used for expenses necessary to meet the responsibilities or objectives of the United States in Germany, including responsibilities arising under the supreme authority assumed by the United States on June 5, 1945, and under contractual arrangements with the Federal Republic of Germany. Expenditures may be made under authority of this section in amounts and under conditions determined by the Secretary of State after consultation with the official primarily responsible for administration of programs under chapter 3 of title I, and without regard to any provision of law which the President determines must be disregarded in order to meet such responsibilities or objectives.

"SEC. 405. Movement of migrants and refugees: (a) The President is hereby authorized to continue membership for the United States on the Intergovernmental Committee for European Migration in accordance with its constitution approved in Venice, Italy, on October 19, 1953. For the purpose of assisting in the movement of migrants, there is hereby authorized to be appropriated not to exceed $11,189,190 for contributions during the calendar year 1955 to the Intergovernmental Committee for European Migration, and thereafter such amounts as may be necessary from time to time for the payment by the United States of its contributions to the Committee and all necessary salaries and expenses incident to United States participation in the Committee. In addition, the unexpended balance of the appropriation made pursuant to section 534 of the Mutual Security Act of 1951, as amended, is hereby authorized to be continued available for the purpose of this subsection through June 30, 1955, and to be consolidated with the appropriation authorized in this subsection.

"(b) Of the funds made available under this Act, not more than $800,000 may be used by the President to facilitate the migration to the other American Republics of persons resident in that portion of the Ryukyu Island Archipelago under United States control.

"(c) There is hereby authorized to be appropriated for the fiscal year 1955 not to exceed $500,000 for contributions to the United Nations Refugee Emergency Fund.

"SEC. 406. Children's welfare: There is hereby authorized to be appropriated not to exceed $13,500,000 for contributions during the fiscal year 1955 to the United Nations Children's Fund.

"SEC. 407. Palestine refugees in the Near East: There is hereby authorized to be appropriated to the President for the fiscal year 1955, not to exceed $30,000,000, to be used to make contributions to the United Nations Relief and Works Agency for Palestine Refugees in the Near East. In addition, the unexpended balance of the appropriation made for the Palestine refugee program in the Mutual Security Appropriation Act, 1954, is hereby authorized to be continued available for the purpose of this section through June 30, 1955. Whenever the President shall determine that it would more effectively contribute to the relief, rehabilitation, and resettlement of Palestine refugees in the Near East, he may expend any part of the funds made available pursuant to this section through any other agency he may designate.

"SEC. 408. North Atlantic Treaty Organization: (a) In order to provide for United States participation in the North Atlantic Treaty Organization, there is hereby authorized to be appropriated for the fiscal year 1955 not to exceed $3,200,000 for payment by the United States of its share of the expenses of the Organization, and thereafter such amounts as may be necessary from time to time for the payment by the United States of its share of the expenses of the Organization and all necessary salaries and expenses of the United States permanent representative to the Organization, or such persons as may be appointed to represent the United States in the subsidiary bodies of the Organization or in any multilateral organization which participates in achieving the aims of the North Atlantic Treaty, and of their appropriate staffs, and the expenses of participation in meetings of such organizations, including salaries, expenses, and allowances of personnel and dependents as authorized by the Foreign Service Act of 1946, as amended (22 U. S. C. 801), and allowances and expenses as provided in section 6 of the Act of July 30, 1946 (22 U. S. C. 287r).

"(b) The United States permanent representative to the North Atlantic Treaty Organization shall be appointed by the President by and with the advice and consent of the Senate and shall hold office at the pleasure of the President. Such representative shall have the rank and status of ambassador extraordinary and plenipotentiary and shall be a chief of mission, class 1, within the meaning of the Foreign Service Act of 1946, as amended (22 U. S. C. 801).

"(c) Persons detailed to the international staff of the North Atlantic Treaty Organization in accordance with section 529 of this Act who are appointed as Foreign Service Reserve officers may serve for periods of more than four years notwithstanding the limitation in section 522 of the Foreign Service Act of 1946, as amended (22 U. S. C. 922).

"SEC. 409. Ocean freight charges: (a) In order to further the efficient use of United States voluntary contributions for relief and rehabilitation in nations and areas eligible for assistance under this Act, the President may pay ocean freight charges from United States ports to designated ports of entry of such nations and areas on shipments by United States voluntary nonprofit relief agencies registered with and approved by the Advisory Committee on Voluntary Foreign Aid and shipments by the American Red Cross.

"(b) Where practicable the President shall make arrangements with the receiving nation for free entry of such shipments and for the making available by that nation of local currencies for the purpose of defraying the transportation cost of such shipments from the port of entry of the receiving nation to the designated shipping point of the consignee.

"(c) There is hereby authorized to be appropriated to the President for the fiscal year 1955 not to exceed $4,400,000 to carry out the purposes of this section; and, in addition, unexpended balances of appropriations heretofore made pursuant to section 535 of the Mutual Security Act of 1951, as amended, are authorized to be continued available for the purposes of this section through June 30, 1955, and to be consolidated with the appropriation authorized in this section.

"(d) In addition, any funds made available under this Act may be used, in amounts determined by the President, to pay ocean freight charges on shipments of surplus agricultural commodities, including commodities made available pursuant to any Act for the disposal abroad of United States agricultural surpluses.

"SEC. 410. Control act expenses: There is hereby authorized to be appropriated to the President for the fiscal year 1955 not to exceed $1,300,000 for carrying out the objectives of the Mutual Defense Assistance Control Act of 1951 (22 U. S. C. 1611). In addition, in accordance with section 303 of that Act, funds made available for carrying out chapter 1 of title I of this Act shall be available for carrying out the purpose of this section in such amounts as the President may direct.

"SEC. 411. Administrative expenses: (a) Whenever possible, the expenses of administration of this Act shall be paid for in the currency of the nation where the expense is incurred.

"(b) There is hereby authorized to be appropriated to the President for the fiscal year 1955 not to exceed $34,700,000 for all necessary administrative expenses incident to carrying out the provisions of this Act other than chapter 1 of title I, including expenses for compensation, allowances and travel of personnel, including Foreign Service personnel whose services are utilized primarily for the purposes of this Act, and, without regard to the provisions of any other law, for printing and binding, and for expenditures outside the continental limits of the United States for the procurement of supplies and services and for other administrative purposes (other than compensation of personnel) without regard to such laws and regulations governing the obligation and expenditure of Government funds as may be necessary to accomplish the purposes of this Act.

"SEC. 412. Chinese and Korean students: Funds heretofore allocated to the Secretary of State pursuant to the last proviso of section 202 of the China Area Aid Act of 1950 (22 U. S. C. 1547) shall continue to be available until expended, under such regulations as the Secretary of State may prescribe, using private agencies to the maximum extent practicable, for necessary expenses of tuition, subsistence, transportation, and emergency medical care for selected citizens of China and of Korea for studying or teaching in accredited colleges, universities, or other educational institutions in the United States approved by the Secretary of State

for the purpose, or for research and related academic and technical activities in the United States, and such selected citizens of China who have been admitted for the purpose of study in the United States shall be granted permission to accept employment upon application filed with the Commissioner of Immigration and Naturalization pursuant to regulations promulgated by the Attorney General.

"SEC. 413. Encouragement of free enterprise and private participation: (a) The Congress recognizes the vital role of free enterprise in achieving rising levels of production and standards of living essential to the economic progress and defensive strength of the free world. Accordingly, it is declared to be the policy of the United States to encourage the efforts of other free nations to increase the flow of international trade, to foster private initiative and competition, to discourage monopolistic practices, to improve the technical efficiency of their industry, agriculture and commerce, and to strengthen free labor unions; and to encourage the contribution of United States enterprise toward the economic strength of other free nations, through private trade and investment abroad, private participation in the programs carried out under this Act (including the use of private trade channels to the maximum extent practicable in carrying out such programs), and exchange of ideas and technical information on the matters covered by this section.

"(b) In order to encourage and facilitate participation by private enterprise to the maximum extent practicable in achieving any of the purposes of this Act, the President—

"(1) shall make arrangements to find and draw the attention of private enterprise to opportunities for investment and development in other free nations;

"(2) shall accelerate a program of negotiating treaties for commerce and trade, including tax treaties, which shall include provisions to encourage and facilitate the flow of private investment to nations participating in programs under this Act;

"(3) shall, consistent with the security and best interests of the United States, seek compliance by other countries or a dependent area of any country with all treaties for commerce and trade and taxes and shall take all reasonable measures under this Act or other authority to secure compliance therewith and to assist United States citizens in obtaining just compensation for losses sustained by them or payments exacted from them as a result of measures taken or imposed by any country or dependent area thereof in violation of any such treaty; and

"(4) may make, until June 30, 1957, under rules and regulations prescribed by him, guaranties to any person of investments in connection with projects, including expansion, modernization, or development of existing enterprises, in any nation with which the United States has agreed to institute the guaranty program: *Provided*, That—

"(A) such projects shall be approved by the President as furthering any of the purposes of this Act, and by the nation concerned;

"(B) the guaranty to any person shall be limited to assuring any or all of the following:

"(i) the transfer into United States dollars of other currencies, or credits in such currencies, received by such person as earnings or profits from the approved project, as repayment or return of the investment therein, in whole or in part, or as compensation for the sale or disposition of all or any part thereof;

"(ii) the compensation in United States dollars for loss of all or any part of the investment in the approved project which shall be found by the President to have been lost to such person by reason of expropriation or confiscation by action of the government of a foreign nation;

"(C) when any payment is made to any person pursuant to a guaranty as hereinbefore described, the currency, credits, assets, or investment on account of which such payment is made shall become the property of the United States Government, and the United States Government shall be subrogated to any right, title, claim or cause of action existing in connection therewith;

"(D) the guaranty to any person shall not exceed the amount of dollars invested in the project by such person with the approval of the President plus actual earnings or profits on said project to the extent provided by such guaranty, and shall be limited to a term not exceeding twenty years from the date of issuance;

"(E) a fee shall be charged in an amount not exceeding 1 per centum per annum of the amount of each guaranty under clause (i) of subparagraph (B), and not exceeding 4 per centum per annum of the amount of each guaranty under clause (ii) of such subparagraph, and all fees collected hereunder shall be available for expenditure in discharge of liabilities under guaranties made under this section until such time as all such liabilities have been discharged or have expired, or until all such fees have been expended in accordance with the provisions of this section;

"(F) the President is authorized to issue guaranties up to a total of $200,000,000: *Provided*, That any funds allocated to a guaranty or remaining after all liability of the United States assumed in connection therewith has been released, discharged, or otherwise terminated, shall be available for allocation to other guaranties, the foregoing limitation notwithstanding. Any payments made to discharge liabilities under guaranties issued under this subsection shall be paid out of fees collected under subparagraph (E) as long as such fees are available, and thereafter shall be paid out of funds realized from the sale of notes which have been issued under authority of paragraph 111 (c) (2) of the Economic Cooperation Act of 1948, as amended, when necessary to discharge liabilities under any such guaranty;

"(G) the guaranty program authorized by this paragraph shall be used to the maximum practicable extent and shall be administered under broad criteria so as to facilitate and increase the participation of private enterprise in achieving any of the purposes of this Act;

"(H) as used in this paragraph—

"(i) the term 'person' means a citizen of the United States or any corporation, partnership, or other association created under the law of the United States or of any State or Territory and substantially beneficially owned by citizens of the United States, and

"(ii) the term 'investment' includes any contribution of capital goods, materials, equipment, services, patents, processes, or techniques by any person in the form of (1) a loan or loans to an approved project, (2) the purchase of a share of ownership in any such project, (3) participation in royalties, earnings, or profits of any such project, and (4) the furnishing of capital goods items and related services pursuant to a contract providing for payment in whole or in part after the end of the fiscal year in which the guaranty of such investment is made.

"SEC. 414. Munitions control: (a) The President is authorized to control, in furtherance of world peace and the security and foreign policy of the United States, the export and import of arms, ammunition, and implements of war, including technical data relating thereto, other than by a United States Government agency. The President is authorized to designate those articles which shall be considered as arms, ammunition, and implements of war, including technical data relating thereto, for the purposes of this section.

"(b) As prescribed in regulations issued under this section, every person who engages in the business of manufacturing, exporting, or importing any arms, ammunition, or implements of war, including technical data relating thereto, designated by the President under subsection (a) shall register with the United States Government agency charged with the administration of this section and, in addition, shall pay a registration fee which shall be prescribed by such regulations.

"(c) Any person who willfully violates any provision of this section or any rule or regulation issued under this section, or who willfully, in a registration or license application, makes any untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements therein not misleading, shall upon conviction be fined not more than $25,000 or imprisoned not more than two years, or both.

"SEC. 415. Assistance to international organization: Whenever it will assist in achieving purposes declared in this Act, the President is authorized to use funds available under sections 131 and 403 in order to furnish assistance, including by transfer of funds, directly to the North Atlantic Treaty Organization, for a strategic stockpile of foodstuffs and other supplies, or for other purposes.

"SEC. 416. Facilitation and encouragement of travel: The President, through such officer or commission as he may designate, shall facilitate and encourage, without cost to the United States except for administrative expenses, the promotion and development of travel by citizens of the United States to and within countries receiving assistance under this Act and travel by citizens of such countries to the United States.

"SEC. 417. Irish counterpart: Pursuant to section 115 (b) (6) of the Economic Cooperation Act of 1948, as amended, the disposition within Ireland of the unencumbered balance, in the amount of approximately 6,000,000 Irish pounds, of the special account of Irish funds established under article IV of the Economic Cooperation Agreement between the United States of America and Ireland, dated June 28, 1948, for the purposes of—

"(1) scholarship exchange between the United States and Ireland;

"(2) other programs and projects (including the establishment of an Agricultural Institute) to improve and develop the agricultural production and marketing potential of Ireland and to increase the production and efficiency of Irish industry; and

"(3) development programs and projects in aid of the foregoing objectives,

is hereby approved, as provided in the agreement between the Government of the United States of America and the Government of Ireland, dated June 17, 1954.

"TITLE V—MISCELLANEOUS PROVISIONS

"Chapter 1. General provisions

"SEC. 501. Transferability of funds: Whenever the President determines it to be necessary for the purposes of this Act, not to exceed 10 per centum of the funds made available pursuant to any provision of this Act may be transferred to and consolidated with the funds made available pursuant to any other provision of this Act, and may be used for any of the purposes for which such funds may be used, except that the total in the provision for the benefit of which the transfer is made shall not be increased by more than 20 per centum of the amount made available for such provision pursuant to this Act. Funds transferred under this section to furnish military assistance under

chapter 1 of title I may be expended without regard to the area limits imposed by section 105 (c). Of any funds transferred under this section for the purpose of furnishing assistance under section 201, 30 per centum shall be available only for furnishing assistance on terms of repayment in accordance with section 505.

"SEC. 502. Use of foreign currency: (a) Notwithstanding section 1415 of the Supplemental Appropriation Act, 1953, or any other provision of law, proceeds of sales made under section 550 of the Mutual Security Act of 1951, as amended, shall remain available and shall be used for any of the purposes of this Act, giving particular regard to the following purposes—

"(1) for providing military assistance to nations or mutual defense organizations eligible to receive assistance under this Act;

"(2) for purchase of goods or services in friendly nations;

"(3) for loans, under applicable provisions of this Act, to increase production of goods or services, including strategic materials, needed in any nation with which an agreement was negotiated, or in other friendly nations, with the authority to use currencies received in repayment for the purposes stated in this section or for deposit to the general account of the Treasury of the United States;

"(4) for developing new markets on a mutually beneficial basis;

"(5) for grants-in-aid to increase production for domestic needs in friendly countries; and

"(6) for purchasing materials for United States stockpiles.

"(b) Notwithstanding section 1415 of the Supplemental Appropriation Act, 1953, or any other provision of law, local currencies owned by the United States shall be made available to appropriate committees of the Congress engaged in carrying out their duties under section 136 of the Legislative Reorganization Act of 1946, as amended, for their local currency expenses: *Provided*, That any such committee of the Congress which uses local currency shall make a full report thereof to the Committee on House Administration of the House of Representatives (if the committee using such currency is a committee of the House of Representatives) or to the Committee on Rules and Administration of the Senate (if the committee using such currency is a committee of the Senate), showing the total amount of such currency so used in each country and the purposes for which it was expended.

"SEC. 503. Termination of assistance: (a) If the President determines that the furnishing of assistance to any nation under any provision of this Act—

"(1) is no longer consistent with the national interest or security or the foreign policy of the United States; or

"(2) would no longer contribute effectively to the purposes for which such assistance is furnished; or

"(3) is no longer consistent with the obligations and responsibilities of the United States under the Charter of the United Nations,

he shall terminate all or part of any assistance furnished pursuant to this Act. If the President determines that any nation which is receiving assistance under chapter 1 of title I of this Act is not making its full contribution to its own defense or to the defense of the area of which it is a part, he shall terminate all or part of such assistance. Assistance to any nation under any provision of this Act may, unless sooner terminated by the President, be terminated by concurrent resolution. Funds made available under this Act shall remain available for twelve months from the date of termination under this subsection for the necessary expenses of liquidating assistance programs.

"(b) (1) After June 30, 1955, none of the authority conferred by this Act may be exercised for the purpose of carrying out any function authorized by title II; except that during the twelve months following such date (i) funds which have been obligated on or before that date shall remain available for expenditure, (ii) equipment, materials, commodities, and services with respect to which funds have been obligated on or before such date for procurement for, shipment to, or delivery in a recipient country may be transferred to such country, and (iii) funds appropriated under authority of this Act may be obligated (A) for the necessary expenses of procurement, shipment, delivery, and other activities essential to such transfer and (B) for the necessary expenses of liquidating operations incident to such functions.

(2) At such time as the President shall find appropriate, the powers, duties, and authority conferred by this Act with respect to such function may be transferred for the purpose of liquidation to such other United States Government agencies as the President shall specify, and the relevant funds, records, property, and personnel may be transferred to the agencies to which the related functions are transferred.

"(c) Unless sooner abolished under section 525, the Foreign Operations Administration shall cease to exist at the close of June 30, 1955.

"SEC. 504. Small business: (a) Insofar as practicable and to the maximum extent consistent with the accomplishment of the purposes of this Act, the President shall assist American small business to participate equitably in the furnishing of commodities and services financed with funds authorized under titles II, III, and IV, and chapters 2 and 3 of title I, of this Act—

"(1) by causing to be made available to suppliers in the United States and particularly to small independent enterprises, information, as far in advance as possible, with respect to purchases proposed to be financed with such funds,

"(2) by causing to be made available to prospective purchasers in the nations receiving assistance under this Act information as to commodities and services produced by small independent enterprises in the United States, and

"(3) by providing for additional services to give small business better opportunities to participate in the furnishing of commodities and services financed with such funds.

"(b) There shall be an Office of Small Business, headed by a Special Assistant for Small Business, in such United States Government agency as the President may direct, to assist in carrying out the provisions of subsection (a) of this section.

"(c) The Secretary of Defense shall assure that there is made available to suppliers in the United States, and particularly to small independent enterprises, information with respect to purchases made by the Department of Defense pursuant to chapter 1 of title I, such information to be furnished as far in advance as possible.

"SEC. 505. Loan assistance: (a) Assistance under this Act may be furnished on a grant basis or on such terms, including cash, credit, or other terms of repayment (including repayment in foreign currencies or by transfer to the United States of materials required for stockpiling or other purposes) as may be determined to be best suited to the achievement of the purposes of this Act.

"(b) Of the funds made available pursuant to this Act and foreign currencies accruing to the United States under section 402, the equivalent of not less than $200,000,000 shall be available only for the furnishing of assistance on terms of repayment. Funds for the purpose of furnishing assistance on terms of repayment shall be allocated to the Export-Import Bank of Washington, which shall, notwithstanding the provisions of the Export-Import Bank Act of 1945 (59 Stat. 526), as amended, make and administer the credit on such terms. Credits made by the Export-Import Bank of Washington with funds so allocated to it shall not be considered in determining whether the Bank has outstanding at any one time loans and guaranties to the extent of the limitation imposed by section 7 of the Export-Import Bank Act of 1945 (59 Stat. 529), as amended. Amounts received in repayment of principal and interest on any loan made under this section shall be held by the Treasury to be used for such purposes, including further loans, as may be authorized from time to time by Congress. Amounts received in repayment of principal and interest on any credits made under paragraph 111 (c) (2) of the Economic Cooperation Act of 1948, as amended, shall be deposited into miscellaneous receipts of the Treasury, except that, to the extent required for such purpose, amounts received in repayment of principal and interest on any credits made out of funds realized from the sale of notes heretofore authorized to be issued for the purpose of financing assistance on a credit basis under paragraph 111 (c) (2) of the Economic Cooperation Act of 1948, as amended, shall be deposited into the Treasury for the purpose of the retirement of such notes.

"SEC. 506. Patents and technical information: (a) As used in this section—

"(1) the term 'invention' means an invention or discovery covered by a patent issued by the United States; and

"(2) the term 'information' means information originated by or peculiarly within the knowledge of the owner thereof and those in privity with him, which is not available to the public and is subject to protection as property under recognized legal principles.

"(b) Whenever, in connection with the furnishing of any assistance in furtherance of the purposes of this Act—

"(1) use within the United States, without authorization by the owner, shall be made of an invention; or

"(2) damage to the owner shall result from the disclosure of information by reason of acts of the United States or its officers or employees,

the exclusive remedy of the owner of such invention or information shall be by suit against the United States in the Court of Claims or in the District Court of the United States for the district in which such owner is a resident for reasonable and entire compensation for unauthorized use or disclosure. In any such suit the United States may avail itself of any and all defenses, general or special, that might be pleaded by any defendant in a like action.

"(c) Before such suit against the United States has been instituted, the head of the appropriate United States Government agency, which has furnished any assistance in furtherance of the purposes of this Act, is authorized and empowered to enter into an agreement with the claimant, in full settlement and compromise of any claim against the United States hereunder.

"(d) The provisions of the last sentence of section 1498 of title 28 of the United States Code shall apply to inventions and information covered by this section.

"(e) Except as otherwise provided by law, no recovery shall be had for any infringement of a patent committed more than six years prior to the filing of the complaint or counterclaim for infringement in the action, except that the period between the date of receipt by the Government of a written claim under subsection (c) above for compensation for infringement of a patent and the date of mailing by the Government of a

notice to the claimant that his claim has been denied shall not be counted as part of the six years, unless suit is brought before the last-mentioned date.

"SEC. 507. Availability of funds: Except as otherwise provided in sections 104 (pertaining to infrastructure), 405 (pertaining to movement of migrants), 408 (a) (pertaining to North Atlantic Treaty Organization), and 412 (pertaining to Chinese and Korean students), funds shall be available to carry out the provisions of this Act (other than sections 414 and 416) as authorized and appropriated to the President each fiscal year.

"SEC. 508. Limitation on funds for propaganda: None of the funds herein authorized to be appropriated nor any counterpart funds shall be used to pay for personal services or printing, or for other expenses of the dissemination within the United States of general propaganda in support of the mutual security program, or to pay the travel or other expenses outside the United States of any citizen or group of citizens of the United States for the purpose of publicizing such program within the United States.

"SEC. 509. Shipping on United States vessels: Such steps as may be necessary shall be taken to assure, as far as practicable, that at least 50 per centum of the gross tonnage of commodities, materials and equipment procured out of funds made available under sections 103, 123, 131, 132 (a), 201, 304, and 403 of this Act and transported to or from the United States on ocean vessels, computed separately for dry bulk carriers, dry cargo liner and tanker services and computed separately for section 103, and for sections 123, 131, 132 (a), 201, 304, and 403 (taken together) is so transported on United States flag commercial vessels to the extent such vessels are available at market rates for United States flag commercial vessels provided such rates are fair and reasonable; and, in the administration of this provision, steps shall be taken, insofar as practicable and consistent with the purpose of this Act, to secure a fair and reasonable participation by United States flag commercial vessels in cargoes by geographic area.

"SEC. 510. Purchase of commodities: No funds made available under title II or chapter 3 of title I of this Act shall be used for the purchase in bulk of any commodities at prices higher than the market price prevailing in the United States at the time of the purchase adjusted for differences in the cost of transportation to destination, quality, and terms of payment. A bulk purchase within the meaning of this section does not include the purchase of raw cotton in bales. Funds made available under title II or chapter 3 of title I of this Act may be used for the procurement of commodities outside the United States unless the President determines that such procurement will result in adverse effects upon the economy of the United States, with special reference to any areas of labor surplus, or upon the industrial mobilization base, which outweigh the economic advantages to the United States of less costly procurement abroad. In providing for the procurement of any surplus agricultural commodity for transfer by grant under this Act to any recipient nation in accordance with the requirements of such nation, the President shall, insofar as practicable and where in furtherance of the purposes of this Act, authorize the procurement of such surplus agricultural commodity only within the United States except to the extent that any such surplus agricultural commodity is not available in the United States in sufficient quantities to supply the requirements of the nations receiving assistance under this Act.

"SEC. 511. Retention and return of equipment: (a) No equipment or materials may be transferred under title I out of military stocks if the Secretary of Defense, after consultation with the Joint Chiefs of Staff, determines that such transfer would be detrimental to the national security of the United States, or that such equipment or materials are needed by the reserve components of the Armed Forces to meet their training requirements.

"(b) Any equipment, materials, or commodities procured to carry out this Act shall be retained by, or, upon reimbursement, transferred to and for the use of, such United States Government agency as the President may determine in lieu of being disposed of to a foreign nation or international organization whenever in the judgment of the President the best interests of the United States will be served thereby, or whenever such retention is called for by concurrent resolution. Any commodities so retained may be disposed of without regard to provisions of law relating to the disposal of Government-owned property, when necessary to prevent spoilage or wastage of such commodities or to conserve the usefulness thereof. Funds realized from any such disposal or transfer shall revert to the respective appropriation or appropriations out of which funds were expended for the procurement of such equipment, materials, or commodities or to appropriations currently available for such procurement.

"(c) The President shall make appropriate arrangements with each nation receiving equipment or materials under chapter 1 of title I (other than equipment or materials sold under the provisions of section 106) for the return to the United States (1) for salvage or scrap, or (2) for such other disposition as the President shall deem to be in the interest of mutual security, of any such equipment or materials which are no longer required for the purposes for which originally made available.

"SEC. 512. Penal provision: Whoever offers or gives to anyone who is or in the preceding two years has been an employee or officer of the United States any commission, payment, or gift, in connection with the procurement of equipment, materials, commodities, or services under this Act in connection with which procurement said officer, employee, former officer or former employee is or was employed or performed duty or took any action during such employment, and whoever, being or having been an employee or officer of the United States in the preceding two years, solicits, accepts, or offers to accept any commission, payment, or gift in connection with the procurement of equipment, materials, commodities, or services under this Act in connection with which procurement said officer, employee, former officer or former employee is or was employed or performed duty or took any action during such employment, shall upon conviction thereof be subject to a fine of not to exceed $10,000 or imprisonment for not to exceed three years, or both: *Provided*, That this section shall not apply to persons appointed pursuant to sections 308 or 530 (a) of this Act.

"SEC. 513. Notice to legislative committees: When any transfer is made under section 105 (d) or section 501, or any other action is taken under this Act which will result in furnishing assistance of a kind, for a purpose, or to an area, substantially different from that included in the presentation to the Congress during its consideration of this Act, or which will result in expenditures greater by 50 per centum or more than the proposed expenditures included in such presentation for the program concerned, the President or such officer as he may designate shall promptly notify the Committee on Foreign Relations of the Senate, the Committee on Foreign Affairs of the House of Representatives and, when military assistance is involved, the Committees on Armed Services of the Senate and House of Representatives, stating the justification for such change. Notice shall also be given to the Committee on Foreign Relations of the Senate and the Committee on Foreign Affairs of the House of Representatives of any determination under the first sentence of section 401 (except with respect to unvouchered funds), and copies of any certification as to loyalty under section 531 shall be filed with such committees.

"SEC. 514. International educational exchange activities: Foreign currencies or credits owed to or owned by the United States, where arising from this Act or otherwise, shall, upon a request from the Secretary of State certifying that such funds are required for the purpose of international educational exchange activities under programs authorized by section 32 (b) (2) of the Surplus Property Act of 1944, as amended, be reserved by the Secretary of the Treasury for sale to the Department of State for such activities on the basis of the dollar value at the time of the reservation.

"Chapter 2. Organization and administration

"SEC. 521. Delegation of authority by the President: (a) Except as provided in subsection (b), the President may exercise any power or authority conferred on him by this Act through such agency or officer of the United States as he shall direct, and the head of such agency or such officer may from time to time promulgate such rules and regulations as may be necessary and proper to carry out functions under this Act and may delegate authority to perform any of such functions to his subordinates acting under his direction.

"(b) After June 30, 1955, the President shall exercise the powers conferred upon him under title III of this Act through the Secretary of State.

"SEC. 522. Allocation and reimbursement among agencies: (a) The President may allocate or transfer to any United States Government agency any part of any funds available for carrying out the purposes of this Act, including any advance to the United States by any nation or international organization for the procurement of equipment or materials or services. Such funds shall be available for obligation and expenditure for the purposes for which authorized, in accordance with authority granted in this Act or under authority governing the activities of the Government agencies to which such funds are allocated or transferred. Funds allocated to the Department of Defense shall be governed as to reimbursement by the procedures of subsection (c) of this section.

"(b) Any officer of the United States performing functions under this Act may utilize the services and facilities of, or procure commodities from, any United States Government agency as the President shall direct, or with the consent of the head of such agency, and funds allocated pursuant to this subsection to any such agency may be established in separate appropriation accounts on the books of the Treasury.

"(c) Reimbursement shall be made to any United States Government agency, from funds available to carry out chapter 1 of title I of this Act, for any assistance furnished under that chapter from, by, or through such agency. Such reimbursement shall be in an amount equal to the value (as defined in section 545) of the equipment and materials, services (other than salaries of members of the Armed Forces of the United States), or other assistance furnished, plus expenses arising from or incident to operations under that chapter. The amount of any such reimbursement shall be credited as reimbursable receipts to current applicable appropriations, funds, or accounts of such agency and shall be available for, and under the authority applicable to, the purposes for which such appropriations, funds, or accounts are authorized to be used, including the procurement of equipment and materials

or services, required by such agency, in the same general category as those furnished by it or authorized to be procured by it and expenses arising from and incident to such procurement.

"(d) In the case of any commodity, service, or facility procured from any United States Government agency under any provision of this Act other than chapter 1 of title I, reimbursement or payment shall be made to such agency from funds available to carry out such provision. Such reimbursement or payment shall be at replacement cost, or, if required by law, at actual cost, or at any other price authorized by law and agreed to by the owning or disposal agency. The amount of any such reimbursement or payment shall be credited to current applicable appropriations, funds, or accounts from which there may be procured replacements of similar commodities, services, or facilities, except that where such appropriations, funds, or accounts are not reimbursable except by reason of this subsection, and when the owning agency determines that such replacement is not necessary, any funds received in payment therefor shall be covered into the Treasury as miscellaneous receipts.

"(e) In furnishing assistance under this Act and in making surplus agricultural commodities available under section 402 accounts may be established on the books of any United States Government agency or, on terms and conditions approved by the Secretary of the Treasury, in banking institutions in the United States, against which (i) letters of commitment may be issued which shall constitute obligations of the United States, and moneys due or to become due under such letters of commitment shall be assignable under the Assignment of Claims Act of 1940, as amended, and (ii) withdrawals may be made by recipient nations or agencies, organizations or persons upon presentation of contracts, invoices, or other appropriate documentation. Expenditure of funds which have been made available through accounts so established shall be accounted for on standard documentation required for expenditure of Government funds: *Provided*, That such expenditures for commodities or services procured outside the continental limits of the United States may be accounted for exclusively on such certification as may be prescribed in regulations approved by the Comptroller General of the United States.

"SEC. 523. Coordination with foreign policy: (a) Nothing contained in this Act shall be construed to infringe upon the powers or functions of the Secretary of State.

"(b) The President shall prescribe appropriate procedures to assure coordination among representatives of the United States Government in each country, under the leadership of the Chief of the United States Diplomatic Mission.

"SEC. 524. The Secretary of Defense: (a) In the case of aid under chapter 1 of title I of this Act, the Secretary of Defense shall have primary responsibility for—

"(1) the determination of military end-item requirements;

"(2) the procurement of military equipment in a manner which permits its integration with service programs;

"(3) the supervision of end-item used by the recipient countries;

"(4) the supervision of the training of foreign military personnel;

"(5) the movement and delivery of military end-items; and

"(6) within the Department of Defense, the performance of any other functions with respect to the furnishing of military assistance.

"(b) The establishment of priorities in the procurement, delivery, and allocation of military equipment shall be determined by the Secretary of Defense. The determination of the value of the program for any country under chapter 1 of title I shall be made by the President.

"SEC. 525. Foreign Operations Administration: Except as modified pursuant to this section or section 521, the Director of the Foreign Operations Administration (referred to in this chapter as the "Director") shall continue to perform the functions vested in him on the effective date of this Act, except insofar as such functions relate to continuous supervision and general direction of programs of military assistance. The President may transfer to any agency or officer of the United States, and may modify or abolish, any function, office, or entity of the Foreign Operations Administration or any officer or employee thereof, and may transfer such personnel, property, records, and funds as may be necessary incident thereto.

"SEC. 526. Missions and staffs abroad: The President may maintain special missions or staffs abroad in such nations and for such periods of time as may be necessary to carry out this Act. Each such special mission or staff shall be under the direction of a chief. The chief and his deputy shall be appointed by the President and may, notwithstanding any other law, be removed by the President at his discretion. The chief shall be entitled to receive (1) in cases approved by the President, the same compensation and allowances as a chief of mission, class 3, or a chief of mission, class 4, within the meaning of the Foreign Service Act of 1946 (22 U. S. C. 801), or (2) compensation and allowances in accordance with section 527 (c) of this Act, as the President shall determine to be appropriate.

"SEC. 527. Employment of personnel: (a) Any United States Government agency performing functions under this Act is authorized to employ such personnel as the President deems necessary to carry out the provisions and purposes of this Act.

"(b) Of the personnel employed in the United States on programs authorized by this Act, not to exceed sixty may be compensated without regard to the provisions of the Classification Act of 1949, as amended, of whom not to exceed thirty-five may be compensated at rates higher than those provided for grade 15 of the general schedule established by the Classification Act of 1949, as amended, and of these, not to exceed fifteen may be compensated at a rate in excess of the highest rate provided for grades of such general schedule but not in excess of $15,000 per annum. Such positions shall be in addition to those authorized by law to be filled by Presidential appointment, and in addition to the number authorized by section 505 of the Classification Act of 1949, as amended.

"(c) For the purpose of performing functions under this Act outside the continental limits of the United States, the Director may—

"(1) employ or assign persons, or authorize the employment or assignment of officers or employees of other United States Government agencies, who shall receive compensation at any of the rates provided for the Foreign Service Reserve and Staff by the Foreign Service Act of 1946, as amended (22 U. S. C. 801), together with allowances and benefits established thereunder including, in all cases, post differentials prescribed under section 443 of the Foreign Service Act; and persons so employed or assigned shall be entitled to the same benefits as are provided by section 528 of the Foreign Service Act for persons appointed to the Foreign Service Reserve and, except for policymaking officials, the provisions of section 1005 of the Foreign Service Act shall apply in the case of such persons; and

"(2) utilize such authority, including authority to appoint and assign personnel for the duration of operations under this Act, contained in the Foreign Service Act of 1946, as amended (22 U. S. C. 801), as the President deems necessary to carry out functions under this Act. Such provisions of the Foreign Service Act as the President deems appropriate shall apply to personnel appointed or assigned under this paragraph, including, in all cases, the provisions of sections 443 and 528 of that Act.

"(d) For the purpose of performing functions under this Act outside the continental limits of the United States, the Secretary of State may, at the request of the Director, appoint for the duration of operations under this Act alien clerks and employees in accordance with applicable provisions of the Foreign Service Act of 1946, as amended (22 U. S. C. 801).

"SEC. 528. Detail of personnel to foreign governments: (a) Whenever the President determines it to be consistent with and in furtherance of the purposes of this Act, the head of any United States Government agency is authorized to detail or assign any officer or employee of his agency to any office or position to which no compensation is attached with any foreign government or foreign government agency: *Provided*, That such acceptance of office shall in no case involve the taking of an oath of allegiance to another government.

"(b) Any such officer or employee, while so assigned or detailed, shall be considered, for the purpose of preserving his privileges, rights, seniority, or other benefits as such, an officer or employee of the Government of the United States and of the Government agency from which assigned or detailed, and he shall continue to receive compensation, allowances, and benefits from funds available to that agency or made available to that agency out of funds authorized under this Act.

"SEC. 529. Detail of personnel to international organizations: (a) Whenever the President determines it to be consistent with and in furtherance of the purposes of this Act, the head of any United States Government agency is authorized to detail, assign, or otherwise make available to any international organization any officer or employee of his agency to serve with or as a member of the international staff of such organization, or to render any technical, scientific or professional advice or service to or in cooperation with such organization.

"(b) Any such officer or employee, while so assigned or detailed, shall be considered, for the purpose of preserving his allowances, privileges, rights, seniority and other benefits as such, an officer or employee of the Government of the United States and of the Government agency from which detailed or assigned, and he shall continue to receive compensation, allowances, and benefits from funds available to that agency or made available to that agency out of funds authorized under this Act. He may also receive, under such regulations as the President may prescribe, representation allowances similar to those allowed under section 901 of the Foreign Service Act of 1946, as amended (22 U. S. C. 801). The authorization of such allowances and other benefits and the payment thereof out of any appropriations available therefor shall be considered as meeting all the requirements of section 1765 of the Revised Statutes.

"(c) Details or assignments may be made under this section—

"(1) without reimbursement to the United States by the international organization;

"(2) upon agreement by the international organization to reimburse the United States for compensation, travel expenses, and allowances, or any part thereof, payable to such officer or employee during the period of assignment or detail in accordance with subsection (b) of this section; and such reimbursement shall be credited to the appropriation, fund, or account utilized for paying

such compensation, travel expenses, or allowances, or to the appropriation, fund, or account currently available for such purposes;

"(3) upon an advance of funds, property, or services to the United States accepted with the approval of the President for specified uses in furtherance of the purposes of this Act; and funds so advanced may be established as a separate fund in the Treasury of the United States, to be available for the specified uses, and to be used for reimbursement of appropriations or direct expenditure subject to the provisions of this Act, any unexpended balance of such account to be returned to the international organization; or

"(4) subject to the receipt by the United States of a credit to be applied against the payment by the United States of its share of the expenses of the international organization to which the officer or employee is detailed, such credit to be based upon the compensation, travel expenses and allowances, or any part thereof, payable to such officer or employee during the period of assignment or detail in accordance with subsection (b) of this section.

"SEC. 530. Experts and consultants or organizations thereof: (a) experts and consultants or organizations thereof, as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a), may be employed by any United States Government agency for the performance of functions under this Act, and individuals so employed may be compensated at rates not in excess of $75 per diem, and while away from their homes or regular places of business, they may be paid actual travel expenses and per diem in lieu of subsistence and other expenses at a rate not to exceed $10 while so employed within the continental limits of the United States and at the applicable rate prescribed in the Standardized Government Travel Regulations (Foreign Areas) while so employed outside the continental limits of the United States.

"(b) Persons of outstanding experience and ability may be employed without compensation by any United States Government agency for the performance of functions under this Act in accordance with the provisions of section 710 (b) of the Defense Production Act of 1950, as amended (50 U. S. C. App. 2160), and regulations issued thereunder.

"SEC. 531. Security clearance: No citizen or resident of the United States may be employed, or if already employed, may be assigned to duties by the Director under this Act for a period to exceed three months unless—

"(a) such individual has been investigated as to loyalty and security by the Civil Service Commission, or by the Federal Bureau of Investigation in the case of specific positions which have been certified by the Director as being of a high degree of importance or sensitivity or in case the Civil Service Commission investigation develops data reflecting that the individual is of questionable loyalty, and a report thereon has been made to the Director, and until the Director has certified in writing (and filed copies thereof with the Senate Committee on Foreign Relations and the House Committee on Foreign Affairs) that, after full consideration of such report, he believes such individual is loyal to the United States, its Constitution, and form of government, and is not now and has never knowingly been a member of any organization advocating contrary views; or

"(b) such individual has been investigated by a military intelligence agency and the Secretary of Defense has certified in writing that he believes such individual is loyal to the United States and filed copies thereof with the Senate Committee on Foreign Relations and the House Committee on Foreign Affairs.

"This section shall not apply in the case of any officer appointed by the President by and with the advice and consent of the Senate, nor shall it apply in the case of any person already employed under programs covered by this Act who has been previously investigated in connection with such employment.

"SEC. 532. Exemption of personnel from certain Federal laws: (a) Service of an individual as a member of the Board established pursuant to section 308 of this Act or as an expert or consultant under section 530 (a) shall not be considered as service or employment bringing such individual within the provisions of title 18, U. S. C., section 281, 283 or 284, or of section 190 of the Revised Statutes (5 U. S. C. 99), or of any other Federal law imposing restrictions, requirements, or penalties in relation to the employment of persons, the performance of services, or the payment or receipt of compensation in connection with any claim, proceeding, or matter involving the United States, except insofar as such provisions of law may prohibit any such individual from receiving compensation in respect of any particular matter in which such individual was directly involved in the performance of such service; nor shall such service be considered as employment or holding of office or position bringing such individual within the provisions of section 6 of the Act of May 22, 1920, as amended (5 U. S. C. 715), section 212 of the Act of June 30, 1932, as amended (5 U. S. C. 59a), or any other Federal law limiting the reemployment of retired officers or employees or governing the simultaneous receipt of compensation and retired pay or annuities.

"(b) Notwithstanding section 2 of the Act of July 31, 1894 (5 U. S. C. 62), which prohibits certain retired officers from holding certain office, any retired officer of any of the services mentioned in the Career Compensation Act of 1949 may hold any office or appointment under this Act or the Mutual Defense Assistance Control Act of 1951, but the compensation of any such retired officer shall be subject to the provisions of the Act of June 30, 1932 (5 U. S. C. 59a), which does not permit retired pay to be added to the compensation received as a civilian officer.

"SEC. 533. Waivers of certain Federal laws: Whenever the President determines it to be in furtherance of purposes declared in this Act, the functions authorized under this Act may be performed without regard to such provisions of law (other than the Renegotiation Act of 1951, as amended) regulating the making, performance, amendment, or modification of contracts and the expenditure of Government funds as the President may specify.

"SEC. 534. Reports: The President, from time to time while funds appropriated for the purpose of this Act continue to be available for obligation, shall transmit to the Congress reports covering each six months of operations, in furtherance of the purposes of this Act, except information the disclosure of which he deems incompatible with the security of the United States. Reports provided for under this section shall be transmitted to the Secretary of the Senate or the Clerk of the House of Representatives, as the case may be, if the Senate or the House of Representatives, as the case may be, is not in session. Such reports shall include detailed information on the implementation of sections 504 and 413 (b) of this Act.

"SEC. 535. Cooperation with international organizations: (a) The President is authorized to request the cooperation of or the use of the services and facilities of the United Nations, its organs and specialized agencies, or other international organizations, in carrying out the purposes of this Act, and may make payments by advancements or reimbursements, for such purposes, out of funds made available for the purposes of this Act, as may be necessary therefor, to the extent that special compensation is usually required for such services and facilities: *Provided*, That nothing in this section shall be construed to authorize the delegation to any international or foreign organization or agency of authority to decide the method of furnishing assistance under this Act to any country or the amount thereof.

"(b) Whenever the President determines it to be in furtherance of the purposes of this Act, United States Government agencies, on request of international organizations, are authorized to furnish supplies, materials, and services, on an advance of funds or reimbursement basis, to such organizations. Such advances or reimbursements may be credited to the current applicable appropriation or fund of the agency concerned and shall be available for the purposes for which such appropriations and funds are authorized to be used.

"SEC. 536. Joint Commission on Rural Reconstruction in China: The President is authorized to continue to participate in the Joint Commission on Rural Reconstruction in China and to appoint citizens of the United States to the Commission.

"Chapter 3. Repeal and miscellaneous provisions

"SEC. 541. Effective date: This Act shall take effect on the date of its enactment.

"SEC. 542. Statutes repealed: (a) There are hereby repealed—

"(1) an Act to provide for assistance to Greece and Turkey, approved May 22, 1947, as amended;

"(2) the joint resolution to provide for relief assistance to the people of countries devastated by war, approved May 31, 1947, as amended;

"(3) the Foreign Aid Act of 1947;

"(4) the Foreign Assistance Act of 1948, as amended; including the Economic Cooperation Act of 1948, as amended, the International Children's Emergency Fund Assistance Act of 1948, as amended, the Greek-Turkish Assistance Act of 1948, and the China Aid Act of 1948, as amended;

"(5) the Mutual Defense Assistance Act of 1949, as amended;

"(6) the Foreign Economic Assistance Act of 1950, as amended; including the Economic Cooperation Act of 1950, the China Area Aid Act of 1950, as amended, the United Nations Palestine Refugee Aid Act of 1950, and the Act for International Development, as amended;

"(7) the Far Eastern Economic Assistance Act of 1950, as amended;

"(8) the Yugoslav Emergency Relief Assistance Act of 1950;

"(9) the Mutual Security Act of 1951, as amended;

"(10) the Mutual Security Act of 1952;

"(11) the Mutual Security Act of 1953;

"(12) section 12 of the joint resolution of Congress approved November 4, 1939 (54 Stat. 10; 22 U. S. C. 452);

"(13) section 4 of the Act of March 3, 1925 (50 Stat. 887; 50 U. S. C. 165); and

"(14) section 968 of title 18, United States Code.

"(b) References in other Acts to the Acts listed in subsection (a) shall hereafter be considered to be references to the appropriate provisions of this Act.

"(c) The repeal of the Acts listed in subsection (a) shall not be deemed to affect amendments contained in such Acts to Acts not named in subsection (a).

"SEC. 543. Saving provisions:

"(a) Except as may be expressly provided to the contrary in this Act, all determinations, authorizations, regulations, orders, contracts, agreements, and other actions issued, undertaken or entered into under authority of any provision of law repealed by section 542 shall continue in full force and

effect until modified by appropriate authority.

"(b) Where provisions of this Act establish conditions which must be complied with before use may be made of authority contained in or funds authorized by this Act, compliance with substantially similar conditions under Acts named in section 542 shall be deemed to constitute compliance with the conditions established by this Act.

"(c) No person in the service or employment of the United States or otherwise performing functions under an Act repealed by section 542 or under section 408 shall be required to be reappointed or reemployed by reason of the entry into force of this Act, except that appointments made pursuant to section 110 (a) (2) of the Economic Cooperation Act of 1948, as amended, shall be converted to appointments under section 527 (c) of this Act.

"SEC. 544. Amendments to other laws: (a) Title X of the United States Information and Educational Exchange Act of 1948, as amended (22 U. S. C. 1431), is amended by adding the following new section:

" 'Informational Media Guaranties

" 'SEC. 1011. The Director of the United States Information Agency may make guaranties, in accordance with the provisions of subsection (b) of section 413 of the Mutual Security Act of 1954, of investments in enterprises producing or distributing informational media consistent with the national interests of the United States against funds heretofore made available by notes issued to the Secretary of the Treasury pursuant to section 111 (c) (2) of the Economic Cooperation Act of 1948, as amended, for purposes of guaranties of investments: *Provided, however,* That the amount of such guaranties in any fiscal year shall be determined by the President but shall not exceed $10,000,000.'

"(b) Section 1 of Public Law 283, Eighty-first Congress, is repealed. The Institute of Inter-American Affairs, created pursuant to Public Law 369, Eightieth Congress (22 U. S. C. 281), shall have succession until June 30, 1960, and may make contracts for periods not to exceed five years: *Provided,* That any contract extending beyond June 30, 1960, shall be made subject to termination by the said Institute upon notice: *And provided further,* That the said Institute shall, on and after July 1, 1954, be subject to the applicable provisions of the Budget and Accounting Act, 1921, as amended (31 U. S. C. 1), in lieu of the provisions of the Government Corporation Control Act, as amended (31 U. S. C. 841).

"SEC. 545. Definitions: For the purposes of this Act—

"(a) The term 'commodity' includes any commodity, material, article, supply, or goods.

"(b) The term 'surplus agricultural commodity' means any agricultural commodity or product thereof, class, kind, type, or other specification thereof, produced in the United States either publicly or privately owned, which is in excess of domestic requirements, adequate carryover, and anticipated exports for dollars, as determined by the Secretary of Agriculture.

"(c) The terms 'equipment' and 'materials' shall mean any arms, ammunition, or implements of war, or any other type of material, article, raw material, facility, tool, machine, supply or item that would further the purpose of chapter 1 of title I, or any component or part thereof, used or required for use in connection therewith, or required in or for the manufacture, production, processing, storage, transportation, repair, or rehabilitation of any equipment or materials, but shall not include merchant vessels.

"(d) The term 'mobilization reserve', as used with respect to any equipment or materials, means the quantity of such equipment or materials determined by the Secretary of Defense under regulations prescribed by the President to be required to support mobilization of the Armed Forces of the United States in the event of war or national emergency until such time as adequate additional quantities of such equipment or materials can be procured.

"(e) The term 'excess', as used with respect to any equipment or materials, means the quantity of such equipment or materials owned by the United States which is in excess of the mobilization reserve of such equipment or materials.

"(f) The term 'services' shall include any service, repair, training of personnel, or technical or other assistance or information necessary to effectuate the purposes of this Act.

"(g) The term 'Armed Forces of the United States' shall include any component of the Army of the United States, of the United States Navy, of the United States Marine Corps, of the Air Force of the United States, of the United States Coast Guard, and the Reserve components thereof.

"(h) The term 'value' means—

"(1) with respect to any excess equipment or materials furnished under chapter 1 of title I, the gross cost of repairing, rehabilitating, or modifying such equipment or materials prior to being so furnished;

"(2) with respect to any nonexcess equipment or materials furnished under chapter 1 of title I which are taken from the mobilization reserve (other than equipment or materials referred to in paragraph (3) of this subsection), the actual or the projected (computed as accurately as practicable) cost of procuring for the mobilization reserve an equal quantity of such equipment or materials or an equivalent quantity of equipment or materials of the same general type but deemed to be more desirable for inclusion in the mobilization reserve than the equipment or materials furnished;

"(3) with respect to any nonexcess equipment or materials furnished under chapter 1 of title I which are taken from the mobilization reserve but with respect to which the Secretary of Defense has certified that it is not necessary fully to replace such equipment or materials in the mobilization reserve, the gross cost to the United States of such equipment and materials or its replacement cost, whichever the Secretary of Defense may specify; and

"(4) with respect to any equipment or materials furnished under chapter 1 of title I which are procured for the purpose of being so furnished, the gross cost to the United States of such equipment and materials.

In determining the gross cost incurred by any agency in repairing, rehabilitating, or modifying any excess equipment furnished under chapter 1 of title I all parts, accessories, or other materials used in the course of repair, rehabilitation, or modification shall be priced in accordance with the current standard pricing policies of such agency. For the purpose of this subsection, the gross cost of any equipment or materials taken from the mobilization reserve means either the actual gross cost to the United States of that particular equipment or materials or the estimated gross cost to the United States of that particular equipment or materials obtained by multiplying the number of units of such particular equipment or materials by the average gross cost of each unit of that equipment and materials owned by the furnishing agency.

"(i) The term 'United States Government agency' means any department, agency, board, wholly or partly owned corporation, or instrumentality, commission, or establishment of the United States Government.

"SEC. 546. Construction: (a) If any provision of this Act or the application of any provision to any circumstances or persons shall be held invalid, the validity of the remainder of the Act and applicability of such provision to other circumstances or persons shall not be affected thereby.

"(b) Nothing in this Act shall alter, amend, revoke, repeal, or otherwise affect the provisions of the Atomic Energy Act of 1946, as amended (42 U. S. C. 1801).

"(c) Nothing in this Act is intended nor shall it be construed as an expressed or implied commitment to provide any specific assistance, whether of funds, commodities, or services, to any nation or nations, or to any international organization.

"SEC. 547. Reduction of authorizations: Notwithstanding the foregoing provisions of this Act, such provisions shall not be construed to authorize the appropriation for the fiscal year 1955, for the purposes of titles I, II, and IV of this Act, of amounts (exclusive of unexpended balances of prior appropriations authorized to be continued available under such provisions) aggregating in excess of $2,918,040,000."

And the Senate agree to the same.

ROBERT B. CHIPERFIELD,
JOHN M. VORYS,
WALTER H. JUDD,
THOMAS S. GORDON,
LAURIE BATTLE,
Managers on the Part of the House.

ALEXANDER WILEY,
H. ALEXANDER SMITH,
BOURKE B. HICKENLOOPER,
WALTER F. GEORGE,
THEODORE FRANCIS GREEN,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 9678) to promote the security and foreign policy of the United States by furnishing assistance to friendly nations, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The Senate struck out all of the House bill after the enacting clause and inserted a substitute amendment. The committee of conference has agreed to a substitute for both the House bill and the Senate amendment. Except for clarifying, clerical, and necessary conforming changes, the differences are noted below:

THE FUNDS AUTHORIZED

The committee on conference agreed on a total authorization of $3,252,868,000. This is a reduction of $314,040,000 from the House bill and an increase of $314,040,000 over the Senate amendment.

The following formula was used to determine the authorization:

House bill, total	$3,566,908,000
Less future year authorization for infrastructure	198,300,000
House bill, total 1955 authorization	3,368,608,000
Less House bill, title III	131,528,000
House bill, titles I, II, and IV	3,237,080,000
Senate bill, titles I, II, and IV (Senator Long's amendment)	2,599,000,000
Difference between House and Senate	638,080,000
Half of difference between House and Senate	319,040,000
Senate bill, titles I, II and IV	2,599,000,000
Conference agreement	2,918,040,000

Conference agreement, title III	$136,528,000
Conference agreement, total 1955	3,054,568,000
Add future year authorization for infrastructure	198,300,000
	3,252,868,000

It was clear from the debate on the Long amendment that it was intended as a limitation on fiscal year 1955 appropriations, although this was not specified in the amendment. The conferees placed this date in the limitation. The authorization for future appropriations for infrastructure, $198,300,000, was in both the Senate and House bills and was not affected by the agreement on the Long amendment. Therefore, the total authorized by the conference agreement is:

	$3,054,568,000
	198,300,000
	3,252,868,000

The comparable overall totals are as follows:

	House authorization bill	Senate authorization bill	Conference agreement
Authorization for titles I, II, IV	$3,435,380,000	$2,797,300,000	$2,918,040,000
Authorization for title III	131,528,000	141,528,000	136,528,000
Total authorization	3,566,908,000	2,938,828,000	3,054,568,000
Future years authorization for infrastructure			198,300,000
			3,252,868,000
Less funds for which no 1955 appropriation will be requested:			
Sec. 104. Infrastructure	198,300,000	198,300,000	198,300,000
Sec. 407. UNRWA	30,000,000	30,000,000	30,000,000
Total	228,300,000	228,300,000	228,300,000
Total 1955 money request	3,338,608,000	2,710,528,000	3,024,568,000

The detailed authorizations in the House bill, the Senate amendment, and in the conference agreement are as follows:

Items	House authorization bill	Senate authorization bill	Conference agreement
Title I—Mutual defense assistance:			
Chapter 1. Military assistance:			
Sec. 103. Authorization	$1,430,300,000	$1,265,300,000	$1,270,000,000
Sec. 106:			
Europe	(617,500,000)	(617,500,000)	(617,500,000)
Near East	(181,200,000)	(181,200,000)	(181,200,000)
Far East	(583,600,000)	(583,600,000)	(583,600,000)
Latin America	(13,000,000)	(13,000,000)	(13,000,000)
Sec. 104. Infrastructure	321,000,000	321,000,000	321,000,000
Sec. 105. Special weapons		27,000,000	
Total, chapter 1	1,751,300,000	1,613,300,000	1,591,000,000
Chapter 2. Direct forces support:			
Sec. 121. Southeast Asia	800,000,000	712,000,000	700,000,000
Sec. 122. Production for forces support		70,000,000	35,000,000
Sec. 123. Common use items	70,000,000	64,000,000	60,000,000
Total, chapter 2	870,000,000	846,000,000	795,000,000
Chapter 3. Defense support:			
Sec. 131 (b):			
(1) Europe	[1] 45,000,000	71,000,000	46,000,000
(2) Near East	81,850,000	73,000,000	73,000,000
(3) Far East	96,430,000	86,230,195	80,098,195
Sec. 132:			
(a) Korean program	230,000,000	205,000,000	205,000,000
(b) UNKRA	11,300,000	3,452,615	3,452,615
Total, chapter 3	464,580,000	438,682,810	407,550,810
Total, title I	3,085,880,000	2,897,982,810	2,793,550,810
Title II—Development assistance:			
Near East and Africa	130,000,000	115,000,000	115,000,000
South Asia	85,000,000	76,000,000	75,000,000
Latin America	9,000,000	9,000,000	9,000,000
Total, title II	224,000,000	200,000,000	199,000,000
Title III—Technical cooperation:			
Sec. 303 (304). Bilateral	112,070,000	122,070,000	117,070,000
Sec. 305 (306). Multilateral:			
(a) United Nations	17,958,000	17,958,000	17,958,000
(b) OAS	1,500,000	1,500,000	1,500,000
Total, title III	131,528,000	141,528,000	136,528,000
Title IV—Other programs:			
Sec. 403. Joint control areas	25,000,000	[2]	25,000,000
Sec. 405:			
(a) Migrants	11,700,000	11,189,190	11,189,190
(b) UNREF	500,000	500,000	500,000
Sec. 406. Children's Fund	13,500,000	13,500,000	13,500,000
Sec. 407. UNRWA	30,000,000	30,000,000	30,000,000
Sec. 408. NATO	3,200,000	3,200,000	3,200,000
Sec. 409. Ocean freight	4,400,000	4,400,000	4,400,000
Sec. 410. Control Act expenses	1,300,000	1,300,000	1,300,000
Sec. 411. Administrative expenses	35,900,000	34,700,000	34,700,000
Total title IV	125,500,000	98,789,190	123,789,190
Total	3,566,908,000	3,338,300,000	3,252,868,000

[1] House bill excludes $25,000,000 for joint control areas. This is carried in sec. 403.
[2] Senate bill includes $25,000,000 for this item in sec. 131 (b) (1).

SEATING OF COMMUNIST CHINA IN UNITED NATIONS (SECTION 101)

The Senate amendment contained a provision reiterating congressional opposition to seating the Communist regime in China as China's representative in the United Nations, and requesting the President, if that regime should be seated in the Security Council or General Assembly, to inform the Congress of the implications on United States foreign policy and to present his recommendations, if any. No such provision

was included in the House bill, but the House on July 15, 1954, adopted House Resolution 627, reiterating its opposition to, and supporting the President in his efforts to prevent, the seating of that regime as the representative of China in the United Nations or any of its specialized agencies.

The conference agreement retains the language of the Senate amendment.

DEVELOPMENT OF WEAPONS OF ADVANCED DESIGN (SECS. 103 AND 105)

The Senate amendment authorized an appropriation of $27,000,000 for the development of weapons of advanced design together with the unexpended balance previously authorized for that purpose. The House bill authorized the carryover of unexpended balances but did not provide any new funds for such weapons.

The committee of conference believes that the development of weapons of advanced design is important to the military program authorized in this legislation. There is no reason, however, for placing any limit on the funds available for such use. Moreover, there are certain advantages in not informing potential enemies of the amounts of money being spent for such purposes, and it is not necessary to do so since the nature of the assistance involved, as described in detail in closed sessions during the hearings, may properly be carried out under the general authorization to provide military assistance. Money authorized for the procurement of conventional weapons could be used for the development of newer weapons whenever funds can be effectively used in this way. For this reason it was decided that no special provision should be made for such a program. Under the program to develop weapons of advanced design, funds will continue to be used to finance that research and development projects and items of a classified nature that are not in the usual category of weapons. The authorization for direct military assistance was increased by $27,000,000, the amount requested by the Executive for weapons of advanced design, to make clear that there was no indication that this program should be curtailed because it was being included in the general military authorization. The unexpended balance for weapons of advanced design was made available under section 103 and may be used insofar as needed for such weapons.

CONDITIONS OF MILITARY ASSISTANCE TO THE FAR EAST AND THE PACIFIC (SEC. 105 (B) (3))

The Senate amendment contained language providing that military assistance to the Far East and Pacific should be given directly to the free peoples of the area including the Associated States of Cambodia, Laos, and Vietnam insofar as possible. This language was not contained in the House bill. The House conferees accepted the Senate provision because it was believed that the directive to give military aid directly rather than channeling it through another nation in that area would more effectively promote the effective use of United States aid.

TRANSFER PROVISION (SEC. 105 (D))

Both the House bill and the Senate amendment fixed ceilings on the dollar value of military aid which may be delivered in each of four areas. These ceilings are fixed by adding, to the funds previously made available for military assistance in each area, the following figures:

Europe	$617,500,000
Near East, Africa, and South Asia	181,200,000
Far East and Pacific	583,600,000
Western Hemisphere	13,000,000

The House bill provided that, notwithstanding these ceilings, military aid programed for any one of these areas may be furnished in any other area, if its value does not exceed 10 percent of the sum of (1) the figure specified above for the area from which the transfer is made, and (2) the unexpended balances available on June 30, 1954, for military aid for that area. The Senate amendment contained a corresponding provision, with a 15-percent limit in place of the House bill's limit of 10 percent.

The managers for the House accepted the 15-percent limit in order to assure adequate flexibility for meeting changing military situations.

ASSISTANCE IN SOUTHEAST ASIA AND THE WESTERN PACIFIC (SEC. 121)

Sections 141 and 142 of the House bill established certain conditions of eligibility for mutual defense assistance, including a requirement as to agreements on the part of nations to which such assistance is furnished. Substantially similar provisions were included in the Senate amendment, but the Senate amendment authorized the President to waive these requirements, in the case of assistance to southeast Asia and the western Pacific, to the extent necessary to carry out the purposes of the act. The Senate amendment also provided that a report of any such waiver should be made to the interested congressional committees within 30 days. No similar waiver authority was contained in the House bill.

The committee of conference agreed to this waiver authority with two modifications. In the case of the Associated States of Cambodia, Laos, and Vietnam, the President was given discretion to waive provisions of section 142 since it is not now clear what agreements these nations will be able to negotiate and carry out. It may be undesirable to require mutual defense agreements from certain other governments in the area which have only recently attained independence, but which need help in resistance to communism. Therefore, provision was made that up to an aggregate of 10 percent of the funds made available in this section can be made available to such other nations not complying with all the conditions of section 142.

All exceptions to the requirements of section 142 must be reported to the appropriate committees of the Congress.

Language similar to that accepted by the committee of conference in section 105 (b) (3) providing for direct assistance as far as possible was also included in this section.

PRODUCTION FOR FORCES SUPPORT (SEC. 122)

The House bill contained a provision authorizing the carryover of unexpended fiscal year 1953 funds for support of manufacture of military aircraft required by United Kingdom forces for North Atlantic defense. The Senate amendment authorized the carryover plus an additional sum of $70,000,000 for fiscal 1955.

The conference agreement retains the language of the Senate amendment, except that the amount of new funds is reduced to $35,000,000.

DEFENSE SUPPORT—GENERAL AUTHORITY (SEC. 131 (A))

The House bill authorized the President to furnish defense support assistance to nations and organizations eligible to receive military assistance. The Senate amendment authorized the furnishing of such assistance without regard to whether the recipient nation or organization is eligible to receive military assistance.

The committee of conference agreed to the House language with the addition of language to make eligible any nation which has joined with the United States in a regional defense arrangement. As thus modified, the conference agreement will permit the furnishing of defense support, when it is in the interest of the United States to do so, in order to help such a nation sustain and increase military effort.

KOREAN PROGRAM—VESSELS (SEC. 132 (B) (1))

The Senate amendment contained language requiring that the President investigate to determine whether privately owned vessels were available for sale and, if so, that these vessels be purchased before any Government-owned vessels were transferred to Korea under section 132 (b) (1). The House bill contained no such language.

The committee of conference agreed that privately owned vessels available for sale should be purchased for transfer under this section, but did not feel that transfers of Government-owned vessels should be delayed pending negotiation of purchases from private owners. The conference agreement therefore adopts the Senate language except for the final phrase requiring purchase of privately owned vessels "prior to the transfer hereunder of any other vessels."

COUNTERPART (SEC. 142 (11))

Both the House bill and the Senate amendment provided for deposit of counterpart funds, under certain circumstances, by nations receiving mutual defense assistance. The House bill provided that not less than 10 percent of these funds should be allocated to the use of the United States. The Senate amendment provided that a portion of these funds, to be mutually agreed upon by the United States and the nation concerned, should be made available to the United States.

The House conferees accepted the Senate language with the amendment that not less than 10 percent shall be deposited by any country to which such minimum requirement has been applicable under previous legislation. This would permit necessary flexibility in the case of countries which had not previously been required to deposit 10 percent.

The House bill also provided that any unencumbered balances of counterpart funds which are deposited after the date of enactment of the bill and which remain after termination of assistance to the nation concerned shall be disposed of as may be authorized by Act of Congress. The Senate amendment provided for disposition of these balances for purposes to be mutually agreed between the nation and the United States, subject to approval by Act of Congress.

The conference agreement includes the Senate language in order to avoid the renegotiation and other difficulties which would result if such a change in policy was required. It was noted that the volume of counterpart deposits is declining rapidly as economic aid declines.

DEVELOPMENT ASSISTANCE (SEC. 201)

Section 201 of the House bill authorized development assistance to each of three areas: the Near East and Africa, South Asia, and Latin America. It also provided that at least half of the assistance furnished under the section to each such area should be furnished on a loan basis (except for assistance furnished with unexpended balances carried over under the section). The Senate amendment contained no such requirement as to loans for development assistance, although section 505 of the Senate amendment did earmark, for furnishing assistance on a loan basis, $150 million of the funds available under the act.

The conference agreement provides that 30 percent of the new funds appropriated for development assistance shall be used only for loans. This percentage should be applied to the total new funds available for all areas, rather than to the funds expended in each area. It is hoped that more than 30 percent of the funds provided under this title will be effectively utilized for purposes which would justify a loan, but the 50 percent requirement was felt to be too high.

TECHNICAL COOPERATION—DECLARATION OF PURPOSE (SEC. 301)

The House bill contained a provision setting forth the President's general authority to conduct bilateral technical cooperation programs together with a brief statement of the purpose of such programs. The Senate amendment contained a provision setting forth a comprehensive statement of purpose, formerly section 403 of the Act for International Development.

The conference agreement contains the Senate language. Within the program changes in emphasis and limitations in scope may be necessary. But it is the intent of the conferees that such changes give the Administrator no basis for departing from the original concepts and fundamental objectives of the technical cooperation program.

TECHNICAL COOPERATION—AUTHORIZATION (SEC. 304)

The House bill authorized $112,070,000 for technical cooperation programs in the Near East, Africa, South Asia, Far East and Pacific, and Latin America. The Senate amendment authorized $88,570,000 for the Near East, Africa, South Asia, the Far East, and the Pacific, and $33,500,000 specifically for Latin America, representing an additional sum of $10 million for that area.

In view of the forthcoming Rio Conference and recent developments in Latin America since the preparation of the authorization requests by the executive branch, it was the view of the committee of conference that a sum of $5 million additional to that requested would be desirable. The conference agreement, therefore, contains the specific earmarking of $28,500,000 for Latin America and preserves $88,570,000 for the other areas.

EARMARKING OF FUNDS—SURPLUS AGRICULTURAL COMMODITIES (SEC. 402)

Section 402 of the House bill earmarked $500,000,000 of the funds authorized to be made available under the bill for the purchase and export of surplus agricultural commodities. The Senate amendment revised this section, reducing the amount earmarked from $500,000,000 to $350,000,000 and making several technical changes, the main purposes of which were to make it clear that these commodities are in addition to those covered by the Agricultural Trade Development and Assistance Act of 1954, and to insure that the foreign currencies accruing to the United States under the section shall be used as far as practicable for the same purpose for which the dollars used to finance the purchase of the commodities were originally programed.

The conference agreement combines certain features of both provisions, together with clarifying language. The funds earmarked are set at $350,000,000. It is made clear that the agricultural commodities utilized under this section are to be sold for foreign currencies rather than supplied on a grant basis. Language is included providing that prices at which commodities are sold will not unduly disrupt world prices and that private channels of trade will be utilized to the maximum extent practicable. It is provided that the foreign currencies obtained under this provision will be spent to promote the objectives of this act, but with particular emphasis on the purposes expressed in section 104 of the Agricultural Trade and Development Act of 1954 which are in harmony with the purposes of the Mutual Security Act.

MOVEMENT OF MIGRANTS AND REFUGEES (SEC. 405)

The House bill authorized funds for United States contributions to the Intergovernmental Committee for European Migration (ICEM). The Senate amendment in addition specifically authorized the President to continue membership in ICEM in accordance with its constitution, approved on October 19, 1953.

While this was the intent of the House bill, it was felt desirable by the committee of conference specifically to express congressional approval of continued United States membership and United States acceptance of the new constitution. The conference agreement therefore preserves the additional language of the Senate amendment.

PALESTINE REFUGEES IN THE NEAR EAST (SEC. 407)

The House bill authorized the President to make use of the unexpended balance of funds previously appropriated for the United Nations Relief and Works Agency for Palestine Refugees through any other agency he might designate. The Senate amendment included this provision but in addition gave the President the same discretion as to the new money made available under this section.

The conference agreement retains the Senate language because it is believed that it fully maintains the position of the House in supporting the United Nations Relief and Works Agency for Palestine Refugees, but made allowance for the fact that circumstances which would justify the use of another agency for spending the funds carried over might justify the same course of action as to the new money.

NORTH ATLANTIC TREATY ORGANIZATION (SEC. 408)

Both the House bill and the Senate amendment authorized the appropriation for 1955 of $3,200,000 for payment by the United States of its share of expenses of NATO. The Senate amendment, however, provided in addition for a continuing authorization. The conference agreement retains the Senate language.

In adopting this language, the committee of conference believes it is desirable to include appropriations for as many international organizations in which the United States participates, on other than a temporary basis, in the Department of State appropriation bill. This would in such cases obviate the necessity of seeking new authorizations in succeeding years and thus facilitate the mechanism for continued United States participation.

STRATEGIC MATERIALS

The House bill (sec. 412) authorized the carryover of unexpended funds previously appropriated to assist in procuring and stimulating increased production of materials in which the United States or nations receiving United States assistance are deficient. The Senate amendment did not include such authorization.

The conference agreement eliminates this section. Information supplied to the committee of conference indicated that only a small sum remained unobligated under this section and the prospective uses for these unobligated funds appeared so vague and indefinite that a continuing authorization did not seem justified.

ENCOURAGEMENT OF FREE ENTERPRISE AND PRIVATE PARTICIPATION (SEC. 413)

Section 413 (a): In declaring congressional policy on encouragement of free enterprise and private participation in the mutual-security program, the Senate amendment broadened the House bill to include a statement of congressional recognition of "the vital role of free enterprise in achieving rising levels of production and standards of living essential to the economic progress and defensive strength of the free world."

Since it was the intent of the House bill to reaffirm congressional policy in this subsection, the committee of conference agreed to include this language, contained in prior mutual-security legislation, in the conference agreement.

Section 413 (b) (2): The House bill provided that the President "shall accelerate a program of negotiating treaties for commerce and trade, or other temporary arrangements where more suitable or expeditious, which shall include provisions to encourage and facilitate the flow of private investment to nations participating in programs under this act." The Senate amendment deleted "or other temporary arrangements where more suitable or expeditious" and substituted the phrase "including tax treaties."

In adopting the Senate language, it is the view of the committee of conference that the substitution of tax treaties spells out a specific field of treaty negotiation important to the program of encouraging and facilitating the flow of private investment overseas.

Section 413 (b) (3): The Senate amendment required the President to insist upon full compliance by other countries with commercial-type treaties which they have entered into with the United States. It further directed the President to use all reasonable measures which may be available to him under this or any other law to secure compliance with treaties which have been declared to be valid by the International Court of Justice and to secure damages, when these are provable on the basis of valid and properly submitted claims, for any American citizen who has suffered as a result of unfair action in violation of such treaties. The House bill contained no such provision.

The committee of conference agreed to a modification of the Senate language. The conference agreement carries out the purpose of the Senate amendment to help in obtaining protection of the rights of American citizens abroad in conformity with the objectives of the mutual security program.

Section 413 (b) (4) (B) (ii): The House bill extended the coverage of investment guaranties to include war, revolution, or insurrection. The Senate amendment did not include this coverage. While the conference agreement omits the broadened coverage of the House bill, the committee of conference expressed its view that the investment guaranty program as contained in the agreement is an important part of private enterprise participation in the mutual security program.

MUNITIONS CONTROL (SEC. 414)

The Senate amendment included "technical data relating thereto" within the items subject to control under this section. The House bill did not include such language.

The conference agreement includes the Senate provision. It is believed that control over technical data, although difficult to administer except when wartime censorship is in effect, is important to United States security and that those responsible for controlling the export and import of munitions should be given such authority.

ASSISTANCE TO INTERNATIONAL ORGANIZATIONS (SEC. 415)

The House bill authorized the use of funds available for defense support and joint control areas for a strategic stockpile of foodstuffs for NATO. The Senate amendment made available defense support, development assistance and joint control area funds for aid to NATO, the European Coal and Steel Community, the Organization of European Economic Cooperation (OEEC), and the European Payments Union and similar organizations.

The conference agreement retains the language of the House bill. In adopting the House language, the committee of conference made it clear that no lack of United States interest in encouraging these organizations was intended. The Senate language was considered unnecessary, since no programs were presented to the Congress which would justify the Senate language at this time.

EMIGRATION TO U. S. S. R.

The House bill (sec. 415) contained a provision authorizing payment of expenses of travel of any resident in the United States

to the Union of Soviet Socialist Republics for the purpose of establishing permanent residence there, with the stipulation that such resident shall not be readmitted to the United States. The Senate amendment did not contain this provision. Certain psychological advantages to be derived from such a proposal are obvious, but the question of administrative difficulties led to its omission from the conference agreement.

IRISH COUNTERPART (SEC. 417)

When assistance to Ireland under the Economic Cooperation Act of 1948 was terminated, a balance amounting to approximately 6 million Irish pounds remained in the counterpart account established by Ireland as required by that act. The United States and Ireland entered into an agreement on June 17 of this year providing for the disposition of this balance within Ireland for the purposes of scholarship exchange between the two countries and other programs and projects to improve and develop the agricultural production and marketing potential of Ireland and to increase the production and efficiency of Irish industry.

Under the Economic Cooperation Act of 1948, this agreement is subject to approval by the Congress. The Senate amendment contained a provision approving the agreement. No such provision was in the House bill. The conference agreement retains the Senate language.

TRANSFERABILITY OF FUNDS (SEC. 501)

The House bill provided that the funds available to carry out any provision of the bill may be increased by not more than 10 percent of the amount appropriated pursuant to that provision (including any unexpended balances carried over), through a transfer from the funds available to carry out any other provision, so long as the latter funds are not reduced, by reason of the transfer, by more than 10 percent of the amount appropriated (including carryover) pursuant to that provision.

The Senate amendment provided broader transfer authority. It fixed no limit on the amount by which any funds may be increased by such a transfer. Also, because the Senate amendment applied the 10 percent limit on reductions to the total amounts available under titles, chapters, and sections, it permitted a greater than 10 percent reduction in the case of funds (such as those for defense support for Europe) appropriated pursuant to a provision within a section.

The committee of conference adopted the language of the House bill except that limit on the increase of any provision by transfer was made 20 percent. This change would make possible a more adequate increase to meet unforeseen developments in the case of certain small authorizations where a 10 percent increase, as provided in the House bill, would permit the transfer of an inadequate sum.

TERMINATION OF ASSISTANCE (SEC. 503)

The committee of conference recognized a certain danger in maintaining a separate agency concerned exclusively with the administration of foreign aid. There is inevitably a tendency for such an agency to regard the supplying of aid to foreign nations as a normal, continuing process.

The committee of conference believes that aid to other countries should be supplied only in exceptional circumstances to meet specific situations. Although the United States may be required to give aid every year during the period of acute danger from the Soviet Union, each total annual program should be made up of individual temporary programs to meet emergency situations in particular countries or areas.

It is desirable that permanent legislation be in effect, setting forth the conditions, procedures and limitations of such aid programs, in order that assistance can be given promptly and effectively when necessary.

It is not desirable to maintain a special agency devoted to developing and administering assistance programs throughout the world. Under the circumstances such programs tend to become an end in themselves. Instead, the regular departments of Government responsible for foreign policy and for defense should exercise the legislative authority which this bill provides to make available necessary aid when an emergency justifies such action. There should be no incentive, however, for those responsible for such action to perpetuate these aid programs.

For these reasons the committee of conference agreed to a provision specifically terminating the Foreign Operations Administration on June 30, 1955, and providing for the transfer of its remaining functions to appropriate departments of the executive branch.

LOANS (SEC. 505)

The House bill provided that not less than 10 percent of the amounts obligated from appropriations made under titles I and II of the bill (excluding amounts carried over from prior appropriations) shall be used to make loans. The Senate amendment provided that of the funds made available under the bill (excluding military assistance funds, but including foreign currencies accruing under section 402, the surplus agricultural commodity program) the equivalent of not less than $150 million shall be used to make loans.

The conference agreement provides that not less than $200,000,000 shall be used to make loans and funds under chapter 1 of title I (direct military) are included within this provision. The percentage provision of the House bill would have required that approximately $300,000,000 would be loaned. The figure agreed upon reflects the evaluation of the committee of conference of the possibilities for using funds effectively on a loan basis.

SHIPPING ON UNITED STATES VESSELS (SEC. 507)

The Senate amendment contained language not included in the House bill which made clear that 50 percent of cargoes destined for joint control areas should be transported on United States vessels and that shipments on United States vessels should only be made when the rates are fair and reasonable.

The managers on the part of the House accepted this language since it is consistent with and clarifies the intent of the House.

NOTICE TO LEGISLATIVE COMMITTEES (SEC. 513)

The House bill required notice to be given to the appropriate committees of Congress whenever action is taken under the bill which will result in furnishing assistance substantially different from the program presented to the Congress during its consideration of the bill. The Senate amendment replaced this provision with a provision requiring that the appropriate committees be kept currently informed of substantial changes in programs and of the reasons therefor, except for changes directly resulting from changes made by Congress in the legislative proposals submitted by the executive branch.

The committee of conference adopted the House language with one clarifying modification. Particular attention was given to the danger that this requirement might impose an intolerable administrative burden on the executive branch in reporting program changes. The conclusion was reached that the requirements of this section need not impose an undue administrative burden on the Executive. It is not required or desired that day-to-day operating adjustments in programs should be reported to the committees of Congress. It is anticipated that a new type of cooperation between the administrators of the mutual security program and the committees of Congress will result from the enactment of this section.

INTERNATIONAL EDUCATIONAL EXCHANGE ACTIVITIES (SEC. 514)

The Senate amendment included a provision authorizing the Secretary of the Treasury to reserve, at the request of the Secretary of State, foreign currencies owed to or owned by the United States for sale to the Department of State for use in the international educational exchange program (Fulbright). Sales of such currencies on the basis of the dollar value at the time of reservation was authorized.

The managers on the part of the House accepted the Senate provision. All local currencies used in this program must be purchased from the United States Treasury with dollars appropriated by the Congress, and these dollars are specifically limited for use to purchase such foreign currencies. If such foreign currencies are not available in the United States Treasury, these dollars cannot be used and the educational exchange program is correspondingly reduced.

DELEGATION OF AUTHORITY BY THE PRESIDENT—TECHNICAL COOPERATION (SEC. 521)

The House bill provided that the President "may exercise any power or authority conferred on him by this act through such agency or officer of the United States as he shall direct." The Senate amendment contained the same provision but added a mandate that after June 30, 1955, the President shall exercise the powers conferred upon him under title III (technical cooperation) through the Secretary of State.

It was the view of the committee of conference that the technical cooperation program is a long-range program representing an important feature of United States foreign policy, and hence should be placed in the Department of State following the termination of the Foreign Operations Administration. The conference agreement reflects this view by including the additional Senate language.

EMPLOYMENT OF PERSONNEL (SEC. 527 (C) (1))

The Senate amendment provided that section 1005 of the Foreign Service Act shall apply to persons employed or assigned under section 527 of the bill by the Director of the Foreign Operations Administration to carry out mutual security programs abroad. Section 1005 of the Foreign Service Act includes a prohibition against the application of any political test in employment matters. No such provision was included in the House bill.

In order to make possible the appointment of policymaking officials who are in full sympathy with the program of the Administration the conference agreement incorporates the Senate language with a modification exempting policymaking officials from the operation of section 1005 of the Foreign Service Act.

WAIVERS OF CERTAIN FEDERAL LAWS (SEC. 533)

The Senate amendment included authorization for the President to waive provisions of law relating to the making of contracts and the expenditure of Government funds. An identical provision was stricken from the bill by the House.

The managers on the part of the House accepted the Senate language with an amendment which does not permit waiving the provisions of the Renegotiation Act of 1951. It is understood that this amendment meets the objection raised to this section in the House.

Under the Renegotiation Act the Renegotiation Board has authority to waive the applicability of renegotiation to any contract

entered into with a foreign entity upon recommendation of an executive department.

ROBERT B. CHIPERFIELD,
JOHN M. VORYS,
WALTER H. JUDD,
THOMAS S. GORDON,
LAURIE BATTLE,
Managers on the Part of the House.

Mr. GROSS. Mr. Speaker, I make the point of order that certain Members of the House of Representatives exceeded their authority in connection with the conference report on the bill H. R. 9678; that therefore the pending conference report is improperly before the House.

Mr. Speaker, I submit that the rules of the House provide clear language with respect to procedure by which the House agrees to a conference and authority is given for the appointment of conferees or managers on the part of the House.

I call attention to the fact that the House of Representatives met at 12 o'clock noon on August 4, 1954; that thereafter a message was received from the Senate informing the House that the other body had passed H. R. 9678, with an amendment in which the concurrence of the House was requested; that later in the House session of the afternoon of August 4, 1954, the gentleman from Ohio [Mr. VORYS] asked unanimous consent to take from the Speaker's desk the bill H. R. 9678, disagree to the Senate amendment, and agree to the conference asked by the other body. Subsequently, on the afternoon of August 4, 1954, the Chair appointed conferees on the part of the House.

Mr. Speaker, I make the point of order that even before the papers were received from the other body, requesting a conference on the part of the House, before authority was given by the House for a conference, and well before the formal appointment of conferees on the part of the House, certain Members of the House of Representatives had apparently designated themselves as conferees and entered into agreement on one or more substantial issues in disagreement in connection with the bill H. R. 9678; that such agreement or agreements were entered into even before the House of Representatives formally and officially convened at 12 o'clock noon on August 4, 1954, and gave assent to a conference.

I further point out that President Eisenhower, at his press conference on or about 10:30 o'clock in the morning of August 4, 1954, deplored a substantial reduction in funds authorized under H. R. 9678; that a member of the alleged conference between the two bodies publicly stated that even before the President made his statement an agreement had been reached to restore these funds at least in part.

Mr. Speaker, I can find no precedent which permits Members of the House to enter into a conference without first obtaining authority from the House for so doing. The weight of all precedents governs from the initial authority for a conference, the appointment of conferees and their conduct flow therefrom.

Mr. Speaker, I respectfully submit that the rules of the House are clearly set aside when Members of the House of Representatives, whether from the Foreign Affairs Committee or any other committee, designate themselves as conferees or managers on the part of the House and enter into alleged conference agreements without direct authority on the part of the House.

I insist, Mr. Speaker, that if such action is tolerated, the well-defined rule providing for the instruction of conferees or managers on the part of the House, and other vital rules pertaining to conference procedure will be made meaningless, and lead to procedural chaos.

I ask that the point of order be sustained, Mr. Speaker, and that the bill, H. R. 9678, be returned to the status it occupied before being sent to conference.

The SPEAKER. The Chair wishes to state on the gentleman's point of order that he has no cognizance of informal meetings that may have been held. As a matter of fact, he would not know what Members were doing if they met informally in a group to discuss any specific subject. All the Chair can do is to take the report that is here. All 10 signatures are on the conference report. The conference report is here in a legal manner.

Therefore, the Chair overrules the point of order.

Mr. VORYS. Mr. Speaker, we are now taking up a conference report on an authorization bill after the appropriations it was supposed to have authorized have passed the House and also have been acted on by the appropriate committee in the other body. Therefore, a great deal of the excitement has gone from this measure.

The amount of appropriations passed by the House and those that are tentatively adopted by the committee in the other body are below the amount authorized by the conference report. That is another reason the conference report is not very exciting. Of course, the amounts in this bill are limitations on appropriations, and provide ceilings, not money.

The House provided a bill for 1955 authorizations of appropriations of $3,368,608,000. We had future authorizations for infrastructure and certain authorizations on which there were no limits. That is, in this legislation, on the large important items, we put limits on the authorizations, but there are some items on which we put no limits on appropriations. This is the case in the authorizations in many of the legislative committees, as you well know. In any case, what was done on limitations of amounts in the committee of conference was this: The conferees legally met and started to confer. They were faced by the fact that the House had already acted on the appropriation under a special rule, and the other body was starting to act. So we split the difference between our two bills. We threw off about $314 million. They did the same. We came out with an authorization figure for the fiscal year 1955 of $3,054,568,000. The only amount for future appropriation on which any authorization was limited was for future slices of infrastructure, of $198,300,000.

Possibly the most significant thing done in the conference was the agreement on termination. Under the conference agreement the Foreign Operations Administration is to be terminated at the close of business on June 30, 1955. For the first time in many years, we will not have any independent agency or semi-independent agency dispensing foreign aid. From that time on the regular departments will take over such activities as will proceed under this program.

On June 30, 1955, title II, Development Assistance, will also terminate, with 1 year after that, to liquidate and wind up and transfer their affairs to the regular departments.

Title I, military assistance, has no termination date in it, nor has title III, technical assistance. We did not want to tell Congress, our own people, our allies, or our enemies that we were going to terminate military assistance to those who are ready, able, and willing to fight in the common cause until such time as the threat by our enemies ceased. We did not want to place any date on the windup of this technical assistance program which has been so popular and so valuable.

Title IV contains certain other programs which will be continued under the regular departments.

This labor of your committee replaces 14 scattered bills and laws and establishes, I think, a more coherent and consistent administration for the implementation of the foreign policy of the United States under President Eisenhower.

Mr. Speaker, I now yield to our distinguished chairman.

Mr. CHIPERFIELD. Mr. Speaker, first of all, as chairman of the Foreign Affairs Committee, I want to thank every member of my committee for the conscientious job they did while considering this mutual-security bill. Not only in the hearings before the Foreign Affairs Committee, but subsequently on the floor of the House.

I also want to commend the House conferees for their conscientious work in bringing to the House this conference report. I am of the firm opinion it reflects the views of the great majority of the House.

In passing I cannot help but pay tribute to the entire staff of the committee for the splendid work they have done and their untiring efforts in behalf of the committee.

It is most difficult to pick out one member of the committee for his outstanding work but every Member in this House knows that the distinguished gentleman from Ohio [Mr. VORYS], has done a magnificent job, both in committee and handling this bill on the floor and I believe the House owes him a debt of gratitude for his efforts.

Mr. Speaker, in my opinion, one of the most outstanding accomplishments of your House conferees is that they made a reduction in conference of $314 million from the House bill. At first blush one would think this was not carrying out the will of the House, but when you take into consideration that the House passed an appropriation bill on this subject which was about the same amount

below the House authorization bill, one finds that the conferees have very accurately reflected the views of the House.

It seems to me it would be well at this point to call to the attention of the House the general trend which this legislation has taken. In 1952 President Truman, in his last budget request, asked for $7.9 billion for foreign aid. President Eisenhower asked for $3.6 billion this year. While legislative action is not complete on this year's foreign-aid bill, it cannot be much more than $3 billion and will probably be less. There is no doubt but this session of Congress will cut our foreign aid more than 50 percent below the 1952 figure.

Another significant feature of this bill has been the changing pattern of foreign aid from economic to military. We all recall that under the Marshall plan foreign aid was almost 100 percent economic, but with the initiation of the mutual-security bill there has been a most significant change until now this year's bill carries between 75 and 85 percent for military support to our allies and only a relatively small proportion for economic aid which is largely devoted to carrying out the point 4 program. So we have seen a shift from 2 years ago when our aid was about equally divided between economic and military to the vast majority of our aid being for military purposes to our allies for our own security and the defense of the free world.

This means virtually abandoning economic aid per se. If the need for foreign aid is due to the continued pressures of the Soviet on the free world then we ought to get out of the economic aid business and limit our assistance to military goods and supporting equipment that will make it possible for us and our friends to defend ourselves.

One of the most important successes won by the House conferees in their negotiations with the Senate conferees involved the disposal of United States surplus agricultural commodities. A total of $350 million of the funds available are to be used only to pay for surplus farm products. As a result of insistence by the House conferees language was included requiring that these American farm products be sold rather than given away to foreign nations receiving United States aid. Such sales will be made for foreign currencies rather than United States dollars but these currencies will belong to the United States and will be subject to United States control. We can use that local money to pay for things we have to buy in those countries. It saves our taxpayers their hard-earned dollars and at the same time helps us get the items we need.

This year the House insisted on putting in a loan provision. Instead of giving this money away, we are willing to lend some of it. This is a new departure—but I hope one that will be followed more frequently. Under the new bill not less than $200 million can be used only to make loans and should result in a subsequent saving of this amount for our hard-pressed taxpayers.

In its final form, the bill retains the provision which originated in the House Foreign Affairs Committee limiting offshore procurement. Before funds authorized in this bill are used to buy military equipment in foreign countries the President has to consider whether such procurement will have an adverse effect on the United States economy, particularly in areas where unemployment exists. This restriction will result in channeling a significant amount of the funds provided by the bill into United States manufacturing communities.

But the most important thing of all that your conferees accomplished was the way they terminated the Foreign Operations Administration at the end of the current fiscal year. Your conferees did not terminate the military or the point 4 programs because they realized it would be necessary for them to continue for a considerable period of time. The FOA never particularly objected before to an across-the-board termination date being put into this bill because they knew that the necessity of continuing military and point 4 aid would automatically continue the agency.

This separate agency's functions of dispensing economic aid and other minor programs could well be handled by other permanent agencies without it being perpetuated.

The reason why it is necessary to continue military aid is obvious. While we do not know the answers to many important questions, however, we do know the Soviet threat still confronts us and that it has not diminished in any way.

For example, we do not yet know the answers in southeast Asia. The armistice in Indochina has created new problems and new uncertainties. The full consequences of recent developments in that area are not yet known. The hostilities there were not our war and the cease-fire agreements bringing the fighting to an end were not our agreements. Nevertheless, we must recognize that the situation which remains in that part of the world constitutes a threat to the security of the United States. We have recognized that fact by shifting our major emphasis from military aid to Europe to equal emphasis in that area.

It is, therefore, plain that as long as the Soviet threat continues, for our own security and defense we must help those who will help us defend the free world.

If war should come I want it fought as far away from our shores as possible. I do not want to fight it alone but want the help of all the allies we can secure on our side. We never should put ourselves in the position of being the sole gladiator to save the world.

One of the most popular programs which we have initiated is the rehabilitation of backward countries—the point 4 program. In my opinion we get more for our money from this type of program than any other. But under the administration of this program there was a decided tendency to broaden out its scope and instead of confining it to technical assistance, scientific advice, and so forth, it was rapidly becoming a worldwide WPA. Instead of giving limited technical assistance and cooperation we found ourselves building huge dams, watersheds, powerplants, and other industrial projects which certainly should not be under this program and should not be in the form of grants but if undertaken at all should be made in the form of loans. It believe the Foreign Affairs Committee should be congratulated in the provision that it has inserted in this bill which limits the jurisdiction and the scope of the technical assistance program to its original purposes.

So it is clear that by the continuation of the military and point 4 programs an opportunity is presented to discontinue the separate FOA agency. This clears the way for elimination of economic aid.

The bill recognizes the undesirability of maintaining an agency concerned exclusively with the administration of foreign aid. There is inevitably a tendency for such an agency to regard the supplying of aid to foreign nations as a normal, continuing process.

Aid to other countries should be supplied only in exceptional circumstances to meet specific situations. It is not desirable to maintain a special agency devoted to developing and administering assistance programs throughout the world. Under the circumstances such programs tend to become an end in themselves.

Instead, the regular departments of Government responsible for foreign policy and for defense will exercise the legislative authority which this bill provides to make available necessary aid when an emergency justifies such action and not a separate agency such as FOA. There should be no incentive, however, for those responsible for such action to perpetuate these aid programs.

Mr. Speaker, I urge the adoption of this conference report regardless of the questions and difficulties which I have raised. We must act. We cannot wait for the dust to settle. The men in the Kremlin must know that the United States has at hand the means of meeting any situations with which we are confronted.

Mr. VORYS. Mr. Speaker, I now yield to the gentleman from Illinois [Mr. GORDON].

Mr. GORDON. Mr. Speaker, I believe that the conference report on H. R. 9678 represents a fair compromise between the bill that passed the House and the bill that passed the Senate and I am convinced that it is the best agreement which was obtainable.

In the case of the mutual security bill, as is the case of most legislation, there were important differences between the House and Senate versions. Under the circumstances we cannot expect that the other body will recede on all points and that the House bill will emerge from conference without change.

The authorization of funds was compromised on a strictly 50–50 basis. The Senate went up and the House went down by an equal amount. The details of the funds are shown in the statement of managers. I can think of no more equitable way of reconciling these differences.

In general, it can be fairly said that the House insisted on provisions which tighten the administrative control of the program.

In the case of transfers authorized for one purpose—such as military—to

another purpose—such as development assistance—the House was able to retain a limitation that no authorization could be increased by more than a designated percentage. No such limitation was in the Senate bill nor in previous legislation. This will prevent transferring a large sum from a large authorization into a small authorization with the result that an amount several times as large as that voted by the Congress for a specific purpose may be made available. The percentage for this type of transfer in the House bill was 10 percent and the conference agreement raised this to 20 percent. Nevertheless, the Senate bill had contained no limitation of this nature.

The conference agreement also preserves the language of the House bill, requiring that the committees of Congress be given much more detailed and frequent reports of changes in the mutual security program than was formerly the case. This requirement is intended to prevent the tendency, manifested in a number of instances during the last fiscal year, of the administrators of the program to submit to the Foreign Affairs Committee detailed figures for their anticipated programs in a country and then carry out entirely different programs there.

I am glad to report that the House conferees receded on one important point. The conference agreement contains a provision that the overseas personnel hired under this legislation shall not be subject to any political test for employment except for policy making officials.

The conferees worked hard and there were many technical provisions that required careful attention. I feel that a good job has been done and that the House should accept this report.

Mr. VORYS. Mr. Speaker, I yield to the gentleman from Minnesota [Mr. JUDD].

Mr. JUDD. Mr. Speaker, I want to call attention to one section in the MSA bill and in the conference report, in part to make clear to the agency that will administer this law the plain intent of the Congress. It is section 402, which earmarks $350 million of the funds authorized to be made available under this act to be used only for the export and sale for foreign currencies of surplus agricultural commodities.

The Members of the House will remember that last year there was put into the MSA bill in conference section 550, which the administrative agencies did not welcome because they would like to have had a wholly free hand. It required that they use not less than $100 million and not more than $250 million to purchase our surplus agricultural commodities and export them for sale in lieu of American dollars or other means of giving assistance. When compelled by the law to use that procedure, they disposed of $245 million worth of surplus agricultural commodities abroad during the last fiscal year.

The program has proved remarkably successful and has moved more surplus commodities into useful commerce than any other provision of law. But, like all new programs, it needed to be reviewed. The main provisions of section 550 had been incorporated into a new bill by the Committee on Agriculture and passed by the House some weeks ago as the so-called Agricultural Trade Development and Assistance Act. So the part of the foreign-aid legislation last year which dealt with use of agricultural surpluses had been removed and was now in agricultural legislation. Hence, we had to write section 402 so as to try to tie these two programs together, one to be administered by the Department of Agriculture under the bill from the Committee on Agriculture and the other by the FOA in the promotion of our foreign policy.

There are four points that ought to be made perfectly clear from the language of the act itself in section 402 and the comments on it in the conference report on page 41. The first point is that at least $350 million of the funds appropriated must be used to finance the export and sale for foreign currencies of surplus agricultural commodities.

The agencies preferred authorization to let them either give away or sell the commodities. The conference report makes clear that they must sell, or else not use that amount of money at all. The foreign currencies received accrue to the credit of the United States. They are not owned by the recipient countries as are counterpart funds generated by grants. They are not jointly owned. They are owned by the United States. Therefore, they can be controlled by the United States and can be used to further other proper interests of the United States than just assistance to the countries, in helping them strengthen their defenses, which is the main objective of the Mutual Security Act.

Second, the commodities will have to be sold under uniform procedures. In the past, there has been an occasion or two where the Commodity Credit Corporation or the Department of Agriculture was selling at world prices as they are required to by the law, but the FOA was making some offers at the prices prevailing within a purchasing country which were below world prices. Such a practice could lead both to dumping and to chaos in the foreign disposal of our surplus commodities. So this bill makes clear that whatever Government agency is handling the sale abroad of these commodities, the operations and procedures and practices must be uniform, and in accordance with criteria established in the Agricultural Trade Development and Assistance Act. The foreign governments must not be permited to go from one agency of the United States to another agency and bargain back and forth with the idea they can get a better deal with one than with the other. So far as prices are concerned, and the use of private channels of trade, all transactions of this sort must be in accordance with uniform procedures.

Third, the agency managing the sale abroad of surplus commodities under this act and handling the foreign currencies received must constantly keep a weather eye open, if I may put it that way, for the interests of the United States, its trade, its markets, its sources of raw materials, while helping to build up the economy, military and political strength of friendly countries. Under section 104 of the Agricultural Trade Development and Assistance Act of 1954, one of the purposes for which the foreign currencies received shall be used is to "help develop new markets for United States agricultural commodities on a mutually advantageous basis."

Another objective is "to promote balanced economic development and trade among the nations." That is, in addition to serving the purposes of the Mutual Security Act, these currencies are to be used to serve the legitimate objective of developing expanding markets for our own commodities. There is a direction in the law to administer the program in such a way.

A fourth point is that these foreign currencies can be applied against the loan requirements under the act. At least $200 million of the funds authorized to be made available must be in the form of loans for repayment, not just grants. These foreign currencies as well as dollars can be used to satisfy that requirement for loans.

Mr. Speaker, I wanted to make these points—merely for amplification of section 402 and in a sense to be a direction to those who are to administer the act.

GENERAL LEAVE TO EXTEND

Mr. VORYS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. GROSS. Mr. Speaker will the gentleman yield for a question?

Mr. VORYS. I yield.

Mr. GROSS. Section 533 contains a waiver of certain Federal laws. That was stricken in the House, was it not?

Mr. VORYS. Yes.

Mr. GROSS. And the managers on the part of the House agreed to the reinsertion of that—on what basis?

Mr. VORYS. You will remember the gentleman from Missouri [Mr. CURTIS] made a very able and compelling argument in the House in which he pointed out that the language which had been in the law since the ECA as it was in the House bill contained a waiver of provisions of the Renegotiation Act, and the entire waiver provision was stricken. Mr. CURTIS admitted later that some such waiver language was needed and, therefore, the conferees agreed to the waiver but exempted from the waiver the provisions of the Renegotiation Act of 1951. We had in the conference a series of laws which it was necessary to waive at times due to the fact that our offshore contracts are with foreign countries.

Mr. GROSS. Of course, the gentleman remembers that I offered an amendment.

Mr. VORYS. Yes.

Mr. GROSS. And it was stricken out by a vote of 122 to 70 or some such vote. If the gentleman will bear with me just a moment the gentleman understands that this sets aside many other laws besides the Buy American Act and any number of other laws. I could give him

a recapitulation of the laws that are set aside.

Mr. VORYS. Yes; the conferees had them and they were also referred to in the House reports so that we were quite familiar with them. Remember, this refers only to contract and accounting requirements. The laws waived are listed in Executive Order 10519. This is needed to relieve procurement, shipment, and similar operations from technical restrictions that are unnecessary and cumbersome in connection with these overseas operations.

Mr. GROSS. Also, this provides that the President may spend the funds appropriated under this act in any way he may specify, is that not true?

Mr. VORYS. No, I do not think so. Other provisions in this bill apply to that. I will say to the gentleman that on that amendment, as on some others, what we had to do was to arrive at some ground with the other body where we could get together. They felt that they dropped out more of their bill than we did of ours. What we had to do was to split the difference on certain items and change the language around on others so that we could arrive at an agreement, as is nearly always the case with a conference report.

Mr. SMITH of Wisconsin. Mr. Speaker, will the gentleman yield?

Mr. VORYS. I yield.

Mr. SMITH of Wisconsin. Under the provisions for the purchase of agricultural surpluses, can the gentleman tell me how much is allowed for the purchase of dairy products?

Mr. VORYS. The whole $350 million could be spent for dairy products, but I presume possibly they may pass it around a little. There is no specification of the amount for any particular surplus product.

Mr. JUDD. If the gentleman will yield, it depends upon how many buyers they can find for the surplus commodities. This is not a grant. If it were a grant we could have written a directive that a certain percentage of the amount should be for this or that product, but this goes where we have to get people to buy our surplus commodities and pay for them.

Mr. SMITH of Wisconsin. Is it not also whether the State Department wants to send our surpluses abroad?

Mr. JUDD. They have to send at least $350 million abroad under this, or not use the money at all.

Mr. VORYS. Under this provision they either spend the $350 million for surplus agricultural products, as the gentleman from Minnesota [Mr. JUDD] has described, and I want to pay my compliments and the compliments of the committee and the conferees for the able work the gentleman from Minnesota has done on this, they either spend it for that or they do not spend it at all.

Mr. SMITH of Wisconsin. But this is all one lump sum, and, as you say, can be used for any agricultural product?

Mr. VORYS. Any surplus agricultural product.

Mr. SAYLOR. Mr. Speaker, will the gentleman yield?

Mr. VORYS. I yield to the gentleman from Pennsylvania.

Mr. SAYLOR. Is that fund in addition to the amount provided in section 415, which provides that in order to assist the international organization they are authorized to expend funds provided in section 131 and section 403 for strategic stockpiling of foodstuffs and other supplies?

Mr. VORYS. Yes. The strategic stockpile of foodstuffs would not come out of the $350 million, I believe.

Mr. JUDD. That is right.

Mr. VORYS. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the conference report.

Mr. GROSS. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the conference report?

Mr. GROSS. Unqualifiedly and unequivocally.

The SPEAKER. The gentleman qualifies.

The Clerk will report the motion.

The Clerk read as follows:

Mr. GROSS moves to recommit the conference report to the committee of conference with instructions to the managers on the part of the House to insist on disagreement to that portion of the Senate amendment designated as section 533, "Waivers of certain Federal Laws."

Mr. VORYS. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the motion to recommit.

The question was taken; and the Speaker announced the ayes appeared to have it.

Mr. WILLIAMS of Mississippi. Mr. Speaker, I object to the vote on the ground that a quorum is not present, and I make the point of order that a quorum is not present.

The SPEAKER. The Chair will count. [After counting.] A quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken, and there were—yeas 96, nays 267, not voting 69, as follows:

[Roll No. 140]

YEAS—96

Abernethy	Coon	Laird
Adair	Cunningham	Long
Albert	Davis, Wis.	Lovre
Alexander	Dempsey	McCulloch
Andersen, H. Carl.	Dolliver	McGregor
Andrews	Dowdy	McMillan
Ashmore	Fisher	McVey
Bailey	Forrester	Mack, Wash.
Beamer	Fountain	Martin, Iowa
Bennett, Fla.	Gentry	Miller, Nebr.
Bennett, Mich.	George	Mills
Berry	Grant	Morrison
Betts	Gross	Moulder
Bishop	Hagen, Minn.	Nicholson
Bonner	Haley	Norrell
Bow	Hand	O'Hara, Minn.
Bray	Hardy	O'Konski
Brooks, La.	Harrison, Nebr.	Passman
Brown, Ohio	Herlong	Phillips
Budge	Hillelson	Reed, Ill.
Burdick	Hoeven	Rogers, Tex.
Carlyle	Hoffman, Mich.	Scherer
Cederberg	Hruska	Short
Church	Jensen	Sikes
Clevenger	Jonas, N. C.	Simpson, Ill.
Cole, Mo.	Jones, Mo.	Smith, Kans.
Colmer	Jones, N. C.	Smith, Wis.
Cooley	Knox	Stringfellow
	Krueger	Talle
Teague	Velde	Winstead
Thomas	Whitten	Young
Thompson, La.	Williams, Miss.	
Van Pelt	Willis	

NAYS—267

Abbitt	Gary	Neal
Addonizio	Gathings	Oakman
Allen, Calif.	Gavin	O'Brien, Ill.
Allen, Ill.	Goodwin	O'Brien, N. Y.
Arends	Gordon	O'Hara, Ill.
Aspinall	Granahan	O'Neill
Auchincloss	Green	Osmers
Ayres	Gregory	Ostertag
Baker	Hagen, Calif.	Patman
Bates	Hale	Pelly
Battle	Harden	Perkins
Becker	Harris	Pfost
Bender	Harrison, Va.	Philbin
Blatnik	Harvey	Pilcher
Boland	Hays, Ark.	Pillion
Bolling	Hays, Ohio	Poage
Bolton, Frances P.	Hébert	Poff
	Heselton	Polk
Bolton, Oliver P.	Hess	Price
	Hiestand	Priest
Bonin	Hinshaw	Prouty
Bosch	Holifield	Rabaut
Bowler	Holmes	Radwan
Bramblett	Holt	Ray
Brooks, Tex.	Holtzman	Rayburn
Brown, Ga.	Hope	Reams
Brownson	Horan	Reece, Tenn.
Broyhill	Hosmer	Rees, Kans.
Buchanan	Howell	Rhodes, Ariz.
Burleson	Hunter	Rhodes, Pa.
Bush	Hyde	Richards
Byrd	Ikard	Riehlman
Byrne, Pa.	Jackson	Riley
Byrnes, Wis.	James	Roberts
Campbell	Jarman	Robeson, Va.
Cannon	Javits	Robsion, Ky.
Carnahan	Jenkins	Rodino
Carrigg	Johnson, Calif.	Rogers, Colo.
Celler	Johnson, Wis.	Rogers, Fla.
Chelf	Jones, Ala.	Rogers, Mass.
Chenoweth	Judd	Rooney
Chiperfield	Karsten, Mo.	Sadlak
Chudoff	Kean	St. George
Cole, N. Y.	Kearney	Saylor
Cooper	Kearns	Schenck
Corbett	Keating	Scott
Coudert	Kee	Scudder
Cretella	Kelley, Pa.	Seely-Brown
Crosser	Kelly, N. Y.	Selden
Crumpacker	Keogh	Shelley
Curtis, Mass.	Kersten, Wis.	Sheppard
Curtis, Mo.	Kilday	Shuford
Dague	King, Calif.	Small
Davis, Ga.	King, Pa.	Smith, Miss.
Davis, Tenn.	Kirwan	Smith, Va.
Dawson, Utah	Klein	Springer
Deane	Kluczynski	Staggers
Delaney	Landrum	Stauffer
Derounian	Lane	Steed
Devereux	Lanham	Sullivan
D'Ewart	Latham	Taber
Dingell	Lesinski	Taylor
Dodd	Lipscomb	Thornberry
Dollinger	McCarthy	Tollefson
Dondero	McConnell	Trimble
Donohue	McDonough	Tuck
Donovan	McIntire	Utt
Dorn, N. Y.	Mack, Ill.	Van Zandt
Doyle	Madden	Vorys
Durham	Magnuson	Vursell
Eberharter	Mahon	Wainwright
Edmondson	Mailliard	Walter
Elliott	Marshall	Wampler
Ellsworth	Matthews	Warburton
Engle	Meader	Watts
Fallon	Merrill	Westland
Feighan	Merrow	Wickersham
Fenton	Metcalf	Widnall
Fernandez	Miller, Calif.	Wier
Fine	Miller, Kans.	Wigglesworth
Fino	Miller, Md.	William, N. J.
Fogarty	Miller, N. Y.	William, N. Y.
Forand	Mollohan	Wilson, Calif.
Ford	Morano	Wilson, Ind.
Frazier	Morgan	Wolverton
Frelinghuysen	Moss	Yates
Friedel	Multer	Yorty
Fulton	Mumma	Younger
Gamble	Murray	Zablocki
Garmatz	Natcher	

NOT VOTING—69

Andresen, August H.	Bentsen	Clardy
	Boggs	Condon
Angell	Boykin	Cotton
Barden	Buckley	Curtis, Nebr.
Barrett	Busbey	Dawson, Ill.
Belcher	Canfield	Dies
Bentley	Chatham	Dorn, S. C.

Evins	McCormack	Shafer
Golden	Machrowicz	Sheehan
Graham	Mason	Sieminski
Gubser	Nelson	Simpson, Pa.
Gwinn	Norblad	Spence
Halleck	O'Brien, Mich.	Sutton
Harrison, Wyo.	Patten	Thompson, Mich.
Hart	Patterson	Thompson, Tex.
Hill	Powell	Vinson
Hillings	Preston	Weichel
Hoffman, Ill.	Rains	Wharton
Jonas, Ill.	Reed, N. Y.	Wheeler
Kilburn	Regan	Wilson, Tex.
Lantaff	Rivers	Withrow
LeCompte	Roosevelt	Wolcott
Lucas	Scrivner	
Lyle	Secrest	

So the motion to recommit was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Dies for, with Mr. Halleck against.
Mr. Jonas of Illinois for, with Mr. McCormack against.
Mr. Curtis of Nebraska for, with Mr. Roosevelt against.
Mr. Dorn of South Carolina for, with Mr. Canfield against.
Mr. Harrison of Wyoming for, with Mr. Chatham against.
Mr. Patten for, with Mr. Simpson of Pennsylvania against.
Mr. Bentsen for, with Mr. Vinson against.
Mr. Lyle for, with Mr. Preston against.
Mr. Hoffman of Illinois for, with Mr. Rains against.
Mr. Mason for, with Mr. Barrett against.
Mr. Sheehan for, with Mr. Buckley against.
Mr. Busbey for, with Mr. Thompson of Texas against.
Mr. Weichel for, with Mr. Boggs against.
Mr. Wilson of Texas for, with Mr. Patterson against.

Until further notice:

Mr. Kilburn with Mr. Barden.
Mr. LeCompte with Mr. Lantaff.
Mr. Cotton with Mr. Machrowicz.
Mr. Bentley with Mr. Spence.
Mr. Clardy with Mr. Rivers.
Mr. Wharton with Mr. Regan.
Mr. Wolcott with Mr. Powell.
Mr. August H. Andresen with Mr. O'Brien of Michigan.
Mr. Angell with Mr. Evins.
Mr. Hill with Mr. Condon.
Mr. Scrivner with Mr. Dawson of Illinois.
Mr. Withrow with Mr. Hart.
Mr. Shafer with Mr. Wheeler.
Mr. Graham with Mr. Sutton.
Mr. Gubser with Mr. Sieminski.
Mr. Golden with Mr. Secrest.
Mr. Norblad with Mr. Boykin.

Mr. BETTS changed his vote from "nay" to "yea."

Mr. HILLELSON changed his vote from "nay" to "yea."

Mr. SIKES changed his vote from "nay" to "yea."

Mr. FERNANDEZ changed his vote from "yea" to "nay."

Mr. WOLVERTON changed his vote from "yea" to "nay."

Mr. HARRISON of Nebraska changed his vote from "nay" to "yea."

Mr. FISHER changed his vote from "nay" to "yea."

The result of the vote was announced as above recorded.

The doors were opened.

The SPEAKER. The question is on the conference report.

The question was taken; and on a division (demanded by Mr. GROSS) there were—ayes 202, noes 55.

So the conference report was agreed to, and a motion to reconsider was laid on the table.

COMMITTEE ON UN-AMERICAN ACTIVITIES

Mr. VELDE. Mr. Speaker, I ask unanimous consent that the Committee on Un-American Activities have until midnight tonight to file a report on the bill H. R. 9838.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

Mr. WALTER. Mr. Speaker, I object.

DISTRICT OF COLUMBIA LEGISLATION

The SPEAKER. This is District of Columbia day. The gentleman from Minnesota [Mr. O'HARA] is recognized.

PROVIDING THAT THE METROPOLITAN POLICE FORCE SHALL KEEP ARREST BOOKS WHICH ARE OPEN TO PUBLIC INSPECTION

Mr. O'HARA of Minnesota. Mr. Speaker, by direction of the Committee on the District of Columbia, I call up the bill (S. 3655) to provide that the Metropolitan Police force shall keep arrest books which are open to public inspection, and I ask unanimous consent that the same be considered in the House as in Committee of the Whole.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. McMILLAN. Mr. Speaker, reserving the right to object, will the gentleman from Minnesota explain the bill?

Mr. O'HARA of Minnesota. I explained the bill last week, but I will be glad to explain it again.

The purpose of the legislation is to provide that the Metropolitan Police shall keep arrest books which are open to public inspection.

Mr. McMILLAN. Does the gentleman intend to offer any amendment to the bill?

Mr. O'HARA of Minnesota. No; I have no amendment to offer to the bill.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 386 of the Revised Statutes, relating to the District of Columbia, as amended (D. C. Code, sec. 4–134), is amended by striking out the word "and" at the end of paragraph (3); by renumbering paragraph (4) as paragraph (5); and by inserting between paragraphs (4) and (5) the following new paragraph:

"(4) Arrest books, which shall contain the following information:

"(a) Case number, date of arrest, and time of recording arrest in arrest book;

"(b) Name, address, date of birth, color, birthplace, occupation, and marital status of person arrested;

"(c) Offense with which person arrested was charged and place where person was arrested;

"(d) Name and address of complainant;

"(e) Name of arresting officer; and

"(f) Disposition of case; and."

SEC. 2. Section 389 of the Revised Statutes, relating to the District of Columbia, as amended (D. C. Code, sec. 4–135), is amended to read as follows:

"SEC. 389. The records to be kept by paragraphs (1), (2), (3), and (4) of section 386 shall be open to public inspection when not in actual use and this requirement shall be enforceable by mandatory injunction issued by the United States District Court for the District of Columbia on the application of any person."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMENDING ALLEY DWELLING ACT

Mr. O'HARA of Minnesota. Mr. Speaker, by direction of the Committee on the District of Columbia I call up the bill (S. 3506) to repeal the act approved September 25, 1914, and to amend the act approved June 12, 1934, both relating to alley dwellings in the District of Columbia, and ask unanimous consent that the bill may be considered in the House as in the Committee of the Whole.

Mr. McMILLAN. Mr. Speaker, reserving the right to object, does the gentleman have any objection to the amendment in the bill?

Mr. O'HARA of Minnesota. Yes; I am going to make a point of order against the amendments.

Mr. McMILLAN. Will the gentleman tell me why there is so much objection to the amendment?

Mr. O'HARA of Minnesota. I will be happy to.

The amendment is not germane to the bill; it has nothing to do with the bill which was passed by the Senate.

I am in sympathy with the gentleman's amendment to the extent that I voted for it last year, and the bill was vetoed. The amendment involved another filling station.

It is objectionable because of the stand taken by the District Commissioners, the corporation counsel, and the Planning Commission for the District of Columbia dealing with this problem.

They advised me that the entire problem must be dealt with by new regulations and possibly new legislation which will be before us probably the first part of the year; not discriminating by singling out just one instance.

Mr. McMILLAN. I thought the Zoning Act stated that the Congress should and could make regulations to change this act at its will.

Mr. O'HARA of Minnesota. I do not know whether it does; but, of course, the Congress has the right to change any law.

Mr. McMILLAN. Mr. Speaker, I withdraw my reservation of objection.

Mr. MILLER of Nebraska. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. MILLER of Nebraska. If this bill is considered in the House as in the Committee of the Whole, will it permit an opportunity to discuss the bill?

The SPEAKER. Discussion may be had under the 5-minute rule in the com-

mittee when the bill is read for amendment.

Mr. MILLER of Nebraska. For what length of time?

The SPEAKER. When the bill is considered in the House as in the Committee of the Whole there is no general debate. Debate is under the 5-minute rule.

Mr. MILLER of Nebraska. I withdraw my objection.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the act entitled "An act to provide, in the interest of public health, comfort, morals, and safety, for the discontinuance of the use as dwellings of buildings situated in the alleys in the District of Columbia," approved September 25, 1914 (38 Stat. 716), as amended (secs. 5–101, 102, D. C. Code, 1951 edition), is hereby repealed.

SEC. 2. Subsections (b), (c), and (d) of section 4 of the act entitled "An act to provide for the discontinuance of the use as dwellings of buildings situated in alleys in the District of Columbia, and for the replatting and development of squares containing inhabited alleys, in the interest of public health, comfort, morals, safety, and welfare, and for other purposes," approved June 12, 1934 (48 Stat. 932), as amended (sec. 5–106, D. C. Code, 1951 edition), are hereby repealed.

SEC. 3. This act shall take effect 60 days after approval or July 1, 1955, whichever is earlier.,

The Clerk read the committee amendment as follows:

On page 2, line 8, insert a new section as follows:

"SEC. 3. The Board of Commissioners of the District of Columbia are authorized to permit the erection, construction, alteration, conversion, maintenance, and use of such buildings and other improvements on square 1928, lot numbered 800 (southeast corner of the intersection of Wisconsin and Massachusetts Avenues Northwest), situated in the District of Columbia, as the Commissioners may deem appropriate for the purpose of conducting the business which is being conducted on such land on the date of enactment of this act."

Mr. O'HARA of Minnesota. Mr. Speaker, I make a point of order against the amendment on the ground that it is not germane to the bill as passed by the Senate. That bill related only to the amendment of the Alley Dwelling Act of the District of Columbia of June 12, 1934, so as to remove therefrom provisions which would make it unlawful after June 30, 1955, to use or occupy any alley building or structure as a dwelling in the District of Columbia; also to remove a provision which would prohibit the construction, alteration, or conversion of any building or structure for use as an alley dwelling, and a penalty provision relating to the foregoing.

Further, the bill would repeal the act of September 25, 1914, also relating to alley dwellings.

Mr. Speaker, the District of Columbia Committee on the House amended S. 3506 so as to add thereto a provision which would permit the reconstruction of nonconforming gasoline filling stations located in an area of the District which has been zoned as residential (A). This amendment to the bill is in effect an amendment to the Zoning Act of 1935 and not in any way related to the matter of alley dwellings and is, therefore, not germane to the purposes of the bill. In other words, the bill as passed by the Senate referred to alley dwellings and the amendment offered by the gentleman from South Carolina dealt with an entirely different subject—zoning law and zoning regulations.

The amendment also seeks to amend the title of this bill. It does not pertain to the legislation which was passed by the Senate, the bill passed by the Senate, and it is obvious, Mr. Speaker, that the amendment is not germane.

Mr. McMILLAN. Mr. Speaker, may I be heard?

The SPEAKER. The Chair will hear the gentleman from South Carolina.

Mr. McMILLAN. Mr. Speaker, I contend the amendment is germane to the bill, S. 3506, on the ground the purposes of the amendment and the purposes of the bill, S. 3506, relate to alley improvement. I also contend it is germane on the ground that both the bill S. 3506 and the amendment is for the purpose of granting permission to repair and improve property here in the District of Columbia.

Mr. MILLER of Nebraska. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state the parliamentary inquiry.

Mr. MILLER of Nebraska. Mr. Speaker, this amendment was offered not here today in the House but was offered in the Committee on the District of Columbia at which time we had a full quorum present. The amendment was voted and written into the bill when a full quorum was present in a regularly constituted meeting of the District of Columbia Committee. I am not sure what the vote was, but it was a substantial vote. Therefore it is not being offered here today as a new amendment. It involves something that was considered very thoroughly by the Committee on the District of Columbia. The amendment was adopted by the Committee on the District of Columbia. Therefore, it seems to me that as the motion was made to report the bill, S. 3506 as amended by the District of Columbia Committee it comes before the House as a part of the committee action. In my opinion the amendment should stay in. Now, if the amendment is taken out of the bill then would the bill not have to go back to the Committee on the District of Columbia, having been properly acted on or reported by the full Committee on the District of Columbia?

Mr. McMILLAN. Mr. Speaker, the gentleman from Minnesota seems to be fearful this bill will be vetoed if we include this amendment. I may say to the gentleman that the President will not veto this bill if the Commissioners do not ask him to veto it. The Commissioners are in favor of the Alley Dwelling Act because they have granted permission for these alley dwellings. I would like to clear up the gentleman's mind on that subject.

The SPEAKER. The Chair is prepared to rule.

In response to the parliamentary inquiry propounded by the gentleman from Nebraska [Mr. MILLER] the Chair may say that the committee amendment assumes the same status in the House as any other amendment that might be offered from the floor. That is why the Committee on Rules is sometimes asked to report special rules waiving points of order against committee amendments. Those points of order usually involve questions of germaneness.

The Chair has examined the bill and the committee amendment.

The bill itself relates solely to the use of alley dwellings and the prohibition against the erection of structures in alleys for dwelling purposes. The proposed committee amendment has for its purpose a change in the zoning provisions in the District of Columbia. It does not seem to the Chair that the committee amendment has any direct relationship to the purpose of the bill.

The Chair is of the opinion that the amendment is not germane and, therefore, sustains the point of order.

Mr. MILLER of Nebraska. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. MILLER of Nebraska. The title of the bill has been amended to include the section that has now been ruled not in order. Section 4 has also been added, and other provisions have been added to the bill. The point of order I would like to make is this: Is it possible for the House to act on the bill now, or should it not go back to the District Committee for further consideration.

The SPEAKER. The House has the bill before it. It can do with it as it pleases. The title could be amended after the bill is passed, if the House so desires.

Mr. O'HARA of Minnesota. My point of order was to the entire committee amendment, including the one to which the gentleman from Nebraska referred. The amendment in the committee included the amendment to the title.

The SPEAKER. The Chair wishes to state that the ruling was made upon the amendment proposing a new section 3.

Mr. O'HARA of Minnesota. My original point of order was to the entire committee amendment, which also included the attempt to amend the title.

Mr. MILLER of Nebraska. Mr. Speaker, a further parliamentary inquiry. The gentleman has not pointed out the entire amendment. He did point out section 3. But, I point out that the title has been amended. Section 4 has been placed in the bill, and other language relating to filling stations. Therefore, the title would have to be amended.

The SPEAKER. The Chair sustained the point of order as to the committee amendment proposing a new section 3. The Clerk will report the next committee amendment.

The Clerk read as follows:

Page 2, line 17, strike out "SEC. 3. This" and insert "SEC. 4. Sections 1 and 2 of this."

Mr. O'HARA of Minnesota. Mr. Speaker, obviously that is a renumbering

of the sections, I presume, and should not pertain to the bill as it passed the Senate.

The SPEAKER. Is the gentleman suggesting that the amendment be voted down?

For what purpose does the gentleman from Texas rise?

Mr. RAYBURN. Mr. Speaker, I am confused—the first time in my life, of course. I just want to know where we are, Mr. Speaker. A point of order was made against some provision in this bill. Was that section 3?

The SPEAKER. It was, and the point of order was sustained.

Mr. O'HARA of Minnesota. Mr. Speaker, beginning on line 17, page 2, I ask unanimous consent that it be withdrawn from the bill.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

Mr. MILLER of Nebraska. I am constrained to object, Mr. Speaker.

The SPEAKER. Objection is heard. The question is on the committee amendment.

Mr. MILLS. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. MILLS. Is the amendment now before the House merely one changing the figure "3" to "4"?

The SPEAKER. It is the amendment appearing on page 2 line 17 of the bill. The Chair will state that, obviously, the other amendment having been stricken from the bill, this amendment should be voted down.

Mr. O'HARA of Minnesota. Mr. Speaker, I ask unanimous consent that section 4 may be stricken out and that section 3 be substituted so that it will conform with the amendment stricken out.

The SPEAKER. The Chair will state that the parliamentary procedure is such that if we vote down the committee amendment, that takes care of the rest of it.

Mr. RAYBURN. There is no use striking out section 3 if it has been reestablished. So far as we are concerned, section 3 is stricken out.

Mr. O'HARA of Minnesota. That is the point I make; it should be numbered section 3 instead of section 4.

Mr. RAYBURN. The thing to do is to vote down the committee amendment.

The SPEAKER. The question is on the committee amendment.

The committee amendment was rejected.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. RAYBURN. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. RAYBURN. Was the amendment to the title agreed to? There is an amendment to the title.

The SPEAKER. It was not, because having rejected the committee amendment, there was no reason for changing the title.

AMENDING DISTRICT OF COLUMBIA TRAFFIC ACT, 1925, AS AMENDED

Mr. KEARNS. Mr. Speaker, by direction of the Committee on the District of Columbia I call up the bill (S. 1585) to amend the District of Columbia Traffic Act, 1925, as amended, and ask unanimous consent that the bill be considered in the House as in Committee of the Whole.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That paragraph (1) of subsection (a) of section 7 of the District of Columbia Traffic Act, 1925 (43 Stat. 1121), as amended (sec. 40–301 (a) (1), D. C. Code, 1951 ed.), is amended (a) by striking from the first sentence thereof so much as reads "Upon application made under oath and the payment of the fee hereinafter prescribed, the Commissioners or their designated agent shall issue a motor-vehicle operator's permit to any individual" and inserting in lieu thereof "The Commissioners or their designated agent shall, upon application, the payment of a fee of $3, and compliance with such regulations as the Commissioners or their designated agent may prescribe, issue a motor-vehicle operator's permit valid for a period not in excess of 3 years, to any individual 16 years of age or over"; (b) by inserting in the second sentence thereof after "give a practical demonstration" the following ", or produce evidence acceptable to the Commissioners or their designated agent,"; (c) by striking from the second sentence thereof so much as reads "and in the presence of such individuals as may be authorized to conduct the demonstration"; (d) by striking therefrom the fourth, fifth, and sixth sentences; and (e) by striking from the last sentence thereof th colon and proviso, and inserting in lieu thereof "and not for compensation."

SEC. 2. Paragraph (2) of subsection (a) of section 7 of such act (43 Stat. 1121), as amended (sec. 40–301 (a) (2), D. C. Code, 1951 ed.), is amended to read as follows:

"(2) The Commissioners or their designated agent may, upon application and the payment of a fee of $1, issue a learner's permit, valid for a period of 60 days, to any applicant for a motor-vehicle operator's permit, 16 years of age or over, who has successfully passed all parts of the examination other than the driving demonstration test. Such permit shall entitle the permittee, while having such permit in his immediate possession, to operate a passenger motor vehicle, used solely for purposes of pleasure and not for compensation, when accompanied by the holder of a valid District motor-vehicle operator's permit who is occupying a seat beside such permittee."

SEC. 3. Subsection (a) of section 7 of such act (43 Stat. 1121), as amended (sec. 40–301 (a), D. C. Code, 1951 ed.), is amended by adding at the end thereof a new paragraph to read as follows:

"(6) Notwithstanding the provisions of this subsection, the Commissioners or their designated agent may, upon compliance with such regulations as they or their designated agent may prescribe, extend for a period not in excess of 6 years the validity of the operator's permit of any person who is a resident of the District and who is on active duty outside the District in the Armed Forces or the merchant marine of the United States and who was at the time of leaving the District the holder of a valid operator's permit."

SEC. 4. Subsection (b) of section 7 of such act (43 Stat. 1122), as amended (sec. 40–301 (b), D. C. Code, 1951 ed.), is amended to read:

"(b) Each operator's permit shall state the name and address of the permittee, together with such other matter as the Commissioners or their designated agent may by regulation prescribe, and shall bear the signature of the permittee."

SEC. 5. Subsection (d) of section 7 of such act (43 Stat. 1122), as amended (sec. 40–301 (d), D. C. Code, 1951 ed.), is repealed, and subsections (e) and (f) of section 7 of such act, as amended, are redesignated subsections (d) and (e), respectively.

SEC. 6. Subsection (a) of section 8 of such act (43 Stat. 1123), as amended (sec. 40–303 (a), D. C. Code, 1951 ed.), is amended to read as follows:

"(a) The owner or operator of any motor vehicle who is not a legal resident of the District, and who has complied with the laws of any State, Territory, or possession of the United States, or of a foreign country or political subdivision thereof, in respect of the registration of motor vehicles and the licensing of operators thereof, shall, subject to the provisions of this section, be exempt from compliance with section 7 and with any provision of law or regulation requiring the registration of motor vehicles or the display of identification tags in the District. Such exemption shall cover the period immediately following the entrance of such owner or operator into the District equal to the period for which the Commissioners or their designated agent have previously found that a similar privilege is extended to legal residents of the District by such State, Territory, or possession of the United States, or foreign country or political subdivision thereof. The Commissioners or their designated agent shall from time to time ascertain such privileges and cause their or his findings to be promulgated. When the laws of any State, Territory, or possession of the United States or of a foreign country or of a political subdivision thereof contain a reciprocity provision similar to that hereinabove set forth, or the privilege extended to a legal resident of the District is for the remaining portion of the current District of Columbia registration year, then the owner of any motor vehicle who is a legal resident of such State, Territory, or possession of the United States, or of a foreign country or political subdivision thereof shall comply with the provisions of section 7 of this act and with every other provision of law or regulation requiring the registration of motor vehicles and the display of identification tags in the District at the time of the expiration of the current motor vehicle registration issued to such owner by such State, Territory, or possession of the United States or a foreign country or political subdivision thereof, unless the Commissioners or their designated agent shall have entered into a reciprocal agreement or arrangement with the duly authorized representatives of such State, Territory, or possession of the United States or a foreign country or political subdivision thereof, further to limit or to extend the period of time during which the validity of the motor vehicle registration and identification tags of such State, Territory, or possession of the United States or foreign country or political subdivision thereof shall be recognized by the District. The Commissioners or their designated agent are hereby authorized and empowered to enter into reciprocal agreements and arrangements as aforesaid. The following persons shall, with respect to the registration of motor vehicles and the licensing of operators thereof, if they have complied with the laws of the State, Territory, or possession from which they have been elected or appointed, or of which they are legal residents, be exempt during their respective terms of office or during the period of their employment as administrative em-

ployees from compliance with section 7 and with any other provision of law or regulation requiring the registration of motor vehicles and the display of identification tags in the District: Senators and Representatives in Congress; Delegates to Congress; Resident Commissioners; administrative employees of Senators, Representatives, Delegates, and Resident Commissioners who are legal residents of the State, Territory, or possession from which said Senators, Representatives, Delegates, and Resident Commissioners have been elected or appointed; and officers of the executive branch of the Government of the United States who are not domiciled within the District of Columbia, whose appointment to the office held by them was by the President of the United States, subject to confirmation by the Senate, and whose tenure of office is at the pleasure of the President."

SEC. 7. Subsection (b) of section 10 of such act (43 Stat. 1124), as amended (sec. 40–609 (b), D. C. Code, 1951 ed.), is amended by striking the third sentence thereof.

SEC. 8. Section 10 of such act (43 Stat. 1124), as amended (sec. 40–609, D. C. Code, 1951 ed.), is amended by adding two new subsections "(d)" and "(e)," to read as follows:

"(d) The Commissioners or their designated agent shall revoke the operator's permit or the privilege to drive a motor vehicle in the District of Columbia, or revoke both such permit and privilege, of any person who is convicted in the District of any of the following offenses:

"(1) Operating a motor vehicle while under the influence of any intoxicating liquor or narcotic drug.

"(2) Any homicide committed by means of a motor vehicle.

"(3) Leaving the scene of an accident in which the motor vehicle driven by him was involved and in which there is bodily injury, without giving assistance or making known his identity and address and the identity and address of the owner of said vehicle.

"(4) Reckless driving involving bodily injury.

"(5) Any felony in the commission of which a motor vehicle is involved.

"(e) Whenever a judgment of conviction of any offense set forth in subsection (d) has become final, the clerk of the court in which the judgment was entered shall certify such conviction to the Commissioners or their designated agent, who shall thereupon take the action required by subsection (d) of this section. A judgment of conviction shall be deemed to have become final for the purposes of this subsection—

"(1) if no appeal is taken from the judgment, upon the expiration of the time within which an appeal could have been taken, or

"(2) if an appeal is taken from the judgment, the date upon which the judgment, having been sustained, can no longer be appealed from or reviewed on a writ of certiorari."

SEC. 9. This act shall become effective 30 days after its enactment.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMENDING DISTRICT OF COLUMBIA UNEMPLOYMENT COMPENSATION ACT TO PROVIDE FOR UNEMPLOYMENT COMPENSATION IN THE DISTRICT OF COLUMBIA

Mr. TALLE. Mr. Speaker, by direction of the Committee on the District of Columbia, I call up the bill (H. R. 9648) to amend the District of Columbia Unemployment Compensation Act to provide for unemployment compensation in the District of Columbia, and for other purposes, and ask unanimous consent that the bill may be considered in the House as in Committee of the Whole.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the District of Columbia Unemployment Compensation Act, approved August 28, 1935, as amended, is further amended as follows:

Section 1 (b) (2) (B) is amended by adding at the end thereof the following:

"Service shall be deemed to be localized within a State if—

"(i) the service is performed entirely within such State; or

"(ii) the service is performed both within and without such State, but the service performed without such State is incidental to the individual's service within the State, for example, is temporary or transitory in nature or consists of isolated transactions."

Section 1 (b) (4) is amended to read as follows:

"(4) Notwithstanding any other provisions of this subsection, the term 'employment' shall also include all service performed after the effective date of this amendment by an officer or member of the crew of an American vessel on or in connection with such vessel, provided that the operating office, from which the operations of such vessel operating on navigable waters within or within and without the United States are ordinarily and regularly supervised, managed, directed, and controlled, is within the District."

Section 1 (b) (5) is amended by adding at the end thereof the following subsections:

"(Q) service performed on or in connection with a vessel not an American vessel by an individual if he performed service on and in connection with such vessel when outside the United States;

"(R) service performed by an individual in (or as an officer or member of the crew of a vessel while it is engaged in) the catching, taking, harvesting, cultivating, or farming of any kind of fish, shellfish, crustacea, sponges, seaweeds, or other aquatic forms of animal and vegetable life (including service performed by any such individual as an ordinary incident to any such activity), except (A) service performed in connection with the catching or taking of salmon or halibut, for commercial purposes, and (B) service performed on or in connection with a vessel of more than 10 net tons (determined in the manner provided for determining the register tonnage of merchant vessels under the laws of the United States)."

Section 1 (b) is amended by adding at the end thereof the following subsections:

"(7) Notwithstanding any of the provisions of subsection 1 (b) (5) of this act, services shall be deemed to be in employment if with respect to such services a tax is required to be paid under any Federal law imposing a tax against which credit may be taken for contributions required to be paid into a State unemployment compensation fund.

"(8) (i) Any service performed for an employing unit, which is excluded under the definition of employment in section 1 (b) (5) and with respect to which no payments are required under the employment security law of another State or of the Federal Government may be deemed to constitute employment for all purposes of this act: *Provided*, That the Board has approved a written election to that effect filed by the employing unit for which the service is performed, as of the date stated in such approval. No election shall be approved by the Board unless it (A) includes all the service of the type specified in each establishment or place of business for which the election is made, and (B) is made for not less than 2 calendar years.

"(ii) Any service which, because of an election by an employing unit under section 1 (b) (8) (i), is employment subject to this act shall cease to be employment subject to the act as of January 1 of any calendar year subsequent to the 2 calendar years of the election, only if not later than March 15 of such year, either such employing unit has filed with the Board a written notice to that effect, or the Board on its own motion has given notice of termination of such coverage."

Section 1 (c) is amended by repealing subsection (1) and renumbering subsection (2) to be subsection (1) and subsection (3) to be subsection (2) and subsection (4) to be subsection (3).

Section 1 (h) is amended to read as follows:

"(h) 'Benefit year' with respect to any individual means the 52 consecutive-week period beginning with the first day of the first week with respect to which the individual first files a valid claim for benefits, and thereafter the 52 consecutive-week period beginning with the first day of the first week with respect to which the individual next files a valid claim for benefits after the termination of his last preceding benefit year. Any claim for benefits made in accordance with section 11 of this act shall be deemed to be a 'valid claim' for the purposes of this subsection if the individual has during his base period been paid wages for employment by employers as required by the provisions of section 7 of the act."

Section 1 (m) is amended to read as follows:

"(m) 'Employment office' means a free public employment office or branch thereof operated by this or any other State as a part of a State-controlled system of public employment offices or by a Federal agency or any agency of a foreign government charged with the administration of an unemployment-insurance program or free public employment offices."

Section 1 is amended by adding at the end thereof the following subsections:

"(t) The term 'American vessel' means any vessel documented or numbered under the laws of the United States; and includes any vessel which is neither documented or numbered under the laws of the United States nor documented under the laws of any foreign country, if its crew performs service solely for one or more citizens or residents of the United States or corporations organized under the laws of the United States or of any State.

"(u) The term 'principal base period employer' means the employer that paid a claimant the greatest amount of wages used in the computation of his claim. In the event two or more employers paid the claimant identical amounts, the employer in such group for whom the claimant most recently worked shall be the principal base period employer."

Section 3 (c) (1) is amended by adding at the end thereof the following:

"(1) Each year the Board shall credit to each of such amounts having a positive reserve on the computation date, the interest earned by such accounts from the Federal Government. This shall be done by averaging the interest rate paid for the four quarters ending on the computation date and crediting to each such account the amount which the reserve on such computation date would earn at such average rate of interest."

Section 3 (c) (2) is amended by adding at the end thereof the following:

"(2) The principal base period employer shall be notified of each payment of benefits to a claimant at the time of such payment."

Section 3 (c) (7) (a) is amended to read as follows:

"(a) If 25 percent or more of the business of any employer is transferred, the transferee shall be determined a successor for the purposes of this section.

"(i) If the Board is unable to get information upon which to determine whether or not 25 percent of the business has been transferred, it may, in its discretion, make such determination based upon the quarterly payrolls of the employers involved for the last complete calendar quarter prior to the transfer and the first complete calendar quarter after such transfer.

"(ii) In the event of a transfer of 25 percent or more of the assets of a covered employer's business by any means whatever, otherwise than in the ordinary course of trade, such transfer shall be deemed a transfer of business and shall constitute the transferee a successor hereunder, unless the Board, on its own motion or on application of an interested party, finds that all of the following conditions exist:

"(1) The transferee has not assumed any of the transferor's obligations;

"(2) The transferee has not continued or resumed transferor's goodwill;

"(3) The transferee has not continued or resumed the business of the transferor, either in the same establishment or elsewhere; and

"(4) The transferee has not employed substantially the same employees as those the transferor had employed in connection with the assets transferred."

Section 3 (c) (7) (c) is amended to read as follows:

"(c) The successor shall take over and continue the employer's account, including its reserve and all other aspects of its experience under this section, in proportion to the payroll assignable to the transferred business as determined for the purposes of this section by the Board. However, his successor shall take over only the reserve actually credited to the account of the transferor or for which the transferor has filed a claim with the Board at the date of transfer. The successor shall be secondarily liable for any amounts owed by the employer to the fund at the time of such transfer; but such liability shall be proportioned to the extent of the transfer of business and shall not exceed the value of the assets transferred."

Section 3 (c) (7) (d) is amended to read as follows:

"(d) The benefit chargeability of a successor's account under section 3 (c), if not accrued before the transfer date, shall begin to accrue on the transfer date in case the transferor's benefit chargeability was then accruing; or shall begin to accrue on the date otherwise applicable to the successor, or on the date otherwise applicable to the transferor, whichever is earlier, in case the transferor's benefit chargeability was not accruing on the transfer date. Similarly, benefits from a successor's account, if not chargeable before the transfer date, shall become chargeable on the transfer date, in case the transferor was then chargeable for benefit payments; or shall become chargeable on the date otherwise applicable to the successor or on the date otherwise applicable to the transferor, whichever is earlier, in case the transferor was chargeable for benefit payments on the transfer date."

Section 3 (c) (7) (f) is amended to read as follows:

"(f) Notwithstanding any other provisions of this section, if the successor employer was an employer subject to this act prior to the date of transfer, his rate of contributions the remainder of the calendar year shall be his rate with respect to the period immediately preceding his date of acquisition. If the successor was not an employer prior to the date of transfer, his rate shall be the rate applicable to the transferor or transferors with respect to the period immediately preceding the date of transfer: *Provided*, That there was only one transferor or there were only transferors with identical rates; if the transferor rates were not identical, the successor's rate shall be the highest rate applicable to any of the transferors with respect to the period immediately preceding the date of transfer. The rate of the transferor, if still subject to the act, will not be redetermined and shall remain the rate with respect to the period immediately preceding the date of transfer.

"For future years, for the purposes of section 3 (c), the Board shall determine the 'experience under this section' of the successor employer's account and of the transferring employer's account by allocating to the successor employer's account for each period in question the respective proportions of the transferring employer's payroll, contributions, and the benefit charges which the Board determines to be properly assignable to the business transferred."

Section 3 (c) (7) (g) is hereby repealed.

Section 3 (c) (8) (i) is amended to read as follows:

"(i) If as of the computation date the total of all contributions credited to any employer's account, with respect to employment since May 31, 1939, is in excess of the total benefits paid after June 30, 1939, then chargeable or charged to his account, such excess shall be known as the employer's reserve, and his contribution rate for the ensuing calendar year or part thereof shall be—

"(A) 2.7 percent if such reserve is less than 0.9 percent of his average annual payroll;

"(B) 2 percent if such reserve equals or exceeds 0.9 percent but is less than 1.4 percent of his average annual payroll;

"(C) 1.5 percent if such reserve equals or exceeds 1.4 percent but is less than 1.9 percent of his average annual payroll;

"(D) 1 percent if such reserve equals or exceeds 1.9 percent but is less than 2.9 percent of his average annual payroll;

"(E) 0.5 percent if such reserve equals or exceeds 2.9 percent but is less than 3.4 percent of his average annual payroll;

"(F) 0.1 percent if such reserve equals or exceeds 3.4 percent of his average annual payroll."

Section 3 (c) (10) is amended by substituting the word "thirty" for the word "fifteen" in the second and seventh sentences thereof.

Section 3 is amended by adding at the end thereof the following new subsections:

"(e) From December 31, 1939, to January 1, 1955, wages, for the purpose of section 3, shall not include any amount in excess of $3,000 paid by an employer to any person arising out of his or her employment during any calendar year. After December 31, 1954, wages shall not include any amount in excess of $3,000 (or in excess of the limitation on the amount of taxable wages fixed by the Federal Unemployment Tax Act (26 U. S. C. 1600, 1607), whichever is greater) actually paid by an employer to any person during any calendar year. After December 31, 1954, the term 'employment' for the purpose of this subsection shall include services constituting employment under any employment security law of another State or of the Federal Government.

"(f) In the event the District of Columbia should elect to cover employees under this act under the provisions of section 1 (b) (8) (i) in lieu of contributions required of employers under this act, the District of Columbia shall pay into the fund an amount equivalent to the amount of benefits paid to individuals based on wages paid by the District. If benefits paid an individual are based on wages paid by both the District of Columbia and one or more other employers, the amount payable by the District to the fund shall bear the same ratio to total benefits paid to the individual as the base-period wages paid to the individual by the District of Columbia bears to the total amount of the base period wages paid to the individual by all of his base-period employers.

"The amount of payment required under this section shall be ascertained by the Board quarterly and shall be paid from the general funds of the District at such time and in such manner as the Commissioners of the District of Columbia may prescribe except that to the extent that benefits are paid on wages paid by the District from special administrative funds, the payment by the District into the unemployment fund shall be made from such special funds.

"(g) Contributions due under this act with respect to wages for insured work shall, for the purpose of this section, be deemed to have been paid to the fund as of the date payment was made as contributions therefor under another State or Federal employment security law if payment into the fund of such contributions is made on such terms as the director finds will be fair and reasonable as to all affected interests. Payments to the fund under this subsection shall be deemed to be contributions for purposes of section 3."

Section 4 (c) is amended to read as follows:

"(c) (1) If contributions are not paid when due, there shall be added, as part of the contributions, interest at the rate of one-half of 1 percent per month or fraction thereof from the date the contributions became due until paid.

"(2) If contributions or wage reports are not filed when due or contributions are not paid when due, there shall be added as part of the contributions a penalty of 10 percent of the contributions, but such penalty shall not be less than $5 nor more than $25 and for good cause such penalty may be waived by the Board with the approval of the Commissioners of the District of Columbia."

Section 4 (d) is amended to read as follows:

"(d) In the event of the death, dissolution, insolvency, receivership, bankruptcy, composition, or assignment for benefit of creditors of any employer, contributions then or thereafter due from such employer under this section shall have priority over all other claims, except taxes due the United States or the District, and wages (not exceeding $600 with respect to any individual) due for services performed within the 3 months preceding such event."

Section 4 (j) is amended by substituting the following:

"(j) The Board in its discretion, whenever it may deem it administratively advisable, may charge off of its books any unpaid account due the Board or any credit due an employer who has been out of business for a period of more than 3 years. Whenever an account is charged off by the Board, there shall be placed in the minutes of the Board a reason for such action."

Section 4 (l) is amended by adding at the end thereof the following:

"There is hereby established in the Treasury of the United States a special escrow account into which the Board shall deposit all funds received in connection with an offer of compromise. Such funds shall be kept in such escrow account until final action is had upon the offer of compromise and shall not be subject to offset for any indebtedness whatsoever. In the event the compromise is approved, the funds shall be transferred to the District Unemployment Compensation Fund. In the event the compromise is disapproved, the funds shall be immediately returned to the individual who made the offer of compromise."

Section 7 is amended to read as follows:

"AMOUNT AND DURATION OF BENEFITS

"SEC. 7. (a) On and after January 1, 1938, benefits shall become payable from the benefit account of the District unemployment fund. All benefits shall be paid through em-

ployment offices, in accordance with such regulations as the Board may prescribe.

"(b) Except as provided in section 7 (c), an individual's weekly benefit amount shall be the amount in column (B) of the table in this subsection on the line on which, in column (A), there appears his total wages for employment paid to such individual by employers during that quarter of his base period in which such wages were the highest.

"Table A

"High-quarter wages (col. A)	Basic weekly benefit (col. B)	Minimum qualifying wages (col. C)
$130.00 to $184	$8	$276
$184.01 to $207	9	310
$207.01 to $230	10	345
$230.01 to $253	11	379
$253.01 to $276	12	414
$276.01 to $299	13	448
$299.01 to $322	14	483
$322.01 to $345	15	517
$345.01 to $368	16	552
$368.01 to $391	17	586
$391.01 to $414	18	621
$414.01 to $437	19	655
$437.01 to $460	20	690
$460.01 to $483	21	724
$483.01 to $506	22	759
$506.01 to $529	23	793
$529.01 to $552	24	828
$552.01 to $575	25	862
$575.01 to $598	26	897
$598.01 to $621	27	931
$621.01 to $644	28	966
$644.01 to $667	29	1,000
$667.01 and over	30	1,035

"(c) To qualify for benefits an individual must have been paid wages for employment in his base period totaling not less than the amount in column (C) of the table in section 7 (b) on the line on which, in column (B), there appears his weekly benefit amount, and such wages must have been in at least two calendar quarters in his base period: *Provided*, That if any individual during his base period has not been paid such an amount, but has been paid wages in more than one calendar quarter totaling not less than the amount appearing on one of the lines in column (C) above, he can qualify for benefits and his weekly benefit amount shall be the amount appearing in column (B) on the line for which the individual qualifies for benefits in column (C).

"(d) Any otherwise eligible individual shall be entitled during any benefit year to a total amount of benefits equal to 22 times his weekly benefit amount or one-half of the wages for employment paid to such individual by employers during his base period, whichever is the lesser: *Provided*, That such total amount of benefits, if not a multiple of $1, shall be computed to the next higher multiple of $1.

"(e) Any individual who is unemployed in any week as defined in section 1 (e) and who meets the conditions of eligibility for benefits of section 9 and is not disqualified under the provisions of section 10 shall be paid with respect to such week an amount equal to his weekly benefit amount, less the earnings (if any) payable to him with respect to such week. For the purpose of this subsection, the term 'earnings' shall include only that part of the remuneration payable to him for such week which is in excess of 40 percent of his weekly benefit amount for any week. Such benefits, if not a multiple of $1, shall be computed to the next higher multiple of $1."

"(f) Dependent's allowance: In addition to the benefits payable under the foregoing subsections of this section, each eligible individual who is unemployed in any week shall be paid with respect to such week $1 for each dependent relative, but not more than $3 shall be paid to an individual as dependent's allowance with respect to any one week of unemployment nor shall any weekly benefit which includes a dependent's allowance be paid in the amount of more than $30. An individual's number of dependents shall be determined as of the day with respect to which he first files a valid claim for benefits in any benefit year, and shall be fixed for the duration of such benefit year. The dependent's allowance is not to be taken into consideration in calculating the claimant's total amount of benefits in subsection (d) of this section."

Section 10 (a) is amended to read as follows:

"(a) An individual who has left his most recent work voluntarily without good cause, as determined by the Board under regulations prescribed by it, shall not be eligible for benefits with respect to the week in which such leaving occurred and with respect to not less than 4 nor more than 9 consecutive weeks of unemployment which immediately follow such week, as determined by the Board in such case, according to the seriousness of the case. In addition such individual's total benefit amount shall be reduced in a sum equal to the number of weeks of disqualification multiplied by the weekly benefit amount.

"(b) An individual who has been discharged for misconduct occurring in the course of his most recent work proved to the satisfaction of the Board shall not be eligible for benefits with respect to the week in which such discharge occurred and for not less than 4 nor more than 9 weeks of consecutive unemployment immediately following such week, as determined by the Board in such case according to the seriousness of the misconduct. In addition such individual's total benefit amount shall be reduced in a sum equal to the number of weeks of disqualification multiplied by his weekly benefit amount."

Section 10 (c) is amended to read as follows:

"(c) If an individual otherwise eligible for benefits fails, without good cause as determined by the Board under regulations prescribed by it, either to apply for new work found by the Board to be suitable when notified by any employment office or to accept any suitable work when offered to him by any employment office, his union hiring hall, or any employer direct, he shall not be eligible for benefits with respect to the week in which such failure occurred and with respect to not less than 4 nor more than 9 consecutive weeks of unemployment which immediately follow such week, as determined by the Board in such case according to the seriousness of the refusal. In addition such individual's total benefit amount shall be reduced in a sum equal to the number of weeks of disqualification multiplied by the weekly benefit amount. In determining whether or not work is suitable within the meaning of this subsection the Board shall consider (1) the physical fitness and prior training, experience, and earnings of the individual, (2) the distance of the place of work from the individual's place of residence, and (3) the risk involved as to health, safety, or morals."

Section 10 (f) is amended to read as follows:

"(f) An individual shall not be eligible for benefits with respect to any week if it has been found by the Board that such individual is unemployed in such week as a direct result of a labor dispute, such as a strike or jurisdictional labor dispute still in active progress in the establishment where he is or was last employed: *Provided*, That this subsection shall not apply if it is shown to the satisfaction of the Board that—

"(1) he is not participating in or directly interested in the labor dispute which caused his unemployment; and

"(2) he does not belong to a grade or class of workers of which, immediately before the commencement of the dispute, there were members employed at the premises at which the dispute occurs, any of whom are participating in or directly interested in the dispute: *Provided*, That if in any case separate branches of work which are commonly conducted as separate businesses in separate premises are conducted in separate departments of the same premises, each such department shall, for the purposes of this subsection, be deemed to be a separate factory, establishment, or other premises."

Section 10 is amended by adding at the end thereof the following subsection:

"(h) An individual shall not be eligible for benefits for any week within the 6 weeks prior to the expected date of such individual's childbirth and within the 6 weeks after the date of such childbirth. In determining the expected date of childbirth the Board in its discretion may rely solely upon a doctor's certificate."

Section 13 (c) is amended to read as follows:

"(c) The Board shall each year, not later than May 1, submit to Congress a report covering the administration and operation of this act during the preceding calendar year, and containing such recommendations as the Board wishes to make."

Section 14 is amended to read as follows:

"SEC. 14. All moneys received by the Board from the United States under title III of the Social Security Act or from other sources for administering this act shall, immediately upon such receipt, be deposited in the Treasury of the United States as a special deposit to be used solely to pay such administrative expenses (including expenditures for rent, for suitable office space in the District of Columbia, and for lawbooks, books of reference, and periodicals), traveling expenses when authorized by the Board, premiums on the bonds of its employees, and allowances to investigators for furnishing privately owned motor vehicles in the performance of official duties at rates not to exceed $40 per month. All such payments of expenses shall be made by checks drawn by the Board and shall be subject to audit by the Commissioners of the District of Columbia in the same manner as are payments of other expenses of the District. Notwithstanding the provisions of this section and the provisions of sections 2 and 8 of this act, the Board is authorized to requisition and receive from its account in the unemployment trust fund in the Treasury of the United States of America, in the manner permitted by Federal law, such moneys standing to the District's credit in such fund, as are permitted by Federal law to be used for expenses incurred by the Board for the administration of this act and to expend such moneys for such purposes. Moneys so received shall, immediately upon such receipt, be deposited in the Treasury of the United States in the same special account as are all other moneys received for the administration of this act. All moneys received by the Board pursuant to section 302 of the Social Security Act shall be expended solely for the purposes and in the amounts found necessary by the Department of Labor for the proper and efficient administration of this act. In lieu of incorporation in this act of the provision described in section 303 (a) (9) of the Social Security Act, the Board shall include in its annual report to Congress, provided in section 13 (c) of this act, a report of any moneys received after July 1, 1941, from the Department of Labor under title III of the Social Security Act, and any unencumbered balances in the unemployment compensation administration fund as of that date, which the Department of Labor finds have, because of any action or contingency, been lost or have been expended for purposes other than, or in amounts in excess of, those found necessary by the Department of Labor for the proper administration of this act."

Section 15 (c) is amended to read as follows:

"(c) The Commissioners of the District shall serve on the Board without additional compensation, but the representatives of employees and employers, respectively, shall be paid $25 for each day of active service. For the purposes of this subsection, a part of a day shall be construed as an entire day."

Section 19 (a) is amended to read as follows:

"(a) Whoever makes a false statement or representation knowing it to be false, or knowingly fails to disclose a material fact, to obtain or increase any benefit or other payment provided for in this act or under an employment security law of any other State, of the Federal Government, or a foreign government for himself or any other individual, shall, for each such offense, be fined not more than $100 or imprisoned not more than 60 days, or both."

Section 19 is amended by adding at the end thereof the following subsection:

"(e) Any person who the Board finds has made a false statement or representation knowing it to be false, or who knowingly fails to disclose a material fact, to obtain or increase any benefit or any other payment under this act may be required by the Board to repay to it for the fund a sum equal to the amount of all benefits received by him for weeks subsequent to the date of the offense and falling within the benefit year current at the time of the offense. Such claimant may also be disqualified for benefits for all or part of the remainder of such benefit year and for a period of not more than 1 year commencing with the end of such benefit year and thereafter while any sum payable to the Board for the fund under this subsection is still due and unpaid, unless the Board in its discretion shall decide, after the disqualification imposed has been served, to allow the claimant to file a claim for benefits and recoup from such benefits the amount still payable to the Board.

"All findings under this subsection shall be made by an appeals tribunal of the Board which shall afford the claimant a reasonable opportunity for a fair hearing in accordance with the provisions of section 11 of this act and such findings shall be subject to review in the same manner as all other disqualifications decided by an appeals tribunal of the Board."

There shall be added after section 26 the following:

"SEC. 27. (a) Whenever this act prescribes the performance of a duty by any official or agency of the District of Columbia, such duty shall be performed by the Commissioners of the District of Columbia or such officer, employee, or agency as the Commissioners may delegate to perform the duty for them.

"(b) Where any provision of this act, or any amendment made by this act, refers to an office or agency abolished by or under the authority of Reorganization Plan No. 5 of 1952, such reference shall be deemed to be the office, agency, or officer exercising the functions of the office or agency so abolished."

TRANSITION PROVISIONS

SEC. 2. (a) As used in this section, unless the context clearly requires otherwise—

(1) "old law" means the unemployment compensation law prior to its amendment by this act;

(2) "new law" means the unemployment compensation law as amended by this act; and

(3) "effective date" means the date upon which the new law becomes effective.

(b) All initial and continued claims for benefits for weeks occurring within a benefit year which commences prior to the effective date shall be computed and paid in accordance with the old law. All initial and continued claims for benefits for weeks occurring within a benefit year which commences on or after the effective date shall be computed and paid in accordance with the new law.

(c) This act shall take effect as of 12:01 o'clock antemeridian on the first day of the next succeeding calendar quarter following the enactment of this act.

With the following committee amendments:

On page 6, line 14, strike "(1)."

On page 6, line 15, strike the word "amounts" and insert in lieu thereof the word "accounts."

On page 6, line 24, strike "(2)."

On page 12, line 21, after the word "by" and before the word "all", insert the following: "the District of Columbia bears to the total amount of the base period wages paid to the individual by."

On page 16, line 7, strike the word "any" and insert in lieu thereof the word "an."

On page 17, beginning on line 2, after the word "amount", strike the following: "or one-half of the wages for employment paid to such individual by employers during his base period, whichever is the lesser:" and insert in lieu thereof the following: "or 38 percent of the wages for employment paid to such individual by employers during his base period, whichever is the lesser."

On page 18, between the lines 21 and 22, insert the following:

"Section 10 (b) is amended to read as follows."

On page 20, strike out lines 5 through 25, and on page 21 strike out lines 1 and 2.

On page 24, line 13, after the word "for" and before the word "and", insert the following: "benefit for all or part of the remainder of such benefit year."

On page 26, strike out subsection (b) and insert a new subsection (b).

"(b) The benefit rights of any individual having a benefit year current on or after the effective date shall be redetermined and benefits for calendar weeks ending subsequent to the effective date shall be paid in accordance with the new law, provided that no claimant shall have his benefits reduced or denied by redetermination resulting from the application of this provision. All initial and continued claims for benefits for weeks occurring within a benefit year which commences on or after the effective date shall be computed and paid in accordance with the new law."

On page 26, strike out subsection (c) and insert a new subsection (c).

"(c) This act shall take effect on January 1, 1955."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

Mr. TALLE. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 3482) to amend the District of Columbia Unemployment Compensation Act, and for other purposes.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the District of Columbia Unemployment Compensation Act, approved August 28, 1935 (49 Stat. 946), as amended (title 46, ch. 3, D. C. Code, 1951 ed.), is amended as follows:

Section 1 (b) (2) (B) is amended by adding at the end thereof the following:

"Service shall be deemed to be localized within a State if—

"(i) the service is performed entirely within such State; or

"(ii) the service is performed both within and without such State, but the service performed without such State is incidental to the individual's service within the State, for example, is temporary or transitory in nature or consists of isolated transactions."

Section 1 (b) (4) is amended to read as follows:

"(4) Notwithstanding any other provisions of this subsection, the term 'employment' shall also include all service performed after the effective date of this amendment by an officer or member of the crew of an American vessel on or in connection with such vessel, provided that the operating office, from which the operations of such vessel operating on navigable waters within or within and without the United States are ordinarily and regularly supervised, managed, directed, and controlled, is within the District."

Section 1 (b) (5) is amended by adding at the end thereof the following subsections:

"(Q) service performed on or in connection with a vessel not an American vessel by an individual if he performed service on and in connection with such vessel when outside the United States;

"(R) service performed by an individual in (or as an officer or member of the crew of a vessel while it is engaged in) the catching, taking, harvesting, cultivating, or farming of any kind of fish, shellfish, crustacea, sponges, seaweeds, or other aquatic forms of animal and vegetable life (including service performed by any such individual as an ordinary incident to any such activity), except (A) service performed in connection with the catching or taking of salmon or halibut, for commercial purposes, and (B) service performed on or in connection with a vessel of more than 10 net tons (determined in the manner provided for determining the register tonnage of merchant vessels under the laws of the United States)."

Section 1 (b) is amended by adding at the end thereof the following subsections:

"(7) Notwithstanding any of the provisions of subsection 1 (b) (5) of this act, services shall be deemed to be in employment if with respect to such services a tax is required to be paid under any Federal law imposing a tax against which credit may be taken for contributions required to be paid into a State unemployment compensation fund.

"(8) (i) Any service performed for an employing unit, which is excluded under the definition of employment in section 1 (b) (5) and with respect to which no payments are required under the employment security law of another State or of the Federal Government may be deemed to constitute employment for all purposes of this act: *Provided*, That the Board has approved a written election to that effect filed by the employing unit for which the service is performed, as of the date stated in such approval. No election shall be approved by the Board unless it (A) includes all the service of the type specified in each establishment or place of business for which the election is made, and (B) is made for not less than 2 calendar years.

"(ii) Any service which, because of an election by an employing unit under section 1 (b) (8) (i), is employment subject to this act shall cease to be employment subject to the act as of January 1 of any calendar year subsequent to the 2 calendar years of the election, only if not later than March 15 of such year, either such employing unit has filed with the Board a written notice to that effect, or the Board on its own motion has given notice of termination of such coverage."

Section 1 (c) is amended by repealing subsection (1) and renumbering subsection (2) to be subsection (1) and subsection (3) to

be subsection (2) and subsection (4) to be subsection (3).

Section 1 (h) is amended to read as follows:

"(h) 'Benefit year' with respect to any individual means the 52 consecutive-week period beginning with the first day of the first week with respect to which the individual first files a valid claim for benefits, and thereafter the 52 consecutive-week period beginning with the first day of the first week with respect to which the individual next files a valid claim for benefits after the termination of his last preceding benefit year. Any claim for benefits made in accordance with section 11 of this act shall be deemed to be a 'valid claim' for the purposes of this subsection if the individual has during his base period been paid wages for employment by employers as required by the provisions of section 7 of the act."

Section 1 (m) is amended to read as follows:

"(m) 'Employment office' means a free public employment office or branch thereof operated by this or any other State as a part of a State-controlled system of public employment offices or by a Federal agency or any agency of a foreign government charged with the administration of an unemployment-insurance program of free public employment offices."

Section 1 is amended by adding at the end thereof the following subsections:

"(t) The term 'American vessel' means any vessel documented or numbered under the laws of the United States; and includes any vessel which is neither documented or numbered under the laws of the United States nor documented under the laws of any foreign country, if its crew performs service solely for one or more citizens or residents of the United States or corporations organized under the laws of the United States or of any State.

"(u) The term 'principal base period employer' means the employer that paid a claimant the greatest amount of wages used in the computation of his claim. In the event two or more employers paid the claimant identical amounts, the employer in such group for whom the claimant most recently worked shall be the principal base period employer."

Section 3 (c) (1) is amended by adding at the end thereof the following: "Each year the Board shall credit to each of such accounts having a positive reserve on the computation date, the interest earned by such accounts from the Federal Government. This shall be done by averaging the interest rate paid for the four quarters ending on the computation date and crediting to each such account the amount which the reserve on such computation date would earn at such average rate of interest."

Section 3 (c) (2) is amended by adding at the end thereof the following:

"The principal base period employer shall be notified of each payment of benefits to a claimant at the time of such payment."

Section 3 (c) (7) (a) is amended to read as follows:

"(a) If 25 percent or more of the business of any employer is transferred, the transferee shall be determined a successor for the purposes of this section.

"(i) If the Board is unable to get information upon which to determine whether or not 25 percent of the business has been transferred, it may, in its discretion, make such determination based upon the quarterly payrolls of the employers involved for the last complete calendar quarter prior to the transfer and the first complete calendar quarter after such transfer.

"(ii) In the event of a transfer of 25 percent or more of the assets of a covered employer's business by any means whatever, otherwise than in the ordinary course of trade, such transfer shall be deemed a transfer of business and shall constitute the transferee a successor hereunder, unless the Board, on its own motion or on application of an interested party, finds that all of the following conditions exist:

"(1) The transferee has not assumed any of the transferor's obligations;

"(2) The transferee has not continued or resumed transferor's goodwill;

"(3) The transferee has not continued or resumed the business of the transferor, either in the same establishment or elsewhere; and

"(4) The transferee has not employed substantially the same employees as those the transferor had employed in connection with the assets transferred.'

Section 3 (c) (7) (c) is amended to read as follows:

"(c) The successor shall take over and continue the employer's account, including its reserve and all other aspects of its experience under this section, in proportion to the payroll assignable to the transferred business as determined for the purposes of this section by the Board However, his successor shall take over only the reserve actually credited to the account of the transferor or for which the transferor has filed a claim with the Board at the date of transfer. The successor shall be secondarily liable for any amounts owed by the employer to the fund at the time of such transfer; but such liability shall be proportioned to the extent of the transfer of business and shall not exceed the value of the assets transferred."

Section 3 (c) (7) (d) is amended to read as follows:

"(d) The benefit chargeability of a successor's account under section 3 (c), if not accrued before the transfer date, shall begin to accrue on the transfer date in case the transferor's benefit chargeability was then accruing; or shall begin to accrue on the date otherwise applicable to the successor, or on the date otherwise applicable to the transferor, whichever is earlier, in case the transferor's benefit chargeability was not accruing on the transfer date. Similarly, benefits from a successor's account, if not chargeable before the transfer date, shall become chargeable on the transfer date, in case the transferor was then chargeable for benefit payments; or shall become chargeable on the date otherwise applicable to the successor or on the date otherwise applicable to the transferor, whichever is earlier, in case the transferor was chargeable for benefit payments on the transfer date."

Section 3 (c) (7) (f) is amended to read as follows:

"(f) Notwithstanding any other provisions of this section, if the successor employer was an employer subject to this act prior to the date of transfer, his rate of contributions the remainder of the calendar year shall be his rate with respect to the period immediately preceding his date of acquisition. If the successor was not an employer prior to the date of transfer, his rate shall be the rate applicable to the transferor or transferors with respect to the period immediately preceding the date of transfer, provided there was only one transferor or there were only transferors with identical rates; if the transferor rates were not identical, the successor's rate shall be the highest rate applicable to any of the transferors with respect to the period immediately preceding the date of transfer. The rate of the transferor, if still subject to the act, will not be redetermined and shall remain the rate with respect to the period immediately preceding the date of transfer.

"For future years, for the purposes of section 3 (c), the Board shall determine the 'experience under this section' of the successor employer's account and of the transferring employer's account by allocating to the successor employer's account for each period in question the respective proportions of the transferring employer's payroll, contributions and the benefit charges which the Board determines to be properly assignable to the business transferred."

Section 3 (c) (7) (g) is hereby repealed.

Section 3 (c) (8) (i) is amended to read as follows:

"1. If as of the computation date the total of all contributions credited to any employer's account, with respect to employment since May 31, 1939, is in excess of the total benefits paid after June 30, 1939, then chargeable or charged to his account, such excess shall be known as the employer's reserve, and his contribution rate for the ensuing calendar year or part thereof shall be—

"(A) 2.7 percent if such reserve is less than .9 percent of his average annual payroll;

"(B) 2 percent if such reserve equals or exceeds .9 percent but is less than 1.4 percent of his average annual payroll;

"(C) 1.5 percent if such reserve equals or exceeds 1.4 percent but is less than 1.9 percent of his average annual payroll;

"(D) 1 percent if such reserve equals or exceeds 1.9 percent but is less than 2.9 percent of his average annual payroll;

"(E) 0.5 percent if such reserve equals or exceeds 2.9 percent but is less than 3.4 percent of his average annual payroll;

"(F) 0.1 percent if such reserve equals or exceeds 3.4 percent of his average annual payroll."

Section 3 (c) (10) is amended by substituting the word "thirty" for the word "fifteen" in the second and seventh sentences thereof.

Section 3 is amended by adding at the end thereof the following new subsections:

"(e) From December 31, 1939, to January 1, 1955, wages, for the purpose of section 3, shall not include any amount in excess of $3,000 paid by an employer to any person arising out of his or her employment during any calendar year. After December 31, 1954, wages shall not include any amount in excess of $3,000 (or in excess of the limitation on the amount of taxable wages fixed by the Federal Unemployment Tax Act (26 U. S. C. 1600, 1607), whichever is greater) actually paid by an employer to any person during any calendar year. After December 31, 1954, the term 'employment' for the purpose of this subsection shall include services constituting employment under any employment security law of another State or of the Federal Government.

"(f) In the event the District of Columbia should elect to cover employees under this act under the provisions of section 1 (b) (8) (i) in lieu of contributions required of employers under this act, the District of Columbia shall pay into the fund an amount equivalent to the amount of benefits paid to individuals based on wages paid by the District. If benefits paid an individual are based on wages paid by both the District of Columbia and one or more other employers, the amount payable by the District to the fund shall bear the same ratio to total benefits paid to the individual as the base-period wages paid to the individual by the District of Columbia bears to the total amount of the base-period wages paid to the individual by all of his base-period employers.

"The amount of payment required under this section shall be ascertained by the Board quarterly and shall be paid from the general funds of the District at such time and in such manner as the Commissioners of the District of Columbia may prescribe except that to the extent that benefits are paid on wages paid by the District from special administrative funds, the payment by the District into the unemployment fund shall be made from special funds.

"(g) Contributions due under this act with respect to wages for insured work shall, for the purpose of this section, be deemed to have been paid to the fund as of the date payment was made as contributions therefor

under another State or Federal employment security law if payment into the fund of such contributions is made on such terms as the director finds will be fair and reasonable as to all affected interests. Payments to the fund under this subsection shall be deemed to be contributions for purposes of section 3."

Section 4 (c) is amended to read as follows:

"(c) (1) If contributions are not paid when due, there shall be added, as part of the contributions, interest at the rate of one-half of 1 percent per month or fraction thereof from the date the contributions became due until paid.

"(2) If contributions or wage reports are not filed when due or contributions are not paid when due, there shall be added as part of the contributions a penalty of 10 percent of the contributions, but such penalty shall not be less than $5 nor more than $25 and for good cause such penalty may be waived by the Board with the approval of the Commissioners of the District of Columbia."

Section 4 (d) is amended to read as follows:

"(d) In the event of the death, dissolution, insolvency, receivership, bankruptcy, composition, or assignment for benefit of creditors of any employer, contributions then or thereafter due from such employer under this section shall have priority over all other claims, except taxes due the United States or the District, and wages (not exceeding $600 with respect to any individual) due for services performed within the 3 months preceding such event."

Section 4 (j) is amended by substituting the following:

"(j) The Board in its discretion, whenever it may deem it administratively advisable, may charge off of its books any unpaid account due the Board or any credit due an employer who has been out of business for a period of more than 3 years. Whenever an account is charged off by the Board, there shall be placed in the minutes of the Board a reason for such action."

Section 4 (l) is amended by adding at the end thereof the following:

"There is hereby established in the Treasury of the United States a special escrow account into which the Board shall deposit all funds received in connection with an offer of compromise. Such funds shall be kept in such escrow account until final action is had upon the offer of compromise and shall not be subject to offset for any indebtedness whatsoever. In the event the compromise is approved, the funds shall be transferred to the District unemployment compensation fund. In the event the compromise is disapproved, the funds shall be immediately returned to the individual who made the offer of compromise."

Section 7 is amended to read as follows:

"AMOUNT AND DURATION OF BENEFITS

"SEC. 7. (a) On and after January 1, 1938, benefits shall become payable from the benefit account of the District unemployment fund. All benefits shall be paid through employment offices, in accordance with such regulations as the Board may prescribe.

"(b) Except as provided in section 7 (c), an individual's weekly benefit amount shall be the amount in column (B) of the table in this subsection on the line on which, in column (A), there appears his total wages for employment paid to such individual by employers during that quarter of his base period in which such wages were the highest.

"Table A

"High-quarter wages (col. A)	Basic weekly benefit (col. B)	Minimum qualifying wages (col. C)
$130.00 to $184	8	276
$184.01 to $207	9	310

"Table A—Continued

" High-quarter wages (col. A)	Basic weekly benefit (col. B)	Minimum qualifying wages (col. C)
$207.01 to $230	10	345
$230.01 to $253	11	379
$253.01 to $276	12	414
$276.01 to $299	13	448
$299.01 to $322	14	483
$322.01 to $345	15	517
$345.01 to $368	16	552
$368.01 to $391	17	586
$391.01 to $414	18	621
$414.01 to $437	19	655
$437.01 to $460	20	690
$460.01 to $483	21	724
$483.01 to $506	22	759
$506.01 to $529	23	793
$529.01 to $552	24	828
$552.01 to $575	25	862
$575.01 to $598	26	897
$598.01 to $621	27	931
$621.01 to $644	28	966
$644.01 to $667	29	1,000
$667.01 and over	30	1,035

"(c) To qualify for benefits an individual must have been paid wages for employment in his base period totaling not less than the amount in column (C) of the table in section 7 (b) on the line on which, in column (B), there appears his weekly benefit amount, and such wages must have been in at least two calendar quarters in his base period: *Provided*, That if an individual during his base period has not been paid such an amount but has been paid wages in at least two quarters in his base period totaling not less than the amount in column (C) of the table in section 7 (b) on the line next above the line on which, in column (B), there appears the computed weekly benefit amount, he can qualify for benefits and his weekly benefit amount shall be the amount appearing in column (B) on the line for which the individual qualifies for benefits in column (C).

"(d) Any otherwise eligible individual shall be entitled during any benefit year to a total amount of benefits equal to 26 times his weekly benefit or 38 percent of the wages for employment paid to such individual by employers during his base period, whichever is the lesser: *Provided*, That such total amount of benefits, if not a multiple of $1, shall be computed to the next higher multiple of $1.

"(e) Any individual who is unemployed in any week as defined in section 1 (e) and who meets the conditions of eligibility for benefits of section 9 and is not disqualified under the provisions of section 10 shall be paid with respect to such week an amount equal to his weekly benefit amount, less the earnings (if any) payable to him with respect to such week. For the purpose of this subsection, the term 'earnings' shall include only that part of the remuneration payable to him for such week which is in excess of 40 percent of his weekly benefit amount for any week. Such benefits, if not a multiple of $1, shall be computed to the next higher multiple of $1.

"(f) Dependent's allowance: In addition to the benefits payable under the foregoing subsections of this section, each eligible individual who is unemployed in any week shall be paid with respect to such week $1 for each dependent relative, but not more than $3 shall be paid to an individual as dependent's allowance with respect to any 1 week of unemployment nor shall any weekly benefit which includes a dependent's allowance be paid in the amount of more than $30. An individual's number of dependents shall be determined as of the day with respect to which he first files a valid claim for benefits in any benefit year, and shall be fixed for the duration of such benefit year. The dependent's allowance is not to be taken into consideration in calculating the claimant's total amount of benefits in subsection (d) of this section."

Section 10 (a) is amended to read as follows:

"(a) An individual who has left his most recent work voluntarily without good cause, as determined by the Board under regulations prescribed by it, shall not be eligible for benefits with respect to the week in which such leaving occurred and with respect to 6 consecutive weeks of unemployment which immediately follow such week, as determined by the Board in such case according to the seriousness of the case."

Section 10 (b) is amended to read as follows:

"(b) An individual who has been discharged for misconduct occurring in the course of his most recent work proved to the satisfaction of the Board shall not be eligible for benefits with respect to the week in which such discharge occurred and for 6 weeks of consecutive unemployment immediately following such week, as determined by the Board in such case according to the seriousness of the misconduct."

Section 10 (c) is amended to read as follows:

"(c) If an individual otherwise eligible for benefits fails, without good cause as determined by the Board under regulations prescribed by it, either to apply for new work found by the Board to be suitable when notified by any employment office or to accept any suitable work when offered to him by any employment office, his union hiring hall, or any employer direct, he shall not be eligible for benefits with respect to the week in which such failure occurred and with respect to 6 consecutive weeks of unemployment which immediately follow such week, as determined by the Board in such case according to the seriousness of the refusal. In determining whether or not work is suitable within the meaning of this subsection the Board shall consider (1) the physical fitness and prior training, experience, and earnings of the individual, (2) the distance of the place of work from the individual's place of residence, and (3) the risk involved as to health, safety, or morals."

Section 10 (f) is amended to read as follows:

"(f) An individual shall not be eligible for benefits with respect to any week if it has been found by the Board that such individual is unemployed in such week as a direct result of a labor dispute, such as a strike or jurisdictional labor dispute still in active progress in the establishment where he is or was last employed: *Provided*, That this subsection shall not apply if it is shown to the satisfaction of the Board that—

"(1) he is not participating in or directly interested in the labor dispute which caused his unemployment; and

"(2) he does not belong to a grade or class of workers of which, immediately before the commencement of the dispute, there were members employed at the premises at which the dispute occurs, any of whom are participating in or directly interested in the dispute: *Provided*, That if in any case separate branches of work which are commonly conducted as separate businesses in separate premises are conducted in separate departments of the same premises, each such department shall, for the purposes of this subsection, be deemed to be a separate factory, establishment, or other premises."

Section 10 is amended by adding at the end thereof the following subsection:

"(h) An individual shall not be eligible for benefits for any week within the 6 weeks prior to the expected date of such individual's childbirth and within the 6 weeks after the date of such childbirth. In determining the expected date of childbirth the Board in its discretion may rely solely upon a doctor's certificate."

Section 13 (c) is amended to read as follows:

"(c) The Board shall each year, not later than May 1, submit to Congress a report covering the administration and operation of this act during the preceding calendar year, and containing such recommendations as the Board wishes to make."

Section 14 is amended to read as follows:

"SEC. 14. All moneys received by the Board from the United States under title III of the Social Security Act or from other sources for administering this act shall, immediately upon such receipt, be deposited in the Treasury of the United States as a special deposit to be used solely to pay such administrative expenses (including expenditures for rent, for suitable office space in the District of Columbia, and for lawbooks, books of reference, and periodicals), traveling expenses when authorized by the Board, premiums on the bonds of its employees, and allowances to investigators for furnishing privately owned motor vehicles in the performance of official duties at rates not to exceed $40 per month. All such payments of expenses shall be made by checks drawn by the Board and shall be subject to audit by the Commissioners of the District of Columbia in the same manner as are payments of other expenses of the District. Notwithstanding the provisions of this section and the provisions of sections 2 and 8 of this act, the Board is authorized to requisition and receive from its account in the Unemployment Trust Fund in the Treasury of the United States of America, in the manner permitted by Federal law, such moneys standing to the District's credit in such fund, as are permitted by Federal law to be used for expenses incurred by the Board for the administration of this act and to expend such moneys for such purposes. Moneys so received shall, immediately upon such receipt, be deposited in the Treasury of the United States in the same special account as are all other moneys received for the administration of this act. All moneys received by the Board pursuant to section 302 of the Social Security Act shall be expended solely for the purposes and in the amounts found necessary by the Department of Labor for the proper and efficient administration of this act. In lieu of incorporation in this act of the provision described in section 303 (a) (9) of the Social Security Act, the Board shall include in its annual report to Congress, provided in section 13 (c) of this act, a report of any moneys received after July 1, 1941, from the Department of Labor under title III of the Social Security Act, and any unencumbered balances in the unemployment compensation administration fund as of that date, which the Department of Labor finds have, because of any action or contingency, been lost or have been expended for purposes other than, or in amounts in excess of, those found necessary by the Department of Labor for the proper administration of this act."

Section 15 (c) is amended to read as follows:

"(c) The Commissioners of the District shall serve on the Board without additional compensation, but the representatives of employees and employers, respectively, shall be paid $25 for each day of active service. For the purposes of this subsection, a part of a day shall be construed as an entire day."

Section 19 (a) is amended to read as follows:

"(a) Whoever makes a false statement or representation knowing it to be false, or knowingly fails to disclose a material fact, to obtain or increase any benefit or other payment provided for in this act or under an employment security law of any other State, of the Federal Government, or a foreign government for himself or any other individual, shall, for each such offense, be fined not more than $100 or imprisoned not more than 60 days, or both."

Section 19 is amended by adding at the end thereof the following subsection:

"(e) Any person who the Board finds has made a false statement or representation knowing it to be false, or who knowingly fails to disclose a material fact, to obtain or increase any benefit or any other payment under this act may be required by the Board to repay to it for the fund a sum equal to the amount of all benefits received by him for weeks subsequent to the date of the offense and falling within the benefit year current at the time of the offense. Such claimant may also be disqualified for benefits for all or part of the remainder of such benefit year and for a period of not more than 1 year commencing with the end of such benefit year and thereafter while any sum payable to the Board for the fund under this subsection is still due and unpaid, unless the Board in its discretion shall decide, after the disqualification imposed has been served, to allow the claimant to file a claim for benefits and recoup from such benefits the amount still payable to the Board.

"All findings under this subsection shall be made by an appeals tribunal of the Board which shall afford the claimant a reasonable opportunity for a fair hearing in accordance with the provisions of section 11 of this act and such findings shall be subject to review in the same manner as all other disqualifications decided by an appeals tribunal of the Board."

There shall be added after section 26 the following:

"SEC. 27. (a) Wherever this act prescribes the performance of a duty by any official or agency of the District of Columbia, such duty shall be performed by the Commissioners of the District of Columbia or such officer, employee, or agency as the Commissioners may delegate to perform the duty for them.

"(b) Where any provision of this act, or any amendment made by this act, refers to an office or agency abolished by or under the authority of Reorganization Plan No. 5 of 1952, such reference shall be deemed to be to the office, agency, or officer exercising the functions of the office or agency so abolished."

SEC. 2. (a) As used in this section, unless the context clearly requires otherwise—

(1) "old law" means the unemployment compensation law prior to its amendment by this act;

(2) "new law" means the unemployment compensation law as amended by this act; and

(3) "effective date" means the date upon which the new law becomes effective.

(b) The benefit rights of any individual having a benefit year current on or after the effective date shall be redetermined and benefits for calendar weeks ending subsequent to the effective date shall be paid in accordance with the new law: *Provided*, That no claimant shall have his benefits reduced or denied by redetermination resulting from the application of this provision. All initial and continued claims for benefits for weeks occurring within a benefit year which commences on or after the effective date shall be computed and paid in accordance with the new law.

SEC. 3. This act shall take effect on the first day of the next succeeding calendar quarter following the enactment of this act.

Mr. TALLE. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. TALLE: Strike out all after the enacting clause and insert the provisions of H. R. 9648 as passed.

The amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The proceedings whereby the bill H. R. 9648 was passed were vacated, and the bill was laid on the table.

ELECTION OF DELEGATES REPRESENTING THE DISTRICT OF COLUMBIA TO NATIONAL POLITICAL CONVENTIONS

Mr. SIMPSON of Illinois. Mr. Speaker, by direction of the Committee on the District of Columbia, I call up the bill (S. 1611) to regulate the election of delegates representing the District of Columbia to national political conventions, and for other purposes, and ask unanimous consent that the bill be considered in the House as in Committee of the Whole.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That national committeemen and national committeewomen of political parties and delegates and alternates from the District of Columbia to all conventions of political parties nominating candidates for the Presidency and the Vice Presidency of the United States shall be elected as provided in this act.

DEFINITIONS

SEC. 2. For the purposes of this act—

(1) The term "District" means the District of Columbia.

(2) The term "qualified elector" means a citizen of the United States (A) who has been domiciled in the District continuously since the beginning of the 1-year period ending on the day of the next election or, if such period has not begun, is domiciled in the District and who does not claim voting residence in any State or Territory; (B) who is, or will be on the day of the next election, 21 years old; (C) who has never been convicted of a felony in the United States, or if he has been so convicted, has been pardoned; and (D) who is not mentally incompetent as adjudged by a court of competent jurisdiction.

(3) The term "Board" means the Board of Elections for the District of Columbia provided for by section 3.

CREATION OF BOARD OF ELECTIONS

SEC. 3. There is hereby created a Board of Elections for the District of Columbia, to be composed of three members appointed by the Commissioners of the District of Columbia. The first terms of offices on the Board shall expire, as designated by the Commissioners, one at the close of December 31 of each of the first 3 years which begin after the date of enactment of this act. Subsequent terms of each such office shall be 3 years beginning January 1 following the expiration of the preceding term of such office. Any person appointed to fill a vacant office shall be appointed only for the unexpired term of such office. Until his successor is appointed and has qualified, a member may continue to serve even though the term of the office to which he was appointed has expired.

QUALIFICATIONS AND COMPENSATION OF MEMBERS

SEC. 4. (a) No person shall be a member of the Board unless he qualifies as an elector and resides in the District. No person may be appointed to the Board unless he has been domiciled in the District continuously since the beginning of the 3-year period ending on the day he is appointed. Members of the Board shall hold no other office or employment in the Federal or District government. Not more than two members shall be members of the same political party.

(b) Each member of the Board shall be paid compensation at the rate of $25 per day while performing duties under this act. Except as provided in subsection (a) no person shall be ineligible to serve or to receive compensation as a member of the Board because he occupies another office or position or because he receives compensation (including retirement compensation) from another source. The right to another office or position or to compensation from another source otherwise secured to such a person under the laws of the United States shall not be abridged by the fact of his service or receipt of compensation as a member of the Board, if such service does not interfere with the discharge of his duties in such other office or position.

FUNCTIONS OF BOARD

SEC. 5. (a) The Board shall—

(1) maintain a permanent registry, keeping it accurate and current;

(2) conduct registrations and elections;

(3) print, distribute, and count ballots, or provide and operate suitable voting machines;

(4) divide the District into appropriate voting precincts, each of which shall contain at least 350 registered persons;

(5) operate polling places;

(6) certify nominees and the results of elections; and

(7) perform such other duties as are imposed upon it by this act.

(b) The Board, and persons authorized by it, may administer oaths to persons executing affidavidts pursuant to sections 7 and 8. It may provide for the administering of such other oaths as it considers appropriate to require in the performance of its functions.

(c) The Board may prescribe such regulations as it considers necessary to carry out the purposes of this act.

(d) The Board may employ necessary personnel.

BOARD TO BE INDEPENDENT AGENCY

SEC. 6. (a) In the performance of its duties, the Board shall not be subject to the direction of any nonjudicial officer of the District.

(b) The officers and agencies of the District government shall furnish to the Board, upon request of the Board, as are available such space and facilities in public buildings in the District to be used as registration or polling places, and such records, information, services, personnel, offices, and equipment, and such other assistance and facilities, as may be necessary to enable the Board properly to perform its functions.

REGISTRATION

SEC. 7. (a) No person shall vote in any election in the District unless he is a qualified elector and, except as provided in subsection (e), is registered in the District.

(b) No person shall be registered unless—

(1) he is a qualified elector;

(2) he has been domiciled in the District continuously since the beginning of the 9-month period ending on the day he offers to register;

(3) except as prevented by physical disability, he can read and write the English language, as shown by his ability to read and complete the affidavit prescribed by paragraph (4); and

(4) he executes a registration affidavit, completed in his own handwriting (unless prevented by physical disability) and on the form prescribed by the Board pursuant to subsection (c), showing his political affiliation, and that he meets each of the requirements specified in section 2 (2) for a qualified elector as well as the requirement of paragraph (2) of this subsection.

(c) In administering the provisions of subsection (b) (4), the Board shall prepare and use a registration affidavit form in which each request for information is readily understandable and can be satisfied by a concise answer or mark. With respect to each requirement named in or imposed by such subsection, the Board may make such requests for specific information as in its judgment may be necessary or appropriate to show whether a person seeking to register meets such requirement.

(d) The registry shall be kept open except during the 60-day period ending on the first Tuesday in April of each presidential election year, and except as provided by the Board in the case of a special election. While the registry is open, any person may apply for registration or change his registration.

(e) If a person is not permitted to register, such person, or any qualified candidate, may appeal to the Board, but not later than 3 days after the registry is closed for the next election. The Board shall decide within 7 days after the appeal is perfected whether the challenged elector is entitled to register. If the appeal is denied, the appellant may, within 3 days after such denial, appeal to the municipal court for the District of Columbia. The decision of such court shall be final and not appealable. If the appeal is upheld by either the Board or the court, the challenged elector shall be allowed to register immediately. If the appeal is pending on election day, the challenged elector may cast a ballot marked "challenged," as provided in section 10 (e).

NOMINATIONS

SEC. 8. (a) Candidates participating in an election held pursuant to this act shall be the persons registered under section 7 who have been nominated by a petition—

(1) prepared and presented to the Board in accordance with rules prescribed by the Board, but not later than 60 days before the date of the election; and

(2) signed by not less than 100 voters, registered under section 7, and of the same political party as the nominee.

(b) No person shall hold the office of committeeman, committeewoman, delegate, or alternate unless he has been a bona fide domiciliary of the District of Columbia for 3 years previous to his nomination and is a voter registered under section 7.

EXEMPTION FROM HATCH ACT

SEC. 9. The last sentence of section 9 (a) of the act entitled "An act to prevent pernicious political activities," approved August 2, 1939, as amended (5 U. S. C., sec. 118i), is amended to read as follows: "The provisions of the second sentence of this subsection shall not apply (1) to the employees of the Alaska Railroad, residing in municipalities on the line of the railroad, in respect to activities involving the municipality in which they reside, or (2) to any qualified elector of the District of Columbia, in respect to taking an active part in the nomination or election of national committeemen and national committeewomen of political parties and of delegates and alternates representing the District of Columbia at national political conventions."

METHOD OF VOTING

SEC. 10. (a) Voting in all elections shall be secret. Voting may be by paper ballot or voting machine.

(b) The ballot of a person who is registered as a resident of the District shall be valid only if cast in the voting precinct where the residence shown on his registration is located.

(c) There shall be no absentee voting.

(d) Each qualified candidate may have a watcher at each polling place, provided the watcher presents proper credentials signed by the candidate. No one shall interfere with the opportunity of a watcher to observe the conduct of the election at that polling place and the counting of votes. Watchers may challenge prospective voters who are believed to be unqualified to vote.

(e) If the official in charge of the polling place, after hearing both parties to any such challenge or acting on his own initiative with respect to a prospective voter, reasonably believes the prospective voter is unqualified to vote, he shall allow the voter to cast a paper ballot marked "challenged." Ballots so cast shall be segregated, and no such ballot shall be counted until the challenge has been removed as provided in subsection (f).

(f) If a person has been permitted to vote only by challenged ballot, such person, or any qualified candidate, may appeal to the Board within 3 days after election day. The Board shall decide within 7 days after the appeal is perfected whether the voter was qualified to vote. If the Board decides that the voter was qualified to vote, the word "challenged" shall be stricken from the voter's ballot and the ballot shall be treated as if it had not been challenged.

(g) If a voter is physically unable to mark his ballot or operate the voting machine, the official in charge of the voting place may enter the voting booth with him and vote as directed. Upon the request of any such voter, a second election official may enter the voting booth to assist in the voting. The officials shall tell no one how the voter voted. The official in charge of the voting place shall make a return of all such voters, giving their names and disabilities.

(h) No person shall vote more than once in any election nor in an election held by a political party other than that to which he has declared himself to be a member.

(i) Copies of the regulations of the Board with respect to voting shall be made available to prospective voters at each polling place.

SEC. 11. (a) The election of national committeemen and national committeewomen of political parties and of delegates and alternates to national political conventions shall be held on the first Tuesday in April of each presidential election year. Any such election shall be conducted by the Board in conformity with the provisions of this act. Polls shall be open from 8 antemeridian to 8 postmeridian on election days.

(b) Candidates receiving the highest number of votes in said election shall be declared the winners.

(c) In the case of a tie, the candidates receiving the tie vote shall cast lots before the Board at 12 o'clock noon on a date to be set by the Board, but not sooner than 10 days following the primary, and the one to whom the lot shall fall shall be declared the winner. If any candidate or candidates, receiving a tie vote fail to appear before 12 o'clock noon on said day, the Board shall cast lots for him or them. For the purpose of casting lots any candidate may appear in person, or by proxy appointed in writing.

RECOUNTS AND CONTESTS

SEC. 12. (a) If, within 7 days after the Board certifies the results of an election, any qualified candidate at such election petitions the Board to have the votes cast at such election recounted in one or more voting precincts, the Board shall order such recount. In each such case, the petitioner shall deposit a fee of $5 for each precinct petitioned to be recounted. If the cost of the recount is less than $5 per precinct, the difference shall be refunded. If the result of the election is changed as a result of the recount, the entire amount deposited by the petitioner shall be refunded. Such recounts shall be conducted in the manner prescribed by the Board by regulation.

(b) After the Board certifies the results of an election, any person who voted in the election may petition the United States District Court for the District of Columbia to review such election. In response to such a petition, the court may set aside the results so certified and declare the true results of the election, or void the election. To determine the true results of an election the court may order a recount or take other appropriate

action, whether or not a recount has been conducted or requested pursuant to subsection (a). The court shall void an election only for fraud, mistake, or other defect, serious enough to vitiate the election as a fair expression of the will of the registered qualified electors voting therein. If the court voids an election it may order a special election, which shall be conducted in such manner (comparable to that prescribed for regular elections), and at such time, as the Board shall prescribe. The decision of such court shall be final and not appealable.

INTERFERENCE WITH REGISTRATION OR VOTING

SEC. 13. (a) No one shall interfere with the registration or voting of another person, except as it may be reasonably necessary in the performance of a duty imposed by law. No person performing such a duty shall interfere with the registration or voting of another person because of his race, color, sex, or religious belief, or his want of property or income.

(b) No registered voter shall be required to perform a military duty on election day which would prevent him from voting, except in time of war or public danger or unless he is away from the District in military service. No registered voter may be arrested while voting or going to vote except for a breach of the peace then committed or for treason or felony.

EXPENDITURES

SEC. 14. (a) There is hereby authorized to be appropriated, out of the funds of the District of Columbia, such amounts as may be necessary to carry out the purposes of this act.

(b) Subject to the penalties provided in this act, a candidate for national committeeman, national committeewoman, delegate, or alternate, in his campaign for election, shall not make expenditures in excess of $2,500.

(c) No independent committee or party committee shall receive contributions aggregating more than $100,000, or make expenditures aggregating more than $100,000 for any campaign covered by this act.

(d) No person shall, directly or indirectly, make contribution in an aggregate amount in excess of $5,000 in connection with any campaign for election of any national committeeman, national committeewoman, delegate, or alternate.

(e) Every candidate and independent committee or party committee shall within 10 days after the election, file with the Board of Elections an itemized statement, subscribed and sworn to, setting forth all moneys received and expended in connection with said election, the names of persons from whom received and to whom paid, and the purpose for which it was expended. Such statement shall set forth any unpaid debts and obligations incurred by the candidate or independent committee or party committee with regard to such election, and specify the balance, if any, of election funds remaining in his or their hands.

PENALTIES

SEC. 15. Any person who shall register, or attempt to register, under the provisions of this act and make any false representations as to his place of residence or his voting privilege in any other part of the United States, or be guilty of bribery or intimidation of any voter at the elections herein provided for, or, being registered, shall vote or attempt to vote more than once in any election so held, or shall purloin or secrete any of the votes cast in such elections, or, if employed in the counting of votes in such elections, make a false report in regard thereto or attempt to vote in an election held by a political party other than that to which he has declared himself to be affiliated, and every candidate, person, or official of any political committee who shall make any expenditure or contribution in violation of this act, shall upon conviction thereof be fined not more than $500 or be imprisoned not more than 90 days, or both.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The SPEAKER. That completes the bills from the Committee on the District of Columbia to be considered today.

AZIZOLLAH AZORDEGAN

Mr. HOEVEN. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 2798) for the relief of Azizollah Azordegan.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Azizollah Azordegan shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

WAIVER OF STATE RESIDENCE REQUIREMENTS IN ELECTIONS OF FEDERAL OFFICIALS

Mr. CURTIS of Massachusetts. Mr. Speaker, I ask unanimous consent for the immediate consideration of the concurrent resolution (H. Con. Res. 218) favoring the waiver of State residence requirements in elections of Federal officials.

The Clerk read the title of the concurrent resolution.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The Clerk read the concurrent resolution, as follows:

Resolved by the House of Representatives (the Senate concurring), That the Congress expresses itself as favoring, and recommends to the several States the immediate enactment of appropriate legislation to enable a person to vote for Federal officials, when such person would be eligible to vote for such Federal officials but for the residence requirements of the State in which he is residing.

With the following committee amendment:

Before the resolving clause insert the following:

"Whereas many citizens are deprived of the right to vote because they have recently moved from one State to another and have not subsequent to such move complied with the residence requirements of the State to which they have moved; and

"Whereas it is desirable that citizens should be entitled to vote for the office of President and Vice President whether or not they had moved from one State to another; and

"Whereas such disfranchisement could be avoided by reciprocal arrangements between the several States which would recognize the right of a citizen who had moved from one State to another to continue to vote in the State from which he had moved for such reasonable period of time as would enable him to fulfill the residence requirements in the State to which he had moved: Therefore, be it,"

Strike out all after the resolving clause and insert the following: "That the Congress expresses itself as favoring, and recommends to the several States the immediate enactment of appropriate legislation to enable a person to vote when such person would be eligible to vote but for the fact that he had moved from one State to another and had not yet fulfilled the residence requirements of such State to which he had moved."

Mr. CURTIS of Massachusetts. Mr. Speaker, I offer an amendment to the committee amendment.

The Clerk read as follows:

Amendment offered by Mr. CURTIS of Massachusetts to the committee amendment: On page 2, line 8, strike out "recommends" and insert in lieu thereof "suggests"; and on page 2, line 9, strike out "immediate enactment" and insert "consideration."

The amendment to the committee amendment was agreed to.

The committee amendment was agreed to.

The concurrent resolution was agreed to, and a motion to reconsider was laid on the table.

SPECIAL COMMITTEE ON TAX-EXEMPT FOUNDATIONS—ANSWERS OF ROCKEFELLER FOUNDATION AND GENERAL EDUCATION BOARD

Mr. JAVITS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. JAVITS. Mr. Speaker, the Rockefeller Foundation and the General Education Board written and sworn statement in lieu of testimony at public hearing, which had been denied them by the Special Committee on Tax-exempt Foundations, contains a recommendation of the utmost fairness which might yet redeem some of the injustice caused by cutting off the foundations from public testimony. They suggest that the foundations be afforded "an opportunity to be heard on the draft of any report which the committee proposes to submit."

Despite my demand for a hearing on House Resolution 649, the Rules Committee has not yet undertaken to review the investigative procedures of the special committee. But at least it should give the foundations the chance to be heard on the draft report and I would urge the Rules Committee and the House leadership to see that this is done. The Rockefeller Foundation's answer says: "We see no other way to insure that we are responsive to the real issues in the minds of the committee which

would have been disclosed had public hearings not been terminated."

This makes sound sense.

It is particularly true because much of the affirmative evidence before the special committee given in public session consists of lengthy staff reports trying to prove that because of grants in the social sciences—which incidentally constitute 15 percent of the Rockefeller Foundation's and General Education Board's expenditures—the bulk of its grants being for the enormously important sponsorship of medical research and advances in public education—the foundations are responsible for much of the social welfare legislation enacted from 1933 on, which the staff report calls—according to the answer—subversive, un-American, and contrary to the public interest.

I commend to Members the Rockefeller Foundation's and General Education Board's conclusions especially urging that tax-exempt organizations make regular public reports about their funds and activities as the predecessor Cox committee recommended; second, that the Internal Revenue Service be fully staffed to supervise tax-exempt entitlement of foundations; and third, that "there is fundamental injustice in using the staff members of an investigating committee in both an accusatory and an adjudicative role."

The reported statement of the chairman of the special committee that some small foundations may be engaging in activities not entitled to tax exemption is certainly no excuse for the harm done to all foundations by denying the foundations a public hearing in the investigation.

I again urge the Rules Committee to exercise legislative oversight over the special committee and to see that the foundations have at least an opportunity to be heard on the draft report.

CALENDAR WEDNESDAY

Mr. ARENDS. Mr. Speaker, I ask unanimous consent that the business in order on Calendar Wednesday may be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

SUBVERSIVE ACTIVITIES CONTROL BOARD

Mr. WALTER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. WALTER. Mr. Speaker, there issued from an agency of the executive branch last week a recommendation on communism of far-reaching import, which I wish to discuss at length.

After a long and impartial hearing, an outfit called the Labor Youth League was found by a member of the Subversive Activities Control Board to be a Communist front. If the full Board adopts its member's recommendation, then, under the Internal Security Act, the league must register, as all Communist fronts are required to do.

In my capacity as ranking minority member of the House Committee on Un-American Activities, Mr. Speaker, I have watched with growing anxiety the tide of controversy arising as this Government has invoked protective measures against internal communism. My alarm is the greater because I know that, as such controversies divide the American people, so they weaken our leadership, on which the safety of the whole free world depends. I recognize, as all who study this question of security versus freedom must recognize, that such controversies can only benefit the Communists.

It was, then, with a sense of satisfaction, Mr. Speaker, that I observed the quiet, even casual reception given the SACB decision in the case of the Labor Youth League. Had the SACB operations aroused conflict, as some operations have aroused it, we may be sure that this decision would have been featured in the press. As it was, the New York Times buried its account of the matter on one of its inside pages while the Washington Post, in the editions which I scanned, gave it no mention at all. So much the better for security, it might be argued, in a time when this issue of security and freedom perplexes us so much.

Scant as was the notice given this Labor Youth League decision, Mr. Speaker, the SACB must not be dismissed as unimportant or its actions impotent. Members of this body may be surprised to learn how far reaching are the results the SACB decisions can bring about. True, the SACB functions without provoking quarrels or controversy, and in strict conformance with our traditions of fair play and equal justice; true also that its orders conform rigidly with the constitutional guaranties of freedom of speech, of press, and of assembly. The SACB may, nevertheless, do no less than put internal communism out of business, and when I say "out of business" I mean that through this agency, the Communist conspiracy may be put out of action—lock, stock, and barrel—I do not mean that communism may be pushed into more dangerous action underground.

But, while rejoicing that this nonpartisan, quasi-judicial SACB does its purposeful work without arousing fears that it is eroding freedom, I wish that the world knew more about its operations. Do our own people realize that this doughty little agency has pushed the Communist Party to a point where it complains of being forced into suicide? Do our allies abroad realize that amidst all the partisan turmoil over investigations of communism, the one agency empowered to control communism provokes no partisan discord whatever?

These are facts, Mr. Speaker, of which Members of this body should inform their constituents, facts of which the Voice of America should inform the world. I propose today, then, Mr. Speaker, to discuss in some detail the SACB's procedures and to describe the types of organizations to which its operations are directed. I shall treat also of the SCAB's makeup, which is bipartisan, and touch upon the court tests which its functions have undergone. None of this discussion will be news to those who follow closely the trend of our antisubversive operations, as I do. But some of it should be heartily reassuring both to Americans who are troubled over the state of our liberties and to our allies overseas who first let partisanship on these matters disunite us.

Taking up, first, the kinds of organizations to which the SACB controls are applicable—they are of two types termed "Communist action organizations" and "Communist fronts." The Labor Youth League, first of the active fronts in the Marxian conspiracy to face an SACB registration order, typifies a front. The league was founded in Chicago just 5 years ago to secure what has become the prime objective of the Soviet-led conspiracy everywhere, the capture of youth. To achieve the revolutions to which all their efforts are directed, the masters of the Marxian conspiracy realize, half the battle is to enslave the minds of impressionable youngsters in their teens.

In this, the Labor Youth League was altogether too successful for our comfort for a long time. It established chapters at a number of our universities—State and private; it set up clubs in our great industrial areas, including some in my own State of Pennsylvania. When, soon after its founding, an alert Federal Bureau of Investigation reported the league's activities to Tom Clark, then Attorney General, he at once placed the league on his list of subversive organizations. As we know, however, Mr. Speaker, such a listing entails no firm control or restraint on organizations thus branded. Although the league found the healthy Pennsylvania soil anything but hospitable, it thrives elsewhere, as came forcibly to my attention when, during one of my campaigns, $67,000 of the sum raised outside the State against me was traced to this source.

If, through such fronts as the league, the Communists expected to pursue their revolutionary schemes unhindered, they reckoned wrongly. In 1948, the year the Communist Party conceived the league idea, there developed in the Committee on Un-American Activities of this House a blueprint for the SACB, the legally constituted instrument for controlling the conspiracy. Let those, at home and abroad, who fear that partisanship over security amongst us may impair our unity, look at the history of the law which brought the SACB into being. Seldom in the development of any legislation has partisanship counted for less.

The initial blueprints for the SACB were laid out by the House Committee on Un-American Activities in a now almost forgotten measure called the Mundt-Nixon bill. Even among veteran Members here, how many today recall the Mundt-Nixon bill and what happened to it? This House, then under Republican control, passed that bill but, perhaps because it was a Republican product, the

two principal Republican leaders, the Messrs. Dewey and Stassen, contenders for the presidential nomination of their party that year, disagreed upon its meaning. In recalling now the Dewey-Stassen debate over whether, under the Mundt-Nixon bill, the Communist Party would or would not be outlawed, I intend no reflections upon the present majority party, much less upon the bill's authors.

We, of the present minority, have had our differences over the SACB legislation as well.

Worthy in purpose, the bill's terms were obscure, whence the other Chamber shelved it when it arrived there. But when, 2 years later, the Reds struck treacherously at our sister-republic of Korea and the Communists here leaped to defend their perfidy, the Mundt-Nixon bill came off the shelf. Reworked by the masterly hand of the senior Senator from Nevada, then chairman of the Senate Judiciary Committee, it emerged as the Internal Security Act of 1950; supported by the leaders of both parties, it overwhelmingly passed.

It is true, Mr. Speaker, that President Truman vetoed the internal security bill, but no less true that, on its repassage over his veto, he vigorously set about applying this surgical scalpel to the communism's tumorous growths.

The law required that the SACB should be bipartisan in makeup. The nominees Mr. Truman first appointed—2 Democrats, 2 Republicans, and 1 independent—comprised a tripartisan board.

The law required the Attorney General to proceed before SACB against any organization he believed to be engaged in Communist action or Communist-front activities. Immediately the SACB had set up for business, Attorney General J. Howard McGrath at the President's instruction, filed an action before it against the Communist Party as a Communist-action organization, this being defined as any action which served the Soviet cause.

Mr. Speaker, we hear much from the left these days of the principle of due process; of the right of every citizen to fair and impartial hearing; of the right accorded even to murderers of a day in court. There are equally strident clamors from the right. When, from the left, we are accused of denying Communists and their cohorts due process and treating them worse than murderers, the right charges us with "coddling" them. Because, forsooth, we permit Communists to invoke the fifth amendment, that amendment must go.

Does the Constitution, then, need revision before we can get at Communists, or, in the effort to get at them, are we already dismantling the Constitution? Are we coddling Communists or are we murdering them? Obviously, we cannot be doing both.

What we are doing through SACB, Mr. Speaker, is giving them that sure and equal justice under the Constitution which, as I have said, may dissolve their conspiracy. I shall treat of the evidence from the Communist Party case on this point in just a moment. Right now, let us examine the record in the Labor Youth League case which bears equally on the point.

In this first case of an active front, the Attorney General presented 14 witnesses; the league only 4 witnesses. Each side stood equal before the Honorable Harry P. Cain, a former United States Senator from the State of Washington, designated by the SACB as the member to conduct the case. For the league's convenience in presenting its side, the hearing moved from Washington to New York City, seat of the league's headquarters. The league, accorded full and equal right to cross-examine witnesses, employed that efficient legal engine to the full.

The Attorney General's witnesses, some of them ex-leaguers who had left the organization in disgust or disillusionment, were subjected by the league's lawyers to a harrowing of their lives and habits, their beliefs and theories, their motives and truthfulness, without their testimony being impaired in the slightest degree.

When, however, the league's own four witnesses took the stand and in turn were cross-examined on their Communist affiliations, all four pleaded the fifth amendment. Did this appeal by the league's witnesses to the privilege of nonincrimination wreck the Attorney General's case? Of course not. Rather, his case was strengthened. With the league charged as a front, that is, an organization under the Communist Party's control, and its witnesses refusing to say whether they were subject to the Communist discipline that maintains this control, their silence, we might conclude, pleaded the league guilty as charged.

Communists are denouncing this decision. The Daily Worker has vilified its author as a "witch hunter," the least of the epithets it has used. But the diatribes from the Communist Party's mouthpiece aside, the decision has caused little stir. The SACB does not stoop to answer its detractors.

Shunning sensationalism, scorning the retaliation smear, the agency applies equal justice, calmly and dispassionately, and it lets its actions speak for themselves. But these actions are presently drowned in a din of talk arising from the area to which the actions apply.

I repeat, Mr. Speaker, that Members of this body should inform their constituents on how the SACB operates. The American people should be told that beneath the cacophony of talk of communism that distracts the Nation an efficient machinery for control of communism hums along. Peoples abroad, now misled into believing that communism has driven us to resort to "thought control," should likewise be told of the reality which the SACB exemplifies. Every overseas library of the United States Information Service should carry on its shelves a comprehensive account of this Agency's task and how it is performed.

The learned scholar Prof. Frederick L. Schuman of Williams College, an expert on the problem of controlling communism, has published an illuminating comment. Once a critic of the SACB, Professor Schuman now holds that the agency "scrupulously observes due process and is concerned with protecting the constitutional rights of Communists" and in that he is correct.

Due process for Communists may, to the unthinking, seem equivalent to softness; softness there should not be. Communists, if not guilty of legal treason, are most certainly moral traitors, and betrayal of one's country to a deadly enemy, as the Communists would like to see us betrayed to their Soviet master, is political parricide. The Communists should and must get their just deserts.

But due process does not impede justice; on the contrary it furthers justice and, as demonstrated by the Communist Party's effort to obstruct the SACB brand of justice, this justice is most effectively firm.

When, upon passage of the Internal Security Act, Attorney General McGrath announced that he intended to enforce it, the Communist Party, before a Federal statutory court here in the District of Columbia, sued to enjoin him. To both those who cry "witch hunt" and to those who shout "softness," I commend a study of the arguments in that injunction suit and its outcome.

Enforcement of the act, the Communist Party argued, would deprive Communists of their reputations and their livelihood; the mere announcement of the Attorney General of his intention to enforce it, said the party, had prompted landlords to shut their meeting halls against it and channels of the press, radio and TV, previously open to it, were closed down.

I quote from the Communist Party's brief in appealing for an injunction a sentence epitomizing its estimate of the act and its control:

> No political party can shoulder such sanctions—
>
> Said the brief—
>
> and still survive.

As the court was to point out in an opinion accompanying its decision on the suit, the Communist Party is more than a political party; it is a revolutionary conspiracy. But the opinion also granted that the party's prophecy of its own death might be more than a mere fancy, but rather a consequence not unlikely to result from the controls which, themselves, do not spell out any death sentence.

In speaking of the controls, thus far, I have only mentioned registration, and this in connection only with organizations. But registration does not apply to organizations alone. In the case of Communist fronts all officers of the front must publicly register once yearly, and in the case of Communist action organizations the registration applies to all members as well. Beyond that, both types of organizations must file yearly financial reports; they must label all their written and spoken propaganda as "Communist." Member of neither type of organization may apply for or use passports nor may they seek or hold jobs in the Federal employ. Any and all evasions of these controls are punishable by the severest penalties, as we shall see.

The party's whinings about the livelihood of its members and its own bleak future had, then, considerable basis in fact.

Having heard the Communist Party's argument and the answers of the SACB and the Attorney General, the three-judge court denied the injunction, forthwith. In his opinion, the court's senior member, Circuit Judge David L. Bazelon, summing up the act's purpose, used language which is also to be recommended for study both by those who fear communism is goading us to sacrifice our liberties and to those who suspect we are neglecting the security threat which it presents.

Conceivably, said Judge Bazelon, the party might, under control, be deprived of members and contributions, of public good will, and of the exercise of freedom of speech and assembly; it might, in other words, die. But much more was involved, the opinion added, and I quote:

The Board and the Attorney General—

Wrote Judge Bazelon—

contend that the act represents an attempt to balance the interest of liberty with the interest of the Nation in combating * * * a clear and present danger to security. It was felt that the label "political party" should not be used to shield foreign-controlled groups. The problem, then, was how best to remove the cloak and yet leave unchecked any bona fide participation in the political process. This problem, Congress sought to meet.

The SACB has met and solved this problem, Mr. Speaker. The cloak has been removed. The Attorney General proceeded with his case against the party, and the SACB members, sitting as judge and jury for the American people, here as afterward in the Labor Youth League case, heard both sides impartially, with due process governing every move.

The SACB's verdict, finding the party to be an agent and puppet of the Soviet Union, probably surprised no one, least of all the Communists. But the registration order that accompanied it is still provoking the party's anguished howls. In his appeal from the finding and order, recently argued before the United States Circuit Court here, the party's attorney whined that "compliance would be tantamount to committing suicide." Is there a basis for this charge, Mr. Speaker? In my judgment there is. The names of all Communists underground as well as above ground are known to the FBI and, with each day's nonregistration a separate offense punishable by $10,000 fine and 5 years in prison, those evading registration face bankruptcy and a lifetime in jail.

But does this represent any denial of freedom? Not at all, Mr. Speaker, for nothing in the controls themselves deprives the party of a single constitutional right. It is "suicide" if and when it comes will be truly that, a death self-inflicted, occurring only because communism cannot stand public identification with the foul system, which, by deceit and treachery, seeks to impose the Soviet Union's hideous slavery on this free land.

The Labor Youth League, too, works for the imposition of this system, as SACB member Cain's recommended decision finds. As to other alleged Communist fronts on or awaiting hearings before the agency, I shall withhold comment, for their cases are not yet complete.

The Labor Youth League decision embodies not only member Cain's findings but a detailed exposition of the act. As to this decision I shall shortly introduce a resolution in this House.

I am convinced, Mr. Speaker, that, as the work of the SACB becomes better known the fog surrounding this Communist control problem here at home will be banished and the murk abroad be lightened. In furtherance of this educational process, I shall, in my resolution to be presented later, propose publication of the decision in the Labor Youth League case as a House document.

"PRAY FOR PEACE"

Mr. RABAUT. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. RABAUT. Mr. Speaker, on May 12 I introduced the bill H. R. 9120, to provide a canceling or postmarking die for postal mail bearing the words "Pray for Peace." It was reported from committee this morning.

Peace, like freedom, must be cherished and nurtured, else it may vanish before our eyes. In the long and bloody history of the world there have been few times in which it has been more universally sought than now. We have searched near and far to find it, save in our own hearts. We seem to have become oblivious of the fact that peace must be based upon brotherhood, morality, and mutual respect among ourselves and among other nations. We seem to grow weary of the thought which we know to be true, that lasting peace with honor can never be attained by force of arms alone, nor can it be maintained by unholy alliance or truce born out of necessity or balance of power.

The inescapable truth of the matter is that we have tried, without real success, every method known to man to attain peace. Why not turn to God? We ought to remember Him, for in many ways since the founding of our Nation He has blessed us abundantly.

It is incumbent upon us, as a Republic founded upon religious concepts, and as one of the last and strongest pillars in the citadel of the free world, that we work as if everything depended upon ourselves and pray as if everything depended upon Almighty God.

"Pray for Peace" upon our cancellation die will go far in expressing our attitude of dependence upon the Supreme Being and of our striving for a true peace in our time." Congress should pass this bill.

"For more things are wrought by prayer than this world dreams of."

COMMITTEE ON COMMUNIST AGGRESSION AGAINST POLAND, HUNGARY, CZECHOSLOVAKIA, BULGARIA, RUMANIA, LITHUANIA, LATVIA, ESTONIA, ALBANIA, RUSSIA, THE UKRAINE, BYELORUSSIA, AND OTHER NONRUSSIAN NATIONS OF THE U. S. S. R.

The SPEAKER. Under previous order of the House, the gentleman from Wisconsin [Mr. KERSTEN] is recognized for 60 minutes.

Mr. KERSTEN of Wisconsin. Mr. Speaker, when the Communists invite anyone to visit the slave world, the visitor is taken on a conducted tour.

For example, a witness before our committee in Munich testified that he had lived through the horrors of the Communist-created famine of Ukraine. Six to seven million people died of starvation. During the famine the Communists invited the French statesman, Eduard Heriot to visit Ukraine.

Heriot came to a village near Karkhov where the witness lived and was taken on a conducted tour by the Communists. What Heriot saw was the fronts of the houses newly painted while directly in back of them people were living like animals in holes dug in the ground. He saw in the windows of the shops, along this prepared route, stocks of loaves of bread and people who appeared to be freely buying them.

What Heriot was not allowed to see was that behind these shops and newly painted houses, the police had closed off all roads to the famine-stricken people. He had not seen any of the instances in which hunger-crazed people actually engaged in cannibalism.

That is why Heriot, after his visit, made public statements that he saw no famine in Ukraine and that life was quite normal there.

Another witness, a Soviet officer who was a recent escapee from Russia, told us that there are several cities in the Soviet Union inhabited completely by actors who are there to give visitors an impression of Soviet happiness and prosperity.

One could mention many such Communist deceptions: the construction of Stalin-Allee in East Berlin which is little more than a stage prop for Communist photography; seven religious schools in Hungary permitted to remain open after more than 3,000 have been closed by the Communists. The seven remain open merely to take pictures of them to put into brochures for circulation into the free world through Hungarian embassies to prove that religious freedom exists today in that Communist-dominated country.

The Communists cannot afford to permit the free world to know conditions or the real feelings of the people in the enslaved nations.

Statesmen of the free world apparently do not know the full truth inside the slave empire. They are beguiled by Communist false propaganda and duped by the smooth confidence men who peddle the Communist line all over the world. If the statesmen of the free world did know the full truth as to conditions

inside the USSR, they would never give the Communists time to digest their gains, time to overcome the tremendous anti-Communst feeling among the mass of people in the Soviet slave world.

Our committee, in recent hearings in Chicago, New York, London, Munich, and Berlin, gathered evidence of the true conditions behind the Iron Curtain from the lips of people who know them first hand.

The testimony of these escapees from communism is no phony propaganda dreamed up by Pravda in Moscow. It's the ugly truth of what it means to be completely ruled by criminals.

We have the oral testimony from 165 witnesses and many hundreds of sworn statements.

It indicts the felons of the Kremlin.

Testimony was received from Poles, Hungarians, Bulgarians, Rumanians, Estonians, Latvians, Lithuanians, Ukrainians, Byelorussians, Germans, Czechs, Slovaks, and Russians. Sworn statements were received from Armenians, Georgians, Azerbaijans, North Caucasians, Cossacks, Idel-Uralians, and Turkestanians. The cross section of witnesses included members of former ruling royal houses as well as ordinary workers and peasants; internationally known generals, political leaders and soldiers; members of the formerly free parliaments and governments; clergymen of all denominations; heads of great institutions of learning, teachers and students; businessmen, labor leaders, seamen and housewives; intellectuals; and even children. They were people who escaped from their Communist-controlled homelands just a few months ago, as well as those who escaped during and after World War II.

Barbed wires, mined fields, machineguns, savage dogs, and ruthless frontier guards, have not been able to shut the door of freedom to those who chose escape to the West.

All who testified have one thing in common; they were eyewitnesses. They saw. They experienced. They were there. Most of them suffered the tortures of communism. They came separately from the different nations enslaved by communism but with fundamentally the same story: the antihuman nature of life under communism.

The basic conclusions from their cumulative testimony under oath cannot be questioned. It was a tragic parade of witnesses—people from another world. A dreadful world of mass murder and anonymous graves, of concentration camps, prisons, slave-labor camps, and ever-present secret police, and hatred, hatred beyond the comprehension of us Americans.

I want to say in listening to this testimony by the members of our committee, a committee which in my opinion has truly been one of the most bipartisan committees it has ever been my experience to know anything about, let alone being a member and the honor of being chairman of. Mr. BUSBEY, of Illinois; Mr. BENTLEY, of Michigan; Mr. BONIN, of Pennsylvania; Mr. HILLINGS, of California; Mr. MADDEN, of Indiana; Mr. MACHROWICZ, of Michigan; Mr. DODD, of Connecticut; and Mr. FEIGHAN, of Ohio—each one of those members has brought his own great personal experience to the work of the committee and each one of them has made, through the work of this committee, a major contribution to the security of the United States.

The unanimous report that we are filing here this afternoon should be a powerful blow against the hold of the Communists upon the enslaved nations.

LISTEN TO THEIR STORIES FROM EACH COUNTRY

There was the 14-year-old Polish boy who was not permitted to go to school because he would not join a Communist youth organization and whose parents did not belong to the party. The boy was ordered to a labor camp. He decided to escape. Then with the aid of his relatives he made his way all alone from deep inside Communist Poland to the German border, crossed rivers and treacherous barbed wire near a watch tower where he was shot at by Communist border guards but luckily escaped to tell his story.

There was an Hungarian family of five—father, mother, and three children. The children told of the diabolical indoctrination in Communist schools. The father told of the crushing of labor unions when the Communists took over.

There was the story of the village priest from Czechoslovakia who was ordered by the Communists to the edge of town with 200 other civilians and there to dig their graves. When the graves were dug the Communists turned the machineguns on the 200 men and he fell into the graves with the other men, most of whom were immediately killed and he later escaped from the grave to tell the story.

There was the testimony of King Michael of Rumania in London, who told of Communist reprisals on people who demonstrated in honor of the King on St. Michael's Day. The Communists took the female children of these demonstrators to prison cells to be assaulted all night by special gangs of ill and infected people. The next morning these children were sent back to their parents with a piece of paper hung around their necks explaining that they had been assaulted by a syphilitic some time during the night and the Communists would continue this practice in the future if the demonstrations did not stop. It was shortly after this that Vishinsky forced Michael's abdication in Rumania.

In Berlin, an East German physician, who had been a Communist for many years, told of his torture for 14 months by the NKVD, and finally his sentence to the Vorkuta slave labor camp in Arctic Russia, known as the "hell hole" of the NKVD prisons. Three hundred thousand people are kept there in this Arctic slave camp. Thousands of them are women. He told of the strike these slaves finally made against the subhuman conditions of the camp and how the Soviet regime, the great benefactors of the workers, cut hundreds of the strikers down with machine guns.

From Bulgaria came the young medical student who escaped after spending 2 years in a slave camp of 3000. He had been condemned to the camp because he would not join the Communist organization in the medical school. He described conditions in this Bulgarian slave camp where they were obliged to make a certain quota of bricks each day. If they failed to keep up with the quota they were beaten into unconsciousness. He was beaten a number of times and on one occasion his body and ribs were broken because he didn't make his quota of bricks.

A witness from Byelorussia produced an original NKVD document from the files of the Communist police, showing the official murders and tortures of over a million peasants and workers during one period. He produced also the incriminating evidence from the files of the NKVD, showing that during the year 1937–38, 50,000 Byelorussian people were brutally shot. This Soviet document is in possession of the committee. It shows many other imprisonments and mass murders, making a total of 13 million executed of innocent Byelorussian people alone, all written on the official Soviet documents.

Several witnesses testified to the Vinitsia Massacre in Ukraine where a mass grave of over 10,000 corpses was found and there was testimony that there were 19 other such graves, making a total of 200,000 Ukrainian innocent victims.

In Detroit we heard the story of the Lithuanian mother who told of finding the body of her young son in the forest with 18 other teen-agers who were taken from schools, tortured and murdered by the NKVD. In Latvia and Estonia we heard the testimony of deportations of hundreds of thousands of people into Siberia away from their loved ones at home.

One of the most dramatic stories was that of the Russian NKVD officer, who confirmed the system of mass murders and deportations by telling of his actual participation in the deportation of over one-half million people in one afternoon and of the ruthless extermination of the Lithuanian patriots by the NKVD in the Baltics.

These were just some of the stories. From Poland, Hungary, Czechoslovakia, Rumania, East Germany, Bulgaria, Byelorussia, Ukraine, Lithuania, Latvia, Estonia, and Russia.

Some of our liberal friends in the free world say that you cannot call these actual crimes.

But the people of these nations call them crimes. They call them evil. We call them evil. It is only the Communists who call them virtues. Where do our liberal friends stand who want to co-exist with the Communists half way between good and evil?

I have here a schoolbook that is currently being used in the Communist schools. It tells the story of young Pavlic Morosow, the glorious young Communist patriot who turned his father over to the executioner because the father had hidden grain in the cellar against the Communist orders.

They have erected a statue to the glorious young Pavlic in Krasnaya-Presnya Square in Moscow. It is only in hell and

in Moscow that they would erect a statue to glorify patricide. The truth of the matter is that the leadership of the good elements of society are put in jail, slave labor camps, or shot.

When Vishinsky took over Latvia, he appointed Cipe Gutmanis, a convicted thief and robber, as chief of police at Riga. He appointed Bollankirs Matiss, a convicted thief, as chief of police for Liepajas, the second city of Latvia. He appointed Clemins Augusts, a bandit and a robber, as chief of police at Daugapils, third city of Latvia.

Here are their pictures taken from the police files.

Vishinsky picked the evil men of society to rule society and he personally planned the mass murders and deportations for that defenseless small nation of Latvia that resulted in the extermination of several hundred thousand innocent victims.

Who are these men with whom some say that the free world should co-exist?

Vishinsky, as I have just related, is personally guilty of mass murders and criminal actions, according to the testimony we have received.

Our evidence also contains the indictment of the personal crimes of Molotov—Skriabin is his real name. We have substantial evidence that Molotov in 1920, when he was general secretary of the Communist Party in Ukraine, organized the mass arrests and exterminations of thousands of victims in Karkhov. Molotov wiped out whole villages of peasants and workers with punitive units of the GPU, directed personnally by him.

Malenkov today has placed in charge of his police organization the notorious MVD, two men with records of mass murders that extend back for several decades. We have the evidence that his two henchmen, the first Kruglov, gave orders in Lithuania to burn any house or village and all the people enclosed into which a victim escaped. Thousands were burned to death under Kruglov's direction. We also have the evidence that Malenkov's No. 2 man Serov, personally framed the deportation orders to send husbands of families into Siberia forever separated from their loved ones. We also have additional evidence on Serov, showing that he deported the whole nation of the Chechen-Ingush, sending most of them to their death in the Arctic.

Life magazine contains substantial evidence in an issue of a few weeks ago, of the personal crimes of Chou En Lai.

Who can have the effrontery to advise our leaders, to advise President Eisenhower to sit around the conference table with characters of this kind whose criminal records of personal crimes are greater than any known to history.

During the course of our hearings we have taken the sworn testimony of more than 165 witnesses and the list of these people reads like a "Who's Who" from behind the Iron Curtain. It is on the basis of their testimony that we have prepared this report and submit the following six recommendations, which we feel, if adopted, will be of substantial help in winning the cold war. These recommendations are:

RECOMMENDATIONS

1. That the President of the United States take the initiative in convening an international conference of all free non-Communist nations for the following purposes:

(a) To express formal recognition of the fact that the Communist governments, which now control over 800 million human beings, are not representative of the will of the people.

(b) To seek agreement whereby the free non-Communist nations acting in concert will withdraw diplomatic recognition from all Moscow-controlled Communist governments.

(c) To reaffirm the friendship and solidarity of the people of the free world with the people and nations enslaved by communism.

(d) To develop a program for the rapid and complete termination of all commercial treaties and trade with Communist governments and the initiation of a program of trade among all non-Communist nations which will strengthen the security of the free world.

(e) To develop an overall, dynamic program for the defeat of the international Communist conspiracy.

2. That the President immediately establish the national military units authorized under section 101 (a) (1) of the Mutual Security Act of 1951, as amended. Such national military units will demonstrate by deed to the millions of people held captive within the Communist empire that we are firmly allied with them in their hopes and struggles to attain freedom and national independence. This includes large numbers of men conscripted into the Red army and other military establishments under Communist control.

3. That Congress enact H. R. 8000, known as the Political Asylum Act of 1954, to provide for the effective reestablishment of selected escapees in the free world.

4. That peaceful coexistence be clearly identified as a Communist myth. It should be rejected on the grounds that it is impossible for a civilization based on a belief in Almighty God, to coexist with an aggressive criminal conspiracy dedicated to the destruction of civilization and the enslavement of all mankind.

5. That an International Juridical Commission be established within the framework of the North Atlantic Treaty Organization so that Communist crimes perpetrated against humanity be fully recorded, and officially noted for prosecution.

6. That this report and the record of testimony be transmitted to the United States Ambassador to the United Nations with the request that they be made available to the delegates of the other member nations so that the world may see the incriminating evidence against the international conspirators who seek to destroy nations and individuals, religion and education, free labor, free enterprise, free speech, free press, and freedom itself.

I wish to point out that today the House passed the conference report on the mutual-security bill. It still contains the provision for national military units. That provision, as contained in the conference report, approved by the House this afternoon reads as follows:

SEC. 401. Special fund: Not to exceed $100 million of the funds available under this section may be expended for any selected persons who are residing in or escapees from the Soviet Union, Poland, Czechoslavakia, Hungary, Rumania, Bulgaria, Albania, Lithuania, Latvia, and Estonia or the Communist-dominated or Communist-occupied areas of Germany and Austria, or any Communist-dominated or Communist-occupied areas of Asia and any other countries absorbed by the Soviet Union, either to form such persons into elements of the military forces supporting the North Atlantic Treaty Organization or for other purposes, when the President determines that such assistance will contribute to the defense of the North Atlantic area or to the security of the United States.

Without further delay this provision should be implemented. The free flags of Poland, Hungary, Czechoslovakia, and the other captive nations should be flying among the defense forces of the West.

If this generation tries to buy time by abandoning the principles of morality in seeking to coexist with evil, we will be preparing the great war for our children wherein our children will be pitted in mortal combat against the children behind the Iron Curtain who are today being taught by the evil genius of communism to be the fanatical fighters against civilization.

Mr. FEIGHAN. Mr. Speaker, will the gentleman yield?

Mr. KERSTEN of Wisconsin. I yield to the gentleman from Ohio.

Mr. FEIGHAN. I notice in the papers that George Kennan, the former diplomat and author of the morally bankrupt policy of containment, which he has been peddling in the United States and which our State Department unfortunately has swallowed to a large degree, is in Germany on a lecture tour. In my opinion, Kennan has been the foremost advocate of the Kremlin's cause in America. He apparently is in favor of Red colonialism. He has never offered one positive thought on how we should defend ourselves against Red aggression. On the other hand, he is the biggest apologist in America for the Empire of Moscow.

In my opinion, Kennan's policy is calculated to weaken the American will to resist, that is, to confuse the people and to make us easy victims of the Russian plot to colonize the world. I wonder if Kennan is not now attempting to neutralize the Germans in order that they will not stand up against the atheistic communism of Moscow. This is a matter worth investigating. I hope the appropriate agency of our Government does so immediately.

Allow me to read a few excerpts from Mr. Kennan's first book called American Diplomacy. I refer to page 53, and quote as follows:

I cannot resist the thought that if we were able to lay upon ourselves this sort of restraint and if, in addition, we were able to refrain from constant attempts at moral appraisal—if, in other words, instead of making ourselves slaves of the concepts of international law and morality, we would confine these concepts to the unobtrusive, almost feminine, function of the gentle civilizer of national self-interest in which they find their true value.

Now may I refer to page 95 and quote as follows from Kennan's book:

I see the most serious fault of our past policy formulation to lie in something that I might call the legalistic-moralistic approach to international problems.

And again, on page 100, I quote as follows:

These, then, are some of the theoretical deficiencies that appear to me to be inherent

in the legalistic approach to international affairs. But there is a greater deficiency still that I should like to mention before I close. That is the inevitable association of legalistic ideas with moralistic ones: the carrying over into the affairs of states of the concepts of right and wrong, the assumption that state behavior is a fit subject for moral judgment.

One more quote, on page 119:

In these circumstances it is clear that the main element of any United States policy toward the Soviet Union must be that of a long-term, patient but firm and vigilant containment of Russian expansive tendencies.

Following Kennan's formula has paralyzed American initiative. It has led to the enslavement of no less than 10 nations since World War II and can lead only to the ultimate loss of our own freedom and independence.

Does the gentleman not agree?

Mr. KERSTEN of Wisconsin. I certainly heartily agree with the gentleman. I think particularly significant are the quotations from George Kennan's book about containment and his advocacy that we adopt a kind of feminine or receptive policy with regard to Soviet expansion, that we abandon concepts of morality and law. If we abandon morality and law we should not be concerned, of course, about the crimes of the leaders of the Communist world; the crimes, the accounts of which members of the committee listened to during the course of our hearings, would mean nothing. This is one of the great faults of the present day in the free world, the failure to recognize that if we want to arrive at a position where the world may have a stable peace, such a peace can only be based on morality. If we abandon morality, if we abandon principle, if we abandon law, such as some of our liberal friends would have us do, we would then give the Kremlin a free hand to exterminate the good people behind the Iron Curtain, to proceed with their warlike plans, to educate their youth so that they will be fanatical fighters against the West, so that our children will be the ones who will have to face up against this thing in a few years when the all-out war that they are preparing will come.

Mr. MADDEN. Mr. Speaker, will the gentleman yield?

Mr. KERSTEN of Wisconsin. I gladly yield to the gentleman from Indiana.

Mr. MADDEN. I might say that this committee, of which the gentleman from Wisconsin [Mr. KERSTEN] is chairman, and of which I have the honor of being a member, is the first duly authorized committee ever created by any government to hold hearings and take testimony of witnesses under oath, revealing the true facts about communism. We have uncovered the fog behind the Iron Curtain by several hundred witnesses who personally were victims of Soviet slavery.

We have read a great number of articles, stories, and books about Communist atrocities and brutalities but these statements were not recorded by witnesses who were under oath.

The theory of the Communist leaders that the end justifies the means is proven by our hearings. But the recorded sworn testimony of 120 witnesses, and 200 depositions taken by this committee, is the first official record of the true facts concerning the barbaric scourge of communism that today has encircled and placed in slavery about 800 million souls.

Our committee took the testimony of former leaders of captive countries, such as General Anders, General Bor-Komorowski of Poland, and the leaders of Lithuania, Latvia, Estonia, Slovakia, Hungary, and other nations that are under the iron heel of the Kremlin. These are witnesses who went through the torment and torture that the chairman of our committee is now describing.

I cannot in this short time bring out even a small part of the sordid details of the testimony. I believe the record this committee has made in regard to sworn testimony will go down in history's archives as the first true revelation to the world of the true meaning of communism and what it inflicts on its victims. I do hope that this Congress after our committee files its final report will print millions of copies of our report and the testimonial facts that we revealed. These reports should be printed in various languages, and sent to free countries that are today not as yet under the Communist yoke.

I refer particularly to some of the Latin American countries that are flirting with communism, such as Guatemala and others, because to my mind when any human being knows what communism really is and has been apprised of the real truth regarding the barbaric and criminal nature of communism, that man or woman can never be a Communist.

Last week I read that the American Bar Association had passed a resolution recommending that the true facts regarding communism be taught in our schools. Judging from the testimony that our committee has recorded, I believe the first textbook, if the American Bar Association's recommendations come to pass, should be a book taken from the testimony and the report of this committee. Then we should allow the students in the American schools to read the true, undenied, sworn testimony of several hundred witnesses who lived with and through Communist slavery. Any child or any student in grade school or high school that has read and studied the findings of this committee will never be a Communist.

Mr. KERSTEN of Wisconsin. I want to compliment the gentleman from Indiana on his great work on this committee. I recall his great work as chairman of the Katyn Forest Committee in which evidence was produced through that committee to prove convincingly and conclusively the crimes of the Communists against the people of Poland in the Katyn Forest massacre. I compliment the gentleman from Indiana particularly, too, for his bringing out in the hearings before our committee the facts pertaining to religious persecution and the persecution of people of all the captive nations.

Mr. DODD. Mr. Speaker, will the gentleman yield?

Mr. KERSTEN of Wisconsin. I yield.

Mr. DODD. I compliment the chairman of our committee for the splendid statement that he has made on the floor of the House concerning our interim report, and also for the way in which he has presided over the sessions of our committee, both executive and public.

We have had a truly bipartisan committee and great credit is due our chairman for this situation.

We still have a lot of work to do, I am sure the chairman will agree. We have done a substantial amount of work which is really in the nature of education. I do not know why the American people and the free people of the world need education at this hour with respect to this issue. But my inability to understand does not change the fact.

There were plenty of people in the world who knew the true facts with respect to aggressive communism for many years, but they were never able to obtain an adequate hearing, either in our own country or abroad. That has given cause for the existence of our committee and its educational program.

We are writing a record so that those now free to make a choice may have some basis upon which to make that choice, and that those who come after us may learn, if they will, the true nature of this great curse which has afflicted mankind and thus make a better world for themselves. The extent of the ignorance or the perverseness, if you please, of which I speak hits us right in the face at this hour. Two outstanding political leaders of our friends, the British, are embarking on a trip to Moscow and Peking. I refer to Atlee and Bevan. I understand there are explanations that this is an economic mission of a sort and that they want to explore trade possibilities. But try, as I will, I find it impossible to understand how they can in good conscience, with what they must know, make this trip at this time. However good their intentions, the trip will hurt the cause of freedom. Can you imagine what an uproar would have been raised in 1938 in England had the leaders of the American Republican Party in this country announced that they were leaving for Berlin and Vienna at the invitation of the Nazis? And I believe that the expressions of outrage would have been justified. But we have taken it rather calmly. That is all to the good provided we learn a lesson from it and bear it in mind as we make our interim report. Because it points up, the situation in which we find ourselves—with the inability or unwillingness of some people to recognize the nature of this great evil which confronts us.

Therefore, we must continue our work and must try every hour of every day to make clear to the people what the world is up against. The best way, that we can do that is to tell the facts. In addition, as we recommend in this interim report, we want to preserve the testimony of those who know the facts. Many of our witnesses are getting along in years, and will not be with us very much longer. They are the only people who can really tell the world what happened and how the Communists operate once they get into a country. So in writing our record

we have also served this important purpose. Obtained under the authority of a congressional committee, I think this testimony will have great weight and value in the future. It should be referred to some kind of commission, which I hope will be established on an international basis where it can be preserved for future generations of the whole world.

In closing, Mr. Speaker, I again congratulate the chairman of the committee. I hope our report will receive wide attention and that it will be read by Members of this body particularly, and by the people in the world who still are in ignorance, and by those who still have a choice to make.

Mr. KERSTEN of Wisconsin. I thank the gentleman, and I want to compliment him for his great work on this committee. I recall the excellent way in which the gentleman from Connecticut brought out the facts regarding the diabolical methods of teaching the young in Communist schools.

We had a family, father, mother, and three children, in Munich before our committee and these boys were testifying about how they were taught by their teachers. The gentleman from Connecticut brought out the teaching methods used by the Communists in perverting the young.

I also have in mind the gentleman's experience in the Nuremberg trials which has stood him in such excellent stead during our hearings, because one of our recommendations is to record this testimony for prosecution before an international tribunal when these criminals who are presently enslaving half of the world should be brought to justice.

The gentleman from Connecticut is one of the greatest of fighters against communism in this country.

Mr. BONIN. Mr. Speaker, will the gentleman yield?

Mr. KERSTEN of Wisconsin. I yield.

Mr. BONIN. Mr. Speaker, I also wish to join my colleagues in an expression on the floor of this House concerning the testimony that this committee has received last year and this year on Communist aggression.

We have heard from many witnesses of the Communist demands; that the state is everything, the individual nothing; and that communism is the all-powerful state that plans, owns, confiscates, and controls every single productive effort of its people. It destroys the initiative and the independence of its citizens. It enslaves labor and step by step it wipes out all of the individual liberties. Communism is the extreme opposite of the philosophy which made these United States great.

Communism, as we have heard, believes that a small group of individuals shall predetermine how every other individual under communism shall live.

Communism does not believe that all men are created equal. It maintains that a few ruthless dictators can rule the rest of the citizens. It does not believe that every man has an inalienable right to pursue happiness in his own way. It maintains that only the state knows how to make man happy.

Communism brings about the death of the nations it seizes. We heard that from witnesses from almost every nation it has taken over since World War II. It is fatal to individual liberty, fatal to free enterprise, and fatal to good living standards, prosperity, and security.

We learned from eye witnesses that the people behind the Iron Curtain countries are no longer free from illegal arrest. They are no longer free to work where and at what they please.

Communist-dominated people cannot engage in business and own property. Freedom to work one's own farm as he wishes is gone. Freedom to spend the little one earns as he wishes under the Communist system is dead.

The freedom of labor unions is a sham and a mockery.

The Secret Police are everywhere in the Red utopia.

Concentration camps contain 15 million victims of Communist aggression.

Religion and educators are pawns of the state.

Treaties and agreements are mere scraps of paper to be broken at any time that suits their convenience.

I was very happy to be associated with the rest of the members of this committee in going into this subject matter of Communist aggression. I believe that there is a duty, and an obligation on the part of Congress to familiarize itself with all the facts as we presented them in this interim report. I believe that it will be enlightening, it will be shocking, that it will alert not only the Members of Congress but the people of the United States of the fearful atrocities and the regulations by which they may have to live in the future.

Mr. KERSTEN of Wisconsin. I want to thank the gentleman from Pennsylvania and to compliment him for his great contribution to the work of this committee when during the hearings he brought out the atrocities, and the Communist persecutions against the people of Poland, against the people of Ukraine, against the people of Lithuania, Latvia, Estonia, and all of these different national groups who are being destroyed today behind the Iron curtain. The gentleman is one of the leading and great fighters against communism and Communist aggression. The gentleman from Pennsylvania recognizes the Communist leaders for what they are—international gangsters and criminals and he made a great contribution in bringing these facts out before the committee and before the world.

Mr. JUDD. Mr. Speaker, will the gentleman yield?

Mr. KERSTEN of Wisconsin. I yield to the gentleman from Minnesota.

Mr. JUDD. As I have sat here and listened to this very excellent report and comments of the Members who were on this Mission of Investigation of Communist Aggression, I have not been able to avoid recalling many, many months spent some 25 years ago in an area in China under the Chinese Communists and the frustration and the sense of helplessness that a person has when he comes back to comfortable, easy-going America and tries to get people to realize, having not seen these things, the nature of the cruel, merciless, Godless beast with which they are dealing. I sense in the remarks of the gentleman and his colleagues the same sense of helplessness in trying to make our people see what you have seen and to realize it before it is too late.

In a sense we Americans are victims of our own finest decencies. We have prided ourselves on our sportsmanship. It is not cricket even to think that another person is going to behave like a barbarous wild animal in the jungle. Our enemies take advantage of our finest virtues, if you wish, to get away with all sorts of things that fine, sensitive, idealistic, high-minded Americans will not let themselves believe.

I most of all commend the gentleman and the members of the committee for their determination to carry on, perhaps as voices in the wilderness, so that our people will not have to go through this before they realize they are dealing with something that is not a political party, it is not an agricultural or an economic reform movement; it is a genuinely demoniacal, satanic effort to enslave every human being in the world. May God bless you and our country as you go ahead to bring home to the people of our country the truth while there is still time for us to prevent these things happening to ourselves and to those peoples of the world who are still free.

Mr. KERSTEN of Wisconsin. I thank the gentleman for his excellent remarks and for his statement about the committee. I think every Member of this Congress knows that the gentleman from Minnesota has for many years been a prophet, with regard to communism, years ago a prophet, as to tragic events that are presently taking place in Asia. Had the leaders of our country at that time when the gentleman was speaking years ago heeded his warnings and advice with regard to Asia, we would not be in the situation we are in today.

I have also in mind the remarks of the gentleman from Connecticut with regard to some of the leaders of our free world going to China for the purpose of trade. Since the Communists have taken over in Asia within the past few years the evidence is very strong that the Moscow-controlled Red leaders in China already have wiped out from 15 to 20 million innocent people. As the gentleman from Connecticut has pointed out, some leaders of the free world apparently think they can make these murderers of the Chinese people decent. You cannot make confirmed criminals decent people by sitting around conference tables with them.

Mr. JUDD. Does not the gentleman agree that even if it were possible to carry on trade relations in any normal way that would be mutually beneficial to the participants in the trade, the psychological effect on the people behind the Iron Curtain, the despair in their hearts when they see the heads of great powerful nations coming and sitting down with people whose hands drip with the blood of millions of human

beings, does not the gentleman agree we are in a sense endangering that which is our strongest and most dependable ally in this whole struggle—the 800 million people behind the Iron Curtain?

Eight hundred million people behind the Iron Curtain know communism for what it is and silently resist as best they can. But they can have no real hope when the strong, free powers bow down and scrape before tyrants.

Mr. KERSTEN of Wisconsin. There is not the slightest doubt about that. The greatest allies that the free world could have in the struggle against communism today are the people who really know communism, people who live under it. The witnesses who appeared before our committee had a clear knowledge that the Communists are gangsters. They know that you cannot deal with them. I think one very important example of trading with Communists exposes the fallacy of trading with the Reds. This fallacy is shown in the trade between Italy and countries behind the Iron Curtain today which is completely handled by the Italian Communist Party to the financial benefit of the Italian Communist Party, enabling the Communists to remain in power in Italy because of this trade while we, on the other hand, are furnishing money to Italy to combat communism.

Mr. JUDD. A short time ago we passed a bill authorizing some $3 billion to help these countries build up, in order to resist such enslavement, to give them an opportunity to oppose the enslavers. America has to make a moral decision. Are we going to put our trust in the enslaved people of the world or in cynical deals with the oppressors? So far as I am concerned, we have to put our faith in the oppressed people and not in dealings with the tyrants.

Mr. DODD. Mr. Speaker, if the gentleman will yield further, I was moved by the words of the gentleman from Minnesota, Dr. JUDD, particularly with respect to this feeling of frustration that one gets in trying to make clear to the people this danger that confronts us. He has had great experience, and I understand his feeling.

I once had an experience of my own which has given me a sympathetic understanding.

In the proceedings at Nuremberg, I found it hard to believe that millions of people could be murdered. I was sick over what I learned. Then a strange psychological change come over me, if I may call it that. I found at a certain time that I was no longer as distressed or as upset about crime on a vast scale. To put it in another way, if I talk about 100 people losing their lives in a fire or if I talk about a train disaster or a shipwreck involving hundreds of lives you are able to grasp the tragedy. But if I speak of millions of murders and thousands of crimes your mind is not able fully to comprehend the enormity of the tragedy. This helps the criminals and makes more difficult the task of those who know the criminal facts. It seems as if the human mind refuses to accept the shock of mass crime. This is part of the frustration of which the gentleman from Minnesota so eloquently spoke a few minutes ago. I know what he means. That makes us want to break through that psychological barrier and that barrier of ignorance and of mental escapism.

Somehow it must be done. Our committee has made a contribution in this effort. With the help of God we will continue to do so.

Mr. KERSTEN of Wisconsin. I thank the gentleman.

I think one other thing might be pointed out here. We have heard a great deal of testimony from several witnesses, to the effect that before the Communists take over in a country, they have the people of that prospective victim-country listed and analyzed. Even the population of our own country is listed and analyzed by the Communists for the time when they hope to take over, and then there would be millions of people in the United States who would be their victims if they were ever to take over here. Then and then only, perhaps, will some people realize what it means to talk about millions; what it means to haul people away from cities, in boxcars holding 50 to 75 people each, 50 to 60 boxcars at a time. Then, when it could come close to us will people realize what it means. But with God's help and with the help of my splendid associates on this committee—and also men like the gentleman from Minnesota [Mr. JUDD] and others of this House—we will bring this message to the people of the United States before things come to the point where this will be a threat that is right around the corner from us.

Mr. MADDEN. Mr. Speaker, will the gentleman yield?

Mr. KERSTEN of Wisconsin. I am glad to yield to the gentleman.

Mr. MADDEN. I might say in connection with the remarks of the gentleman from Minnesota, Dr. JUDD, and the gentleman from Connecticut [Mr. DODD], as to the magnitude of the mass murders committed by the Communist leaders. General Anders, who was one of the former leaders of Poland, testified before our committee in London. He stated that if we added together all the murders that were committed in the history of the world by all the tyrants—Nero, Genghis Khan, Attila, all the way down and including Hitler—if all these murders were added together, that Stalin and the present leaders of the Kremlin would still have killed and massacred in cold blood, 10 times more people than that total of all the tyrants in the history of the world. That is what the world is facing in this modern day, 1954.

The greatest contributions this committee has made is the terrific interest that was generated through the newspapers, radio, and television services by the hearings that we held in Europe. News went out daily to all free Europe revealing what our testimony uncovered. The Voice of America and Radio Free Europe carried into the countries behind the Iron Curtain true facts revealed at our hearings. That, in itself, to my mind, awakened the people not only of free Europe but the people throughout the world. This testimony revealed the terrific impact of this Communist scourge which is hovering over all free people.

Two and a half years ago, when Congress was considering the resolution for the Katyn Massacre Committee—all Members of this House—providing that they should go were not alerted to awful facts of Soviet tyranny. It required 1 day's debate for a decision and vote to allow the Katyn committee to go to London and Europe to hold hearings. The gentleman from Minnesota, Dr. JUDD, was one of the Members who helped our committee pass the resolution. We established for the first time that over 14,000 Polish leaders were killed by the Soviets in the early part of 1940.

That resolution passed only by six votes. After the testimony was recorded by that Katyn Massacre Committee, and the report was written, 150 Members of Congress wrote in to the committee commenting on the great work and the great job accomplished.

That was a forerunner, we might say, of the work of this committee which accomplished such great results. By reason of these committees, millions throughout the free world today know something about communism that they did not know, unfortunately, 10 or 12 years ago.

Mr. FEIGHAN. Mr. Speaker, will the gentleman yield?

Mr. KERSTEN of Wisconsin. I yield to the gentleman.

Mr. FEIGHAN. The members of the committee are deserving of high praise for their intensive study and work. They worked diligently from early morning until late at night. The committee was in every sense of the word, bipartisan. Immeasurable credit is due our able chairman, the gentleman from Wisconsin [Mr. KERSTEN] who is indeed a spirited leader and a determined patriot who has devoted himself untiringly to the cause of the preservation of our free way of life. The interim report reflects the searching inquiry made by the committee. I wish to state that this interim report presents a positive program to avert a third world war and to bring peace not only to the entire free world but to all captive nations, to the people within the so-called satellite captive nations and also to the 15 non-Russian nations in the U. S. S. R., which were the first countries to suffer under Russian Communist aggression. This positive program will destroy Red colonialism, the Russian Communist criminal conspiracy, which has already enslaved the 28 once free and independent nations.

The chairman deserves the undying gratitude of every fighter for the cause of human freedom particularly because he first advocated and caused to be enacted into our law 3 years ago, provision for the establishment of national military units to be made up of escapees from communism to be attached to the forces of the North Atlantic Treaty Organization. The establishment of such units, in my opinion, will be one of the greatest blows, because of its disruptive force, to the military forces of the Red colonial empire. It will afford an opportunity for members of the armed

forces within the Red colonial empire to join the free forces of the world to fight for the establishment of freedom and liberty of their own native lands instead of fighting with machineguns at their backs, to preserve the Red colonial subjugation of their countries for whose freedom they would willingly fight. It is my fervent hope that President Eisenhower will immediately establish these national military units. It is my sincere hope that President Eisenhower and responsible administrative officials will carefully read the committee's report with particular reference to its findings and recommendations, and proceed at once to take all necessary steps to make effective the recommendations of the committee. I am very pleased that the chairman has explained so thoroughly the fact that acceptance of the Moscow Kremlin initiated policy of peaceful coexistence could lead only to war.

I should like to call attention of the Members of the House to paragraph (d) in the first recommendation of the committee. In my opinion, the biggest fraud in all history of mankind is that which has been carried out under the banners and slogans of communism. The Communists promise a workers paradise and what they have given to the world is an empire of slavery. The Communists promise an economy which would develop a "classless society." What they have actually created is a small elite class which controls 98 percent of the people and in which slave and forced labor camps are an essential part of their type of economy. Let me emphasize that the new elite class which has sprung up in the slave world dominated by the Communists, live a life of privilege, luxury, and splendor unequally in the history of the world.

Against this background, let us take a look at the question of trade between the free world and the empire of slavery controlled by the Communists. The first question we must ask ourselves is whether we, a Nation which stands firmly by the rights of free labor, indeed a Nation predicated and dependent upon the great strength that comes from free labor, can engage in a program of trade and commerce with a gang of international criminals who hold in their grip over 800 million people. My answer to that question is divided into two parts.

To begin with, if we allow ourselves to be drawn into a program of trade with the criminals who control the Communist world, just as surely as day follows night, we will pull down and eventually destroy the decent standard of living which we have fought so many years to win for the American worker.

The second is that any trade carried on with the criminals who control the Communist empire, contributes to their war plan which they will unleash against the United States just as soon as they feel they have a 50–50 chance of winning. Let me give you several examples of my point—if we were to sell some of our so-called nonstrategic materials such as our surplus wheat, butter, eggs, and other food products to the Communists, they would pay for these commodities with gold mined by the suffering slave laborers in Magadan and other slave labor camps. Also this would permit them to deploy people who would otherwise be employed on the farms, to the industrial centers to work in factories for the production of planes, tanks, guns, ammunition and other materials of war.

For these reasons, both of which are morally sound and in every sense compelling, I say that we must reject any idea that the fruits of free labor should be put into competition with the products of millions of helpless slaves. I completely reject any such possibility and am certain that those who are enslaved by the Communist criminals hope and pray that we will not fall victim to the economic trap laid by the Kremlin.

(By unanimous consent, at the request of Mr. FEIGHAN, all Members who spoke on the subject of the Select Committee on Communist Aggression were given permission to revise and extend their remarks.)

Mr. KERSTEN of Wisconsin. Mr. Speaker, before I close I want to say that the work on the committee of the gentleman from Ohio [Mr. FEIGHAN] was of tremendous importance in bringing out the destruction by the Communists of the national cultures, national characteristics, and national traditions of the several nations that the Iron Curtain now shuts off from the world. The national cultures and traditions of the people, music, art, education, learning, the manner of dress, the manner of speech, the language, and the differences among the different nations, are what make life interesting. The Soviets would make us all into one mold, the new Soviet man, the robot, the slave of further aggressions.

The knowledge of the gentleman from Ohio on this important subject was of inestimable value to our committee both in his examination of witnesses and in the preparation of our report. His insight into the subject of the national aspirations of the nations now enslaved by the Reds will make a real contribution, not only to American security, but to the liberation of Poland, Hungary, Ukraine, Slovakia, Lithuania, and the other captive nations. I commend the gentleman, his talent and courage in attacking the core of the Communist problem. I can understand why the Red leaders of the Kremlin have a justifiable fear of the gentleman from Ohio [Mr. FEIGHAN].

Mrs. ROGERS of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. KERSTEN of Wisconsin. I yield.

Mrs. ROGERS of Massachusetts. I would like to express my very great appreciation of the wonderfully fine report just given by the chairman and the other members of the committee. It is extremely valuable.

I believe some diplomats say that some of the persons fighting communism are attempting it in feminine ways. Is that not correct?

Mr. KERSTEN of Wisconsin. That is correct.

Mrs. ROGERS of Massachusetts. I should like to remind the House of the fight that the Honorable Clare Boothe Luce has made against communism. Many other women have made that fight, and have been hurt by this fight. Women know so well that their children are in the greatest possible danger if communism spreads to this country and other countries.

Mr. KERSTEN of Wisconsin. I think the remarks made by the gentleman from Ohio and myself referred to the remarks in the book by George Kennan, that our policy should be a kind of "feminine" policy. It seems to me that when a man adopts the characteristics of the opposite sex or when a woman adopts the characterstics of the opposite sex we lose our force. One of the great women leaders in our Congress today is the gentlewoman from Massachusetts. It is only when these things are turned around and when we do not do that which is natural and proper for us that we lose our force and effect.

I compliment the gentlewoman from Massachusetts for her remarks.

Mrs. ROGERS of Massachusetts. I think the womens must be militant also, and I think they are.

May I also express my great appreciation of the courage of the members of this committee in what they have been doing. I know they were in great danger while they were in foreign countries, and I know they are also in great danger in this country. The committee deserves the greatest praise.

Mr. KERSTEN of Wisconsin. I thank the gentlewoman.

May I say finally that I am filing the interim report at this time.

Mr. KERSTEN of Wisconsin. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. HILLINGS] may extend his remarks at this point in the RECORD and include a bill he introduced.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. HILLINGS. Mr. Speaker, I wish to preface my remarks by paying tribute to the gentleman from Wisconsin [Mr. KERSTEN] for the splendid service he has rendered as chairman of the Select Committee on Communist Aggression. As a member of that committee, it has been a pleasure for me to work with him over the past few months.

I wish to emphasize one of the preliminary findings that the committee made in its interim report which it has issued today. Finding (8) states:

> Recent civilian and military escapees from behind the Iron Curtain testified that there would be many more important escapes to freedom if the Western World adopted more specific and dynamic programs of asylum. Such programs would be the most effective answer to the constant Communist propaganda that those who escaped are being cast aside after their usefulness is ended.

As a result of this finding the committee has recommended that Congress enact H. R. 8000, known as the Political Asylum Act of 1954.

As the author of H. R. 8000, I cannot overemphasize the importance of establishing an effective program of political asylum. As a result of the exhaustive

hearings our committee conducted in Chicago, New York, London, Munich, and Berlin, it is obvious that there are a large number of Communist government officials who would renounce communism and come over to our side if given proper encouragement. As I told this body on February 22 when I introduced the bill, there would be several salutary effects to be derived from granting political asylum to these people.

First. We would receive valuable information which is not available to us today.

Second. We would create chaos, confusion, and distrust in the inner councils of Communist governments.

Third. Persons who renounce communism and come to the West could form the nucleus of new governments to be established at such time as the Iron Curtain countries are liberated, in much the same manner as refugee governments we set up during World War II. These groups could be clearinghouses for resistance movements and could form underground lines of communication between the East and West.

My bill is not a refugee bill nor is it a bill to increase immigration quotas. It is legislation designed to promote the national security of the United States. In order to be eligible for admission to our country there must be a bona fide renunciation of communism and the escapee must be able to carry out his part of the bargain by supplying us with information. Naturally all eligible persons should be screened to prevent entry of persons who would be a menace to the internal security of the United States.

The following is the text of H. R. 8000, which I hope will be considered by the Congress as soon as possible:

Be it enacted, etc., That this act may be cited as the "Political Asylum Act of 1954."

DEFINITIONS

SEC. 2. (a) "Communist country" means the Union of Soviet Socialist Republics and any country declared, pursuant to this act, by the Secretary of State to be governed or dominated by the Union of Soviet Socialist Republics or any other branch or subdivision of the international Communist movement.

(b) "Communist government official" means any person who is an officer, employee, or member of the military, naval, or air forces, of any Communist country, or of the foreign service, or of the security or the intelligence organization of such country, or of any agency working for a Communist country as defined in section 2 (a) of this act.

SPECIAL NONIMMIGRANT VISAS

SEC. 3. Notwithstanding the provision of section 212 (a) (28) of the Immigration and Nationality Act (66 Stat. 184), a special nonimmigrant visa, may be issued to any alien Communist government official and his wife and his children, who—

(a) renounce his allegiance to the Communist country's government and to the international Communist conspiracy which he has been serving;

(b) departs from a Communist country and proceeds to a country in the free world, or being physically outside the border of a Communist country, refuses to return thereto;

(c) is determined, under procedures to be prescribed by the President, to possess information or other assets of special value to the United States in furtherance of its security program; and not to constitute a menace to the security of the United States of America; and

(d) agrees, actively to cooperate with the United States in programs to expose and to defeat the purposes of the international Communist conspiracy.

AUTHORITY TO TERMINATE VISAS

SEC. 4. Nonimmigrant visas issued pursuant to this act shall be terminated by the Secretary of State whenever the country of origin of the alien shall no longer be governed or dominated by the Communist conspiracy: *Provided*, That the personal safety of the alien would not thereby be placed in jeopardy. The Secretary of State is further authorized to revoke any such visa when the best interest of the United States so requires.

NUMBER OF VISAS

SEC. 5. Not more than 1,000 such visas shall be issued pursuant to this act.

REPORTS

SEC. 6. The President shall report to the Congress on the operation of the program established under this act on December 31 of each year.

AUTHORIZATION OF APPROPRIATIONS

SEC. 7. There are hereby authorized to be appropriated such funds as may be necessary to carry out the purposes of this act.

LEGISLATIVE EMPLOYEES

The SPEAKER pro tempore. Under previous order of the House, the gentlewoman from Massachusetts [Mrs. ROGERS] is recognized for 10 minutes.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent that all but 1 minute of my time may be vacated and that I may have the time tomorrow following the legislative program of the day and the conclusion of special orders heretofore granted.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I would like to speak at this time of my great appreciation for the courtesy and endless work that has been performed by all of the readers and stenographers and clerks and telephone boys and everybody connected with the Capitol during these long sessions of the Congress—totally and absolutely uncomplaining—I do not know what we would do without them. Out of courtesy to them, Mr. Speaker, I relinquish my time.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the RECORD, or to revise and extend remarks was granted to:

Mr. YOUNG and to include extraneous matter.

Mr. KERSTEN of Wisconsin and to include extraneous matter.

Mr. SIEMINSKI.

Mr. MCCORMACK (at the request of Mr. EDMONDSON) and to include extraneous matter.

Mr. EDMONDSON and to include a letter and a newspaper article.

Mr. NEAL.

Mr. ELLSWORTH.

Mr. HOPE and to include additional matter.

Mr. WESTLAND.

Mr. OAKMAN.

Mr. SMITH of Wisconsin in two instances and to include additional matter.

Mr. WOLVERTON and to include additional matter.

Mr. DEANE.

Mr. RABAUT in two instances and to include additional matter.

Mr. CELLER in three instances.

Mr. SHELLEY.

Mr. MARTIN of Iowa and to include extraneous matter.

Mr. REES of Kansas and to include extraneous material.

Mr. HUNTER and to include extraneous matter.

Mr. BENDER in four instances and to include extraneous matter.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. CLARDY for an indefinite period on acount of official business.

ENROLLED BILLS SIGNED

Mr. LECOMPTE, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H. R. 9077. An act to amend section 405 of the District of Columbia Law Enforcement Act of 1953, to make available to the judges of such District the psychiatric and psychological services provided for in such section.

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 53. An act for the relief of Lewis Roland Edwards;

S. 65. An act for the relief of Joseph Flury Paluy;

S. 120. An act for the relief of Gerasimos Giannatos;

S. 231. An act for the relief of Otmar Sprah;

S. 233. An act for the relief of Jeno Cseplo;

S. 354. An act for the relief of Inger Larsson;

S. 384. An act for the relief of Robert H. Webster;

S. 431. An act for the relief of Joseph Di Pasquale;

S. 447. An act for the relief of Vasiliki Tountas (nee Vasiliki Gerogion Karoumbali);

S. 670. An act for the relief of John Doyle Moclair;

S. 771. An act for the relief of Anni Wolf and her minor son;

S. 810. An act for the relief of Jan E. Tomczyki;

S. 914. An act for the relief of Mark Vainer;

S. 946. An act for the relief of Mona Lisbet Kofoed Niclaisen, Leif Martin Borglum Nicolaisen, and Ian Kofoed Nicolaisen;

S. 974. An act for the relief of certain Chinese children;

S. 992. An act for the relief of Apostolos Savvas Vassiliadis;

S. 997. An act for the relief of Chuan Hua Lowe and his wife;

S. 1158. An act for the relief of Stayka Petrovich (Stajka Petrovic);

S. 1165. An act for the relief of Paul E. Rocke;

S. 1212. An act for the relief of Alice Masaryk;

S. 1216. An act for the relief of Karl L. von Schlieder;

S. 1321. An act for the relief of Michajlo Dzieczko;

S. 1434. An act for the relief of William D. Baker and Don P. Frankhauser;

S. 1520. An act for the relief of Andre Styka;

S. 1600. An act for the relief of Esther Saporta;

S. 1609. An act for the relief of Mrs. Robert Lee Slaughter, nee Elisa Ortiz Orat;

S. 1615. An act for the relief of Lt. Col. George P. Price;

S. 1634. An act for the relief of Alton Bramer;

S. 1702. An act for the relief of Emilia Pavan;

S. 1757. An act for the relief of Clair F. Bowman;

S. 1795. An act for the relief of Fred and Bernice Ehlers;

S. 1798. An act for the relief of Charles Peroulas;

S. 1858. An act for the relief of Sister Antonella Marie Gutterres (Thereza Maria Gutterres);

S. 1883. An act for the relief of Dr. Takeo Takano;

S. 1889. An act for the relief of Margot Goldschmidt;

S. 1902. An act for the relief of Theresa Leventer;

S. 1925. An act for the relief of Lt. Col. Carl E. Welchner, United States Air Force;

S. 1940. An act for the relief of Michela Aurucci;

S. 2067. An act for the relief of Anthony Benito Estella, Natividad Estella, Ontonio Juan Estella, and Virginia Araceli Estella;

S. 2135. An act for the relief of Fernando A. Rubio, Jr.;

S. 2176. An act for the relief of Maly Braunstein and Aurelia Rappaport;

S. 2204. An act to provide that United States commissioners who are required to devote full time to the duties of the office may be allowed their necessary office expenses;

S. 2210. An act for the relief of Frank (Franz) Homolka, Olga Homolka (nee Mandel), Adolf Homolka, Helga Maria Homolka, and Frieda Homolka;

S. 2214. An act for the relief of Peter James Copses, Beatrice Copses, Victoria Copses, and James Peter Copses;

S. 2222. An act for the relief of Lucia Mezilgoglou;

S. 2240. An act for the relief of Mrs. Carl Dobratz;

S. 2257. An act for the relief of Luigi Cicchinelli;

S. 2287. An act for the relief of George Scheer, Magda Scheer, Marie Scheer, Thomas Scheer, and Judith Scheer;

S. 2295. An act for the relief of Irma Mueller Koehler Cobban;

S. 2340. An act for the relief of Alphonsus Devlin.

S. 2363. An act for the relief of Doctor Mien Fa Tchou and his wife, Li Hoei Ming Tchou;

S. 2411. An act for the relief of Ruth Berndt;

S. 2448. An act for the relief of Frankrisek Vyborny;

S. 2455. An act for the relief of Mrs. S. Eugene Lamb;

S. 2469. An act for the relief of Francisco Vasquez-Dopazo (Frank Vasquez);

S. 2493. An act for the relief of Ingeborg Bogner Johnson;

S. 2504. An act for the relief of Elisa Albertina Cioccio Rigazzi or Elisa Cioccio;

S. 2510. An act for the relief of Paul Lewerenz and Margareta Ehrhard Lewerenz;

S. 2512. An act for the relief of Jeannette Kalker and Abraham Benjamin Kalker;

S. 2542. An act for the relief of Glicerio M. Ebuna;

S. 2594. An act for the relief of Paolino Berchielli, his wife Leda, and daughter Alba;

S. 2607. An act for the relief of Faustino Achaval Aldecoa and his wife, Carmen Achaval (nee Cortabitarte);

S. 2635. An act for the relief of Nadeem Tannous and Mrs. Jamile Tannous;

S. 2745. An act to provide for the termination of Federal supervision over the property of the Klamath Tribe of Indians located in the State of Oregon and the individual members thereof, and for other purposes;

S. 2746. An act to provide for the termination of Federal supervision over the property of certain tribes and bands of Indians located in western Oregon and the individual members thereof, and for other purposes;

S. 2823. An act for the relief of Joseph H. Hedmark, Jr.;

S. 3062. An act for the relief of the American Surety Company of New York and certain other surety companies;

S. 3126. An act for the relief of Waltraut Claasen;

S. 3306. An act for the relief of Kang Chay Won;

S. 3433. An act for the relief of Andreja Glusic; and

S. 3514. An act for the relief of Mrs. Oveida Mohrke and her son, Gerard.

BILLS PRESENTED TO THE PRESIDENT

Mr. LECOMPTE, from the Committee on House Administration, reported that that committee did on August 6, 1954, present to the President, for his approval, bills of the House of the following titles:

H. R. 2098. An act to provide for the compensation of certain persons whose lands have been flooded and damaged by reason of fluctuations in the water level of the Lake of the Woods; and

H. R. 2763. An act to amend the Tariff Act of 1930, so as to modify the duty of the importation of wood dowels, and for other purposes.

ADJOURNMENT

Mr. BONIN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 7 o'clock and 2 minutes p. m.) the House adjourned until tomorrow, Tuesday, August 10, 1954, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1808. A letter from the Secretary of the Air Force, transmitting a draft of legislation entitled "A bill to further amend the act of June 3, 1916, and for other purposes"; to the Committee on Armed Services.

1809. A letter from the Archivist of the United States, transmitting a report on records proposed for disposal and lists or schedules covering records proposed for disposal by certain Government agencies; to the Committee on House Administration.

1810. A letter from the Chief Commissioner, Indian Claims Commission, transmitting a report to the effect that proceedings have been finally concluded with respect to the following claim: *The Choctaw Nation, Petitioner,* v. *The United States of America, Defendant,* Docket No. 55, pursuant to section 21 of the Indian Claims Commission Act of August 13, 1946 (60 Stat. 1055; 25 U. S. C. 70); to the Committee on Interior and Insular Affairs.

1811. A letter from the Acting Secretary of the Army, transmitting a report of claims paid by the Department of the Army for the fiscal year 1954, pursuant to section 2673 of the Federal Tort Claims Act, as amended and codified (28 U. S. C.); to the Committee on the Judiciary.

1812. A letter from the Acting Secretary of the Army, transmitting a report of claims settled under the Military Personnel Claims Act of 1945 by the Department of the Army for the fiscal year 1954, pursuant to section 1 (e) of Public Law 439, 82d Congress; to the Committee on the Judiciary.

1813. A letter from the executive assistant to the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting copies of orders entered in cases where the authority contained in section 212 (d) (3) of the Immigration and Nationality Act was exercised in behalf of such aliens, pursuant to section 212 (d) (6) of the Immigration and Nationality Act; to the Committee on the Judiciary.

1814. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated January 23, 1953, submitting a report, together with accompanying papers and illustrations, on preliminary examinations and surveys of, and review of report on, the Allegheny and Monongahela Rivers and tributaries, for navigation, flood control, and allied purposes, made pursuant to several congressional authorizations listed in the report (H. Doc. No. 491); to the Committee on Public Works and ordered to be printed, with three illustrations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, pursuant to the order of the House of August 5, 1954, the following bill was reported August 6, 1954:

Mr. CORBETT: Committee on House Administration. H. R. 7745. A bill to amend certain provisions of the act of August 2, 1939, commonly known as the Hatch Act, relating to employees of State or local agencies whose activities are financed in whole or in part by loans or grants from the United States; with amendment (Rept. No. 2638). Referred to the Committee of the Whole House on the State of the Union.

Under clause 2 of rule XIII, pursuant to the order of the House of August 5, 1954, the following report was filed August 6, 1954:

Mr. COLE of New York: Committee of conference. H. R. 9757. A bill to amend the Atomic Energy Act of 1946, as amended, and for other purposes (Rept. No. 2639). Ordered to be printed.

[*Submitted August 9, 1954*]

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. BISHOP: Joint Committee on the Disposition of Executive Papers. House Report No. 2644. Report on the disposition of certain papers of sundry executive departments. Ordered to be printed.

Mr. BISHOP: Joint Committee on the Disposition of Executive Papers. House Report No. 2645. Report on the disposition of certain papers of sundry executive departments. Ordered to be printed.

Mr. TOLLEFSON: Committee of Conference. S. 3546. An act to provide an im-

mediate program for the modernization and improvement of such merchant-type vessels in the reserve fleet as are necessary for national defense (Rept. No. 2647). Ordered to be printed.

Mr. COLE of Missouri: Committee on Post Office and Civil Service. H. R. 9586. A bill to amend the Civil Service Retirement Act; without amendment (Rept. No. 2648). Referred to the Committee of the Whole House on the State of the Union.

Mrs. HARDEN: Committee on Post Office and Civil Service. S. 3028. An act to require the Postmaster General to reimburse postmasters of discontinued post offices for equipment owned by the postmaster; without amendment (Rept. No. 2649). Referred to the Committee of the Whole House on the State of the Union.

Mr. KERSTEN of Wisconsin: Select Committee on Communist Aggression. Second interim report pursuant to House Resolution 346 and House Resolution 438, 83d Congress (Rept. No. 2650). Referred to the Committee of the Whole House on the State of the Union.

Mr. VELDE: Committee on Un-American Activities. H. R. 9838. A bill to amend the Subversive Activities Control Act of 1950 to provide for the determination of the identity of certain Communist-infiltrated organizations, and for other purposes; without amendment (Rept. No. 2651). Referred to the Committee of the Whole House on the State of the Union.

Mrs. ROGERS of Massachusetts: Committee of conference. H. R. 8152. A bill to extend to June 30, 1955, the direct home and farmhouse loan authority of the Administrator of Veterans' Affairs under title III of the Servicemen's Readjustment Act of 1944, as amended, to make additional funds available therefor, and for other purposes (Rept. No. 2652). Ordered to be printed.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. GRAHAM: Committee on the Judiciary. S. 154. An act for the relief of George Pantelas; without amendment (Rept. No. 2640). Referred to the Committee of the Whole House.

Mr. GRAHAM: Committee on the Judiciary. S. 3085. An act for the relief of Mrs. Helen Stryk; with amendment (Rept. No. 2641). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. H. R. 8215. A bill for the relief of Regina Berg Vomberg; without amendment (Rept. No. 2642). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. H. R. 5964. A bill for the relief of Sister Mary Berarda; with amendment (Rept. No. 2643). Referred to the Committee of the Whole House.

Mr. FORRESTER: Committee on the Judiciary. H. R. 5844. A bill for the relief of George D. Hopper; without amendment (Rept. No. 2646). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. FRAZIER:

H. R. 10193. A bill to amend the Veterans' Preference Act of 1944 in order to give preference in promotions and transfers to preference eligibles under the provisions of such act; to the Committee on Post Office and Civil Service.

By Mr. JUDD:

H. R. 10194. A bill to amend subsection (a) of section 201 of the Immigration and Nationality Act; to the Committee on the Judiciary.

By Mr. KEARNS:

H. R. 10195. A bill to provide for the regulation of the business of making loans of $600 or less in the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

By Mr. MACHROWICZ:

H. R. 10196. A bill to amend the Fair Labor Standards Act of 1938 to establish a $1.25 minimum hourly wage, and for other purposes; to the Committee on Education and Labor.

By Mr. OAKMAN:

H. R. 10197. A bill to provide Federal funds on a matching basis for the elimination of railway highway crossings in urban areas; to the Committee on Public Works.

By Mr. REED of New York:

H. R. 10198. A bill to amend the Internal Revenue Code of 1954; to the Committee on Ways and Means.

By Mrs. ROGERS of Massachusetts:

H. R. 10199. A bill to provide that certain enlisted men retired for disability shall be eligible for mustering-out pay; to the Committee on Veterans' Affairs.

By Mr. WILSON of Texas:

H. R. 10200. A bill proposing an amendment to the Constitution of the United States relating to the procedure for amending the Constitution; to the Committee on the Judiciary.

By Mr. BRAY:

H. R. 10201. A bill to amend the Social Security Act to provide that a woman who is entitled to old-age insurance benefits based on her own wages and self-employment income may in addition be entitled to wife's insurance benefits based on the wages and self-employment income of her husband; to the Committee on Ways and Means.

By Mr. BRAY:

H. R. 10202. A bill to amend the Social Security Act to provide that no deduction on account of outside earnings shall be made from the benefits of certain widows having dependent children in their care; to the Committee on Ways and Means.

By Mr. COLE of New York:

H. R. 10203. A bill to provide rewards for information concerning the illegal introduction into the United States, or the illegal manufacture or acquisition in the United States, of special nuclear material and atomic weapons; to the Joint Committee on Atomic Energy.

By Mr. DINGELL:

H. R. 10204. A bill to increase the width of certain locks to be constructed by the St. Lawrence Seaway Development Corporation in the St. Lawrence River; to the Committee on Public Works.

By Mr. O'HARA of Minnesota:

H. J. Res. 582. Joint resolution proposing an amendment to the Constitution of the United States relating to the procedure for amending the Constitution; to the Committee on the Judiciary.

By Mr. BATES:

H. Res. 701. Resolution to provide expenses for the select committee authorized by House Resolution 549; to the Committee on House Administration.

By Mr. KERSTEN of Wisconsin:

H. Res. 702. Resolution authorizing the printing of additional copies of the report on Communist aggression by the Soviet Union; to the Committee on House Administration.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the Commonwealth of Virginia, memorializing the President and the Congress of the United States relative to an interstate civil defense compact entered into between the Commonwealth of Virginia and the State of Maryland, pursuant to the Federal Civil Defense Act of 1950, Public Law 920, 81st Congress; to the Committee on Armed Services.

Also, memorial of the Legislature of the State of Louisiana, memorializing the President and the Congress of the United States relative to House Joint Resolution No. 28, adopted by the Louisiana Legislature, 1954, deploring the attacks being made on the McCarran-Walter Immigration Act, and opposing all attempts being made to repeal Public Law 414, 82d Congress; to the Committee on the Judiciary.

Also, memorial of the Legislature of Guam memorializing the President and the Congress of the United States relative to Resolution No. 156, to require that the Defense Department and contractors working for the Federal Government employ United States citizens when available before importing alien labor; to the Committee on Interior and Insular Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bill and resolutions were introduced and severally referred as follows:

By Mr. BARRETT:

H. R. 10205. A bill for the relief of Jose Antonio Firmino; to the Committee on the Judiciary.

By Mr. JUDD:

H. R. 10206. A bill for the relief of Robert Shen-yen Hou-ming Lieu; to the Committee on the Judiciary.

By Mr. KLEIN:

H. R. 10207. A bill for the relief of Giuseppe Rosario DiStefano; to the Committee on the Judiciary.

By Mr. McDONOUGH:

H. R. 10208. A bill for the relief of Ralph Chen; to the Committee on the Judiciary.

H. R. 10209. A bill for the relief of Kingway Hsi Ku Lowe; to the Committee on the Judiciary.

By Mr. YATES:

H. R. 10210. A bill for the relief of Mrs. Moli (Mali) Sobel; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and paper were laid on the Clerk's desk and referred as follows:

1135. By the SPEAKER: Petition of the commissioner, the port of Long Beach, Long Beach, Calif., relative to the Board of Harbor Commissioners of the City of Long Beach, expressing its vigorous support of the Submerged Lands Act, Public Law 31, 83d Congress; to the Committee on the Judiciary.

1136. Also, petition of Richard Bladel Mossman, Bettendorf, Iowa, requesting that action be taken on Petition No. 487, dated January 29, 1954, relating to a grievance involving his attainder case against the Government; to the Committee on the Judiciary.

1137. Also, petition of Cirilo Santos, Manila, Philippines, relative to requesting casualty recognition for deceased son S. Sgt. Federico M. Santos, Filipino-American troops (guerrilla unit); to the Committee on Veterans' Affairs.

EXTENSIONS OF REMARKS

Drought Disaster Is Worse Than Many Realize

EXTENSION OF REMARKS
OF

HON. ED EDMONDSON
OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Monday, August 9, 1954

Mr. EDMONDSON. Mr. Speaker, many people in Washington—and I am afraid that some of them are located in places of great responsibility—do not appear to realize the terrible gravity and threatening national implications of our drought disaster.

The third year of drought in our section of the country has placed in motion forces which are today breaking and lowering the already sagging cattle market in the Southwest and Middle West. We are seeing the forced liquidation of good herds and the actual financial ruin of many families. Pastures are gone, feed and hay supplies limited in our section, and many farms and entire towns are without water.

The final result could be national catastrophe.

I do not base this statement on any third-hand reports, but on a personal survey which I have just made, in the air and on the ground, of the farm country in Okahoma's Second Congressional District. Agriculture officials and farmers in the counties of this district agree that it is an emergency without parallel in our State—and I know from observation that the condition extends to many other congressional districts in our land.

Today, on the basis of the survey I have just made, I sent a letter of report and recommendation to the President, the Secretary of Agriculture, and the chairman of the House Committee on Agriculture. The same letter was sent to all three, and a copy of this letter follows, for the information and reference of other Members, as well as for the RECORD.

For the sake of many good citizens in Oklahoma, as well as for the well-being of the Nation, I trust and pray that our Government will respond to its grave responsibility:

AUGUST 9, 1954.

The PRESIDENT,
The White House, Washington, D. C.

DEAR MR. PRESIDENT: This is a drought report and program recommendation, based on a 2-day survey, in the air and on the ground, which I have just completed in northeastern Oklahoma. On August 6, I flew over most of the counties in the Second District of Oklahoma, in order to observe conditions of pastures, crops, and other vegetation. On August 7, I flew over the balance of these 16 counties and also traveled by automobile through 4 of the 5 counties in my district which were not included in the Department of Agriculture's recent designation for the drought-relief program. The five counties not included are Haskell, Sequoyah, McIntosh, Okmulgee, and Osage Counties.

In the course of the inspection on the ground on Saturday, August 7, I talked to Department of Agriculture officials at Sallisaw, Stigler, Eufaula, and Okmulgee, and also met briefly with farmer committees in each of those communities.

The conclusions and recommendations which follow are based upon current first-hand observation and information, and in my opinion should merit careful consideration at this time.

THE ACTUAL DROUGHT CONDITION

During my lifetime in Oklahoma, I have never witnessed more critical crop and pasture conditions throughout northeastern Oklahoma, and definitely including the five counties not heretofore designated as a drought area. Pastureland has been seared brown throughout this area, corn and cotton are burned up, and farmers and cattlemen are already feeding meager hay supplies which ordinarily are not needed before late fall. Two weeks ago, the State drought committee at Stillwater reported that 90 percent of pasture in Sequoyah County was poor or short, 95 percent of pasture in Haskell County was poor or short, 48 percent of pasture in McIntosh County was poor or short, 80 percent of Okmulgee County was poor or short, and 85 percent of Osage County pasture was poor or short. Figures for supplies of roughage, hay, and feed grain were equally disturbing at that time, and I can assure you that these figures are much more alarming at this time than they were 2 weeks ago. For example, Okmulgee County officials agreed Saturday that there is now 100 percent of pasture that is poor or short, and the feed-grain supply has deteriorated to the point that only 20 percent of the farms in the county now have an adequate or good supply, as compared with a reported figure of 60 percent adequate or good supply 2 weeks ago.

There has been a similar deterioration of conditions in Sequoyah, Haskell, McIntosh, and Osage Counties. It is the result of 3 years without adequate rainfall, and I can report to you that livestock marketings are accelerating and literally thousands of farmers are facing financial ruin in this area. You will be interested to know that within the past 2 weeks, there took place at Muskogee the largest movement of cattle in a single day in a period of 22 years. Prices of $0.05 a pound on canners and cutters, and even less in some of the small markets, have been very, very common, and the livestock prices quoted in the larger cities of the Midwest do not accurately reflect the prices actually being received by the producers of cattle in this distress area.

It is imperative, I honestly and sincerely believe, that the actual drought-relief program be extended at once to the counties which I have above listed and mentioned, and I believe it is also imperative that certain improvements and enlargements of the drought-relief program which has been announced be instituted at the earliest possible date. According to all information which I have read, the new program will be less generous than that of last year in many important particulars, and this in the face of the fact that this is the third year of drought for many farmers, and their need for substantial assistance from their Government is more serious this year than last.

SPECIFIC RECOMMENDATIONS FOR DROUGHT PROGRAM IMPROVEMENT

The following recommendations are based upon the suggestions and pleas of drought-stricken farmers, and are offered with the sincere hope that they may be of constructive help in this emergency.

1. The program should include protein feeds. If cottonseed cake is not available, soybeans or alfalfa or other proteins should be made available in the feed program in the disaster areas. The feeds which have been announced as available (corn, grain sorghums, oats, and barley) will not meet the farmers' need to carry them through this disaster period.

2. ASC regulations should be amended to make wheat, oats, and barley available at once as ASC practice for winter pasture and cover. This seed should be made available free if possible in the disaster area, or at least at a reduced cost. As an ASC practice, it would be accompanied by necessary fertilizers, and of course, it would be subject to the provision that the crop would not be harvested for grain but would be used to meet actual pasturing and feed needs on the farm itself. Such an amendment of ASC regulations, which would not require new law, should take place immediately, since the time for planting of winter pasture will soon be upon us in our section. Of course, this practice would require some rain this fall, but it is our best hope to secure a feed supply through the farmers' own efforts in this disaster area.

3. A Government buying program to strengthen the sagging cattle prices is a third "must." Some favor a purchasing program "on the hoof" while others believe that a meat-purchasing program such as the Government has followed in the past, but with provision in the program to insure that at least $0.12 a pound be paid to the cattle producer, would be preferable. Such a guaranty to the producer could be effected by requiring a certificate from the packer attesting to the fact that the producer had been paid at least $0.12 a pound for his animal. Farmers in my area are convinced that a purchasing program which does not guarantee some minimum price to the producer will do little good in this disaster period.

In conclusion, let me say that I cannot overemphasize the urgency of this problem. In our section entire towns are now without water, fine herds are being sacrificed, and farmers are cutting down trees in some areas to provide some feed. We are on the brink of a tragic disaster of major proportions, and I cannot urge too strongly the need for an immediate, generous drought-relief program throughout the entire stricken area.

Respectfully yours,

ED EDMONDSON,
Member of Congress.

[From the Tulsa (Okla.) Tribune of August 5, 1954]

DROUGHT, HEAT HOLD KEY TO FARM ECONOMY—PASTURE LANDS ARE SEARED—CORN, COTTON DROOP

(By Robert H. Johnson, Jr.)

Farmers and ranchers are glum and dispirited in the vast drought country where corn and cotton droop and cattle graze on brown pastures.

"Unless we assist in every possible way," says Agriculture Commissioner John White, of Texas, "thousands of our rual people will have to abandon the land."

White speaks for only one State. But drought still rules all the Great Plains, in spite of recent rains and Federal aid already granted to six States.

Good rains in sunburned sections of the South and East have been more helpful—but not enough to save most crops.

The number of States eligible for Federal aid reached six this week when Oklahoma and Missouri were added to Colorado, Wyoming, New Mexico, and Texas.

Six more States—Alabama, Arkansas, Kansas, Kentucky, Georgia, and Tennessee—have asked to be included.

Still, as of today, the situation appears slightly better than it was 10 days ago, when nothing but heat soaked the country from Georgia to Wyoming and Canada to Mexico

Since then, spotted rains have raised dabs of green in some of the driest States—Texas, Colorado, New Mexico, Kansas, and Oklahoma.

Even in the South, where the drought isn't as old and tough as in the Plains States, the rains of the past week weren't enough. For example, Kentucky received an average of 1.24 inches, the most in any week since April. The rain helped tobacco, but most other crops were too far gone to be saved.

Timely rains also were reported in Pennsylvania, Indiana, Illinois, and Minnesota. But in these States, too, the word was the same. More rain needed, and even that wouldn't revive some fields.

The Government's emergency program is aimed at helping livestock men hang onto their foundation herds. The Government has agreed to pay half the cost of shipping hay into the Federal disaster areas. The Agriculture Department also will pay a subsidy of 60 cents per hundred pounds for corn, oats, barley, and grain sorghums. The subsidy will go to the dealers, and ranchers can then buy these grains at cutrate prices.

But this program will leave feed prices somewhat higher than they were last summer under a more liberal Federal emergency program. For example, you could buy a bushel of corn last year for $1. Now it will cost something under $1.50.

Farm spokesmen in some States believe more territory should have been included in the disaster program.

In Missouri, President Eisenhower declared 76 counties eligible for relief. Fred Heinkel, president of the Missouri Farmers Association, said he thought all of the State's 114 countries should have been included.

New Mexico ranchers have complained that the feed program is slow in getting started.

All of Oaklahoma, except for a few scattered spots, is dry. Experts said there is little difference between the 26 counties approved for Federal aid and the other 51. The recent rains gave cotton and peanuts a chance to make a fair crop but were too late to do much good, if any, for pastures and feed crops.

In Colorado, Rancher Melvin Carlson, of Johnstown, said "the Government should have some sort of program to keep cattle on the range, or a flooded market will result."

Winter ranges in southeastern Wyoming already are nearly grazed off.

J. E. Burleson, Farmers' Home Administration supervisor for Blanco, Mason, and Llano Counties in the central Texas hill country, said: "Twenty-two people have come into my office since Monday inquiring about the hay program. Only two of them submitted applications for hay after reading the requirements. Most of them are disappointed in the limited extent of the program."

Bipartisan Support in Our Foreign Policy

EXTENSION OF REMARKS

OF

HON. JOHN W. McCORMACK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, August 9, 1954

Mr. McCORMACK. Mr. Speaker, we read and hear a great deal about the necessity of bipartisan support in our foreign policy, and I thoroughly agree with the importance and necessity of bipartisan support. But the leadership in the first instance for bipartisan support must come from President Eisenhower, and that leadership must be given in a more important manner—by action more than by words.

In a crisis such as confronts the world today, the best evidence of sincere, sound, and effective bipartisan action is in the appointments made to important positions, appointments based on ability rather than political affiliation.

During the administrations of the late President Franklin D. Roosevelt and former President Harry S. Truman, the bipartisan policy was established by them in fact as well as in name.

I include in my extension of remarks a list of some of the able Americans who are or were prominent Republicans appointed by the late President Franklin D. Roosevelt and former President Harry S. Truman to important positions in relation to foreign affairs and national defense. I also include the names of persons appointed by President Eisenhower who have had a Democratic background in the past, and one of whom, Hon. Martin P. Durkin, former Secretary of Labor, is the only one, so far as I know, who supported Governor Adlai Stevenson in 1952.

While I recognize the right of President Eisenhower to make any appointments he desires, and with no reflection upon any of the individuals named, they are not considered as Democratic appointments in connection with establishing a bipartisan policy in the field of foreign affairs or of national defense.

The matter referred to follows:

SOME REPUBLICANS APPOINTED TO TOP POSITIONS IN THE FEDERAL GOVERNMENT DURING DEMOCRATIC ADMINISTRATIONS, 1940–52, WITH SPECIAL REFERENCE TO FOREIGN AFFAIRS AND NATIONAL DEFENSE

(NOTE.—No attempt has been made to list the Republican members of independent boards, bureaus, and commissions in the Federal Government. In most of these agencies, the board or commission operates under a statutory provision limiting the number of members of any one political party who may serve at a given time. For the same reason, we have not listed members of the U. S. Advisory Commissions on Educational Exchange and on Information or of the Public Advisory Board established under the Foreign Assistance Act of 1948.)

Austin, Warren R. (late United States Senator): United States representative to the United Nations, 1947–52.

Ching, Cyrus S.: Director, Federal Mediation and Conciliation Service, 1947–52; chairman, Wage Stabilization Board, 1950–51; member, National Defense Mediation Board, 1941; member, National War Labor Board, 1942–43.

Compton, Wilson M.: Administrator, United States International Information Administration, Department of State, 1952–53; Chairman, Psychological Operations Coordinating Board, 1952–53; with Office of Production Management, 1941; Office of Scientific Research and Development, 1943–45; United States Education Mission to Japan, 1946; American Commission to U. N. Conference on Conservation and Utilization of Natural Resources, 1949; United States representative to U. N. General Assembly (4th); member, Review Board, Atomic Energy Commission, Hanford, 1950; member, policy planning staff, 1951; NRA, 1933–34.

Coolidge, Charles A.: Assistant Secretary of Defense, 1951–53; with Department of State, 1951.

COOPER, JOHN SHERMAN (now United States Senator): United States representative to U. N. General Assembly, 1949; alternate delegate, 1950, 1951; adviser to Secretary of State, 1950.

Draper, William H., Jr.: Under Secretary of the Army, 1947–49; United States special representative, Europe, 1952–53; with Control Council for Germany, 1945–46.

Dulles, John Foster: Member, United States delegation to San Francisco Conference on World Organization, 1945; United States representative, General Assembly of the United Nations, 1946, 1947, 1948, 1950; adviser to Secretary of State, 1945, 1947, 1949; consultant to Secretary of State, 1950; special representative of President to negotiate peace treaty with Japan, 1951–52.

Eccles, Marriner S.:[1] Governor, Federal Reserve Board, 1934–36; member, Board of Governors, Federal Reserve System, 1936–51 (Chairman, 1936–48); member, Board of Economic Stabilization, 1942–46; Advisory Board, Export-Import Bank, 1945–48.

Eisenhower, Milton S. (brother of President Eisenhower): Director of Information, Department of Agriculture, 1928–40; Assistant to Secretary of Agriculture, 1926–28; Land Use Coordinator, 1937–42; Director, War Relocation Authority, 1942; Associate Director, Office of War Information, 1942–43; executive board, UNESCO, 1946; delegate to UNESCO Conferences, 1946–49.

Foster, William C.: Deputy Secretary of Defense, 1951–53; Undersecretary of Commerce, 1946–48; deputy United States special representative, ECA in Europe, 1948–49; Deputy Administrator, ECA, 1949–50; Administrator, 1950–51.

Gifford, Walter S.: Ambassador to Great Britain, 1950–52; member, War Resources Board, 1939; Board of War Communications, 1941–47.

Griffith, Paul H.: Assistant Secretary of Defense, 1949; special assistant to Secretary of Defense, 1949; member, National Selective Service Appeal Board, served on military and diplomatic missions, Selective Service, War Manpower Commission, Office of War Mobilization and Reconversion during tour of duty, World War II.

Griswold, Dwight P.: Chief of American Mission for Aid to Greece, 1947–48.

Hargrave, Thomas J.: Chairman, Munitions Board, 1947–48.

Hershey, Maj. Gen. Lewis B.: Director of Selective Service, 1941 to date; Deputy Director, 1940–41.

Hill, Arthur M.: Chairman, National Security Resources Board, 1947–48; special assistant to Secretary of the Navy, 1942–45.

Hoffman, Paul G.: Administrator, Economic Cooperation Administration, 1948–50.

Johnston, Eric A.: Administrator, Economic Stabilization Agency, 1951; member, Economic Stabilization Board, Economic Development Committee, War Manpower Committee, War Mobilization and Reconversion Committee, 1943; member, Defense Mobilization Board, 1951; member, Public Advisory Board, Foreign Assistance, 1949.

Knox, Frank: Secretary of the Navy, 1940–44.

Lovett, Robert A.: Secretary of Defense, 1951–53; special assistant to Secretary of War, 1940–41; Assistant Secretary of War for Air, 1941–45; Under Secretary of State, 1947–49; Deputy Secretary of Defense, 1950–51.

McCloy, John J.: Assistant Secretary of War, 1941–45; consultant to Secretary of War,

[1] Listed as Republican in Who's Who in America until 1936–37, since then no political affiliation given. Candidate for Republican nomination to United States Senate from Utah in 1950.

1940; president, World Bank, 1947; High Commissioner for Germany, 1949–53.

McNeil, Wilfred J.: Assistant Secretary of Defense and Comptroller, 1949–54; Fiscal Director, Navy Department, 1944–47; Special Assistant to Secretary of Defense, 1947–49.

Mead, George H.: Chairman, Industrial Advisory Board, NRA, 1934–43; Business Advisory Council, Commerce Department, 1933–45, 1947–49; member, National Defense Mediation Board, War Labor Board, Price Control Board.

Patterson, Robert P.: Secretary of War, 1945–47; Assistant Secretary of War, 1940; Under Secretary of War, 1940–45.

Perkins, George W.: Assistant Secretary of State, European Affairs, 1949–53; ECA, Paris, 1948–49.

Petersen, Howard C.: [2] Assistant Secretary of War, 1945–47; assistant to Secretary and Under Secretary of War, 1945; Chief, United States delegation to London, Conference on Japanese Trade Relations, 1948.

Rabi, Isidor I.: United States representative, UNESCO, 1950; Chairman, General Advisory Committee, Atomic Energy Commission; consultant, Research and Development Board, since 1946.

Reed, Philip D.: Chief, United States Mission for Economic Affairs, London, 1943–45; Deputy Chief, 1942–43; Office of Production Management, 1941; War Production Board, 1942, member, various advisory committees.

Rockefeller, Nelson A.: Assistant Secretary of State, 1944–45; Coordinator of Inter-American Affairs, 1940–44; Chairman, International Development Advisory Board (point 4), 1950–51.

Salomon, Irving: Delegate to UNESCO Conference, Paris, 1951.

Southard, Frank A., Jr.: United States Executive Director, International Monetary Fund, 1949; with Treasury Department, 1941–42, 1947–48; Federal Reserve System, 1948–49.

Stassen, Harold E. (former Governor): United States representative to San Francisco Conference on United Nations, 1945.

Stimson, Henry L.: Secretary of War, 1940–45.

Tobias, Channing H.: United States representative to U. N. General Assembly, 1951–52; member, President's Committee on Civil Rights, 1946.

Valentine, Alan: Administrator, Economic Stabilization Agency, 1950–51; Chief, Netherlands Mission, ECA, 1948–49.

Wadsworth, James J. (late United States Senator and United States Representative): Deputy Administrator, Federal Civil Defense Administration, 1951; War Assets Administration, 1945–46; Special Assistant to Administrator, ECA, 1948; Acting Director, Office of Civil Defense, 1950; Deputy United States Representative to United Nations, 1953.

Williams, C. Dickerman: General Counsel, Department of Commerce, 1951– .

Wilson, Charles Edward: Director, Office of Defense Mobilization, 1950–52; Executive Vice Chairman, War Production Board, 1942–44.

Winant, John G. (late Governor): Ambassador to Great Britain, 1941–46; Director, International Labor Office, 1939–41; Chairman, Social Security Board, 1935–37.

(Sources: Who's Who in America, 1940 to date; Current Biography, 1940 to date; Biography Index, 1946 to date; National Cyclopedia of American Biography, 1946– (current G and H); Who's Who in United States Politics; Who Knows—and What; Who Was Who in America, 1897–1950; American Men in Government; other biographical indexes; selected periodical and newspaper articles. Names were secured from United States Senate executive clerk, civilian nominations, 1940–52, annual.)

SOME DEMOCRATS APPOINTED TO TOP POSITIONS IN THE FEDERAL GOVERNMENT DURING THE REPUBLICAN ADMINISTRATION, 1953–54

(NOTE.—No attempt has been made to list the Democratic members of independent boards, bureaus, and commissions in the Federal Government. In most of these agencies, the board or commission operates under a statutory provision limiting the number of members of any one political party who may serve at a given time. For the same reason, I have not listed members of the United States Advisory Commissions on Educational Exchange and on Information or of the public advisory board established under the Foreign Assistance Act of 1948.)

Anderson, Robert B.: Deputy Secretary of Defense, 1954; Secretary of the Navy, 1953–54.

Byrnes, James F. (Governor of South Carolina): United States representative to U. N. General Assembly, 1953.

Durkin, Martin P., former Secretary of Labor, 1953.

Hobby, Oveta Culp: [3] Secretary of Health, Education, and Welfare, 1953– .

Robertson, Walter S.: Assistant Secretary of State for Far Eastern Affairs, 1953– ; service as economic adviser, minister, etc., in China and Far East, 1945–48.

(Sources: Who's Who in America, 1940 to date; Current Biography, 1940 to date; Biography Index, 1946 to date; National Cyclopedia of American Biography, 1946– (current G and H); Who's Who in United States Politics; Who Knows—and What; Who Was Who in America, 1897–1950; American Men in Government; other biographical indexes; selected periodical and newspaper articles.)

[2] Political affiliation not stated in published sources, but served as officer of national committee, Eisenhower for President, 1952.

[3] Political affiliation not listed in 1954 Who's Who in America, but generally considered a Democrat prior to 1952 elections.

The Administration of Public Lands

EXTENSION OF REMARKS
OF
HON. CLIFTON (CLIFF) YOUNG
OF NEVADA
IN THE HOUSE OF REPRESENTATIVES
Monday, August 9, 1954

Mr. YOUNG. Mr. Speaker, it has been apparent for a number of years that many changes are necessary in the numerous statutes governing the administration of public lands in this country. There are now nearly 5,000 laws on the statute books governing the administration and disposition of a vast area of public domain.

Not since the days of President Theodore Roosevelt has there been any comprehensive attempt to study and make a systematic improvement of this legislation. Even the officials of the Department of the Interior have difficulty interpreting and administering this maze of complicated and sometimes conflicting legislation.

I am pleased to report that in an effort to improve this legislative jungle I introduced at this session a bill to establish a commission to study our public land laws and make recommendations for improvement. Unfortunately, as is the case with so many worthwhile bills, Congress was not able to provide for its enactment this session and the limitations of time make it unlikely that anything will be done in this field prior to adjournment. I am hopeful that this groundwork which has thus been laid will result in such a commission being established when Congress next convenes, to carry on with this important mission.

In the meantime, a clearer understanding of existing laws will do much to answer the questions which many of our citizens have regarding their legal rights in matters of great concern to them. In the southern part of the State which I have the honor to represent, there has been a great deal of activity in the public land field. Many uncertainties have arisen which need clarification. A series of questions and answers has been prepared which I am hopeful will clarify some of these uncertainties until legislative and administrative improvements can be made. These questions and answers follow:

1. What is a small-tract lease?

A small-tract lease is a lease issued by the Bureau of Land Management under the Small Tract Act for 5 acres or less of public land for use as a home, recreation, or business site. Leases issued by the Bureau may be a lease only or may contain an option to purchase upon proper improvement of the land.

2. How do I obtain a small-tract lease?

A person must make application to the proper land office. Such application must indicate the legal description of the land desired. The Land Office Manager will issue a lease if the land applied for has been classified for small tracts and has not previously been filed on.

3. Where can I find out what areas are open for small-tract leases in southern Nevada?

Information regarding areas open for small-tract leases in southern Nevada may be obtained from the land office at Reno. That office also has copies of the necessary forms and instructions. The Bureau has established a temporary office in Las Vegas to assist the public in making proper application for small tracts. Any public land may be applied for under the Small Tract Act but issuance of a lease will depend upon whether the land is classified and open for small tracts. Most of the land in the immediate vicinity of the Las Vegas-Henderson area has been classified for small tracts but because of conflicts with other types of applications, not all of the classified land is open for leasing now.

4. Can I get this information by writing a letter to the land and survey office in Reno, Nev.?

The land office at Reno can give the information as to what lands have been classified and opened for small tracts. However, the small staff at Reno is now swamped with work. Furthermore, it is not the best practice to try to secure the information through the mail because the status of the lands changes daily. The land office might indicate to an applicant that a tract was open to application as of a particular time. However, it is possible for someone else to walk in and file on it even before such person received his reply. Therefore, the best practice for an applicant is to search the land office records and make application for land which he knows is available.

5. Where do I apply for a small-tract lease in Nevada? Is there a special form?

Small-tract applications must be filed in the land office at Reno. There is a special form for making application, Form 4–776.

6. Must I file my application in person?

The application may be filed in person, by mail, or by friend or agent.

7. Is there an office in southern Nevada where I may file a small tract application?

There is a temporary office in southern Nevada at Las Vegas to assist the public in making proper applications. However, the application must be filed in the land office so that it may be properly recorded as to time and date and posted on the land office tract books. Priority of rights is based on the time the application is accepted at Reno.

8. What does it cost to file an application?

There is a filing fee of $10 which is not returnable. In addition, the applicant must pay $15 which is either returned if no lease is issued or applied against the rental.

9. Are preferences given to any class of applicants?

For applications filed on areas not under consideration for classification, preference for each tract is given to the first applicant. For areas already classified, veterans of World War II and of the Korean conflict are given preference under the Veterans' Preference Act.

10. What determines priority between applicants of the same class?

Depending on the circumstances, priority is determined either by a drawing or by the principle of first come, first served. Drawings are usually required when lands are first opened.

11. What steps are then taken by the Government in considering applications? How long does this take?

This question must be answered in two parts: (a) Under nonclassified areas, and (b) under classified areas.

(a) Applications filed on nonclassified areas are recorded and held in abeyance until such time as the area is examined and classified. If the area is classified as unsuitable for small-tract development, the applications are rejected. If the area is classified as suitable for small tract development, then the applications are allowed. Sometimes there are conflicting applications from other persons which must be settled before leases can be issued. The time that this takes is variable. In the Las Vegas area where there are many thousands of applications, it has taken from 6 months to a year to process the applications considering that the Land Office must first classify the land and settle all the conflicts.

(b) In classified areas, the problem is one of accepting the application, checking the status of the land, and issuing the lease. Normally, this takes but a short time but again in the case of the Reno land office this has been delayed by the many thousands of filings and the backlog of work due to the over 4,000 oil and gas leases suddenly presented to the office and yet to be issued.

12. Is it proper to secure a small tract lease by using the services of a private company or person?

It is proper to secure a small tract lease by using the services of a private company or person but it is not necessary and in no way accelerates action on the application. The Government, however, is not responsible for any representations such people may make.

13. Would such a company or person have access to information not available to me?

Land records are open to the public and are equally accessible to everyone.

14. Must I personally inspect the land sought in my small-tract lease?

An applicant should not only personally inspect the land but must make a statement on the application form whether or not he has done so. Many persons have applied for land without actually seeing it and later found that it did not meet their needs or desires. The Bureau accepts an application as signed by the applicant as evidence that he has inspected the tract. The requirements of the regulations are stated on the application, Form 4-776.

15. For how many years does a small tract lease continue?

A small-tract lease with leasing provisions only continues for 5 years with an option of renewal. A small-tract lease with option to purchase continues for 3 years unless the person sooner constructs the necessary improvements. Ordinarily, leases contain an option to purchase. When improvements have been constructed, application may be made for patent prior to the remaining years of the lease.

16. If my lease expires, can I have it renewed? What if someone applies for the same tract before I make application for renewal?

If the lease with option to purchase expires, it is not renewable except under certain strict conditions excusing nonperformance. Other leases are renewable if the lessee lives up to the terms of the lease. Failure to apply on time may lead to the loss of all rights. Applications for renewal must be filed at least 60 days before expiration of the lease.

17. Must I make improvements on my small tract area before being allowed to buy it?

Under the present regulations, improvements are required on the small tract before patent can issue. However, in some instances and in some areas, including the Las Vegas area, the Secretary of the Interior has waived the regulations requiring improvements and the applicant may apply for direct purchase. In some instances, under direct purchase, the Bureau has reappraised the land resulting in a higher appraisal. In this case, the applicant is being given the option of proceeding under the lease purchase arrangement or purchase direct under the new appraisal.

18. What will be the sale price of the land if sold by the Government to me?

The sale price of the land will be the appraised price as stated in the original lease unless the situation as described in question 17 holds. Prices, of course, vary with the value of the land.

19. Are there any other ways of getting public land from the Government?

There are many ways of getting public land from the Government and the laws are too numerous to detail here. However, the principal laws are the general homestead laws and the public sale law. The homestead laws apply to lands which must be developed for agriculture.

20. What happens if there is a conflict between my small tract application and an attempt to secure land by another means such as through homesteading or a mining claim?

This question brings up a current situation existing in the Las Vegas area in regard to conflicts between the small tracts and the mining laws. There is no conflict between small tracts and homesteading once the land is classified for small tracts. Land leased for small tracts is not subject to subsequent mining locations. However, mining locations filed prior to the leasing of the land for small tracts may be valid. Prior to classification for small tracts, the Bureau examines the land to see if there are any evidences on the ground as to mining locations. If there are prospecting holes, mining locations, stakes, or other evidence indicating possible valid claims, we will not classify the land for small tracts. The Bureau has not, as a matter of procedure, searched the county records to determine if mining locations may have been recorded. The applicant, as a matter of protection, should search the county records to see if there is a recorded mining location on the land he seeks. This, of course, in most ihstances, has not been done and many applicants had no knowledge that this is a protection that they should seek. As a result of the situation now developing in the Las Vegas area, the Bureau will take additional action on applications now pending for lease to search county records to determine if there are recorded mining locations. If there are, the Bureau will inform the applicant that he may accept the lease subject to this possible location. The Bureau may go further, all of which will take considerable time, to search the records and attempt to determine by inspection, publication, and hearings, the validity of the mining claim. The Bureau is taking the necessary steps to determine as rapidly as possible the validity of mining claims on small tract leases in the Las Vegas area.

Once the lease has been issued and the lessee finds that a prior location not formerly worked is now being prosecuted by the locator, the Bureau of Land Management may attempt to determine the validity of the mining claim. If the mining claim is in fact a valid one, it must proceed and take precedence under the mining laws over the small tract. If the mining claim is in fact invalid then the Bureau will proceed to void it as provided by the laws and regulations.

21. What constitutes a valid mining claim?

A mining claim is valid against the United States if the claimant has discovered valuable minerals in sufficient quantities and quality to justify a prudent man to mine and remove them for sale.

22. How can I determine whether there is a valid mining claim or other type of prior claim on a portion of the public domain?

An individual may not be able to determine whether a mining claim is valid as against his interest in the land. That is a responsibility of the Department of the Interior. However, an individual can search the county records to determine whether a mining location has been filed on the land he seeks.

23. Can a valid mining claim be canceled?

The chances are that a valid mining claim cannot be canceled. A great deal hinges on the definition of a valid claim.

24. Can an invalid mining claim be canceled?

An invalid mining claim may be canceled by Government adverse proceedings as provided by the regulations. Private individuals may institute such proceedings by filing charges against the claim.

25. Is there anything being done to check the validity of claims in southern Nevada?

The Bureau of Land Management is now proceeding through its area administrator at Salt Lake City to assist in every way to check the validity of mining claims in the Las Vegas area where there are conflicts with small tract applications. The Bureau will be in a position in the next few days to announce the steps that have been taken looking toward an immediate solution to the small tract mining location conflict now existing in the Las Vegas area.

26. What steps are being taken to speed up the procedure of processing small tract applications in Nevada?

The Bureau is adding additional personnel to the Reno office to process the oil and gas leases now pending so that it may proceed with the processing of small tract applications. In addition, a large land exchange which is in conflict with more than 3,000 small tract applications is now on appeal to the Secretary. The Secretary's Office has indicated that it will give this appeal a high priority. After the Secretary's decision, the Bureau will be in a position to process these applications, whether favorable or unfavorable to the applicants, depending upon the decision of the Secretary. If the permanent help now being added to the Reno land office does not overcome the backlog, additional temporary personnel will be assigned from other land offices.

Deepening the Delaware River Channel a National Economic and Defense Project

EXTENSION OF REMARKS
OF
HON. CHARLES A. WOLVERTON
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES
Monday, August 9, 1954

Mr. WOLVERTON. Mr. Speaker, it is difficult to understand the opposition to providing a 40-foot channel in the Delaware River. The Delaware River is a highway of commerce for 120 miles. There is no area in the United States that has had, and, is now having, such an unprecedented development of industrial activity. Along its shores on either side of the river, in the States of Pennsylvania, New Jersey, and Delaware are located some of the most outstanding industries in all the world. Names that have made America known the world around.

On the New Jersey side of the river are such well known industries as the Du Pont plants at Deepwater and other locations along the river; Atlantic City Electric Power Co., that supplies all of south Jersey with electrical current; Socony-Vacuum Co.; Texas Co.; New York Shipbuilding Co.; Public Service coke plant; Campbell Soup Co.; RCA Victor plant; Cities Service Co.; Kieckhefer Container Co.; and many other great industries, and others being completed. On the Delaware and Pennsylvania side of the river are industries of such number and variety that it is impossible to mention them all by name, reaching from the lower Delaware River all the way to Trenton, N. J., including such important activities as the Philadelphia Navy Yard and Fairless Steel Co., at Bristol, Pa. Philadelphia, Chester, Wilmington and the surrounding areas, including Camden, Trenton, and other communities on the New Jersey side of the river, and the surrounding areas, constitute the Delaware River Valley, the most outstanding section of our Nation. Great piers, warehouses, and terminal facilities for ocean steamers are in great abundance.

All of this development is the result of the activities of public and private enterprises that have appreciated the advantages of this great highway of commerce, and, still they come. The last few years have seen tremendous development. It is without a doubt the most promising, as to future development, of any section of our entire country.

It is simply unbelievable that anyone should fail to see the importance, and, the justification, of deepening the river channel to accommodate this vast and rapidly increasing volume of trade that now moves up and down the river, and, will do so in even greater volume if given the opportunity. All that is needed at this time is Federal recognition and favorable action to enable the deepening of the channel to proceed.

The authorization of this program to deepen the Delaware River Channel is justified from every standpoint of consideration. First, over the years the Federal Government has wisely supported vast and costly public-works projects in other areas of the United States. A large part, in fact a very large part, of the cost has been borne by taxpayers in New Jersey, Pennsylvania, Delaware, and other Eastern States. Second, also our taxpayers and consumers have paid a big share of the wheat, corn, butter, and other subsidies which have greatly benefited the dairy and farm States of the Midwest. I mention this only from the standpoint of showing that we cannot base our actions for and against on purely sectional grounds. Thus, we must consider this proposed Delaware River improvement from the national standpoint, and not merely on a sectional basis. This is a vital economic and defense project that has wide national significance. We cannot rightly ignore the national advantages of a deep channel in this great and important river valley.

We must recognize that Federal support for the deepening of the Delaware River channel would provide facilities that will prove beneficial to many and important segments of our economy—steel, petroleum, chemicals and other basic industries in which the Nation has a vital interest would also benefit. Any attempt to fasten the cost, or, any part of the cost, on any one industry or any number of the industries would be unfair, unjustified and in total disregard of our past national policy in this respect. If such a policy is to be adopted, then we can expect a general curtailment of all river and harbor development. It would be unwise to adopt such a policy and unfair, when it is considered that other private interests have not been so charged in the past.

There has been a suspicion that some of the opposition that has developed is the result of fear that the deepening of the Delaware River channel would make it easier for iron ore to be brought into the Delaware River area, and, thereby prove harmful to the economic interests of the Midwest in the Mesabi Range, which has been a prime source of iron ore for the Nation in the past.

According to mining authorities, World War II used 340 million tons of the highest quality reserves out of the Mesabi mines. Several years ago, the President of Republic Steel declared that "no more wars were ever going to be fought off Superior's natural ores." Unfortunately, how true this will be.

The Venezuelan ore discovery and the mines in Labrador have completely reversed the gloomy prospects which faced our Nation at the end of World War II. Without these new sources of supply so necessary in times of peace, as well as in any war emergency that might come upon us, our situation could readily have been one of despair. However, instead of facing a disastrous depletion, we can now look forward to a new and even bigger era of steel. The deeper channel will aid the Nation in obtaining these valuable new additions to our physical resources.

I earnestly hope that Members of both Houses of Congress will consider the national economic and defense benefits of the Delaware River project and give it speedy and unequivocal support.

Railroad Grade Crossings

EXTENSION OF REMARKS
OF
HON. CHARLES G. OAKMAN
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Monday, August 9, 1954

Mr. OAKMAN. Mr. Speaker, since President Eisenhower projected his grand plan for highway improvement, I have been working with road officials at all levels—Federal, State and local—in an effort to help develop a feasible line of attack on one of our most serious highway bottlenecks and danger points—railroad grade crossings.

I have discussed this matter with Public Roads Commissioner F. V. du Pont, with our Michigan Highway Commissioner, Mr. Charles M. Ziegler, and with Mayor Albert E. Cobo and other Detroit officials. I am encouraged to proceed with a concrete proposal I have developed which I believe eventually would reduce grade crossing accidents and fatalities almost to the vanishing point. Consequently, I am today introducing a bill to implement this proposal, and I hope it may receive very serious consideration in connection with the tangible plans now being drafted to carry out the President's proposed $50 billion 10-year highway program.

Dangers from grade crossings have been clearly recognized almost since the inception of the automobile and, although some progress has been made, we thus far have taken only half-hearted methods to combat these dangers. This has been due, not to any lack of foresight or planning on the part of highway officials, but to a lack of funds to provide an adequate program of grade crossing elimination. Now, for the first time, we have a real opportunity to take effective remedial action.

Under programs laid down by Congress and currently being carried out by the Bureau of Roads, important viaduct work is underway on the interstate and primary road systems. On these 2 systems the Bureau is authorized to meet up to 100 percent of the cost of grade-crossing elimination, with the railroads returning up to 10 percent of the cost where they benefit directly from a separation project. This program, however, makes no provision for grade crossings on other highways. My bill deals with this gap in the existing crossing elimination program.

Briefly, my bill would make available to any urban area, as defined in the Federal-Aid Highway Act of 1944, Federal-aid matching funds for the elimination of railroad-highway grade crossings. This bill would authorize the appropriation of Federal funds for this purpose in the amount of $175 million annually, this sum to be matched on the basis of 40 percent by State and local funds to 60 percent Federal money, thus providing a base allocation in excess of $290 million a year. Priority should be given to those crossings which are the most hazardous and cause the most traffic delay. However, each State could make its own traffic origin and destina-

tion studies to determine which projects should be given top preference. Federal funds are now available to assist in the necessary surveys. Traffic density, too, would naturally be a major criterion. The Bureau of Public Roads now provides for elimination of grade crossings on the national system of interstate highways and on the primary system where railroads are double tracked or where there are 6 or more trains daily on 1 track. It will provide, I believe, the incentive and the tools with which to round out a comprehensive program in order to accomplish this important phase of highway betterment and safety program.

Latest available figures show the country has 227,291 grade crossings, of which 8,248 are the most critical. While the cost of grade-crossing eliminations varies widely from case to case, I am advised the average cost would run in the neighborhood of $400,000. With a $290 million plus annual program, we could eliminate about 725 crossings a year, or about 7,250 in the 10-year program of highway improvement envisioned by President Eisenhower, or the program could be accelerated anywhere along the line.

Mr. Speaker, I am concerned primarily with saving the lives being lost each year at grade crossings and with preventing the accidents which leave thousands maimed and injured. In 1953 traffic deaths at grade crossings numbered 1,419 and nonfatal injuries totalled 3,600. I was surprised to learn, from the National Safety Council, that 4 out of every 10 grade crossing accidents occurred at crossings protected by gates, lights, bells, watchmen, or a combination of these. This can only mean that the best protection methods we have been able to devise are ineffectual in providing a safe crossing of highways and railroads. Furthermore, 6 out of every 10 accidents involved trains that were traveling at less than 30 miles an hour or were not moving, while about half of the motor vehicles were traveling at 30 miles an hour or less. It is apparent, therefore, that the grade crossing itself represents a danger which we are unable to combat successfully either through protective devices or controlled speed.

I am certain we can all agree, Mr. Speaker, that one preventable death or injury is one too many and if the President's grand highway plan eventually results only in reducing these deaths and accidents virtually to zero it will have been amply justified.

While they are by far the most important aspect of the problem, the deaths and injuries at grade crossings are not the only justification for a bold approach to the problem of desperately needed viaduct construction. There are important safety factors involved in grade crossings quite apart from the actual collision of motor vehicles and trains. Ambulances, fire engines, police cars, and public utility repair equipment all can be, and often are, held up for vital minutes at grade crossings—minutes which can mean the difference between life and death or the difference between minor and major personal injury and property damage.

Furthermore, in the event of an atomic attack, grade crossings could choke to a standstill the flow of traffic through and from our cities, making the evacuation problem even more critical and perhaps costing untold lives.

These, Mr. Speaker, are some of the fundamentals of the grade-crossing problem. Meshed with them is the indeterminate but enormous economic waste of grade crossings. This is not only the waste of motor fuel at crossing delays but the loss of countless thousands of man-hours as well. The latter loss is not confined to those who sit impatiently in cars, trucks, buses, and streetcars, stopped at crossings but extends also to the time involved in slowing trains at crossings, with consequent slow delivery of passengers and materials (handled by the railroads).

Additionally, Mr. Speaker, there is still another economic factor to be considered—that of giving employment to our people. The grade-crossing program would be countrywide. It would put both skilled and unskilled labor to work in many places where unemployment is, or could be, a problem. It would create a demand for steel, electrical equipment, concrete, and many other materials. It would be an invigorating breeze to our Nation's economy. Best of all, this would be no leaf-raking, made-work proposition. The labor, the materials, the time, and the money poured into this program would funnel out in safety and economic benefits to our people for centuries to come.

Aside from its national implications, this program would represent sound Federal assistance on a partnership basis in my own city of Detroit. Detroit has 63 critical crossings which stand as a menace to our people, a barrier to the free flow of both rail and highway transportation. This is true in some degree in every city and every State in the Union.

In conclusion, Mr. Speaker, I would like to remind the Members that as President Eisenhower pointed out, it is estimated our population may reach 200 million by 1970. With a nationwide system of modern and adequate highways available within the next decade, it is not unrealistic to estimate that we may have a total automobile registration by 1970 of 80 to 90 million cars and trucks on our American highways. With these challenges before us, Mr. Speaker, I feel that this proposed legislation, together with all of the other major aspects of the President's "grand plan" for our highways, we will have profits in lives saved, time saved, reduced transportation costs, along with a greater and more abundant economy plus an improved system of national defense. If we fail to heed the warnings of our great President and continue to take an ostrich-like attitude about the ever-increasing problems of our public highways, I shudder to think of the price we may pay for our failure to take positive action now. However, as America has always done in times of great emergency the Representatives of this Republic, I feel certain, will face and squarely meet the requirements of this atomic age in which we live.

Drought Program

EXTENSION OF REMARKS
OF

HON. CLIFFORD R. HOPE

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Monday, August 9, 1954

Mr. HOPE. Mr. Speaker, on July 16 the Committee on Agriculture adopted a resolution with respect to the drought situation and the programs of the Department of Agriculture in connection therewith. This resolution reads as follows:

Within the past several days there has come to the attention of the committee an increasing number of reports of serious drought conditions in many parts of the United States. It is the committee's information that conditions have already reached the point in some parts of the country where production of crops is being seriously threatened and the ability of livestock producers to maintain their flocks and herds is being impaired.

In view of this situation the committee urges that the Secretary of Agriculture use to the fullest extent the authority and funds available to him for combating or alleviating the results of the drought as soon as conditions in the various affected areas warrant action on the part of the Federal Government.

The committee respectfully suggests, in view of the fact that Congress will soon adjourn, that the Secretary review the authority and the funds now available to him for meeting drought and other emergency conditions in the agriculture of the Nation and report to the committee at the earliest possible moment any additional authority or funds which he believes he may require in order to meet as effectively as possible any need which may arise for action on the part of the Federal Government.

Following the adoption of the resolution and on the same day five members of the committee presented the resolution to Under Secretary Morse in the absence of Secretary Benson. The group had a very satisfactory conference with Mr. Morse with respect to the program which was then in the making.

I am now in receipt of a letter from the Secretary of Agriculture written in response to the resolution in which the Secretary states he believes that the Department has adequate authority and sufficient funds for the purpose of extending drought relief between the present time and until the next session of Congress.

Under leave to extend my remarks, I include the letter of Secretary Benson herewith:

DEPARTMENT OF AGRICULTURE,
Washington, D. C., August 6, 1954.

Hon. CLIFFORD R. HOPE,
Chairman, House Agricultural Committee, House of Representatives.

DEAR CONGRESSMAN HOPE: In response to the resolution of July 16 of your committee regarding the ability of this Department to extend relief in drought designated areas, we believe that we have adequate authority and sufficient funds for this purpose until the next session of Congress. The situation may be summarized as follows:

Public Law 38, 81st Congress, approved April 6, 1949, abolished the Regional Agricultural Credit Corporation of Washington and transferred its assets to the Secretary

of Agriculture. The assets so transferred constitute a revolving fund from which emergency loans for periods consistent with the borrowers' ability to repay are made at 3 percent interest to farmers and stockmen suffering production disasters when the Secretary determines that the area or region involved has suffered a production disaster and finds that agricultural credit is not readily available from other sources (11 U. S. C. 1148). Loans are also made at 5 percent interest to bona fide fur farmers where necessary to protect the Government's interest in existing loans outstanding (62 Stat. 1183).

Public Law 115, 83d Congress, amended Public Law 38 to authorize additional loan assistance to farmers and stockmen as follows: (1) Economic disaster loans—loans at 3 percent interest may be made in any disaster area declared by the President under Public Law 875 (42 U. S. C. 1855), if the Secretary finds that an economic disaster has also caused a need for agricultural credit that cannot be met temporarily by regularly established lending institutions, including the regular lending programs of the Farmers' Home Administration. (2) Special livestock loans—For a period of 2 years subsequent to July 14, 1953, loans may be made at 5 percent interest to established livestock producers who are temporarily unable to secure credit from recognized lenders and who have a reasonable chance of working out their difficulties with supplementary financing.

According to our latest estimates, approximately $110 million will be available in the disaster loan revolving fund for the fiscal year 1955, as follows:

Unobligated balance, June 30, 1954	$44,081,741
Anticipated collection, fiscal year 1955	66,000,000
Total anticipated available, fiscal year 1955	110,081,741

Current estimates reflect anticipated loan requirements of approximately $72 million, as follows:

Production emergency	$32,000,000
Economic emergency	15,000,000
Special livestock	25,000,000
Total	72,000,000

Thus it appears that funds available are ample to most anticipated needs at this time.

EMERGENCY ASSISTANCE IN FURNISHING FEED AND HAY

In addition to the loan funds noted above, there is a balance of $15,257,747 available in the disaster loan revolving fund for emergency assistance in furnishing feed, including hay, pursuant to section 2d of Public Law 38, as amended by Public Law 115, 83d Congress. Section 2d was implemented by the appropriation of $40 million made in Public Law 175, 83d Congress, as amended by Public Law 357, 83d Congress, which increased to $50 million the amount which could be used for the feed program, including hay.

Since it is contemplated that the handling and transportation costs incurred in making Commodity Credit Corporation stocks of feed available for use in the drought emergency program will be borne this year by CCC under the authority of section 301 of the Agricultural Trade Development and Assistance Act of 1954 (Public Law 480, 83d Cong.), it will not longer be necessary to charge such costs to the disaster loan revolving fund. However, there are certain other costs (beyond the cost of the commodities to the Corporation, handling and transportation) in connection with the drought emergency program which Commodity Credit Corporation is not authorized to bear and which will have to be charged to the disaster loan revolving fund. Such costs include, for example, the administrative expense of State and county committees in connection with the operation of the feed program. Except for these costs, the balance of $15 million will need to be used only in connection with the hay program. The hay program is administered by the States under cooperative agreements with the Federal Government. Generally speaking, 50 percent of the cost of transporting hay to basic herds in the disaster area is paid for by the Federal Government. Since less than $5 million has been required in the hay program so far, it appears there are sufficient funds for this purpose.

EMERGENCY GRAIN PROGRAM

A program under which CCC stocks of feed would be made available for use in the drought emergency program is being developed under the authority of section 301 of Public Law 480, 83d Congress. Under this statute, the CCC is authorized, on such terms and conditions as the Secretary may deem in the public interest, to make commodities available from its stocks for use in relieving distress in connection with any major disaster determined by the President to warrant assistance by the Federal Government under Public Law 875, 81st Congress. We believe that this statute provides adequate authority for making feed available to meet the drought emergency.

WIND EROSION CONTROL MEASURES

The $15 million authorized by the Congress for wind erosion control measures has been allocated among 6 States to the extent of $13,280,000. The unallocated balance will be administered in keeping with the established policies of the Agricultural Conservation Program Service to take care of future demands during the period authorized by the legislation.

BEEF PURCHASE PROGRAM

The necessary preliminary steps have been taken so that if a beef purchase program becomes necessary, it can be put into effect immediately. Such a program would be carried out under the authority of section 32 of Public Law 320, 74th Congress.

Our conclusion that adequate funds, including funds for the beef purchase program, are available for extending relief in drought areas is based upon the drought situation as it presently appears. There could, of course, be drastic changes in the drought situation which would affect our conclusion.

Sincerely yours,

E. T. BENSON,
Secretary.

Trout Labeling

EXTENSION OF REMARKS
OF
HON. WILL E. NEAL
OF WEST VIRGINIA
IN THE HOUSE OF REPRESENTATIVES

Monday, August 9, 1954

Mr. NEAL. Mr. Speaker, S. 2033, would appear to propose limiting the importation of trout, but seems to be making the approach through the back door by placing the responsibility for its administration on the food dispenser rather than on the Tariff Commission, where it legally belongs.

Certainly, I am in sympathy with any trade or tariff agreement that serves to protect American industry against harmful competition from foreign sources. Perhaps this bill can be made to accomplish this purpose. However, the Tariff Commission has the authority to control fish imports through their customs officials at a relatively small number of ports of entry, where the objection could be met rather simply and with little cost.

On the other hand, to impose this duty on the operators of eating places throughout the land, not only will require additional enforcement personnel at great cost but will tend to eliminate trout from the menus of many eating places. It seems to me to be unfair to compel restaurants to become law enforcement agencies. This is the duty of the United States enforcement officials.

If the object is to limit imports and to prevent deceptive labeling, the duty should rest squarely on the shoulders of the Tariff Commission in its interpretations of the Trade Agreements Act.

Farmer Is Being Shortchanged Again

EXTENSION OF REMARKS
OF
HON. LAWRENCE H. SMITH
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES

Monday, August 9, 1954

Mr. SMITH of Wisconsin. Mr. Speaker, the American farmer is still being shortchanged. He is almost at the bottom rung of the economic ladder. It is a known fact today that the prices he receives for the food and fiber that he produces are lower than they were more than 10 years ago.

This is an incredible situation, Mr. Speaker, yet it is recognized that the farmer is paying 50 percent or more for the things that he buys to put his farm into production. Unless we come to grips with this situation the farmer will eventually be liquidated. When farm purchasing power decreases our whole economic system is threatened.

Is it reasonable, Mr. Speaker, to ask for some explanation for the difference between the cost of the bottle of milk that I buy and what my dairy farmer pays for it? The average price for a quart of milk is 22 cents, yet the farmer receives only 7 or 8 cents for that same quart of milk. Why this great discrepancy between the producer—the farmer—and myself, the consumer? I have never seen or heard a real answer to that question. It has been established, however, that the farmer gets on all food commodities about 43 cents of the consumer's dollar. It is much less than that for the dairy farmer.

Mr. Speaker, I am talking about the biggest business in this country—that is the food business. Is it not therefore the No. 1 domestic problem? I think it is.

In this connection I refer to a recent article by Mr. Louis Bromfield, farmer as well as an excellent writer, in which he points out that the total investment in land, livestock, machinery, and buildings by the American farmer is larger

than the total investment in all of industry in this country. Further he says that 50 percent upward of the citizenry derives, directly or indirectly, its employment, income, wages, and purchasing power from an agricultural base. Agriculture is indeed the Nation's biggest business and food is its principal product.

Mr. Speaker, in Wisconsin, my beloved State, the dairy farm is the biggest business and I am very proud of it. The men and women who own and operate those dairy farms are hardworking, honest, conscientious, God-fearing people, who work from sunup and past sundown to complete their daily chores, aided by their sons and daughters.

My interest, therefore, Mr. Speaker, is chiefly in the welfare of my Wisconsin dairy farmers. A valuable report just issued by the House Committee on Agriculture is most illuminating on the subject of the price of milk and dairy products.

It points out that the farm price of milk and butterfat and the retail price of dairy products reached a peak in 1962. However, since that time farm prices have dropped 20 points while retail prices have dropped only 9 points. The report further points out that farm prices for milk and butterfat in June of this year—1954—were 10 percent below their 1947–49 average, while retail prices in dairy products were 3 percent higher than in the earlier period.

In my own congressional district, where considerable of the fluid milk goes into the Chicago market, my farmers have received 8 cents a quart, while farmers who supply milk for the New York City market received 12 cents a quart in June 1954 for fluid use which cost urban housewives 25 cents a quart to their doors. Again I ask the same question, What is the cause for this considerable spread between producer and consumer?

Mr. Speaker, perhaps the answer to this question is partially answered by this same report, which points out that every dollar spent by the American housewife for domestically produced goods 56 cents now goes for processing, marketing, and transportation charges. The farmer receives 44 cents, and out of this 44 cents about 30 cents goes to purchasing of tractors, trucks, plows, gasoline, fertilizer, and other supplies required by modern farming.

On that basis, Mr. Speaker, the farmer and his family have about 14 cents out of each consumer dollar spent for domestically produced food for their work and investment. The farmer's share, according to the latest figures, the consumer's dollar has dropped in recent years and months as farm prices have declined, while retail food prices have remained at 1952 peak levels.

This is the problem, it seems to me, that needs considerable study and attention by this Congress and those that are to follow. There is no good reason under the sun why the American farmer, and especially the dairy farmer who works so hard for what he gets in return, should be on the lowest rung of our economic ladder. Obviously the farmer is being shortchanged.

H. R. 9245: "No Tickee, No Shirtee"

EXTENSION OF REMARKS
OF
HON. ALFRED D. SIEMINSKI
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES
Monday, August 9, 1954

Mr. SIEMINSKI. Mr. Speaker, during debate this afternoon on H. R. 9245, a bill to raise the pay of postal employees temporarily by 7 percent, some novel and interesting approaches on the problem of pay adjustments were made.

Those who opposed the measure appear to have based their opposition on the ground that a rate increase must accompany a pay increase. This resembles "no tickee, no shirtee" and assumes that the Post Office is now operating at maximum efficiency. It appears to overlook the admission of the bill itself, that the Post Office is not operating at maximum efficiency because the measure calls for a study to reclassify postal personnel. If maximum efficiency existed in the Post Office, there would appear to be no need for the reclassification of postal personnel.

Again, those who oppose the measure express concern that it would add to the deficit of the Post Office Department. They admit a deficit exists. Yet they do not champion, nor have they championed exclusively in the House, a pay-as-you-go rate bill for corporations or commercial users of the mails.

It would be interesting to see lobbying of a nature not yet seen in Washington, corporate lobbying that would buttonhole Members of Congress to sign a discharge petition calling on commercial users of the mails to pay their way. Postmaster General Summerfield tried the direct approach when he first came to Washington but was promptly slapped down by a congressional committee which heard with disfavor his recommendation for a pay-as-you-go postal rate scale. I wonder why the opponents of this 7 percent pay adjustment have dodged the stand-on-your-own-feet approach on the postal deficit, except for today, when they used it so conveniently as a club with which to slap a man down who seeks a pay adjustment? Would the opponents of the 7 percent pay adjustment speak so disdainfully of it if the issue involved putting corporations in step with fair rates? Why suddenly the cry "No tickee, no shirtee," "no rate increase, no pay increase"?

In American business, it seems to me, that top management is the one that must meet successfully the challenge, "increase my profits, else no dividends, bonus, stock, or pension grants." Employees, below top management, know only that the job they hold should meet all reasonable living standards and obligations, should be able to pay what it costs to live sensibly. Successful management is ever on its toes to keep employee needs reasonably satisfied; as it does customer needs. The problem is not easy.

In Government it seems to me that top management, which means the Cabinet and the Congress, must meet successfully the challenge "increase my pay to keep me in the game." Government employees, like business employees, are not responsible for top policy, fiscal policy, or management of overall operations. They have every right to expect the Cabinet and the Congress, like top-flight business management, to keep ahead of the needs of life. The problem is not easy.

It is more honest of the Congress and the Cabinet and the President to say, as the Congress said this afternoon in effect, "7 percent increase granted, even though temporarily, until October 1955"; by which time the Post Office Department should be operating at top efficiency, and by which time rate-increase requests should have been presented for action, as should any further adjustment of pay. The two issues are separate and distinct.

Does the Interstate Commerce Commission decide on employee pay for private industry? The Commission decides on ratemaking.

Ratemaking is a major Federal problem, as is wage payment. Each merits separate handling.

I trust we have heard the last of a bill to companion wage increase with rate increase. The corporations would always win, even though they rode high, wide, and mighty on the taxpayer's postal dollar.

More Repercussions of Rigid Price Controls

EXTENSION OF REMARKS
OF
HON. JACK WESTLAND
OF WASHINGTON
IN THE HOUSE OF REPRESENTATIVES
Monday, August 9, 1954

Mr. WESTLAND. Mr. Speaker, a situation which borders on the ridiculous and certainly is uneconomical has arisen as another indirect result of the unrealistic program of rigid price supports which is presently in effect.

Pacific Northwest farmers, whether dairymen, poultrymen, or producers of turkeys and meat animals, who are required to feed grain to their livestock and poultry have historically used large quantities of oats in their feeding program.

Insufficient oats are raised in western Washington to take care of requirements of these farmers and on many occasions it has proven necessary and desirable to import this feed material from western Canada.

Late in 1953 the United States entered into an agreement with the Canadian Government which limits shipments of oats from Canada to the United States to 23 million bushels during the period from December 10, 1953, to September 1954, in order to reduce the impact of imports on the domestic price-support program. This quota has now been used and it therefore is impossible for farm feeders to import any oats from Canada for the

next 2 months. It is necessary therefore for these farmers to bring oats from as far away as Minneapolis, resulting in a $20 per ton freight haul.

There is no intention to criticize my good friends in Minnesota for their efforts to protect the markets for the products of their farms. However, it would seem more sensible to me if a reasonable import duty could be placed on Canadian oats which might be imported above the quota, thereby allowing the Treasury of the Government of the United States as well as the farm feeders of my district to profit from the purchase by them of feed oats in Vancouver, British Columbia, instead of what seems to me to be an unnecessary and ridiculous freight payment for the hauling of oats for 2,000 miles.

As long as high-rigid price supports are in effect, situations such as this are bound to arise. Dislocations of grain plantings and wasteful long hauls of produce are but two of the many evils of the present uneconomical and discredited price-support program.

The President's Shot in the Arm Will Not Help the Refugee Act

EXTENSION OF REMARKS
OF
HON. EMANUEL CELLER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Monday, August 9, 1954

Mr. CELLER. Mr. Speaker, the President has finally realized that operations under the Refugee Act of 1953 have failed. He issued a proclamation asking aid from 48 governors. What the President did not reveal was that the Refugee Act is entirely too restrictive and that under its administrator, Scott McLeod, the goal of admission of 211,000 refugees will never be achieved.

One year has passed and only a trickle of DP's have actually arrived in the United States. Only 7,000 visas have been issued abroad but these primarily cover preferred classifications under the statute. Most of these are still in Europe. Only 2,200 refugees have arrived in this country.

The duration of the act is 3 years. One year has gone by already. What is 2,200 as against 214,000? At the present snail's pace of operation, it will take years and years for 214,000 to come in.

The rate of entry will not be accelerated by any Presidential proclamation for a number of reasons. First, there is the ridiculous attitude taken by McLeod who insists that his agents prowl around countries from whence come the DP's and question all and sundry concerning the character, habits, and associations of the applicant. The governments of these countries refuse to allow McLeod to invade their sovereignty and act as local police. His insistence has slowed down the process. He sees the subversive under every bed.

Secondly, he has made partisan political speeches around the country. His whole setup is riddled with politics. Welfare organizations whose help is needed for the full flow of refugees have condemned and shunned him and his works. They have lost confidence in him.

Thirdly, it is difficult, if not impossible, to get personal assurances for each refugee. Such assurances lay a heavy obligation upon the guarantor. Under the Celler DP Act, the previous refugee act under which we admitted with no delays over 400,000 DP's, assurances of jobs and homes were permitted by religious and welfare organizations like the Rural Catholic Life Conference, the National Lutheran Conference, the Jewish Joint Distribution Committee. These assurances were carried out and no difficulties ensued. Jobs and homes were provided.

Now the President calls attention to the current refugee program. He asks the aid of the States in implementing it. He laments the lack of assurances which stymies efforts to get 214,000 DP's into the country within the next 2 years.

The President's shot in the arm will not help. Two factors must be eliminated. First, McLeod must go. Second, the act must be liberalized.

Serious Implications in Overseas Military Family Housing

EXTENSION OF REMARKS
OF
HON. CHARLES B. DEANE
OF NORTH CAROLINA
IN THE HOUSE OF REPRESENTATIVES

Monday, August 9, 1954

Mr. DEANE. Mr. Speaker, today I dispatched a letter to Hon. Charles E. Wilson, Secretary of National Defense, which I believe of great significance to the Congress in its deliberations on the subject of adequate family housing for our military personnel, particularly those overseas.

I herein produce the contents of this letter for the information and guidance of Members of the House:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D. C., August 9, 1954.

Hon. CHARLES E. WILSON,
Secretary of Defense,
Washington, D. C.

DEAR MR. SECRETARY: As is evidenced by my previous correspondence with the Assistant Secretary of Defense, Franklin G. Floete, in letters dated October 30 and December 19, 1953, and January 15, 1954, I have a great concern for the provision of adequate family housing accommodations for members of our armed services in overseas areas.

As further evidence of my concern in this matter, I introduced in the House of Representatives on May 31, 1954, H. R. 8968, a bill authorizing the Defense Department to acquire family quarters by lease or purchase. I also presented to the House Armed Services Committee, to which H. R. 8968 was referred, a supporting statement for the adoption of this bill.

I note that the legislation sponsored by House Armed Services Committee, H. R. 9924 recently passed by the House of Representatives, contains only a few family units for overseas construction, and all of these are destined to go to the naval base at Port Lautey, French Morocco. I am somewhat surprised that a direct authorization has been provided in H. R. 9924 for family housing construction since, as far as I can ascertain, the existing authority for guaranteed rentals as contained in section 302, Public Law 534 of the 82d Congress, has not been fully exploited.

During some personal investigation which I made last summer at United States military basis in France, I found evidence which led me to believe that utilizing the guaranty as authorized by law of not to exceed 10 years would produce housing accommodations which would be acceptable to our field commanders. It is my belief that this will produce the housing which is needed today rather than seeking new legislative authority which will place the occupancy of the housing required 24 to 30 months in the future. The need for housing in these overseas areas is extremely critical. According to press accounts today out of Fort Lyautey, we see the increasing need for family quarters on the base rather than located in adjacent communities.

We are losing, as you well know, our key people every day because of the failure on our part to provide the accommodations that are so essential to the stability of the officer and the enlisted personnel of the Defense Department.

I would appreciate being advised as to the proposed method for meeting this criminal shortage, and a schedule showing the dates upon which it could be expected that occupancy would be available for this required housing in the areas of France and French North Africa.

Sincerely yours,

CHARLES B. DEANE.

The Truth About the Atomic Energy Bill

EXTENSION OF REMARKS
OF
HON. OAKLEY HUNTER
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES

Monday, August 9, 1954

Mr. HUNTER. Mr. Speaker, debate on the atomic energy bill generated much sound and fury, not only in the Halls of Congress, but also in the press. I take this opportunity to call to the attention of the Members of the House and Senate two newspaper editorials concerning this bill. One editorial appeared in the Fresno Bee on July 29. The Bee is published in Fresno, Calif., which is in my district. It is a part of the McClatchy chain, which also publishes the Modesto and Sacramento Bees and, in addition, operates a network of radio and television stations. The other editorial appeared in the Oroville Mercury, of Oroville, Calif., on July 30. The Oroville Mercury, so far as I know, is an independent newspaper.

The Bee editorial castigates me and my good friend and colleague, LEROY JOHNSON, who represents the 11th District of California, for voting in favor of the bill. The Mercury editorial, on the other hand, congratulates us on our good judgment. Personally, I prefer the Oroville editorial.

The Bee editorial follows:

VALLEY CONGRESSMEN SPLIT IN PUBLIC POWER VOTE

For a United States Congressman from the central valleys of California to vote to imperil public power is to vote against the wel-

fare of his region and of those who sent him to Congress.

Yet Congressmen OAKLEY HUNTER, Republican, representing Fresno, Madera, and Merced Counties, and LEROY JOHNSON, Republican, representing San Joaquin and Stanislaus Counties have done exactly that.

They voted for the House version of the atomic energy bill which forbade the Atomic Energy Commission and other Government agencies to produce commercial atomic power along with private companies.

Those men voted right down the line to bar the Government from this vast new source of power. They voted for a bill which in effect abandoned virtually every safeguard painfully constructed over the years to protect the public from private utility exploitation.

Congressman HARLAN HAGEN, representing Kern, Kings, and Tulare Counties, CLAIR ENGLE, of the Second, Sierra Nevada and valley district, and JOHN E. MOSS, JR., of the Third, Sacramento Valley, district, all Democrats, stood steadfast for the welfare of the Nation and the valley. They voted against this outrageous giveaway.

The irresponsibility of HUNTER and JOHNSON to their constituents was emphasized by the successful struggle of some Senators to write safeguards into the Senate bill.

There can be no ducking responsibility on this issue. It is clearcut. If the Government cannot produce commercial atomic power, there can be no comparative yardstick for rate fixing. New England, for instance, has the highest hydroelectric rates in America. At the first suggestion of recession, New England is likely to become a depressed area. There are no public power projects in those 6 States.

HUNTER and JOHNSON voted to New Englandize the country with respect to atomic power. Under the plan they supported there could be no preferential treatment for Government bodies in the distribution of atomic power. They voted to place the modern, fabulous promise of the nuclear age in the framework of a discredited past.

The stand taken by HAGEN, MOSS, and ENGLE indeed stands out in shining contrast. They deserve a resounding "well done" for their alert awareness of the public interest and their duty to their constituents.

Following is the Oroville Mercury editorial which appeared the next day:

IS PUNISHMENT DUE?

TWO Congressmen, LEROY JOHNSON and OAKLEY HUNTER, who represent districts in the San Joaquin Valley, are denounced by a newspaper chain devoted to the socialism of public power, because they voted in favor of President Eisenhower's measure concerning atomic energy.

The chain which has papers in their districts, is going to try to defeat the two Congressmen on that issue.

As a matter of fact, their vote was in favor of private industry, and against placing the Atomic Energy Commission in the commercial power business. Why should the AEC, just because it has discovered a new source of energy, be allowed to compete with private industry?

The newspaper chain declares that a Government agency in the atomic power field is needed as a yardstick. This is an insincere statement. It first was made by President Roosevelt as an excuse for the Tennessee Valley Authority. TVA has become far more than a yardstick. It has become the biggest producer of commercial power in the United States.

Nearly a billion dollars of taxpayers' money has been spent by TVA on power alone and 35 more powerplants for TVA are now in the works. In a few years the yardstick designed to control the price for hydro power will be producing more power by steam than by water, thus showing how socialism creeps up on us. Thus have the taxpayers been led to favor one locality with money taken from them in all sections of the country.

Now the advocates of this form of socialism are busting out all over trying to sew up atomic power, the great source of the future, in a socialistic straitjacket, from which private industry would be squeezed. If they could succeed, which they have not thus far, it would be the greatest single victory of socialism in the history of the world.

Now it is up to the voters of the San Joaquin Valley to decide whether their Congressmen are to be punished for voting in favor of private industry, the source of America's great progress, or in favor of socialism, the curse of Europe.

Despite the Bee's charge that the bill places "the modern, fabulous promise of the nuclear age in the framework of a discredited past," it passed the House by a vote of 231 to 154, and the Senate, by a vote of 57 to 28. It was reported favorably by the Joint Committee on Atomic Energy to the House and Senate by uanimous vote—after nearly a full year of hearings and deliberations. It constitutes a general revision of the present atomic energy law.

It provides for the following: First, industrial participation in the atomic energy program, particularly in the field of atomic power by licensees of the Atomic Energy Commission; second, a means of cooperation with our allies under adequate security safeguards; third, a means by which the President can implement an international atomic pool plan under adequate security safeguards.

It is readily apparent that whoever wrote the Bee editorial was either ignorant of the facts or attempting deliberately to mislead Bee readers.

The editorial states that I "voted right down the line to bar the Government from this new source of power" in the production of electricity. The statement is false. The bill I supported not only does not bar Government agencies which have historically produced electricity, but an amendment which I also supported actually gives preference to public bodies.

The editorial further states that the "House version of the atomic energy bill forbade the Atomic Energy Commission and other Government agencies to produce commercial atomic power." This statement is also false. There is nothing in the bill which prohibits other Government agencies from doing so.

The House version of the atomic energy bill forbade only the AEC from engaging in the sale or distribution of energy for commercial use, except such energy as may be produced by the Commission incident to the operation of research and development facilities owned by the Commission, or facilities for the production of special nuclear material owned by the Commission.

The reason for this is simple. The atomic energy bill is not a power bill. It is a bill to advance research and development in aid of the art of making atomic machines or of using atomic fuel for the generation of power. It was not the intention of the framers of this legislation to turn the Commission into a federally sponsored commercial electric power generating agency. The Atomic Energy Commission is basically a development and regulatory agency. Its only production is in connection with weapons.

The Atomic Energy Commission now has under way a 5-year program directed at solving some of the basic problems involved in the development of economic atomic power. It is unlikely that any of the plants built under this 5-year program will, in fact, produce competitive economic power, but it is also a fact that the Government and the Commission are committed to the continuation of the construction of whatever plants prove to be advisable in order to provide the necessary demonstration of economic practicability.

It is not probable that any atomic power plant can be constructed in the next decade which will not be essentially experimental. Any electric power produced by such plants built by the Commission will, in fact, be by-product energy in the sense that it is incidental to the experiment. The experiment in these cases will be designed to contribute to the success and economic operation of large plants capable of direct adaptation for industrial and commercial use. The energy itself is closely interwoven with the nature of the experiment, but the emphasis throughout this program is on the development aspect of the effort.

There are other Federal agencies which historically have been producers and distributors of electric power on a commercial scale. If these agencies, such as TVA, REA, Bonneville, etc., under authority of the Congress should find it desirable to produce electricity from atomic energy, there is nothing in the bill which prohibits them from doing so. Whenever commercial feasibility has been demonstrated, these Federal and other public agencies are certainly not barred from seeking and obtaining licenses to construct and operate atomic power plants.

The Bee editorial also states that under the plan I supported, "there could be no preferential treatment for Government bodies in the distribution of atomic power." This statement is also false. During debate on the bill, an amendment was introduced by Representative JONES of Alabama, which provided that the Commission should at all times, in disposing of energy which it produces, give preference and priority to public bodies and cooperatives. This amendment was accepted by the chairman of the Atomic Energy Committee, Representative COLE of New York, and was agreed to by the House. I voted for it.

The Senate filibuster and most of the talk in connection with the bill was over a side issue. President Eisenhower had ordered the Atomic Energy Commission to negotiate a contract with two private-utility companies, Middle South Utilities, Inc., and the Southern Co., to construct a $107,250,000 steam plant at West Memphis, Ark., which is across the Mississippi River from Memphis, Tenn. The administration proposed the contract as an alternative to a $100 million TVA steam plant at Fulton, Tenn., which is north of Memphis. Neither plant would be located near the atomic installation at Paducah, Ky. Power from either plant would be fed into TVA lines to replace power supplied to Paducah from other sources.

Democrat southerners in the TVA area and northern liberals protested the order to bring private companies into the power exchange and tried to amend the bill to ban such a move. This amendment was defeated in both the House and Senate.

The administration's proposal to contract for power from private utilities was strongly supported by Senator FULBRIGHT, Democrat, of Arkansas, who has always supported TVA in the past and has also supported SPA—Southwestern Power Administration.

The proposed contract would, of course, result in expenditures of substantial sums of money in Arkansas. As one Member of the House aptly put it, the real issue is, Who is going to get the basket of peaches—Tennessee or Arkansas? Tennessee has been getting a basket regularly and now complains that Arkansas is about to get a basket instead of her.

The difference in cost between power purchased from the private utilities and power purchased from TVA, on the basis of existing TVA-AEC rates, would be $282,000 a year, or 1 percent of the total cost. The private-power companies, however, would have to pay some $1,499,000 annually in State and local taxes in Arkansas, which amount is far in excess of the difference in the cost of power. TVA does not pay such taxes.

If TVA built the plant, the Federal Government would have to appropriate $100 million, which money would be interest-free. TVA does not pay interest on money which it receives from the Federal Government for the construction of power projects. The Government would have to borrow the money at 2½ percent interest—this at a time when we are being forced to raise the public debt limit above $275 billion. Under the proposed contract, the private companies would do their own financing, largely through insurance companies and banks.

Another factor to be considered is the cancellation provision in AEC contracts. The AEC has insisted that all of its power contracts provide a means of cancellation in the event power requirements should decrease or be eliminated. The Commission has been conscious of the advantages of having diverse power sources. That makes sense. The proposed power contract provides a means for permitting the Government to rid itself of a substantial liability for excess power in the Paducah area if at any time it becomes desirable to cancel a portion or all of the AEC power contract.

The private power companies are taking a substantial risk, for the Government can serve notice of cancellation at any time, to be effective 3 years thereafter. In other words, if the AEC finds that it does not need power in the amounts contracted for, or if a more economic source of power becomes available, it can cancel its contract on favorable terms, and the private power companies will have the burden of taking over and operating this large plant. They are the ones that must find a market for the power. On the other hand, if this plant continues to be useful in the AEC's program, it can use it for the entire 25 years of the contract and have an absolute call on the facilities for 2 additional 5-year periods.

The issue at hand has been greatly distorted and exaggerated by TVA advocates. The charge that this contract marks an attempt to destroy TVA is false. As Senator FULBRIGHT has stated, TVA is not a weak reed to be broken by a waft of power blowing across the Mississippi River toward Memphis. It is the largest power system in the United States. The fact is that TVA has been buying power from across the Mississippi for several years—450 million kilowatt-hours in 1953. Practically all of this power was delivered to the Memphis area from the same sources who are sponsoring the proposed contract with the Government.

Congress has most certainly not been niggardly with the TVA. On the contrary, it has been extremely generous. Total appropriations by Congress for TVA through fiscal 1955 amount to $1,905,214,581. During the 4 years I have been in Congress, I have voted for appropriation bills which included a total of $882,962,600 for TVA.

TVA advocates have encouraged the mistaken impression that TVA is essentially a hydroelectric project involving solely rivers and dams. Actually, more of its power is produced by steam than by water. At the present time, 55 percent of its power is produced by steam, and 45 percent by water. It has 14 steam plants in operation and 26 under construction. By 1957, 70 percent of its production will be steam power and 30 percent hydroelectric. A steam plant can be built any place where fuel is available to heat the boilers.

It is the growing predominance of steam-generated power which is arousing opposition to Federal appropriations for further development of TVA with American taxpayers' money. During debate on the atomic energy bill, Representative LEON H. GAVIN, of Pennsylvania, stated:

> I have no objection to water power in the TVA. I am concerned with the steam powerplants financed by the people of the Nation to the advantage of one particular area over other sections of the Nation. When you get along with waterpower in the TVA, that is all right, but when you come in and ask the American taxpayers to subsidize tax-exempt steam powerplants in the Tennessee Valley, I say that you are no more entitled to them than we are in Pennsylvania. * * * So, why do you come to the Congress, requesting authorization of federally subsidized steam-power plants, tax exempt, that my State will have to put up the money to build that will permit the TVA to attract industry into the valley away from the rest of the Nation? Is the Tennessee Valley a preferred area of the Nation? The attempt to continue this preferred-class area just does not make sense to me. It is time the TVA stood on its own feet. * * * Build your own steam plants to meet your needs for increased power with your own money and don't ask the American taxpayers to foot the bills.

Mr. Speaker, the House, in passing this new atomic energy bill, reflected the sentiment of the majority of the American people. The nonmilitary potentials of atomic power are neither so strange nor so other-worldly that they cannot be developed within our traditional system of individual initiative and private industry.

At present, of course, the Nation's work with the atom still constitutes a Federal monopoly, which is a departure from our normal American pattern of free enterprise. But, this monopoly, which could profoundly alter our institutions if made permanent, is not meant and has never been meant to exist in perpetuity. The continuance of complete Government ownership and control during peacetime application of atomic energy could produce a change in our society more radical than any that might result from the technical novelty of nuclear power.

That is why the Atomic Energy Commission unanimously agreed on the principle that nuclear power as it becomes economically attractive should be produced and distributed not by the Commission but by private and existing public power systems. There will, of course, always have to be large-scale Federal participation and regulation in this undertaking. However, restrictions necessary in the interest of our Nation's security can be reconciled with free enterprise, and numerous other problems involved can be solved without unfair advantage to any group and in harmony with the proper relationships between our Government and its citizens.

There are those who have seen in this atomic energy bill an opportunity to bring about the federalization of the electric industry. Personally, I subscribe to the philosophy that intrusion by the Federal Government into private, local, and State affairs should be limited to the extent necessary to assure national security and protect individual welfare, thereby leaving the largest possible area open for the free interplay of economic forces and for individual initiative and aspiration.

While I deplore the disregard for the truth evidenced by the Bee editorial, I am aware that the staff of that newspaper chain must accept a policy in regard to public power which may well be very much against their own best judgment. The will of the late C. K. McClatchy, former editor and publisher of the McClatchy newspapers, admonished those who have inherited his empire to support public power against private enterprise in every instance. Ironically, this prejudice against private enterprise does not embrace radio and television, which, like electric power, are public services. The McClatchy empire includes both radio and television stations.

This public power policy has been adhered to with an almost fanatical disregard for truth, modern development, or the fact that C. K. McClatchy never dreamed, when he wrote that will, that the atom would be split. In fact, the Bee's statement that I "voted to place the modern, fabulous promise of the nuclear age in the framework of a discredited past," could well be said to have been written by the dead hand of that same discredited past.

Uncle Sam Is the Symbol—Do We Serve in the Ranks?

EXTENSION OF REMARKS
OF
HON. LOUIS C. RABAUT
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Monday, August 9, 1954

Mr. RABAUT. Mr. Speaker, the American political scene has been dominated, substantially, since the founding of this Republic, by the two-party system. Among all the many different types of governmental rule practiced in the countries of the world, this Nation stands by itself in this respect: on the one hand, our constitutional system of checks and balances assures that there can be no swift upheaval or seizure of dictatorial prerogatives; while, on the other, provision is made for the frequent and orderly change of the reins of rule. Intelligent use of the ballot is the means by which public sentiment and personal preference are effectively translated into a declaration of national policy.

This Nation was designed from the first as a Federal Republic, a union of autonomous States, deriving such power as it possessed by the free consent of the governed.

Under the 10th amendment it is provided that "the powers not delegated to the United States by the Constitution, nor prohibited by it to the States, are reserved to the States respectively, or to the people."

However, it has not always happened that the individual, the ultimate repository of governmental authority, has chosen to exercise his right of self-rule. Oftentime in our history, there have been shameful instances where the voting public has allowed a portion of its prized edifice of constitutional liberty to be eaten away by its own neglect or indifference on voting day. Many of the abuses and corrupt practices in government, on every level, would never have come about had the "let the other fellow do it" atitude not been present.

How many times in our history has the outcome of an important question or the fate of a worthwhile cause hung upon the delicate hinge of a single ballot?

Government is your job.

Our American system operates under a bipartite political arrangement. Admittedly it has its defects and shortcomings. Nonetheless, it has worked, and in a way which would have astounded even those of our Founding Fathers whose concept it actually was. A one-party system leads to dictatorship. We need only to look to the situation in Russia to realize once again the truth of this statement. Where there is no opposition, there is no freedom.

There are countries of the world where there are many parties working for power, many groups striving for self-expression. Where this situation prevails there can be little semblance of order in government. Each group must bargain with the other; only a coalition can expect to command a majority and this majority, comprised as it is of divergent philosophies and personalities, is subject always to disagreement, dissention, and finally dissolution. When there is no government, anarchy is the order of the day. Any country plagued by such disorder is fair prey to her enemies, both from without and from within.

Our own two-party system has shown itself to be the most workable means by which we may govern ourselves. It is a system of criticism. It provides that a loyal opposition voice its opinion whenever and wherever the necessity or occasion arises. The party out of power is free to alert the citizenry to possible need for change, or to the requirements of the public weal, when the ruling party fails to act with a reasonable degree of promptness. The minority party, the opposition, offers a constructive alternative, which the voting segment of our population may place in power at the next election, if conditions so warrant it. Thus the party in office constantly faces this challenge to its retention of power and consequently it must be ever alive to problems calling for solution. Otherwise, it faces recall at the polls.

The duty of Mr. Average Citizen is that of trustee over his country's well-being and successful continuance. He does this first by voting for the candidate of his choice, and second, having elected him, he strives to keep constantly in touch with him, so that the voice of the Congressman or Senator or councilman or board member is ever the voice of those whom he represents. Only thus may representation be effective and operative. Only by this means can our precious heritages be perpetuated.

For our system of government to survive, strong and resolute, as it has for over 150 years, it is important that we put our shoulders to the wheel together, to the end that these God-given tenets of American constitutional self-rule be carried out in full conformity with the just consent and expressed wish of those who are to be governed.

Americanism is your business.
Government is your job.

Showdown on Atomic Energy for Peace

EXTENSION OF REMARKS
OF
HON. GEORGE H. BENDER
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Monday, August 9, 1954

Mr. BENDER. Mr. Speaker, when the historians come to analyze the trends of the past 20 years, they will cite the recognition of the Soviet Union by the United States as a turning point in the growth of Communist power. Ever since then, the authority of the Soviets has grown at a rapid pace. A strong case undoubtedly could be made out to prove that this was inevitable, with or without American recognition, but our stand certainly did nothing to impede the process.

Now we are faced with a new decisive point affecting world history. Last December, in a magnificent address before the U. N., President Eisenhower asked for world cooperation in developing the atom for peacetime purposes. Soviet Russia to date has adopted the view that the atomic bomb must be banned before anything of a peaceful nature can be projected for atomic energy. The program is too important, however, to permit its loss because of Russian obstinacy. Britain, Canada, and France are prepared to work with our own Government. Here is an opportunity for the demonstration that Uncle Sam has no war plans with respect to any country. By pooling our efforts with our friends we shall make it clear throughout the world that we do not come to destroy, but to fulfill.

A Report To My Constituents

EXTENSION OF REMARKS
OF
HON. HARRIS ELLSWORTH
OF OREGON
IN THE HOUSE OF REPRESENTATIVES
Tuesday, August 10, 1954

Mr. ELLSWORTH. Mr. Speaker, since I have been a Member of the House of Representatives I have made reports regularly to the people of the Fourth Congressional District of Oregon. A weekly Letter from Washington is sent to the newspapers in the district. That letter is regularly printed in most of them. This year, as I have done before at the conclusion of a term of Congress, I have prepared a summary or report on this, the 83d Congress, which includes a statement of my own activities. I now present this report to the House and I shall circulate it as widely as possible in the congressional district which I represent.

The duties and responsibilities of a Member of the majority party in Congress when that party also has won the Presidency are, I find, considerably heavier than when we were in the minority. In addition, several improvement projects in our district, which have been under study for years, came to the point of congressional authorization this year. These facts made the work of my office much heavier than in any previous year of my service here. It is with considerable pleasure and satisfaction, though, that I am able to report the passage by the House of Representatives of a sizable number of bills which I introduced and which are of benefit to the Oregon Fourth Congressional District as well as to the whole country.

ELLSWORTH BILLS PASSED

Following is a brief summary of bills introduced by me in this Congress which were passed by the House:

H. R. 4541 authorizes the inclusion of power generation in the Cougar flood-control dam on the McKenzie and the Green Peter flood-control dam on the South Santiam—also the authorization of the construction of the White Bridge

reregulating dam on the South Santiam. This bill was incorporated in the river and harbors and flood-control omnibus bill.

H. R. 4118, providing for the preparation of the rolls of several coastal Indian tribes and for the distribution of funds which had previously been awarded them by the courts and for which congressional appropriations have been made. This legislation will permit the distribution of nearly $3 million to Indians who have long been entitled to receive this money.

H. R. 5603, amending the Federal Reserve Act so as to permit banks to make loans on forest lands. Previously this right has been denied since banks could make loans only on improved real property, and forest area was not so classified. This law will be of considerable value in protecting the jobs of workers in mills where such financing is needed. It will enable many sawmill properties to be financed upon a more stable basis. Some loans have already been made under this law.

H. R. 5958 settles the long-standing dispute between the Forest Service and the Bureau of Land Management regarding the jurisdiction over some 462,000 acres of forest lands in the O. & C. area of western Oregon. This bill provides for the distribution of some $5 million in impounded funds to the 18 land-grant counties, and eliminates the checkerboard pattern of jurisdiction which has been a plague to good forestry management and lumbering for years. The passage of this law will not only release to the counties money which is due them under the provisions of the 1937 O. & C. Act but protect and improve the management of Government-owned timber in the area.

H. R. 7473 authorizes the construction and maintenance of a harbor at the mouth of the Rogue River at Gold Beach. The greatest economic need of the Curry County area is improved transportation, especially the availability of water shipping. The construction of this harbor will not only directly benefit all of the south coast of Oregon, but it will be of national benefit since cargo shipping will make available the present locked-in natural resources of that great area. This legislation was included in the rivers-and-harbors flood-control omnibus bill.

H. R. 7815 provides for the construction of the flood-control dam on the McKenzie known as Cougar on a partnership basis between the municipally owned Eugene Water Board electric-power system and the Federal Government. The Federal Government will be saved nearly $11 million in the cost of constructing the power facilities and a portion of the flood-control dam. The people of Eugene will have a much-needed increase in generating capacity for their utility system.

H. R. 8074 provides for a water-use and flood-control survey in the Coos County area. Protective works are needed in that area but their nature and extent can only be determined by adequate study. This bill was incorporated in the omnibus bill.

H. R. 8384 authorizes the construction, operation, and maintenance of the Talent division of the Rogue River Basin reclamation project and provides for the rehabilitation of other irrigation works. Provision is thereby made for supplying water to 17,890 acres of land of which 9,250 acres will receive additional water and 8,640 acres will be newly irrigated land. The plan represents the extension and improvement of existing works of the Talent Irrigation District together with the rehabilitation of the Medford and Rogue River Valley Irrigation Districts. A 16,000-kilowatt power generating unit will be installed. This project is a much needed improvement and will greatly benefit the economy of the Rogue River Valley. Practically all of the Federal money advanced for this work will be repaid—most of it with interest—by the landowners and electric power users of the valley.

H. R. 8431: This legislation permits a transfer of surplus hay and pasture seeds held in storage by the Commodity Credit Corporation of the Government to the Forest Service, the Bureau of Land Management, the Fish and Wildlife Service, and the National Park Service so that such seeds may be used to restock wildlife and livestock feeding ranges on Government-owned lands. The passage of this bill served the double purpose of benefiting Government lands and saving storage costs and loss through deterioration of surplus seeds owned by the Government.

House Resolution 89: This House resolution passed early in the first session of this Congress directed the House Committee on Interior and Insular Affairs to conduct an investigation of the Indian Bureau and Indian problems in general. Hearings authorized by this resolution were held in various parts of the country including a hearing in Eugene, Oreg. The committee prepared a voluminous report in which was incorporated the testimony given by Indians. It was one of the very few times in our history that Indians have been given an opportunity to talk for themselves to a congressional committee.

OTHER LEGISLATIVE ACTIVITIES

The record of legislation introduced or bills passed by the House is by no means a complete measure of the activities of your Representative in Congress and his office. My work involves many calls upon members of the Cabinet and their assistants and the various Commissions and Bureaus. For several years I have been a member of the Republican Policy Committee of the House. I am a member of the House Rules Committee which must pass upon all legislation before it is sent to the floor.

During the nearly 6½ months of this session of Congress I have been absent from the floor on only 1 day when roll-call votes were taken. I was absent that day on official business.

I have this year, as in the past, made appearances before appropriations subcommittees in support of appropriation items for the Willamette Valley flood-control project, forest access roads, the Bureau of Mines Laboratory at Albany, Bonneville transmission lines, harbor work, and other Federal activities in the district.

It is necessary for me to keep in constant touch with the Army engineers regarding project work and emergency work in our district. Under the heading of emergency work is the reconstruction of the south jetty at the Port of Bandon where two serious shipwrecks occurred last year. One hundred and seventy-four thousand dollars has been set aside for that work which will be completed next year.

THE ACCESS ROAD PROBLEM

For years I and other Members of Congress from forested areas have been urging better appropriations for forest roads. I have been especially anxious to see a long-range planned attack on this problem rather than a year to year piecemeal approach.

The forest economy of the Douglas fir region and other forested areas of the West depends upon the development of a system of access roads in and to federally owned timber. The future supply of wood products for the entire country is likewise dependent upon access roads. Proper accessibility is essential to the sound management of our great forest reserves.

Although the situation, insofar as the attitude of the Appropriations Committees toward the problem of access roads is concerned, has been much better these last few years it was not until this year that any legislation was enacted which would permit much more than 1 year of future planning by the Forest Service.

Soon after the 83d Congress convened last year I introduced the bill (H. R. 4929) to provide a system of forest access roads by means of Treasury loans. I had been working on the wording of the bill for nearly a year. It is based upon the premise that since the price paid for timber includes the cost of building a road to it, the businesslike way of providing an access-road program would be to borrow the money, build the road, and then pay back the loan from the proceeds of the timber sale. My plan was to set up a 5-year program on that basis using $25 million a year borrowed from the Treasury to be repaid with interest within a reasonable time.

My access road plan attracted considerable favorable attention but met with serious resistance by the Bureau of the Budget and by some members of the Appropriations Committee. While I was endeavoring to get committee consideration for my bill there was written into the big roads and highways bill a paragraph—section 6—which, if given proper administrative handling, will do almost as much toward providing a planned and adequate program of timber access roads as would my plan. Section 6 of the Highway Act authorizes the expenditure and contract authority for $24 million annually for 3 years. It remains to be seen whether or not the Bureau of the Budget, the Forest Service, and the Appropriations Committee will make adequate use of this law.

THE TIMBER EXCHANGE BILL

Congress has repeatedly passed legislation to encourage and protect perpetual or sustained yield forestry practices.

The Federal Government has for years urged private lumber operators to adopt such forestry practices. However, the Federal Government, under long standing laws, sometimes finds it necessary to condemn such forest lands in private ownership with the result that the local forest industry may be seriously impaired, with resulting unemployment. For flood-control reservoirs or other Federal developments, private forest lands may be taken by purchase or condemnation. The local lumber industry may find that its entire planning for 50 to 100 years of sound forestry has been destroyed.

To reduce the damage in such situations to a minimum, I introduced H. R. 4646 to provide an alternative to existing laws under which, where private timber lands of a sustained yield operation were taken by the Federal Government, an exchange of similar suitable timber lands in the same area could be made. The Government thus would have the lands desired for a project and the private lumber industry would be able to continue its sustained yield production. There would be no alteration in the cut of timber. The planned steady production of lumber and consequent employment for the community would be preserved. Briefly this was a proposal to modify the old law of paying damages to the party owning lands so as to permit the exchange of comparable lands. The present condemnation procedure compensates the private land holder with cash but deprives workers of employment and disturbs the economy of the local community. The proposed change would not only compensate the land owner but also assure employees and the community of sustained yield production.

No timber owner could benefit in the slightest degree—he could not acquire a single foot of timber more than he already owned—if such a law were passed. As presented on the floor for final passage, land in national parks, monuments, wildlife areas and other reservations could not be exchanged. Complete safeguards were most carefully written in. Nevertheless this bill was attacked on the floor as a land grab and a timber steal. It was asserted that parks and recreation areas would be ruined, that the national forests were to be turned over to private interests. Even though such statements are clearly untrue and literally dishonest, sufficient doubt was aroused in the minds of farm-State and city Members of the House so that the bill was sent back to committee.

VETERANS

I have had several conferences with Veterans' Administrator Higley and the VA Medical Director regarding the establishment of additional general medical hospital beds at Camp White. This matter is still under study by the VA.

Legislation affecting veterans and their families has always had my support. I have voted for adequate appropriations and recently voted for compensation increases and other benefits.

Some statistics regarding benefits to Oregon veterans have just been given me by Mr. Harvey V. Higley, Administrator of Veterans' Affairs.

In the last year for which VA has figures—July 1, 1952, to June 30, 1953—the State of Oregon received $44,265,000 in direct and indirect benefits to veterans or their dependents. That does not include certain life insurance payments and a few other expenditures of a minor nature which cannot be broken down by States.

Of this amount, $23,431,000 was paid in cash to 31,350 living veterans or dependents of deceased veterans in the form of compensation or pension payments.

The remainder covered such benefits as GI bill education or training, vocational rehabilitation for the disabled, hospitalization, medical care, death indemnity, burial benefits, and the like.

Mr. Higley said VA benefits the local communities of Oregon in another way. The GI loan program, he said, has brought the State of Oregon and its local communities many tax dollars in the 18,775 GI home loans totaling over $117,307,000 made to date.

THE CHANGE IN WASHINGTON

In January 1953, for the first time in 20 years, a Republican-controlled Congress convened and saw the inauguration of a Republican President.

The new government was inexperienced in the techniques of administration but well supplied with sincerity and determination. The new executives, veteran antagonists of New Dealism, socialism, corruption and starry-eyed confusion in Government, knew well enough what they wanted to get rid of in Washington. They knew also what should replace that which they discarded.

It was an enormous task to which they dedicated themselves. Part of it involved clearing away the rubble of the past and part—a large part—was to build a foundation for the future.

There was no fanfare about the attack on the problems. There was no effort toward frantic speed—no attempt to emulate the famous "100 days" of the New Deal with a new and startling law or plan every day. They raised no goblins of panic and emergency at which to scream.

The first months, the first year in fact, was a period of inventory, study and planning. There were first things to do first. For instance there was a hot shooting war in Korea—it had to be ended.

Many problems were inherited. It was necessary to deal with them while also preparing for a constructive future. The first year saw much accomplished, but effort was of necessity rather heavily weighted toward patching the leaks caused by the errors of the past. In other words, accomplishment for the first year may perhaps be judged better by comparing the situation at the end of that period with what might have been.

The real legislative work of the new administration did not get fully under way until the second session. Meanwhile work had begun in the congressional committees on some of the major proposals, including the St. Lawrence seaway project, statehood for Hawaii, a look at a revision plan for the farm program, the expansion of social security, and the huge tax revision program.

ATTACKING THE PROBLEMS

After naming his Cabinet officers, a group of men selected without reference to politics but on the basis of their known ability and integrity, President Eisenhower and his Cabinet, together with their newly appointed assistants and the Congress, set to work on 10 main objectives:

First, stop wasteful spending: The outgoing administration had submitted a budget to Congress. The President and his department people set about immediately to prepare a new budget which, when it was further studied and revised by the Appropriations Committees of Congress, brought a saving of more than $12 billion when compared with the appropriations recommended by President Truman. The first step was made in the reduction of wasteful spending.

Second. Balance the budget as soon as possible: On the basis of comparing appropriations with the estimated income for the first fiscal year of the new administration it could be claimed that the financial affairs of the country were in balance. Unfortunately, however, the term "balancing the budget" means a balance between the money received by the Government and the money actually expended by it. The new administration was faced with an accumulation of appropriated but unexpended balances, mostly in the form of contracts made by the Department of Defense. Billions of dollars' worth of equipment and supplies were being manufactured and delivered to be paid for out of appropriations previously made by Congress. The money used to pay for these things, of course, came out of current revenues, with the result that at the end of the fiscal year, June 30, 1954, expenditures had exceeded income by a total of $3,029,000,000.

Third, reduce taxes: Tax reductions made since the inauguration of President Eisenhower surpass any previous total in the history of Congress. The overall tax-cut program will save taxpayers $7,400,000,000. The 10-percent reduction in personal Federal income taxes which became effective last January 1 saves a total of $3 billion annually. This tax cut would not have been possible if the Congress and the administration had not cut the Truman budget by some $12 billion. Nor would the $2 billion tax saving by elimination of the excess-profits tax have been possible without that budget reduction. The excise-tax reduction law saves taxpayers an additional $1 billion and the great Tax Revision Act will result in a saving to taxpayers of approximately $1,400,000,000.

Fourth, remove controls: Within a short time after President Eisenhower was inaugurated, all price controls, wage controls, and rent controls, which had been on us almost continuously since the beginning of World War II, were removed. It was freely predicted by our opposition that the removal of those controls would do dire things to our economy and to prices. Those predictions never came true.

Fifth, stop the trend toward a super Federal state: The new administration and the Republican majority in Congress

does not believe in the domination by the Federal Government of the lives, liberty, and property of the people of our country. In other words, we do not believe in having a Federal super state. Cooperation between the States and the Federal Government has been established and is being expanded. Definite steps have been taken to remove Government from business activities in competition with private business in our free economy. The Inland Waterways Corporation owned by the Government has been sold to private interests. A great hotel in the Virgin Islands has been sold. Tin and rubber manufacturing facilities have been disposed of. A uniform factory in the Brooklyn Navy Yard has been closed. Paint manufacturing has been virtually discontinued. Sawmill operations which were conducted by the Government have been eliminated.

Sixth, establish a firm foreign policy: As the result of the failure of the heads of our Government to understand Russian policy from 1945 on, we attempted to persuade the Russian rulers to be friendly and decent by appeasing them. In China, for example, our policy was simply to wait and "let the dust settle." After the dust did settle we found another 450 million people behind the Iron Curtain or under Communist control. At the end of World War II the rulers in the Kremlin had control only of the population of Russia, totaling about 190 million people. When the Eisenhower administration came into power some 850 million people were completely dominated by the Russian Kremlin. In 7 years, the Communist dictator has literally conquered 650 million people without the use of a single Russian soldier in action.

Obviously, what was done in those 7 years could not be undone overnight. We had fallen heir to a phony truce talk procedure being carried on in Korea, a crumbling European defense system and at the same time there was in progress a war in Indochina between the French, supported by natives, and natives who were generally called Communist-inspired guerrillas. That conflict had been in progress for many years. This was not our war but it presented a threat to world peace.

The Eisenhower administration let it be known to Asia and to the whole world soon after inauguration that any further armed aggression against free peoples would be met with retaliation. A truce was promptly negotiated in Korea. This truce was by no means a victory but it did salvage the general situation which prevailed in Korea before the conflict began.

The Communist Chinese armies did not march down across the border into Indochina in armed aggression. It is now hoped that the remaining free countries of Southeast Asia can be organized to cope with future Communist activities and infiltration attempts in that area.

Meanwhile in Europe, the people behind the Iron Curtain have renewed hope which was clearly demonstrated in the uprising of the East German people against Russian control on June 17, 1953. I was in Germany earlier this year and I believe the situation behind the Iron Curtain is smoldering and can reach a point of eruption again unless Kremlin policies are relaxed.

Seventh, stop graft and corruption: Graft and corruption so far as the people who are now working for the Government are concerned is no longer a problem. The revelations and repercussions resulting from what went on in the previous administration are, however, still making headline news. The former head of the income-tax collecting department of the Government has been sentenced to jail. Scandals in the previous housing administration uncovered this year have rocked the Capitol. Investigations continue and it is quite likely other such situations will be revealed as time goes on.

Eighth, restore confidence: The best indication that confidence has been restored in the business world and that investors are again willing to take risks is proven by the fact that the depression which the opposition party predicted so freely last year never did develop. Business conditions in the country now are considered to be healthy, employment is higher—much higher in fact than it was in 1949 and before the outbreak of the Korean War in 1950. The year 1953, the first year of the Eisenhower administration, was the most prosperous year in American history. The year 1954, according to present indications, will be only slightly lower on the economic index than 1953. The outlook for business and employment in the future seems good.

Ninth, take Government out of business: The trend toward socialism and socialistic control by the Federal Government is clearly ended with this administration. The Government is no longer engaging in new business enterprises and is ridding itself of federally operated facilities which, in fact, have been competing with private business.

Tenth, get rid of doubtful employees: There is no future for any member of the Communist Party, or for anyone classified as a security risk for other reasons, in Government employment any longer. Executive department and congressional investigations have caused the removal of many such people, others have been frightened out of Government.

THE EISENHOWER PROGRAM

At the beginning of the 1954 session of Congress the President sent a message to Congress in which he gave a general outline of the legislative program which he thought should be enacted. This was followed over the next several weeks with a series of messages in which he outlined specifically certain legislative recommendations. The recommendations contained in the President's messages to Congress, taken together, constitute what is referred to as President Eisenhower's program. The 83d Congress has passed laws embodying most, but not quite all, of the President's recommendations. The items in the program which have been approved by Congress include the following: Approval of several reorganization plans, the St. Lawrence seaway project, the gigantic tax-revision bill, the reduction of excise taxes, establishment of a new Air Force Academy, establishment of a new Department known as the Department of Health, Education, and Welfare, a stepped-up highway-building program, expansion of the Commodity Credit Corporation's borrowing capacity, an extension of the hospital-building program to include medical centers and nursing homes, at least a partial approval of the President's housing recommendations and a decided improvement in the housing law, the creation of a privately owned atomic energy industry for generating electric power, a compromised version of the flexible farm price support program, the expansion of social-security coverage, and numerous other recommendations of a minor nature.

Presidential recommendations which have not yet been approved by Congress as this report is submitted include Hawaiian statehood, a health reinsurance program, and a boost in postal rates.

The votes I have made on these and other bills represent my own considered opinions. The standard upon which my voting on legislation is based is whether or not it is best for the people of our district and the whole country. Although I have always exercised my own independent judgment when voting on legislation I have noted with some satisfaction during this Congress that the philosophy of government expressed by President Eisenhower and his administration so closely resembles my own that in nearly all cases my votes have coincided with the views of the administration.

In this report it has been my aim to set forth just as fully and as frankly as space will permit not only a record of my own work but to report also the Washington scene as I have seen it and what has been accomplished by the 83d Congress.

YOUR WASHINGTON OFFICE

The Washington office of your Congressman is a busy place. Our mail will average about 50 letters a day. Many people from Oregon visit my office every year. We are always glad to see them, because they bring news from home. I have been called upon many times for assistance by our State, county, and local officials and by veterans and others in connection with their problems with the Federal Government.

I am always glad to be of help in any way that I can. I welcome letters commenting upon legislation and expressing opinions. I reply promptly to all communications. I hope the people of the Fourth Congressional District of Oregon feel free to call upon me at any time if they think I can be of help to them. Letters should be addressed: Congressman HARRIS ELLSWORTH, House Office Building, Washington, D. C.

Question of the Week

EXTENSION OF REMARKS

OF

HON. GEORGE H. BENDER

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, August 9, 1954

Mr. BENDER. Mr. Speaker, who will call the Dem tune, Adlai or Harry, for this year?

Spanish-American War Veterans Benefits for Army Transport Service Seamen

EXTENSION OF REMARKS
OF

HON. JOHN F. SHELLEY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, August 9, 1954

Mr. SHELLEY. Mr. Speaker, at the time the House considered H. R. 9020, the bill increasing veteran's benefits, I had intended to offer an amendment to the bill which would have extended veteran's benefits to certain seamen who served with the Army Transport Service during the Spanish-American War, the Philippine Insurrection, and the Boxer Rebellion. Unfortunately, because the leadership of the House insisted, H. R. 9020 was brought to the floor under a parliamentary procedure which prevented amendments. This move to prevent liberalizing the bill's provisions made it impossible for me to offer my amendment, thus keeping the very small and deserving group of individuals whom my amendment would have benefited from getting the consideration they deserve.

I wish now to insert in the RECORD a statement outlining the reasons why these veterans of service with our Armed Forces are entitled to special consideration in their old age, with the hope that my statement will help lay the groundwork for favorable action in the next Congress.

Mr. Speaker, the purpose of my proposed amendment was to give long overdue relief and recognition to a very small group of survivors of active combat service with the United States Army during the Spanish-American War, the later Philippine Insurrection, and the Boxer Rebellion in China. As I say, these men are survivors of active combat service, but through a quirk of circumstance they have been pushed aside for over 50 years and have been denied any of the benefits Congress has provided for others who served in the Spanish-American War forces without ever getting close to the enemy.

In 1898 at the beginning of the war, the Army took over the operation of 50 privately owned vessels and operated them as troop transports in addition to 18 Government-owned troopships. When they took the vessels over they took the crews over as well, and every man whom this amendment will benefit volunteered for that service. They were put into regulation Navy uniforms for which they had to pay; they were subjected to the same military discipline as personnel of the Army, including courts martial; the crews manned landing boats putting military personnel ashore under enemy fire; they manned the guns aboard the vessels on which they served and many of them were killed or wounded in action; they were members of the Armed Forces in every way except that they were never formally sworn in, and for this service they received no more pay than that received by naval personnel in similar duties. Aside from that pay this Government has not compensated them in any way for the risks they took or the sacrifices they made.

The irony of this situation is that at the same time the Navy commandeered several large ocean liners for use as Navy transports. The Navy, however, swore the crew members in as members of the Armed Forces, and because of that simple fact the men who served on Navy transports have ever since received the same pensions and benefits as every other veteran of the Spanish-American War. In contrast, the crews of Army transports doing an even more hazardous job have received nothing during the half century which has passed. That injustice can never be completely remedied. For the few men who remain alive, however, and for their dependents, this Congress should certainly do what it can to ease their last years and to make amends for the harsh treatment they have been given.

The total number of men serving aboard these vessels under the Quartermaster General of the Army during the war period was something under 4,800. Their average age was slightly higher than those who served in the regular military forces. While no actual count of the number living today is available, over 6 years ago it was estimated that only 380 were then alive with an average age at that time of 72 years. The last estimate I have, made in July 1953, was that there are now less than 200, including widows, still living. The cost of granting them some meager share of the benefits to which they have been entitled in all justice for years would be small. The compensation in terms of their gratitude and our self-respect would be great. With the death rate indicated it will soon be too late to earn that self-respect.

Mr. Speaker, the limited time I have available does not allow me to detail the many cases I know of personally who are now suffering hardship and whom my amendment would benefit. I have in my hand a photostat of the discharge the Army Transport Service awarded one of them on February 16, 1900, giving as reason for discharge, "hurt in service." Let me read a paragraph from a letter I have received from the man who received that discharge, Mr. Fred Kuhl, who heads an organization in San Francisco composed of survivors of this service. Mr. Kuhl writes:

> I take pleasure in enclosing a photostatic copy of my discharge from the Army Transport Service. It is self-explanatory. I shall only add that I have never received any compensation of any kind for the injuries received in line of duty and under enemy fire on June 29, 1899, off Iloilo, Philippine Islands, on board United States Army Transport *Sherman*. The result of these injuries have changed the whole course of my life. I have been progressively handicapped for 30 years. On October 25 I will be 75 years old.

That statement needs no comment from me.

My predecessor, the late Congressman Dick Welch and I have had bills in behalf of these veterans in Congress for many years. The Veterans' Administration has opposed them on the ground that enactment would be discriminatory to other civilian groups who have served as accessories to our Armed Forces in wartime. I am firmly convinced that the real discrimination lies in failing to enact such legislation. The case of these men is entirely different from that of the ordinary civilian who performs service with the Armed Forces in time of war. They were, in fact, soldiers in everything but name. Their counterparts in the Navy have enjoyed these benefits for years. In 1931 Congress set another precedent for adoption of this amendment by granting veteran status to civilian contract nurses who served between 1898 and 1902, and they did not undergo the risks these men took. If we adopt my amendment today there is no reason why it should be considered as a precedent for other civilian groups to receive veterans' benefits, as has been feared, since there is no other group which qualifies for them as do these men who qualified under enemy fire.

The Navy transport veterans who were in this service served no more than 6 months before they were released. In contrast, after the end of the Spanish-American War many of the Army Transport Service personnel were kept in the service and served through the Philippine Insurrection, the Boxer Rebellion, and the China Relief Expedition. Yet the Navy men receive veteran's benefits and have had them through the years, while the Army men do not. I have a record of one such Army man who continued to sail aboard Army transports until captured by the Japanese at the fall of Manila—a record of service through three wars which ended with his death as a result of confinement in Santo Tomas prison.

Mr. Speaker, under the unanimous consent of the House, I insert the amendment I had intended to propose at the conclusion of these remarks:

AMENDMENT TO H. R. 9020, AS REPORTED
PROPOSED BY MR. SHELLEY

Page 13, after line 15, insert:

"SEC. 14. (a) The first section of the act of June 2, 1930 (38 U. S. C., sec. 365), is amended by inserting immediately before the period at the end thereof the following: ': *And provided further*, That the provisions, limitations, and benefits of this section are extended to and shall include any person who served 90 days or more during the period beginning April 21, 1898, and ending July 4, 1902, both dates inclusive, as a member of the crew of any vessel or vessels operated under the jurisdiction of the Quartermaster General of the Army for the transportation of troops or military stores, and who was honorably released from such service, or to any such person, regardless of length of service, who was released from such service before the expiration of the 90 days because of disability contracted by him while in such service in line of duty.'

"(b) Section 3 of such act of June 2, 1930 (38 U. S. C., sec. 365b), is amended by inserting immediately before the period at the end thereof the following: ': *And provided further*, That the provisions, limitations, and benefits of this section are extended to and shall include any person who served 70 days or more during the period beginning April 21, 1898, and ending July 4, 1902, both dates inclusive, as a member of the crew of any vessel or vessels operated under the jurisdiction of the Quartermaster General of the Army for the transportation of troops or military stores, and who was honorably released from such service.' "

And renumber the following section accordingly.

Tax Relief, But for Whom?

EXTENSION OF REMARKS
OF
HON. LOUIS C. RABAUT
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Monday, August 9, 1954

Mr. RABAUT. Mr. Speaker, there has been a lot of whooping and hollering in the aftermath of passage of the administration's new tax bill, but to those of our citizenry who must squeeze the Saturday's groceries out of an already slimmed-down lower-income pay envelope, the celebration takes on some completely different overtones.

When all is said and done and the oratory is finished, we are faced once again, as always, with the hard, cold facts of the matter. And the picture is not a rosy one.

To those who do not fit into the special, selective category of certain businesses and individuals who are helped by this bill—and this first group includes a preponderence of those who earn a yearly income of under $5,000—the term "tax relief" comes as a hollow expression. For the average wage earner, solace must be taken in the thought that a little tax-relief is better than none.

Under the tax revision bill which has just cleared the Congress, and I voted against it down the line, 73 percent of the relief will go to corporations and another 18 percent to those whose incomes are over $5,000 a year. Only 9 percent of the relief will be given to those whose incomes are under $5,000 a year.

Yet 80 percent of taxpayers earn less than $5,000 a year.

Those who comprise a great majority of our population merit only token reductions.

There is a song, a passage of which aptly describes this type of "relief." It goes something like this: "The rich get richer; the poor get poorer." The title of the song is "Ain't We Got Fun!" But it "ain't" funny. Tax reductions ought to be more properly spread, and the net result would be to buttress our economy and to balance more nearly our budget, which in fiscal 1954 operated at a net deficit of approximately $3 billion.

There are some sound and beneficial provisions in the bill which are laudable. But there are others which point out clearly the extent to which the proponents of the "trickle-down" taxation theory are willing to go in serving selected interests. Probably the most obvious of these provisions is that setup by the exclusion and credit against tax for dividend income.

Under that proviso, the first $50 in dividends would be excluded from taxation, and a credit against tax equal to 4 percent of the balance is made possible.

This would mean that an individual with $50 or less in dividends from savings will be entirely exempt from tax on that amount, or an individual with $250 in such dividends would exclude the first $50 entirely, and then reduce his total tax by $8, which is 4 percent of the balance of $200.

Such savings cannot be said to be in favor of the average taxpaying citizen.

It seems only ordinary common sense that the way in which to revive a sagging economy is to make available more consumer purchasing capital with which to buy some of the many products presently gathering dust upon merchants' shelves.

Business needs the proper shot in the arm. Witness this truth in the fact that, in the State of Michigan alone, during the first 5 months of 1954, there were over twice as many failures in business as there were during the same period during 1953.

In the month of May 1954 in our own State, business collapses were approximately 2½ times what they were during the same month in the year previous.

Through the first half of 1954, total failures in our country were 5,624. In the same period in 1953, there were 4,284, which brings the national average increase to 34 percent, considerably less than the Michigan percentage.

There are many reasons for this downturn. Certain losses may be ascribed to error in judgment by business owners. Generally speaking, however, it seems that rising unemployment, smaller take-home by those wage-earners who are working, and the resulting lack of purchasing funds in the hands of the greater majority of people has acted to discourage sales. When sales are slow, inventory moves at an equally slow pace. This results in a correspondingly sharp fall-off in production, and this in turn means unemployment, which starts the circle off again, only at a dizzier pace.

If our economy needs a boost, it should be done in an effective and equitable manner, which, in my judgment, is most wisely accomplished by releasing consumer buying power. This can be done best by an increase in individual exemptions, rather than on the basis on which it has generally been done in this bill. Selective assistance to selected groups makes for injustice, inequity, and ultimately an unhealthy national economy.

There have been claims that this bill will result in a reduction in the national tax burden of approximately $7 billion. Actually, the figures are misleading. The figure comes closer to $1.363 billion. Most of the reduction claimed as part of the larger figure came about by expiration of law of a previous Congress, rather than by affirmative action by the present one.

However, even the lower figure, in view of the selective basis on which it was granted, does not do the job it ought.

I would be acting with a callous disregard of the wishes of the best interests of the many whom I represent were I to go on record in favor of a tax program which necessitates the payment of so much of the cost of Government by so many of those least able to pay.

If we cannot adequately provide this year for the type of tax relief which is so desperately needed, then we should address ourselves to the accomplishment of this task just as soon as circumstances and the limitations of human energy and ability permit.

We must and do dedicate our efforts to making available, at an early date, the effective type of tax relief which our average-income citizens—and they are in the great majority—are lacking at the present time.

H. R. 1227, Known as the Bryson Bill, Should Be Supported

EXTENSION OF REMARKS
OF
HON. EDWARD H. REES
OF KANSAS
IN THE HOUSE OF REPRESENTATIVES
Monday, August 9, 1954

Mr. REES of Kansas. Mr. Speaker, under permission granted me by the House, I am including a statement I submitted to the House Committee on Interstate and Foreign Commerce on H. R. 1227, being known as the Bryson bill, which would prohibit the advertising of liquor on billboards, in magazines, over the radio, and on television.

It is my view this legislation is of sufficient importance that it should have had consideration in the House.

The statement follows:

Mr. Chairman, I want to express my appreciation for the opportunity of submitting my views with respect to this proposed legislation. I, also, want it known that I support it.

The purpose of advertising is to increase sales. Among other things, the question before us is whether it is in the public interest to increase sales of liquor. We are not dealing with an ordinary object of legitimate trade in this case. The Congress and State legislatures have again and again recognized restrictive laws on the ground that alcohol is a dangerous commodity. Nearly all States recognize that it must be sold under severe restrictions. Every State in the Union, so far as I know, has laws and regulations that are far more strict with the sale of alcoholic beverages than with any other commodity.

We have even recognized the necessity of controlling the sale of alcoholic beverages with respect to advertising. I am sure you know that such advertising is presently subject to some regulation by the Alcohol Tax Unit of the Treasury Department, also, by the Federal Trade Commission. I mention this only to indicate there has been some recognition with respect to such control.

I don't know of anyone who really supports what is known as alcoholism. Nobody, so far as I am advised, believes that alcoholism is good for our people. On the other hand, almost everyone will admit two things—that it is a dangerous commodity and that its sale is on the increase. In this modern age the use of it has become more dangerous. Drunken drivers of automobiles have become a dangerous menace, not only to themselves but to others. Thousands of people lose their lives because of the excess use of alcohol. That situation is growing worse every year. Last year 34 percent of drivers involved in fatal accidents had been drinking. A 10-year study of traffic problems in Cleveland, Ohio, reported alcohol was evident in more than half of the cases studied. Railroad, bus lines, air lines, and other means of transportation recognize alcohol as a killer. They just don't knowingly employ anyone who uses alcohol, even moderately.

About 2 years ago, Dr. Jellinek, an economist of Yale University, who had given years of study to this problem, estimated there were 7 million people in the United States who were either alcoholics or whose lives had

been seriously affected by the use of alcohol and who were in danger of becoming alcoholics. Dr. Andrew C. Ivy, a member of the faculty of the University of Illinois, who had likewise given this problem serious study, put the figure at 7,500,000.

A subcommittee of the Senate has been investigating the problem of juvenile delinquency. A report has recently been submitted stating that since 1948 the number of delinquents has been steadily increasing. They call attention to the offenses committed by boys and girls under 19 years of age. The report indicates that since 1948 the number of juveniles committing these serious crimes has increased as much as 100,000. One of the witnesses who testified before that committee is Irving M. Kriegsfeld who is an outstanding authority on this subject. He said, and I quote: "Early identification with adult behavior results in considerable increased drinking and gambling." Part of this behavior is presented in a glamorous light through Men of Distinction series of advertisements. More of this glamor is presented through advertisements entitled "Homelife in America," being a series of advertisements where every incident of homelife is suggested as a proper occasion for drinking beer.

Dr. Edward Carlton, president of the American Association of Physicians and Surgeons, says the factories of the Nation lose 1 billion man-hours of labor a year because of hangovers. This is just one item of the cost of drink. The expense to American industry is a cost to all of us.

J. Edgar Hoover, in a recent statement, said "the startling increase in juvenile delinquency is largely due to parental failure." He calls it "one of the greatest tragedies of American life." A great share of the parental failure is due to drinking in cocktail lounges by the fathers and mothers of children who roam the streets.

It has always been my understanding that Congress has the police power, not only to attempt to prevent crime, but to guard the health and morals of this Nation. Here is one place where we should discharge our responsibility to help safeguard the American people. If you had 7 million people exposed to typhoid through lack of laws to exterminate mosquitoes and destroy the germ, you would act quickly enough. Here you have more than 7 million people who are a public liability, or in danger of becoming so, and who are a drain on their relatives and upset their families through drinking. You have 400,000 children whose lives are being ruined either directly or indirectly because of the use of alcohol.

It seems to me it is time for this Congress to discharge its responsibility. If people want to drink, that is one thing, but to encourage and insist through advertising in the newspapers, on billboards and over the radio and TV, that it's for their best interest to do so and that they really ought to do it, then I think we are carrying a situation too far.

Mr. Chairman, I would like to call your attention to an article that recently appeared in the local papers. It states that one of the toughest housing problems in the District jail last year was to take care of more than 14,000 drunks. The statement says that the number of admissions for intoxication has more than doubled in 5 years. "Police," the statement says, "could do something else with their time spent last year in arresting 37,000 persons for drunkenness." Officials state that municipal court criminal division would be deprived of 20,000 cases a year, if they could get rid of the drunks. You may be interested to know that in the Gallinger Hospital alone 2,156 persons were treated during 1 year for diseases caused by immoderate drinking. The situation has become so serious in the District of Columbia that it has become necessary to establish courts just to deal with drunk people alone. Incidentally, the number that were treated for alcoholism in one of the hospitals in this city almost doubled in the last 5 years.

It seems strange that we use public funds to try to cure alcoholics, but hesitate to approve legislation to restrict the advertising of a commodity that brings misery, poverty, and even death. A dangerous thing they say, but to restrict the advertising of it is not in the public interest.

There has been what I regard as a weak argument by those opposing this legislation to the effect that many people would be thrown out of employment if this legislation were approved. There are, at least, two answers, one of them is that it must be a poor excuse to say that people need to be employed to produce a commodity that is dangerous and certainly not for the best interests of this country. Furthermore, the millions of dollars that are spent for alcoholic beverages could be used to employ people in doing things worthwhile, building schoolhouses and churches and other buildings and improvements. The annual expenditure of $9 billion for liquor is pure waste. It is more than we spent for our churches last year. It could have been better spent for food, clothing, and other needs of the families that went without these things because the money was spent for alcoholic liquors.

This is a constructive piece of legislation. It ought to be approved. I hope you will report it favorably.

AFL Council Won't Back GOP

EXTENSION OF REMARKS
OF
HON. GEORGE H. BENDER
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Monday, August 9, 1954

Mr. BENDER. Mr. Speaker, it will not come as news that the American Federation of Labor does not like the Republican 83d Congress. The report of its council finds one bright spot in the picture, despite its jaundiced view of the overall record. In the field of social-security extension, the AFL approves the broadening of old-age coverage and increased benefits. In every other area, national defense, the Taft-Hartley Act, taxation, national economy, and foreign policy, the spokesmen of the A. F. of L. had nothing but harsh words for the 83d Congress.

There is no disposition in Washington to take this criticism lightly. No administration, in recent years, has given harder thought to the overriding issues of national defense and foreign policy. The changes in our military preparations ranging from a concentration upon new weapons and techniques to the authorization of a new Air Academy give ample evidence of this truth. Our constant efforts to amend the Taft-Hartley Act were defeated by the Democrats who refused to accept moderate amendments for political purposes, and the revision of our tax laws to encourage continued expansion of the national economy somehow never satisfy official labor spokesmen, despite their purposes.

The voters will have their opportunity to decide on November 2 between Democrats who cringe before such groups as the A. F. of L. council and the Republican majority which has been seeking to do a balanced, long-term job.

McLeod Offers Excuses in His Report Which Manifest His Unfitness—McLeod Must Go—Have Offered Necessary Amendments to Refugee Relief Act

EXTENSION OF REMARKS
OF
HON. EMANUEL CELLER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Monday, August 9, 1954

Mr. CELLER. Mr. Speaker, I have just finished reading Mr. McLeod's second semiannual report submitted to the Congress on the operations undertaken under the Refugee Relief Act of 1953. I find that this document presents all manner of excuses for the complete failure of the program as envisaged by the President and the Congress, which program was entrusted for his tender consideration. One of the main features of the act was "to rescue escapees from behind the Iron Curtain." The President called the bill an act of humanitarianism, as well as a weapon in the cold war that we are waging against Soviet communism.

I am informed from sources other than McLeod's report that only three escapees from behind the Iron Curtain have actually thus far been rescued for entrance into our country.

Now to the McLeod excuses: Not enough money to hire more special agents, although over $3 million was appropriated for special agents; not enough consular clerks to investigate; and not enough cooperation from foreign governments. But, more significant than that, he reveals his ineptitude, his lack of understanding of human problems, and his failure to appreciate the fundamental purpose of the rescue of victims of communism, by the following statement which appears in his report:

> The Administrator has purposely delayed opening the program to the escapees envisaged in section 4 (a) (3). This delay was intended to give all potential participating countries an equal opportunity to decide whether they wish to share in the program by complying with the statutory requirements. In particular, whether they would issue the certificates of readmission required under section 7 (d) (2) of the act.

Presently there are under dole and care in Austrian and German camps, principally furnished by the United States, 23,000 escapees from Communist persecution. Three months ago there were 17,000. These brave people risking their lives are making the trek across the border in daily increasing numbers. Remember, too, the United States has issued proclamations encouraging their coming. A few South American countries have drained off some of them. But delay in the implementation of this

program is fatal and is a complete nullification of the intention of the act.

McLeod must go.

The Refugee Act of 1953 was 1 year old on August 7 and on that day Mr. McLeod reported to the Congress that he had issued 7,287 visas out of the 209,000 authorized by the law, to be issued abroad. At this rate it will take the "able" administrator exactly 27 years to bring to the United States the authorized number of refugees. Furthermore, of the 7,287 visas issued, only about 2,100 persons have actually arrived in the United States. This is about 1 percent of the total number of permissible refugees. At such rate it would take a hundred years to carry out the program.

For the breakdown of his operations, among other excuses, he points to the reluctance of the countries affected to issue certificates of readmission in the event that the refugee is found to be excludable. Of course, countries have not cooperated with him not only because they do not wish to commit themselves for the long period required but also because of his arbitrary methods. He insists upon having his men range over Italy and Greece and other lands acting like local "cops" in examining the prospective applicants as to their habits and associations. The countries resent such invasion of their sovereignty.

He attributes his failure to the "overburdened officers of the Department who recruit and clear investigative personnel." He has spent so much time having investigators investigate investigators that he has nothing to show for 1 year's work. He insists upon more appropriations for more men. Is it that he wishes to build up a huge political machine? His men must be partisans of his party.

Scott McLeod must go.

He has revealed his own unfitness as administrator of the refugee program.

I have this day offered a bill to give the President the power, by and with the advice and consent of the Senate, to dismiss McLeod and appoint a new administrator for a term ending April 1, 1957. The bill also permits the filing of assurances of jobs and homes by recognized organizations, such as religious groups and special commissions appointed by governors, for the purpose of resettling refugees. Such a commission was already appointed by Governor Dewey, and President Eisenhower urged last week that the remaining 47 Governors follow suit. The requirement that every refugee admitted under the law would have to be in possession of a certificate entitling him to return to the country from which he is entering the United States, would be eliminated. The present administrator has required that such certificates have unlimited validity and most of the overseas countries are, of course, reluctant to commit themselves to take a refugee back after being in the United States 10 or maybe 15 years.

Presently individual assurances must be given guaranteeing a job and a home in the United States. In all refugee bills passed heretofore, blanketed assurances for jobs and homes were given by welfare and religious organizations. No trouble ensued. McLeod in his administration of the act has required individual assurances guaranteed by welfare organizations. The individual assurances are hardship enough but by demanding that they be supplemented by assurances of welfare organizations as well, McLeod muddied the waters and made confusion worse confounded.

Iowa Approves Attorney General Leo A. Hoegh's Endorsement of President Eisenhower's Loyalty Program

EXTENSION OF REMARKS
OF
HON. THOMAS E. MARTIN
OF IOWA
IN THE HOUSE OF REPRESENTATIVES
Monday, August 9, 1954

Mr. MARTIN of Iowa. Mr. Speaker, on July 26 some remarks were inserted on page 12026 of the CONGRESSIONAL RECORD by Mr. GEORGE RHODES, of Pennsylvania, under the caption "The Big Lie Technique" which were an attack upon Leo A. Hoegh, attorney general of Iowa and Republican candidate for Governor of Iowa, charging that statements made by Attorney General Hoegh were false. The statements in question referred to by Mr. RHODES had reference to the record of the Eisenhower administration in ferreting out certain Government workers and Mr. RHODES undertook to place a spotlight on the word "disloyal" rather than upon the fact of the dismissal, resignation, or general riddance of employees who are generally labeled "security risks."

Mr. RHODES' inserted statement created little notice in Congress and only passing comment in a few Iowa newspapers but that is not at all surprising because the people of Iowa, both Republicans and Democrats, know and thoroughly understand and trust Leo Hoegh for his outstanding record as attorney general of Iowa and for his general reputation for honesty, truth, and veracity, and for his devotion to highest principles.

The entire controversy over the number of Federal employees removed or dropped or resigned has grown out of the development of law and Executive orders enacted and issued to protect our Nation against offenses that jeopardize our national security.

President Eisenhower approved Executive Order No. 10450, to consolidate the so-called Federal employees' loyalty program, which existed under the previous administration, with the security risk removals process authorized under Public Law 733. In his security order President Eisenhower established the criteria upon which a determination is to be made as to whether the employment or retention in the Federal service of any person is clearly consistent with the national security.

As testified by Philip Young, chairman of the United States Civil Service Commission, on the employee security program, before the Senate Post Office and Civil Service Committee, March 2, 1954:

There has been in recent years a mounting public distrust of Government employees based on disclosures that unsatisfactory persons at various times have held Government positions of a highly sensitive nature. The old loyalty program which had been in effect for almost 6 years by January 1953, had done little to allay this distrust. Clearly, increased public respect for the Government service depended on greater assurance that no person would be hired or retained in a Government job unless his employment was entirely consistent with national security.

* * * * *

Under the previous administration an attempt was made to grapple with this problem through the operations of the Federal employees loyalty program, which was established by Executive Order No. 9835 in 1947. However, the system of adjudication under this program was intricate, time-consuming, and sometimes, in the final analysis, inconclusive.

* * * * *

As time went on, it had become apparent that the original standard under the loyalty program was not adequate for dealing with cases of suspected disloyalty. The original standards used for refusal of employment, or removal from employment, on grounds relating to loyalty was "reasonable grounds for belief that the person involved is disloyal." On April 28, 1951, by Executive Order No. 10241, President Truman changed the standard to "a reasonable doubt as to the loyalty of the person involved."

Public Law 733 was enacted by the 81st Congress in 1950 and President Eisenhower's Executive Order No. 10450 was issued April 27, 1953, establishing the present security program.

Quoting Philip Young's testimony further:

President Eisenhower, in his state of the Union message of February 2, 1953, to the 83d Congress, said: "The safety of America and the trust of the people alike demand that the personnel of Federal Government be loyal in their motives and reliable in the discharge of their duties. Only a combination of both loyalty and reliability promises genuine security."

He further stated: "The heads of all executive departments and agencies have been instructed to initiate at once effective programs of security with respect to their personnel," and added that the Attorney General would advise and guide departments and agencies in the shaping of these programs.

In applying these principles set forth by President Eisenhower, it was decided to broaden the application of the statutory authority which the 81st Congress had given the President in Public Law 733 of 1950. Therefore, the President, by Executive Order 10450 of April 27, 1953, established a Government-wide employee-security program, based on the authority and the approach set forth by the Congress in Public Law 733, and abolished the old loyalty program.

The basic objective of the employee-security program is to make sure that there is no employee on the Federal payroll nor any applicant appointed who can, because of his position, endanger the national security. The American people must be assured that the Federal employees are persons of integrity, high moral character, and unswerving loyalty to the United States.

The various offenders guilty of subversive action, sex perversion, felonies or misdemeanors, or various other causes, come squarely within the program established by Congress and by President

Eisenhower, and the important thing is the determination and proven effectiveness of the Eisenhower administration to carry out that loyalty program. That program meets with the unqualified approval of the people throughout the entire country. From my extensive personal contacts, I know that the people of Iowa approve most enthusiastically the program that is now being carried out so effectively by President Eisenhower and I know that the people of Iowa also approve enthusiastically the endorsement of President Eisenhower's program by Attorney General Hoegh. The people of Iowa will not be swayed by any effort to distract by quibbling over definitions.

The Need for a Constitutional Amendment Relating to Treaties and Executive Agreements

EXTENSION OF REMARKS
OF
HON. LAWRENCE H. SMITH
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Monday, August 9, 1954

Mr. SMITH of Wisconsin. Mr. Speaker, as this session of Congress is about to close, I want to express my very deep disappointment that the so-called Bricker amendment failed to pass the Senate by the narrow margin of one vote. Notwithstanding this defeat the fight for a constitutional amendment affecting treaties and executive agreements must go forward.

I was encouraged to note, Mr. Speaker, that last week the distinguished senior Senator from Ohio, Mr. BRICKER, has again introduced a proposed constitutional amendment which would, in effect, meet the objections to treaties and secret agreements secretly arrived at.

The so-called Yalta agreement is only one of thousands of executive agreements that are supplementing treaties, closing deals and commiting the United States, throughout the world, in such a way that the American people do not even know what is going on. Certainly Congress has not been consulted as it should have been. The amendment proposed by Senator BRICKER and which he has promised to reintroduce immediately at the start of the new Congress in January will go far to educate our people as to the dangers that lurk in these treaties and secret agreements.

It has been said that treaties to be valid must be approved by the Senate but, Mr. Speaker, it is well known that only a few of these treaties have actually been submitted to that body. At Yalta where President Roosevelt committed this country to approve tremendous concessions for Russia, it was all a simple, informal deal between the heads of state that were meeting in the Crimea. Much of the understandings between these heads were kept secret and only now are reaching the people in piecemeal fashion. This is true also of the unfortunate Potsdam Conference immediately after the war where Mr. Truman was compelled to consummate the understandings at Yalta which by their very terms permitted Russia to loot the industrial potential of Germany. Not long thereafter the American taxpayer was called upon to furnish the money to replace and rehabilitate this very industrial equipment that had been removed by Russia and sent into Iron Curtain countries.

Mr. Speaker, it is now known that when the large United States air bases were being contemplated and constructed in North Africa, Congress had little knowledge of what was going on. When the North Atlantic Treaty Organization came into being, it has been admitted by the Department of State that as the result of that agreement, some 10,000 other agreements have been made committing the United States to all forms of obligations.

It is not difficult to understand the overwhelming attitude of the American people today when they protest the use of secret agreements in furthering foreign policy. Many of the national polls that have been taken, indicate that the people are demanding protection against secret agreements, by appropriate constitutional amendment. They want all doubt removed in this matter so as to avoid future Yaltas.

Mr. Speaker, in support of the argument that I have been making for a Bricker amendment, I call attention to the fact that in 15 years there have been issued about 200 formal treaties which have had the attention of Congress. This goes back to a period beginning in 1939. On the other hand, some 1,400 Executive agreements have come to light but Secretary of State John Foster Dulles has admitted that there have been thousands of unpublished agreements since World War II. This is indeed a situation that demands prompt attention by the Congress and the hearty support of the American people generally.

Mr. Speaker, it seems strange to me that the Department of State would admit that there are many unpublished secret agreements when, as a matter of law, the Secretary of State is required to publish all treaties and executive agreements. As early as 1895, such a law was enacted by the Congress and amended slightly in 1936 and in 1938. The last amendment, however, was Public Law 821 of the 81st Congress, approved on September 23, 1950, which provided for the publication of treaties and other international agreements, separately from the Statutes at Large. Here is the provision of that law:

> The Secretary of State shall cause to be compiled, edited, indexed, and published, beginning as of January 1, 1950, a compilation entitled "United States Treaties and Other International Agreements" which shall contain all treaties to which the United States is a party that have been proclaimed during each calendar year, and all international agreements other than treaties to which the United States is a party that have been signed, proclaimed, or with reference to which any other final formality has been executed, during each calendar year.

Mr. Speaker, upon the convening of the 84th Congress, this matter of secret treaties and secret agreements is a matter of unfinished business. It should have the immediate attention of the new Congress.

Americans United in Opposition to Seating of Red China in the U. N.

EXTENSION OF REMARKS
OF
HON. CHARLES J. KERSTEN
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Monday, August 9, 1954

Mr. KERSTEN of Wisconsin. Mr. Speaker, because of the loud talk of a few leftwingers and Communists it might not be generally realized throughout the world that virtually all Americans are unanimous in their opinion that Red China should not be seated in the U. N.

Recently, more than a million Americans signed petitions against the admission of Red China into the U. N.

On July 15, 1954, the House of Representatives adopted H. R. 627 by a vote of 281 to 0. House Resolution 627 reads as follows:

> *Resolved*, That the House of Representatives reiterates its opposition to the seating of the Communist regime in China as the representative of China in the United Nations or any of its specialized agencies and supports the President in his expressed determination to use all means to prevent such representation.

And on July 29, 1954, the Senate of the United States, by a vote of 91 to 0 again expressed its opposition to the admission of Red China into the U. N. The measure which the Senate acted upon reads in part, "The Congress hereby reiterates its opposition to the seating of the Communist regime in China as the representative of China."

President Eisenhower, at a press conference on July 7, stated:

> I am completely and unalterably opposed under the present situation, to the admission of Red China into the United Nations. I personally think that 95 percent of the population of the United States will take the same stand.

The President went on to explain his position further:

> Red China is today at war with the United Nations. They were declared an aggressor by the United Nations, in the Assembly. That situation has never been changed.
>
> They are occupying North Korea; they have supported this great effort at further enslavement of the people of Indochina; they have held certain of our prisoners unjustifiably, and they have been guilty of the employment of the worst possible diplomatic deportment in the international affairs of the world.
>
> Now, how can the United States, as a self-respecting Nation, doing its best in conformity with the moral standards as we understand them, how can we possibly say this government should be admitted to the United Nations?

The American people have lost 33,417 of their youth killed in the Korean war and have had an additional 108,650 wounded. These 142,000 casualties will forever be a vivid reminder to the American people of the true nature of the Chinese Communist regime.

But American opposition to Red China is not solely an emotional response to this great loss—it is based on the U. N. Charter itself. Article 4, section 1, states:

Membership in the United Nations is open to all other peace-loving states which accept the obligations contained in the present Charter and, in the judgment of the organization, are able and willing to carry out these obligations.

This section clearly indicates that membership in the United Nations is not to be open to all nations but rather only to peace-loving states. The very word united in the United Nations implies that the nations are united as to its objectives and are not merely an assembly of all states.

Secretary of State John Foster Dulles aptly expressed this position when he stated:

The United Nations was not set up to be a reformatory. It was assumed that you would be good before you got in and not that being in would make you good.

Secretary Dulles explained this point in his press conference on July 8, 1954, as follows:

The record of the Chinese Communist regime is such that it is, in my opinion, clearly not qualified to be seated in the United Nations.

Let me, if I may, elaborate that a bit. I recall from the days at San Francisco in 1945, when the charter was drawn, that there was at that time a very considerable argument on whether the United Nations should be a universal body which would represent all the governments of the world, good, bad, or indifferent, or whether membership should be on a selective basis. That was strongly argued at San Francisco and the proponents of selectivity won. That is reflected by the provision in the charter that members should be peace-loving and able and willing to discharge their obligations under the charter. That is strengthened furthermore by the provision that any nation against which enforcement action was taken should be liable to suspension from membership in the United Nations. In other words, the United Nations was not set up to be a reformatory. It was assumed that you would be good before you got in and not that being in would make you good.

The United States, basing itself on the principles of the charter, which are clear, takes the position that the Communist regime is disqualified by its consistent record of opposition to the principles of the United Nations. In Korea it carried on war against the United Nations. At the Geneva Conference it continuously donounced the United Nations. It has been the subject of enforcement action recommended by the United Nations. In southeast Asia it promoted aggression. All of these facts combine to make a case such that we do not believe that the requisite vote can be found to admit the Communist regime to represent China in the United Nations.

This strong opposition of the American people to the admission of Red China to the U. N. is not based on any dislike or distrust of the U. N.; rather it is based on a strong desire to make the U. N. really effective. The American people realize that if Red China were admitted to the United Nations it would be as Senator ALEXANDER WILEY, chairman of the Senate Foreign Relations Committee stated in the United States Senate, "a death blow to that organization."

Senator WILLIAM KNOWLAND, of California, the majority leader of the Senate, feels so strongly on this subject, that on July 1, 1954, he stated in the Senate:

On the day when Communist China is voted into membership into the United Nations, I shall resign my majority leadership in the Senate, so that without embarrassment to any of my colleagues or to the administration, I can devote my full efforts in the Senate and throughout the country to terminating United States membership in that organization and our financial support to it. My conscience would not permit me to remain silent or inactive if this last grand appeasement takes place.

Similarly, Senator LYNDON B. JOHNSON, of Texas, the minority leader in the Senate, stated on July 2, 1954:

The American people want no appeasement of the Communists.

Second, the American people will refuse to support United Nations if Communist China becomes a member.

A perusal of the United Nations Charter, would demonstrate to anyone that this organization would commit suicide if it admitted Red China to its body.

Article 2, section 2 of the U. N. Charter states:

All members, in order to insure to all of them the rights and benefits resulting from membership, shall fulfill in good faith the obligations assumed by them in accordance with the present charter.

Would anyone seriously contend that Red China would fulfill its obligations under the charter in good faith?

Article 2, section 3, of the U. N. Charter states:

All members shall settle their international disputes by peaceful means in such a manner that international peace and security, and justice, are not endangered.

Article 2, section 4, of the U. N. Charter states:

All members shall refrain in their international relations from the threat or use of force against the territorial integrity or political independence of any state, or in any other manner inconsistent with the purposes of the United Nations.

Who would seriously suggest that Red China will refrain from the threat or the use of force against the territorial integrity or political independence of any other state?

Article 2, section 5 of the U. N. Charter reads:

All members shall give the United Nations every assistance in any action it takes in accordance with the present Charter and shall refrain from giving assistance to any state against which the United Nations is taking preventive or enforcement action.

Not only is Red China not assisting the United Nations in its actions but it is the very subject against which the United Nations has taken action and branded as an aggressor in Korea. It has not only not refrained from giving assistance in the battle against war in South Korea, but has been the instigating force of that war.

These are the principles of the U. N. Charter: For what purpose shall the U. N. continue is existence if it ignores these principles? The admission of Red China to the U. N. would be a complete perversion of these principles and of the U. N. itself. Could the U. N. possibly retain the respect of any rational person if it admits to its membership this wanton aggressor and destroyer of its own people?

There is no indication to this date that the Red Chinese regime is representative in any way of the Chinese people. It has no claim to legitimacy. This regime is neither a government nor is it legitimate. It consists solely of a band of gangsters who have seized the trappings of government and are using it as a club to make its own people obey its dictates, having slain millions of its own people in the attempt.

Mr. Walter P. McConaughy, Director of the Office of Chinese Affairs in the United States Department of State, expressed the United States attitude toward the Red Chinese regime when he explained in the Department of State Bulletin of January 11, 1954, the reasons for American refusal to recognize the Chinese Communist regime. Mr. McConaughy there stated:

To start with, let us take a look at the four generally accepted criteria which a new regime ordinarily must meet before its recognition as a legitimate government and its acceptance into the sisterhood of nations. These four criteria are (1) effective control over the territory of the country; (2) sovereign independence; (3) truly representative character—something in the nature of a mandate from the people governed, or at least their consent without coercion; and (4) acceptance of its inherited and generally recognized treaty and other international obligations and adherence to a pretty well established minimum standard of decency in its treatment of foreign nationals and interests within its borders.

Of these four criteria it would seem that the Peiping regime meets only the first and that is perhaps the least essential of the four.

Repeatedly we have recognized governments in exile which could not meet the first criterion. But it would be a serious matter to overlook the other three tests.

The Chinese Communists do not measure up under any of them. They are subservient to Moscow and international communism; they impose an alien minority rule by force and falsification on an intimidated, isolated and misinformed populace; and they openly flout every Chinese treaty obligation, every principle of the U. N. Charter, and every clause in any reasonable formulation of human and property rights for aliens.

Mr. McConaughy also offered strong practical reasons against recognition of Red China. These arguments apply with equal force with respect to admitting Red China to the U. N. Mr. McConaughy stated:

On grounds of international law, the case against recognition is very strong. On practical grounds, the argument is equally strong.

Recognition has assumed a political and psychological significance which is new. It has become a symbol. Recognition in this case would mean in the eyes of millions, especially in Asia, not necessarily approval but acceptance, accommodation, and reconcilement.

Nonrecognition means refusal to accept the Communist triumph as definitive. It means to many that the will to resist Communist expansion is alive; that communism is not the inevitable "wave of the future" for Asia; that communism is not assured of acceptance and legitimation in every country where it may gain a beachhead; that our Asian friends who have the courage to stand

up against communism will not have the ground cut from under their feet if communism should attempt to subvert or take over their native land.

Some may be unable to see why the recognition issue should signify all this; but the fact is that it does to many Asians; including numbers who are on the fence. Many an Asian has told me that American nonrecognition of the Communist regime in Peiping has had much to do with checking the impetus of the Communist advance in Asia.

Even Chinese who are not particularly in sympathy with the Chinese Nationalist Government tell us that recognition of the Communist dictators in Peiping would be the greatest single nonmilitary triumph for the Communist cause and the hardest psychological blow against the will to resist the further spread of communism that could be devised.

It would be an unthinkable betrayal of the Chinese Government and its people on Formosa and likewise a grave disservice to the mass of Chinese people on the mainland suffering under Communist dictatorship. Our friendship for them shall not waver, and it demands that we shall not strengthen the hand of their oppressor.

The Communist side is becoming increasingly aware of the immense political and psychological advantages, as well as the parliamentary advantages in the United Nations, which could be obtained from general worldwide recognition of the Peiping regime. Hence we are beginning to see a series of maneuvers out of Moscow and Peiping designed to force the general international acceptance of Mao Tse-tung regime as the legitimate government of China, entitled to occupy China's seat in the United Nations. This endeavor must be resisted.

The argument has been made by some that if we object to the admission of Red China into the U. N. why do we not object to the presence of the Soviet Union in the U. N. I, for one, of course, have continuously advocated that we should take measures to expel the Soviet Union from the U. N. precisely because it has violated the U. N. Charter, particularly article 2, section 5, which I have quoted above. However, even though one does not advocate the expulsion of the Soviet Union from the U. N., it does not necessarily follow that it is therefore desirable to admit Red China. We are well aware of what type of regime the Red Chinese are. Any act leading toward its admission to the U. N. would be done in the face of our actual knowledge of its treacherous character.

But when the United Nations was formed it was believed by many people that the Soviet Union was a peace-loving state; that it was able and willing to carry out the obligations of the charter; that it would attempt to settle its international disputes by peaceful means; that it would refrain from the threat or use of force against the territorial integrity or political independence of any other state; that it would assist the United Nations in its actions and that it would refrain from giving assistance to any state against which the United Nations is taking preventive or enforcement action. It was seriously believed by many that the Soviet Union would become a true partner in the U. N. and live up to its provisions. It was on that very assumption that they were brought in as one of the founders of the United Nations. We now well know, that the Soviet Union got into the U. N. by reason of its guile and the free world's gullibility. Now that it is in, it is difficult to expel it.

But however that may be, because we have made a serious mistake once is no reason to make the same serious mistake again. The U. N. cannot admit Red China, knowing its true character, without thereby denying the very purpose of the U. N.'s existence.

The American people feel a strong bond of friendship with the Chinese people. The Chinese people and the Nationalist Government were strong and faithful allies of the United States in its war against Japan. The American people know that the Chinese Nationalist Government is more representative of the Chinese people than the Chinese regime could ever be. We know that this dark hour in Chinese history will pass and that China will again be free and a sovereign nation.

These American hopes for China were expressed on February 26, 1954, by Mr. Walter S. Robertson, Assistant Secretary of State for Far Eastern Affairs, in an address he made on the occasion of the transfer of two United States destroyers to the Republic of China, at Charleston, S. C. Mr. Robertson on that occasion stated:

It is for all these reasons that no wish is closer to the heart of the American people than that China shall be herself again. It is in witness of that hope that two American destroyers today are being transferred to the Chinese flag. These vessels are symbols of our abiding faith in China and of our conviction that China will again, as always in the past, prove stronger than the alien intruder. We believe these ships will contribute to bringing nearer the day when China will belong unreservedly to the Chinese. In passing to the command of the Republic of China, they go to strengthen a government that is at once a symbol and a fruit of the inextinguishable Chinese spirit.

Recently, 14,000 Chinese prisoners of war in Korea, by choosing to forsake the ties of family and community in order to live under a truly Chinese flag, exposed the fraudulence of the claims of the authorities in Peiping to speak with the voice of China. The passionate determination of so many soldiers from their command not to return to Communist rule clearly came as a great shock to those authorities. It did not surprise us in the least. There has never been any question in our minds as to how the Chinese people would choose if given the choice between a government rooted in Chinese traditions and one that has made of China a handmaiden of an alien imperialism. It is because of what we know of the Chinese people's ability to endure the most malignant fortune without being crushed by it or surrendering to it that we have no doubt of the outcome of China's present travail.

Long Range Versus Short Sight

EXTENSION OF REMARKS
OF
HON. GEORGE H. BENDER
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Monday, August 9, 1954

Mr. BENDER. Mr. Speaker, out of the conflicting reports and developments of the congressional sessions has come at least one clear-cut picture of the differences which will be carried by the political parties into the November elections. For the first time in 20 years, a Republican-dominated program was presented to the Congress and substantially adopted. The Democrats, who had gloated for two decades over the failure of the Republicans to develop an outline of legislative opposition, found themselves in the same position and showed little, if any, legislative direction or strength.

As a direct result of this reversal of positions, the Democrats found themselves engaging in forensic rear-guard actions, futile maneuvers, and presented only occasional stopgap suggestions of little serious merit. Often they directed exclusive attention toward election issues as distinguished from vital national considerations. Their sights seemed bounded by November, where Republican efforts were focused on the long-range objectives of national policies, foreign and domestic. The coming months will determine whether or not the long-range view is better than the short sight.

The Drys' Iron Curtain With Holes

EXTENSION OF REMARKS
OF
HON. EMANUEL CELLER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Monday, August 9, 1954

Mr. CELLER. Mr. Speaker, what did a congressional committee do when it was faced with a patently absurd bill which carried favor with a self-appointed guardian group of public habits? What did it do to appease the prodding and pressure of the self-righteousness who in the name of temperance exhibited all the tantrums of the intemperate? It ducked and dived around the issue, it bared its teeth but did not bite, it cloaked its lack of conclusions by shifting the burden to other groups and ended up by declaring, "We didn't say 'Yes' and we didn't say 'No'."

This is exactly what happened when the Committee on Interstate and Foreign Commerce was confronted with the Bryson bill, H. R. 1227, a bill to prohibit the transportation in interstate commerce of advertisements of alcoholic beverages by mail, newspaper, periodical, newsreel, photographic film, or record for mechanical reproduction, and the broadcasting of such advertisements by radio and television. By some inadvertence, no doubt, skywriting and match covers were not included. After 500 pages of testimony, the committee concluded that the issues "require further consideration and more detailed information." This is what I call the "hot coal" formula. You lift, drop, and blow. The other formula adopted in the report is the well-known dodge of "chestnuts-in-the-fire." Let the other fellow do it for you. The whole problem: foam, froth, and hop, is poured into the funnel

of the radio and television industries. The sound of running is heard all through the Nation as the committee, playing straight man to the fall guy, reports:

> The committee feels that it is incumbent upon the radio and television industries, in their own enlightened interest, to give serious consideration to the widespread complaints with reference to the alcoholic beverages over their media and to take immediate steps to meet these complaints.

The next step in the "you-do-it-not-me game" is the stern admonition, the straight father-to-son talk. "The committee, therefore" ends the report, "feels justified in requesting that the radio and television industries submit to this committee by January 1, 1955, a report as to the steps already taken, and proposed to be taken, to cope with this problem. We expect the wholehearted cooperation of all concerned in arriving at a satisfactory solution to these vital issues." Do I detect the glimmer of a threat?

Now, if I were a member of the radio and television industry, I would find myself questioning why was such request thrown at our industry and not at newspapers and magazines? Discrimination, I would cry. Is a puzzlement. Is an advertisement of wine or beer less corrupting when viewed with the morning coffee than when Willie Mays hits a triple? Or is not the radio and television industry expected to hit back as would the newspapers? Or is it because the radio and television industry is much younger and more easily frightened? Or is it because the human voice entices more effectively than printed prose?

There is another soulful bit in the report to which I call your attention:

> The committee takes cognizance of the fact that the distilling industry has adopted a policy of refraining from advertising its products over radio and television. This fact creates the thought that consideration could profitably be given by the beer and wine industries to the possibility of eliminating or curtailing their advertising over radio and television.

Oh, the virtues of circumlocution and timidity. Not the gingerly approach: "This fact creates the thought that consideration could profitably be given." The committee could not say directly and forthrightly, "Let the wine and beer industry do likewise." The intelligence not fogged by the fanaticism of the prohibitionist knows how absurd is the policy adopted by the distilling industry.

Is man but an empty vacuum bottle into which an advertisement can be poured and he immediately drops his restraints, his balance, and his sense of proportion? Does a jingle like "XYZ is a hearty beer, mellow, frothy, clean, and clear" change the prudent habits of a lifetime? Since when is a picture of a family supper with wine or beer at a table a picture of dissoluteness, invitation to crime or excess? He beholds evil who thinks evil.

There are those unfortunate and piteous souls who would drink to excess if there were not a newspaper, radio, and television advertisement to be spied anywhere in the world.

Let the prohibitionists turn their energies toward the problems of the causes of alcoholism, insecurity, poverty, social maladjustments, problems that need to be attacked with all the energies at our command. I am sure the alcoholic beverage industries would gladly join hands with them in an effort to find cause and cure, medically and psychiatrically. This is a recommendation to which the committee could have lent its signature and support. Instead, here we have an attempt to intimidate the wine and beer industry, threaten the radio and television industry, and belittle the intelligence of temperate men and women by suggesting that the viewing of radio and television advertising of beer and wines is the first major step toward Skid Row.